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POWERING THE *e*WORLD

注動力 建未來



VISION
目標

1

To be a manufacturer of world-class standard in power electronics
世界級水準的工業電子產品生產商

2

To capture global demand in innovative products in the new smart economy
捕捉智慧經濟下對創新產品的需求

3

To be socially and environmentally responsible to all stakeholders
在社會及環境方面向持份者負責



MISSION
使命

P

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

O

Obligation to stakeholders
盡義務面對持份者

W

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

E

Excellence in operations
卓越的營運

R

Responsibility to develop our people
負責任培育人才

ABOUT THE GROUP 關於本集團

Founded in 1983, Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) is an electronics manufacturing services (“**EMS**”) provider specialising in the manufacturing and sales of customised industrial electronic components and products, with offices in Hong Kong, Republic of Ireland (“**Ireland**”) and Thailand, and production facilities in the People’s Republic of China (the “**PRC**”), Ireland and Thailand. The Group’s principal subsidiary, Trio Engineering Company Limited, is the first industrial electronics provider in Hong Kong to have obtained Industry 4.0 level 1i certification.

“Powering the eWorld” is the Group’s corporate vision. We provide customised engineering and contract manufacturing services for a broad range of industries. Addressing high complexity, we offer advanced solutions for new product introductions that meet dynamic business needs. Our product lines include: (i) electro-mechanical products; (ii) switch-mode power supplies; (iii) smart chargers; and (iv) smart vending systems. Our products are widely applied in various industrial and commercial areas, such as renewable energy facilities, telecommunications equipment, commercial freight equipment, medical and health care devices, leisure and entertainment products, security and access systems, etc..

於1983年創立，致豐工業電子集團有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）為專門製造及銷售定制工業電子零件及產品的電子製造服務（「**電子製造服務**」）供應商，辦事處位於香港、愛爾蘭共和國（「**愛爾蘭**」）及泰國，而生產設施設於中華人民共和國（「**中國**」）、愛爾蘭及泰國。本集團的主要附屬公司致豐工程有限公司為香港首間取得工業4.0 1i級證書的工業電子供應商。

「注動力、建未來」為本集團的企業目標。我們為各行各業提供定制工程及合約製造服務。為應對高度複雜的要求，我們提供先進的解決方案，提供符合多元化業務需求的新產品。我們的產品線包括：(i)機電產品；(ii)開關電源；(iii)智能充電器；及(iv)智能售賣系統。我們的產品廣泛應用於不同工業及商業範疇上，如可再生能源設施、電訊設備、商業貨運設備、醫療及保健器材、休閒及娛樂產品、保安及門禁系統等。

CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Lai Yiu Wah (*Chairman*)
Tai Leung Lam (*Chief Executive Officer*)
Joseph Mac Carthy

INDEPENDENT NON-EXECUTIVE DIRECTORS

Fung Chun Chung
Cheung Kin Wing
Wong Raymond Fook Lam

REGISTERED OFFICE

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

COMPANY WEBSITE

www.trio-ieg.com

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

RISK MANAGEMENT COMMITTEE

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

執行董事

黎耀華 (主席)
戴良林 (行政總裁)
Joseph Mac Carthy

獨立非執行董事

馮鎮中
張建榮
黃福霖

註冊辦事處

香港
九龍紅磡
民裕街51號
凱旋工商中心2期
5樓J室

公司網站

www.trio-ieg.com

審核委員會

張建榮 (主席)
馮鎮中
黃福霖

薪酬委員會

黃福霖 (主席)
黎耀華
馮鎮中
張建榮

提名委員會

馮鎮中 (主席)
黎耀華
黃福霖

風險管理委員會

黎耀華 (主席)
張建榮
馮鎮中
黃福霖

COMPANY SECRETARY

Wan Mei Wa Ruby (ACG, HKACG, CPA)

AUTHORISED REPRESENTATIVES

Lai Yiu Wah
Tai Leung Lam

AUDITOR

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

PRINCIPAL BANKERS

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

公司秘書

溫美華 (ACG, HKACG, CPA)

授權代表

黎耀華
戴良林

核數師

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

主要往來銀行

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

INFORMATION FOR OUR INVESTORS

投資者參考資料

Financial Calendar

Financial year end	31 December 2021
Announcement of annual results	24 March 2022
Annual report and sustainability report available online	21 April 2022
<ul style="list-style-type: none">Company website: http://www.trio-ieg.com (“Investor Relations” section)Hong Kong Stock Exchange website: www.hkexnews.hk	
Annual report dispatch date	22 April 2022
Annual general meeting	27 May 2022

Share Information

Stock Code	1710
Board Lot	4,000 shares
Market Capitalisation as at 31 December 2021	HK\$172 million

Share Registrar

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

財務日程表

財政年度結算日	二零二一年十二月三十一日
公佈全年業績	二零二二年三月二十四日
年度報告及可持續發展報告上載網站	二零二二年四月二十一日
<ul style="list-style-type: none">公司網站：http://www.trio-ieg.com（「投資者關係」一節）香港聯合交易所網站：www.hkexnews.hk	
年度報告寄發日期	二零二二年四月二十二日
股東週年大會	二零二二年五月二十七日

股份資料

股份代號	1710
每手買賣單位	4,000股
於二零二一年十二月三十一日的市值	172,000,000港元

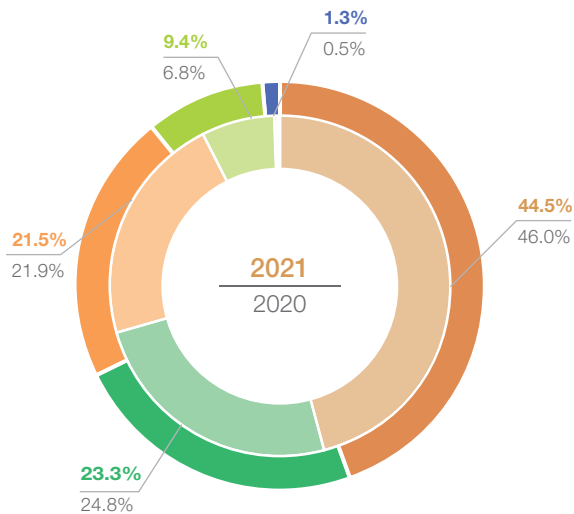
股份過戶登記處

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

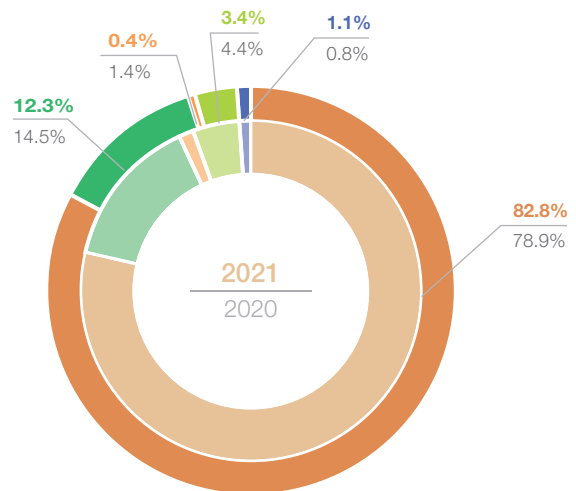
FINANCIAL HIGHLIGHTS 財務摘要

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	Change 變動
Revenue	收益	744,067	701,699	+6.0%
Gross profit	毛利	139,329	182,487	-23.6%
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(15,495)	37,695	-141.1%
(Loss)/profit for the year	年內(虧損)/溢利	(10,584)	28,881	-136.6%
(Loss)/earnings per share (in HK cents)	每股(虧損)/ 盈利(港仙)			
– Basic and diluted	– 基本及攤薄	(1.06)	2.89	-136.7%
Dividends per share (in HK cents)	每股股息(港仙)			
– Final	– 末期	–	1.20	
– Interim	– 中期	–	0.80	
		–	2.00	

**Sales by Product Category for the year ended
31 December 2021 and 2020**
截至二零二一年及二零二零年十二月三十一日止年度
以產品分類的銷售額



**Sales by Region for the year ended
31 December 2021 and 2020**
截至二零二一年及二零二零年十二月三十一日止年度
以地理位置分類的銷售額

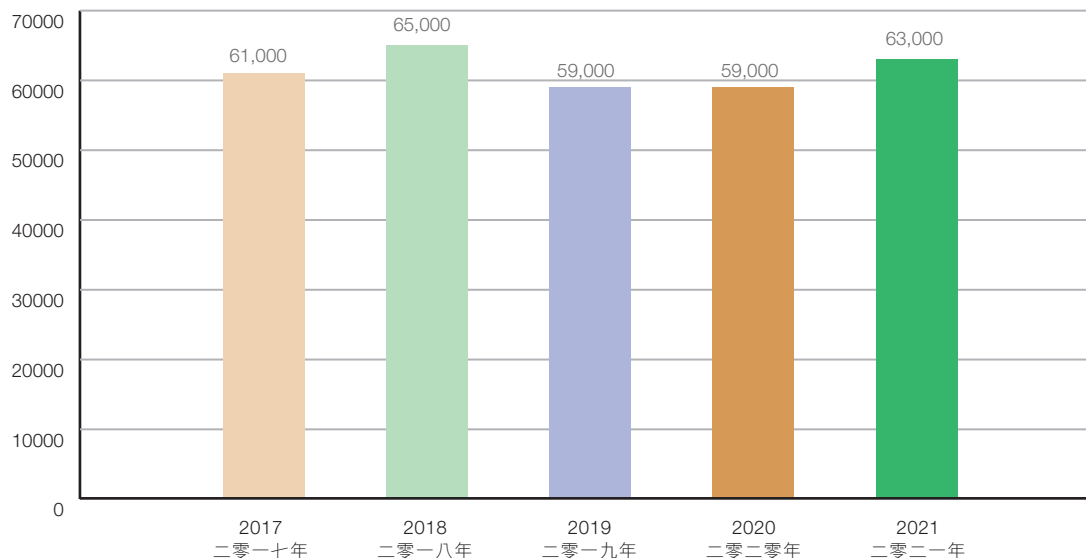


FINANCIAL HIGHLIGHTS

財務摘要

Sales per Capita⁽¹⁾ (US\$)

人均銷售額⁽¹⁾ (美元)



Note:

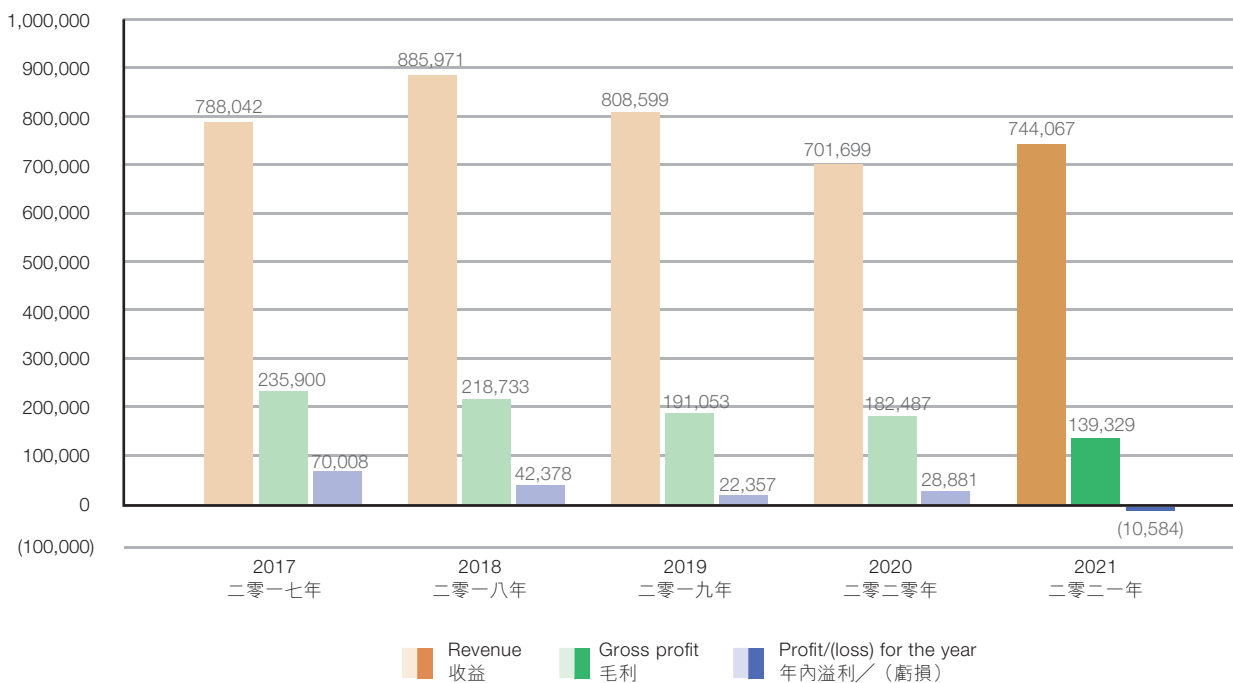
(1) "Sales per capita" represents average sales per person, which is calculated by dividing total sales for a particular period by the number of employees in the same period.

附註：

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

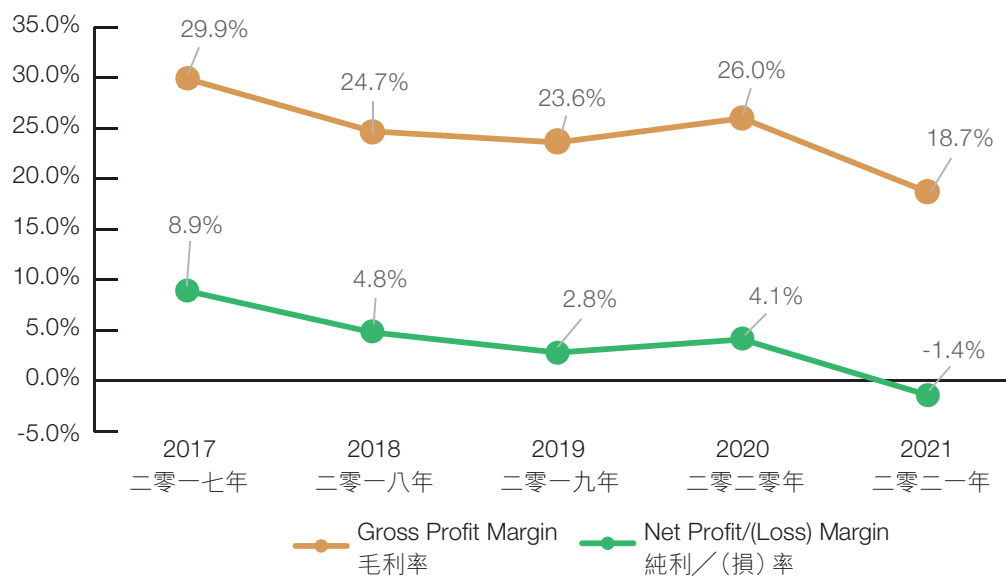
Sales, Gross Profit, and Profit/(Loss) for the Year (HK\$'000)

銷售額、毛利及年內溢利／(虧損) (千港元)



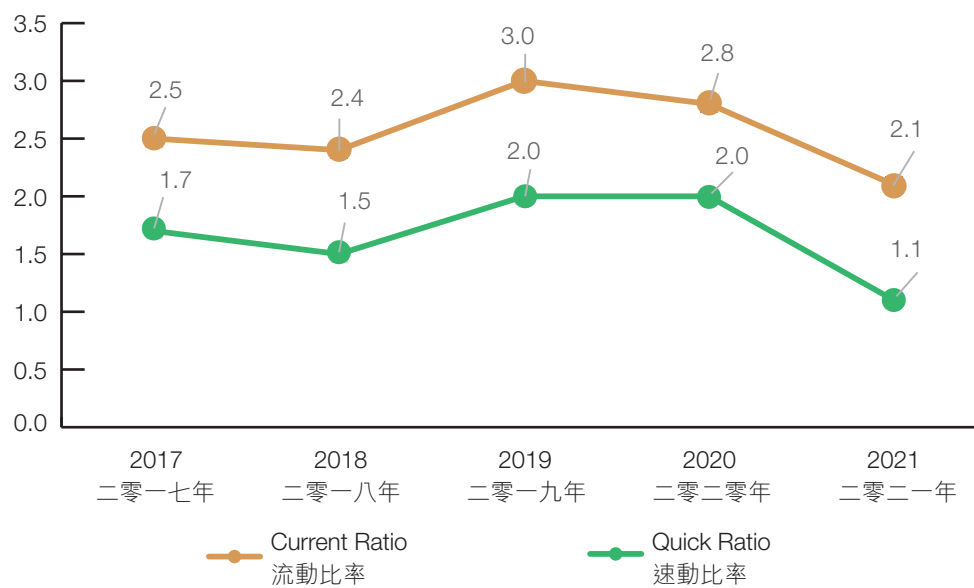
Gross Profit Margin and Net Profit/(Loss) Margin

毛利率及純利／(損)率



Current Ratio and Quick Ratio (Times)

流動比率及速動比率(倍)



CHAIRMAN'S STATEMENT 主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), I am pleased to present to you the annual report of the Group for the year ended 31 December 2021 (“**FY2021**”).

The operating result of the Group for FY2021 was not a satisfactory one among the past years' annual performance. The revenue for FY2021 had a minor growth of 6.0% over that of 2020, while the net result was a loss of HK\$10.6 million, comparing to a profit for the preceding year of HK\$28.9 million.

There were five major elements which had hard hit the Group's business materially and I would like to elaborate these elements in this statement.

1. SEVERE SUPPLY CHAIN DISRUPTION

The COVID-19 pandemic started somewhat around early 2020 and gradually the crisis has disrupted the global supply chains. The material shortages were not confined to a few items but were extended to most of our normal purchases. Though the backlog orders on hand had materially risen from January 2021 to December 2021, our actual production output was hardly completed sufficiently to meet the demands of most of our customers. This supply chain factor had contributed the most significant portion of the Group's failure to keep our top line performance in FY2021, thus the net operating result.

Definitely, the management had tackled the situation by many means which included placing of orders to suppliers much well in advance, stocking up of materials to safeguard production needs in succeeding months, putting up cash deposits or making earlier settlements to vendors to secure supplies and the most important action was to make spot-buys of key components after agreement with the customers concerned. The chaotic situation had some slight improvements in the forth quarter of FY2021 but the management is still conservative in this area in the ensuing year. The new Omicron variant is striking the world with another big round of infections which could continue to disrupt the recent mildly recovering global supply chains to resume to the normal level before the pandemic. There is no promising light in front of us but the management will keep on tapping new sources of supply while maintaining the best cooperating relationships with our vendors. Fortunately, our customers are well aware of the unsatisfactory supply problems and have given us their utmost tolerance in the product deliveries to them.

本人謹代表致豐工業電子集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）董事（「董事」）組成之董事會（「董事會」），欣然向閣下提呈本集團截至二零二一年十二月三十一日止年度（「二零二一財政年度」）之年度報告。

與往年的年度表現相比，本集團於二零二一財政年度的經營業績未如理想。儘管二零二一財政年度的收益較二零二零年輕微增長6.0%，但業績淨額錄得虧損10,600,000港元，而上一年度則錄得溢利28,900,000港元。

市場出現五大因素令本集團業務受到嚴重打擊，本人謹於本報告內闡述這些因素。

1. 供應鏈嚴重干擾

COVID-19疫情於二零二零年初前後爆發，疫情危機逐步令全球供應鏈中斷。物料短缺情況不只限於少數貨品，更蔓延至我們大部分的正常採購。儘管手頭未交付訂單於二零二一年一月至二零二一年十二月期間大幅增加，惟我們的實際產量難以完全滿足大多數客戶的需求。本集團受到這供應鏈因素的嚴重影響，以致未能於二零二一財政年度維持出色表現，繼而未能保持經營業績淨額水平。

當然，管理層已採取多項措施應對這情況，包括提前向供應商下達訂單、儲備物料以保障隨後數月的生產需求、支付現金訂金或提前向供應商結算以確保供應，而最重要的措施是在與有關客戶達成協議後就主要零件進行現貨購買。雖然這混亂的局面於二零二一財政年度第四季度略有改善，但管理層於來年在這方面仍持審慎態度。全球受到新型變種病毒Omicron引發的另一輪大規模感染的衝擊，可能會繼續阻礙近期正溫和復甦的全球供應鏈恢復至疫情前的正常水平。儘管前景黯淡，但管理層將繼續開拓新供應來源，同時與我們的供應商維持最為良好的合作關係。值得慶幸的是，我們的客戶深明供應不足的問題，因而在產品交付方面給予我們最長的寬限期。

2. SOARING MATERIAL COSTS

Consequent to the preceding element as said above, the material costs of our production had soared significantly during FY2021. There were certain arrangements with our major customers to seek compensation for material cost increases. However, the surging variances had to exceed a certain range, otherwise the Group had to shoulder the burden and absorb all the increased costs on our own account. You may appreciate the largest factor in reducing our gross profit margin for FY2021 in the "Management Discussion and Analysis Section" in the later part of this annual report.

3. ESCALATING FREIGHT AND TRANSPORTATION CHARGES

The disruption of global supply chains was partially due to the disordered transportation services all around the world because of the COVID-19 crisis. Governments of different countries and municipals have levied various stringent measures to combat any inbound striking of the COVID-19 virus. Thus, many transportation and freight services were inevitably torn into smaller scales and time schedules. Labour shortage was another result of the pandemic strike which had further hit the delivery industry widely. Under such situation, it was obvious that transportation and freight costs would nevertheless shoot up to certain unbelievable levels within a short period.

The pricing of exports to our customers in Europe and the United States was mostly under the incoterms of free on board. However, because of the insufficient availability of containers, our customers had not been able to secure sufficient shipping arrangements to take the possession of their ordered finished goods in the shortest possible time as in the past. This had resulted in slow shipments of finished goods, stocking up of such in our warehouse as well as inevitable delay in raising our invoices to our customers, thus elongating the credit and receivable days of our outputs. On the other hand, the costs of inbound raw materials were hit by similar reasons as said above. The Group's freight and transportation costs for FY2021 increased by 36.5% compared with that of 2020, even though the revenue levels for the two years only had a minor difference.

2. 材料成本飆升

受到上述不利因素所影響，我們用於生產的材料成本於二零二一財政年度大幅飆升。因此，我們與主要客戶訂立若干安排，旨在彌補材料成本的升幅。然而，當成本上升的幅度超過一定範圍時，本集團將需要承擔並自行支付所有增加的成本。閣下可細閱本年報下文「管理層討論及分析」一節，了解導致毛利率於二零二一財政年度下跌的最大因素。

3. 貨運及運輸費攀升

COVID-19危機導致世界各地的運輸服務陷入紊亂，這亦是導致全球供應鏈中斷的原因之一。不同國家及城市的政府均已採取各項嚴格措施，力求遏止COVID-19疫情於當地蔓延。因此，許多運輸及貨運公司均無可奈何地縮減服務規模及縮短服務時間。疫情肆虐亦造成勞工短缺，進一步對運輸業造成廣泛打擊。在這形勢下，運輸及貨運成本顯然將於短期內飆升至令人難以置信的水平。

我們向歐洲及美國客戶出口貨物的定價主要遵從有關船上交貨的國貿條規。然而，由於貨櫃供應不足，我們的客戶無法獲得足夠的運送安排，以致未能一如既往般在最短時間內收到其所訂的製成品。這導致製成品出貨減慢、相關的製成品在我們的倉庫囤積，以至難免延遲我們向客戶開出發票，因而延長出口貨物的信貸及應收款項回收天數。另一方面，進口原材料的成本亦受到上述類似原因所影響。儘管該兩個年度的收益水平僅有輕微差別，但二零二一財政年度本集團的貨運及運輸費較二零二零財政年度上升36.5%。

4. HIGHER DIRECT LABOUR COSTS

Because of the adverse factors as mentioned above, the production scheduling in our major factory in Panyu, Guangdong Province, the People's Republic of China (the "PRC") had faced severe disruptions due to the unstable supply of materials. Coupled with the electricity rationing in the Guangdong Province, the PRC which mainly happened during the second and third quarters of FY2021, the workforce and production plans had to be re-scheduled again and again which had resulted in longer overtime undertaken by the workforce. As a consequence, the direct labour costs for FY2021 had risen by 23.1% compared with that of 2020. The gross profit margin was shadowed by a similar percentage.

5. APPRECIATION OF RENMINBI ("RMB")

The exchange rates of RMB against USD and HKD had experienced a stronger position during FY2021. Since our Group's major production was conducted in the PRC, persisted appreciation of RMB drove up overall operating expenses and spending of the Group throughout the year.

LOOKING AHEAD

Going forward, the management shall stay focused on Growth, Efficiency and Technological Advancement. Though the COVID-19 pandemic had brought economic recession and many unprecedented disturbances to people, the economies of most regions had relatively gained improvements in 2021 comparing to those in 2020. Major stock, commodity and property markets had strong recoveries, benefited largely from the Quantitative Easing policies adopted by major economic power. However, year 2022 could be more difficult. The Omicron and possible new COVID-19 variants could have even wider impacts on the world, humans and their livings. The war in Ukraine has gravely added many more uncertainties and disruptions to the world's economies. Stronger level of adversities would be expected to further destruct the global supply chains. Top management of entities and institutions must be even more prudent and proactive in decision-making and action planning.

4. 直接勞工成本上升

由於上述的不利因素，材料供應不穩定導致我們位於中華人民共和國（「中國」）廣東省番禺的主要工廠的生產計劃嚴重受阻。加上中國廣東省主要在二零二一財政年度第二及第三季度實施限電措施，勞工及生產計劃需要不斷地重新安排，導致勞工加班時間延長。因此，二零二一財政年度的直接勞工成本較二零二零年上升23.1%。毛利率則按相若百分比減少。

5. 人民幣（「人民幣」）升值

人民幣兌美元及港元的匯率於二零二一財政年度處於強勢。由於本集團的主要生產過程於中國進行，人民幣持續升值導致本集團全年的整體營運開支及支出增加。

展望

前瞻未來，管理層將繼續致力推動增長、效率及技術提升。儘管COVID-19疫情導致經濟衰退並為人們帶來不少前所未有的紛擾，但二零二一年全球大多數地區的經濟狀況已較二零二零年有所改善。尤其在經濟大國均採取量化寬鬆政策之下，帶動主要股票、商品及物業市場強勁復甦。然而，二零二二年的情況或會變得嚴峻。Omicron以及可能出現的COVID-19新型變種病毒會對世界、人類及其生活造成更廣泛的影響。烏克蘭戰事為全球經濟大大增添更多不確定性及干擾。面對不利環境加劇的情況，預期全球供應鏈可能進一步受挫。企業及機構的最高管理層在進行決策及策劃行動時必須格外審慎和積極。

For our Group, it is certainly not easy to look forward to a very strong recovery of our profit performance in the near term. However, the bitter experiences in the past two years under the COVID-19 strike have critically strengthened the capabilities of our personnel to “bite any bullets” when something unexpectedly happens. On the positive side, the present backlog orders on hand are at a much higher level than that of January 2021 which have secured better revenue opportunities in the coming year.

Last but not the least, I must extend my great sincerity to our employees and fellow directors. We have struggled together through the prolonged darkness of COVID-19 to secure ourselves in a relatively stable and developing state. We possess hopes and capabilities to progress ahead to fulfill our Vision and Missions. We have determined our goals and will lead to recover the operating performance as soon as possible. And, we will continue to work with our stakeholders to ensure betterment for all. Environmental, social and governance is one of our priorities in managing the business and we will work for a balanced environment for the good of the people around us and for the world as a whole.

Lai Yiu Wah

Chairman and Executive Director

Hong Kong, 24 March 2022

就本集團而言，我們固然無法輕易展望溢利表現會在短期內強勁回升。儘管如此，在COVID-19的衝擊下，過去兩年的艱苦歷練砥礪了我們旗下眾人員，在面臨突發景況時更能展現「迎難而上」的能力。樂觀來說，現有的未交付訂單數量遠高於二零二一年一月時的水平，可見來年確保有機會取得最佳的收益。

最後，本人謹此向我們的僱員及各位董事致以最誠摯的謝忱。在COVID-19漫長黑暗的陰霾下我們齊心共度難關，奮力穩步前行，業務仍不斷得以發展。我們懷著希望與實力向前邁進，實現目標及使命。我們已訂立明確目標，並在可能情況下引領集團盡快恢復營運表現，同時亦將繼續與我們的持份者合作，確保一切回復向好。在業務管理方面，環境、社會及管治乃我們的首要任務之一，我們將致力促進環境平衡，造福身邊的人羣以至全世界。

黎耀華

主席兼執行董事

香港，二零二二年三月二十四日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Lai Yiu Wah (黎耀華), aged 66, is the Chairman and Executive Director, and is responsible for the corporate and strategic development of the Group. He is also the Chairman of the Risk Management Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Lai joined our Group since April 2015 and has been the Director of the Company since 15 April 2016. He is a director of all the subsidiaries of the Group. Mr. Lai has extensive experience in management consulting, finance, accountancy and taxation. He also has wide experience in businesses including manufacturing, catering, retailing and trading sectors.

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

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

執行董事

黎耀華先生，66歲，為主席兼執行董事，負責本集團的企業及策略發展。彼亦為風險管理委員會主席以及分別為薪酬委員會及提名委員會的成員。黎先生於二零一五年四月加入本集團，自二零一六年四月十五日起一直擔任本公司董事。彼為本集團所有附屬公司的董事。黎先生在管理諮詢、財務、會計及稅務方面擁有豐富經驗，彼於製造、餐飲、零售及貿易等業務方面亦擁有廣泛經驗。

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

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

Mr. Tai Leung Lam (戴良林), aged 74, is Chief Executive Officer, Executive Director and the Director of Manufacturing. Mr. Tai joined the Group since October 1985 and was appointed as a Director on 15 April 2016. He is responsible for the management, strategic planning and development of the manufacturing division. Mr. Tai was a director of Trio Engineering from October 1985 to July 1987, and has been serving in the same position from July 1990 until present. He is a director of all of the subsidiaries of the Group. Mr. Tai has over 45 years of experience in the electronics industry, and specializes in the establishment and management of production plants for electronics manufacturing.

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

Mr. Joseph Mac Carthy, aged 56, is the Executive Director of the Company and was appointed as Head of Sales and Technical in November 2020. He is managing the operations in Europe, covering sales and marketing all over the world. Mr. Mac Carthy joined the Group since March 1996 and was appointed as a Director on 15 April 2016. He joined the Group as a consultant in March 1996 and has been a director of Trio Engineering since October 2003. He is a director of certain subsidiaries of the Group. Before joining the Group, Mr. Mac Carthy worked in different companies engaging in related industries. Mr. Mac Carthy has been in the industry of design engineering for electronic and magnetic products for over 30 years.

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

戴良林先生，74歲，為行政總裁、執行董事及生產總監。戴先生自一九八五年十月起加入本集團，於二零一六年四月十五日獲委任為董事。彼負責製造部的管理、策略規劃及發展。戴先生於一九八五年十月至一九八七年七月擔任致豐工程之董事，並於一九九零年七月至今擔任相同職位。彼為本集團全體附屬公司董事。戴先生於電子行業有逾45年經驗，且專注於為電子產品製造商建立及管理生產廠房。

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

Joseph Mac Carthy先生，56歲，為本公司執行董事，並於二零二零年十一月獲委任為銷售及技術主管。彼管理歐洲業務的營運，範圍涵蓋世界各地的銷售及市場營銷。Mac Carthy先生自一九九六年三月起加入本集團，於二零一六年四月十五日獲委任為董事。Mac Carthy先生於一九九六年三月加入本集團擔任顧問，自二零零三年十月起為致豐工程的董事。彼為本集團部分附屬公司的董事。於加入本集團之前，Mac Carthy先生曾任職於相關行業的不同公司。Mac Carthy先生已從事電子及磁性產品的設計工程行業逾30年。

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fung Chun Chung (馮鎮中), aged 79, is an Independent Non-executive Director appointed on 10 February 2017, and is the Chairman of the Nomination Committee and a member of each of the Audit Committee, Remuneration Committee and Risk Management Committee. Mr. Fung has over 40 years of experience in the electronics industry.

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

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

獨立非執行董事

馮鎮中先生，79歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為提名委員會主席以及審核委員會、薪酬委員會及風險管理委員會的成員。馮先生於電子行業擁有逾40年經驗。

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

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

Mr. Cheung Kin Wing (張建榮), aged 67, is an Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Risk Management Committee. Mr. Cheung has substantial experience in information technology, financial accounting, auditing and management.

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

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

張建榮先生，67歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為審核委員會主席以及薪酬委員會及風險管理委員會的成員。張先生於資訊科技、財務會計、審計及管理方面擁有豐富經驗。

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

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

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

Mr. Wong Raymond Fook Lam (黃福霖), aged 67, is the Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Remuneration Committee and a member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee. Mr. Wong has over 30 years of experience in financial management, treasury, internal control and investment in the commercial field.

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

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

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

黃福霖先生, 67歲, 於二零一七年二月十日獲委任為獨立非執行董事, 亦為薪酬委員會主席以及審核委員會、提名委員會及風險管理委員會的成員。黃先生在商界的財務管理、庫務、內部控制及投資方面擁有逾30年經驗。

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

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

SENIOR MANAGEMENT

Mr. Lai Sek Piu (黎錫標), aged 62, is the Head of Manufacturing Division and Innovation Development Division and is responsible for the management and supervision of the Group's innovation and development. Mr. Lai is a director of certain subsidiaries of the Company. Starting from 1 January 2019, Mr. Lai has also been a Joint Managing Director of certain subsidiaries of the Company. On 21 January 2020, he was further appointed as the Managing Director of Trio-Tronics (Thailand) Limited to take charge of the operations and management of production facilities in Thailand. He has over 35 years of experience in the field of manufacturing and engineering.

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

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

Mr. Lo Ka Kei Jun (羅嘉祺), aged 43, is the Director of the Marketing Division and is responsible for the management and supervision of the Group's marketing. Mr. Lo is a director of certain subsidiaries of the Company. Starting from 1 January 2019, Mr. Lo has also been a Joint Managing Director of certain subsidiaries of the Company. He has 18 years of experience in international marketing and business development in the electronics industry.

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

高級管理層

黎錫標先生，62歲，為製造部及創新及發展部總監，負責本集團創新及發展的管理及監督。黎先生為本公司部分附屬公司的董事。自二零一九年一月一日起，黎先生亦為本公司若干附屬公司的聯席董事總經理。彼於二零二零年一月二十一日更獲委任為Trio-Tronics (Thailand) Limited董事總經理，負責營運及管理設於泰國的生產設施。彼於製造及工程領域有逾35年經驗。

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

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

羅嘉祺先生，43歲，為市場營銷部總監，負責本集團的市場營銷的管理及監督。羅先生為本公司部分附屬公司的董事。自二零一九年一月一日起，羅先生亦為本公司若干附屬公司的聯席董事總經理。羅先生於電子行業的國際市場營銷及業務發展方面有18年經驗。

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

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

Ms. Wan Mei Wa Ruby (溫美華), aged 38, is the Chief Financial Officer and Company Secretary. She is responsible for overall financial management and company secretarial matters of the Group.

