



大同機械企業有限公司  
**COSMOS MACHINERY ENTERPRISES LIMITED**

Stock Code 股份代號: 118

# 2020 Annual Report 年報



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# CORPORATE INFORMATION

## 公司資料

As at 30 March 2021 於二零二一年三月三十日

### BOARD OF DIRECTORS

#### Executive Directors

Tang To (*Chairman*)

Tang Yu, Freeman (*Chief Executive Officer*)

#### Non-executive Directors

Kan Wai Wah

Qu Jinping

#### Independent Non-executive Directors

Yeung Shuk Fan

Cheng Tak Yin

Ho Wei Sem

Huang Zhi Wei

#### Audit Committee

Yeung Shuk Fan (*Chairman*)

Cheng Tak Yin

Ho Wei Sem

#### Remuneration Committee

Cheng Tak Yin (*Chairman*)

Ho Wei Sem

Tang To

Yeung Shuk Fan

#### Nomination Committee

Tang To (*Chairman*)

Cheng Tak Yin

Ho Wei Sem

Tang Yu, Freeman

Yeung Shuk Fan

#### Committee of Executive Directors

Tang To (*Chairman*)

Tang Yu, Freeman

### AUTHORISED REPRESENTATIVES

Tang To

Tang Yu, Freeman

### 董事會

#### 執行董事

鄧 燾 (*主席*)

鄧 愚 (*行政總裁*)

#### 非執行董事

簡衛華

瞿金平

#### 獨立非執行董事

楊淑芬

鄭達賢

何偉森

黃志煒

#### 審核委員會

楊淑芬 (*主席*)

鄭達賢

何偉森

#### 薪酬委員會

鄭達賢 (*主席*)

何偉森

鄧 燾

楊淑芬

#### 提名委員會

鄧 燾 (*主席*)

鄭達賢

何偉森

鄧 愚

楊淑芬

#### 執行董事委員會

鄧 燾 (*主席*)

鄧 愚

#### 授權代表

鄧 燾

鄧 愚

**CORPORATE INFORMATION (CONTINUED)**  
公司資料(續)

As at 30 March 2021 於二零二一年三月三十日

**COMPANY SECRETARY**

Man Wing Yan

**公司秘書**

文穎茵

**AUDITOR**

Ting Ho Kwan & Chan

**核數師**

丁何關陳會計師行

**PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
BNP Paribas Hong Kong Branch  
Nanyang Commercial Bank, Limited  
The Hongkong & Shanghai Banking Corporation Limited

**主要往來銀行**

中國銀行(香港)有限公司  
法國巴黎銀行香港分行  
南洋商業銀行有限公司  
香港上海滙豐銀行有限公司

**REGISTERED OFFICE**

10/F., Billion Plaza 2  
No. 10 Cheung Yue Street  
Cheung Sha Wan  
Kowloon, Hong Kong

**註冊辦事處**

香港九龍  
長沙灣長裕街10號  
億京廣場2期10樓

**SHARE REGISTRAR**

Tricor Secretaries Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

**股份過戶登記處**

卓佳秘書商務有限公司  
香港灣仔皇后大道東183號  
合和中心54樓

**COMPANY'S WEBSITE**

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**公司網址**

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電話：(852) 2376 6188  
傳真：(852) 2375 9626

**STOCK CODE**

118

**股份代號**

118

# MAIN OPERATIONAL STRUCTURE

## 主要業務架構

As at 30 March 2021 於二零二一年三月三十日



**Machinery Manufacturing  
Business**

機械製造業務

**Plastic Products Processing  
and Manufacturing Businesses**

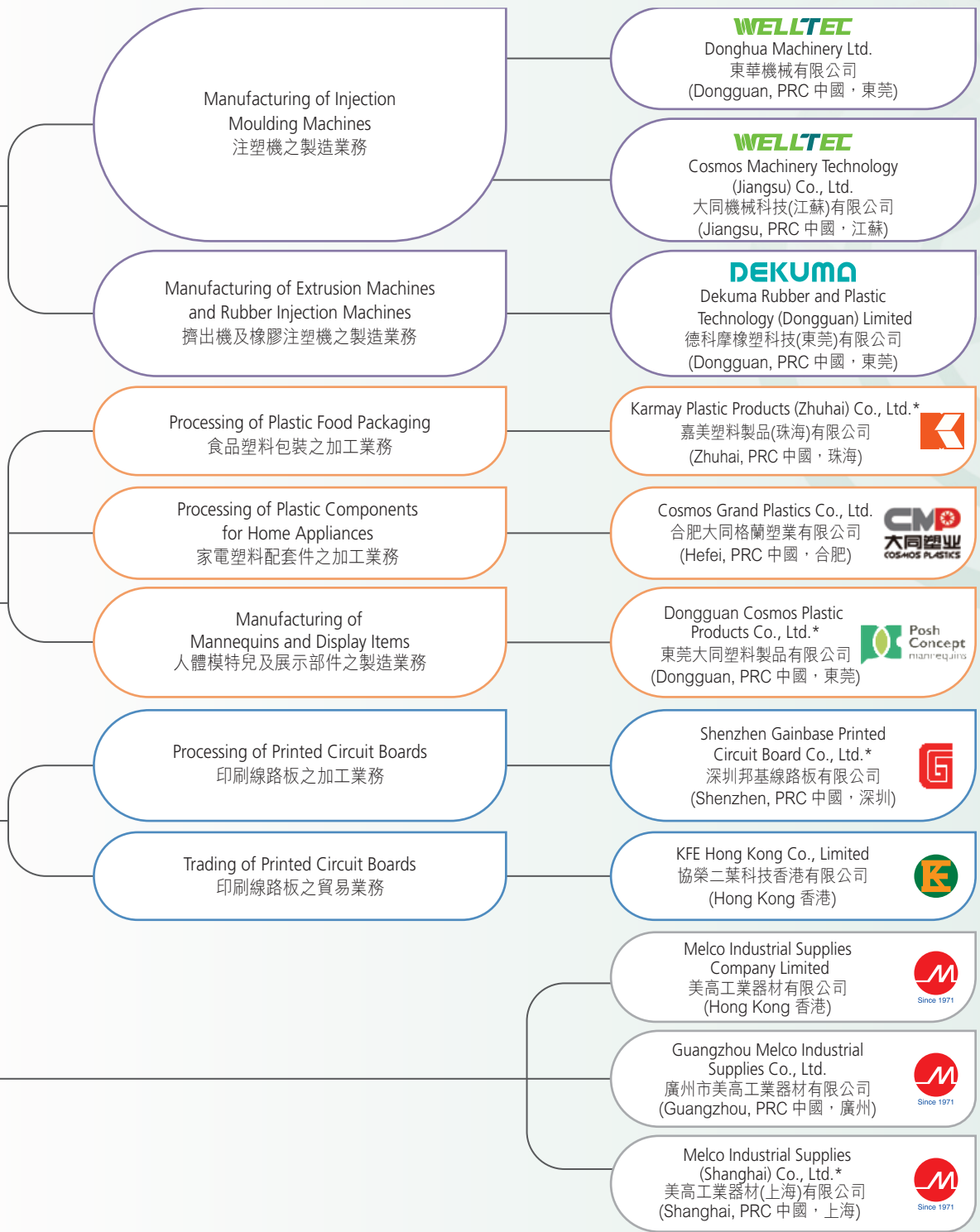
注塑製品之加工及製造業務

**Printed Circuit Boards Processing  
and Trading Businesses**

印刷線路板之加工及貿易業務

**Industrial Consumables  
Trading Business**

工業消耗品之貿易業務



\* For identification purposes only.

\* 僅供識別。

**Note:** The details of the shareholding of each subsidiary held by the Company or its subsidiaries, please refer to the note 41 of the consolidated financial statements of this annual report.

**註:** 由本公司或其附屬公司持有各附屬公司的股權，請參閱本年報綜合財務報表附註 41。



# CHAIRMAN'S STATEMENT

## 主席報告

The unprecedented Coronavirus Disease 2019 (COVID-19) (the "COVID-19") pandemic posed serious challenges to the Group. In response to the PRC government's proactive fight against the pandemic such as lockdown and strict people movement measures in early 2020, our subsidiary's management delivered comprehensive and effective pandemic contingency plans. The Group coordinated with pandemic response plan of each subsidiary to leverage the Group's synergy effect. Once the local authorities approved all of the response plans, the Group was able to resume work and production in an orderly manner within a short time frame, to quickly provide service to our customers, and in turn strengthened customers' confidence in our Company. We are also proud and delighted to have ensured total employee health and safety during the pandemic.

The pandemic led to dramatic changes in several manufacturing industries, including automotive and home appliances which resulted in a downturn. A number of customers requested to postpone or even cancel the original orders. While our team were deeply concerned about the situation, urgent demands arose in the market for machinery products and a series of products that did not sell very well in the past were selling well during the period. Thankfully, our professional research and development teams quickly developed a melt-blown fabric manufacturing machine system for surgical face masks by leveraging on our foundation of extrusion machines technologies. We were able to obtain a sizable number of orders. The COVID-19 pandemic resulted in a sudden and massive contraction in the global economy. Domestically, due to the effective prevention and control measures, the progress of resumption of work and production, and economic recovery of our country was in a world-leading position, and Mainland China's exports were a readily available substitute, which benefitted a number of our customers' export business. However, in light of the shortage of parts and components supply chain disruptions, problematic logistics and difficulties in outsource processing during the pandemic, the teams worked hard together and were able to solve pressing issues in order to maintain high product quality and avoid financial losses, and to run a smooth operation during this high demand period.

百年不遇的2019新型冠狀病毒（「2019新型冠狀病毒」）疫情充滿新的挑戰和嚴峻的考驗。於二零二零年初為響應國家積極應對疫情的措施，面對全國人員流動的嚴格限制，各成員公司管理層同事充分發揮創意，分別擬訂應對防疫的計劃措施。本集團綜合各成員公司的計劃，發揮協同效應，訂定詳盡而有效的防疫指引，分別獲得各成員公司當地政府部門的認同，各成員公司得以順利地早日有序復工復產，及時向客戶維持供應服務，穩固客戶對我企業的信心。我們亦成功保障全體僱員的健康與安全。

疫情導致市場莫大的變異，如汽車和家電等製造行業處於十分低潮的窘境，不少客戶更要求把原已下達的訂單推延交付甚至取消。在同事們深感憂慮之際，市場出現疫情間迫切需要的機械產品，那些過去並非長期暢銷的系列於期間得以熱賣。還感恩專業研發設計的團隊憑藉擠出機的技术基礎快速研發成功製造口罩用的熔噴布的設備，皆獲得可觀的訂單。2019新型冠狀病毒疫情導致國際經濟出現斷崖式的收縮，而中國內地防控得力，復工復產進度和經濟回暖在全球居於領先地位，中國對其他國家出口形成了替代效應，使部份客戶企業的出口訂單顯現旺景。然而在疫情下所暢銷品種的零部件短缺，更面對供應鏈斷裂、運輸不暢通及外發加工困難等因素下，全賴同事們奮力應對和破解難題以保品質及避免虧損，為應對疫情期間急切的需求以致營運保持暢旺。

It is worth noting that the prices of raw materials such as metals and plastics began to soar in the middle of last year and the RMB exchange rate continued to rise, which affected our businesses' profit margins. Fortunately, we were grateful that the Company achieved profitability due in part to the subsidies received from the Mainland China and HKSAR governments.

With the ongoing implementation of vaccination programs around the world, the pandemic should gradually ease. Due to the different orientations of macro policies adopted by the major economies in the world, the state of market recovery will perhaps present abnormal scenarios. The consequences derived from the easing fiscal policies adopted by the governments of various countries in response to the pandemic will challenge enterprises to adapt to increasingly volatile exchange rate fluctuations, surging raw material prices and high freight costs. The implementation of a more open policy by the PRC should lead to a rising trend in the RMB exchange rate. As PRC citizens, while we are delighted with the success by the government's proactive social policies geared towards benefitting the population, the industrial sector will be facing increased labour costs. It is worthwhile to closely monitor the effects of the market changes arising from the conclusion of the Regional Comprehensive Economic Partnership (RCEP) and the China-EU Comprehensive Agreement on Investment. The comprehensive Sino-US confrontation is also a factor that causes uncertainties in the business environment.

In the face of a dynamic and extremely uncertain operating environment, the management of the Group must always be highly vigilant and respond to changes effectively. The Group continues to proactively invest in research and development and innovation, and integrate new products and excellent services with new technologies for all businesses. To effectively control financial risks, it is imperative to maintain prudent control measures for accounts receivable. The Company must maintain ample cash to strengthen the foundation of the Group with pragmatic strategies in response to upcoming hurdles and new challenges in order to strive for reasonable returns for Shareholders.

I would like to express my sincere thanks to the Board members for their guidance and inspiration during this unusual year. I am deeply gratified and grateful for all employees for their solidarity and creativity when facing adversity.

值得高度關注的是去年年中期間金屬與塑料等原材料價格開始顯現攀升，人民幣匯率持續上揚，削減了業務利潤的空間。可幸獲得中國內地及香港特區政府對企業的支援及補貼，得以保持盈利，實在感恩。

隨著世界各地的疫苗接種計劃陸續展開，國際疫情將會趨於緩和，由於全球各主要經濟體的宏觀政策取向各異，市場復甦狀態將出現各種異於常態的效應。各國政府應對疫情的財政寬鬆政策而派生的結果，導致企業要面臨愈加活躍的匯率波動、原材料價格持續上漲和運費高昂等挑戰。國家推行更積極的開放政策會導致人民幣匯價反覆趨升。積極的惠民政策越見成效，身為國民心感歡欣，而工業界當要面對用工成本上揚。對區域全面經濟夥伴關係與中歐全面投資協定的訂立，導致市場變化的效應當要時刻高度關注，中美全面博弈對抗更為經營環境不明朗的變幻要素。

面對多元極不明朗的營運環境，本集團管理層當要時刻高度警惕並要及時作有效應對。各業務將持續積極推動研發創新，不斷以嶄新的科技融入新產品與更優越的服務。為有效控制財務風險，對應收賬款仍需維持審慎的控制措施。企業必須保持充裕的現金，以務實的方略穩固集團的基礎以應對更嚴峻的考驗與新的挑戰，為股東爭取合理的收益。

不尋常的年度裡，董事會成員提供的督導與啟示，本人致以誠摯的謝意。全體僱員同心同德，以積極進取的創意迎戰逆境，本人深感欣慰更致以深切謝意。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### RESULTS SUMMARY

Revenue	收入
Gross profit	毛利
Operating profit	經營溢利
Profit for the year	本年溢利

### FINANCIAL RESULTS

#### Revenue

Revenue of the Group for the year was approximately HK\$2,432,021,000 (2019: HK\$2,344,923,000), an increase of 3.7% over the same period last year, which was mainly due to the increase of revenue of machinery manufacturing business and industrial consumables trading business.

#### Gross profit

Gross profit of the Group increased by 8.1% to approximately HK\$407,978,000 (2019: HK\$377,540,000), which was mainly due to the increase of gross profit of machinery manufacturing business. Gross profit margin of the Group also increased by 0.7 percentage point to 16.8% for the year as compared to that of last year.

#### Profit for the year

The Group recorded net profit of approximately HK\$25,878,000 for the year (2019: HK\$24,884,000), an increase of 4.0% over the same period last year. This increase was primarily due to government grants for supporting the enterprises due to temporary shutdown of the Group's factories during the year.

### 業績摘要

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	Change 變動
<b>2,432,021</b>	2,344,923	+3.7%
<b>407,978</b>	377,540	+8.1%
<b>49,929</b>	53,894	-7.4%
<b>25,878</b>	24,884	+4.0%

### 財務業績

#### 收入

本年度本集團收入約為2,432,021,000港元（二零一九年：2,344,923,000港元），比去年同期增加3.7%，主要是由於機械製造業務及工業消耗品之貿易業務收入上升所致。

#### 毛利

本集團毛利比去年上升8.1%至約為407,978,000港元（二零一九年：377,540,000港元），主要是由於機械製造業務的毛利上升所致。本年度本集團之毛利率亦比去年同期上升0.7個百分點至16.8%。

#### 本年溢利

本年度本集團錄得溢利淨額約為25,878,000港元（二零一九年：24,884,000港元），比去年同期增加了4.0%，該增長主要是由於本年度本集團的工廠短暫停產而獲得政府以支持企業的補貼所致。

### Administrative expenses

The administrative expenses of the Group were approximately HK\$222,678,000 for the year (2019: HK\$221,354,000), a slightly increase of 0.6% over the same period last year.

### Selling and distribution costs

The selling and distribution costs of the Group for 2020 amounted to approximately HK\$151,200,000, decreased by 10.4% as compared to approximately HK\$168,808,000 for last year. This decrease was mainly due to more effective cost control measures during the year.

### Finance costs

The Group's finance costs amounted to approximately HK\$20,315,000 for the year, representing a decrease of 18.6% as compared to approximately HK\$24,958,000 last year which was mainly due to gradual repayment of bank borrowings. The Group will continue to improve the efficiency of capital utilisation and strive for the most favourable conditions for obtaining bank credits, so as to reduce the overall finance charges.

### Other income

The net amount of other income and gains of the Group decreased by 76.2% from approximately HK\$66,516,000 for 2019 to approximately HK\$15,829,000 for 2020, which was mainly due to the Group's non-recurring gains of reversal of provision for restructuring and indemnity of approximately HK\$20,290,000 and HK\$25,780,000 respectively for the year 2019.

### 行政費用

本集團本年度行政費用約為222,678,000港元(二零一九年: 221,354,000港元), 比去年同期輕微增加0.6%。

### 分銷費用

本集團二零二零年度分銷費用約為151,200,000港元, 比去年同期約為168,808,000港元, 下跌10.4%, 主要由於本年度的成本控制措施更為有效。

### 財務費用

本年度本集團財務費用約為20,315,000港元, 較去年約為24,958,000港元下跌18.6%, 主要原因是本集團逐步償還銀行借款。本集團將持續提升資金使用效率, 爭取銀行提供更好的授信條件, 從而降低整體財務費用。

### 其他收入

本集團的其他收入及收益淨額由二零一九年約為66,516,000港元減少76.2%至二零二零年約為15,829,000港元, 主要是由於本集團於二零一九年回撥未動用的重組撥備及回撥賠償撥備的非經常性收益分別約為20,290,000港元及25,780,000港元。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

#### BUSINESS REVIEW

##### Crucial impact of the COVID-19 pandemic against the Group

Similar to most companies in the PRC and elsewhere, all of our business segments were massively challenged by the COVID-19 pandemic and its implications.

At the early stage of the pandemic, essentially all of our manufacturing businesses were confronted with unprecedented social lockdown measures in the PRC. It affected most people movements, heavily disrupted supply chains, caused factory shutdowns, delayed sales and marketing activities, and the Group was highly concerned about employee health and safety to ensure a fast and smooth resumption of work and production.

Although our trading businesses were spared from the challenges of managing the reopening of manufacturing operation, they had to promptly adapt to home office arrangements and online communications with customers and suppliers, resolve complex logistics issues, and navigate a heavily disrupted supply chain.

Fortunately, in addition to achieving total safety of our staff, the PRC and HKSAR governments enacted a series of direct and indirect cash subsidies and payroll savings to help alleviate financial burden of companies affected by the pandemic. The Company and certain subsidiaries of the Group received direct and indirect subsidies in various amounts in the past year. These subsidies improved the financial performance of the Group in 2020.

#### 業務回顧

##### 2019新型冠狀病毒疫情肆虐給本集團帶來嚴重衝擊

跟中國和全球各地的企業相若，本集團所有業務板塊均受到了2019新型冠狀病毒疫情帶來嚴峻的挑戰及影響。

在疫情爆發初期，本集團幾乎所有的製造業務均面對中國內地實施前所未有的社區封鎖措施，該等措施限制了大部份人員的流動，癱瘓了全球的供應鏈，致令工廠停工停產，推延了行銷活動。本集團高度關注僱員的健康和安全，確保各成員公司迅速及有序地復工復產。

儘管我們的貿易業務倖免於製造業的復產的挑戰，但是他們卻需要即時適應在家辦公的彈性工作安排、與客戶和供應商在線溝通、尋求解決複雜的物流難題，以及駕馭已被嚴重擾亂的供應鏈。

慶幸地，我們除成功保護全體僱員的安全外，中國及香港特別行政區政府推出一系列直接及間接的現金補貼和工資補助，從而緩解企業資金壓力，在過去一年，本公司及本集團部分附屬公司獲取了直接和間接補貼，為本集團二零二零年的財務表現帶來改善。

### Machinery Manufacturing Business

The Group's injection molding machine ("IMM") manufacturing business, similar to most PRC machinery manufacturers, experienced a volatile operating environment due to the pandemic. During the first half of 2020, our teams dealt with challenges arising from health and safety measures for factory reopening, disrupted supply chains, and an uncertain market environment. Sales were low and profit margins were under high pressure due to the effect of economic shocks which caused fluctuating prices of various materials and components. In the second half of 2020, the PRC market rebounded significantly due to pent-up demand which resulted in an improvement in sales and order intake.

The automotive and household appliance sectors, which are key growth drivers for this segment, were relatively weak especially during the first half of 2020 and depressed the sales of our large size two-platen machine series. Conversely, strong demands were observed from customers especially in food and beverage packaging and infrastructure sectors. Sales for our small and medium sized machines were hence strong, especially our thin-walled high speed machines, PET (Polyethylene terephthalate) preform series and PVC (Polyvinyl Chloride) industry customised solutions, which helped achieve a high level of manufacturing capacity utilisation at our two production plants.

Our self-developed "iSee" smart industry 4.0 platform continues to attract new customers' adoption and acceptance. Additional innovative and practical new features were launched in our continuous drive to provide value and convenience to our customers. We believe this digital platform will continue to be one of the key differentiating features for our machinery solutions.

### 機械製造業務

本集團注塑機(「注塑機」)製造業務與大部分中國內地機械製造企業同樣受疫情造成經營環境動盪不穩的衝擊。於二零二零年上半年,我團隊做好保護僱員健康和安全措施令工廠有序地復工復產,以及應對陷於混亂的供應鏈及市場環境不確定性所帶來的挑戰。由於國際環境的變異導致各類材料和零部件的價格出現波動,令銷量受壓及利潤率受到沉重的壓力。於二零二零年下半年受積壓需求帶動下,中國市場對注塑機的需求急劇反彈,銷售和訂單均有所增長。

在二零二零年上半年,是為本板塊帶來關鍵增長動力的汽車和家電行業相當疲弱,使大型兩板機系列的銷量受壓。但相反地,尤其是食品和飲料包裝及基建行業客戶強烈的需求,令中小型機系列的銷售有所攀升,因此,我們的中小型機系列特別是薄壁高速專用機、PET(聚對苯二甲酸乙二酯)瓶胚注塑機系列和PVC(聚氯乙烯)行業專用方案的銷售有強勁增長,使我們兩個工廠的產能利用率均處於高位。

我們自行研發之「iSee」數碼智慧工業4.0平台不斷得到新客戶的青睞及認同,還有其他創新和實用的新功能的推出,為客戶帶來更大價值和便利。我們相信這數碼平台將繼續成為我們的機械專用方案的主要特點之一。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

Due to the broad IMM market rebound in the second half of 2020, the business achieved robust growth for the year. However, a number of challenges and uncertainties lie ahead. Prices of key raw materials, especially cast iron, increased sharply and supplies were tight. High raw materials cost is forecasted to continue in 2021, and resulted in a raise in the selling price of our machineries to partially offset the increased costs. The export markets remain uncertain due to global impact of the pandemic and uneven economic recovery, as well as global travel restrictions that affected our sales and marketing development and service calls to our key customers. Moreover, sudden surges in cargo freight costs and foreign exchange volatility also adversely impact our deliveries and profitability.

In view of the challenges mentioned above, the Group will invest more resources in the IMM business to sustain competitiveness. Various capital expenditures in manufacturing capacity are planned for the upcoming year. Our research and development efforts will also ramp up to upgrade our industry specific offerings such as large sized multi-material IMM and full electric machine series. Furthermore, the IMM business improved its cash flow by increasing cooperation with leasing companies and implemented tight control of trade receivables. Order intake remains relatively robust at the end of 2020 and at the turn of 2021, however it is difficult to forecast how long this trend will last for the upcoming year.

For the extrusion and rubber injection molding machines manufacturing business, it also faced a volatile market and confronted the challenges caused by the pandemic. As this business was positioned to grow in export markets in recent years, a large portion of export orders were affected due to customers' delay of orders and delayed deliveries of products due to supply chain disruptions, especially during the first half of 2020.

注塑機市場於二零二零年下半年普遍回升，為該業務帶來強勁的增長，但前景仍要面臨諸多的挑戰和不確定性。關鍵原材料尤其是鑄鐵的價格急劇上漲以及供應短缺，預計二零二一年原材料價格持續走強，導致我們要上調機器售價，望能抵消部分成本上漲。由於疫情席捲全球及經濟復甦不平衡，加上疫情限制了全球人員流動，影響了我們與主要客戶的市場推廣的交流，使出口市場處於不明朗狀態。並且，貨物運輸費用暴增和外匯波動亦對我們按時交付產品及利潤造成不利影響。

有鑑於上述的挑戰，本集團將投放更多資源於注塑機業務以保持其競爭力，並已計劃來年對產能方面作出數項的資本投入。我們亦會加大研發力度，加快針對專用行業的產品，例如：大型多物料注塑機及全電機系列性能提升。此外，注塑機業務加強與租賃公司合作和實施嚴格控制應收賬款，以改善其現金流。雖然二零二零年年末及二零二一年年初的訂單量仍然相對穩健，但難以預測這種趨勢能持續多久。

至於擠出機及橡膠注塑機製造業務亦因疫情而面臨市場環境充滿變數和挑戰。此業務近年立足發展的出口業務，特別在二零二零年上半年，部分客戶要求推遲下單又或訂單付貨期，令大部分出口訂單驟降，以及由於供應鏈的混亂，導致產品推遲交付。



For the PRC market, supply chain disruptions caused similar delays in machine deliveries due to the pandemic in the first half of 2020. The automotive industry, which is a major customer segment for this business, displayed weak and uneven demand which impacted our growth. Fortunately, major customers in the electric vehicle industry ramped up repeat orders of our rubber injection molding machines, which improved the profit of this business. Robust growth in sales and order intake were achieved in the second half of 2020 as manufacturing sectors in the Mainland China and export markets improved.

As a proactive response to market opportunities during the spread of the pandemic, the extrusion machinery business rushed in to capture opportunities in the melt-blown fabric manufacturing solutions for medical grade surgical face mask applications. Demands were unprecedented as market players scrambled to secure supplies. This ad-hoc fast responding initiative offset the stagnant growth of our extrusion machines and improved profitability of this business. Further significant growth of melt-blown fabric machines is not expected to repeat in the coming year as supplies become saturated, and may even shrink.

While this business achieved satisfactory organic growth through investment and dedication of management and engineering teams to execute high-end product positioning, a series of challenges lie ahead in the upcoming year. The pace of recovery of our export customers remain uncertain, and currency fluctuations of Renminbi would induce pricing pressure. Raw materials costs and potential supply chain bottlenecks must be managed prudently. The Group will invest additional resources to gradually expand manufacturing and machining capacities, as well as crucial research and development to upgrade product features in order to enhance the financial performance of this business.

於二零二零年上半年，中國內地市場亦因疫情擾亂了供應鏈，導致機器推遲交付的情況。為此業務的主要客戶群汽車行業表現疲弱以及需求不穩，拖累業務增長。幸好電動汽車行業的主要客戶持續訂購橡膠注塑機，使業務利潤得到改善。受惠中國內地製造業及出口市場在二零二零年下半年有所改善，業務實現了穩健的訂單與銷售增長。

在疫情席捲全國時，擠出機製造業務主動抓著市場機遇，及時推出外科口罩主要原材料—熔噴布機械製造方案。口罩廠商爭相搶購熔噴布，熔噴布需求量出現前所未有的飆升情況，這抵消了擠出機增長放緩的情況，還令盈利有所提升。隨著熔噴布供應趨於飽和，預計來年熔噴布擠出機將不會有進一步顯著的增長，甚至可能出現萎縮。

經過多年發展以及管理層和工程團隊的努力和付出，把產品持續強化其高端定位，實現了令人滿意的有機增長，但來年仍面臨一連串的挑戰。我們的出口客戶復甦步伐仍是未知之數，以及人民幣匯率的波動將為定價造成壓力。我們必須謹慎管理原材料的成本及化解潛在的供應鏈瓶頸，故此本集團會投入更多資源逐步擴充製造和機械加工的產能，以及加大力度研發以提升產品功能，從而提高此業務的財務表現。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

#### Plastic Products Manufacturing and Processing Business

The plastic food packaging plant in Zhuhai was moderately affected by the pandemic. At the early stage of the pandemic, the management team responded admirably to challenges posed by disrupted supplies, logistics, and production bottlenecks, in order to ensure smooth deliveries to our customers.

Key customer orders in the dairy and health supplement sectors displayed uneven growth throughout the year. While the existing product volumes were somewhat consistent with forecasted demands, a number of key new projects were delayed or put on hold due to market uncertainties. The longer term prospects of dairy and health supplement in the PRC are intact as consumer demands are likely to grow at a steady pace. However, innovative designs to reduce overall plastics use and suitable applications of eco-friendly plastic resin replacements must ramp up in order to meet stringent new environmental regulations in the PRC. Export orders mainly attributed to confectionary products were steady, but currency fluctuations and overseas cargo fees skyrocketed in the second half of 2020, slightly affecting profit and deliveries. Overall performance of this business was more or less stable. In the upcoming year, our teams will strive to achieve meaningful growth by developing new projects with key customers.

Internally, this business will devote resources to innovative product designs, enhance expertise on eco-friendly plastics, upgrade our current stringent clean room production quality, and invest in automation equipment. Externally, this business must deal with upcoming challenges such as new product offerings to combat stringent environmental regulations to reduce the use of disposable plastics, sudden surges of plastic resins prices, currency fluctuations, and ramp up investments in new product tooling and manufacturing capacities to suit key customers' growth plans.

#### 注塑製品之製造及加工業務

於珠海之食品塑膠包裝工廠受疫情影響較為溫和。於疫情爆發初期，為確保及時交貨予客戶，管理團隊應對供應斷層、物流及生產瓶頸所帶來的挑戰，表現出色。

於年內，奶類製品和保健品行業的主要客戶訂單增幅低於預期。儘管舊有產品項目與預期需求近乎一致，但面對著不明朗的市場環境，多項重點新項目也被推遲或暫時擱置。不過預期奶類製品和保健品在中國內地需求趨於上升，從而會帶動業務穩定增長，長遠發展前景維持向好。然而，為符合中國嚴格的環保新法規，會加快專注設計創新的減塑產品及使用環保塑料樹脂作替代。而出口訂單穩定主要歸因於糖果類產品，但於二零二零年下半年滙率波動的影響以及海外運費飆升，導致利潤和交付量略受影響。此業務的表現大致保持穩定，我團隊來年將致力為主要客戶開發新項目爭取更佳的回報。

此業務於內部需要投入資源對產品作創意設計、積極提高環保塑料的專業知識、提升我們嚴格的無塵車間的生產質量及持續投資自動化設備。對外則應對即將來臨的挑戰，例如：為遵守嚴格環保法規減少使用一次性塑料產品而推出創新設計的減塑產品、塑料樹脂價格突然上漲、滙率波動及加大投入新產品模具和設備以及產能的投資來迎合主要客戶的增長計劃。

The plastic components processing plant for household appliances situated in Hefei faced similar challenges caused by the pandemic. In early 2020, the household appliances market, which our plant focused on serving, saw at first a large drop in sales in the PRC and delay of sales in export markets. Orders rebounded in the second half of 2020 as consumer demands recovered in the Mainland China and globally. However, profit margins were under pressure from our key customers. The landscape for plastic processing for household appliances in the PRC market remains challenging with intense competition and limited growth in profit. The management team performed well to execute guidelines to improve overall liquidity and cash positions to safeguard against the difficult operating environment during the year.

In addition to successfully responding to health and safety of factory workers and dealing with production bottlenecks arising from the pandemic, the management team implemented a series of initiatives to revamp production efficiencies and fine tune quality control measures to suit our customers' stringent demands on price and quality.

The blow molded mannequin production plant in Dongguan obtained a healthy amount of order on hand from reputable global fashion and sporting goods brand customers, as a result of business development efforts over the past couple of years. However, as the vast majority of customers are based in Europe, the pandemic wreaked havoc to our customers' retail businesses in Europe and globally, especially in the first half of 2020. Deliveries were postponed, our production scaled down to a minimum, and our operation costs were trimmed down significantly to react to this challenging business environment.

位於合肥主力為家電加工塑料配套件的工廠亦同樣面臨著受疫情影響的挑戰。在二零二零年年初，中國內地家電市場的銷量大幅下降，出口市場的訂單也被推延。於二零二零年下半年，隨著中國內地及全球消費需求開始恢復，訂單有所反彈，但利潤率仍受到來自主要客戶的壓力。於中國內地市場，家電塑料及加工前景仍面對激烈競爭及利潤增長空間有限。管理團隊良好的督導，改善了整體流動資金和現金狀況，得以應對本年度艱難的經營環境。

除成功保護了職工的健康和安全以及解決了因疫情而產生的生產瓶頸外，管理團隊也實施一系列提高生產效率及優化質量控制措施，滿足了客戶對價格和質量的嚴格要求。

位於東莞之生產吹塑人體模型展示品的工廠，業務經過多年努力發展，原已從國際知名時尚服裝和體育用品品牌客戶中取得可觀的訂單，但是，由於該業務大部分的客戶來自歐洲，因疫情全球蔓延重創歐洲零售業務，尤其在二零二零年上半年，訂單要推延交付。我們盡量降減產能以削減營運開支來應對這市場的困境。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

While orders began to resume in the second half of 2020 for selected customers, delivery patterns were uneven due to varying degrees of the pandemic outbreaks across Europe and elsewhere. Operating results were unavoidably affected in the past year. However, the longer term outlook for blow molded mannequin display items remains intact, as major customers continue to shift away from traditional fibre glass mannequins. Sales volume should recover if and when the pandemic is under control in Europe. However, factors such as plastic resins price, volatile cargo freight costs and currency fluctuations will affect the financial performance of the business in the upcoming year.

The Group's investment in multi-colour injection molded gift and premium items business experienced a total evaporation in sales once the pandemic hit hard in Europe. Our existing end customers were solely based in Europe. The pandemic and the ensuing lockdowns in Europe shifted our customers' marketing strategies and consumers' behaviour, which deemed gift and premiums as non-essential consumption in the near term. As a result, the Group decided to be further against investment of resources into this business and to divest this business. Financial impact of this divestment to the Group is deemed minimal.

#### Printed Circuit Boards ("PCB") Processing and Trading Business

Sales for the PCB processing business suffered significantly during this year as the pandemic caused major disruptions to sales and product development plans to our key customers in the automotive and electronics industries situated in Europe and Japan.

Although we successfully coordinated staff health and safety measures for factory reopening in the early phase of the pandemic, the absence of a full staff roster in the first half of 2020, in addition to fluctuating orders on hand, inevitably impacted the operation's normally high production efficiencies.

雖然二零二零年下半年部分客戶開始恢復下達訂單，但歐洲以及其他地方都受到疫情不同程度的影響，導致交貨與預期計劃有所落差。在過去一年，經營業績無可避免地受到影響，儘管如此，隨著主要客戶以吹塑取代玻璃纖維人體模型持續成為趨勢，吹塑人體模型展示品長遠向好的預期保持不變。如果歐洲疫情受控，銷量應會恢復。然而，此業務來年的財務表現將會受到多項因素，例如：塑料樹脂的價格壓力、貨運成本上漲及滙率波動等所影響。

本集團於多色注塑禮品贈品業務受疫情在歐洲肆虐的影響下完全停頓，皆因最終客戶都位於歐洲。歐洲疫情蔓延和隨之而實施的封城與人流管制改變了客戶的行銷策略和消費行為，至少在短期內，禮品都被視為非必需消費品。因此，本集團決定不再進一步在此業務投入資源，且已完成撤資，這決定對本集團的財務狀況影響極微。

#### 印刷線路板（「印刷線路板」）之加工及貿易業務

在本年度，印刷線路板業務的銷售明顯下跌，歸因於疫情肆虐對我們在歐洲和日本的汽車和電子行業的主要客戶的銷售和產品開發計劃造成重大影響。

疫情肆虐初期，雖然成功確保了僱員的安全和健康，但由於二零二零年上半年未能全面地復工，以及在手訂單變動，從而影響了工廠一貫高效的生產率。



Throughout the year, sales order visibility was low among our European automotive customers and Japanese electronics customers. In turn, it resulted in significant fluctuations in production planning and thus adversely affected production capacity utilisation and profit margins. Sales rebounded in the second half of 2020, as customers replenished depleted stocks, although raw material costs surged significantly in the meantime. Prices of copper, PCB base boards, and chemicals rose to recent highs.

Amid challenging operating environment, the management team maintained firm commitment to prudent financial management, thus cash flow remains relatively healthy. Sales and marketing efforts were compromised as a result of the pandemic. For the upcoming year, this business segment will ramp up pace to develop new projects with new and existing customers. The outlook for this business segment remains challenging as currency and raw materials price fluctuations are unlikely to move in our favour and the business is dependent on a relatively high production utilisation to realise meaningful profits.

The PCB trading business faced similar impacts and challenges from the global economic weakness and uncertainties caused by the pandemic. Its key customers are reputable Japanese brands in the automotive, consumer electronics and office electronics industries. Throughout the year, sales and development activities reduced due to travel restrictions and shifted to other means. Our customers' product launches and sales were weaker than expected, which in turn caused our sales to reduce slightly. Cost control measures to reduce fixed administration costs taking place last year and this year helped produce expected results.

In line with the strategy to increase offerings and values to customers, this business segment steadily ramped up its PCB laboratory testing and quality control services to customers as a new revenue stream. In addition to the PCB trading, the PCB processing business achieved early results to offer high-end PCB base board materials and electric components to customers.

於年內，我們的歐洲汽車客戶和日本電子客戶的預示訂單量降減，導致生產計劃出現重大差異，從而對產能利用率和利潤率造成不利影響。至二零二零年下半年，由於客戶的庫存耗盡，銷量才有所回升，但原材料成本與此同時大幅上漲，銅、印刷線路板板材及化學品的價格暴漲至近年高位。

在這充滿挑戰的經營環境，管理團隊堅持審慎的財務管理，保持現金流相對穩健。前期營銷開發工作因疫情受阻，而來年該業務將積極與新舊客戶共同開發新項目。此業務板塊的前景仍然充滿挑戰，匯率及原材料價格波動對業務造成影響及要達致較高的產能利用率才能實現合理的回報。

印刷線路板貿易業務亦同樣受到由疫情造成疲弱且不明朗的環球經濟衝擊。於年內，受旅遊出行限制影響到其汽車、消費電子和辦公室器材行業的日本知名品牌之主要客戶營銷活動減少，並轉移至其他方式作推廣。客戶的產品推出和銷售比預期疲弱，令我們的銷售也相應地輕微下跌。上一年採取成本控制措施降減固定的行政費用，於本年度仍實現了預期的結果。

此業務板塊穩步提升了印刷線路板測試和質量監控服務，開拓新的收入來源，為客戶提供服務帶來更大價值。除印刷線路板貿易外，此業務向客戶提供高端印刷線路板基板材料和電子零部件亦取得了初步成果。



## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

Our lean and agile sales and management teams located in various regions strived hard to develop new projects especially in the automotive industry, which should benefit operating performance in the upcoming year. However, the risks we face are pace of global economic recovery as well as currency fluctuations.

#### Industrial Consumables Trading Business

The industrial consumables trading business experienced a volatile operating environment with market and supply chain disruptions caused by the pandemic. Broad demands were weak in the first quarter as customers and ourselves dealt with disrupted supply chains and logistics issues. Lockdown measures in the PRC and subsequent slow and gradual factory reopening caused weak demands in the elevator, machinery, automotive, and electronics industries.

Fortunately, once effective pandemic control measures in the PRC stabilised the economy in the second quarter, this business segment recorded strong and robust growth from customers in key industries such as medical equipment, machinery, semi-conductors, laser cutting equipment, consumer electronics and automotive. Disrupted manufacturing capabilities in Western countries benefitted a number of our customers who possess readily available production facilities. In addition, the ever-increasing momentum for new investments and products in renewable clean energy and electric vehicle industries in the PRC boosted our sales to these key customers. Products and solutions that helped capture growth in the above mentioned industries include servo motor and drive systems, customised automation control systems, high grade steel wires and customised fasteners solutions.

Restructuring and cost control measures which took place in the previous fiscal year are generating the expected benefits during the year of 2020 to turn around the overall profitability of this business segment. While management teams are positioned to achieve growth during the market rebound in the second half of 2020, trade receivables control, inventory management, and cash management were prudent and effective to adequately control financial risks.

位於不同地區具有敏銳觸覺的銷售人員和管理層團隊努力開發新項目，特別在汽車行業，這將有利於來年的經營業績表現。然而，此業務亦要面對全球經濟復甦及匯率波動的風險。

#### 工業消耗品之貿易業務

工業消耗品貿易業務面臨動盪的經營環境及因疫情蔓延給市場帶來衝擊以及受干擾的供應鏈。在第一季度，廣泛的需求疲軟，客戶以及我們均要面對供應鏈失衡和物流問題。中國實施的封鎖措施致工廠緩慢逐步復工復產，令電梯、機械、汽車和電子產品行業需求疲弱。

幸好中國在第二季度有效的疫情控制措施穩定了經濟，此業務板塊於關鍵行業的客戶中，例如：醫療設備、機械、半導體、激光切割設備、消費類電子產品及汽車行業錄得強勁穩健的增長。西方國家停工停產令擁有充裕生產設施的客戶受惠。此外，中國發展可再生潔淨能源和電動汽車產業需求的產品持續顯現強勁增長勢頭，藉此提高了我們於該等行業主要客戶的銷售。我們的產品和解決方案，包括伺服電機和驅動系統、特定行業專用的自動化控制系統、高級鋼絲及行業專用的緊固件方案均有助捕捉上述增長行業的契機。

上一個財政年度進行的重組和成本控制措施於二零二零年達到預期的效益，從而扭轉了此業務板塊的整體盈利能力。儘管在二零二零年下半年管理團隊在市場反彈期間令業務實現增長，同時亦採取了審慎有效的措施對應收賬款及庫存和現金流的管控，有效地控制了財務風險。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層論述及分析 (續)

Looking ahead, this business segment is positioned to grow in focal industries such as renewable energy, electric vehicle, and medical equipment sectors. As supply chains and product quality in the PRC improved at a high rate in recent years, this business consistently increased its locally sourced PRC produced components, and reduced imported sourcing. We believe opportunities can be found in exporting PRC-made industrial consumables in the future. However, new sales channels and market development require investment, risk taking and time. The health of overall manufacturing sectors in the PRC in upcoming year seems presently robust on the surface, but sustainability of high growth rate in customers' stock replenishment may not persist. The management teams are cautious to brace themselves for sudden reduction of orders by lean inventory control, stringent trade receivables control, and foreign currency risk management.

展望未來，此業務板塊將重點拓展可再生能源、電動汽車和醫療設備等行業市場。在過去幾年，因為國內的工業消耗品的質素有所提升，所以此業務持續增加中國內地生產的零部件供應，減少了海外採購。我們相信未來可以尋獲出口中國製造的工業消耗品的契機。然而，於海外拓展新銷售渠道和市場開發需要資金及時間，更需要承擔風險。來年中國製造業整體應會健康發展，但難以預計客戶的訂單是否持續，難以確定保持業務的增長潛力。管理團隊要為突然減縮的訂單做好準備、做好庫存管控、嚴格控制貿易應收賬款，以及外匯風險管理。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

#### Subsequent Events

The following material event took place during and after the reporting period:

#### ***Proposed Privatisation of the Company by Cosmos Holdings by Way of a Scheme of Arrangement under Section 673 of the Companies Ordinance and Proposed Withdrawal of Listing of the Company***

References are made to (i) the announcement jointly issued by the Company and Cosmos Holdings (the "Offeror") dated 10 December 2020 (the "Joint Announcement") in relation to, amongst others, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under section 673 of the Companies Ordinance; (ii) the announcement of the Company dated 15 December 2020 in relation to the appointment of Yue Xiu Capital Limited as the independent financial adviser to the Independent Board Committee; (iii) the announcement jointly issued by the Company and the Offeror dated 24 December 2020 in relation to the revised Scheme Consideration; (iv) the announcement jointly issued by the Company and the Offeror dated 31 December 2020 in relation to the delay in despatch of Scheme Document; (v) the announcement jointly issued by the Company and the Offeror dated 29 January 2021 in relation to a monthly update on the status and progress in connection with the Proposal and the Scheme; (vi) the announcement jointly issued by the Company and the Offeror dated 11 February 2021 in relation to the further delay in despatch of the Scheme Document; (vii) the announcement jointly issued by the Company and the Offeror dated 11 March 2021 in relation to a monthly update on the status and progress in connection with the Proposal and the Scheme; and (viii) the announcement jointly issued by the Company and the Offeror dated 9 April 2021 in relation to a monthly update on the status and progress in connection with the Proposal and the Scheme. Unless otherwise specified, capitalised terms used in this section shall have the same meanings as those defined in the Joint Announcement.

#### 結算日後事項

以下重大事件於報告期間及結算日後發生：

#### ***大同控股建議根據《公司條例》第673條以協議安排的方式私有化本公司及建議撤銷本公司之上市地位***

茲提述(i)日期為二零二零年十二月十日由本公司及大同控股(「要約人」)就(其中包括)要約人建議根據《公司條例》第673條以協議安排的方式私有化本公司而聯合發佈的公告(「該聯合公告」);(ii)本公司日期為二零二零年十二月十五日有關委任越秀融資有限公司為獨立董事委員會之獨立財務顧問的公告;(iii)日期為二零二零年十二月二十四日由本公司及要約人就經修訂協議安排代價而聯合發佈的公告;(iv)日期為二零二零年十二月三十一日由本公司及要約人就延遲寄發協議安排文件而聯合發佈的公告;(v)日期為二零二一年一月二十九日由本公司及要約人就建議事項及協議安排的狀況及進展的每月更新而聯合發佈的公告;(vi)日期為二零二一年二月十一日由本公司及要約人就進一步延遲寄發協議安排文件而聯合發佈的公告;(vii)日期為二零二一年三月十一日由本公司及要約人就建議事項及協議安排的狀況及進展的每月更新而聯合發佈的公告;及(viii)日期為二零二一年四月九日由本公司及要約人就建議事項及協議安排的狀況及進展的每月更新而聯合發佈的公告。除另有說明外,本章節所用詞彙與該聯合公告所界定者具有相同涵義。

On 3 December 2020, the Offeror requested the Board to put forward the Proposal to the scheme shareholders for the privatisation of the Company by way of a scheme of arrangement under section 673 of the Companies Ordinance involving the cancellation of the scheme shares and, in consideration therefor, the payment to the scheme shareholders of the Scheme Consideration of HK\$0.500 in cash for each Scheme Share cancelled.

On 23 December 2020, the Offeror proposed to increase the Scheme Consideration from HK\$0.500 in cash to HK\$0.550 in cash for each scheme share cancelled.

The implementations of the Proposal and the Scheme are subject to fulfillment and/or waiver (as applicable) of certain conditions as set out in the Joint Announcement.

For further details of the Scheme and the Proposal, please refer to the announcements of the Company and/or the Offeror stated above.

Save as aforesaid, there has been no material event since the end of the reporting period.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2020, the Group's total outstanding bank borrowings amounted to approximately HK\$322,344,000 (31 December 2019: approximately HK\$353,219,000) which comprised mainly bank loans and trade finance facilities. The bank borrowings repayable within one year and in the second to the fifth year amounted to approximately HK\$284,469,000 and HK\$37,875,000 respectively (31 December 2019: approximately HK\$299,843,000 and HK\$53,376,000 respectively).

於二零二零年十二月三日，要約人要求董事會向協議安排股東提呈根據《公司條例》第673條以協議安排的方式私有化本公司之建議事項，當中涉及註銷協議安排股份，而作為代價，將向協議安排股東支付每股已註銷協議安排股份的協議安排代價現金0.500港元。

於二零二零年十二月二十三日，要約人建議將已註銷的每股協議安排股份的協議安排代價從0.500港元現金提高至0.550港元現金。

建議事項及協議安排須待該聯合公告所載若干條件達成及／或獲豁免（如適用）後方可實施。

有關協議安排及建議事項的進一步詳情，請參閱上文所述的本公司及／或要約人之公告。

除上述披露外，於報告期間後，並無發生任何重大事件。

## 流動資金及財務資源

於二零二零年十二月三十一日，本集團之未償還銀行借款總額約為322,344,000港元（二零一九年十二月三十一日：約為353,219,000港元），主要包括銀行貸款及貿易融資信貸。將於一年內到期以及於第二至第五年到期償還之銀行借款金額分別約為284,469,000港元及37,875,000港元（二零一九年十二月三十一日：分別約為299,843,000港元及53,376,000港元）。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

After including lease liabilities of approximately HK\$55,839,000 (31 December 2019: approximately HK\$63,302,000) and deducting cash and bank balances of approximately HK\$494,669,000 (31 December 2019: approximately HK\$312,633,000), the Group's net cash amounted to approximately HK\$116,486,000 (31 December 2019: net debt was approximately HK\$103,888,000). Total equity attributable to equity shareholders as at 31 December 2020 was approximately HK\$1,268,626,000 (31 December 2019: approximately HK\$1,171,669,000).

Net debt to equity ratio improved from 8.9% as at 31 December 2019 to net cash as at 31 December 2020 as a result of strong net cashflow generated from operating activities. Net debt to equity ratio is calculated by dividing total bank indebtedness and lease liabilities less cash and bank balance, pledged deposit and short-term bank deposits with maturity over three months by net assets.

The Group's financial statements are presented in Hong Kong dollars. The Group carried out its business transactions mainly in Hong Kong dollars, Renminbi, United States dollar and Japanese Yen. As the Hong Kong dollar remained pegged to the United States dollar, there was no material exchange risk in this respect. The Group continues to monitor its foreign exchange exposure in Japanese Yen and Renminbi, and enter into forward contracts when necessary. The Group's long-term bank loans were denominated mainly in Hong Kong dollars and carried interest at floating rates. Credit risk was hedged mainly through credit insurance.

### CAPITAL STRUCTURE

There was no change in the total number of issued shares of the Company for the year ended 31 December 2020. The total number of issued shares of the Company remained at 861,930,692 shares at 31 December 2020.

連同租賃負債約為55,839,000港元(二零一九年十二月三十一日:約為63,302,000港元)並扣除現金及銀行結餘約為494,669,000港元(二零一九年十二月三十一日:約為312,633,000港元)後,本集團之現金淨額約為116,486,000港元(二零一九年十二月三十一日:借貸淨額約為103,888,000港元)。於二零二零年十二月三十一日之股東應佔權益總額約為1,268,626,000港元(二零一九年十二月三十一日:約為1,171,669,000港元)。

由於經營活動產生強勁的淨現金流,資本淨負債比率從二零一九年十二月三十一日的8.9%改善至二零二零年十二月三十一日的淨現金。資本淨負債比率的計算方法乃將銀行債務和租賃負債總額減現金及銀行結餘、抵押存款和到期日超過三個月之短期銀行存款除以淨資產計算。

本集團之財務報表以港元呈列。本集團主要以港元、人民幣、美元及日圓進行業務交易。由於港元與美元掛鈎,故此方面並無重大外匯風險。本集團繼續監察來自日圓及人民幣之外匯風險,並於需要時透過訂立遠期合約加以調控。本集團之長期銀行貸款融資均主要以港元計值及以浮動利率計息。信貸風險主要透過信用保險對沖。

### 資本結構

截至二零二零年十二月三十一日止年度,本公司已發行股份總數保持不變。於二零二零年十二月三十一日,本公司已發行股份總數仍為861,930,692股。



## MATERIAL ACQUISITION AND DISPOSAL

There were no material acquisitions and disposals by the Group during this year.

## EMPLOYEES, REMUNERATION POLICY AND TRAINING SCHEME

As at 31 December 2020, the Group had a total of 2,779 employees located in Hong Kong and Mainland China (31 December 2019: 2,993). The remuneration policy regarding the employees of the Group is based on qualifications, competence and the performance of the employees as well as the prevailing market condition of the industry. Employees' benefits include retirement benefits and medical insurance coverage.

The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to individual performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

The Group had also provided training programmes or courses for the mainland staff at all levels from different departments, and also for Directors and employees of the Company so as to further enhance their technical skills in production operation and management, professional skills and knowledge, respectively.

## OUTLOOK AND PROSPECTS

As stated above, the Group was highly affected by the pandemic and its repercussions. The series of unprecedented challenges tested our will to adapt and persevere to ensure staff safety, manage complex factory closure and reopening, navigate through heavily disrupted supply chains, and cope with distorted market demands. Once again, we thank all our staff members in all business units, who performed superbly under such challenging circumstances. Despite the daunting threat of the pandemic, the PRC and HKSAR governments implemented unparalleled outbreak control measures and provided necessary economic stimulus policy and subsidies to companies, to allow economic activities to resume and grow as a nation in the second half of 2020.

## 重大收購與出售

在本年度，本集團沒有任何重大收購與出售。

## 僱員、薪酬政策及培訓計劃

於二零二零年十二月三十一日，本集團於香港及中國內地共有2,779名僱員(二零一九年十二月三十一日：2,993名)。本集團僱員的薪酬政策乃按僱員的資歷、能力及表現，亦以業界當時市場環境而釐定。僱員福利包括退休福利及醫療保險。

董事之酬金由本公司薪酬委員會按照個人表現、本集團之業績及盈利狀況，亦以業界指標及當時市場環境而釐訂。

本集團亦分別向國內各部門各級僱員及亦向董事及本公司僱員提供培訓計劃或課程，用以提升他們在生產營運上的技術和管理，專業技巧和知識。

## 展望及前景

誠如上文所述，本集團均受到疫情影響而備受打擊，我們沉著應對嚴峻考驗和連串種種挑戰，竭力確保僱員的安全、復工復產複雜的統籌管理、駕馭已被嚴重破壞的供應鏈，以及應對市場扭曲的需求。我們再一次感謝所有業務單位的僱員，他們在極之艱難的環境下表現出色。因應受到疫情爆發帶來巨大打擊，中國和香港特區政府實施了前所未有的防控措施，以及推出必要的刺激經濟政策和提供了補貼予企業，使經濟活動在二零二零年下半年度能夠迅速復甦，恢復常態。

## MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

### 管理層論述及分析 (續)

Although fortunately China was the notable lone bright spot in 2020 in terms of economic recovery and growth, the pace of global recovery will dictate the health of manufacturing sectors in the PRC and also business performance of the Group. At the time of writing, countries around the globe are ramping up vaccination inoculation programs, and resumption of normal lives and economic activities will depend on its success. However, having witnessed anaemic responses of various developed countries to the pandemic, it is not guaranteed effective vaccination programs will succeed in short order. Political tensions especially between China and the US continue to evolve, we must stay alert as sudden flare ups are possible in short notice to entice new sanctions. Meanwhile, China creates and presents unique opportunities to expand its markets reach, having finalised the Regional Comprehensive Economic Partnership (RCEP) and China – EU Comprehensive Agreement on Investment. More open and transparent markets will definitely benefit the broader manufacturing sectors in Mainland China, despite increased competition and evolving regulations. Mainland China's much-heralded visions and investments in key industries such as 5G communications, electric vehicles, renewable clean energy, artificial intelligence, and digital transformations provide ample opportunities for well-positioned companies.

The Group's machinery manufacturing segment will strive to deepen our reach in automotive, food packaging, infrastructure, and electronics industries with our customised IMM, rubber injection machine, and extrusion machine solutions. The plastic processing business will focus to divert resources to develop new product designs and innovate new production processes to grow our business with new and existing customers in food packaging, retail display and household appliance industries. Our PCB processing and trading segment will similarly strive to develop new projects with key customers, whom delayed its product development projects due to the pandemic, and are hopeful to grow their businesses particularly in the automotive and electronics industries. Our industrial consumables trading segment will supply motor drivers and control systems, steel wire products and customised fasteners to further penetrate key industries such as automotive, electric vehicles, 5G communications, medical applications, and energy sectors.

就經濟復甦和增長而言，雖然中國有幸成為二零二零年的一大亮點，但中國內地製造業及本集團業績實現健康發展取決於全球經濟復甦的步伐。在撰寫本文時，新冠疫苗接種在全球各國鋪開，若能迅速及廣泛的成功接種，將有助經濟和社會活動恢復常態。然而，目睹許多發達國家應對疫情表現不力，因此不能保證短期內迅速完成疫苗接種計劃。最近中美之間的政治緊張局勢持續變化，我們須要保持高度警惕以應對突如其來新增的制裁行動。與此同時，中國開創獨有的潛力提供了更廣闊的市場機會，包括落實《區域全面經濟夥伴關係協定》及《中歐全面投資協定》，儘管導致競爭加劇和法規更趨嚴格。更開放和透明的市場必定對中國製造業的發展更加有利。中國對主要重點行業，例如：5G通信、電動汽車、可再生潔淨能源、人工智能和數碼化營運模式的遠見以及投資會為領先立足於該等行業及有所準備的企業提供了機遇。

本集團的機械製造板塊將通過特定行業專用的注塑機、橡膠注塑機和擠出機優化方案，加強我們在汽車、食品包裝、基建和電子行業發展優勢。注塑加工業務將持續投入資源於新產品的設計及開發其生產流程，與食品包裝、零售展示品及家電行業新舊客戶拓展我們的業務。我們的印刷線路板加工及貿易板塊也同樣會努力與主要客戶開發新項目，這些客戶因疫情而推遲了其產品開發計劃，同時亦期望拓展在汽車和電子行業的業務。而工業消耗品貿易板塊將推出驅動和運行控制系統、鋼絲產品和特定行業專用的緊固件的供應，以進一步滲透到關鍵增長行業，如：汽車、電動汽車、5G通信、醫療應用和能源行業。

Given the opportunities for potential growth cited above, we observe and foresee a series of critical challenges and obstacles that may impede sales growth and profitability in the upcoming year. Raw materials price surged significantly recently and are likely to be volatile. Price fluctuations in raw materials such as cast iron, plastic resins, copper, electrical components, and packaging will affect our profit. Foreign exchange risks are overall manageable in the Group. However, the previous appreciation and potential high volatility of exchange rate of Renminbi to United States dollars not only affects our export business, but will also dampen overall competitiveness of our customers' export related ventures. The PRC markets are highly responsive to government policies. Stimulus directives to telecommunications, renewable energy, automotive, for example, will ignite growth in demand and supply. Any changes to such policies can bring swift and significant changes to market sentiments. New regulations on environmental protection, especially reduction in plastic pollution, will have far-reaching impact on plastics industries' survival and the Group must innovate to adapt. Labour costs are certain to increase steadily in the near future. The Group must adapt to increased labour costs while continuing development and retention of our talents. Liquidity and availability of funds are critical to manufacturing industries for ongoing capital investments and working capital. It is worthwhile to closely monitor the trends and flows of overall bank lending to observe change in size of liquidity and flowing to which particular industries.

The Group will focus on the following key actions in response to the challenging market sentiments. Selective capital expenditure investments to enhance our production and processing capabilities will be deployed to sustain our competitiveness. Research and development especially in our machinery manufacturing and plastic processing businesses are ongoing in order to further innovate and enhance our product value. All members of the Group will commit to firm financial prudence practices to manage costs, external debts, and improve overall cash flow. Effective deployment of working capital within the Group is essential as all our businesses are working capital intensive in nature, and is one of the critical criteria to balance growth, opportunity costs, and risks. Lastly, while we strive to steadily grow our businesses, members of senior management simultaneously have a cautious mindset to brace themselves for sudden pullback in demands and other potential negative market conditions.

