



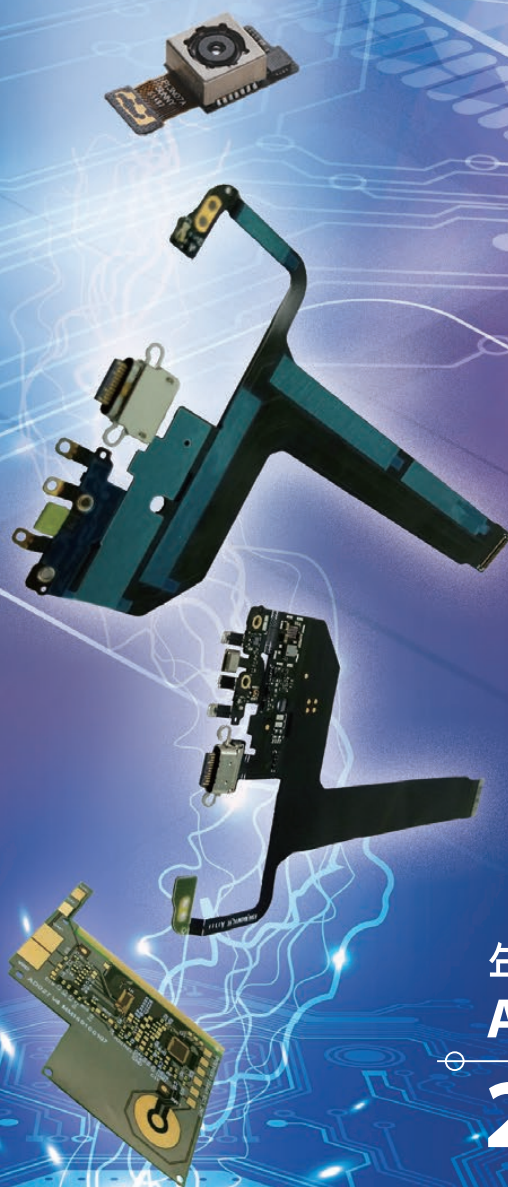
**AKM Industrial Company Limited**

**安捷利實業有限公司**

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

(根據公司條例在香港註冊成立之有限公司)

Stock Code 股份代號 : 1639



年報  
**Annual Report**

**2019**

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## Corporate Information

### 公司資料

#### BOARD OF DIRECTORS

##### Executive director

XIONG Zheng Feng (*Chairman*)

##### Non-executive directors

GAO Xiaoguang

JIA Junan

WANG Chunsheng

ZHANG Xiaoming

YU Daochun

##### Independent non-executive directors

HUNG Chi Yuen Andrew

CUI Zheng

YANG Zhaoguo

#### COMPANY SECRETARY

HUNG Ching Yuen

#### AUTHORISED REPRESENTATIVES

XIONG Zheng Feng

HUNG Ching Yuen

#### AUDIT COMMITTEE

HUNG Chi Yuen Andrew (*Committee Chairman*)

CUI Zheng

YANG Zhaoguo

#### REMUNERATION COMMITTEE

YANG Zhaoguo (*Committee Chairman*)

CUI Zheng

ZHANG Xiaoming

#### NOMINATION COMMITTEE

XIONG Zheng Feng (*Committee Chairman*)

HUNG Chi Yuen Andrew

YANG Zhaoguo

#### 董事會

##### 執行董事

熊正峰 (*主席*)

##### 非執行董事

高曉光

賈軍安

王春生

張曉明

余道春

##### 獨立非執行董事

洪志遠

崔錚

楊兆國

#### 公司秘書

洪靜遠

#### 授權代表

熊正峰

洪靜遠

#### 審核委員會

洪志遠 (*委員會主席*)

崔錚

楊兆國

#### 薪酬委員會

楊兆國 (*委員會主席*)

崔錚

張曉明

#### 提名委員會

熊正峰 (*委員會主席*)

洪志遠

楊兆國

## Corporate Information 公司資料

### AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants  
(resigned on 27 December 2019)

SHINEWING (HK) CPA Limited  
Certified Public Accountants  
(appointed on 6 January 2020)

### LEGAL ADVISOR

Tracy Ong & Co.

### PRINCIPAL PLACE OF BUSINESS IN CHINA

63 Huan Shi Road South  
Information Technology Park  
Nansha District  
Guangzhou City  
The People's Republic of China

188 Lushan Road  
Suzhou National New & Hi-Tech Industrial Development Zone  
Suzhou City  
the People's Republic of China

### REGISTERED OFFICE

Rooms 2708-11, 27th Floor  
West Tower, Shun Tak Centre  
168-200 Connaught Road Central  
Hong Kong

### HONG KONG SHARE REGISTRAR & TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East, Wanchai  
Hong Kong

### PRINCIPAL BANKERS

Chiyu Banking Corporation Ltd.  
Bank of China (Nansha Branch)  
China Construction Bank  
(Suzhou Hi-Tech Industrial Development Zone Branch)  
United Overseas Bank (Guangzhou Branch)

### STOCK CODE

1639

### COMPANY HOMEPAGE/WEBSITE

[www.akmcompany.com](http://www.akmcompany.com)

### 核數師

德勤•關黃陳方會計師行  
香港執業會計師  
(於二零一九年十二月二十七日辭任)

信永中和(香港)會計師事務所有限公司  
香港執業會計師  
(於二零二零年一月六日獲委任)

### 法律顧問

王珮玲律師事務所

### 中國主要營業地點

中華人民共和國  
廣州市  
南沙區  
資訊科技園  
環市大道南63號

中華人民共和國  
蘇州市  
高新區  
鹿山路188號

### 註冊辦事處

香港  
干諾道中168-200號  
信德中心西座  
27樓2708-11室

### 香港股份過戶登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心  
17樓1712-1716室

### 主要往來銀行

集友銀行有限公司  
中國銀行(南沙分行)  
中國建設銀行  
(蘇州高新區支行)  
大華銀行(廣州分行)

### 股份代號

1639

### 公司主頁／網站

[www.akmcompany.com](http://www.akmcompany.com)



## Chairman's Statement 主席報告書

For and on behalf of the board of Directors (the "Board"), I would like to present the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2019.

### RESULT ANALYSIS AND BUSINESS REVIEW

In 2019, the global electronic products market showed trend of rapid development due to the advancement of 5G, electric vehicles and semiconductor processes as well as maturity of artificial intelligence technology. On the other hand, the supply chain of electronic products was severely affected by the China-United States trade war and the United State's sanction on Huawei. Against this backdrop, as one of the foundations of the electronic industry, the circuit boards and components business became more polarized, with the intensification of price competition among low and medium-end products and short supply of products with high complexity and high technology levels. Under this changing trend of the industry, in addition to focusing on the strategy of "developing major customers" and providing "one-stop service" to customers, the Group proactively enhanced its technical capabilities and standard, explored new application fields, and strengthened the integration of upstream and downstream resources through acquisitions or co-operation, captured opportunities to achieve better operating results.

The Group recorded turnover of approximately HK\$1,463,630,000 in the financial year of 2019, representing an increase of approximately 19.60% as compared to that of last year (2018: approximately HK\$1,223,803,000). Profit attributable to owners of the Company was approximately HK\$177,711,000, representing an increase of approximately 69.77% as compared to that of last year (2018: approximately HK\$69,334,000). For the year ended 31 December 2019, basic earnings per share was approximately HK7.66 cents, representing an increase of approximately 67.25% as compared to that of last year (2018: approximately HK4.58 cents). The Group's gearing ratio remained low. Taking into account of the Company's profitability, shareholder returns and sustainable development needs in the future, the Group has proposed the payment of a final dividend of HK1 cent per share for 2019.

本人謹代表董事會（「董事會」）呈列本公司及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度之年報。

### 業績分析及業務回顧

二零一九年，一方面得益於5G、電動汽車、半導體制程的進步、人工智能技術的成熟等，全球電子產品市場呈現快速發展態勢；另一方面，中美貿易戰和美國對華為的制裁也嚴重影響了電子產品的供應鏈。在此背景下，電路板及組件行業作為電子產業的基礎之一，兩極分化更趨嚴重，中低端產品價格競爭加劇，高難度和技術水準高的產品則出現供不應求。在這種行業變化的趨勢下，本集團除繼續緊抓「大客戶戰略」對客戶提供「一站式服務」外，還積極提升技術實力和水準、開拓新應用領域，並通過收購或合作等加強上下游資源的整合，搶抓機遇，以取得較好的經營業績。

本集團於二零一九年財政年度內錄得之營業額約1,463,630,000港元，較去年（二零一八年：約1,223,803,000港元）增加約19.60%。本公司擁有人應佔溢利約為177,711,000港元，較去年（二零一八年：約69,334,000港元）增長約69.77%。截至二零一九年十二月三十一日止年度，每股基本盈利約為7.66港仙，較去年（二零一八年：約4.58港仙）增加約67.25%。本集團資產負債率仍保持低位。綜合考慮本公司的盈利水準、股東回報及未來可持續發展的需要，本集團建議派發2019年末期股息每股1港仙。

## Chairman's Statement

### 主席報告書

In 2019, although the overall shipment volume of the smartphone industry declined and direct orders from major mobile phone customers decreased as affected by the upcoming launch of 5G communication networks, by exploring camera modules, wireless charging modules, etc. for acting as smartphone manufacturers' second-tier supplier, and by expanding new application fields such as new energy car cells, the overall sales of our circuit boards and components business still increased by approximately 19.08% as compared to that of last year. By increasing the proportion of products with high complexity and high technology levels, and adjusting the price bidding strategy for low-end products, the overall gross profit margin of circuit boards and components business of the Group increased from approximately 12.48% in 2018 to approximately 14.22% in 2019.

The Group will continue to invest in research and development and intelligent manufacturing to ensure the continuous improvement in its capability to provide sustainable services to customers. In 2019, the Group commenced small batch production of flexible printed circuit products for 5G application with high frequency and high speed requirements after samples testing was passed; sample production of busbar module products for application in new energy car cells was passed; wireless charging modules products passed the review by major smartphone end customers and mass production was commenced; and favourable results were achieved in modification of smart factories which effectively reduced the number of operators.

二零一九年，受到5G通訊網絡將要推出的影響，雖然智能手機行業整體出貨量下滑，主要手機類大客戶直供訂單下降，但通過拓展攝像頭模組、無線充電模組等作為智能手機廠商二級供應商的新產品以及擴展新能源汽車電池等新應用領域，本集團之電路板及組件業務之整體銷售仍較去年增長約19.08%；通過加大高難度和技術水準高的產品佔比，以及調整低端產品競價策略，本集團之電路板及組件業務之整體毛利率由二零一八年的約12.48%上升至二零一九年的約14.22%。

本集團將持續在研發和智能製造方面進行投資，以保障持續服務客戶的能力不斷得到加強。二零一九年，本集團應用於「5G」高頻高速要求的柔性電路板產品通過試樣進入小批量生產；應用於新能源汽車電池的母排模組產品通過樣品試製；無線充電模組產品通過主要智能手機終端客戶的審核並開始大批量生產；工廠智慧化改造取得較好效果，有效節省操作人員。

## Chairman's Statement

### 主席報告書

#### PROSPECTS

Although the global electronic products market is showing trend of rapid development, competition in the electronic product market is becoming increasingly fierce, technological innovation and intelligent manufacturing have gradually become the mainstream of the industry. At the same time, the novel coronavirus pandemic and the unstable China-United States relations has also brought relatively high uncertainties to the market. The Group remains cautious about the future and will pay close attention to the changes in the economy, industry and major customers to evaluate its risk exposures and the impacts on orders and supply chain. Meanwhile, the Group will enhance its internal capacity, so that, (i) by adhering to the strategy of “developing major customers” to strengthen efforts in exploring and serving major customers in key markets, (ii) by strengthening technology research and development and improving intelligent manufacturing capabilities, to improve the technical standard of products and the capability for mass production of high-end products, and (iii) by strengthening the localization service capabilities for overseas market, integrating upstream and downstream resources and improving the risk resistance capabilities, the Group will strive to turn risks into opportunities and continuously improve its operating results.

The Board believes that, following the commercial launch of 5G network, “5G” smartphones will become popular and the mobile phone market will resume growth. The market for wearable products such as true wireless headsets, smart watches and bracelets is growing rapidly, following the overcome of the adverse effects of the novel coronavirus, the circuit boards and components business is expected to maintain its continuous growth in the foreseeable future. The Group will strengthen its core capabilities, overcome the adverse effects of the novel coronavirus and keep on improving its operating results, so as to present satisfactory results and bring favourable returns to its shareholders.

#### 展望

雖然全球電子產品市場呈現快速發展態勢，但電子產品市場的競爭卻越發激烈，技術創新、智能製造等逐漸成為行業主流。同時，新冠病毒全球大流行以及中美關係的不穩定也給市場帶來了較高的不確定性。本集團對未來將保持謹慎態度，密切關注經濟、行業和主要客戶的變化，評估風險及對訂單和供應鏈的影響，同時加強內部能力建設，通過(i)遵循「大客戶戰略」加大重點市場大客戶的開發力度和服務力度；(ii)加強技術研發和提高智能製造能力，以提升產品的技術水準和高端產品的批量生產能力；以及(iii)加強海外市場本地化服務能力及通過上下游資源整合，提升企業抗風險能力，力爭轉「危」為「機」，不斷提升企業的經營業績。

董事會相信，隨著5G網路商用逐漸展開，「5G」智能手機將開始普及，手機市場將恢復增長；真無線耳機、智能手錶和手環等可穿戴產品市場迅猛發展，在克服新冠病毒疫情帶來的不利影響後，電路板及組件行業在可預見之將來仍有望保持持續增長。本集團將苦練內功、提升核心能力，克服新冠病毒疫情帶來的不利影響，不斷提升經營業績，藉此向股東交出滿意成績，為股東帶來理想回報。

## Chairman's Statement

### 主席報告書

#### APPRECIATION

For and on behalf of the Board, I would like to take this opportunity to thank the management and all staff members of the Group for their dedication and invaluable contributions to the Group in the past year. I would also like to thank our customers, suppliers, business partners and shareholders for their continuous support to the Group. The Group will do its best to achieve good results and secure ideal returns for our shareholders.

**AKM Industrial Company Limited**  
**Xiong Zheng Feng**  
*Chairman*

Hong Kong, 27 March 2020

#### 致謝

本人藉此機會代表董事會，對本集團之管理層及各員工過去一年付出之竭誠努力及寶貴貢獻致以謝意，同時謹此對本集團之客戶、供應商、業務合作夥伴及股東一直以來之鼎力支持深表感謝。本集團將盡力取得理想佳績，為股東帶來理想回報。

**安捷利實業有限公司**  
**熊正峰**  
*主席*

香港，二零二零年三月二十七日





## Directors and Senior Management of the Group

### 本集團董事及高級管理層

Biographical details of the Directors and the senior management of the Group are set out below:

本集團董事及高級管理層之履歷詳情如下：

#### DIRECTORS

#### 董事

##### Executive Director

##### 執行董事

**Mr. Xiong Zheng Feng (熊正峰)**, aged 50, is the chairman and the executive Director of the Company. In July 1992, he graduated from the Department of Computer Science of 南開大學 (Nankai University) and obtained his bachelor degree in science. He then obtained his master degree in economics from 南開大學經濟學院 (Nankai University School of Economics) in July 1995. He is a director of Alpha Luck Industrial Limited (安捷利實業有限公司), the controlling shareholder of the Company, since March 2001. From April 2003 to January 2011, he was an alternate director of Raymond Industrial Ltd, a company whose shares are listed on the Stock Exchange of Hong Kong, and is a non-executive director since January 2011. Mr. Xiong is also a director of AKM Electronics Industrial (Panyu) Ltd. and an executive director of AKM Electronic Technology (Suzhou) Company Limited, both of which are subsidiaries of the Group. Mr. Xiong is the chairman of the board of directors of AKM Meadville Electronics (Xiamen) Co., Ltd (安捷利美維電子(廈門)有限責任公司) since December 2019. Mr. Xiong joined the Company in March 2001 and is responsible for the Group's corporate policy formulation, business strategies planning, business development and management of the Group. Save as disclosed above, Mr. Xiong does not hold any directorship in other listed companies in the past three years, and does not have any other relationship with any directors, senior management, substantial shareholders, or controlling shareholders of the Company.

**熊正峰先生**，現年50歲，為本公司主席兼執行董事。一九九二年七月彼畢業於南開大學計算機系，取得理學學士學位。彼其後於一九九五年七月取得南開大學經濟學院經濟學碩士學位。彼自二零零一年三月起出任安利實業有限公司（其為本公司的控股股東）董事。熊先生自二零零三年四月至二零一一年一月出任利民實業有限公司（其股份於香港聯交所上市）之替任董事，並自二零一一年一月起為非執行董事。熊先生亦為本集團附屬公司，即安捷利（番禺）電子實業有限公司之董事及安捷利電子科技（蘇州）有限公司之執行董事。熊先生自二零一九年十二月起出任安捷利美維電子（廈門）有限責任公司之董事長。熊先生於二零零一年三月加入本公司，負責本集團之企業政策制訂、業務策略規劃、業務拓展及管理。除上文披露者外，熊先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東有任何其他關係。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

#### Non-executive Directors

**Mr. Gao Xiaoguang (高曉光)**, aged 44, is currently vice president of GoerTek Inc. ("GoerTek"), a substantial shareholder of the Company. Mr. Gao graduated from Shandong Institute of Technology (山東工程學院) in July 1998 and obtained his master degree in business administration from Southern Cross University in 2006. Mr. Gao joined GoerTek in 2001. Mr. Gao was appointed as a non-executive Director since 12 March 2015. Mr. Gao does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

**Mr. Jia Junan (賈軍安)**, aged 49, is currently vice president of and secretary to the board of directors of GoerTek. He graduated from Shandong Institute of Finance and Economics (山東財政學院) in July 1993 with a bachelor degree in economics and obtained his master degree in economics from Shandong University (山東大學) in 2003. Mr. Jia obtained a doctorate degree in economics in 2008 from Xiamen University (廈門大學). He is a member of The Association of Chartered Certified Accountants and a member of The Chinese Institute of Certified Public Accountants. Mr. Jia obtained a qualification certificate for secretary to board of directors (董事會秘書資格證書) issued by the Shenzhen Stock Exchange in 2013. Mr. Jia was previously manager of tax department of KPMG China, Tsingdao office, and he joined GoerTek in 2010. Mr. Jia was appointed as a non-executive Director on 17 November 2015. Mr. Jia does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

#### 非執行董事

**高曉光先生**，現年44歲，現時為本公司主要股東歌爾股份有限公司（「歌爾股份」）副總裁。彼於一九九八年七月畢業於山東工程學院，於二零零六年取得南十字星大學工商管理碩士學位。彼於二零零一年加入歌爾股份。高先生自二零一五年三月十二日起獲委任為非執行董事。高先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

**賈軍安先生**，現年49歲，現時為歌爾股份之副總裁兼董事會秘書。彼於一九九三年七月畢業於山東財政學院，獲得經濟學學士學位，並於二零零三年獲山東大學頒授經濟學碩士學位。賈先生於二零零八年獲廈門大學頒授經濟學博士學位。彼為英國特許公認會計師公會會員及中國註冊會計師協會會員。賈先生於二零一三年獲深圳證券交易所發出董事會秘書資格證書。賈先生之前擔任畢馬威中國青島辦事處稅務部經理，於二零一零年加盟歌爾股份。賈先生於二零一五年十一月十七日獲委任為非執行董事。賈先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

**Mr. Wang Chunsheng (王春生)**, aged 45, graduated from School of Mechanical Design and Engineering, Jiangsu University of Science and Technology (江蘇理工大學機械設計工程學院) in June 1998. Mr. Wang joined Suzhou Anjie Technology Co. Ltd (蘇州安潔科技股份有限公司) (“Anjie Technology”) (a substantial shareholder of the Company) in 2000 and is currently the chairman of the board of Anjie Technology (which is listed on the Shenzhen Stock Exchange with stock code 002635). Mr. Wang was appointed as a non-executive Director since 30 January 2018. Mr. Wang does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

**Ms. Zhang Xiaoming (張曉明)**, aged 41, is currently a director of Alpha Luck Industrial Limited and a supervisor of the finance department of China North Industries Corporation, the controlling shareholders of the Company. She obtained a master degree in accountancy in April 2003 from Dongbei University of Finance and Economics (東北財經大學). She also obtained a doctorate degree from The Research Institute for Fiscal Science of the Ministry of Finance (財政部財政科學研究所) (now known as Chinese Academy of Fiscal Sciences (中國財政科學研究院)) in July 2011. Ms. Zhang is a member of the Beijing Institute of Certified Public Accountants (北京註冊會計師協會) since September 2010, and also a member of the Institute of Management Accountants since April 2003. Ms. Zhang is a director of NORINCO International Cooperation Ltd. (北方國際合作股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 000065) since 29 March 2017. She is also currently a director of China ZhenHua Oil Co., Ltd. (振華石油控股有限公司) and Wanbao Mining Ltd. (萬寶礦產有限公司). Ms. Zhang was appointed as a non-executive Director on 24 August 2018. Save as disclosed, Ms. Zhang does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

王春生先生，現年45歲，於一九九八年六月畢業於江蘇理工大學機械設計工程學院。王先生於二零零零年加入本公司主要股東蘇州安潔科技股份有限公司（「安潔科技」），現為安潔科技（其於深圳證券交易所上市，股份代號002635）之董事長。王先生於二零一八年一月三十日獲委任為本公司非執行董事。王先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

張曉明女士，現年41歲，現任本公司控股股東安利實業有限公司之董事及中國北方工業有限公司財務金融部主任。彼於二零零三年四月取得東北財經大學會計學碩士，並且於二零一一年七月取得財政部財政科學研究所（現稱為中國財政科學研究院）博士學位。張女士自二零一零年九月起為北京註冊會計師協會會員，以及自二零零三年四月起為美國管理會計學會會員。張女士自二零一七年三月二十九日起出任北方國際合作股份有限公司（於深圳證券交易所上市之公司，股份代號為000065）董事，目前亦為振華石油控股有限公司及萬寶礦產有限公司董事。張女士於二零一八年八月二十四日獲委任為非執行董事。除所披露者外，張女士於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

**Mr. Yu Daochun (余道春)**, aged 52, is currently a director of Alpha Luck Industrial Limited and a supervisor of the accounting department of China North Industries Corporation, the controlling shareholders of the Company. He obtained a doctorate degree in economics from Central University of Finance and Economics (中央財經大學) in June 2007. Mr Yu is a member of the Chinese Institute of Certified Public Accountants (中國註冊會計師協會) since September 2010. Mr. Yu is a director of NORINCO International Cooperation Ltd. (北方國際合作股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 000065) since 20 March 2018. He is also a director of China Wanbao Engineering Co., Ltd. (中國萬寶工程有限公司), China ZhenHua Oil Co., Ltd. (振華石油控股有限公司) and Wanbao Mining Ltd. (萬寶礦產有限公司). Mr. Yu was appointed as a non-executive Director on 27 November 2018. Save as disclosed, Mr. Yu does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

余道春先生，現年52歲，現為本公司之控股股東安利實業有限公司之董事及中國北方工業有限公司之審計部主任。彼於二零零七年六月自中央財經大學獲得經濟學博士學位。余先生自二零一零年九月起為中國註冊會計師協會會員。余先生自二零一八年三月二十日起為深圳證券交易所上市公司北方國際合作股份有限公司（股份代號：000065）之董事。彼亦為中國萬寶工程有限公司、振華石油控股有限公司及萬寶礦產有限公司之董事。余先生於二零一八年十一月二十七日獲委任為非執行董事。除所披露者外，余先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

#### Independent non-executive Directors

**Mr. Hung Chi Yuen Andrew (洪志遠)**, aged 51, is currently the director of Norton Rowland CPA Limited. He received his professional training in Deloitte Touche Tohmatsu and has worked for UBS Investment Bank as business unit controller for seven years. Mr. Hung was awarded the degree of Bachelor of Arts in Accountancy by The Hong Kong Polytechnic University (formerly known as the Hong Kong Polytechnic) and the degree of Master of Applied Finance by the University of Western Sydney. Mr. Hung is a practicing Certified Public Accountant, an associate member of The Hong Kong Institute of Certified Public Accountants, and a fellow member of The Chartered Association of Certified Accountants. Mr. Hung is also an independent non-executive director of FDG Kinetic Limited and G-Vision International (Holdings) Limited respectively, companies which shares are listed on the Main Board of the Stock Exchange. Mr. Hung was appointed as an independent non-executive Director since 17 October 2011. Save as disclosed above, Mr. Hung does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

#### 獨立非執行董事

洪志遠先生，現年51歲，現為Norton Rowland CPA Limited之董事。彼曾於德勤•關黃陳方會計師行接受專業培訓並於UBS Investment Bank出任商務總監達七年。洪先生獲授香港理工大學（前稱香港理工學院）會計學文學士學位及University of Western Sydney應用金融學碩士學位。洪先生為執業會計師、香港會計師公會會員以及英國特許公認會計師公會資深會員。洪先生亦分別為五龍動力有限公司及環科國際集團有限公司的獨立非執行董事（有關公司的股份於聯交所主板上市）。洪先生自二零一一年十月十七日起獲委任為獨立非執行董事。除上文披露者外，洪先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。



## Directors and Senior Management of the Group

### 本集團董事及高級管理層

**Mr. Cui Zheng (崔鐸)**, aged 65, is currently the supervisor of the academic committee of the Suzhou Institute of Nano-Tech and Nano-Bionics, Chinese Academy of Science (中國科學院蘇州納米技術與納米仿生研究所) and the supervisor of the Printable Electronics Research Center (印刷電子學研究部) at the Suzhou Institute of Nano-Tech and Nano-Bionics. Mr. Cui obtained his doctorate degree in engineering from Southeast University (東南大學) in 1988. He is a fellow of the Institution of Engineering and Technology (previously the Institution of Electrical Engineers) since 2004. He is also a State Specially Recruited Expert under the “1000 Talent Plan” of the Government of the People’s Republic of China since 2009. He is also the vice secretary-general of National Innovation Association of Printed Electronics Industrial Technology (全國印刷電子產業技術創新聯盟), and vice president of Touch Screen Advisor Committee of SEMI China (regional office of Semiconductor Equipment and Materials International). Mr. Cui was elected “Scientific Chinese” of Year 2010. Mr. Cui was previously a visiting fellow at the Cavendish Laboratory of the University of Cambridge. Further, he was also previously Principal Scientist at the Central Microstructure Facility of Rutherford Appleton Laboratory in the United Kingdom. Mr. Cui was appointed as an independent non-executive Director since 3 May 2016. Save as disclosed above, Mr. Cui does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

**崔鐸先生**，現年65歲，為中國科學院蘇州納米技術與納米仿生研究所學術委員會主任及印刷電子學研究部主任。崔先生於一九八八年獲得東南大學工程博士學位。彼自二零零四年起成為工程及科技學會（前稱英國電機工程師學會）會士。自二零零九年，彼亦成為中華人民共和國政府「千人計劃」下的國家特聘專家。彼亦為全國印刷電子產業技術創新聯盟的副秘書長，以及SEMI中國（國際半導體設備與材料產業協會地區辦公室）觸摸屏顧問委員會副主席。崔先生獲選二零一零年度「科學中國人」。崔先生曾擔任劍橋大學卡文迪許實驗室訪問研究員。此外，彼亦曾於英國拉塞福-阿普爾頓實驗室微結構中心擔任首席科學家。崔先生自二零一六年五月三日起獲委任為獨立非執行董事。除上文披露者外，崔先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

**Mr. Yang Zhaoguo (楊兆國)**, aged 48, is currently chairman of 蘇州航日化學有限公司 (transliteration “Suzhou Hangri Chemical Co., Ltd”). He obtained a master degree in engineering in July 1997 from Dalian University of Technology (大連理工大學). Mr. Yang previously worked as senior engineering at the Shanghai Research Institute of Materials (上海材料研究所) and was previously project manager of AVIC International (HK) Group Limited. Mr. Yang was previously a director of Shenzhen Sunway Communication Co., Ltd (深圳市信維通信股份有限公司) (a company listed on the Shenzhen Stock Exchange with stock code 300136), during the period from 11 May 2016 to 23 April 2017. Mr. Yang was appointed as an independent non-executive Director since 15 May 2018. Save as disclosed above, Mr. Yang does not hold any directorship in other listed companies in the past three years, and does not have any relationship with any other directors, senior management, substantial shareholders, or controlling shareholders of the Company.

#### CHIEF EXECUTIVE OFFICER

**Mr. Chai Zhi Qiang (柴志強)**, aged 59, is the chief executive officer of the Company. He was previously an executive Director and has retired as an executive Director on 26 May 2017. In January 1982, he graduated from the 激光技術專業 (Faculty of Laser Technology) of 長春光學精密機械學院 (Changchun Institute of Optics and Fine Mechanics) and obtained his bachelor degree in engineering. He then obtained his 結業證書 (Certificate on continuing education) from the 香港中澳管理學院 (Hong Kong Sino-Australia Management College) in June 2001. From February 1982 to September 1992, Mr. Chai was employed by the 江蘇省揚州市曙光儀器廠 (Shuguang Appliances Factory of Yangzhou City, Jiangsu Province) as engineer and branch-factory manager. He then joined 銀利(廣州)電子電器實業有限公司 (Alpha Luck Electronic & Electric Appliance Industrial (Guangzhou) Ltd.) in October 1992 as project manager. In January 1994, Mr. Chai joined the Company and is responsible for research and development and overall management of the Group. Mr. Chai has over 27 years of experience in the flexible printed circuit production industry. Mr. Chai is also a director of AKM Electronics Industrial (Panyu) Ltd, a subsidiary of the Group.