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

Ms. Wan joined the Group as the Assistant Financial Controller in March 2015 and the Group Financial Controller since January 2018. She has also taken up the role of Company Secretary of the Company since 1 January 2019 and has been appointed as the Chief Financial Officer with effect from 1 March 2021.

Mr. Shahpour Javanmard Emamghissi, aged 65, is the Director of Project Development and is responsible for business development in the European market and supervision of the product designs. He has over 32 years of experience in the electronic engineering industry and specialises in manufacturing, quality control and business development management.

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

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

溫美華女士，38歲，為首席財務官兼公司秘書，負責本集團整體財務管理及公司秘書事宜。

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

溫女士於二零一五年三月加入本集團出任助理財務總監，並自二零一八年一月起擔任集團財務總監。彼亦自二零一九年一月一日起擔任本公司公司秘書，及於二零二一年三月一日已獲委任為首席財務官。

Shahpour Javanmard Emamghissi先生，65歲，為項目開發總監，負責歐洲市場業務開發及監督產品設計。彼於電子工程行業擁有超過32年經驗，專門從事製造、質量控制及業務發展管理。

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

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

Ms. Wu Mo Man (胡慕雯), aged 43, is the Director of the Marketing Division, responsible for the management and supervision of the Marketing Division.

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

She joined the Group in March 2006 as Marketing Executive and was promoted to Marketing Manager in 2009 until she left in June 2011. From June 2012 to April 2014, Ms. Wu worked in Fuji Xerox (H.K.) Limited as sales planning executive and assisted in pipeline, sales and marketing data analysis and presented the pre-sale & sales performance. In December 2014, she rejoined the Group as Marketing Manager and has been the director of the Marketing Division since January 2019. Ms. Wu has over 19 years of experience in the procurement and supply chain development in the electrical and mechanical industry, as well as sales planning and international marketing business development in the electronics industry.

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

胡慕雯女士，43歲，市場營銷部總監，負責市場營銷部的管理及監督。

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

彼於二零零六年三月加入本集團，擔任營銷主管，於二零零九年被擢升為營銷經理，直至二零一一年六月離職為止。自二零一二年六月至二零一四年四月，胡女士於富士施樂（香港）有限公司擔任銷售計劃總監，協助渠道、銷售及營銷數據分析以及提呈預售及銷售表現。於二零一四年十二月，彼重新加入本集團，擔任營銷經理，並自二零一九年一月起擔任市場營銷部總監。胡女士於機電行業採購及供應鏈發展以及電子行業銷售計劃及國際營銷業務發展方面有逾19年經驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

It has been over two years since the outbreak of coronavirus disease 2019 (“**COVID-19**”) began, which wreaked tremendous havoc on lives, livelihoods, and the global economy. With the availability of COVID-19 vaccines for widespread injection, economic activities are on the path towards global recovery. While the COVID-19 pandemic remains lingering, the Group recorded a 6.0% increase in revenue to HK\$744.1 million for the year ended 31 December 2021, thanks to the continued increase in customer demands and temporary alleviation of certain material supplies. Notwithstanding the foregoing, soaring material costs and escalating freight and transportation charges have put huge pressures on the Group’s profitability. Gross profit margin for the year ended 31 December 2021 was 18.7%, reduced by 7.3 percentage points compared with that of 2020. The increase in labour costs and appreciation of Renminbi (“**RMB**”) added another vast layer of adversity to an already gravely challenging environment and resulted in the Group to have a loss of HK\$10.6 million for the year ended 31 December 2021, as opposed to a profit of HK\$28.9 million for the same period of 2020.

The Group has mobilised a number of measures, including but not limited to the stock-up of certain critical components, diversification of material sourcing, use of alternative materials, early shipment booking, etc. to secure its production and order fulfilment. The COVID-19 crisis and US-China trade tensions have highlighted the importance of supply chain diversification. The production facilities in Ireland and Thailand provide the Group with a high degree of flexibility to serve customers worldwide and diversify the risk of supply chain disruption whilst the production efficiencies of these facilities have yet to attain the optimum level due to COVID-19 disruptions.

The Group’s order backlog stays strong which has reflected growing demands accelerated by digital transformation and automation. The Group had successfully bid the leasing of two factory buildings alongside the existing production base in the People’s Republic of China (the “**PRC**”) during the reporting period. It is expected that the factory buildings will come into operations in the year ahead, which will enhance the Group’s production capacities to accommodate large volume of production on high-value and heavy-duty product series once the global economy is back on track from the pandemic.

業務回顧

自2019年冠狀病毒病（「**COVID-19**」）疫情爆發以來已超過兩年，疫情對生活、民生及全球經濟均造成嚴重破壞。隨著COVID-19疫苗的面世及大規模接種，全球經濟活動現正邁向復甦。儘管COVID-19疫情持續反覆，但全賴客戶需求持續上升及若干材料的供應短暫緩和，本集團於截至二零二一年十二月三十一日止年度的收益增加6.0%至744,100,000港元。儘管如此，材料成本飆升以及貨運及運輸費攀升令本集團的盈利能力嚴重受壓。截至二零二一年十二月三十一日止年度的毛利率為18.7%，較二零二零年減少7.3個百分點。勞工成本增加及人民幣（「**人民幣**」）升值使原已極具挑戰的環境更趨困難，導致本集團截至二零二一年十二月三十一日止年度錄得虧損10,600,000港元，而二零二零年同期則為溢利28,900,000港元。

本集團已採取多項措施，包括但不限於儲備部分重要零件、分散材料採購、使用替代材料及提早預約船運等，以保障生產並履行訂單。COVID-19危機及中美貿易摩擦突顯了多元化供應鏈的重要性。於愛爾蘭及泰國的生產設施令本集團可更靈活地服務全球客戶，並分散供應鏈中斷的風險，而該等設施的生產效率因COVID-19疫情中斷而尚未達到最佳水平。

本集團的未交付訂單保持穩健增長，反映數碼轉型及自動化促進需求增長。於報告期內，本集團已成功投標租賃兩座位於中華人民共和國（「**中國**」）現有生產基地旁的廠房。廠房預期於未來一年投入營運，該廠房將提高本集團的產能，以適應全球經濟從疫情復甦之時進行高價值及重型產品系列的大量生產。

FINANCIAL REVIEW

Revenue

The following table summarises the amount of revenue generated and as a percentage of total revenue from each product category for the year ended 31 December 2021 (“FY2021”) and 2020 (“FY2020”), respectively:

		FY2021		FY2020	
		二零二一年財政年度		二零二零年財政年度	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Electro-mechanical products	機電產品	331,461	44.5	323,166	46.0
Smart chargers	智能充電器	173,075	23.3	173,965	24.8
Switch-mode power supplies	開關電源	159,674	21.5	153,430	21.9
Smart vending systems	智能售賣系統	70,191	9.4	47,478	6.8
Others ⁽¹⁾	其他 ⁽¹⁾	9,666	1.3	3,660	0.5
Total	總計	744,067	100.0	701,699	100.0

Note:

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

The Group recorded a 6.0% increase in revenue to HK\$744.1 million for FY2021 from HK\$701.7 million for FY2020. Revenue from electro-mechanical products was HK\$331.5 million for FY2021, representing a rise of 2.6% compared with that of 2020. Such increase in revenue mainly resulted from continued increase in customer demands on security and access control systems and water filtration products. Revenue from smart vending systems for FY2021 went up by HK\$22.7 million compared with that of 2020 following the temporary alleviation of supply chain challenges brought by COVID-19. The Group’s revenue growth, however, has been adversely affected by severe disruption of global supply chains and prolonged material shortage, affecting its ability to meet customers’ demands.

財務回顧

收益

下表概述各產品分類分別於截至二零二一年（「二零二一年財政年度」）及二零二零年（「二零二零年財政年度」）十二月三十一日止年度所產生收益金額及佔總收益百分比：

		FY2021		FY2020	
		二零二一年財政年度		二零二零年財政年度	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Electro-mechanical products	機電產品	331,461	44.5	323,166	46.0
Smart chargers	智能充電器	173,075	23.3	173,965	24.8
Switch-mode power supplies	開關電源	159,674	21.5	153,430	21.9
Smart vending systems	智能售賣系統	70,191	9.4	47,478	6.8
Others ⁽¹⁾	其他 ⁽¹⁾	9,666	1.3	3,660	0.5
Total	總計	744,067	100.0	701,699	100.0

附註：

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

本集團於二零二一年財政年度錄得收益由二零二零年財政年度的701,700,000港元增加6.0%至744,100,000港元。於二零二一年財政年度來自機電產品的收益為331,500,000港元，較二零二零年上升2.6%。該等收益增長主要是由於客戶對保安及門禁系統以及濾水產品的需求持續上升所致。隨著COVID-19對供應鏈帶來的挑戰暫時減少，智能售賣系統於二零二一年財政年度的收益較二零二零年增加22,700,000港元。然而，本集團的收益增長受到全球供應鏈嚴重受阻及材料持續短缺的不利影響，繼而影響其滿足客戶需求的能力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The table below summarises the geographical revenue segment based on location of customers for FY2021 and FY2020, respectively:

下表分別概述於二零二一年財政年度及二零二零年財政年度按客戶位置分類的地理收益分部：

		FY2021 二零二一年財政年度		FY2020 二零二零年財政年度	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Europe ⁽¹⁾	歐洲 ⁽¹⁾	616,288	82.8	553,381	78.9
North America ⁽²⁾	北美 ⁽²⁾	91,698	12.3	101,590	14.5
The PRC (including Hong Kong)	中國(包括香港)	25,246	3.4	30,796	4.4
South-east Asia ⁽³⁾	東南亞 ⁽³⁾	3,074	0.4	9,763	1.4
Others ⁽⁴⁾	其他 ⁽⁴⁾	7,761	1.1	6,169	0.8
Total	總計	744,067	100.0	701,699	100.0

Notes:

- (1) Europe includes Austria, Bulgaria, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Norway, Poland, Portugal, Serbia, Slovakia, Spain, Sweden, Switzerland, the Netherlands, and the UK.
- (2) North America includes the US.
- (3) South-east Asia includes Malaysia and Singapore.
- (4) Others include Australia, Israel, Japan and Taiwan.

附註：

- (1) 歐洲包括奧地利、保加利亞、丹麥、愛沙尼亞、芬蘭、法國、德國、希臘、匈牙利、愛爾蘭、意大利、盧森堡、挪威、波蘭、葡萄牙、塞爾維亞、斯洛伐克、西班牙、瑞典、瑞士、荷蘭及英國。
- (2) 北美地區包括美國。
- (3) 東南亞包括馬來西亞及新加坡。
- (4) 其他包括澳洲、以色列、日本及台灣。

Europe and North America continued to be the major markets of the Group which in aggregate accounted for 95.1% and 93.4% of total revenue for FY2021 and FY2020, respectively. Revenue from European market for FY2021 went up by 11.4% compared with that of 2020 mainly due to growing sales from smart chargers and smart vending systems following the temporary alleviation of certain material supplies. Revenue from North American and Chinese markets for FY2021, however, reduced by 9.7% and 18.0%, respectively. The decrease mostly resulted from unstable supply of materials with fluctuated prices which distorted the Group's production and product delivery.

歐洲及北美繼續作為本集團的主要市場，於二零二一年財政年度及二零二零年財政年度分別合共佔總收益的95.1%及93.4%。二零二一年財政年度來自歐洲市場的收益較二零二零年增加11.4%，主要由於若干材料的供應短暫緩和後，智能充電器及智能售賣系統的銷售日益增長所致。然而，於二零二一年財政年度來自北美及中國市場的收益分別減少9.7%及18.0%。該減幅主要由於材料供應不穩定及價格波動導致本集團生產及產品交付受到衝擊所致。

Cost of sales

The Group's cost of sales mainly comprised direct materials, direct labour costs, and manufacturing overheads. Cost of sales for FY2021 went up by 16.5% to HK\$604.7 million from HK\$519.2 million for FY2020. The upsurge in cost of sales is a combination of: (i) soaring material costs arising from prolonged material shortage worldwide; (ii) higher labour costs as a result of the re-arrangement of production activities following the electricity rationing in Guangdong province, the PRC and unstable supply of materials; (iii) increased carriage inwards and delivery lead time derived from container shortages and COVID-19 control measures taken by the governments around the world; and (iv) the inclusion of operating costs from the production facility in Thailand during the reporting period.

Gross profit and gross profit margin

The Group's gross profit was HK\$139.3 million for FY2021, representing a decrease of 23.7% compared with that of 2020. Gross profit margin diminished by 7.3 percentage points to 18.7% for FY2021 from 26.0% for FY2020 as the adverse impacts on cost of sales were greater than the growing revenue.

Other income, net

Other income, net was HK\$3.2 million for FY2021, dropped by 8.0% compared with that of 2020. Such change primarily attributed to: (i) the reduction in government grants by HK\$2.7 million from COVID-19 relief measures; and (ii) the net fair value loss of HK\$0.5 million from financial assets at fair value through profit or loss. The decrease in other income, net, however, was partly offset by reduced loss on foreign exchange by HK\$1.5 million and increased scrap material sales income by HK\$1.2 million during the reporting period.

Selling and distribution expenses

Included in selling and distribution expenses were primarily: (i) freight, insurance, and transportation charges, (ii) custom duties and declaration charges, (iii) sales commission, and (iv) marketing and promotion expenses. There was a 23.2% increase in selling and distribution expenses to HK\$16.1 million for FY2021 from HK\$13.1 million for FY2020. The disruption of global supply chains distorted the material lead time and product shipment, pushing up the Group's freight and transportation charges during the reporting period.

銷售成本

本集團的銷售成本主要包括直接物料費、直接勞工成本及製造成本。於二零二一年財政年度的銷售成本為604,700,000港元，較二零二零年財政年度的519,200,000港元增加16.5%。銷售成本上升乃由於下列各項的綜合影響所致：(i)全球材料持續短缺導致材料成本上升；(ii)中國廣東省實施的限電及材料供應不穩定導致生產活動安排的調整，因而產生較高的勞工成本；(iii)貨櫃短缺及全球各地政府採取的COVID-19管控措施引致進貨及交貨時間增加；及(iv)於報告期內計入泰國生產設施的運作成本。

毛利及毛利率

本集團於二零二一年財政年度的毛利為139,300,000港元，較二零二零年減少23.7%。毛利率由二零二零年財政年度的26.0%減少7.3個百分點至二零二一年財政年度的18.7%，此乃由於對銷售成本的不利影響超過收益增長所致。

其他收入淨額

於二零二一年財政年度的其他收入淨額為3,200,000港元，較二零二零年財政年度減少8.0%。有關變動乃主要由於：(i)因COVID-19寬減措施獲得的政府補助減少2,700,000港元；及(ii)按公平值計入損益賬的金融資產產生公平值虧損淨額500,000港元。然而，其他收入淨額的減少已部分被於報告期內的外匯虧損減少1,500,000港元及報廢物料銷售收入增加1,200,000港元所抵銷。

銷售及分銷費用

銷售及分銷費用主要包括：(i)貨運、保險及運輸費、(ii)海關關稅及報關費、(iii)銷售佣金及(iv)市場推廣及宣傳開支。銷售及分銷費用由二零二零年財政年度的13,100,000港元增加23.2%至二零二一年財政年度的16,100,000港元。全球供應鏈中斷影響材料交貨時間及產品出貨，因而提高本集團於報告期內的貨運及運輸費。

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Administrative expenses

Administrative expenses grew by 6.7% from HK\$121.9 million for FY2020 to HK\$130.1 million for FY2021. Such increase in administrative expenses was mainly due to: (i) the appreciation of RMB against other currencies drove up overall operating expenses; (ii) the rise in staff salaries and allowances arising from annual pay increment and additional allowances paid to the Group's staff in Hong Kong and the PRC in support of operations in Thailand; and (iii) the absorption of running expenses from the production facility in Thailand.

Other operating expenses, net

Other operating expenses, net went down by 27.1% from HK\$6.7 million for FY2020 to HK\$4.9 million for FY2021 mainly due to the gain on derivative financial instruments of HK\$0.8 million and the absence of provision for impairment loss on trade receivables during the reporting period. The decrease in other operating expenses, net, however, was partially offset by the rise in impairment loss and write-off of obsolete inventories.

Finance expenses, net

Finance expenses, net rose by 6.1% from HK\$6.5 million for FY2020 to HK\$6.8 million for FY2021. A general increase in bank charges and reduction in bank interest incomes contributed to the growth in finance expenses, net during the reporting period.

Income tax (credit)/expense

There was an income tax credit of HK\$4.9 million for FY2021 primarily due to the reversal of overprovision of income tax expenses in the prior years, and the recognition of deferred tax credits arising from tax losses during the reporting period.

(Loss)/profit for the year

The Group reported a loss of HK\$10.6 million for FY2021, as opposed to a profit of HK\$28.9 million for FY2020. The loss for the year reflected the combined impacts of (i) escalating material costs due to prolonged shortage of components worldwide; (ii) soaring freight and transportation charges derived from severe disruption of global supply chains; (iii) growing direct labour costs and staff salaries and allowances due to the multiple waves of COVID-19 and additional allowances paid to the Group's staff in Hong Kong and the PRC to support the operations in Thailand; (iv) overall increase in operating expenses driven by the appreciation of RMB; and (v) the inclusion of running costs from the production facility in Thailand.

行政開支

行政開支由二零二零年財政年度的121,900,000港元增加6.7%至二零二一年財政年度的130,100,000港元。有關行政開支增加主要由於：(i)人民幣兌其他外幣升值導致整體營運開支增加；(ii)因年度薪酬上調及就支援泰國業務向本集團於香港及中國的員工支付額外津貼而導致員工薪金及津貼上升；及(iii)承擔泰國生產設施的運作開支所致。

其他經營開支淨額

其他經營開支淨額由二零二零年財政年度的6,700,000港元減少27.1%至二零二一年財政年度的4,900,000港元，乃主要由於報告期內衍生金融工具收益800,000港元及並無產生貿易應收款項減值虧損撥備所致。然而，其他經營開支淨額的減少已部分被陳舊存貨減值虧損及撇銷增加所抵銷。

財務開支淨額

財務開支淨額由二零二零年財政年度的6,500,000港元增加6.1%至二零二一年財政年度的6,800,000港元。於報告期內，銀行收費整體增加及銀行利息收入減少導致財務開支淨額增加。

所得稅(抵免)/開支

於二零二一年財政年度的所得稅抵免為4,900,000港元，主要由於過往年度的所得稅開支超額撥備撥回及於報告期內確認來自稅項虧損的遞延稅項抵免所致。

年內(虧損)/溢利

本集團於二零二一年財政年度呈報虧損10,600,000港元，而二零二零年財政年度則為溢利28,900,000港元。年內虧損反映以下各項的綜合影響：(i)全球零件持續短缺以致材料成本上升；(ii)全球供應鏈嚴重受阻導致貨運及運輸費飆升；(iii)爆發數波的COVID-19疫情及為支持泰國業務而向本集團於香港及中國的員工支付額外津貼導致直接勞工成本以及員工薪金及津貼上升；(iv)人民幣升值導致營運開支整體增加；及(v)計及泰國生產設施的運作成本。

LIQUIDITY AND FINANCIAL RESOURCES

During FY2021, the Group's operation and capital requirements were financed principally through a combination of cash flows generated from the operating activities, proceeds from the listing of the Company on the Main Board of the Stock Exchange on 23 November 2017 (the "Listing") and bank borrowings. As at 31 December 2021, the Group had net current assets of HK\$265.4 million (2020: HK\$292.3 million), including cash and bank balances (including restricted bank deposits) of HK\$68.9 million (2020: HK\$105.4 million). The cash and bank balances (including restricted bank deposits) are mainly denominated in HK\$, United States Dollars ("US\$"), RMB, Euros ("EUR") and Thai Baht ("THB"). The Group's current ratio (as calculated by current assets divided by current liabilities) decreased from 2.8 times as at 31 December 2020 to 2.1 times as at 31 December 2021. Gearing ratio is calculated by net debt divided by total capital as at the end of reporting period. Net debt is calculated as total borrowings less cash and bank balances, while total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable. As at 31 December 2021, the gearing ratio was not applicable ("N/A") to the Group (2020: N/A) as the Group had sufficient working capital level from the net proceeds received from the Listing.

FINANCIAL RISK MANAGEMENT

The Group's activities are exposed to a variety of financial risks: (i) market risk (including foreign exchange risk, cash flow and fair value interest rate risk), (ii) credit risk; and (iii) liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Foreign exchange risk

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

流動資金及財務資源

於二零二一年財政年度，本集團主要透過經營活動所得現金流、本公司於二零一七年十一月二十三日於聯交所主板上市（「上市」）所得款項及銀行借款撥付營運及資金需要。於二零二一年十二月三十一日，本集團的流動資產淨額為265,400,000港元（二零二零年：292,300,000港元），包括現金及銀行結餘（包括受限制銀行存款）約68,900,000港元（二零二零年：105,400,000港元）。現金及銀行結餘（包括受限制銀行存款）主要乃以港元、美元（「美元」）、人民幣、歐元（「歐元」）及泰銖（「泰銖」）計值。本集團的流動比率（按流動資產除以流動負債計算）由於二零二零年十二月三十一日的2.8倍下降至於二零二一年十二月三十一日的2.1倍。資產負債比率乃根據報告期末的債項淨額除以總資本計算得出。債項淨額乃根據借款總額減現金及銀行結餘計算，而總資本則以綜合財務狀況表內所示的「權益」加上債項淨額（如適用）計算。於二零二一年十二月三十一日，資產負債比率並不適用（「不適用」）於本集團（二零二零年：不適用），乃因本集團上市後獲得所得款項導致營運資金充裕所致。

財務風險管理

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

外匯風險

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

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The management of the Company has set up a policy to require the Group to manage their foreign exchange risk against its functional currencies. It manages its foreign currency risk by closely monitoring the movements of foreign currency rates and will consider to enter into forward foreign exchange contracts to reduce the exposure should the need arise.

During the year ended 31 December 2021, the Group had entered into certain forward foreign exchange contracts with a bank and a gain on derivative financial instruments of HK\$0.8 million (2020: nil) was recognised at the consolidated statement of comprehensive income. All forward foreign exchange contracts had expired as at 31 December 2021.

As at 31 December 2021, no new forward foreign exchange contracts had been entered into by the Group (2020: nil).

Cash flow and fair value interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group does not adopt any interest hedging strategy.

During FY2021 and FY2020, all bank borrowings of the Group were arranged at floating rates varied with the then prevailing market condition.

As at 31 December 2021, the Group has bank borrowings of HK\$10.4 million (2020: HK\$8.8 million), which are primarily denominated in HK\$ and US\$.

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

於截至二零二一年十二月三十一日止年度內，本集團與一間銀行訂立若干遠期外匯合約並於綜合全面收益表內確認衍生金融工具收益800,000港元（二零二零年：無）。所有遠期外匯合約均已於二零二一年十二月三十一日到期。

於二零二一年十二月三十一日，本集團並無訂立任何新的遠期外匯合約（二零二零年：無）。

現金流量及公平值利率風險

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

於二零二一年財政年度及二零二零年財政年度，本集團所有銀行借款乃按隨當時市況波動之浮動利率計息。

於二零二一年十二月三十一日，本集團有銀行借款10,400,000港元（二零二零年：8,800,000港元），主要以港元及美元計值。

Credit risk

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

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

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

As at 31 December 2021, the customer bases were widely dispersed despite that 13.3% (2020: 21.2%) of the trade receivable were due from the Group's largest customer and 72.2% (2020: 62.4%) were due from the five largest customers determined on the same basis.

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

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Such forecast takes into consideration the Group's debt financing plans, covenant compliance and, if applicable external regulatory or legal requirements – for example, currency restrictions.

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets and receivables; and long-term financing including long-term borrowings. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest-bearing borrowings which enable the Group to continue its business in the foreseeable future.

信貸風險

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

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

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

於二零二一年十二月三十一日，儘管客戶群基本分散，但貿易應收款項的13.3%（二零二零年：21.2%）乃應收自本集團的最大客戶，而按同一基準釐定則72.2%（二零二零年：62.4%）乃應收自本集團的五大客戶。

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

流動資金風險

現金流動預測乃於本集團的經營實體進行。該等預測乃經考慮本集團之債務融資計劃、契諾規定及外部監管或法律要求（如貨幣限制）（如適用）。

本集團透過一系列方式（包括有序變現短期金融資產及應收款項）及長期融資（包括長期借款）維持流動資金。本集團旨在透過保持充足銀行結餘、可供動用承諾信貸額度及計息借款，維持資金的靈活彈性，讓本集團於可見將來繼續經營其業務。

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COMMITMENTS

- (a) The Group's capital expenditure on property, plant and equipment contracted for but not yet incurred as at 31 December 2021 amounted to HK\$42,000 (2020: HK\$1,473,000).
- (b) The Group has lease contracts that are committed but have not yet commenced as at 31 December 2021. The future lease payments for these non-cancellable lease contracts are approximately HK\$136,473,000 (2020: nil).

CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during FY2021. The share capital of the Company only comprises ordinary shares.

As at 31 December 2021, the Company had 1,000,000,000 shares in issue (2020: 1,000,000,000 shares).

SIGNIFICANT INVESTMENTS

As at 31 December 2021, the Group did not hold any significant investments (2020: nil).

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisitions nor disposals of subsidiaries, associates and joint ventures during FY2021 (2020: nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

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

CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 December 2021 (2020: nil).

承擔

- (a) 於二零二一年十二月三十一日，本集團已訂約但尚未發生的物業、廠房及設備的資本開支金額為42,000港元（二零二零年：1,473,000港元）。
- (b) 於二零二一年十二月三十一日，本集團擁有已承諾但尚未開始的租賃合約。該等不可撤銷租賃合約的未來租賃付款約為136,473,000港元（二零二零年：無）。

資本架構

於二零二一年財政年度，本集團的資本架構並無任何變動。本公司的股本僅包括普通股。

於二零二一年十二月三十一日，本公司有1,000,000,000股已發行股份（二零二零年：1,000,000,000股股份）。

重大投資

於二零二一年十二月三十一日，本集團並無持有任何重大投資（二零二零年：無）。

重大收購或出售附屬公司、聯營公司及合營企業

於二零二一年財政年度，本集團並無重大收購或出售任何附屬公司、聯營公司及合營企業（二零二零年：無）。

有關重大投資及資本資產的未來計劃

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

或然負債

於二零二一年十二月三十一日，本集團並無重大或然負債（二零二零年：無）。

TREASURY MANAGEMENT

During FY2021, there had been no material change in the Group's funding and treasury policies. The Group has a sufficient level of cash and banking facilities for the conduct of its trade in the normal course of business.

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

PLEDGE OF ASSETS

As at 31 December 2021, the financial assets at fair value through profit or loss amounted to HK\$9.1 million (2020: HK\$8.8 million), property, plant and equipment amounted to HK\$24.9 million (2020: HK\$21.7 million) and bank deposits amounted to HK\$6.1 million (2020: HK\$6.1 million) had been charged as security for the bank borrowings of the Group.

EMPLOYEES AND REMUNERATION POLICIES

The total number of employees were approximately 1,500 as at 31 December 2021 (2020: approximately 1,500). The Group's employee benefit expenses mainly included salaries, overtime payment and discretionary bonus, other staff benefits and contributions to retirement schemes.

For FY2021, the Group's total employee benefit expenses (including Directors' emoluments) amounted to HK\$179.0 million (2020: HK\$161.5 million). Remuneration is determined with reference to the qualification, experience and work performance, whereas the payment of discretionary bonus is generally subject to work performance, the financial performance of the Group in that particular year and general market conditions.

The Group operates a share option scheme (the "Share Option Scheme") for the purpose of providing incentives and rewards to eligible Directors and employees of the Group, who contribute to the success of the Group's operations. No share options were granted, exercised or lapsed under the Share Option Scheme during FY2021. As at 31 December 2021, the Group did not have any outstanding share options granted under the Share Option Scheme (2020: nil).

庫務管理

於二零二一年財政年度，本集團的融資及庫務政策並無重大變動。本集團具備充足水平的現金及銀行信貸，以供其在一般業務過程中進行貿易活動。

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

資產抵押

於二零二一年十二月三十一日，按公平值計入損益賬的金融資產9,100,000港元（二零二零年：8,800,000港元）、物業、廠房及設備24,900,000港元（二零二零年：21,700,000港元）以及銀行存款6,100,000港元（二零二零年：6,100,000港元）經已抵押，作為本集團銀行借款的擔保。

僱員及薪酬政策

於二零二一年十二月三十一日合共聘用約1,500名僱員（二零二零年：約1,500名）。本集團的僱員福利開支主要包括薪金、加班工資及酌情花紅、其他僱員福利及退休計劃供款。

於二零二一年財政年度，本集團僱員福利開支總額（包括董事酬金）為179,000,000港元（二零二零年：161,500,000港元）。薪酬乃按僱員的資歷、經驗及工作表現釐定，而酌情花紅一般視乎工作表現、本集團於特定年度的財務業績及整體市場狀況而釐定。

本集團經營一項購股權計劃（「購股權計劃」），以嘉許及獎勵為本集團經營之成功做出貢獻之本集團合資格董事及僱員。於二零二一年財政年度內，概無購股權根據購股權計劃授出、行使或失效。於二零二一年十二月三十一日，本集團並無任何根據購股權計劃授出的尚未行使購股權（二零二零年：無）。

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SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of the then Shareholder on 27 October 2017. A summary of the Share Option Scheme was set out in note 28 to the consolidated financial statements.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risks of non-compliance with such requirements. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Group had complied with all relevant laws and regulations in Hong Kong and other jurisdictions applicable to the Group in all material respects during FY2021.

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

ENVIRONMENTAL POLICY

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

RELATIONSHIPS WITH STAKEHOLDERS

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

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

The Group also maintains effective communication and develops long term and stable relationships with suppliers. During FY2021, there was no material dispute nor disagreement between the Group and its suppliers.

購股權計劃

購股權計劃於二零一七年十月二十七日透過當時股東的書面決議案遵照上市規則第十七章有條件批准及採納。購股權計劃的概要載於綜合財務報表附註28。

遵守法例及法規

本集團深明遵守監管規定的重要性以及不遵守有關規定所涉及的風險。就董事作出一切合理查詢後所深知、盡悉及確信，於二零二一年財政年度，本集團已在各主要方面遵守香港以及本集團所適用的其他司法管轄區的一切相關法例及法規。

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

環保政策

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

與持份者的關係

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

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

本集團亦與供應商維持有效溝通，並建立長期穩定關係。二零二一財政年度，本集團與供應商之間並無任何重大糾紛或意見分歧。

COMPARISON OF BUSINESS STRATEGIES WITH ACTUAL BUSINESS PROGRESS

業務策略與實際業務進展之比較

The following sets out a comparison of the business strategies as stated in the Prospectus with the Group's actual business progress for FY2021 and up to the date of this annual report:

下文載列於二零二一年財政年度及截至本年報日期，招股章程所載的業務策略與本集團實際業務進展之比較：

Business strategies as stated in the Prospectus 招股章程所述的業務策略	Actual business progress up to the date of this annual report 截至本年報日期的實際業務進展
<p>Continue to expand the customer base in the European market and explore new markets in the PRC, the US and other Asian countries</p> <p>持續擴展歐洲市場客戶群以及在中國、美國及其他亞洲國家開拓新市場</p>	<p>Despite physical sales and marketing activities were put on hold due to travel restrictions amidst COVID-19, the Group's marketing team made all-out effort to explore potential markets and support existing customers through digital and virtual means to maintain organic growth. The COVID-19 pandemic has accelerated digital transformation and automation, stimulating the global demands on medical and health care products, automation and self-service equipment, and smart charging solutions. The Group successfully approached related customers in Europe and the US, some of which have placed trial orders and mass productions are expected to materialise in the year ahead. The Group will continue to put more resources on sales and marketing activities to capture these business opportunities.</p> <p>儘管於COVID-19期間實施的出行限制導致實體銷售及營銷活動陷入停頓，惟本集團的營銷團隊全力以赴開拓潛在市場並透過數碼及虛擬方式支援現有客戶，從而維持自然增長。COVID-19疫情加快數碼轉型及自動化，從而帶動全球對醫療及保健產品、自動化及自助式設備以及智慧充電解決方案的需求。本集團成功接洽歐洲及美國的相關客戶，其中若干客戶已下達試運訂單，預期將於未來一年實現批量生產。本集團將繼續投放更多資源於銷售及營銷活動，以把握這些商機。</p>

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Business strategies as stated in the Prospectus 招股章程所述的業務策略	Actual business progress up to the date of this annual report 截至本年報日期的實際業務進展
<p>Manufacture products of higher value and/or with higher profit contribution per the resources</p> <p>按資源生產價值較高及／或利潤回報較高的產品</p>	<p>The Group's profitability and order fulfillment has been hit by an upsurge in production costs driven by material shortages, supply chain disruption and increased labour costs. The Group has put in place various measures to mitigate the adverse effects, but remained vulnerable to higher material prices with limited supplies. In response, price adjustments have been made to alleviate its cost pressures, if possible.</p> <p>物料短缺、供應鏈中斷及勞工成本增加導致生產成本上升，對本集團的盈利能力及訂單履約造成打擊。本集團已制定各種措施以減低不利影響，但仍容易受到限量供應的物料價格上漲的影響。作為回應，價格已進行調整以盡可能減輕其成本壓力。</p>
<p>Continue to expand the operations in ATE business segment</p> <p>繼續擴大自動化檢測設備業務</p>	<p>Multiple waves of COVID-19 and uncertain economic environment have adversely affected the business sentiment, curtailing customers' demands for ATEs. Some companies, if not all, have become more conservative on project development and put on hold their capital investment. As such, the Group continued to re-assign its ATEs talents to support its existing businesses and strengthen its capability in power electronics.</p> <p>爆發數波COVID-19疫情及經濟環境不明朗均已對營商氣氛造成不利影響，並削弱客戶對其自動化檢測設備的需求。部分（但非全部）公司在項目開發方面變得更為保守，並已暫停其資本投資。因此，本集團繼續重新分配其自動化檢測設備人才，以支援其現有業務及增強其在電力電子方面的能力。</p>
<p>Strengthen the sales and marketing efforts in the industrial electronic manufacturing services sector</p> <p>加強對工業電子製造服務領域的銷售及營銷力度</p>	<p>With travel restrictions, the Group's European team could only resolve to digital and virtual means for marketing and promotion. Even so, they worked closely with existing marketing teams in Hong Kong and the PRC to offer various service supports to customers and prepare for a rebound from the COVID-19 pandemic.</p> <p>由於出行限制，本集團的歐洲團隊只能以數碼及虛擬方式進行營銷及推廣。儘管如此，彼等與現有於香港及中國的營銷團隊緊密合作，藉此為客戶提供各種服務支援，並同時為從COVID-19疫情復甦作好準備。</p>

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

Further enhance the production efficiency and expand the production capacity

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

As disclosed in announcements of the Company dated 23 April 2021, 22 June 2021, 15 December 2021 and 18 March 2022, and the circular of the Company dated 26 July 2021, the Group had on 8 May 2021 and 30 June 2021, respectively, entered into tenancy agreements with Shiji Cooperative Economic Association of Dongchong Town, Nansha District, Guangzhou City, Guangdong Province* (廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社) (the “**Landlord**”) (collectively, the “**Tenancy Agreements**”) for the leasing of two respective factory buildings situated at No. 17 and No. 37, Dongchong Section, Shinan Highway, Shiji Village, Dongchong Town, Nansha District, Guangzhou City, Guangdong Province, the PRC* (中國廣東省廣州市南沙區東涌鎮石基村市南公路東涌段17及37號) (collectively, the “**Factory Buildings**”). The entering into of the Tenancy Agreements will allow the Group to increase its production capacity by expanding its production plant at the Factory Buildings. The expansion plan to be implemented in its existing production base would create synergy, minimise logistics and administrative costs and maximise production efficiency. Since the Landlord required additional time to obtain requisite approvals, permits and certificates for the Factory Buildings, the date of delivery was extended to on or before 28 February 2022. As disclosed in the announcement dated 18 March 2022, the Landlord was still actively processing the necessary procedures and the date of delivery would be further extended to on or before 30 April 2022. The respective rent-free renovation periods under the Tenancy Agreements would also be further extended to end on a date which is 1.5 months from the actual date of delivery accordingly. Details of the leasing of the Factory Buildings are set out in the announcements of the Company dated 23 April 2021, 22 June 2021, 15 December 2021 and 18 March 2022, respectively, and the circular of the Company dated 26 July 2021.