鑑於上述潛在的增長機會，我們注意到並預期將有一連串可能削弱來年銷售增長和盈利的重大挑戰以及障礙。原材料價格近期大幅上漲亦預計將持續波動。原材料如鑄鐵、塑料樹脂、銅、電子零部件和包裝等原材料的價格波動將會對我們的利潤產生不利影響。本集團的外匯風險整體上仍可控制，但是人民幣兌美元匯率過往的升幅以及潛在波動不僅影響我們的出口業務，而且將削弱我們客戶出口相關業務整體之競爭力。國家的宏觀政策直接影響中國內地新興市場發展，尤其促進了電信、可再生潔淨能源、汽車產業的刺激政策激發了需求和供應的增長潛力，該等政策的任何變動都會令市場氣氛迅速產生重大變化。有關環保的新法規，尤其是嚴控塑料污染防治的法規，將對塑料行業帶來深遠的影響，故本集團必須研發創新減塑產品以符合新法規要求。勞動成本在今後也肯定會持續提升。本集團面對工資成本增加的同時，也必須繼續培育和保留人才。資金流動性和充裕程度對製造業持續的資本投資和營運資金至關重要，值得密切關注銀行整體貸款流向的變化趨勢，藉以觀察資金流動性的規模以及流向特定行業的變化。

本集團將會採取以下主要行動，以應對充滿挑戰的市場氣氛。我們已部署進行適當的資本開支投資，從而加強業務的生產和加工能力，及維持企業的競爭力。為了持續創新和提升我們的產品價值，本集團將繼續加大研發力度，尤其在機械製造和塑料加工業務。本集團所有成員公司遵從穩健的財務審慎常規，管好成本和對外債務，並改善整體現金流。由於我們所有業務屬於資本密集型產業，因此本集團必須有效地運用營運資金，達至平衡機會成本與風險的取捨。最後，在我們努力穩步發展業務的同時，而高級管理人員亦持謹慎態度以妥善應對突然減縮的需求及其他潛在的負面市場情況。

# DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

## 董事及高級管理人員簡歷

### EXECUTIVE DIRECTOR

**Mr. Tang To**, aged 72, was appointed as an executive Director and chairman of the Board on 14 July 1988 and 18 September 1997 respectively. Mr. Tang also acts as a director of certain subsidiaries of the Company. He is a chairman of each of the nomination committee and committee of executive Directors and a member of the remuneration committee of the Company. He was appointed with effect from 28 May 2010 as a director of Suzhou Sanguang Science and Technology Co., Ltd., a company listed on the National Equities Exchange and Quotations and an associated company of the Company. Mr. Tang has over 40 years of experience in manufacturing and trading businesses. He is the father of Mr. Tang Yu, Freeman. As at the date of this annual report, Mr. Tang is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

**Mr. Tang Yu, Freeman**, aged 43, joined the Group in 2006 and was appointed as an executive Director and chief executive officer of the Company on 18 March 2011 and 1 July 2013 respectively. Mr. Tang is a member of each of nomination committee and committee of executive Directors of the Company. He also acts as a director of certain subsidiaries of the Company. Prior to joining the Group, he had worked in various commercial banks. Mr. Tang graduated from The University of Western Ontario in Canada and holds a Bachelor of Arts degree in Economics and a Diploma in Financial Planning. He is the son of Mr. Tang To. As at the date of this annual report, Mr. Tang is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

### 執行董事

**鄧燾先生**，年72歲，分別於一九八八年七月十四日及一九九七年九月十八日獲委任為執行董事及董事會主席。鄧先生亦出任本公司若干附屬公司之董事職位。彼為本公司提名委員會及執行董事委員會之主席，以及薪酬委員會之成員。彼於二零一零年五月二十八日獲委任為蘇州三光科技股份有限公司之董事，一間於全國中小企業股份轉讓系統上市之公司及其為本公司之聯營公司。鄧先生擁有逾四十年製造及貿易業務之經驗。彼為鄧愚先生的父親。於本年報日期，鄧先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。

**鄧愚先生**，年43歲，於二零零六年加入本集團，分別於二零一一年三月十八日及二零一三年七月一日獲委任為執行董事及本公司行政總裁。鄧先生為本公司提名委員會及執行董事委員會之成員。彼亦出任本公司若干附屬公司之董事職位。加入本集團前，彼曾任職於數間商業銀行。鄧先生畢業於加拿大西安大略大學，持有經濟學士學位及財務策劃文憑。彼為鄧燾先生的兒子。於本年報日期，鄧先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。



## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED) 董事及高級管理人員簡歷(續)

### NON-EXECUTIVE DIRECTOR

**Mr. Kan Wai Wah**, aged 63, was appointed as a non-executive Director on 22 May 1998. He holds a High Diploma in Accountancy. He has over 30 years of experience in corporate strategy and corporate management. Mr. Kan is the son of Ms. Law Kit Fong, a substantial shareholder of the Company. As at the date of this annual report, Mr. Kan is a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO.

**Mr. Qu Jinping**, aged 64, was appointed as a non-executive Director on 8 September 2006. He is currently the professor and doctoral supervisor in the School of Mechanical and Automotive Engineering of The South China University of Technology. Mr. Qu acted as vice president of The South China University of Technology and elected as an academician of The Chinese Academy of Engineering in 2011. He holds a Bachelor degree and a Master degree in Engineering from The South China University of Technology in 1982 and 1987 respectively, and a Doctorate degree in Engineering from The Sichuan University in 1999. He has been engaged in scientific research and teaching in polymer dynamic plasticizing processing technology and equipment for over 30 years and achieved a number of world-first scientific and technology achievements.

### INDEPENDENT NON-EXECUTIVE DIRECTOR

**Ms. Yeung Shuk Fan**, aged 56, was appointed as an independent non-executive Director on 18 June 2004. She is a chairman of audit committee of the Company and a member of each of nomination committee and remuneration committee of the Company. Ms. Yeung holds a Master degree in Business Administration. She is a member of the American Institute of Certified Public Accountants (AICPA), and an associate member of each of The Chartered Governance Institute (CGI) (formerly known as The Institute of Chartered Secretaries and Administrators (ICSA)) and The Hong Kong Institute of Chartered Secretaries (HKICS). Ms. Yeung held senior financial positions in several companies. She has over 30 years of experience in the finance sector.

### 非執行董事

**簡衛華先生**，年63歲，於一九九八年五月二十二日獲委任為非執行董事。簡先生持有高級會計文憑。彼擁有逾三十年企業策劃及企業管理之經驗。簡先生為羅潔芳女士（本公司主要股東）之兒子。於本年報日期，簡先生為若干按《證券及期貨條例》第XV部所述屬本公司主要股東之董事。

**瞿金平先生**，年64歲，於二零零六年九月八日獲委任為非執行董事。彼現為華南理工大學機械與汽車工程學院教授及博士生導師。瞿先生曾任華南理工大學副校長及於二零一一年當選中國工程院院士。彼分別於一九八二年及於一九八七年取得華南理工大學工學學士及碩士學位，隨後於一九九九年取得四川大學工學博士學位。彼從事高分子材料加工成型技術及裝備的科學研究與教學超過三十年，取得了多項世界首創的科技成果。

### 獨立非執行董事

**楊淑芬女士**，年56歲，於二零零四年六月十八日獲委任為獨立非執行董事。彼為本公司審核委員會之主席以及本公司提名委員會和薪酬委員會之成員。楊女士持有工商管理碩士學位。彼為美國註冊會計師協會(AICPA)之會員，以及英國特許公司治理公會(CGI)（前稱英國特許秘書及行政人員公會(ICSA)）及香港特許秘書公會(HKICS)之會士。楊女士曾於數家公司擔任高級財務職位。彼擁有逾三十年於財務範疇之經驗。



## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED)

### 董事及高級管理人員簡歷(續)

**Mr. Cheng Tak Yin**, aged 82, was appointed as an independent non-executive Director on 30 January 2007. He is a chairman of the remuneration committee of the Company and a member of each of audit committee and nomination committee of the Company. At present, he is the life honorary chairman, deputy secretary general and standing committee member of Hong Kong and Kowloon Machinery and Instrument Merchants Association Limited. Mr. Cheng has over 40 years of experience in business management.

**Mr. Ho Wei Sem**, aged 74, was appointed as an independent non-executive Director on 21 December 2010. He is a member of each of nomination committee, remuneration committee and audit committee of the Company. Mr. Ho had been working in various government authorities in Dongguan for over 40 years. He was the director general of Dongguan Municipal and Public Utilities Management Bureau and Dongguan Urban Integrated Management Bureau from 2000 to 2007. From 1996 to 2000, he was the officer of Dongguan Management Committee. From 1990 to 1996, he was the deputy director general of The Urban and Rural Planning Bureau of Dongguan Municipal, and he was the deputy supervisor of the Preparation Committee of Dongguan City Government from 1988 to 1990. He has extensive experience in management.

**Mr. Huang Zhi Wei**, aged 82, was appointed as an independent non-executive Director on 2 November 2012. Mr. Huang graduated from The Huazhong University of Science and Technology, majoring in electrical engineering. Mr. Huang worked in the PRC government authorities for over 10 years. He served as the deputy director general of Guangdong Commission of Foreign Trade & Economic Cooperation and the director of General of Guangdong Board of Investment from 1993 to 2000. From 1984 to 1992, he served as the executive officer of Foshan Economic Committee. Mr. Huang worked as the engineer at power plant in Foshan for almost 10 years. From 1981 to 1984, he served as the chief engineer and deputy general manager of a household electrical appliances corporation in Foshan.

**鄭達賢先生**，年82歲，於二零零七年一月三十日獲委任為獨立非執行董事。彼為本公司薪酬委員會之主席以及本公司審核委員會和提名委員會之成員。目前，彼為港九機械電器儀器業商會有限公司永遠榮譽會長、副秘書長及常務會董。鄭先生擁有逾四十年業務管理之經驗。

**何偉森先生**，年74歲，於二零一零年十二月二十一日獲委任為獨立非執行董事。彼為本公司提名委員會、薪酬委員會及審核委員會之成員。何先生曾在東莞市多個政府機關任職超過四十年。由二零零零年至二零零七年期間，彼出任東莞市市政公用事業管理局及東莞市城市綜合管理局之局長；由一九九六年至二零零零年期間，彼出任東莞市城市管理委員會辦公室主任；由一九九零年至一九九六年期間，彼出任東莞市城鄉建設規劃局副局長，以及由一九八八年至一九九零年期間，彼出任東莞市城區政府籌備組副組長。何先生擁有豐富的管理經驗。

**黃志煒先生**，年82歲，於二零一二年十一月二日獲委任為獨立非執行董事。黃先生畢業於華中科技大學，主修電機工程系。黃先生曾在中國政府機關任職超過十年，由一九九三年至二零零零年期間，彼出任廣東省外經貿委副主任及廣東省外商投資局局長，由一九八四年至一九九二年期間，彼擔任佛山市經濟委員會主任。黃先生曾於中國廣東省佛山市發電廠任職工程師近十年。由一九八一年至一九八四年期間，彼出任佛山市家電公司總工程師兼副總經理。

## DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES (CONTINUED) 董事及高級管理人員簡歷(續)

### SENIOR MANAGEMENT

**Mr. Man Chi Fai, Bruno**, aged 59, joined the Group in 2013. He holds a Bachelor of Science (Mechanical) in The University of London and a Master Science in Engineering (Industrial Management and Manufacturing) in The University of Hong Kong. Mr. Man is a member of each of The Hong Kong Institution of Engineers (HKIE) and The Institution of Electrical Engineers in the United Kingdom (IEE). He had worked in various sizeable corporations. At present, Mr. Man is a general manager of various subsidiaries of the Company which are engaged in the processing of plastic food packaging. He also holds directorship in certain subsidiaries of the Company. Mr. Man has over 20 years of experience in plastic injection molding, metals manufacturing, molds design and manufacturing, manufacturing assembly process management and project management.

**Mr. Ye Yueran**, aged 47, joined the Group in 2002. He has over 10 years of experience in manufacturing of machinery. At present, Mr. Yip is a general manager of various subsidiaries of the Company which are engaged in the manufacturing of extrusion machines and rubber injection machines. He also holds directorship in certain subsidiaries of the Company.

**Mr. Yip Kar Shun**, aged 73, joined the Group in 1994. He has over 40 years of experience in electronic production and management. At present, Mr. Yip is a managing director of various subsidiaries of the Company which are engaged in the processing and trading of printed circuit boards. He also holds directorship in certain subsidiaries of the Company.

### 高級管理人員

**萬志輝先生**，年59歲，於二零一三年加入本集團。彼持有英國倫敦大學機械工程學士學位及香港大學工程學(工業管理與製造)碩士學位。萬先生為香港工程師學會(HKIE)及英國特許工程師學會(IEE)之會員。彼曾任職多間大型企業。目前，萬先生為本公司從事食品塑料包裝加工業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。萬先生在塑料注塑、五金製造、模具設計與製造、流水線生產製程管理及項目管理有逾二十年經驗。

**葉月然先生**，年47歲，於二零零二年加入本集團。彼擁有逾十年機械製造之經驗。目前，葉先生為本公司從事擠出機及橡膠注塑機製造業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。

**葉嘉信先生**，年73歲，於一九九四年加入本集團。彼擁有逾四十年電子生產及管理之經驗。目前，葉先生為本公司從事印刷線路板加工及貿易業務的附屬公司之董事總經理。彼亦擔任本公司若干附屬公司之董事職位。

# REPORT OF THE DIRECTORS

## 董事會報告書

The Board has pleasure in submitting their report together with the audited consolidated financial statements for the year ended 31 December 2020.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Further details of the principal activities of the principal subsidiaries are set out in note 41 to the consolidated financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

### RESULTS

The results of the Group for the year ended 31 December 2020 and the state of affairs of the Group at that date are set out in the audited consolidated financial statements on pages 124 to 280 of this annual report.

### FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2020 (31 December 2019: Nil).

### BUSINESS REVIEW

#### Review of operations

The Group recorded net profit of approximately HK\$25,878,000 for the year as compared with net profit of approximately HK\$24,884,000 from the previous year. Further details in respect of the fair review of the Group's businesses, please refer to the sections "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial position and business operations may be affected by a number of risks and uncertainties relating to the Group's businesses. The Group believes that an effective risk management is critical to the achievement of our strategic objectives and long-term sustainable growth of our business. The Board has overall accountability for ensuring that risk is effectively managed across the Group. The Group recognizes that adopting a proactive approach and establishing a robust business management system to risk mitigation must be balanced with a degree of flexibility so that we can safeguard the interests of shareholders, customers, employees and other stakeholders. The principal risks and uncertainties set out below are known to the Group during the year under review:

董事會欣然提呈其報告連同截至二零二零年十二月三十一日止年度之經審核綜合財務報表。

### 主要業務

本公司之主要業務為投資控股。旗下主要附屬公司之主要業務的進一步詳情載列於綜合財務報表附註41。本集團主要業務的性質於本年度內並無重大改變。

### 業績

本集團截至二零二零年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第124至280頁之經審核綜合財務報表。

### 末期股息

董事會不建議派發截至二零二零年十二月三十一日止年度末期股息（二零一九年十二月三十一日：沒有）。

### 業務回顧

#### 經營回顧

於本年度本集團錄得溢利淨額約25,878,000港元，去年溢利淨額約24,884,000港元。就本集團業務的中肯審視的進一步詳情，請參閱本年報「主席報告」及「管理層論述及分析」章節。

### 主要風險及不明朗因素

本集團的財務狀況和業務運營可能會受到業務若干風險和不確定性造成影響。本集團相信，有效的風險管理對實現本公司的戰略目標和業務的長期可持續發展至為重要。董事會有責任確保本集團維持有效的風險管理。本集團認識到採用積極主動的方法和建立穩健的業務管理體系來緩解風險可達至保持一定程度的靈活性，從而保障股東、客戶、僱員及其他持份者的利益。於本年度回顧本集團已知的主要風險和不明朗因素載列如下：

## Market risks

### *Macroeconomic changes and concentration risk*

The Group's businesses are sensitive to the global economic environment. In 2020, an outbreak of COVID-19 pandemic has not only taken many human lives but also severely crippled the economy across the globe. Due to strict lockdown and compulsory quarantine measures imposed by the PRC and HKSAR governments, all manufacturing businesses of the Group imposed restriction on the resumption date of work after the Chinese New Year Holidays, which severely impacted our business operations. Simultaneously, the global economic sentiment and activities caused by the US-Sino trade war are still clouded by uncertainties prevailing in the external environment and induce unfavorable effect on manufacturing industries, especially in Mainland China, where the Group primarily conducts its business. The Group has implemented penetration strategies on customers and product portfolios through internal development and business model adjustment to mitigate the adverse impact from economic downturn and to reduce the dependency on specific customer segments.

### *Keen market competition market and pricing pressure*

The Group must compete on both price and product know-how as multinational and regional or niche competitors attempt to increase its market share. Intensive competitive pressure may impede the profitability of the Group. Additionally, customers were also affected by the competitive pressure and their sales will fluctuate. The Group keeps implementing cost-effective solutions and key performance indicators to enhance productivity and efficiency.

## Operation risks

The risk of operation loss caused by the COVID-19 pandemic on logistics bottlenecks and disruption in supply chain may result in unfavorable impact on businesses. The Group may experience difficulties in a sudden shortage of materials which leads to delay in delivery and inability to procure substitutes at reasonable prices on a temporary basis, which led to loss of sales opportunities and non-fulfillment of customers' expectations. The Group minimises the risk by using supply chain management including strictly selecting suppliers with quality assurance, good reputation and high credibility who are honest in co-operation, and extending sourcing channels and strengthening inventory control management. The Group continues to monitor raw materials price movements and foresees that raw material prices will keep rising in 2021 and result in a raise in the selling price of our products to partially offset the increased costs.

## 市場風險

### *宏觀經濟變化和風險集中*

本集團的業務容易受全球經濟環境波動。於二零二零年，2019新型冠狀病毒疫情爆發不僅奪走了很多人的生命，並且嚴重損害了全球經濟。由於中國和香港特區政府實施了嚴格的封鎖和強制檢疫措施，本集團所有的製造業務在中國農曆新年假期後的復工日期實施限制，這嚴重影響了我們的業務運作。同時，中美貿易戰影響全球經濟情緒和活動，外部環境仍存在諸多不確定性，均對本集團主要在中國內地從事製造業務產生不利影響。本集團通過內部發展和調整業務模式，對客戶採取了滲透戰略和進行了產品組合多樣化，以減輕經濟衰退帶來的負面影響及減低對特定客戶群的依賴。

### *激烈的市場競爭和定價壓力*

由於跨國企業、地區或利基競爭對手謀求增加市場份額，本集團要在銷售價格和在產品專有技術上進行競爭，激烈的競爭會削弱本集團的盈利能力。另外，由於本集團客戶也受到競爭壓力，其銷量較易受到波動。本集團繼續通過成本效益的解決方案和實施關鍵績效指標，提升生產力和效率。

## 經營風險

因2019新型冠狀病毒疫情引起的物流瓶頸和供應鏈中斷而造成的運營損失風險可能會對業務造成不利影響。本集團可能遇到突發性原材料短缺導致產品交付延遲，及難以以合理價格暫時採購替代材料，導致錯失銷售機會以及無法滿足客戶的期望。本集團通過供應鏈管理，包括：嚴選有品質保證，以及具有良好信譽和信用能力高的以誠合作的原材料供應商，並且持續擴展採購管道和加強庫存管控來減低此風險。本集團一直有效地監控原材料價格，對原材料最新價格變動有充分了解。預計原材料價格在二零二一年持續走強，導致我們上調產品售價而抵銷部分成本上漲。



## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### Pandemic risk

The outbreak of the COVID-19 pandemic is an unprecedented challenges, its impacts and duration are not fully known yet and has created considerable negative sentiment and uncertainty in global economy and affected the Group's revenues. Protecting employees' health is the top priority. All plants resumed work and production in an orderly manner after the Chinese New Year holidays. The headquarters and other offices situated in Hong Kong have implemented work-from-home arrangement and flexible working hours to reduce transmission risks in offices. The Group expects that the pandemic will continue to affect our business segments' operations and financial performance.

#### Legal and Regulatory Compliance Risks

The Group has various production plants and offices across the PRC and Hong Kong. Any failure to comply with the regulatory changes in these territories may result in penalties and even temporary production suspension. Failure to ensure compliance with laws and regulations could have an adverse effect on Group's reputation and bring about potential risks impacting on the operations and profitability of the Group. Maintenance of legal and regulatory compliance is a core value of the Group. The Group would monitor the changes in legislation with legal consultation services from time to time and has internal control procedures in place to ensure the compliance of regulatory provisions and internal policies performed.

#### Financial risks

The Group is exposed to financial risks, including foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk arising in the normal course of its business and financial instruments. The details of such risks are shown in note 39 to the consolidated financial statements on pages 254 to 271.

Certain measures to manage the impact on these potential risks and uncertainties are described in the heading "Business Review" of the section of the "Management Discussion and Analysis" of this annual report.

#### 大流行風險

2019新型冠狀病毒疫情爆發讓全球各地面臨前所未有的挑戰，其影響和持續時間尚未完全確定，對全球經濟造成了相當大的負面情緒和不確定性，並影響本集團的收入。確保僱員健康成為當務之急，所有廠房在農曆新年假期後有序地復工復產，而香港總部及其他辦公室實施在家工作安排和彈性上下班時間，以減少辦公室的傳播風險。本集團預計疫情將繼續影響本集團不同板塊的業務運作和財務業績。

#### 法律、規管及法規的風險

本集團在香港和中國內地設有多個生產廠房和辦公室。如未能遵守其經營地區的監管法規，則可能導致罰款甚至短暫停產。未能符合法律法規會對本集團產生聲譽不利影響，並對經營和盈利能力帶來潛在風險。維護法律法規合規性是本集團的核心價值。本集團不時就新法例或法例規定變更而聘任法律諮詢服務公司，以及設立內部監控流程，以確保遵守監管規定和執行內部政策。

#### 財務風險

本集團在日常業務過程中和運用金融產品而產生的財務風險，包括：外匯風險、利率風險、價格風險、信貸風險和流動資金風險。該等風險詳情載列於綜合財務報表附註39第254至271頁。

管理該等潛在的風險和不明朗因素帶來的影響之若干措施已在本年報「管理層論述及分析」一節中「業務回顧」標題中描述。



## FINANCIAL KEY PERFORMANCE INDICATORS

The financial key performance indicators of the Group for the years ended 31 December 2020 and 2019 are summarized as follows:

## 財務關鍵表現指標

本集團截至二零二零年和二零一九年十二月三十一日止年度的財務關鍵表現指標概述如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	Change 變動
<b>Operating Performance</b>	<b>經營表現</b>			
Revenue	收入	2,432,021	2,344,923	+3.7%
Operating Profit	經營溢利	49,929	53,894	-7.4%
Profit before tax	稅前溢利	35,423	39,075	-9.3%
Profit for the year	本年度溢利	25,878	24,884	+4.0%
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	2.27	1.83	+24.0%
<b>Key Financial Information</b>	<b>關鍵財務資料</b>			
Cash and bank balances	現金及銀行結餘	494,669	312,633	+58.2%
Total assets	資產總值	2,834,678	2,603,889	+8.9%
Total liabilities	負債總值	1,334,695	1,217,448	+9.6%
Total equity attributable to equity shareholders	股東應佔權益總額	1,268,626	1,171,669	+8.3%
<b>Financial Ratios</b>	<b>財務比率</b>			
Current ratio	流動比率	1.6	1.6	N/A 不適用
Gross Profit margin	毛利率	16.8%	16.1%	+0.7pp 百分點
Earnings before interests, taxes, depreciation and amortization (EBITDA) margin <sup>(note 1)</sup>	未計利息、稅項、折舊及攤銷前的盈利率 <sup>(附註1)</sup>	5.5%	4.4%	+1.1pp 百分點
Net profit margin	淨盈利率	1.1%	1.1%	-
Net debt to equity ratio <sup>(note 2)</sup>	負債資本比率 <sup>(附註2)</sup>	N/A 不適用	8.9%	N/A 不適用

**REPORT OF THE DIRECTORS (CONTINUED)**  
**董事會報告書 (續)**

Notes:

1. EBITDA margin is calculated as EBITDA divided by revenue. The following table sets forth the calculation of EBITDA:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit before tax	除稅前溢利	35,423	39,075
Add/(less):	加/(減):		
Unused provision for restructuring reversed	回撥未動用的重組撥備	-	(20,290)
Reversal of provision of indemnity	回撥賠償撥備	-	(25,780)
Finance costs	財務費用	20,315	24,958
Depreciation and amortisation on:	折舊及攤銷:		
- Ownership interest in leasehold land and buildings held for own use	- 自用租賃土地及樓宇的所有權權益	15,171	14,292
- Other owned assets	- 其他自置資產	45,937	55,225
- Intangible assets	- 無形資產	1,383	1,383
- Right-of-use assets	- 使用權資產	15,239	14,967
EBITDA	未計利息、稅項、折舊及攤銷前的盈利	<b>133,468</b>	103,830

附註:

1. 未計利息、稅項、折舊及攤銷前的盈利率以未計利息、稅項、折舊及攤銷前的盈利除以收入計算。下表載列未計利息、稅項、折舊及攤銷前的盈利之計算:

2. Net debt to equity ratio improved from 8.9% as at 31 December 2019 to net cash as at 31 December 2020.

2. 資本淨負債比率從二零一九年十二月三十一日的8.9%改善至二零二零年十二月三十一日的淨現金。

**FUTURE DEVELOPMENT OF THE GROUP'S BUSINESSES**

In view of the uncertainties in the market and operating environment caused by the COVID-19 pandemic and uncertain Sino-US trade relations, the performance of various businesses of the Group might be affected unless cost saving and risk mitigation measures are implemented properly. Details of future development of the Group's businesses, please refer to the sections "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

**本集團業務未來發展**

由於2019新型冠狀病毒疫情爆發及中美貿易關係不明朗對市場及經營環境產生的不確定性，本集團各業務的表現可能會受到影響，除非適當地實施成本節約和降低風險的措施。就本集團業務未來發展的詳情，請參閱本年報「主席報告」及「管理層論述及分析」章節。

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to complying with the applicable environmental laws, rules and regulations on the prevention and control of wastage, waste gases emissions and sewage discharges in Hong Kong and the PRC during the production process. Various measures have been implemented within the Group, such as measures on effective energy conservation to reduce the use of energy and water, and measures on managing the reduction of waste and reduction of greenhouse gas emissions. Detailed discussion on the environmental policies and performance of the Group is set out in the section "Environmental, Social and Governance Report".

## COMPLIANCE WITH LAWS AND REGULATIONS

During the year under review, there was no material breach of or non-compliance with the laws and regulations applicable to the Group. Apart from complying with Hong Kong laws such as the Companies Ordinance, Listing Rules, SFO, Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong), we have also complied with laws of the PRC, including the Company Law of the PRC, Labour Law of the PRC, Labour Contract Law of the PRC, Enterprise Annuities Fund Measures, relevant laws, rules and regulations in relation to child and forced labour including the Provisions on the Prohibition of Using Child Labour and the Law of the PRC on the Protection of Minors, as well as other environmental laws, relevant rules, ordinances and regulations on the prevention and control of wastage, waste gases and sewage emission. These laws, ordinances and regulations include but not limited to the Environmental Protection Law of the PRC, the Environmental Protection Tax Law of the PRC, the Prevention and Control of Atmospheric Pollution of the PRC, the Water Pollution Prevention and Control Law of the PRC, the Waste Disposal Ordinance, the Product Eco-responsibility Ordinance, Environmental Quality Standard for Surface Water, Wastewater Quality Standards for Discharge to Municipal Sewers, Measures for Hazardous Waste Operation Administration and Solid Wastes of Prevention and Control Law of the PRC etc.. These environmental laws will have impact on the Group's operation since if we do not dispose all wastages, discharges and waste gases properly, we might have to bear heavy environmental protection tax which will lead to an increase in the cost of disposal of wastages or temporary production suspension until the fulfillment of the emission standards.

## 環境政策及表現

本集團承諾遵守香港及中國於生產過程中防止及控制產生的廢物、廢氣排出和廢水排出的適用環保法律、規則及規定。本集團已實施多項措施，例如：實行有效的節能措施以減少能源和水，以及實行減廢管理及減少溫室氣體排放的措施。有關本集團環境政策及表現的詳細討論已載列於「環境、社會及管治報告」章節內。

## 遵守法律及規定

於回顧年度內，本集團並無重大違反或不遵守適用於本集團的法律及規定。除了遵守香港法例，如《公司條例》、上市規則、《證券及期貨條例》、《僱傭條例》(香港法例第57章)及《打擊洗錢及恐怖分子資金籌集條例》(香港法例第615章)，我們亦遵守中國的法例，包括《中國公司法》、《中國勞動法》、《中國勞動合同法》、《企業年金辦法》、有關童工和強制勞工的法律及法規，包括《禁止使用童工規定》和《中國未成年人保護法》，以及其他與廢物、廢氣和廢水排放有關的防治及控制的法例及規定和其他環保法律及相關規則。該等法律、法例及規定包括但不限於：《中國環境保護法》、《環境保護稅法》、《中國大氣污染防治法》、《中國水污染防治法》、《廢物處置條例》、《產品環保責任條例》、《地表水環境品質標準》、《污水排入城鎮下水道水質標準》、《危險廢物經營授權管理辦法》、《中國固體廢物污染環境防治法》等。若本集團不妥善處理所有廢物排放及廢氣排出，將須承擔沉重的環境保護稅並增加處置廢物的成本或可能短暫停產直至廢氣達標排出，該等環保法律將對本集團的營運造成影響。

## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group's success also depends on the support from key stakeholders which comprise employees, customers, suppliers, Shareholders, government and regulators, as well as banks.

##### Employees

Employees are regarded as the most important and valuable assets of the Group. Most of the management have been serving the Group for a long period of time. The Group offers competitive salaries and benefits and also provides training programmes or courses for the Mainland China employees at all levels from different departments, as well as Directors and employees of the Company in order to further enhance their management skills, expertise and knowledge, and at the same time, make continual contribution to the Group. Different activities such as annual dinners, celebration of staff's birthday and ball games had been organized by various business units of the Group for general staffs together with the management to participate in order to strengthen their partnership and communication. However, in light of the outbreak of the pandemic in 2020, the Group cancelled activities due to social distancing restriction. During the year, the Group successfully protected the health and safety of its employees in order to resume work and production in a smooth and orderly manner.

##### Customers

The major customers of machinery manufacturing business, plastic products processing and manufacturing businesses, printed circuit boards processing and trading businesses and industrial consumables trading business are the plastic pipe, washing machine shell, printed circuit boards for home appliances and automotive, inverter air conditioners for automotive manufacturers respectively. Most of them have been customers for more than 3 years and in return for their loyalty, we provide them with good quality products and after-sale services.

#### 與主要持份者的關係

本集團的成功亦依賴主要持份者，包括：僱員、客戶、供應商、股東、政府及監管機構，以及銀行的支持。

##### 僱員

僱員被視為本集團最重要及具價值的資產。大部分管理層一直為本集團服務了很長時間。本集團提供具競爭力的薪酬及福利，亦分別向國內各部門所有級別僱員及董事及本公司僱員提供培訓計劃或課程，用以提升他們的管理技巧、專業技能和知識，並同時向本集團作出持續貢獻。本集團不同業務單位每年不時組織活動，例如：周年晚宴、僱員生日慶祝及球類比賽等活動予一般僱員連同管理層一起參與，從而加強彼此的合作關係及溝通。但鑑於二零二零年疫情爆發，受社交距離的限制，本集團取消舉行活動。於本年度，本集團成功保護好僱員的健康和安全以利迅速及有序地復工復產。

##### 客戶

機械製造業務、注塑製品之加工及製造業務、印刷線路板之加工及貿易業務及工業消耗品之貿易業務的主要客戶分別為塑料管道、洗衣機外殼、家電及汽車用的印刷線路板、汽車空調變頻器製造商。我們與大部分的客戶已合作超過三年，為了回報他們的忠誠，我們向他們提供優質的產品和售後服務。

### Suppliers

The major suppliers of machinery manufacturing business, plastic products processing and manufacturing businesses, printed circuit boards processing and trading businesses, and industrial consumables trading business are the injection molding machine castings, plastic raw material particles, copper clad laminate, and stepping motor and servo motor suppliers respectively. Most of the have been suppliers for more than 3 years and have maintained good relationship with them in order to achieve cost effectiveness and obtain long-term commercial benefits.

### Shareholders

The major Shareholders are Cosmos Holdings and its controlled corporations, China Resources (Holdings) Company Limited and minority Shareholders. It is grateful to have Shareholders who are being supportive to the Group for a long period of time.

### Government and Regulators

It is important for us to maintain good relationships with local officials to anticipate legal or regulatory changes or community developments that may affect our business. In view of the need to maintain good relationship, we have arranged occasional visits and face-to-face meetings whenever necessary.

### Banks

Banks serve as the lenders of our Group in providing finance in our businesses operation and development, include trade finance and fixed assets purchasing. We maintain stable relationship with banks through regular meetings and visits.

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 281 of this annual report.

### 供應商

機械製造業務、注塑製品之加工及製造業務、印刷線路板之加工及貿易業務及工業消耗品之貿易業務的主要供應商分別為注塑機鑄件、塑料原材料粒子、覆銅箔層壓板，以及伺服馬達和步進馬達供應商。我們與大部分供應商已合作了超過三年，並與他們保持良好關係，以達致成本效益及促進長遠商業利益。

### 股東

本集團的主要股東為大同控股與其受控法團、華潤(集團)有限公司及小股東。我們感激各股東長時間支持本集團。

### 政府及監管機構

我們必須與當地官員保持良好關係，以預計可能會影響我們業務的法律或監管變更或社區發展。因需要保持良好的關係，我們必要時會偶爾安排與他們拜訪和會面。

### 銀行

銀行作為本集團的貸款人，提供資金幫助集團業務營運，包括貿易融資及購買固定資產。我們透過定期會面和拜訪保持雙方穩定的關係。

### 五年財務摘要

本集團過去五個財政年度之業績及資產與負債摘要載列於本年報第281頁。



## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書 (續)

#### PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

#### SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in note 30 to the consolidated financial statements.

#### RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" on pages 129 to 130 of this annual report and in note 31 to the consolidated financial statements.

#### DISTRIBUTABLE RESERVES

As at 31 December 2020, the Company's reserves available for distribution, as calculated in accordance with the sections 291, 297 and 299 of the Companies Ordinance, amounted to approximately HK\$420,204,000.

#### DONATIONS

During the year, the Group made HK\$28,000 of donation.

#### BIOGRAPHICAL DETAILS OF DIRECTORS

The biographical details of the Directors are set out in the section "Directors and Senior Management's Biographies" on pages 26 to 29 of this annual report.

#### DIRECTORS' EMOLUMENTS

Messrs. Qu Jinping, Huang Zhi Wei and Ho Wei Sem agreed to waive their Directors' fees under their letters of appointment. No payment shall be made by the Company to such Directors during the year ended 31 December 2020. Further details of the Directors' emoluments are set out in note 10A to the consolidated financial statements.

#### 物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情分別載列於綜合財務報表附註15。

#### 股本

本年度內，本公司股本變動之詳情載列於綜合財務報表附註30。

#### 儲備

本集團及本公司之儲備於本年度之變動詳情載列於本年報第129至130頁之「綜合權益變動表」及綜合財務報表附註31。

#### 可供分派儲備

於二零二零年十二月三十一日，按《公司條例》第291、297及299條之規定計算，本公司可供分派之儲備約為420,204,000港元。

#### 捐款

於本年度，本集團已作出28,000港元捐款。

#### 董事簡歷

董事簡歷載於本年報第26至29頁之「董事及高級管理人員簡歷」內。

#### 董事酬金

根據瞿金平先生、黃志煒先生及何偉森先生的委任書，彼等同意放棄收取董事酬金，故截至二零二零年十二月三十一日止年度本公司毋須向彼等支付董事酬金。進一步董事酬金之詳情載於綜合財務報表附註10A。

## DIRECTORS

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

### Executive Directors

Mr. Tang To (*Chairman*)  
Mr. Wong Yiu Ming (*Executive Vice Chairman*)  
(*Resigned with effect from 1 January 2021*)  
Mr. Tang Yu, Freeman (*Chief Executive Officer*)  
Mr. Mei Zheqi  
(*Resigned with effect from 12 November 2020*)

### Non-executive Directors

Mr. Kan Wai Wah  
Mr. Qu Jinping

### Independent Non-executive Directors

Ms. Yeung Shuk Fan  
Mr. Cheng Tak Yin  
Mr. Ho Wei Sem  
Mr. Huang Zhi Wei

The Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with article 102 of the Articles. Messrs. Tang To, Kan Wai Wah and Cheng Tak Yin will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

## DIRECTORS OF SUBSIDIARIES

During the year and up to the date of this report, the persons who served as directors of the subsidiaries of the Company include Messrs. Cao Xiaowei, Chen Leiming\*, Ching Shuk Kwan, Ching Wang Ho, Diao Junde, Du Jiang, Fang Xirong, Ho Kwong Sang, Hu Ping, Hui Oi Chun, Hui Wai Kee\*, Jiang Shufeng, Kwok Chi Kin\*, Li Haihua, Lu Hank, Man Chi Fai, Bruno, Mei Zheqi, Miao Hongliang, Tang To, Tang Yu, Freeman, Tsutsumi Keiji, Wong Yiu Ming, Xie Jie, Yatsugi Atsushi, Ye Qingzhong, Ye Yueran, Yip Kar Shun, Yip Kin Keung, Yu Hong, Zhang Xiaochen, Zhao Weirong\* and Zhu Wenguang.

*The persons marked with an asterisk \* are no longer the directors of the subsidiaries of the Company as at the date of this report.*

## 董事

於本年度內及截至本年報日期之董事如下：

### 執行董事

鄧燾先生 (*主席*)  
黃耀明先生 (*執行副主席*)  
(*於二零二一年一月一日起生效*)  
鄧愚先生 (*行政總裁*)  
梅哲騏先生  
(*於二零二零年十一月十二日起生效*)

### 非執行董事

簡衛華先生  
瞿金平先生

### 獨立非執行董事

楊淑芬女士  
鄭達賢先生  
何偉森先生  
黃志煒先生

根據章程細則第102條之規定，董事須於本公司股東周年大會上輪值退任，惟可膺選連任。鄧燾先生、簡衛華先生及鄭達賢先生均將在即將舉行之股東周年大會上輪值告退及願膺選連任。

## 附屬公司董事

於本年度內及截至本報告日期擔任本公司附屬公司董事的人士包括：曹小偉先生、陳雷銘先生\*、程淑群女士、程宏灝先生、刁俊德先生、杜江先生、方熙榮先生、何廣生先生、胡平先生、許凱駿先生、許韋奇先生\*、姜樹峰先生、郭志堅先生\*、李海華先生、盧熯先生、萬志輝先生、梅哲騏先生、繆虹亮先生、鄧燾先生、鄧愚先生、堤惠司先生、黃耀明先生、謝傑先生、八木篤先生、葉慶忠先生、葉月然先生、葉嘉信先生、葉建強先生、余紅女士、張笑塵先生、趙偉榮先生\*及朱文光先生。

註有\*的人士於本報告日期已不再為本公司附屬公司之董事。

## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告書(續)

### DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the headings "Directors' Interests and Short Positions in Shares, Debentures or Underlying Shares under the SFO", "Shareholders' Interests and Short Positions in Shares or Underlying Shares of the Company under the SFO" and "Related Party Transactions" of this report, and in the heading of "Subsequent Events" of the section "Management Discussion and Analysis" of this annual report, at no time during the year or at the end of the year has been/was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the Directors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors (including independent non-executive Directors) has entered into a letter of appointment setting out the key terms and conditions of his/her appointment as Director with the Company for a term of three years. They are all subject to retirement by rotation and re-election at least every three years at annual general meeting in accordance with the Articles.

### 董事之服務合約

在即將舉行之股東周年大會上候選連任之董事概無與本公司訂立不可由本公司於一年內終止而毋須支付賠償(法定賠償除外)之服務合約。

### 董事購買股份及債券權利

除於本報告「根據《證券及期貨條例》董事於股份、債權證或相關股份之權益及淡倉」、「根據《證券及期貨條例》股東於本公司之權益及淡倉或相關股份」及「關聯方交易」標題披露者，以及本年報「管理層論述及分析」標題中描述「結算日後事項」外，於本年度任何時間內或年終時，本公司、其控股公司或其任何附屬公司未曾／概無參與任何安排，致使董事或彼等各自之配偶或十八歲以下子女可藉購買本公司或任何其他法人團體的股份或債券而獲得利益。

### 獨立非執行董事

每位非執行董事(包括獨立非執行董事)已與本公司訂立委任書，訂明有關其委任為董事的主要條款及條件，任期為三年。所有董事均須根據章程細則規定至少每三年一次在股東周年大會上輪席告退及膺選連任。

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to rule 3.13 of the Listing Rules. Although three of the independent non-executive Directors, Messrs. Yeung Shuk Fan, Cheng Tak Yin and Ho Wei Sem have been serving the Board for more than nine years, they have not engaged in any executive management of the Group. Their familiarity and extensive experience with the Group's businesses place them in a better position to contribute independent views to the Company. Taking into consideration of their independent scope of works when performing duties as independent non-executive Directors over the past years, there is no evidence that length of tenure is having an adverse impact on their independence. Therefore, the Company considers all independent non-executive Directors are independent throughout the year under review.

#### **DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS**

Saved as disclosed in the heading of "Subsequent Events" of the section "Management Discussion and Analysis" of this annual report and related party transactions as disclosed in note 40 to the consolidated financial statements and in the heading "Related Party Transactions" below, no Director and his/her entity connected had a material interest, directly or indirectly, in a transaction, arrangement or contract or a proposed transaction, arrangement or contract that is significant in relation to the Group's businesses to which the Company or any of its subsidiaries was a party during the year.

根據上市規則第3.13條規定，本公司已收到每名獨立非執行董事有關其獨立性之年度確認書。雖然其中三位獨立非執行董事楊淑芬女士、鄭達賢先生及何偉森先生服務董事會至今已超過九年，但彼等概無參與本集團任何行政管理工作，而對本集團業務之熟悉及資深經驗有助其向本公司提供較佳之獨立意見。考慮到彼等過往年度工作之獨立範疇及彼等履行獨立非執行董事職責，並無任何證據顯示服務年資對彼等獨立性產生負面影響。因此，本公司認為所有獨立非執行董事於回顧年度內為獨立人士。

#### **董事在交易、安排或合約中之權益**

除於本年報「管理層論述及分析」一節中「結算日後事項」標題中描述及於綜合財務報表附註40及以下「關聯方交易」標題內一節披露的關聯方交易外，於本年度內各董事及其關連的實體於本公司或其任何附屬公司所訂立的任何對本集團業務可屬重大之交易、安排或合約中，不論直接或間接，概無擁有重大權益。

## REPORT OF THE DIRECTORS (CONTINUED) 董事會報告書 (續)

### INDEMNITIES AND INSURANCE

The Company has arranged appropriate Directors' and officers' liability insurance coverage in respect of legal actions brought for committed or alleged wrongful acts against the Directors and officers of the Group throughout the year, but exclude any criminal, dishonest or fraudulent acts or omission.

The Articles provide that every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability, loss or expenditure incurred by him in defending any proceedings, whether civil or criminal, which relate to anything done or omitted to be done by him as Director, officer or auditor of the Company and in which judgment is given in his favour or in which he is acquitted, or incurred in connection with any application in which relief is granted to him by the court from liability in respect of any such act or omission or from liability to pay any amount in respect of shares acquired by a nominee of the Company.

The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance when the report of the directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

### 獲准許彌償條文

於年內，本公司已就其董事及高級管理人員因實施或涉嫌過失行為（但不包括任何刑事、不誠實或欺詐行為或疏忽）而面對的法律行動，安排適當的董事及高級管理人員責任保險。

章程細則規定，每名董事或本公司其他行政人員或核數師就作為董事、秘書或本公司其他行政人員或核數師於任何民事或刑事法律程序中關於與其作為董事或本公司其他行政人員或核數師作出或遺漏作出之行為，而彼在判決中就有關作出或遺漏作出之行為之責任或就本公司代名人收購股份而應付款項之責任獲勝訴、獲裁定無罪或獲法院免除法律責任時所產生之任何責任、損失或開支，可從本公司資產中獲得彌償。

基於董事利益的獲准許彌償條文根據《公司條例》第470條的規定於董事編製之董事會報告書根據《公司條例》第391(1)(a)條獲通過時生效。



## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, DEBENTURES OR UNDERLYING SHARES UNDER THE SFO

As at 31 December 2020, save for the interests of the Directors in the Shares set out as below, none of the Directors had any interests and short positions in the Shares, debentures or underlying Shares or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was 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 therein or which were required to be disclosed herein pursuant to the Model Code.

## 根據《證券及期貨條例》董事於股份、債權證或相關股份之權益及淡倉

於二零二零年十二月三十一日，除董事所持有股份之權益(有關詳情載於下文)外，各董事於本公司或其任何相聯法團(按《證券及期貨條例》第XV部之涵義)之股份、債權證或相關股份中，概無擁有須根據《證券及期貨條例》第XV部第7及8分部知會本公司及聯交所之任何權益及淡倉(包括根據《證券及期貨條例》規定被視作或當作擁有之權益及淡倉)，亦無擁有須根據《證券及期貨條例》第352條登記於根據該條例存置或根據標準守則須於本文披露之任何權益及淡倉。

### Long position in Shares or underlying Shares:

於股份或相關股份之好倉：

Name of Director	Number of Shares Held 持有股份數目			Total number of Shares held	Approximate % of the total number of issued Shares 約佔已發行股份 總數目之 概約百分比
	Personal Interests	Family Interests	Corporate Interests		
董事姓名	個人權益	家族權益	企業權益	持有股份總數目	
Tang To 鄧燾	4,970,005	226,000 <sup>(1)</sup>	445,617,458 <sup>(2)</sup>	450,813,463	52.30
Wong Yiu Ming* 黃耀明*	9,468,000	–	–	9,468,000	1.10
Tang Yu, Freeman 鄧愚	–	–	442,157,052 <sup>(3)</sup>	442,157,052	51.30
Kan Wai Wah 簡衛華	136,400	–	–	136,400	0.02
Cheng Tak Yin 鄭達賢	1,406,000	–	–	1,406,000	0.16

\* Mr. Wong Yiu Ming resigned as the executive Director and executive vice chairman with effect from 1 January 2021.

\* 黃耀明先生辭任執行董事及執行副主席，由二零二一年一月一日生效。

## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書 (續)

#### Notes:

- (1) The 226,000 Shares held by Mr. Tang To and his spouse jointly.
- (2) Mr. Tang To was deemed to be interested in 445,617,458 Shares under the SFO, comprising (i) 3,460,406 Shares held by Ginta Company Limited (incorporated in Hong Kong) which is approximately 99.999% owned by Fullwin Limited (incorporated in Republic of Liberia), which in turn is owned as to 50% by Mr. Tang To and 50% by his spouse; (ii) 405,907,052 Shares held by Codo through its wholly-owned subsidiaries, Tai Shing, Hung Cheong and Cosmos Holdings; and (iii) 36,250,000 Shares held by Saniwell (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang To and certain of his family members) which in turn is owned as to approximately 57.14% by Mr. Tang To.
- (3) Mr. Tang Yu, Freeman was deemed to be interested in 442,157,052 Shares under the SFO, comprising (i) 405,907,052 Shares held by Codo through its wholly-owned subsidiaries, Tai Shing, Hung Cheong and Cosmos Holdings; and (ii) 36,250,000 Shares held by Saniwell (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang To and certain of his family members) which in turn is owned as to approximately 42.86% by Mr. Tang Yu, Freeman.

Save as disclosed above, none of the Directors, chief executives and their associates had any interests or short positions in any Shares, debentures or underlying Shares or any of the Company's associated corporations at 31 December 2020.

#### 附註：

- (1) 該226,000股股份由鄧熹先生及其配偶共同持有。
- (2) 根據《證券及期貨條例》，鄧熹先生被視為持有權益的445,617,458股股份，當中包括：(i)堅達有限公司（於香港註冊成立）持有的3,460,406股股份，堅達有限公司由Fullwin Limited（於利比里亞共和國註冊成立）擁有約99.999%，而Fullwin Limited由鄧熹先生及其配偶各自擁有50%權益；(ii)高度透過其全資附屬公司Tai Shing、Hung Cheong及大同控股持有的405,907,052股股份；及(iii)Saniwell（作為The Saniwell Trust的受託人，其受益人包括鄧熹先生及其若干家屬成員）持有的36,250,000股股份，而Saniwell由鄧熹先生擁有約57.14%權益。
- (3) 根據《證券及期貨條例》，鄧愚先生被視為於442,157,052股股份中擁有權益，包括(i)由高度透過其全資附屬公司Tai Shing、Hung Cheong及大同控股持有的405,907,052股股份；及(ii)Saniwell（作為The Saniwell Trust的受託人，其受益人包括鄧熹先生及其若干家屬成員）持有的36,250,000股股份，而Saniwell由鄧愚先生擁有約42.86%權益。

除上文披露者外，於二零二零年十二月三十一日，並無董事、最高行政人員及其聯繫人擁有本公司或其任何相聯法團之任何股份、債權證或相關股份之權益或淡倉。

## SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES OR UNDERLYING SHARES OF THE COMPANY UNDER THE SFO

As at 31 December 2020, so far as was known to the Directors, the following parties had an interest or long position or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were required pursuant to section 336 of the SFO, to be entered in the register referred therein:

### Long position in Shares or underlying Shares:

於股份或相關股份之好倉：

## 根據《證券及期貨條例》股東於本公司之權益及淡倉或相關股份

於二零二零年十二月三十一日，就董事所知，下列人士於本公司股份或相關股份中擁有須根據《證券及期貨條例》第XV部第2及3分部規定予以披露之權益或好倉或淡倉，或擁有須根據《證券及期貨條例》第336條登記於根據該條例存置之權益或好倉或淡倉：

Name of Shareholder 股東姓名	Capacity in which interests are held 持有權益之身份	Number of Shares Held 持有股份數目			Approximate % of the total number of issued Shares 約佔已發行股份總數目之概約百分比
		Direct Interests 直接權益	Deemed Interests 被當作持有之權益	Total number of Shares held 持有股份總數目	
Tai Shing	Beneficial owner 實益擁有人	170,104,452	-	170,104,452	19.74
Cosmos Holdings 大同控股	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	235,802,600	170,104,452 <sup>(1)</sup>	405,907,052	47.09
Codo 高度	Interest of controlled corporations 受控法團之權益	-	405,907,052 <sup>(2)</sup>	405,907,052	47.09
Law Kit Fong 羅潔芳	Interest of controlled corporations 受控法團之權益	-	405,907,052 <sup>(3)</sup>	405,907,052	47.09
Saniwell	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	36,250,000	405,907,052 <sup>(4)</sup>	442,157,052	51.30
China Resources (Holdings) Company Limited 華潤(集團)有限公司	Beneficial owner 實益擁有人	169,649,046	-	169,649,046	19.68
CRC Bluesky Limited	Interest of controlled corporations 受控法團之權益	-	169,649,046 <sup>(5)</sup>	169,649,046	19.68
China Resources Co., Limited 華潤股份有限公司	Interest of controlled corporations 受控法團之權益	-	169,649,046 <sup>(6)</sup>	169,649,046	19.68

## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書 (續)

#### Notes:

- (1) Tai Shing was wholly-owned by Hung Cheong, which is a wholly-owned subsidiary of Cosmos Holdings. By virtue of the SFO, Cosmos Holdings was deemed to be interested in the 170,104,452 Shares held by Tai Shing.
- (2) Cosmos Holdings was approximately 99.999% and 0.001% owned by Codo and Glad Season Investments Limited (incorporated in Hong Kong) ("Glad Season") respectively. Glad Season was owned as to 50% by Codo and 50% by Cosmos Holdings (as trustee for Codo). By virtue of the SFO, Codo was deemed to be interested in the 405,907,052 Shares held by Cosmos Holdings.
- (3) Codo was owned as to approximately (i) 8.37% by Elegant Power Enterprises Limited (incorporated in Hong Kong) ("Elegant Power"); and (ii) 30.25% by Friendchain Investments Limited (incorporated in Hong Kong) ("Friendchain"), which was owned as to 40% by Elegant Power. Elegant Power was owned as to approximately 0.002% and 99.998% by Mr. Kan Wai Wah, a non-executive Director (as trustee for Ms. Law Kit Fong) and Ms. Law Kit Fong respectively. By virtue of the SFO, Ms. Law Kit Fong was deemed to be interested in the 405,907,052 Shares held by Codo.
- (4) Codo was owned as to approximately (i) 25.06% by Keepsound Investments Limited (incorporated in Hong Kong), which was owned as to 94% by Saniwell; and (ii) 30.25% by Friendchain, which was owned as to approximately 57.42% by Saniwell. By virtue of the SFO, Saniwell was deemed to be interested in the 405,907,052 Shares held by Codo.
- (5) By virtue of the SFO, CRC Bluesky Limited (incorporated in British Virgin Islands) was deemed to be interested in the 169,649,046 Shares held by China Resources (Holdings) Company Limited (incorporated in Hong Kong), which was a wholly-owned subsidiary of CRC Bluesky Limited.
- (6) By virtue of the SFO, China Resources Co., Limited (incorporated in the PRC) was deemed to be interested in the 169,649,046 Shares held by CRC Bluesky Limited, which was a wholly-owned subsidiary of China Resources Co., Limited.

#### 附註：

- (1) Tai Shing由Hung Cheong全資持有，而Hung Cheong為大同控股的全資附屬公司。根據《證券及期貨條例》，大同控股被視為於Tai Shing所持有之170,104,452股股份中擁有權益。
- (2) 大同控股由高度及佳時投資有限公司（於香港註冊成立）（「佳時」）分別擁有約99.999%及約0.001%權益。佳時由高度及大同控股（作為高度的受託人）各自擁有50%權益。根據《證券及期貨條例》，高度被視為於大同控股所持有之405,907,052股股份中擁有權益。
- (3) 高度由(i)豪力企業有限公司（於香港註冊成立）（「豪力」）擁有約8.37%權益；及(ii)友昌投資有限公司（於香港註冊成立）（「友昌」）擁有約30.25%權益，而其為由豪力擁有40%權益。豪力由非執行董事簡衛華先生（作為羅潔芳女士的受託人）及羅潔芳女士分別擁有約0.002%及99.998%權益。根據《證券及期貨條例》，羅潔芳女士被視為於高度所持有之405,907,052股股份中擁有權益。
- (4) 高度由(i)協生投資有限公司（於香港註冊成立）擁有約25.06%權益，而其為由Saniwell擁有94%權益；及(ii)友昌擁有約30.25%權益，而其為由Saniwell擁有約57.42%權益。根據《證券及期貨條例》，Saniwell被視為於高度所持有之405,907,052股股份中擁有權益。
- (5) 由於華潤（集團）有限公司（於香港註冊成立）為CRC Bluesky Limited（於英屬處女群島註冊成立）之全資附屬公司，故根據《證券及期貨條例》，CRC Bluesky Limited被視為於華潤（集團）有限公司所持有之169,649,046股股份中擁有權益。
- (6) 由於CRC Bluesky Limited為華潤股份有限公司（於中國註冊成立）之全資附屬公司，故根據《證券及期貨條例》，華潤股份有限公司被視為於CRC Bluesky Limited所持有之169,649,046股股份中擁有權益。

Save as disclosed above, as at 31 December 2020, the Directors are not aware of any other persons who have interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company and the Stock Exchange pursuant to Part XV of the SFO.

### RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as “Related Parties” under applicable accounting standard. These transactions mainly relate to contracts entered into by the Group in the ordinary and usual course of business which were negotiated on normal commercial terms and on an arm’s length basis. Further details are set out in note 40 to the consolidated financial statements.

The Directors confirm that the related party transactions do not fall under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

### SUBSEQUENT EVENTS

Details of subsequent event occurring from the reporting period to the date of this annual report, please refer in the heading of “Subsequent Events” of the section “Management Discussion and Analysis” of this annual report.

### MANAGEMENT CONTRACTS

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

### EQUITY-LINKED AGREEMENTS

No equity-linked agreement that will or may result in the Company issuing shares or that requires the Company to enter into any agreements that will or may result in the Company issuing shares was entered into by the Company during the year or subsisted at the end of the year.

除上文披露者外，於二零二零年十二月三十一日，就各董事知悉，概無任何其他人士於本公司或其相聯法團（定義見《證券及期貨條例》第XV部）之股份、相關股份或債權證中擁有根據《證券及期貨條例》第XV部須向本公司及聯交所披露之權益或淡倉。

### 關聯方交易

本集團與根據適用會計準則被視為「關聯方」訂立若干交易。此等交易主要涉及本集團於一般及日常業務過程中按一般商務條款經公平原則磋商而訂立之合約。進一步詳情載列於綜合財務報表附註40。

董事確認關聯方交易並不符合上市規則第十四A章所述關連交易或持續關連交易的定義。

### 結算日後事項

由報告結算日後至本年報日期止結算日後事項詳情，請參閱本年報「管理層論述及分析」一節中「結算日後事項」標題中描述。

### 管理合約

除僱傭合約外，本年度內概無訂立或存有與本公司全部或任何重大部分業務管理及行政的合約。

### 股票掛鈎協議

於年內或年終時，本公司概無訂立或存在將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。



## REPORT OF THE DIRECTORS (CONTINUED)

### 董事會報告書(續)

#### DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year, none of the Directors is considered to have interests in the businesses which are considered to compete or likely to compete, either directly or indirectly, with businesses of the Group pursuant to rule 8.10 of the Listing Rules.

#### CORPORATE GOVERNANCE

The Group's corporate governance practices and procedures are set out in the section "Corporate Governance Report" on pages 50 to 71 of this annual report.

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

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

#### EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence as well as the prevailing market condition of the industry. Remuneration packages, which include an element of discretionary bonuses, are generally reviewed annually. The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to individual performance, the Company's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

#### SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of the annual report, the Company has maintained the prescribed public float under the Listing Rules.

#### 董事於競爭業務之權益

於本年度內，根據上市規則第8.10條，無董事被視為與本集團業務構成競爭或可能構成競爭。

#### 企業管治

本集團的企業管治常規和程序，列載於本年報第50至71頁「企業管治報告」章節內。

#### 購買、售出或贖回本公司上市證券

本公司或其任何附屬公司概無於截至二零二零年十二月三十一日止年度內購買、贖回或售出本公司任何上市證券。

#### 酬金政策

本集團僱員之酬金政策主要根據僱員之價值、資格、能力以及業界當時市場狀況而釐訂。彼等之酬金包括酌情發放之花紅，一般會每年予以檢討。董事之酬金乃由本公司薪酬委員會參照董事之個人表現、本公司之業績表現及盈利狀況、亦以業界指標及當時市場狀況而定。

#### 足夠公眾持股量

根據本公司可取得之公開參考資料及就董事所悉，截至本年報日期，本公司已維持上市規則項下規定之公眾持股量。

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2020, the respective percentage of purchases attributable to the Group's five largest suppliers and the sales attributable to the Group's five largest customers, on a combined basis, was less than 30% of the total value of the Group's purchases and sales.

None of the Directors, their associates or Shareholder (who to the knowledge of the Directors, own more than 5% of the total number of issued shares of the Company) had any beneficiary interest in the Group's major suppliers or customers noted above.

## REVIEW BY AUDIT COMMITTEE

This annual report has been reviewed by the audit committee of the Company. Information on the main works of audit committee of the Company and its composition are set out in the section "Corporate Governance Report" on pages 50 to 71 of this annual report.

## AUDITOR

The Group's consolidated financial statements for the year ended 31 December 2020 have been audited by Ting Ho Kwan & Chan, which will retire and a resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

By order of the Board

**TANG To**  
*Chairman*

Hong Kong, 30 March 2021

## 主要客戶及供應商

截至二零二零年十二月三十一日止年度，本集團之五個最大供應商合計所佔之購貨額百分比及五個最大客戶合計所佔之銷售額百分比乃佔本集團之購貨額及銷售額總值少於30%。

董事、其聯繫人或就董事所知持有本公司已發行股份總數目5%以上之股東概無擁有上述本集團主要供應商或客戶之任何實益權益。

## 審核委員會的審閱

本年報經已由本公司審核委員會審閱。有關本公司審核委員會主要工作及組成之資料詳列於本年報第50至71頁之「企業管治報告」章節內。

## 核數師

本集團截至二零二零年十二月三十一日止年度之綜合財務報表經由核數師丁何關陳會計師行審核，其將任滿告退，再續聘其為本公司核數師之決議案將於即將舉行之本公司股東周年大會上提呈。

承董事會命

*主席*  
**鄧燾**

香港，二零二一年三月三十日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE CODE

The Board is committed to practising and maintaining a high standard of corporate governance for the enhancement of Shareholders' value and safeguarding interests of Shareholders and other stakeholders, and reviews corporate governance practices and procedures of the Group on a regular basis.

### CORPORATE GOVERNANCE PRACTICES

The Company has made detailed disclosures in relation to the accounting period covered in this report in compliance with the requirements of the Corporate Governance Report as set out in the CG Code. During the year ended 31 December 2020, the Company has complied with all the principles and code provisions of the CG Code, except for the following deviation from code provisions A.1.1, A.2.7 and A.6.7 of the CG Code:

Code provision A.1.1 of the CG Code stipulates that the board should meet regularly and board meetings should be held at least four times a year at approximately quarterly intervals. It is expected regular board meetings will normally involve the active participation, either in person or through electronic means of communication, of a majority of directors entitled to be present. During the year under review, the Company held three regular Board meetings, instead of holding at least four regular board meetings a year as required under the code provision A.1.1 of the CG Code. However, the attendance rate of the three Board meetings was high and active participation had been achieved by the Directors throughout the year. Moreover, the Directors consider that it would be more efficient to hold the board meeting when necessary to deal with the matters occurred at the time or specific matters, and sufficient measures have been taken to ensure effective communication between the Directors.