楊兆國先生，現年48歲，現為蘇州航日化學有限公司之董事長。彼於一九九七年七月獲大連理工大學之工程碩士學位。楊先生曾於上海材料研究所出任高級工程師及曾任中航國際（香港）集團有限公司之項目經理。楊先生於二零一六年五月十一日至二零一七年四月二十三日期間曾任深圳市信維通信股份有限公司（為深圳證券交易所上市公司，股份代號為300136）之董事。楊先生於二零一八年五月十五日獲委任為獨立非執行董事。除上文披露者外，楊先生於過去三年間並無於其他上市公司出任任何董事職位，及並無與本公司任何董事、高級管理層、主要股東或控股股東擁有任何其他關係。

#### 行政總裁

柴志強先生，現年59歲，為本公司之行政總裁。彼原為本公司執行董事，已於二零一七年五月二十六日退任執行董事職務。於一九八二年一月，彼畢業於長春光學精密機械學院激光技術專業，並獲授工程學學士學位。彼其後於二零零一年六月取得香港中澳管理學院之高級管理人員工商管理結業證書。於一九八二年二月至一九九二年九月期間，柴先生獲江蘇省揚州市曙光儀器廠聘請為工程師及總裝車間副主任。彼其後於一九九二年十月加入銀利（廣州）電子電器實業有限公司任項目經理。一九九四年一月，柴先生加入本公司，負責本集團之研發項目及整體管理。柴先生於柔性電路板生產行業擁有逾27年經驗。柴先生亦為本集團附屬公司安捷利（番禺）電子實業有限公司的董事。

## Directors and Senior Management of the Group

### 本集團董事及高級管理層

#### COMPANY SECRETARY

**Ms. Hung Ching Yuen (洪靜遠)**, aged 40, is the company secretary of the Company. Ms. Hung graduated from the University of Hong Kong and obtained her Bachelor of Laws degree and Postgraduate Certificate in Laws in 2001 and 2002 respectively. She obtained her Master of Laws degree from University College London in 2003. Ms. Hung is a solicitor practicing in Hong Kong since 2006 and was appointed as the company secretary on 13 June 2011. Ms. Hung is also company secretary of Best Mart 360 Holdings Limited (Stock Code: 2360) since 18 December 2018.

#### 公司秘書

**洪靜遠女士**，現年40歲，現為本公司公司秘書。洪女士畢業於香港大學，並於二零零一年及二零零二年分別獲法學學士學位及法學專業證書。彼於二零零三年獲倫敦大學學院之法學碩士學位。洪女士自二零零六年起為香港執業律師，並於二零一一年六月十三日獲委任為公司秘書。洪女士亦自二零一八年十二月十八日起為優品360控股有限公司（股份代號：2360）的公司秘書。



## Management Discussion and Analysis

### 管理層討論及分析

#### FINANCIAL REVIEW

For the year ended 31 December 2019, the turnover of the Group was approximately HK\$1,463,630,000, representing an increase of approximately 19.60% as compared to approximately HK\$1,223,803,000 of last year. The increase in turnover was mainly due to the increase in purchase of major customers and the increase in sales of new products such as camera modules, wireless charging modules and new energy car cells.

Profit attributable to owners of the Company for the year ended 31 December 2019 was approximately HK\$117,711,000, representing an increase of approximately 69.77% as compared to approximately HK\$69,334,000 of last year. The increase in profit was mainly attributable to the remarkable growth realised in the overall sales of the Group and the increase in gross profit margin of the circuit boards and components business.

The turnover for the circuit boards and components business of the Group for the year was approximately HK\$1,448,487,000 (overall turnover for the FPC business and the flexible packaging substrates business in 2018: approximately HK\$1,216,351,000). During the year under review, the overall gross profit margin increased to approximately 14.26% (2018: approximately 12.42%), of which the gross profit margin of circuit boards and components business increased to approximately 14.22% (overall gross profit margin of FPC business and the flexible packaging substrates business in 2018: approximately 12.48%).

For the year ended 31 December 2019, the other income of the Group amounted to approximately HK\$41,171,000, representing a decrease of approximately 26.81% as compared to approximately HK\$56,253,000 of last year. The decrease in other income was mainly attributable to the decrease in interest income and exchange gains.

#### 財務回顧

截至二零一九年十二月三十一日止年度，本集團之營業額約1,463,630,000港元，較去年的約1,223,803,000港元增加約19.60%。營業額上升主要由於主要客戶的採購上升及攝像頭模組、無線充電模組及新能源汽車電池等新產品銷售額上升所致。

截至二零一九年十二月三十一日止年度，本公司擁有人應佔溢利約為117,711,000港元，較去年的約69,334,000港元增長約69.77%。溢利增長主要由於本集團之整體銷售額實現了顯著增長及電路板及組件業務之毛利率提高所致。

本集團全年電路板及組件業務收入約1,448,487,000港元（二零一八年柔性電路板業務及柔性封裝基板業務之整體營業額：約1,216,351,000港元）。回顧年度內，整體毛利率上升至約14.26%（二零一八年：約12.42%），其中電路板及組件業務之毛利率上升至約14.22%（二零一八年柔性電路板業務及柔性封裝基板業務之整體毛利率：約12.48%）。

本集團截至二零一九年十二月三十一日止年度其他收入約為41,171,000港元，較去年的約56,253,000港元減少約26.81%。其他收入減少主要由於利息收入及匯兌收益減少所致。

## Management Discussion and Analysis

### 管理層討論及分析

For the year ended 31 December 2019, the distribution costs of the Group amounted to approximately HK\$20,952,000, representing an increase of approximately 7.82% as compared to approximately HK\$19,433,000 of last year. The increase in distribution costs during the year under review was mainly attributable to the increase of sales, which resulted in (i) the increase in commission, and (ii) the increase in transportation expenses, express fees and travelling expenses.

For the year ended 31 December 2019, the administrative expenses of the Group were approximately HK\$40,017,000, representing a decrease of approximately 2.84% as compared to approximately HK\$41,187,000 of last year. The decrease in administrative expenses was mainly due to the decrease in loss from disposal of assets during the year under review.

For the year ended 31 December 2019, the research and development expenses of the Group amounted to approximately HK\$57,352,000, representing a decrease of approximately 10.07% as compared to approximately HK\$63,774,000 of last year. The decrease in research and development expenses was mainly attributable to the decrease in government projects undertaken by the Group.

For the year ended 31 December 2019, the finance cost of the Group amounted to approximately HK\$2,091,000, representing an increase of approximately 872.56% as compared to approximately HK\$215,000 of last year. The significant increase in finance cost was mainly due to the significant increase in bank borrowings.

本集團截至二零一九年十二月三十一日止年度分銷成本約為20,952,000港元，較去年的約19,433,000港元增長約7.82%。回顧年度內分銷成本增加主要由於銷售增加導致(i)佣金增加及(ii)運費、快遞費及差旅費增加所致。

本集團截至二零一九年十二月三十一日止年度行政開支約為40,017,000港元，較去年的約41,187,000港元減少約2.84%。行政開支減少主要是由於回顧年度內處理資產損失減少所致。

本集團截至二零一九年十二月三十一日止年度研發開支約為57,352,000港元，較去年的約63,774,000港元下降約10.07%。研發開支減少主要是由於本集團承擔政府項目相對減少所致。

本集團截至二零一九年十二月三十一日止年度融資成本約為2,091,000港元，較去年的約215,000港元增加約872.56%。融資成本大幅度上升乃由於銀行借貸顯著增加所致。



## Management Discussion and Analysis

### 管理層討論及分析

#### BUSINESS REVIEW

The Group is principally engaged in the businesses of the manufacture and sales of FPC and flexible packaging substrates (including components), which are used in electronic products.

For the year ended 31 December 2019, the turnover of the Group amounted to approximately HK\$1,463,630,000, representing an increase of approximately 19.60% as compared to approximately HK\$1,223,803,000 for 2018. The increase in turnover was mainly attributable to the increase in purchase of major customers and the increase in sales of new products such as camera modules, wireless charging modules and new energy car cells. During the year under review, the turnover of the Group's circuit boards and components business was approximately HK\$1,448,487,000, while the overall turnover of FPC business and flexible packaging substrates business for the year ended 31 December 2018 was approximately HK\$1,216,351,000. In 2019, the profit attributable to the owners of the Company amounted to approximately HK\$117,711,000, representing a significant increase of approximately 69.77% as compared to approximately HK\$69,334,000 in 2018. The increase in profit was mainly attributable to the remarkable growth realised in the overall sales of the Group and the increase in gross profit margin of the circuit boards and components business.

During the year under review, the turnover of the Group's circuit boards and components business increased by approximately 19.08% as compared to the overall turnover of the FPC business and flexible packaging substrates business last year, and its gross profit margin increased to approximately 14.22% (2018: approximately 12.48% for the overall gross profit margin of FPC business and flexible packaging substrates business). During the year under review, turnover from the FPC business was approximately HK\$1,228,364,000, representing an increase of approximately 13.24% as compared to approximately HK\$1,084,759,000 last year, and turnover from the flexible packaging substrates business was approximately HK\$220,123,000, representing an increase of approximately 67.28% as compared to approximately HK\$131,592,000 last year. During the year under review, the turnover of the "other" business of the Group amounted to approximately HK\$15,143,000, which was mainly derived from the business of sourcing and sales of electronic components, and accounted for approximately 1.03% of the total sales volume of the Group.

#### 業務回顧

本集團主要從事製造及銷售應用於電子產品之柔性電路板及柔性封裝基板（含組件）之業務。

於截至二零一九年十二月三十一日止年度，本集團錄得營業額約為1,463,630,000港元，較二零一八年度の約1,223,803,000港元增加約19.60%。營業額上升主要由於主要客戶的採購上升及攝像頭模組、無線充電模組及新能源汽車電池等新產品銷售額上升所致。於回顧年度內，本集團電路板及組件業務之營業額約為1,448,487,000港元，而截至二零一八年十二月三十一日止年度，柔性電路板業務及柔性封裝基板業務之整體營業額約為1,216,351,000港元。二零一九年，本集團擁有人應佔溢利約為117,711,000港元，較二零一八年的約69,334,000港元大幅增長約69.77%。溢利增長主要由於本集團之整體銷售額實現了顯著增長及電路板及組件業務之毛利率提高所致。

於回顧年度內，本集團電路板及組件業務之營業額較去年柔性電路板業務及柔性封裝基板業務之整體營業額增加約19.08%，其毛利率上升至約14.22%（二零一八年柔性電路板業務及柔性封裝基板業務之整體毛利率約12.48%）。回顧年度內，來自柔性電路板業務之營業額約為1,228,364,000港元，比去年的約1,084,759,000港元增長約13.24%，來自柔性封裝基板業務之營業額約為220,123,000港元，比去年的約131,592,000港元增長約67.28%。於回顧年度內，本集團「其他」業務之營業額約為15,143,000港元，主要為採購及銷售電子元器件等業務之收入，佔本集團總銷售額約1.03%。

## Management Discussion and Analysis

### 管理層討論及分析

During the year under review, by following the strategy of “developing major customers”, the Group strengthened its efforts in customer development and customer services. The Group also proactively enhanced its technical capabilities and standard, explored new application fields, and strengthened the integration of upstream and downstream resources through acquisitions or cooperation, captured opportunities to achieve better operating results. The Guangzhou Nansha Factory and Suzhou Factory achieved increase in the amount of orders and deliveries and improvement in their core capabilities. The Group also achieved satisfactory growth in new market fields such as camera modules, new energy car cells and wireless charging modules.

During the year under review, although the overall shipment volume of the smartphone industry declined and direct orders from major mobile phone customers decreased as affected by the upcoming launch of 5G communication networks, by exploring new products such as camera modules, wireless charging modules, etc. for acting as smartphone manufacturers’ second-tier supplier, and by expanding new application fields such as new energy car cells, the overall sales of the Group’s circuit boards and components business still increased by approximately 19.08% as compared to that of last year. By increasing the proportion of products with high complexity and high technology levels, and adjusting the price bidding strategy for low-end products, the overall gross profit margin of circuit boards and components business of the Group recorded an increase from approximately 12.48% in 2018 to approximately 14.22% in 2019.

During the year under review, the research and development expenses of the Group amounted to approximately HK\$57,352,000, representing a decrease of approximately 10.07% as compared to approximately HK\$63,774,000 of last year. The decrease in research and development expenses was mainly attributable to the decrease in government projects undertaken by the Group. The Group will continue to increase investment in research and development in order to continuously uplifting technology standard and technical capability and conducting research and development in new materials, new products and new production techniques.

於回顧年度內，本集團圍繞「大客戶戰略」加強客戶開發和客戶服務。本集團並積極提升技術實力和水準、開拓新應用領域，通過收購或合作等加強上下游資源的整合，搶抓機遇，以取得較好的經營業績。廣州南沙工廠和蘇州工廠的訂單量和交貨額均實現了增長，工廠核心能力得到提升。本集團在攝像頭模組、新能源汽車電池及無線充電模組等新領域市場取得較好的增長。

於回顧年度內，受到5G通訊網絡將要推出的影響，雖然智能手機行業整體出貨量下滑，主要手機類大客戶直供訂單下降，但通過拓展攝像頭模組、無線充電模組等作為智能手機廠商二級供應商的新產品以及擴展新能源汽車電池等新應用領域，本集團之電路板及組件業務之整體銷售仍較去年增長約19.08%；通過加大高難度和技術水準高的產品佔比，以及調整低端產品的競價策略，本集團之電路板及組件業務之整體毛利率由二零一八年的約12.48%上升至約二零一九年的約14.22%。

於回顧年度內，本集團之研發開支約為57,352,000港元，較去年的約63,774,000港元下降約10.07%，研發開支減少主要是由於本集團承擔政府項目相對減少所致。本集團仍將持續投入研發支出，以不斷提升技術水準及工程工藝能力，進行新材料、新產品和新生產工藝研發。

## Management Discussion and Analysis

### 管理層討論及分析

As disclosed in the Company's circular dated 20 December 2017, the Group intended to establish an intelligent manufacturing factory with ancillary facilities in the existing factory of the Group in Nansha, Guangdong, PRC for assembling new application modules of FPC. During the year under review, construction of the main building of the relevant project had been completed. It is expected that trial production will be commenced in some of the intelligent workshops in the first half of 2020.

On 6 December 2016, the Company (for itself and on behalf of its subsidiaries) and GoerTek Inc. ("GoerTek", for itself and on behalf of its subsidiaries) entered into a purchase agreement (the "Purchase Agreement") in relation to the transactions for selling of parts, components and other products (including but not limited to FPC products) for a term commenced from 1 January 2017 and expired on 31 December 2019. Such transactions constituted non-exempt continuing connected transactions of the Company under the Listing Rules. As the Purchase Agreement expired on 31 December 2019, on 13 January 2020, the Company (for itself and on behalf of its subsidiaries) and GoerTek (for itself and on behalf of its subsidiaries) entered into a renewed purchase agreement (the "Renewed Purchase Agreement") for a term commenced from 1 January 2020 and expiring on 31 December 2022. The Renewed Purchase Agreement and the transactions contemplated thereunder, as well as the annual caps for each of the years ending 31 December 2020, 31 December 2021 and 31 December 2022 were approved by the independent shareholders at the extraordinary general meeting of the Company held on 20 February 2020. Details of the terms of the Renewed Purchase Agreement, the continuing connected transactions and the annual caps were disclosed in the Company's announcement dated 13 January 2020 and the circular dated 4 February 2020. The annual cap set for the continuing connected transactions for the year ended 31 December 2019 was RMB300,000,000. During the year under review, the Group sold circuit board products of approximately RMB83,389,000 (equivalent to approximately HK\$94,793,000) to GoerTek and its subsidiaries, representing a decrease of approximately 30.18% as compared to that of the year ended 31 December 2018 (2018: approximately RMB119,440,000 (equivalent to approximately HK\$141,220,000)).

誠如本公司於二零一七年十二月二十日之通函中所披露，本集團擬在中國廣東南沙現有工廠內建設一間智能製造廠房及附屬設施，以組裝柔性電路板新應用模組。於回顧年度內，有關項目已完成主體建設，預計在二零二零年上半年於部分智能化車間投入試生產。

於二零一六年十二月六日，本公司（代表自身及其附屬公司）與歌爾股份有限公司（「歌爾股份」）（代表自身及其附屬公司）就本集團向歌爾股份銷售零件、元件及其他產品（包括但不限於柔性電路板產品）之交易訂立採購合同（「採購合同」），期限自二零一七年一月一日起至二零一九年十二月三十一日止。有關交易構成本公司於上市規則下之非豁免持續關聯交易。由於採購合同已於二零一九年十二月三十一日屆滿，於二零二零年一月十三日，本公司（代表自身及其附屬公司）與歌爾股份（代表自身及其附屬公司）訂立經重續採購合同（「經重續採購合同」），期限自二零二零年一月一日起至二零二二年十二月三十一日止。本公司於二零二零年二月二十日舉行之股東特別大會上由獨立股東通過經重續採購合同及其項下之擬進行之交易以及截至二零二零年十二月三十一日、二零二一年十二月三十一日及二零二二年十二月三十一日止年度各年之年度上限。有關經重續採購合同之條款、持續關聯交易以及年度上限的詳情已於本公司二零二零年一月十三日的公佈及二零二零年二月四日的通函中披露。截至二零一九年十二月三十一日止年度的持續關連交易年度上限定為人民幣300,000,000元。於回顧年度，本集團向歌爾股份及其附屬公司銷售電路板產品約人民幣83,389,000元（相等於約94,793,000港元），較截至二零一八年十二月三十一日止年度下降約30.18%（二零一八年：約人民幣119,440,000元（相等於約141,220,000港元））。

## Management Discussion and Analysis

### 管理層討論及分析

As disclosed in the Company's announcement dated 31 December 2019, AKM Electronics Industrial (Panyu) Limited ("AKM Panyu"), a wholly-owned subsidiary of the Company, had commenced the sales of FPC products to Suzhou Anjie Technology Co. Ltd (蘇州安潔科技股份有限公司) ("Anjie Technology") since June 2019 as part of its ordinary and usual course of business. During the year under review, the Group sold FPC products of approximately RMB5,762,000 (equivalent to approximately HK\$6,550,000) to Anjie Technology, which had exceeded the minimum exemption threshold of HK\$3,000,000, while the respective applicable percentage ratios were less than 5%. The transactions concerned are therefore subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. On 31 December 2019, the Company (for itself and on behalf of its subsidiaries) and Anjie Technology (for itself and on behalf of its subsidiaries) entered into a framework materials sale and purchase agreement ("Framework Agreement") for a term commenced from 31 December 2019 and expiring on 31 December 2020, and the annual cap for the year 2020 was set at HK\$60,000,000. Details of the terms of the Framework Agreement, the continuing connected transaction and the annual cap were disclosed in the announcements of the Company dated 31 December 2019 and 15 January 2020.

誠如本公司於二零一九年十二月三十一日的公佈中所披露，本公司全資附屬公司安捷利（番禺）電子實業有限公司（「安捷利番禺」）自二零一九年六月起開始向蘇州安潔科技股份有限公司（「安潔科技」）銷售柔性電路板產品，作為其一般及日常業務的一部份。於回顧年度，本集團向安潔科技銷售柔性電路板產品約人民幣5,762,000元（相等於約6,550,000港元），已超出3,000,000港元之最低豁免水平，惟各個適用百分比率均低於5%。根據上市規則第十四A章，有關交易須遵守申報、年度審閱及公佈規定，但獲豁免遵守獨立股東批准規定。於二零一九年十二月三十一日，本公司（代表自身及其附屬公司）與安潔科技（代表自身及其附屬公司）簽署框架物料買賣合約（「框架合約」），期限自二零一九年十二月三十一日起至二零二零年十二月三十一日止，並設立二零二零年的年度上限為60,000,000港元。有關框架合約之條款、持續關聯交易以及年度上限的詳情已於本公司二零一九年十二月三十一日及二零二零年一月十五日的公佈中披露。

## Management Discussion and Analysis

### 管理層討論及分析

On 13 December 2018, the Group proposed to adopt the restricted stock incentive scheme (the "Scheme") to further improve corporate governance of the Group, retain and motivate the Scheme participants to make contributions to the long-term growth and profits of the Group with a view to achieving the objectives of increasing the value of the Group and to promote a greater alignment of interests between the scheme participants and the shareholders. Pursuant to the Scheme, the Board shall select the scheme participants and determine the number of restricted stock to be granted. The Company has appointed a trustee to purchase the shares from the secondary market. At the extraordinary general meeting held on 31 January 2019, the Scheme was duly approved by the independent shareholders. On 14 February 2019 and 27 March 2019, the Board approved the initial grant of restricted stock under the Scheme, pursuant to which 27,500,000 shares of restricted stock were granted to 81 selected scheme participants on 14 February 2019 at the grant price of HK\$0.65 per share and 2,490,000 shares of restricted stock were granted to Mr. Xiong Zheng Feng (executive director) and Mr. Chai Zhi Qiang (chief executive officer) on 27 March 2019 at the grant price of HK\$0.77 per share. Details of the Scheme and the initial grant of restricted stock were disclosed in the Company's announcements dated 13 December 2018, 31 January 2019, 14 February 2019, 15 February 2019 and 27 March 2019 and the circular dated 16 January 2019. As of 31 December 2019, the trustee had purchased 4,480,000 shares in aggregate from the secondary market. As of 31 December 2019, none of the restricted stock granted had been unlocked.

於二零一八年十二月十三日，本集團建議採納限制性股票激勵計劃（「計劃」），以進一步改善本集團之公司管治，挽留及激勵其計劃參與者為本集團之長遠增長及溢利作出貢獻，務求達到提升本集團價值的目標，提倡計劃參與者與股東之間的利益更趨於一致。根據計劃，董事會將選擇計劃參與者，並確定將授予的限制性股票數量。本公司已委託委託人在二級市場購買股份。該激勵計劃已於二零一九年一月三十一日舉行之股東特別大會上獲獨立股東正式批准。於二零一九年二月十四日及二零一九年三月二十七日，董事會已批准根據激勵計劃首次授予限制性股票，27,500,000股限制性股票已於二零一九年二月十四日按每股股份0.65港元之授予價格授予81名選定計劃參與者及2,490,000股限制性股票已於二零一九年三月二十七日按每股股份0.77港元之授予價格授予執行董事熊正峰先生及行政總裁柴志強先生。有關計劃及首次授予限制性股票的詳情已於本公司二零一八年十二月十三日、二零一九年一月三十一日、二零一九年二月十四日、二零一九年二月十五日以及二零一九年三月二十七日的公佈，以及二零一九年一月十六日的通函中披露。截至二零一九年十二月三十一日，委託人已從二級市場購入股份共計4,480,000股。截至二零一九年十二月三十一日，概無已授出的限制性股票已獲解鎖。



## Management Discussion and Analysis

### 管理層討論及分析

On 22 March 2019, the Group entered into respective equity transfer agreement with Jiangxi Changjiang Chemical Co., Ltd. (江西長江化工有限責任公司) (“Changjiang Chemical”) (a connected person of the Group, and an indirect subsidiary of the Group’s controlling shareholder China South Industries Group Corporation (中國兵器裝備集團有限公司)) and Capital Loyal Limited (京龍有限公司) (“Capital Loyal”) (an independent third party). Pursuant to such agreements, the Group acquired 38% and 10% equity interest in Jiujiang Flex Co., Limited (九江福萊克斯有限公司) (“Jiujiang Flex”) from Changjiang Chemical and Capital Loyal respectively (the “Acquisitions”). The Acquisitions were completed in April 2019, and the Group is interested in an aggregate of 48% equity interest of Jiujiang Flex, which in turn has become an associate of the Group. Details of the Acquisitions were disclosed in the announcement of the Company dated 22 March 2019.

On 27 December 2019, AKM Panyu, a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Meizhi Investment (Xiamen) Co., Ltd. (美智投資(廈門)有限公司) (“Meizhi Investment”), Xiamen Semiconductor Investment Group Co., Ltd. (廈門半導體投資集團有限公司) (“Xiamen Semiconductor”) and Anmei Ventures (Xiamen) Equity Investment Partnership (Limited Partnership) (安美創業(廈門)股權投資合夥企業(有限合夥)) (“Anmei Ventures”) for the formation of the joint venture company AKMMeadville Electronics (Xiamen) Co., Ltd. (安捷利美維電子(廈門)有限責任公司) (“AKMMeadville”). Under the joint venture agreement, the joint venture company shall be owned as to 6% by AKM Panyu, 53% by Meizhi Investment, 40% by Xiamen Semiconductor and 1% by Anmei Ventures. The registered capital of AKMMeadville is RMB4,500,000,000. AKM Panyu contributed a total amount of RMB270,000,000 (representing 6% of the total contribution) in the form of cash. On 20 January 2020, AKMMeadville (as purchaser) entered into an equity interests purchase agreement with TTM Technologies China Limited (as seller) and the seller’s ultimate controlling shareholder TTM Technologies Inc., pursuant to which the purchaser conditionally agreed to acquire all of the equity interests of Guangzhou Meadville Electronics Co., Ltd. (廣州美維電子有限公司), Shanghai Meadville Electronics Co., Ltd. (上海美維電子有限公司), Shanghai Meadville Science & Technology Co., Ltd. (上海美維科技有限公司) and Shanghai Kaiser Electronics Co., Ltd. (上海凱思爾電子有限公司) for a total consideration of US\$550,000,000. Details of the relevant matters were disclosed in the announcements of the Company dated 27 December 2019 and 23 January 2020.

於二零一九年三月二十二日，本集團已與江西長江化工有限責任公司(「長江化工」)(為本集團之關連人士及本集團控股股東中國兵器裝備集團有限公司之間接附屬公司)及獨立第三方京龍有限公司(「京龍」)分別簽署產權交易合同。根據有關合同，本集團分別從長江化工和京龍收購九江福萊克斯有限公司(「九江福萊克斯」)的38%及10%股權(「收購事項」)。收購事項已於二零一九年四月完成，本集團於九江福萊克斯的合共48%股權中擁有權益，九江福萊克斯成為本集團之聯營公司。收購事項的詳情已於本公司二零一九年三月二十二日的公佈中披露。

於二零一九年十二月二十七日，本公司之全資附屬公司安捷利番禺與美智投資(廈門)有限公司(「美智投資」)、廈門半導體投資集團有限公司(「廈門半導體」)及安美創業(廈門)股權投資合夥企業(有限合夥)(「安美創業」)就成立合資公司安捷利美維(廈門)有限責任公司(「安捷利美維」)訂立出資協議。根據出資協議，合資公司由安捷利番禺擁有6%股權、美智投資擁有53%股權、廈門半導體擁有40%股權及安美擁有1%股權。安捷利美維之註冊資本為人民幣4,500,000,000元。安捷利番禺以現金形式出資合共人民幣270,000,000元(佔出資總額6%)。於二零二零年一月二十日，安捷利美維(作為買方)與迅達科技中國有限公司(作為賣方)及賣方的最終控股股東迅達科技公司訂立股權購買協議，據此，買方有條件同意以總代價550,000,000美元收購廣州美維電子有限公司、上海美維電子有限公司、上海美維科技有限公司及上海凱思爾電子有限公司的全部股權。有關事項的詳情已於本公司二零一九年十二月二十七日及二零二零年一月二十三日的公佈中披露。

## Management Discussion and Analysis

### 管理層討論及分析

#### OUTLOOK

The Group has become an authorised supplier for a number of world-renowned high-tech companies. To meet the requirements of the global supply chain system of such customers, the Group has established two production bases (Southern China Guangzhou Factory and Eastern China Suzhou Factory) and has established a new overseas factory in Uttar Pradesh, India in 2019 to serve customers with production bases in proximity. The India factory had commenced to produce product samples for customers in the second half year of 2019. The Group also plans to invest in a new overseas factory in Vietnam in 2020 to serve international customers with production bases in Vietnam. The Group has also established sales centre, research and development centre, supply chain management etc. which are independent from the manufacturing system to cater for the comprehensive needs of the Group's customers. Under the guidance of the strategy of "developing major customers" and with the gradual uplift of the Group's technology, production, quality management, supply chain management and information technology capabilities, the Group's capability to satisfy the "one-stop demand" of such customers has also been largely improved.

#### 展望

本集團已成為多家全球知名高科技企業之合資格供應商，為滿足該等客戶全球化供應鏈體系之要求，本集團已設立華南廣州工廠和華東蘇州工廠兩個製造基地，並於二零一九年在印度北方邦設立一家海外新工廠以服務就近設有生產基地的客戶。印度工廠已於二零一九年下半年開始為客戶製造產品樣品。本集團並計劃於二零二零年在越南投資一家海外新工廠以服務在越南設立生產基地的國際性客戶。本集團已設立獨立於製造體系之營銷中心、研發中心、供應鏈管理等服務於本集團客戶之全方位需求，在大客戶戰略之導向下，本集團之技術、生產、品質管理、供應鏈管理及信息技術等能力亦逐步提高，大大提高了本集團滿足客戶「一站式需求」之能力。

## Management Discussion and Analysis

### 管理層討論及分析

Although the global electronic products market is showing trend of rapid development, competition in the electronic product market is becoming increasingly fierce, technological innovation and intelligent manufacturing have gradually become the mainstream of the industry. At the same time, the novel coronavirus pandemic and the unstable China-United States relations has also brought relatively high uncertainties to the market. The Group remains cautious about the future and will pay close attention to the changes in the economy, industry and major customers to evaluate its risk exposures and the impacts on orders and supply chain. Meanwhile, the Group will enhance its internal capacity, so that, (i) by adhering to the strategy of “developing major customers” to strengthen efforts in exploring and serving major customers in key markets; (ii) by strengthening technology research and development and improving intelligent manufacturing capabilities, to improve the technical standard of products and the capability for mass production of high-end products; and (iii) by strengthening the localization service capabilities for overseas market, integrating upstream and downstream resources and improving the risk resistance capabilities, the Group will strive to turn risks into opportunities and continuously improve its operating results.

The management of the Group is of the opinion that, following the commercial launch of the 5G network, the popularity of “5G” smartphones and the rapid development of wearable product market, and the overcome of the adverse effects of the novel coronavirus, the circuit boards and components business is expected to maintain its continuous growth in the foreseeable future. The Group will adhere to the strategy of “developing major customers”, continuously uplift the technology capabilities of products, pay full attention to the market opportunities in new application fields. By following development strategies such as strengthening integration of upstream and downstream resources, and enlarging economic scale to promote operational efficiency, the Group will be able to strengthen its core capabilities, overcome the adverse effects of the novel coronavirus and keep on improving its operating results, so as to present satisfactory results and bring favourable returns to its shareholders.