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Business strategies as stated in the Prospectus	Actual business progress up to the date of this annual report
招股章程所述的業務策略	截至本年報日期的實際業務進展
進一步提高生產效率及擴大產能	<p>誠如本公司日期為二零二一年四月二十三日、二零二一年六月二十二日、二零二一年十二月十五日及二零二二年三月十八日之公佈以及本公司日期為二零二一年七月二十六日之通函所披露，本集團分別於二零二一年五月八日及二零二一年六月三十日與廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社（「該業主」）訂立租賃協議（統稱「租賃協議」），以租賃兩座工廠大廈（統稱「工廠大廈」），分別位於中國廣東省廣州市南沙區東涌鎮石基村市南公路東涌段17及37號。訂立租賃協議將可讓本集團透過擴展其於工廠大廈的生產廠房增加其產能。於其現有生產基地實施擴展計劃將創造協同效應，最大限度地降低物流及行政成本，及最大限度地提高生產效率。由於該業主需要額外時間獲取工廠大廈的必要批准、許可及證書，故交付日期已延長至二零二二年二月二十八日或之前。如本公司日期為二零二二年三月十八日之公佈所披露，該業主仍在積極處理所需程序，因此交付日期將進一步延至二零二二年四月三十日或之前。租賃協議下各自的免租裝修期亦將相應進一步延長至實際交付日期起計1.5個月當日止之日期。租賃工廠大廈之詳情分別載於本公司日期為二零二一年四月二十三日、二零二一年六月二十二日、二零二一年十二月十五日及二零二二年三月十八日之公佈，以及本公司日期為二零二一年七月二十六日之通函內。</p> <p>On the one hand, the Group's production facility in Ireland was still brought to a standstill by COVID-19. On the other hand, the production facility in Thailand had commenced operations in the first half of 2021 but the production efficiency remained behind the expected levels due to COVID-19. Despite this, the Group will continue to allocate resources in support of these production facilities to enhance production efficiency and capabilities.</p> <p>一方面，本集團於愛爾蘭的生產設施仍因COVID-19而暫停營運。另一方面，泰國的生產設施於二零二一年上半年已經開始投入運作，但由於COVID-19，生產效率仍低於預期水平。儘管如此，本集團仍將繼續分配資源支援該等生產設施，以提高生產效率及產能。</p>

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

Continue to recruit talents and professionals

繼續招聘優秀人才及專業人士

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

The Group strives to transform the strategic talent centre (“**STC**”) in the Guangzhou City, Guangdong Province, the PRC as the innovation and development hub to recruit and nurture a pool of talents to conduct various innovative and technological projects, like remote working, warehouse digitalisation, cyber security, and so on. As at 31 December 2021, there were ten employees working at STC to provide a wide range of value-added services to the Group. The management of the Group will continue to recruit talents of the necessary level and number at STC for providing various supports to the Group.

本集團致力將位於中國廣東省廣州市的戰略人才中心（「**戰略人才中心**」）打造成創新及發展樞紐，招聘及培育一批優秀人才以進行各種創新及科技項目，例如遠程工作、倉庫電子化及網絡安全等。於二零二一年十二月三十一日，戰略人才中心有十名僱員，為本集團提供廣泛的增值服務。本集團管理層將繼續招聘所需資歷和數量的人才加入此戰略人才中心，為本集團提供各種支援。

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USE OF PROCEEDS

The following table sets forth the status of use of net proceeds from the Listing as at 31 December 2021 and the expected timeline of the use of the unutilised proceeds:

所得款項用途

下表列載上市所得款項淨額於二零二一年十二月三十一日的使用情況及未動用所得款項用途的預期時間表：

Business strategies as set out in the Prospectus 招股章程所載的業務策略	The actual net proceeds prior to the reallocation approved by the Board on 25 October 2019 (the "Reallocation") 於董事會於二零一九年十月二十五日批准重新分配(「重新分配」)前 實際所得款項淨額	The Reallocation 重新分配	The actual net proceeds subsequent to the Reallocation 於重新分配後 實際所得款項淨額	Incurred up to 31 December 2021 截至二零二一年十二月三十一日 已動用	Balance as at 31 December 2021 於二零二一年十二月三十一日 之結餘	Expected timeline of full utilisation of the balance as at 31 December 2021 於二零二一年十二月三十一日 悉數動用 結餘的預期 時間表
	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元	
Development of new production base 發展新生產基地	77.8	-	77.8	(33.8)	44.0	End of 2023 二零二三年末
Upgrading of existing production facilities 升級現有生產設施	4.5	-	4.5	(4.5)	-	N/A 不適用
Establishment of offices in Dublin, Ireland and Paris, France 在愛爾蘭都柏林及法國巴黎建立辦事處	11.3	(8.3)	3.0	(3.0)	-	N/A 不適用
Establishment of the STC in Guangzhou City, Guangdong Province, the PRC 在中國廣東省廣州市建立戰略人才中心	11.3	(5.0)	6.3	(6.3)	-	N/A 不適用
Working capital and other general corporate purposes 營運資金及其他一般企業用途	5.1	-	5.1	(5.1)	-	N/A 不適用
Business developments and operations in Europe 在歐洲進行業務發展及營運	-	13.3	13.3	(13.2)	0.1	End of 2022 二零二二年末
	110.0	-	110.0	(65.9)	44.1	

The unutilised net proceeds have been deposited in interest-bearing bank accounts with licensed banks in Hong Kong. The Board closely monitors the use of net proceeds with reference to those disclosed in the Prospectus and the announcement of the Company dated 25 October 2019 as to the change in use of proceeds from the Listing. Due to the uncertain economic and market conditions, driven by the multiple waves of COVID-19 and geopolitical uncertainties, the Group's plans for the development of new production base in the PRC and business developments and operations in Europe have been deferred. The remaining portion of the net proceeds are expected to be utilised up to the financial year ending 31 December 2023. The expected timeline of full utilisation is based on the Directors' best estimation barring unforeseen circumstances, and would be subject to change based on the future development of market conditions.

OUTLOOK

The global economy showed signs of slight recovery in 2021 following the growing take-up rate of COVID-19 vaccines plus booster shots. Worldwide material shortage, supply chain disruption, and fluctuation of RMB remain the Group's major concerns in the year ahead and ever. The rapid spread of new COVID-19 variants across the world and the recent Russia-Ukraine conflict aggravated soaring material prices, longer lead times, and currency shocks, which cast considerable doubts about the sustainability of global recovery going forward. The COVID-19-induced contraction in economic activities and geopolitical uncertainties have distorted global product supplies and demands, driving up overall price levels. This poses a dilemma for the global monetary authorities whether to raise the interest rates to tackle the surge in inflation or keep interest rates steady to safeguard the recovery.

Regardless of the unavoidable headwinds, the Group will stay in close contact with suppliers and customers to mitigate the adverse effects brought by aforesaid challenges. What does not kill us, makes us stronger. The Group will continue to maintain its positive vibes to address these issues and enhance its core competencies to pave the way for future business opportunities.

未動用的所得款項淨額經已存放在香港持牌銀行的計息銀行賬戶內。董事會參考招股章程及本公司日期為二零一九年十月二十五日有關更改上市所得款項用途的公佈所披露的內容，密切監察所得款項淨額的使用情況。由於爆發數波COVID-19疫情導致經濟及市場狀況不明朗及地緣政治的不確定性，本集團在中國發展新生產基地及在歐洲進行業務發展及營運的計劃已被推遲。預計所得款項淨額的剩餘部分將被動用至截至二零二三年十二月三十一日止財政年度。除非出現不可預見的情況，悉數動用的預期時間表乃基於董事的最佳估計，並會根據市況的未來發展而變動。

展望

COVID-19疫苗及加強劑的接種率持續上升後，全球經濟於二零二一年呈現輕微復甦的跡象。本集團於未來一年及往後將繼續重點關注全球材料短缺、供應鏈中斷及人民幣波動等事項。新型COVID-19變種病毒於世界各地快速擴散及近期的俄羅斯－烏克蘭衝突令材料價格飆升、交貨期延長及貨幣衝擊等情況進一步惡化，導致對全球經濟可否於未來持續復甦產生重大疑慮。COVID-19所引致的經濟活動衰退及地緣政治的不明朗因素已衝擊全球產品供求，推高整體價格水平，使全球各地的金融管理機構陷入兩難局面，要麼調高利率以遏制通脹攀升，要麼維持利率穩定以保障復甦。

儘管承受著不可抗的阻力，本集團將與供應商及客戶保持緊密聯繫，以減低上述挑戰所帶來的不利影響。秉持著不屈不撓、愈挫愈勇的信念，本集團將繼續以積極進取的態度解決有關問題，並提升其核心競爭優勢以為未來新業務機遇奠定基礎。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

The Company complied with all code provisions in the CG Code during the year ended 31 December 2021.

The CG Code and code provisions specified in this corporate governance report refer to the CG Code and code provisions prior to their amendments effective from 1 January 2022.

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

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

本公司於截至二零二一年十二月三十一日止年度已遵守所有企業管治守則之守則條文。

本企業管治報告所載企業管治守則及守則條文是指自二零二二年一月一日起生效的修訂前之企業管治守則及守則條文。

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

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

COMPOSITION OF THE BOARD

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

Board members 董事會成員	Office 職位
Lai Yiu Wah 黎耀華	Chairman and Executive Director 主席及執行董事
Tai Leung Lam 戴良林	Chief Executive Officer, Executive Director and Director of Manufacturing 行政總裁、執行董事及生產總監
Joseph Mac Carthy	Executive Director and Head of Sales and Technical 執行董事及銷售及技術主管
Joseph Mac Carthy	Independent Non-executive Director 獨立非執行董事
Fung Chun Chung 馮鎮中	Independent Non-executive Director 獨立非執行董事
Cheung Kin Wing 張建榮	Independent Non-executive Director 獨立非執行董事
Wong Raymond Fook Lam 黃福霖	Independent Non-executive Director 獨立非執行董事

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

董事會之組成

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

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AUDIT COMMITTEE MEMBERS

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

REMUNERATION COMMITTEE MEMBERS

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

NOMINATION COMMITTEE MEMBERS

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

RISK MANAGEMENT COMMITTEE MEMBERS

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

審核委員會成員

張建榮 (*主席*)
馮鎮中
黃福霖

薪酬委員會成員

黃福霖 (*主席*)
黎耀華
馮鎮中
張建榮

提名委員會成員

馮鎮中 (*主席*)
黎耀華
黃福霖

風險管理委員會成員

黎耀華 (*主席*)
張建榮
馮鎮中
黃福霖

All of the existing Executive Directors have signed a service contract with the Company for an initial term of three years, commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service contract). The said service contracts have been renewed for a term of three years commencing from 1 February 2020.

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

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

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

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

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

所有現有執行董事已與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。

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

全體董事須根據本公司組織章程細則（「**細則**」）規定每三年至少一次輪席退任。

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RESPONSIBILITIES

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

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors' responsibilities for the consolidated financial statements are set out on page 90 of this annual report.

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

責任

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

董事就綜合財務報表承擔之責任

董事就綜合財務報表承擔之責任載於本年報第90頁。

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企業管治報告

BOARD DIVERSITY POLICY

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

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

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

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

BOARD MEETINGS AND GENERAL MEETINGS

During the year ended 31 December 2021, eleven Board meetings were held to review and approve, among other things, (i) the financial results for the year ended 31 December 2020; (ii) the interim results for the six months ended 30 June 2021; (iii) business progress, operation updates, and quarterly results; and (iv) publication of profit warning announcement. The Board also held a Board meeting on 24 March 2022 to approve the annual results of the Company for the year ended 31 December 2021. One annual general meeting of the Company ("**AGM**") was held during the year ended 31 December 2021.

董事會多元化政策

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

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

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

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

董事會會議及股東大會

截至二零二一年十二月三十一日止年度，本公司已舉行十一次董事會會議以審核及批准（其中包括）(i)截至二零二零年十二月三十一日止年度的財務業績；(ii)截至二零二一年六月三十日止六個月的中期業績；(iii)業務進展、最新經營情況及季度業績；及(iv)盈利警告公告的刊發。董事會亦於二零二二年三月二十四日舉行董事會會議以批准本公司截至二零二一年十二月三十一日止年度的年度業績。截至二零二一年十二月三十一日止年度，本公司已舉行一次股東週年大會（「股東週年大會」）。

Details of the Directors' attendance records in Board meetings and general meetings during the year ended 31 December 2021 are set out below:

截至二零二一年十二月三十一日止年度，董事於董事會會議及股東大會會議的出席記錄詳情如下：

Name of Directors	No. of Board meetings attended/ eligible to attend 出席／合資格出席 董事會會議次數	No. of general meetings attended/ eligible to attend 出席／合資格出席 股東大會會議次數
董事姓名		
<i>Executive Directors</i>		
<i>執行董事</i>		
Lai Yiu Wah	11/11	1/1
黎耀華		
Tai Leung Lam	11/11	1/1
戴良林		
Joseph Mac Carthy	11/11	1/1
Joseph Mac Carthy		
<i>Independent Non-executive Directors</i>		
<i>獨立非執行董事</i>		
Fung Chun Chung	11/11	1/1
馮鎮中		
Cheung Kin Wing	11/11	1/1
張建榮		
Wong Raymond Fook Lam	11/11	1/1
黃福霖		

DELEGATION BY THE BOARD

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

董事會授權

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

AUDIT COMMITTEE

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

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

During the year ended 31 December 2021, two Audit Committee meetings were held, during which the Audit Committee reviewed and discussed (i) the independence and objectivity of independent auditor and its engagement; (ii) the audited financial statement of the Group for the year ended 31 December 2020; (iii) the internal control and risk management report of the Group for the year ended 31 December 2020; (iv) the unaudited interim financial statement of the Group for the six months ended 30 June 2021; and (v) the re-appointment of the independent auditor of the Group. An Audit Committee meeting was also held on 24 March 2022 with all the members present to review and consider, inter alia, the audited financial statements of the Group for the year ended 31 December 2021 and the re-appointment of independent auditor of the Group. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor.

審核委員會

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

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

於截至二零二一年十二月三十一日止年度內，審核委員會舉行了兩次會議，於會議期間，審核委員會檢討及討論(i)獨立核數師的獨立性及客觀性以及聘任；(ii)本集團於截至二零二零年十二月三十一日止年度的經審核財務報表；(iii)本集團截至二零二零年十二月三十一日止年度的內部控制及風險管理報告；(iv)本集團於截至二零二一年六月三十日止六個月的未經審核中期財務報表；及(v)本集團獨立核數師的重新委任。審核委員會亦於二零二二年三月二十四日舉行一次會議（全體成員均有出席），以審閱及考慮（其中包括）本集團於截至二零二一年十二月三十一日止年度的經審核財務報表，以及重新委任本集團獨立核數師。董事會與審核委員會在甄選及委任外部核數師時並無出現意見分歧。

Attendance at meetings of the Audit Committee during the year ended 31 December 2021 is as follows:

審核委員會會議於截至二零二一年十二月三十一日止年度的出席紀錄如下：

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

The Company's consolidated financial statements for the year ended 31 December 2021 have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

審核委員會已審閱本公司於截至二零二一年十二月三十一日止年度的綜合財務報表。審核委員會認為，有關財務報表已遵照適用的會計原則及聯交所的規定而編製，並已作出全面披露。

REMUNERATION COMMITTEE

The Remuneration Committee was established with written terms of reference in compliance with paragraph B1 of the CG Code on 27 October 2017. As at 31 December 2021 and date of this annual report, the Remuneration Committee comprises four members, namely, Mr. Wong Raymond Fook Lam, Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Cheung Kin Wing. The chairman of the Remuneration Committee is Mr. Wong Raymond Fook Lam.

薪酬委員會

薪酬委員會於二零一七年十月二十七日成立，並遵照企業管治守則第B1段制訂書面職權範圍。於二零二一年十二月三十一日及本年度報告日期，薪酬委員會包括四名成員，即黃福霖先生、黎耀華先生、馮鎮中先生及張建榮先生。薪酬委員會主席為黃福霖先生。

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

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

During the year ended 31 December 2021, two Remuneration Committee meetings were held to (i) review the remuneration of senior management; and (ii) consider the amendment of Share Option Scheme adopted by the Company.

於截至二零二一年十二月三十一日止年度內，薪酬委員會舉行兩次會議，以(i)檢討高級管理層的薪酬；及(ii)考慮修訂本公司已採納之購股權計劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

Attendance at meetings of the Remuneration Committee during the year ended 31 December 2021 is as follows:

薪酬委員會會議於截至二零二一年十二月三十一日止年度的出席紀錄如下：

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

Details of the directors' remuneration and five highest paid individuals for the year ended 31 December 2021 are set out in note 9 to the consolidated financial statements.

截至二零二一年十二月三十一日止年度，董事薪酬及五名最高薪酬人士的詳情，載於綜合財務報表附註9。

During the year ended 31 December 2021, the remuneration of the senior management is listed below by band:

截至二零二一年十二月三十一日止年度，高級管理層薪酬按範圍載列如下：

	Number of individuals 人數
HK\$ nil to HK\$1,000,000 零港元至1,000,000港元	Nil 無
HK\$1,000,001 to HK\$1,500,000 1,000,001港元至1,500,000港元	4 四
HK\$1,500,001 to HK\$2,000,000 1,500,001港元至2,000,000港元	Nil 無
HK\$2,000,001 to HK\$2,500,000 2,000,001港元至2,500,000港元	1 一

NOMINATION COMMITTEE

The Nomination Committee was established with written terms of reference in compliance with paragraph A5 of the CG Code on 27 October 2017. As at 31 December 2021 and date of this annual report, the Nomination Committee comprises three members, namely Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Nomination Committee is Mr. Fung Chun Chung.

提名委員會

提名委員會於二零一七年十月二十七日成立，並遵照企業管治守則第A5段制訂書面職權範圍。於二零二一年十二月三十一日及本年度報告日期，提名委員會包括三名成員，即黎耀華先生、馮鎮中先生及黃福霖先生。提名委員會主席為馮鎮中先生。

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

During the year ended 31 December 2021, one Nomination Committee meeting was held to (i) review the structure, size, diversity and composition of the Board are appropriate; (ii) assess the independence of Independent Non-executive Directors; and (iii) recommend the re-election of Directors.

Attendance at meeting of the Nomination Committee during the year ended 31 December 2021 is as follows:

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

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

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

於截至二零二一年十二月三十一日止年度內，提名委員會舉行一次會議以(i)檢討董事會的架構、規模、多元化及組成是否屬適當；(ii)評估獨立非執行董事的獨立性；及(iii)建議重選董事。

提名委員會會議於截至二零二一年十二月三十一日止年度的出席紀錄如下：

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

a. Skills, Experience and Professional Expertise

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

b. Diversity

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

c. Commitment

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

d. Standing

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

e. Independence

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

提名委員會在作出提名時應考慮多項因素，包括但不限於下列各項：

a. 技能、經驗及專業知識

候選人應擁有與本集團業務營運有關的技能、知識、經驗及專業知識。

b. 多元化

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

c. 承擔

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

d. 資格

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

e. 獨立性

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

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was established on 27 October 2017 to review and monitor the risk management system and oversee the hedge activities of the Group. As at 31 December 2021 and date of this annual report, the Risk Management Committee comprises four members, namely Mr. Lai Yiu Wah, Mr. Cheung Kin Wing, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Risk Management Committee is Mr. Lai Yiu Wah.

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

During the year ended 31 December 2021, one Risk Management Committee meeting was held to review the risk management system of the Group and the Directors' decision on entering into foreign currency hedging arrangements and the effectiveness of the Group's hedging policy.

風險管理委員會

風險管理委員會於二零一七年十月二十七日成立，以審查及監察風險管理體系以及監督本集團對沖活動。於二零二一年十二月三十一日及本年度報告日期，風險管理委員會包括四名成員，即黎耀華先生、張建榮先生、馮鎮中先生及黃福霖先生。風險管理委員會的主席為黎耀華先生。

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

於截至二零二一年十二月三十一日止年度內，風險管理委員會舉行一次會議，以檢討本集團的風險管理系統及董事對訂立外幣對沖安排所作的決定以及本集團對沖政策的有效性。

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

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of conduct governing Directors’ securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards set out in the Model Code and there were no events of non-compliance during the year ended 31 December 2021 and up to the date of this annual report.

CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

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

董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「**標準守則**」），作為規管董事進行證券交易的操守守則。經本公司作出具體查詢後，所有董事已確認彼等已遵守標準守則所載的規定標準，且於截至二零二一年十二月三十一日止年度及截至本年報日期並無發生不遵守標準規則之事件。

董事之持續專業發展

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

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

直至本年報日期，現任董事會成員曾參加以下培訓課程：

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

DIRECTORS AND OFFICERS INSURANCE

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

董事及高級職員保險

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

COMPANY SECRETARY

The Company Secretary is to ensure a good information flow within the Board and between the Board and senior management of the Company, to provide advice to the Board in relation to the Directors' obligations under the Listing Rules and applicable laws and regulations and to assist the Board in implementing the corporate governance practices. Ms. Wan Mei Wa Ruby, the Company Secretary, had attended not less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules during the year ended 31 December 2021.

RISK MANAGEMENT AND INTERNAL CONTROLS

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

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

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

Principles of Risk Management and Internal Control Systems

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

公司秘書

公司秘書確保董事會成員之間以及董事會與本公司高級管理層之間的資訊交流良好，就根據上市規則及適用法律法規的董事責任向董事會提供意見，以及協助董事會實行企業管治常規。公司秘書溫美華女士已遵守上市規則第3.29條的規定，於截至二零二一年十二月三十一日止年度出席不少於15小時的相關專業培訓。

風險管理及內部監控

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

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

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

風險管理及內部監控系統原則

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

Main Features of Risk Management and Internal Control Systems

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

Process Used to Identify, Evaluate and Manage Significant Risk

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

The management has confirmed to the Board, the Risk Management Committee, and Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 31 December 2021.

風險管理及內部監控系統的主要特點

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

識別、評估及管理重大風險所用程序

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

管理層已向董事會、風險管理委員會及審核委員會確認截至二零二一年十二月三十一日止年度風險管理及內部監控制度的成效。

Internal Audit Function

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

The Group's internal audit team is responsible for performing an independent review of the adequacy and effectiveness of the Group's risk management and internal control systems. The internal audit team examined key issues in relation to the accounting practices and all material controls and the results of the independent review and assessment were reported to the Risk Management Committee, Audit Committee, and the Board. Moreover, improvements in internal control and risk management measures to enhance the risk management and internal control systems of the Group and to mitigate risks of the Group were adopted by the Board. Based on the internal audit findings and recommendations, as well as the comments of the Risk Management Committee and Audit Committee, the Board considered the internal control and risk management systems are adequate and effective.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

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

內部審核職能

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

本集團的內部審核團隊負責獨立審閱本集團的風險管理及內部監控制度是否充足及有效。內部審核團隊審查與會計常規有關的關鍵事項及各項重大控制措施並向風險管理委員會、審核委員會及董事會匯報獨立審閱及評估結果。此外，為提高本集團風險管理及內部監控系統以及減低本集團風險而作出的內部監控及風險管理措施的改進措施已獲董事會採納。根據內部審核結果和推薦意見以及風險管理委員會與審核委員會的意見，董事會認為，內部監控及風險管理系統乃屬充足及有效。

處理及發放內幕消息

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

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

AUDITOR'S REMUNERATION AND RESPONSIBILITIES

The Company has appointed PricewaterhouseCoopers as the Auditor of the Group. The following table shows the audit and non-audit services provided by PricewaterhouseCoopers and its affiliates and other auditors for the year ended 31 December 2021:

	HK\$ million 百萬港元
Audit services: 核數服務	
- PricewaterhouseCoopers 羅兵咸永道會計師事務所	1.9
- Other auditors 其他核數師	0.2
	2.1
Non-audit services: 非核數服務	
- PricewaterhouseCoopers 羅兵咸永道會計師事務所	0.5
- Other auditors 其他核數師	0.3
	0.8

Non-audit services provided by PricewaterhouseCoopers and its affiliates to the Group mainly represented interim review and taxation services. The reporting responsibilities of PricewaterhouseCoopers are set out in pages 91 to 93 of this annual report.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year ended 31 December 2021.

核數師薪酬及責任

本公司已委任羅兵咸永道會計師事務所為本集團核數師。下表載列截至二零二一年十二月三十一日止年度羅兵咸永道會計師事務所及其關聯事務所及其他核數師提供之核數及非核數服務：

羅兵咸永道會計師事務所及其關聯事務所向本集團提供之非核數服務主要指中期審閱及稅務服務。羅兵咸永道會計師事務所之呈報責任載於本年報第91至93頁。

於截至二零二一年十二月三十一日止年度，董事會與審核委員會於甄選及委任外部核數師方面並無意見分歧。

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

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

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

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

They can also send their enquiries to the Board through the above means. The contact details of the Company are set out in page 61 of this annual report and the Company's website.

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

與股東及投資者之溝通

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

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

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

股東亦可透過上述方式向董事會發出查詢。本公司的聯絡資料載於本年報第61頁及本公司網址。

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

PROCEDURES FOR SHAREHOLDERS TO CONVENE GENERAL MEETING

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

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

Board of Directors
Trio Industrial Electronics Group Limited
Address: Block J, 5/F, Phase II, Kaiser Estate,
51 Man Yue Street,
Hung Hom, Kowloon, Hong Kong
Telephone hotline: (852) 2765 8787
Email address: rubywan@trio-ieg.com

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

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

股東召開股東大會之程序

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

股東可向本公司發送書面查詢，或向董事會提出任何查詢或建議。聯絡資料如下：

董事會
致豐工業電子集團有限公司
地址：香港九龍紅磡
民裕街51號
凱旋工商中心2期5樓J室
電話熱線：(852) 2765 8787
電郵地址：rubywan@trio-ieg.com

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

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

CORPORATE GOVERNANCE REPORT

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

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

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

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

CONSTITUTIONAL DOCUMENTS

There was no change on the articles of association of the Company during the year ended 31 December 2021. An up-to-date version of the articles of association of the Company is available on the Company's website and the Stock Exchange's website.

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

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

並應按細則所述方式發送予所有股東、董事及核數師。

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

組織章程文件

截至二零二一年十二月三十一日止年度，本公司的組織章程細則並無變動。本公司組織章程細則的最新版本可在本公司網站及聯交所網站查閱。

REPORT OF THE DIRECTORS 董事會報告

The Board is pleased to present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The Company is an investment holding and the activities of its principal subsidiaries are shown on pages 162 to 163 of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2021 are set out in the consolidated financial statements on pages 94 to 97 of this annual report.

No interim dividend was paid during the year ended 31 December 2021 (2020: HK0.8 cent per share).

The Board did not recommend the payment of final dividend for the year ended 31 December 2021 (2020: HK1.2 cents per share).

Details of the Company's dividend policy are set out in the section headed "Dividend Policy" on page 80 of this annual report.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Friday, 27 May 2022, the register of members of the Company will be closed from Monday, 23 May 2022 to Friday, 27 May 2022, both days inclusive, during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 20 May 2022.

BUSINESS REVIEW

A discussion and analysis of the Group's performance during the year ended 31 December 2021, the key factors affecting its results and financial position, and the information on the compliance with laws and regulations, environmental policy and relationships with stakeholders are set out in the section headed "Management Discussion and Analysis" of this annual report. Furthermore, a fair review of, and an indication of likely future development in the Group's business are set out in the sections headed "Chairman's Statement" of this annual report. Save as disclosed in this annual report, since the end of the year ended 31 December 2021, no important event affecting the Group has occurred.

董事會欣然提呈其年度報告連同本集團截至二零二一年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其主要附屬公司的活動載於本年報第162至163頁。

業績及撥款

本集團截至二零二一年十二月三十一日止年度之業績載於本年報第94至97頁之綜合財務報表。

截至二零二一年十二月三十一日止年度，概無派付中期股息（二零二零年：每股0.8港仙）。

董事會不建議就截至二零二一年十二月三十一日止年度派發末期股息（二零二零年：每股1.2港仙）。

本公司股息政策的詳情載於本年報第80頁「股息政策」一節。

暫停辦理股東登記

為確定出席擬於二零二二年五月二十七日（星期五）舉行的股東週年大會及在會上投票的資格，本公司將於二零二二年五月二十三日（星期一）至二零二二年五月二十七日（星期五）期間（包括首尾兩日）暫停辦理股份過戶登記手續。為符合資格出席股東週年大會及在會上投票，務請於二零二二年五月二十日（星期五）下午四時三十分前將所有轉讓文件連同有關股票送交本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

業務回顧

對本集團截至二零二一年十二月三十一日止年度表現的討論及分析、影響其業績及財務狀況的主要因素以及有關遵守法例及法規、環境政策及與持份者的關係之資料載於本年報「管理層討論及分析」一節。此外，本集團業務的公平審視以及其可能的未來發展趨向載於本年報「主席報告」一節。除本年報所披露者外，自截至二零二一年十二月三十一日止年度末以來，概無發生影響本集團的重要事件。

PRINCIPAL RISKS AND UNCERTAINTIES

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

The crisis brought by COVID-19 has created unprecedented uncertainties to the global economy since 2020. In particular for the industrial electronics industry, the deceleration in manufacturing of core raw materials is causing disruption to the entire supply chain and the product delivery schedules among the electronic manufacturers. The Group's production activities and product delivery have been impacted by multiple waves of COVID-19, affecting its ability to meet customers' demands and thereby the Group's revenue growth.

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

Geopolitical tensions may have a potential impact on the Group's business

Geopolitical tensions such as the recent Russo-Ukrainian crisis have posed considerable threats to the global recovery and especially European economies. The disruptions caused by the crisis may aggravate soaring material prices, longer lead times and currency shocks. In addition, as most of the Group's major customers are in Europe, the crisis may have a potential impact on their business. If one or more major customers reduce their purchase orders to the Group, the Group's business and financial performance may be adversely affected.

The five largest customers accounted for more than 60.0% of the total revenue. Any loss of the major customers or any request for price reduction may materially and adversely affect our business performance and financial condition.

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

主要風險及不確定因素

爆發COVID-19對本集團銷售、原材料供應及生產造成不利影響。

自二零二零年COVID-19引致的危機為全球經濟帶來前所未有的不明朗因素。特別是就工業電子行業而言，核心原材料製造減緩正擾亂全供應鏈及電子製造商的产品交付計劃。本集團的生產活動及產品交付受到爆發數波的COVID-19疫情所衝擊，對其滿足客戶需求的能力造成影響，並繼而影響本集團的收益增長。

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

地緣政治局勢緊張或會對本集團的業務造成潛在影響

近期俄烏危機導致地緣政治局勢緊張，為全球經濟復甦帶來重大威脅，對歐洲經濟打擊尤甚。危機造成的供應中斷或會令材料價格飆升、交貨期延長及貨幣衝擊等情況進一步惡化。此外，由於本集團大部分主要客戶位於歐洲，有關危機可能會對彼等的業務造成潛在影響。倘一名或以上的主要客戶減少向本集團下採購訂單，本集團的業務及財務表現或會受到不利影響。

五大客戶佔總收益的60.0%以上。主要客戶的任何損失或任何下調價格的要求，或會對我們的業務表現及財務狀況造成重大不利影響。

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

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

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

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

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

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

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

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

原材料價格波動或會對銷售成本造成影響及對業務營運及盈利能力造成不利影響。

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

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

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

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

REPORT OF THE DIRECTORS

董事會報告

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

The Group is exposed to foreign exchange risks.

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

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

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

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

本集團須承受匯兌風險。

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

未能留聘主要人員繼續為本集團效力或會對經營業績構成不利影響。

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

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

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

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 184 of this annual report. This summary does not form part of the consolidated financial statements.

SUBSIDIARIES

Details (including the principal activities) of the Company's principal subsidiaries as at 31 December 2021 are set out in note 19 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2021 are set out in note 14 to the consolidated financial statements.

CHARITABLE DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2021 amounted to HK\$14,000 (2020: HK\$10,000).

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2021, the Company's distributable reserves available for distribution is HK\$18,687,000 (2020: HK\$29,487,000).

概不保證業務策略及未來計劃將會成功落實。

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

財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第184頁。此概要並不構成綜合財務報表的一部分。

附屬公司

本公司的主要附屬公司於二零二一年十二月三十一日之詳情（包括主要業務）載於綜合財務報表附註19。

物業、廠房及設備

本集團於截至二零二一年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註14。

慈善捐款

本集團於截至二零二一年十二月三十一日止年度作出的慈善及其他捐款為14,000港元（二零二零年：10,000港元）。

本公司可分派儲備

於二零二一年十二月三十一日，本公司的可供分派儲備為18,687,000港元（二零二零年：29,487,000港元）。

REPORT OF THE DIRECTORS

董事會報告

PRE-EMPTIVE RIGHTS

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

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 26 to the consolidated financial statements.

DIRECTORS

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

Executive Directors

執行董事

Lai Yiu Wah (Chairman of the Board)
黎耀華 (董事會主席)
Tai Leung Lam (Chief Executive Officer)
戴良林 (行政總裁)
Joseph Mac Carthy
Joseph Mac Carthy

Independent non-executive Directors

獨立非執行董事

Fung Chun Chung
馮鎮中
Cheung Kin Wing
張建榮
Wong Raymond Fook Lam
黃福霖

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

優先購買權

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

股本

本公司的股本變動詳情載於綜合財務報表附註26。

董事

本公司於本年度及直至本年報日期之董事名列如下：

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

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

Pursuant to A.4.2 of the CG Code, all directors (no matter executive or independent non-executive directors) including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Mr. Lai Yiu Wah will voluntarily retire and, Mr. Fung Chun Chung, Mr. Cheung Kin Wing, and Mr. Wong Raymond Fook Lam will retire from office pursuant to article 120(a) of the Articles.

Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam have notified the Company their intention of not offering themselves for re-election at the forthcoming AGM as they intended to devote more time to their other personal commitments and will retire from office as the Independent Non-executive Directors with effect from conclusion of the forthcoming AGM. Each of Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam has confirmed in writing that he has no disagreement with the Board and there are no matters in connection with his retirement from the Board which should be drawn to the attention of the shareholders of the Company.

Mr. Lai Yiu Wah and Mr. Fung Chun Chung, each being eligible, have offered themselves for re-election as Directors at the forthcoming AGM.

DIRECTORS OF SUBSIDIARIES

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

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

* Resigned as a director of subsidiary in Ireland and Germany with effect from 15 December 2021 and 31 December 2021, respectively.

Appointed as a director of a subsidiary in Ireland with effect from 15 December 2021.

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

根據企業管治守則第A.4.2條，所有董事（不論執行或獨立非執行董事）（包括按特定任期委任的董事）應最少每三年輪席退任一次。根據章程細則第120(a)條，黎耀華先生將自願退任，而馮鎮中先生、張建榮先生及黃福霖先生將退任。

張建榮先生及黃福霖先生已知會本公司彼等無意於應屆股東週年大會上膺選連任，且將退任獨立非執行董事職務，自應屆股東週年大會結束後生效，原因為彼等擬投放更多時間於彼等其他個人事務上。張建榮先生及黃福霖先生已分別書面確認彼與董事會並無意見分歧，且概無就自董事會退任而須提請本公司股東垂注的其他事宜。

黎耀華先生及馮鎮中先生均符合資格並願意於應屆股東週年大會上膺選連任董事。

附屬公司的董事

於年內及直至本年報日期，出任本公司附屬公司董事會的董事名單如下：

黎耀華
 戴良林
 Joseph Mac Carthy
 John Anthony Tiernan*
 黎錫標
 羅嘉祺
 David Mac Carthy#

* 於二零二一年十二月十五日及二零二一年十二月三十一日分別已辭任於愛爾蘭及德國的附屬公司董事。

於二零二一年十二月十五日已獲委任為愛爾蘭附屬公司的董事。

REPORT OF THE DIRECTORS

董事會報告

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 14 to 21 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Three Executive Directors have each signed a service contract with the Company for an initial term of three years commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service agreement). The said service contracts have been renewed for a term of three years commencing from 1 February 2020.

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

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

獨立非執行董事之獨立性確認

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

董事及高級管理層履歷

董事及本集團高級管理層的履歷詳情載於本年報第14至21頁。

董事服務合約

三名執行董事各自已與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。有關服務合約已經更新由二零二零年二月一日起為期三年。

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

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

TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

There were no transactions, arrangements and contracts of significance in relation to the business of the Group to which the Company, any of its subsidiaries, holding company, or fellow subsidiaries was a party and in which a director or a connected entity of a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2021.

CONTINUING CONNECTED TRANSACTION

During the year ended 31 December 2021, the Company had the following continuing connected transaction that is subject to the Listing Rules' reporting requirement for disclosure in this annual report.

Consultancy Agreement

On 29 October 2021, Trio Engineering Company Limited, a direct wholly-owned subsidiary of the Company, entered into a consultancy agreement (the "**Consultancy Agreement**") with Mr. Kwan Chan Kwong ("**Mr. Kwan**"), the spouse of Ms. Wong So Nui Amy, one of the controlling shareholders of the Company, to appoint Mr. Kwan as a consultant of the Group for the term of 12 months from 1 November 2021 to 31 October 2022 (both dates inclusive). Under the Consultancy Agreement, Mr. Kwan is entitled to a monthly consultancy fee of HK\$356,500, a monthly car allowance of HK\$30,000 and a one-off gratuity of HK\$310,000 after completion of the term of the Consultancy Agreement. The annual caps for the Consultancy Agreement is HK\$850,000 for the period from 1 November 2021 to 31 December 2021 and HK\$4,375,000 for the period from 1 January 2022 to 31 October 2022, respectively. Through this appointment, the Group will have the benefits of Mr. Kwan's advisory services and contributions in furtherance of the interests of the Company.

Details of the above-mentioned continuing connected transaction are set out in the announcement of the Company dated 29 October 2021.

The Independent Non-executive Directors have reviewed the Consultancy Agreement and confirmed to the Board that, in their opinion, the Consultancy Agreement and the transaction contemplated thereunder are entered into by the Group in the ordinary and usual course of business and on normal commercial terms, and are fair and reasonable so far as the shareholders of the Company are concerned and in the interests of the shareholders of the Company as a whole.

重大交易、安排及合約

概無由本公司、其任何附屬公司、控股公司或同系附屬公司訂立，而董事或董事的關連實體於其中直接或間接擁有重大利益之有關本集團業務的重大交易、安排及合約於年末或截至二零二一年十二月三十一日止年度任何時間存續。

持續關連交易

截至二零二一年十二月三十一日止年度，本公司已訂立以下須根據上市規則的申報規定於本年報內披露的持續關連交易。

諮詢協議

於二零二一年十月二十九日，本公司的直接全資附屬公司致豐工程有限公司與關燦光先生（「**關先生**」）（本公司控股股東之一黃蘇女女士之配偶）訂立諮詢協議（「**諮詢協議**」），委聘關先生為本集團之顧問，為期十二個月，自二零二一年十一月一日開始至二零二二年十月三十一日屆滿（包括首尾兩日）。根據諮詢協議，關先生有權收取每月諮詢費用356,500港元、每月交通津貼30,000港元，並於諮詢協議期限結束後獲得310,000港元的一次性酬金。諮詢協議的年度上限自二零二一年十一月一日至二零二一年十二月三十一日止期間及自二零二二年一月一日至二零二二年十月三十一日止期間的年度上限分別為850,000港元及4,375,000港元。通過此委聘，本集團將受惠於關先生之諮詢服務及為促進本公司利益所作出的貢獻。

上述持續關連交易的詳情載於本公司日期為二零二一年十月二十九日的公佈。

獨立非執行董事已審閱諮詢協議並向董事會確認，彼等認為諮詢協議及據此而擬進行的交易乃由本集團於日常及一般業務過程中按正常商業條款訂立，並對本公司股東而言屬公平合理，且符合本公司股東的整體利益。

REPORT OF THE DIRECTORS

董事會報告

For the purpose of Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company, PricewaterhouseCoopers, to report on the above continuing connected transaction for the year ended 31 December 2021 in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing its findings and conclusions in respect of the above continuing connected transaction in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided to the Stock Exchange.

The Directors confirmed that the Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of the continuing connected transaction during the year ended 31 December 2021.

Details of related party transactions of the Group for the year ended 31 December 2021 are set out in note 32 to the consolidated financial statements. With regard to the Consultancy Agreement which constituted continuing connected transaction, the Company has complied with the annual review and disclosure requirements in accordance with Chapter 14A of the Listing Rules. Save for the Consultancy Agreement, none of the related party transactions of the Group for the year ended 31 December 2021 constituted connected transaction or continuing connected transaction of the Company which is subject to the disclosure or annual review requirements under Chapter 14A of the Listing Rules.

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the year ended 31 December 2021.

DIRECTORS’ EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the year ended 31 December 2021 are set out in note 9 to the consolidated financial statements.

就上市規則第14A.56條而言，董事會已委聘本公司核數師羅兵咸永道會計師事務所根據香港會計師公會頒佈的香港核證委聘準則第3000號「審核或審閱歷史財務資料以外的核證委聘」，並參考實務說明第740號「核數師根據香港上市規則就持續關連交易發出的函件」，就上述截至二零二一年十二月三十一日止年度的持續關連交易作出報告。根據上市規則第14A.56條，核數師已就上述持續關連交易出具載有其調查結果及結論的無保留意見函件。本公司已向聯交所提供核數師函件的副本。

董事確認本公司已於截至二零二一年十二月三十一日止年度就持續關連交易遵守上市規則第14A章的規定。

本集團截至二零二一年十二月三十一日止年度的關連方交易詳情載於本年報綜合財務報表附註32。就構成持續關連交易的諮詢協議而言，本公司已遵守上市規則第14A章的年度審閱及披露規定。除諮詢協議外，概無本集團截至二零二一年十二月三十一日止年度的關連方交易構成上市規則第14A章項下本公司的關連交易或持續關連交易且受披露或年度檢討規定所規限。

管理合約

於截至二零二一年十二月三十一日止年度內，概無訂立或存在有關本公司或其附屬公司的所有或任何重大部分業務之管理及行政合約。

董事酬金

截至二零二一年十二月三十一日止年度內董事薪酬詳情按記名方式載於綜合財務報表附註9。

REMUNERATION POLICY

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

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

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

PERMITTED INDEMNITY PROVISION

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

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

薪酬政策

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

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

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

獲准許的彌償

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

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

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 December 2021, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) as recorded in the register required to be kept pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (ii) as required to be notified to the Company and the Stock Exchange pursuant to Model Code contained in Appendix 10 to the Listing Rules, were as follows:

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

於二零二一年十二月三十一日，董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有(i)須記錄於根據證券及期貨條例第352條規定須存置於該條所述登記冊的權益及淡倉；或(ii)根據上市規則附錄十所載標準守則須知會本公司及聯交所的權益及淡倉如下：

Name of Directors	Nature of interest	Number of Shares held in Long Position	Total	Percentage of shareholding in the Company's issued share capital (Note 2)
董事姓名	權益性質	所持好倉的股份數目	合共	佔本公司已發行股本之股權百分比(附註2)
Lai Yiu Wah ("Mr. Lai") 黎耀華 (「黎先生」)	Interest in controlled corporations 於受控法團的權益	725,000,000 (Note 1) (附註1)	750,000,000	75.00%
	Beneficial owner 實益擁有人	25,000,000		
Tai Leung Lam ("Mr. Tai") 戴良林 (「戴先生」)	Interest in controlled corporations 於受控法團的權益	725,000,000 (Note 1) (附註1)	725,000,000	72.50%
Joseph Mac Carthy ("Mr. Mac Carthy") Joseph Mac Carthy (「Mac Carthy先生」)	Beneficiary of a trust 信託受益人	725,000,000 (Note 1) (附註1)	725,000,000	72.50%

Notes:

- (1) These Shares are held by Trio Industrial Electronics Holding Limited (“**Trio Holding**”). Trio Holding was owned as to 27.5%, 27.5%, 17.5%, 17.5%, and 10.0% by Nawk Investment Inc. (“**Nawk Investment**”), LLT Investment Inc. (“**LLT Investment**”), Proactive Investment Inc. (“**Proactive Investment**”), Grand Energy Investment Limited (“**Grand Energy**”), and Eastville Enterprises Limited (“**Eastville Enterprises**”), respectively. Nawk Investment, LLT Investment, Proactive Investment, and Eastville Enterprises were directly and wholly owned by Mr. Kwan Tak Sum Stanley (“**Mr. Kwan**”), Mr. Tai, Mr. Lai and Ms. Wong So Nui Amy (“**Ms. Wong**”), respectively. Grand Energy was directly and wholly owned by King Fung Nominees Limited (“**King Fung Nominees**”) on trust for Mr. Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan, Mr. Tai, Mr. Lai, Mr. Mac Carthy, Ms. Wong, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy, King Fung Nominees, and Eastville Enterprises are regarded as the controlling shareholders and together be entitled to exercise and control 72.5% of the issued share capital of the Company as at 31 December 2021.
- (2) The approximate percentages were calculated based on 1,000,000,000 shares in issue as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, none of the Directors nor chief executive of the Company has registered an interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (ii) which were required to be notified to the Company and the Stock Exchange pursuant to Model Code.

DIRECTORS’ RIGHT TO ACQUIRE SHARES

Save as disclosed under the paragraphs headed “Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any other Associated Corporations” above, at no time during the year ended 31 December 2021 were there any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or the chief executive of the Company or any of their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

附註：

- (1) 該等股份由致豐工業電子控股有限公司（「**致豐控股**」）持有。致豐控股由Nawk Investment Inc.（「**Nawk Investment**」）、LLT Investment Inc.（「**LLT Investment**」）、Proactive Investment Inc.（「**Proactive Investment**」）、Grand Energy Investment Limited（「**Grand Energy**」）及Eastville Enterprises Limited（「**Eastville Enterprises**」）分別擁有27.5%、27.5%、17.5%、17.5%及10.0%。Nawk Investment、LLT Investment、Proactive Investment及Eastville Enterprises分別由關德深先生（「**關先生**」）、戴先生、黎先生及黃蘇女士（「**黃女士**」）直接全資擁有。Grand Energy由King Fung Nominees Limited（「**King Fung Nominees**」）以信託形式為Mac Carthy先生直接及全資擁有。由於關先生、戴先生、黎先生、Mac Carthy先生及黃女士、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy、King Fung Nominees及Eastville Enterprises於致豐控股之權益，於二零二一年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股本的72.5%。
- (2) 概約百分比乃根據二零二一年十二月三十一日的1,000,000,000股已發行股份計算。

除上文所披露者外，於二零二一年十二月三十一日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中登記擁有(i)根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或(ii)根據標準守則須知會本公司及聯交所的權益及淡倉。

董事購入股份之權利

除於上文「董事及主要行政人員於本公司或任何其他相聯法團之股份、相關股份及債權證的權益及淡倉」各段所披露者外，於截至二零二一年十二月三十一日止年度任何時間，概無任何董事或本公司主要行政人員或任何彼等各自的配偶或未成年子女獲授可透過購入本公司股份或債權證而取得利益之任何權利，或彼等並無行使任何該等權利；或本公司、其控股公司或其任何附屬公司及同系附屬公司並無訂立任何安排，以致董事可購入任何其他法人團體的有關權利。

REPORT OF THE DIRECTORS

董事會報告

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

So far as the Directors are aware, as at 31 December 2021, the following persons (not being Directors or chief executive of the Company) had or were deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

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

就董事所知，於二零二一年十二月三十一日，下列人士（並非董事或本公司主要行政人員）於本公司的股份或相關股份中擁有或被視為或當作擁有記錄於根據證券及期貨條例第336條須予存置的登記冊內的權益或淡倉：

Name of shareholders	Nature of interests	Number of Shares held in Long Position	Percentage of shareholding in the Company's issued share capital (Note 3) 佔本公司已發行股本之股權百分比 (附註3)
股東名稱	權益性質	所持好倉的股份數目	
Mr. Kwan 關先生	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Ms. Wong 黃女士	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Grand Energy	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Grand Energy	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Trio Holding 致豐控股	Beneficial owner 實益擁有人	725,000,000 (Note 1) (附註1)	72.50%
Nawk Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Nawk Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
LLT Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
LLT Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Proactive Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Proactive Investment	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Eastville Enterprises	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
Eastville Enterprises	Interest in a controlled corporation 於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
King Fung Nominees	Trustee; interest in a controlled corporation 受託人；於受控法團的權益	725,000,000 (Note 1) (附註1)	72.50%
King Fung Nominees	Interest of controlled corporation 受控法團的權益	88,872,000 (Note 2) (附註2)	8.89%
RUAN David Ching Chi	Investment manager 投資經理	88,872,000 (Note 2) (附註2)	8.89%
RUAN David Ching Chi			
RAYS Capital Partners Limited			
RAYS Capital Partners Limited			

Name of shareholders	Nature of interests	Number of Shares held in Long Position	Percentage of shareholding in the Company's issued share capital (Note 3)
股東名稱	權益性質	所持好倉的股份數目	佔本公司已發行股本之股權百分比 (附註3)
Asian Equity Special Opportunities Portfolio Master Fund Limited	Beneficial owner	84,064,000	8.41%
Asian Equity Special Opportunities Portfolio Master Fund Limited	實益擁有人		

Notes:

- (1) These shares are held by Trio Holding. Trio Holding was owned as to 27.5%, 27.5%, 17.5%, 17.5%, and 10.0% by Nawk Investment, LLT Investment, Proactive Investment, Grand Energy and Eastville Enterprises, respectively. Nawk Investment, LLT Investment, Proactive Investment and Eastville Enterprises were directly and wholly owned by Mr. Kwan, Mr. Tai, Mr. Lai, and Ms. Wong, respectively. Grand Energy was directly and wholly owned by King Fung Nominees on trust for Mr. Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan, Mr. Tai, Mr. Lai, Mr. Mac Carthy, Ms. Wong, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy, King Fung Nominees and Eastville Enterprises are regarded as the controlling shareholders and together be entitled to exercise and control 72.5% of the issued share of the Company as at 31 December 2021.
- (2) Accordingly to the information available on the website of the Stock Exchange, Asian Equity Special Opportunities Portfolio Master Fund Limited is owned as to 100% by RAYS Capital Partners Limited, which in turn is owned as to 95.24% by Mr. Ruan David Ching Chi.
- (3) The approximate percentages were calculated based on 1,000,000,000 shares in issue as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares of the Company which would be recorded in the register required to be kept under Section 336 of the SFO.

附註：

- (1) 該等股份由致豐控股持有。致豐控股由Nawk Investment、LLT Investment、Proactive Investment、Grand Energy及Eastville Enterprises分別擁有27.5%、27.5%、17.5%、17.5%及10.0%。Nawk Investment、LLT Investment、Proactive Investment及Eastville Enterprises分別由關先生、戴先生、黎先生及黃女士直接全資擁有。Grand Energy由King Fung Nominees以信託形式為Mac Carthy先生直接及全資擁有。由於關先生、戴先生、黎先生、Mac Carthy先生、黃女士、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy、King Fung Nominees及Eastville Enterprises於致豐控股之權益，於二零二一年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股份的72.5%。
- (2) 根據在聯交所網站可供查閱的資料，Asian Equity Special Opportunities Portfolio Master Fund Limited由RAYS Capital Partners Limited擁有100%，而後者由Ruan David Ching Chi先生擁有95.24%。
- (3) 概約百分比乃根據二零二一年十二月三十一日的1,000,000,000股已發行股份計算。

除上文所披露者外，於二零二一年十二月三十一日，董事並不知悉任何其他人士於本公司股份或相關股份中擁有將記錄於根據證券及期貨條例第336條須予存置的登記冊內的任何權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SHAREHOLDERS' INTERESTS IN SECURITIES OF SIGNIFICANCE

Other than the interests disclosed above in respect of the substantial shareholders, as at 31 December 2021, no other person is individually or collectively entitled to exercise or control the exercise of 5% or more of the voting power at the general meetings of the Company and are able, as a practicable manner, to direct or influence the management of the Company.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales for the year ended 31 December 2021 generated from the Group's major customers is as follows:

– The largest customer	22.5%
– Five largest customers	63.0%

The percentage of purchases for the year ended 31 December 2021 attributable to the Group's major suppliers is as follows:

– The largest supplier	4.9%
– Five largest suppliers	18.1%

None of the Directors, their close associates (as defined in the Listing Rules) nor any shareholder (which to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any beneficial interest in any of the Group's five largest customers or its five largest suppliers for the year ended 31 December 2021.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2021.

DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Director's securities transactions on terms no less exacting than the Model Code. Having been made a specific enquiry by the Company, all Directors confirmed that they had complied with the required standard of dealings and code of conduct regarding securities transactions throughout the year ended 31 December 2021 and up to the date of this annual report.

股東於大多數證券之權益

除上文所披露有關主要股東的權益外，於二零二一年十二月三十一日，概無其他人士個別或共同地有權於本公司股東大會上行使或控制行使5%或以上投票權，而能以切實可行的方式指示或影響本公司的管理。

主要客戶及供應商

截至二零二一年十二月三十一日止年度來自本集團主要客戶之銷售額百分比如下：

– 最大客戶	22.5%
– 五大客戶	63.0%

截至二零二一年十二月三十一日止年度歸屬於本集團主要供應商之採購百分比如下：

– 最大供應商	4.9%
– 五大供應商	18.1%

概無董事、彼等的緊密聯繫人（定義見上市規則）或任何股東（就董事所知擁有本公司超過5%股本者）於本集團於截至二零二一年十二月三十一日止年度的任何五大客戶或其五大供應商中擁有任何實益權益。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於截至二零二一年十二月三十一日止年度並無購買、出售或贖回本公司的任何上市證券。

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不較標準守則寬鬆。經本公司具體查詢後，全體董事確認彼等於截至二零二一年十二月三十一日止整個年度及直至本年報日期一直遵守有關證券交易的規定交易標準及行為守則。

COMPETING INTERESTS

During the year ended 31 December 2021 and up to the date of this annual report, none of the Directors nor the controlling shareholders nor substantial shareholders (as defined in the Listing Rules) of the Company or their respective close associates (as defined in the Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of the then shareholder on 27 October 2017. A summary of the Share Option Scheme and the movement of the share options granted was set out in note 28 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Save and except for the Share Option Scheme as disclosed in the paragraph headed “Share Option Scheme” above, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company enter into any agreement that will or may result in the Company issuing shares, was entered into by the Company during the year ended 31 December 2021 or subsisted at the end of the reporting period.

競爭權益

於截至二零二一年十二月三十一日止年度及直至本年報日期，董事或本公司控股股東或主要股東（定義見上市規則）或彼等各自的緊密聯繫人（定義見上市規則）概無被視為於與本集團業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益，及／或致使或可能致使與本集團有任何其他利益衝突。

購股權計劃

購股權計劃是於二零一七年十月二十七日由當時股東遵照上市規則第17章通過書面決議案有條件批准及採納。購股權計劃的概要及授出購股權的變動載於綜合財務報表附註28。

股票掛鈎協議

除上文「購股權計劃」一段披露的購股權計劃外，本公司於截至二零二一年十二月三十一日止年度並無訂立或於報告期末仍然存續股票掛鈎協議(i)將會或可能導致本公司發行股份，或(ii)要求本公司訂立任何將會或可能導致本公司發行股份的協議。

DIVIDEND POLICY

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

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

AUDIT COMMITTEE

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

股息政策

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

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

審核委員會

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

SUFFICIENCY OF PUBLIC FLOAT

From the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capitals are held by the public at all times throughout the year ended 31 December 2021 and up to the date of this annual report.

TAX RELIEF

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

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to implementing good corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 40 to 62 of this annual report.

THE FORTHCOMING AGM

The forthcoming AGM of the Company will be held at Room 4-5, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 27 May 2022 at 2:30 p.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

EVENTS AFTER THE REPORTING PERIOD

There are no significant events affecting the Group after the year ended 31 December 2021 and up to the date of this annual report.

充足公眾持股量

自本公司可得的公開資料及就董事所知，於截至二零二一年十二月三十一日止年度整年及直至本年報日期內任何時間，本公司全部已發行股本的最少25%由公眾人士持有。

稅務寬減

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

遵守企業管治守則

本公司致力實行良好企業管治常規。有關本公司採納的主要企業管治常規的資料載於本年報第40至62頁的企業管治報告。

應屆股東週年大會

本公司應屆股東週年大會將於二零二二年五月二十七日（星期五）下午二時三十分假座香港金鐘金鐘道95號統一中心十樓統一會議中心4至5號會議室舉行，而召開有關大會的通告將按照上市規則所規定的方式適時刊登及寄發予股東。

報告期後事項

截至二零二一年十二月三十一日止年度後及直至本年報日期，並無對本集團造成影響的重大事項。

REPORT OF THE DIRECTORS

董事會報告

INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 31 December 2021 have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment. The Board has taken the Audit Committee's recommendation that a resolution for their re-appointment as independent auditor of the Company will be proposed at the forthcoming AGM.

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

On behalf of the Board

Lai Yiu Wah

Chairman and Executive Director
Hong Kong, 24 March 2022

獨立核數師

截至二零二一年十二月三十一日止年度綜合財務報表已由羅兵咸永道會計師事務所審核，而彼將退任並符合資格獲重新委任。董事會已參照審核委員會的建議，並將於應屆股東週年大會上提呈有關重新委任該會計師事務所為本公司獨立核數師之決議案。

於過往三年，獨立核數師並無變動。

代表董事會

黎耀華

主席兼執行董事
香港，二零二二年三月二十四日



羅兵咸永道

To the Members of Trio Industrial Electronics Group Limited

(incorporated in Hong Kong with limited liability)

致致豐工業電子集團有限公司成員

(於香港註冊成立的有限公司)

OPINION

What we have audited

The consolidated financial statements of Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”), which are set out on pages 94 to 183, comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

意見

我們已審計的內容

致豐工業電子集團有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第94至183頁的綜合財務報表，包括：

- 於二零二一年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要及其他解釋附註。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了 貴集團於二零二一年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

KEY AUDIT MATTERS

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

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

Key audit matters identified in our audit are summarised as follows: 我們在審計中識別的關鍵審計事項概述如下：

- Assessment of recoverable amounts of property, plant and equipment and right-of-use assets; and
- Net realisable value assessment of inventories.
- 物業、廠房及設備及使用權資產的可收回金額之評估；及
- 存貨的可變現淨值評估。

Key Audit Matter

關鍵審計事項

Assessment of recoverable amounts of property, plant and equipment and right-of-use assets

Refer to notes 4(a), 14 and 15 to the consolidated financial statements.

The Group's revenue inflow is highly dependent on its manufacturing operations on electronic products.

The Group is required to review for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Taking into account the loss of HK\$10.6 million recognised in the current year, the management considers there is an impairment indication.

物業、廠房及設備與使用權資產的可收回金額之評估

請參閱財務報表附註4(a)，14及15。

貴集團的收益流入很大程度上依賴於其電子產品製造業務。

當有事件出現或情況改變，顯示其賬面價值可能無法收回，貴集團須就其進行減值檢討。鑒於現本期錄得的虧損10,600,000港元，管理層認為存在減值跡象。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to the assessment of recoverable amounts of assets included:

- Obtained an understanding of the assessment process of recoverable amounts of the assets and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;
- Tested the mathematical accuracy of the underlying calculations in the valuation model and agreed them to the approved one-year financial budget and future forecasts. We compared historical actual results to those budgeted to assess the quality of management's forecast;

我們就該等資產的可收回金額之評估進行的程序包括：

- 了解該等資產的可收回金額之評估的過程及考慮評估當中的不確定性及其他影響固有風險的因素以評估重大錯誤陳述中的固有風險；
- 測試估值模型中相關數學計算的準確性，並將其與經批核的一年期財務預算及未來預測進行核對。我們將過往的實際結果與預算結果進行對比，以評估管理層預測的質量；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p>The Group performed an assessment of the recoverable amounts for all property, plant and equipment and right-of-use assets. For the purpose of performing the recoverability assessment, management identifies the entire Group as a single Cash Generating Unit (“CGU”). The recoverable amount of the assets for the underlying CGU is determined based on the higher of the fair value less cost of disposal or the value in use. Management has prepared the impairment assessment using the value in use model to determine the recoverable amount of the CGU, and concluded that the assets were not impaired as of 31 December 2021.</p>	<ul style="list-style-type: none">Assessed the key assumptions made by management in the valuation model. We discussed with management to understand and evaluate their basis for selecting the assumptions, and compared them to various sources including future economic growth forecasts and historical data for both the Group and industry performance. We assessed the reasonableness of the discount rate used by checking it to the discount rates of comparable companies within the same industry;Obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that the selected adverse changes to the key assumptions, both individually and in aggregate, would not cause the carrying amount of the CGU to exceed the recoverable amount; and
<p>貴集團對所有物業、廠房及設備以及使用權資產的可收回金額進行評估。為進行此可收回性評估，管理層將貴集團視為單一現金產生單位。相關現金產生單位的可收回金額以公平值減出售成本與使用價值兩者的較高者釐定。管理層按使用價值模型進行減值評估以確認其現金產生單位的可收回金額，並認為該等資產截至二零二一年十二月三十一日並未減值。</p>	<ul style="list-style-type: none">評估管理層在估值模型中作出的關鍵假設。我們與管理層進行了討論，以瞭解並評估他們選定該等假設的基礎，並將其與有關貴集團及行業績效的未來經濟增長預測和歷史數據在內的各種資料進行對比。我們通過檢查相同行業內之可比公司的貼現率，從而對所使用的貼現率的合理性進行評估；獲取並測試管理層就該等關鍵假設作出的敏感性分析，以確定對選定關鍵假設產生的不利變化，不論是單獨或匯總起來，均不會導致現金產生單位之賬面價值超過其可收回金額；及

Key Audit Matter**關鍵審計事項**

Value in use represents the present value of the future cash flows expected to be derived from the CGU. The assessment contains a number of significant assumptions such as revenue growth rate, gross profit margin, pre-tax discount rate and terminal growth rate. Changes in these assumptions may lead to potential impairment charges on the carrying value of the assets. The use of assumptions in the assessment also requires estimates and judgments which may be affected by unexpected future market, economic or political conditions. There is inherent estimation uncertainty in determining the recoverable amount of the underlying CGU as significant judgments are required by management, particularly management's view on key internal inputs and external market conditions which impact future cash flows, the discount rate and the long-term growth rate.

We focused on this area as these assets are significant to the Group's operations and the assessment performed by management involved significant estimates and judgments.

使用價值代表現金產生單位預期將會產生的未來現金流量的現值。此評估包含了一定數量的重大假設，包括收入增長率、毛利率、稅前貼現率和長期增長率。該等假設的改變可能會導致該等資產之賬面價值的減值損失。評估中使用的假設亦需進行估計和判斷，可能會被預期外的未來市場、經濟狀況或政治環境所影響。在確定相關資產的可收回金額時，相關評估要求管理層作出重大判斷，尤其是管理層對關鍵的內部數據及外部市場狀況的看法，從而評估未來現金流量、貼現率及長期增長率的影響，故此相關評估固有地存在不確定性。

由於該等資產對於 貴集團業務相當重大，且管理層執行的評估涉及重大估計和判斷，故我們尤為重視該領域。

How our audit addressed the Key Audit Matter**我們的審計如何處理關鍵審計事項**

- Assessed the adequacy of the disclosures related to the recoverable amounts of assets in the context of HKFRSs disclosure requirements.

Based on the audit procedures performed, we found the Group's estimates and judgment used in the recoverability assessment of the assets to be supported by the available evidence.

- 根據《香港財務報告準則》評估該等資產的可收回金額相關披露要求的充分性。

根據執行的審計程序，我們發現，貴集團對評估該等資產可收回性作出的估計和判斷均有相應證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p>Net realisable value assessment of inventories</p> <p><i>Refer to notes 4(b) and 20 to the consolidated financial statements.</i></p>	<p>Our procedures in relation to the net realisable value assessment of inventories included:</p> <ul style="list-style-type: none">Understanding and evaluating of management's key internal controls in relation to inventory costing and the net realisable value assessment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes and susceptibility to management bias or fraud;
<p>存貨的可變現淨值評估</p> <p><i>請參閱財務報表附註4(b)及20</i></p>	<p>我們就存貨的可變現淨值評估進行的程序包括：</p> <ul style="list-style-type: none">了解及評價管理層有關存貨成本及估計可變現淨值評估的關鍵內部控制，並透過考慮估計的不確定性程度及其他固有風險因素水平（例如複雜性、主觀性、變化及是否容易受管理層偏見或欺詐的影響）來評估重大錯誤陳述的固有風險；

Key Audit Matter**關鍵審計事項**

As at 31 December 2021, the Group has inventories of HK\$244 million, which were stated at lower of cost and net realisable value.

The determination of net realisable value required judgment to be made by management on the estimated selling price, the estimated cost to completion and the estimated cost necessary to make the sale.

We focused on this area because of the significance of the balances and the judgments and estimates involved.

於二零二一年十二月三十一日，貴集團的存貨為244,000,000港元，乃按成本及可變現淨值的較低者列賬。

可變現淨值的釐定，須由管理層對估計售價、達致完成的估計成本及進行銷售所需的估計成本作出判斷。

由於結餘及所涉及的判斷及估計的重要性，故我們尤為重視該領域。

How our audit addressed the Key Audit Matter**我們的審計如何處理關鍵審計事項**

- Tested, on a sample basis, the accuracy of the inventories aging profile used by management to estimate the appropriate provision for slow moving and obsolete inventories;
- Assessed the reasonableness of estimated selling price determined by management by testing, on a sample basis, the sales subsequent to the year end. If subsequent sales were not available, we compared the estimated selling price against the most recent selling price prior to the year end and assessed the impact of recent price trends for these inventories; and
- Assessed the reasonableness of (i) the estimated costs to completion by comparing to the historical costs to completion and (ii) the estimated costs necessary to make the sale by comparing to costs incurred in previous years.

Based on the procedures performed, we considered that the risk assessment of net realisable value assessment of inventories remained appropriate and the judgments and assumptions used by management in determining the net realisable value of inventories were supported by the available evidence.

- 以抽樣方式，測試管理層估計滯銷和過時存貨的適當撥備所使用的庫齡的準確性；
- 以抽樣方式測試於年結日後的銷售，從而評估管理層所釐定的估計售價的合理性。如未能取得年結日後的銷售資料，我們將估計售價與年結日前的最近期售價進行比較，並評估該等存貨近期價格趨勢的影響；及
- (i)透過比較存貨達致完成的歷史成本，從而評估達致完成的估計成本的合理性；及(ii)透過比較過往年度產生的成本，從而評估進行銷售所需的估計成本的合理性。

根據所執行的程序，我們認為存貨可變現淨值評估之風險評估仍屬恰當，而管理層於釐定存貨可變現淨值時所使用的判斷及假設，均有相應證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

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

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

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

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

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

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

其他信息

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

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

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

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

董事及審計委員會就綜合財務報表須承擔的責任

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

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

審計委員會須負責監督 貴集團的財務報告過程。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 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 HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第405條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
 - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
 - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
 - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
 - 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

核數師就審計綜合財務報表承擔的責任 (續)

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Li Ching Lap Bernard.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 24 March 2022

核數師就審計綜合財務報表承擔的責任 (續)

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

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是李政立先生。

羅兵咸永道會計師事務所
執業會計師

香港，二零二二年三月二十四日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

			2021 二零二一年	2020 二零二零年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	6	744,067	701,699
Cost of sales	銷售成本	7	(604,738)	(519,212)
Gross profit	毛利		139,329	182,487
Other income, net	其他收入淨額	6	3,153	3,427
Selling and distribution expenses	銷售及分銷費用	7	(16,138)	(13,098)
Administrative expenses	行政開支	7	(130,093)	(121,948)
Other operating expenses, net	其他經營開支淨額	7	(4,903)	(6,723)
(Loss)/profit from operations	經營(虧損)/溢利		(8,652)	44,145
Finance expenses, net	財務開支淨額	10	(6,843)	(6,450)
(Loss)/profit before income tax	除所得稅前(虧損)/溢利		(15,495)	37,695
Income tax credit/(expense)	所得稅抵免/(開支)	11	4,911	(8,814)
(Loss)/profit for the year	年內(虧損)/溢利		(10,584)	28,881
Other comprehensive income/(expense) <i>Items that will not be reclassified subsequently to profit or loss:</i>	其他全面收益/(開支) 其後不會重新分類至 損益的項目:			
Fair value gains/(losses) on revaluation of land and building, net of tax	重估土地及樓宇的公平值 收益/(虧損)(扣稅後)		3,774	(1,650)
Currency translation differences	匯兌差額		(1,429)	772
Other comprehensive income/(expense) for the year, net of tax	年內其他全面收益/(開支) (扣稅後)		2,345	(878)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額		(8,239)	28,003
(Loss)/earnings per share – Basic and diluted (HK cents)	每股(虧損)/盈利 – 基本及攤薄(港仙)	12	(1.06)	2.89

The notes on pages 98 to 183 are an integral part of these financial statements.