### 企業管治守則

董事會致力實行及維持高水準之企業管治，以提升股東價值及維護股東和其他持份者的權益，以及定期檢討本集團企業管治常規和程序。

### 企業管治常規

本公司已按照《企業管治守則》之企業管治報告的要求，所涵蓋會計期間應披露的資料已詳細列載於本報告內。截至二零二零年十二月三十一日止年度，除偏離以下《企業管治守則》守則條文第A.1.1、A.2.7及A.6.7條外，本公司已遵守《企業管治守則》中所有原則和守則條文：

按照《企業管治守則》之守則條文第A.1.1條規定董事會應定期開會，董事會會議應每年召開至少四次，大約每季一次。預計每次召開董事會定期會議皆有大部分有權出席會議的董事親身出席，或透過電子通訊方法積極參與。於本年度回顧，本公司於二零二零年只定期舉行了三次董事會會議，而不是跟隨《企業管治守則》守則條文第A.1.1條規定至少每年定期舉行董事會會議四次。然而，三次董事會會議的出席率甚高，而董事們於本年度亦有積極參與。再者，董事均認為在有需要時方舉行董事會會議以處理當時發生或特定的事宜會更有效率，且已採取足夠的措施以確保董事間具有有效的溝通。

Code provision A.2.7 of the CG Code stipulates that the chairman should at least annually hold meetings with the independent non-executive directors without the presence of other directors. During the year under review, Mr. Tang To, the chairman of the Board held a meeting with Ms. Yeung Shuk Fan, Mr. Cheng Tak Yin and Mr. Huang Zhi Wei, the independent non-executive Directors, without the presence of other Directors. However, Mr. Ho Wei Sem, the independent non-executive Director, was absent from the said meeting due to health reason. After Mr. Ho Wei Sem got better, Mr. Tang To thereafter held a meeting with him by telephone conference and reported the summary of the meeting held with the other three independent non-executive Directors. The Company considers that the independent non-executive Directors may communicate and discuss with the chairman directly at any time to share their view on the Company's affairs and there are sufficient channels and communication for discussion of the Group's affair between the chairman and independent non-executive Directors in the absence of other Directors.

Code provision A.6.7 of the CG Code stipulates that independent non-executive directors and non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. During the year under review, Mr. Qu Jinping, a non-executive Director, and Mr. Ho Wei Sem and Mr. Huang Zhi Wei, both independent non-executive Directors, had other business engagements, while Mr. Kan Wai Wah, a non-executive Director, stayed overseas due to the implementation of the entry restriction and quarantine requirements among overseas and Hong Kong resulted from the outbreak of COVID-19 pandemic. They were unable to attend the annual general meeting of the Company held on 12 June 2020. However, the Company considered that the presence of the chairman of each of nomination committee, remuneration committee and audit committee of the Company, and other executive Directors at the said meeting was sufficient for addressing the queries from Shareholders.

按照《企業管治守則》之守則條文第A.2.7條規定主席應至少每年與獨立非執行董事舉行一次沒有其他董事出席的會議。於本年度回顧，董事會主席鄧燾先生在沒有其他董事出席的情況下與三位獨立非執行董事楊淑芬女士、鄭達賢先生及黃志煒先生舉行了一次會議。然而，獨立非執行董事何偉森先生因健康問題缺席該會議。待何偉森先生身體好轉後，鄧燾先生隨後與他舉行了一次電話會議，並闡述了與其他三位獨立非執行董事舉行的會議內容。本公司認為獨立非執行董事可以隨時就本集團事務與主席表達意見及溝通，以及已有足夠渠道讓獨立非執行董事在沒有其他董事在場情況下討論本集團事務。

按照《企業管治守則》之守則條文第A.6.7條規定獨立非執行董事及非執行董事應出席股東大會，以對股東的意見有公正的了解。於本年度回顧，非執行董事瞿金平先生、兩位獨立非執行董事何偉森先生和黃志煒先生因有其他公務，而非執行董事簡衛華先生身處海外，受2019新型冠狀病毒疫情爆發影響，海外及香港均實施入境限制及隔離措施，彼等均未能出席本公司於二零二零年六月十二日舉行之股東周年大會。然而，本公司認為本公司提名委員會、薪酬委員會和審核委員會主席，以及其他執行董事已出席了該會議，足以回答股東的提問。

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Board has adopted a CMEL Code on terms no less exacting than the required standard of the Model Code as the Company's code of conduct and rules governing dealing by all Directors and relevant employees in the securities of the Company. The Board will revise the CMEL Code from time to time in order to keep it in line with the changes brought upon by the relevant amendments to the applicable laws, rules and regulations.

All Directors have confirmed, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code and CMEL Code for the year ended 31 December 2020.

## **THE BOARD** **Composition**

The Board currently consists of eight members, including two executive Directors (namely Messrs. Tang To and Tang Yu, Freeman), two non-executive Directors (namely Messrs. Kan Wai Wah and Qu Jinping) and four independent non-executive Directors (namely Messrs. Yeung Shuk Fan, Cheng Tak Yin, Ho Wei Sem and Huang Zhi Wei). The Directors' biographical details and the relationships among the Board members, if any, are set out on pages 26 to 29 under the section "Directors and Senior Management's Biographies" of this annual report.

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to rule 3.13 of the Listing Rules. Although three of the independent non-executive Directors, Messrs. Yeung Shuk Fan, Cheng Tak Yin and Ho Wei Sem have been serving the Board for more than nine years, they have not engaged in any executive management of the Group. Their familiarity and extensive experience with the Group's businesses place them in a better position to contribute independent views to the Company. Taking into consideration of their independent scope of works when performing duties as independent non-executive directors over the past years, there is no evidence that length of tenure is having an adverse impact on their independence. Therefore, the Company considered all independent non-executive Directors (including Messrs. Yeung, Cheng and Ho) are independent throughout the year under review.

## **董事證券交易**

董事會已採納一套大同企業守則，作為本公司監管全體董事及相關僱員買賣本公司證券的操守準則和規則，而大同企業守則不比標準守則所訂明的要求寬鬆。為使大同企業守則能反映有關法律、規則及規定的修改，董事會將不定時修改大同企業守則。

經本公司特定查詢後，所有董事已確認彼等於截至二零二零年十二月三十一日年度內，一直遵守標準守則及大同企業守則所載之規定標準。

## **董事會** **組成**

董事會現由八名成員組成，包括兩名執行董事（即鄧燾先生及鄧愚先生）、兩名非執行董事（即簡衛華先生及瞿金平先生）及四名獨立非執行董事（即楊淑芬女士、鄭達賢先生、何偉森先生及黃志煒先生）。董事之簡歷及董事會成員之間的關係（如有）詳情載於本年報第26至29頁之「董事及高級管理人員簡歷」之章節內。

根據上市規則第3.13條規定，本公司已收到每名獨立非執行董事有關其獨立性之年度確認書。雖然其中三位獨立非執行董事楊淑芬女士、鄭達賢先生及何偉森先生服務董事會至今已超過九年，但彼等概無參與本集團任何行政管理工作，而對本集團業務之熟悉及資深經驗有助其向本公司提供較佳之獨立意見。考慮到彼等過往年度工作之獨立範疇及彼等履行獨立非執行董事職責，並無任何證據顯示服務年資對彼等獨立性產生負面影響。因此，本公司認為所有獨立非執行董事（包括楊女士、鄭先生及何先生）於本年度回顧，均為獨立人士。



Furthermore, all Directors, including independent non-executive Directors, should be re-elected at least once every three years at the annual general meeting of the Company and the reasons the nomination committee of the Company and the Board believe that the individual to be independent are set out in the relevant circulars. In addition to the disclosure in the section “Directors and Senior Management’s Biographies” of this report, to the best knowledge of the Directors, there is no financial, business, family or other material/relevant relationship among members of the Board.

The Board has adopted a Board diversity policy in compliance with the rule 13.52 of the Listing Rules. The Company maintains that Board appointment will take into account gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board. The Board will review and monitor from time to time to ensure its effectiveness that diversity of the Board is maintained.

Other than the elements of board diversity, in considering the nomination of new directors, the members of the nomination committee of the Company will be subject to the nomination policy of a Director (the “Nomination Policy”) which recommended by the members of the nomination committee of the Company and approved by the Board, and adopted on 29 November 2018.

再者，所有董事（包括獨立非執行董事）須至少每三年一次在本公司股東周年大會上重選，以及本公司提名委員會和董事會認為各獨立非執行董事乃屬於獨立人士的原因，已列載於有關通函內。除於本年報之「董事及高級管理人員簡歷」章節中的披露外，就董事所知，各董事會成員之間概無任何財務、業務、家族或其他重大／相關關係。

董事會已採納一套董事會成員多元化政策，以符合上市規則第13.52條。本公司委任董事時，會考慮有關人選的性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，以及董事會不時認為相關及適用於達致董事會成員多元化之任何其他因素。董事會將不時檢討及監察以確保維持多元化董事會之有效性。

除考慮董事會多元化元素外，在考慮提名新董事時，本公司提名委員會成員亦會依據提名董事政策（「提名政策」）作考慮，該提名政策於二零一八年十一月二十九日由本公司提名委員會成員建議並經董事會批准，並獲得採納。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

The Nomination Policy is summarized as follows:

- state the objectives of the Nomination Policy, including ensuring the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's businesses;
- set out the procedure for the selection, appointment and reappointment of Directors;
- set out selection criteria, including but not limited to qualifications, skills, experience in assessing the suitability of a proposed candidate and the requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidates for independent non-executive Directors would be considered independence with reference to the independence criteria or guidelines set out in the Listing Rules; and
- list out the nomination of Directors applicable laws and procedures.

The nomination committee then put forward the recommendation in respect of the above factors, where appropriate, to the Board for consideration and adoption according to the Nomination Policy. The attendance record of the nomination committee members at the meetings during the year is set out in the "Attendance Record of Directors at Meetings held during the Year" on page 56 of this report.

提名政策概述如下：

- 列明提名政策的目標，包括確保董事會成員俱備切合本集團業務所需的技巧、經驗及多元化觀點；
- 列出制定甄選、委任及重新委任董事的程序；
- 附有甄選準則，包括但不限於考慮建議候選人的資歷、技巧及經驗，以及要求董事會根據上市規則委任獨立非執行董事及根據上市規則所載之獨立準則或指引考慮獨立非執行董事候選人是否被視為獨立；及
- 列出委任董事適用的法律和程序。

提名委員會將根據提名政策就以上考慮因素（如合適）建議給董事會考慮及採納，而有關提名委員會成員於本年度舉行的會議之出席紀錄已列載於本報告第56頁內之「董事於本年度舉行的會議出席紀錄」內。

During the year under review, the nomination committee of the Company made recommendations on re-appointment of retiring Directors and assessed the independence of all the independent non-executive Directors, and approved by the Board. The Board considered all independent non-executive Directors are independent throughout the year under review.

於本年度回顧，本公司提名委員會就退任董事之續任提供建議，亦評估本公司所有獨立非執行董事之獨立性，並經董事會批准。董事會認為本公司所有獨立非執行董事於回顧年度內均為獨立人士。

On 30 March 2021, after taking into account the Board's composition, the Board considered the nomination of Messrs. Tang To (executive Director), Kan Wai Wah (non-executive Director) and Cheng Tak Yin (independent non-executive Director) who will offer themselves for re-election at the forthcoming annual general meeting. The nomination and proposed re-election were made in accordance with the Nomination Policy. Each of the above Directors has abstained from voting on his/her own nomination when it was being considered.

於二零二一年三月三十日，經檢討董事會的組成後，董事會考慮提名鄧燾先生（執行董事）、簡衛華先生（非執行董事）及鄭達賢先生（獨立非執行董事）在即將舉行之股東周年大會上輪值告退及願膺選連任。董事會是根據提名政策而作出有關提名及重選建議。上述董事於董事會考慮其提名事宜時，並沒有參與表決。

An analysis of the Board's current composition is set out as follows:

現時董事會成員組成分析如下：

**Designation**  
職位



ED: Executive Directors  
執行董事  
NED: Non-executive Directors  
非執行董事  
INED: Independent Non-executive Directors  
獨立非執行董事

**Gender**  
性別



**Age**  
年齡



**Length of Board Service**  
出任董事會年資



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

**Attendance Record of Directors at Meetings held during the Year**

The details of Directors' attendance at the meetings (including the board meetings, audit committee meetings, remuneration committee meetings, nomination committee meeting and annual general meeting) held during the year are set out in the following table:

**董事於本年度舉行的會議出席紀錄**

下表列示董事於本年度舉行的會議(包括董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及股東周年大會)之出席情況:

Name of Director	董事姓名	Number of meetings attended and held 出席及舉行會議次數				
		Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Annual General Meeting 股東周年大會
Tang To	鄧焯	3/3	N/A 不適用	2/2	1/1	1/1
Wong Yiu Ming <i>(Note 1)</i>	黃耀明 <i>(附註1)</i>	3/3	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Tang Yu, Freeman	鄧愚	3/3	N/A 不適用	N/A 不適用	1/1	1/1
Mei Zheqi <i>(Note 2)</i>	梅哲騏 <i>(附註2)</i>	0/2	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Kan Wai Wah	簡衛華	3/3	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Qu Jinping	瞿志平	3/3	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Yeung Shuk Fan	楊淑芬	3/3	5/5	2/2	1/1	1/1
Cheng Tak Yin	鄭達賢	3/3	5/5	2/2	1/1	1/1
Ho Wei Sem	何偉森	2/3	3/5	1/2	0/1	0/1
Huang Zhi Wei	黃志煒	2/3	N/A 不適用	N/A 不適用	N/A 不適用	0/1

**Notes:**

- Mr. Wong Yiu Ming resigned as the executive Director and executive vice chairman with effect from 1 January 2021.
- Mr. Mei Zheqi resigned as the executive Director with effect from 12 November 2020.

**附註:**

- 黃耀明先生辭任執行董事及執行副主席，由二零二一年一月一日生效。
- 梅哲騏先生辭任執行董事，由二零二零年十一月十二日生效。

## DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

Every newly appointed Director (if any) receives a comprehensive, formal and tailored induction package to ensure that he/she is sufficiently aware of his/her duties, responsibilities and obligations as a Director under the Companies Ordinance, Listing Rules and other regulatory requirement and ensure he/she has a proper understanding of the company's operations and business.

The Company provides all Directors with relevant reading materials from time to time on the latest changes and development in the industry, legal, regulatory in which the Group operates its business to ensure the contribution of all Directors to the Board remains relevant. In addition, all Directors are encouraged to attend external seminar or training on relevant topics for their continuous professional development. Certain Directors have attended external trainings and seminars during the year.

The individual training record of each Director who held office during the year ended 31 December 2020 is set out below:

## 董事持續專業發展

每名新任命的董事(如有)均會接受全面、正式及為其而設的入職培訓,以確保他/她充分知悉《公司條例》、上市規則及其他法規規定下的董事職責、責任及義務,並確保他/她對公司的營運和業務均有適當的了解。

本公司不時向全體董事提供相關閱讀文件,讓彼等知悉本集團經營的業務在行業、法律及監管之最新變動及發展,以確保所有董事能為董事會作出恰當貢獻。此外,全體董事獲鼓勵出席由外界舉辦與持續專業發展課題相關之研究會或培訓,部份董事於本年度有出席外部培訓及研討會。

截至二零二零年十二月三十一日止年度每位董事之個人培訓記錄如下:

Name of Director	董事姓名	Area 範圍	
		Legal, Regulatory and Corporate Governance update 法律、法規及企業管治更新	Group's Policies/Businesses 本集團的政策/業務
<b>Executive Directors</b>		<b>執行董事</b>	
Tang To	鄧 燾	✓	✓
Wong Yiu Ming (Note 1)	黃耀明 (附註1)	✓	✓
Tang Yu, Freeman	鄧 愚	✓	✓
Mei Zheqi (Note 2)	梅哲騏 (附註2)	✓	✓
<b>Non-executive Directors</b>		<b>非執行董事</b>	
Kan Wai Wah	簡衛華	✓	✓
Qu Jinping	瞿志平	✓	✓
<b>Independent Non-executive Directors</b>		<b>獨立非執行董事</b>	
Yeung Shuk Fan	楊淑芬	✓	✓
Cheng Tak Yin	鄭達賢	✓	✓
Ho Wei Sem	何偉森	✓	✓
Huang Zhi Wei	黃志煒	✓	✓

Notes:

- Mr. Wong Yiu Ming resigned as the executive Director and executive vice chairman with effect from 1 January 2021.
- Mr. Mei Zheqi resigned as the executive Director with effect from 12 November 2020.

附註:

- 黃耀明先生辭任執行董事及執行副主席,由二零二一年一月一日生效。
- 梅哲騏先生辭任執行董事,由二零二零年十一月十二日生效。



### **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

The roles of Chairman and Chief Executive Officer are separate and performed by different individuals to reinforce their independence and accountability. During the year, Mr. Tang To was the chairman and Mr. Tang Yu, Freeman served as the chief executive officer. Mr. Tang To was responsible for providing leadership to and overseeing the functioning of the Board to ensure that it acts in the best interest of the Group; while Mr. Tang Yu, Freeman, who is the chief operating decision maker, was responsible for managing the business of the Group, attending to the formulation and implementation of the Group policies and strategic operating plans, and assuming full accountability to the Board for the Group's operations.

### **NON-EXECUTIVE DIRECTORS**

Non-executive Directors (including independent non-executive Directors) are appointed for a term of three years. Their terms of office are: (i) Mr. Kan Wai Wah (non-executive Director) and Ms. Yeung Shuk Fan (independent non-executive Director), who were appointed for a term commencing from 1 January 2020 and expiring on 31 December 2022; (ii) Mr. Qu Jinping (non-executive Director), who was appointed for a term commencing from 7 September 2018 and expiring on 6 September 2021; (iii) Mr. Cheng Tak Yin (independent non-executive Director), who was appointed for a term commencing from 30 January 2019 and expiring on 29 January 2022; (iv) Mr. Huang Zhi Wei (independent non-executive Director), who was appointed for a term commencing from 2 November 2018 and expiring on 1 November 2021; and (v) Mr. Ho Wei Sem (independent non-executive Director), who was appointed for a term commencing from 22 December 2019 and expiring on 21 December 2022. They are all subject to retirement by rotation and re-election at least every three years at annual general meeting in accordance with the Articles.

### **主席及行政總裁**

為加強主席與行政總裁的獨立性及問責性，主席與行政總裁之角色已區分，並由不同人士擔任。於本年度，鄧燾先生擔任主席，而鄧愚先生肩負行政總裁之職務。鄧燾先生負責領導董事會的運作，確保董事會以符合本集團最佳的利益方式行事，而鄧愚先生是主要營運決策者，負責管理本集團的業務，以及制訂和實施本集團的政策及策略性營運計劃，並就本集團整體營運向董事會負全責。

### **非執行董事**

非執行董事(包括獨立非執行董事)以為期三年任期委任，彼等之任期為：(i)簡衛華先生(非執行董事)及楊淑芬女士(獨立非執行董事)，其指定任期為由二零二零年一月一日起至二零二二年十二月三十一日止；(ii)瞿金平先生(非執行董事)，其指定任期為由二零一八年九月七日起至二零二一年九月六日止；(iii)鄭達賢先生(獨立非執行董事)，其指定任期為由二零一九年一月三十日起至二零二二年一月二十九日止；(iv)黃志煒先生(獨立非執行董事)，其指定任期為由二零一八年十一月二日起至二零二一年十一月一日止；及(v)何偉森先生(獨立非執行董事)，其指定任期為由二零一九年十二月二十二日起至二零二二年十二月二十一日止。所有董事均須根據章程細則規定至少每三年一次在股東周年大會上輪席告退及膺選連任。

## BOARD COMMITTEES

The Board has established various board committees, namely committee of executive Directors, nomination committee, remuneration committee and audit committee to manage particular aspects of the Company's affairs and aid in sharing the responsibilities of the Board. Except the committee of executive Directors, all committees have their specific written terms of reference in accordance with the requirements of the CG Code. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

No corporate governance committee has been established but respective board committees (as disclosed below) are responsible for performing corporate governance functions set out in the terms of reference in code provision D.3.1 of the CG Code.

### Committee of Executive Directors

A committee of executive Directors of the Company was established on 15 August 1997 which comprises all executive Directors. They meet frequently and are responsible for the management of day-to-day business operation of the Group.

### Nomination Committee

A nomination committee of the Company (the "Nomination Committee") was established on 29 March 2012 and consists of five members with a majority of independent non-executive Directors. They are:

Mr. Tang To (*Chairman*)  
Mr. Tang Yu, Freeman (*executive Director*)  
Mr. Cheng Tak Yin (*independent non-executive Director*)  
Mr. Ho Wei Sem (*independent non-executive Director*)  
Ms. Yeung Shuk Fan (*independent non-executive Director*)

The terms of reference of the Nomination Committee is posted on the websites of the Stock Exchange and the Company respectively.

During the year, the Nomination Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

## 董事會轄下委員會

董事會已成立多個董事委員會，分別為執行董事委員會、提名委員會、薪酬委員會及審核委員會，藉以處理本公司特定範疇的事務及協助分擔董事會之職責。除執行董事委員會外，所有委員會已根據《企業管治守則》規定設有其特定職權範圍。委員會通過的所有決議案均須於下次董事會會議上向董事會匯報。

本公司並沒有成立企業管治委員會，但個別董事委員會(如下文所述)已負責履行根據《企業管治守則》之守則條文D.3.1條所列載的企業管治職能的職權範圍。

### 執行董事委員會

本公司執行董事委員會於一九九七年八月十五日成立，由全體執行董事組成，彼等經常會面，負責管理本集團的日常業務運作。

### 提名委員會

本公司提名委員會(「提名委員會」)於二零一二年三月二十九日成立，並由五名成員組成，而其中大部分為獨立非執行董事，彼等為：

鄧燾先生 (*主席*)  
鄧愚先生 (*執行董事*)  
鄭達賢先生 (*獨立非執行董事*)  
何偉森先生 (*獨立非執行董事*)  
楊淑芬女士 (*獨立非執行董事*)

提名委員會之職權範圍已分別登載於聯交所及本公司網站。

於本年度，提名委員會已執行職權範圍內的職務及責任，以及《企業管治守則》內所規定的其他職務。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告 (續)

During the year under review, one Nomination Committee meeting was held and the main works performed by the Nomination Committee during the year included (i) review of current structure, size and diversity of the Board; (ii) assessment and review of the independence of independent non-executive Directors; (iii) review of the Board diversity policy; and (iv) review of terms of reference of the Nomination Committee.

The attendance record of the Nomination Committee members is set out in the heading "Attendance Record of Directors at Meetings held during the Year" on page 56 of this report.

#### Remuneration Committee

A remuneration committee of the Company (the "Remuneration Committee") was established on 27 June 2005 and consists of four members with a majority of independent non-executive Directors. They are:

Mr. Cheng Tak Yin (*Chairman*)  
Mr. Tang To (*executive Director and chairman of the Board*)  
Mr. Ho Wei Sem (*independent non-executive Director*)  
Ms. Yeung Shuk Fan (*independent non-executive Director*)

The terms of reference of the Remuneration Committee is posted on the websites of the Stock Exchange and the Company respectively.

During the year, the Remuneration Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

During the year under review, two Remuneration Committee meetings were held and the main works performed by the Remuneration Committee during the year included: (i) consideration and review of the remuneration package of executive Directors; (ii) review of directors' fees of non-executive Directors (including independent non-executive Directors); (iii) consideration of pension funds of an executive Director; (iv) consideration and approval of 10% voluntary salaries reduction of executive Directors from 1 April 2020 to 31 December 2020 in view of the outbreak of the COVID-19 pandemic; and (v) review of terms of reference of Remuneration Committee.

於回顧年度內，本公司曾舉行一次提名委員會會議，提名委員會之本年度主要工作包括(i)檢討現時董事會的結構、人數及多元化；(ii)評核和審閱獨立非執行董事的獨立性；(iii)檢討董事會多元化政策；及(iv)檢討提名委員會職權範圍。

提名委員會成員之出席會議紀錄已列載於本報告第56頁內之「董事於本年度舉行的會議出席紀錄」標題內。

#### 薪酬委員會

本公司薪酬委員會（「薪酬委員會」）於二零零五年六月二十七日成立，並由四名成員組成，而其中大部分為獨立非執行董事，彼等為：

鄭達賢先生 (*主席*)  
鄧熹先生 (*執行董事及董事會主席*)  
何偉森先生 (*獨立非執行董事*)  
楊淑芬女士 (*獨立非執行董事*)

薪酬委員會職權範圍已分別登載於聯交所及本公司網站。

於本年度，薪酬委員會已執行職權範圍內的職務及責任，以及《企業管治守則》內所規定的其他職務。

於回顧年度內，本公司曾舉行兩次薪酬委員會會議，薪酬委員會之本年度主要工作包括(i)考慮及檢討執行董事之薪酬待遇；(ii)檢討非執行董事包括獨立非執行董事的董事袍金；(iii)考慮一名執行董事的退休金；(iv)鑑於2019新型冠狀病毒疾病大流行，考慮及批准執行董事由二零二零年四月一日起至二零二零年十二月三十一日期間自願減薪10%；及(v)檢討薪酬委員會職權範圍。

The emoluments of the Directors are decided by the Remuneration Committee, having regard to individual performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition. The Directors do not participate in the determination of their own remuneration.

Details of Directors' emoluments for the year ended 31 December 2020 are set out in note 10A to the consolidated financial statements.

The attendance record of the Remuneration Committee members is set out in the heading "Attendance Record of Directors at Meetings held during the Year" on page 56 of this report.

#### Audit Committee

An audit committee of the Company (the "Audit Committee") was established on 30 October 1998 and consists of three members, and all of them are independent non-executive Directors. They are:

Ms. Yeung Shuk Fan (*Chairman*)  
Mr. Cheng Tak Yin (*independent non-executive Director*)  
Mr. Ho Wei Sem (*independent non-executive Director*)

The terms of reference of the Audit Committee is posted on the websites of the Stock Exchange and the Company respectively.

During the year, the Audit Committee performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code.

During the year under review, five Audit Committee meetings were held and the main works performed by the Audit Committee during the year included: (i) review of the final results of the Group for the year ended 31 December 2019; (ii) review of the interim results of the Group for the six months ended 30 June 2020; (iii) review and adoption of internal audit chapter; (iv) review of the progress and completion level of the internal audit plan for 2020; (v) review of the report prepared by the head of internal audit department of the Company (the "Internal Audit Department") on the results of risk assessment and effectiveness of internal controls in the business operations of the Group; (vi) recommendation to the Board on re-appointment of external auditor for Shareholders' approval and review its audit fees; and (vii) review of terms of reference of Audit Committee.

董事之酬金乃由薪酬委員會參照董事之個人表現、本集團之業績表現及盈利狀況，以及業界指標及當時市場狀況而定。董事並不參與釐定其本身的薪酬。

截至二零二零年十二月三十一日止年度的董事酬金詳情列載於綜合財務報表附註10A。

薪酬委員會成員之出席會議紀錄已列載於本報告第56頁內之「董事於本年度舉行的會議出席紀錄」標題內。

#### 審核委員會

本公司審核委員會（「審核委員會」）於一九九八年十月三十日成立，並由三名成員組成，全體均為獨立非執行董事，彼等為：

楊淑芬女士 (*主席*)  
鄭達賢先生 (*獨立非執行董事*)  
何偉森先生 (*獨立非執行董事*)

審核委員會職權範圍分別登載於聯交所及本公司網站。

於本年度，審核委員會已執行職權範圍內的職務及責任，以及《企業管治守則》內所規定的其他職務。

於回顧年度內，本公司曾舉行五次審核委員會會議，審核委員會之本年度主要工作包括 (i) 審議本集團截至二零一九年十二月三十一日止年度的末期業績；(ii) 審議本集團截至二零二零年六月三十日止六個月的中期業績；(iii) 審閱及採納內部審計章程；(iv) 審閱二零二零年的內部審核計劃進度以及完成度；(v) 審議由本公司內部審核部門（「內部審核部門」）主管擬備就本集團業務營運的風險管理和內部監控成效的報告；(vi) 向董事會提出續聘外聘核數師之建議供股東批准及審閱其審計費用；及(vii) 審閱審核委員會職權範圍。



## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

The Audit Committee meets with the financial controller and the Company's external auditor, where applicable to discuss their respective audit findings, the accounting principles and practices adopted by the Group, legal and regulatory compliance, internal control and risk management systems, and financial reporting matters (including annual financial statements before recommending them to the Board for approval). The Audit Committee also meets with the head of Internal Audit Department separately without the presence of management. The Audit Committee assists the Board in meeting its responsibilities for maintaining effective risk management and internal control systems. It reviews the Group's annual internal audit plan together with their resource requirements and considers the report submitted by the head of Internal Audit Department to the Audit Committee on the results of risk assessment and effectiveness of internal controls in the business operations of the Group.

The attendance record of the Audit Committee members is set out in the heading "Attendance Record of Directors at Meetings held during the Year" on page 56 of this report.

#### Whistleblowing Policy

A whistleblowing policy has been adopted on 28 March 2019 for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company.

審核委員會與財務總監，以及本公司外聘核數師會面，討論各自的審核發現、本集團採納的會計原則及實務、法例及規例的遵守、內部監控和風險管理系統，以及財務報告事項(包括提呈予董事會批核前的全年財務報表)。另外，審核委員會亦會在管理層避席的情況下與內部審核部門主管會面。審核委員會協助董事會達到維持有效的風險管理和內部監控機制之責任。審核委員會與內部審核部門主管審閱本集團的年度內部審核計劃和所需的資源，並審議由內部審核部門主管就本集團業務營運的風險管理和內部監控成效向審核委員會所提交的報告。

審核委員會成員之出席會議紀錄已列載於本報告第56頁內之「董事於本年度舉行的會議出席紀錄」標題內。

#### 舉報政策

本公司已於二零一九年三月二十八日採納舉報政策，讓僱員及其他與本公司有往來者(如客戶及供應商)可暗中向審核委員會提出其對任何可能關於本公司的不當事宜的關注。



## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems on an ongoing basis and reviews their effectiveness by the Audit Committee at least annually with the assistance of the Internal Audit Department. The Group's risk management and internal control systems, are systems of process performed by the Board and management to provide reasonable and not absolute assurance on the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding assets of the Group, providing reliable financial reporting, and complying with applicable laws and regulations. The purpose of the risk management and internal control systems is to identify and manage various risks which are categorised as strategic, operational, compliance and financial risks of the Group so as to reduce, mitigate, transfer or avoid them. However, these systems are designed to manage rather than eliminating risk of failure in operational system, and can only provide reasonable but not absolute assurance against material misstatement or loss.

### Internal Audit

To comply with the CG Code in relation to the requirements of the establishment of internal audit function and appropriate and effective risk management and internal control systems, the Internal Audit Department is responsible for preparing an annual internal audit plan with use of appropriate risk-based methodology, evaluating the effectiveness of risk management and internal control processes through a systematic and disciplined approach, reviewing financial, operational and compliance controls and risk management functions, and reporting the findings with recommendations to the Audit Committee. The Audit Committee takes the responsibility to review the effectiveness of risk management and internal control systems, and ensure the internal audit function and its duties are in compliance with the CG Code.

The internal audit function is carried out by the Internal Audit Department and its purpose, authority, roles and responsibilities were formalized under internal audit charter adopted by the Audit Committee.

## 風險管理及內部監控

董事會確認其有責任持續監督本集團風險管理及內部監控系統，而審核委員會在內部審核部門的協助下至少每年一次檢討其成效。本集團風險管理及內部監控系統由董事會及管理層負責執行，藉以合理而非絕對的保證營運效率及有效達致企業目標、保護本集團資產、提供可靠的財務報告，以及遵守適用的法例及規則。風險管理及內部監控系統的目的是為了辨認及管理本集團各類型風險，包括：策略、營運、合規及財務風險，從而減少、減輕、轉移及避免上述風險。然而，該等系統旨在管理而非消除未能維持營運制度之風險，並僅可就重大錯誤陳述或損失提供合理而非絕對保證。

### 內部審核

為符合《企業管治守則》有關建立內部審核功能和合適及有效的風險管理及內部監控系統之要求，內部審核部門負責根據風險使用適當的方法來準備年度內部審核計劃，通過有系統及規範的方法評估風險管理和內部監控流程的有效性，檢討財務、營運及合規監控以及風險管理功能，並將檢討結果及建議提交至審核委員會。審核委員會負責審查風險管理及內部監控系統的有效性，以及確定內部審核功能和其職責符合《企業管治守則》。

內部審核功能由內部審核部門負責，其目的、權力、角色及責任確立於由審核委員會通過的內部審核章程內。

Confronting the unprecedented challenges posed by the outbreak of COVID-19 pandemic, Internal Audit Department adopts an agile audit planning methodology to embrace short-term prioritization and regular updates to audit plan. It includes the assessment of any emerging risks that support the provision of assurance. Since most of the Group's businesses operate in the PRC and temporary travel restrictions imposed by both the PRC and Hong Kong governments in 2020, the Internal Audit Department conducted an internal audit review of each business unit situated in the PRC remotely to maintain a sound and effective risk management and internal control systems of the Group.

During the outbreak of the pandemic in early 2020, several meetings were held between the head of Internal Audit Department, executive Directors, senior management and general managers of various business units from time to time to discuss and arrange pandemic prevention and control-related matters, among other matters, to stipulate guidelines for prevention and control of the pandemic, coordinate relevant pandemic prevention materials, assess various risks incurred by the pandemic and formulate related management solutions with an aim to minimize the adverse impact of the pandemic on the Group.

Internal Audit Department prepares an annual internal audit plan based on a risk assessment methodology upon the Audit Committee's approval. Internal audit works are carried out pursuant to the approved audit plan. Internal audit reports with audit findings and recommendations are prepared for the Audit Committee's review and discussion from time to time.

### **Risk Management**

Our risk management process is embedded in our daily operations, financial activities, compliance, strategy development and business planning, investment decision and external factors. The risk management process includes:

#### **Risk Identification**

- identifying the risks through department heads and general manager of each business segment;
- identifying the risks that may have a potential to negatively affect the business strategic plan of the Group;
- considering the materiality of the impact of the risk; and
- accessing the relevancy to the business strategic plan and the level of potential impact of the delivery of the business strategic plan.

面對2019新型冠狀病毒疫情爆發帶來的前所未有的挑戰，內部審核部門採用靈活的手法進行審計規劃，以短期優先次序和定期更新審計計劃，並評估任何新興風險作出保證。由於本集團大部份業務在中國內地，並且中國與香港政府在二零二零年均設有臨時旅遊限制，故內部審核部門利用遠程對位於中國內地的業務單位進行審核，確保本集團維持一個完善且有效率之風險管理及內部監控系統。

在二零二零年年初疫情爆發初期，內部審核部門主管與執行董事、高級管理人員及各業務單位總經理不時舉行會議商討安排疫情防控相關事宜，其中包括：制定疫情防控指引、協調相關防疫物資、評估疫情帶來的各種風險且定出相關的管理方案，將疫情對本集團的不利影響降至最低。

內部審核部門以風險評估法制定年度內部審核計劃，並交由審核委員會批准。內部審核工作乃按經批准之審核計劃進行。內部審核部門將載有審核結果及建議的內部審核報告不定時呈交至審核委員會審閱及討論。

### **風險管理**

我們之風險管理過程融入我們日常營運、財務活動、合規、策略發展及業務規劃、投資活動及外部因素。風險管理過程包括：

#### **識別風險**

- 由部門主管和各業務分部總經理識別風險；
- 識別可能對本集團業務策略計劃有不利影響之風險；
- 考慮風險之影響是否重大；及
- 評估對業務策略計劃之相關程度及對執行業務策略計劃之潛在影響幅度。

### Risk Analysis

- conducting a quantity measurement to evaluate the risk level;
- assessing the risk severity according to its level of consequence and the likelihood of the risk event becoming actual event; and
- determining the risk severity with reference to the historical data, industry norms and own judgment.

### Risk Evaluation

- identifying the risks and assess the options available to accept, mitigate or avoid the risks; and
- deciding the appropriate response in terms of its effectiveness and establishing the priorities.

### Risk Treatment

- selecting the risk treatment options; and
- preparing and implementing risk treatment plans and reporting to Audit Committee regularly.

### Internal Control

The internal control system consists of a set of rules, policies and procedures and organizational structures which aims to:

- ensure the corporate strategies are properly implemented;
- achieve effective and efficient corporate processes;
- safeguard the value of corporate assets;
- ensure the reliability and integrity of accounting and management data; and
- ensure the business operations comply with laws, rules, policies and regulations.

### 分析風險

- 對風險程度進行量化分析；
- 根據風險之影響程度及風險事件成為真實事件之機會大小，以及評估風險是否嚴重；及
- 參考過往數據、行業常態及自身判斷，釐定風險的嚴重程度。

### 評估風險

- 識別風險及評估可供選取之做法，以接受、減少或避免風險；及
- 決定適當之回應，以效率為準則，然後設立回應風險之次序。

### 處理風險

- 挑選處理風險的選擇；及
- 編製及實施處理風險計劃，並定期向審核委員會匯報。

### 內部監控

內部監控系統包含一套規則、政策及程序及組織架構，旨在：

- 確保企業決策妥當執行；
- 達致有效及便捷的企業程序；
- 保障企業資產的價值；
- 確保會計及管理數據的可靠完備；及
- 確保業務營運符合法律、規則、政策及規例。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

#### Review of Risk Management and Internal Control, and Corporate Governance Compliance

The Board, through the Audit Committee, has concluded a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2020, covering all material financial, operational, compliance controls and risk management functions, and therefore considered that such systems were effective and adequate. In addition, the Audit Committee also reviewed the adequacy of resources, staff qualifications and experience of staff and the training programs and budget of the Company's accounting and financial reporting function.

#### Procedures for handling and dissemination of inside information

With a view to identifying, handling and disseminating inside information in compliance with the Listing Rules, SFO and other regulatory requirements, the Company has adopted a policy on disclosure of inside information (the "Inside Information Disclosure Policy") to regulate procedures and internal controls in handling of inside information. The Directors and senior management of the Company are obliged to take all reasonable measures stipulated in the said policy to ensure that proper safeguards exist to prevent the Company from breaching the statutory disclosure requirement. The Inside Information Disclosure Policy covers the following:

- setting out the processes for identifying, assessing and convening a board meeting to consider and discuss potential inside information;
- setting out the responsibilities of officers in preserving the confidentiality of inside information; and
- identifying who the Company's authorized spokespersons are and their responsibilities for communications with stakeholders of the Company.

The Board considers that the Company's existing measures are effective and compliance mechanisms are appropriate to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

#### 檢討風險管理及內部監控以及遵守企業管治

董事會已透過審核委員會檢討截至二零二零年十二月三十一日止年度本集團風險管理及內部監控成效，包括所有重大財務、營運、合規監控及風險管理職能，並確認該等系統有效及足夠。此外，審核委員會對本集團在會計及財務匯報職能方面是否有充足的資源、僱員資歷及經驗，以及僱員所接受充足的培訓課程及有關預算亦已作出檢討。

#### 處理及披露內幕消息的程序

為遵守上市規則、《證券及期貨條例》及其他有關處理及披露內幕消息的監管規定而識別、處理及發佈內幕消息，本公司已採納一套內幕消息披露政策（「內幕消息披露政策」），以規管程序及內部監控處理內幕消息。董事及本公司高級管理人員有責任按該政策採取一切合理措施，以確保有妥善的預防措施，防止違反法定披露之規定。內幕消息披露政策涵蓋以下內容：

- 說明識別、評估及召開董事會會議以考慮及商討潛在的內幕消息之程序；
- 說明高級職員保密內幕消息的責任；及
- 識別本公司授權的發言人及列明其與本公司持份者溝通的責任。

董事會認為本公司現有措施屬有效及合適的合規機制，足以保障本公司及其高級職員履行內幕消息的披露責任。

### External Auditor's Remuneration

During the year ended 31 December 2020, the fee paid/payable to the external auditor in respect of audit and non-audit services provided by the external auditor to the Group were as follows:

		Fee paid/payable 已付／應付費用 HK\$'000 千港元
Services rendered	所提供服務	
Audit services	核數服務	2,648
Non-audit services	非核數服務	-
<b>Total</b>		<b>2,648</b>

### 外聘核數師酬金

於截至二零二零年十二月三十一日止年度，有關給予／應給予外聘核數師為本集團提供核數及非核數服務之酬金如下：

### RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group in accordance with statutory requirements and applicable accounting and financial reporting standards to enable the presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Directors will subject to statutory requirements and applicable accounting standards, select suitable accounting policies and apply them consistently, make prudent, fair and reasonable judgements and estimates and prepare the financial statements on a going concern basis.

### 編製及呈報財務報告之責任

董事知悉彼等有責任根據法定要求及適用會計及財務報告準則編製本集團綜合財務報告，以確保綜合財務報表不會因欺詐或錯誤而出現重大錯誤陳述。董事將受制於法定要求及適用之會計準則之基準下，選擇並貫徹運用合適的會計政策，作出審慎、公平及合理之判斷及估算，並按持續經營為基準編製財務報表。

### COMPANY SECRETARY

Ms. Man Wing Yan acts as the sole company secretary of the Company. Ms. Man is a full-time employee of the Group and reports to the chairman and/or chief executive officer. During the year, she has duly complied with the relevant professional training requirement under rule 3.29 of the Listing Rules.

### 公司秘書

文穎茵女士擔任本公司唯一公司秘書。文女士為本集團之全職僱員及需向主席及／或向行政總裁匯報。於本年度，彼已遵守上市規則第3.29條有關專業培訓之規定。



## **SHAREHOLDERS' RIGHTS**

The Company has opportunities to directly communicate with Shareholders at various annual general meetings and other general meetings where Shareholders are encouraged to actively attend. In addition, the chairman and the chairman of each of Nomination Committee, Remuneration Committee and Audit Committee were present to answer any Shareholder's questions at the annual general meeting. The auditor had also attended the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor's independence.

Furthermore, the Company provides information in its annual and interim reports, and announcements. All shareholders' communications are also available on the Company's website at <http://www.cosmel.com>.

### **Convening of a general meeting**

Pursuant to section 566 of the Companies Ordinance, Shareholder(s) representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings can request the directors to call a general meeting. The request must state the general nature of the business to be dealt with at the general meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the person(s) making it and sent to the Company at its registered office in hard copy form or in electronic form to [ir@cosmel.com](mailto:ir@cosmel.com) for the attention of the company secretary.

## **股東權利**

本公司透過股東周年大會及其他股東大會有機會與股東直接溝通，並鼓勵他們積極參與。另外，於股東周年大會上，主席，以及提名委員會、薪酬委員會及審核委員會主席，均有出席解答任何股東之提問。而核數師亦有出席股東周年大會以回答有關審計工作、編製核數師報告及其內容、會計政策，以及核數師的獨立性等問題。

此外，本公司在其年報和中期報告，以及公告中提供資料。所有股東的通訊途徑亦會載列於本公司網站<http://www.cosmel.com>。

### **舉行股東大會**

根據《公司條例》第566條，佔全體有權在股東大會上表決的股東總表決權的最少5%的股東，可要求董事召開股東大會。該要求須述明有待在有關股東大會上處理的事務的一般性質及可包含可在該股東大會上恰當地動議並擬在股東大會上動議的決議的文本。該要求須經提出要求的人士認證及以印本形式送交本公司註冊辦事處，或以電子形式發送至[ir@cosmel.com](mailto:ir@cosmel.com)，註明公司秘書收啟。

### Shareholders' Power to Request Circulation of Statement

Pursuant to section 580 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders or at least 50 Shareholders who have a relevant right to vote at a general meeting, may request the Company to circulate to the Shareholders entitled to receive notice of a general meeting, a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting. The request (i) must identify the statement to be circulated; (ii) must be authenticated by the person(s) making it; and (iii) may be sent to the Company at its registered office in hard copy form or in electronic form to ir@cosmel.com for the attention of the company secretary at least 7 days before the meeting to which it relates.

### Procedures for Shareholders to put forward proposals at an annual general meeting

Pursuant to section 615 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders of the total voting rights of all Shareholders who have a right to vote on the resolution at annual general meeting or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting to which the request relate, may request the Company to give to the Shareholders notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request (i) must identify the resolution of which notice is to be given; (ii) must be authenticated by the person(s) making it; and (iii) may be sent to the registered office of the Company in hard copy form or in electronic form to ir@cosmel.com for the attention of the company secretary no later than 6 weeks before the annual general meeting; or if later, the time at which notice of the meeting is given.

### 股東有權力傳閱陳述書

根據《公司條例》第580條，佔全體在股東大會上表決的股東總表決權的最少2.5%的股東或最少50名在股東大會上有相關表決權利的股東，可要求本公司向股東傳閱有待在該股東大會上處理的、某被提出的決議所述的事宜；或其他有待在該股東大會上處理的事務，而字數不多於1,000字的陳述書。該要求(i)須指出將予傳閱的陳述書；(ii)須經所有提出該要求的人認證；及(iii)須在該要求所關乎的股東大會前最少七日以印本形式送交本公司註冊辦事處，或以電子形式發送至ir@cosmel.com註明公司秘書收啟。

### 股東在股東周年大會提呈動議的程序

根據《公司條例》第615條，佔全體有權在該求所關乎的股東周年大會上表決的股東總表決權的最少2.5%的股東，或最少50名有權在該股東周年大會就決議表決的股東可要求本公司向股東發出關於可在股東周年大會上恰當地動議並在該大會上動議的決議的通知。該要求(i)須指出有待發出通知所關乎的決議；(ii)須經所有提出該要求的人認證；及(iii)須在提呈該要求所關乎的股東周年大會舉行前六個星期之前或(如在前述時間之後送抵本公司的話)有關會議通知發出之時以印本形式送交本公司註冊辦事處，或以電子形式發送至ir@cosmel.com，註明公司秘書收啟。

## CORPORATE GOVERNANCE REPORT (CONTINUED)

### 企業管治報告(續)

#### Procedure for Shareholders and other stakeholders to send enquiries and concerns to the Board

Shareholders and other stakeholders are invited to access the Company's website at <http://www.cosmel.com> for up-to-date information of the Company. They are advised to send enquiries and concerns to the Board:

- (i) by post at the registered office of the Company situated at 10/F., Billion Plaza 2, No. 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong for the attention of the company secretary; or
- (ii) by email to [ir@cosmel.com](mailto:ir@cosmel.com) for the attention of the company secretary.

The Board has adopted a revised shareholders' communication policy of the Company on 28 March 2019 which is posted on the Company's website. Shareholders and other stakeholders can read the said policy at the Company's website for details.

#### DIVIDEND POLICY

A dividend policy of the Company (the "Dividend Policy") has been adopted by the Board on 28 November 2018. The Dividend Policy sets out the factors in determination of dividend payment of the Company, the frequency and form of dividend payments.

When considering the decision on dividend declaration, the Board will take into account among other things, the following factors:

- (i) financial performance and financial conditions of the Group;
- (ii) cash flows position of the Group;
- (iii) capital requirements for business plans of the Company;
- (iv) investment opportunities available with the Company;
- (v) borrowing capacity of the Company so as to capture any growth opportunities;

#### 股東及其他持份者向董事會提出查詢與關注的程序

誠邀股東和其他持份者瀏覽本公司網站 <http://www.cosmel.com>，獲取有關本公司的最新資料。建議股東和其他持份者可將有關對董事會的查詢與關注：

- (i) 郵寄至本公司註冊辦事處，地址為香港九龍長沙灣長裕街10號億京廣場2期10樓，註明公司秘書收啟；或
- (ii) 電郵至 [ir@cosmel.com](mailto:ir@cosmel.com) 並註明公司秘書收啟。

董事會已於二零一九年三月二十八日採納經修訂的本公司之股東通訊政策，並已在本公司網站上發佈。股東及其他持份者可在本公司網站上查閱該政策了解詳情。

#### 股息政策

本公司已於二零一八年十一月二十八日獲董事會採納股息政策（「股息政策」）。股息政策載明釐定本公司派付股息的因素、股息支付的次數及形式。

在決定股息宣派時，董事會會考慮以下（其中包括）因素：

- (i) 本集團之財務業績及財務狀況；
- (ii) 本集團之現金流；
- (iii) 本公司業務計劃的資本要求；
- (iv) 本公司的投資機會；
- (v) 本公司的借貸能力以抓住其他增長機會；

(vi) expected commitment of the research and development on new products and technology; and

(vii) future outlook of the macro economic environment that have an impact on the business or financial performance and position of the Group.

The dividend shall be paid in the form of (i) cash; or (ii) a scrip dividend; or (iii) a combination of partly in (i) and partly in (ii) above.

The Board may declare interim dividends at its absolute discretion in line with the Dividend Policy and may recommend final dividend payable to the Shareholders at its annual general meeting in line with the Dividend Policy, subject to the approval of the Shareholders in the annual general meeting. The Company may recommend a special dividend in special circumstances.

The Dividend Policy would be subject to revision and amendment under the Articles and the Hong Kong law, including the Companies Ordinance and the Listing Rules from time to time.

### CONSTITUTIONAL DOCUMENTS

During the year, there is no significant change in the Company's constitutional documents.

(vi) 預期研發和開發新產品及技術的承諾；及

(vii) 對宏觀經濟之未來展望，對本集團的業務或財務業績及狀況產生之影響。

股息應以(i)現金；或(ii)代息股份；或(iii)部份按上列(i)項與部份按上列(ii)項之組合。

董事會可根據股息政策行使全權的酌情權派發中期股息。經股東於股東周年大會上批准，董事會可符合股息政策建議應付於股東周年大會上的股東末期股息。本公司亦可能會在特殊情況下建議派發特別股息。

股息政策可根據章程細則及香港法律（包括《公司條例》及上市規則）不時作出修改及修訂。

### 組織章程文件

本公司的組織章程文件於年內並無重大變動。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### SCOPE OF THIS REPORT

The Group principally engages in the manufacturing of machinery. Hence, this Environmental, Social and Governance (the “ESG”) Report (the “Report”) discloses the ESG information and data of the Group’s headquarters in Hong Kong, and Donghua Machinery Ltd. in Dongguan (“Donghua”) and Cosmos Machinery Technology (Jiangsu) Co., Ltd. in Wuxi (“Cosmos Jiangsu”), both machinery manufacturing plants, for the year ended 31 December 2020. Subject to the development of the Group’s operations and ESG information and data availability, the Group reviews the scope of reporting annually to ensure the environmental and social issues that are most important to our stakeholders are being addressed. This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix 27 to the Listing Rules.

In preparing of this Report, the four reporting principles outlined in the ESG Reporting Guide below formed the backbone:

- **Materiality:** To determine the focus of this Report, materiality assessment was conducted through stakeholder engagement to identify the material issues of our core business units.
- **Quantitative:** Environmental and social responsibility data were collected from core business units to monitor our progress in implementing environmental and social responsibility initiatives.
- **Balance:** The Board reviewed the ESG Report and confirmed there were no omissions of any information related to material ESG topics. This Report was prepared without bias.
- **Consistency:** We adopted a consistent environmental data treatment approach to allow a fair comparison of our environmental performance over time.

### 報告範圍

本集團主要從事機械製造業務。因此，本環境、社會及管治（「環境、社會及管治」）報告（「本報告」）載述香港總部，以及兩家機械製造的生產廠房，位於東莞的東華機械有限公司（「東華」）和位於無錫的大同機械科技（江蘇）有限公司（「江蘇大同」）截至二零二零年十二月三十一日止年度的環境、社會及管治資料及數據。本集團會因應業務發展和可提供的環境、社會及管治資料與數據，每年檢討報告的匯報範圍以確保全面涵蓋持份者最關注的環境及社會議題。本報告乃按照上市規則附錄二十七所載之《環境、社會及管治報告指引》（「《環境、社會及管治報告指引》」）擬備。

在編製本報告時採用了《環境、社會及管治報告指引》列明的四大報告原則作為骨幹：

- **重要性：**為界定本報告的重點，我們諮詢各界持份者進行重要性評估以釐定核心業務單位的重要議題。
- **量化：**蒐集核心業務單位的環境及社會責任數據，藉以監察本集團推行環境及社會責任措施的進展。
- **平衡：**董事會已審閱環境、社會及管治報告並確認無遺漏任何關於重大環境、社會及管治議題的資料。本報告的內容不偏不倚。
- **一致性：**我們採用一致的環境數據處理方法，以便對環境績效進行公平比較。



## BOARD ENGAGEMENT

The Board is responsible for overseeing and managing all ESG related issues within the Group. The Board assesses ESG matters that affect the Group's overall business strategies, business operations, revenue growth, performance targets and potential impact. It meets regularly to review the future development of our ESG strategy and reporting process, which includes identifying, evaluating and determining the ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. This Report has been reviewed and approved by the Board on 30 March 2021.

## STAKEHOLDER ENGAGEMENT

We believe feedback from our stakeholders could help us to navigate towards sustainable growth and are dedicated to developing long-term relationships with our stakeholders through internal and external communication channels to ensure our operation is responsive to their suggestions.

We identify any individuals or entities having significant interests in principal activities of the Group as our stakeholders. These stakeholders are classified as shareholders, employees, customers, suppliers, government and regulators, and banks and financial institutions. We engage with stakeholders through various communication channels categorised as follows:

## 董事會參與

董事會負責監督和管理本集團所有關於環境、社會及管治的議題。董事會除評估與本集團整體業務策略、業務營運、收益增長、表現目標及潛在影響相關的環境、社會及管治事項外，亦定期舉行會議檢討本集團未來的環境、社會及管治策略發展和報告流程，包括識別、評估及界定與環境、社會及管治相關的風險和確保實行合適及有效的環境、社會及管治風險管理與內部監控系統。本報告於二零二一年三月三十日經董事會審議及批核。

## 持份者參與

我們深明持份者的意見能有助本集團推動可持續發展，我們透過多種內部及外界渠道與持份者溝通，確保業務可靈活回應各界需要，致力與持份者建立長遠的互信關係。

所有與本集團主要業務有重大利益關係的個人或實體均是我們的持份者，本集團的持份者組別包括股東、僱員、客戶、供應商、政府及監管機構，以及銀行及金融機構。我們與各持份者的溝通渠道如下：

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

<b>Stakeholder category</b> 持份者類別	<b>Communication Channels</b> 溝通渠道
Shareholders 股東	<p>Emails, telephone calls and postal correspondence            電郵、電話及郵件</p> <p>Company's website            本公司網站</p> <p>Annual general meetings and general meetings            股東周年大會及股東大會</p> <p>Annual and interim reports            年報及中期報告</p> <p>Circulars, announcements, notices and publications            通函、公告、通告及公佈</p> <p>Investor relations enquiries            投資者關係查詢</p>
Employees 僱員	<p>Annual appraisals            年度評核</p> <p>Training and workshops            培訓及研討會</p> <p>Company internal notices and communications            公司內部通告及通訊</p> <p>Company annual dinner            公司周年晚會</p>
Customers 客戶	<p>Face-to-face and virtual meetings and visits            直接及虛擬會面及探訪</p> <p>Day-to-day communications via frontline staff            通過前線僱員的日常溝通</p> <p>Industry exhibitions            業界展覽</p> <p>Customer service hotline and email            客戶服務熱線及電郵</p>
Suppliers 供應商	<p>Emails, telephone calls and postal correspondence            電郵、電話及郵件</p> <p>Face-to-face and virtual meetings and visits            直接及虛擬會面及探訪</p> <p>On-going direct engagements            持續直接參與</p>
Government and regulators 政府及監管機構	<p>Emails, telephone calls and postal correspondence            電郵、電話及郵件</p> <p>Face-to-face and virtual meetings and visits            直接及虛擬會面及探訪</p> <p>Reports and submissions pursuant to regulatory requirements            按照監管規定發表報告及提交資料</p>
Banks and financial institutions 銀行及金融機構	<p>Emails, telephone calls and postal correspondence            電郵、電話及郵件</p> <p>Face-to-face and virtual meetings and visits            直接及虛擬會面及探訪</p>

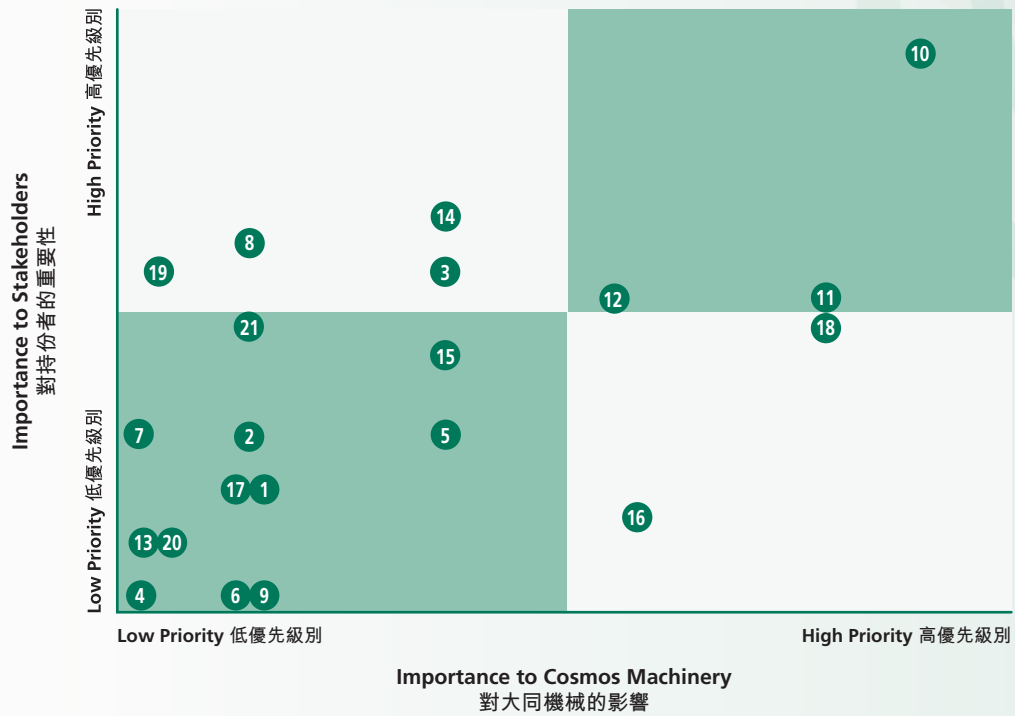
**Materiality Assessment**

The Group has carried out a number of stakeholder engagement exercises and updated the materiality assessment in 2020 to determine the significance level of topics and prioritise the corresponding topics.