雖然全球電子產品市場雖呈現快速發展態勢，但電子產品市場的競爭卻越發激烈，技術創新、智能製造等逐漸成為行業主流。同時，新冠病毒全球大流行以及中美關係的不穩定也給市場帶來了較高的不確定性。本集團對未來將保持謹慎態度，密切關注經濟、行業和主要客戶的變化，評估風險及對訂單和供應鏈的影響，同時加強內部能力建設，通過(i)遵循「大客戶戰略」加大重點市場大客戶的開發力度和服務力度；(ii)加強技術研發和提高智能製造能力，以提升產品的技術水準和高端產品的批量生產能力；以及(iii)加強海外市場本地化服務能力及通過上下游資源整合，提升企業抗風險能力，力爭轉「危」為「機」，不斷提升企業的經營業績。

本集團管理層認為，隨著5G網路商用的展開、「5G」智能手機的普及以及可穿戴產品市場的迅猛發展，在克服新冠病毒疫情帶來的不利影響後，電路板及組件行業在可預見之將來仍有望保持持續增長。本集團將堅持大客戶戰略、不斷提升產品技術能力、並充分關注新應用領域之市場機遇。本集團將藉著通過上下游資源整合、擴大經濟規模促效益等發展戰略，苦練內功、提升核心能力，克服新冠病毒疫情帶來的不利影響，不斷提升經營業績，藉此向股東交出滿意成績，為股東帶來理想回報。

## Management Discussion and Analysis

### 管理層討論及分析

#### LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations primarily with internally generated funds from operating activities and existing bank facilities. It is anticipated that the Group has sufficient working capital to meet its present funding requirements. As at 31 December 2019, the outstanding loan balance of the Group was approximately HK\$39,358,000 (31 December 2018: HK\$0).

#### EMPLOYEE

As at 31 December 2019, the Group had a total of 1,315 full-time employees based in Hong Kong and China (2018: 1,270 employees). For the year ended 31 December 2019, the total labor costs (including Director's emoluments) for the Group amounted to approximately HK\$166,933,000 (2018: approximately HK\$133,473,000). The Group determines and reviews the remunerations of its Directors and employees based on their respective qualifications, experiences, performances and the market rates, so as to maintain the remuneration of the Directors and employees at a competitive level. The Group participates in various defined contribution retirement plans and insurance schemes in compliance with the statutory obligations under the laws and regulations of China and Hong Kong. The Directors believe that being one of the most important assets of the Group, employees are important contributors to the success of the Group. The Group appreciates the importance of staff training, therefore, regular trainings are provided to the employees to enhance their technical and product knowledge. The majority of the Group's employees are stationed in China.

#### MATERIAL INVESTMENT

Save as disclosed in this report, the Group did not have any material investments during the year ended 31 December 2019.

#### 流動資金及財政資源

本集團主要以經營業務所得內部資金及現時可用之銀行融資應付其營運所需，預料本集團有足夠營運資金應付其目前資金需要。於二零一九年十二月三十一日，本集團尚未償還之貸款約為39,358,000港元（二零一八年十二月三十一日：0港元）。

#### 僱員

於二零一九年十二月三十一日，本集團在香港及中國僱用合共1,315名全職僱員（二零一八年：1,270名僱員）。截至二零一九年十二月三十一日止年度本集團之總員工成本（包括董事酬金）約為166,933,000港元（二零一八年：約133,473,000港元）。本集團根據董事及員工之資歷、經驗、表現及市場水準以制定及審核其薪酬，以維持董事及員工薪酬於一個具競爭之水準。本集團參加若干遵照中國及香港法例及條例之法律責任規定之定額供款退休及保險計劃。董事相信，僱員乃本集團最重要資產之一，對本集團之成功作出重要貢獻。本集團明白員工培訓之重要性，故定期向本集團員工提供培訓以提升其技術及產品知識。本集團大部份僱員均駐於中國。

#### 重大投資

除本報告所披露者外，於截至二零一九年十二月三十一日止年度內，本集團並無任何重大投資。

## Management Discussion and Analysis

### 管理層討論及分析

#### USE OF PROCEEDS FROM THE SUBSCRIPTIONS

On 29 November 2017, the Company entered into a subscription agreement with Alpha Luck, a controlling shareholder of the Company, and a subscription agreement with Anjie Technology respectively, pursuant to which Alpha Luck and Anjie Technology respectively subscribed for 103,900,000 shares and 200,000,000 shares at the Subscription Price of HK\$1.5 per share (collectively the "Subscriptions"). The Subscriptions were completed simultaneously on 30 January 2018. The net proceeds amounted to approximately HK\$454,886,000 ("Net Proceeds of Subscriptions"). As of 31 December 2019, approximately HK\$387,606,000 of the Net Proceeds of Subscriptions had been applied, among which: (i) approximately HK\$88,720,000 was used for the civil engineering construction of the new intelligent factory; (ii) approximately HK\$112,669,000 was used for expanding the production capacities and enhancing production capabilities of the Group's existing production plant of FPC products (all of which was used for acquiring new machineries); (iii) approximately HK\$137,331,000 was used for the enhancement of production capacities and capabilities of the Group's flexible packaging substrates products (all of which was used for acquiring new machineries); and (iv) approximately HK\$48,886,000 was used for the general working capital of the Group (all of which was applied as supplemental working capital). The capital utilization was consistent with the intended use of the Net Proceeds of Subscriptions as disclosed in the circular of the Company dated 20 December 2017.

As at 31 December 2019, approximately HK\$67,280,000 of the Net Proceeds of Subscriptions ("Remaining Net Proceeds") has not yet been utilized, which is intended to be applied for the construction of the new intelligent factory and the establishment of new production lines in the new factory. It is expected that the Remaining Net Proceeds will be fully utilised by 2020 in accordance with the intended use as stated above.

#### 認購事項所得款項用途

於二零一七年十一月二十九日，本公司與本公司控股股東安利實業訂立一份認購協議及與安潔科技訂立一份認購協議，安利實業及安潔科技分別按認購價每股1.5港元分別認購103,900,000股及200,000,000股股份（合稱「認購事項」）。認購事項已於二零一八年一月三十日同時完成，所得淨額約454,886,000港元（「認購事項所得淨額」）。截至二零一九年十二月三十一日，認購事項所得淨額約387,606,000港元已經動用，其中：(i)約88,720,000港元已用作新智慧廠房土建工程建設；(ii)約112,669,000港元已用作擴大本集團現有柔性電路板產品生產廠房之產量及提升生產能力（全數均已用作購買新機器）；(iii)約137,331,000港元已用作擴大本集團柔性封裝基板產品之產量及生產能力（全數均已用作購買新機器）；及(iv)約48,886,000港元已用作本集團之一般營運資金（全數均已用作補充流動資金）。資金使用與本公司於日期為二零一七年十二月二十日的通函中所披露的認購事項所得淨額的計劃用途一致。

於二零一九年十二月三十一日，認購事項所得淨額約67,280,000港元（「所得淨額餘額」）尚未動用，計劃用作新智慧廠房的建設及在新廠房建立新生產線。本公司預期於二零二零年按上述的計劃用途將所得淨額餘額使用完畢。



## Management Discussion and Analysis

### 管理層討論及分析

#### SUBSEQUENT EVENT

Save as disclosed in this report, there were no other important events affecting the Group that have occurred since 31 December 2019 and up to the date of this report.

#### MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this report, the Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2019.

#### FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR PURCHASE OF CAPITAL ASSETS

Save as disclosed in this report, the Group did not have any future plans for material investment or purchase of capital asset as at 31 December 2019.

#### PLEDGE OF ASSETS OF THE GROUP

As at 31 December 2019, bank deposits of approximately HK\$2,364,000 (as at 31 December 2018: approximately HK\$2,358,000) of the Group were pledged as collateral to secure bank facilities granted to the Group. The Group did not have trade receivables pledged as collateral to secure bank facilities (as at 31 December 2018: Nil).

As at 31 December 2019, land use rights and buildings with carrying amounts of HK\$0 and approximately HK\$51,069,000 respectively (as at 31 December 2018: approximately HK\$16,318,000 and HK\$49,291,000) were pledged to secure the general bank facilities granted to the Group.

#### 結算日後事項

除本報告所披露者外，於二零一九年十二月三十一日後及直至本報告日期，概無發生對本集團有重大影響的事件。

#### 重大收購及出售

除本報告所披露者外，於截至二零一九年十二月三十一日止年度內，本集團並無有關附屬公司、聯營公司及合營企業的重大收購或出售。

#### 有關重大投資或購入資本資產之未來計劃

除本報告所披露者外，於二零一九年十二月三十一日，本集團並無任何重大投資或購入資本資產的未來計劃。

#### 集團資產質押

於二零一九年十二月三十一日，本集團約2,364,000港元（二零一八年十二月三十一日：約2,358,000港元）的銀行存款已為擔保銀行授予本集團之銀行信貸而質押為抵押品。本集團並沒有抵押應收賬款作為銀行信貸之擔保（二零一八年十二月三十一日：無）。

於二零一九年十二月三十一日，賬面值分別為0港元及約51,069,000港元之土地使用權及樓宇（二零一八年十二月三十一日：約16,318,000港元及49,291,000港元）已抵押以擔保授予本集團之一般銀行信貸。

## Management Discussion and Analysis

### 管理層討論及分析

#### CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2019.

#### GEARING RATIO

As at 31 December 2019, the net cash and cash equivalents of the Group amounted to approximately HK\$119,707,000. As at 31 December 2019, the gearing ratio of the Group was approximately 31.47% (as at 31 December 2018: approximately 28.92%), which was calculated based on the Group's total liabilities of approximately HK\$581,916,000 (as at 31 December 2018: HK\$483,432,000) and the Group's total assets of approximately HK\$1,849,066,000 (as at 31 December 2018: HK\$1,671,449,000).

#### EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The income and expenditure of the Group are mainly denominated in US dollars and RMB, while the assets and liabilities of the Group are denominated in HK dollars and RMB. The Group is therefore exposed to foreign exchange risk arising from currency exposures, primarily with respect to US dollars and RMB. The operating results and the financial position of the Group may be affected by any changes in the exchange rates, the Group has not taken any hedging measures in this regard. Furthermore, the conversion of RMB denominated balances into foreign currencies is subject to the foreign exchange control rules and regulations promulgated by the Chinese government. However, taking into account the Group's current operation and capital requirements, the Directors do not consider the Group is subject to any material foreign exchange risk.

#### 或然負債

於二零一九年十二月三十一日，本集團並無任何重大或然負債。

#### 資本負債比率

於二零一九年十二月三十一日，本集團之現金及現金等值項目淨額約為119,707,000港元。於二零一九年十二月三十一日，本集團之資本負債比率約為31.47%（二零一八年十二月三十一日：約28.92%），資本負債比率乃按本集團總負債約581,916,000港元（二零一八年十二月三十一日：483,432,000港元）及本集團總資產約1,849,066,000港元（二零一八年十二月三十一日：1,671,449,000港元）計算。

#### 匯率波動風險

本集團大部份收入及開銷以美元及人民幣計值，而本集團之資產及負債以港元及人民幣計值。因此，本集團須承擔主要因美元及人民幣等貨幣兌換而產生之外匯風險。本集團之經營業績及財政狀況會受任何匯率變動影響而本集團並無就此採取任何對沖措施。此外，人民幣計值結餘兌換為外幣時亦須受中國政府頒佈之外匯管制規例監管。然而，董事於考慮本集團現時經營及資本要求後，並不認為本集團承受任何重大外匯風險。

## Management Discussion and Analysis

### 管理層討論及分析

#### DIVIDEND

The Directors recommend the payment of final dividend of HK1 cent per share for the year ended 31 December 2019 (2018: HK1 cent per share) to the shareholders whose names appear on the register of members of the Company on Friday, 5 June 2020. Subject to the approval by the shareholders at the forthcoming annual general meeting (the "AGM"), the proposed final dividend is expected to be paid on or around Thursday, 18 June 2020.

The register of members of the Company will be closed from Wednesday, 3 June 2020 to Friday, 5 June 2020 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 2 June 2020.

#### CLOSURE OF SHARE REGISTER FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from Tuesday, 19 May 2020 to Friday, 22 May 2020 (both days inclusive) for the purposes of determining shareholder's eligibility to attend and vote at the AGM and during which no transfer of shares will be effected. To be qualified to attend the AGM, which is to be held on Friday, 22 May 2020, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Monday, 18 May 2020.

#### 股息

董事建議向於二零二零年六月五日星期五名列本公司股東名冊之股東派付截至二零一九年十二月三十一日止年度之末期股息為每股1港仙（二零一八年：每股1港仙）。建議末期股息預期將於二零二零年六月十八日星期四或該日前後派付，惟須於應屆股東週年大會（「股東週年大會」）上獲得股東批准。

本公司之股份過戶登記處將由二零二零年六月三日星期三起至二零二零年六月五日星期五止（包括首尾兩日）暫停辦理股份過戶登記手續，期間，概不會處理股份過戶。為符合獲派上述末期股息資格，所有填妥之過戶表格連同有關股票必須於二零二零年六月二日星期二下午四時三十分前交回本公司之股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

#### 股東週年大會之暫停辦理股份過戶登記

本公司之股份過戶登記處將於二零二零年五月十九日星期二至二零二零年五月二十二日星期五（包括首尾兩日）暫停辦理股份過戶登記手續，以決定合資格出席股東週年大會及於會上投票之股東。為符合出席將於二零二零年五月二十二日星期五舉行的股東週年大會之資格，所有經填妥的股份過戶表格連同有關之股票最遲須於二零二零年五月十八日星期一下午四時三十分前送達本公司之股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

# Corporate Governance Report

## 公司管治報告

### INTRODUCTION

Save for the deviations as disclosed in this report, the Company complied with all the code provisions set out in the Corporate Governance Code (collectively "Code") contained in Appendix 14 of the Listing Rules by establishing formal and transparent procedures to protect and maximize the interests of shareholders during the year under review.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less favorable than the standard of dealings as set out in Appendix 10 of the Model Code of the Listing Rules. Having made specific enquiry on all Directors, it is confirmed that the Directors have complied with such code of conduct and the standard of dealings regarding securities transactions throughout the year ended 31 December 2019.

### BOARD OF DIRECTORS AND BOARD MEETING

During the year under review, the Board consisted of 1 executive Director and 8 non-executive Directors of whom 3 were independent non-executive Directors:

#### Executive Director:

Mr. Xiong Zheng Feng (*Chairman*)

#### Non-executive Directors:

Mr. Gao Xiaoguang  
Mr. Jia Junan  
Mr. Wang Chunsheng  
Ms. Zhang Xiaoming  
Mr. Yu Daochun

#### Independent non-executive Directors:

Mr. Hung Chi Yuen Andrew  
Mr. Cui Zheng  
Mr. Yang Zhaoguo

### 緒言

除本報告披露之偏離情況外，本公司已遵守上市規則附錄十四所載之《企業管治守則》之守則（統稱「守則」）條文，於回顧年度內成立正式具透明度程序，以保障及盡量提高股東利益。

### 董事進行證券交易

本公司已就董事進行證券交易採納一套操守準則，其條款不較上市規則附錄十標準守則的交易準則寬鬆。向全體董事作出特定查詢後，確定董事於截至二零一九年十二月三十一日止年度一直遵守有關操守準則及有關進行證券交易之交易準則。

### 董事會及董事會會議

於回顧年度內，董事會由一名執行董事及八名非執行董事（其中三名為獨立非執行董事）組成：

#### 執行董事：

熊正峰先生（主席）

#### 非執行董事：

高曉光先生  
賈軍安先生  
王春生先生  
張曉明女士  
余道春先生

#### 獨立非執行董事：

洪志遠先生  
崔錚先生  
楊兆國先生

## Corporate Governance Report 公司管治報告

The Board is responsible for the Group's corporate policy formulation, business strategy planning, business development, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specifically delegated by the Board to the management include the preparation of annual and interim accounts for the Board's approval before reporting to the public, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal control and risk management procedures, and compliance with relevant statutory requirements, rules and regulations. During the year under review, the Board and its audit committee, remuneration committee and nomination committee have performed corporate governance duties in accordance with the functions set out in the Code Provision D.3.1.

Details of backgrounds and qualifications of the chairman, other Directors, and chief executive officer of the Company are set out on pages 8 to 14 of this annual report. All Directors have given sufficient time and attention to the affairs of the Group. The executive Director has sufficient experience to hold the position so as to carry out his duties effectively and efficiently. There is no relationship among the members of the Board.

During the year under review, all independent non-executive Directors had appropriate and sufficient experience and qualifications to carry out their duties to protect the interests of shareholders. Mr. Hung Chi Yuen Andrew, Mr. Cui Zheng and Mr. Yang Zhaoguo were independent non-executive Directors. Mr. Hung Chi Yuen Andrew was appointed since 17 October 2011 and his appointment was renewed for a further term of three years commenced from 17 October 2017. Mr. Cui Zheng was appointed as an independent non-executive Director commenced from 3 May 2016 and his appointment was renewed for a further term of three years commenced from 3 May 2019. Mr. Yang Zhaoguo was appointed as an independent non-executive Director for a term of three years commenced from 15 May 2018. All of them are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Company's articles of association.

董事會負責本集團之企業政策制訂、業務策略規劃、業務發展、風險管理、主要收購、出售及資本交易以及其他重大營運及財務事宜。董事會指派管理層負責之主要公司事宜包括：編製年度及中期賬目以供董事會於向公眾公佈前審批、實行業務策略及董事會採納之措施、推行充分之內部監控制度及風險管理程序以及遵守相關法定要求、規則及規例。於回顧年度內，董事會及其審核委員會、薪酬委員會、提名委員會根據守則條文第D.3.1條所載之職能履行了企業管治職責。

本公司主席、其他董事及行政總裁之背景及履歷詳情載於本年報第8頁至第14頁。全體董事已就本集團事務付出充足時間及心力。執行董事具有其職位所需足夠經驗，以有效執行彼之職務。董事會成員之間並無關係。

於回顧年度內，所有獨立非執行董事皆具合適資格及充足經驗以執行彼等之職務，保障股東利益。洪志遠先生、崔錚先生及楊兆國先生為獨立非執行董事。洪志遠先生自二零一一年十月十七日起獲委任，並自二零一七年十月十七日起再次續任，任期三年。崔錚先生自二零一六年五月三日起獲委任為獨立非執行董事，並自二零一九年五月三日起續任，任期三年。楊兆國先生自二零一八年五月十五日起獲委任為獨立非執行董事，任期三年。彼等均須按本公司之公司組織章程細則於股東週年大會輪值退任及膺選連任。



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Under the Code Provision A.4.2, every Director shall be subject to retirement by rotation at least once every three years.

根據守則條文第A.4.2條，每位董事須每三年最少輪值告退一次。

Pursuant to the requirements of the Listing Rules, the Company has received written confirmation from each independent non-executive Director confirming his independence to the Company. Based on such confirmations of independence, the Company considers all the independent non-executive Directors to be independent.

根據上市規則之規定，本公司已收到各位獨立非執行董事就確認其獨立於本公司之書面確認。基於此等獨立性確認函，本公司認為所有獨立非執行董事均屬獨立人士。

During the year under review, Mr. Xiong Zheng Feng was the chairman and Mr. Chai Zhi Qiang was the chief executive officer.

於回顧年度內，熊正峰先生為主席，而柴志強先生為行政總裁。

The roles of the chairman and the chief executive officer were segregated and were not exercised by the same individual during the year under review. The chairman's responsibility was to manage the Board while the chief executive officer's responsibility was to manage the business of the Company.

於回顧年度內，主席及行政總裁之職務有所劃分，並非由同一人擔任。主席之職責為管理董事會，而行政總裁之職責為管理本公司之業務。

The Board held a full board meeting each quarter.

董事會每季均會舉行全體成員列席會議。

Details of the Directors' attendance of the meetings of the members of the Board during the year under review are as follows:

董事會成員在回顧年度內出席董事會會議之記錄詳情如下：

Director	董事	Attendance 出席次數
Mr. Xiong Zheng Feng	熊正峰先生	4/4
Mr. Gao Xiaoguang	高曉光先生	4/4
Mr. Jia Junan	賈軍安先生	4/4
Mr. Wang Chunsheng	王春生先生	4/4
Ms. Zhang Xiaoming	張曉明女士	4/4
Mr. Yu Daochun	余道春先生	4/4
Mr. Hung Chi Yuen Andrew	洪志遠先生	4/4
Mr. Cui Zheng	崔錚先生	4/4
Mr. Yang Zhaoguo	楊兆國先生	4/4

Apart from the above regular board meetings of the year, the members of the Board will meet on other occasions when a board-level decision on a particular matter is required. The Directors will receive agenda and details of items for decision in advance of each board meeting.

除上述年內定期董事會會議外，董事會成員將於特定事宜需要董事會決定時舉行會議。董事於每次董事會會議前均會事先獲發議程及有關詳情。

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#### CONTINUOUS TRAINING AND DEVELOPMENT OF DIRECTORS

During the year under review, the Company organised all Directors to attend training on new accounting standard Hong Kong Financial Reporting Standard ("HKFRS") 16. All Directors had complied with the requirements set out in the Code Provision A.6.5 by participating in the continuous professional development, developing and refreshing their knowledge and skills, in order to ensure that their contribution to the Board would remain informed and relevant.

#### AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in accordance with Rules 3.21 to 3.23 of the Listing Rules. The relevant written terms of reference was amended on 31 December 2018. The primary duties of the audit committee are to review and monitor the financial reporting process, risk management and internal control systems of the Group, review the finance and practice of accounting policies of the Company and its subsidiaries, and provide advice and comments on the Company's draft of annual reports and accounts and half-year reports. During the year under review, the audit committee comprised of three members, namely Mr. Hung Chi Yuen Andrew, Mr. Cui Zheng and Mr. Yang Zhaoguo. All of them were independent non-executive Directors. The chairman of the audit committee was Mr. Hung Chi Yuen Andrew.

During the year under review, four meetings were held by the audit committee. Details of the Directors' attendance of the audit committee meetings are as follows:

#### 董事之持續培訓及發展

於回顧年度內，本公司組織所有董事進行了新會計準則香港財務報告準則第16號等方面的培訓。全體董事均已遵守守則條文A.6.5之規定，參與了持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

#### 審核委員會

本公司按照上市規則第3.21至3.23條成立審核委員會並制定其書面職權範圍，有關書面職權範圍已於二零一八年十二月三十一日修訂。審核委員會之主要職責為審查及監控本集團之財務申報程序、風險管理及內部監控制度，檢討公司及其附屬公司之財務及會計政策與實務，並就本公司草擬年報及賬目及半年報告時向董事提供忠告及意見。於回顧年度內，審核委員會由三名成員組成，分別為洪志遠先生、崔錚先生及楊兆國先生。全部均為獨立非執行董事。審核委員會主席為洪志遠先生。

審核委員會於回顧年度內舉行四次會議。審核委員會會議之出席記錄詳情如下：

Director	董事	Attendance 出席次數
Mr. Hung Chi Yuen Andrew	洪志遠先生	4/4
Mr. Cui Zheng	崔錚先生	4/4
Mr. Yang Zhaoguo	楊兆國先生	4/4

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The Group's unaudited interim results for the six months ended 30 June 2019 and audited annual results for the year ended 31 December 2019 had been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures were made.

#### REMUNERATION COMMITTEE

The remuneration committee was established in August 2005 with written terms of reference. During the year under review, the remuneration committee comprised of three members. Mr. Yang Zhaoguo, an independent non-executive Director, was the chairman of the committee. Other members of the remuneration committee included Mr. Cui Zheng and Ms. Zhang Xiaoming. Accordingly, the majority of the members were independent non-executive Directors.

The role and function of the remuneration committee include the determination of specific remuneration packages of all executive Directors, including benefits in kind, pension rights and compensation payments, such as any compensation payable for appointment or loss of office, and the provision of recommendations to the Board on the remuneration of non-executive Directors. The remuneration committee should consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and feasibility of performance-based remuneration.

During the year under review, two meetings were held by the remuneration committee. Details of the Directors' attendance at the remuneration committee meetings are as follows:

本集團截至二零一九年六月三十日止六個月之未經審核中期業績以及截至二零一九年十二月三十一日止年度之經審核全年業績已由審核委員會審閱。審核委員會認為，該等業績乃按照適用會計準則及規定編製，已作出充分披露。

#### 薪酬委員會

薪酬委員會於二零零五年八月成立，並制定其書面職權範圍。於回顧年度內，薪酬委員會由三名成員組成，委員會主席為獨立非執行董事楊兆國先生，其他委員為崔錚先生及張曉明女士。因此大部份成員為獨立非執行董事。

薪酬委員會之職務包括釐定全體執行董事之特定薪酬組合，如實物利益、退休權利及補償、包括離職或入職補償，以及就非執行董事之薪酬向董事會提供建議。薪酬委員會應考慮之各種因素包括：可資比較公司所付薪金、董事所投注時間及職責、本集團內僱傭條件及按表現發放薪酬之可行性。

於回顧年度內，薪酬委員會共舉行兩次會議。董事出席薪酬委員會會議之記錄詳情如下：

Director	董事	Attendance 出席次數
Mr. Yang Zhaoguo	楊兆國先生	2/2
Mr. Cui Zheng	崔錚先生	2/2
Ms. Zhang Xiaoming	張曉明女士	2/2

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The remuneration committee of the Company has considered and reviewed the existing terms of employment contracts of the executive Directors and appointment letters of the independent non-executive Directors. The remuneration committee of the Company considers that the existing terms of employment contracts of the executive Directors and appointment letters of the independent non-executive Directors are fair and reasonable.

#### NOMINATION COMMITTEE

The nomination committee was established on 22 March 2012 with written terms of reference. The relevant written terms of reference was amended on 31 December 2018. During the year under review, the nomination committee comprised of three members. The chairman of the committee was Mr. Xiong Zheng Feng. Other members included Mr. Hung Chi Yuen Andrew and Mr. Yang Zhaoguo. Accordingly, the majority of the members were independent non-executive Directors.

The nomination committee shall review the structure, size and composition of the Board (including skills, knowledge, experience, past performance and qualification, etc.) and assess the independence of independent non-executive Directors and the adequacy of Corporate Governance Code. The committee is responsible for formulating nomination policy, identifying candidates for Directors and making recommendations to the Board in respect of the nomination, appointment or reappointment of Directors and succession plan of Directors.

The Company acknowledges that the diversification of the members of the Board has positive effects on enhancing the Group's performance. The Company sees the diversification of the members of the Board as an important supporting factor for the Group to achieve its strategic goals and maintain sustainable growth. In deciding the composition of the Board, the Company will consider the Board diversity from various perspectives, including but not limited to sex, age, cultural and academic background, race, professional experience, skills, knowledge and terms of services. All appointments of the Board are made on merits with objective consideration of candidates, while taking into full account of the benefits of the Board's diversity. The nomination committee reviews the diversity of the composition of the Board on regular basis, and monitors the implementation of this policy so as to ensure its effective implementation.

本公司薪酬委員會已考慮及覆閱執行董事之僱傭合約及獨立非執行董事之委任函件之現有條款。本公司薪酬委員會認為執行董事之僱傭合約及獨立非執行董事之委任函件之現有條款為公平及合理。

#### 提名委員會

提名委員會於二零一二年三月二十二日成立，並制定其書面職權範圍，有關書面職權範圍已於二零一八年十二月三十一日修訂。於回顧年度內，提名委員會由三名成員組成，委員會主席為熊正峰先生，其他成員為洪志遠先生及楊兆國先生。因此大部份成員為獨立非執行董事。

提名委員會需檢討董事會的架構、人數及組成（包括技能、知識、經驗、往績及資歷等方面）及評核獨立非執行董事之獨立性及有關企業管治守則之足夠性，並負責制訂提名政策及物色董事人選，就董事之提名、委任或重新委任以及董事繼任計畫向董事會作出推薦建議。

本公司明白董事會成員多元化對提升公司的表現素質裨益良多。本公司視董事會成員日益多元化為支持其達到戰略目標及維持可持續發展之要素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，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。董事會所有委任均以用人唯才為原則，並以客觀條件考慮人選，同時會充分顧及董事會成員多元化的裨益。提名委員會將定期檢討董事會在多元化層面之組成並監察本政策之執行，以確保本政策行之有效。

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During the year under review, one meeting was held by the nomination committee. Details of the Directors' attendance at the nomination committee meeting are as follows:

於回顧年度內，提名委員會共舉行一次會議。董事出席提名委員會會議之記錄詳情如下：

Director	董事	Attendance 出席次數
Mr. Xiong Zheng Feng	熊正峰先生	1/1
Mr. Hung Chi Yuen Andrew	洪志遠先生	1/1
Mr. Yang Zhaoguo	楊兆國先生	1/1

The nomination committee considered and resolved that all the existing Directors should be recommended to be retained by the Company.

提名委員會考慮及議決推薦本公司留任全體現任董事。

### AUDITOR'S REMUNERATION

### 核數師酬金

The audit committee of the Company was responsible for considering the appointment of external auditor and reviewing any non-audit functions performed by the external auditor, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the year under review, the Group was required to pay an aggregate amount of approximately HK\$850,000 to the external auditor for their audit service.

本公司之審核委員會負責考慮外聘核數師之委任及審查外聘核數師進行之任何非核數工作，包括有關非核數工作會否對本公司構成任何潛在重大不利影響。於回顧年度內，本集團須向外聘核數師支付共約850,000港元，作為其提供核數服務之酬金。

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

### 董事對財務報表之責任

The Directors acknowledged their responsibilities for the preparation of accounts, and confirmed that the financial statements of the Company were prepared in accordance with statutory requirements and applicable accounting standards. The Directors confirm that, to the best of their knowledge, information and belief, and having made all reasonable enquiries, they are not aware of any undisclosed material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

董事知悉彼等有編製帳目之責任，並確認本公司之財務報表乃根據法定規則及適用會計準則編製。董事確認，就彼等經作出一切合理查詢後所深知、得悉及確信，彼等並不知悉任何可能嚴重影響本公司持續經營能力之未披露重大不明朗事件或情況。



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### COMPANY SECRETARY

Ms. Hung Ching Yuen was appointed as the company secretary on 13 June 2011. Ms. Hung Ching Yuen is an external service provider to the Company and a solicitor practising in Hong Kong. She has taken no less than 15 hours of relevant professional training as required by the Listing Rules. The primary contact person between the Company and Ms. Hung Ching Yuen is Mr. Jiang Maoping, officer responsible for compliance and legal matters.