第98至183頁的附註為本財務報表的不可分割部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2021 於二零二一年十二月三十一日

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Assets	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	59,479	53,678
Right-of-use assets	使用權資產	15	14,378	23,200
Financial assets at fair value through profit or loss-non-current	按公平值計入損益賬的 金融資產-非流動	16	11,527	13,854
Prepayment	預付款項	17	1,831	1,864
Deferred tax assets	遞延稅項資產	18	4,754	-
			91,969	92,596
Current assets	流動資產			
Inventories	存貨	20	243,729	132,931
Financial assets at fair value through profit or loss-current	按公平值計入損益賬的 金融資產-流動	16	639	-
Trade and other receivables	貿易及其他應收款項	21	172,239	183,044
Prepayments and deposits	預付款項及按金	17	23,530	29,791
Tax recoverable	可收回稅項		578	-
Restricted bank deposits	受限制銀行存款	22	6,140	6,139
Bank and cash balances	銀行及現金結餘	22	62,790	99,216
			509,645	451,121
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	23	170,372	129,788
Contract liabilities	合約負債	24	45,370	3,453
Borrowings	借款	25	10,438	8,750
Lease liabilities-current	租賃負債-流動	15	7,537	9,207
Current income tax liabilities	即期所得稅負債		10,500	7,662
			244,217	158,860
Net current assets	流動資產淨值		265,428	292,261
Total assets less current liabilities	資產總值減流動負債		357,397	384,857
Non-current liabilities	非流動負債			
Lease liabilities-non-current	租賃負債-非流動	15	8,561	16,105
Deferred tax liabilities	遞延稅項負債	18	4,169	3,947
			12,730	20,052
Net assets	資產淨值		344,667	364,805
Equity	權益			
Share capital	股本	26	281,507	281,507
Reserves	儲備	27	63,160	83,298
Total equity	權益總額		344,667	364,805

The financial statements on pages 94 to 183 were approved by the Board of Directors on 24 March 2022 and were signed on its behalf

Lai Yiu Wah
黎耀華
Director
董事

Tai Leung Lam
戴良林
Director
董事

The notes on pages 98 to 183 are an integral part of these financial statements.

第94至183頁之財務報表已由董事會於二零二二年三月二十四日批准，並由以下董事代表董事會簽署

第98至183頁之附註為本財務報表不可分割部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Note 附註	Share	Other	Statutory	Currency	Revaluation	Share	Retained	Total
			capital	reserve	reserve	translation	reserve	option	profits	
			股本	其他儲備	法定儲備	匯兌儲備	重估儲備	購股權儲備	保留盈利	總計
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2021	於二零二一年一月一日結餘		281,507	(125,162)	14,705	622	18,383	-	174,750	364,805
Revaluation surplus	土地及樓宇重估盈餘									
on land and building			-	-	-	-	4,187	-	-	4,187
Tax effect of revaluation surplus	重估盈餘稅務影響		-	-	-	-	(413)	-	-	(413)
Realisation of revaluation surplus,	實現重估盈餘 (扣稅後)		-	-	-	-	(613)	-	714	101
net of tax			-	-	-	-	(613)	-	714	101
Currency transaction differences	貨幣交易差額		-	-	-	(1,429)	-	-	-	(1,429)
Contributions by/(distribution to)	本公司擁有人注資/ (向本公司擁有人作出分派):									
owners of the company:										
Loss for the year	年內虧損		-	-	-	-	-	-	(10,584)	(10,584)
Dividends paid	已付股息	13	-	-	-	-	-	-	(12,000)	(12,000)
Balance at 31 December 2021	於二零二一年十二月三十一日 結餘		281,507	(125,162)	14,705	(807)	21,544	-	152,880	344,667
Balance at 1 January 2020	於二零二零年一月一日結餘		281,507	(125,162)	13,231	(150)	20,724	7,039	155,302	352,491
Revaluation deficit on land and building	土地及樓宇重估虧絀		-	-	-	-	(1,831)	-	-	(1,831)
Tax effect of revaluation deficit	重估虧絀稅務影響		-	-	-	-	181	-	-	181
Realisation of revaluation surplus,	實現重估盈餘 (扣稅後)		-	-	-	-	(691)	-	804	113
net of tax			-	-	-	-	(691)	-	804	113
Currency transaction differences	貨幣交易差額		-	-	-	772	-	-	-	772
Contributions by/(distribution to)	本公司擁有人注資/ (向本公司擁有人作出分派):									
owners of the company:										
Appropriation of statutory reserve	法定儲備撥款		-	-	1,474	-	-	-	(1,474)	-
Equity-settled share-based payment	以權益結算及股份為基礎									
transaction	付款的交易	28	-	-	-	-	-	198	-	198
Cancellation of share options	註銷購股權		-	-	-	-	-	(7,237)	7,237	-
Profit for the year	年內溢利		-	-	-	-	-	-	28,881	28,881
Dividends paid	已付股息		-	-	-	-	-	-	(16,000)	(16,000)
Balance at 31 December 2020	於二零二零年十二月三十一日 結餘		281,507	(125,162)	14,705	622	18,383	-	174,750	364,805

The notes on pages 98 to 183 are an integral part of these financial statements.

第98至183頁的附註為本財務報表的不可分割部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Cash flows from operating activities	經營活動現金流量			
Cash generated from operations	經營業務所得現金	31(a)	1,851	50,861
Finance costs	融資成本		(6,909)	(7,324)
Income tax refunded/(paid)	退回/(已付) 所得稅		879	(2,986)
Net cash (used in)/generated from operating activities	經營活動(所用)/所得現金淨額		(4,179)	40,551
Cash flows from investing activities	投資活動現金流量			
Net (increase)/decrease in restricted bank deposits	受限制銀行存款(增加)/減少淨額		(1)	47
Interest income	利息收入		66	874
Investment income	投資收入		331	139
Proceeds from disposal of fund investments	出售基金投資的所得款項		1,934	-
Purchase of property, plant and equipment	購置物業、廠房及設備		(16,396)	(8,797)
Purchase of listed equity investments	購買上市股本投資		(5,041)	(9,312)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		428	-
Settlement on derivative financial instruments	衍生金融工具結算		786	-
Proceeds from disposal of listed equity investments	出售上市股本投資的所得款項		4,280	4,435
Net cash used in investing activities	投資活動所用現金淨額		(13,613)	(12,614)
Cash flows from financing activities	融資活動現金流量			
Proceeds from borrowings	借款所得款項	31(b)	18,000	10,000
Repayments of borrowings	償還借款	31(b)	(16,333)	(12,259)
Repayments of finance lease payables	償還融資租賃應付款項	31(b)	-	(43)
Dividends paid	已付股息	13	(12,000)	(16,000)
Principal elements of lease payments	租賃付款的本金部分	31(b)	(9,159)	(7,937)
Net cash used in financing activities	融資活動所用現金淨額		(19,492)	(26,239)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額		(37,284)	1,698
Effect of foreign currency rate change	外幣兌換變動的影響		858	680
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		99,216	96,838
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物		62,790	99,216
Analysis of cash and cash equivalents	現金及現金等價物分析			
Time deposit up to three months	為期三個月或以下的定期存款	22	20,000	50,000
Bank and cash balances	銀行及現金結餘	22	42,790	49,216
			62,790	99,216

The notes on pages 98 to 183 are an integral part of these financial statements.

第98至183頁的附註為本財務報表的不可分割部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Trio Industrial Electronics Group Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The principal place of business and registered office of the Company is at Block J, 5/F., Phase II, Kaiser Estate, 51 Man Yue Street, Hunghom, Kowloon, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the “**Group**”) are principally engaged in the manufacturing and sales of electronic products. The immediate holding company of the Company is Trio Industrial Electronics Holding Limited (“**Trio Holding**”), a company incorporated in the British Virgin Islands with limited liability.

The consolidated financial statements are presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

1 一般資料

致豐工業電子集團有限公司（「本公司」）為一家於香港註冊成立的有限公司，並在香港聯合交易所有限公司（「聯交所」）主板上市（「上市」）。本公司主要營業地點及註冊辦事處為香港九龍紅磡民裕街51號凱旋工商中心2期5樓J室。

本公司為一家投資控股公司。本公司及其附屬公司（統稱「本集團」）主要從事製造及銷售電子產品。本公司之直接控股公司為致豐工業電子控股有限公司（「致豐控股」，一家於英屬處女群島註冊成立的有限公司）。

除另有指明外，本綜合財務報表乃以港幣千元（「千港元」）呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of presentation

2.1.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and are in compliance with the Companies Ordinance. The consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

2.1.2 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings, financial assets at fair value through profit or loss, and derivative financial instruments, which are carried at fair value.

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

2 主要會計政策概要

本附註提供編製本綜合財務報表時所採納的主要會計政策清單。除另有說明外，該等政策於所有呈報年度貫徹一致應用。

2.1 呈列基準

2.1.1 遵例聲明

綜合財務報表乃按照香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）並遵照香港公司條例編製。本綜合財務報表亦載有聯交所證券上市規則（「上市規則」）所規定的適用披露資料。

2.1.2 編製基準

綜合財務報表乃按歷史成本法編製，並就按公平值列賬的土地及樓宇重估值、按公平值計入損益賬的金融資產及衍生金融工具作出修訂。

遵照香港財務報告準則編製財務報表需要使用若干關鍵會計估計，亦需要管理層在應用本集團會計政策過程中作出判斷。涉及高度判斷或高度複雜性的範疇或涉及對財務報表屬重大假設和估計的範疇，已在綜合財務報表附註4中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of presentation (Continued)

2.1.2 Basis of preparation (Continued)

Amended standards effective in 2021 which are relevant to the Group's operations

The Group has adopted the following amended standards which are effective for the financial period beginning on or after 1 January 2021 and relevant to the Group:

HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 (Amendments)	Interest Rate Benchmark Reform – Phase 2
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In addition, the Group has early adopted the following amendment to the accounting standard for the accounting period commencing 1 January 2021:

HKFRS 16 (Amendment)	COVID-19-Related Rent Concessions beyond 30 June 2021
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The Group has assessed the impact of the adoption of these amended standards and considered that there is no significant impact on the Group's results and financial position.

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零二一年生效並與本集團營運有關的經修訂準則

本集團已採納下列與本集團有關並自二零二一年一月一日或之後開始的財政期間生效的經修訂準則：

香港會計準則第39號、 香港財務報告準則第4號、 香港財務報告準則第7號、 香港財務報告準則第9號及 香港財務報告準則第16號 (修訂本)	利率基準改革 – 第二階段
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此外，本集團已於自二零二一年一月一日開始的會計期間提早採納以下會計準則修訂本：

香港財務報告準則第16號 (修訂本)	二零二一年六月 三十日後與 COVID-19有 關的租金寬減
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本集團已評估採納該等經修訂準則的影響，並認為其對本集團的業績及財務狀況並無重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of presentation (Continued)

2.1.2 Basis of preparation (Continued)

New standard, amendments to existing standards and interpretation effective after 2021 and yet to be adopted

The following are the new standard, amendments to standards and interpretation that have been issued but are not effective for the accounting period beginning 1 January 2021 and are yet to be adopted:

New standard, amendments and interpretation	Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效	
Annual Improvements Project (Amendments)	Annual Improvements to HKFRSs 2018-2020 Cycle	1 January 2022
HKAS 1 (Amendment)	Classification of Liabilities as Current or Non-current	1 January 2023
HKAS 1 and HKFRS Practice Statement 2 (Amendment)	Disclosure of Accounting Policies	1 January 2023
HKAS 8 (Amendment)	Definition of Accounting Estimates	1 January 2023
HKAS 12 (Amendment)	Deferred Tax related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
HKAS 16 (Amendment)	Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
HKAS 37 (Amendment)	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
HKFRS 3 (Amendment)	Reference to the Conceptual Framework	1 January 2022
HKFRS 17 and HKFRS 17 (Amendments)	Insurance Contracts	1 January 2023
HK-Int 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零二一年後生效而尚未採納的新訂準則、現有準則的修訂本及詮釋

下列為已於二零二一年一月一日開始的會計期間頒佈但尚未生效且未採納的新訂準則、準則修訂本及詮釋：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 主要會計政策概要 (續)

2.1 Basis of presentation (Continued)

2.1 呈列基準 (續)

2.1.2 Basis of preparation (Continued)

2.1.2 編製基準 (續)

New standard, amendments and interpretation		Effective for accounting periods beginning on or after 於以下日期或之後開始的 會計期間生效
新訂準則、經修訂準則及詮釋		
年度改進項目 (修訂本)	對二零一八年至二零二零年的香港財務報告準則的年度改進	二零二二年一月一日
香港會計準則第1號 (修訂本)	將負債分類為流動或非流動	二零二三年一月一日
香港會計準則第1號及香港財務報告準則實務聲明第2號 (修訂本)	會計政策的披露	二零二三年一月一日
香港會計準則第8號 (修訂本)	會計估計的定義	二零二三年一月一日
香港會計準則第12號 (修訂本)	與單一交易所產生資產及負債有關的遞延稅項	二零二三年一月一日
香港會計準則第16號 (修訂本)	物業、廠房及設備：擬定用途前的所得款項	二零二二年一月一日
香港會計準則第37號 (修訂本)	虧損性合約－履行合約的成本	二零二二年一月一日
香港財務報告準則第3號 (修訂本)	參考概念框架	二零二二年一月一日
香港財務報告準則第17號及香港財務報告準則第17號 (修訂本)	保險合約	二零二三年一月一日
香港詮釋第5號 (二零二零年)	財務報表之呈列－借款人對包含按要求償還條款之定期貸款之分類	二零二三年一月一日

The Directors of the Company anticipate that the application of the above new standard, amendments to standards and interpretation will have no material impact on the consolidated financial statements in the foreseeable future.

本公司董事預期應用上述新訂準則、準則修訂本及詮釋於可見將來將不會對綜合財務報表造成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries

2.2.1 Consolidation

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interest issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

2 主要會計政策概要 (續)

2.2 附屬公司

2.2.1 合併入賬

附屬公司為本集團擁有控制權的實體(包括架構實體)。倘本集團承擔或享有參與實體活動所產生可變回報的風險或權利，且有能力透過主導該實體活動的權力影響該等回報，則本集團對該實體擁有控制權。附屬公司自控制權轉移至本集團當日起合併入賬，並自控制權終止當日起取消合併入賬。

本集團採用收購法將業務合併入賬。收購附屬公司所轉讓的代價為所轉讓資產、對被收購方前擁有人產生的負債及本集團所發行的股本權益的公平值。所轉讓代價包括因或然代價安排而產生的任何資產或負債的公平值。於業務合併中收購的可識別資產及承擔的負債及或然負債初步按於收購日期的公平值計量。

收購相關成本乃於產生時支銷。

所轉讓代價、被收購方之任何非控股權益金額及任何先前所持被收購方之股權於收購日期之公平值超逾所收購可識別淨資產公平值之差額，乃入賬列作商譽。就議價收購而言，倘轉讓的代價、已確認非控股權益及先前持有的權益計量之總額低於所收購附屬公司淨資產之公平值，則該差額直接於綜合全面收益表內確認。

集團內公司間的交易、結餘及集團公司間交易的未變現收益均予以抵銷。未變現虧損亦予以抵銷。附屬公司所報金額於必要時作出調整，以與本集團會計政策一致。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Subsidiaries (Continued)

2.2.2 Separate financial statements

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

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

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategy decisions.

2.4 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (“**the functional currency**”). United States dollars (“**US\$**”) is the functional currency of principal operating subsidiaries of the Group. The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the functional and presentation currency of the Company.

2 主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.2 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括投資之直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

倘自附屬公司收取之股息超出宣派股息期間該附屬公司之全面收益總額，或倘個別財務報表之投資賬面值超出財務報表所示被投資公司之資產淨值（包括商譽）之賬面值，則須於收到該投資所得股息時對該等附屬公司的投資進行減值測試。

2.3 分部報告

經營分部的報告方式與向主要營運決策人（「**主要營運決策人**」）提供的內部報告方式一致。主要營運決策人為作出策略決策的本公司董事會，負責分配資源及評估經營分部的表現。

2.4 外幣換算

(i) 功能及呈列貨幣

本集團實體的財務報表所包括的項目乃以該實體營運所在主要經濟環境的貨幣（「**功能貨幣**」）計算。本集團的主要營運附屬公司的功能貨幣為美元（「**美元**」）。綜合財務報表以港元（「**港元**」）呈列，其為本公司的功能及呈列貨幣。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Foreign currency translation (Continued)

(ii) Transactions and balances in financial statements

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of that reporting period;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting currency translation differences are recognised in other comprehensive income.

2.5 Government grants

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

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(ii) 財務報表的交易及結餘

外幣交易按交易當日或項目重新計量的估值日期的現行匯率換算為功能貨幣。結算該等交易及按年末匯率換算以外幣計值的貨幣資產及負債而產生的外匯收益及虧損於綜合全面收益表確認。

(iii) 集團公司

功能貨幣與呈列貨幣不同之所有集團實體（當中不涉及嚴重通脹經濟體系貨幣）之業績及財務狀況按如下方式換算為呈列貨幣：

- (a) 每份呈報之財務狀況表內之資產與負債按該報告期末之收市匯率換算；
- (b) 每份收益表內之收支按平均匯率換算（除非此平均匯率並不代表交易日期適用匯率之累計影響之合理約數，在此情況下，收支項目按交易日期之匯率換算）；及
- (c) 所有由此產生之貨幣換算差額於其他全面收益確認。

2.5 政府補助

當能夠合理地保證政府補助將可收取，而本集團將會符合所有附帶條件時，將政府提供的補助按其公平值確認入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment

Property, plant and equipment (except for land and building) is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Land and buildings comprise mainly offices. Land and buildings are carried at revalued amount, being its fair value at the date of the revaluation on the basis of periodic valuations by external independent valuers less any subsequent accumulated depreciation and impairment losses. Any accumulated depreciation at the date of valuation is eliminated against the gross carrying amounts of the asset and the net amount is restated to the revalued amount of the asset. Revaluations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair values at the end of the reporting period.

2 主要會計政策概要 (續)

2.6 物業、廠房及設備

物業、廠房及設備(土地及樓宇除外)按歷史成本減折舊列賬。歷史成本包括收購該等項目直接應佔的開支。

後續成本僅在與該項目有關的未來經濟利益很可能流入本集團且該項目的成本能可靠計量時，方會計入資產的賬面值或確認為一項獨立資產(如適當)。被取代部分的賬面值終止確認。所有其他維修及保養費用於其產生的財政期間自綜合全面收益表中支銷。

土地及樓宇主要包括辦公室。土地及樓宇按重估金額，即其公平值(根據外聘獨立估值師定期進行之估值計算)減任何其後之累計折舊及減值虧損列賬。於估值日期之任何累計折舊與資產之賬面總額對銷，而淨額則重列至資產之重估金額。重估將適當地定期進行，以確保賬面值與報告期末所使用公平值釐定的價值並無太大差距。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment (Continued)

Revaluation increases of land and buildings are recognised in the consolidated statement of comprehensive income to the extent that the increases reverse previous revaluation decreases of the same asset. All other revaluation increases are credited to the property revaluation reserve in the shareholders' equity. Revaluation decreases that offset previously revaluation increase of the same asset are charged against property revaluation reserve directly in equity. All other decreases are recognised in the consolidated statement of comprehensive income. On the subsequent sale or retirement of a revalued land and building, the attributable revaluation surplus remaining in the property revaluation reserve is transferred directly to retained profits.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost or revalued amounts less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Land and buildings	3.33%
Plant and machinery	20%
Furniture and fixtures	20%
Office equipment	20%
Motor vehicles	20%
Leasehold improvements	20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if necessary, at each reporting date.

2 主要會計政策概要 (續)

2.6 物業、廠房及設備 (續)

土地及樓宇的重估增值於有關升幅撥回相同資產早前重估減值之情況下於綜合全面收益表內確認。所有其他重估增值計入股東權益的物業重估儲備。抵銷相同資產早前重估增值之重估減值，直接自權益內之物業重估儲備扣除。所有其他減值均於綜合全面收益表內確認。已重估土地及樓宇其後出售或報廢時，物業重估儲備餘下應佔重估盈餘乃直接轉撥至保留溢利。

物業、廠房及設備的折舊，按足以撇銷其成本或重估金額減剩餘價值的比率，於估計可使用年期內使用直線法計算，主要年息率如下：

土地及樓宇	3.33%
廠房及機器	20%
傢俱及裝置	20%
辦公室設備	20%
汽車	20%
租賃物業裝修	20%

剩餘價值、可使用年期及折舊方法於各報告日期進行檢討及作出調整（如需要）。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Property, plant and equipment (Continued)

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amounts of the relevant asset, and is recognised in the consolidated statement of comprehensive income.

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets which are largely independent of the cash inflows from other assets or groups of assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

2 主要會計政策概要 (續)

2.6 物業、廠房及設備 (續)

出售物業、廠房及設備的收益或虧損指出售所得款項淨額與有關資產賬面值兩者間的差額，並於綜合全面收益表內確認。

資產乃於有事件或情況變動顯示其賬面值可能不可收回時作減值檢討。減值虧損按資產賬面值超過其可收回金額的部分予以確認。可收回金額為資產的公平值減出售成本及使用價值中的較高者。就評估減值而言，資產按存在單獨可識別現金流（現金產生單位）的最低水平分組。除商譽外，遭受減值並大致上獨立於其他資產或資產組別的現金流入的非金融資產於各報告日期就可能的減值撥回進行檢討。

2.7 租賃

本集團將租賃自可使用租賃資產之日起確認為使用權資產及相應負債。

合約可能包含租賃和非租賃部分。本集團根據租賃和非租賃部分的相對獨立價格將合約中的代價分配至該兩個部分。然而，對於本集團作為承租人的房地產租賃，本集團已選擇不將租賃和非租賃部分分開，而是將其作為單一租賃部分入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Leases (Continued)

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

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

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

Lease payment to be made reasonably certain extension options are also included in the measurement of the liability.

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

2 主要會計政策概要 (續)

2.7 租賃 (續)

租賃條款乃按個別基準磋商，並包含各種不同的條款及條件。除出租人持有的租賃資產的抵押權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款擔保。

租賃產生的資產及負債初步以現值進行計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款（包括實質固定付款）減任何已收取的租賃優惠；
- 視乎指數或利率的可變租賃付款，初步使用於開始日期的指數或利率計量；
- 剩餘價值擔保下的本集團預期應付款項；
- 採購權的行使價格（倘本集團合理地確定行使該選擇權）；及
- 支付終止租賃的罰款（倘租賃條款反映本集團行使選擇權以終止租賃）。

根據合理確定續租選擇權支付的租賃付款亦計入負債計量之內。

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率，則使用承租人的增量借款利率，即承租人在類似條款、抵押及條件的類似經濟環境中借入獲得與使用權資產價值類似的資產所需資金所必須支付的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Leases (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between the principal and finance cost. The finance cost is charged to consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

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

2 主要會計政策概要 (續)

2.7 租賃 (續)

為釐定增量借款利率，本集團：

- 在可能情況下，使用承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 並無近期第三方融資時，使用累加法以無風險利率為初始值，對本集團持有租賃時的信貸風險進行調整；及
- 對租賃作出特定調整，如期限、國家、貨幣及擔保。

租賃付款於本金及融資成本之間作出分配。融資成本在租賃期間於綜合全面收益表扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額；
- 在開始日期或之前作出的任何租賃付款減已收取的任何租賃優惠；
- 承租人產生的任何初始直接成本；及
- 復原成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Leases (Continued)

The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-to-use buildings held by the Group.

Payment associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small offices and car parking spaces.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs include cost of purchase (including taxes, transport and handling) net of trade discounts received and other costs incurred in bringing the inventories to their present location and condition, and are calculated using the weighted average method. Net realisable value is determined based on estimated selling price, the estimated cost to completion and the estimated cost necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised in consolidated statement of comprehensive income in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 主要會計政策概要 (續)

2.7 租賃 (續)

使用權資產按資產可使用年期或租期(以較短者為準)以直線法折舊。倘本集團合理確定行使採購選擇權,則使用權資產於相關資產的可使用年期內予以折舊。

儘管本集團重估於物業、廠房及設備內呈列的土地及樓宇,但已選擇不重估本集團持有的使用權樓宇。

與短期租賃及低價值資產租賃有關的付款按直線法於綜合全面收益表中確認為開支。短期租賃指租賃期為12個月或以下的租賃。低價值資產包括小辦公室及停車位。

2.8 存貨

存貨按成本與可變現淨值兩者中的較低者入賬。

成本包括經扣除已收取之貿易折扣之採購成本(包括稅項、交通及手續費)及將存貨付運至其現在位置及令存貨達致現在狀況所產生的其他成本,以加權平均法計算。可變現淨值乃按估計售價、達致完成的估計成本及進行銷售所需的估計成本釐定。

當存貨售出時,該等存貨的賬面值於確認有關收入期間支銷。將存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間於綜合全面收益表確認。任何存貨撇減的撥回金額乃於撥回產生期間確認為已列作開支的存貨金額的減少。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Trade and other receivables

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

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.10 Investments and other financial assets

(i) Classification

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

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

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

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

2 主要會計政策概要 (續)

2.9 貿易及其他應收款項

貿易應收款項為在日常業務過程中就售出貨品或提供服務應收客戶的款項。如預期在一年或以內（如在業務的正常營運週期，則可較長時間）收回，分類為流動資產，否則分類為非流動資產。

貿易及其他應收款項按公平值初始確認，其後以實際利率法按攤銷成本扣除減值撥備計量。

2.10 投資及其他金融資產

(i) 分類

本集團將其金融資產分類為下列計量類別：

- 之後按公平值計量的金融資產（計入其他全面收益或計入損益賬）；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產之業務模式及現金流量之合約條款而定。

對於按公平值計量的資產，收益及虧損將記入綜合全面收益表。對於並非持作交易用途的股本工具的投資而言，其將視乎本集團於初始確認時是否已作出不可撤銷的選擇，將股本工具按公平值計入其他全面收益賬（「**按公平值計入其他全面收益賬**」）入賬而定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Investments and other financial assets (Continued)

(ii) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all 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 (“**FVPL**”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in consolidated statement of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

2 主要會計政策概要 (續)

2.10 投資及其他金融資產 (續)

(ii) 確認及終止確認

以常規方式購買及出售金融資產，均於交易日進行確認，交易日即本集團承諾購買或出售資產之日期。當收取金融資產所得現金流量之權利已屆滿或轉移且本集團已轉讓所有權絕大部分風險及回報時，終止確認金融資產。

(iii) 計量

於初始確認時，若金融資產並非按公平值計入損益賬（「**按公平值計入損益賬**」），則本集團按公平值另加收購該金融資產直接所佔交易成本計量該金融資產。按公平值計入損益賬的金融資產之交易成本於綜合全面收益表支銷。

釐定附帶嵌入式衍生工具的金融資產的現金流量是否僅為支付本金及利息時，予以整體考量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments

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

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in consolidated statement of comprehensive income and presented in "Other operating expenses, net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in consolidated statement of comprehensive income. When the financial assets is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of comprehensive income and recognised in "Other income, net". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "Other income, net" and impairment expense are presented as separate line item in the consolidated statement of comprehensive income.

2 主要會計政策概要 (續)

2.10 投資及其他金融資產 (續)

(iii) 計量 (續)

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：

- **攤銷成本：**倘為收取合約現金流量而持有之資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。該等金融資產之利息收入採用實際利率法計入財務收入。終止確認產生之任何收益或虧損直接於綜合全面收益表中確認，並連同匯兌收益及虧損於「其他經營開支淨額」列示。減值虧損於綜合全面收益表內作為單獨項目列示。
- **按公平值計入其他全面收益賬：**倘為收取合約現金流量及出售金融資產而持有之資產的現金流量僅為本金及利息付款，則該等資產按公平值計入其他全面收益賬。賬面值變動乃透過其他全面收益（「其他全面收益」）確認，惟減值收益或虧損、利息收入及匯兌收益及虧損則於綜合全面收益表確認。於終止確認金融資產時，之前於其他全面收益確認的累計收益或虧損由權益重新分類至綜合全面收益表並於「其他收入淨額」確認。該等金融資產的利息收入使用實際利率法計入財務收入。外匯收益及虧損於「其他收入淨額」呈報及減值開支於綜合全面收益表內作為獨立項目呈報。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Investments and other financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in consolidated statement of comprehensive income and presented net within “Other income, net” in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investment at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in consolidated statement of comprehensive income as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in “Other income, net” in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investment measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 21 to the consolidated financial statements for further details.

2 主要會計政策概要 (續)

2.10 投資及其他金融資產 (續)

(iii) 計量 (續)

債務工具 (續)

- 按公平值計入損益賬：不符合攤銷成本或按公平值計入其他全面收益賬的資產乃按公平值計入損益賬計量。其後按公平值計入損益賬的債務投資產生的收益或虧損於綜合全面收益表內確認，並於其產生期間之「其他收入淨額」中以淨值列示。

股本工具

本集團其後按公平值計量所有股本投資。倘本集團管理層已選擇於其他全面收益呈報股本投資之公平值收益及虧損，則於終止確認此類投資後，公平值收益及虧損不再重新分類至損益。當本集團收取付款之權利確立時，此類投資之股息繼續於綜合全面收益表中確認為其他收入。

按公平值計入損益賬的金融資產之公平值變動於綜合全面收益表（如適用）內「其他收入淨額」中確認。按公平值計入其他全面收益賬的股本投資之減值虧損（及減值虧損撥回）不會因公平值之其他變動分開呈報。

(iv) 減值

本集團按前瞻性基準評估按攤銷成本及按公平值計入其他全面收益賬的債務工具相關之預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

就貿易應收款項而言，本集團應用香港財務報告準則第9號許可的簡化法，其要求自初步確認應收款項起確認預期全期虧損，進一步詳情請參閱綜合財務報表附註21。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.12 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The gain or loss is recognised in “Other operating expenses, net” in the consolidated statement of comprehensive income.

2.13 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.14 Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2.15 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group’s activities.

2 主要會計政策概要 (續)

2.11 抵銷金融工具

當有法定可執行權利可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權利不得依賴未來事件而定，而在一般業務過程中以及倘本集團或對手方一旦出現違約、無償債能力或破產時必可強制執行。

2.12 衍生金融工具

衍生工具於訂立衍生合約當日初步按公平值確認，其後按公平值重新計量。損益於綜合全面收益表中的「其他經營開支淨額」內確認。

2.13 現金及現金等價物

於綜合現金流量表中，現金及現金等價物包括手頭現金、銀行活期存款、其他原到期日為三個月或以內之短期高度流通投資以及銀行透支。於綜合財務狀況表中，銀行透支於流動負債中的借款中列示。

2.14 貿易及其他應付款項

貿易及其他應付款項初始按其公平值列賬，並於其後採用實際利息法按攤銷成本計算，除非貼現之影響輕微，則在此情況下按成本列賬。

2.15 收益確認

收益按已收或應收代價的公平值計量，代表應收供應貨品的金額，扣除折讓、退貨及增值稅後列賬。本集團於收益金額能夠可靠計量時、未來經濟利益可能流入實體時及本集團的各項活動已滿足規定標準時確認收益。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Revenue recognition (Continued)

Sales of goods

Revenue from the sales 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, see note 24 to the consolidated financial statements.

2.16 Interest income

Interest income from financial assets at FVPL is included in the net fair value (loss)/gain on these assets, see note 6 to the consolidated financial statement.

Interest income from financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in the consolidated statement of comprehensive income as part of other income.

Interest income is presented as financial income where it is earned from financial assets that are held for cash management purposes, see note 10 to the consolidated financial statements. Any other interest income is included in finance income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2 主要會計政策概要 (續)

2.15 收益確認 (續)

銷售貨品

直接向客戶銷售貨品所得收益於存貨的控制權已轉移予客戶時(主要於客戶接受產品後)確認。客戶對產品有充分酌情權且並無可能影響客戶接受產品的未履行責任。本集團在產品交付之前或之後透過銀行向客戶收取現金或銀行承兌票據。在產品交付前自客戶收取的現金或銀行承兌票據確認為合約負債，參見綜合財務報表附註24。

2.16 利息收入

按公平值計入損益賬的金融資產所得利息收入計入該等資產的公平值(虧損)/收益淨額，參見綜合財務報表附註6。

使用實際利率法計算的按攤銷成本列賬的金融資產及按公平值計入其他全面收益賬的金融資產的利息收入於綜合全面收益表內確認為其他收入的一部分。

當利息收入來自持作現金管理目的的金融資產時呈報為財務收入，參見綜合財務報表附註10。任何其他利息收入計入財務收入。

利息收入是用實際利率乘以金融資產賬面總額計算得出，惟後續發生信貸減值的金融資產除外。就信貸減值的金融資產而言，其利息收入是用實際利率乘以金融資產賬面淨額(經扣除虧損撥備)得出。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits

(i) Pension obligations

The Group contributes on a monthly basis to various defined contribution plans organised by the relevant governmental authorities. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. The contributions are recognised as employee benefit expense when they are due.

For employees in Hong Kong, the Group participates in both a defined contribution retirement benefits scheme which is registered under the Occupational Retirement Scheme Ordinance (the “**ORSO Scheme**”) and a Mandatory Provident Fund Scheme (the “**MPF Scheme**”) established under the Mandatory Provident Fund Ordinance in December 2000. The assets of both schemes are held separately from those of the Group, in funds under the control of trustees. All employees joining the Group on or after 1 December 2000, who are qualifying employees employed under the jurisdiction of the Hong Kong Employment Ordinance and eligible to participate in the MPF Scheme, are enrolled with the MPF Scheme. 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.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 15% of the employee’s basic salary, depending on the length of services with the Group.

2 主要會計政策概要 (續)

2.17 僱員福利

(i) 退休金責任

本集團每月向有關政府機構組織的多個定額供款計劃作出供款。倘若基金並無持有足夠資產支付所有僱員有關本年度及過往年度的僱員服務的福利，則本集團並無法律或推定責任支付進一步的供款。供款於到期時確認為僱員福利開支。

對於位於香港的僱員，本集團同時參與根據職業退休計劃條例註冊之定額供款退休福利計劃（「**職業退休計劃**」）及於二零零零年十二月根據強制性公積金條例設立之強制性公積金計劃（「**強積金計劃**」）。兩項計劃之資產由信託人管理之基金持有，與本集團資產分開。於二零零零年十二月一日或之後加入本集團、受香港僱傭條例管轄且符合資格參與強積金計劃的所有合資格僱員，均已登記參與強積金計劃。於強積金計劃設立前已參與職業退休計劃之僱員可選擇繼續參與職業退休計劃或轉為參與強積金計劃。

職業退休計劃之資金來自僱員及本集團雙方之每月供款，費率介乎僱員基本薪酬之5%至15%不等，視乎於本集團之服務年期而定。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits (Continued)

(i) Pension obligations (Continued)

For employees under the MPF Scheme, the Group contributes monthly the lower of HK\$1,500 or 5% of the employees' relevant income to the MPF Scheme, subject to a cap of monthly relevant income of HK\$30,000.