**重要性評估**

本集團於二零二零年推行多項持份者參與計劃並且更新重要性評估，從而界定各議題的重要程度並相應地排列優先次序。

**Cosmos Machinery – Materiality Matrix**  
 大同機械 – 重要性矩陣



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

The Group reviews the material topics regularly and a stakeholder survey has been designed to seek stakeholders' feedback on the significance level of material topics. The materiality assessment was updated in 2020 and a materiality matrix was developed from the results of stakeholder questionnaires. Material topics related to the Group's businesses and daily operations have been prioritised. Their importance to stakeholders and the Group is shown below:

本集團定期檢討重要議題，並會進行持份者問卷調查，蒐集持份者對重要議題重要程度的意見。二零二零年我們更新了重要性評估，根據持份者問卷調查結果繪畫成重要性矩陣圖，並排列與本集團業務及日常營運相關各重要議題的優先次序。此等議題對持份者及本集團的重要性列述如下：

Aspect 範疇	Level of Materiality 重要性程度	Impact within the Group 對本集團內的影響	Impact outside the Group 對本集團外的影響
<b>Environmental 環境</b>			
1. Air pollutants emission 廢氣排放	Low 低		
2. Greenhouse gas emission 溫室氣體排放	Low 低		
3. Hazardous waste 有害廢物	Medium 中		☆
4. Non-hazardous waste 非有害廢物	Low 低		
5. Energy consumption 能源消耗	Medium 中	☆	
6. Water consumption 耗水	Low 低		
7. Packaging consumption 包裝耗材	Low 低		
8. Other impacts on environment 對環境之影響	Medium 中		☆
9. Climate Change 氣候變化	Low 低		
<b>Social 社會</b>			
10. Employment 僱傭	High 高	☆	☆
11. Occupational health and safety 職業健康及安全	High 高	☆	☆
12. Vocational training 職業培訓	High 高	☆	☆
13. Child labour and forced labour 童工及強制勞工	Low 低		
<b>Operating practices 營運慣例</b>			
14. Supply chain management 供應鏈管理	Medium 中		☆
15. Product safety 產品安全	Medium 中	☆	
16. Customer satisfaction 客戶滿意度	Medium 中	☆	
17. Intellectual property issues 知識產權	Low 低		
18. Quality of products 產品質量	High 高	☆	☆
19. Data protection and privacy 資料保護和私隱	Medium 中		☆
20. Anti-corruption practices and whistle-blowing procedures 反貪污及舉報程序	Low 低		
<b>Community 社區</b>			
21. Community investment 社區投資	Low 低		

## ENVIRONMENTAL ASPECTS

### General Disclosure

The Group continues to explore ways to minimise the environmental impacts of our operations and to reduce our environmental footprint. We strive to enhance our environmental performance through optimising the use of natural resources and water soluble paint in place of solvent based paint, increasing wastes reuse and recycle, and installing solar power equipment. In 2020, there was no material breach of or non-compliance with laws and regulations applicable to the Group. We complied with environmental laws, ordinances and rules and regulations on the prevention and control of wastage, waste gases and sewage emissions. These laws, ordinances and regulations include but not limited to the Environmental Protection Law of the PRC, Environmental Protection Tax Law of the PRC, the Prevention and Control of Atmospheric Pollution of the PRC, Water Pollution Prevention and Control Law of the PRC, Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), Product Eco-responsibility Ordinance (Chapter 603 of the Laws of Hong Kong), Environmental Quality Standard for Surface Water, Wastewater Quality Standards for Discharge to Municipal Sewers, the Measures for the Administration of Permit for Operation of Dangerous Wastes and Solid Wastes of Prevention and Control Law of the PRC. Apart from complying with local legal environmental requirements, we also commit to maintaining high international, national and industry standards. These environmental laws will have impact on the Group's operation since if we do not dispose all wastages, discharges and waste gases properly, we might have to bear heavy environmental protection tax and so increase the cost of disposal of wastages.

## 環境主要範疇

### 一般披露

本集團一如既往地開拓更多途徑，全方位減低日常營運的環境影響和縮減環境足印。我們善用天然資源、使用以水溶性塗料取代溶劑型塗料、提高廢物重用和回收，以及安裝太陽能設備，致力提升環境表現。於二零二零年，我們並無重大違反或不遵守適用於本集團的環保法律和法規。我們遵守與廢物、廢氣及廢水排放有關的環境法律、條例以及規則和規定，包括但不限於《中國環境保護法》、《中國環境保護稅法》、《中國大氣污染防治法》、《中國水污染防治法》、《廢物處置條例》(香港法例354章)、《產品環保責任條例》(香港法例603章)、《地表水環境品質標準》、《污水排入城鎮下水道水質標準》、《危險廢物經營許可證管理辦法》及《中國固體廢物污染環境防治法》。除了嚴守當地環境法規，我們亦承諾維持崇高的國際、國家及行業標準。若本集團不妥善處理所有廢物排放及廢氣排出，將須承擔沉重的環境保護稅並增加處置廢物的成本，該等環保法律將對本集團的營運造成影響。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

Donghua production plant has emergency protocols and an action plan approved by the general manager of Donghua has been in place since 2017. This plan is in accordance with Environmental Protection Law of the PRC, Solid Wastes of Prevention and Control Law of the PRC, State Contingency Plans for Environmental Emergencies, among others, to ensure that we can respond and mitigate environmental risks more effectively. Risk analysis reports on how to respond to potential environmental risks during operation have been prepared. Building on the action plan, comprehensive environmental assessments are carried out for major construction or expansion projects to minimise environmental impacts of our operations.

#### Climate Change and Air Emission Controls

To further reduce air emissions generated during our daily operations, we continue to implement various energy saving measures to mitigate emission levels. Donghua has installed a Volatile Organic Compound (VOCs) purification system at the production plant, which includes active carbon filters, central exhaust systems, water spray devices and UV light purifiers to filter associated airborne pollutants and to ensure emission levels meet the local standards before discharge. To ensure efficient operation of the VOCs purification system, we have increased the frequency of cleaning and maintenance schedule.

We recognise climate change may cause certain potential impacts and risks to our business. To combat and mitigate any climate-related risks, we have set emission targets within our ESG framework to help us closely monitor our ESG progress and identify ways to make continuous improvement in our environmental performance. We aim to reduce 2% of our energy intensity by 2024, compared with 2019 baseline. We will continue to review our emission progress and minimise greenhouse gas (GHG) emissions and wastes, and use of resources of our production process by using energy efficient devices and replacing solvent-based paint with waterborne paint.

東華的生產廠房已於二零一七年制訂了緊急事故應對規程及行動方案，經東華總經理批核後全面推行。該方案乃依據《中國環境保護法》、《中國固體廢物污染環境防治法》及《國家突發環境事件應急預案》等法規制定，確保可更完善地應對及緩解環境風險，同時亦編製風險分析報告提供指引在營運期間一旦發現潛在環境風險應如何應對。除了實施行動方案外，我們展開任何大型建造或擴建工程之前，亦會先進行全面環境影響評估，確保我們的營運對環境影響減至最低。

#### 氣候變化及空氣污染排放監控

為進一步減低日常營運產生的空氣污染排放，我們持續推行多項節能措施以減少碳排放。東華已在生產廠房安裝揮發性有機化合物廢氣處理系統，該系統包括活性碳過濾器、中央排氣系統、灑水裝置及紅外線淨化器，減少在生產過程中產生的空氣污染物，並確保廢氣排放達至當地的排出標準。為使揮發性有機化合物處理系統有效運作，我們已增加定期清潔及維修的次數。

我們深明氣候變化或會對業務構成某些潛在影響和風險，為應對及緩解與氣候相關的風險，我們在環境、社會及管治框架下訂立了排放目標，緊密地監察本集團的環境、社會及管治工作進程和尋找能不斷提升環境績效的方法。我們期望在二零二四年前將能源密度減少2%（以二零一九年數據作比較），與此同時持續檢討減排進度和採用高能源效益裝置，並且使用以水溶性塗料取代溶劑型塗料，全力減少生產過程中產生的溫室氣體排放和廢物及使用資源。

### Waste Management

The Group spares no effort to achieve resource efficiency and to reduce hazardous wastes and non-hazardous wastes. Useful materials are reused or recycled whenever possible. By developing a database which summarise the information of materials used, we monitor and analyse the recycling rate to develop an effective waste management programme. We also strictly comply with local waste disposal regulations and engage qualified contractors to handle hazardous and non-hazardous wastes and industrial sewage; whereas recyclables, such as scrap metal, used plastics, paper, waste oil and oil-based paint containers, are separated at source for recycling.

Donghua and Cosmos Jiangsu strictly comply with the Environmental Quality Standard for Surface Water and Wastewater Quality Standards for Discharge to Municipal Sewers of the PRC. Industrial sewage generated during the manufacturing process is collected and properly disposed of by qualified contractors.

The Group has put great efforts in reducing wastes by implementing waste management measures at all operation sites. All employees of the Group are encouraged to optimise the use of natural resources as part of our “green lifestyle” initiatives. We have put up posters in staff canteens to constantly remind employees not to over-order food and to minimise food wastes. We aim to further improve our environmental performance by reducing the use of paper. We are hoping to reduce office paper consumption by 5% by 2024, as compared to the 2019 baseline.

### 廢物管理

本集團竭力提高資源效益及減少有害廢物和非有害廢物，有用物料亦會盡量重用或回收。我們設有數據庫記錄我們耗用物料的摘要資料，藉以監察和分析回收率，繼而實行完善的廢物管理計劃。此外，我們亦嚴格遵守營運當地的廢物處置法例，聘請合資格承辦商處理有害和非有害廢物以及工業污水，並在源頭分類可回收物料，例如廢金屬、使用過的塑膠、廢紙、廢油及油漆容器等。

東華及江蘇大同均嚴格遵守中國《地表水環境質量標準》及《污水排入城鎮下水道水質標準》，生產過程中產生的工業污水會交由合資格承辦商收集及妥善處置。

本集團致力全方位減廢，在各營運點廣泛實施廢物管理措施，亦積極提倡「綠色生活」文化，鼓勵全體僱員善用天然資源。僱員食堂各處均張貼海報，溫馨提示僱員點選適當份量的食品，盡量避免浪費食物。為進一步提升本集團的環保表現，我們將努力減少用紙量。我們的目標是在二零二四年前將辦公室用紙量減少5%（以二零一九年數據作比較）。

### **Energy Consumption and Efficiency Measures**

To increase productivity and further enhance cost effectiveness, we have been using our technological expertise to design and manufacture high quality machineries that can help our customers reduce their environment footprints. In 2020, we further expanded our portfolio of energy efficiency labelled models. These latest products include the General Purpose High-end Servo-driven Injection Moulding Machine 90-500Se III and the Ge electric-plus. The Group has been extensively promoting the digital control system "iSee 4.0" with very positive response. The system provides real-time data for customers to monitor the performance of the machines. While providing customers with a simple performance overview of the machine, the system also keeps track of production data, stock numbers and related figures to help our customers achieve maximum production output.

### **Water Consumption and Recycling**

To reduce fresh water consumption, a water recycling system was installed in the industrial paint booth both at Donghua and Cosmos Jiangsu to lower overall water consumption. During the spray painting process, we used water for paint dirt removal to keep the tanks and pumps of the paint booths clean. Water is filtered from the wash paint and recycled several times before being replaced. During the year, water saving reminders were placed in kitchens and lavatories to remind employees to reduce water consumption.

### **Green Office**

Over the last couple of years, the Group has been focusing our efforts on adopting green practices and raising environmental awareness across all office operations. We have been implementing the green office guidelines at our Hong Kong headquarters since 2017 to raise environmental awareness among employees.

### **能源消耗及能源效益措施**

我們矢志提升生產力及優化成本效益，善用本集團的技術睿智設計和生產優質機械，幫助客戶減低環境足印。在二零二零年，我們更推出能源效益標籤的機器型號，該等最新產品包括通用型高端伺服注塑機90-500Se III及Ge電動Plus系列。本集團近年廣泛推廣我們的數碼控制系統「iSee 4.0」，客戶反應理想。此系統設有實時監察功能，讓客戶檢測機器的運作效率，時刻掌握機器性能表現，同時亦可追蹤生產數據、存貨編碼等相關資料，使產出達到最高水平。

### **耗水量及重用**

為節約食水，東華及江蘇大同均已在工業噴漆車間裝設廢水回收系統，藉以減省整體用水量。在噴漆工序中，我們會用水清洗油漆污垢，以保持噴漆車間的水缸及水泵清潔。系統可濾除水中的油漆污垢，淨化後的水會重用多次才徹底更換。年內，我們在工廠內各廚房及洗手間標貼溫馨提示，提點僱員節約用水。

### **環保實踐**

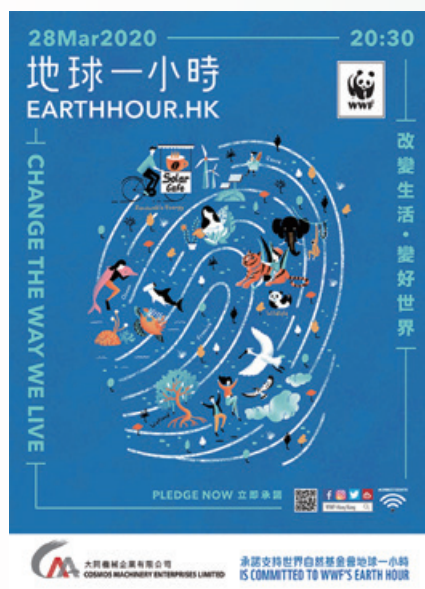
在過去數年，本集團重點於辦公室實踐綠色概念和推廣環保意識。香港總部於二零一七年制訂了綠色辦公室指引，旨在加強僱員的環保意識。

We have joined various green campaigns and implemented relevant measures, we also focus on implementing office-related green practices to reduce unnecessary electricity consumption and to ensure resources are optimally utilised at the Hong Kong headquarters. We also encourage staff members to foster a green culture in the workplace, such as setting up the Cosmos e-Library and organising a number of green activities for staff members.

During the year under review, we continued to support staff members to take part in different green activities, while promoting the benefits of a healthy and green lifestyle. These initiatives include WWF's Earth Hour campaign and the World Green Organisation's Paper Saving campaign. These campaigns helped raise awareness for reducing electricity and paper consumption within the office, and demonstrated our commitment in minimising environmental impacts.

我們積極參與多項綠色運動並實施相關的環保措施，與此同時引入與辦公室相關的環保措施，務求避免不必要的耗電，確保香港總部資源物盡其用。我們也鼓勵僱員培養綠色工作間文化，例如設立「大同網上圖書館」及舉辦環保活動。

於本回顧年度，我們一如既往支持僱員參與各類環保活動，積極推廣健康樂活及綠色生活的裨益，有關活動包括世界自然基金會的「地球一小時」和世界綠色組織的「惜紙行動」。上述活動有助提高環保意識，倡導僱員在日常辦公室作業中減少用電和紙，也突顯本集團矢志紓減環境影響。



Affected by the outbreak of COVID-19 pandemic in 2020, a number of environmental activities cancelled due to social distancing restrictions. However, we continued to promote a green culture in the workplace and to enhance awareness of our staff for protecting the local environment by digital means. We published "The Green & Happy News" to share green tips, news and environmental achievements with employees on a regular basis, and held environmental quiz.

礙於二零二零年新型冠狀病毒疫情爆發實施社交限聚規定，年內多項環保活動因此而取消。儘管如此，本集團仍透過電子渠道，積極在工作間推廣綠色文化和環保意識，並製作The Green & Happy News通訊，定期與僱員分享環保提示、最新消息及環保工作成果，還有舉辦環保問答比賽。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

Continuing to the idea of “go green” in our offices, all staff are encouraged to implement the following green measures:

一如既往我們在辦公室推廣環保信息，鼓勵全體僱員採取下列環保措施：

Electricity 電力	<ul style="list-style-type: none"><li>Energy saving labels are placed on all electrical appliances and light switches to remind staff to conserve energy. 在所有電器及燈掣貼上節約能源溫馨提示，提點僱員節約能源。</li><li>To reduce electricity consumption, all computers are set to auto energy-saving mode. 將電腦設定為自動節能模式，節約用電。</li><li>Staff are reminded to switch off all lighting, air conditioning and electrical appliances before leaving the workplace. 提醒僱員離開工作間時關掉所有電燈、冷氣及電器。</li><li>Lighting would be switched off during non-business hours, unless for safety and security purposes. 非辦公時間關掉電燈，只在個別範圍基於安全及保安需要亮燈。</li></ul>
Water 水	<ul style="list-style-type: none"><li>Water saving labels are in place to remind staff not to leave the tap running in the pantry. 張貼節約用水標籤，提醒僱員不要讓茶水間的水龍頭開著。</li></ul>
Waste 廢物	<ul style="list-style-type: none"><li>Recycling bins are set up at the office to encourage staff to separate recyclables, such as paper, plastic and metal. 於辦公室擺放回收箱，鼓勵僱員分類回收廢紙、塑膠及廢金屬等可回收物料。</li><li>Used envelopes, folders and shopping bags are collected in recycling bins for staff to reuse. 設置回收箱收集舊信封、文件夾及購物袋供僱員再用。</li></ul>
Office Equipment 辦公室設備	<ul style="list-style-type: none"><li>Staff are encouraged to purchase environment-friendly stationery and office equipment as a priority. Stop purchasing stationery and office equipment with potential adverse environmental impact. 鼓勵僱員優先採購環保文具及辦公室設備，不再購買對環境造成損害的文具及辦公室設備。</li></ul>
Others 其他	<ul style="list-style-type: none"><li>To reduce paper consumption, employees are encouraged to adjust document margins and font size before printing, use double-sided copying, and reduce colour printing. 鼓勵僱員打印前調校文件邊界和字型大小及採用雙面影印以減少用紙量，和減少彩色打印。</li><li>The Group’s annual report is printed with environment-friendly (wood-free) paper. 採用環保紙品(無木紙品)印製本集團年報。</li></ul>

### Green Manufacturing

We apply new technologies and upgrade hardware and equipment regularly at our production plants to minimise the key environmental impacts of our operation, which are related to energy, air emissions, water and wastes management. For instance, Donghua has installed energy-saving motors, inverter air compressors and LED lights, resulting in significant energy savings in the production process since 2017.

### 環保生產

我們持續在各生產廠房應用各種新科技和進行硬件及設備升級改良，盡量減低業務營運過程中造成與能源、空氣污染排放、水及廢物管理相關的環境影響。例如，東華早於二零一七年便安裝省電機、變頻空氣壓縮機及LED燈具，大幅降低生產流程的能源耗用量。



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

**ENVIRONMENTAL PERFORMANCE DATA**  
**Resources Consumption and Packaging Materials for**  
**Finished Products**

The respective data of resources consumption and total packaging materials of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

**環境表現數據**  
**資源耗用量及製成品所用包裝材料用量**

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同的資源耗用量及包裝物總用量相關數據如下：

	Unit 單位	2020				2019			
		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	Total 合計	Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	Total 合計
Natural gas 天然氣	m <sup>3</sup> 立方米	-	-	25,176.00	25,176.00	-	-	26,787.00 <sup>(1)</sup>	26,787.00
Diesel for vehicles 車用柴油	Litres 公升	-	14,088.00	1,260.00	15,348.00	-	10,297.00	2,850.00	13,147.00
Petrol for vehicles <sup>(5)</sup> 車用汽油 <sup>(5)</sup>	Litres 公升	1,798.49	5,747.30	2,980.00	10,525.79	5,988.18	5,840.00	2,970.00	14,798.18
Total electricity consumption 總耗電量	kWh 千瓦時	168,181.00	2,624,797.00	3,072,346.00	5,865,324.00	173,614.00	3,012,950.00	3,586,500.00	6,773,064.00
Total energy consumption <sup>(2)</sup> 能源總耗量 <sup>(2)</sup>	GJ 千兆焦耳	668.20	10,192.61	12,192.30	23,053.11	833.93	11,447.12	14,166.84 <sup>(3)</sup>	26,447.89 <sup>(3)</sup>
Total energy consumption per million sales 每百萬銷售額的 能源總耗量	GJ/sales (HK\$M) 千兆焦耳/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	32.73	N/A 不適用	N/A 不適用	N/A 不適用	50.93
Total water consumption 總耗水量	m <sup>3</sup> 立方米	209.00	30,912.00	17,010.00	48,131.00	253.00	32,378.00 <sup>(4)</sup>	20,100.00	52,731.00
Total water consumption per million sales 每百萬銷售額的總耗水量	m <sup>3</sup> /sales (HK\$M) 立方米/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	68.34	N/A 不適用	N/A 不適用	N/A 不適用	101.54
Total plastics used for packaging 包裝用的塑膠總數量	Tonnes 噸	-	7.90	5.78	13.68	-	7.77	4.60	12.37
Total plastics used for packaging per million sales 每百萬銷售額的包裝用的 塑膠總數量	Tonnes/sales (HK\$M) 噸/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	0.02	N/A 不適用	N/A 不適用	N/A 不適用	0.02

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

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| (1) Restatement of the amount of natural gas in 2019 was 26,787 m <sup>3</sup> .   | (1) 重新列述二零一九年天然氣用量為26,787立方米。  |
| (2) Energy consumption data was measured based on the amount of electricity, fuels and gas consumed and energy conversion factors had taken reference from Guidelines for Accounting and Reporting GHG Emissions China Machinery and Equipment Manufacturing Enterprises (Trial) and Energy Statistics Manual 2004 from the International Energy Agency. | (2) 能源消耗量數據乃依據用電、汽油及氣體數量計算，以及能源轉換系數是參考中國機械設備製造企業溫室氣體排放核算方法與報告指南(試行)及國際能源署發出的能源數據手冊(二零零四年)。 |
| (3) The amount of natural gas of Cosmos Jiangsu has been restated according to item (1) above, therefore the figures for total energy consumption in 2019 have been restated.  | (3) 江蘇大同天然氣用量根據上述(1)重新列述，故二零一九年的能源總耗量已重列。  |
| (4) Restatement of the amount of water consumption in 2019 was 32,378 m <sup>3</sup> .   | (4) 重新列述二零一九年耗水量為32,378立方米。  |
| (5) Emissions from petrol for vehicles only include the transportation of employees as both production plants do not have our own corporate fleet to transport/deliver our products to customers.  | (5) 由於兩家廠房均沒有自己的車隊向客戶運輸／運送產品，故此車用汽油的排放量計算只包括接載僱員。  |
| (6) The sales of Donghua and Cosmos Jiangsu increased in 2020 as compared to that of last year, total amount of diesel for vehicles and plastics used for packaging were increased.  | (6) 東華及江蘇大同二零二零年的銷售額比去年同期增加，因此車用柴油及包裝用的塑膠總數量上升。  |
| (7) In 2020, the PRC and Hong Kong governments implemented pandemic prevention and control measures to reduce the movement of people, the frequency of picking up employees to and from the PRC and Hong Kong has reduced significantly, so total amount of petrol for vehicles of Hong Kong headquarters has been drastically dropped.                  | (7) 於二零二零年，中國及香港政府實施了疫情防控措施以減少人員流動，故香港總部接載僱員來往中國及香港次數大幅減少，所以香港總部車用汽油總量大幅下降。                |
| (8) As both plants were under temporary suspension after the Chinese New Year holidays in 2020 and Hong Kong headquarters implemented work from home arrangement during the pandemic, the total amount of electricity, water and natural gas consumptions in 2020 were dropped.  | (8) 由於兩個廠房在二零二零年中國農曆新年假期後均短暫停產，並且在疫情期間香港總部實施了在家工作，因此二零二零年的總用電和水量，以及天然氣用量均有所下降。             |

### Air Emissions

The respective data of air emissions<sup>(1)</sup> of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

	Unit 單位	2020			Total 合計	2019			Total 合計
		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	
Sulphur oxides (SO <sub>x</sub> ) 硫氧化物	Kg 千克	0.03	0.31	0.06	0.40	0.09	0.25	0.09	0.43
Nitrogen oxides (NO <sub>x</sub> ) 氮氧化物	Kg 千克	1.12	3.96	66.24	71.32	4.90	4.84	109.39	119.13
Particulate matter (PM) 顆粒物	Kg 千克	0.08	0.29	4.52	4.89	0.36	0.36	6.78	7.50
Total air pollutants 空氣污染物總量	Kg 千克	1.23	4.56	70.82	76.61	5.35	5.45	116.26	127.06
Total air pollutants per million sales 每百萬銷售額的 空氣污染物總量	Kg/sales (HK\$M) 千克/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	0.11	N/A 不適用	N/A 不適用	N/A 不適用	0.24

### 廢氣排放

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同的廢氣排放<sup>(1)</sup>相關數據如下：

- The air emissions data are presented in NO<sub>x</sub>, SO<sub>x</sub> and PM equivalent and the emissions factors are based on The Environmental Protection Department (EPD) Vehicle Emission Calculation model and the United States Environmental Protection Agency's Vehicle Emission Modeling Software.
- In 2020, we reclassified the vehicle type for Cosmos Jiangsu, therefore the figures for 2019 have been restated.
- Total air pollutants decreased when compared with that of 2019. The reason of the decrease is illustrated under the heading "Resources Consumption and Packaging Materials for Finished Products".

- 廢氣排放數據乃按氮氧化物(NO<sub>x</sub>)、硫氧化物(SO<sub>x</sub>)和顆粒物(PM)當量呈列，該等排放系數乃按照環境保護署(「環保署」)汽車排放計算模型及美國環境保護署的Vehicle Emission Modeling Software汽車排放模型軟件計算。
- 於二零二零年，我們對江蘇大同的汽車類別重新分類，故上述二零一九年的數據已重列。
- 空氣污染物總量比二零一九年下跌。下跌的原因於上文標題「資源耗用量及製成品所用包裝材料用量」中闡述。

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

**GHG Emissions**

The GHG emissions of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

**溫室氣體排放**

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同的溫室氣體排放如下：

	Unit 單位	2020			Total 合計	2019			Total 合計
		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	
Scope 1 Direct GHG Emissions <sup>(1)</sup> 範圍一 直接溫室氣體排放 <sup>(1)</sup>	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	4.87	52.43	121.78	179.08	16.22	43.27	129.53	189.02
Scope 2 Energy Indirect GHG Emissions <sup>(2)</sup> 範圍二 能源間接溫室氣體排放 <sup>(2)</sup>	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	62.23	2,110.86	2,433.61	4,606.70	88.54	2,423.01	2,840.87	5,352.42
Scope 3 Other Indirect GHG Emissions <sup>(3)</sup> 範圍三 其他間接溫室氣體排放 <sup>(3)</sup>	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	3.06	25.57	22.90	51.53	27.64	27.28	25.11	80.03
Total GHG Emissions 溫室氣體排放總量	Tonnes CO <sub>2</sub> e 噸二氧化碳當量	70.16	2,188.86	2,578.29	4,837.31	132.40	2,493.56	2,995.51	5,621.47
Total GHG Emissions per million sales 每百萬銷售額的 溫室氣體排放總量	Tonnes CO <sub>2</sub> e/ sales (HK\$M) 噸二氧化碳當量/ 百萬港元銷售額	N/A 不適用	N/A 不適用	N/A 不適用	6.87	N/A 不適用	N/A 不適用	N/A 不適用	10.82

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

- (1) Scope 1 direct GHG emissions were calculated with reference to emission factors stated in the Guidelines to Account for and Report on GHG Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong issued by the EPD and The Electrical and Mechanical Services Department (the "EMSD"), and 2006 Intergovernmental Panel on Climate Change (the "IPCC") Guidelines for National GHG Inventories and Fifth Assessment Report (2014) from the IPCC.
- (2) Scope 2 energy indirect GHG emissions were calculated with reference to emission factors stated in the CLP Holdings Limited 2020 and 2019 Sustainability Reports, and PRC's Regional Power Grid Baseline of 2019 published by the Ministry of Ecology and Environment of the PRC.
- (3) Scope 3 other indirect GHG emissions were calculated with reference to emission factors stated in the Guidelines to Account for and Report on GHG Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong issued by the EPD and EMSD, Hong Kong Water Supplies Department 2018/19 Annual Report, CLP Holdings Limited 2020 and 2019 Sustainability Reports, PRC's Regional Power Grid Baseline of 2019 published by the Ministry of Ecology and Environment of the PRC and International Civil Aviation Organization (ICAO).
- (4) The amount of natural gas for 2019 for Cosmos Jiangsu has been restated and we used new emission factors which we considered to be more appropriate for calculating the amount of emission for electricity consumption and that from processing water and paper consumption are newly included. Therefore, the figures in 2019 have been restated.
- (1) 範圍一直接溫室氣體排放量乃參照環保署及機電工程署(「機電工程署」)刊發的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》及政府間氣候變化專門委員會發出的《二零零六年政府間氣候變化專門委員會國家溫室氣體清單指南》和第五次評估報告(二零一四年)載列的排放系數計算。
- (2) 範圍二能源間接溫室氣體排放量乃參照中電控股有限公司的二零二零年及二零一九年可持續發展報告及中國生態環境部發表二零一九年度減排項目中國區域電網基準線排放因子載列的排放系數計算。
- (3) 範圍三其他間接溫室氣體排放量乃參照環保署及機電工程署刊發的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》、香港水務署二零一八至二零一九年度年報、中電控股有限公司的二零二零年及二零一九年可持續發展報告、中國生態環境部發表二零一九年度減排項目中國區域電網基準線排放因子及國際民航組織載列的排放系數計算。
- (4) 江蘇大同二零一九年天然氣用量重新列述,以及我們採用了認為較為合適的新排放系數來計算耗電量的溫室氣體排放,並新增處理用水及用紙量的溫室氣體排放,故二零一九年數據已重列。



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

**Hazardous and Non-hazardous Wastes**

The hazardous and non-hazardous wastes of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

**有害及非有害廢物**

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大通的有害及非有害廢物數據如下：

	Unit 單位	2020			Total 合計	2019			Total 合計
		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同		Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	
Hazardous Wastes <sup>(1)</sup> 有害廢物 <sup>(1)</sup>									
Waste oil 廢油	Tonnes 噸	-	4.87	0.80	5.67	-	8.01	1.00	9.01
Oil containers <sup>(2)</sup> 油容器 <sup>(2)</sup>	Tonnes 噸	-	5.12	1.60	6.72	-	5.27	1.08	6.35
Oil paint containers 油漆容器	Tonnes 噸	-	3.60	0.50	4.10	-	3.95	0.50	4.45
Others (e.g. waste filter, activated carbon and waste paint residue) 其他 (如廢過濾棉、活性碳及廢漆渣)	Tonnes 噸	-	2.45	3.68	6.13	-	2.47 <sup>(3)</sup>	3.50	5.97
Industrial sewage 工業污水	Tonnes 噸	-	263.30	15.28	278.58	-	90.00	11.00	101.00
Total hazardous wastes 有害廢物總數量	Tonnes 噸	-	279.34	21.86	301.20	-	109.70	17.08	126.78
Total hazardous wastes per million sales 每百萬銷售額的 有害廢物總數量	Tonnes/sales (HK\$M) 噸/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	0.43	N/A 不適用	N/A 不適用	N/A 不適用	0.24

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

		Unit 單位	2020				2019			
			Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	Total 合計	Hong Kong Headquarters 香港總部	Donghua 東華	Cosmos Jiangsu 江蘇大同	Total 合計
Non-hazardous Wastes <sup>(4)</sup> 非有害廢物 <sup>(4)</sup>	Metals (e.g. steel, iron and welding slag) 金屬 (如鋼、鐵及焊渣)	Tonnes 噸	-	371.39	510.20	881.59	-	302.51	490.19	792.70
	Plastics 塑膠	Tonnes 噸	-	4.54	-	4.54	-	6.54	-	6.54
	Paper wastes 廢紙	Tonnes 噸	0.97	26.43	-	27.40	0.54	26.63	-	27.17
	Others (e.g. scrap, wiring, wood and slow moving inventory) 其他 (如邊角料、電線、廢木材及 慢流物料)	Tonnes 噸	-	196.89	16.32	213.21	-	199.37	21.14	220.51
	Total non-hazardous wastes 非有害廢物總數量	Tonnes 噸	0.97	599.25	526.52	1,126.74	0.54	535.05	511.33	1,046.92
	Total non-hazardous wastes per million sales 每百萬銷售額的 非有害廢物總數量	Tonnes/sales (HK\$M) 噸/百萬港元 銷售額	N/A 不適用	N/A 不適用	N/A 不適用	1.60	N/A 不適用	N/A 不適用	N/A 不適用	2.02

- (1) All the captioned hazardous wastes are defined as hazardous wastes in accordance with the List of National Hazardous Wastes formulated by the Environmental Pollution by Solid Wastes of Prevention and Control Law of the PRC.
- (1) 上述界定為有害廢物乃根據《中國固體廢物污染環境防治法》制定的「國家危險廢物名錄」規定被定義為有害廢物。
- (2) In 2020, we used a unit of tonne rather than piece for the oil containers, which we considered to be more appropriate for calculating the hazardous wastes intensity. The figures for 2019 have been restated to reflect the new measurement.
- (2) 於二零二零年，我們計算油容器數量採用之單位為噸，而非個，我們認為較為合適來計算有害廢物密度。上述二零一九年的數據已重列，以反映新的計算。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

- (3) Restatement of the total amount of other hazardous wastes such as waste filter, activated carbon and waste paint residue etc. in 2019 was 2.47 tonnes.
- (3) 重新列述二零一九年廢過濾棉、活性碳及廢漆渣等其他有害廢物總量為2.47噸。
- (4) All the captioned non-hazardous wastes are defined as non-hazardous wastes in accordance with the List of National Hazardous Wastes formulated by the Environmental Pollution by Solid Wastes of Prevention and Control Law of the PRC.
- (4) 上述界定為非有害廢物乃根據《中國固體廢物污染環境防治法》制定的「國家危險廢物名錄」規定被定義為非有害廢物。
- (5) The hazardous and non-hazardous wastes generated in Donghua and Cosmos Jiangsu were disposed of properly by those qualified contractors to mitigate the impact on the environment, if possible.
- (5) 東華及江蘇大同產生的有害及非有害廢物盡可能交由合資格承辦商妥善處理，以減少對環境的影響。
- (6) Although the sales of Donghua and Cosmos Jiangsu increased in 2020 as compared to that of last year, Donghua increased the outsource components and parts, the amounts of all hazardous wastes, except industrial sewage, were decreased.
- (6) 儘管東華及江蘇大同二零二零年的銷售額比去年同期增加，但東華外協零部件增加，導致所有有害廢物的數量（除工業污水外）均有所下降。
- (7) In 2020 and 2019, the Hong Kong headquarters did not produce any hazardous wastes. Hong Kong headquarters arranges the disposal of paper waste to recycling enterprises for recycling or reuse.
- (7) 於二零二零年及二零一九年，香港總部沒有產生任何有害廢物。香港總部一直把產生的廢紙交由回收企業回收或重用。
- (8) In 2020 and 2019, Donghua has been arranged the disposal of paper wastes and used plastics to recycling enterprises for recycling or reuse, while there is no such data for Cosmos Jiangsu measurement.
- (8) 於二零二零年及二零一九年，東華一直把廢紙及用過的塑膠交由回收企業回收或重用，惟江蘇大同沒有此數據計量。

## SOCIAL ASPECTS

### General Disclosure

Guided by our corporate philosophy of being “people-orientated, pragmatic and continuously learning”, the Group maintains a highly-efficient workforce with caring interpersonal relationships. Provision of safe and pleasant working environment to our staff and attracting talents are integral in supporting our sustainable growth. As a responsible manufacturer, we actively manage our supply chain to ensure that our suppliers adhere to the Group’s sustainable business practices and make every effort to safeguard product quality. Apart from minimising environmental impacts, seeking ways to develop a caring society is also one of our commitments. We are honoured to be awarded the Caring Company Logo by the Hong Kong Council of Social Service for over ten consecutive years.

The Group respects human rights and complies with the Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Labour Law of the PRC, and other related laws and regulations on labour standards, including Provisions on the Prohibition of Using Child Labour of the PRC, Protection of Minors of the PRC, Labour Contract Law of the PRC, Enterprise Annuities Fund Measures, Social Insurance Law of the PRC, Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong), Employees’ Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) etc.. All employees require to follow the code of conduct to safeguard the integrity and governance of our operations, while maintaining a high standard of professional conduct. We have zero tolerance for any form of corruption, forced labour, child labour or sexual harassment in any of our operations. We treat all qualified job applicants and staff members equally, and refrain from any form of discrimination.

## 社會主要範疇

### 一般披露

「以人為本，務實進取，持續學習」是本集團恪守的企業價值觀，我們本著這套理念培育效率超卓的團隊，倡導同事之間互相關懷扶持。我們致力為僱員提供安全宜人的工作環境，同時廣泛吸納人才，為本集團的長遠發展穩建磐基。我們作為負責任的製造商，矢志積極管理供應鏈，確保供應商嚴格遵守本集團的可持續發展業務守則，並盡力保障產品質量。我們一方面努力紓減環境影響，另一方面推廣社會各界關懷互助。本集團很榮幸連續十多年獲香港社會服務聯會授予「商界展關懷標誌」。

本集團尊重人權並遵守《僱傭條例》(香港法例第57章)和《中國勞動法》，以及其他相關的勞動標準法規，包括《中國禁止使用童工規定》、《中國未成年人保護法》、《中國勞動合同法》、《企業年金基金辦法》、《中國社會保險法》、《最低工資條例》(香港法例第608章)和《僱員補償條例》(香港法例第282章)等。全體僱員均須遵守本集團的行為守則，讓所有業務均達到應有的誠信及管治水平，同時維持崇高的專業操守。我們對任何形式的貪污舞弊、強迫勞工、童工或性騷擾持零容忍態度，並對所有合資格的應徵者和僱員一視同仁，杜絕任何形式的歧視。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

To facilitate effective communication between our staff and the Group's management, we have established various communication channels and formal mechanisms for employees to voice their opinions freely and to seek assistance. Any opinions received through these channels will be handled confidentially. We strictly abide by local employment management practices where we operate, and follow the industry's labour practices. During the reporting period, no legal cases were reported regarding our labour practices or market operations or any issues related to product responsibility.

The Group has zero tolerance for corruption or bribery in our operations and strictly complies with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) in Hong Kong, whereas in Mainland China we strictly follow the Anti-Corruption Laws of the PRC, the Anti-Unfair Competition Law of the PRC and Interim Provisions on Prohibiting Commercial Bribery. We have put in place preventative measures on whistleblowing policy among the Group and all our subsidiaries, which is reviewed and approved by the audit committee of the Company and the Board respectively in order to identify any further policy development is required. This policy facilitates and assists whistle blowers to raise concerns about any form of misconduct or malpractice identified across our operations. Various reporting channels are provided to employees who are allowed to submit information anonymously. All cases are reported to the chief executive officer and/or company secretary of the Company, who will review and investigate in a proper manner. The Whistleblowing Policy was posted on the Company's website. During the reporting period, no legal cases were reported regarding our corrupt practices brought against the Company and our employees.

為促進僱員與本集團管理層之間的有效溝通，我們設有多種溝通渠道及正式的申訴機制，僱員可自由發表意見和尋求協助，通過此等渠道獲取的所有意見均會保密。我們嚴格遵守經營地區的勞工法律，同時遵循業界的僱傭行規。於匯報期內並無任何有關勞工待遇、市場營運或產品責任等相關事宜的訴訟。

本集團絕對不會容忍旗下任何業務出現貪污舞弊，在香港會嚴格遵守《防止賄賂條例》（香港法例第201章）和《打擊洗錢及恐怖分子資金籌集條例》（香港法例第615章）的規定，在中國內地則嚴守中國的反貪腐法規、《中國反不正當競爭法》及《關於禁止商業賄賂行為的暫行規定》。我們在舉報政策的框架下，於本集團和所有附屬公司推行防範措施。我們的舉報政策分別由本公司審核委員會和董事會審議通過，不斷檢討政策內容以求改善。這項政策可促進及協助舉報人向我們通報本集團旗下業務中任何形式的不當或瀆職行為。僱員獲提供多種渠道並允許匿名提交資料，所有個案均會向本公司行政總裁及／或公司秘書匯報，由其審議和妥善調查。舉報政策已上載到本公司網站以供參閱，於匯報期內並無任何有關本公司或僱員貪污舞弊的法律案件。



### **Employment and Welfare**

To develop an excellent and outstanding workforce, the Group offers competitive remuneration and benefits. We assess the work performance and leadership skills of our staff at different levels through annual performance-based appraisals. Remuneration and bonuses are adjusted accordingly. All labour and human rights, as well as staff benefits, are complied with local legal requirements:

#### ***Compensation and Dismissal***

We have formulated procedures in the employees' handbooks to deal with those employees who violate any regulations set out by the Group. An oral warning or written warning notice will be given or immediate dismissal will be imposed to those employees according to the level of severity of each case. The Company should consult human resources and administration department of the Company prior to the proposed dismissal of any employee so as to ensure the compliance with the legal requirements. We will pay sufficient compensation to those employees subject to the aforesaid laws and regulations.

#### ***Working Hours and Rest Periods***

The employees' handbooks and employment contracts have stated the working hours for employees. For employees who require to work on irregular hours or public holidays are offered overtime pay and additional compensation as defined in their employees' job description. The Group has complied with the relevant employment laws and regulations in respect of working hours and rest periods in Hong Kong and the PRC.

### **僱傭及福利**

本集團提供具競爭力的薪酬及福利招聘人才，用心建立充滿熱誠的優秀團隊。我們透過年度績效評估以評核各職級僱員的職能和領導能力，據此調整薪酬及獎金。我們確保所有僱員的權利、人權，以及僱員福利均符合營運當地的法規要求：

#### ***補償及解僱***

我們已在僱員手冊明文制訂程序以處理該等違反本集團任何規例的僱員。我們會視乎每宗個案的嚴重程度，向違規僱員發出口頭或書面警告，甚至即時解僱。本公司擬解僱任何僱員之前應諮詢本公司人力資源及行政部，確保符合法律規定。我們將會依上述法例規定向解僱僱員支付應有補償。

#### ***工作及休假時間***

僱員手冊及僱傭合約均已列明僱員的工作時間。在非正常辦公時間或公眾假期上班的僱員可按工種支取超時補薪及額外補償。本集團分別遵從香港和中國內地相關僱傭法例關於工作及休假時間的規定。

### ***No Forced Labour and Child Labour***

The Group has taken all practical steps to ensure that the job seeker is lawfully employable subject to the Employment Ordinance, Provisions on the Prohibition of Using Child Labour of the PRC and Protection of Minors of the PRC, and relevant laws and regulations in Hong Kong and the PRC. The Group requests new applicants truthfully fill in their personal information in the personal data form, and provide identification documents and/or working visa (if any) to human resources and administration department in a fair and equitable manner and also under legitimate procedures. The procedures include but not limited to verification of identity to prevent from recruiting employees under the age of 16 and prevent forced labour. We ensure all of our operations do not employ child, forced or compulsory labour. Our employment terms are voluntary and employees can resign from their positions upon reasonable notice. In addition, we ensure that all applicants and employees are treated equally in the aspects of recruitment, assignment, development, evaluation and reward.

### ***Freedom of association and collective bargaining***

All employees have the freedom of joining any associations or organisations of their own choices.

### ***Equal opportunity, Abuse and Harassment, and Recruitment and Promotion***

The Group fosters a diverse and inclusion workplace environment and strictly prohibits any discrimination, harassment, victimisation or vilification in terms of age, gender, marital status, pregnancy, disability, family status or race, nationality or religion in the workplace environment for protection of human's rights. Hence, procedures regarding recruitment, promotion and retention of talents are implemented according to the equal opportunity principles under the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong) and Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), Protection of Women's Rights and Interests Law of the PRC and Protection of Disability Law of the PRC.

### ***嚴禁強迫勞工及童工***

本集團不遺餘力地確保求職者都是法律允許僱用的人員，完全符合《僱傭條例》、《中國禁止使用童工規定》、《中國未成年人保護法》及香港和中國內地相關法規的要求。本集團會按照公平合理的原則及通過合法程序要求應徵者在個人資料表格填報真實的個人資料，同時向人力資源及行政部提供身份證明文件及／或工作簽證（如有）。有關的程序包括但不限於核實應徵者身份，以免誤聘未滿16歲的未成年人士和杜絕強迫勞工。我們亦確保旗下所有業務不會聘用童工、強迫或強制勞工。我們的僱傭條件純屬自願性，僱員可隨時提交合理的事前通知書辭職。此外，我們並致力確保所有應徵者及僱員無論在招聘、調任、發展、評估和薪酬上均享有公平待遇。

### ***結社自由及集體談判***

所有僱員均享有參與自選團體或組織的自由。

### ***平等機會、虐待與騷擾及招聘與晉升***

本集團用心營造多元共融的工作環境。為保障人權，我們嚴禁在工作環境進行任何基於年齡、性別、婚姻狀況、懷孕、殘疾、家庭崗位或種族、國籍或宗教的歧視、騷擾、受害或誹謗行為，並就此按照《性別歧視條例》（香港法例第480章）、《殘疾歧視條例》（香港法例第487章）、《種族歧視條例》（香港法例第602章）、《家庭崗位歧視條例》（香港法例第527章）、《中國婦女權益保障法》及《中國殘疾人保障法》訂明的平等機會原則，實施招聘、晉升及挽留人才執行程序。

Moreover, we have adopted the Policy for Nomination of a Director of the Company, setting out the procedures for the selection, appointment and reappointment of Directors containing the selection criteria, including but not limited to considering the potential contributions a candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.

### ***Emolument Policies of the Directors and Employees, and Benefits and Wages***

The emoluments of the Directors are decided by the remuneration committee of the Company having regard to individual's performance, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition. The emolument policy of the Group's employees is also based on their merit, qualifications and competence as well as the prevailing market condition of the industry. On the whole, remuneration packages, which include an element of discretionary bonuses, are reviewed annually. In addition to salary payments, other employee benefits including medical subsidies, hospitalization scheme and a defined contribution provident fund stipulated by State Regulators of the PRC, Mandatory Provident Fund Scheme stipulated by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and other retirement scheme or other similar defined contribution provident fund have been provided as retirement benefits to employees in Hong Kong and Mainland China. There are also other benefits provided to the employees in the PRC subject to the Labour Law of the PRC. The Group also offers employees various leave entitlements, including annual leave, marriage leave, maternity and paternity leave, bereavement leave, examination leave and injury leave.

To show our appreciation for employees' commitment and dedication, the Group has established the Best Staff Award in 2020 to recognise outstanding performance and achievements of our employees.

除此之外，我們已採納本公司董事提名政策，訂明甄選、委任和續任董事的程序及甄選標準，包括但不限於考慮董事候選人的資格、技能、經驗、獨立性和性別多元性對董事會的貢獻。

### ***董事及僱員酬金政策，以及福利和薪金***

董事的酬金由本公司薪酬委員會根據董事的個人表現、本集團的業務表現和盈利能力、業內薪酬基準及市場現況釐定，本集團僱員的酬金政策另會考慮僱員個人的功績、資歷及能力和行業市場現況。僱員的薪酬待遇包括酌情發放的獎金，每年均會檢討整體薪酬。除薪金支付外，其他僱員福利包括醫療津貼、住院資助計劃及中國國家監管部門監管規定的定額供款公積金計劃、《強制性公積金計劃條例》(香港法例第485章)規定的強制性強積金計劃，及其他退休計劃或其他類似定額供款公積金計劃分別為香港及中國僱員提供僱員退休福利。此外，根據《中國勞動法》，在中國內地的僱員亦享有其他福利，同時為所有僱員提供各類休假，包括年假、婚假、產假及侍產假、喪假、考試休假和工傷假。

為答謝僱員辛勤致志為本集團服務，我們於二零二零年推出「最佳僱員獎」計劃，嘉許僱員的卓越表現及成就。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

The Group puts emphasis on promoting a healthy work-life balance and strengthening staff relationships. In light of the outbreak of COVID-19 pandemic in 2020, we did not organise social activities for employees due to social distancing restriction. However, we have established a number of measures to ensure health and wellness of our staff, such as making work from home arrangement as far as possible, enhancing cleaning and disinfection of premises, providing hand sanitisers and measuring body temperature for employees at the workplace. The Group achieved to protect the health and safety of all employees successfully.

本集團非常重視推廣作息平衡增進僱員的身心健康和促進僱員間的關係。由於二零二零年新型冠狀病毒疫情爆發，我們嚴格遵守社交距離限制，停止舉辦社交活動，期間並推行多項措施保障僱員的健康與福祉，例如盡量安排居家工作、加強清潔及消毒各業務場所、提供手部消毒液和在工作場所為僱員量度體溫。措施多管齊下，本集團成功保障了全體僱員的健康及安全。



### Workplace Health and Safety

Workplace health and safety is priority issue and we aim to cultivate a robust culture of health and safety among our staff. To ensure all employees have a clear understanding of the importance of maintaining workplace safety, both Donghua and Cosmos Jiangsu have formulated production safety regulations which provide guidelines on handling personal injuries and operating equipment accidents in case of occurrence, handling dangerous chemicals and operating machines which is set out in the procedures on operation safety manual in accordance with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), Prevention and Treatment of Occupational Diseases of the PRC, and Production Safety Laws of the PRC. A Safety Production Committee made up of safety officers has been put in charge of monitoring and managing safety initiatives and preventing workplace accidents. We have clear safety guidelines that are designed for specific production processes, so as to ensure that every employee follows the corresponding safety measures and practices when taking up different roles. Health and safety training is provided regularly, covering topics such as first aid, handling hazardous chemicals and production safety. In addition, we conduct compulsory emergency fire drills and site inspections on a regular basis.

### 工作間健康與安全

保障工作間健康與安全是我們的關注要務，我們不遺餘力地向全體僱員推廣，讓職安健文化穩固植根。東華和江蘇大同均已制訂生產安全規例，以及如何處理工傷、操作設備發生的事故以危險化學品及操作機器的指引，並遵照《職業安全及健康條例》(香港法例第509章)、《中國職業病防治法》及《中華人民共和國安全生產法》規定訂明在安全作業手冊的程序，確保全體僱員清晰了解維持工作間安全的重要性。我們設有由安全管理人員組成的安全生產委員會，專責監察及管理安全措施和防範工傷意外，此外並為個別生產流程擬備清晰的安全指引，確保所有僱員執行相關職務時遵守有關的安全措施及實務程序。我們定期舉辦健康與安全培訓，課題涵蓋急救、處理有害化學物質及生產安全等，另亦定期進行強制性緊急火警演習和現場巡查。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

We make extra effort towards an accident-free workplace for employees. Donghua has established a comprehensive and detailed Prevention of Occupational Diseases Policy in 2018, which sets out to enhance and monitor our workplace safety performance. By dint of this policy, we ensure that our operation team conducts safety inspection and risk assessment, provides employees with sufficient protective equipment, and carries out annual check-ups for specific roles. Cosmos Jiangsu has engaged a qualified occupational health service company to conduct a regular check to ensure it has complied with the laws and regulations where it operates. We also assign on-site safety officers to conduct daily safety patrol and prepare weekly follow-up reports covering all safety issues identified and corrective measures taken. The implementation of these safety measures have brought an encouraging result, the overall work-related injuries of lost days has dropped slightly in 2020.

As an industry leader of machinery manufacturing, we keep abreast of the latest occupational safety laws and regulations. Apart from providing intensive training programmes for employees, we have also arranged complimentary annual health screening for all staff at manufacturing sites to ensure their health and well-being.

During the COVID-19 pandemic, we implement stringent precautionary measures to ensure health and wellness of our staff. In order to avoid social contact between employees, we have arranged staff to work from home as far as possible. We also monitor the development of the pandemic situation and make adjustments accordingly. To maintain environmental hygiene at the workplace, we have enhanced the cleaning and disinfection schedule and equipment of various premises.

To enhance overall productivity and competitiveness, employees are encouraged to participate in various health and well-being programmes. In 2020, the Group co-organised an online mental health workshop with the Department of Health. The programme aimed to reinforce a supportive workplace environment and help staff members to address and release physiological stress during the pandemic.

我們竭盡所能達致工作間零意外。東華於二零一八年制定詳細的職業疾病防範政策，持續改善及監察工作間安全表現。在本政策的框架下，我們可確保營運團隊進行安全巡查及風險評估，以及向僱員供應充足的防護設備和對個別崗位進行年度檢查。而江蘇大同已聘請合格的職安健服務公司定期檢查，確保符合經營當地法規。除此之外，我們也設有駐廠安全主任，專責執行每日安全巡查和每週編製跟進報告，詳細匯報發現的所有安全問題及已採取的糾正措施。上述安全措施的成效令人鼓舞，整體而言二零二零年工傷損失工作日數略為減少。

本集團作為機械製造行業的領導者，時刻緊貼和遵從最新的職業安全法規。除為僱員提供深造培訓外，我們每年亦為生產廠房的全體僱員提供免費體檢，確保僱員身心健康。

在新型冠狀病毒疫情下，我們實行嚴謹的防範措施保障僱員的健康和福祉。為減少僱員之間的社交接觸，我們盡量安排僱員居家工作，與此同時監察疫情發展，審時度勢作出調整。為保持良好的工作間環境衛生，我們調整了多個場所的潔淨消毒時間表和設備。

為提升整體生產力及競爭力，本集團鼓勵僱員參加各類維護身心健康的計劃。於二零二零年，本集團聯同衛生署協辦網上心理健康工作坊，旨在營造更宜人的工作間環境，協助僱員在疫情期間調節及紓緩心理壓力。

### Staff Development

In terms of staff development, the Group organises various internal and external training programmes for all employees to expand their professional skill sets and knowledge and to further career development. To sustain continuous growth of the Group, both Donghua and Cosmos Jiangsu have established the training policy and provided a number of work skill training courses in the reporting period, such as cleaner production, effective assembly, injection moulding machine installation and operation, chemical waste management, manufacturing management, etc..

As an industry leader, our goal is to stay ahead of the trend and ensure that our staff members are equipped with the most adequate professional skills. In 2020, employees were encouraged to participate in various forms of online training, including quality control, management skill and programming skill. These events empowered our staff with essential skills for their furthering careers, and at the same time increased productivity of daily operation.

Apart from enhancing technical skills, employees are required to take ethics training. In 2020, we arranged anti-corruption and integrity due diligence training organised by Independent Commission Against Corruption (ICAC) for our headquarters staff. Employees were coached on business ethics regulations, the anti-corruption law compliance policy, the practice of giving or receiving gifts, etc..

### Product Quality

To protect our own intellectual property rights, we have a protocol in place to protect property rights, including copyrights, patents, trademarks and technologies registered with third party assurance. No third party is allowed to own or display any sensitive information related to such intellectual properties without our consent. Furthermore, we have a policy and guidelines in place to protect customer data. We ensure that all personal or corporate information is handled with care, which includes applying data encryption and signing non-disclosure agreement with customers as our standard practice.

### 僱員發展

為促進僱員發展，本集團安排僱員參加公司內部及外部培訓計劃，藉此提升僱員的專業技能和知識，協助他們在事業上發展。為承輔本集團持續發展，東華和江蘇大同均已在匯報期內制訂培訓政策，並推出多個工作技能培訓課程，包括清潔生產、完善流水線生產製程、注塑機安裝及操作、化學廢物管理和製造業管理等。

作為行業龍頭，我們矢志在業內創領潮流，並確保僱員俱備充分的專業技能。於二零二零年，我們積極鼓勵僱員參與各類網上培訓，課題涵蓋品質控制、管理技能和程式設計技能。上述進修活動賦予僱員俱備發展職業所需的技能並促進其日後事業發展，同時亦可提升日常的生產力。

我們希望僱員德才兼備，因此除了提供技能培訓，僱員都需接受德育研習。於二零二零年，我們安排廉政公署為本集團總部僱員舉辦反貪及誠信盡職培訓，向僱員講解商業道德規例、反貪污法合規政策和送贈及收受禮物的規定等。

### 產品質素

為保護知識產權，本集團設有規程保障各類產權，包括已註冊第三方認證的版權、專利、商標及技術。任何第三方未得本集團同意，不得擁有或展示任何關於此等知識產權的敏感資料。此外，我們並已制訂保護客戶資料的政策和指引，確保嚴謹處理所有個人或公司資料，包括採用數據加密技術，並遵從我們的標準慣例與客戶簽立保密協議。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

It is our top priority to improve product quality along the entire value chain, from sourcing to manufacturing and sales. Our production plants strive to ensure that both raw materials and finished products comply with international standards, such as the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (RoHS) and halogen-free requirements defined by the International Electrochemical Commission (IEC). Our Quality Department is responsible for implementing a reliable quality management system framework to ensure that our products are up to the highest standards. From incoming materials inspection, in-process quality sampling, product reliability test and evaluation to outgoing quality control, the quality team helps to verify that our products meet the specified specifications reliably and accurately. Both Donghua and Cosmos Jiangsu set out procedures regarding product quality inspection. Once finishing an injection moulding machine, our team has carried out detailed inspection of the machine before delivering to customers. To strengthen our after-sales management, Donghua has after-sales procedures. It conducts customers' satisfaction surveys every year to collect comments from customers about our quality of products and after-sale service and product recalls would be arranged if necessary. Cosmos Jiangsu also has an after-sales team to provide after-sales services to customers. Customers could raise their concerns on our products to us via email, fax or telephone, we promise to address their concerns and investigate as soon as possible, in order to enhance our quality assurance. During the reporting period, no products were sold subject to products recalls for safety and health reasons, and no complaints related to products and services were received.

In addition, our production plants have demonstrated a firm commitment to provide high-quality products through implementing recognised quality control management systems, such as ISO 9001.

本集團致力改善整個價值鏈的產品品質，全程審視從採購、製造到銷售的所有流程。本集團生產廠房均會盡力確保原材料及產品達到嚴格的國際標準，例如：歐盟有關「限制電器及電子設備使用有害物質指令」(RoHS指令) 和國際電工化學委員會(IEC)的不含鹵素規定。我們設有品質部專責實施可靠的品質管理系統架構，確保產品達到最佳水準。我們的品質團隊透過進料檢驗、製造過程中品質取樣、產品可靠度測試與評估及出廠品質監控措施，全方位監控，核實本集團的產品質優可靠及完全達到指定規格。東華及江蘇大同均已設立產品質量檢測流程，團隊人員均對每台完工的注塑機進行仔細檢查及測試才會交付客戶。為加強售後服務管理，東華已設立售後工作流程，此外並會每年進行客戶滿意度調查，聽取客戶對產品品質和售後服務的意見，並在有需要時安排產品回收。江蘇大同同樣設有售後服務小組為客戶提供售後服務，客戶可透過電郵、傳真或電話與我們聯絡，提出任何關於產品的問題，我們承諾盡快回應和進行調查，為客戶提供更有力的品質保證。於匯報期內並無任何產品因安全及健康問題需要回收，亦無接獲任何關於本集團產品及服務的投訴。

此外，本集團的生產廠房均已實施ISO 9001等國際認可標準的品質管理體系，充分體現我們對優質產品的不懈堅持。

### Supply Chain Management

We have been working closely with our suppliers to ensure that social and environmental considerations are taken into account throughout our sourcing activities. Both Donghua and Cosmos Jiangsu formulated supplier management procedure to strictly monitor the quality of raw materials and review the rating of those supplies annually to ensure a suitable supplier with provision of high quality raw materials and good services is chosen. In order to ensure all selected suppliers meet our quality standards, we conduct a comprehensive supplier audit with all new suppliers, we also assess the existing suppliers' performance regularly, based on their price, quality, financial condition, transportation, techniques and skills, reputation, after-sale services and social responsibility. If any non-compliance is identified, the supplier concerned must take immediate corrective actions with implementation schedule, or they will be removed from our list of approved suppliers. Any breach of supplier agreements may lead to legal action in accordance with our corporate policies.

In addition to suppliers' quality, the suppliers' environmental and social responsibilities are also our concern in supply chain management. The Group selects the suppliers who are committed to emphasize on the philosophy of environmental protection and the rights of employees. We examine our suppliers and their materials at every critical stage of the production process to ensure the materials provided by them meet our quality requirements. We have zero tolerance for any product safety concerns or any violations of product declaration and labelling, human rights, customer privacy protection, anti-corruption and intellectual property rights. Corrective actions will be taken in a timely manner.

### 供應鏈管理

本集團一直與供應商緊密合作，確保在採購過程中全面考慮社會及環保因素。東華及江蘇大同已制定了供應商管理程序，嚴密監察原材料品質和每年對原材料如予評級，以便甄選可供應優質原材料及優良服務的最合適供應商。為確保所有獲選供應商皆達到品質標準，我們要求所有新供應商接受全面審核，與此同時定期評估現有供應商在價格、品質、財務狀況、運輸、技巧和技能、信譽、售後服務及社會責任等範疇的表現。如發現任何供應商不合規，我們立即要求相關供應商採取糾正措施並提供實施時間表，否則會在認可供應商名單中除名。如發現任何違反供應商協議的行為，我們會按照本集團的政策採取法律行動。

供應商的品質固然重要，其環境及社會責任同樣舉足輕重，對供應鏈管理影響重大。本集團會甄選積極奉行環保理念和致力保障僱員權益的供應商，並在生產過程中的每個關鍵階段審視供應商，以及確保物料供應符合我們的品質要求。我們絕對不容忍任何產品存在安全隱患或與產品聲明及標籤不符的情況，對於侵犯人權、客戶私隱和知識產權及貪腐行為同樣零容忍，承諾迅速採取措施糾正問題。



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

**Number of Suppliers by Geographical Region**

The number of suppliers by geographical region of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

	2020	2019
Hong Kong 香港	38	22
Mainland China 中國內地	405	418
Total 總計	443	440

**按地區劃分的供應商數目**

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同按地區劃分的供應商數目如下：

**Caring for the Community**

The Group actively promotes and engages in community activities, aiming to contribute to a cohesive community. The staff volunteer team has participated in charitable events regularly and gathered donations and supplies for people in need. In 2020, our staff volunteer team from Hong Kong headquarters raised and donated HKD26,000 to support local charitable services. We also took part in various community activities, including “Mid-Autumn Festival iCARING event” organised by Hong Kong Sheng Kung Hui (HKSKH) Lady MacLehose Centre. During this event we donated anti-pandemic kits and mooncakes to 70 families.