### INTERNAL CONTROL AND RISK MANAGEMENT

The Company conducts regular reviews on its internal control system and risk management program to ensure their effectiveness and adequacy. The Company convenes meetings periodically to discuss financial, operational, compliance and risk management control. The purpose of the Group's internal risk management control and program is to provide reasonable assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems. Through the audit committee, the Board has reviewed the effectiveness of the Group's internal control and is of the opinion that the resources for and the qualifications of the staff of the Company's accounting and financial reporting function are adequate and sufficient. The Board is satisfied with present internal control.

### DIVIDEND POLICY

The Company may distribute dividend to the Shareholders of the Company by way of cash or shares. Any distribution of dividend shall be in accordance with the Company's articles of association and relevant laws and regulations. The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and no dividend shall be distributed in excess of the amount recommended by the Board. In deciding whether to distribute dividend, the Board shall consider a range of factors including (but not limited to) the financial results, earnings, loss and distributable reserve, operations and liquidity capital requirements, debt ratio and possible effect on the credit lines, capital requirements, current and future development plans of the Company, interests of the Shareholders, and other factors that the Board considered relevant.

### 公司秘書

洪靜遠女士於二零一一年六月十三日獲委任為公司秘書。洪靜遠女士乃本公司之外聘服務人員，為香港執業律師。彼已遵照上市規則之規定參加了不少於15個小時的相關專業培訓。本公司內部與洪靜遠女士之主要聯絡人為負責合規及法律事務之主管蔣茂平先生。

### 內部監控及風險管理

本公司定期審查其內部監控制度及風險管理程序，以確保其成效及充分。本公司定期召開會議，討論財務、營運、合規及風險管理監控。本公司之內部風險管理監控和程序旨在合理保證無重大錯誤陳述或損失，並管理及消除有關營運系統故障之風險。董事會已透過審核委員會就內部監控之成效及本公司會計及財務申報職能之可用資源及人員資格充份足夠。董事會對目前的內部監控感到滿意。

### 股息政策

本公司可透過現金或股份方式向本公司股東派發股息。任何股息分配應符合本公司組織章程細則及相關法律法規下之規定。支付任何股息之建議視乎董事會之絕對酌情權而定，並且數額不可超過董事會所建議者。在考慮宣派股息時，董事會考慮多項因素，包括（但不限於）財務業績、盈利、虧損及可分派儲備、營運及流動資金需求、債務比率及對信貸額度的可能影響、資本需要、本公司現時及未來發展計劃、股東利益及其他董事會認為相關的要素。

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### AUDITOR

During the year under review, Messrs. Deloitte Touche Tohmatsu, former auditor of the Group, after taking into account, among other factors, the level of audit fees, the professional risk associated with the audit and available internal resources in the light of its work flows, resigned as the auditor of the Group with effect from 27 December 2019. ShineWing (HK) CPA Limited was engaged to be the auditor of the Group with effect from 6 January 2020 until the conclusion of the forthcoming AGM of the Company. The performance of the external auditor of the Company was reviewed and recommendation was made to reappoint ShineWing (HK) CPA Limited as the external auditor at the forthcoming AGM.

### INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. The Company welcomes suggestions from investors, stakeholders and the public. The Company has disclosed all necessary information to the shareholders and investors in compliance with the Listing Rules and uses a number of formal communications channels to report the Company's performance to shareholders and investors. These include (1) the publication of announcements and notices, financial information and corporate governance information available on the websites of The Stock Exchange of Hong Kong Limited and the Company; (2) the annual general meeting or extraordinary general meeting which provide a forum for shareholders of the Company to raise comments and exchange views with the Board; (3) [information@akmcompany.com](mailto:information@akmcompany.com), an email specifically set up by the Company for communications with investors, which provides timely replies to the enquires from investors; (4) the provision of services for shareholders through the Company's registered office and share registrar in Hong Kong.

### 核數師

於回顧年度內，本集團之原核數師德勤•關黃陳方會計師行經考慮（其中包括）核數費用水平、與核數相關的專業風險及其工作流程中的可用內部資源等因素後，自二零一九年十二月二十七日起辭任本集團之核數師。本集團自二零二零年一月六日起聘任信永中和（香港）會計師事務所有限公司為本集團之核數師，任期至本公司應屆股東週年大會結束時為止。本集團已檢討外聘核數師之表現，並建議在應屆股東週年大會重新委任信永中和（香港）會計師事務所有限公司為外聘核數師。

### 投資者關係及與股東之溝通

本公司不斷促進與投資者之關係，並加強與現有股東及意向投資者之溝通。本公司歡迎投資者、權益持有人及公眾人士提供意見。本公司已向股東及投資者披露上市規則規定之一切所需資料，並透過多種正式通訊管道向股東及投資者匯報本公司表現。該等管道包括：(1)於香港聯合交易所有限公司網站及本公司網站刊登之各項公告及通告、財務資料及企業管治資料等；(2)召開股東週年大會或股東特別大會以向本公司股東提供對董事會作出及交流意見之途徑；(3)專門設立與投資者溝通郵箱 [information@akmcompany.com](mailto:information@akmcompany.com) 即時回應投資者；(4)通過本公司香港註冊辦事處或香港股份過戶登記處為股東提供服務等。

## Corporate Governance Report 公司管治報告

### CONSTITUTIONAL DOCUMENTS

There was no significant change in the Memorandum and Articles of Association of the Company during the year ended 31 December 2019.

### SHAREHOLDERS' RIGHTS

Pursuant to Articles 65 of the Company's Memorandum and Articles of Association, the Directors may, whenever they think fit, convene an extraordinary general meeting. An extraordinary general meeting shall also be convened upon request by shareholders of the Company as provided by the Companies Ordinance (Cap. 622) of the Laws of Hong Kong ("Companies Ordinance"), or, in default, may be convened by the shareholders requesting the convening of an extraordinary general meeting.

According to Sections 566 to 568 of the Companies Ordinance, the Directors are required to call an extraordinary general meeting if the Company has received requests to do so from shareholders of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings. Shareholders of the Company may deposit at the registered office of the Company a written request, which shall state the general nature of the business to be dealt with at the meeting and include the text of the resolution to be proposed at the meeting, and shall be signed by the shareholders who made the demand. Where the Directors do not, within 21 days from the date of depositing the demand, duly arrange an extraordinary general meeting to be held on a day not later than 28 days after the date on which the notice convening the meeting is given, the shareholders who made the demand or shareholders representing more than half of the voting rights of such shareholders may convene an extraordinary general meeting themselves in the same manner, as nearly as possible, as that in which extraordinary general meetings may be convened by the Directors of the Company, and all reasonable expenses incurred by the shareholders who made the request as a result of the failure of the Directors to duly convene an extraordinary general meeting shall be reimbursed by the Company.

### 憲章文件

截至二零一九年十二月三十一日止年度內，本公司之組織章程大綱及細則概無任何重大變動。

### 股東權利

根據本公司組織章程大綱及細則第65條之規定，董事可於每當認為適合時召開股東特別大會，亦應按香港法例《公司條例》（第622章）（「公司條例」）所規定，應公司股東要求召開股東特別大會，或於沒有因應該要求召開股東特別大會的情況下，可由要求召開股東特別大會的股東自行召開股東特別大會。

根據公司條例第566至568條之規定，如公司收到佔全體有權在股東大會上表決的股東的總表決權最少5%的公司股東要求召開股東特別大會，則董事須召開特別大會。公司股東可向公司的註冊辦事處遞交召開特別大會之書面要求，當中須述明有待在有關股東特別大會上處理的事務的一般性質及擬在股東特別大會上動議的決議的文本，並由提出要求的股東簽署。倘董事並未於遞交要求日期起計二十一日內未有妥為安排一次在召開會議通知書發出日期後二十八天內召開的特別大會，則提出要求的股東或佔全體該等股東的總表決權過半數的股東，可自行以盡可能按接近董事召開大會之相同形式召開特別大會，而公司須向提出要求的股東償還因董事沒有妥為召開特別大會而招致提出要求的股東產生之一切合理費用。

## Corporate Governance Report

### 公司管治報告

There is no provision allowing shareholders to move new resolutions at general meetings under the Articles of Association of the Company or the Companies Ordinance. Shareholders who wish to move a resolution may request the Company to convene an extraordinary general meeting by following the procedure set out in the preceding paragraph.

In relation to proposing a person for election as a Director, please refer to the procedure available on the website of the Company.

Shareholders may at any time send their enquiries and concerns to the Board in writing to the Company's registered office in Hong Kong at Rooms 2708-11, 27th Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong. Shareholders may also send such enquiries and concerns to [information@akmcompany.com](mailto:information@akmcompany.com), an email specifically set up by the Company for investor communications.

本公司之公司組織章程細則及公司條例並無列明股東可在股東大會上提呈任何新決議案。有意提呈決議案之股東可按上段所載程序要求本公司召開股東特別大會。

關於提名董事候選人之事宜，請參閱本公司網站所載之程序。

股東可隨時致函本公司之香港註冊辦事處（地址為香港干諾道中168-200號信德中心西座27樓2708-11室），向董事會提出查詢及表達意見。股東亦可將有關查詢及意見電郵至本公司專門設立與投資者溝通之郵箱 [information@akmcompany.com](mailto:information@akmcompany.com)。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

The Group is pleased to present its Environmental, Social and Governance Report which is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” contained in Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report focuses on the performance of corporate social responsibility of the Group during the period from 1 January 2019 to 31 December 2019. The Group is committed to improving its strategy and management in relation to environment, society and governance through enhancement of infrastructure, internal participation and external partnership to achieve a balanced and win-win situation between interests of shareholders and the society.

本集團欣然提呈按照香港聯合交易所有限公司（「香港聯交所」）證券上市規則（「上市規則」）附錄二十七《環境、社會及管治報告指引》刊發之環境、社會及管治報告。本報告重點彙報本集團於二零一九年一月一日至二零一九年十二月三十一日期間在推行企業社會責任方面之表現。本集團務求通過加強基礎設施、內部參與及外部合夥關係，將本集團對環境、社會及管治的策略及管理提升至更高水準，以更好實現股東權益與社會利益間的平衡與共贏。

### STAKEHOLDERS' PARTICIPATION

The Group has established a number of channels to allow related institutions and individuals in the society (the “Stakeholders”) to participate in the Group’s operations so as to understand and oversee the Group’s operating performance. We are committed to creating a harmonious community with various common interests, thus maximizing the overall social benefits including the corporate benefits. Stakeholders can participate in the operation of the Company through the following means:

### 權益持有人的參與

本集團為社會上相關組織和個體（簡稱「權益持有人」）開放多種管道參與到公司運營中，瞭解和監督公司的運營狀況，意在營造一個和諧共榮的利益共同體，實現包括企業收益最大化在內的社會綜合效益最大化。權益持有人可從以下途徑參與本公司的運營：

Stakeholders 權益持有人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company's measures 公司措施
Shareholders and investors	Protection of shareholders' interests, truthful, accurate and timely disclosure of information.	Shareholders' meetings, investor enquiries and site visits, disclosure of information (including financial statements) and contact information of the Company.	Publication of notifications and resolutions of the shareholders' meetings and disclosure of information of the Company in accordance with rules and regulations; organization of various investor activities; publication of the Company's contact information on the Company's website and reports, and assuring all communication channels are smooth and unobstructed.
股東及投資者	股東權益保護，資訊披露真實、準確、及時。	股東大會，投資者諮詢和考察，資訊披露（含財務報表），公司聯繫方式。	按規定發佈股東大會通知和議案，披露公司資訊；開展多種形式的投資者活動；在公司網站和報告中公開公司聯繫方式，並確保各種溝通管道暢通。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

Stakeholders 權益持有人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company's measures 公司措施
Employees	Protection of basic rights, compensation and benefits, work environment, development and promotion and occupational health and safety.	Workers union, communication channels between employees and management, opinion boxes, staff activities, training and education.	Establishment of workers union to provide workers with a platform to communicate; payment of salaries and benefits in full and on time; payment of social security insurance in accordance with law; provision of a healthy and safe work environment; establishment of a fair promotion mechanism; cared about our employees, organization of employee activities, trainings and learning activities.
員工	基本權益保障，福利薪酬待遇，工作環境，發展晉升，職業健康與安全。	工會，員工與管理層溝通管道，意見箱，員工活動，培訓與學習。	成立工會組織，提供員工交流平臺；及時足額發放薪酬福利，依法繳納社會保險；提供健康、安全的工作環境；建立公平的晉升機制；關愛員工，組織員工活動，培訓與學習。
Customers	Guarantee of the product quality and quantity, long-term and stable co-operation.	Regular visits or maintain daily communication via telephone, emails and various instant messaging tools.	Strengthening of quality control, assurance of steady production and smooth logistic process; provision of adequate products; entering into long term sales agreements with customers.
客戶	產品品質和數量保證，長期穩定合作。	定期拜訪或通過電話、郵件及各種即時通訊工具保持日常溝通。	加強品質管制，保證生產穩定和運輸通暢；提供足量產品；簽訂長期協定。
Government	Lawful operations, payment of tax in accordance with the law, production safety, fulfillment of social responsibility.	Site visits, inspections, work conference and discussion, work reports, submissions and approvals.	Conducting operation in accordance with the law; compliance management, payment of tax in accordance with the law; strengthening of the Company's safety management; acceptance of government supervision, inspection and examination in accordance with regulations, active commitment to social responsibilities.
政府	合法經營，依法納稅，安全生產，履行社會責任。	現場視察、檢查，工作會議研討，工作報告、報送、審批。	合法經營，合規管理；依法納稅；加強公司安全管理；按規定接受政府監督、檢查及現場考察，積極承擔社會責任。
Suppliers and contractors	Fair bidding, long-term stable co-operation and timely payment.	Public bidding meetings and business meetings, daily communications.	Fair bidding, select by merit, performance of contractual obligations, strengthening of daily communications, maintenance of long-term cooperation with quality suppliers and contractors.
供應商及承包商	公平招標，長期穩定合作，按時付款。	招投標會議，洽談會，日常溝通。	公平招標，擇優選擇，按約履行合同，加強日常交流，與優質供應商和承包商長期合作。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

Stakeholders 權益持有人	Key targets and interests 主要目標及關注點	Channels and means of communication and participation 溝通參與方式和管道	Company's measures 公司措施
Community and the public 社區與公眾	Job opportunities, community development, protection of ecological environment, compensation and assistance.	Co-hosting of community activities, charity, volunteering services and participation in the construction of the community.	Promotion of community building and development, provision of volunteer service, establishment of communication channels for the community and community members; hosting of community activities, promotion of the building of harmonious community.
社區與公眾	就業機會、社區發展、保護生態環境、補償與援助。	共辦社區活動、慈善援助、志願者服務、社區共建活動。	促進社區建設和發展、提供志願者服務、開放與社區和社區成員的溝通管道；共辦社區活動、促進建設和諧社區。

## ENVIRONMENTAL PROTECTION

The Group has complied with international and national environmental standards and ensured employee's health and safety in production, with an aim to establish a green and civilized environment, to enhance energy efficiency and minimize both energy consumption and pollutant discharge through continuous improvements of management standards. The production factories of the Group have passed the certifications of ISO9001, IATF16949 Quality Management System and ISO14001 Environmental Management System, the audit acceptance of clean production management, and have received certificates on standardization of safety production. In addition, the factory in Guangzhou has also passed the certification of ISO45001 Occupational Health and Safety Management System, and the factory in Suzhou has passed the certification of IECQ QC 080000. A three-level environmental monitoring system has been implemented by the Group to ensure the full compliance with the relevant national standards for different types of pollutants. The Group also implemented an accountability and performance appraisal system to ensure the specific responsibilities of various levels of personnel in the execution and management of the environmental protection system. During the year under review, the various emission indexes of the Group have complied fully with the relevant environmental protection standards. No penalty in relation to the performance of environmental protection has been imposed on the Group.

## 環境保護

本集團根據國際和國家的環保標準，確保健康安全生產以創建綠色文明環境，提高能源利用效率，降低能源耗用，減少污染物排放，持續改進管理水準。本集團之生產工廠均通過ISO9001、IATF16949品質管制體系及ISO14001環境管理體系，以及通過清潔生產管理審核驗收並均獲得安全生產標準化證書。廣州工廠另通過ISO45001職業健康安全管理体系之認證及蘇州工廠另通過IECQ QC 080000之認證。為確保各類污染物排放完全符合國家的相關標準，本集團實施環保三級管理制度，實行問責及績效考核制，落實各級人員具體負責環保制度的執行和管理。於回顧年度內，本集團各項排放指標均符合相關環境保護標準，無與環境表現相關之任何重大處罰。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Emissions** – The Group puts best efforts to control the amount of emissions which affects the environment, strengthens its competence in environmental supervision and has completed the installment of online supervision device for waste water and waste gas, in order to realize real-time supervision and early warning of major pollution emission source. The Group has installed an online monitoring system to keep track of the sewage chemical oxygen demand (COD), pH level and flow measurement, and also an online monitoring system to keep track of the heavy metal in sewage. Other facilities include underground water detection well and surveillance cameras installed at the discharge outlets for the instant feedback of information. An independent third party with appropriate qualifications has also been engaged to operate, maintain and manage these online facilities to ensure their proper functioning. During the year under review, the operation of the Group's facilities for the treatment of waste water, exhaust gas, solid wastes and noise pollution were stable and met all relevant inspection standards. As such, the Group is pleased to report that it complied with national and local laws and regulations on emission control in relation to the control of waste gas, greenhouse gas emission, waste water discharge, noise control as well as generation of hazardous and non-hazardous wastes in 2019.

**排放物**—本集團盡最大努力控制影響環境的排放量，加強環境監測能力建設，完成廢水和廢氣線上監測設備安裝和資料聯網，以實現重點污染源排放即時監控和預警，確保源頭治理和程序控制。本集團已安裝污水化學需氧量(COD)、酸鹼度(PH)、流量計線上監控系統及污水重金屬線上監控系統、地下水檢測井等，並在排放口安裝監控攝像，即時回饋資訊，並委託符合資質之獨立第三方專人負責線上設施日常的運行與維護管理，確保設施正常運行。於回顧年度內，本集團廢水、廢氣、固廢及噪音處理設施運行穩定，檢測全部達標。就此，本集團欣然報告，本集團於二零一九年度在控制廢氣及溫室氣體排放、廢水排放、噪音控制、有害及無害廢棄物的產生方面已符合中國國家及地方有關排放控制的法例及法規。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### (1) Emission of pollutants

#### (1) 污染物排放

No. 序號	Type of emissions 排放物種類	Unit 單位	Total Amount 總量	Remark 備註
1	COD 化學需氧量	Tonnes 噸	6.25	Emissions in waste water 廢水所含排放物
2	Total Chromium 總鉻	kg 千克	2.71	Emissions in waste water 廢水所含排放物
3	Total Copper 總銅	Tonnes 噸	0.06	Emissions in waste water 廢水所含排放物
4	Total Nickel 總鎳	kg 千克	1.34	Emissions in waste water 廢水所含排放物
5	Total Phosphorus 總磷	Tonnes 噸	0.13	Emissions in waste water 廢水所含排放物
6	Ammoniacal Nitrogen 氨氮	Tonnes 噸	0.29	Emissions in waste water 廢水所含排放物
7	Hydrogen Chloride 氯化氫	Tonnes 噸	4.62	Emissions in waste gas 廢氣所含排放物
8	Sulfuric Acid Fog 硫酸霧	Tonnes 噸	1.44	Emissions in waste gas 廢氣所含排放物

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### (2) Quantity of greenhouse gas, waste water discharge and solid wastes (2) 溫室氣體、污水排放量及廢棄物

No. 序號	Indicator 指標名稱	Unit 單位	Total Amount 總量	Remark 說明
1	Total volume of greenhouse gas emission 溫室氣體總排放量	Ten thousand tonnes 萬噸	1.52	Total emission of CO <sub>2</sub> equivalent 折算為二氧化碳的總排放量
2	Volume of industrial sewage generated 工業污水產生量	Ten thousand tonnes 萬噸	60.62	The Company has excellent sewage treatment facilities with sewage treatment rate of 100% 公司有完善的污水處理設施，污水經處理達成率100%
3	Hazardous wastes 危險廢棄物	Tonnes 噸	1,968.52	A qualified hazardous wastes treatment company has been engaged to handle all hazardous wastes with 100% compliance rate in wastes treatment 全部委託具備資質的危廢處理單位處置，合規處置率100%
4	Non-hazardous wastes 無害廢棄物	Tonnes 噸	122	Non-hazardous wastes of the Company included mainly scrap materials, used plastic sheets and used cardboard, most of which are recyclable 公司無害廢棄物主要是邊角料、廢膠紙及廢紙皮等，大多為可回收使用



## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Use of resources** – The Group insists on the principle of full, reasonable and effective use of energy and makes every effort to eliminate inefficiencies, and uses energy-saving equipment as well as applies innovative energy saving technologies as much as possible. The target of the energy conservation management plan is to save energy, save resources, reduce consumption, reduce environmental pollution and improve economic efficiency. Multiple initiatives have been launched for energy and resources conservation, optimization of energy consumption, reduction of environmental pollution and reduction of power consumption.

**資源使用**—本集團堅持以充分、合理及有效地利用能源為能源使用原則，盡最大努力消除低效率，並儘量使用節能設備及應用創新節能技術。節能管理計劃以節約能源、節約資源、降低消耗、減少環境污染及提高經濟效益為目標，並針對節約能源及資源、優化能源消耗、減少環境污染及降低電力消耗實施多項措施。

#### (1) Energy consumption

#### (1) 能源消耗

No. 序號	Indicator 指標名稱	Unit 單位	Quantity 數量	Remark 說明
1	Use of electricity  用電量	10,000 kWh  萬千瓦時	6,450	The Group mainly used electricity as energy source. No coal or heat was used as energy source 本集團主要使用電為能源，無使用煤及熱氣等能源

#### (2) Water resource consumption

#### (2) 水資源消耗

No. 序號	Indicator 指標名稱	Unit 單位	Quantity 數量	Remark 說明
1	Tap water usage  自來水用量	10,000 tonnes  萬噸	74.02	The Group used water supplied by the urban water supply plant. There were no issues related to water consumption or demand 本集團使用城市自來水廠供水，在水源使用和求取上不存在問題
2	Reclaimed water usage  中水回用量	10,000 tonnes  萬噸	25.38	During the year, the use of reclaimed water increased by 45.36% on a year-on-year basis 年度內加強中水回用，回用量同比去年上升45.36%

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### (3) Measures to mitigate emissions and results achieved

For the emissions of pollutants in waste water, the Group has been promoting the adoption of technologies and equipment with a high resource utilization rate and low pollutant emission. The Group has also been enhancing the use of reclaimed water and reducing waste water discharge. Sales volume of printed circuits and components business of the Group in 2019 increased by approximately 19.08% as compared to 2018, while the volume of industrial sewage increased by only approximately 1.2%. The total amount of emissions of pollutant in waste water increased by approximately 5.99% as compared to that of last year, with water consumption increased by approximately 7.83% and reclaimed water usage increased by approximately 45.36%. Efficiency of waste water treatment and water resource utilization rate also increased. By stepping up control, total volume of greenhouse gas emission decreased by approximately 15.08% as compared to that of last year.

For the emissions of pollutants in waste gas, the emissions of waste gas has been reduced by enhancing the operational management of waste gas treatment devices. The total amount of emissions of pollutants in waste gas in 2019 decreased by approximately 10.88% from 2018.

#### (4) Means and measures to handle hazardous and non-hazardous wastes and results achieved

The Group applies stringent measures in the handling of hazardous wastes and a qualified hazardous wastes treatment company has been engaged to handle all hazardous wastes with 100% compliance rate in wastes treatment. Comprehensive recycling policy has been adopted for handling general waste with a comprehensive utilization rate of approximately 72% in 2019.

#### (3) 減低排放量的措施及所得成果

對於廢水中的污染物排放，本集團正推廣採用資源利用率高、污染物排放量少的工藝及設備，並加強中水回用，減少廢水排放。二零一九年度本集團之電路板及組件業務銷售額比2018年增加約19.08%，但工業污水產生量比去年僅增加約1.2%，廢水中所含污染物排放總量比去年增加約5.99%，用水量增長約7.83%，中水回用量上升約45.36%。污水處理效率更高，水資源利用率更高。通過加強管控，溫室氣體總排放量比去年減少約15.08%。

對於廢氣中的污染物排放，通過加強廢氣處理裝置的運行管理，減少廢氣排放，二零一九年度廢氣中所含污染物排放總量比二零一八年度減少約10.88%。

#### (4) 處理有害及無害廢棄物的方法、措施及所得成果

本集團嚴格處置危險廢棄物，全部委託具備資質的危廢處置單位處置，合規處置率100%；對於一般廢棄物，採取綜合回收利用，二零一九年度綜合利用率約72%。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Environment and natural resources** – The Group strives to promote environmental infrastructure and improve the environmental management system, in order to achieve energy conservation, reduction of emission, clean production and safe production and to minimize the impact of production operations on the environment. The Group has implemented the full process environmental management on its construction projects, and introduced the pre-EIA pilot process. The system of “Three Simultaneities” has been implemented. That is, the design, construction and production of environmental protection facilities as well as the main construction project are carried out simultaneously. For the environmental risk factors such as the emission of “three wastes” (waste water, waste gas and solid waste) in the production process, we carried out research and established a multi-level risk prevention and control mechanism, and formulated strict environmental protection measures to prevent pollution and protect the ecological environment from the sources of pollution.

### SOCIAL RESPONSIBILITY

**Employment and recruitment** – The Group recruits talents based on the principle of openness, equality, competition and merits. It provides equal opportunities to employees, creating a fair and non-discriminatory work atmosphere. Approximately 99% of the employees of the Group are located in China and the Group strictly observes the requirements of labor laws and regulations of China without breaching any relevant codes or regulations. The Group also introduces production operation staff through professional employment agencies. The Company treats every employee as equal. Their employment, benefits and promotion will not be affected by social identities including ethnic group, race, nationality, gender, religion, age, sexual orientation, political camp and marital status.

**環境及天然資源**—本集團著力推進環保建設，完善環境管理體系，實現節能減排、清潔生產、安全生產，努力將生產運營對環境的影響降到最低。本集團實施建設項目全過程環境管理，推行前置環評試點，執行環境保護設施與主體工程同時設計、同時施工、同時投產使用的「三同時」制度。針對生產過程中的「三廢」（廢水、廢氣和固體廢棄物）排放等環境風險因素，研究建立多級風險防控機制，及制定嚴格的環境保護措施，從源頭防治污染和保護生態。

### 社會責任

**僱傭與招聘**—本集團以公開、平等、競爭、擇優的原則吸納人才，為員工提供平等機會，營造公平及無歧視之工作氛圍。本集團所聘用的僱員約99%位於中國，本集團嚴謹遵從中國勞動法及相關法規之規定，無違反相關準則及法規。本集團亦會通過專業勞務公司引進生產操作員工。公司平等對待每一位員工，不因員工的民族、種族、國籍、性別、宗教、年齡、性取向、政治派別、婚姻狀況等社會身份而影響其錄用、待遇、升遷等。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Health and safety** – The Group upholds the core principle of “safety first”, fosters a people-oriented culture and promotes healthy life and safe workplace. The Group has set safety objectives and targets in accordance with the standard established by International Standard ISO45001 Occupational Safety and Health Management System certification and regularly evaluates to ensure compliance with the Group’s health and safety requirements. The Group’s Guangzhou Factory has passed the certification of ISO45001 Occupational Health and Safety Management System. In addition to ISO, the Group has also established a safety committee to monitor the Group’s health and safety matters. These internal policies provide the Group with a framework to ensure timely assessment of safety and to assess the current manufacture process in accordance with the Government and the Group’s health and safety standards. Facing the novel coronavirus, the Group’s Guangzhou Factory and Suzhou Factory, being relatively compact manufacturing enterprises, have strictly complied with the requirements for epidemic prevention and control in mainland China, and have set up leading groups and emergency offices for epidemic prevention and control. By promoting all the staff to take their responsibilities seriously, management measures have been implemented in details. With strict screening of employees’ health conditions, management and control of external personnel, and assured supply of epidemic prevention supplies such as masks and disinfectants, normal working order of the factories is guaranteed. As of the date of this report, the Group has no cases of novel coronavirus infection.

**Development and training** – The training of the Group focuses on important issues while giving a comprehensive coverage on all matters. In 2019, the Group conducted training in line with the training requirements for senior and middle management, professional and technical personnel, first-line management and production operation staff in accordance with the training requirements of each position. Independent professional organizations are engaged to provide training on various aspects of mental health and lean management, in order to cultivate staff with sound physical and mental health and to enhance and improve the knowledge and working skills of staff at different levels. During the year, a total of 486 key training programs have been completed, and approximately 3,280 hours have been devoted to staff training for approximately 21,600 employees.

**健康與安全**—本集團堅守「安全第一」的核心原則，樹立以人為本的文化，推崇健康生活及工作間安全。本集團已根據國際標準ISO45001職業安全衛生管理體系認證之標準制訂安全目標及指標，並定期評估以確保滿足本集團的健康、安全及衛生要求。本集團之廣州工廠已通過ISO45001職業健康安全管理體系之認證。除ISO外，本集團亦已設立安全委員會，負責監察本集團的健康與安全事宜。該等內部政策為本集團提供框架，確保適時進行安全評估，以及按照政府及本集團的健康與安全標準評估現時製造過程。面對新冠病毒，本集團廣州工廠和蘇州工廠作為人員相對密集的製造企業，嚴格遵守中國大陸對疫情防控的要求，成立疫情防控領導小組和應急辦公室。層層壓實責任，將管理措施落實到細節。通過嚴格甄別員工健康狀況，管控外來人員，確保口罩、消毒液等防疫用品的供給等，保障了工廠的正常工作秩序。截止本報告日期，本集團無新型冠狀病毒感染病例。

**發展與培訓**—本集團培訓突出重點，全面涵蓋。於二零一九年度，本集團按照培訓計畫對高中級管理人員、專業技術人員、基層管理人員及生產操作員工進行符合各自崗位任職需求之培訓及聘請獨立專業機構進行心理健康及精益生產之各環節培訓，旨在培養身心健康之員工及增進及改善各級員工之知識面及崗位技能。全年共完成486項重點培訓項目，在員工培訓方面投入近3,280個小時，共計培訓約21,600人次。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Labour standard** – The Group strictly complies with the provisions of labour laws and relevant laws and regulation of China and we employ employees who have reached the legal working age and hold valid identity documents. The Group recruits on the basis of fairness, just, openness and voluntariness, and does not force labor to sign an illegal labour contract. The Group employs employees in accordance with the requirements strictly, and there is no illegal employment. No child labor is allowed to work in any workplace of the Group. The Group also employs interns and temporary workers in accordance with the law.