The Group has no further payment obligations once the contributions have been paid. The Group's contributions to the ORSO Scheme and the MPF Scheme are recognised as employee benefit expenses when they are due. When employees leave the ORSO Scheme and the MPF Scheme prior to the full vesting of the employer's voluntary contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The Group in the PRC participated in defined contribution retirement benefit plans organised by relevant governmental authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant governmental authorities. The governmental authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans. There are no forfeited contributions under these plans to reduce the contributions payable by the Group.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要 (續)

2.17 僱員福利 (續)

(i) 退休金責任 (續)

就強積金計劃項下之僱員而言，本集團按1,500港元或僱員相關收入的5%（以較低者為準）每月向強積金計劃作出供款，惟每月相關收入的上限為30,000港元。

本集團於供款後再無進一步付款責任。本集團向職業退休計劃及強積金計劃所作供款乃於其到期時確認為僱員福利開支。僱員在可全數取得僱主自願性供款前退出職業退休計劃及強積金計劃，則沒收的供款金額用於減少本集團應付供款。

本集團於中國為其中國僱員參與有關政府機關營辦之定額供款退休福利計劃，並依照僱員薪金之若干百分比按月向該等計劃供款不超過有關政府機關規定之最高固定貨幣金額。根據該等計劃，該等政府機關承擔應付所有現有及未來退休僱員之退休福利責任。於該等計劃下概無任何沒收供款可用以扣減本集團應付之供款。

就界定供款計劃而言，本集團以強制性、合同性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款義務。該等供款於到期時確認為僱員福利支出。預付供款按照現金退款或可減少未來付款而確認為資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Employee benefits (Continued)

(ii) Bonus plans

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(iii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

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

(iv) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

2 主要會計政策概要 (續)

2.17 僱員福利 (續)

(ii) 獎金計劃

當本集團因為職工已提供之服務而產生現有法律或推定性責任，而該責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。

獎金計劃的負債預期於12個月內付清，並以預期付清時應付的款項計算。

(iii) 僱員應享假期

僱員有權享有的年假於其支取年假時確認入賬。截至報告日期僱員因提供服務而可享年假的估計負債已作撥備。

僱員應享的病假及產假於休假時方予確認。

(iv) 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利成本於僱員提供相關服務期間內累計。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares of the Company. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the date at which the entity and another party (including an employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement ("**Grant Date**"). The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the Binomial Option Pricing Model, taking into account any market conditions and non-vesting conditions.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("**Vesting Date**"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to consolidated statement of comprehensive income for the year of the review, with a corresponding adjustment to the reserve within equity.

2 主要會計政策概要 (續)

2.18 以股份為基礎付款交易

權益結算交易

本集團的僱員（包括董事）按以股份為基礎的付款交易之形式收取報酬，而僱員則以提供服務交換股份或涉及本公司股份的權利。與僱員所進行相關交易之成本乃參照股本工具於實體與其他人士（包括一名僱員）協定以股份為基礎的付款安排（即實體與交易對方就安排的條款及條件達成共識之日（「授出日期」））之日期之公平值計量。授予僱員的購股權的公平值確認為僱員成本，而權益內的儲備亦相應增加。公平值乃於計及任何市況及非歸屬條件後使用二項式期權定價模型釐定。

與僱員以外之人士進行的以權益結算及股份為基礎的付款交易按已收取貨物或服務之公平值計量，惟倘公平值無法可靠估計，則按已授出股本工具的公平值計量。於所有情況下，公平值均於本集團取得貨物或交易對方提供服務之日期計量。

以權益結算的交易的成本連同權益的相應升幅會於達致歸屬條件之期間確認，直至相關僱員不再須待任何非市場歸屬條件獲達成方可享有該報酬之日（「歸屬日」）為止。於歸屬期內會審閱預期將最終歸屬的購股權數目。於過往年度確認對累計公平值的任何調整會於審閱年度的綜合全面收益表內扣除／計入，並相應調整權益內的儲備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Share-based payment transactions (Continued)

Equity-settled transactions (Continued)

When the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

2.19 Taxation

The tax expense comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current income tax

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

2 主要會計政策概要 (續)

2.18 以股份為基礎付款交易 (續)

權益結算交易 (續)

行使購股權時，之前已於購股權儲備確認之數額將轉撥至股本。倘購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，之前已於購股權儲備確認之數額將轉撥至保留盈利。

2.19 稅項

稅項開支包括即期及遞延稅項。稅項於綜合全面收益表確認，惟與其他全面收入或直接於權益確認之項目相關除外。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

(i) 即期所得稅

即期稅項開支根據本集團營運所在及產生應課稅收入之國家於報告期末已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例有待詮釋之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Taxation (Continued)

(ii) Deferred income tax

Inside basis differences

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

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要 (續)

2.19 稅項 (續)

(ii) 遞延所得稅

內在差異

對於資產及負債的稅基與其在綜合財務報表的賬面值之間的暫時差額，使用負債法確認遞延所得稅。然而，若遞延稅項負債於商譽初步確認時產生，則其不獲確認。若遞延所得稅於交易（不包括業務合併）中對資產或負債初步確認時產生，而在交易時不影響會計損益或應課稅損益，則不作記賬。遞延所得稅乃以於報告期末已頒佈或實質頒佈的稅率（及稅法）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

遞延所得稅資產僅於有可能產生未來應課稅溢利而可動用暫時差額抵銷而確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Taxation (Continued)

(ii) Deferred income tax (Continued)

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 主要會計政策概要 (續)

2.19 稅項 (續)

(ii) 遞延所得稅 (續)

外在差異遞延

遞延所得稅負債就於附屬公司、聯營公司及合營安排之投資所產生之應課稅暫時差額作出撥備，惟倘本集團可控制暫時差額之撥回時間，及很有可能在可預見未來不會撥回該暫時差額之遞延所得稅負債除外。一般而言，本集團不能控制聯營公司之暫時差額撥回。僅在訂有協議賦予本集團權力於可預見未來控制暫時差額撥回時，不就聯營公司的未分派溢利所產生的應課稅暫時差額確認遞延稅項負債。

僅在暫時差額可能將於日後撥回，且有充足之應課稅溢利而動用暫時差額予以抵銷時，方會就因投資附屬公司、聯營公司及合營安排而產生之可扣減暫時差額確認遞延所得稅資產。

(iii) 抵銷

倘有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產及負債涉及由同一稅務機關就應課稅實體或有意以淨額基準結算結餘之不同應課稅實體徵收所得稅，遞延所得稅資產與負債則互相抵銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense within "Finance expenses, net" in the consolidated statement of comprehensive income.

2.21 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.22 Borrowings and borrowing costs

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

2 主要會計政策概要 (續)

2.20 撥備

撥備乃於下列情況下確認：本集團因過往事件而有現有法律或推定責任，且有可能需要撥出資源以履行責任，及已可靠地估計數額。重建撥備包括租賃終止罰款及僱員終止付款。撥備並無就未來經營虧損而確認。

如有多項類似責任，於釐定需要流出資源以抵償責任的可能性時，會整體考慮該責任類別。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

撥備採用稅前利率按預期抵償責任所需開支的現值計算，該利率反映當時市場對貨幣時間價值及該責任固有風險的評估。撥備隨時間流逝而增加的金額確認為綜合全面收益表中「財務開支淨額」內的利息開支。

2.21 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本於權益中列作所得款項的減項（扣除稅項）。

2.22 借款及借款成本

借款最初按公平值（扣除已產生交易成本）確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值的任何差額，於借款期採用實際利率法於綜合全面收益表確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Borrowings and borrowing costs (Continued)

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated statement of comprehensive income in which they are incurred.

2.23 Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 主要會計政策概要 (續)

2.22 借款及借款成本 (續)

在貸款將很可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間攤銷。

除非本集團可無條件將負債延長至報告期末後至少12個月清償，否則借款分類為流動負債。

收購、建造或生產合資格資產（即需相當長時間方可作擬定用途或出售的資產）直接應佔的一般及特定借款成本會計入該等資產的成本，直至該等資產大致可作擬定用途或出售為止。

特定借款用於合資格資產之前作為臨時投資所賺取的投資收入，於合資格撥充資本的借款成本中扣除。

所有其他借款成本在產生期內於綜合全面收益表確認。

2.23 股息分派

向股東分派的股息在股息獲本公司股東或董事（如適用）批准有關股息的期間內，於本集團及本公司的財務報表確認為負債。

3 FINANCIAL RISK MANAGEMENT

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

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

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

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

As at 31 December 2021, if US\$ had weakened/strengthened by 5 percent against EUR with all other variables held constant, post-tax profit for the year ended 31 December 2021 would have been HK\$80,000 (2020: HK\$1,000) lower/higher, mainly as a result of foreign exchange loss on translation of EUR denominated trade and other payables, and cash and cash equivalents.

3 財務風險管理

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

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

本集團主要於香港、中國、泰國及愛爾蘭經營。本集團內實體面對若干貨幣產生的外匯風險，主要有關港元、歐元（「**歐元**」）、人民幣（「**人民幣**」）及泰銖（「**泰銖**」）。外匯風險產生自以並非有關實體功能貨幣計值的出口銷售、購買、其他日後商業交易以及貨幣資產及負債。

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

於二零二一年十二月三十一日，倘美元兌歐元貶值／升值5%而所有其他變量保持不變，截至二零二一年十二月三十一日止年度除稅後溢利將減少／增加80,000港元（二零二零年：1,000港元），主要乃由於換算以歐元計值的貿易及其他應付款項以及現金及現金等價物的外匯虧損。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(a) Market risk (Continued)****(i) Foreign exchange risk (Continued)**

As at 31 December 2021, if the US\$ had weakened/strengthened by 5 percent against RMB with all other variables held constant, post-tax profit for the year ended 31 December 2021 would have been HK\$1,597,000 (2020: HK\$1,440,000) lower/higher, mainly as a result of foreign exchange differences on translation of RMB denominated trade and other receivables, deposits, trade and other payables, and cash and cash equivalents.

As at 31 December 2021, if the US\$ had weakened/strengthened by 5 percent against THB with all other variables held constant, post-tax profit for the year ended 31 December 2021 would have been HK\$22,000 (2020: HK\$274,000) lower/higher, mainly as a result of foreign exchange differences on translation of THB denominated other receivables, deposits, other payables, and cash and cash equivalents.

Under the Linked Exchange Rate System in Hong Kong, HK\$ is pegged to US\$, management therefore considers that there is no significant foreign exchange risk with respect to the HK\$.

As at 31 December 2021 and 2020, the exposure to foreign exchange risk arising from certain currency exposures such as Great British Pound, Singapore dollar, etc. are not significant.

3 財務風險管理 (續)**3.1 財務風險因素 (續)****(a) 市場風險 (續)****(i) 外匯風險 (續)**

於二零二一年十二月三十一日，倘美元兌人民幣貶值／升值5%而所有其他變量保持不變，截至二零二一年十二月三十一日止年度除稅後溢利將減少／增加1,597,000港元（二零二零年：1,440,000港元），主要乃由於換算以人民幣計值的貿易及其他應收款項、按金、貿易及其他應付款項以及現金及現金等價物的外匯差額所致。

於二零二一年十二月三十一日，倘美元兌泰銖貶值／升值5%而所有其他變量保持不變，截至二零二一年十二月三十一日止年度除稅後溢利將減少／增加22,000港元（二零二零年：274,000港元），主要乃由於換算以泰銖計值的其他應收款項、按金、其他應付款項以及現金及現金等價物的外匯差額所致。

根據香港的聯繫匯率制度，港元與美元掛鈎，管理層因此認為並無有關港元的重大外匯風險。

於二零二一年及二零二零年十二月三十一日，若干貨幣（如英鎊及新加坡元等）產生的外匯風險並不重大。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(a) Market risk (Continued)****(ii) Cash flow and fair value interest rate risk**

The Group's interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group does not adopt any interest hedging strategy.

Bank borrowings of the Group were arranged at floating rates varied with the then prevailing market condition.

As at 31 December 2021, if interest rates on borrowings at variable rates had been 50 basis points higher/lower with all other variables held constant, the Group's post-tax profit for the year ended 31 December 2021 would have been HK\$5,000 (2020: HK\$7,000) lower/higher as a result of higher/lower net interest expenses.

(b) Credit risk

The Group's credit risk are primarily attributable to financial instruments, financial asset at FVPL, trade and other receivables, deposits, time deposits and cash deposited at banks. Management has credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. In this respect, management considers the credit risk is significantly reduced.

3 財務風險管理 (續)**3.1 財務風險因素 (續)****(a) 市場風險 (續)****(ii) 現金流量及公平值利率風險**

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

本集團的銀行借款以隨當時市況而不同的浮動利率安排計息。

於二零二一年十二月三十一日，倘借款浮息利率增加／減少50個基點而所有其他變量保持不變，本集團截至二零二一年十二月三十一日止年度的除稅後溢利將因利息開支淨額增加／減少而減少／增加5,000港元（二零二零年：7,000港元）。

(b) 信貸風險

本集團的信貸風險主要來自金融工具、按公平值計入損益賬的金融資產、貿易及其他應收款項、按金、定期存款及存放銀行的現金。管理層已制定信貸政策並持續監察該等信貸風險。就此而言，管理層認為信貸風險已大幅降低。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)**

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

For deposits and other receivables, management makes periodic collective assessments as well as individual assessment on the recoverability with no significant credit risk identified.

The Group is also exposed to credit risk in relation to financial assets that are measured at FVPL. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

Impairment allowance policies for trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables has been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 120 days by due date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the relevant industry GDP of the countries in which it sells its goods to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)**

就存放銀行的現金及定期存款而言，信貸風險被視為偏低，此乃由於對方為獲國際信貸評級機構評定為良好信貸評級的知名金融機構。

就按金及其他應收款項而言，管理層定期對可收回性進行集體評估及個別評估，惟並無發現任何重大信貸風險。

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

貿易應收款項的減值撥備政策

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損，並對所有貿易應收款項使用全期預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據類似信貸風險特徵及逾期日期分類。

預期虧損率基於到期日前120日期間內銷售的付款情況及本期間內出現的相應過往信貸虧損。過往虧損率作出調整以反映影響客戶結算應收賬款能力的宏觀經濟因素的當前及前瞻性資料。本集團已識別其出售貨品所在國家的相關行業國內生產總值為最相關的因素，並根據該等因素的預期變動相應調整過往虧損率。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)****Impairment allowance policies for trade receivables (Continued)**

On that basis, the loss allowances for trade receivables as at 31 December 2021 and 2020 were determined as follows:

		2021 二零二一年		
		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
Current	即期	0.1%	147,221	174
1-30 days	1至30天	0.5%	20,507	105
31-60 days	31至60天	2.9%	2,723	79
61-90 days	61至90天	39.8%	289	115
91-120 days	91至120天	100.0%	44	44
Over 120 days	120天以上	100.0%	1,329	1,329
Total	總計		172,113	1,846

		2020 二零二零年		
		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
Current	即期	—*	150,129	30
1-30 days	1至30天	—*	29,825	1
31-60 days	31至60天	—*	1,657	—
61-90 days	61至90天	—*	111	—
91-120 days	91至120天	—*	823	—
Over 120 days	120天以上	100.0%	1,805	1,805
Total	總計		184,350	1,836

* The Group considers the expected credit loss is insignificant as these trade receivables have no recent history of default.

* 由於該等貿易應收款項近期並無違約記錄，故本集團認為預期信貸虧損並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

Impairment allowance policies for trade receivables (Continued)

The closing loss allowances for trade receivables as at 31 December 2021 and 2020 reconcile to the opening loss allowances as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	1,836	1,329
Exchange realignment	匯兌調整	10	(7)
Loss allowance, net recognised in consolidated statement of comprehensive income during the year	年內於綜合全面收益表確認之虧損撥備淨額	-	514
At 31 December	於十二月三十一日	1,846	1,836

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period greater than 90 days past due.

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

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

貿易應收款項的減值撥備政策 (續)

於二零二一年及二零二零年十二月三十一日的貿易應收款項的期末虧損撥備與期初虧損撥備的對賬如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	1,836	1,329
Exchange realignment	匯兌調整	10	(7)
Loss allowance, net recognised in consolidated statement of comprehensive income during the year	年內於綜合全面收益表確認之虧損撥備淨額	-	514
At 31 December	於十二月三十一日	1,846	1,836

貿易應收款項於無合理預期可收回時撇銷。並無合理預期可收回款項的跡象包括(其中包括)債務人未能與本集團訂立還款計劃,以及於逾期超過90天的期間內未能作出合約付款。

貿易應收款項的減值虧損列為經營溢利內的減值虧損淨額。其後收回先前撇銷的金額乃計入同一項目。

3 FINANCIAL RISK MANAGEMENT (Continued)**3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)****Impairment allowance policies for trade receivables (Continued)**

During the year, the provision for impairment loss on trade receivables was recognised in consolidated statement of comprehensive income in relation to impaired financial assets disclosed in note 7 to the consolidated financial statements.

As at 31 December 2021, the customer bases are widely dispersed despite that 13.3% (2020: 21.2%) of the trade receivable were due from the Group's largest customer and 72.2% (2020: 62.4%) were due from the five largest customers determined on the same basis.

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and, if applicable external regulatory or legal requirements – for example, currency restrictions.

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets and receivables; and long-term financing including long-term borrowings. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest-bearing borrowings which enable the Group to continue its business for the foreseeable future.

3 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)****貿易應收款項的減值撥備政策 (續)**

年內，已就綜合財務報表附註7所披露的已減值金融資產於綜合全面收益表確認貿易應收款項減值虧損撥備。

於二零二一年十二月三十一日，儘管客戶群較為分散，但貿易應收款項的13.3%（二零二零年：21.2%）乃應收自本集團的最大客戶，而按同一基準釐定則72.2%（二零二零年：62.4%）乃應收自五大客戶。

(c) 流動資金風險

現金流量預測乃於本集團的經營實體進行。該等預測乃經考慮本集團之債務融資計劃、契諾規定及外部監管或法律要求（如貨幣限制）（如適用）。

本集團透過一系列方式（包括有序變現短期金融資產及應收款項）及長期融資（包括長期借款）維持流動資金。本集團旨在透過保持充足銀行結餘、可供動用承諾信貸額度及計息借款，維持資金的靈活彈性，讓本集團於可見將來繼續經營其業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The table below analyses the Group's non-derivative and derivative financial liabilities into the applicable maturity groupings based on the remaining period at the end of reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

下表分析按報告期末至合約到期日餘下期間將本集團的非衍生及衍生金融負債劃分成適用到期日組別。所披露金額為合約未貼現現金流量。

		Carrying amount	Total contractual undiscounted cash flow	Within one year or on demand	In the second to fifth years, inclusive
		賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	一年內 或按要求 HK\$'000 千港元	於第二至 第五年 (首尾兩年 包括在內) HK\$'000 千港元
At 31 December 2021	於二零二一年十二月三十一日				
Trade and other payables	貿易及其他應付款項	160,506	160,506	160,506	-
Borrowings	借款	10,438	10,610	10,610	-
Lease liabilities	租賃負債	16,098	16,545	7,833	8,712
		187,042	187,661	178,949	8,712
At 31 December 2020	於二零二零年十二月三十一日				
Trade and other payables	貿易及其他應付款項	118,074	118,074	118,074	-
Borrowings	借款	8,750	9,053	9,053	-
Lease liabilities	租賃負債	25,312	26,313	9,764	16,549
		152,136	153,440	136,891	16,549

3 FINANCIAL RISK MANAGEMENT (Continued)**3.2 Capital management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (include bank borrowings and finance lease payables) less cash and bank balances. Total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable.

The Group's strategy was to maintain optimal capital structure to reduce the cost of capital. The gearing ratios as at 31 December 2021 and 2020 were as follows:

		2021	2020
		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings (note 25)	借款 (附註25)	10,438	8,750
Less: Bank and cash balances (note 22)	減：銀行及現金結餘 (附註22)	(62,790)	(99,216)
Net cash	淨現金	(52,352)	(90,466)
Total equity	總權益	(344,667)	(364,805)
Total capital	總資本	(397,019)	(455,271)
Gearing ratio	槓桿比率	N/A 不適用	N/A 不適用

3 財務風險管理 (續)**3.2 資金管理**

本集團管理資本的目標是保障本集團能持續經營，以為股東帶來回報及為其他利益相關者帶來利益，並維持最理想的資本架構以降低資本成本。

為維持或調整資本架構，本集團可能調整支付予股東的股息金額、向股東發回資本、發行新股或出售資產以減少債務。

本集團以槓桿比率為基準監察資本與其他同業一致。槓桿比率按淨債務除以總資本計算。淨債務按總借款（包括銀行借款及融資租賃應付款項）減現金及銀行結餘計算。總資本按綜合財務狀況表所示「權益」加淨債務（如適用）計算。

本集團的策略為維持最理想的資本架構以降低資本成本。於二零二一年及二零二零年十二月三十一日的槓桿比率如下：

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

The table below analyses the Group's assets and liabilities carried at fair value as at 31 December 2021 and 2020 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 31 December 2020, all the Group's assets and liabilities carried at fair value are categorised into level 2.

As at 31 December 2021, all the Group's assets and liabilities carried at fair value are categorised into level 2, except for the financial assets at fair value through profit or loss – current are categorised into level 1.

There were no transfers between levels 1, 2 and 3 during the years ended 31 December 2021 and 2020.

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

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

The following table presents the changes in the Group's assets and liabilities carried at fair value for the years ended 31 December 2021 and 2020.

3 財務風險管理 (續)

3.3 公平值估計

下表按計量公平值之估值技術所用輸入數據的層級，分析本集團於二零二一年及二零二零年十二月三十一日按公平值列賬的資產及負債。有關輸入數據乃按下文所述而分類歸入公平值架構內的三個層級：

- 相同資產或負債在交投活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產或負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產或負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

於二零二零年十二月三十一日，本集團所有按公平值列賬的資產及負債均歸入第2層。

於二零二一年十二月三十一日，除歸入第1層的按公平值計入損益賬的金融資產 – 流動外，本集團所有按公平值列賬的資產及負債均歸入第2層。

截至二零二一年及二零二零年十二月三十一日止年度概無第1、2及3層之間的轉換。

並非於活躍市場上交易的金融工具(如場外衍生工具)的公平值乃使用估值方法釐定。該等估值方法盡量使用可供使用之可觀察市場數據，並盡量減少倚賴實體特定估算。倘計算某工具的公平值所需之重要輸入數據全部均可觀察，則有關工具會被列入第2層。

倘若一項或以上之重要輸入數據並非根據可觀察市場數據計算，該工具將被列入第3層。

下表載列截至二零二一年及二零二零年十二月三十一日止年度本集團按公平值列賬的資產及負債的變動。

3 FINANCIAL RISK MANAGEMENT (Continued)**3 財務風險管理 (續)****3.3 Fair value estimation (Continued)****3.3 公平值估計 (續)**

		Land and building at fair value	Derivative financial instruments	Financial assets at fair value through profit or loss-non-current	Financial assets at fair value through profit or loss-current	Total
		按公平值計量的土地及樓宇 HK\$'000 千港元	衍生金融工具 HK\$'000 千港元	按公平值計入損益賬的金融資產—非流動 HK\$'000 千港元	按公平值計入損益賬的金融資產—流動 HK\$'000 千港元	總計 HK\$'000 千港元
For the year ended 31 December 2021	截至二零二一年十二月三十一日止年度					
Opening balance	期初結餘	21,700	-	13,854	-	35,554
Gain/(loss) recognised in consolidated statement of comprehensive income	於綜合全面收益表確認的收益/(虧損)	-	786	(393)	(122)	271
Gain recognised in other comprehensive income	於其他全面收益確認的收益	4,187	-	-	-	4,187
Addition	添置	-	-	-	5,041	5,041
Disposal	出售	-	-	(1,934)	(4,280)	(6,214)
Depreciation	折舊	(987)	-	-	-	(987)
Settlement	結算	-	(786)	-	-	(786)
Closing balance	期末結餘	24,900	-	11,527	639	37,066
For the year ended 31 December 2020	截至二零二零年十二月三十一日止年度					
Opening balance	期初結餘	24,600	-	8,621	-	33,221
Gain recognised in consolidated statement of comprehensive income	於綜合全面收益表確認的收益	-	-	356	-	356
Loss recognised in other comprehensive income	於其他全面收益確認的虧損	(1,831)	-	-	-	(1,831)
Addition	添置	-	-	9,312	-	9,312
Disposal	出售	-	-	(4,435)	-	(4,435)
Depreciation	折舊	(1,069)	-	-	-	(1,069)
Closing balance	期末結餘	21,700	-	13,854	-	35,554

3.4 Offsetting financial assets and financial liabilities

As at 31 December 2021, there were no financial assets or financial liabilities which were subject to offsetting, enforceable master netting or other similar agreements (2020: nil).

3.4 金融資產及金融負債之抵銷

於二零二一年十二月三十一日，概無金融資產或金融負債受抵銷、具有可強制性執行的統一淨額結算或其他類似安排所規限（二零二零年：無）。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

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

Critical accounting estimates and assumptions

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

(a) Impairment assessment of property, plant and equipment and right-of-use assets

The Group's revenue inflow is highly dependent on its manufacturing operations on electronic products. Judgement is required in the area of asset impairment, particularly in assessing: (1) whether an event has incurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal or value-in-use, which is the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions used to determine the level, if any, of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the consolidated statement of comprehensive income.

4 應用本集團會計政策的主要會計估計及判斷

估計及判斷須持續進行評估，並以過往經驗及其他因素（包括對因應情況相信為合理的未來事件的預期）為基準。

主要會計估計及假設

本集團對未來作出估計及假設。所得的會計估計如其定義，很少會與其實際結果相同。存在重大風險導致下個財政年度之資產和負債之賬面值作出重大調整之估計和假設討論如下。

(a) 物業、廠房及設備及使用權資產減值評估

本集團的收益流入很大程度上依賴於其電子產品製造業務。在資產減值領域，要求作出判斷，尤其是評估：(1)有否出現可能顯示有關資產值可能無法回收的事件；(2)資產賬面值是否獲得可收回款項（即公平值減出售成本或使用價值（即以業務持續使用資產為基礎估計的有關日後現金流量的現值淨額）兩者中的較高者）的支持；及(3)編製現金流量預測時使用的適當主要假設，包括有關現金流量預測是否以適用比率折現。倘用於釐定減值層級的假設（包括現金流量預測所用貼現率或增長率假設）有所變更，可能對減值測試所用現值淨額產生重大影響，從而或影響本集團的財務狀況及經營業績。倘預測表現及因而達致的未來現金流量預測有重大不利變動，則可能須於綜合全面收益表內扣除減值費用。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)

Critical accounting estimates and assumptions (Continued)

(b) Net realisable value of inventories

Net realisable value of inventories is estimated selling price in the ordinary course of business, less the estimated cost to completion and the estimated cost necessary to make the sale. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at the end of each statement of financial position date.

(c) Impairment of trade receivables

The Group's management estimates the provision for impairment loss on trade receivables by assessing their recoverability. Provisions are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible and require the use of estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of trade receivables and impairment charge in the period in which such estimate has been changed.

4 應用本集團會計政策的主要會計估計及判斷 (續)

主要會計估計及假設 (續)

(b) 存貨的可變現淨值

存貨的可變現淨值指日常業務過程中的估計售價減達致完成的估計成本及進行銷售所需的估計成本。該等估計乃基於現時市況及銷售類似性質產品的過往經驗而作出。客戶喜好改變及競爭對手因應不利行業週期而採取的行動可能使該等估計有重大改變。管理層於各財務狀況表日期重新評估該等估計。

(c) 貿易應收款項減值

本集團管理層通過評估貿易應收款項的可收回性來估計其減值虧損撥備。當出現事件或環境變化預示結餘可能無法收回並需要使用估計時，則會就貿易應收款項計提撥備。倘預期金額與原先估計的金額不同，有關差額將影響貿易應收款項的賬面值以及有關估計出現變動期間內的減值開支。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)

Critical accounting estimates and assumptions (Continued)

(d) Income taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

4 應用本集團會計政策的主要會計估計及判斷 (續)

主要會計估計及假設 (續)

(d) 所得稅

本集團須繳納香港及中國的所得稅。釐定所得稅撥備時須作出重大判斷。交易項目眾多，而釐定該等最終稅項的計算方法並非確定。倘該等事宜的最終稅項結果與初始記錄的金額有所不同，該等差額將影響於釐定期內的即期及遞延所得稅資產及負債。

與若干臨時差額及稅項虧損相關的遞延所得稅資產是在當管理層認為於未來很可能存在應課稅溢利且其能用於抵銷相關臨時差額或稅項虧損時獲確認。當預期情況有別於原本估計時，該等差額將影響遞延所得稅資產的確認以及該等估計更改時的期內稅務變動。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (Continued)

Critical accounting estimates and assumptions (Continued)

(e) Determination of the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if lease is reasonably certain to be extended (or not terminated).

For lease of plants, office and warehouse, the following factors are normally the most relevant:

- if there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- otherwise, the Group considers other factors including historical lease durations and costs and business disruption required to replace the leased asset.

Most extension option in plants, office and warehouse have been included in the lease liability because majority of them are profitable and replacing in other locations will cause business disruption.

4 應用本集團會計政策的主要會計估計及判斷 (續)

主要會計估計及假設 (續)

(e) 釐定租期

在確定租期時，管理層應考慮產生承租人行使續租選擇權（或者不行使終止選擇權）的經濟獎勵的所有事實和情況。僅當承租人合理確定將續租（或不會終止租賃）時，續租選擇權（或終止選擇權之後的期間）方可計入租賃期。

至於廠房、辦公室及倉庫租賃，下列因素通常最相關：

- 終止（或未延長）面臨重大罰款，本集團一般合理確認延長（或不終止）。
- 否則，本集團考慮其他因素，包括過往租賃租期及替換租賃資產所需成本及業務中斷。

廠房、辦公室及倉庫大多數延期選擇權已計入租賃負債，因其大部分盈利且替換其他地點將造成業務中斷。

5 SEGMENT INFORMATION

Operating segments are determined based on the information reviewed by the chief operating decision maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors of the Company.

Operating segments are reported in the manner consistent with the internal reporting provided to the CODM. The Group is subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole. The Board of Directors considers the performance assessment of the Group should be based on the (loss)/profit before income tax of the Group as a whole and regards the Group as a single operating segment and reviews internal reporting accordingly. Therefore, the Board of Directors considers there to be only one operating segment under the requirements of HKFRS 8 “Operating Segments”.

The Group provides manufacturing and sales of electronic products, which are carried out internationally, through the production complexes located in the PRC, Ireland and Thailand, during the years ended 31 December 2021 and 2020.

Segment assets and liabilities

No assets and liabilities are included in the Group’s segment reporting that are submitted to and reviewed by the CODM internally. Accordingly, no segment assets and liabilities are presented.

Information about major customers

External customers contribute over 10% of total revenue of the Group for any of the year ended 31 December are as follows:

		2021 二零二一年 HK\$’000 千港元	2020 二零二零年 HK\$’000 千港元
Customer A	客戶A	167,390	149,376
Customer B	客戶B	100,819	124,213

5 分部資料

經營分部乃根據主要營運決策人（「**主要營運決策人**」）審閱的資料釐定。主要營運決策人被視為本公司董事會，負責分配經營分部的資源及評估其表現。

經營分部的呈報方式與提供予主要營運決策人的內部呈報一致。本集團面臨類似業務風險，且資源基於對提升本集團整體價值有利的原則分配。董事會認為本集團的表現評估應基於本集團整體除所得稅前（虧損）／溢利作出，視本集團為單一經營分部並相應審閱內部報告。因此，董事會認為，根據香港財務報告準則第8號「運營分部」的規定，應僅存在一個運營分部。

於截至二零二一年及二零二零年十二月三十一日止年度，本集團透過位於中國、愛爾蘭及泰國的生產綜合體提供電子產品製造及銷售（屬國際業務）。

分部資產及負債

內部遞交予主要營運決策人及由其作審閱的本集團分部報告並無包括任何資產及負債。因此，概無呈列分部資產及負債。

主要客戶的資料

截至十二月三十一日止任意年度，為本集團總收益貢獻超過10%的外部客戶如下：

5 SEGMENT INFORMATION (Continued)

Geographical information

During the year ended 31 December 2021, majority of revenue were derived from customers in Europe (mainly the United Kingdom (the “UK”), Switzerland, Ireland, Denmark and Sweden), while the remaining revenue were derived from customers in North America, the PRC (including Hong Kong), South-east Asia and others (mainly Australia and Israel).

Revenue from the sale of goods is recognised at point in time method.

In relation to non-current assets held by the Group (primarily represented by property, plant and equipment (note 14) and right-of-use assets (note 15)), land and buildings with carrying values as at 31 December 2021 of HK\$24,900,000 (2020: HK\$21,700,000), are located in Hong Kong. Other property, plant and equipment and right-of-use assets are primarily located in the PRC and Thailand.

5 分部資料 (續)

地理區域資料

於截至二零二一年十二月三十一日止年度，大部分收益來自歐洲客戶（主要為英國（「英國」）、瑞士、愛爾蘭、丹麥及瑞典），其餘收益來自北美、中國（包括香港）、東南亞及其他地區（主要為澳洲及以色列）的客戶。

銷售貨品的收益按時間點法確認。

就本集團所持有的非流動資產（主要為物業、廠房及設備（附註14）及使用權資產（附註15））而言，於二零二一年十二月三十一日，賬面值為24,900,000港元（二零二零年：21,700,000港元）的土地及樓宇均位於香港。其他物業、廠房及設備及使用權資產主要位於中國及泰國。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 REVENUE AND OTHER INCOME, NET

6 收益及其他收入淨額

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收益		
Sales of goods	貨品銷售	744,067	701,699
Other income, net	其他收入淨額		
Commission income	佣金收入	222	76
Investment income	投資收入	331	139
Fair value (loss)/gain on financial assets at fair value through profit or loss	按公平值計入損益賬的 金融資產公平值 (虧損)/收益	(515)	356
Government grants (note)	政府補助(附註)	1,525	4,212
Loss on foreign exchange, net	外匯虧損淨額	(1,493)	(2,961)
Scrap material sales income	報廢物料銷售收入	1,751	539
COVID-19 related rent concessions	與COVID-19有關的 租金寬減	4	573
Service income	服務收入	553	-
Gain on lease modification	租賃修訂收益	5	-
Sundry income	雜項收入	770	493
		3,153	3,427

Note:

The government grants for the year ended 31 December 2021 mainly represents the development support fund for advanced manufacturing industry and reward for production growth of industrial enterprise received from the PRC Government.

The government grants for the year ended 31 December 2020 mainly represents the COVID-19 related subsidies received from the PRC Government and the HKSAR Government.

There are no unfulfilled conditions or other contingencies attaching to these grants.