**關懷社區**

本集團熱心推廣及參與社區計劃，推動社群關懷互愛的文化。我們的僱員組成義工隊經常參與各類慈善活動，並為有需要的人士籌募善款和物資。於二零二零年，香港總部的義工隊籌募和捐獻了26,000港元支持多間本地慈善機構。此外，本集團亦熱心參與各類社福活動，例如香港聖公會麥理浩夫人中心主辦的Mid-Autumn Festival iCARING活動，捐贈防疫禮品包和月餅惠及70個家庭。





## SOCIAL PERFORMANCE DATA

### Total Workforce and Employee Turnover Rate by Gender, Employment Type, Age Group and Staff Hometown Region

Total workforce by gender, employment type, employee category, age group and hometown region of staff of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

## 社會表現數據

### 按性別、僱傭類型、年齡組別及僱員家鄉地區的僱員總數和僱員流失比率

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同按性別、僱傭類型、僱員類別、年齡組別及僱員家鄉地區劃分的僱員總數如下：

	2020	2019
Total workforce 僱員總數	516	509
Number of employees by gender: 按性別劃分僱員人數：		
Female 女性	85	87
Male 男性	431	422
Number of employees by employment type: 按僱傭類型劃分僱員人數：		
Full-time 全職	515	509
Part-time 兼職	1	-
Number of employees by employee category: 按僱員類別劃分僱員人數：		
Senior level 高級人員	18	21
Middle level 中級人員	58	53
General staff 一般職級僱員	440	435
Number of employees by age group: 按年齡組別劃分僱員人數：		
Under 30 30歲以下	75	72
30-50 30-50歲	339	329
Over 50 50歲以上	102	108
Number of employees by hometown region: 按家鄉地區劃分僱員人數：		
Hong Kong 香港	31	32
Mainland China 中國內地	485	477

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

Employee turnover rate by gender, employment type, employee category, age group and hometown region of staff of Hong Kong headquarters, Donghua and Cosmos Jiangsu for the years ended 31 December 2020 and 2019 are as follows:

截至二零二零年及二零一九年十二月三十一日止年度，香港總部、東華及江蘇大同按性別、僱傭類型、僱員類別、年齡組別及僱員家鄉地區劃分的僱員流失比率如下：

	2020		2019	
Number and rate of employee turnover 僱員流失總數和比率	<b>76</b>	<b>14.73%</b>	182	35.76%
Number and rate of employee turnover by gender: 按性別劃分僱員流失人數和比率：				
Female 女性	<b>13</b>	<b>15.29%</b>	19	21.84%
Male 男性	<b>63</b>	<b>14.62%</b>	163	38.63%
Number and rate of employee turnover by employment type: 按僱傭類型劃分僱員流失人數和比率：				
Full-time 全職	<b>75</b>	<b>14.56%</b>	182	35.76%
Part-time 兼職	<b>1</b>	<b>100.00%</b>	–	–
Number and rate of employee turnover by employee category: 按僱員類別劃分僱員流失人數和比率：				
Senior level 高級人員	<b>1</b>	<b>5.56%</b>	3	14.29%
Middle level 中級人員	<b>2</b>	<b>3.45%</b>	3	5.66%
General staff 一般職級僱員	<b>73</b>	<b>16.59%</b>	176	40.46%
Number and rate of employee turnover by age group: 按年齡組別劃分僱員流失人數和比率：				
Under 30 30歲以下	<b>23</b>	<b>30.67%</b>	43	59.72%
30-50 30-50歲	<b>42</b>	<b>12.39%</b>	114	34.65%
Over 50 50歲以上	<b>11</b>	<b>10.78%</b>	25	23.15%
Number and rate of employee turnover by hometown region: 按家鄉地區劃分僱員流失人數和比率：				
Hong Kong 香港	<b>8</b>	<b>25.81%</b>	5	15.63%
Mainland China 中國內地	<b>68</b>	<b>14.02%</b>	177	37.11%

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

**Number and Rate of Work-related Fatalities and Lost Days due to Work Injury**

**因工作關係而死亡的人數及比率及因工傷損失工作日數**

	2020	2019	2018 <sup>(1)</sup>
Number and rate of work-related fatalities 與作業相關的致命意外宗數及比率	– (0%)	– (0%)	– (0%)
Number of employee's occupational injury incidents 僱員工傷事故宗數	9	3	4
Number of working days lost due to employee's occupational injury incidents 僱員因工傷損失工作日數	260.5	275.0	105.5

- (1) The reporting scope of 2018 ESG report did not include Cosmos Jiangsu. Therefore, the number and rate of work-related fatalities and lost days due to work injury of Cosmos Jiangsu was not included in 2018.
- (2) Reportable injuries refer to work-related accidents of employees resulting in incapacity in Hong Kong under the Employees' Compensation Ordinance and the days as defined under the Regulation on Work-Related Injury Insurances in the PRC.

- (1) 二零一八年環境、社會及管治報告的報告範圍並無列述江蘇大同，因此江蘇大同的數據並沒有納入在二零一八年。
- (2) 須予報告的工傷指僱員因工作相關意外，按《僱員補償條例》導致無法工作(香港)及按《工傷保險條例》(中國)所界定的天數。

**Total Number and Percentage of Employees Trained**

As at 31 December 2020 and 2019, the total number and percentage of employees trained by gender and employee category of Hong Kong headquarters, Donghua and Cosmos Jiangsu are as follows:

**受訓僱員總人數及百分比**

於二零二零年及二零一九年十二月三十一日止，香港總部、東華及江蘇大同按性別及僱員類別劃分的受訓僱員總人數及百分比如下：

	2020		2019	
Total number and percentage of employees trained 受訓僱員總數和百分比	478	92.64%	464	91.16%
Number and percentage of employees trained by gender: 按性別劃分受訓僱員人數和百分比：				
Female 女性	82	96.47%	66	75.86%
Male 男性	396	91.88%	398	94.31%
Number and percentage of employees trained by employee category: 按僱員類別劃分受訓僱員人數和百分比：				
Senior level 高級人員	16	88.89%	18	85.71%
Middle level 中級人員	46	79.31%	39	73.58%
General staff 一般職級僱員	416	94.55%	407	93.56%

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

**Total Training Hours Completed by Employees and Average Training Hours Completed per Employee**

As at 31 December 2020 and 2019, the total training hours completed by employees and average training hours completed per employee by gender and employee category of Hong Kong headquarters, Donghua and Cosmos Jiangsu are as follows:

**僱員完成受訓總時數及每名僱員完成受訓的平均時數**

於二零二零年及二零一九年十二月三十一日止，香港總部、東華及江蘇大同按性別及僱員類別劃分的僱員完成受訓總時數及每名僱員完成受訓的平均時數如下：

	<b>2020</b>	2019
Total training hours completed by employees 僱員完成受訓總時數	<b>10,664.50</b>	8,101.00
Average training hours completed per employee 每名僱員完成受訓的平均時數	<b>20.67</b>	15.92
Average training hours completed per employee by gender: 按性別劃分每名僱員完成受訓的平均時數：		
Female 女性	<b>10.64</b>	7.71
Male 男性	<b>22.65</b>	17.61
Average training hours completed per employee by employee category: 按僱員類別劃分每名僱員完成受訓的平均時數：		
Senior level 高級人員	<b>6.42</b>	6.89
Middle level 中級人員	<b>10.30</b>	10.78
General staff 一般職級僱員	<b>22.62</b>	16.98

ESG REPORTING GUIDE CONTENT INDEX TABLE

《環境、社會及管治報告指引》內容索引表

General Disclosures and KPIs 一般披露及關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
<b>Subject Area A – Environmental</b> 主要範疇A – 環境			
Aspect A1: Emissions 層面A1：排放物			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及非有害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Environmental Aspects 環境主要範疇 – General Disclosure 一般披露 – Green Office 環保實踐 – Green Manufacturing 環保生產	77-78 & 80-82
KPI A1.1 關鍵績效指標A1.1	Types of emissions and respective emissions data. 排放物種類及相關排放數據。	– Environmental Performance Data 環境表現數據	83-90
KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions and intensity. 溫室氣體排放量及密度。	– Environmental Performance Data 環境表現數據	83-90
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced and intensity. 所產生有害廢棄物總量及密度。	– Environmental Performance Data 環境表現數據	83-90
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced and intensity. 所產生非有害廢棄物總量及密度。	– Environmental Performance Data 環境表現數據	83-90
KPI A1.5 關鍵績效指標A1.5	Description of emissions target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	– Climate Change and Air Emission Controls 氣候變化及空氣污染排放監控 – Green Manufacturing 環保生產	78 & 82
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及非有害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	– Waste Management 廢物管理 – Green Manufacturing 環保生產	79 & 82



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

General Disclosures and KPIs 一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
Aspect A2: Use of Resources 層面A2：資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源 (包括能源、水及其他原材料) 的政策。	Environmental Aspects 環境主要範疇 – General Disclosure 一般披露 – Green Office 環保實踐 – Green Manufacturing 環保生產	77-78 & 80-82
KPI A2.1 關鍵績效指標A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	– Environmental Performance Data 環境表現數據	83-90
KPI A2.2 關鍵績效指標A2.2	Water consumption in total and intensity. 總耗水量及密度。	– Environmental Performance Data 環境表現數據	83-90
KPI A2.3 關鍵績效指標A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	– Energy Consumption and Efficiency Measures 能源消耗及能源效益措施 – Green Office 環保實踐 – Green Manufacturing 環保生產	80-82
KPI A2.4 關鍵績效指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	– Water Consumption and Recycling 耗水量及重用 – Green Office 環保實踐 – Green Manufacturing 環保生產	80-82
KPI A2.5 關鍵績效指標A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及 (如適用) 每生產單位佔量。	– Environmental Performance Data 環境表現數據	83-90

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

General Disclosures and KPIs 一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
<b>Aspect A3: The Environment and Natural Resources</b> 層面A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimising the issuer's significant impacts on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	Environmental Aspects 環境主要範疇 – General Disclosure 一般披露 – Green Office 環保實踐 – Green Manufacturing 環保生產	77-78 & 80-82
KPI A3.1 關鍵績效指標A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	– Green Office 環保實踐 – Green Manufacturing 環保生產	80-82
<b>Aspect A4: Climate Change</b> 層面A4：氣候變化			
General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	Environmental Aspect 環境主要範疇 – General Disclosure 一般披露 – Climate Change and Air Emission Controls 氣候變化及空氣污染排放監控	77-78
KPI A4.1 關鍵績效指標A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。	– General Disclosure 一般披露 – Climate Change and Air Emission Controls 氣候變化及空氣污染排放監控	77-78

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

<b>General Disclosures and KPIs</b>			
<b>一般披露及關鍵績效指標</b>	<b>Description</b> 描述	<b>Reference Chapters</b> 參照章節	<b>Page No.</b> 頁
<b>Subject Area B – Social</b>			
<b>主要範疇B—社會</b>			
Aspect B1: Employment			
層面B1：僱傭			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Employment and Welfare 僱傭及福利	91-96
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	– Social Performance Data 社會表現數據	103-106
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	– Social Performance Data 社會表現數據	103-106

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

General Disclosures and KPIs			
一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
Aspect B2: Health and Safety 層面B2：健康與安全			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Workplace Health and Safety 工作間健康與安全	91-92 & 97-98
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities. 因工亡故的人數及比率。	– Social Performance Data 社會表現數據	103-106
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	– Social Performance Data 社會表現數據	103-106
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	– Workplace Health and Safety 工作間健康與安全	97-98

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### 環境、社會及管治報告 (續)

General Disclosures and KPIs 一般披露及關鍵績效指標		Description 描述	Reference Chapters 參照章節	Page No. 頁
<b>Aspect B3: Development and Training</b> 層面B3：發展及培訓				
General Disclosure 一般披露		Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Staff Development 僱員發展	91-92 & 99
KPI B3.1 關鍵績效指標B3.1		The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	– Social Performance Data 社會表現數據	103-106
KPI B3.2 關鍵績效指標B3.2		The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	– Social Performance Data 社會表現數據	103-106
<b>Aspect B4: Labour Standards</b> 層面B4：勞工準則				
General Disclosure 一般披露		Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Employment and Welfare 僱傭及福利	91-96
KPI B4.1 關鍵績效指標B4.1		Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	– Employment and Welfare 僱傭及福利	93-96
KPI B4.2 關鍵績效指標B4.2		Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	– Employment and Welfare 僱傭及福利	93-96



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

General Disclosures and KPIs			
一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
Aspect B5: Supply Chain Management 層面B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Supply Chain Management 供應鏈管理	91-92 & 101-102
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	– Supply Chain Management 供應鏈管理	101-102
KPI B5.2 關鍵績效指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	– Supply Chain Management 供應鏈管理	101-102
KPI B5.3 關鍵績效指標B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	– Supply Chain Management 供應鏈管理	101-102
KPI B5.4 關鍵績效指標B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	– Supply Chain Management 供應鏈管理	101-102

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

General Disclosures and KPIs 一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
Aspect B6: Product Responsibility 層面B6：產品責任			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Product Quality 產品質素	91-92 & 99-100
KPI B6.1 關鍵績效指標B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	– Product Quality 產品質素	99-100
KPI B6.2 關鍵績效指標B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	– Product Quality 產品質素	99-100
KPI B6.3 關鍵績效指標B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	– Product Quality 產品質素	99-100
KPI B6.4 關鍵績效指標B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	– Product Quality 產品質素	99-100
KPI B6.5 關鍵績效指標B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	– Product Quality 產品質素	99-100

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

General Disclosures and KPIs			
一般披露及 關鍵績效指標	Description 描述	Reference Chapters 參照章節	Page No. 頁
<b>Aspect B7: Anti-corruption</b> 層面B7：反貪污			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Supply Chain Management 供應鏈管理	91-92 & 101-102
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	– General Disclosure 一般披露	91-92
KPI B7.2 關鍵績效指標B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	– General Disclosure 一般披露	91-92
KPI B7.3 關鍵績效指標B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及僱員提供的反貪污培訓。	– Staff Development 僱員發展	99
<b>Aspect B8: Community Investment</b> 層面B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Social Aspects 社會主要範疇 – General Disclosure 一般披露 – Caring for the Community 關懷社區	91-92 & 102
KPI B8.1 關鍵績效指標B8.1	Focus areas of contribution. 專注貢獻範疇。	– Caring for the Community 關懷社區	102
KPI B8.2 關鍵績效指標B8.2	Resources contributed to the focus area. 在專注範疇所動用資源。	– Caring for the Community 關懷社區	102

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### TING HO KWAN & CHAN CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

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### TO THE MEMBERS OF COSMOS MACHINERY ENTERPRISES LIMITED (incorporated in Hong Kong with limited liability)

#### OPINION

We have audited the consolidated financial statements of Cosmos Machinery Enterprises Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 124 to 280, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the 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 ("HKICPA") and have been properly prepared in compliance with 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.

### 致大同機械企業有限公司股東 (於香港註冊成立之有限公司)

#### 意見

本核數師(以下簡稱「我們」)已審計列載於第124至280頁大同機械企業有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零二零年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註(包括主要會計政策概要)。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)真實而公平地反映貴集團於二零二零年十二月三十一日的綜合財務狀況及截至該日止年度貴集團的綜合財務表現及其綜合現金流量,並已遵照香港《公司條例》妥為編製。

#### 意見基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審核。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表的責任」部分中作進一步闡述。根據香港會計師公會的《專業會計師道德守則》(「守則」),我們獨立於貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

## KEY AUDIT MATTERS

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

## 關鍵審計事項

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

### Key Audit Matters 關鍵審計事項

### How our audit addressed the key audit matters 我們的審核如何處理關鍵審核事項

#### Impairment of goodwill

Refer to note 18 to the Group consolidated financial statements.

請參閱貴集團綜合財務報表附註18。

As at 31 December 2020, the Group has goodwill of HK\$53,483,000 relating to the acquisition of KFE Hong Kong Co., Limited in 2013 which is engaged in trading of printed circuit board.

於二零二零年十二月三十一日，貴集團就於二零一三年收購協榮二葉科技香港有限公司（其從事線路板貿易），產生商譽金額為53,483,000港元。

Management has concluded that there is no impairment in respect of the goodwill. This conclusion was based on an estimation of the value in use of the cash-generating units ("CGU") to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU by considering the budgeted sales and gross margin which are based on past performance and management's expectations for the future change in the market and to determine a suitable discount rate in order to calculate its present value. Key assumptions for the value in use calculation are future cash flow forecast, growth rate and discount rate, where small changes of them can result in a significant change in the value in use.

管理層認為並無有關商譽的減值。該結論乃根據對獲分配商譽的現金產生單位（「現金產生單位」）使用價值的估計而作出。計算使用價值時，貴集團須考慮基於過往表現及管理層對市場未來變化的預期來預測的預算銷售及毛利率，從而估計預期自現金產生單位產生的未來現金流及釐定合適的貼現率以計算現值。計算使用價值的主要假設為未來現金流預測、增長率及貼現率，若該等項目出現小變動，可對使用價值構成重大變動。

#### 商譽減值

Our procedures in relation to management's impairment assessment included:

我們就管理層之減值評估之程序包括：

- Obtaining the cash flow forecast prepared by management, reviewed and discussed with management on the major assumptions adopted in the cash flow forecast for each CGU and checking arithmetic accuracy of the forecast calculation.  
取得管理層編製的現金流預測，與管理層審閱及討論有關現金流預測就各個現金產生單位採用的主要假設，並檢查計算預測的運算是否準確。
- Comparing the growth rate, budgeted sales and gross margin to historical results and reference to the market information based on our knowledge of the retail markets to determine their reasonableness.  
將增長率、預算銷售及毛利率與過往業績作比較並根據我們對零售市場的了解來參考市場信息，以確定假設是否合理。
- Assessing the discount rate used by management in the cash flow forecast by benchmarking against the required rate of return adjusted for industrial specific factors.  
以行業特定因素調整的所需回報率為基準，對管理層於現金流預測中所用的貼現率作出評估。



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### 獨立核數師報告(續)

#### Key Audit Matters

##### 關鍵審計事項

#### Impairment of goodwill (Continued)

The management of the Group determines that there was no impairment to be recognised in respect of the goodwill for the year ended 31 December 2020.

截至二零二零年十二月三十一日止年度貴集團管理層釐定商譽並無需要確認減值。

The impairment assessment involves significant judgements made by management and therefore is identified as a key audit matter.

減值評估涉及管理層作出的重大判斷，因此被識別為關鍵審計事項。

#### How our audit addressed the key audit matters

##### 我們的審核如何處理關鍵審核事項

#### 商譽減值(續)

- Reviewing the sensitivity analysis prepared by management on the significant assumptions including the growth rate and the discount rate to evaluate the extent of impact of these assumptions on the cash flow forecast.  
審閱管理層就重大假設(包括增長率及貼現率)編製的敏感度分析，以評估該等假設對現金流預測的影響程度。
- Evaluating the accuracy of historical cash flow forecast prepared by the management by comparing the historical cash flow forecast with the actual performance; and  
透過將歷史現金流量預測與實際表現進行比較，評估由管理層準備的歷史現金流量預測的準確性；及
- Evaluating the sufficiency of the disclosure of impairment assessment by management in the consolidated financial statements.  
評估管理層在綜合財務報表中減值評估之披露的充分性。

**Key Audit Matters**  
關鍵審計事項

**How our audit addressed the key audit matters**  
我們的審核如何處理關鍵審計事項

**Valuation of inventories**

Refer to note 23 to the Group consolidated financial statements.

請參閱貴集團綜合財務報表附註23。

As at 31 December 2020, the Group has inventories of approximately HK\$450,208,000 which are carried at the lower of cost and net realisable value ("NRV"). The Group carried out an inventory review at the end of the reporting period and made necessary allowance for obsolete and slow moving items so as to write off or write-down inventories to their NRV after considering the ageing analysis of inventories and the relevant historical sales and usage reports.

於二零二零年十二月三十一日，貴集團的存貨約為450,208,000港元，乃按成本與可變現淨值（「可變現淨值」）中較低者列賬。貴集團於報告期末進行了存貨審查，並對陳舊和滯銷的物品計提了必要的撥備，以便在考慮存貨的賬齡分析及相關的歷史銷售和使用情況報告後，將存貨撇銷或撇減至其可變現淨值。

The Group has written-down inventories of approximately HK\$4,661,000 to their NRV for the year ended 31 December 2020.

截至2020年12月31日止年度，貴集團已撇減存貨約4,661,000港元至其可變現淨值。

We identified the valuation of inventories as a key audit matter due to the use of significant judgment and estimates in identifying obsolete and slow moving inventories and determining the NRV to assess the amount of allowance/write-down.

由於使用了重大判斷和估計來識別陳舊和滯銷的存貨並釐定其可變現淨值來評估撥備／撇減的金額，因此我們將存貨的估值識別為關鍵審計事項。

**存貨估值**

Our procedures in relation to management's assessment on inventory provision included:

我們就管理層之存貨撥備評估之程序包括：

- Inquiring and understanding from management the inventory provision policy of the Group.  
向管理層查詢及了解貴集團的存貨撥備政策。
- Assessing the reasonableness of the inventories allowance/write-down made by the Group by obtaining the aging analysis and slow-moving inventory lists from management and discussing with management on the basis of inventories allowance/write-down.  
向管理層取得庫存賬齡分析及慢流存貨清單，並與管理層討論存貨撥備／撇減的基準，從而評估貴集團所作出的存貨撥備／撇減是否合理。
- Performing testing on the inventory aging to assess the accuracy of the basic data used to determine the allowance/write-down and re-performing the allowance/write-down calculation to check arithmetic accuracy.  
就存貨的庫存期進行測試，以評估用作判斷撥備／撇減的基本數據是否準確，並重新計算撥備／撇減以核實運算的準確性。
- Understanding from management the rationale for the specific adjustments and assessing the assumptions made where there are specific adjustments on the inventories allowance/write-down.  
向管理層了解特定調整的理據，評估就存貨撥備／撇減作出特定調整時所作出的假設。
- Reviewing subsequent sales on the inventory samples selected to assess whether the inventories were able to be sold at prices above their carrying values.  
審閱經選取的存貨樣本之後續銷售狀況，評估存貨是否可按高於其賬面值的價格售出。

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

### OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 載於年報的其他資料

貴公司董事負責其他資料。其他資料包括年報所載資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，我們的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

### 董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及《公司條例》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

審核委員會負責監督貴集團財務報告過程。

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

## 核數師就審計綜合財務報表的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。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法律責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

根據香港審計準則進行審核時，我們運用專業判斷，於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高；
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見；
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理；

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

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

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with 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 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, actions taken to eliminate threats or safeguards applied.

### 核數師就審計綜合財務報表的責任 (續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審計憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期止所獲得的審計憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力；
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項；及
- 就貴集團屬下實體或經營活動的財務資料取得足夠而恰當的審計憑證，以於綜合財務報表內發表意見。我們對集團審計的指引、監察及落實負責。我們為審計意見承擔全部責任。

我們與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括我們於審核期間識別出內部監控的任何重大缺陷進行溝通。

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施(若適用)。



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

From the matters communicated with 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 the independent auditor's report is Mr. Chow Chi Tong.

**TING HO KWAN & CHAN**  
*Certified Public Accountants (practising)*

Hong Kong, 30 March 2021

**核數師就審計綜合財務報表的責任**  
*(續)*

我們從與審核委員會溝通的事項中，決定那些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審計事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目合夥人是周志堂先生。

**丁何關陳會計師行**  
*執業會計師*

香港，二零二一年三月三十日

# CONSOLIDATED INCOME STATEMENT

## 綜合收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>	5	<b>2,432,021</b>	2,344,923
Cost of sales	銷售成本	23(b)	<b>(2,024,043)</b>	(1,967,383)
<b>Gross profit</b>	<b>毛利</b>		<b>407,978</b>	377,540
Other income and (loss)/gains, net	其他收入及(虧損)/收益淨額	6	<b>15,829</b>	66,516
Selling and distribution costs	分銷費用		<b>(151,200)</b>	(168,808)
Administrative expenses	行政費用		<b>(222,678)</b>	(221,354)
<b>Operating profit</b>	<b>經營溢利</b>		<b>49,929</b>	53,894
Investment income	投資收入	7	<b>4,578</b>	4,486
Share of results of associates	應佔聯營公司業績	20	<b>2,617</b>	2,991
Loss on disposal of an associate	出售一間聯營公司之虧損		<b>(49)</b>	–
Loss on disposal of subsidiaries	出售附屬公司之虧損	42	<b>(1,231)</b>	–
(Loss)/gain on deregistration of a subsidiary	註銷一間附屬公司之(虧損)/收益		<b>(106)</b>	2,662
Finance costs	財務費用	8	<b>(20,315)</b>	(24,958)
<b>Profit before tax</b>	<b>除稅前溢利</b>	9	<b>35,423</b>	39,075
Income tax expense	所得稅費用	11	<b>(9,545)</b>	(14,191)
<b>Profit for the year</b>	<b>本年溢利</b>		<b>25,878</b>	24,884
<b>Profit attributable to:</b>	<b>應佔溢利：</b>			
– Equity shareholders of the Company	– 本公司股權持有人		<b>19,578</b>	15,755
– Non-controlling interests	– 非控股權益		<b>6,300</b>	9,129
			<b>25,878</b>	24,884
Earnings per share – Basic	每股盈利—基本	12	<b>2.27HK cents 港仙</b>	1.83 HK cents 港仙

The notes on pages 134 to 280 are an integral part of these consolidated financial statements.

第134至280頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 綜合全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Profit for the year</b>	<b>本年溢利</b>		<b>25,878</b>	24,884
Other comprehensive income/ (expense) for the year, net of tax:	本年扣除稅項後之其他全面 收益／(支出)：	13		
Items that have been reclassified or may be reclassified subsequently to profit or loss:	已重新分類或其後可重新 分類至損益之項目：			
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時 產生之滙兌差額		<b>74,494</b>	(24,150)
Share of reserves of associates	應佔聯營公司儲備	20	<b>1,904</b>	(650)
Reclassification adjustments:	分類調整：			
Release of translation reserve upon disposal of an associate	出售一間聯營公司時從滙兌 儲備撥出		<b>49</b>	–
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時從滙兌儲備 撥出	42	<b>(1,621)</b>	–
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時從滙兌 儲備撥出		<b>106</b>	(2,662)
			<b>74,932</b>	(27,462)
Items that will not be reclassified to profit or loss:	不會重新分類至損益之項目：			
Surplus on revaluation of properties held for own use	自用物業重估盈餘		<b>11,049</b>	16,158
			<b>85,981</b>	(11,304)
<b>Total comprehensive income for the year</b>	<b>本年全面收益總額</b>		<b>111,859</b>	13,580
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額：</b>			
– Equity shareholders of the Company	– 本公司股權持有人		<b>96,957</b>	5,339
– Non-controlling interests	– 非控股權益		<b>14,902</b>	8,241
<b>Total comprehensive income for the year</b>	<b>本年全面收益總額</b>		<b>111,859</b>	13,580

The notes on pages 134 to 280 are an integral part of these consolidated financial statements.

第134至280頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2020 二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	595,173	597,417
Right-of-use assets	使用權資產	17	93,638	99,973
Goodwill	商譽	18	53,483	53,483
Intangible assets	無形資產	19	3,688	5,071
Interests in associates	聯營公司權益	20	38,510	32,809
Finance lease receivables	應收融資租賃款項	21	28,434	40,175
Deferred tax assets	遞延稅項資產	22	34,470	29,577
			<b>847,396</b>	858,505
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	23	450,208	434,640
Finance lease receivables	應收融資租賃款項	21	171,526	102,432
Trade and other receivables	貿易及其他應收款項	24	865,814	890,987
Other financial assets	其他金融資產	25	4,998	4,687
Current tax recoverable	本期可收回稅項		67	5
Cash and bank balances	現金及銀行結餘	26	494,669	312,633
			<b>1,987,282</b>	1,745,384

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
綜合財務狀況表(續)

At 31 December 2020 二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	27	809,969	699,646
Contract liabilities	合約負債	27	107,687	66,202
Amount due to an associate	結欠一間聯營公司款項		–	149
Bank borrowings	銀行借款	28	284,469	299,843
Lease liabilities	租賃負債	29	15,020	14,052
Current tax payable	本期應付稅項		10,464	5,297
			<b>1,227,609</b>	1,085,189
<b>Net Current Assets</b>	<b>淨流動資產</b>		<b>759,673</b>	660,195
<b>Total Assets less Current Liabilities</b>	<b>總資產減流動負債</b>		<b>1,607,069</b>	1,518,700
<b>Non-current Liabilities</b>	<b>非流動負債</b>			
Bank borrowings	銀行借款	28	37,875	53,376
Lease liabilities	租賃負債	29	40,819	49,250
Deferred tax liabilities	遞延稅項負債	22	28,392	29,633
			<b>107,086</b>	132,259
<b>Net Assets</b>	<b>淨資產</b>		<b>1,499,983</b>	1,386,441



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**綜合財務狀況表 (續)**

At 31 December 2020 二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Equity</b>	<b>權益</b>			
Capital and reserves attributable to equity shareholders of the Company:	本公司股權持有人應佔資本及儲備：			
Share capital	股本	30	609,027	609,027
Reserves	儲備		659,599	562,642
			<b>1,268,626</b>	1,171,669
<b>Non-controlling Interests</b>	<b>非控股權益</b>		<b>231,357</b>	214,772
<b>Total Equity</b>	<b>權益總值</b>		<b>1,499,983</b>	1,386,441

The consolidated financial statements on pages 124 to 280 were approved and authorised for issue by the Board of Directors on 30 March 2021 and were signed on its behalf by:

第124至280頁之綜合財務報表於二零二一年三月三十日獲董事會批准並授權刊發，並由下列董事代表簽署：

**TANG TO**  
 鄧燾  
 DIRECTOR  
 董事

**TANG YU, FREEMAN**  
 鄧愚  
 DIRECTOR  
 董事

The notes on pages 134 to 280 are an integral part of these consolidated financial statements.

第134至280頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司股權持有人應佔					Non- controlling interests	Total equity
		Share capital	Other reserves	Proposed final dividend 建議 末期股息 (Note 14) (附註14)	Retained profits 保留溢利	Total	非控股權益	權益總值
		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
Balance at 1 January 2019	於二零一九年一月一日結餘	609,027	103,188	17,239	454,115	1,183,569	216,716	1,400,285
Profit for the year	本年溢利	-	-	-	15,755	15,755	9,129	24,884
Other comprehensive (expense)/income for the year:	本年其他全面(支出)/ 收益:							
Share of reserves of associates	應佔聯營公司儲備	-	(650)	-	-	(650)	-	(650)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	-	18,044	-	-	18,044	1,719	19,763
Deferred taxation adjustment	遞延稅項調整	-	(3,344)	-	-	(3,344)	(261)	(3,605)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時 產生之滙兌差額	-	(21,804)	-	-	(21,804)	(2,346)	(24,150)
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時 從滙兌儲備撥出	-	(2,662)	-	-	(2,662)	-	(2,662)
Total other comprehensive expense for the year	本年其他全面支出總額	-	(10,416)	-	-	(10,416)	(888)	(11,304)
Total comprehensive (expense)/income for the year	本年全面(支出)/收益總額	-	(10,416)	-	15,755	5,339	8,241	13,580
Transaction with owners:	與擁有着之交易:							
Dividend to the non-controlling shareholders	給非控股股東之股息	-	-	-	-	-	(10,433)	(10,433)
Dividends approved in respect of the previous year (note 14)	過往年度已批准股息 (附註14)	-	-	(17,239)	-	(17,239)	-	(17,239)
Capital contribution from non-controlling shareholders	非控股股東出資	-	-	-	-	-	248	248
Balance at 31 December 2019	於二零一九年 十二月三十一日結餘	609,027	92,772	-	469,870	1,171,669	214,772	1,386,441

Details of other reserves of the Group during the year are set out in Note 31 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註31內。

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

### 綜合權益變動表(續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司股權持有人應佔				Non- controlling interests	Total equity
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總值 HK\$'000 千港元
Balance at 1 January 2020	於二零二零年一月一日結餘	609,027	92,772	469,870	1,171,669	214,772	1,386,441
Profit for the year	本年溢利	-	-	19,578	19,578	6,300	25,878
Other comprehensive income/(expense) for the year:	本年其他全面收益/ (支出):						
Share of reserves of associates	應佔聯營公司儲備	-	1,904	-	1,904	-	1,904
Surplus on revaluation of properties held for own use	自用物業重估盈餘	-	12,584	-	12,584	1,123	13,707
Deferred taxation adjustment	遞延稅項調整	-	(2,486)	-	(2,486)	(172)	(2,658)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時 產生之滙兌差額	-	66,843	-	66,843	7,651	74,494
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時從滙兌 儲備撥出	-	(1,621)	-	(1,621)	-	(1,621)
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時 從滙兌儲備撥出	-	106	-	106	-	106
Release of translation reserve upon disposal of an associate	出售一間聯營公司時 從滙兌儲備撥出	-	49	-	49	-	49
Total other comprehensive income for the year	本年其他全面收益總額	-	77,379	-	77,379	8,602	85,981
Total comprehensive income for the year	本年全面收益總額	-	77,379	19,578	96,957	14,902	111,859
Disposal of subsidiaries	出售附屬公司	-	-	-	-	1,683	1,683
Balance at 31 December 2020	於二零二零年 十二月三十一日結餘	609,027	170,151	489,448	1,268,626	231,357	1,499,983

Details of other reserves of the Group during the year are set out in Note 31 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註31內。

The notes on pages 134 to 280 are an integral part of these consolidated financial statements.

第134至280頁之附註屬本綜合財務報表之一部份。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>			
Profit before tax	除稅前溢利		<b>35,423</b>	39,075
Adjustments for:	經下列各項調整：			
Bank and other interest income	銀行及其他利息收入	7	<b>(3,759)</b>	(3,836)
Covid-19-related rent concessions from lessors	來自出租人與2019 新型冠狀病毒相關 的租金寬免		<b>(405)</b>	–
Finance costs	財務費用	8	<b>20,315</b>	24,958
Realised gain on other financial assets	其他金融資產之已 變現收益	7	<b>(819)</b>	(650)
Loss on disposal of an associate	出售一間聯營公司之虧損		<b>49</b>	–
Loss on disposal of subsidiaries	出售附屬公司之虧損	42	<b>1,231</b>	–
Loss/(gain) on deregistration of a subsidiary	註銷一間附屬公司之 虧損／(收益)		<b>106</b>	(2,662)
Share of results of associates	應佔聯營公司業績	20	<b>(2,617)</b>	(2,991)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9	<b>61,108</b>	69,517
Depreciation of right-of-use assets	使用權資產折舊	9	<b>15,239</b>	14,967
Amortisation of intangible assets	無形資產攤銷	9	<b>1,383</b>	1,383
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備之收益	6	<b>(1,630)</b>	(566)
Unused provision for restructuring reversed	回撥未動用重組撥備	6	–	(20,290)
Reversal of provision for indemnity	回撥賠償撥備	6	–	(25,780)
Allowance for impairment of bad and doubtful debts	呆壞賬減值撥備	9	<b>11,053</b>	11,703
Written down/(written back) of inventories, net	存貨減值撥備／(回撥) 淨額	23(b)	<b>4,661</b>	(8,337)

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Operating cash flows before changes in working capital</b>	<b>營運資金變動前之經營現金流</b>	<b>141,338</b>	96,491
Decrease in inventories	存貨減少	<b>5,876</b>	56,427
Increase in finance lease receivables	應收融資租賃款項增加	<b>(49,569)</b>	(1,747)
Decrease in trade and other receivables	貿易及其他應收款項減少	<b>57,210</b>	26,833
Increase/(decrease) in trade and other payables and contract liabilities	貿易及其他應付款項及合約負債增加／(減少)	<b>114,522</b>	(77,183)
Cash generated from operations	經營活動產生之現金	<b>269,377</b>	100,821
Restructuring costs paid	已付重組費用	–	(9,286)
Hong Kong profits tax paid	已付香港利得稅	<b>(2,874)</b>	(2,874)
Overseas tax paid	已付海外稅款	<b>(10,006)</b>	(12,640)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>經營活動產生之現金淨額</b>	<b>256,497</b>	76,021
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
(Increase)/decrease in pledged bank deposits	已抵押銀行存款(增加)／減少	<b>(2,702)</b>	48,980
Purchase of property, plant and equipment	購買物業、廠房及設備	<b>(26,348)</b>	(48,058)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之款項	<b>5,315</b>	1,881
Interest received	已收利息	<b>3,759</b>	3,836
Net proceeds on disposal of other financial assets	出售其他金融資產之款項淨額	<b>819</b>	29,664
Net payment for other financial assets	支付其他金融資產淨額	<b>(9)</b>	–
Dividend received from associates	收取聯營公司股息	<b>571</b>	719
Dividend paid	支付股息	–	(17,239)
(Advances to)/repayments from associates	聯營公司之(墊付款)／還款	<b>(1,751)</b>	342
Increase in short-term bank deposits with maturity over three months	到期日超過三個月之短期銀行存款增加	<b>(3,110)</b>	–
Proceeds from disposal of subsidiaries	出售附屬公司權益之款項	<b>4,190</b>	–
	42		
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>	<b>投資活動(使用)／產生之現金淨額</b>	<b>(19,266)</b>	20,125



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>			
Repayment of bank loans	償還銀行貸款	33	(246,558)	(338,540)
Interest paid	已付利息	33	(15,780)	(19,844)
Capital element of lease rentals paid	已付租賃租金的本金部份	33	(14,360)	(12,308)
Interest element of lease rentals paid	已付租賃租金的利息部份	33	(4,535)	(5,114)
New bank loans raised	新增銀行貸款	33	212,654	321,299
Advance to an associate	墊付一間聯營公司之款項	33	(169)	(553)
Dividend paid to the non-controlling shareholders	已付非控股股東股息	33	-	(10,433)
Repayment to the non-controlling shareholders	償還結欠非控股股東款項	33	(9,600)	-
Capital contribution from non-controlling shareholders	非控股股東出資		-	248
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動使用之現金淨額</b>		<b>(78,348)</b>	(65,245)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值增加淨額</b>		<b>158,883</b>	30,901
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初現金及現金等值</b>		<b>309,731</b>	282,678
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>匯率改變影響</b>		<b>16,918</b>	(3,848)
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>年終現金及現金等值</b>	26	<b>485,532</b>	309,731

The notes on pages 134 to 280 are an integral part of these consolidated financial statements.

第134至280頁之附註屬本綜合財務報表之一部份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 1. GENERAL

Cosmos Machinery Enterprises Limited is a public limited company domiciled and incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The address of its registered office is 10/F., Billion Plaza 2, No. 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong. The principal activities of its principal subsidiaries are set out in note 41.

Saniwell Holding Inc. (a company incorporated in Cook Islands) is the ultimate holding company of the Company.

On 10 December 2020, a joint announcement in relation to a proposal for the privatisation of the Company by Cosmos Holdings by way of a scheme of arrangement and the proposed withdrawal of listing of the shares of the Company on the Stock Exchange was issued by the Company and Cosmos Holdings. Please refer to the joint announcements of the Company and Cosmos Holdings dated 24 December 2020, 31 December 2020, 29 January 2021, 11 February 2021 and 11 March 2021 for further details.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### 1. 簡介

大同機械企業有限公司乃於香港註冊成立之公眾有限公司，而其股份於香港聯合交易所有限公司上市。

本公司為一間投資控股公司。註冊地址為香港九龍長沙灣長裕街10號億京廣場2期10樓。其主要附屬公司之主要業務列載於附註41。

Saniwell Holding Inc. (於科克群島註冊成立的有限公司) 為本公司最終控股公司。

於二零二零年十二月十日，由本公司及大同控股發佈關於大同控股建議以協議安排對本公司進行私有化，以及建議撤銷於聯交所上市股票的聯合公告。有關更多詳細信息，請參閱本公司與大同控股於二零二零年十二月二十四日、二零二零年十二月三十一日、二零二一年一月二十九日、二零二一年二月十一日和二零二一年三月十一日的聯合公告。

### 2. 主要會計政策摘要

編製本綜合財務報表採用之主要會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (1) Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), which also include Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. A summary of the significant accounting policies adopted by the Group is set out below. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of interest in leasehold land and buildings where the Group is the registered owner of the property interest and certain financial assets, which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing 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.

Judgements made by management in the application of HKFRS that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

### 2. 主要會計政策摘要 (續)

#### (1) 編製基準

本公司及其附屬公司(以下統稱「本集團」)的綜合財務報表是按香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「財務準則」)(包括《香港會計準則》及《詮釋》)、香港公認會計原則及《公司條例》的規定編製。本綜合財務報表同時符合聯合交易所證券上市規則的適用披露條文。本集團採用之主要會計政策載於下文。綜合財務報表已按照歷史成本法編製,並就本集團為物業權益註冊擁有人之租賃土地及樓宇的權益及部份金融資產的重估按公平價值列賬而作出修訂。

根據香港財務報告準則編製綜合財務報表要求管理層作出判斷、估計和假設,這些判斷、估計和假設會影響會計政策的應用以及資產、負債、收入及支出的呈報金額。這些估計和有關假設乃依據歷史經驗及其他在有關情況下屬合理的因素所作出,並作為確定無法從其他途徑直接獲取資產和負債的賬面價值的判斷基礎。實際情況可能與這些估計不同。

這些估計及相關假設會持續予以檢討。如會計估計的修訂僅對修訂期間產生影響,則其影響只會在當期確認;如會計估計的修訂對修訂期間及未來期間均產生影響,相關影響則在當期和未來期間進行確認。

管理層判斷在應用香港財務報告準則是否對本綜合財務報表有重要影響及估算不確定性之主要因素將在附註4中討論。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

### 2. 主要會計政策摘要(續)

#### (2) 綜合原則

綜合財務報表包括本公司及其附屬公司所控制實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 對被投資方擁有控制權；
- 於來自參與被投資方業務的可變回報上承受風險或擁有權利；及
- 擁有使用其權力影響回報的能力。

倘事實及情況表明上述控制之三個要素的其中一項或多項出現變動，則本集團重新評估其是否控制被投資方。

對一間附屬公司之綜合入賬於本集團獲得對該附屬公司之控制權之時開始，並於本集團失去對該附屬公司之控制權之時終止。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售的附屬公司收入及開支均計入綜合收益表。

損益及其他全面收益之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬至本公司擁有人及非控股權益，即使此舉會引致非控股權益出現虧絀結餘。

倘有需要，將對附屬公司的財務報表作出調整，以使其會計政策與本集團的會計政策一致。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

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

**Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 (note 2(9)), when applicable, the cost on initial recognition of an investment in an associate or a joint venture (note 2(3)).

2. 主要會計政策摘要(續)

(2) 綜合原則(續)

本集團各成員公司間與交易有關之所有集團內公司間資產、負債、權益、收入、開支及現金流量乃於綜合賬目時悉數撤銷。

**本集團於現有附屬公司之擁有權益的變動**

本集團於附屬公司之擁有權益的變動如並無導致本集團對其失去控制權，將作為股權交易入賬。本集團的權益與非控股權益的賬面值經調整以反映附屬公司之相關權益變動。所調整非控股權益金額與已付或已收代價的公平價值之間的任何差額直接於股本權益確認並歸屬於本公司擁有人。

當本集團失去對附屬公司的控制權時，盈虧於損益表確認並以(i)已收代價公平價值及任何保留權益公平價值的總額與(ii)附屬公司資產(包括商譽)及負債以及任何非控股權益的原賬面值之間的差額計算。過往於其他全面收益確認與該附屬公司有關的所有金額，採用如同本集團已直接出售該附屬公司之相關資產或負債的方法入賬(即按適用香港財務報告準則之規定／許可條文重新分類至損益表或轉撥至另一類權益)。在前附屬公司保留的任何投資公平價值在失去控制權之時於其後的會計處理中被視為按照香港財務報告準則第9號(附註2(9))進行初始確認的公平價值，或(如適用)於聯營公司或合營企業(附註2(3))之投資初始確認的成本。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Basis of consolidation (Continued)

##### **Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income taxes and HKAS 19 Employee benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current assets held for sale and discontinued operations are measured in accordance with that standard.

### 2. 主要會計政策摘要 (續)

#### (2) 綜合原則 (續)

##### **業務合併**

業務收購乃採用收購法入賬。業務合併中轉讓的代價以公平價值計量，而計算為本集團轉讓之資產，本集團產生之負債及本集團於交換被收購公司之控制權所發行之股權於收購日期之公平價值總和。與收購有關的成本一般會於發生時在損益表確認。

於收購日期，被收購的可識別資產及負債應按其在收購日期的公平價值予以確認，惟下列項目除外：

- 遞延稅項資產或負債及僱員福利安排的相關資產或負債應分別根據香港會計準則第12號所得稅及香港會計準則第19號僱員福利予以確認和計量；
- 與被收購方的以股份支付之支出安排或本集團所訂立以取代被收購方的以股份支付之支出安排有關之負債或股本工具乃於收購日期（參照以下會計政策）根據香港財務報告準則第2號以股份支付之支出予以計量；以及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務劃分為持作出售之資產（或出售組合）乃根據該準則予以計量。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

**Business combinations (Continued)**

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

2. 主要會計政策摘要(續)

(2) 綜合原則(續)

**業務合併(續)**

商譽按所轉讓之代價、於被收購方的任何非控股權益及收購公司之前持有被收購方(如有)之股權的公平價值總和超出所收購之可識別資產及承擔負債於收購日的淨額計量。倘(評估過後)所收購可識別資產及所承擔負債之收購日淨額超出所轉讓的代價、於被收購方的任何非控股權益金額以及收購方之前持有被收購方的權益(如有)的公平價值之總額,超出的部份即時於損益表中確認為折價購買收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔實體淨資產之非控股權益,可初步按公平價值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平價值或(倘若適用)按其他香港財務報告準則所規定之基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債,或然代價按其收購日期公平價值計量,並視為於業務合併中所轉讓之代價一部份。或然代價之公平價值變動(證實為計量期間調整)可回顧調整,而就商譽作出相應調整。計量期間調整乃於「計量期間」(其不可超過自收購日期起計一年)內所獲得有關於收購日期存在之事實及情況的額外資料所產生之調整。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (2) Basis of consolidation (Continued)

##### *Business combinations (Continued)*

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depend on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKFRS 9, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

#### (3) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

### 2. 主要會計政策摘要 (續)

#### (2) 綜合原則 (續)

##### *業務合併 (續)*

或然代價之公平價值變動之隨後入賬並無確認為計量期間調整，而取決於或然代價如何劃分。劃分為權益之或然代價並無於隨後申報日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債之或然代價根據香港財務報告準則第9號或香港會計準則第37號撥備、或然負債及或然資產(如適用)於隨後申報日期重新計量，而相應之盈虧於損益表中確認。

倘業務合併之最初入賬於合併發生之報告結算日尚未完成，則本集團將報告未完成列賬項目之臨時金額。該等臨時金額乃於計量期間內作出調整(見上文)，而新增資產或負債則獲確認以反映關於在收購日期已存在之事實及情況的新資訊(倘已知)將對於該日期已確認的金額所產生之影響。

#### (3) 聯營公司及合營企業

聯營公司指本集團或本公司對其管理層有重大影響力(而非控制或共同控制)，包括參與財務及經營決策之實體。

合營企業為一項安排，據此，本集團或本公司與其他方訂約協定分佔此安排的控制權，並有權擁有此安排的資產淨值。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(3) Associates and joint ventures (Continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

When the Group's share of losses exceeds its interest in the associates or the joint ventures, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associates or the joint ventures.

2. 主要會計政策摘要(續)

(3) 聯營公司及合營企業(續)

於一間聯營公司或合營企業之投資按權益法於綜合財務報表入賬，除非該投資分類為持作出售(或計入分類為持作出售之出售組別)。根據權益法，投資初步按成本記賬，並按本集團應佔被投資公司於收購日期可識別淨資產之公平值超出投資成本之差額(如有)作出調整。其後，投資乃就本集團應佔被投資公司收購後之淨資產變動及與投資有關之任何減值虧損作出調整。收購日期超出成本之任何差額，本集團應佔被投資公司於收購後及除稅後業績以及年內任何減值虧損於綜合收益表內確認，以及本集團應佔被投資公司於收購後及除稅後其他全面收益項目乃於其他全面收益表內確認。

當本集團應佔聯營公司或合營企業之虧損超出其權益時，本集團之權益將減至零，除非本集團已承擔法律或推定責任，或代表被投資公司作出付款，否則將不再確認進一步虧損。就此而言，本集團之權益為根據權益法計算之投資賬面值，連同實質上構成本集團於聯營公司或合營企業之淨投資一部分之本集團長期權益。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (3) Associates and joint ventures (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and the joint ventures are eliminated to the extent of the Group's interests in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost, is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (note 2(9)).

In the Company's statement of financial position, investments in associates and joint ventures are stated at cost less impairment losses, unless classified as held for sale (or included in a disposal group that is classified as held for sale).

### 2. 主要會計政策摘要 (續)

#### (3) 聯營公司及合營企業 (續)

本集團與其聯營公司及合營企業間之交易所產生之未變現損益，乃以本集團於被投資公司之權益為限予以對銷，除非未變現虧損提供已轉讓資產之減值證據，在此情況下，則該等未變現虧損即時於損益中確認。

倘於聯營公司之投資變成於合營公司之投資，或是於合營公司之投資變成於聯營公司之投資，保留權益將不予重新計量。反之，該投資繼續根據權益法入賬。

在所有其他情況下，倘本集團不再對一間聯營公司有重大影響力或不再對一間合營企業擁有共同控制權時，其乃被視作出售於該被投資公司之全部權益，而其導致的收益或虧損將於損益中確認。任何在喪失重大影響力日期仍保留在該前度被投資公司之權益將按公平值確認，而此金額被視為初始確認金融資產之公平值(附註2(9))。

於本公司之財務狀況表內，於聯營公司及合營企業之投資乃按成本扣除減值虧損列賬，除非該投資被分類為持作出售(或計入分類為持作出售之出售組別)，則作別論。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(4) Property, plant and equipment

Interests in leasehold land and buildings held for own use where the Group is the registered owner of the property interest is stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

Revaluations on properties held for own use are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from which would be determined using fair values at the end of the reporting period.

2. 主要會計政策摘要 (續)

(4) 物業、廠房及設備

本集團為物業權益註冊擁有人之自用租賃土地及樓宇的所有權權益乃按其重估值列賬，即重估當日之公平價值減去任何其後的累計折舊。

在估值日的任何累計折舊與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值或確認為獨立資產(如適用)。所有其他維修及保養在產生的財政期間內於損益表中支銷。

自用物業之重估為定期進行，以確保其賬面值與報告結算日所釐定之公平價值沒有重大差距。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(4) Property, plant and equipment (Continued)**

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts to their residual values (if any) over their estimated useful lives, as follows:

Ownership interest in leasehold land held for own use	Unexpired term of the leases
Ownership interest in buildings held for own use	40 years or unexpired term of the leases, if shorter
Furniture, fixtures and equipment	3 – 10 years
Plant and machinery	5 – 10 years
Motor vehicles	3 – 10 years

**2. 主要會計政策摘要 (續)**

**(4) 物業、廠房及設備 (續)**

因重估自用物業產生之變動一般在其他全面收益內處理並在物業重估儲備之權益中單獨累計。僅有例外情況如下：

- 倘產生重估虧絀，超出緊接重估前就有關資產於儲備內持有之金額的虧絀將在損益表內扣除；及
- 倘產生重估盈餘，盈餘將計入損益表，但以就同一項資產先前已於損益表內支銷之重估虧絀為限。

物業、廠房及設備的折舊採用估計可使用年期將成本或重估值按直線法分攤至剩餘價值 (如有) 如下：

自用租賃土地的所有權權益	剩餘租賃年期
自用樓宇的所有權權益	40年或短於此之剩餘租賃年期
傢俬、裝置及設備	3至10年
廠房及機器	5至10年
汽車	3至10年

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(4) Property, plant and equipment (Continued)

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Assets under construction represent buildings, structures, plant and machinery and other fixed assets under construction or installation and are stated at cost less any accumulated impairment losses, and are not depreciated. Cost comprises direct costs of construction, installation and testing as well as capitalised borrowing costs on related borrowed funds during the period of construction or installation. Assets under construction are reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(10)(ii)).

2. 主要會計政策摘要(續)

(4) 物業、廠房及設備(續)

資產的剩餘價值(如有)及可使用年期在每個結算日進行檢討,及在適當時調整。物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。

在建工程乃指興建及裝設之樓宇、結構、廠房及機器以及其他固定資產,以成本值扣除減值虧損而不予折舊入賬。成本值包括興建、裝設及測試之直接成本,及於興建及裝設期間有關借入資金之資本化借貸成本。在建工程於完成及可供啟用時重新分類為物業、廠房及機器適當類別。

報廢或出售物業、廠房及設備所產生的收益或虧損以出售所得淨額(如有)與項目的賬面金額之間的差額釐定,並於報廢或出售當日在損益表確認。任何相關的重估盈餘會由重估儲備轉入保留溢利及不會重新分類至損益表。

若資產的賬面值高於其估計可收回價值,其賬面值即時撇減至可收回金額(附註2(10)(ii))。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (5) Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

##### (i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

### 2. 主要會計政策摘要 (續)

#### (5) 租約

在合約開始時，本集團評估合約是否為租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。當客戶擁有指示使用可識別資產的權利及有權從使用可識別資產獲得絕大部分經濟利益時，便傳達了控制權。

##### (i) 作為承租人

當合約包含租賃部分和非租賃部分，本集團選擇不將非租賃部分分開，並將所有租賃的各租賃部分和任何關聯的非租賃部分列為單個租賃部分入賬。

於租賃開始日，本集團確認使用權資產和租賃負債，但租賃期為十二個月或以下的短期租賃和低價值資產的租賃則除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等未資本化租賃相關的租賃付款於租期內按系統基準確認為開支。

當租賃已資本化，租賃負債初步按租期應付租賃款現值確認，並按租賃中所隱含的利率貼現，或倘該利率不能輕易釐定，則以相關遞增借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計量。租賃負債的計量並不包括不依賴指數或利率的可變租賃付款，因此可變租賃付款於其產生的會計期間在損益中扣除。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(5) Leases (Continued)

(i) As a lessee (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(10)(ii)).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities separately in the consolidated statement of financial position.

2. 主要會計政策摘要(續)

(5) 租約(續)

(i) 作為承租人(續)

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款以及任何所產生的初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。使用權資產一般按資產的可使用壽命和租賃期限中較短的期限以直線法計提折舊。使用權資產隨後按成本減累計折舊及減值虧損列賬(見附註2(10)(ii))。

倘指數或利率變化引致未來租賃付款出現變動，或本集團預期根據剩餘價值擔保應付的估計金額產化變化，或就本集團是否合理確定將行使購買、續租或終止選擇權的有關重新評估產生變化，則租賃負債將重新計量。倘以這種方式重新計量租賃負債，則應當對使用權資產的賬面值進行相應調整，而倘使用權資產的賬面值已調減至零，則應於損益列賬。

本集團在綜合財務狀況表中分別列示使用權資產和租賃負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註 (續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (5) Leases (Continued)

#### (ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(23)(ii)(a).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(5)(i), then the Group classifies the sub-lease as an operating lease.

### (6) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

## 2. 主要會計政策摘要 (續)

### (5) 租約 (續)

#### (ii) 作為出租人

當本集團作為出租人時，在租賃開始時本集團判斷每份租賃是融資租賃還是經營租賃。如果租賃將其下的資產資產所有權附帶的幾乎所有風險和報酬轉移給承租人，則歸類該租賃為融資租賃。如果情況並非如此，則歸類該租賃為經營租賃。

當合約包含租賃和非租賃組成部分時，本集團以相對獨立的銷售價格為基礎將合約中的代價分配至各成分。經營租賃的租金收入根據附註2(23)(ii)(a)確認。

當本集團為中間出租人時，轉租乃根據主租賃產生的使用權資產被分為融資租賃或經營租賃。如果主租賃是本集團應用附註2(5)(i)所述豁免的短期租賃，則本集團將該轉租歸類為經營租賃。

### (6) 商譽

就收購業務產生的商譽以收購業務當日所確立的成本減去累計減值虧損入賬 (如有)。

就減值檢測而言，商譽會分配至預期可自合併的協同效益獲益的本集團旗下各個現金產生單位 (或組)。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(6) Goodwill (Continued)

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(7) Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (ii) management intends to complete the intangible asset and use or sell it;
- (iii) there is an ability to use or sell the intangible asset;
- (iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;
- (v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and

2. 主要會計政策摘要(續)

(6) 商譽(續)

獲分配商譽的現金產生單位會每年進行減值測試，或於單位出現減值跡象時增加測試次數。倘現金產生單位的可收回金額低於其賬面值，則減值虧損會先用作減低任何分配至該單位的商譽的賬面值，其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。商譽的減值虧損直接於損益表確認，就商譽確認的減值虧損不可於往後期間撥回。

出售有關現金產生單位時，在釐定出售溢利或虧損時會計入商譽應佔金額。

(7) 研究及開發

研究支出在產生時確認為費用。開發項目(涉及新產品或改良產品的設計及測試)產生的成本若符合下列條件，則確認為無形資產：

- (i) 技術上可完成該無形資產，以供未來使用或出售；
- (ii) 管理層有意完成該無形資產並使用或出售；
- (iii) 有能力去使用或出售該無形資產；
- (iv) 能展示該無形資產如何帶來未來經濟利益；
- (v) 具有足夠的技術、財力及其他資源完成該項開發並使用或出售該無形資產；及

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (7) Research and development (Continued)

- (vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

#### (8) Intangible assets (Other than goodwill)

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation (where the estimated useful life is finite) and accumulated impairment losses (see note 2(10)(ii)), on the same basis as intangible assets that are acquired separately.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### 2. 主要會計政策摘要 (續)

#### (7) 研究及開發 (續)

- (vi) 能可靠計量該無形資產於其開發時產生的支出。

不符合以上條件的其他開發支出於產生時確認為費用。先前已確認為費用的開發成本不會在往後期間確認為資產。資本化的開發成本列為無形資產，並由有關資產達到可使用狀態起在其預計可使用年期內以直線法攤銷。

#### (8) 無形資產 (商譽除外)

業務合併所收購及與商譽分開確認之無形資產初步按收購日期之公平價值 (視為彼等的成本) 確認。

於初始確認後，業務合併中所收購之無形資產乃按成本值減累計攤銷當估計可用年期為有限) 及累計減值虧損 (見附註2(10)(ii))，按個別收購之無形資產之相同基準予以呈報。

具有有限使用年期之無形資產之攤銷乃於彼等之估計使用年期按直線法攤銷。估計使用年期及攤銷方法乃於各報告結算日結束時檢討，估計變動之影響按前瞻基準入賬。

無形資產乃於出售時或當預期不會從使用或出售中獲得未來經濟利益時終止確認。終止確認無形資產所產生之收益及虧損 (按出售所得款項淨額與資產賬面值間之差額計量) 乃於資產終止確認時在損益表中確認。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(9) Financial assets

(i) Classification

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

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

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

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

See Note 39(a) for details of each type of financial asset.

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

2. 主要會計政策摘要(續)

(9) 金融資產

(i) 分類

本集團將其金融資產分為以下計量類別：

- 隨後將按公平價值計量（其變動計入其他全面收益或計入損益）的金融資產；及
- 將按攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式及現金流量的合約條款。

就按公平價值計量之資產而言，收益及虧損將計入損益或其他全面收益。就債務工具投資而言，收益及虧損的入賬將取決於持有該投資之業務模式。就非持作交易的權益工具投資而言，收益及虧損的入賬將取決於本集團是否已於初始確認時行使不可撤銷選擇權，將權益投資入賬列為以公平價值計量且其變動計入其他全面收益。

有關各類金融資產的詳情，請參閱附註39(a)。

本集團只會在管理該等資產之業務模式變動時才重新分類債務投資。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (9) Financial assets (Continued)

##### (ii) Recognition and derecognition

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

##### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recorded in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### Debt instruments

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

### 2. 主要會計政策摘要(續)

#### (9) 金融資產(續)

##### (ii) 確認及終止確認

常規購入及出售之金融資產在交易日予以確認，交易日指本集團承諾購入或出售該資產之日。當收取金融資產所得現金流量之權利已經到期或已經轉讓，而本集團已將擁有權之絕大部份風險及回報轉讓時，即終止確認金融資產。

##### (iii) 計量

初始確認時，本集團按其公平價值加(倘屬並非以公平價值計量且其變動計入損益的金融資產)直接歸屬於購買金融資產的交易成本計入金融資產。以公平價值計量且其變動計入損益的金融資產的交易成本在損益中入賬。確定具有嵌入衍生工具的金融資產的現金流量是否僅為支付本金和利息時，應整體考慮金融資產。

##### 債務工具

債務工具的後續計量視乎本集團管理該資產之業務模式及該資產之現金流量特徵而定。本集團將其債務工具分類為三個計量類別：



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(9) Financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

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

Fair value through other comprehensive income ("FVTOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses) – net. Interest income from these financial assets is included in finance income or other income using the effective interest method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated income statement.