**Management of supply chain** – The Group has established a relatively comprehensive supplier management system. Requirements of confidentiality, integrity and product quality are made clear to suppliers in the processes of supplier recruitment, supplier evaluation, materials and equipment procurement, price negotiation and supplier replacement to ensure the confidentiality of both the Group's and the suppliers' sensitive information, to guarantee the product qualities and employees' integrity in the management of supply chain. The Group requires all suppliers of raw material to provide test reports on hazardous substances issued by qualified independent third-party testing institutions and carry out long-term quality supervision and regular reviews on all suppliers. In the event that there is a significant change in the suppliers and/or their qualifications or there is a serious quality problem in the supplied goods, the Group may suspend the supplier in question at any time and, if necessary, revoke the supplier's qualification as a qualified supplier of our Group to ensure the reliability in the quality of our products.

**勞工準則**—本集團嚴謹遵從中國勞動法及相關法規之規定，僱用達到法定工作年齡，持有有效身份證件者為僱員。本集團本著公平、公正、公開及自願的原則進行招聘，並無強制勞工簽訂非法勞動合同。本集團嚴格按照要求聘用員工，並無出現非法僱傭之情況。本集團不允許有童工在任何工作場所工作。本集團亦會聘用符合法例之實習崗位員工及臨時工作員工。

**供應鏈管理**—本集團已建立較為完善的供應商管理體系，在供應商導入、供應商評價、材料及設備採購、議價及供應商汰換等環節，對供應商均明確提出了保密、廉政及產品品質要求，以不洩露本集團及供應商之機密資訊，並保障供應鏈管理之產品品質要求及員工操守保持廉潔。本集團要求所有原料供應商提供獨立第三方專業檢測機構出具之有害物質測試報告，並對所有供應商推行長期的品質監管及定期檢討。倘供應商及／或供應商的資格出現重大變動或貨品出現嚴重品質問題，本集團會隨時停止出現問題的供應商的供貨，如有需要，會取消供應商作為我們合資格供應商的資格，以確保我們產品之可靠品質。



## Environmental, Social and Governance Report

### 環境、社會及管治報告

**Product responsibility** – The Group has adopted the following measures to improve product safety and quality: in order to reduce the quality risk in production, a quality assurance team has been set up, the testing and grading at the product's key control point have been more frequent and product quality issues are followed up in a timely manner; special testing equipment to conduct internal supervision of product quality is used and internal quality control processes are strictly enforced; the "Waste Electrical and Electronic Equipment ("WEEE") directive and the "Restriction of Hazardous Substances" ("RoHS") Directive of the European Union are complied with and the halogen-free standard is adopted in the production process.

**Anti-corruption** – We have formulated a "Guideline for External Relations" for staff and entered into "Agreement on United Front of Integrity" with suppliers in light of the actual situation of the Group, in order to strengthen the corporate governance and internal control, regulate the behaviours in business operation, safeguard the legitimate rights and interests of the shareholders and promote the healthy and stable development of the Company. The Group encourages employees to report behaviours which are suspected to involve corruptions and has established a complaint hotline and e-mail. The Group clearly stipulates that all employees who commit fraudulent activities are subject to corresponding economic and administrative sanctions and those who have violated the criminal law shall be sent to the judicial authorities according to the laws. During the year under review, such systems played a sound monitoring and prevention role in the Group's risk control and anti-corruption management in which no significant weakness has been identified.

**Participation in community** – The Group attaches importance in contributing to the community, improving community through the devotion of time, energy and resources, offering assistance to poor people or disadvantaged groups, and improving the living conditions of the community. Looking ahead, the Group will continue to identify new opportunities for the promotion of sustainable development through business operations, strengthen participation in the community, and foster a culture of dedication within the community.

**產品責任**—本集團已採納以下措施來提高產品安全性及品質：為降低產品生產的品質風險，專門成立品質保證小組，加大產品關鍵控制點的檢測頻次及等級，即時跟進產品品質情況；採納專用檢測設備對產品進行內部品質監控；執行嚴格的內部品質控制程序；及在產品生產過程中遵循歐盟《廢棄電器及電子設備》指令（「WEEE」）、《關於限制在電子電器設備中使用某些有害成分的指令》（「RoHS」）及無鹵標準。

**反貪污**—為加強公司治理和內部控制，規範經營行為，維護股東合法權益，促進公司健康、穩定發展，結合本集團實際情況，制定了員工《對外交往規範》及與供應商簽署《廉政共建協議書》等。本集團鼓勵員工舉報涉嫌貪污舞弊的行為，設立了舉報專線電話及投訴的電子信箱等。本集團明確規定對所有犯有舞弊行為的員工，將給予相應的經濟和行政處罰，觸犯刑法的，依法送辦司法機關。於回顧年度內，該等制度和系統於本集團之風險控制及反舞弊管理擔當健全之監控及預防角色，並無識別任何重大弱點。

**社區參與**—本集團重視回饋社會，投放時間、精力及資源改善社區，協助貧困或弱勢社群，以及改善社區生活條件。展望未來，本集團將繼續物色透過業務營運推動可持續發展之新機會，加強社區參與，並在社區內灌輸奉獻的文化。

## Directors' Report

### 董事會報告

The directors of the Company (the "Directors") present their annual report and the audited consolidated financial statements for the year ended 31 December 2019.

#### SEGMENT INFORMATION

The Group is principally engaged in the businesses of the manufacture and sales of flexible printed circuit and flexible packaging substrates (including components) which are used in electronic products. An analysis of the Group's turnover by geographical market of its customers and operating segments for the year ended 31 December 2019 are set out in note 5 to the consolidated financial statements.

#### PRINCIPAL ACTIVITIES

The Company is an investment holding company and is also engaged in the sourcing of raw materials and equipment and trading of flexible printed circuits related products. The activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

#### BUSINESS REVIEW

A review of the business of the Group during the year under review and a discussion on the Group's future development are set out in the Chairman's Statement on pages 4 to 7 of this report and the Management Discussion and Analysis on pages 16 to 30. These discussions form part of this Directors' report.

#### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year under review, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.

#### RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 December 2019, there was no material and significant dispute between the Group and its employees, customers and suppliers.

本公司董事（「董事」）謹此提呈截至二零一九年十二月三十一日止年度之年度報告及經審核綜合財務報表。

#### 分類資料

本集團主要從事製造及銷售應用於電子產品之柔性電路板及柔性封裝基板（含組件）之業務。截至二零一九年十二月三十一日止年度，本集團按客戶地區市場劃分及經營分部之營業額分析載於綜合財務報表附註5。

#### 主要業務

本公司為一家投資控股公司，亦從事採購原材料及設備以及柔性電路板相關產品貿易。其附屬公司之業務載於綜合財務報表附註38。

#### 業務回顧

有關本集團對回顧年度內業務的審視與對未來業務發展的討論載於本報告第4頁至第7頁的主席報告書及第16頁至第30頁的管理層討論與分析段落中。該等討論為本董事會報告的一部分。

#### 遵守相關法律及法規

於回顧年度內，據董事會及管理層所知，本集團並無重大違反或不遵守對本集團的業務及營運有重大影響的適用法律及法規。

#### 與僱員、客戶及供應商之關係

本集團瞭解與其僱員、客戶及供應商保持良好關係對達到其短期及長期目標之重要性。於截至二零一九年十二月三十一日止年度，本集團與其僱員、客戶及供應商之間概無嚴重及重大糾紛。

## Directors' Report

### 董事會報告

#### ENVIRONMENTAL POLICY AND PERFORMANCE

A discussion on the environmental policy and performance of the Group during the year under review is set out in the Environmental, Social and Governance Report on pages 42 to 53 of this report. The Environmental, Social and Governance Report form part of the Directors' report.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The industry which the Group's businesses operate in and the performance of the Group are influenced by changes in market conditions, technology advancement, evolvement in industry standards, customers' demands for the Group's products, and changes in preferences of the ultimate customers. The Group operates its businesses in accordance with various industry standards and government laws and regulations. In order to meet the market demands for product functions update and new products, the Group has made relatively substantial investments towards the research and development ("R&D") of new products and new production technologies, notwithstanding that the R&D expenses of certain projects are supplemented by government grants. Further, the majority of the Group's turnover is generated from a few major customers. Hence, the Group endeavours to respond to such operational shifts and market demands in a timely manner, to develop new product application sector, to successfully research and develop new products and new technologies, to maintain good co-operative relationships with our customers, so as to avoid and/or minimize the negative impact of such risks.

The novel coronavirus pandemic and the unstable China-United States relations has also brought relatively high uncertainties to the market. The Group will pay close attention to the changes in the economy, industry and major customers to evaluate its risk exposures and the impacts on orders and supply chain as well as take timely measures.

Furthermore, the Group is affected by market risks (such as currency and interest rate fluctuations), credit risks and liquidity risks during its ordinary course of business. Details of the financial risks management of the Group is set out in note 28 of the consolidated financial statements.

#### 環境政策及表現

有關本集團對回顧年度內環境政策及表現的討論載於本報告第42頁至第53頁的環境、社會及管治報告中。環境、社會及管治報告構成本董事會報告的一部分。

#### 主要風險及不明朗因素

本集團營運業務所在行業及本集團之業績受國際政治經濟環境、市場狀況變化、技術改進情況、行業標準演變、客戶對本集團產品需求及終端客戶偏好變化影響。本集團之營運須遵循眾多行業標準及政府法規。為了配合市場對產品功能更新及新產品的需求，本集團投放於研發新產品及新生產工藝和新設備的資金亦較高，儘管某些項目的研發經費得到政府的補貼。而且本集團大部分收入集中於少數大客戶。因此，本集團致力於迅速應對業務轉變及市場需要、開發新的產品應用領域、成功研發新產品及新工藝、維護好客戶合作關係以避免及／或減低不利風險的影響。

新冠病毒全球大流行以及中美關係的不穩定給市場帶來了較高的不確定性。本集團將密切關注經濟、行業和主要客戶的變化，評估風險及對訂單和供應鏈的影響，並及時採取應對措施。

此外，本集團於日常業務過程中亦受市場風險（例如貨幣及利率波動）、信貸風險、流動資金風險所影響。本集團之財務風險管理詳情載於綜合財務報表附註28。

## Directors' Report

### 董事會報告

#### RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on page 82.

The Directors recommend the payment of final dividend of HK1 cent per share for the year ended 31 December 2019 (2018: HK1 cent per share) to the shareholders whose names appear on the register of members of the Company on Friday, 5 June 2020. Subject to the approval by the shareholders at the forthcoming annual general meeting (the "AGM"), the proposed final dividend is expected to be paid on or around Thursday, 18 June 2020.

The register of members of the Company will be closed from Wednesday, 3 June 2020 to Friday, 5 June 2020 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 2 June 2020.

#### PROPERTY, PLANT AND EQUIPMENT

Details of movements during the year under review in the property, plant and equipment of the Group and the Company are set out in note 13 to the consolidated financial statements.

#### SHARE CAPITAL

Details of the share capital of the Company are set out in note 25 to the consolidated financial statements.

#### 業績及股息

截至二零一九年十二月三十一日止年度之本集團業績載於第82頁綜合損益及其他全面收益表。

董事建議向於二零二零年六月五日星期五名列本公司股東名冊之股東派付截至二零一九年十二月三十一日止年度之末期股息為每股1港仙（二零一八年：每股1港仙）。建議末期股息預期將於二零二零年六月十八日星期四或該日前後派付，惟須於應屆股東週年大會（「股東週年大會」）上獲得股東批准。

本公司之股份過戶登記處將由二零二零年六月三日星期三起至二零二零年六月五日星期五止（包括首尾兩日）暫停辦理股份過戶登記手續，期間，概不會處理股份過戶。為符合獲派上述末期股息資格，所有填妥之過戶表格連同有關股票必須於二零二零年六月二日星期二下午四時三十分前交回本公司之股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

#### 物業、廠房及設備

本集團及本公司於回顧年度內之物業、廠房及設備之變動詳情載於綜合財務報表附註13。

#### 股本

本公司股本之詳情載於綜合財務報表附註25。

## Directors' Report

### 董事會報告

#### SUBSIDIARIES

Details of subsidiaries of the Group are set out in note 38 to the consolidated financial statements.

#### 附屬公司

本集團各附屬公司之詳情載於綜合財務報表附註38。

#### DIRECTORS

The Directors during the year under review and up to the date of this report are as follows:

#### 董事

於回顧年度內及截至本報告日期為止董事為：

##### Executive Director:

Mr. Xiong Zheng Feng (*Chairman*)

##### 執行董事：

熊正峰先生 (主席)

##### Non-executive Directors:

Mr. Gao Xiaoguang

Mr. Jia Junan

Mr. Wang Chunsheng

Ms. Zhang Xiaoming

Mr. Yu Daochun

##### 非執行董事：

高曉光先生

賈軍安先生

王春生先生

張曉明女士

余道春先生

##### Independent non-executive Directors:

Mr. Hung Chi Yuen Andrew

Mr. Cui Zheng

Mr. Yang Zhaoguo

##### 獨立非執行董事：

洪志遠先生

崔錚先生

楊兆國先生





## Directors' Report

### 董事會報告

Pursuant to Article 101 of the Company's Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office, provided that every Director shall be subject to retirement by rotation at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election. Accordingly, Mr. Xiong Zheng Feng, Mr. Gao Xiaoguang and Mr. Wang Chunsheng shall retire at the AGM in accordance with the Articles of Association. Mr. Xiong Zheng Feng, Mr. Gao Xiaoguang and Mr. Wang Chunsheng, being eligible, will offer themselves for re-election at the AGM.

During the year under review, no Director resigned from his office or refused to stand for re-election to his office due to reasons relating to the affairs of the Company.

Each of the executive Directors has entered into a service contract with the Company for a term of three years and thereafter will continue until being terminated by not less than three months' notice in writing served by either party on the other. Each of the non-executive Directors and independent non-executive Directors has been appointed by the Company under a letter of appointment for a term of three years which is terminable by not less than three months' prior notice in writing served by either party on the other.

Save as disclosed above, none of the Directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

Details of the emoluments of the Directors and chief executives' are set out in note 10 to the consolidated financial statements.

根據公司組織章程細則第101條規定，於每年的股東週年大會上，當其時的董事中的三分之一，或如董事人數並非三或三的倍數，則最接近三分之一（但不多於三分之一）人數的董事須退任，惟每位董事須最少每三年輪值退任一次。每年的退任董事須是其最近一次當選後任職最長的董事。因此，根據公司組織章程細則，熊正峰先生、高曉光先生及王春生先生將於股東週年大會退任。熊正峰先生、高曉光先生及王春生先生符合資格及願意重選連任。

於回顧年度內，概無董事因本公司事務相關的理由辭職或拒絕參選連任。

各執行董事已與本公司訂立服務合約，為期三年，其後，合約將繼續直至其中一方向對方作出不少於三個月書面通知終止合約為止。而就各非執行董事及獨立非執行董事，彼等經本公司以委任函件委任，任期三年，並可由訂約任何一方另一方發出不少於三個月書面通知作出終止。

除上文所披露者外，概無董事與本公司或其附屬公司訂立任何本公司不可於一年內以支付賠償金（法定賠償除外）終止之服務合約。

董事及主要行政人員酬金詳情載於綜合財務報表附註10。

## Directors' Report

### 董事會報告

#### DIRECTORS OF SUBSIDIARIES

#### 附屬公司董事

For the year ended 31 December 2019, directors of the subsidiaries of the Company were as follows:

於截至二零一九年十二月三十一日止年度，本公司附屬公司之董事由以下人士出任：

Name of Subsidiaries 附屬公司名稱	Name of Directors 董事姓名
AKM Electronics Industrial (Panyu) Ltd. 安捷利(番禺)電子實業有限公司	Chai Zhi Qiang ( <i>Chairman</i> ), Xiong Zheng Feng, Li Ying Hong, Zhuang Zhijian 柴志強(主席)、熊正峰、李映紅、莊志堅
AKM Electronic Technology (Suzhou) Company Limited 安捷利電子科技(蘇州)有限公司	Xiong Zheng Feng ( <i>executive Director</i> )  熊正峰(執行董事)
Anrick Electronics India Private Limited Anrick Electronics India Private Limited	Xie Sheng, Xie Jianjun 謝勝、謝建軍

#### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

#### 董事及最高行政人員於股份、相關股份 及債權證之權益及淡倉

Save as disclosed below, as at 31 December 2019, none of the Directors and the chief executive of the Company and their respective associates had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules:

除下文所披露者外，於二零一九年十二月三十一日，各董事及本公司最高行政人員及彼等各自之聯繫人於本公司或其相聯法團（定義見香港法例第571章《證券及期貨條例》（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中，並無擁有或被視為擁有須記入本公司根據證券及期貨條例第352條保存之登記冊內，或須根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）規定知會本公司及聯交所之權益或淡倉：

# Directors' Report

## 董事會報告

### (a) The Company

#### (i) Interest in shares of the Company

Name of Director or Chief Executive	Name of the Company in which interest is held	Class and number of securities of which interested (other than under equity derivatives)	Capacity	Long/Short position	Approximate percentage of total number of issued shares in the Company as at 31 December 2019 於二零一九年十二月三十一日 佔本公司全部 已發行股份數目之 概約百分比
董事或最高行政人員姓名	公司名稱	股份權益之 證券類別及數目 (股本衍生 工具除外)	身份	好倉／淡倉	
Mr. Xiong Zheng Feng	the Company	9,400,000 ordinary shares	Beneficial owner	Long	0.61
熊正峰先生	本公司	9,400,000股 普通股	實益擁有人	好倉	0.61
Mr. Chai Zhi Qiang	the Company	7,975,000 ordinary shares	Beneficial owner	Long	0.52
柴志強先生	本公司	7,975,000股 普通股	實益擁有人	好倉	0.52

#### (ii) Interest in the underlying shares of the Company

Name of Director or Chief Executive	Name of the Company in which interest is held	Class and number of underlying shares in which interest is held	Capacity	Long/short position	Approximate percentage of total number of issued shares in the Company as at 31 December 2019 於二零一九年十二月三十一日 佔本公司全部 已發行股份 之概約百分比
董事或最高行政人員姓名	公司名稱	持有相關股份 權益之類別及數目 (Note) (附註)	身份	好倉／淡倉	
Mr. Xiong Zheng Feng	the Company	1,320,000 ordinary shares	Beneficial owner	Long	0.09
熊正峰先生	本公司	1,320,000股 普通股	實益擁有人	好倉	0.09
Mr. Chai Zhi Qiang	the Company	1,170,000 ordinary shares	Beneficial owner	Long	0.08
柴志強先生	本公司	1,170,000股 普通股	實益擁有人	好倉	0.08

### (a) 本公司

#### (i) 於本公司股份之權益

#### (ii) 本公司相關股份之權益

## Directors' Report 董事會報告

### Note:

On 27 March 2019, 1,320,000 restricted stock and 1,170,000 restricted stock have been granted to Mr. Xiong Zheng Feng and Mr. Chai Zhi Qiang respectively at the grant price of HK\$0.77 per share in accordance with the restricted stock incentive scheme adopted by the Company on 13 December 2018. There is no change in the number of restricted stock granted to Mr. Xiong Zheng Feng and Mr. Chai Zhi Qiang since the date of grant on 27 March 2019.

### 附註：

於二零一九年三月二十七日，熊正峰先生及柴志強先生根據本公司於二零一八年十二月十三日採納之限制性股票激勵計劃，按授予價格每股0.77港元，分別獲授1,320,000股限制性股票及1,170,000股限制性股票。自二零一九年三月二十七日授出日期起，授予熊正峰先生及柴志強先生的限制性股票數目概無變動。

### (b) The associated corporation

As at 31 December 2019, to the best knowledge of the the Directors, none of the Directors nor chief executive of the Company had or was deemed to have any interests or short positions in the shares or the underlying shares or debentures of any associated corporations of the Company (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code.

### (b) 相聯法團

於二零一九年十二月三十一日，據董事所深知，概無本公司董事或最高行政人員於本公司任何相聯法團（定義見證券及期貨條例第XV部）之股份或相關股份或債權證中擁有或視作擁有任何根據證券及期貨條例第352條之規定須予記錄或根據證券及期貨條例第XV部第7及8分部及標準守則須知會本公司及聯交所之權益或淡倉。

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year under review was the Company, its holding Company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## 購買股份或債券之安排

於回顧年度內任何時間，概無本公司董事藉收購本公司或任何其他法團之股份或債權證之任何安排獲授予任何權利以取得利益，而該等安排之其中一方為本公司、其控股公司或其任何附屬公司或同系附屬公司。

## DIRECTORS' INTEREST IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

No transaction, arrangement or contract of significance to which the Company, its holding companies, fellow subsidiaries or subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at any time during the year under review or at the end of the year under review.

## 董事於交易、安排或重大合約之權益

本公司董事概無於本公司、其控股公司、同系附屬公司或附屬公司所訂立而於回顧年度內任何時間或回顧年度結束時仍然生效之交易、安排或重大合約中直接或間接地擁有重大權益。

## Directors' Report

### 董事會報告

#### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or in existence during the year under review.

#### EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the top five highest paid individuals of the Group are set out in note 10 to the consolidated financial statements.

#### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2019, to the best knowledge of the Directors and chief executive of the Company, shareholders (other than Directors) who had any interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of all issued shares to vote in all circumstances at general meetings of any members of the Group are set out as below:

#### 管理合約

於回顧年度內並無訂立或存在有關本公司全部或任何重大部份業務之管理及行政之合約。

#### 董事及五名最高薪酬人士之薪酬

本集團董事及五名最高薪酬人士之薪酬詳情載於綜合財務報表附註10。

#### 主要股東

於二零一九年十二月三十一日，據本公司董事及最高行政人員所深知，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在任何情況下於本集團任何成員公司股東大會上投票之已發行股份總數10%或以上之權益之股東（董事除外）載列如下：



# Directors' Report

## 董事會報告

Name of substantial shareholder	Capacity	Class and number of securities in which interested (other than under equity derivatives)	Long/short position	Approximate percentage of total number of issued shares in the Company as at 31 December 2019 於二零一九年十二月三十一日佔本公司全部已發行股份數目之概約百分比
主要股東名稱	身份	擁有之證券類別及數目 (股本衍生工具除外) (Note 5) (附註5)	好倉／淡倉	
Alpha Luck (Note 1)	Beneficial owner	553,900,000 ordinary shares	Long	36.01
安利實業 (附註1)	實益擁有人	553,900,000股普通股	好倉	36.01
China North Industries Corporation ("CNIC") (Note 1 and 2)	Interest in controlled corporation	553,900,000 ordinary shares	Long	36.01
中國北方工業有限公司 (「北方工業」) (附註1及2)	於受控制公司之權益	553,900,000股普通股	好倉	36.01
China North Industries Group Corporation ("CNIGC") (Note 2)	Interest in controlled corporation	553,900,000 ordinary shares	Long	36.01
中國兵器工業集團有限公司 (「中國兵器工業」) (附註2)	於受控制公司之權益	553,900,000股普通股	好倉	36.01
China South Industries Group Corporation ("CSIGC") (Note 2)	Interest in controlled corporation	553,900,000 ordinary shares	Long	36.01
中國兵器裝備集團有限公司 (「中國兵器裝備」) (附註2)	於受控制公司之權益	553,900,000股普通股	好倉	36.01
Goertek (HongKong) Co., Limited ("HK Goertek") (Note 3)	Beneficial owner	363,650,000 ordinary shares	Long	23.64
香港歌爾泰克有限公司 (「香港歌爾泰克」) (附註3)	實益擁有人	363,650,000股普通股	好倉	23.64
Weifang Goertek Trading Co., Limited ("Weifang Goertek") (Note 3)	Interest in controlled corporation	363,650,000 ordinary shares	Long	23.64
濰坊歌爾貿易有限公司 (「濰坊歌爾」) (附註3)	於受控制公司之權益	363,650,000股普通股	好倉	23.64
GoerTek (Note 3)	Interest in controlled corporation	363,650,000 ordinary shares	Long	23.64
歌爾股份 (附註3)	於受控制公司之權益	363,650,000股普通股	好倉	23.64
Anjie Technology (Hong Kong) Company Limited ("HK Anjie") (Note 4)	Beneficial owner	200,000,000 ordinary shares	Long	13.00
安潔科技 (香港) 有限公司 (「香港安潔」) (附註4)	實益擁有人	200,000,000股普通股	好倉	13.00
Anjie Technology (Note 4)	Interest in controlled corporation	200,000,000 ordinary shares	Long	13.00
安潔科技 (附註4)	於受控制公司之權益	200,000,000股普通股	好倉	13.00

## Directors' Report

### 董事會報告

#### Notes:

1. As Alpha Luck is wholly and beneficially owned by CNIC, CNIC is deemed to be interested in the same number of shares of the Company held by Alpha Luck under Part XV of the SFO.
2. As the equity interest of CNIC was owned as to 56.7% by CNIGC and as to 37.54% by CSIGC, both of CNIGC and CSIGC are deemed to be interested in the same number of shares of the Company held by CNIC under Part XV of the SFO.
3. As HK Goertek is wholly and beneficially owned by Weifang Goertek, which in turn is wholly and beneficially owned by GoerTek, both Weifang Goertek and GoerTek are deemed to be interested in the same number of shares of the Company held by HK Goertek under Part XV of the SFO.
4. As HK Anjie is wholly and beneficially owned by Anjie Technology, Anjie Technology is deemed to be interested in the same number of shares of the Company held by HK Anjie under Part XV of the SFO.
5. None of Alpha Luck, CNIC, CNIGC, CSIGC, HK Goertek, Weifang Goertek, GoerTek, HK Anjie or Anjie Technology was interested in any securities of the Company under equity derivatives.

#### 附註：

1. 由於安利實業由北方工業全資實益擁有，根據證券及期貨條例第XV部，北方工業被視為與安利實業持有之同一批本公司股份中擁有權益。
2. 由於北方工業股權由中國兵器工業擁有56.7%及由中國兵器裝備擁有37.54%，根據證券及期貨條例第XV部，中國兵器工業及中國兵器裝備均被視為與北方工業持有之同一批本公司股份中擁有權益。
3. 由於香港歌爾泰克由濰坊歌爾全資實益擁有，而濰坊歌爾則由歌爾股份全資實益擁有，根據證券及期貨條例第XV部，濰坊歌爾及歌爾股份均被視為與香港歌爾泰克持有之同一批本公司股份中擁有權益。
4. 由於安潔香港由安潔科技全資實益擁有，根據證券及期貨條例第XV部，安潔科技被視為與安潔香港持有之同一批本公司股份中擁有權益。
5. 安利實業、北方工業、中國兵器工業、中國兵器裝備、香港歌爾泰克、濰坊歌爾、歌爾股份、安潔香港或安潔科技概無於本公司股本衍生工具項下之證券中擁有任何權益。

## SHAREHOLDERS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions", no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a shareholder of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year under review or at any time during the year under review.

## ISSUE OF SHARES AND DEBENTURES

The Company did not issue any debentures during the year ended 31 December 2019.

## 股東於交易安排或重大合約之權益

除「持續關連交易」一節所披露者外，本公司或其任何附屬公司概無訂立任何本公司股東直接或間接擁有重大權益，並且於回顧年度結束時或回顧年度內任何時間仍然生效之交易、安排或重大合約。

## 發行股份及債權證

本公司於截至二零一九年十二月三十一日止年度內並無發行任何債權證。

## Directors' Report

### 董事會報告

#### RESERVE

As at 31 December 2019, the Company's reserve available for distribution to shareholders comprised the retained profit of HK\$58,422,000.

Details of movements in the reserve of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 85 and note 37 to the consolidated financial statements.

#### CONFIRMATIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. Based on such confirmation, the Company considers that all of its independent non-executive Directors are independent.

#### RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes for the year ended 31 December 2019 are set out in note 34 to the consolidated financial statements.

#### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merits, qualifications and competence.

The emoluments of the Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

#### PRE-EMPTIVE RIGHTS

There are no provisions of pre-emptive rights under the Company's Articles of Association which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

#### 儲備

於二零一九年十二月三十一日，本公司可供分發予股東之儲備為保留溢利58,422,000港元。

年內本集團及本公司儲備變動詳情載於第85頁綜合權益變動報表及綜合財務報表附註37。

#### 獨立非執行董事之確認函

本公司確認，已根據上市規則第3.13條，收到每名獨立非執行董事就其獨立性作出之年度確認函。基於此確認函，本公司認為其全體獨立非執行董事均為獨立。

#### 退休福利計劃

截至二零一九年十二月三十一日止年度，本集團退休福利計劃詳情載於綜合財務報表附註34。

#### 酬金政策

本集團僱員之酬金政策由薪酬委員會根據彼等之專長、資格及能力釐定。

本公司董事之酬金由薪酬委員會根據本公司之經營業績、個人表現及可資比較之市場統計數字釐定。

#### 優先購買權

本公司之公司組織章程細則並無有關本公司須按比例向現有股東發售新股份之優先購買權之規定。

## Directors' Report

### 董事會報告

#### RESTRICTED STOCK INCENTIVE SCHEME

The restricted stock incentive scheme ("the Scheme") of the Company was approved and adopted by the Board on 13 December 2018, and was duly passed by the independent shareholders by way of poll at the extraordinary general meeting held on 31 January 2019. The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. The details of the Scheme are as follows:

##### (1) Purpose

The purpose of the Scheme is to further improve corporate governance of the Group, retain and motivate its participants of the Scheme ("Scheme Participants") to make contributions to the long-term growth and profits of the Group with a view to achieving the objectives of increasing the value of the Group and to promote a greater alignment of interests between the Scheme Participants and the Shareholders.