附註：

於截至二零二一年十二月三十一日止年度，政府補助主要指從中國政府收取的先進製造業發展扶持資金及工業企業增產獎勵。

於截至二零二零年十二月三十一日止年度，政府補助主要指從中國政府及香港特區政府收取的COVID-19相關補貼。

相關的補助金並無尚未達成的附帶條件或其他或然事項。

7 EXPENSES BY NATURE

Expenses included “cost of sales”, “selling and distribution expenses”, “administrative expenses”, and “other operating expenses, net” are analysed as follows:

7 按性質分類的費用

開支包括「銷售成本」、「銷售及分銷費用」、「行政開支」及「其他經營開支淨額」，分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Employee benefit expenses (including directors' emoluments) (note 8)	僱員福利開支 (包括董事酬金)(附註8)	179,047	161,538
Depreciation for property, plant and equipment (note 14)	物業、廠房及設備折舊 (附註14)	12,027	11,487
Depreciation on right-of-use assets (note 15(b))	使用權資產折舊 (附註15(b))	8,826	8,602
Amortisation of insurance expense	保險開支攤銷	33	33
Auditors' remuneration	核數師薪酬		
– Audit services	– 審計服務	2,093	1,886
– Non-audit services	– 非審計服務	769	367
Gain on derivative financial instruments	衍生金融工具收益	(786)	–
Obsolete inventories written off (note 20)	陳舊存貨撇銷(附註20)	375	1,997
Expenses related to short-term leases	與短期租賃有關的開支	447	170
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	29	282
Bad debt written off	壞賬撇銷	–	985
Provision for impairment loss on trade receivables (note 21(b))	貿易應收款項減值虧損撥備 (附註21(b))	–	514
Provision for impairment loss on inventories (note 20)	存貨減值虧損撥備(附註20)	5,252	2,912

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綜合財務報表附註

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) 8 僱員福利開支(包括董事酬金)

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Wages, salaries and allowances	工資、薪金及津貼	153,329	140,937
Retirement benefit costs (note)	退休福利成本(附註)	25,718	20,403
Share-based payment (note 28)	以股份為基礎付款(附註28)	-	198
		179,047	161,538

Note:

During the year ended 31 December 2021, no forfeited contributions were used to reduced the contributions payable by the Group (2020: nil). No forfeited contribution under the ORSO Scheme and the MPF Scheme is available to reduce the contribution payable in future years.

附註：

截至二零二一年十二月三十一日止年度，概無任何沒收供款用作減少本集團應付的供款(二零二零年：無)。概無任何職業退休計劃及強積金計劃項下的沒收供款可用以減少未來年度應付的供款。

9 BENEFITS AND INTERESTS OF DIRECTORS 9 董事的福利及權益

Directors' remuneration disclosed pursuant to the section 383 of the Companies Ordinance is as follows:

根據公司條例第383條披露的董事薪酬如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就個人擔任董事(無論為本公司或其附屬公司業務)已付或應收之酬金：		
Fees	袍金	720	720
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物福利	13,327	13,269
Discretionary bonuses	酌情花紅	-	958
Termination benefits	離職福利	-	690
Employer's contribution to a retirement benefit scheme	退休福利計劃的僱主供款	1,674	1,209
Share-based payment	以股份為基礎付款	-	140
		15,721	16,986

9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' retirement benefits

No retirement benefits were paid to or receivable by any Directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking during the year ended 31 December 2021 (2020: nil).

(b) Directors' termination benefits

No payment was made to Directors as compensation for the early termination of the appointment during the year ended 31 December 2021.

HK\$690,000 was paid to Mr. Georges René Gener, a former Director of the Company, as compensation for the early termination of his appointment during the year ended 31 December 2020.

(c) Consideration provided to third parties for making available directors' services

Save as disclosed above, no other payment was made to the former employer or Directors for making available the services of them as a Director of the Company during the year ended 31 December 2021 (2020: nil).

(d) Information about loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors

There were no loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors during the year ended 31 December 2021 (2020: nil).

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

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2021 (2020: nil).

9 董事的福利及權益 (續)

(a) 董事之退休福利

於截至二零二一年十二月三十一日止年度，概無就任何董事有關管理本公司或其附屬公司事務的其他服務而支付或應收任何退休福利（二零二零年：無）。

(b) 董事之離職福利

於截至二零二一年十二月三十一日止年度，概無就提早終止委任而向董事支付任何付款作為賠償。

於截至二零二零年十二月三十一日止年度，已就提早終止委任而向本公司前任董事Georges René Gener先生支付690,000港元作為賠償。

(c) 就獲提供董事服務而向第三方提供之代價

除上文披露者外，於截至二零二一年十二月三十一日止年度，概無就獲提供董事服務而就擔任本公司董事向先前僱主或董事支付其他款項（二零二零年：無）。

(d) 有關以董事、由有關董事控制的法團及與其有關連的實體為受益人之貸款、準貸款及其他交易之資料

於截至二零二一年十二月三十一日止年度，概無有關以董事、由有關董事控制的法團及與其有關連的實體為受益人之貸款、準貸款及其他交易（二零二零年：無）。

(e) 董事於交易、安排或合約中之重大權益

本公司概無訂立且董事於當中直接或間接擁有重大權益而於年末或截至二零二一年十二月三十一日止年度任何時間仍然存續與本公司業務有關之重大交易、安排及合約（二零二零年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS
(Continued)

(f) Directors' emolument

The remuneration of every director for the years ended 31 December 2021 and 2020 is set out below:

9 董事的福利及權益 (續)

(f) 董事酬金

截至二零二一年及二零二零年十二月三十一日止年度各董事薪酬如下：

		Basic salaries, allowances and benefits	Discretionary bonuses	Termination benefits	Employer's contribution to retirement benefit scheme	Share-based payment	Total
		Fees in kind					
		基本薪金、津貼及實物福利	酌情花紅	離職福利	僱主供款退休福利計劃的	以股份為基礎的付款	總計
		袍金					
		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
2021	二零二一年						
Executive Directors	執行董事						
Mr. Lai Yiu Wah	黎耀華先生	-	4,486	-	558	-	5,044
Mr. Tai Leung Lam	戴良林先生	-	4,445	-	558	-	5,003
Mr. Joseph Mac Carthy	Joseph Mac Carthy先生	-	4,396	-	558	-	4,954
Independent Non-executive Directors	獨立非執行董事						
Mr. Fung Chun Chung	馮鎮中先生	240	-	-	-	-	240
Mr. Cheung Kin Wing	張建榮先生	240	-	-	-	-	240
Mr. Wong Raymond Fook Lam	黃福霖先生	240	-	-	-	-	240
		720	13,327	-	1,674	-	15,721
2020	二零二零年						
Executive Directors	執行董事						
Mr. Lai Yiu Wah	黎耀華先生	-	4,560	310	558	49	5,477
Mr. Tai Leung Lam	戴良林先生	-	4,450	310	558	49	5,367
Mr. Joseph Mac Carthy	Joseph Mac Carthy先生	-	3,900	310	93	42	4,345
Mr. Georges René Gener (note i)	Georges René Gener先生 (附註i)	-	359	28	690	-	1,077
Independent Non-executive Directors	獨立非執行董事						
Mr. Fung Chun Chung	馮鎮中先生	240	-	-	-	-	240
Mr. Cheung Kin Wing	張建榮先生	240	-	-	-	-	240
Mr. Wong Raymond Fook Lam	黃福霖先生	240	-	-	-	-	240
		720	13,269	958	690	140	16,986

9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(f) Directors' emolument (Continued)

Note:

- (i) Mr Georges René Gener resigned as a director of the Company with effect from 15 February 2020.

There was no arrangement under which a Director or the chief executive officer waived or agreed to waive any remuneration during the year ended 31 December 2021 (2020: nil).

(g) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the years ended 31 December 2021 included 3 Directors (2020: 3 Directors) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 2 individuals during the year ended 31 December 2021 (2020: 2 individuals) are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物福利	2,948	6,336
Discretionary bonuses	酌情花紅	182	430
Employer's contribution to retirement benefit scheme	退休福利計劃的僱主供款	368	162
Share-based payment	以股份為基礎付款	-	4
		3,498	6,932

9 董事的福利及權益 (續)

(f) 董事酬金 (續)

附註：

- (i) Georges René Gener先生於二零二零年二月十五日辭任本公司董事。

於截至二零二一年十二月三十一日止年度，董事或主要行政人員並無安排放棄或同意放棄任何薪酬（二零二零年：無）。

(g) 五名最高薪酬人士

截至二零二一年十二月三十一日止年度，本集團五名最高薪酬人士包括上述分析反映其酬金的3名董事（二零二零年：3名董事）。截至二零二一年十二月三十一日止年度，應付餘下2名個別人士（二零二零年：2名個別人士）的酬金如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(g) Five highest paid individuals (Continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

		2021 二零二一年	2020 二零二零年
Nil – HK\$1,000,000	零至1,000,000港元	–	–
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	–
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	–	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元至3,500,000港元	–	–
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	–
HK\$4,000,001 – HK\$4,500,000	4,000,001港元至4,500,000港元	–	–
HK\$4,500,001 – HK\$5,000,000	4,500,001港元至5,000,000港元	–	–
HK\$5,000,001 – HK\$5,500,000	5,000,001港元至5,500,000港元	–	1

9 董事的福利及權益 (續)

(g) 五名最高薪酬人士 (續)

薪酬介乎以下範圍的非董事及非行政總裁最高薪僱員人數如下：

10 FINANCE EXPENSES, NET

10 財務開支淨額

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Finance income	財務收入		
Bank interest income	銀行利息收入	66	874
Finance income	財務收入	66	874
Finance expenses	財務開支		
Interest on bank borrowings	銀行借款利息		
– Wholly repayable within five years	– 須於五年內全數償還	(1,152)	(1,567)
Interest on lease liabilities (note 15(b))	租賃負債利息(附註15(b))	(539)	(1,027)
Other finance expenses	其他財務開支		
Bank charges	銀行收費	(5,218)	(4,730)
Finance expenses	財務開支	(6,909)	(7,324)
Finance expenses, net	財務開支淨額	(6,843)	(6,450)

11 INCOME TAX (CREDIT)/EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Current income tax:	即期所得稅：			
– Hong Kong	– 香港	(a)	4,766	3,565
– Other jurisdictions	– 其他司法權區	(b)	–	4,937
			4,766	8,502
Overprovision in prior years	過往年度超額撥備		(4,833)	(45)
Deferred tax (credit)/expense (note 18(c))	遞延稅項(抵免)/開支 (附註18(c))		(4,844)	357
Income tax (credit)/expense	所得稅(抵免)/開支		(4,911)	8,814

Notes:

- (a) Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%. The Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits for the qualifying group entity and at 16.5% on the estimated assessable profits above HK\$2 million for the years ended 31 December 2020 and 2021.
- (b) No provision for corporate income tax in other jurisdictions has been made as the Group has no assessable incomes in the relevant jurisdictions for the year ended 31 December 2021. Taxation arising in other jurisdictions for the year ended 31 December 2020 was calculated at the rates prevailing in the relevant jurisdictions.

11 所得稅(抵免)/開支

綜合全面收益表內稅項金額如下：

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Current income tax:	即期所得稅：			
– Hong Kong	– 香港	(a)	4,766	3,565
– Other jurisdictions	– 其他司法權區	(b)	–	4,937
			4,766	8,502
Overprovision in prior years	過往年度超額撥備		(4,833)	(45)
Deferred tax (credit)/expense (note 18(c))	遞延稅項(抵免)/開支 (附註18(c))		(4,844)	357
Income tax (credit)/expense	所得稅(抵免)/開支		(4,911)	8,814

附註：

- (a) 根據香港利得稅的利得稅兩級制，合資格集團實體首2,000,000港元溢利的稅率將為8.25%，而超過2,000,000港元的溢利的稅率為16.5%。不符合利得稅兩級制的香港集團實體的溢利將持續按16.5%的統一稅率繳納稅項。截至二零二零年及二零二一年十二月三十一日止年度，合資格集團實體首2,000,000港元估計應課稅溢利的香港利得稅按8.25%計算，而超過2,000,000港元的估計應課稅溢利的香港利得稅則按16.5%計算。
- (b) 由於本集團於截至二零二一年十二月三十一日止年度於其他司法管轄區並無應課稅收入，故並無於相關司法管轄區作出企業所得稅撥備。截至二零二零年十二月三十一日止年度，於其他司法管轄區產生的稅項按相關司法管轄區的現行稅率計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 INCOME TAX (CREDIT)/EXPENSE (Continued)

The amount of taxation in the consolidated statement of comprehensive income represents: (Continued)

The tax on the Group's (loss)/profit before income tax differs from the theoretical amount that would arise using the tax rate applicable to profits as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(15,495)	37,695
Calculated at a tax rate of 16.5% (2020: 16.5%)	按稅率16.5%(二零二零年: 16.5%)計算之稅項	(2,557)	6,219
Effect of different tax rates in other countries	其他國家不同稅率的影響	(2,665)	1,618
Income not subject to tax	毋須課稅收入	(463)	(1,929)
Tax losses for which no deferred tax asset was recognised	並無確認遞延所得稅資產之稅項虧損	2,603	167
Expenses not deductible for tax purposes	不可扣稅開支	3,249	2,949
Utilisation of previously unrecognised tax loss	動用過往未予確認之稅項虧損	(80)	-
Overprovision in prior years	過往年度超額撥備	(4,833)	(45)
Concession tax rate	減免稅率	(165)	(165)
Income tax (credit)/expense	所得稅(抵免)/開支	(4,911)	8,814

11 所得稅(抵免)/開支(續)

綜合全面收益表內稅項金額如下:(續)

本集團除所得稅前(虧損)/溢利稅項與按應用於溢利的稅率計算之理論數額差別如下:

12 (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The basic (loss)/earnings per share is calculated on the (loss)/profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the years ended 31 December 2021 and 2020.

12 每股(虧損)/盈利

(a) 每股基本(虧損)/盈利

每股基本(虧損)/盈利乃按本公司擁有人應佔(虧損)/溢利除以截至二零二一年及二零二零年十二月三十一日止年度已發行普通股加權平均股數計算。

		2021 二零二一年	2020 二零二零年
(Loss)/profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔(虧損)/溢利(千港元)	(10,584)	28,881
Weighted average number of ordinary shares in issue (thousand shares)	已發行普通股加權平均股數(千股)	1,000,000	1,000,000
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)	(1.06)	2.89

12 (LOSS)/EARNINGS PER SHARE (Continued)**(b) Diluted (loss)/earnings per share**

The diluted (loss)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

Diluted (loss)/earnings per share was the same as basic (loss)/earnings per share due to the absence of dilutive potential ordinary shares for the years ended 31 December 2021 and 2020.

12 每股（虧損）／盈利（續）**(b) 每股攤薄（虧損）／盈利**

每股攤薄（虧損）／盈利乃透過調整發行在外加權平均普通股股數以假設轉換全部潛在攤薄普通股計算。

由於截至二零二一年及二零二零年十二月三十一日止年度並無潛在攤薄普通股，因此每股攤薄（虧損）／盈利與每股基本（虧損）／盈利相同。

13 DIVIDENDS**13 股息**

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interim dividend paid of nil (2020: HK0.8 cent) per ordinary share	已付中期股息每股普通股零（二零二零年：0.8港仙）	—	8,000
Proposed final dividend of nil (2020: HK1.2 cents) per ordinary share (note)	建議末期股息每股普通股零（二零二零年：1.2港仙） (附註)	—	12,000
		—	20,000

Note:

The Board did not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: HK1.2 cents per ordinary share).

附註：

董事會不建議就截至二零二一年十二月三十一日止年度派發末期股息（二零二零年：每股普通股1.2港仙）。

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綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Land & buildings 土地 及樓宇 HK\$'000 千港元	Plant & machinery 廠房 及機械 HK\$'000 千港元	Furniture & fixtures 傢俱 及裝置 HK\$'000 千港元	Office equipment 辦公室 設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended	截至二零二一年							
31 December 2021	十二月三十一日止年度							
Net book value at 1 January 2021	於二零二一年一月一日 的賬面淨值	21,700	19,533	6,343	447	1,467	4,188	53,678
Exchange realignment	匯兌調整	-	(1,611)	(418)	(9)	(28)	(232)	(2,298)
Additions	添置	-	11,570	1,812	129	122	2,763	16,396
Surplus on revaluation	重估盈餘	4,187	-	-	-	-	-	4,187
Disposals	出售	-	(1)	(449)	(7)	-	-	(457)
Depreciation	折舊	(987)	(6,208)	(2,565)	(148)	(435)	(1,684)	(12,027)
Balance as at 31 December 2021	於二零二一年 十二月三十一日的結餘	24,900	23,283	4,723	412	1,126	5,035	59,479
At 31 December 2021	於二零二一年 十二月三十一日							
Cost or valuation	成本或估值	24,900	63,406	22,930	3,970	4,260	31,308	150,774
Accumulated depreciation	累計折舊	-	(40,123)	(18,207)	(3,558)	(3,134)	(26,273)	(91,295)
Net book value at 31 December 2021	於二零二一年 十二月三十一日 的賬面淨值	24,900	23,283	4,723	412	1,126	5,035	59,479

14 PROPERTY, PLANT AND EQUIPMENT
(Continued)

14 物業、廠房及設備 (續)

		Land & buildings	Plant & machinery	Furniture & fixtures	Office equipment	Motor vehicles	Leasehold improvements	Construction in progress	Total
		土地及樓宇	廠房及機械	傢俱及裝置	辦公室設備	汽車	租賃物業裝修	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Year ended	截至二零二零年								
31 December 2020	十二月三十一日止年度								
Net book value at	截至二零二零年								
1 January 2020	一月一日的賬面淨值	24,600	19,436	7,587	437	1,611	4,444	260	58,375
Exchange realignment	匯兌調整	-	(3)	18	-	-	78	13	106
Additions	添置	-	5,208	1,548	138	328	1,575	-	8,797
Transfer	轉讓	-	273	-	-	-	-	(273)	-
Deficit on revaluation	重估虧絀	(1,831)	-	-	-	-	-	-	(1,831)
Disposals	出售	-	-	(21)	(7)	-	(254)	-	(282)
Depreciation	折舊	(1,069)	(5,381)	(2,789)	(121)	(472)	(1,655)	-	(11,487)
Balance as at	於二零二零年								
31 December 2020	十二月三十一日的結餘	21,700	19,533	6,343	447	1,467	4,188	-	53,678
At 31 December 2020	於二零二零年								
	十二月三十日								
Cost or valuation	成本或估值	21,700	53,310	22,292	3,963	4,169	28,801	-	134,235
Accumulated depreciation	累計折舊	-	(33,777)	(15,949)	(3,516)	(2,702)	(24,613)	-	(80,557)
Net book value at 31 December 2020	於二零二零年								
	十二月三十一日的								
	賬面淨值	21,700	19,533	6,343	447	1,467	4,188	-	53,678

The analysis of the cost or valuation at 31 December 2021 of the above assets is as follows:

上述資產於二零二一年十二月三十一日的成本或估值分析如下：

		Land & buildings	Plant & machinery	Furniture & fixtures	Office equipment	Motor vehicles	Leasehold improvements	Total
		土地及樓宇	廠房及機械	傢俱及裝置	辦公室設備	汽車	租賃物業裝修	總計
		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
At cost	按成本	-	23,283	4,723	412	1,126	5,035	34,579
At valuation	按估值	24,900	-	-	-	-	-	24,900
		24,900	23,283	4,723	412	1,126	5,035	59,479

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

For the year ended 31 December 2021, depreciation expense of HK\$6,208,000 and HK\$5,819,000 (2020: HK\$5,819,000 and HK\$6,106,000) was charged to "Cost of sales" and "Administrative expenses" respectively.

As at 31 December 2021, the Group's land and buildings are held under medium term leases (unexpired period between 20 years to 50 years) and the carrying amounts of land and buildings pledged as part of the securities for banking facilities from a bank amounted to HK\$24,900,000 (2020: HK\$21,700,000) (note 25(b)).

Valuation processes of the Group

The Group's land and building was valued at 31 December 2021 and 2020 by independent professionally qualified valuers who hold a recognised relevant professional qualification and had recent experience in the locations and segments of the assets valued. For land and building, the current use equates to the highest and best use.

The Group's chief financial officer ("**CFO**") reviews the valuations performed by the independent valuers for financial reporting purposes. CFO reports directly to the chairman of the board (the "**Chairman**"). Discussions of valuation processes and results are held between the CFO, the Chairman, and the valuers annually. As at 31 December 2021, the fair values of the land and building were determined by Ascent Partners Group Limited (2020: Ascent Partners Group Limited).

14 物業、廠房及設備 (續)

截至二零二一年十二月三十一日止年度，折舊費用為6,208,000港元及5,819,000港元（二零二零年：5,819,000港元及6,106,000港元）分別計入「銷售成本」及「行政開支」。

於二零二一年十二月三十一日，本集團之土地及樓宇為按中期租約（未逾期期間為20年至50年）持有，以及已抵押土地及樓宇（作為自銀行取得的銀行融資的部分擔保）賬面值為24,900,000港元（二零二零年：21,700,000港元）（附註25(b)）。

本集團的估值流程

本集團的土地及樓宇於二零二一年及二零二零年十二月三十一日由專業合資格獨立估值師估值，該等估值師具有認可的相關專業資格，並在估值資產的地區及分部方面擁有新近經驗。就土地及樓宇而言，目前用途相當於最高及最佳用途。

本集團的首席財務官（「**首席財務官**」）負責審核獨立估值師就財務報告進行的估值。首席財務官直接向董事會主席（「**主席**」）報告。首席財務官、主席及估值師每年就估值過程及結果進行討論。於二零二一年十二月三十一日，土地及樓宇的公平值由艾升集團有限公司（二零二零年：艾升集團有限公司）釐定。

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

Valuation processes of the Group (Continued)

At each financial year end, the finance division:

- verifies all major inputs to the independent valuation report;
- assesses property valuations movements when compared to the prior year valuation report; and
- holds discussions with the independent valuers.

Valuation techniques

For land and building, the valuation was determined using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot, which is approximately amounted to HK\$6,250 per square foot for the year ended 31 December 2021 (2020: HK\$5,447 per square foot).

15 LEASE

This note provides information for leases where the Group is a lessee.

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Right-of-use assets	使用權資產		
Buildings	樓宇	14,378	23,200
Lease liabilities	租賃負債		
Current	流動	7,537	9,207
Non-current	非流動	8,561	16,105
		16,098	25,312

Additions to the right-of-use assets during year ended 31 December 2021 were HK\$486,000 (2020: HK\$10,271,000).

本集團的估值流程 (續)

於各財政年度結算日，財務部：

- 核實獨立估值報告之所有主要輸入數據；
- 於比較過往年度之估值報告時，評估物業估值變動；及
- 與獨立估值師討論。

估值技巧

就土地及樓宇而言，估值採用銷售比較法釐定。相近可比較物業的銷售價格會因應物業大小等關鍵屬性差異而調整。該估值法最重要的數據是每平方呎之價格，截至二零二一年十二月三十一日止年度為每平方呎約6,250港元（二零二零年：每平方呎5,447港元）。

15 租賃

倘本集團為承租人，則本附註就租賃提供資料。

(a) 於綜合財務狀況表確認的金額

綜合財務狀況表載列以下與租賃有關的金額：

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Right-of-use assets		
Buildings	14,378	23,200
Lease liabilities		
Current	7,537	9,207
Non-current	8,561	16,105
	16,098	25,312

截至二零二一年十二月三十一日止年度使用權資產添置486,000港元（二零二零年：10,271,000港元）。

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綜合財務報表附註

15 LEASE (Continued)

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊開支 (附註7)		
– Buildings	– 樓宇	8,826	8,602
Interest expenses (included in finance expenses) (note 10)	利息開支 (計入財務開支) (附註10)	539	1,027

The total cash outflow for leases in 2021 was HK\$10,145,000 (2020: HK\$9,134,000).

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

The Group leases various offices, warehouses, factory, staff dormitory and car parking spaces. Non-cancellable rental contracts are typically made for periods of one to three years. The Group also leases various warehouses and factory under cancellable rental contracts. The option to terminate the leases are described in note (d) below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants.

(d) Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

15 租賃 (續)

(b) 於綜合全面收益表確認的金額

綜合全面收益表載列以下與租賃有關的金額：

2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
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二零二一年租賃現金流出總額為10,145,000港元(二零二零年：9,134,000港元)。

(c) 本集團租賃活動及會計處理方式

本集團租賃多處辦公室、倉庫、工廠、員工宿舍及停車位。不可撤銷租賃合約一般為期一至三年。本集團亦根據可撤銷租賃合約租賃多處倉庫及工廠。終止租賃的權利於下文附註(d)概述。

租賃條款乃在個別基礎上協商，並包含各種不同的條款及條件。租賃協議並無施加任何契諾。

(d) 延期及終止權

本集團多項物業租賃包含延期及終止權。就管理本集團運營所用資產而言，彼等用於最大化運營靈活性。持有的大部分延期及終止權僅可由本集團而非有關出租人行使。

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS 16 按公平值計入損益賬的金融資產

			2021 二零二一年	2020 二零二零年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
Unlisted key man insurance contracts 非上市要員保險合約		(i)	9,086	8,816
Unlisted fund investments 非上市基金投資		(ii)	2,441	5,038
Listed equity investment 上市股本投資		(iii)	639	-
			12,166	13,854
Less: Non-current portion 減：非流動部分			(11,527)	(13,854)
Current portion 流動部分			639	-

Notes:

- (i) The amount represented the investment element of key man insurances purchased for an executive Director of the Company and a senior management of the Group. During the year ended 31 December 2021, an increase in fair value of HK\$270,000 (2020: HK\$194,000) was recognised in the consolidated statement of comprehensive income.

As at 31 December 2021, the Group's bank borrowings were secured over key man insurances with the carrying amounts of HK\$9,086,000 (2020: HK\$8,816,000) (Note 25(b)).

- (ii) The fund investments were classified as financial assets at fair value through profit or loss as these were held for trading. The fund investments were valued at observable prices of comparable investments. During the year ended 31 December 2021, a decrease in fair value of HK\$663,000 (2020: an increase of HK\$38,000) was recognised in the consolidated statement of comprehensive income.
- (iii) The equity investment was classified as a financial asset at fair value through profit or loss as it was held for trading. During the year ended 31 December 2021, a decrease in fair value of HK\$122,000 (2020: an increase of HK\$124,000) was recognised in the consolidated statement of comprehensive income.

附註：

- (i) 該金額指本公司一名執行董事及本集團一名高級管理層所購買要員保險的投資元素。截至二零二一年十二月三十一日止年度，於綜合全面收益表內確認公平值增加270,000港元（二零二零年：194,000港元）。

於二零二一年十二月三十一日，本集團銀行借款以賬面值為9,086,000港元的要員保險為抵押（二零二零年：8,816,000港元）（附註25(b)）。

- (ii) 該等基金投資已分類為按公平值計入損益賬的金融資產，乃由於該等投資為持作交易用途。該等基金投資乃按可資比較投資的可觀察價格估值。截至二零二一年十二月三十一日止年度，於綜合全面收益表確認公平值減少663,000港元（二零二零年：增加38,000港元）。
- (iii) 該股本投資已分類為按公平值計入損益賬的金融資產，乃由於該投資為持作交易用途。截至二零二一年十二月三十一日止年度，於綜合全面收益表內確認公平值減少122,000港元（二零二零年：增加124,000港元）。

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17 PREPAYMENTS AND DEPOSITS

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Prepayments	預付款項	10,058	18,879
Rental, utility and other deposits	租務、公用事業及其他按金	15,303	12,776
		25,361	31,655
Less: non-current portion	減：非流動部分		
Prepayments	預付款項	(1,831)	(1,864)
Current portion	流動部分	23,530	29,791

The carrying amounts of deposits of the Group approximate their fair values as at 31 December 2021 and 2020.

17 預付款項及按金

本集團按金的賬面值與其於二零二一年及二零二零年十二月三十一日之公平值相若。

18 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using the tax rates applicable in the respective jurisdictions. The movements on the deferred income tax assets and liabilities are as follows:

(a) Deferred tax assets

At 1 January	於一月一日	-	214
Credited/(charged) to consolidated statement of comprehensive income (note c)	於綜合全面收益表內計入/(扣除)(附註c)	4,754	(214)
At 31 December	於十二月三十一日	4,754	-

Note:

Deferred tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefits through the future taxable profits is probable.

18 遞延所得稅

遞延所得稅乃採用負債法就臨時差額按相關司法管轄區的適用稅率悉數計算。遞延所得稅資產及負債變動如下：

(a) 遞延稅項資產

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	-	214
Credited/(charged) to consolidated statement of comprehensive income (note c)	於綜合全面收益表內計入/(扣除)(附註c)	4,754	(214)
At 31 December	於十二月三十一日	4,754	-

附註：

遞延稅項資產乃由於結轉的稅務虧損而獲確認，惟以相關稅務利益很可能透過未來應課稅溢利變現者為限。

18 DEFERRED INCOME TAX (Continued)

(b) Deferred tax liabilities

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	3,947	4,098
Credited to other comprehensive income	計入其他全面收益	312	(294)
(Credited)/charged to consolidated statement of comprehensive income (note c)	於綜合全面收益表內(計入)/扣除(附註c)	(90)	143
At 31 December	於十二月三十一日	4,169	3,947

Note:

Deferred tax liabilities are recognised for accelerated tax depreciation.

附註：

遞延稅項負債乃由於加速稅項折舊而確認。

(c) Deferred tax (credited)/charged to consolidated statement of comprehensive income

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deferred tax assets (note a)	遞延稅項資產(附註a)	(4,754)	214
Deferred tax liabilities (note b)	遞延稅項負債(附註b)	(90)	143
Deferred tax (credited)/charged to consolidated statement of comprehensive income (note 11)	於綜合全面收益表內(計入)/扣除的遞延稅項(附註11)	(4,844)	357

(d) Deferred tax assets and liabilities are expected to be utilised/settled after more than 12 months.

(e) Deferred tax liabilities of HK\$5,413,000 as at 31 December 2021 (2020: HK\$5,764,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries. Unremitted earnings as at 31 December 2021 is HK\$108,259,000 (2020: HK\$115,272,000).

18 遞延所得稅(續)

(b) 遞延稅項負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	3,947	4,098
Credited to other comprehensive income	計入其他全面收益	312	(294)
(Credited)/charged to consolidated statement of comprehensive income (note c)	於綜合全面收益表內(計入)/扣除(附註c)	(90)	143
At 31 December	於十二月三十一日	4,169	3,947

附註：

遞延稅項負債乃由於加速稅項折舊而確認。

(c) 於綜合全面收益表內(計入)/扣除的遞延稅項

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deferred tax assets (note a)	遞延稅項資產(附註a)	(4,754)	214
Deferred tax liabilities (note b)	遞延稅項負債(附註b)	(90)	143
Deferred tax (credited)/charged to consolidated statement of comprehensive income (note 11)	於綜合全面收益表內(計入)/扣除的遞延稅項(附註11)	(4,844)	357

(d) 遞延稅項資產及負債預計於超過12個月後使用/結清。

(e) 於二零二一年十二月三十一日，尚未就若干附屬公司未匯出盈利應付的預扣稅確認的遞延稅項負債為5,413,000港元(二零二零年：5,764,000港元)。於二零二一年十二月三十一日的未匯出盈利為108,259,000港元(二零二零年：115,272,000港元)。

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19 SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2021 and 2020 are as follows:

19 附屬公司

於二零二一年及二零二零年十二月三十一日之主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation or establishment and type of legal entity 註冊成立或成立地點及 法律實體種類	Principal activities 主要業務	Issued and paid-in capital 已發行及實繳股本	Effective interest held by the Company 本公司持有之實際權益	
				2021 二零二一年	2020 二零二零年
Directly held: 直接持有：					
Trio Engineering Company Limited 致豐工程有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sale of electronic product 銷售電子產品	200,000 shares HK\$20,000,000 200,000股股份 20,000,000港元	100%	100%
Professional Electronics Manufacturing Solutions Limited 普發電子工業設備有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sale of electronic product 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	100%
Deltrix Limited 德勁動力有限公司	Hong Kong/Limited liability company 香港／有限責任公司	Sale of electronic product 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	100%
Indirectly held: 間接持有：					
Panyu Trio Microtronics Co., Ltd. 廣州市番禺致豐微電器有限公司	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Manufacturing of electronic product 製造電子產品	Paid-in capital US\$5,000,000 實繳股本 5,000,000美元	100%	100%
Guangzhou Professional Electronics Manufacturing Solutions Limited 廣州普發電子工業設備有限公司	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Sale of electronic product 銷售電子產品	Paid-in capital RMB500,000 實繳股本 人民幣500,000元	100%	100%

19 SUBSIDIARIES (Continued)

19 附屬公司 (續)

Company name 公司名稱	Place of incorporation or establishment and type of legal entity 註冊成立或成立地點及 法律實體種類	Principal activities 主要業務	Issued and paid-in capital 已發行及實繳股本	Effective interest held by the Company 本公司持有之實際權益	
				2021 二零二一年	2020 二零二零年
Indirectly held: (Continued) 間接持有：(續)					
Trio-tronics Manufacturing Global Limited	Ireland/Limited liability company 愛爾蘭／有限責任公司	Global sourcing and purchase of materials, sales and marketing, service support 全球採購及購買材料、銷售及營銷、服務支持	100,000 shares EUR100,000 100,000股股份 100,000歐元	100%	100%
Deltrix (Europe) Limited	Ireland/Limited liability company 愛爾蘭／有限責任公司	Manufacturing of electronic components 製造電子部件	100,000 shares EUR100,000 100,000股股份 100,000歐元	100%	100%
Trio-Tronics (Thailand) Limited	Thailand/Limited liability company 泰國／有限責任公司	Manufacturing of electronic product 製造電子產品	Paid-in capital THB38,000,000 實繳股本 38,000,000泰銖	100%	100%

20 INVENTORIES

20 存貨

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Raw materials	原材料	174,125	94,776
Work in progress	在製品	46,808	22,664
Finished goods	製成品	10,989	11,129
Goods in transit	在運貨品	11,807	4,362
		243,729	132,931

The cost of inventories recognised as expenses and included in "Cost of sales" amounted to HK\$483,252,000 for the year ended 31 December 2021 (2020: HK\$418,587,000). For the year ended 31 December 2021, the Group recognised a provision for impairment loss on inventories of HK\$5,252,000 (2020: HK\$2,912,000) and written off obsolete inventories of HK\$375,000 (2020: HK\$1,997,000). These amounts were recognised in "Other operating expenses, net" in the consolidated statement of comprehensive income.

截至二零二一年十二月三十一日止年度，確認為開支並計入「銷售成本」的存貨成本為483,252,000港元（二零二零年：418,587,000港元）。截至二零二一年十二月三十一日止年度，本集團確認存貨減值虧損撥備5,252,000港元（二零二零年：2,912,000港元）及陳舊存貨撇銷375,000港元（二零二零年：1,997,000港元）。該等金額於綜合全面收益表的「其他經營開支淨額」內獲確認。

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綜合財務報表附註

21 TRADE AND OTHER RECEIVABLES

21 貿易及其他應收款項

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Trade receivables	貿易應收款項	(a)	172,113	184,350
Less: Provision for impairment loss on trade receivables	減：貿易應收款項減值虧損撥備	(b)	(1,846)	(1,836)
Trade receivables – net	貿易應收款項 – 淨額		170,267	182,514
Other receivables	其他應收款項		1,972	530
			172,239	183,044

Under the factoring arrangement with banks, the Group has transferred certain trade receivables to the factor in exchange for cash and is prevented from selling or pledging the receivables. The Group has legally transferred all of the risks and rewards of ownership of the discounted trade receivables to the financial institutions. The carrying amounts of the trade receivables exclude receivables which are subject to the factoring arrangement.