2. 主要會計政策摘要(續)

(9) 金融資產(續)

(iii) 計量(續)

債務工具(續)

攤銷成本：倘為收回合約現金流量而持有之資產的現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。終止確認產生的任何收益或虧損直接於損益確認，並於其他收益／(虧損)中與滙兌收益及虧損一併列示。減值虧損於綜合收益表中作為單獨項目列示。該等金融資產的利息收入按實際利息法計入財務收入或其他收益。

以公平價值計量且其變動計入其他全面收益(「以公平價值計量且其變動計入其他全面收益」)：倘為收回合約現金流量及出售金融資產而持有之資產的現金流量僅為支付本金及利息，則該等資產以公平價值計量且其變動計入其他全面收益。賬面值變動計入其他全面收益，惟於損益確認之減值收益或虧損、利息收入及滙兌收益及虧損之確認除外。終止確認金融資產時，先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並確認為其他收益／(虧損) – 淨額。該等金融資產的利息收入按實際利息法計入財務收入或其他收益。滙兌收益及虧損計入其他收益／(虧損)及減值費用於綜合收益表中作為單獨項目列示。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (9) Financial assets (Continued)

##### (iii) Measurement (Continued)

Debt instruments (Continued)

Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated income statement within other losses/gains, net in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) – net in the consolidated income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

### 2. 主要會計政策摘要 (續)

#### (9) 金融資產 (續)

##### (iii) 計量 (續)

債務工具 (續)

以公平價值計量且其變動計入損益(「以公平價值計量且其變動計入損益」): 未達按攤銷成本或以公平價值計量且其變動計入其他全面收益標準的資產以公平價值計量且其變動計入損益。後續以公平價值計量且其變動計入損益且並非對沖關係一部分之債務投資的收益或虧損於損益確認, 並於產生期間在綜合收益表的其他虧損/收益淨額列報淨額。

權益工具

本集團後續按公平價值計量所有權益投資。倘本集團管理層選擇於其他全面收益中呈列權益投資的公平價值收益及虧損, 則於終止確認投資後, 公平價值的收益及虧損後續並無重新分類至損益。當本集團確立收取付款的權利時, 該等投資的股息繼續於損益確認為其他收入。以公平價值計量且其變動計入損益的金融資產公平價值變動於綜合收益表其他收益/(虧損) – 淨額確認。以公平價值計量且其變動計入其他全面收益之股權投資的減值虧損(及減值虧損撥回) 並無與其他公平價值變動分開呈報。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses (“ECLs”) on the following items:

- financial assets measured at amortised cost (including cash and bank balances, trade and other receivables); and
- finance lease receivables

Financial assets measured at fair value including other financial assets are not subject to the ECLs assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值

(i) 金融工具產生之信貸虧損

本集團就以下項目的預期信貸虧損(「預期信貸虧損」)確認虧損撥備：

- 按攤銷成本計量之金融資產(包括現金及銀行結餘及貿易及其他應收款項)；及
- 應收融資租賃款項

按公平價值計量之金融資產(包括其他金融資產)毋須進行預期信貸虧損評估。

預期信貸虧損的計量

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損以所有預期現金流缺口的現值計量(即本集團根據合約應收的現金流量與本集團預期收到的現金流量之間的差額)。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (10) Credit losses and impairment of assets (Continued)

##### (i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- finance lease receivables: discount rate used in the measurement of the finance lease receivable;

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

### 2. 主要會計政策摘要 (續)

#### (10) 信貸虧損及資產減值 (續)

##### (i) 金融工具產生之信貸虧損 (續)

預期信貸虧損的計量 (續)

倘貼現影響重大，則預期現金缺口將採用以下貼現率貼現：

- 定息金融資產及貿易及其他應收款項：於初始確認時釐定的實際利率或其近似值；
- 浮息金融資產：即期實際利率；
- 應收融資租賃款項：以貼現率計量應收融資租賃款項；

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮無須花費不必要成本或精力即可獲取的合理且有依據的資料，包括關於過去事件、當前狀況及未來經濟狀況預測的資料。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECLs model applies.

Loss allowances for trade receivables and finance lease receivables are always measured at an amount equal to lifetime ECLs. ECLs 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 and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

預期信貸虧損的計量(續)

預期信貸虧損按以下方式之一計量：

- 十二個月預期信貸虧損：預計報告日期後十二個月內可能發生的違約事件而導致的虧損；及
- 全期預期信貸虧損：預計應用預期信貸虧損模式的項目在整個期間所有可能發生的違約事件而導致的虧損。

貿易應收款項及應收融資租賃款項之虧損撥備一直按等同於全期預期信貸虧損的金額計量。於報告日期，該等金融資產之預期信貸虧損乃根據本集團的過往信貸虧損經驗利用撥備矩陣進行估計，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

就所有其他金融工具而言，本集團確認之虧損撥備相等於十二個月預期信貸虧損，除非自初始確認以來金融工具之信貸風險大幅增加，於此情況下，虧損撥備乃按相等於全期預期信貸虧損之金額計量。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(i) Credit losses from financial instruments (Continued)**

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. 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.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(i) 金融工具產生之信貸虧損(續)**

信貸風險大幅上升

於評估金融工具的信貸風險自初始確認以來有否大幅上升時，本集團會比較於報告日期及於初始確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借款人大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力下即可獲得的前瞻性資料。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

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

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

信貸風險大幅上升(續)

具體而言，於評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日期支付本金或利息；
- 金融工具外部或內部信貸評級的實際或預期顯著惡化(倘適用)；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (10) Credit losses and impairment of assets (Continued)

##### (i) Credit losses from financial instruments (Continued)

Significant increases in credit risk (Continued)

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVTOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income

Interest income recognised in accordance with note 2(23) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### 2. 主要會計政策摘要(續)

#### (10) 信貸虧損及資產減值(續)

##### (i) 金融工具產生之信貸虧損(續)

信貸風險大幅上升(續)

預期信貸虧損於各報告日期進行重新計量以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並透過虧損撥備賬對彼等之賬面值作出相應調整，惟於按公平價值計入其他全面收益(可劃轉)計量的債券證券之投資除外，就此，虧損撥備乃於其他全面收益確認並於公平價值儲備(可劃轉)累計。

利息收入計息基準

根據附註2(23)確認之利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，則利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產之估計未來現金流量帶有害影響之事件時，金融資產即出現信貸減值。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income (Continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or finance lease receivable is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

2. 主要會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(i) 金融工具產生之信貸虧損(續)

利息收入計息基準(續)

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如欠繳或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，證券活躍市場消失。

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產或應收融資租賃款項的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(ii) Impairment of other non-current assets**

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets (other than ownership interest in leasehold land and buildings held for own use carried at fair value);
- investments in subsidiaries and associates (except for those classified as held for sale or included in a disposal group that is classified as held for sale) in the Company's statement of financial position;
- goodwill; and
- intangible assets.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(ii) 其他非流動資產減值**

本集團於每個報告期末均對內部及外間資料來源進行評估，以識別有否跡象顯示下列資產是否已出現減值，或(除商譽外)先前已確認之減值虧損已不存在或可能已減少：

- 物業、廠房及設備，包括使用權資產(除以公平價值計量的自用租賃土地及樓宇的所有權權益之外)；
- 在本集團財務狀況表中的附屬公司及聯營公司權益(除分類為持作出售或包含在持作出售組別之外)；
- 商譽；及
- 無形資產。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2. 主要會計政策摘要 (續)

(10) 信貸虧損及資產減值 (續)

(ii) 其他非流動資產減值 (續)

若出現任何此等跡象，本集團將估計資產之可收回金額。此外，就商譽而言，此無形資產並不可供使用及不定可用年期，每年按有否跡象需減值來估計其可收回金額。

— 計算可收回金額

資產之可收回金額為其公平值減銷售成本與使用價值兩者之較高者。於評估使用價值時，採用反映當時市場對金錢時間值及有關資產特有風險之評估之稅前貼現率貼現估計未來現金流量至其現值。倘資產產生之現金流入大致上不能獨立於其他資產，可收回金額則按可獨立產生現金流入之最小資產組合（即現金產生單位）釐定。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(10) Credit losses and impairment of assets (Continued)**

**(ii) Impairment of other non-current assets (Continued)**

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable), or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

**2. 主要會計政策摘要(續)**

**(10) 信貸虧損及資產減值(續)**

**(ii) 其他非流動資產減值(續)**

– 確認減值虧損

倘某項資產或其所屬之現金產生單位之賬面值超過其可收回金額，則於損益內確認減值虧損。就現金產生單位確認之減值虧損，按比例分配以減少單位(或單位組別)內其他資產之賬面值，惟資產之賬面值不得減少至低於其個別公平值減銷售成本(如可計量)或使用價值(如可釐定)。

– 撥回減值虧損

就商譽之外之資產而言，倘用於釐定可收回金額之估計出現有利改變，則撥回減值虧損。商譽的減值虧損則不會撥回。

撥回之減值虧損僅限於倘於過往年度未確認減值虧損而釐定之資產賬面值。減值虧損之撥回在確認撥回之年度計入損益。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(11) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Other borrowing costs are expensed in the period in which they are incurred. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

(12) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

2. 主要會計政策摘要 (續)

(11) 借貸成本

直接因收購、建設或產生一項必須經歷一段頗長時間才可用作擬定用途或出售的資產而產生的借貸成本，均撥充資產成本的一部分、其他借貸成本將在產生當期支銷。資本化的借貸成本將在資產大致上可準備投入作擬定用途或出售時隨之中止。個別借貸於等待使用於有關合資格的資產時用作短暫投資所得的投資收入於撥充資本的借貸成本中扣除。

(12) 政府補貼

倘可合理確定能夠收取政府補貼，而本集團將符合政府補貼所附帶的條件，則政府補貼在綜合財務狀況表中初始確認。補償集團所產生開支的補貼於產生開支的同一期間有系統地於損益表中確認為收入。補償集團資產成本的補貼在相關資產賬面值中扣除，其後於該項資產的可用年期以減少折舊開支方式於損益表中實際確認。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (13) Financial guarantees issued, provisions and contingent liabilities

##### (i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transactions for similar services, when such information is obtainable, is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

### 2. 主要會計政策摘要(續)

#### (13) 發出財務擔保、撥備及或然負債

##### (i) 所發出財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失而向持有人支付特定款項的合約。

倘本集團發出財務擔保，該擔保的公平價值(即交易價格，除非該公平價值能確實地估計)初始確認為貿易應付賬款及其他應付賬款內的遞延收入。已發出財務擔保於發出時之公平價值於可獲得有關資料時，乃參考就涉及類似服務之公平交易所收取費用釐定，或(倘無有關資料)參考透過將貸方於提供擔保時所收取實際利率與在不獲提供擔保時原應收取之估計利率作出比較下得出的利率差距加以估計(指可就有關資產指示出可靠估計之情況下)。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策而予確認。倘有關代價尚未收取或應予收取，於初始確認任何遞延收入時，即時開支於損益表內確認。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(13) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(13)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Contingent liabilities acquired in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(13)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or where not present obligations at the date of acquisition are disclosed in accordance with note 2(13)(iii).

2. 主要會計政策摘要(續)

(13) 發出財務擔保、撥備及或然負債(續)

(i) 所發出財務擔保(續)

初始確認為遞延收入的擔保款額，按擔保年期於損益表內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能根據本集團已作出的財務擔保向集團提出索償通知時；及(ii)本集團的申索款額預期超過現時列於該擔保的應付賬款及其他應付款項(即初始確認的金額)減累計攤銷，便根據附註2(13)(iii)確認並作出撥備。

(ii) 業務合併取得的或然負債

因業務合併而承擔或然負債於收購日屬即期責任，則最初按公平價值確認，惟公平價值能可靠計量。按公平價值確認後，該等或然負債按初始確認數額扣除累計攤銷(如適用)後的數額，與根據本附註2(13)(iii)所釐定的數額兩者的較高者確認。倘不能於收購日可靠地計量公平價值或並非為即期責任，因業務合併而承擔的或然負債則按本附註2(13)(iii)所述披露。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(13) Financial guarantees issued, provisions and contingent liabilities (Continued)**

**(iii) Other provisions and contingent liabilities**

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

**2. 主要會計政策摘要(續)**

**(13) 發出財務擔保、撥備及或然負債(續)**

**(iii) 其他撥備及或然負債**

如果本集團或本公司須就已發生之事件承擔法律或推定義務，而會導致經濟利益外流及在可以作出可靠之估計時，則就該時間或數額不定之其他負債計提撥備。如果貨幣時間值重大，則按履行義務預計所需支出之現值計提撥備。

如果流出經濟利益之可能性較低，或無法對有關數額作出可靠之估計，則會將該義務披露為或然負債，但經濟利益外流之可能性極低則除外。如果有關義務須視乎某宗或多宗未來事件是否發生才能確定是否存在，則會披露為或然負債，除非經濟利益外流可能性極低。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(14) Inventories and other contract costs

(i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策摘要(續)

(14) 存貨及其他合約成本

(i) 存貨

存貨是指日常業務過程中持有以作銷售、處在為該等銷售的生產過程中，或在生產過程或提供勞務過程中耗用的材料或物料形式持有的資產。

存貨按成本或可變現淨值兩者中的較低者列賬。成本按加權平均法計算。製成品及在製品的成本包括原材料、直接工資、其他直接成本及相關生產開支(根據正常經營能力)，惟不包括貸款成本。可變現淨值乃按正常業務過程中的估計售價，減去適用的變動銷售開支計算。

將存貨撇減至可變現淨值的金額及存貨的所有虧損，乃於撇減或虧損產生的期間確認為開支。撥回任何存貨撇減的金額乃確認為減少該存貨於期間確認為開支的金額。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (14) Inventories and other contract costs (Continued)

##### (ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 2(14)(i)), property, plant and equipment (see note 2(4)) or intangible assets (see note 2(8)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

### 2. 主要會計政策摘要 (續)

#### (14) 存貨及其他合約成本 (續)

##### (ii) 其他合約成本

其他合約成本是取得客戶合約的增量成本或履行客戶合約的成本，其並無撥充資本為存貨（見附註2(14)(i)），物業、廠房及設備（見附註2(4)）或無形資產（見附註2(8)）。

取得合約的增量成本為本集團就取得客戶合約而產生，倘未能取得合約則不會產生的成本（例如增量銷售佣金）。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合約的增量成本於產生時會撥充資本。取得合約的其他成本在產生時支出。

倘履行合約的成本與現有合約或可識別的預期合約直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會撥充資本。與現有合約或可識別的預期合約直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客人收取的成本及僅由於本集團訂立合約而產生的其他成本（例如向分包商支付款項）。其他履行客戶合約的成本（其並無撥充資本為存貨，物業、廠房及設備或無形資產）在產生時支銷。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(14) Inventories and other contract costs (Continued)

(ii) Other contract costs (Continued)

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(23).

(15) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(23)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in note 2(10)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(16)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(23)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(16)).

2. 主要會計政策摘要(續)

(14) 存貨及其他合約成本(續)

(ii) 其他合約成本(續)

撥充資本的合約成本按成本減累計攤銷及減值虧損列賬。倘合約成本資產賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)任何直接有關提供該等產品或服務，而未確認為開支的成本的淨額，則會確認減值虧損。

當與資產有關的收益獲確認時，撥充資本的合約成本攤銷將自損益扣除。收益確認的會計政策載於附錄2(23)。

(15) 合約資產及合約負債

倘本集團於根據合約所載之付款條款符合資格無條件收取代價之前確認收入(見附註2(23))，則確認合約資產。合約資產根據載於附註2(10)(i)之政策評估預期信貸虧損，並於收取代價之權利成為無條件時被重新分類至應收款項(見附註2(16))。

倘客戶於本集團確認相關收入之前支付代價，則確認合約負債(見附註2(23))。倘本集團擁有無條件權利可於本集團確認相關收入之前收取代價，亦將確認合約負債。在該等情況下，亦將確認相應的應收款項(見附註2(16))。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (15) Contract assets and contract liabilities (Continued)

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

#### (16) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (note 2(15)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

#### (17) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(10)(i).

Pledged bank deposits are not included in cash and cash equivalents.

### 2. 主要會計政策摘要(續)

#### (15) 合約資產及合約負債(續)

就與客戶訂立的單一合約而言，以合約資產淨值或合約負債淨值呈列。就多種合約而言，不相關合約的合約資產及合約負債不以淨值基準呈列。

#### (16) 貿易及其他應收款項

本集團具有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價的權利僅需經過一段時間方為無條件。如收益在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產(見附註2(15))。

應收款項利用實際利率法按攤銷成本減信貸虧損撥備列賬。

#### (17) 現金及現金等值

現金及現金等值包括銀行存款及現金、在銀行及其他金融機構的活期存款以及流動性極高的短期投資。這些投資可以在未經通知下即時轉換為已知數額的現金，而在價值變動方面的風險並不巨大，且獲取時的到期日在三個月之內。就編製綜合現金流量表而言，須應要求償還並構成本集團現金管理之一部份的銀行透支亦列入現金及現金等值的組成部份。現金及現金等值按附註2(10)(i)所示評估預計信貸虧損。

抵押存款不包括於現金及現金等值內。



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

*For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度*

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(18) Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction (net of tax) from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity shareholders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity shareholders.

**(19) Trade and other payables**

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities (if any) measured in accordance with note 2(13)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

**2. 主要會計政策摘要 (續)**

**(18) 股本**

普通股歸類為權益。

發行新股份或購股權直接應佔之新增成本乃於股本權益中列為所得款項(扣除稅項)之扣減。

倘任何集團公司購買本公司之權益股本(庫存股份)，所支付之代價(包括任何增加之直接應佔成本(扣除所得稅))從本公司股權持有人應佔之權益中扣除，直至股份被註銷、重新發行或出售為止。倘有關股份其後被售出或重新發行，則任何所收取之代價(扣除任何增加之直接應佔交易成本及有關所得稅影響)計入本公司股權持有人應佔之權益。

**(19) 貿易及其他應付款項**

貿易及其他應付款項初步按公平價值確認。除了按照附註2(13)(i)計算之財務擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，則按成本入賬。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (20) Bank and other borrowings

Bank and other borrowings are initially recognised at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Bank and other borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Bank and other borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

#### (21) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

### 2. 主要會計政策摘要 (續)

#### (20) 銀行及其他借款

銀行及其他借款最初按公平價值扣除交易成本後的淨額確認。交易成本為直接關於收購、發行或出售金融資產或財務負債的新增成本，包括支付代理、顧問、經紀及交易商的費用及佣金、監管機構及證券交易所的徵費，以及轉讓的稅項及印花稅。銀行及其他借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值之間的差額在借款期限內以實際利息法計入當期收入報表中確認。

除非本集團有權無條件將債項結算期限延長至報告結算日後最少十二個月，否則借款乃分類為流動負債。

#### (21) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動在損益表確認，除非與屬於其他全面收益確認或直接計入權益的項目有關者，則有關稅項金額分別於其他全面收益確認或直接計入權益。

本期稅項乃根據已執行或於報告結算日已實質執行之稅率，按本年度應課稅收入以及過往年度應付稅項之任何調整而計算預期應付稅項。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(21) Income tax (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2. 主要會計政策摘要 (續)

(21) 所得稅 (續)

遞延稅項資產及負債乃因作財務報告用途之資產及負債賬面值與作稅基用途之資產及負債賬面值兩者之可予扣減及應課稅之暫時差異所產生。遞延稅項資產亦可由未經使用之稅務虧損及未經使用之稅項優惠所產生。

除了若干有限之例外情況外，所有遞延稅項負債，以及所有遞延稅項資產（僅限於將來很可能取得應課稅盈利而令該項資產得以運用之部份）均予確認。容許確認由可予扣減暫時差異所產生之遞延稅項資產之未來應課稅盈利包括其將由目前之應課稅暫時性差異撥回之部份，惟此等應課稅暫時差異應由同一稅務當局向同一應課稅單位徵收，並預期在可予扣減暫時差異預期撥回之同一期間內撥回或在由遞延稅項資產產生之稅務虧損能轉回或轉入之期間內撥回。在評定目前之應課稅暫時差異是否容許確認由未經使用之稅務虧損及優惠所產生之遞延稅項資產時，亦會採用上述相同之標準，即該等暫時差異由同一稅務當局向同一應課稅單位徵收，並預期在稅務虧損或優惠能應用之期間內撥回方計算在內。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (21) Income tax (Continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

### 2. 主要會計政策摘要 (續)

#### (21) 所得稅 (續)

確認遞延稅項資產及負債之有限例外情況包括由商譽引起並不可在稅務方面獲得扣減之暫時差異、初始確認但並不影響會計盈利及應課稅盈利之資產或負債(惟其不可為業務合併之部份)，以及有關於附屬公司投資所引致之暫時差異。如為應課稅差異，只限於本集團可以控制撥回時間，且在可預見將來不太可能撥回之暫時差異；或如為可予扣減差異，則只限於可能在未來撥回之差異。遞延稅項資產及負債均不作貼現計算。

本集團會在每個報告期末評估遞延稅項資產之賬面值。如果不再可能取得足夠之應課稅盈利以運用有關之稅務利益，便會調低賬面金額。在日後可能取得足夠之應課稅盈利時，則會撥回已扣減金額。

來自分派股息的額外所得稅，確認支付有關股息的責任時確認。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(21) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2. 主要會計政策摘要 (續)

(21) 所得稅 (續)

本期稅項結餘及遞延稅項結餘及其變動，乃各自分開列示及不會相互抵銷。若本公司或本集團在法律上擁有抵銷本期稅項資產及本期稅項負債之行使權利，並能符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，以及遞延稅項資產可抵銷遞延稅項負債：

- 若為本期稅項資產及負債：本集團計劃以淨額清償，或計劃同時變現資產及清償負債；或
- 若為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收之所得稅有關：
  - 同一應課稅單位；或
  - 如為不同之應課稅單位，預期在未來每一個週期將清償或追償顯著數目之遞延稅項負債或資產及計劃變現本期稅項資產及以淨額基準清償本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (22) Employee benefits

#### (i) Retirement benefit costs

Payments to defined contribution plans under the mandatory provident fund scheme, the ORSO scheme and state-managed retirement benefits scheme are charged as expenses as they fall due.

#### (ii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### (iii) Share-based compensation

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the Hull White Trinomial Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

## 2. 主要會計政策摘要(續)

### (22) 僱員福利

#### (i) 退休福利計劃

對強制性公積金計劃、職業退休計劃及其他國有退休福利計劃作出之供款乃於其到期時列作開支予以扣除。

#### (ii) 分享溢利及花紅計劃

本集團根據一條公式，按本公司股東應佔溢利作若干調整，計算並確認花紅及分享溢利為負債及開支。本集團按合約規定或過往慣例責任產生時確認撥備。

#### (iii) 股份為本之補償

賦予員工的購股權之公平價值被確認為員工成本，並在股東權益內的購股權儲備作相應的增加。公平價值乃採用霍爾-懷特三元模型，按購股權授予日計算，並顧及授予購股權的條款。當僱員須符合歸屬期條件才可無條件享有該等購股權，預計公平價值總額在歸屬期內攤分入賬，並已考慮購股權歸屬的或然率。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(22) Employee benefits (Continued)

(iii) Share-based compensation (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged or credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share capital) or the option expires (when it is released directly to retained profits).

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2. 主要會計政策摘要(續)

(22) 僱員福利(續)

(iii) 股份為本之補償(續)

估計可歸屬購股權的數目須在歸屬期內作出檢討。除非原本支出符合資產確認之要求，任何已在往年確認的累積公平價值之調整須在檢討期內的收入報表支銷或回撥，並在購股權儲備作相應調整。在歸屬日，除非因未能符合歸屬條件引致權利喪失純粹與本公司股份的市價有關，確認為支出之金額按歸屬購股權的實際數目作調整(並在購股權儲備作相應調整)。屬股東權益的金額在購股權儲備確認，直到當購股權被行使時(轉入股本)，或當購股權之有效期屆滿時(轉入保留溢利)。

(iv) 辭退福利

如果本集團在正常退休日期前終止僱用，或員工接受自願離職以換取這些福利，則應支付辭退福利。本集團於下列日期較早時確認辭退福利：(a)本集團不能撤回該等福利的提議；及(b)當該實體確認重組的成本在香港會計準則第37號範圍內，並涉及支付辭退福利。在提出鼓勵自願離職的提議的情況下，辭退福利是根據預期接受報價的僱員人數計算的。在報告結算日結束後超過12個月到期的福利，按貼現值折現。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (23) Revenue recognition and other income

##### (i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied or service performed, stated net of rebates and returns. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of returns on historical results, taking into consideration the type of customers, the nature of transactions and the specifics of each arrangement.

##### Sales of products

Revenue from the sale of goods directly to the customers is recognised at the point that the control of the inventory have passed to the customers, which is primarily upon the acceptance of the products by the customers. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. The Group collects cash or bank acceptance notes from the customers before or upon deliveries of products through banks. Cash or bank acceptance notes collected from the customers before product delivery is recognised as contract liabilities (Note 2(15)).

##### Installation services income

Installation services income is recognised when the relevant services are provided.

The Group's obligation to repair or replace faulty products under the standard warranty terms, which cannot be purchased separately and serve as an assurance that the products sold comply with agreed-upon specifications at the time of sale.

### 2. 主要會計政策摘要(續)

#### (23) 收益確認及其他收入

##### (i) 收益確認

收入按已收或應收代價的公平價值計算，為就所供應商品或所履行的服務扣除折扣及退貨應收款項。當收入金額能夠可靠計量；未來經濟利益有可能流入實體；及本集團各項活動符合具體條件時(如下文所述)，本集團會確認收入。本集團根據其過往業績並考慮客戶類別、交易性質及每項安排的特點作出回報估計。

##### 產品銷售

直接向客戶銷售商品所得收入於存貨的控制權已轉移予客戶時(主要於客戶接受產品後)確認。客戶對產品有充分酌情權且並無未履行責任可影響客戶對該等產品的接納。本集團在產品交付之前或之後透過銀行向客戶收取現金或銀行承兌票據。在產品交付前自客戶收取的現金或銀行承兌票據確認為合約負債(附註2(15))。

##### 安裝服務收入

安裝服務收入乃按已提供有關服務後確認。

本集團有責任根據標準質保條款修理或更換缺陷產品(該等質保條款不可單獨購買且用作所出售產品在銷售時符合協定規格的保證)。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(23) Revenue recognition and other income (Continued)

(i) Revenue recognition (Continued)

Finance lease income

Interest income from the finance lease is recognised on a basis that reflect a constant periodic rate of return on the net investment in the finance lease.

(ii) Other income

(a) Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

(b) Handling and services income are recognised when services are provided.

(c) Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(10)(i)).

(d) Dividend income is recognised when the shareholder's right to receive payment is established prior to the end of the reporting period.

2. 主要會計政策摘要(續)

(23) 收益確認及其他收入(續)

(i) 收益確認(續)

融資租賃收入

融資租賃利息收入的基礎是反映融資租賃的淨投資回報之恆常週期性回報率。

(ii) 其他收入

(a) 經營租賃下的應收租金收入乃按租約之年期以直線法確認，或按其他更能反映使用租賃資產所產生利益模式的方式予以確認。所給予之租賃獎勵按其作為組成應收租賃淨付款總額之組成部分於損益中確認。或然租金乃於賺取之會計期間內確認為收入。

(b) 加工及服務收入乃按已提供服務後確認。

(c) 利息收入乃採用實際利息法確認。對於以攤銷成本計量的金融資產或以公平價值計量且其變動計入其他全面收益(重新歸入)並無信貸減值，實際利率乃應用於資產的總帳面值。對於以信用減值的金融資產，實際利率乃應用於攤銷成本(即總帳面值扣除虧損撥備)計量的資產(見附註2(10)(i))。

(d) 由投資所取得之股息收入之確認為當股東早於報告結算日已確立收取股息之權利。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (24) Dividend distribution

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

#### (25) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's top management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria. A discontinued segment is separately presented from continuing segments.

### 2. 主要會計政策摘要(續)

#### (24) 股息分派

由董事局建議派發的末期股息在財務狀況表股東權益內作為對保留溢利的分配單獨列示，直至股東於股東大會上批准派發。這些股息被股東批准和宣派後，確認為負債。

由於本公司之公司組織章程大綱及細則授予董事權力以宣派中期股息，故中期股息會同時建議及宣派。因此，當建議及宣派中期股息時，中期股息直接被確認為負債。

#### (25) 分部報告

營運分部及本財務報表所呈報之各分部項目之款項，於定期向本集團高級管理層提供之綜合財務報告中識別，管理層依據該等報告分配資源予本集團不同業務及地域以及評估該等業務及地域之表現。

就財務報告而言，個別重大營運分部不會累積計算，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外，倘並非個別重大之經營分部符合大部份此等準則，則該等營運分部可能會被累積計算。終止營運分部與持續營運分部會分別呈列。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(26) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and the Group's presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except those arising from qualifying cash flow hedges or qualifying net investment hedges which are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equity instruments held at fair value through profit or loss, are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at fair value through other comprehensive income, are recognised in other comprehensive income and accumulated separately in equity in the fair value reserve.

2. 主要會計政策摘要 (續)

(26) 外幣換算

(i) 功能及呈報貨幣

本集團各實體之財務報表所列之項目，乃按該實體經營所在地之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表乃以本公司之功能及呈報貨幣港元呈列。除非另有說明，所有數值都會四捨五入到最接近的千位數。

(ii) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。因結算該等交易及因按年結日匯率換算以外幣為貨幣單位之貨幣資產及負債而產生之外匯損益，乃於損益表中確認，惟由現金流量對沖或投資淨額對沖所產生的，則於其他全面收益中確認。

非貨幣金融資產及負債如按公平價值持有並於損益表中處理之股本工具之換算差額，均於損益表內確認為公平價值盈虧之一部分。非貨幣金融資產如分類為公平價值計入其他全面收益之金融資產之換算差額，均於其他全面收益確認並獨立累計於權益中的公平價值儲備內。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (26) Foreign currency translation (Continued)

##### (iii) Group companies

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

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve.

### 2. 主要會計政策摘要 (續)

#### (26) 外幣換算 (續)

##### (iii) 集團公司

集團旗下所有公司 (全部均非採用高通脹經濟體系之貨幣) 之功能貨幣倘有別於呈報貨幣, 其業績及財務狀況須按如下方式換算為呈報貨幣:

- (i) 各財務狀況表所列資產及負債按其結算日之收市匯率換算;
- (ii) 各收入報表所列收入及開支按平均匯率換算 (除非此平均匯率不足以合理地概括反映於交易日期適用匯率之累計影響, 則在此情況下, 收入及開支則按交易日期之匯率換算); 及
- (iii) 一切因此而產生之滙兌差額均於其他全面收益確認並獨立累計於權益中的滙兌儲備內。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(26) Foreign currency translation (Continued)

(iii) Group companies (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated separately in equity in the translation reserve. When a foreign operation is sold, such exchange differences are reclassified from equity to profit or loss when gain or loss on disposal is recognised.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the year-end closing rate.

(27) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
- (1) has control or joint control of the Group;
  - (2) has significant influence over the Group; or
  - (3) is a member of the key management personnel of the Group or of a parent of the Group.

2. 主要會計政策摘要(續)

(26) 外幣換算(續)

(iii) 集團公司(續)

在編製綜合賬時，換算海外公司投資淨額和換算被指定為此等投資之對沖工具的借貸及其他貨幣工具而產生的滙兌差異，均於其他全面收益確認並獨立累計於權益中的滙兌儲備內。當出售海外業務時，此等滙兌差異將於確認於出售時由權益重新分類至損益表。

因收購海外公司而產生之商譽及公平價值調整，均視作為該海外公司之資產及負債處理，並按結算日的收市滙率換算。

(27) 關聯方

- (i) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
- (1) 控制或共同控制本集團；
  - (2) 對本集團有重大影響；或
  - (3) 為本集團或本集團母公司的主要管理層成員。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註(續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (27) Related parties (Continued)

(ii) An entity is related to the Group if any of the following conditions applies:

- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (3) Both entities are joint ventures of the same third party.
- (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (6) The entity is controlled or jointly controlled by a person identified in note 2(27)(i).
- (7) A person identified in note 2(27)(i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

## 2. 主要會計政策摘要(續)

### (27) 關聯方(續)

(ii) 倘符合下列任何條件，即實體與本集團有聯連：

- (1) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
- (2) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (3) 兩間實體均為同一第三方的合營企業。
- (4) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (5) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
- (6) 實體受附註2(27)(i)所識別人士控制或受共同控制。
- (7) 於附註2(27)(i)(1)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (8) 該實體或屬該實體其中一部份的集團旗下任何成員公司為向本集團或本集團母公司提供主要管理人員服務。

任何人士之近親為與該實體交易時預期可影響該人士或受該人士影響的家庭成員。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. APPLICATION OF AMENDMENTS TO HKFRSs Amendments to HKFRSs that are mandatorily effective for the current year

In current year, the Group has applied the Amendments to References to the Conceptual Framework HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

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

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

#### **Impacts on application of Amendments to HKAS 1 and HKAS 8 Definition of Material**

The Group has applied the Amendments to HKAS 1 and HKAS 8 for the first time in the current year. The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity". The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

### 3. 應用香港財務報告準則之修訂 於本年度強制生效的香港財務報告準則 之修訂

於本年度，本集團在編製綜合財務報表時，已首次應用香港會計師公會頒佈並於二零二零年一月一日或之後開始之年度期間強制生效的香港財務報告準則概念框架提述之修訂及下列香港財務報告準則之修訂：

- 香港會計準則第1號及香港會計準則第8號之修訂，重大的定義
- 香港財務報告準則第3號之修訂，業務的定義
- 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號之修訂，利率基準改革

除下文所述者外，於本年度應用香港財務報告準則概念框架提述之修訂及香港財務報告準則之修訂對本集團於本年度及過往年度的財務狀況及表現及／或綜合財務報表所載之披露並無重大影響。

#### **應用香港會計準則第1號及香港會計準則第8號之修訂，重大的定義的影響**

本集團於本年度首次應用香港會計準則第1號及香港會計準則第8號之修訂。該等修訂對重大的定義有全新詮釋，訂明「倘資料因存在遺漏、錯誤陳述或隱瞞而可合理預期將影響主要使用者基於該等財務報表之一般用途（當中提供特定報告實體之財務資料）而作出之決定，則有關資料屬重大」。該等修訂亦釐清，資料是否屬重大視乎在整份財務報表中資料之性質或數量（單獨或與其他資料一併使用）。

於本年度應用該等修訂對綜合財務報表並無重大影響。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. APPLICATION OF AMENDMENTS TO HKFRSs (Continued)

#### Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

##### Impacts on application of Amendments to HKFRS 3, Definition of a Business

The amendments clarify the definition of a business and provide further guidance on how to determine whether a transaction represents a business combination. In addition, the amendments introduce an optional "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

##### Impacts on early application of Amendment to HKFRS 16, Covid-19-Related Rent Concessions

The amendment to HKFRS 16: COVID-19 Related Rent Concessions was issued in June 2020 and is effective for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including interim or annual financial statements not yet authorised for issue as at 4 June 2020, the date the amendment was issued.

The amendment introduces a new practical expedient for lessees to elect not to assess whether COVID-19 related rent concessions is a lease modification. The practical expedient only applies to rent concessions occurring as a direct consequence of COVID-19 pandemic that meets all of the following conditions:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- There is no substantive change to other terms and conditions of the lease.

### 3. 應用香港財務報告準則之修訂(續)

#### 於本年度強制生效的香港財務報告準則之修訂(續)

##### 應用香港財務報告準則第3號之修訂，業務的定義的影響

該等修訂澄清業務的定義，並提供額外指引於如何釐定交易是否應作為業務合併。此外，其亦引入一項可選“集中測試”，允許以簡化評估收購一組活動及資產是否資產而非一項業務，當收購總資產的公允價值基本上全部集中在單個可識別資產或一組類似可識別資產中時。

##### 提前應用香港財務報告準則第16號之修訂，2019新型冠狀病毒相關租金寬免的影響

香港財務報告準則第16號之修訂—2019新型冠狀病毒相關租金寬免於二零二零年六月頒佈，並於二零二零年六月一日或之後開始之年度報告期間生效。該修訂獲准提前應用，包括尚未授權於二零二零年六月四日(該修訂頒佈日期)發佈之中期或年度財務報表。

該修訂為承租人引入一項新的權宜方法，其可選擇不評估2019新型冠狀病毒相關租金寬免是否為租賃修改。該權宜方法僅適用於直接因2019新型冠狀病毒疫情而產生且符合以下所有條件的租金寬免：

- 租賃付款變動導致之該租賃之經修訂代價與其緊接變動前之代價大致相同或較少；
- 租賃付款之任何扣減僅影響原訂於二零二一年六月三十日或之前到期之付款；及
- 租賃之其他條款及條件概無實質變動。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**3. APPLICATION OF AMENDMENTS TO HKFRSs (Continued)**  
**Impacts on early application of Amendment to HKFRS 16, Covid-19-Related Rent Concessions (Continued)**

A lessee applying the practical expedient accounts for changes in lease payments resulting from rent concessions the same way it would account for the changes applying HKFRS 16 if the changes were not lease modifications. Forgiveness or waiver of lease payments are accounted for as variable lease payments. The related lease liabilities are adjusted to reflect the amounts forgiven or waived with a corresponding adjustment recognised in the profit or loss in the period in which the event occurs.

During the year, certain monthly lease payments for the leases of the Group's buildings have been waived by the lessors as a result of the COVID-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the COVID-19 pandemic during the year. Accordingly, a reduction in the lease payments arising from the rent concessions of approximately HK\$405,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and crediting to profit or loss for the year ended 31 December 2020.

**3. 應用香港財務報告準則之修訂 (續)**

**提前應用香港財務報告準則第16號之修訂，2019新型冠狀病毒相關租金寬免的影響 (續)**

倘變動並非租賃修改，應用權宜方法之承租人須按應用香港財務報告準則第16號就變動入賬之相同方式就租金寬免導致之租賃付款變動入賬。寬免或豁免租賃付款乃作為可變租賃付款入賬。相關租賃負債將作調整以反映寬免或豁免之金額，而相應調整乃在事件發生期間於損益確認。

於本年度內，由於2019新型冠狀病毒疫情，出租人免除了本集團樓宇租賃的若干月度租賃付款，且租賃條款並無其他變動。本集團已於二零二零年一月一日提早採納該修訂，並選擇不就於本年度內出租人因2019新型冠狀病毒疫情而授出的所有租金寬免應用租賃修訂會計處理。因此，由於租金寬免而導致的租賃付款減少約405,000港元，已通過終止確認部分租賃負債將其作為可變租賃付款入賬並計入截至二零二零年十二月三十一日止年度的損益。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

#### (i) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2(10). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions. Where the expectation is different from the original estimate, such difference will impact the carrying amount of goodwill and the impairment (if any) in the period in which such estimate has been changed.

#### (ii) Allowance for impairment of trade receivables and finance lease receivables

For trade receivables and finance lease receivables, the Group applies the simplified approach to provide for expected credit losses as prescribed by HKFRS 9, which requires the use of the lifetime expected loss allowance for all trade receivables and finance lease receivables. The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. A considerable level of judgement is exercised by the directors when assessing the financial condition and credit worthiness of each customer.

### 4. 重要會計估計及判斷

假設、估計及判斷會不斷按照歷史經驗及其他因素進行評估，包括在各情況下相信是合理之未來事件預測。

#### (i) 商譽減值估計

本集團每年按照附註2(10)所述之會計政策測試商譽是否有任何減值。現金產生單位之可收回金額按使用價值計算而釐定，該等計算須採用若干計量及假設。倘預期金額與原定估計有差異時，則該差額將會影響該估計出現變動期間內之商譽及減值撥備(如有)之賬面值。

#### (ii) 貿易應收款項及融資租賃應收款項減值撥備

就貿易應收款項及應收融資租賃款項而言，本集團應用香港財務報告準則第9號規定的簡化方法就預期信貸虧損計提撥備，該準則允許採用所有貿易應收款項及應收融資租賃款項存續期的預期虧損撥備。金融資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於各報告期末，本集團根據其過往歷史、現時市況及前瞻性估計，通過判斷作出該等假設及選擇減值計算之輸入數據。董事於評估各獨立客戶的財務狀況及信譽時需作出一定程度的判斷。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(iii) Income taxes

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

Recognition of deferred tax assets, which principally relate to allowance for doubtful debts and tax losses, depends on the management's expectation of future taxable profits that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

(iv) Provision for inventories

The Group reviews the carrying amounts of inventories at the end of each reporting period to determine whether the inventories are carried at lower of cost and net realisable value in accordance with the accounting policy set out in note 2(14). The directors estimate the net realisable value based on the current market situation and historical experience on similar inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's net asset value.

4. 重要會計估計及判斷(續)

(iii) 所得稅

本集團須繳納香港及中國內地之所得稅。釐定所得稅之撥備須作出審慎判斷。於日常業務過程中，本集團用作釐定最終稅項之多項交易及計算方法並不確定。本集團根據預期稅務審查所引致的附加稅務確認為負債。倘該最終稅項結果與初步錄得之款額不同，則有關差額將影響釐定期間之所得稅及遞延稅項撥備。

遞延稅項資產的確認主要涉及呆壞賬撥備及稅項虧損，並取決定於管理層對可用於抵銷可動用稅項虧損之日後須課稅溢利之預期。該等實際利用之結果或有不同。

(iv) 存貨撥備

本集團在每一結算日均評估存貨之賬面值，以確定有關存貨是否按照附註2(14)所述會計政策以成本及可變現值兩者中較低數額入賬。董事們根據類似存貨之現行市況及過往經驗估計可變現價值淨額。任何假設之改增變將增加或減少存貨撇減值或撇減之相應回撥，並因此影響本集團之資產價值淨額。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### (v) Classification of interests in leasehold land and buildings held for own use

In accordance with HKAS 16, Property, plant and equipment, the Group chooses to apply either the cost model or the revaluation model as its accounting policy for items of property, plant and equipment held for own use on a class-by-class basis. In applying this policy, the Group has concluded that its registered ownership interests in leasehold properties and the right to use other properties leased under tenancy agreements are two separate groupings of assets which differ significantly in their nature and use. Accordingly, they are regarded by the Group as separate classes of asset for subsequent measurement policies in accordance with notes 2(4), 2(5) and 2(10)(ii). Specifically, registered ownership interests are carried under the revaluation model, while rights to use properties under tenancy agreements are carried at depreciated cost.

In making this judgement, the Group has taken into account that, as the registered owner of leasehold property, the Group is able to benefit fully from any changes in the valuation of these properties whether as holding gains or by selling the property interest to others, as well as being able to use the properties in its operation free of paying market rents. In contrast, the shorter term tenancy agreements are typically for periods of no more than 10 years and are subject to other restrictions, in particular on transferability of the Group's tenancy rights to others. These shorter term tenancy agreements are executed in order to retain operational flexibility and to reduce the Group's exposure to the property market fluctuation.

### 4. 重要會計估計及判斷 (續)

#### (v) 持作自用的租賃土地及樓宇的權益之分類

根據香港會計準則第16號，物業、廠房及設備，本集團選擇採納成本模式或重估模式作為其持作自用之物業、廠房及設備的會計政策。通過應用該政策，本集團認為其持作自用之租賃物業中的註冊所有權權益和租賃協議下其他已租賃物業的使用權為兩組在性質及使用上存在明顯差異的獨立資產。因此，有關資產被本集團判定為獨立類別的資產並根據附註2(4)、2(5)及2(10)(ii)所述的會計政策作後續計量。具體而言，註冊所有權權益按重估模式列賬，而租賃協議項下的物業使用權則按折舊後成本列賬。

在作出該判斷時，本集團已考慮作為租賃物業之登記擁有人，無論是持有收益或將物業權益出售予他人，本集團均能從該等物業的估值變動中全面獲益，且能在毋需支付市場租金的情況下於其營運中使用該等物業。相反，短期租賃協議通常為期不超過十年，同時受到其他限制，尤其是本集團將租賃權轉讓予他人的可轉讓性。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(vi) Determining the lease term

As explained in note 2(5), the lease liability is initially recognised at the present value of the lease payments payable over the lease term. In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation. The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

4. 重要會計估計及判斷(續)

(vi) 釐定租賃期

誠如附註2(5)所闡述，租賃負債以租賃期內應付租賃款的現值進行初步確認。於開始日期釐定包含本集團可行使的續租權的租賃租期時，本集團會評估行使續租權之可能性，並考慮到所有能形成經濟誘因促使本集團行使續租權之相關事實及情況(包括有利條款、已作出之租賃裝修及該相關資產對本集團經營之重要性)。倘發生重大事件或情況出現重大變動而該等事件或變動受本集團控制，則將重新評估租賃期。租賃期的任何延長或縮短均會影響於未來年度確認的租賃負債及使用權資產金額。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**

**(a) Revenue**

Revenue, which is also the Group's turnover, represents the amounts received and receivable for goods sold to customers, less returns and discounts and interest income from finance lease receivables during the year.

An analysis of revenue is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Revenue</b>	<b>收入</b>		
Sales of goods	產品銷售	2,398,764	2,301,143
Installation services for machinery	機械安裝服務	6,482	4,466
Revenue from contracts with customers	來自客戶合約之收益	2,405,246	2,305,609
Finance lease income	融資租賃收入	26,775	39,314
Total revenue	總收入	2,432,021	2,344,923

**Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major products is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trading of industrial consumables	工業消耗品貿易	339,105	326,956
Sales of plastic processing products	注塑製品及加工銷售	435,523	462,976
Sales of machinery	機械銷售	933,693	747,053
Sales of printed circuit boards	印刷線路板銷售	690,443	764,158
Installation services for machinery	機械安裝服務	6,482	4,466
		2,405,246	2,305,609

The timing of revenue recognition of all revenue from contracts with customers is at a point in time when customers obtain control of goods or services.

**5. 收入及分部報告**

**(a) 收入**

收入，亦即本集團之銷售額，指年內本集團向集團以外客戶銷售貨品減退貨及折扣後之已收及應收款項及應收融資租賃款項產生之利息收入。本集團之收入分析如下：

**收入分類**

按主要類別分類的客戶合約收入如下：

所有來自客戶合約之收入均於客戶取得貨品或服務控制權的時間點確認。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting

The Group manages its business by a mixture of both business lines and geographical location. In a manner consistent with the way in which information is reported internally to the Group's top management for the purposes of assessing segment performance and allocating resources between segments, the Group has identified, on a product basis, the following four reportable segments.

- (1) trading of industrial consumables;
- (2) manufacturing of plastic processing products;
- (3) manufacturing of machinery; and
- (4) processing and trading of printed circuit boards.

**Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Group's top executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables, right of use assets and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Unallocated items mainly comprise financial and corporate assets and corporate expenses.

5. 收入及分部報告 (續)

(b) 分部報告

本集團按其業務及地理位置來管理業務。為使分部資料之呈報方式與提供予集團高級管理層供其評估分部之表現及分配資源內部報告更一致，本集團根據產品基準，已識別以下四項呈報分類。

- (1) 工業消耗品貿易；
- (2) 注塑製品及加工；
- (3) 機械製造；及
- (4) 印刷線路板加工及貿易。

**分部業績、資產及負債**

在評估分部表現及分配部間資源時，集團的高級行政管理層根據以下基準監控可歸屬每一可匯報分部之業績、資產及負債：

分部收入、支出、業績、資產及負債包括一個分部直接應佔之項目，以及可按合理基準向有關分部分配之項目。例如，分部資產可包括存貨、應收貿易賬款，使用權資產及物業、廠房及設備。分部收益、支出、資產及負債在集團內公司間結餘及集團內公司間交易互相對銷（此乃綜合賬目過程之一部份）前釐定，惟倘此等集團內公司間結餘及交易乃在本集團間某單一分部內產生者，則作別論。分部間之定價乃以類似其他外界人士提供之條款為基礎。

分部資本開支乃購入且預期可使用一個期間以上之分部資產所產生之總成本。

未分配項目主要包括金融及企業資產及企業費用。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**  
**(Continued)**

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment results for the year ended 31 December 2020 are as follows:

		Industrial consumables	Plastic processing products	Machinery	Printed circuit boards	Other operations	Eliminations	Consolidated
		工業消耗品	及加工 注塑製品	機械	印刷線路板	其他營運	抵銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>REVENUE</b>	<b>收入</b>							
External sales	對外銷售	339,105	435,523	940,175	690,443	26,775	-	2,432,021
Inter-segment sales (Note)	分部間銷售 (附註)	27,839	325	4,312	-	40	(32,516)	-
<b>Total revenue</b>	<b>總收入</b>	<b>366,944</b>	<b>435,848</b>	<b>944,487</b>	<b>690,443</b>	<b>26,815</b>	<b>(32,516)</b>	<b>2,432,021</b>
<b>Segment results</b>	<b>分部業績</b>	<b>20,522</b>	<b>9,361</b>	<b>25,777</b>	<b>14,086</b>	<b>6,768</b>	<b>-</b>	<b>76,514</b>
Unallocated corporate expenses	未可分配之企業費用							(26,585)
Operating profit	經營溢利							49,929
Investment income	投資收入							4,578
Share of results of associates	應佔聯營公司業績							2,617
Loss on disposal of an associate	出售一間聯營公司之虧損							(49)
Loss on disposal of subsidiaries	出售附屬公司之虧損							(1,231)
Loss on deregistration of a subsidiary	註銷一間附屬公司之虧損							(106)
Finance costs	財務費用							(20,315)
Profit before tax	除稅前溢利							35,423
Income tax expense	所得稅費用							(9,545)
Profit for the year	本年溢利							25,878

Note:

Inter-segment sales are determined at prevailing market rates.

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**分部業績、資產及負債 (續)**

截至二零二零年十二月三十一日止年度之分部業績如下：

附註：

分部間銷售按現行市場價格釐定。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment assets and liabilities as at 31 December 2020 are as follows:

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**分部業績、資產及負債 (續)**

於二零二零年十二月三十一日之  
分部資產及負債如下：

		Industrial consumables 工業 消耗品 HK\$'000 千港元	Plastic processing products 及加工 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷 線路板 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Consolidated HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	274,225	308,919	1,053,292	577,948	467,784	2,682,168
Interests in associates	聯營公司權益						38,510
Unallocated corporate assets	未可分配之企業資產						114,000
Consolidated total assets	綜合資產總值						2,834,678
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	75,678	110,967	546,003	225,996	7,893	966,537
Current tax payable	本期應付稅項						10,464
Borrowings	借款						322,344
Unallocated corporate liabilities	未可分配之企業負債						35,350
Consolidated total liabilities	綜合負債總值						1,334,695
<b>OTHER INFORMATION</b>	<b>其他資料</b>						
Capital additions	資本增加	166	11,760	8,923	8,026	950	29,825
Depreciation and amortisation	折舊及攤銷	4,828	15,693	21,747	29,453	6,009	77,730
Allowance for impairment of bad and doubtful debts	呆壞賬減值撥備	1,154	101	5,826	-	3,972	11,053
Other non-cash expenses	其他非現金費用	2,242	7	2,412	-	-	4,661
Share of results of associates	應佔聯營公司業績	-	-	2,617	-	-	2,617
Interest income	利息收入	83	1,570	1,090	311	705	3,759
Finance costs	財務費用	454	3,890	7,244	4,192	4,535	20,315
Income tax expense	所得稅費用	1,978	2,662	805	1,763	2,337	9,545



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**  
**(Continued)**

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment results for the year ended 31 December 2019 are as follows:

		Industrial consumables	Plastic processing products 注塑製品 及加工	Machinery 機械	Printed circuit boards 印刷線路板	Other operations 其他營運	Eliminations 抵銷	Consolidated 綜合
		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
<b>REVENUE</b>	<b>收入</b>							
External sales	對外銷售	326,956	462,976	751,519	764,158	39,314	-	2,344,923
Inter-segment sales (Note)	分部間銷售 (附註)	11,463	155	1,613	-	120	(13,351)	-
<b>Total revenue</b>	<b>總收入</b>	<b>338,419</b>	<b>463,131</b>	<b>753,132</b>	<b>764,158</b>	<b>39,434</b>	<b>(13,351)</b>	<b>2,344,923</b>
<b>Segment results</b>	<b>分部業績</b>	<b>4,601</b>	<b>48,608</b>	<b>(4,184)</b>	<b>17,986</b>	<b>10,827</b>	<b>-</b>	<b>77,838</b>
Unallocated corporate expenses	未可分配之企業費用							(23,944)
Operating profit	經營溢利							53,894
Investment income	投資收入							4,486
Share of results of associates	應佔聯營公司業績							2,991
Gain on deregistration of a subsidiary	註銷一間附屬公司之收益							2,662
Finance costs	財務費用							(24,958)
Profit before tax	除稅前溢利							39,075
Income tax expense	所得稅費用							(14,191)
Profit for the year	本年溢利							24,884

Note:

Inter-segment sales are determined at prevailing market rates.

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**分部業績、資產及負債 (續)**

截至二零一九年十二月三十一日止年度之分部業績如下：

附註：

分部間銷售按現行市場價格釐定。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Segment results, assets and liabilities (Continued)**

The segment assets and liabilities as at 31 December 2019 are as follows:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic processing products 及加工 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷 線路板 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	235,248	326,493	931,957	580,582	438,770	2,513,050
Interests in associates	聯營公司權益						32,809
Unallocated corporate assets	未可分配之企業資產						58,030
Consolidated total assets	綜合資產總值						2,603,889
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	56,183	107,271	418,077	236,420	7,194	825,145
Current tax payable	本期應付稅項						5,297
Borrowings	借款						353,219
Unallocated corporate liabilities	未可分配之企業負債						33,787
Consolidated total liabilities	綜合負債總值						1,217,448
<b>OTHER INFORMATION</b>	<b>其他資料</b>						
Capital additions	資本增加	5,514	13,809	17,914	18,313	1,540	57,090
Depreciation and amortisation	折舊及攤銷	5,685	20,582	22,348	31,152	6,100	85,867
Allowance for impairment of bad and doubtful debts	呆壞賬撥備減值	11	358	320	-	11,014	11,703
Other non-cash income	其他非現金收入	(320)	(44)	(7,973)	-	-	(8,337)
Restructuring provision reversed	重組撥備回撥	-	-	(20,290)	-	-	(20,290)
Provision for indemnity reversed	回撥賠償撥備	-	(25,780)	-	-	-	(25,780)
Share of results of associates	應佔聯營公司業績	-	-	3,527	-	(536)	2,991
Interest income	利息收入	6	2,438	510	327	555	3,836
Finance costs	財務費用	760	4,380	10,008	5,298	4,512	24,958
Income tax expense	所得稅費用	3,249	4,934	897	2,532	2,579	14,191

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**分部業績、資產及負債 (續)**

於二零一九年十二月三十一日之  
分部資產及負債如下：

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Geographical information**

The Group's operations are located in Hong Kong, Mainland China, other Asia-Pacific countries, North America and Europe. The Group's trading of industrial consumables division is located in Hong Kong and Mainland China. The manufacturing of plastic processing products, machinery and printed circuit boards divisions are located in Mainland China.

The following table provides an analysis of the Group's sales by geographical market:

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**地區資料**

本集團的業務位於香港、中國內地、其他亞太國家、北美洲及歐洲。本集團之工業消耗品貿易類別位於香港及中國內地。注塑製品及加工、機械及印刷線路板等製造業類別均位於中國內地。

下列載列本集團銷售收入按地區市場之分析：

		<b>Sales revenue by geographical market</b>	
		<b>按地區市場劃分之銷售收入</b>	
		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Hong Kong	香港	<b>305,626</b>	392,962
Mainland China	中國內地	<b>1,731,421</b>	1,586,997
Other Asia-Pacific countries	其他亞太國家	<b>317,556</b>	288,570
North America	北美洲	<b>19,563</b>	20,207
Europe	歐洲	<b>57,855</b>	56,187
		<b>2,432,021</b>	2,344,923

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**5. REVENUE AND SEGMENT REPORTING**

(Continued)

**(b) Segment Reporting (Continued)**

**Geographical information (Continued)**

The following is an analysis of the Group's property, plant and equipment, right-of-use assets, goodwill and intangible assets ("specified non-current assets"), and additions to specified non-current assets, analysed by the geographical area in which the assets are located:

**5. 收入及分部報告 (續)**

**(b) 分部報告 (續)**

**地區資料 (續)**

本集團的物業、廠房及設備、使用權資產、商譽及無形資產(「指定非流動資產」)及指定非流動資產之增添按地區之分析如下：

		<b>Specified Non-current assets 指定非流動資產</b>		<b>Additions to specified non-current assets 指定非流動資產之增添</b>	
		<b>2020 二零二零年 HK\$'000 千港元</b>	2019 二零一九年 HK\$'000 千港元	<b>2020 二零二零年 HK\$'000 千港元</b>	2019 二零一九年 HK\$'000 千港元
Hong Kong	香港	<b>197,645</b>	201,807	<b>867</b>	3,835
Mainland China	中國內地	<b>548,337</b>	554,137	<b>28,958</b>	53,255
		<b>745,982</b>	755,944	<b>29,825</b>	57,090

**Information about major customers**

No customer of the Group has individually accounted for over 10% of the Group's total revenue during the year (2019: Nil) and no information about major customers is presented accordingly.

**主要客戶的資料**

本集團概無個別客戶佔本集團年內收入總額10%(二零一九年：無)，故並無呈列主要客戶資料。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**6. OTHER INCOME AND (LOSS)/GAINS, NET**

**6. 其他收入及 (虧損) / 收益淨額**

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
<b>Other income</b>	<b>其他收入</b>		
Unused provision for restructuring reversed	回撥未動用的重組撥備	–	20,290
Reversal of provision for indemnity	回撥賠償撥備	–	25,780
Gross rental income from properties and equipment	物業及設備之租金收益	<b>3,460</b>	3,292
Handling, tooling and sales of scrapped materials	處理、工裝及廢料銷售	<b>2,613</b>	4,191
Government grants	政府補貼	<b>9,156</b>	4,688
Sundry income	其他收入	<b>4,619</b>	6,450
		<b>19,848</b>	64,691
<b>(Loss)/gains, net</b>	<b>(虧損) / 收益淨額</b>		
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	<b>1,630</b>	566
Exchange (loss)/gain, net	滙兌 (虧損) / 收益淨額	<b>(5,649)</b>	1,259
		<b>(4,019)</b>	1,825
		<b>15,829</b>	66,516



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**7. INVESTMENT INCOME**

**7. 投資收入**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Bank and other interest income	銀行及其他利息收入	3,759	3,836
Total interest income on financial assets not at fair value through profit or loss	並非按公平價值計量通過損益之金融資產之總利息收入	3,759	3,836
Realised gain on other financial assets	其他金融資產之已變現收益	819	650
		<b>4,578</b>	<b>4,486</b>

**8. FINANCE COSTS**

**8. 財務費用**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Interest on:	由下列借貸產生的利息：		
Bank borrowings wholly repayable within 5 years	須於五年內償還之銀行借款	15,780	19,844
Lease liabilities	租賃負債	4,535	5,114
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平價值計量通過損益之金融負債之總利息支出	<b>20,315</b>	<b>24,958</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**9. PROFIT BEFORE TAX**

Profit before tax has been arrived at after charging/  
 (crediting) the following:

**9. 除稅前溢利**

除稅前溢利已扣除／(計入)下列各項：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Staff costs (including directors' emoluments)	員工成本 (包括董事酬金)		
– Salaries and other benefits	– 薪金及其他福利	<b>338,859</b>	370,478
– Retirement benefits scheme contributions	– 退休福利計劃供款	<b>21,046</b>	38,564
<b>Total staff costs</b>	<b>總員工成本</b>	<b>359,905</b>	409,042
Allowance for impairment of bad and doubtful debts	呆壞賬減值撥備	<b>11,053</b>	11,703
Auditors' remuneration	核數師酬金		
– Group auditor	– 集團核數師	<b>2,648</b>	2,648
Depreciation and amortisation on:	折舊及攤銷：		
– Property, plant and equipment	– 物業、廠房及設備		
– Ownership interest in leasehold land and buildings held for own use	– 自用租賃土地及樓宇的所有權權益	<b>15,171</b>	14,292
– Other owned assets	– 其他自置資產	<b>45,937</b>	55,225
– Intangible assets	– 無形資產	<b>1,383</b>	1,383
– Right-of-use assets	– 使用權資產	<b>15,239</b>	14,967
Research and development expenditure	研發費用	<b>21,112</b>	17,540
Short-term lease payments	短期租賃租金	<b>2,416</b>	5,035

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**10A. BENEFITS AND INTERESTS OF DIRECTORS**

**(i) Directors' emoluments**

The emoluments of each director of the Company are set out as below.