##### (2) Scope of Scheme Participants

The Scheme Participants shall include the executive Director(s), members of the senior management and management personnel who, as determined by the Board, contribute directly to the overall business performance and sustainable development of the Company. The participation in the Scheme by members of the Board and senior management, who are under the administration of the party committee of the State-owned Assets Supervision and Administration Commission of the State Council ("SASAC"), have been approved by the SASAC on 28 December 2018. Unless approved by the Shareholders, the Scheme Participants shall exclude Shareholders who hold more than 5% equity interest in the Company carrying voting rights on the grant date. The assessment results of each Scheme Participant shall achieve grade B or above according to the related measures for performance appraisal of the Company.

#### 限制性股票激勵計劃

本公司的限制性股票激勵計劃（「計劃」）於二零一八年十二月十三日獲董事會批准及採納，並於二零一九年一月三十一日於股東特別大會上獲獨立股東以投票方式正式通過。計劃未構成上市規則第17章定義下的購股權計劃，屬於本公司一項酌情計劃。計劃詳情列載如下：

##### (1) 目的

計劃旨在進一步改善本集團的公司管治，挽留及激勵計劃參與者（「計劃參與者」）為本集團的長遠增長及溢利作出貢獻，務求達到提升本集團價值的目標，提倡計劃參與者與股東之間的利益更趨於一致。

##### (2) 計劃參與者範圍

計劃參與者包括本公司的執行董事、高級管理人員以及經董事會認定的對本公司整體業績和持續發展有直接影響的管理骨幹，其中中國國務院國有資產監督管理委員會（「國資委」）黨委管理的董事會成員及高級管理人員已於二零一八年十二月二十八日取得國資委批准參與計劃。除非獲股東批准，否則計劃參與者不含在授予日持有本公司5%以上有表決權的股權的股東。每名計劃參與者根據本公司績效考核相關辦法的考核結果原則上達到B級或以上。

## Directors' Report

### 董事會報告

#### (3) Restricted Stock

Pursuant to the Scheme, the Board shall select the Scheme Participants and determine the number of restricted stock to be granted. The Company will appoint a trustee to purchase the Shares from the secondary market and a grant price shall be payable by the Scheme Participants.

#### (4) Maximum Grant

The maximum total number of Shares comprised in the restricted stock to be granted under the Scheme shall not exceed 10% of the total number of issued shares of the Company as at the date of approval of the Scheme at the extraordinary general meeting ("EGM") (i.e. 31 January 2019).

Unless approval is obtained at the Shareholders' general meeting by way of special resolution, the total number of restricted stock granted or to be granted to any Scheme Participant shall not exceed 1% of the total number of issued shares of the Company as at the date of approval of the Scheme at the EGM (i.e. 31 January 2019).

As at 31 January 2019, the Company's total number of issued shares was 1,538,237,500 ordinary shares.

#### (5) Duration of the Scheme

The Scheme shall be effective for a term of 10 years commenced from the adoption date (i.e. 31 January 2019), unless early termination is proposed by the Board and approved by the Shareholders. Unless otherwise required, the restricted stock granted before the termination of the Scheme shall remain effective and could be unlocked according to the terms of the Scheme.

#### (3) 限制性股票

根據計劃，董事會將選擇計劃參與者，並確定將授予的限制性股票數量。本公司委託受託人在二級市場購買股份，計劃參與者支付授予價格。

#### (4) 授予上限

根據計劃授予的限制性股票所涉及的股票數量之總額上限，不得超過計劃經股東特別大會批准當日（即二零一九年一月三十一日）本公司已發行股份總額的10%。

除經股東大會特別決議案批准外，向任意一名計劃參與者授予或將授予的限制性股票數量總計不得超過計劃經股東特別大會批准當日（即二零一九年一月三十一日）本公司已發行股份總額的1%。

於二零一九年一月三十一日，本公司已發行股份總數為1,538,237,500股普通股。

#### (5) 計劃有效期

計劃有效期為十年，自採納日起計算（即二零一九年一月三十一日），除非經董事會提議並獲股東批准提前終止。除非另有規定，否則在計劃終止前授予的限制性股票繼續有效，並仍可按照計劃的條款解鎖。



## Directors' Report

### 董事會報告

#### (6) Determination of the Grant Price

The grant price of the restricted stock to be granted to the Scheme Participants shall be determined by the Board. The base date for the determination of the grant price is the grant date. The pricing basis of the grant price shall not be set lower than the highest of the following: (i) the closing price of the Shares as quoted on the Stock Exchange on the grant date; (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five trading days immediately preceding the grant date; and (iii) the average closing price of the Shares in the 20 trading days, 60 trading days or 120 trading days immediately before the grant date. The grant price shall be 50% of the pricing basis and shall not be lower than the most recent audited net asset per Share.

#### (7) Lock-up Period and Unlocking Period

In principle, the lock-up period shall be for a period of not less than two years commencing from the grant date, during which the restricted stock granted to the Scheme Participants shall be locked up and shall not be transferred, used as guarantee or for repayment of debts. In principle, the unlocking period shall be for a period of not less than three years commencing from the expiry of the lock-up period. Eligible restricted stock will be gradually unlocked during the unlocking period.

Details of the Scheme were disclosed in the Company's announcement dated 13 December 2018 and the circular dated 16 January 2019.

On 14 February 2019 and 27 March 2019, the Board approved the initial grant of restricted stock under the Scheme, pursuant to which 27,500,000 shares of restricted stock were granted to 81 selected scheme participants on 14 February 2019 at the grant price of HK\$0.65 per share and 2,490,000 shares of restricted stock were granted to Mr. Xiong Zheng Feng (executive director) and Mr. Chai Zhi Qiang (chief executive officer) on 27 March 2019 at the grant price of HK\$0.77 per share. As of 31 December 2019, the trustee had purchased 4,480,000 shares in aggregate from the secondary market. As of 31 December 2019, none of the restricted stock granted had been unlocked.

#### (6) 授予價格的釐定

董事會將確定授予計劃參與者的限制性股票的授予價格。授予價格的釐定基準日為授予日。授予價格的定價基準不得低於下列的最高價格：(i)股份於授予日在聯交所的收市價；(ii)股份於緊接授予日之前五個交易日在聯交所的平均收市價；及(iii)股份於緊接授予日前20個交易日、60個交易日或120個交易日的平均收市價。授予價格將相等於定價基準的50%，且不得低於最近期的經審核每股資產淨值。

#### (7) 禁售期及解鎖期

禁售期為自授予日起原則上不少於兩年。於禁售期內，授予計劃參與者的限制性股票將被鎖定，不得轉讓、用於擔保或償還債務。解鎖期為自禁售期滿之日起原則上不少於三年。合資格限制性股票將於解鎖期內逐步解鎖。

計劃詳情已於本公司日期為二零一八年十二月十三日之公佈及二零一九年一月十六日之通函中披露。

於二零一九年二月十四日及二零一九年三月二十七日，董事會已批准根據計劃首次授予限制性股票，27,500,000股限制性股票已於二零一九年二月十四日按每股股份0.65港元之授予價格授予81名選定計劃參與者及2,490,000股限制性股票已於二零一九年三月二十七日按每股股份0.77港元之授予價格授予執行董事熊正峰先生及行政總裁柴志強先生。截至二零一九年十二月三十一日，委託人已從二級市場購入股份共計4,480,000股。截至二零一九年十二月三十一日，概無已授出的限制性股票已獲解鎖。

## Directors' Report

### 董事會報告

#### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2019, the aggregate amount of turnover attributable to the Group's five largest customers accounted for approximately 64% of the Group's turnover and the turnover attributable to the Group's largest customer accounted for approximately 27% of the Group's turnover.

For the year ended 31 December 2019, the aggregate amount of purchases attributable to the Group's five largest suppliers accounted for approximately 24% of the Group's purchases and the purchases attributable to the Group's largest supplier accounted for approximately 7% of the Group's purchases.

Save as disclosed in this report, none of the Directors, their respective close associates nor any shareholder (who or which to the best knowledge of the Directors owns more than 5% of the issued share capital of the Company) has any interest in the top five customers and top five suppliers of the Group during the year under review.

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

Save as disclosed in this report, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year ended 31 December 2019.

#### COMPETING INTERESTS

None of the Directors or their respective close associates (as defined under the Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group.

#### 主要客戶及供應商

截至二零一九年十二月三十一日止年度，本集團五大客戶之營業額合共佔本集團營業額約64%，本集團最大客戶之營業額佔本集團營業額約27%。

截至二零一九年十二月三十一日止年度，本集團五大供應商之採購額合共佔本集團採購額約24%，本集團最大供應商之採購額佔本集團採購額約7%。

除本報告所披露者外，於回顧年度內，董事、彼等各自之聯繫人士或任何股東（就董事所知彼擁有本公司之已發行股本5%以上）概無擁有本集團五大客戶及五大供應商任何權益。

#### 購買、出售或贖回本公司上市證券

除本報告所披露者外，本公司或其任何附屬公司於截至二零一九年十二月三十一日止年度內均無購買、出售或贖回本公司任何上市股份。

#### 競爭性權益

本公司之董事或彼等各自之聯繫人士（定義見上市規則）概無擁有任何對本集團業務構成或可能構成重大競爭之任何業務權益。

## Directors' Report

### 董事會報告

#### CONTINUING CONNECTED TRANSACTIONS

On 6 December 2016, the Company (for itself and on behalf of its subsidiaries) and GoerTek Inc. ("GoerTek", for itself and on behalf of its subsidiaries) entered into a purchase agreement (the "Purchase Agreement") in relation to the transactions for selling of parts, components and other products (including but not limited to FPC products) for a term commenced from 1 January 2017 and expired on 31 December 2019. Such transactions constituted non-exempt continuing connected transactions of the Company under the Listing Rules. As the Purchase Agreement expired on 31 December 2019, on 13 January 2020, the Company (for itself and on behalf of its subsidiaries) and GoerTek (for itself and on behalf of its subsidiaries) entered into a renewed purchase agreement (the "Renewed Purchase Agreement") for a term commenced from 1 January 2020 and expiring on 31 December 2022. The Renewed Purchase Agreement and the transactions contemplated thereunder, as well as the annual caps for each of the years ending 31 December 2020, 31 December 2021 and 31 December 2022 were approved by the independent shareholders at the extraordinary general meeting of the Company held on 20 February 2020. Details of the terms of the Renewed Purchase Agreement, the continuing connected transactions and the annual caps were disclosed in the Company's announcement dated 13 January 2020 and the circular dated 4 February 2020. The annual cap set for the continuing connected transactions for the year ended 31 December 2019 was RMB300,000,000. During the year under review, the Group sold circuit board products of approximately RMB83,389,000 (equivalent to approximately HK\$94,793,000) to GoerTek and its subsidiaries.

#### 持續關連交易

於二零一六年十二月六日，本公司（代表自身及其附屬公司）與歌爾股份有限公司（「歌爾股份」）（代表自身及其附屬公司）就本集團向歌爾股份銷售零件、元件及其他產品（包括但不限於柔性電路板產品）之交易訂立採購合同（「採購合同」），期限自二零一七年一月一日起至二零一九年十二月三十一日止。有關交易構成本公司於上市規則下之非豁免持續關聯交易。由於採購合同已於二零一九年十二月三十一日屆滿，於二零二零年一月十三日，本公司（代表自身及其附屬公司）與歌爾股份（代表自身及其附屬公司）訂立經重續採購合同（「經重續採購合同」），期限自二零二零年一月一日起至二零二二年十二月三十一日止。本公司於二零二零年二月二十日舉行之股東特別大會上由獨立股東通過經重續採購合同及其項下之擬進行之交易以及截至二零二零年十二月三十一日、二零二一年十二月三十一日及二零二二年十二月三十一日止年度各年之年度上限。有關經重續採購合同之條款、持續關聯交易以及年度上限的詳情已於本公司二零二零年一月十三日的公佈及二零二零年二月四日的通函中披露。截至二零一九年十二月三十一日止年度的持續關聯交易年度上限定為人民幣300,000,000元。於回顧年度，本集團向歌爾股份及其附屬公司銷售電路板產品約人民幣83,389,000元（相等於約94,793,000港元）。

## Directors' Report

### 董事會報告

As disclosed in the Company's announcement dated 31 December 2019, AKM Electronics Industrial (Panyu) Limited ("AKM Panyu"), a wholly-owned subsidiary of the Company, had commenced the sales of FPC products to Suzhou Anjie Technology Co. Ltd (蘇州安潔科技股份有限公司) ("Anjie Technology") since June 2019 as part of its ordinary and usual course of business. During the year under review, the Group sold FPC products of approximately RMB5,762,000 (equivalent to approximately HK\$6,550,000) to Anjie Technology, which had exceeded the minimum exemption threshold of HK\$3,000,000, while the respective applicable percentage ratios were less than 5%. The transactions concerned are therefore subject to the reporting, annual review and announcement requirements but are exempted from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The transactions concerned have been approved, confirmed and ratified by the board of Directors on 31 December 2019. On 31 December 2019, the Company (for itself and on behalf of its subsidiaries) and Anjie Technology (for itself and on behalf of its subsidiaries) entered into a framework materials sale and purchase agreement ("Framework Agreement") for a term commenced from 31 December 2019 and expiring on 31 December 2020, and the annual cap for the year 2020 was set at HK\$60,000,000. Details of the terms of the Framework Agreement, the continuing connected transaction and the annual cap were disclosed in the announcements of the Company dated 31 December 2019 and 15 January 2020.

The Directors (including all the independent non-executive Directors) had reviewed the above continuing connected transactions and had confirmed that the above continuing connected transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or on terms no less favourable to the Company than terms available to or from independent third parties; and
- (3) in accordance with the relevant agreements governing the transactions and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

誠如本公司於二零一九年十二月三十一日的公佈中所披露，本公司全資附屬公司安捷利（番禺）電子實業有限公司（「安捷利番禺」）自二零一九年六月起開始向蘇州安潔科技股份有限公司（「安潔科技」）銷售柔性電路板產品，作為其一般及日常業務的一部份。於回顧年度，本集團向安潔科技銷售柔性電路板產品約人民幣5,762,000元（相等於約6,550,000港元），已超出3,000,000港元之最低豁免水準，惟各個適用百分比率均低於5%。根據上市規則第十四A章，有關交易須遵守申報、年度審閱及公佈規定，但獲豁免遵守獨立股東批准規定。有關交易已於二零一九年十二月三十一日獲董事會批准、確認及追認。於二零一九年十二月三十一日，本公司（代表自身及其附屬公司）與安潔科技（代表自身及其附屬公司）簽署框架物料買賣合約（「框架合約」），期限自二零一九年十二月三十一日起至二零二零年十二月三十一日止，並設立二零二零年的年度上限為60,000,000港元。有關框架合約之條款、持續關聯交易以及年度上限的詳情已於本公司二零一九年十二月三十一日及二零二零年一月十五日的公佈中披露。

董事（包括全部獨立非執行董事）已審核上述持續關聯交易，並確認該等持續關聯交易乃：

- (1) 於一般及日常業務過程中進行；
- (2) 按照一般商務條款或不遜於可向獨立協力廠商提供或取得之條款進行；及
- (3) 根據規管有關交易的相關合同進行，而交易條款屬公平合理，並符合本公司股東的整體利益。

## Directors' Report

### 董事會報告

The Company's auditor was engaged to report on the above continuing connected transactions 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 Company has received report from the independent auditor containing their finding and conclusions in respect of the above continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules. A copy of the independent auditor's report has been provided by the Company to the Stock Exchange.

The auditor has reported to the Directors that (a) except for an amount of HK\$6,550,000 related to the sales of parts components and other products to Anjie Technology, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's board of directors; (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group; (c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and (d) with respect to the aggregate amount of each continuing connected transactions, except for the amount of HK\$6,550,000 related to the sales of parts components and other products to Anije Technology, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company.

本公司核數師已獲委聘，根據香港會計師公會所頒佈之香港核證工作準則第3000號「審核或審閱歷史財務資料以外之核證工作」，及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，就上述持續關連交易作出匯報。本公司已收到獨立核數師按上市規則第14A.56條規定發出有關上述持續關連交易的報告，當中載有其發現及結論。本公司已向聯交所提供獨立核數師報告副本。

核數師已向董事報告：(a)除與向安潔科技銷售零件、元件及其他產品有關的金額6,550,000港元外，彼等概無留意到任何事項，致使彼等認為所披露的持續關連交易未經本公司董事會批准；(b)就涉及本集團提供商品或服務的交易而言，彼等概無留意到任何事項，致使彼等認為該等交易在任何重大方面不符合本集團的定價政策；(c)彼等概無留意到任何事項，致使彼等認為該等交易在所有任何方面並無根據監管該等交易的相關協議訂立；及(d)就各項持續關連交易的總金額而言，除與向安潔科技銷售零件、元件及其他產品有關的金額6,550,000港元外，彼等概無留意到任何事項，致使彼等認為所披露的持續關連交易已超出本公司所設定的年度上限。



## Directors' Report

### 董事會報告

#### RELATED PARTY TRANSACTIONS

During the year ended 31 December 2019, the Group entered into certain transactions with parties regarded as “related parties” under the applicable accounting standards. Details of the related party transactions entered into by the Group during the year ended 31 December 2019 are disclosed in note 36 to the financial statements. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules. Save as disclosed in the paragraph headed “Continuing Connected Transactions” in this report, the other related party transactions disclosed in note 36 were not regarded as connected transactions or were exempt from reporting, announcement and shareholder approval requirements under the Listing Rules.

#### SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company, and so far as the Directors are aware of, the Company has maintained a sufficient public float throughout the year ended 31 December 2019 and up to the latest practicable date prior to the date of this report.

#### PERMITTED INDEMNITY PROVISIONS

The articles of association of the Company provides that every Director, manager, secretary or officer as well as every auditor of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

Save as disclosed in this report, the Company has not entered into permitted indemnity provisions with the Directors. During the year under review, the Company has taken out and maintained appropriate insurance to cover potential legal actions against its Directors.

#### 關聯方交易

於截至二零一九年十二月三十一日止年度，本集團根據適用會計準則與被視為「關聯方」的人士進行若干交易。本集團於截至二零一九年十二月三十一日止年度訂立的關聯方交易的詳情於財務報表附註36披露。本公司已遵守上市規則第十四A章所載之披露規定。除本報告「持續關連交易」一段所披露者外，於附註36披露的其他關聯方交易並不被視為關連交易，或根據上市規則獲豁免遵從申報、公佈及獲股東批准之規定。

#### 公眾持股量

根據本公司可從公眾管道獲得之資料及就董事所知，於截至二零一九年十二月三十一日止年度及直至本報告發佈之日前的最後實際可行日期，本公司維持足夠之公眾持股量。

#### 獲准許的彌償條文

本公司之組織章程細則規定本公司每名董事、經理、秘書或其他高級人員及每名核數師，在執行其職務或在執行其職務方面或在其他方面與此有關之情況下可能蒙受或招致之所有損失或法律責任，有權獲得從本公司之資產中撥付彌償。

除本報告所披露者外，本公司未與董事訂立任何獲准許的彌償條文。於回顧年度內，本公司已就其董事可能會面對的法律行動辦理及投購適當的保險。



## Directors' Report

### 董事會報告

#### EQUITY-LINKED AGREEMENTS

Save for the restricted stock incentive scheme disclosed on pages 67 to 69 of this report, no equity-linked agreements were entered into by the Group or existed during the year ended 31 December 2019.

#### DONATIONS

The Group had not made charitable or other donations of HK\$10,000 or above during the year under review (2018: Nil).

#### AUDITOR

The consolidated financial statements for the year have been audited by ShineWing (HK) CPA Limited. A resolution will be submitted to the forthcoming Annual General Meeting of the Company to re-appoint ShineWing (HK) CPA Limited as the auditor of the Company.

On behalf of the Board

**AKM Industrial Company Limited**  
**Xiong Zheng Feng**  
CHAIRMAN

Hong Kong, 27 March 2020

#### 股票掛鈎協議

除本報告第67頁至第69頁所披露的限制性股票激勵計畫外，於截至二零一九年十二月三十一日止年度，本集團並無訂立或存在任何股票掛鈎協議。

#### 捐款

本集團於回顧年度內並無作出一萬港元或以上之慈善或其他捐款（二零一八年：無）。

#### 核數師

本年度綜合財務報表已由信永中和（香港）會計師事務所有限公司審閱。本公司將於應屆本公司股東週年大會上呈交一份決議案，以續聘信永中和（香港）會計師事務所有限公司為本公司之核數師。

承董事會命

**安捷利實業有限公司**  
**熊正峰**  
主席

香港，二零二零年三月二十七日

## Independent Auditor's Report

### 獨立核數師報告



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

信永中和(香港)  
會計師事務所有限公司  
香港銅鑼灣  
希慎道33號利園一期43樓

#### OPINION

We have audited the consolidated financial statements of AKM Industrial Company Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 82 to 215, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

#### BASIS FOR OPINION

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

#### 意見

本核數師行已審核載列於第82至215頁之安捷利實業有限公司(「貴公司」)及其附屬公司(下文合稱為「貴集團」)之綜合財務報表，此等財務報表包括於二零一九年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動報表及綜合現金流量表，以及合併財務報表附註，包括主要會計政策概要。

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

#### 意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告核數師就審計綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會的職業會計師道德守則(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他職業道德責任。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。

# Independent Auditor's Report

## 獨立核數師報告

### 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.

Refer to note 4 to the consolidated financial statements and the accounting policies on page 119.

#### The key audit matter

##### 關鍵審計事項

#### *Allowances for inventories*

##### 存貨撥備

We identified the allowances for inventories as a key audit matter because of the significant degree of management judgment and estimation uncertainty to determine the amount of allowances based on net realisable values.

由於根據可變現淨值釐定之撥備金額涉及重大程度的管理層判斷及評估不確定性，因此我們將存貨撥備認定為關鍵審計事項。

As disclosed in note 18 to the consolidated financial statements, the carrying amount of the inventories as at 31 December 2019 amounted to approximately HK\$124,848,000 net of accumulated allowances for inventories of approximately HK\$12,712,000.

誠如綜合財務報表附註18所披露，於二零一九年十二月三十一日，貴集團之存貨賬面值為約124,848,000港元（扣除累計存貨撥備約12,712,000港元）。

### 關鍵審計事項

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

請參閱綜合財務報表附註4及第119頁的會計政策。

#### How the matter was addressed in our audit

##### 我們的審計工作如何處理有關事項

Our procedures in relation to the allowances for inventories included:

我們與存貨撥備相關的程序包括：

- Understanding the management's assessment in estimating the net realisable values of the inventories and the Group's policy adopted for making allowances to write off or write down inventories to their net realisable values.

理解管理層於估計存貨可變現淨值時的評估及貴集團就計提撥備以撇銷或撇減存貨至可變現淨值所採取的政策。

- Testing the appropriateness of the aged analysis of inventories on a sample basis by checking the ageing date to date of purchase or manufacture.

通過抽樣方式，將賬齡日期與購買或生產日期比對，以測試存貨賬齡分析的合適性。

## Independent Auditor's Report

### 獨立核數師報告

#### KEY AUDIT MATTERS (Cont'd)

#### 關鍵審計事項 (續)

##### The key audit matter

##### 關鍵審計事項

##### *Allowances for inventories (Cont'd)*

##### 存貨撥備 (續)

Management of the Group reviewed the aged analysis of the inventories at the end of the reporting period to determine whether any provision is required to write off or write down inventories to their net realisable values, based on the latest selling prices and current marketable conditions.

貴集團管理層審議了於報告期末之存貨賬齡分析，以根據最近期售價及現時可銷售狀況釐定是否需要計提撥備以撇銷或撇減存貨至其可變現淨值。

##### How the matter was addressed in our audit

##### 我們的審計工作如何處理有關事項

- Evaluating the reasonableness of the management's estimates of the net realisable values of the inventories by comparing the unit cost of the inventories, on a sample basis, to the latest invoice prices of sale.  
通過抽樣方式，將存貨的最近期售價與單位成本比較，評估管理層對存貨可變現淨值的估計的合理性。
- Evaluating the historical accuracy of the allowance made by the Group by comparing the allowance made in prior year to actual amount of inventories written off in the current year.  
將往年作出的撥備與本年度所撇銷存貨的實際數額比較，以評估 貴集團作出撥備的歷史準確性。

#### OTHER MATTER

#### 其他事宜

The consolidated financial statements of the Group for the year ended 31 December 2018, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 18 March 2019.

貴集團截至二零一八年十二月三十一日止年度的綜合財務報表經由另一核數師審計，其於二零一九年三月十八日就該等綜合財務報表發表無保留意見。

## 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 OF THE COMPANY AND THOSE CHARGED WITH THE GOVERNANCE

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 of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

#### 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內除綜合財務報表及我們的核數師報告以外的所有資料。

我們對綜合財務報表的意見並不涵蓋其他資料。我們亦不對該等其他資料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，我們的責任乃閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中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，倘我們認為其他資料出現重大錯誤陳述，我們需要報告該事實。我們對此並無任何事項須報告。

#### 貴公司董事及治理層須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對貴公司董事認為為使綜合財務報表的編製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監控負責。

在編製綜合財務報表時，貴公司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，除非貴公司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。

治理層須負責監督貴集團的財務報告過程。

## Independent Auditor's Report 獨立核數師報告

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

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

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

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

### 核數師就審計綜合財務報表須承擔的 責任

我們的目標乃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，並按照香港公司條例第405條及我們協議的委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期其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。

作為根據香港審計準則進行審計其中一環，我們運用專業判斷，保持專業懷疑態度，我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲得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，或凌駕於內部監控之上，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重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。



## Independent Auditor's Report

### 獨立核數師報告

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

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

#### 核數師就審計綜合財務報表須承擔的 責任 (續)

- 評價 貴公司董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。
- 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。倘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、結構及內容，包括披露，以及綜合財務報表是否中肯地反映交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足、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。

## Independent Auditor's Report 獨立核數師報告

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Cont'd)*

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

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

The engagement partner on the audit resulting in the independent auditor's report is Li Man Choi.