根據與銀行之間保理安排，本集團已將若干貿易應收款項轉移至保理人以換取現金，並被禁止出售或質押應收款項。本集團已將已貼現貿易應收款項所有權的所有風險及回報從法律意義上轉讓予金融機構。貿易應收款項賬面值不包括受保理安排規限的應收款項。

Notes:

附註：

- (a) Trade receivables arise from trading of electronic products. The payment terms of trade receivables granted to third party customers generally range from full payment before shipment to 75 days after the end of month. The aging analysis of the trade receivables based on invoice date at the end of the reporting period is as follows:

- (a) 貿易應收款項來自買賣電子產品。授予第三方客戶的貿易應收款項的付款期限一般由出貨前全數付款至月結後75天。根據發票日期，報告期末的貿易應收款項的賬齡分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Below 30 days	30天以下	75,298	103,917
Between 31 and 60 days	31至60天	62,145	49,052
Over 60 days	60天以上	34,670	31,381
		172,113	184,350

Trade and other receivables are past due when a counterparty has failed to make a payment when contractually due.

當對手方不能於合約到期時支付款項，貿易及其他應收款項被視為逾期。

21 TRADE AND OTHER RECEIVABLES (Continued)**(a) (Continued)**

As at 31 December 2021, trade receivables of HK\$147,221,000 (2020: HK\$150,129,000) were not yet past due.

Trade receivables that were past due but not impaired relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered. The aging analysis of these receivables is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Past due by:	逾期：		
Below 30 days	30天以下	20,507	29,825
Between 31 and 60 days	31至60天	2,723	1,657
Over 60 days	60天以上	1,662	2,739
		24,892	34,221

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
US\$	美元	168,224	180,014
RMB	人民幣	3,184	3,930
HK\$	港元	547	148
EUR	歐元	158	258
		172,113	184,350

21 貿易及其他應收款項 (續)**(a) (續)**

於二零二一年十二月三十一日，貿易應收款項147,221,000港元（二零二零年：150,129,000港元）尚未逾期。

已逾期但並無減值之貿易應收款項與多名並無重大財務困難的獨立客戶有關，根據過往經驗，可收回該等逾期款項。該等應收款項的賬齡分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Past due by:	逾期：		
Below 30 days	30天以下	20,507	29,825
Between 31 and 60 days	31至60天	2,723	1,657
Over 60 days	60天以上	1,662	2,739
		24,892	34,221

本集團貿易應收款項之賬面值以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
US\$	美元	168,224	180,014
RMB	人民幣	3,184	3,930
HK\$	港元	547	148
EUR	歐元	158	258
		172,113	184,350

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綜合財務報表附註

21 TRADE AND OTHER RECEIVABLES (Continued)

(b) Provision for impairment loss on trade receivables

The movements on provision for impairment loss on trade receivables are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At 1 January	於一月一日	1,836	1,329
Exchange realignment	匯兌調整	10	(7)
Loss allowance, net recognised in consolidated statement of comprehensive income during the year (note 7)	年內於綜合全面收益表確認之虧損撥備淨額(附註7)	-	514
At 31 December	於十二月三十一日	1,846	1,836

The creation and release of provision for impairment loss on trade receivables have been included in "Other operating expenses, net" in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The carrying amounts of trade and other receivables approximate their fair values as at 31 December 2021 and 2020.

The Group applies the HKFRS 9 simplified approach to measure expected credit loss which uses a lifetime expected loss allowance for all trade receivables. Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk can be found in note 3.1 to the consolidated financial statements.

貿易應收款項減值虧損撥備變動如下：

貿易應收款項減值虧損撥備之增設及解除已計入綜合全面收益表「其他經營開支淨額」內。計入撥備賬之款項一般於預期無法收回額外現金時撇銷。

於二零二一年及二零二零年十二月三十一日，貿易及其他應收款項之賬面值與其公平值相若。

本集團採用香港財務報告準則第9號簡化方法計量預期信貸虧損，其對所有貿易應收款項使用全期預期虧損撥備。有關貿易應收款項減值的資料及本集團面臨的信貸風險及外幣風險參見綜合財務報表附註3.1。

22 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES

22 受限制銀行存款及銀行及現金結餘

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Restricted bank deposits (note (a))	受限制銀行存款(附註(a))	6,140	6,139
Time deposit up to three months	為期三個月或以下的定期存款	20,000	50,000
Bank and cash balances	銀行及現金結餘	42,790	49,216
		62,790	99,216

22 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES (Continued)

Notes:

- (a) The Group's restricted bank deposits represented deposits pledged to banks to secure banking facilities granted to a subsidiary of the Group as set out in note 25(b) to the consolidated financial statements.
- (b) The carrying amount of restricted bank deposits, time deposit up to three months, cash and bank balances of the Group are denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	54,040	72,395
US\$	美元	9,566	23,370
RMB	人民幣	1,514	5,558
EUR	歐元	3,316	1,021
THB	泰銖	481	2,973
Other currencies	其他貨幣	13	38
		68,930	105,355

- (c) The Group's bank and cash balances included the following for the purpose of the consolidated statement of cash flows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Time deposit up to three months	為期三個月或以下的定期存款	20,000	50,000
Bank and cash balances	銀行及現金結餘	42,790	49,216
Cash and cash equivalents	現金及現金等價物	62,790	99,216

The restricted deposits, time deposit up to three months, and bank and cash balances are at fixed interest rate range from 0.10% to 0.2% per annum (2020: 0.001% to 0.2%) as at 31 December 2021 and therefore are subject to fair value interest rate risk.

22 受限制銀行存款及銀行及現金結餘 (續)

附註：

- (a) 本集團的受限制銀行存款為存放於銀行的存款，以作為綜合財務報表附註25(b)所載授予本集團一家附屬公司的銀行融資之抵押。
- (b) 本集團的受限制銀行存款、為期三個月或以下的定期存款、現金及銀行結餘的賬面值以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Time deposit up to three months	為期三個月或以下的定期存款	20,000	50,000
Bank and cash balances	銀行及現金結餘	42,790	49,216
Cash and cash equivalents	現金及現金等價物	62,790	99,216

- (c) 就綜合現金流量表而言，本集團的銀行及現金結餘包括以下項目：

於二零二一年十二月三十一日，受限制存款、為期三個月或以下的定期存款以及銀行及現金結餘按固定年利率範圍0.10%至0.2%（二零二零年：0.001%至0.2%）計息，因此須面臨公平值利率風險。

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綜合財務報表附註

23 TRADE AND OTHER PAYABLES

23 貿易及其他應付款項

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade payables	貿易應付款項	(a)	124,699	95,693
Trust receipts	信託收據		26,321	14,211
Accruals and other payables	應計及其他應付款項		19,352	19,884
			170,372	129,788

Notes:

附註：

- (a) The credit terms of trade payables granted by the vendors generally range from full payment before shipment to net 180 days. The aging analysis of trade payables based on invoice date at the end of reporting period is as follows:

- (a) 賣方授予的貿易應付款項的信貸期一般由出貨前全數付款至收貨後180天不等。根據發票日期，報告期末的貿易應付款項賬齡分析如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Below 30 days	30天以下	54,450	42,161
Between 31 and 60 days	31至60天	42,225	37,180
Over 60 days	60天以上	28,024	16,352
		124,699	95,693

- (b) The carrying amounts of the Group's trade payables are denominated in the following currencies:

- (b) 本集團貿易應付款項之賬面值以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	13,393	17,674
US\$	美元	64,306	36,220
RMB	人民幣	43,592	40,021
EUR	歐元	2,869	1,298
Other currencies	其他貨幣	539	480
		124,699	95,693

24 CONTRACT LIABILITIES**Revenue recognised in relation to contract liabilities**

As at 31 December 2021 and 2020, the Group had recognised the following liabilities related to contracts with customers:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Contract liabilities	合約負債	45,370	3,453

(a) Significant change in contract liabilities

The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance under the contracts which are mainly from sales of goods.

(b) Revenue recognised in relation to contract liabilities

The following table shows the amounts of the revenue recognised for the years ended 31 December 2021 and 2020 which relates to carried-forward contract liabilities.

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入於年初合約負債結餘的已確認收益		
Sales of goods	銷售貨品	2,138	1,091

(c) Unsatisfied contracts related to sales of goods

The Group has applied the practical expedient to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date for its sales contracts for electronic products as the performance obligations have an original expected duration of one year or less.

24 合約負債**合約負債確認的收益**

於二零二一年及二零二零年十二月三十一日，本集團已確認以下與客戶合約有關的負債：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Contract liabilities	合約負債	45,370	3,453

(a) 合約負債的重大變動

本集團根據合約規定的出票安排向客戶收取付款。通常根據合約提前收取付款者，主要來自銷售貨品。

(b) 就合約負債確認的收益

下表載述截至二零二一年及二零二零年十二月三十一日止年度已確認與結轉合約負債有關的收益金額。

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入於年初合約負債結餘的已確認收益		
Sales of goods	銷售貨品	2,138	1,091

(c) 與銷售貨品有關的未履行合約

因為電子產品銷售合約的履約義務原預計期限為一年或更短，本集團已採用簡易實務處理手法，豁免其披露預期將於未來確認的由於報告日期存在的客戶合約所產生的收益。

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25 BORROWINGS

25 借款

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Term loans	定期貸款	(a)	3,055	4,468
Insurance premium loan	保費貸款	(a)	3,383	4,282
Revolving loan	循環貸款	(a)	4,000	–
			10,438	8,750

The Group's borrowings were repayable as follows (without taking into account the Repayment on Demand Clause as detailed in Note (a) below):

本集團的借款償還情況如下(未計及下文附註(a)所詳述按要求償還條款)：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within 1 year	1年內	6,379	2,327
Between 1 and 2 years	1年至2年	2,426	2,374
Between 2 and 5 years	2年至5年	1,633	4,049
		10,438	8,750

Notes:

附註:

- (a) As these loans include a clause that gives the lender the unconditional right to call the loans at any times (“**Repayment on Demand Clause**”), according to HK Interpretation 5 “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause” which requires the classification of whole term loans containing the Repayment on Demand Clause as current liabilities, these loans were classified by the Company as current liabilities.
- (b) As at 31 December 2021 and 2020, the total borrowings pledged by certain assets and their carrying values are shown as below:

- (a) 由於該等貸款包括一項條款賦予貸款人無條件權力在任何時間追回貸款(「**按要求償還條款**」)，根據香港詮釋第5號「財務報表的列報－借款人對包含按要求償還條款之定期貸款之分類」，其規定需將包含按要求償還條款的全期貸款分類為流動負債，該等貸款因此均被本公司歸類為流動負債。
- (b) 於二零二一年及二零二零年十二月三十一日，以若干資產作抵押的總借款及其賬面值列示如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Property, plant and equipment (note 14)	物業、廠房及設備(附註14)	24,900	21,700
Financial assets at fair value through profit or loss- non-current (note 16)	按公平值計入損益賬的金融資產-非流動(附註16)	9,086	8,816
Restricted bank deposits (note 22)	受限制銀行存款(附註22)	6,140	6,139
		40,126	36,655

25 BORROWINGS (Continued)**(b)** (Continued)

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at end of the reporting period are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Variable rate	變動利率	10,438	8,750

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

The effective interest rate of bank borrowings are 2.80% per annum for the year ended 31 December 2021 (2020: 3.53% per annum).

The carrying amounts of the Group's borrowings are denominated in the following currencies:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	7,055	4,468
US\$	美元	3,383	4,282
		10,438	8,750

The Group has the following undrawn borrowing facilities:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Expiring within one year	於一年內到期	182,791	219,922

25 借款 (續)**(b)** (續)

於報告期末，本集團借款面臨的利率變動風險及合同重新定價日期如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Variable rate	變動利率	10,438	8,750

由於折現影響並非重大，即期借款之公平值與其賬面值相等。

截至二零二一年十二月三十一日止年度，銀行借款的實際年利率為2.80%（二零二零年：年利率3.53%）。

本集團借款之賬面值以下列貨幣計值：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
HK\$	港元	7,055	4,468
US\$	美元	3,383	4,282
		10,438	8,750

本集團尚有下列尚未提取的借款融資額：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Expiring within one year	於一年內到期	182,791	219,922

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26 SHARE CAPITAL

		2021 二零二一年	2020 二零二零年
		Number of shares 股份數目	Number of shares 股份數目
		Amount 金額 HK\$'000 千港元	Amount 金額 HK\$'000 千港元
Issued and fully paid	已發行及繳足		
At the beginning and the end of the of the year	於年初及年末	1,000,000,000	1,000,000,000
		281,507	281,507

27 RESERVES

(a) Other capital reserve

Other capital reserves as at 31 December 2021 and 2020 represent the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the reorganisation.

(b) Statutory reserve

In accordance with the PRC Company Law and the articles of association of those group companies incorporated in the PRC, the group companies are required to appropriate 10% of their profits after tax, as determined in accordance with Accounting Standards for Business Enterprises and the Accounting System for Business Enterprises and other regulations applicable to group companies, to the statutory surplus reserve until such reserve reaches 50% of the registered capital of the group companies. The appropriation to the reserve must be made before any distribution of dividends to holders of the group companies. The statutory surplus reserve can be used to offset previous years' losses, if any, and part of the statutory surplus reserve can be capitalised as the group companies' capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the capital of the group companies.

(c) Revaluation reserve

Revaluation reserve as at 31 December 2021 and 2020 represent the revaluation of land and buildings held by the Group.

26 股本

		2021 二零二一年	2020 二零二零年
		Number of shares 股份數目	Number of shares 股份數目
		Amount 金額 HK\$'000 千港元	Amount 金額 HK\$'000 千港元
Issued and fully paid	已發行及繳足		
At the beginning and the end of the of the year	於年初及年末	1,000,000,000	1,000,000,000
		281,507	281,507

27 儲備

(a) 其他資本儲備

於二零二一年及二零二零年十二月三十一日，其他資本儲備指重組期間被本公司於附屬公司的投資成本抵銷的所收購附屬公司的實繳資本總額。

(b) 法定儲備

根據中國公司法及於中國註冊成立的集團公司的組織章程細則，集團公司須提取其稅後溢利之10%（根據企業會計準則及企業會計制度以及其他適用於集團公司的規例而定）作為法定盈餘儲備，直至該儲備達至其註冊股本之50%為止。儲備的撥款必須於向集團公司持有人宣派股息前作出。法定盈餘儲備可用於抵銷過往年度虧損（若有），部分亦可用於撥充集團公司股本的資金，惟於資本化後餘下的有關儲備金額不得少於其股本的25%。

(c) 重估儲備

於二零二一年及二零二零年十二月三十一日，重估儲備指重估本集團持有的土地及樓宇。

27 RESERVES (Continued)**(d) Share option reserve**

The fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in the share option reserve.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest and the impact of the revision of these estimates, if any, is recognised in the consolidated statement of comprehensive income over the remaining vesting period, with a corresponding adjustment to the share option reserve.

At the time when the options are exercised, the amount previously recognised in the share option reserve is transferred to the share capital. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in the share option reserve is transferred to retained profits.

(e) Currency translation reserve

The currency translation reserve comprises the exchange differences arising for the translation of the financial statements of foreign operations.

28 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION

Pursuant to a written resolution of the then shareholder passed on 27 October 2017, the Company adopted a Share Option Scheme (the “**Scheme**”). The terms of the Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The Scheme is a share incentive scheme established to recognise and acknowledge the contributions eligible participants have made to the Group. The Scheme is valid and effective for a period of ten years commencing on the date of the adoption of the Scheme, unless terminated earlier by the shareholders in a general meeting.

27 儲備 (續)**(d) 購股權儲備**

於授出日期授出購股權的公平值以直線基準於歸屬期間支銷，購股權儲備亦相應增加。

於報告期末，本集團修訂其對於預計最終歸屬的購股權數目的估計，而修訂該等估計所造成的影響（如有）於餘下歸屬期間在綜合全面收益表中確認，並在購股權儲備內作出相應調整。

當購股權獲行使時，之前在購股權儲備確認的金額轉撥至股本。當購股權被沒收或至屆滿日期仍未獲行使，之前在購股權儲備確認的金額轉撥至保留溢利。

(e) 匯兌儲備

匯兌儲備包括換算境外業務的財務報表產生的匯兌差額。

28 以權益結算及股份為基礎付款的交易

根據於二零一七年十月二十七日由當時股東通過的書面決議案，本公司採納購股權計劃（「**該計劃**」）。該計劃的條款符合上市規則第17章的條文。

該計劃為一項股份獎勵計劃，乃為表彰和肯定合資格參與者對本集團所作貢獻而設立。該計劃除非由股東在股東大會上提早終止，否則自該計劃採納日期起十年期間有效及具效力。

28 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

Participants may include: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or a company in which the Group holds an interest or a subsidiary of such company (the “**Affiliate**”); (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate.

As at 31 December 2021, the total number of shares available for issue under the Scheme was 70,000,000 (2020: 70,000,000 shares), representing 7% (2020: 7%) of the issued share capital of the Company. The aggregate number of shares which may be issued upon exercise of all outstanding options granted and to be exercised under the Scheme and any other share option scheme of the Company, must not in aggregate exceed 10% of the Company’s shares in issue as at the Listing Date. The 10% limit may be refreshed at any time by obtaining approval of the Company’s shareholders in general meeting provided that the total number of the Company’s shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company, must not exceed 10% of the Company’s shares in issue as at the date of the approval of the refreshed limit.

The number of shares issued and to be issued in respect of which options granted and which may be granted to any individual in any 12-month period up to the date of the grant, shall not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of this limit must be separately approved by the Company’s shareholders in a general meeting with such grantee and his/her close associates abstaining from voting. Any grant of an option to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

28 以權益結算及股份為基礎付款的交易 (續)

參與者可包括：(i)本集團任何成員公司或本集團持有其中權益的公司或該公司的附屬公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人或諮詢人或承辦商（「**關聯人士**」）；(ii)其酌情受益人包括本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士的任何信託或全權信託的受託人；或(iii)本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士實益擁有的公司。

於二零二一年十二月三十一日，根據該計劃可供發行的股份總數為70,000,000股（二零二零年：70,000,000股），相當於本公司已發行股本7%（二零二零年：7%）。根據該計劃及本公司任何其他購股權計劃已授出而可予行使的所有未行使購股權獲行使時可發行的股份總數，合共不得超過本公司於上市日期的已發行股份10%。該10%上限可隨時由本公司股東於股東大會上批准而予以更新，惟根據該計劃及本公司任何其他購股權計劃將授出的所有購股權獲行使時可予發行的本公司股份總數，不得超過本公司於經更新上限獲批准日期的已發行股份10%。

於任何12個月期間內直至授出日期，任何個別人士獲授及可獲授的購股權所涉及的已發行及將發行的股份數目，不得超過本公司已發行股份的1%。超出此上限的任何購股權進一步授出，必須另外經本公司股東在股東大會上批准，而有關承授人及其緊密聯繫人須放棄投票。向本公司董事、行政人員或主要股東（或彼等各自的任何聯繫人）授出任何購股權，必須經獨立非執行董事（不包括身為購股權承授人的任何獨立非執行董事）批准。

28 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

Where any grant of options to a substantial shareholder of the Company or an independent non-executive Director (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Scheme and any other share option scheme of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such further grant of options is required to be approved by shareholders at a general meeting of the Company, with voting to be taken by way of a poll.

Upon acceptance of an option to subscribe for shares, the eligible participant shall pay HK\$1 to the Company as consideration for the grant. The subscription price of a share subject to options granted under the Scheme shall be a price determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the option; and
- (ii) The average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the option.

Options granted are exercisable after three years but not exceeding ten years from the date of the grant.

As approved by the Board and consented by the option holders, all outstanding share options granted under the Scheme, being an aggregate of 28,400,000 share options, were cancelled with effect from 21 January 2020 in accordance with the terms of the Scheme. No compensation was payable to the option holders for the cancellation of the share options. The amount previously recognised in share option reserve was transferred to retained profits during the year ended 31 December 2020. Except for the above, no share options were granted, exercised or lapsed under the Scheme during the years ended 31 December 2021 and 2020.

28 以權益結算及股份為基礎付款的交易 (續)

倘向本公司主要股東或獨立非執行董事（或彼等各自的任何聯繫人）授出任何購股權，會導致於任何12個月期間內直至授出日期（包括該日）該人士根據該計劃及本公司任何其他購股權計劃獲授及將獲授的所有購股權（包括已行使、已註銷及尚未行使之購股權）獲行使時已發行及將發行的股份總數，合共超過已發行股份的0.1%，且根據每次授出日期的股份收市價計算，總值超過5,000,000港元，則上述進一步授出購股權須由股東在本公司股東大會上批准，且須以投票方式表決。

於接納可認購股份的購股權時，合資格參與者須向本公司支付1港元作為是次授出的代價。根據該計劃授出購股權所涉及的股份認購價應為由董事會釐定並向參與者知會的價格，並應最少相等於以下最高者：

- (i) 聯交所每日報價表所示股份於授出購股權日期的收市價；及
- (ii) 聯交所每日報價表所示股份於緊接授出購股權日期前五個交易日的平均收市價。

所授出的購股權可於授出日期起計三年後但不超過十年的期間行使。

經董事會批准並獲購股權持有人同意，根據該計劃授出的所有尚未行使的購股權（即總計28,400,000份購股權），已自二零二零年一月二十一日起根據該計劃的條款予以註銷。註銷購股權毋須向購股權持有人支付任何賠償。截至二零二零年十二月三十一日止年度，先前於購股權儲備確認的金額轉撥至保留盈利。除上文所述者外，截至二零二一年及二零二零年十二月三十一日止年度，概無購股權根據該計劃已授出、已行使或已失效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (Continued)

No share-based compensation expenses was charged to the consolidated statement of comprehensive income for the year ended 31 December 2021 (2020: HK\$198,000).

29 BANKING FACILITIES

At 31 December 2021, the Group had banking facilities totalling HK\$239,350,000 (2020: HK\$270,600,000) granted by three banks (2020: three banks). These facilities were secured by property, plant and equipment of the Group, financial assets at fair value through profit or loss of the Group, fixed deposits placed in two banks, and an indemnity for an unlimited amount executed by the Company.

30 COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	42	1,473

(b) Lease commitments – as a lessee

The Group has recognised right-of-use assets and lease liabilities for all leases, except for short-term leases with original lease term of less than one year.

The total future minimum lease payments under non-cancellable leases for which no lease liabilities have been recognised by the Group as at 31 December 2021 and 2020 are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Within one year	一年內	203	59

28 以權益結算及股份為基礎付款的交易 (續)

概無以股份為基礎的報酬開支自截至二零二一年十二月三十一日止年度的綜合全面收益表扣除 (二零二零年: 198,000港元)。

29 銀行融資

於二零二一年十二月三十一日, 本集團擁有由三家銀行 (二零二零年: 三家銀行) 授出合共239,350,000港元 (二零二零年: 270,600,000港元) 之銀行融資。該等融資由本集團的物業、廠房及設備、本集團按公平值計入損益賬的金融資產、存於兩家銀行的定期存款以及由本公司簽立的無限額彌償作抵押。

30 承擔

(a) 資本承擔

於報告期末已訂約但未產生的資本開支如下:

(b) 租賃承擔 – 作為承租人

本集團已就所有租賃確認使用權資產及租賃負債, 惟不包括原租期少於一年的短期租賃。

於二零二一年及二零二零年十二月三十一日, 在不可撤銷之租賃之下, 本集團並無確認租賃負債之未來最低租賃付款總額如下:

31 NOTE TO THE STATEMENT OF CASH FLOWS 31 現金流量表附註

(a) Reconciliation of profit before tax to cash generated from operations:

(a) 除稅前溢利與營運產生之現金對賬：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cash flows from operating activities	經營活動所得現金流量		
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(15,495)	37,695
Adjustments for:	就下列各項調整：		
Interest income	利息收入	(66)	(874)
Investment income	投資收入	(331)	(139)
Amortisation of insurance expense	保險開支攤銷	33	33
Depreciation for property, plant and equipment	物業、廠房及設備折舊	12,027	11,487
Depreciation for right-of-use assets	使用權資產折舊	8,826	8,602
Equity-settled share based payment expense	以權益結算及股份為基礎付款開支	-	198
Finance costs	融資成本	6,909	7,324
COVID-19 related rent concessions	與COVID-19有關的租金寬減	(4)	-
Gain on lease modification	租賃修訂收益	(5)	-
Gain on derivative financial instruments	衍生金融工具收益	(786)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	29	282
Provision for impairment loss on trade receivables	貿易應收款項減值虧損撥備	-	514
Provision for impairment loss on inventories	存貨減值虧損撥備	5,252	2,912
Obsolete inventories written off	陳舊存貨撇銷	375	1,997
Fair value loss/(gain) on financial assets at fair value through profit or loss	按公平值計入損益賬的金融資產的公平值虧損/(收益)	515	(356)
Bad debt written off	壞賬撇銷	-	985
Operating profit before working capital changes	營運資金變動前的經營溢利	17,279	70,660
(Increase)/decrease in inventories	存貨(增加)/減少	(116,425)	7,255
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	12,460	(27,908)
Decrease/(increase) in prepayment and deposits	預付款項及按金減少/(增加)	6,261	(10,915)
Increase in trade and other payables	貿易及其他應付款項增加	40,359	11,280
Increase in contract liabilities	合約負債增加	41,917	489
Net cash generated from operations	經營所得現金淨額	1,851	50,861

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綜合財務報表附註

31 NOTE TO THE STATEMENT OF CASH FLOWS (Continued)

(b) Reconciliation of liabilities arising from financing activities:

31 現金流量表附註 (續)

(b) 融資活動產生之負債對賬：

		Lease liabilities	Borrowings (excluding Interest payables)	Finance lease payable	Total
		租賃負債	借款 (不包括應付利息)	融資租賃應付款項	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Balance at 1 January 2020	於二零二零年一月一日結餘	23,089	11,011	43	34,143
Cash flows	現金流				
- Inflow from financing activities	- 融資活動現金流入	-	10,000	-	10,000
- Outflow from financing activities	- 融資活動現金流出	(7,937)	(12,259)	(43)	(20,239)
- Outflow from operating activities	- 經營活動現金流出	(1,027)	(298)	-	(1,325)
Non-cash changes	非現金變動				
Interest expense	利息支出	1,027	298	-	1,325
Exchange differences	匯兌差額	231	(2)	-	229
Other non-cash items	其他非現金項目	9,929	-	-	9,929
Balance at 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日的結餘	25,312	8,750	-	34,062
Cash flows	現金流				
- Inflow from financing activities	- 融資活動現金流入	-	18,000	-	18,000
- Outflow from financing activities	- 融資活動現金流出	(9,159)	(16,333)	-	(25,492)
- Outflow from operating activities	- 經營活動現金流出	(539)	(171)	-	(710)
Non-cash changes	非現金變動				
Interest expense	利息支出	539	171	-	710
Exchange differences	匯兌差額	(477)	21	-	(456)
Other non-cash items	其他非現金項目	422	-	-	422
Balance at 31 December 2021	於二零二一年十二月三十一日的結餘	16,098	10,438	-	26,536

32 RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Save for those disclosed elsewhere in this consolidated financial statements, details of transactions between the Group and other related parties are disclosed below:

(a) Transactions with related party

During the year, the Group entered into the following transaction with the related party:

Relationship 關係	Nature of transaction 交易性質	2021	2020
		二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元
The spouse of one of the controlling shareholders of the Company 本公司其中一名控股股東的配偶	Consultancy fees (note i) 諮詢費用(附註i)	2,743	—

The fees paid to the related party are made on normal commercial terms and conditions.

Note:

- (i) The consultancy fee in the amount of HK\$1,916,000 was paid to the relevant person after he became a related party of the Group, pursuant to a consultancy agreement that had been entered into before the relevant person became a related party of the Group. Such consultancy agreement constituted a de minimis continuing connected transaction pursuant to Rule 14A.76(1) of the Listing Rules. Remaining consultancy fee in the amount of HK\$827,000 was under a consultancy agreement which constituted a continuing connected transaction as defined in Chapter 14A of the Listing Rules (the “**Continuing Connected Transaction**”). Further details of the Continuing Connected Transaction are provided in the section headed “Continuing Connected Transaction” in the Report of the Directors as set out in the Company’s annual report for the year ended 31 December 2021.

(b) Key management compensation

Members of key management during the year comprised the Directors only whose remuneration is set out in note 9 to the consolidated financial statements.

32 關聯方交易

本公司與其附屬公司之間的交易已於綜合賬目時對銷而並無於本附註內披露。除本綜合財務報表其他部分披露的內容外，本集團與其他關聯方之間的交易詳情披露如下：

(a) 與關聯方的交易

年內，本集團與關聯方訂立以下交易：

Relationship 關係	Nature of transaction 交易性質	2021	2020
		二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元
The spouse of one of the controlling shareholders of the Company 本公司其中一名控股股東的配偶	Consultancy fees (note i) 諮詢費用(附註i)	2,743	—

已付關聯方的費用乃按正常商業條款及條件作出。

附註：

- (i) 諮詢費用1,916,000港元已根據相關人士成為本集團關聯方前訂立之諮詢協議，於彼成為本集團關聯方後支付予該相關人士。根據上市規則第14A.76(1)條，該諮詢協議構成符合最低豁免水平之持續關連交易。餘下諮詢費用827,000港元為構成上市規則第14A章所界定之持續關連交易（「**持續關連交易**」）之諮詢協議下之費用。持續關連交易之進一步詳情載於本公司截至二零二一年十二月三十一日止年度之年度報告所載之董事會報告「持續關連交易」一節。

(b) 主要管理層薪酬

於本年度主要管理層成員僅由其薪酬載列於綜合財務報表附註9之董事所組成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 33 本公司財務狀況表及儲備變動

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Assets	資產			
Non-current assets	非流動資產			
Investment in subsidiaries	於附屬公司的投資	19	145,182	145,182
Right-of-use asset	使用權資產		—	142
Financial assets at fair value through profit or loss	按公平值計入損益賬的金融資產		2,441	5,038
Amount due from a subsidiary	應收一家附屬公司款項		105,291	86,537
			252,914	236,899
Current assets	流動資產			
Dividend receivables	應收股息		—	12,000
Prepayments and deposits	預付款項及按金		300	377
Amounts due from subsidiaries	應收附屬公司款項		3,964	1,751
Tax recoverable	可收回稅項		578	632
Bank and cash balances	銀行及現金結餘		45,361	62,388
			50,203	77,148
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項		2,923	2,898
Lease liabilities – current	租賃負債—流動		—	155
			2,923	3,053
Net current assets	流動資產淨值		47,280	74,095
Total assets less current liabilities	資產總值減流動負債		300,194	310,994
Net assets	資產淨值		300,194	310,994
Equity	權益			
Share capital	股本	26	281,507	281,507
Reserve	儲備	(a)	18,687	29,487
Total equity	總權益		300,194	310,994

The statement of financial position of the Company was approved by the Board of Directors on 24 March 2022 and was signed on its behalf

本公司的財務狀況表已由董事會於二零二二年三月二十四日批准，並由以下董事代表董事會簽署

Lai Yiu Wah
黎耀華
Director
董事

Tai Leung Lam
戴良林
Director
董事

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(a) Reserve movement of the Company

		Note 附註	Share options reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2020	於二零二零年 十二月三十一日		-	29,487	29,487
Profit for the year	年內溢利		-	1,200	1,200
Dividend paid	已付股息	13	-	(12,000)	(12,000)
At 31 December 2021	於二零二一年 十二月三十一日		-	18,687	18,687
At 31 December 2019	於二零一九年 十二月三十一日		7,039	16,550	23,589
Profit for the year	年內溢利		-	21,700	21,700
Equity-settled share-based transaction	以權益結算及股份 為基礎付款的交易	28	198	-	198
Cancellation of share options	註銷購股權		(7,237)	7,237	-
Dividend paid	已付股息		-	(16,000)	(16,000)
At 31 December 2020	於二零二零年 十二月三十一日		-	29,487	29,487

33 本公司財務狀況表及儲備變動 (續)

(a) 本公司儲備變動

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 FINANCIAL INSTRUMENTS BY CATEGORY

As at 31 December 2021

34 金融工具 — 按類別劃分

於二零二一年十二月三十一日

		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at fair value through the profit or loss 按公平值計入損益賬的金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through the profit or loss	按公平值計入損益賬的金融資產	-	12,166	12,166
Trade and other receivables	貿易及其他應收款項	172,239	-	172,239
Deposits	按金	15,303	-	15,303
Restricted bank deposits	受限制銀行存款	6,140	-	6,140
Bank and cash balances	銀行及現金結餘	62,790	-	62,790
Total	總計	256,472	12,166	268,638

		Financial liabilities at amortised cost 按攤銷成本計量的金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and other payables	貿易及其他應付款項	160,506	160,506
Borrowings	借款	10,438	10,438
Lease liabilities	租賃負債	16,098	16,098
Total	總計	187,042	187,042

34 FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

As at 31 December 2020

於二零二零年十二月三十一日

		Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at fair value through the profit or loss 按公平值計入損益賬的金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through the profit or loss	按公平值計入損益賬的金融資產	-	13,854	13,854
Trade and other receivables	貿易及其他應收款項	183,044	-	183,044
Deposits	按金	12,776	-	12,776
Restricted bank deposits	受限制銀行存款	6,139	-	6,139
Bank and cash balances	銀行及現金結餘	99,216	-	99,216
Total	總計	301,175	13,854	315,029

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and other payables	貿易及其他應付款項	118,074	118,074
Borrowings	借款	8,750	8,750
Lease liabilities	租賃負債	25,312	25,312
Total	總計	152,136	152,136

35 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2021 (2020: nil).

35 或然負債

於二零二一年十二月三十一日，本集團並無任何重大或然負債（二零二零年：無）。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

For the year ended 31 December

截至十二月三十一日止年度

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		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
Results	業績					
Revenue	收益	744,067	701,699	808,599	885,971	788,042
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(15,495)	37,695	24,311	49,639	87,148
Income tax credit/(expense)	所得稅抵免/(開支)	4,911	(8,814)	(1,954)	(7,261)	(17,140)
(Loss)/profit for the year	年內(虧損)/溢利	(10,584)	28,881	22,357	42,378	70,008
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(10,584)	28,881	22,357	42,378	70,008

As at 31 December

於十二月三十一日

		2021	2020	2019	2018	2017
		二零二一年	二零二零年	二零一九年	二零一八年	二零一七年
		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
Assets and liabilities	資產及負債					
Total assets	資產總值	601,614	543,717	515,235	573,573	524,736
Total liabilities	負債總額	(256,947)	(178,912)	(162,744)	(221,678)	(192,172)
Net assets	資產淨值	344,667	364,805	352,491	351,895	332,564
Equity attributable to owners of the Company	本公司擁有人應佔權益	344,667	364,805	352,491	351,895	332,564

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