**For the year ended 31 December 2020:**

**10A. 董事福利及權益**

**(i) 董事酬金**

每名董事之酬金載列如下：

**截至二零二零年十二月三十一日止年度：**

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事(不論為本公司或其附屬公司業務)職務已付或應收酬金						
		Fees	Salaries	Discretionary bonuses	Pension fund	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Total
		袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	酌情花紅 HK\$'000 千港元	退休金 HK\$'000 千港元	津貼及 實物福利 HK\$'000 千港元	僱主的 退休福利 計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元
<b>Executive Directors</b>	<b>執行董事</b>							
Mr. Tang To	鄧焯先生	-	1,440	-	-	-	100	1,540
Mr. Wong Yiu Ming <sup>(Note 1)</sup>	黃耀明先生 <sup>(附註1)</sup>	-	4,456	2,140	4,037	-	287	10,920
Mr. Tang Yu, Freeman	鄧愚先生	-	1,920	359	-	-	18	2,297
Mr. Mei Zheqi <sup>(Note 2)</sup>	梅哲騏先生 <sup>(附註2)</sup>	-	583	-	-	-	4	587
<b>Non-executive Directors</b>	<b>非執行董事</b>							
Mr. Kan Wai Wah	簡衛華先生	60	-	-	-	-	-	60
Mr. Qu Jinping <sup>(Note 3)</sup>	瞿金平先生 <sup>(附註3)</sup>	-	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>							
Ms. Yeung Shuk Fan	楊淑芬女士	168	-	-	-	-	-	168
Mr. Cheng Tak Yin	鄭達賢先生	60	-	-	-	-	-	60
Mr. Ho Wei Sem <sup>(Note 3)</sup>	何偉森先生 <sup>(附註3)</sup>	-	-	-	-	-	-	-
Mr. Huang Zhi Wei <sup>(Note 3)</sup>	黃志煒先生 <sup>(附註3)</sup>	-	-	-	-	-	-	-
		<b>288</b>	<b>8,399</b>	<b>2,499</b>	<b>4,037</b>	<b>-</b>	<b>409</b>	<b>15,632</b>

Notes:

- Mr. Wong Yiu Ming retired from his position as the executive Director and executive vice chairman of the Company with effect from 1 January 2021.
- Mr. Mei Zheqi resigned as the executive Director with effect from 12 November 2020.
- During the year, Mr. Ho Wei Sem, Mr. Qu Jinping and Mr. Huang Zhi Wei waived their directors' fees under their letters of appointment.

None of the directors received or will receive any emoluments in respect of a person accepting office as a director during the year.

附註：

- 黃耀明先生於二零二一年一月一日起榮休，並同日退任執行董事及本公司執行副主席。
- 梅哲騏先生辭任執行董事，由二零二零年十一月十二日生效。
- 根據何偉森先生、瞿金平先生及黃志煒先生的委任書，彼等於年內放棄收取董事酬金。

年內，概無任何董事就接納董事職位而收取或將收取任何酬金。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**10A. BENEFITS AND INTERESTS OF DIRECTORS**  
**(Continued)**

**(i) Directors' emoluments (Continued)**

For the year ended 31 December 2019:

**10A. 董事福利及權益 (續)**

**(i) 董事酬金 (續)**

截至二零一九年十二月三十一日止年度：

Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking  
 就個人擔任董事(不論為本公司或其附屬公司業務)職務已付或應收酬金

					Employer's contribution to a retirement benefit scheme 僱主的退休福利計劃供款	Total 合計
	Fees 袍金 HK\$'000 千港元	Salaries 薪金 HK\$'000 千港元	Discretionary bonuses 酌情花紅 HK\$'000 千港元	Pension fund 退休金 HK\$'000 千港元	Allowances and benefits in kind 津貼及實物福利 HK\$'000 千港元	
<b>Executive Directors</b>						
Mr. Tang To 鄧燾先生	-	1,560	-	-	108	1,668
Mr. Wong Yiu Ming 黃耀明先生	-	4,485	-	-	311	4,796
Mr. Tang Yu, Freeman 鄧愚先生	-	2,080	-	-	18	2,098
Mr. Mei Zheqi 梅哲祺先生	-	682	227	-	17	926
<b>Non-executive Directors</b>						
Mr. Kan Wai Wah 簡衛華先生	60	-	-	-	-	60
Mr. Qu Jinping (Note 1) 瞿金平先生(附註1)	-	-	-	-	-	-
<b>Independent Non-executive Directors</b>						
Ms. Yeung Shuk Fan 楊淑芬女士	168	-	-	-	-	168
Mr. Cheng Tak Yin 鄭達賢先生	60	-	-	-	-	60
Mr. Ho Wei Sem (Note 1) 何偉森先生(附註1)	-	-	-	-	-	-
Mr. Huang Zhi Wei (Note 1) 黃志煒先生(附註1)	-	-	-	-	-	-
	288	8,807	227	-	454	9,776

Note:

1. During the year, Mr. Ho Wei Sem, Mr. Qu Jinping and Mr. Huang Zhi Wei agreed to waive their directors' fees under their letters of appointment.

None of the directors received or will receive any emoluments in respect of a person accepting office as a director during the year.

附註：

1. 根據何偉森先生、瞿金平先生及黃志煒先生的委任書，彼等同意於年內放棄收取董事酬金。

年內，概無任何董事就接納董事職位而收取或將收取任何酬金。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

10A. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(ii) Directors' retirement benefits and termination benefits

Mr. Wong Yiu Ming resigned as the executive Director and executive vice chairman with effect from 1 January 2021. He received retirement benefits including employer's contribution to a retirement benefits scheme and pension fund of HK\$4,036,500 in cash, which recommended by remuneration committee of the Company and approved by the Board for the year. Save as aforesaid, none of the directors received or will receive any retirement benefits or termination benefits during the year (2019: Nil).

(iii) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2020, the Company did not pay consideration to any third parties for making available directors' services (2019: same).

(iv) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2020, there were no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and connected entities with such directors (2019: same).

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

Save as disclosed in the heading of "Subsequent Events" of the section "Management Discussion and Analysis" of this annual report and related party transactions as disclosed in the note 40 to the consolidated financial statements and in the heading of "Related Party Transactions" of the section "Report of the Directors", no significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2019: same).

10A. 董事福利及權益 (續)

(ii) 董事退休福利及離職福利

黃耀明先生辭任執行董事及執行副主席，由二零二一年一月一日生效。彼於年內獲得退休福利，包括僱主的退休福利計劃供款以及由本公司薪酬委員會建議並經本公司董事會批准以現金形式的退休金4,036,500港元。除上述披露外，概無董事於年內已經或將會收取任何退休福利或離職福利(二零一九年：沒有)。

(iii) 就獲取董事服務向第三方支付之代價

於截至二零二零年十二月三十一日止年度，本公司並無就獲取董事服務而向任何第三方支付代價(二零一九年：相同)。

(iv) 有關以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

於截至二零二零年十二月三十一日止年度，概無以董事、或該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易安排(二零一九年：相同)。

(v) 董事於交易、安排或合約之重大權益

除於本年報「管理層論述及分析」一節中「結算日後事項」標題中描述及於綜合財務報表附註40及「董事會報告書」一節中「關聯方交易」標題內一節披露的關聯方交易外，本公司概無就其業務訂立本公司為其中訂約方及本公司董事直接或間接擁有重大權益而於年終或年內任何時間仍然存續的重大交易、安排或合約(二零一九年：相同)。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**10B. EMPLOYEE BENEFIT EXPENSE**

**10B. 僱員福利開支**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Wages, salaries, allowances and other benefits	薪金、工資、津貼及其他福利	338,859	370,478
Pension costs – defined contributed plans	退休福利計劃之供款	2,536	2,829
Pension costs – social securities in the PRC (Note)	退休福利計劃之位於中國的社會保障金 (附註)	18,510	35,735
		<b>359,905</b>	<b>409,042</b>

*Note:*

Due to the impact of COVID-19, a number of policies including the relief of social insurance have been promulgated by the PRC Government since February 2020 to expedite resumption of economic activities, which resulted in the relief of certain contributions to defined contribution scheme during the year ended 31 December 2020.

**Five highest paid individuals**

Of the five individuals with the highest emoluments in the Group, three (2019: three) were directors of the Company, details of whose emoluments are included in note 10A to the consolidated financial statements. The emoluments of all of the five individuals with the highest emoluments for the years ended 31 December 2020 and 2019 were as follows:

*附註：*

受2019新型冠狀病毒影響，中國政府自二零二零年二月起頒佈包括社會保險減免等多項政策，以加快經濟活動復甦步伐，令截至二零二零年十二月三十一日止年度內若干定額供款計劃供款獲減免。

**最高五位薪酬之僱員**

本集團最高酬金五位僱員之中，三位(二零一九年：三位)乃本公司董事，其出任為董事之酬金已詳列於綜合財務報表附註10A。截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度最高酬金的五位僱員的酬金詳列如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Fees	袍金	–	–
Salaries, allowances and other benefits	薪金、津貼及其他福利	9,734	10,537
Discretionary bonuses	酌情花紅	6,831	1,922
Pension fund	退休金	4,037	–
Pension costs—defined contribution plans	退休福利計劃之供款	447	600
		<b>21,049</b>	<b>13,059</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**10B. EMPLOYEE BENEFIT EXPENSE (Continued)**

**Five highest paid individuals (Continued)**

Their emoluments are within the following bands:

		Number of individuals 僱員數目	
		2020 二零二零年	2019 二零一九年
Emolument bands	酬金範圍		
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	2	2
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	1	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	-	1
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至 5,000,000港元	1	1
HK\$10,500,001 to HK\$11,000,000	10,500,001港元至 11,000,000港元	1	-
		<b>5</b>	<b>5</b>

For the years ended 31 December 2019 and 2020, no emoluments were paid by the Group to any of the directors or other members of the five highest paid individuals as an inducement to join, upon joining the Group, leave the Group or as compensation for loss of office.

**10B. 僱員福利開支(續)**

**最高五位薪酬之僱員(續)**

彼等之酬金介乎下列組別：

截至二零一九年及二零二零年十二月三十一日止年度，本集團概無向任何最高五位薪酬之董事或其他成員支付酬金，以作為吸引彼等加入或於加入本集團時之獎金或作為離職補償。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**11. INCOME TAX EXPENSE**

The provision for Hong Kong profits tax for 2020 is calculated at 16.5% (2019: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and implementation of EIT Law, the rate of the PRC subsidiaries is 25% for both years.

**11. 所得稅費用**

計提二零二零年香港利得稅撥備乃就年內估計應課稅溢利按稅率16.5% (二零一九年：16.5%) 計算，除了一間附屬公司是兩級利得稅稅率制度下的合資格公司外。該附屬公司的首二百萬港元溢利將以8.25%的稅率徵稅，而餘下之溢利將以16.5%的稅率徵稅。

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施條例，位於中國的附屬公司於兩個年度的稅率均為25%。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Tax charge comprises:</b>	<b>稅項支出包括：</b>		
<b>Current tax</b>	<b>本期稅項</b>		
<b>Hong Kong profits tax</b>	<b>香港利得稅</b>		
Current year	本年度	1,429	1,633
Over-provision in prior years	往年度多提	(191)	(157)
		<b>1,238</b>	<b>1,476</b>
<b>PRC Enterprise income tax</b>	<b>中國企業所得稅</b>		
Current year	本年度	16,059	16,573
Under-provision/(over-provision) in prior years	往年度少提 / (多提)	164	(708)
		<b>16,223</b>	<b>15,865</b>
<b>Deferred tax</b>	<b>遞延稅項</b>		
Deferred taxation relating to the reversal of temporary differences (note 22)	因暫時差異逆轉之遞延稅項 (附註22)	(7,916)	(3,150)
Income tax expense for the year	本年度之所得稅費用	<b>9,545</b>	<b>14,191</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**11. INCOME TAX EXPENSE (Continued)**

The taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to profits of the consolidated companies as follows:

**11. 所得稅費用 (續)**

本集團除稅前溢利與以適用於綜合公司溢利之本地稅率所產生之理論性金額差異如下：

		<b>2020</b> <b>二零二零年</b> <b>HK\$'000</b> <b>千港元</b>	2019 二零一九年 HK\$'000 千港元
Profit before tax	除稅前溢利	<b>35,423</b>	39,075
Tax calculated at the domestic income tax rate of 16.5% (2019: 16.5%)	以本地所得稅率16.5% (二零一九年：16.5%) 計算	<b>5,845</b>	6,447
Tax effect of share of results of associates	應佔聯營公司業績對稅項之影響	<b>(432)</b>	(493)
Tax effect of expenses that are not deductible in determining taxable profit	評定應課稅溢利時不可扣減的開支對稅項之影響	<b>6,945</b>	3,720
Tax effect of income that is not taxable in determining taxable profit	評定應課稅溢利時無須繳稅的收入對稅項之影響	<b>(2,019)</b>	(6,052)
Under-provision of current tax in current year, net	本年度本期稅項撥備少提淨額	<b>313</b>	287
Over-provision of current tax in prior years, net	過往年度本期稅項撥備多提淨額	<b>(27)</b>	(865)
Tax effect of utilisation of deductible temporary differences not previously recognised	使用過往未確認之可扣減暫時性差異稅項之影響	<b>(3,150)</b>	(625)
Tax effect of temporary differences/tax losses not recognised	未確認之暫時性差異／稅項虧損對稅務之影響	<b>810</b>	8,478
Tax effect of utilisation of tax losses not previously recognised	使用過往未確認之稅項虧損之影響	<b>(1,494)</b>	(680)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司稅率差異之影響	<b>2,754</b>	3,974
		<b>9,545</b>	14,191

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**12. EARNINGS PER SHARE – BASIC**

The calculation of basic earnings per ordinary share attributable to equity shareholders of the Company is based on the Group's profit for the year attributable to the owners of the Company approximately HK\$19,578,000 (2019: HK\$15,755,000) and the weighted average number of 861,930,692 (2019: 861,930,692) ordinary shares in issue during the year.

No diluted earnings per share is presented as there were no potential ordinary shares in issue for years ended 31 December 2020 and 2019.

**12. 每股盈利—基本**

本公司股權持有人應佔每股普通股基本盈利乃按本公司股權持有人應佔本年度本集團溢利約為19,578,000港元(二零一九年: 15,755,000港元)及年內已發行普通股加權平均股數861,930,692股(二零一九年: 861,930,692股)計算。

由於截至二零二零及二零一九年十二月三十一日止年度內並無潛在需發行之普通股，因此並無呈列每股攤薄後之盈利。

**13. OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR, NET OF TAX**

Tax effects relating to each component of other comprehensive income/(expense) are as follows:

**13. 本年扣除稅項後之其他全面收益／(支出)**

有關其他全面收益／(支出)各組成部份之稅務影響如下：

	2020 二零二零年			2019 二零一九年		
	Before tax amount 除稅前 金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項 金額 HK\$'000 千港元	Before tax amount 除稅前 金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項 金額 HK\$'000 千港元
Share of other comprehensive income/(expense) of associates 應佔聯營公司其他全面收益／(支出)	1,904	-	1,904	(650)	-	(650)
Surplus on revaluation of properties held for own use 自用物業重估盈餘	13,707	(2,658)	11,049	19,763	(3,605)	16,158
Exchange differences arising from translation of financial statements of foreign operations 換算海外業務財務報表時產生之滙兌差額	74,494	-	74,494	(24,150)	-	(24,150)
Reclassification adjustments: Release of translation reserve upon disposal of subsidiaries 出售附屬公司時從滙兌儲備撥出	(1,621)	-	(1,621)	-	-	-
Release of translation reserve upon deregistration of a subsidiary 註銷一間附屬公司時從滙兌儲備撥出	106	-	106	(2,662)	-	(2,662)
Release of translation reserve upon disposal of an associate 出售一間聯營公司時從滙兌儲備撥出	49	-	49	-	-	-
	<b>88,639</b>	<b>(2,658)</b>	<b>85,981</b>	<b>(7,699)</b>	<b>(3,605)</b>	<b>(11,304)</b>



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

*For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度*

**14. DIVIDEND**

- (a) The Board did not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).
- (b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

**14. 股息**

- (a) 董事會不建議派發截至二零二零年十二月三十一日止年度末期股息 (二零一九年：無)。
- (b) 屬於上一個財政年度，並於年內批准並支付予本公司股東之應付股息

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Final dividend in respect of the previous financial year, approved and paid during the year: Nil (2019: HK\$0.02) per share	-	17,239
屬於上一個財政年度並於年內批准並支付之末期股息：無 (二零一九年：每股0.02港元)		

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**15. PROPERTY, PLANT AND EQUIPMENT**

**15. 物業、廠房及設備**

		Ownership interest in leasehold land and buildings held for own use 自用租賃 土地及樓宇的 所有權權益 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
<b>COST OR VALUATION</b>	<b>成本或估值</b>						
At 1 January 2019	於二零一九年一月一日	412,900	197,259	645,524	33,143	5,534	1,294,360
Exchange realignment	滙兌調整	(6,151)	(3,681)	(10,964)	(463)	(324)	(21,583)
Reclassification	重新分類	9,879	686	3,833	-	(14,398)	-
Additions	添置	495	7,628	27,633	787	11,515	48,058
Disposals	出售	-	(6,760)	(11,353)	(2,193)	-	(20,306)
Adjustment on revaluation	重估調整	5,641	-	-	-	-	5,641
<b>At 31 December 2019 and 1 January 2020</b>	<b>於二零一九年十二月三十一日 及二零二零年一月一日</b>	<b>422,764</b>	<b>195,132</b>	<b>654,673</b>	<b>31,274</b>	<b>2,327</b>	<b>1,306,170</b>
Exchange realignment	滙兌調整	18,469	10,426	29,656	1,305	150	60,006
On disposal of subsidiaries	出售附屬公司	-	(1,878)	(7,913)	(190)	-	(9,981)
Reclassification	重新分類	-	-	148	-	(148)	-
Additions	添置	118	10,814	13,732	1,677	7	26,348
Disposals	出售	-	(19,940)	(40,650)	(2,409)	-	(62,999)
Adjustment on revaluation	重估調整	(2,039)	-	-	-	-	(2,039)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>439,312</b>	<b>194,554</b>	<b>649,646</b>	<b>31,657</b>	<b>2,336</b>	<b>1,317,505</b>
Analysis of cost or valuation:	成本或估值之分析:						
At 31 December 2020	於二零二零年十二月三十一日						
At cost	按成本價	-	194,554	649,646	31,657	2,336	878,193
At valuation	按估值價	439,312	-	-	-	-	439,312
		<b>439,312</b>	<b>194,554</b>	<b>649,646</b>	<b>31,657</b>	<b>2,336</b>	<b>1,317,505</b>
At 31 December 2019	於二零一九年十二月三十一日						
At cost	按成本價	-	195,132	654,673	31,274	2,327	883,406
At valuation	按估值價	422,764	-	-	-	-	422,764
		<b>422,764</b>	<b>195,132</b>	<b>654,673</b>	<b>31,274</b>	<b>2,327</b>	<b>1,306,170</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**15. PROPERTY, PLANT AND EQUIPMENT**  
(Continued)

**15. 物業、廠房及設備 (續)**

		Ownership interest in leasehold land and buildings held for own use 自用租賃 土地及樓宇的 所有權權益 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
<b>ACCUMULATED DEPRECIATION, AMORTISATION AND IMPAIRMENT</b>	<b>累計折舊、攤銷及減值</b>						
At 1 January 2019	於二零一九年一月一日	-	173,944	485,889	23,620	-	683,453
Exchange realignment	滙兌調整	(170)	(3,168)	(7,430)	(336)	-	(11,104)
Depreciation provided for the year	本年折舊撥備	14,292	9,272	43,344	2,609	-	69,517
Written back on disposals	出售後撥回	-	(6,503)	(10,360)	(2,128)	-	(18,991)
Eliminated on revaluation	重估撇銷	(14,122)	-	-	-	-	(14,122)
<b>At 31 December 2019 and 1 January 2020</b>	<b>於二零一九年十二月三十一日 及二零二零年一月一日</b>	<b>-</b>	<b>173,545</b>	<b>511,443</b>	<b>23,765</b>	<b>-</b>	<b>708,753</b>
Exchange realignment	滙兌調整	575	8,944	20,986	943	-	31,448
On disposal of subsidiaries	出售附屬公司	-	(767)	(3,025)	(125)	-	(3,917)
Depreciation provided for the year	本年折舊撥備	15,171	9,136	34,289	2,512	-	61,108
Written back on disposals	出售後撥回	-	(19,641)	(37,395)	(2,278)	-	(59,314)
Eliminated on revaluation	重估撇銷	(15,746)	-	-	-	-	(15,746)
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>-</b>	<b>171,217</b>	<b>526,298</b>	<b>24,817</b>	<b>-</b>	<b>722,332</b>
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>						
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>439,312</b>	<b>23,337</b>	<b>123,348</b>	<b>6,840</b>	<b>2,336</b>	<b>595,173</b>
At 31 December 2019	於二零一九年十二月三十一日	422,764	21,587	143,230	7,509	2,327	597,417

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註 (續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The ownership interest in leasehold land and buildings of the Group were revalued as at 31 December 2020 on the open market existing use basis by Cushman & Wakefield Limited, independent firms of professional valuers. The surplus arising on revaluation attributable to the Group has been credited to the other comprehensive income for the year and is accumulated separately in equity in property revaluation reserve.

Depreciation expense of approximately HK\$46,238,000 (2019: HK\$54,736,000) has been expensed in cost of sales, HK\$755,000 (2019: HK\$955,000) in selling and distribution costs and HK\$14,115,000 (2019: HK\$13,826,000) in administrative expenses.

Had ownership interest in leasehold land and buildings been carried at cost less accumulated depreciation and amortisation, the carrying value of leasehold land and buildings would have been approximately HK\$312,198,000 (2019: HK\$310,034,000).

At 31 December 2020, certain of the Group's ownership interest in leasehold land and buildings held for own use with an aggregate carrying value of approximately HK\$158,958,000 (2019: HK\$156,873,000) were pledged to secure certain bank borrowings granted to the Group (note 38).

#### 15. 物業、廠房及設備 (續)

戴德梁行有限公司(獨立之專業估值師)於二零二零年十二月三十一日,以現行公開市場之基準,為本集團租賃土地及樓宇的所有權權益進行重估。因重估而產生之盈餘已轉入本年度其他全面收益及獨立累計於物業重估儲備內。

折舊費用約為46,238,000港元(二零一九年:54,736,000港元)已被計入於銷售成本,755,000港元(二零一九年:955,000港元)於分銷費用及14,115,000港元(二零一九年:13,826,000港元)於行政費用。

假設租賃土地及樓宇的所有權權益以成本減除累計折舊及攤銷,租賃土地及樓宇之現行賬面值約為312,198,000港元(二零一九年:310,034,000港元)。

於二零二零年十二月三十一日,本集團已抵押部份自用租賃土地及樓宇的所有權權益,其賬面值約為158,958,000港元(二零一九年:156,873,000港元),作為授予本集團有關銀行借款之擔保(附註38)。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**

**(i) Fair value hierarchy**

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

**16. 物業公平價值計量**

**(i) 公平價值架構**

下表呈列於報告結算日所計算本集團的物業之公平價值，並按香港財務報告準則第13號，公平價值計量所界定之公平價值三層架構中持續性基礎計算。將公平價值計量分類之等級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定：

第一層次估值：僅使用第一層次輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平價值。

第二層次估值：使用第二層次輸入數據（即未能達到第一層次之可觀察輸入數據，且並未使用重大不可觀察輸入數據）計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。

第三層次估值：採用重大不可觀察數據計量之公平價值。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**

(Continued)

(i) Fair value hierarchy (Continued)

**Recurring fair value measurement of assets:**  
 Ownership interest in leasehold land and buildings held for own use

持續的公平價值計量資產：  
 自用租賃土地及樓宇的所有權權益

**Recurring fair value measurement of assets:**  
 Ownership interest in leasehold land and buildings held for own use

持續的公平價值計量資產：  
 自用租賃土地及樓宇的所有權權益

**16. 物業公平價值計量 (續)**

(i) 公平價值架構 (續)

Fair value measurement at 31 December 2020 categorised into 於二零二零年十二月三十一日 公平價值計量作以下分類				
31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	
439,312	-	-	439,312	

Fair value measurement at 31 December 2019 categorised into 於二零一九年十二月三十一日 公平價值計量作以下分類				
31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	
422,764	-	-	422,764	

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**  
(Continued)

**(i) Fair value hierarchy (Continued)**

During the years ended 31 December 2019 and 2020, there were no transfers into or out of level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

All of the Group's ownership interest in leasehold land and buildings held for own use were revalued as at 31 December 2020. The valuations were carried out by independent firm of professional valuers, Cushman & Wakefield Limited, which is a world-wide commercial real estate services firm with recent experience in the location and category of property being valued. The Group's property manager and the chief financial officer have discussion with the valuers on the valuation assumptions and valuation results when the valuations are performed at the annual reporting date.

**(ii) Information about Level 3 fair value measurement**

	Valuation techniques 估值技術	Unobservable input 不可觀察數據	Range 範圍
Ownership interest in leasehold land and buildings held for own use 自用租賃土地及樓宇的所有權權益	(a) Direct comparison approach 直接比較計算法	(Discount)/premium on quality of building 樓宇質量的(折扣)/溢價	-10% to 10% -10%至10%
	(b) Income approach 收入計算法	Capitalisation rate 資本化率	4% to 7.5% 4%至7.5%

**16. 物業公平價值計量 (續)**

**(i) 公平價值架構 (續)**

於二零一九年及二零二零年十二月三十一日年度內並沒有轉撥到第三層次或從第三層次轉出。當有公平價值架構層間之轉撥發生，會按照本集團之政策，於報告結算日確認。

所有本集團之自用租賃土地及樓宇的所有權權益於二零二零年十二月三十一日進行重估。該重估工作由獨立之專業估值師—戴德梁行有限公司(全球性的商業房地產服務公司並擁有對當地及物業種類的近期重估經驗)完成。於年度報告日，本集團之物業經理及首席財務總監曾就年度重估之假設及評估結果與估值師討論。

**(ii) 第三層次公平價值計量資料**

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**  
(Continued)

**(ii) Information about Level 3 fair value measurement**  
(Continued)

- (a) The fair value of properties located in Hong Kong is determined using direct comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group's properties compared to the recent sales. The valuations take into account the characteristic of the properties which included the location, size, view, floor level, year of completion and other factors collectively. Higher premium for higher quality properties will result in a higher fair value measurement.
- (b) The fair value of properties in the PRC is determined using income approach by the capitalisation of the net rental income derived from the existing leases and/or achievable in existing market with reversionary income potential by adopting appropriate capitalisation rates. Capitalisation is estimated by the valuer based on the risk profile of the properties being valued. The higher the rates, the lower the fair value. Prevailing market rents are estimated based on recent lettings within the subject properties and other comparable properties. The lower the rents, the lower the fair value.

**16. 物業公平價值計量 (續)**

**(ii) 第三層次公平價值計量資料 (續)**

- (a) 位於香港的物業之公平價值是按直接比較計算法釐定，當中已參考可比較物業近期銷售之每平方英尺售價，並按本集團物業質量作出調整。估值方法會顧及物業之特性，包括物業之地點、面積、景觀、樓層、落成年份及其他因素等，一併加以考慮。由於高質量物業可享有較高溢價，所以會得出較高之公平價值計量數值。
- (b) 在中國的物業之公平值採用收入計算法按適當資本化率將現有租約及／或當前市況假設的未來租約的淨租金收入資本化。資本化由估值師按投資物業的風險因素評估。利率越高，公平價值越低。現行市場租金按該物業及類似物業的當前市場租值估計。租金越低，公平價值越低。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**16. FAIR VALUE MEASUREMENT OF PROPERTIES**

(Continued)

**(ii) Information about Level 3 fair value measurement**

(Continued)

(b) (Continued)

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

Ownership interest in leasehold land and buildings held for own use:	自用租賃土地及樓宇的所有權權益：
At 1 January	於一月一日
Additions	添置
Reclassification	重新分類
Exchange realignment	滙兌調整
Depreciation provided for the year	本年度折舊撥備
Surplus on revaluation	重估盈餘
At 31 December	於十二月三十一日

Surplus on revaluation and currency adjustment of ownership interest in leasehold land and buildings held for own use is recognised in other comprehensive income in “property revaluation reserve” and “translation reserve” respectively.

**16. 物業公平價值計量 (續)**

**(ii) 第三層次公平價值計量資料 (續)**

(b) (續)

第三層次公平價值計量的結算於本年度內之變動如下：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
422,764	412,900
118	495
-	9,879
17,894	(5,981)
(15,171)	(14,292)
13,707	19,763
<b>439,312</b>	422,764

自用租賃土地及樓宇的所有權權益之重估盈餘及貨幣調整已分別確認於其他全面收益中的「物業重估儲備」和「滙兌儲備」。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**17. RIGHT-OF-USE ASSETS**

**17. 使用權資產**

		Land use rights (note a) 土地使用權 (附註a) HK\$'000 千港元	Plant and machinery (note b) 廠房及機器 (附註b) HK\$'000 千港元	Land and buildings (note c) 土地及樓宇 (附註c) HK\$'000 千港元	Motor vehicles (note b) 汽車 (附註b) HK\$'000 千港元	Total 總值 HK\$'000 千港元
<b>COST</b>	<b>成本</b>					
At 1 January 2019	於二零一九年一月一日	55,431	7,949	60,745	-	124,125
Exchange realignment	滙兌調整	(1,398)	(174)	(1,365)	-	(2,937)
Additions	添置	-	-	8,424	608	9,032
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日	<b>54,033</b>	<b>7,775</b>	<b>67,804</b>	<b>608</b>	<b>130,220</b>
Exchange realignment	滙兌調整	<b>3,788</b>	<b>677</b>	<b>3,937</b>	-	<b>8,402</b>
Additions	添置	-	<b>3,137</b>	<b>340</b>	-	<b>3,477</b>
Early termination of lease contracts	提前終止租賃合同	-	-	(290)	-	(290)
Written off	撇銷	-	-	(1,210)	-	(1,210)
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>57,821</b>	<b>11,589</b>	<b>70,581</b>	<b>608</b>	<b>140,599</b>
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>					
At 1 January 2019	於二零一九年一月一日	15,160	585	-	-	15,745
Exchange realignment	滙兌調整	(244)	(26)	(195)	-	(465)
Depreciation provided for the year	本年折舊撥備	1,187	757	12,962	61	14,967
At 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日	<b>16,103</b>	<b>1,316</b>	<b>12,767</b>	<b>61</b>	<b>30,247</b>
Exchange realignment	滙兌調整	<b>1,403</b>	<b>135</b>	<b>1,239</b>	-	<b>2,777</b>
Depreciation provided for the year	本年折舊撥備	<b>1,165</b>	<b>902</b>	<b>13,050</b>	<b>122</b>	<b>15,239</b>
Early termination of lease contracts	提前終止租賃合同	-	-	(92)	-	(92)
Written off	撇銷	-	-	(1,210)	-	(1,210)
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>18,671</b>	<b>2,353</b>	<b>25,754</b>	<b>183</b>	<b>46,961</b>
<b>NET BOOK VALUES</b>	<b>賬面淨值</b>					
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>	<b>39,150</b>	<b>9,236</b>	<b>44,827</b>	<b>425</b>	<b>93,638</b>
At 31 December 2019	於二零一九年 十二月三十一日	37,930	6,459	55,037	547	99,973



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**17. RIGHT-OF-USE ASSETS (Continued)**

*Note a:* The land use rights had a remaining lease term of between 10 to 50 years. At 31 December 2020, certain of the Group's land use rights with an aggregate carrying value of approximately HK\$3,345,000 (2019: HK\$3,349,000) were pledged to secure certain bank borrowings granted to the Group (note 38).

*Note b:* At 31 December 2020, lease liabilities of HK\$5,548,000 (2019: HK\$4,931,000) are secured by the lessors' charges over the leased assets with carrying value of approximately HK\$9,661,000 (2019: HK\$7,006,000).

*Note c:* The Group has leased several land and buildings for offices and factories. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. Tenures of the leases range from 1 to 10 years.

**17. 使用權資產(續)**

*附註a:* 土地使用權的剩餘租賃期為10至50年。於二零二零年十二月三十一日，本集團賬面值總額約3,345,000港元(二零一九年：3,349,000港元)的部份土地使用權已作抵押，作為授予本集團有關銀行借款之擔保(附註38)。

*附註b:* 於二零二零年十二月三十一日，本集團之租賃負債中有5,548,000港元(二零一九年：4,931,000港元)是以租賃資產抵押予出租人。該租賃資產賬面值為9,661,000港元(二零一九年：7,006,000港元)。

*附註c:* 集團已租用一些土地及樓宇作辦公室及廠房用途。租賃條款是個別協商的，並包含不同的條款及條件。租賃期為1至10年。

**18. GOODWILL**

**18. 商譽**

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 January 2019, 31 December 2019 and 31 December 2020	於二零一九年一月一日， 二零一九年十二月三十一日及 二零二零年十二月三十一日	53,483
<b>ACCUMULATED IMPAIRMENT</b>	<b>累計減值</b>	
At 1 January 2019, 31 December 2019 and 31 December 2020	於二零一九年一月一日， 二零一九年十二月三十一日及 二零二零年十二月三十一日	-
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31 December 2020	於二零二零年十二月三十一日	<b>53,483</b>
At 31 December 2019	於二零一九年十二月三十一日	53,483

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 18. GOODWILL (Continued)

The amount represents goodwill arising from the acquisition of 100% equity interest in KFE Hong Kong Co., Limited ("KFE") in 2013. For the purpose of impairment testing, goodwill has been allocated to an individual CGU, representing KFE, a subsidiary in the processing and trading of printed circuit boards segment.

The recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 19.0% (2019: 18.4%) per annum. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2019: 3%) per annum growth rate. This growth rate is based on the printed circuit boards industry growth forecasts and does not exceed the average long-term growth rate for the printed circuit boards industry. Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimations are based on KFE's past performance and management's expectations for the market development. The Directors believe that any reasonably possible change in any of these assumptions would not cause the carrying amount of KFE to exceed the aggregate recoverable amount of KFE.

The Directors reviewed the carrying value of the goodwill, taking into account an independent valuation report prepared by a professional valuer, Cushman & Wakefield Limited. Based on the assessment and the valuation report, the Directors are of the opinion that no impairment loss is necessary as at 31 December 2020.

### 18. 商譽(續)

此商譽為於二零一三年因收購協榮二葉科技香港有限公司(「KFE」)其100%股本權益而產生。減值測試是以商譽已分配至個別現金產生單位，即印刷線路板加工及貿易分部的附屬公司KFE。

該可收回金額乃按現金產生單位的使用價值，其採用基於管理層批准的五年期財務預算，年利率為19.0% (二零一九年：18.4%) 的稅前貼現率。之後的每年現金流每年增長速度採用3% (二零一九年：3%) 的平穩五年期推算。該增長率是基於印刷線路板加工行業增長預測，並不超過印刷線路板加工行業的平均長期增長率。計算使用價值的其他關鍵假設與現金流入／流出的估計有關，其中包括預算銷售及毛利率的估算。此估計是基於KFE之過往表現及管理層對市場發展的預期。董事相信，在任何合理的可變動情況下，任何該等假設不會造成KFE的賬面價值超過KFE之可收回金額。

董事已審閱商譽的賬面價值，同時考慮到由專業估值師－戴德梁行有限公司之獨立估值報告。根據評估及估值報告，於二零二零年十二月三十一日，董事認為其無減值虧損需要。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**19. INTANGIBLE ASSETS**

**19. 無形資產**

		Customer relationship 客戶關係 HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At 1 January 2019, 31 December 2019 and 31 December 2020	於二零一九年一月一日, 二零一九年十二月三十一日及 二零二零年十二月三十一日	13,831
<b>ACCUMULATED AMORTISATION</b>	<b>累計攤銷</b>	
At 1 January 2019	於二零一九年一月一日	7,377
Amortisation for the year	本年度攤銷	1,383
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	<b>8,760</b>
Amortisation for the year	本年度攤銷	<b>1,383</b>
At 31 December 2020	於二零二零年十二月三十一日	<b>10,143</b>
<b>CARRYING AMOUNT</b>	<b>賬面值</b>	
At 31 December 2020	於二零二零年十二月三十一日	<b>3,688</b>
At 31 December 2019	於二零一九年十二月三十一日	5,071

Customer relationship is amortised on a straight-line basis over its useful life of 10 years.

客戶關係採用直線法按10年使用年期攤銷。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**20. INTERESTS IN ASSOCIATES**

**20. 聯營公司權益**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份，成本值	7,680	7,747
Share of post-acquisition profits and reserves, net of dividends received	分佔收購後之溢利及儲備 (扣除已收股息)	26,847	22,830
		<b>34,527</b>	30,577
Amounts due from associates	應收聯營公司款項	10,261	8,510
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	(6,278)	(6,278)
		<b>3,983</b>	2,232
		<b>38,510</b>	32,809

- (a) Amounts due from associates are unsecured, interest free and have no fixed terms of repayment. In the opinion of the Directors, the amounts will not be repayable within 12 months of the end of the reporting period and are accordingly classified as non-current. The individually impaired receivable of approximately HK\$6,278,000 (2019: HK\$6,278,000) is mainly a debt due from an associate which is of age over three years. The other amounts due from associates do not contain impaired assets.
- (b) Interests in associates at the end of the reporting period include goodwill of approximately HK\$313,000 (2019: HK\$313,000).

- (a) 應收聯營公司之款項並沒有抵押，不計算利息及沒有固定償還條款。董事認為，此款項並不會於報告結算日十二個月內償還，故列作非流動資產。該個別應收聯營公司款項減值約6,278,000港元（二零一九年：6,278,000港元），主要由於該聯營公司欠款賬齡已超過三年期以上。其他應收聯營公司款項並不包含已減值資產。
- (b) 於報告結算日，聯營公司權益已包括商譽約313,000港元（二零一九年：313,000港元）。

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

*For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度*

**20. INTERESTS IN ASSOCIATES (Continued)**

Details of the principal associates of the Group at 31 December 2020 are as follows:

Name of associate 聯營公司名稱	Place of incorporation/ registration and operation 成立/ 註冊及營業 所在地方	Proportion of nominal value of registered capital attributable to the Group 本集團應佔 註冊資本 面值之比例 %	Principal activities 主要業務
Suzhou Sanguang Science & Technology Co., Ltd. 蘇州三光科技股份有限公司	The PRC 中國	21.1	Manufacturing of industrial machinery, equipment and supplies 工業機械、設備及工業用品製造
Guangzhou Potop Experimental Analysis Instrument Co., Ltd. 廣州市普同實驗分析儀器有限公司	The PRC 中國	22.5	Manufacturing and trading of the experimental analysis instrument 實驗分析儀製造及貿易

The above table lists out the associates of the Group which, in the opinion of the Directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year.

**20. 聯營公司權益 (續)**

於二零二零年十二月三十一日主要聯營公司詳情如下：

以上聯營公司乃基於董事認為其對本年度業績或本集團年末淨資產有重要影響性而表列。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**20. INTERESTS IN ASSOCIATES (Continued)**

In the opinion of the Directors, the associates of the Group are all individually not material. Aggregate financial information in respect of the Group's associates is set out below:

**20. 聯營公司權益 (續)**

董事認為本集團之聯營公司全部為個別非重大。本集團之聯營公司綜合財務資料表列如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	於綜合財務報表中個別非重大聯營公司綜合賬面值	<b>34,527</b>	30,577
Aggregate amounts of the Group's share of those associates	本集團應佔聯營公司綜合價值		
Profit from continuing operations	持續經營之溢利	<b>2,617</b>	2,991
Other comprehensive income/(expense)	其他全面收益／(支出)	<b>1,904</b>	(650)
Total comprehensive income	總全面收益	<b>4,521</b>	2,341

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

21. FINANCE LEASE RECEIVABLES

21. 應收融資租賃款項

		Minimum lease receipts 最低租賃收入		Present value of Minimum lease receipts 最低租賃收入之現值	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Amounts receivable under finance leases:	應收融資租賃款項 金額：				
Not later than one year	一年內	100,415	35,699	93,953	31,428
Later than one year and not later than five years	第二至五年	31,343	44,109	29,014	41,530
		131,758	79,808	122,967	72,958
Less: Unearned finance income	減：未實現財務收入	(8,791)	(6,850)	N/A 不適用	N/A 不適用
		122,967	72,958	122,967	72,958
Overdue finance lease receivables	逾期應收融資租賃 款項	97,164	84,657	97,164	84,657
Present value of minimum lease receipts	最低租賃收入之 現有價值	220,131	157,615	220,131	157,615
Less: Allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	(20,171)	(15,008)	(20,171)	(15,008)
		199,960	142,607	199,960	142,607
Less: Current finance lease receivables under current assets	減：列入流動資產之 應收融資租賃 款項			(171,526)	(102,432)
Non-current finance lease receivables	非流動應收融資租賃 款項			28,434	40,175

The Group has entered into finance lease arrangements with their customers. The terms of finance leases entered into for periods ranged from one to four years.

集團有與客戶簽訂融資租賃安排。融資租賃租約簽訂期限為一年到四年。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**21. FINANCE LEASE RECEIVABLES (Continued)**

The movements on the allowance for impairment of bad and doubtful debts are as follows:

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Balance at 1 January	於一月一日結餘	<b>15,008</b>	6,198
Exchange realignment	滙兌調整	<b>1,191</b>	(296)
Impairment loss recognised	確認之減值虧損	<b>4,969</b>	13,420
Unused amount reversed	回撥未動用數額	<b>(997)</b>	(3,827)
Uncollectible amounts written off	撇銷不可收回的款項	-	(487)
Balance at 31 December	於十二月三十一日結餘	<b>20,171</b>	15,008

At 31 December 2020, the allowance for credit loss represents lifetime expected credit loss recognised for finance lease receivables under simplified approach. Details of impairment assessment of finance lease receivables for the year ended 31 December 2020 are set out in note 39(b) (iv).

All leases are on a fixed repayment basis and there were no unguaranteed residual values in connection with finance lease arrangements or contingent lease arrangements of the Group that need to be recorded as at 31 December 2020 (2019: Nil).

Finance lease receivable balances are secured over the plant and equipment leased. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rates are ranging from 3.2% to 24.3% per annum (2019: from 3.7% to 27.3% per annum).

**21. 應收融資租賃款項 (續)**

呆壞賬減值撥備變動情況如下：

	<b>2020</b>	2019
	<b>二零二零年</b>	二零一九年
	<b>HK\$'000</b>	HK\$'000
	<b>千港元</b>	千港元
Balance at 1 January	<b>15,008</b>	6,198
Exchange realignment	<b>1,191</b>	(296)
Impairment loss recognised	<b>4,969</b>	13,420
Unused amount reversed	<b>(997)</b>	(3,827)
Uncollectible amounts written off	-	(487)
Balance at 31 December	<b>20,171</b>	15,008

於二零二零年十二月三十一日，信貸虧損撥備代表根據簡化法就應收融資租賃款項確認的使用年期預期信貸虧損。截至二零二零年十二月三十一日止年度有關應收融資租賃款項之減值評估詳載於附註39(b)(iv)。

所有租約都依據一個固定的還款基準，於二零二零年十二月三十一日本集團並無需要記錄與融資租賃安排或然租賃安排的任何未擔保餘值（二零一九年：無）。

應收融資租賃款項餘額獲得租賃之機械及設備作抵押。若承租人沒有違約，本集團不得出售或重新抵押該等抵押品。

內含租賃利率於合同日釐定，並適用於整個租賃期合同期內。實際年利率從3.2%至24.3%（二零一九年：年利率3.7%至27.3%）。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**22. DEFERRED TAX ASSETS/LIABILITIES**

The following are the major components of deferred tax assets/(liabilities) recognised by the Group and movements thereon during the current and prior years:

**22. 遞延稅項資產／負債**

以下為本集團已確認的遞延稅項資產／(負債)的主要成份於本年度及上年度之變動：

		Intangible assets arising from business combination 業務合併 產生之 無形資產 HK\$'000 千港元	(Accelerated)/ decelerated tax depreciation (加速)／ 減速 折舊免稅額 HK\$'000 千港元	Revaluation of land and building 土地及 樓宇重估 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	(1,066)	558	(13,941)	1,391	13,629	571
Exchange realignment	滙兌調整	-	-	117	(20)	(269)	(172)
Charged to equity	於權益扣除	-	-	(3,605)	-	-	(3,605)
Credited/(charged) to income statement (note 11)	於收益表列入／(扣除) (附註11)	228	(117)	-	(33)	3,072	3,150
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日 及二零二零年一月一日	<b>(838)</b>	<b>441</b>	<b>(17,429)</b>	<b>1,338</b>	<b>16,432</b>	<b>(56)</b>
Exchange realignment	滙兌調整	-	-	(435)	8	1,303	876
Charged to equity	於權益扣除	-	-	(2,658)	-	-	(2,658)
Credited to income statement (note 11)	於收益表列入 (附註11)	228	314	-	898	6,476	7,916
At 31 December 2020	於二零二零年十二月三十一日	<b>(610)</b>	<b>755</b>	<b>(20,522)</b>	<b>2,244</b>	<b>24,211</b>	<b>6,078</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**22. DEFERRED TAX ASSETS/LIABILITIES**  
**(Continued)**

For the purposes of consolidated statement of financial position presentation, certain deferred tax assets/(liabilities) have been offset in accordance with the conditions set out in HKAS 12. The following is the analysis of the deferred tax balances shown in the consolidated statement of financial position:

Deferred tax assets 遞延稅項資產  
 Deferred tax liabilities 遞延稅項負債

**22. 遞延稅項資產／負債 (續)**

於綜合財務狀況表之陳述，乃根據香港會計準則第12號之條件有相當程度的遞延稅項資產／(負債) 經已抵銷，下列是已呈列於綜合財務狀況表內的遞延稅項餘額分析：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	34,470	29,577
Deferred tax liabilities	遞延稅項負債	(28,392)	(29,633)
		<b>6,078</b>	(56)

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. At 31 December 2020, the Group has unrecognised tax losses of approximately HK\$503,027,000 (2019: HK\$565,874,000) available for offset against future profits. Included in unrecognised tax losses are losses of approximately HK\$146,861,000 (2019: HK\$179,216,000) that will expire in five years and the remaining balance does not expire under the current tax legislation.

Temporary differences arising in connection with interests in associates are insignificant.

有關承前稅項虧損的遞延稅項資產，只會在相關稅項收益有可能透過未來應課稅溢利變現時才會確認。於二零二零年十二月三十一日，本集團有未動用稅務虧損約為503,027,000港元(二零一九年：565,874,000港元) 用作抵銷未來溢利。於未動用稅務虧損中，當中包括虧損約為146,861,000港元(二零一九年：179,216,000港元) 將於五年後到期，而根據現行稅例餘下結餘將不會有期限。

於聯營公司權益相關的暫時性差異並不重大。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**23. INVENTORIES**

- (a) Inventories in the consolidated statement of financial position comprise:

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Trading inventories and finished goods	貿易存貨及製成品	<b>148,546</b>	179,973
Work in progress	在製品	<b>126,662</b>	110,949
Raw materials	原材料	<b>175,000</b>	143,718
		<b>450,208</b>	434,640

At 31 December 2020, the carrying amount of inventories that were stated at fair value less costs to sell is approximately HK\$76,537,000 (2019: HK\$62,471,000).

- (b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Carrying amount of inventories sold	已出售商品的賬面值	<b>2,019,382</b>	1,975,720
Write-down of inventories	存貨撇賬	<b>8,357</b>	24,729
Reversal of write-down of inventories	存貨撇減回撥	<b>(3,696)</b>	(33,066)
		<b>2,024,043</b>	1,967,383

**23. 存貨**

- (a) 綜合財務狀況表中的存貨包括：

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Trading inventories and finished goods	貿易存貨及製成品	<b>148,546</b>	179,973
Work in progress	在製品	<b>126,662</b>	110,949
Raw materials	原材料	<b>175,000</b>	143,718
		<b>450,208</b>	434,640

於二零二零年十二月三十一日，存貨之賬面值乃按公平價值減銷售成本淨值約為76,537,000港元（二零一九年：62,471,000港元）列賬。

- (b) 確認為開支並計入損益的存貨金額分析如下：

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Carrying amount of inventories sold	已出售商品的賬面值	<b>2,019,382</b>	1,975,720
Write-down of inventories	存貨撇賬	<b>8,357</b>	24,729
Reversal of write-down of inventories	存貨撇減回撥	<b>(3,696)</b>	(33,066)
		<b>2,024,043</b>	1,967,383

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**24. TRADE AND OTHER RECEIVABLES**

**24. 貿易及其他應收款項**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade and bills receivables	貿易及應收票據款項	<b>853,447</b>	867,976
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	<b>(112,031)</b>	(103,553)
		<b>741,416</b>	764,423
Other receivables	其他應收款項	<b>113,267</b>	115,053
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	<b>(17,544)</b>	(16,486)
		<b>95,723</b>	98,567
Prepayments	預付款	<b>28,623</b>	27,646
Amounts due from related parties	應收關聯方之款項	<b>52</b>	351
		<b>865,814</b>	890,987

The Directors consider that the carrying amounts of trade and other receivables approximate to their fair values. All trade and other receivables are expected to be recovered or recognised as expense within one year.

董事們認為貿易與其他應收款之賬面值與其公平價值相近，所有貿易及其他應收款項預期將於一年內收回或確認為開支。

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

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**24. TRADE AND OTHER RECEIVABLES (Continued)**

The Group grants an average credit period of 90 days to 120 days to customers. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in note 39(b)(iv). An aging analysis of the trade and bills receivables at the end of the reporting period based on the invoice date and net of allowance for impairment of bad and doubtful debt is as follows:

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
0 to 3 months	零至三個月	<b>586,318</b>	534,352
4 to 6 months	四至六個月	<b>74,156</b>	115,156
7 to 9 months	七至九個月	<b>41,456</b>	50,413
Over 9 months	超過九個月	<b>39,486</b>	64,502
		<b>741,416</b>	764,423

The movements on the allowance for impairment of bad and doubtful debts of the Group are as follows:

**24. 貿易及其他應收款項(續)**

本集團給予其客戶之平均信貸期為90天至120天。關於集團之信貸政策及由貿易及應收票據款產生之信貸風險，詳細見附註39(b)(iv)。於報告結算日，按發票日期之已扣除呆壞賬減值撥備的貿易及應收票據款項賬齡分析如下：

本集團的呆壞賬減值撥備之變動載列如下：

		<b>Trade receivables</b> 貿易應收款項	
		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Balance at 1 January	於一月一日結餘	<b>103,553</b>	106,864
Exchange realignment	滙兌調整	<b>6,438</b>	(2,621)
Impairment loss recognised	確認之減值虧損	<b>9,903</b>	11,623
Unused amounts reversed	回撥未動用數額	<b>(2,818)</b>	(8,811)
Uncollectible amounts written off	撇銷不可收回的款項	<b>(5,045)</b>	(3,502)
Balance at 31 December	於十二月三十一日結餘	<b>112,031</b>	103,553

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**24. TRADE AND OTHER RECEIVABLES (Continued)**

**24. 貿易及其他應收款項 (續)**

		<b>Other receivables</b>	
		<b>其他應收款項</b>	
		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Balance at 1 January	於一月一日結餘	<b>16,486</b>	22,160
Exchange realignment	滙兌調整	<b>1,062</b>	(508)
Impairment loss recognised	確認之減值虧損	-	858
Unused amounts reversed	回撥未動用數額	<b>(4)</b>	(1,170)
Uncollectible amounts written off	撇銷不可收回的款項	-	(4,854)
<hr/>			
Balance at 31 December	於十二月三十一日結餘	<b>17,544</b>	16,486

The above allowance for impairment of bad and doubtful debts is a provision for individually impaired trade receivables and impaired other receivables. The individually impaired trade receivables mainly represent sales made to the PRC customers which have remained long overdue. The impaired other receivables relate to debtors that have been long outstanding without settlement or having any business relationship with the Group. The Group does not hold any collateral or other credit enhancements over these balances.

Included in trade and other receivables are the following amounts denominated in the following currencies:

上述呆壞賬減值撥備為個別已減值應收款項及已減值其他應收款項撥備。個別已減值應收款項撥備主要為銷售予中國客戶之逾期欠款額。已減值的其他應收款項欠款已長期逾期及與本集團沒有任何業務關係。本集團對上述應收款項沒有獲得任何抵押或增強之信用安排。

貿易及其他應收款項原屬貨幣如下：

		<b>2020</b>	2019
		<b>二零二零年</b>	二零一九年
United States Dollars	美元	<b>22,582,000</b>	23,884,000
Renminbi	人民幣	<b>559,347,000</b>	605,995,000
Japanese Yen	日元	<b>136,110,000</b>	140,560,000

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**25. OTHER FINANCIAL ASSETS**

**25. 其他金融資產**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Measured at fair value through profit or loss	按公平價值計入損益		
Unlisted equity investment (note a)	非上市權益投資 (附註a)	4,753	4,465
Unlisted unit trust funds (note b)	非上市單位信託基金 (附註b)	245	222
		<b>4,998</b>	<b>4,687</b>

Notes:

- (a) The investment engaged in providing environmental service in PRC.
- (b) The fair values of the unlisted unit trust funds were based on net assets value of the investment funds at the end of the reporting period provided by the financial institutions.

附註：

- (a) 投資事項主要在中國從事提供環境服務。
- (b) 非上市單位信託基金的公平價值是基於金融機構提供在報告結算日當天投資基金的淨資產價值。

**26. CASH AND BANK BALANCES**

**26. 現金及銀行結餘**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short-term bank deposits with maturity over three months (Note (a))	到期日超過三個月之短期銀行存款 (附註(a))	3,196	-
Pledged bank deposits (Note (b)) (Note 38)	已抵押之銀行存款 (附註(b)) (附註38)	5,941	2,902
Cash and cash equivalents (Note (c))	現金及現金等值 (附註(c))	485,532	309,731
		<b>494,669</b>	<b>312,633</b>



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**26. CASH AND BANK BALANCES (Continued)**

Notes:

**(a) Short-term bank deposits with maturity over three months**

Included in short-term bank deposits with maturity over three months in the consolidated statement of financial position are the following amounts denominated in the following currency:

		2020 二零二零年	2019 二零一九年
United States Dollars	美元	410,000	-

**(b) Pledged bank deposits**

Included in pledged bank deposits in the consolidated statement of financial position are the following amounts denominated in the following currency:

		2020 二零二零年	2019 二零一九年
Renminbi	人民幣	5,000,000	2,600,000

**(c) Cash and cash equivalents**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	485,532	309,731

Included in bank balances and cash in the consolidated statement of financial position are the following amounts denominated in the following currencies:

		2020 二零二零年	2019 二零一九年
United States Dollars	美元	10,533,000	11,495,000
Renminbi	人民幣	256,633,000	155,120,000
Japanese Yen	日元	55,566,000	29,710,000
Euro Dollars	歐元	99,000	23,000

**26. 現金及銀行結餘(續)**

附註：

**(a) 到期日超過三個月之短期銀行存款**

於綜合財務狀況表中到期日超過三個月之短期銀行存款之原屬貨幣如下：

**(b) 已抵押之銀行存款**

於綜合財務狀況表中已抵押之銀行存款之原屬貨幣如下：

**(c) 現金及現金等值**

於綜合財務狀況表中銀行結餘及現金之原屬貨幣如下：

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**27. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES**

**(i) Trade and other payables**

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Trade and bills payables	貿易及應付票據款項	<b>650,120</b>	553,041
Accruals and other payables	應付未付及其他應付款項	<b>159,849</b>	137,005
Amounts due to non-controlling interests	結欠非控股權益之款項	-	9,600
		<b>809,969</b>	699,646

The Directors consider that the carrying amount of trade and other payables approximates to their fair values. All trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

The aging analysis of the Group's trade and bills payables at the end of the reporting period based on the date of invoice is as follows:

董事們認為貿易及其他應付款項之賬面值與其公平價值相近。所有貿易及其他應付款項預期將於一年內支付或確認為收益或按要求支付。

於報告結算日，本集團按發票日期的貿易及應付票據款項之賬齡分析如下：

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
0 to 3 months	零至三個月	<b>485,431</b>	376,909
4 to 6 months	四至六個月	<b>128,812</b>	108,968
7 to 9 months	七至九個月	<b>14,262</b>	34,792
Over 9 months	超過九個月	<b>21,615</b>	32,372
		<b>650,120</b>	553,041

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**27. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES (Continued)**

**(i) Trade and other payables (Continued)**

Included in trade and other payables are the following amounts denominated in the following currencies:

United States Dollars	美元
Renminbi	人民幣
Japanese Yen	日元
Euro Dollars	歐元

**(ii) Contract liabilities**

Billings in advance of performance	預收款項
------------------------------------	------

When the Group receives a deposit before the production activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue is recognised. The Group receives deposits on acceptance of orders on a case by case basis with customers before work commences.

The balance of contract liabilities at 1 January 2020 was all recognised as revenue during the year of 2020. The amount of billings in advance of performance received is expected to be recognised as income within one year.

**27. 貿易及其他應付款項／合約負債 (續)**

**(i) 貿易及其他應付款項 (續)**

貿易及其他應付款項原屬貨幣如下：

2020 二零二零年	2019 二零一九年
<b>6,782,000</b>	5,782,000
<b>610,538,000</b>	530,240,000
<b>93,718,000</b>	124,498,000
<b>14,000</b>	10,000

**(ii) 合約負債**

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>107,687</b>	66,202

當本集團在生產活動開始前收取訂金，合約負債將在合約開始時產生，直至收入確認為止。本集團在接受訂單在生產前收取訂金是按情況而定的。

於二零二零年一月一日的合約負債結餘已全數於二零二零年度內確認為收入。預收款項之金額預期在一年內會確認為收入。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

28. BANK BORROWINGS

28. 銀行借款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current</b>	<b>非流動</b>		
Bank loans	銀行貸款		
– secured	– 有抵押	26,208	48,376
– unsecured	– 無抵押	11,667	5,000
		<b>37,875</b>	53,376
<b>Current</b>	<b>流動</b>		
Bank loans	銀行貸款		
– secured	– 有抵押	49,601	55,558
– unsecured	– 無抵押	234,868	244,285
		<b>284,469</b>	299,843
Total borrowings	總借款	<b>322,344</b>	353,219

The aggregate carrying amount of the Group's bank loans as at 31 December 2020 (that are repayable more than one year after the end of the reporting period but contain a repayment on demand clause) that have been reclassified as current liabilities is approximately HK\$5,850,000 (2019: HK\$2,223,000).

These loans are callable by the lenders, but the management does not expect the lenders to exercise their rights to demand repayment in normal circumstances.

於二零二零年十二月三十一日，本集團總賬面值約5,850,000港元(二零一九年：2,223,000港元)之銀行貸款(須於報告結算日後的一年後償還，但載有按要要求還款條款)已從非流動負債分類為流動負債。

放款人可按要求償還貸款，但管理層預期放款人在一般情況下不會行使有關權利要求償還貸款。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**28. BANK BORROWINGS (Continued)**

The maturity of the bank borrowings based on the scheduled repayment date set out in the loan agreements ignoring the effect of any repayment on demand clause are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 1 year	一年內	278,619	297,620
Between 1 and 2 years	一至二年	27,975	30,434
Between 2 and 5 years	二至五年	15,750	25,165
		<b>322,344</b>	<b>353,219</b>

The non-current bank borrowings are stated at amortised cost.

The effective interest rate as at 31 December 2020 for bank borrowings is 2.98% per annum (2019: 4.65% per annum).

**28. 銀行借款(續)**

根據貸款協議無視按要求還款條款影響，按還款計劃日程之應償還金額如下：

非流動銀行借款以攤分成本入賬。

銀行借款於二零二零年十二月三十一日之有效年息率為2.98厘(二零一九年：年息率為4.65厘)。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**28. BANK BORROWINGS (Continued)**

The carrying amounts of borrowings are denominated in the following currencies:

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Hong Kong Dollars	港元	<b>246,536</b>	241,069
Renminbi	人民幣	<b>75,808</b>	112,150
		<b>322,344</b>	353,219

The Group has the following undrawn borrowing facilities:

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Floating rate	浮息		
– expiring within one year	– 於一年內到期	<b>288,183</b>	339,098

The facilities expiring within one year are annual facilities subject to review at various dates during 2020.

Bank borrowings are secured by certain ownership interest in leasehold land and buildings held for own use and land use rights of the Group (notes 15 and 17).