### 核數師就審計綜合財務報表須承擔的 責任 (續)

我們與管理層溝通審計的計劃範圍及時間以及重大審計發現等，包括我們在審計中識別出內部監控的任何重大缺陷。

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

從與管理層溝通的事項中，我們確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，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，倘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。

出具獨立核數師報告的審計項目合夥人是李文才。

#### SHINEWING (HK) CPA Limited

*Certified Public Accountants*

**Li Man Choi**

Practicing Certificate Number: P03333

Hong Kong

27 March 2020

#### 信永中和（香港）會計師事務所有限公司

*執業會計師*

**李文才**

執業證書編號：P03333

香港

二零二零年三月二十七日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	5	1,463,630	1,223,803
Cost of sales	銷售成本		(1,254,943)	(1,071,832)
Gross profit	毛利		208,687	151,971
Other income	其他收入	6	41,171	56,253
Distribution costs	分銷成本		(20,952)	(19,433)
Administrative expenses	行政支出		(40,017)	(41,187)
Research and development expenses	研發費用		(57,352)	(63,774)
Share of results of associates	應佔聯營公司業績		1,202	163
Finance costs	融資成本	7	(2,091)	(215)
Profit before taxation	除稅前溢利	8	130,648	83,778
Taxation	稅項	9	(12,937)	(14,444)
Profit for the year attributable to owners of the Company	本公司擁有人應佔本年度溢利		117,711	69,334
Other comprehensive (expenses) income:	其他全面(開支)收益:			
Items that may be reclassified subsequently to profit or loss:	期後可重新分類財務報表至損益之項目:			
Exchange differences arising on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額		(26,238)	(60,102)
Share of exchange differences of associates	應佔聯營公司之匯兌差額		(106)	(183)
			(26,344)	(60,285)
Item that will not be reclassified to profit or loss:	將不會於期後重新分類至損益之項目:			
Fair value gain(loss) on equity instruments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益之權益工具之公平值收益(虧損)		8,253	(1,359)
Total other comprehensive expenses	其他全面開支總額		(18,091)	(61,644)
Total comprehensive income for the year attributable to owners of the Company	本公司擁有人應佔本年度全面收益總額		99,620	7,690
Earnings per share	每股盈利			
– Basic and diluted (HK cents)	– 基本及攤薄(港仙)	12	HK7.66 cents 港仙	HK4.58 cents 港仙

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	798,687	779,632
Right-of-use assets	使用權資產	14	49,064	–
Prepaid lease payments	預付租賃款項	15	–	45,717
Interests in associates	於聯營公司之權益	16	36,415	3,828
Equity instrument designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益之權益工具	17	25,808	18,078
Deposits for property, plant and equipment	物業、廠房及設備之按金	13	12,952	20,980
			<b>922,926</b>	868,235
Current assets	流動資產			
Inventories	存貨	18	124,848	117,812
Trade and other receivables	貿易及其他應收款項	19	679,221	528,870
Prepaid lease payments	預付租賃款項	15	–	1,207
Tax recoverable	可收回稅項		–	102
Pledged bank deposits	已抵押銀行存款	20	2,364	2,358
Bank balances and cash	銀行結餘及現金	21	119,707	152,865
			<b>926,140</b>	803,214
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	22	467,545	425,940
Amounts due to associates	應收聯營公司之款項	16	4,617	–
Deferred income	遞延收入	23	3,968	763
Tax payables	應付稅項		13,118	5,371
Bank borrowings	銀行借貸	24	39,358	–
Lease liabilities	租賃負債	14	1,112	–
			<b>529,718</b>	432,074
Net current assets	淨流動資產		<b>396,422</b>	371,140
Total assets less current liabilities	總資產減流動負債		<b>1,319,348</b>	1,239,375

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Capital and reserves	股本及儲備			
Share capital	股本	25	921,553	921,553
Reserves	儲備		345,597	266,464
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,267,150	1,188,017
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	14	3,481	–
Deferred income	遞延收入	23	37,262	24,042
Deferred tax liabilities	遞延稅項負債	26	11,455	10,196
Liability due to a shareholder	應付一位股東之負債	27	–	17,120
			52,198	51,358
			1,319,348	1,239,375

The consolidated financial statements on pages 82 to 215 were approved and authorised for issue by the Board of Directors on 27 March 2020 and are signed on its behalf by:

董事會於二零二零年三月二十七日批准並授權刊發第82至215頁之綜合財務報表，並由下列董事代表簽署：

**XIONG ZHENG FENG**

DIRECTOR

熊正峰

董事

**HUNG CHI YUEN ANDREW**

DIRECTOR

洪志遠

董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動報表

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

		Attributable to the owners of the Company 本公司擁有人應佔						Total 總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Statutory surplus reserve (note (a) below) 法定盈餘儲備 (下附註(a)) HK\$'000 千港元	Fair value through other comprehensive income ("FVTOCI") reserve 按公平值計入其他全面 收益(「按公平值計入其他全面 收益」)儲備 HK\$'000 千港元	Restricted stock incentive scheme reserve (note (b) below) 限制性股票 激勵計劃儲備 (下附註(b)) HK\$'000 千港元	Translation reserve 換算儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	
At 1 January 2018	於二零一八年一月一日	466,667	22,551	2,380	-	38,811	210,414	740,823
Profit for the year	本年度溢利	-	-	-	-	-	69,334	69,334
Exchange differences arising on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額	-	-	-	-	(60,102)	-	(60,102)
Fair value loss on equity instruments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益之權益工具之公平值虧損	-	-	(1,359)	-	-	-	(1,359)
Share of exchange differences of associates	分佔聯營公司匯兌差額	-	-	-	-	(183)	-	(183)
Total comprehensive (expenses) income for the year	本年度全面(開支)收益總額	-	-	(1,359)	-	(60,285)	69,334	7,690
Issue of shares	發行股份	455,850	-	-	-	-	-	455,850
Transaction costs attributable to issue of shares	發行股份應佔交易成本	(964)	-	-	-	-	-	(964)
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	11,408	-	-	-	(11,408)	-
Dividends paid (note 11)	已付股息(附註11)	-	-	-	-	-	(15,382)	(15,382)
At 31 December 2018	於二零一八年十二月三十一日	921,553	33,959	1,021	-	(21,474)	252,958	1,188,017
At 1 January 2019	於二零一九年一月一日	921,553	33,959	1,021	-	(21,474)	252,958	1,188,017
Profit for the year	本年度溢利	-	-	-	-	-	117,711	117,711
Exchange differences arising on translation of financial statements of foreign operations	換算海外業務財務報表產生之匯兌差額	-	-	-	-	(26,238)	-	(26,238)
Fair value gain on equity instruments designated at fair value through other comprehensive income	指定為按公平值計入其他全面收益之權益工具之公平值收益	-	-	8,253	-	-	-	8,253
Share of exchange differences of an associate	分佔一間聯營公司匯兌差額	-	-	-	-	(106)	-	(106)
Total comprehensive income (expenses) for the year	本年度全面收益(開支)總額	-	-	8,253	-	(26,344)	117,711	99,620
Purchase of shares under the restricted stock incentive scheme (note 34)	根據限制性股票激勵計劃購買股份(附註34)	-	-	-	(5,105)	-	-	(5,105)
Transfer to statutory surplus reserve	轉撥至法定盈餘儲備	-	11,273	-	-	-	(11,273)	-
Dividends paid (note 11)	已付股息(附註11)	-	-	-	-	-	(15,382)	(15,382)
At 31 December 2019	於二零一九年十二月三十一日	921,553	45,232	9,274	(5,105)	(47,818)	344,014	1,267,150

Note:

附註:

(a) Statutory surplus reserve represented the People's Republic of China (the "PRC") statutory reserves. Pursuant to the relevant PRC regulations and the articles of association of the PRC subsidiaries of the Company (as defined in note 1), the PRC subsidiaries are required to transfer not less than 10% of their post-tax profit to statutory reserves (i.e. statutory surplus reserve) as reserve funds until the aggregated amounts have reached 50% of their registered capital. These reserves should only be used to make up losses, or conversion into capital, or expansion of production and operation according to the relevant rules in the PRC.

(a) 法定盈餘儲備指中華人民共和國(「中國」)法定儲備。根據中國有關法規及本公司(定義見附註1)中國附屬公司的章程細則,中國附屬公司須將其不少於10%的稅後溢利轉至法定儲備(即法定盈餘儲備)作為儲備基金,直至累計總額達至其註冊資本的50%為止。根據中國相關規則,該等儲備僅可用以彌補虧損或轉為股本,或用於擴充生產經營規模。

(b) As explained in note 35 to the consolidated financial statements, during the year ended 31 December 2019, the Company acquired 4,480,000 (2018:nil) ordinary shares of the Company from the open market by the independent trustee of the Company with a total consideration of approximately HK\$5,105,000 (2018:nil) in respect of the restricted stock incentive scheme of the Company. The carrying amount of the shares held as at the year-end was presented as a deduction against equity as "Restricted stock incentive scheme reserve".

(b) 誠如綜合財務報表附註35所闡釋,截至二零一九年十二月三十一日止年度,本公司就限制性股票激勵計劃由本公司之獨立受託人於公開市場購買4,480,000股普通股股份(二零一八年:零),總代價約為5,105,000港元。於本年度末持有的股票賬面金額指扣減權益的「限制性股票激勵計劃儲備」。



## Consolidated Statement of Cash Flows

### 綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Profit before taxation	除稅前溢利	130,648	83,778
Adjustments for:	就下列各項作出調整：		
Share of results of an associate	應佔一間聯營公司業績	(1,202)	(163)
Finance costs	融資成本	2,091	215
Interest income	利息收入	(2,834)	(7,372)
Provision for allowance for credit losses	信貸虧損撥備	402	127
Allowance for (net reversal of allowance for) inventories	存貨撥備 (撥備撥回淨額)	99	(684)
Amortisation of prepaid lease payments	預付租賃款項攤銷	—	1,250
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	114,234	89,830
Depreciation of right-of-use assets	使用權資產之折舊	3,119	—
Foreign exchange difference on inter-company balances	集團內公司間結餘之 匯兌差額	(9,406)	(23,185)
Loss on disposals of property, plant and equipment	出售物業、廠房及設備之 虧損	2,272	5,598
Deferred income recognised	已確認之遞延收入	(25,112)	(32,549)
Operating cash flows before movements in working capital	營運資金變動前經營 現金流量	214,311	116,845
Increase in inventories	存貨增加	(9,202)	(26,685)
Increase in trade and other receivables	貿易及其他應收款項增加	(160,963)	(187,814)
Increase in trade and other payables	貿易及其他應付款項增加	54,138	31,452
Cash generated from (used in) operations	經營所得(所耗)現金	98,284	(66,202)
Hong Kong Profits tax paid	已付香港利得稅	—	(790)
PRC Enterprise Income Tax paid	已付中國企業所得稅	(3,373)	(14,989)
<b>NET CASH GENERATED FROM (USED IN) FROM OPERATING ACTIVITIES</b>	<b>經營業務所得(所耗) 現金淨額</b>	<b>94,911</b>	<b>(81,981)</b>

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>		
Purchase of property, plant and equipment	購買物業、廠房及設備	(146,282)	(288,198)
Acquisition of investment in an associate	收購於一間聯營公司的投資	(31,491)	—
Interest received	已收利息	2,834	7,372
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備所得款項	1,528	3,974
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資業務所耗現金淨額</b>	<b>(173,411)</b>	<b>(276,852)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資業務</b>		
New bank borrowings raised	新增銀行借貸	45,680	11,542
Payment of shares under the restricted stock incentive scheme	根據限制性股票激勵計劃支付股份	(5,105)	—
Repayment of lease liabilities	償還租賃負債	(873)	—
Government grants received	已收政府津貼	42,748	27,540
(Decrease) increase in liability due to a shareholder	欠一名股東之負債 (減少)／增加	(17,120)	17,120
Repayment of bank borrowings	償還銀行借貸	(5,602)	(78,869)
Interest paid	已付利息	(2,091)	(215)
Dividends paid	支付股息	(15,382)	(15,382)
Proceeds from issue of shares	發行股份所得款項	—	455,850
Expenses on issue of shares	發行股份開支	—	(964)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資業務所得現金淨額</b>	<b>42,255</b>	<b>416,622</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目 (減少) 增加淨額</b>	<b>(36,245)</b>	<b>57,789</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>年初現金及現金等值項目</b>	<b>152,865</b>	<b>89,288</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>外幣匯率變動之影響</b>	<b>3,087</b>	<b>5,788</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, REPRESENTING BANK BALANCES AND CASH</b>	<b>年末現金及現金等值項目 即銀行結餘及現金</b>	<b>119,707</b>	<b>152,865</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 1. GENERAL

AKM Industrial Company Limited (the “Company”) is a public limited company incorporated in Hong Kong with limited liability on 9 December 1993.

The shares of the Company were listed on the GEM (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) with effect from 18 August 2004. On 18 June 2014, the Company transferred the listing of its shares from GEM to the Main Board of the Stock Exchange. The registered office of the Company is situated at Rooms 2708-11, 27th Floor, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong, and the principal place of business of the Company is situated at 63 Huan Shi Road South, Information Technology Park, Nansha District, Guangzhou City, the People’s Republic of China (the “PRC”).

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

The Company is an investment holding company and is also engaged in sourcing of raw materials and equipment and trading of flexible printed circuits (“FPC”) and related products. Its subsidiaries established in the PRC (the “PRC Subsidiaries”) are principally engaged in manufacture and sales of FPC and flexible packaging substrates, sourcing and sales of electronic components and other components and products during the year.

### 1. 一般資料

安捷利實業有限公司（「本公司」）乃於一九九三年十二月九日在香港註冊成立之公眾有限責任公司。

本公司股份自二零零四年八月十八日起在香港聯合交易所有限公司（「聯交所」）GEM（「GEM」）上市。於二零一四年六月十八日，本公司將本公司股份由創業板轉往聯交所主板上市。本公司之註冊辦事處位於香港干諾道中168-200號信德中心西座27樓2708-11室，而本公司之主要營業地點位於中華人民共和國（「中國」）廣州市南沙區資訊科技園環市大道南63號。

綜合財務報表乃以港元（「港元」），亦為本公司之功能貨幣呈列。

本公司為一間投資控股公司，亦從事採購原材料及設備以及柔性電路板（「柔性電路板」）及相關產品貿易。其於中國成立的附屬公司（「中國附屬公司」）於年內主要從事製造及銷售柔性電路板及柔性封裝基板、採購及銷售電子元器件及其他部件及產品。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

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

In the current year, the Group has applied, for its first time, the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

HKFRS 16	Leases
HK International Financial Reporting Interpretations Committee – Interpretation 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to Hong Kong Accounting Standard ("HKAS") 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle

Except as described below, the application of other new and amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已首次應用下列由香港會計師公會（「香港會計師公會」）所頒佈的新訂及經修訂香港財務報告準則。

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號之修訂	具有負補償之預付款特性
香港會計準則（「香港會計準則」）第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營公司之長期權益
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述者外，於本年度應用香港財務報告準則之新訂及修訂本對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載列之披露並無構成重大影響。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

##### HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 Leases, and the related interpretations.

##### Impacts on application of HKFRS 16 Leases

HKFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to the lessee accounting by removing the distinction between operating lease and finance lease and requiring the recognition of right-of-use asset and a lease liability for all leases, except for short-term leases and leases of low value asset. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. Details of these new accounting policies are described in note 3. The Group has applied HKFRS 16 Leases retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of equity, where appropriate, at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17 Leases.

On transition to HKFRS 16, the Group has elected to apply the practical expedient to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

#### 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

##### 香港財務報告準則第16號租賃

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃及相關詮釋。

##### 應用香港財務報告準則第16號租賃之影響

香港財務報告準則第16號就租賃的會計處理引入全新或經修訂的規定。該準則對承租人的會計處理引入重大改動，不再劃分經營租賃及融資租賃，並要求就所有租賃（短期租賃及低價值資產租賃除外）確認使用權資產及租賃負債。與承租人的會計處理相比，出租人的會計處理規定大致維持不變。該等新會計政策的詳情載於附註3。本集團已追溯應用香港財務報告準則第16號，將初次應用累計影響確認為二零一九年一月一日權益期初結餘（如適用）的調整。比較資料並無重列，並繼續根據香港會計準則第17號租賃報告。

於過渡至香港財務報告準則第16號時，本集團已選擇採用實務中的簡易處理方法將於過往應用香港會計準則第17號及香港（國際財務報告詮釋委員會）一詮釋第4號釐訂安排是否包括租賃識別為租賃的合約，而並無將本準則應用於過往未有被識別為包括租賃的合約。因此，本集團並無重新評估於首次應用日期前已存在的合約。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

##### HKFRS 16 Leases (Cont'd)

##### Impacts on application of HKFRS 16 Leases (Cont'd)

##### As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities by applying HKFRS 16.C8(b)(ii) transition.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts, elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application.

#### 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

##### 香港財務報告準則第16號租賃（續）

##### 應用香港財務報告準則第16號租賃之影響（續）

##### 為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期（二零一九年一月一日）確認。

於二零一九年一月一日，本集團應用香港財務報告準則16.C8(b)(ii)按相當於相關租賃負債的金額確認額外租賃負債及使用權資產。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項基準就過往根據香港會計準則第17號被分類為經營租賃且與各租賃合約相關租賃應用實務中的簡易處理方法，選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債。



## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

## HKFRS 16 Leases (Cont'd)

## Impacts on application of HKFRS 16 Leases (Cont'd)

## As a lessee (Cont'd)

Differences between operating lease commitments as at 31 December 2018, the date immediately preceding the date of initial application, discounted using the incremental borrowing rate, and the lease liabilities recognised as at 1 January 2019 are as follow:

## 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

## 香港財務報告準則第16號租賃（續）

## 應用香港財務報告準則第16號租賃之影響（續）

## 為承租人（續）

於二零一八年十二月三十一日（緊接初次應用日期前）利用增量借款利率貼現的經營租賃承擔與於二零一九年一月一日確認的租賃負債之間的差額載列如下：

		As at 1 January 2019 於二零一九年 一月一日 HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	410
Less: Recognition exemption – short-term leases	減：確認豁免－短期租賃	(410)
Lease liabilities as at 1 January 2019 relating to operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號時就經營租賃於二零一九年一月一日確認的租賃負債	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

##### HKFRS 16 Leases (Cont'd)

##### Impacts on application of HKFRS 16 Leases (Cont'd)

##### As a lessee (Cont'd)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

#### 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

##### 香港財務報告準則第16號租賃（續）

##### 應用香港財務報告準則第16號租賃之影響（續）

##### 為承租人（續）

以下為對於二零一九年一月一日的綜合財務狀況表中所確認的金額作出的調整。下表未有包括並無受變動影響的個別項目。

		Carrying amount previously reported at 31 December 2018 過往於 二零一八年 十二月 三十一日報告 的賬面金額 HK\$'000 千港元	Impact on adoption of HKFRS16 採納 香港財務報告 準則第16號 的影響 HK\$'000 千港元	Carrying amount as restated at 1 January 2019 於 二零一九年 一月一日 重列的 賬面金額 HK\$'000 千港元
Right-of-use assets (Note below)	使用權資產（下文附註）	-	46,924	46,924
Prepaid lease payments (Note below)	預付租賃款項（下文附註）	46,924	(46,924)	-
		46,924	-	46,924

##### Note:

Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments as at 31 December 2018. Upon application of HKFRS 16, the non-current and current portions of prepaid lease payments amounting to HK\$45,717,000 and HK\$1,207,000, respectively were reclassified to right-of-use assets.

##### 附註：

於二零一八年十二月三十一日，就中國租賃土地作出的預付款項被分類為預付租賃款項。於應用香港財務報告準則第16號後，預付租賃款項的非即期及即期部分45,717,000港元及1,207,000港元獲重新分類為使用權資產。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

##### HKFRS 16 Leases (Cont'd)

##### Impacts on application of HKFRS 16 Leases (Cont'd)

##### As a lessee (Cont'd)

On the date of initial application of HKFRS 16, the Group has also used the following practical expedients permitted by the standard:

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases; and
- the exclusion of initial direct costs for the measurement of the right-of-use assets at the date of initial application.

#### 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

##### 香港財務報告準則第16號租賃（續）

##### 應用香港財務報告準則第16號租賃之影響（續）

##### 為承租人（續）

於初次應用香港財務報告準則第16號之日，本集團亦已使用準則所允許的下列實務中的簡易處理方式：

- 於二零一九年一月一日餘下租期短於12個月的經營租賃作為短期租賃入賬；及
- 於初次應用日期計算使用權資產時剔除初始直接成本。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

## New and amendments to HKFRSs issued but not yet effective

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

HKFRS 17	Insurance Contracts <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKFRS 3	Definition of a Business <sup>4</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>1</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS7	Interest Rate Benchmark Reform <sup>1</sup>
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting <sup>1</sup>

## 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

## 已頒佈但尚未生效的新訂香港財務報告準則及修訂本

本集團並未提早應用下列已頒佈但尚未生效之新訂及修訂本香港財務報告準則：

香港財務報告準則第17號	保險合約 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營公司之間的資產出售或投入 <sup>3</sup>
香港財務報告準則第3號之修訂	業務的定義 <sup>4</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大性的定義 <sup>1</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率指標變革 <sup>1</sup>
二零一八年財務報告概念框架	經修訂之財務報告概念框架 <sup>1</sup>

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Cont'd)

##### New and amendments to HKFRSs issued but not yet effective (Cont'd)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2020
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined
- <sup>4</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

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

#### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

#### 2. 採納新訂及修訂本香港財務報告準則（「香港財務報告準則」）（續）

##### 已頒佈但尚未生效的新訂香港財務報告準則及修訂本（續）

- <sup>1</sup> 於二零二零年一月一日或之後開始之年度期間生效
- <sup>2</sup> 於二零二一年一月一日或之後開始之年度期間生效
- <sup>3</sup> 於有待釐定之日期或之後開始之年度期間生效
- <sup>4</sup> 適用於收購日期在二零二零年一月一日或之後開始的首個年度期間開始當日或之後的業務合併及資產收購

本公司董事預期，應用上述所有新訂及經修訂香港財務報告準則對本集團的業績及財務狀況並無重大影響。

#### 3. 主要會計政策

本綜合財務報表乃按香港會計師公會頒佈之香港財務報告準則編製。此外，本綜合財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合財務報表乃按歷史成本基準編製，惟誠如下文所載會計政策所述，若干金融工具於各報告期末按公平值計量。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

歷史成本一般根據交換貨物的已付代價的公平值計算。

公平值為市場參與者之間於計量日期按有秩序交易出售資產將收取的價格或轉讓負債將支付的價格，而不論該價格是否直接可觀察或使用另一項估值方法作出估計。估計一項資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮資產或負債特性。該等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟香港財務報告準則第2號以股份為基準付款範圍內以股份為基準的付款交易、香港財務報告準則第16號（自二零一九年一月一日起）或香港會計準則第17號（於應用香港財務報告準則第16號前）租賃範圍內租賃交易及與公平值類似但並非公平值的計量（如香港會計準則第2號存貨的可變現淨值或香港會計準則第36號資產減值的使用價值）除外。

非金融資產的公平值計量計及市場參與者透過最大限度使用該資產達致最佳用途、或透過將資產售予將最大限度使用該資產達致最佳用途的另一名市場參與者而產生經濟利益的能力。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

In addition, for financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

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

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

此外，就財務呈報而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體重要性分類為第一、第二或第三級，詳情如下：

第一級輸入數據為實體有能力於計量日評估的完全相同的資產或負債於活躍市場的報價（未調整）；

第二級輸入數據為不包括第一級報價的資產或負債的可直接或間接觀察的輸入數據；及

第三級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載於下文。

#### 綜合基準

綜合財務報表包括本公司及本公司控制之實體之財務報表。

控制是指本集團：(i)可對被投資對象行使權力；(ii)須承擔或享有參與被投資對象可變回報之風險及權力；及(iii)可運用對被投資對象之權力影響本集團的回報金額。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Basis of consolidation (Cont'd)

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

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

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

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company. Total comprehensive income of subsidiaries is attributed to the owners of the Company.

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

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

#### 綜合基準 (續)

倘有事實及情況顯示上述因素其中一項或以上出現變動，則本集團重新評估其是否對被投資對象存有控制權。

附屬公司乃於本集團取得附屬公司控制權起綜合入賬，並於本集團失去該附屬公司控制權時終止入賬。

附屬公司之收入及開支由本集團取得控制權當日起至本集團不再控制該附屬公司之日止計入綜合損益及其他全面收益表。

附屬公司損益及其他全面收益表內各個組成部分歸屬於本公司擁有人。附屬公司之全面收益總額歸屬於本公司擁有人。

如需要，將會對附屬公司財務報表作出調整，以使其會計政策與本集團之會計政策貫徹一致。

本集團成員之間交易之所有集團內公司間資產與負債、權益、收入、開支及現金流量已於綜合時抵銷。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

#### 於聯營公司之投資

聯營公司是指本集團有重大影響力的實體。重大影響力指有權參與被投資方的財務及經營政策決定但非控制或共同控制該等政策。

聯營公司的業績與資產及負債，乃採用權益會計法列入綜合財務報表。擬作權益會計用途的聯營公司財務報表按與本集團於類似情況下就同類交易及事件採用的相同會計政策編製。根據權益會計法，於聯營公司的投資初步於綜合財務狀況報表按成本確認，並於其後就確認本集團應佔該聯營公司的溢利或虧損及其他全面收益而作出調整。於該聯營公司之資產淨值（損益及其他全面收入除外）變動不入賬，除非該等變動導致本集團持有之擁有權出現變動。當本集團應佔一間聯營公司的虧損超出本集團於該聯營公司的權益時（包括實質上構成本集團於聯營公司的投資淨值一部份的任何長期權益），本集團會終止確認其應佔的進一步虧損。額外虧損僅於本集團已產生法定或推定責任或代表該聯營公司付款時方予確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Investments in associates (Cont'd)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

The Group assesses whether there is objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

#### 於聯營公司之投資 (續)

於聯營公司的投資由被投資方成為聯營公司當日起使用權益法入賬。收購於聯營公司的投資時，投資成本超過本集團應佔被投資方的可識別資產及負債的公平淨值的任何部分確認為商譽，計入該項投資的賬面值。

本集團評估是否有可觀證據表明於聯營公司的權益可能出現減值。如存在任何客觀證據，該項投資的全部賬面值（包括商譽）將根據香港會計準則第36號以單一資產方式進行減值測試，方法是比較其可收回金額（即使用價值與公平值減出售成本的較高者）與其賬面值。任何已確認減值虧損不會分配至任何資產（包括商譽）均構成該項投資賬面值的一部份。有關減值虧損的任何撥回乃於該項投資的可收回金額其後增加時根據香港會計準則第36號確認。

倘集團實體與本集團一間聯營公司進行交易，與該聯營公司進行交易所產生損益僅按該聯營公司之權益中與本集團並無關連之範圍下，方會在本集團之綜合財務報表確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Revenue recognition

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

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

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

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

#### 收入確認

確認收入旨在說明按反映實體預期可用以交換約定貨品或服務之對價的金額向客戶移交該等貨品或服務。具體而言，本集團採用五步法確認收入：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約中的履約責任
- 第五步：於（或隨著）實體完成履約責任時確認收益

本集團於（或隨著）完成履約責任時（即與特定履約責任相關的貨品的「控制權」轉讓予客戶時）確認收入。

履約責任指明確貨品或服務（或一組貨品或服務）或一系列實質上相同的明確貨品或服務。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Revenue recognition (Cont'd)

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

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

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

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties.

#### 收入確認 (續)

控制權隨時間逐步轉移，倘符合以下其中一項標準，則收入也隨時間參考相關履約責任的完工進度予以確認：

- 隨本集團履約，客戶同時取得並耗用本集團履約所提供的利益；
- 隨本集團履約而創建或改良了客戶於創造或改良時控制的資產；或
- 本集團的履約並無創建對本集團有替代用途的資產，且本集團對迄今已完成的履約付款具有可執行之權利。

否則，收入於客戶獲得明確貨品的控制權時確認。

收入乃根據與客戶訂立的合約中規定的代價計量，不包括代表第三方收取的金額。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Revenue recognition (Cont'd)

##### *Principal versus agent*

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

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

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

##### *Revenue from sales of flexible printed circuits, flexible packaging substrates and electronic components*

The revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Transportation and other related activities that occur before the customers obtain control of the related goods are considered as fulfillment activities. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when selling the goods and bears the risk of obsolescence and loss in relation to the goods. The credit term is 30 to 120 days from the issuance of invoices.

#### 收入確認 (續)

##### *委託人與代理人*

當另一方涉及向客戶提供貨品或服務時，本集團釐定其承諾之性質是否為提供指定貨品或服務本身之履約責任（即本集團為委託人）或安排由另一方提供該等貨品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓貨品或服務之前控制指定貨品或服務，則本集團為委託人。

倘本集團之履行義務為安排另一方提供指定的貨品或服務，則本集團為代理人。在此情況下，在將貨品或服務轉讓予客戶之前，本集團不控制另一方提供的指定貨品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定貨品或勞務預期有權取得之任何收費或佣金之金額確認收入。

##### *銷售柔性電路板、柔性封裝基板及電子元器件之收入*

收入於貨物控制權獲轉讓時（即貨物送至客戶指定地點（交付））確認。於客戶取得相關產品擁有權前發生的運輸及其他相關活動視作履行活動。於交付後，客戶可全權決定貨物的分銷方式及售價，並承擔出售貨品之主要責任及承受貨物的陳舊及遺失風險。信貸期為出具發票當日起的30日至120日。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

##### Leasing (Upon applicable on or after 1 January 2019)

###### Definition of a lease

Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

###### The Group as lessee

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease, at inception of the contract or modification date. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

###### Lease liabilities

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

##### 租賃 (自二零一九年一月一日或之後適用)

###### 租賃定義

根據香港財務報告準則第16號，倘合約為換取代價而轉讓在一段期間內使用已識別資產之控制權，則該合約屬於或包含一項租賃。

###### 本集團作為承租人

就初始應用當日或之後訂立或修訂的合約而言，本集團於合約成立或修訂日期時會評估合約是否屬於租賃或包含租賃。本集團就其作為承租人的所有租賃安排確認使用權資產及相應的租賃負債，惟短期租賃（定義為租賃期為12個月或以下的租賃）及低價值資產的租賃除外。就該等租賃而言，本集團於租賃期內以直線法確認租賃付款為經營開支，惟倘有另一系統化基準更能代表耗用租賃資產經濟利益的時間模式則作別論。

###### 租賃負債

於開始日期，本集團按該日未支付的租賃付款的現值計量租賃負債。該等租賃付款使用租賃中隱含的利率予以貼現。倘該利率不可輕易釐定，則本集團會採用其增量借款利率。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Leasing (Upon applicable on or after 1 January 2019) (Cont'd)

##### Lease liabilities (Cont'd)

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

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

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

##### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of office properties and staff quarters that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight line basis over the lease term.

#### 租賃 (自二零一九年一月一日或之後適用) (續)

##### 租賃負債 (續)

計入租賃負債計量的租賃付款包括固定租賃付款 (包括實質性固定付款)。

租賃負債在綜合財務狀況表中單獨呈列。

租賃負債其後透過增加賬面值以反映租賃負債的利息 (採用實際利率法) 及透過減少賬面值以反映作出的租賃付款進行計量。

##### 短期租賃及低價值資產租賃

對於租期自開始日期起計為12個月或以內且並無包含購買選擇權的辦公室物業及職工宿舍租賃，本集團應用短期租賃確認豁免。

本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款按直線基準於租期內確認為開支。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

##### Leasing (Upon applicable on or after 1 January 2019) (Cont'd)

##### Right-of-use assets

Except for the short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, such estimation is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets".

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

##### 租賃 (自二零一九年一月一日或之後適用) (續)

##### 使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期（即相關資產可供使用的日期）確認使用權資產。

使用權資產按成本減任何累計折舊及減值虧損計量。

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆解及搬遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況而產生的成本估計，該估計按照香港會計準則第37號「撥備、或然負債及或然資產」確認及計量。

就本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產按直線基準於其估計使用年期及租期（以較短者為準）內計提折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Leasing (Upon applicable on or after 1 January 2019) (Cont'd)

##### Right-of-use assets (Cont'd)

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

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

#### Leases (prior to 1 January 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### The Group as Lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

##### The Group as lessee

Operating lease payments, including cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

#### 租賃 (自二零一九年一月一日或之後適用) (續)

##### 使用權資產 (續)

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

本集團應用香港會計準則第36號以確定使用權資產是否已減值，並就已確認減值虧損進行入賬。

#### 租賃 (於二零一九年一月一日前)

倘租賃條款訂明擁有權之絕大部份風險及回報轉歸承租人所有，則關租賃列作融資租賃。所有其他租賃列作經營租賃。

##### 本集團作為出租人

來自經營租賃的租金收入於相關租賃年期內以直線法在損益中確認。

##### 本集團作為承租人

經營租賃款項 (包括透過經營租賃持有的收購土地成本) 乃按直線法於租期內確認為支出。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Leasehold land and building

When the Group makes payments for a property interest includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "right-of-use assets" in accordance with HKFRS16 or "prepaid lease payments" in accordance with HKAS 17 in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

#### 租賃土地及樓宇

當本集團就物業權益（包括租賃土地及樓宇部分）付款時，本集團會根據各部分之幾乎全部風險與報酬是否轉移至本集團之評估，考慮將每個部分單獨劃分為融資租賃或經營租賃，除非該等部分明確屬經營租賃，於此情況下，整項物業作為經營租賃入賬。具體而言，整筆代價（包括任何一次性預付款）在初次確認時，按於租賃土地部分及樓宇部分之租賃權益之公平值比例在土地及樓宇部分之間分配。

倘相關款項能夠可靠地進行分配，則經營租賃之租賃土地權益於綜合財務狀況表按照香港財務報告準則第16號列為「使用權資產」或按照香港會計準則第17號列為「預付租賃款項」，按直線法於租期內攤銷。當租賃款項無法於租賃土地及樓宇部分間可靠地進行分配時，整項租賃一般會分類為融資租賃，並按物業、廠房及設備列賬。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Foreign currencies

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

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

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

#### 外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易乃按交易當日之匯率以相關功能貨幣（即該實體經營所在主要經濟環境之貨幣）記錄。於報告期末，以外幣列值之貨幣項目按當日之匯率重新換算。按公平值列賬並以外幣計值的非貨幣項目按公平值釐定當日的現行匯率重新換算。以外幣過往成本計算之非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額會於產生期間在損益中確認。

就呈報綜合財務報表而言，本集團海外業務之資產及負債均按各報告期末之現行匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目按年內平均匯率換算。所產生匯兌差額（如有）均列入其他全面收益及累計權益內之匯兌儲備項下確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Borrowing costs

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

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

#### Government grants

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

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

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

#### Retirement benefits contributions

Payments to defined contribution plans, the Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

#### 借貸成本

收購、建設及生產合資格資產（為必要花費大部份時間準備就緒以供擬定用途或銷售之資產）直接應佔之借貸成本加入該等資產之成本，直至該資產大部份已準備就緒以供擬定用途或銷售時。

所有其他借貸成本均於產生期間在損益中確認。

#### 政府津貼

政府津貼於可合理確定本集團將遵守其所附條件並接到津貼時確認入賬。

政府津貼乃於本集團將擬補償津貼之相關成本確認為開支期間有系統地於損益中確認。尤其是，以要求本集團購買、建造或收購非流動資產為主要條件之政府津貼乃於綜合財務狀況表確認為遞延收入，並於相關資產之可用年期內有系統有理論地轉撥至損益。

用作補償本集團已產生開支或虧損或旨在為本集團提供即時資助（而無未來相關成本）之應收政府津貼，乃於應收期間於損益確認。

#### 退休福利供款

對定額供款退休福利計劃、強制性公積金計劃及由國家管理之退休福利計劃之供款於僱員已提供服務而有權收取供款時列作支出。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

#### Equity-settled share-based payment transactions

##### *Restricted Stock ("Restricted Stock") granted to employees*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (Restricted stock incentive scheme reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the restricted stock incentive scheme reserve.