**28. 銀行借款(續)**

借款的賬面值以原貨幣列值如下：

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Hong Kong Dollars	港元	<b>246,536</b>	241,069
Renminbi	人民幣	<b>75,808</b>	112,150
		<b>322,344</b>	353,219

集團未動用之借貸額度如下：

		<b>2020</b> 二零二零年 <i>HK\$'000</i> 千港元	2019 二零一九年 <i>HK\$'000</i> 千港元
Floating rate	浮息		
– expiring within one year	– 於一年內到期	<b>288,183</b>	339,098

一年內到期融資額度乃年度額度，須於二零二零年期內不同日期進行檢討。

銀行借款以本集團部份自用租賃土地及樓宇的所有權權益及土地使用權作抵押(附註15及17)。

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

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**29. LEASE LIABILITIES**

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods:

		31 December 2020 二零二零年 十二月三十一日		31 December 2019 二零一九年 十二月三十一日	
		Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低租賃 支出 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低租賃 支出 HK\$'000 千港元
Within 1 year	一年內	15,020	18,903	14,052	18,455
After 1 year but within 2 years	一年後但二年內	10,785	13,719	12,943	16,389
After 2 years but within 5 years	二年後但五年內	30,034	33,888	26,639	32,451
After 5 years	五年後	-	-	9,668	10,108
		<b>40,819</b>	<b>47,607</b>	49,250	58,948
		<b>55,839</b>	<b>66,510</b>	63,302	77,403
Less: total future interest expenses	減：未來利息總支出		<b>(10,671)</b>		(14,101)
Present value of lease liabilities	租賃負債現值		<b>55,839</b>		63,302

The Group leases office properties, factories and plant and machinery. Leases are negotiated mostly for terms ranging from 1 to 10 years and rentals are almost fixed for the said term.

At 31 December 2020, lease liabilities of HK\$5,548,000 (2019: HK\$4,931,000) are secured by the lessors' charges over the leased assets.

**29. 租賃負債**

以下圖表說明本集團在當前和先前報告期末的租賃負債的剩餘合約到期期限：

		31 December 2020 二零二零年 十二月三十一日		31 December 2019 二零一九年 十二月三十一日	
		Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低租賃 支出 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低租賃 支出 HK\$'000 千港元
Within 1 year	一年內	15,020	18,903	14,052	18,455
After 1 year but within 2 years	一年後但二年內	10,785	13,719	12,943	16,389
After 2 years but within 5 years	二年後但五年內	30,034	33,888	26,639	32,451
After 5 years	五年後	-	-	9,668	10,108
		<b>40,819</b>	<b>47,607</b>	49,250	58,948
		<b>55,839</b>	<b>66,510</b>	63,302	77,403
Less: total future interest expenses	減：未來利息總支出		<b>(10,671)</b>		(14,101)
Present value of lease liabilities	租賃負債現值		<b>55,839</b>		63,302

本集團租用辦公物業、工廠以及廠房和機械。租約年期乃以1至10年進行商討，而租金通常於租約年期內不變。

於二零二零年十二月三十一日，本集團之租賃負債中有5,548,000港元（二零一九年：4,931,000港元）是以租賃資產抵押予出租人。

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綜合財務報表附註(續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

30. SHARE CAPITAL

30. 股本

		2020 二零二零年		2019 二零一九年	
		Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元	Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元
Ordinary shares, issued and fully paid:	已發行及繳足普通股：				
At 1 January	於一月一日	861,930,692	609,027	861,930,692	609,027
At 31 December	於十二月三十一日	861,930,692	609,027	861,930,692	609,027

All ordinary shares rank equally with regard to the Company's residual assets.

所有普通股享有同等關於本公司的剩餘資產。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**31. OTHER RESERVES**

**31. 其他儲備**

		Property revaluation reserve 物業重估儲備 HK\$'000 千港元	Translation reserve 滙兌儲備 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance at 1 January 2019	於二零一九年一月一日結餘	63,130	39,379	679	103,188
Share of reserves of associates	應佔聯營公司儲備	-	(650)	-	(650)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	18,044	-	-	18,044
Deferred taxation adjustment	遞延稅項調整	(3,344)	-	-	(3,344)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時產生之滙兌差額	-	(21,804)	-	(21,804)
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時從滙兌儲備撥出	-	(2,662)	-	(2,662)
<b>Balance at 31 December 2019 and 1 January 2020</b>	<b>於二零一九年十二月三十一日及二零二零年一月一日結餘</b>	<b>77,830</b>	<b>14,263</b>	<b>679</b>	<b>92,772</b>
Share of reserves of associates	應佔聯營公司儲備	-	1,904	-	1,904
Surplus on revaluation of properties held for own use	自用物業重估盈餘	12,584	-	-	12,584
Deferred taxation adjustment	遞延稅項調整	(2,486)	-	-	(2,486)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時產生之滙兌差額	-	66,843	-	66,843
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時從滙兌儲備撥出	-	(1,621)	-	(1,621)
Release of translation reserve upon deregistration of a subsidiary	註銷一間附屬公司時從滙兌儲備撥出	-	106	-	106
Release of translation reserve upon disposal of an associate	出售一間聯營公司時從滙兌儲備撥出	-	49	-	49
<b>Balance at 31 December 2020</b>	<b>於二零二零年十二月三十一日結餘</b>	<b>87,928</b>	<b>81,544</b>	<b>679</b>	<b>170,151</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY**

**32. 本公司財務狀況表**

**(a) Company-level statement of financial position**

**(a) 本公司財務狀況表**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>Non-current Assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	276	210
Interests in subsidiaries	附屬公司權益	1,196,437	1,253,970
		<b>1,196,713</b>	1,254,180
<b>Current Assets</b>	<b>流動資產</b>		
Other receivables	其他應收款項	836	2,619
Amount due from an associate	應收一間聯營公司款項	-	785
Cash and bank balances	現金及銀行結餘	78,604	25,873
		<b>79,440</b>	29,277
<b>Current Liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	3,878	1,073
Amounts due to subsidiaries	結欠附屬公司款項	139,748	94,334
Bank borrowings	銀行借款	88,019	55,000
		<b>231,645</b>	150,407
<b>Net Current Liabilities</b>	<b>淨流動負債</b>	<b>(152,205)</b>	(121,130)
Total Assets less Current Liabilities	總資產減流動負債	<b>1,044,508</b>	1,133,050
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Bank borrowings	銀行借款	15,277	33,213
<b>Net Assets</b>	<b>淨資產</b>	<b>1,029,231</b>	1,099,837
<b>Capital and Reserves (note 32(b))</b>	<b>資本及儲備 (附註32(b))</b>		
Share capital	股本	609,027	609,027
Retained profits	保留溢利	420,204	490,810
<b>Total Equity</b>	<b>權益總值</b>	<b>1,029,231</b>	1,099,837

The statement of financial position of the Company was approved and authorised for issue by the Board on 30 March 2021 and is signed on its behalf by:

本公司財務狀況表於二零二一年三月三十日獲董事會批准並授權刊發，並由下列董事代表簽署：

**TANG TO**  
鄧燾  
DIRECTOR  
董事

**TANG YU, FREEMAN**  
鄧愚  
DIRECTOR  
董事



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)**      **32. 本公司財務狀況表 (續)**

**(b) Movement in components of equity of the Company**

**(b) 本公司權益變動**

		Share capital 股本 HK\$'000 千港元	Proposed final dividend 建議末期股息 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2019	於二零一九年一月一日 結餘	609,027	17,239	491,424	1,117,690
Loss for the year	本年度虧損	-	-	(614)	(614)
Dividends approved in respect of the previous year (note 14)	過往年度已批准股息 (附註14)	-	(17,239)	-	(17,239)
Balance at 31 December 2019 and 1 January 2020	於二零一九年 十二月三十一日及 二零二零年一月一日 結餘	609,027	-	490,810	1,099,837
Loss for the year	本年度虧損	-	-	(70,606)	(70,606)
<b>Balance at 31 December 2020</b>	<b>於二零二零年 十二月三十一日結餘</b>	<b>609,027</b>	<b>-</b>	<b>420,204</b>	<b>1,029,231</b>

**(c) Distributability of reserves**

At 31 December 2020, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of Part 6 of Hong Kong Companies Ordinance, was approximately HK\$420,204,000 (2019: HK\$490,810,000). After the end of the reporting period, the Board did not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).

**(c) 儲備分派**

於二零二零年十二月三十一日，根據《公司條例》第六部分的條文計算，本公司可供分派予股權持有人的儲備約為420,204,000港元(二零一九年：490,810,000港元)。於結算日後，董事會不建議派發截至二零二零年十二月三十一日年度末期股息(二零一九年：無)。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

**33. 來自融資活動的負債及相關資產的對賬**

下表詳列集團的來自融資活動的相關負債的變動，包括現金及非現金的變動。來自融資活動的負債是指其現金流量或未來的現金流量會於集團的綜合現金流量表中被分類為來自融資活動的現金流量。

		Bank loans	Lease liabilities	Amount due to an associate 結欠一間 聯營公司 款項	Amounts due to non- controlling interests 結欠 非控股權益 之款項	Total
		銀行貸款 HK\$'000 千港元	租賃負債 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	372,298	67,820	704	9,600	450,422
<b>Changes from financing cash flow</b>	<b>來自融資活動現金流之變動</b>					
New bank loans raised	新增銀行貸款	321,299	-	-	-	321,299
Repayment of bank loans	償還銀行貸款	(338,540)	-	-	-	(338,540)
Bank loans interest paid	已付銀行貸款利息	(19,844)	-	-	-	(19,844)
Dividend paid to the non-controlling shareholders	已付非控股股東股息	-	-	-	(10,433)	(10,433)
Capital element of lease rentals paid	已付租賃租金的本金部分	-	(12,308)	-	-	(12,308)
Interest element of lease rentals paid	已付租賃租金的利息部分	-	(5,114)	-	-	(5,114)
Repayment to an associate	償還一間聯營公司之款項	-	-	(553)	-	(553)
<b>Total changes from financing cash flows</b>	<b>來自融資活動現金流之變動總額</b>	(37,085)	(17,422)	(553)	(10,433)	(65,493)
Exchange adjustments	滙兌調整	(1,838)	(1,242)	(2)	-	(3,082)
<b>Other changes</b>	<b>其他變動</b>					
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	9,032	-	-	9,032
Interest expenses (note 8)	利息費用(附註8)	19,844	5,114	-	-	24,958
Dividend to the non-controlling shareholders	給非控股股東股息	-	-	-	10,433	10,433
<b>Total other changes</b>	<b>其他變動總額</b>	19,844	14,146	-	10,433	44,423
At 31 December 2019	於二零一九年十二月三十一日	353,219	63,302	149	9,600	426,270

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)**

**33. 來自融資活動的負債及相關資產的對賬 (續)**

		Bank loans	Lease liabilities	Amount due to an associate	Amounts due to non-controlling interests	Total
		銀行貸款	租賃負債	結欠一間聯營公司款項	結欠非控股權益之款項	合計
		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
At 1 January 2020	於二零二零年一月一日	353,219	63,302	149	9,600	426,270
<b>Changes from financing cash flow</b>	<b>來自融資活動現金流之變動</b>					
New bank loans raised	新增銀行貸款	212,654	-	-	-	212,654
Repayment of bank loans	償還銀行貸款	(246,558)	-	-	-	(246,558)
Bank loans interest paid	已付銀行貸款利息	(15,780)	-	-	-	(15,780)
Capital element of lease rentals paid	已付租賃租金的本金部分	-	(14,360)	-	-	(14,360)
Interest element of lease rentals paid	已付租賃租金的利息部份	-	(4,535)	-	-	(4,535)
Repayment to an associate	償還一間聯營公司之款項	-	-	(169)	-	(169)
Repayment to the non-controlling shareholders	償還結欠非控股股東款項	-	-	-	(9,600)	(9,600)
<b>Total changes from financing cash flows</b>	<b>來自融資活動現金流之變動總額</b>	<b>(49,684)</b>	<b>(18,895)</b>	<b>(169)</b>	<b>(9,600)</b>	<b>(78,348)</b>
Exchange adjustments	滙兌調整	3,029	3,209	20	-	6,258
<b>Other changes</b>	<b>其他變動</b>					
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	4,279	-	-	4,279
Covid-19-related rent concessions from lessors	來自出租人與2019 新型冠狀病毒相關的租金寬免	-	(405)	-	-	(405)
Early termination of lease contracts	提前終止租賃合同	-	(186)	-	-	(186)
Interest expenses (note 8)	利息費用 (附註8)	15,780	4,535	-	-	20,315
<b>Total other changes</b>	<b>其他變動總額</b>	<b>15,780</b>	<b>8,223</b>	<b>-</b>	<b>-</b>	<b>24,003</b>
<b>At 31 December 2020</b>	<b>於二零二零年十二月三十一日</b>	<b>322,344</b>	<b>55,839</b>	<b>-</b>	<b>-</b>	<b>378,183</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**34. OPERATING LEASE COMMITMENTS**

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receipts under non-cancellable operating leases:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Not later than one year	一年內	1,162	165
Later than one year and not later than five years	第二至五年	2,303	445
After five years	五年後	240	348
		<b>3,705</b>	958

**34. 經營租賃承擔**

於報告結算日，本集團尚有不可取消之租賃合同下的未來最少租賃收入如下：

**35. CAPITAL COMMITMENTS**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Capital expenditure: Contracted but not provided for	資本支出： 已簽約但未作出撥備	2,175	4,755

**35. 資本承擔**

**36. CONTINGENT LIABILITIES**

The Group does not have any litigations or claims of material importance and, so far as the Directors are aware, no litigation or claims of material importance are pending or threatened by or against any companies of the Group.

**36. 或然負債**

本集團並無涉及任何訴訟或重要申索。而據董事所知，並無待審或對集團內公司構成威脅的訴訟或重要申索。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 綜合財務報表附註 (續)

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. RETIREMENT BENEFITS SCHEMES

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Schemes Ordinance (the "ORSO Scheme") and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

For members of the MPF Scheme, the Group contributes 5.0% of relevant payroll costs to the Scheme, which contribution is matched by the employee.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5.0% to 7.5% of the employee's basic salary, depending on the length of service with the Group.

Employees who are employed by subsidiaries in the PRC are members of the state-managed pension scheme operated by the PRC government. These subsidiaries are required to contribute 16% – 20% of payroll costs to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions under the scheme.

The total cost charged to the consolidated income statement of approximately HK\$21,046,000 (2019: HK\$38,564,000) represents contributions payable to these schemes by the Group in respect of the current accounting period. As at 31 December 2020, contributions of approximately HK\$262,000 (2019: HK\$331,000) due in respect of the reporting period had not been paid over to the schemes.

### 37. 退休福利計劃

本集團同時參與根據職業退休計劃條例下註冊的定額供款計劃（「職業退休計劃」）及於二零零零年十二月根據強制性公積金計劃條例成立的強制性供款計劃（「強積金計劃」）。此兩項計劃的資產與本集團之資產分開，及由信託人管理。於強積金計劃成立之前的職業退休計劃成員之僱員，可給予選擇保留於職業退休計劃或轉移到強積金計劃。但於二零零零年十二月一日或之後加入本集團的僱員，必須加入強積金計劃。

強積金計劃之成員，本集團以相關工資成本的百分之五向計劃供款，僱員亦按同一比率供款。

職業退休計劃則每月由僱員及集團，按僱員的基本工資供款比例由百分之五至七點五，按服務年資而定。

本集團在中國之附屬公司的僱員為中國政府管理之國家資助公積金計劃之會員。此等附屬公司須以其工資成本的百分之十六至二十向公積金計劃供款。本集團之唯一承擔乃按此公積金計劃提供所需供款。

已列支於綜合收益表內之總供款約為21,046,000港元（二零一九年：38,564,000港元），代表集團於本會計期間應向這些計劃的供款。於二零二零年十二月三十一日，約262,000港元（二零一九年：331,000港元）的供款於報告期間已到期仍未向這些計劃付款。

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

*For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度*

**38. PLEDGE OF ASSETS**

At the end of the reporting period, assets with the following carrying amounts were pledged by the Group to secure general banking facilities:

**38. 資產抵押**

於報告結算日，本集團已將下列以賬面值計算的資產作抵押，以取得給予本集團之一般銀行信貸額：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Ownership interest in leasehold land and buildings held for own use	自用租賃土地及樓宇的所有權權益	<b>158,958</b>	156,873
Land use rights	土地使用權	<b>3,345</b>	3,349
Plant and machinery	廠房及機器	<b>9,236</b>	6,460
Motor vehicles	汽車	<b>425</b>	547
Bank deposits	銀行存款	<b>5,941</b>	2,902
		<b>177,905</b>	170,131



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

**(a) Financial instruments by categories**

Upon the adoption of HKFRS 9, the accounting policies for financial instruments have been applied to the line items below:

**39. 財務風險管理及金融工具之公平價值**

**(a) 按類別劃分之金融工具**

經採納香港財務報告準則第9號，金融工具會計政策已應用於下列項目：

Assets as per consolidated financial statements	於綜合財務報表中之資產	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
31 December 2020	二零二零年十二月三十一日	按攤銷成本計量的金融資產	以公平價值計入損益的金融資產	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Other financial assets	其他金融資產	-	4,998	4,998
Amounts due from associates	應收聯營公司款項	3,983	-	3,983
Finance lease receivables	應收融資租賃款項	199,960	-	199,960
Trade and other receivables	貿易及其他應收款項	837,191	-	837,191
Short-term bank deposits with maturity over three months	到期日超過三個月之短期銀行存款	3,196	-	3,196
Pledged bank deposits	已抵押銀行存款	5,941	-	5,941
Cash and cash equivalents	現金及現金等值	485,532	-	485,532
		<b>1,535,803</b>	<b>4,998</b>	<b>1,540,801</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

**(a) Financial instruments by categories (Continued)**

**39. 財務風險管理及金融工具之公平價值 (續)**

**(a) 按類別劃分之金融工具 (續)**

Assets as per consolidated financial statements	於綜合財務報表中之資產	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
		按攤銷成本計量的金融資產	以公平價值計入損益的金融資產	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
31 December 2019	二零一九年十二月三十一日			
Other financial assets	其他金融資產	-	4,687	4,687
Amounts due from associates	應收聯營公司款項	2,232	-	2,232
Finance lease receivables	應收融資租賃款項	142,607	-	142,607
Trade and other receivables	貿易及其他應收款項	863,341	-	863,341
Pledged bank deposits	已抵押銀行存款	2,902	-	2,902
Cash and cash equivalents	現金及現金等值	309,731	-	309,731
		1,320,813	4,687	1,325,500

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND  
 FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(a) Financial instruments by categories (Continued)

**39. 財務風險管理及金融工具之公  
 平價值 (續)**

(a) 按類別劃分之金融工具 (續)

		Financial liabilities at amortised cost 按攤銷成本 計量之金融負債 HK\$'000 千港元
<b>Liabilities as per consolidated financial statements</b>	<b>於綜合財務報表中之負債</b>	
<b>31 December 2020</b>	<b>二零二零年十二月三十一日</b>	
Trade and other payables	貿易及其他應付款項	<b>805,440</b>
Bank borrowings	銀行借款	<b>322,344</b>
Lease liabilities	租賃負債	<b>55,839</b>
		<b>1,183,623</b>
<b>31 December 2019</b>	<b>二零一九年十二月三十一日</b>	
Trade and other payables	貿易及其他應付款項	698,213
Amount due to an associate	結欠一間聯營公司款項	149
Bank borrowings	銀行借款	353,219
Lease liabilities	租賃負債	63,302
		<b>1,114,883</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk arising in the normal course of its business and financial instruments. The Group's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Group's financial performance by closely monitoring the individual exposure as summarised below.

(i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi, Hong Kong dollars, United States Dollars and Japanese Yen. Such exposures arise from sales or purchases by subsidiaries other than the subsidiaries' functional currencies. This currency exposure is managed primarily through sourcing raw materials denominated in the same currency. In addition, certain recognised assets and liabilities are denominated in currencies other than the functional currencies of the entities to which they relate. The Group currently does not have a foreign currency hedging policy.

Certain assets and liabilities of the Group are principally denominated in US\$. HK\$ is pegged to US\$, and thus foreign exchange exposure is considered as minimal.

At 31 December 2020, if HK\$ had strengthened/weakened by 10% against the RMB, with all other variables held constant, post-tax profit for the year would have been approximately HK\$3,023,000 lower or higher (2019: post-tax profit for the year would have been HK\$1,331,000 lower or higher). There will be no impact on other components of equity.

39. 財務風險管理及金融工具之公  
平價值(續)

(b) 財務風險因素

本集團的業務承受各種財務風險：市場風險(包括外匯風險、利率風險及價格風險)、信貸風險及一般業務過程及金融工具導致之流動資金風險。本集團的風險管理目標及政策主要透過密切監察如下個別風險，專注於盡量減少本集團之財務表現所受的潛在負面影響。

(i) 外匯風險

本集團承受外匯交易風險，主要為人民幣、港元、美元及日元。該等風險乃因為附屬公司以附屬公司之功能貨幣以外之貨幣進行買賣而產生。此貨幣風險乃主要透過採購以相同貨幣列值之原材料管理。另外，部份已確認之資產及負債包括並非以相關實體的功能貨幣為計量單位。本集團目前並無外匯對沖政策。

本集團之若干資產及負債主要以美元為計量單位。港元與美元掛鈎，因此外匯風險可視作甚微。

於二零二零年十二月三十一日，倘港元兌人民幣匯率增強／減弱10%，而所有其他變數不變，該年度之除稅後溢利將分別較現時約低／高3,023,000港元(二零一九年：除稅後溢利低／高1,331,000港元)。權益的其他部份沒有任何影響。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

#### (b) Financial risk factors (Continued)

##### (i) Foreign currency risk (Continued)

At 31 December 2020, if HK\$ had strengthened/weakened by 10% against the YEN, with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,000 higher or lower (2019: post-tax profit for the year would have been HK\$264,000 higher or lower). There will be no impact on other components of equity.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. In this respect, it is assumed that the pegged rate between the HK\$ and the US\$ would be materially unaffected by any changes in movement in value of the US\$ against other currencies. Results of the analysis as presented in above represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of the reporting period for presentation purposes. The analysis is performed on the same basis for 2019.

### 39. 財務風險管理及金融工具之公 平價值 (續)

#### (b) 財務風險因素 (續)

##### (i) 外匯風險 (續)

於二零二零年十二月三十一日，倘港元兌日元匯率增強／減弱10%，而所有其他變數不變，該年度之除稅後溢利將分別較現時高／低約1,000港元（二零一九年：除稅後溢利高／低264,000港元），但不會對權益的其他部分有影響。

敏感性分析乃基於假設外匯匯率變化已於報告結算日發生，並已於該日運用於其時存在之各集團實體所受金融工具的匯率風險，同時假定其他變量（尤其是利率）維持不變。

上述變動代表管理層評估外匯匯率在截至下一個報告周年結算日期間之合理變動，並假設港元兌美元之聯繫匯率並未因美元兌其他貨幣之任何變動而有重大影響。上述之分析結果乃各集團實體之除稅後溢利及權益所受影響（按其相關之功能貨幣計算，並以報告結算日之匯率匯兌為港元作呈列之用）之總額。二零一九年亦以同一基準作分析。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(ii) Interest rate risk

Except for pledged bank deposits, short-term bank deposits and cash and cash equivalents (note 26), the Group has no other significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact on interest-bearing assets resulted from the changes in interest rates because the interest rates of bank deposits are not expected to change significantly.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Prime or HIBOR arising from the Group's borrowings denominated in HK\$ and RMB.

Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates and finance lease receivables expose the Group to fair value interest-rate risk. Details of the Group's borrowings and finance lease receivables have been disclosed in notes 28 and 21 respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk. In order to manage the cash flow interest rate risk, the Group will repay the corresponding borrowings when it has surplus funds.

39. 財務風險管理及金融工具之公  
平價值 (續)

(b) 財務風險因素 (續)

(ii) 利率風險

除抵押存款、短期銀行存款及現金及現金等值(附註26)外,本集團並無任何重大的計息資產。本集團的收入及經營現金流量基本上不受市場利率變動所影響。管理層並不預期利率轉變會對計息資產產生重大影響,因預期銀行存款利率變動不大。

本集團面對的現金流量利率風險主要是來自本集團港元及人民幣借款的最優惠利率及香港銀行同業拆息之波動。

浮息借款使本集團面對現金流量利率風險。定息借款及應收融資租賃款項使本集團面對公平價值利率風險。有關本集團借款及應收融資租賃款項之詳情,已分別於附註28及21披露。

本集團並無訂立任何利率掉期以對沖所承擔之利率風險。為控制現金流量利率風險,本集團將在有盈餘資金的情況下償還相應借款。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

**(b) Financial risk factors (Continued)**

**(ii) Interest rate risk (Continued)**

The sensitivity analysis below have been determined based on the exposure to interest rates for the floating rate bank borrowings at the end of the reporting period. For floating rate bank borrowings, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

At 31 December 2020, if interest rates on HK\$-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately HK\$1,204,000 lower/higher (2019: post-tax profit for the year would have been HK\$1,340,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

At 31 December 2020, if interest rates on RMB-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax profit for the year would have been approximately HK\$379,000 lower/higher (2019: post-tax profit for the year would have been HK\$370,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The above changes in interest rates represent management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2019.

**39. 財務風險管理及金融工具之公  
平價值(續)**

**(b) 財務風險因素(續)**

**(ii) 利率風險(續)**

以下敏感度分析乃根據報告結算日浮息銀行借款之利率風險釐定。對於浮息銀行借款而言，此分析乃假設於報告結算日之未償還負債於整個年度均未償還而釐定。

於二零二零年十二月三十一日，如果港元借款利率提高／降低50點子而其他因素保持不變，則年度除稅後溢利將低／高約1,204,000港元(二零一九年：除稅後溢利低／高1,340,000港元)，主要是由於浮息借款的利息支出的增加／減少。

於二零二零年十二月三十一日，如果人民幣借款利率提高／降低50點子而其他因素保持不變，則年度除稅後溢利將低／高約379,000港元(二零一九年：除稅後溢利低／高370,000港元)，主要是由於浮息借款的利息支出的增加／減少。

以上敏感度分析之釐定乃假設利率變動於報告結算日發生，並已將該變動套用於當日就金融工具所產生之利率風險而釐定。以上之利率變動代表管理層對直至下一個周年報告結算日期間的潛在利率變動所進行的評估。二零一九年敏感度分析按照相同基準進行。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iii) Price risk

The Group is exposed to equity securities at fair value through other comprehensive income price risk in its financial assets. As the Group's policy is only to invest on such investments by its surplus funds, the exposure may not have significant impact on the Group's financial position. The Group is not exposed to commodity price risk.

(iv) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, finance lease receivable and cash and bank balances. The carrying amounts of trade and other receivables, finance lease receivable and cash and bank balances represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash and bank balances since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

The Group has large number of customers and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

39. 財務風險管理及金融工具之公  
平價值 (續)

(b) 財務風險因素 (續)

(iii) 價格風險

本集團面臨與以公平價值計入其他全面收益之金融資產權益證券有關之價格風險。由於本集團之政策為僅以其盈餘資金投資於有關投資，有關風險可能不會對本集團之財務狀況產生重大影響。本集團不會面對商品價格風險。

(iv) 信貸風險

本集團面臨與其貿易及其他應收款項，應收融資租賃款項及現金及銀行結餘有關之信貸風險。貿易及其他應收款項、應收融資租賃款項及現金及銀行結餘的賬面值乃本集團面臨的金融資產的最高信貸風險。

本集團預期並無與現金及銀行結餘相關的重大信貸風險，因為該等存款基本上存入國有銀行以及其他大中型上市銀行。管理層預期不會有該等對手方未履約所產生的任何重大虧損。

本集團有大量客戶，並無集中的信貸風險。本集團訂有監控程序，以確保採取跟進措施收回逾期債務。此外，於各報告期末，本集團檢討該等應收款項的可收回性，以確保就不可收回金額作出充分減值虧損。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

#### (b) Financial risk factors (Continued)

##### (iv) Credit risk (Continued)

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 each 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. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor/customer;
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the Group and changes in the operating results of the customer.

### 39. 財務風險管理及金融工具之公平價值(續)

#### (b) 財務風險因素(續)

##### (iv) 信貸風險(續)

本集團在資產的初始確認時考慮壞賬的可能性，也在每個報告期間持續評估信貸風險是否顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時點資產發生壞賬的可能性與初始確認時點發生壞賬的可能性進行比較，同時也考慮公開且合理可靠的前瞻信息。以下指標需要重點考慮：

- 內部信貸評級；
- 外部信貸評級；
- 預期導致客戶履行責任能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 債務人／客戶經營業績的實際或預期重大變動；
- 客戶預期表現及行為的重大變動，包括本集團內客戶的付款狀況變動及客戶經營業績的變動。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

**(b) Financial risk factors (Continued)**

**(iv) Credit risk (Continued)**

(a) Trade receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

The loss allowance for trade receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

**39. 財務風險管理及金融工具之公平價值 (續)**

**(b) 財務風險因素 (續)**

**(iv) 信貸風險 (續)**

(a) 貿易應收款項

本集團應用簡化的方法就香港財務報告準則第9號規定的預期信貸虧損計提撥備，該準則允許採用該方法於所有貿易應收款項存續期的預期虧損撥備。

貿易應收款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

		2020 二零二零		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總額 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
0 to 3 months	零至三個月	0.8%	591,611	(5,293)
4 to 6 months	四至六個月	0.8%	74,769	(613)
7 to 9 months	七至九個月	1.7%	42,196	(740)
10 to 12 months	十至十二個月	3.1%	13,193	(409)
1 to 2 years	一至二年	21.4%	23,699	(5,073)
2 to 3 years	二至三年	77.2%	18,253	(14,092)
Over 3 years	超過三年	95.6%	89,726	(85,811)
			<b>853,447</b>	<b>(112,031)</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND  
 FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(a) Trade receivables (Continued)

		2019 二零一九		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總額 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
0 to 3 months	零至三個月	0.8%	538,286	(3,934)
4 to 6 months	四至六個月	1.0%	116,311	(1,155)
7 to 9 months	七至九個月	1.5%	51,152	(739)
10 to 12 months	十至十二個月	3.4%	20,604	(699)
1 to 2 years	一至二年	10.8%	41,004	(4,426)
2 to 3 years	二至三年	68.7%	18,693	(12,841)
Over 3 years	超過三年	97.4%	81,926	(79,759)
			867,976	(103,553)

(b) Finance lease receivables  
 The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all finance lease receivables.

**39. 財務風險管理及金融工具之公  
 平價值 (續)**

(b) 財務風險因素 (續)

(iv) 信貸風險 (續)

(a) 貿易應收款項 (續)

(b) 應收融資租賃款項  
 本集團應用簡化的方法就香港財務報告準則第9號規定的預期信貸虧損計提撥備，該準則允許採用該方法於所有應收融資租賃款項存續期的預期虧損撥備。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(b) Finance lease receivables (Continued)

The loss allowance for finance lease receivables was determined as follows. The expected credit losses below also incorporated forward looking information.

		Not overdue 未逾期	Overdue 逾期	Total 合計
<b>2020</b>	<b>二零二零年</b>			
Expected loss rate	預期虧損率	2%	18.2%	
Gross carrying amount (HK\$'000)	賬面總額 (千港元)	122,967	97,164	220,131
Loss allowance (HK\$'000)	虧損撥備 (千港元)	(2,459)	(17,712)	(20,171)
		Not overdue 未逾期	Overdue 逾期	Total 合計
2019	二零一九年			
Expected loss rate	預期虧損率	3.3%	14.9%	
Gross carrying amount (HK\$'000)	賬面總額 (千港元)	72,908	84,707	157,615
Loss allowance (HK\$'000)	虧損撥備 (千港元)	(2,379)	(12,629)	(15,008)

(v) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

39. 財務風險管理及金融工具之公  
平價值 (續)

(b) 財務風險因素 (續)

(iv) 信貸風險 (續)

(b) 應收融資租賃款項 (續)

應收融資租賃款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

(v) 流動資金風險

本集團旗下個別營運中的實體，須各自負責現金管理，包括現金盈餘的短期投資和籌借貸款以應付預期中的現金需求，惟倘借款超逾當局預定的若干水平，則須經母公司董事會批准方可作實。本集團的政策是定期監控即期及預期中的流動資金需求，及其有否遵守借貸契諾，以確保旗下實體本身備有足夠的現金及向主要財務機構取得的足夠的承諾融資金額，藉以應付本身的長短期流動資金需求。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(b) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The tables below categorised the Group's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The tabulated amounts are the contractual undiscounted cash flow payments of the Group.

**39. 財務風險管理及金融工具之公平價值 (續)**

(b) 財務風險因素 (續)

(v) 流動資金風險 (續)

下表根據報告結算日至合約到期日之餘下期間，將本集團之金融負債按相關到期組別進行分類。列表中的金額乃本集團之合約非貼現現金流量。

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	After 5 years 5年後 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>					
Trade and other payables	貿易及其他應付款項	805,440	-	-	-	805,440
Lease liabilities	租賃負債	18,903	13,719	33,888	-	66,510
Bank borrowings	銀行借款	292,078	27,060	11,927	-	331,065
		<b>1,116,421</b>	<b>40,779</b>	<b>45,815</b>	<b>-</b>	<b>1,203,015</b>
<b>At 31 December 2019</b>	<b>於二零一九年 十二月三十一日</b>					
Trade and other payables	貿易及其他應付款項	698,213	-	-	-	698,213
Amount due to an associate	結欠一間聯營公司 款項	149	-	-	-	149
Lease liabilities	租賃負債	18,455	16,389	32,451	10,108	77,403
Bank borrowings	銀行借款	306,834	30,010	25,846	-	362,690
		<b>1,023,651</b>	<b>46,399</b>	<b>58,297</b>	<b>10,108</b>	<b>1,138,455</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement

(i) Financial assets measured at fair value  
through profit or loss

Fair value hierarchy

The following table presents the carrying value of the Group's financial instruments measured at fair value at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

39. 財務風險管理及金融工具之公  
平價值 (續)

(c) 公平價值計量

(i) 公平價值計入損益之金融資產

公平價值架構

下表呈列於報告結算日所按持續性基礎的公平價值計量之本集團的金融工具之賬面價值分類至香港財務報告準則第13號所界定之公平價值三層架構中。將公平價值計量分類之等級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定：

- 第一層次估值：僅使用第一層次輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平價值。
- 第二層次估值：使用第二層次輸入數據（即未能達到第一層次之可觀察輸入數據，且並未使用重大不可觀察輸入數據）計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。
- 第三層次估值：採用重大不可觀察數據計量之公平價值。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS**

(Continued)

(c) Fair value measurement (Continued)

(i) Financial assets measured at fair value through profit or loss (Continued)

Fair value hierarchy (Continued)

**39. 財務風險管理及金融工具之公平價值(續)**

(c) 公平價值計量(續)

(i) 公平價值計入損益之金融資產(續)

公平價值架構(續)

		Fair value measurement as at 31 December 2020 categorised into 於二零二零年十二月三十一日 公平價值計量作以下分類			
	Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	
Other financial assets					
– Unlisted equity investment	4,753	–	4,753	–	
– Unlisted unit trust funds	245	–	245	–	
其他金融資產					
– 非上市權益投資	4,753	–	4,753	–	
– 非上市單位 信託基金	245	–	245	–	

		Fair value measurement as at 31 December 2019 categorised into 於二零一九年十二月三十一日 公平價值計量作以下分類			
	Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元	
Other financial assets					
– Unlisted equity investment	4,465	–	4,465	–	
– Unlisted unit trust funds	222	–	222	–	
其他金融資產					
– 非上市權益投資	4,465	–	4,465	–	
– 非上市單位 信託基金	222	–	222	–	

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement (Continued)

(i) Financial assets measured at fair value  
through profit or loss (Continued)

Fair value hierarchy (Continued)

The fair values of unlisted unit trust funds, principal guaranteed and non-guaranteed investment funds in level 2 are based on net assets value of the investment funds at the end of the reporting period provided by the financial institution.

The fair value of unlisted equity investment in level 2 is based on fair value of initial subscription cost adjusted by market movements for the corresponding period from the date of subscription up to the end of the reporting period.

During the year ended 31 December 2019 and 2020, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Fair value of financial assets and liabilities  
carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2019 and 2020.

39. 財務風險管理及金融工具之公  
平價值 (續)

(c) 公平價值計量 (續)

(i) 公平價值計入損益之金融資  
產 (續)

公平價值架構 (續)

非上市單位信託基金、保本及非保本投資基金之公平價值在第二層次是基於金融機構提供在報告結算日當天投資基金的淨資產價值。

非上市權益投資之公平價值在第二層次是基於經認購日期至報告期末之相應期間的市場變動調整之初始認購成本之公平價值。

截至二零一九年十二月三十一日及二零二零年十二月三十一日止年度內，第一層次與第二層次之間並無轉撥或轉撥到第三層次或從第三層次轉出。當公平價值架構層之間有轉撥發生時，本集團會按照政策於報告結算日確認。

(ii) 金融資產及負債的公平價值  
與其賬面值

於二零一九年十二月三十一日及二零二零年十二月三十一日，本集團的金融工具之成本或攤銷成本賬面值與其公平價值並無重大分別。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

#### (d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the total debts ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings include current liabilities and non-current liabilities. Total capital includes total borrowings and total equity as shown in the consolidated statement of financial position.

### 39. 財務風險管理及金融工具之公平價值 (續)

#### (d) 資金風險管理

集團的資金管理政策，是保障集團按持續經營基準繼續營運之能力，以為股東帶來回報，同時兼顧其他持份者的利益，並維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，集團可能會調整支付予股東的股息金額、向股東發還資金、發行新股或出售資產以減低債務。

集團利用總負債比率監察其資本。此比率按照總借款除以資本總值計算。總借款包括非流動負債及流動負債。資本總值包括綜合財務狀況表內之總借款及權益總值。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

39. FINANCIAL RISK MANAGEMENT AND  
FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(d) Capital risk management (Continued)

The total debts ratios at 31 December 2020 and 2019 are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current liabilities	流動負債	1,227,609	1,085,189
Non-current liabilities	非流動負債	107,086	132,259
Total borrowings	借款總額	1,334,695	1,217,448
Total equity	權益總額	1,499,983	1,386,441
Total capital	資本總額	2,834,678	2,603,889
Total debts ratio	總負債比率	47%	47%

Certain entities of the Group are subject to loan covenants. There is no material non-compliance with those loan covenants.

39. 財務風險管理及金融工具之公  
平價值(續)

(d) 資金風險管理(續)

於二零二零年十二月三十一日及二零一九年十二月三十一日之總負債比率為：

集團某些實體須遵從貸款規定。無出現重大違返有關貸款規定的情況。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**40. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

During the year, the Group had significant transactions with the following related parties, together with balances with them as at the end of the reporting period, details of which are as follows:

**40. 與關聯方進行之交易及結餘**

本年度內，本集團與下列關聯方進行之重大交易，連同於報告結算日之結餘詳情如下：

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Company controlled by certain Directors' relatives:	由若干董事及其親屬控制之公司：			
Management fee paid (note i)	管理費支出 (附註i)		996	996
Non-controlling interests:	非控股權益：			
Balances due from the Group (note ii)	本集團結欠之結餘 (附註ii)	27	-	9,600
Rental income	租金收入		1,114	3,382
Service fee income	服務費收入		-	86
Consultancy fee paid	顧問費支出		397	978
Sales	銷售		307	6,112
Associates:	聯營公司：			
Balances due from the Group (note ii)	本集團結欠之結餘 (附註ii)		-	149
Balances due to the Group (note ii)	結欠本集團之結餘 (附註ii)	20	3,983	2,232
EDP charges paid	電腦系統維護服務支出		256	4,120
Purchases	購貨		-	120
Purchase of fixed assets	採購固定資產		-	354
Remuneration of key management personnel of the Group (note iii):	集團主要管理人員酬金 (附註iii)：			
Salaries and other short-term employee benefits	薪金及其他短期僱員福利		22,577	15,729

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

*For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度*

**40. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)**

Further details of Directors' and the chief executives' emoluments are included in note 10 to the consolidated financial statements.

*Notes:*

- (i) The prices of the transactions were determined by the Directors with reference to prices for similar transactions with unrelated third parties.
- (ii) The balances are unsecured, interest free and have no fixed terms of repayment.
- (iii) Key management personnel whose profiles are included in Directors and Senior Management's Biographies section of this report.
- (iv) Save as disclosed above, no other transactions, arrangements or contracts of significance to which the Company was a party, and in which a Director had a material interest, subsisted at the end of the year or at any time during the year.

Save as disclosed above, there were no other significant transactions with related parties during the year or significant balances with them at the end of the reporting period.

**40. 與關聯方進行之交易及結餘 (續)**

董事及行政總裁酬金的進一步詳情列在綜合財務報表附註10。

*附註：*

- (i) 該等交易的價格經董事參考與非關連第三方進行類似交易的價格後釐定。
- (ii) 該等結餘為無抵押、免息及無固定還款期。
- (iii) 集團主要管理人員已呈列在本報告之董事及高級管理人員履歷部份。
- (iv) 除上述披露外，於年末或年度內任何時間，本公司概無與董事擁有重大權益之交易、安排或訂立之其他重大合約。

除上述披露外，本年度與關聯方並無其他重大交易，或在報告結算日與彼等並無任何重大結餘。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**41. PARTICULARS OF PRINCIPAL SUBSIDIARIES**

Details of the Company's principal subsidiaries at 31 December 2020 are as follows:

**41. 主要附屬公司詳情**

於二零二零年十二月三十一日主要附屬公司詳情如下：

Name of subsidiary	Place of incorporation/ registration	Place of operation	Issued and fully paid share capital	Percentage of equity attributable to the Company	Principal activities
附屬公司名稱	成立/ 註冊地方	經營地方	已發行及 繳足股本	本公司 應佔股權 百分比	主要業務
Cosmos Machinery Limited 大同機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	Investment holding 投資控股
Cosmos Machinery International Limited 大同機械國際有限公司	Hong Kong 香港	Hong Kong 香港	HK\$32,000,000 32,000,000港元	100.00	Investment holding 投資控股
Cosmos Machinery (Dongguan) Trading Co., Ltd. <sup>(a)</sup> 大同機械(東莞)銷售有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	Trading of machinery 機械貿易
Cosmos Machinery (Wuxi) Trading Co., Ltd. <sup>(a)</sup> 大同機械(無錫)銷售有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	Trading of machinery 機械貿易
Dekuma Rubber and Plastic Technology (Dongguan) Limited <sup>(a)</sup> 德科摩橡塑科技(東莞)有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$24,000,000 24,000,000港元	100.00	Manufacturing and trading of machinery 機械製造及貿易
Donghua Machinery Ltd. <sup>(b)</sup> 東華機械有限公司 <sup>(b)</sup>	The PRC 中國	The PRC 中國	RMB146,199,955 146,199,955人民幣	75.56	Manufacturing and trading of machinery 機械製造及貿易
Gainbase Industrial Limited 邦基實業有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000 10,000港元	52.00	Trading of printed circuit boards 印刷線路板貿易
Grand Technology Products Limited 格蘭科技產品有限公司	Hong Kong 香港	Hong Kong 香港	HK\$9,500,000 9,500,000港元	100.00	Investment holding 投資控股
Jackson Equities Incorporated	British Virgin Islands 英屬維爾京群島	Hong Kong 香港	US\$2 2美元	100.00	Investment holding 投資控股
Karmay Industrial Limited 嘉美實業有限公司	Hong Kong 香港	Hong Kong 香港	HK\$55,000,000 55,000,000港元	100.00	Investment holding and trading of plastic products 投資控股及注塑製品貿易
Karmay Plastic Products (Zhuhai) Co., Ltd. <sup>(a)</sup> 嘉美塑料製品(珠海)有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$16,800,000 16,800,000港元	100.00	Processing of plastic products 注塑製品加工
Melco Industrial Supplies Company Limited 美高工業器材有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,500,000 1,500,000港元	100.00	Trading of industrial consumables 工業消耗品貿易

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**41. PARTICULARS OF PRINCIPAL SUBSIDIARIES**  
(Continued)

**41. 主要附屬公司詳情 (續)**

Name of subsidiary	Place of incorporation/ registration	Place of operation	Issued and fully paid share capital	Percentage of equity attributable to the Company	Principal activities
附屬公司名稱	成立/ 註冊地方	經營地方	已發行及 繳足股本	本公司 應佔股權 百分比	主要業務
Melco Industrial Supplies (Shanghai) Co., Ltd. <sup>*(a)</sup> 美高工業器材(上海)有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$600,000 600,000美元	100.00	Trading of industrial consumables 工業消耗品貿易
Guangzhou Melco Industrial Supplies Co., Ltd. <sup>(a)</sup> 廣州市美高工業器材有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$400,000 400,000美元	100.00	Trading of industrial consumables 工業消耗品貿易
Shenzhen Gainbase Printed Circuit Board Co., Ltd. <sup>*(a)</sup> 深圳邦基線路板有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$140,000,000 140,000,000港元	52.00	Processing of printed circuit boards 印刷線路板加工
Welltec Machinery Limited 華大機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	Trading of machinery 機械貿易
KFE Hong Kong Co., Limited 協榮二葉科技香港有限公司	Hong Kong 香港	Hong Kong 香港	US\$7,800,000 7,800,000美元	52.00	Trading of printed circuit boards 印刷線路板貿易
Wuxi Grand Tech Machinery Group Ltd. <sup>(a)</sup> 無錫格蘭機械集團有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$9,586,000 9,586,000美元	100.00	Manufacturing and trading of machinery 機械製造及貿易
Wuxi Grand Plastic Machine Manufacture Co., Ltd. <sup>(a)</sup> 無錫格蘭塑機製造有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$2,850,000 2,850,000美元	100.00	Investment holding 投資控股
Cosmos Grand Plastics Co., Ltd. <sup>(a)</sup> 合肥大同格蘭塑業有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	HK\$56,000,000 56,000,000港元	100.00	Processing of plastic products 注塑製品加工

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**41. PARTICULARS OF PRINCIPAL SUBSIDIARIES**  
**(Continued)**

Name of subsidiary	Place of incorporation/ registration	Place of operation	Issued and fully paid share capital	Percentage of equity attributable to the Company	Principal activities
附屬公司名稱	成立/ 註冊地方	經營地方	已發行及 繳足股本	本公司 應佔股權 百分比	主要業務
Cosmos Machinery Technology (Jiangsu) Co., Ltd. <sup>(a)</sup> 大同機械科技(江蘇)有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$25,000,000 25,000,000美元	100.00	Manufacturing and trading of machinery 機械製造及貿易
Dongguan Cosmos Plastic Products Co., Ltd. <sup>(a)</sup> 東莞大同塑料製品有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	RMB10,000,000 10,000,000人民幣	90.00	Manufacturing of plastic products 注塑製品製造

\* For identification propose only

Notes:

- (a) The companies are registered in the form of wholly-owned foreign investment enterprises.
- (b) The companies are registered in the form of sino-foreign cooperative enterprises.

The above table lists out the subsidiaries of the Group which, in the opinion of the Directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year. To give details of other subsidiaries would, result in particulars of excessive length.

None of the subsidiaries had any debt capital in issue at the end of the year or at any time during the year.

**41. 主要附屬公司詳情 (續)**

Name of subsidiary	Place of incorporation/ registration	Place of operation	Issued and fully paid share capital	Percentage of equity attributable to the Company	Principal activities
附屬公司名稱	成立/ 註冊地方	經營地方	已發行及 繳足股本	本公司 應佔股權 百分比	主要業務
Cosmos Machinery Technology (Jiangsu) Co., Ltd. <sup>(a)</sup> 大同機械科技(江蘇)有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	US\$25,000,000 25,000,000美元	100.00	Manufacturing and trading of machinery 機械製造及貿易
Dongguan Cosmos Plastic Products Co., Ltd. <sup>(a)</sup> 東莞大同塑料製品有限公司 <sup>(a)</sup>	The PRC 中國	The PRC 中國	RMB10,000,000 10,000,000人民幣	90.00	Manufacturing of plastic products 注塑製品製造

\* 僅供識別

附註：

- (a) 公司登記註冊成立為外商獨資企業。
- (b) 公司登記註冊成立為中外合資企業。

以上附屬公司乃基於董事認為其對本年度業績有重要性影響或於年末佔本集團資產淨值之重大部份而列表。並列其他附屬公司詳情會引致篇幅冗長。

於年末或本年度任何時間內，各附屬公司並無發行任何債務股本。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**41. PARTICULARS OF PRINCIPAL SUBSIDIARIES**  
(Continued)

The following table lists out the information relating to all subsidiaries of Major Success Company Limited, which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

**41. 主要附屬公司詳情 (續)**

下表列出了有關致騰有限公司所有子公司中具有重大的非控股權益(「非控股權益」)的資料。以下表述的概括財務資料均為未抵消任何公司間交易之金額。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
NCI percentage	非控股權益百分比	<b>48%</b>	48%
Current assets	流動資產	<b>399,296</b>	387,688
Non-current assets	非流動資產	<b>178,715</b>	192,946
Current liabilities	流動負債	<b>(198,486)</b>	(218,096)
Non-current liabilities	非流動負債	<b>(50,244)</b>	(49,452)
Equity	權益	<b>329,281</b>	313,086
Carrying amount of NCI	非控股權益賬面值	<b>158,185</b>	150,411
Revenue	收入	<b>690,443</b>	764,158
Profit for the year	本年度經營溢利	<b>8,447</b>	10,509
Total comprehensive income	全面收益總額	<b>16,195</b>	8,617
Profit allocated to NCI	分配至非控股權益之溢利	<b>4,055</b>	5,044
Cash generated from operating activities	經營活動產生之現金	<b>43,836</b>	49,170
Cash used in investing activities	投資活動使用之現金	<b>(9,986)</b>	(15,093)
Cash used in financing activities	融資活動使用之現金	<b>(26,647)</b>	(32,642)



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**42. DISPOSAL OF SUBSIDIARIES**

(a) On 19 July 2020, the Group entered into a sale and purchase agreement to dispose of its wholly-owned subsidiary, namely 太原格蘭機械有限公司 (Tai Yuan Grand Tech Machinery Co. Ltd.\*) at a cash consideration of RMB1,000,000 (equivalent to approximately HK\$1,103,000). Tai Yuan Grand Tech Machinery Co. Ltd. is principally engaged in manufacturing and trading of machinery. The disposal of Tai Yuan Grand Tech Machinery Co. Ltd. was completed on 31 July 2020. Net assets of Tai Yuan Grand Tech Machinery Co. Ltd. at the date of disposal were as follows:

**42. 出售附屬公司**

(a) 於二零二零年七月十九日本集團訂立買賣協議以出售其全資附屬公司太原格蘭機械有限公司之全部股權，現金代價為1,000,000人民幣(相當於約為1,103,000港元)。太原格蘭機械有限公司之主要業務為機械製造及貿易。於二零二零年七月三十一日完成出售太原格蘭機械有限公司。太原格蘭機械有限公司於出售日期之資產淨額如下：

		HK\$'000 千港元
Net assets disposed of:	已出售之資產淨額：	
Property, plant and equipment	物業、廠房及設備	1,312
Deferred tax assets	遞延稅項資產	387
Other receivables	其他應收款項	53
Cash and bank balances	現金及銀行結餘	108
Trade and other payables	貿易及其他應付款項	(571)
Deferred tax liabilities	遞延稅項負債	(387)
		902
Release of translation reserve upon disposal	出售時從滙兌儲備撥出	(1,786)
Gain on disposal of Tai Yuan Grand Tech Machinery Co. Ltd.	出售太原格蘭機械有限公司之收益	1,987
<b>Total consideration satisfied by cash</b>	<b>以現金償付之總代價</b>	<b>1,103</b>
An analysis of net inflow of cash and bank balances in respect of disposal of Tai Yuan Grand Tech Machinery Co. Ltd. is as follows:	有關出售太原格蘭機械有限公司之現金流入淨額分析如下：	
Cash consideration received	已收現金代價	1,103
Cash and bank balances disposed of	出售之現金及銀行結餘	(108)
<b>Net proceeds from disposal of Tai Yuan Grand Tech Machinery Co. Ltd.</b>	<b>出售太原格蘭機械有限公司所得之款項淨額</b>	<b>995</b>

\* For identification purposes

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**42. DISPOSAL OF SUBSIDIARIES (Continued)**

(b) On 17 August 2020, the Group entered into a sale and purchase agreement to dispose of its entire equity interest in Woatec Company Limited and its wholly-owned subsidiary 東莞華奇塑膠製品有限公司 (Dongguan Hua Qi Plastic Works Company Limited\*) (collectively referred as to the "Woatec") at a cash consideration of RMB2,950,000 (equivalent to approximately HK\$3,274,000). Woatec is principally engaged in manufacturing of plastic products. The disposal of Woatec was completed on 25 August 2020. Net assets of Woatec at the date of disposal were as follows:

**42. 出售附屬公司 (續)**

(b) 於二零二零年八月十七日本集團訂立買賣協議以出售於華奇塑膠製品有限公司及其全資附屬公司東莞華奇塑膠製品有限公司的全部股權(統稱為「華奇」)，現金代價為2,950,000人民幣(相當於約為3,274,000港元)。華奇之主要業務為生產塑料製品。於二零二零年八月二十五日完成出售華奇。華奇於出售日期之資產淨額如下：

		HK\$'000 千港元
Net assets disposed of:	已出售之資產淨額：	
Property, plant and equipment	物業、廠房及設備	4,752
Inventories	存貨	42
Cash and bank balance	現金及銀行結餘	79
Trade and other receivables	貿易及其他應收款項	496
Trade and other payables	貿易及其他應付款項	(725)
		4,644
Release of translation reserve upon disposal	出售時從滙兌儲備撥出	165
Non-controlling interest	非控股權益	1,683
Loss on disposal of Woatec	出售華奇之虧損	(3,218)
		3,274
Total consideration satisfied by cash 以現金償付之總代價		
An analysis of net inflow of cash and bank balances in respect of disposal of Woatec is as follows:		
有關出售華奇之現金流入淨額分析如下：		
Cash consideration received	已收現金代價	3,274
Cash and bank balances disposed of	出售之現金及銀行結餘	(79)
		3,195
Net proceeds from disposal of Woatec	出售華奇所得之款項淨額	

\* For identification purposes

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

**43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2020**

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, Insurance contracts, which are not yet effective for the year ended 31 December 2020 and which have not been early adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group:

**43. 截至二零二零年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響**

直至該等綜合財務報表刊發日期止，香港會計師公會已頒佈多項於截至二零二零年十二月三十一日止年度仍未生效且於該等綜合財務報表內並未提早採納之準則修訂及一項新訂準則—香港財務報告準則第17號，保險合約。該等或與本集團有關之發展包括以下各項：

		<b>Effective for accounting periods beginning on or after 於下列日期或其後 開始之會計期間生效</b>
Amendments to HKFRS 3 香港財務報告準則第3號之修訂	Reference to the Conceptual Framework 引用概念框架	1 January 2022 二零二二年一月一日
Amendments to HKAS 16 香港會計準則第16號之修訂	Property, Plant and Equipment—Proceeds before Intended Use 物業、廠房及設備—擬定用途前之所得款項	1 January 2022 二零二二年一月一日
Amendments to HKAS 37 香港會計準則第37號之修訂	Onerous Contracts—Cost of Fulfilling a Contract 虧損性合約—履行合約之成本	1 January 2022 二零二二年一月一日
Annual Improvements to HKFRSs 2018-2020 Cycle 香港財務報告準則之二零一八年至 二零二零年週期的年度改進	Amendments to HKFRS 1, HKFRS 9, HKFRS 16, HKAS 41 香港財務報告準則第1號、香港財務報告準則第9號、 香港財務報告準則第16號及香港會計準則第41號 (修訂本)	1 January 2022 二零二二年一月一日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估這些發展對首個應用期間的影響。到目前為止，已經得出結論，採用這些準則不太可能對綜合財務報表產生重大影響。

# FIVE YEAR FINANCIAL SUMMARY

## 五年財務摘要

### CONSOLIDATED INCOME STATEMENT

#### 綜合收益表

		For the year ended 31 December, 截至十二月三十一日止年度				
		2016	2017	2018	2019	2020
		二零一六年	二零一七年	二零一八年	二零一九年	二零二零年
		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
Revenue	收入	2,192,287	2,446,848	2,682,452	2,344,923	<b>2,432,021</b>
Profit/(loss) before tax	除稅前溢利／(虧損)	(279,260)	49,926	108,219	39,075	<b>35,423</b>
Taxation	稅項	(54,625)	(6,076)	(19,467)	(14,191)	<b>(9,545)</b>
Profit/(loss) for the year	本年溢利／(虧損)	(333,885)	43,850	88,752	24,884	<b>25,878</b>
Non-controlling interests	非控股權益	(30,725)	16,566	14,700	9,129	<b>6,300</b>
Profit/(loss) attributable to equity shareholders of the Company	本公司股權持有人應佔溢利／(虧損)	(303,160)	27,284	74,052	15,755	<b>19,578</b>

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

#### 綜合財務狀況表

		At 31 December, 於十二月三十一日				
		2016	2017	2018	2019	2020
		二零一六年	二零一七年	二零一八年	二零一九年	二零二零年
		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
Total assets	總資產	2,419,803	2,770,659	2,731,693	2,603,889	<b>2,834,678</b>
Total liabilities	總負債	(1,262,891)	(1,478,520)	(1,331,408)	(1,217,448)	<b>(1,334,695)</b>
Total equity	權益總計	1,156,912	1,292,139	1,400,285	1,386,441	<b>1,499,983</b>
Non-controlling interests	非控股權益	190,318	211,645	216,716	214,772	<b>231,357</b>

# GLOSSARY

## 詞彙

In this report, unless the context otherwise stated, the following terms shall have the following meanings set out below:

於本報告內，除文義另有所指外，下列詞彙具有以下涵義：

“Articles” 「章程細則」	the articles of association of the Company 本公司之組織章程細則
“Board” 「董事會」	the board of Directors of the Company 本公司董事會
“CG Code” 「《企業管治守則》」	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄十四所載之《企業管治守則》
“CMEL Code” 「大同企業守則」	Code for Securities Transactions by Directors and Relevant Employees of Cosmos Machinery Enterprises Limited, revised from time to time thereafter 大同機械企業有限公司董事及有關僱員進行證券交易守則（隨後不時修訂）
“Codo” 「高度」	Codo Development Limited, a company incorporated in Hong Kong with limited liability, a substantial Shareholder (as defined under the SFO) 高度發展有限公司，一間於香港註冊成立之有限公司，一名主要股東（根據《證券及期貨條例》定義）
“Companies Ordinance” 「《公司條例》」	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) 《公司條例》（香港法例第622章）
“Company” or “Cosmos Machinery” 「本公司」或「大同機械」	Cosmos Machinery Enterprises Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 118) 大同機械企業有限公司，一間於香港註冊成立之有限公司，其股份在聯交所主板上市（股份代號：118）
“Cosmos Holdings” 「大同控股」	Cosmos Machinery (Holdings) Limited, a company incorporated in Hong Kong with limited liability, a controlling Shareholder (as defined under the Listing Rules) 大同機械(控股)有限公司，於香港註冊成立之有限公司，一名控股股東（根據上市規則定義）
“Director(s)” 「董事」	the director(s) of the Company 本公司董事

“Group” 「本集團」	the Company and its subsidiaries 本公司及其附屬公司
“HKD” or “HK\$” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 港幣，香港法定貨幣
“Hong Kong” or “HKSAR” 「香港」或「香港特區」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hung Cheong” 「Hung Cheong」	Hung Cheong Realty Limited, a company incorporated in British Virgin Islands with limited liability, a wholly-owned subsidiary of Cosmos Holdings Hung Cheong Realty Limited，一間於英屬處女群島註冊成立之有限公司，大同控股之全資附屬公司
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“Mainland China” or “PRC” 「中國內地」或「中國」	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan 中華人民共和國（不包括香港、澳門及台灣）
“Model Code” 「標準守則」	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄十所載之上市公司董事進行證券交易的標準守則
“RMB” 「人民幣」	Renminbi, the lawful currency of PRC 人民幣，中國法定貨幣
“Saniwell” 「Saniwell」	Saniwell Holding Inc., a company incorporated in Cook Islands with limited liability Saniwell Holding Inc.，一間於庫克群島註冊成立之有限公司
“SFO” 「《證券及期貨條例》」	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 證券及期貨條例（香港法例第571章）
“Share(s)” 「股份」	Ordinary share(s) of the Company 本公司之普通股



## GLOSSARY (CONTINUED)

### 詞彙 (續)

“Shareholder(s)” 「股東」	the holder(s) of the Share(s) of the Company 本公司股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Tai Shing” 「Tai Shing」	Tai Shing Agencies Limited, a company incorporated in British Virgin Islands with limited liability, a substantial Shareholder (as defined under the SFO) Tai Shing Agencies Limited, 一間於英屬處女群島註冊成立之有限公司, 一名主要股東 (根據《證券及期貨條例》定義)
“US” or “United States” 「美國」	the United States of America 美利堅合眾國
“USD” or “US\$” 「美元」	United States dollars, the lawful currency of the United States of America 美元, 美國之法定貨幣
“YEN” 「日元」	Japanese Yen, the lawful currency of Japan 日元, 日本之法定貨幣
“%” 「%」	per cent 百分比