#### 短期僱員福利

短期僱員福利按預計將支付的福利的未折現金額及僱員提供服務時確認。所有短期僱員福利確認為開支，惟香港財務報告準則要求或允許於資產成本中納入福利除外。

經扣除已支付的任何金額，就僱員應計福利（例如薪資及薪金）確認負債。

#### 以股權結算的股份支付交易

##### *向僱員授予的限制性股票（「限制性股票」）*

向僱員支付以股權結算的股份支付款項乃按股權工具於授出日期的公平值計量。

於授出日期釐定以股權結算的股份支付交易之公平值（不考慮所有非市場歸屬條件），乃根據本集團對最終歸屬股權工具的估計，於歸屬期內按直線法列支，並在權益（限制性股票激勵計劃儲備）內計入相應增額。於各報告期末，本集團會根據所有相關非市場歸屬條件的評估修訂預期歸屬股權工具的估計數目。修訂原有估計的影響（如有）將於損益內確認，使累計開支反映經修訂的估計，並相應調整限制性股票激勵計劃儲備。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Short-term employee benefits (Cont'd)

#### 短期僱員福利 (續)

#### Equity-settled share-based payment transactions (Cont'd)

#### 以股權結算的股份支付交易 (續)

#### Restricted Stock ("Restricted Stock") granted to employees (Cont'd)

#### 向僱員授予的限制性股票(「限制性股票」)(續)

When Restricted Stock was expected to vest, the amount previously recognised in restricted stock incentive scheme reserve will be transferred to capital reserve. When the Restricted Stock are forfeited after the vesting date or are still not achieving vesting conditions at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to capital reserve.

當限制性股票預期歸屬時，先前於限制性股票激勵計劃儲備中確認之數額將轉撥至資本儲備。倘限制性股票於歸屬日期後被沒收或於屆滿日期尚未行使，則過往於股份支付儲備確認的款項將轉撥至資本儲備。

#### Shares held under the restricted stock incentive scheme

#### 限制性股票激勵計劃項下持有的股份

Own equity instruments which are reacquired (shares held under the restricted stock incentive scheme) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in equity. The number of shares held by the trustee under the restricted stock incentive scheme would be eliminated against the corresponding amount of share capital issued in the calculation of the earnings per share for profit attributable to owners of the Company.

購回本身的權益工具(限制性股票激勵計劃項下持有的股份)按成本確認並於權益中扣除。本集團購買、出售、發行或註銷本身的權益工具所得收益或虧損將不計入損益賬。賬面值與代價之間的任何差額於權益確認。於計算本公司擁有人應佔溢利的每股盈利時，根據限制性股票激勵計劃由受託人持有的股份數目將與相應數目的已發行股份對銷。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Taxation

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

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

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

#### 稅項

所得稅開支表示當前應付稅項及遞延稅項之和。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利不包括已撥往其他年度應課稅或應扣減之收入及開支項目，亦不包括可作免稅或不可作稅項扣減之項目，故與除稅前溢利不同。本集團現時稅項負債乃按報告期末實行或實質上實行之稅率計算。

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之暫時性差額確認之稅項。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般乃就所有可扣稅暫時差額確認，惟以可能出現可運用應課稅溢利抵銷該等可扣減暫時差額時予以確認為限。如暫時差額由初次確認一項不影響應課稅溢利或會計溢利之交易之其他資產及負債（業務合併除外）所產生，該等遞延資產及負債不予確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Taxation (Cont'd)

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

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

#### 稅項 (續)

遞延稅項負債乃按與於附屬公司及聯營公司之投資相關之應課稅臨時差額而確認，惟若本集團可控制撥回臨時差額及臨時差額有可能未必於可見將來撥回之情況除外。與該等投資相關之可扣稅暫時差額所產生之遞延稅項資產，僅於可能有足夠應課稅溢利可以使用暫時差額之益處且預計於可見將來可以撥回時確認。

遞延稅項資產及負債根據報告期末實行或實質上實行之稅率（及稅法）按於負債清償或資產變現期間預期適用之稅率計量。當不同稅率適用於不同水平的應課稅收入時，遞延資產及負債按預期適用於預計暫時差額撥回期間的應課稅收入的平均稅率計量。

遞延稅項負債與資產之計量，反映按照本集團於報告期末預期收回或清償資產及負債賬面值之方式所產生稅務結果。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Taxation (Cont'd)

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

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

Current and deferred tax is recognised in profit or loss.

#### Property, plant and equipment

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

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

#### 稅項 (續)

就本集團確認使用權資產及相關租賃負債的租賃交易計量遞延稅項而言，本集團首先釐定稅項扣減是否因使用權資產或租賃負債而產生。

就因租賃負債之租賃交易而產生之稅項扣減而言，本集團會對使用權資產及租賃負債分開應用香港會計準則第12號所得稅之規定。由於應用初步確認豁免，故有關使用權資產及租賃負債之暫時差異不會於初步確認時及租期內確認。

即期及遞延稅項於損益內確認。

#### 物業、廠房及設備

物業、廠房及設備（包括持有用於生產、貨品或服務供應、或持作行政用途之樓宇）（下述在建物業除外）於綜合財務狀況表內按成本減隨後累計折舊及累計減值虧損（如有）列賬。

物業、廠房及設備（在建物業除外）確認折舊時旨在按其估計可使用年期並減去其剩餘價值，以直線法撇銷其成本。估計可使用年期、剩餘價值及折舊方法會於各報告期完結時審閱；若估計數字有任何變動，有關影響會按預期基準入賬。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Property, plant and equipment (Cont'd)

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

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

#### Construction in progress

When buildings are in the course of development for production or for administrative purposes provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

#### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

#### 物業、廠房及設備 (續)

正在興建之物業按成本減任何已確認減值虧損列賬。成本包括為資產合法擁有時發生之專業費及根據本集團會計政策可資本化之借貸成本。該等物業於竣工及可作擬定用途時乃按物業、廠房及設備之適當類別分類。當該等資產可供用作擬定用途時，乃按其他物業資產之相同基準折舊。

物業、廠房及設備項目於出售或預期繼續使用該資產不會產生任何日後經濟利益時取消確認。出售或棄用物業、廠房及設備項目時產生之損益按該資產之出售所得款項及賬面值間之差額計算，並於損益確認。

#### 在建工程

倘樓宇正在開發作生產或行政用途，施工期間將計入在建樓宇的成本。在建樓宇以成本減任何已識別的減值虧損入賬。當樓宇可供使用時開始折舊（即當其處於可按管理層擬定之方法經營所需的位置及條件時）。

#### 研發費用

研究費用於產生期間確認為支出。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Impairment loss on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of tangible assets is estimated individually, when it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

#### 有形資產減值虧損

於報告期末，本集團會審核其有形資產之賬面值，以確定是否有任何跡象表明該等資產出現減值虧損。倘出現任何該等跡象，將估計相關資產之可收回金額，以釐定減值虧損（如有）。

有形資產的可收回金額乃個別進行計算，倘不大可能個別估計資產的可收回金額，則本集團會估計有關資產所屬的現金產生單位的可收回金額。倘可確定合理及一致的分配基準，企業資產可分配至個別現金產生單位，否則，則將企業資產分配至能確定合理及一致的分配基準的最小組別現金產生單位。

可收回金額為公平值減出售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產（或現金產生單位）特殊風險的評值的稅前折現率，折現至其現有價值，及並無就此對未來現金流量的估計予以調整。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Impairment loss on tangible assets (Cont'd)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised as expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the cash-generating unit) in prior year. A reversal of an impairment loss is recognised as income immediately.

#### Inventories

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

#### 有形資產減值虧損 (續)

倘估計資產（或現金產生單位）之可收回金額低於其賬面值，則資產（或現金產生單位）之賬面值將調低至其可收回金額。分配減值虧損時，減值虧損基於單位中各項資產的賬面值按比例分配至資產。資產的賬面值不得減少至低於公平值減出售成本（如可計算）、使用價值（如可釐定）及零（以最高者為準）。分配至資產的減值虧損數額按單位的其他資產比例分配。減值虧損即時於損益確認為開支。

倘其後撥回減值虧損，則資產（或現金產生單位）之賬面值將增至其可收回金額之已修改估計數字，惟因此所增加之賬面值不會超出资產（或現金產生單位）於過往年度未有確認減值虧損時之賬面值。減值虧損之撥回即時確認為收入。

#### 存貨

存貨以成本及可變現淨值之較低者列賬。成本按加權平均法予以計算。可變現淨值按存貨之估計銷售價格減去所有估計完工成本及成功出售所需之成本釐定。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For purchased or originated credit-impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

#### 金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時確認。所有以常規方式購入或出售之金融資產均按買賣日期基準確認及終止確認。以常規方式購入或出售金融資產指須於市場規定或慣例所訂時限內交付資產之金融資產購入或出售。

金融資產及金融負債初步按公平值計量，惟自客戶合約產生的貿易應收款項除外，彼等初步根據香港財務報告準則第15號計量。收購或發行金融資產及金融負債直接應佔之交易成本於初步確認時加入金融資產或金融負債之公平值或從中扣除（如適用）。

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間分配利息收入及利息開支之方法。實際利率乃將估計日後現金收入及支付（包括所有已支付或收取構成整體實際利率之費用、交易成本及其他所有溢價或折價）按金融資產或金融負債之預期使用年期，或較短期間（倘合適）實際折現至資產於首次確認時之賬面淨值之利率。

就所購入或內部產生之信貸減值金融資產而言，信貸調整實際利率乃透過將估計未來現金流量（包括預期信貸虧損）貼現至初步確認時債務工具之攤銷成本計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets

#### 金融資產

#### Classification and subsequent measurement of financial assets

#### 金融資產分類及其後計量

Financial assets that meet the following conditions are subsequently measured at amortised cost

滿足以下條件其後按攤銷成本計量的金融資產

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

- 以收取合約現金流量為目的而持有資產之經營模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

Financial assets that meet the following conditions are subsequently measured at FVTOCI

滿足以下條件其後按公平值計入其他全面收益計量的金融資產

- The financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- 以出售及收取合約現金流量為目的而持有資產之經營模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### Financial assets (Cont'd)

#### Classification and subsequent measurement of financial assets (Cont'd)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

#### (i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產分類及其後計量 (續)

所有其他金融資產其後按公平值計入損益計量，惟在初步確認金融資產之日，倘該股本投資並非持作買賣，亦非收購方在香港財務報告準則第3號業務合併所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益（「其他全面收益」）呈列股本投資公平值的其後變動。

#### (i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信用減值的金融資產除外（見下文）。就其後出現信用減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信用減值金融工具的信用風險好轉，使金融資產不再出現信用減值，於釐定資產不再出現信用減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Classification and subsequent measurement of financial assets (Cont'd)

#### 金融資產分類及其後計量 (續)

#### (ii) Equity instruments designated as at FVTOCI

#### (ii) 指定為按公平值計入其他全面收益之權益工具

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

按公平值計入其他全面收益之股權工具投資其後按公平值計量，其公平值變動所產生的收益及虧損於其他全面收益確認及於按公平值計入其他全面收益之儲備累計，且毋須進行減值評估。累計收益及虧損不會重新分類至出售股權投資之損益，並將轉撥至保留溢利。

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

當本集團確立收取股息之權利時，股權工具投資的股息於損益中確認，除非股息明確代表收回部分投資成本。股息計入損益內「其他收入」項目中。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### Financial assets (Cont'd)

#### Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables and other receivables, pledged bank deposits and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade and bills receivables. The ECL on these assets are assessed individually for debtors with significant balance and collectively for other using a provision matrix based on past due amounts.

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

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值

本集團就根據香港財務報告準則第9號須予以減值的金融資產之預期信貸虧損確認虧損撥備(包括貿易應收款項及其他應收款項、已抵押銀行存款以及銀行結餘及現金)。預期信貸虧損之金額會於各報告日期予以更新以反映自初步確認起的信貸風險變動。

存續期預期信貸虧損指於相關工具預計年內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損指於報告日期後12個月內可能發生的違約事件預計產生的該部分有效期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特定因素、整體經濟環境及報告日期當前情況及預測未來情況的評估作出調整。

本集團一直就貿易應收款項及應收票據確認整個週期的預期信貸虧損。對債務人具有重大結餘的該等資產的預期信貸虧損單獨進行評估及就其他一併根據逾期金額使用撥備矩陣進行評估。

對於所有其他工具，本集團按12個月預期信貸虧損等額計量虧損撥備，除非信貸風險自初步確認以來已顯著上升，本集團確認存續期預期信貸虧損。評估是否應確認存續期預期信貸虧損的依據，是自初步確認以來發生違約的可能性或風險顯著上升。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (i) Significant increase in credit risk

#### (i) 信貸風險顯著上升

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

於評估信貸風險自首次確認以來是否大幅增加時，本集團會將報告日期金融工具的違約風險與首次確認日期金融工具的違約風險進行比較。於作出有關評估時，本集團會考慮合理及有理據支持的定量及定性資料，包括過往經驗及毋須繁苛成本或工作即可獲得的前瞻性資料。

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

具體而言，評估信貸風險是否顯著上升時會考慮以下資料：

- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- Significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- Existing or forecast adverse changes in business, financial or economic condition that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;

- 金融工具外部（如有）或內部信貸測評的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約掉期價格顯著上升；
- 商業、金融或經濟情況目前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (i) Significant increase in credit risk (Cont'd)

#### (i) 信貸風險顯著上升 (續)

- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

- 債務人的監管、經濟或技術環境有實際或預計的重大不利變動，導致債務人履行債務責任的能力顯著下降。

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

不論上述評估結果如何，本集團均假設合約付款逾期超過30日後信貸風險自初步確認以來顯著上升，除非本集團有合理及具支持性的資料說明其他情況。

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a financial asset to have low credit risk if the asset has an internal rating of "Low risk". Low risk means that the counterparty has a strong financial position and there is no past due amounts.

儘管有上述規定，但倘於報告日期金融工具被確定為具有較低信貸風險，則本集團會假設金融工具的信貸風險自初步確認以來並未顯著增加。在下列情況下，金融工具會被釐定為具有較低信貸風險：i)金融工具具有較低違約風險；ii)借款人近期具有充分償付合約現金流量負債的能力；及iii)長遠而言經濟及業務狀況的不利變動有可能但未必會降低借款人償付合約現金流量負債的能力。本集團認為，倘一項金融資產的內部評級為「低風險」，則該資產被視為具低信貸風險。低風險指交易方的財務狀況穩健，且並無逾期款項。

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### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (i) Significant increase in credit risk (Cont'd)

#### (i) 信貸風險顯著上升 (續)

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

本集團定期監察識別信貸風險是否顯著上升所用標準的有效性，並酌情修訂以確保該標準能夠在款項逾期前識別信貸風險的顯著上升。

#### (ii) Definition of default

#### (ii) 違約的定義

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

就內部信貸風險管理而言，本集團認為，當內部產生或獲取自外部來源的資料表明債務人不太可能向其債權人（包括本集團）悉數付款（不考慮本集團持有的任何抵押物），則發生違約事件。

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

不論上文分析，本集團認為當金融資產逾期超過90日時，即屬發生違約，除非本集團有合理及有理據的資料證明較寬鬆的違約標準更為適用則當別論。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (iii) Credit-impaired financial assets

#### (iii) 信貸減值金融資產

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

當發生一項或多項對金融資產估計未來現金流量有不利影響之違約事件時，金融資產出現信貸減值。金融資產信貸減值之證據包括以下可觀察事件：

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for that financial asset because of financial difficulties.

- 發行人或借款人陷入重大財務困難；
- 違反合約，如違約或逾期事件；
- 借款人之放款人因與借款人出現財務困難有關之經濟或合約理由而給予借款人在一般情況下放款人不予考慮之優惠條件；
- 借款人可能會破產或進行其他財務重組；或
- 由於出現財務困難，該金融資產活躍市場消失。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (iv) Write-off policy

#### (iv) 撇銷政策

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

倘有資料顯示交易對手陷入嚴重財困，且並無可能實際收回金融資產時（例如交易對手已清算或進入破產程序時，或倘為貿易應收款項，則金額逾期超過一年時（以較早者為準）），本集團會撇銷金融資產。經考慮法律意見（如適用），已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成取消確認事件。任何收回款項會直接於損益中確認。

#### (v) Measurement and recognition of ECL

#### (v) 預期信貸虧損的計量及確認

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

預期信貸虧損的計量乃違約概率、違約虧損率（即違約造成虧損的幅度）及違約風險的函數。違約概率及違約虧損率根據經前瞻性資料調整的歷史數據進行評估。預期信貸虧損的估計反映以發生相關違約風險的金額作為加權數值而釐定的無偏概率加權金額。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (v) Measurement and recognition of ECL (Cont'd)

#### (v) 預期信貸虧損的計量及確認 (續)

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

一般而言，預期信貸虧損估計為本集團根據合約應收的所有合約現金流量與本集團預計收取的所有現金流量之間的差額，並按初步確認時釐定的實際利率貼現。

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

預期信貸虧損乃按整體基準進行計量，或為應對在有證據顯示可能尚未獲取個別工具層面的預期信貸虧損的情況，金融工具乃按以下基準分類：

- Nature of financial instruments (i.e. the Group's trade and other receivables, are each assessed as a separate group);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

- 金融工具的性質（即本集團的貿易及其他應收款項均按單獨組別進行評估）；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級（如有）。

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

有關組別由管理層定期檢討，以確保各組的要素繼續分佔類似的信貸風險特色。

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

利息收入根據金融資產的賬面總值計算，惟金融資產為減值信貸的情況除外，於此情況下，利息收入根據金融資產的攤銷成本計算。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

#### 金融工具 (續)

#### Financial assets (Cont'd)

#### 金融資產 (續)

#### Impairment of financial assets (Cont'd)

#### 金融資產減值 (續)

#### (v) Measurement and recognition of ECL (Cont'd)

#### (v) 預期信貸虧損的計量及確認 (續)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables where the corresponding adjustment is recognised through a loss allowance account.

本集團藉調整所有金融工具的賬面值於損益確認有關工具的減值收益或虧損，惟貿易及其他應收款項除外，其透過虧損撥備賬確認相應調整。

#### Derecognition of financial assets

#### 取消確認金融資產

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party entity.

僅當收取資產現金流量之合約權利屆滿時，或將其金融資產或該等資產所有權之絕大部份風險及回報轉移予另一方實體時，本集團方會取消確認金融資產。

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

於取消確認按推銷成本計量金融資產時，資產賬面值與已收及應收代價之差額於損益中確認。

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained profits.

於取消確認一項本集團在初步確認時選擇按公平值計入其他全面收益之股本工具投資時，先前在按公平值計入其他全面收益儲備中累計的累計收益或虧損不會重新分類至損益，但會轉撥至保留溢利。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd) 3. 主要會計政策 (續)

#### Financial instruments (Cont'd)

##### Financial liabilities and equity instruments

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities at amortised cost

Financial liabilities including trade and other payables, bank borrowing and amounts due to associates are subsequently measured at amortised cost using the effective interest method.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 金融工具 (續)

##### 金融負債及股本工具

債務及股本工具乃根據所訂立合約安排內容及金融負債與股本工具之釋義分類為金融負債或股本。

##### 股本工具

股本工具乃證明本集團於扣減所有負債後的資產中擁有剩餘權益的任何合約。本公司所發行的股本工具按已收所得款項減直接發行成本列賬。

##### 按攤銷成本計量之金融負債

金融負債(包括貿易及其他應付款項、銀行借貸及應付聯營公司款項)其後以實際利率法按攤銷成本計算。

##### 取消確認金融負債

當且僅當本集團之責任獲解除、取消或到期時，本集團取消確認金融負債。取消確認之金融負債賬面值與已付或應付代價之差額乃於損益中確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amount of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimate and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to carrying amount of assets and liabilities within the next financing year.

##### Estimation of useful lives and residual values of property, plant and equipment

Management estimates the useful lives and residual values of property, plant and equipment. The estimated useful lives and residual values are based on the expected lifespan and original cost of those property, plant and equipment respectively. The useful lives and residual values of property, plant and equipment could change significantly as a result of technical obsolescence. When the actual useful lives and residual values of property, plant and equipment are different from their estimated useful lives and residual values due to the change of commercial and technological environment, such differences will cause an impact on the depreciation charges.

#### 4. 估計不明朗因素之主要來源

於採用本集團之會計政策（如附註3所述）時，本公司董事須就綜合財務報表中報告的資產、負債、收入及開支金額以及披露作出判斷、估計及假設。估計及相關假設乃基於歷史經驗及其他被認為相關的因素。實際結果可能與該等估計不同。

該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

##### 估計不明朗因素之主要來源

以下為於報告期末存在重大風險可能導致須對下一財政年度資產及負債賬面值作出重大調整之未來主要假設及其他主要估計不確定性來源。

##### 物業、廠房及設備之可用年期及剩餘價值估計

管理層估計物業、廠房及設備之可用年期及剩餘價值。估計可用年期及剩餘價值分別以該等物業、廠房及設備之預計可用年限及原值為基準。物業、廠房及設備之可用年期及剩餘價值可能因技術上過時而出現重大變動。倘物業、廠房及設備之實際可用年期及剩餘價值因商業及技術環境變動而有別於估計可用年期及剩餘價值，有關差異則會影響未來期間之折舊費用。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

##### **Impairment assessment of property, plant and equipment and right-of-use assets**

The recoverable amount of the Group's cash generating units is determined based on the value in use calculation. These calculations require the use of estimates and certain key assumptions including projected revenue, gross profit margin and discount rates of the cash generating units. Changes in these key assumptions can result in changes of carrying amount of the Group's property, plant and equipment and right-of-use assets that may impact the profit or loss.

The carrying amount of property, plant and equipment and right-of-use assets for the Group as at 31 December 2019 is approximately HK\$798,687,000 (2018: HK\$779,632,000) and HK\$49,064,000 (2018: HK\$Nil) respectively. No impairment loss has been recognised for property, plant and equipment and right-of-use assets during the year ended 31 December 2019 and 2018 as the recoverable amounts are higher than the carrying amounts.

#### 4. 估計不明朗因素之主要來源 (續)

##### **物業、廠房及設備以及使用權資產之減值評估**

本集團之現金產生單位的可收回金額乃根據使用價值計算釐定。該等計算需要使用估計及若干主要假設，包括現金產生單位的預測收入、毛利率及折現率。該等主要假設的變動可能導致本集團物業、廠房及設備以及使用權資產的賬面值變動，並可能影響損益。

本集團於二零一九年十二月三十一日之物業、廠房及設備以及使用權資產之賬面值分別約為798,687,000港元（二零一八年：779,632,000港元）及49,064,000港元（二零一八年：零）。由於可收回金額高於賬面值，於二零一九年及二零一八年十二月三十一日並無就物業、廠房及設備以及使用權資產確認減值虧損。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

##### Allowance for inventories

The management reviews an aged analysis of the inventories for production of FPC and flexible packaging substrate at the end of the reporting period, and makes allowance for slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value based on the latest selling prices and current marketable conditions.

If the net realisable value of inventories is estimated to be less than its carrying amount, the carrying amount of the inventories is reduced to its net realisable value.

The carrying amount of inventories for the Group as at 31 December 2019 is approximately HK\$124,848,000 (2018: HK\$117,812,000), net of allowance for inventories of approximately HK\$12,712,000 (2018: HK\$12,613,000). Allowance for inventories of approximately HK\$99,000 has been recognised during the year ended 31 December 2019 (2018: net reversal of allowance for inventories of approximately HK\$684,000).

##### Fair value measurement of financial instruments

The Group's unquoted equity instrument is measured at fair values with fair values being determined based on unobserved inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of this instruments.

The carrying amount of equity instrument at fair value through other comprehensive income for the Group as at 31 December 2019 is approximately HK\$25,808,000 (2018: HK\$18,078,000). Details of the assumptions used are disclosed in note 28.

#### 4. 估計不明朗因素之主要來源 (續)

##### 存貨撥備

管理層於報告期末審核生產柔性電路板及柔性封裝基板的存貨賬齡分析，並對確認為不再適宜用於生產之滯銷存貨項目作出撥備。管理層根據最近期之發票價格及現行市況估計可變現淨值。

倘存貨之可變現淨值估計已少於其賬面值，則會將該存貨之賬面值撇減至其可變現淨值。

本集團於二零一九年十二月三十一日之存貨賬面值約為124,848,000港元(二零一八年：117,812,000港元)(經扣除存貨撥備約12,712,000港元(二零一八年：12,613,000港元))。截至二零一九年十二月三十一日止年度之存貨撥備約為99,000港元(二零一八年：存貨撥備撥回淨額約684,000港元)。

##### 金融工具之公平值計量

本集團的未報價股本工具按公平值計量，公平值根據乃基於不可觀察所用數據使用估值方法釐定。在確定相關估值方法及其相關所用數據時需要作出判斷和估計。與該等因素有關的假設之變化可能會影響該工具的公平值。

本集團按公平值計入其他全面收益之權益工具於二零一九年十二月三十一日之賬面值約為25,808,000港元(二零一八年：18,078,000港元)。所用假設詳情於附註28中披露。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

##### Provision of ECL for trade receivables

The management of the Group calculates ECL for the trade receivables, which are assessed individually for debtors with significant balances and collectively for others. The provision rates applied are estimated using the historical observed default rates of the debtors taking into consideration forward-looking information that is reasonably and supportably available without undue costs or effort. At the end of each of the reporting period, these historical loss rates are reassessed and updated if required after considering the forward-looking information that available to the directors of the Company.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in note 28.

The carrying amount of trade receivables at for the Group at 31 December 2019 is approximately HK\$664,927,000 (2018: HK\$506,359,000), net of allowance for credit losses of approximately HK\$520,000 (2018: HK\$127,000). The provision for allowance for credit losses of approximately HK\$402,000 has been recognised during the year ended 31 December 2019 (2018: HK\$127,000).

#### 4. 估計不明朗因素之主要來源 (續)

##### 貿易應收款項預期信貸虧損撥備

本集團之管理層會為貿易應收款項計算預期信貸虧損，涉及重大結餘的債務人會進行獨立評估，而其他債務人則會共同進行評估。所應用的撥備率乃使用應收款項的歷史觀察違約率進行估計，當中會考慮毋須過多成本或努力即可取得的合理及有證據支持的前瞻性資料。於各報告期末，倘在考慮本公司董事可得的前瞻性資料後認為有需要，會重新評估及更新該等歷史違約率。

預期信貸虧損撥備對該等估計之變動相當敏感。有關預期信貸虧損及本集團貿易應收款項的資料分別於附註28中披露。

貿易應收款項於二零一九年十二月三十一日的賬面金額約為664,927,000港元（二零一八年：506,359,000港元），當中已扣除信貸虧損撥備約520,000港元（二零一八年：127,000港元）。信貸虧損撥備之撥備約402,000港元已於截至二零一九年十二月三十一日止年度確認（二零一八年：127,000港元）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 5. REVENUE AND SEGMENT INFORMATION

The Group manufacture and sells electronic products and provides agency services to the customers. All revenue generated by the Group is recognised at a point in time when control of the goods has transferred to the customers, being when the goods are shipped to the specific location (delivery).

Sales-related warranties associated with products cannot be purchased separately, the Group accounts for warranties in accordance with HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” unless the warranty provides the customer with a service in addition to the assurance that the product complies with agreed-upon specifications.

Revenue is recognised from the Group’s contracts with customers with fixed price and short-term duration.

##### Segment information

This segment information reported to the executive directors of the Company, being the chief operating decision makers (“CODM”), for the purpose of resource allocation and assessment of segment performance focuses on type of goods delivered and services provided.

For management purposes, during the year ended 31 December 2018, the Group had three business segments namely (i) the business of manufacture and sale of FPC; (ii) the business of manufacture and sale of flexible packaging substrates; and (iii) other.

#### 5. 收入及分部資料

本集團製造及銷售電子產品及向客戶提供代理服務。本集團產生的所有收入均在貨品控制權轉移至客戶的時間點（即當貨品運輸至特定地點（交付））時確認。

與產品有關的銷售相關保修無法單獨購買，除非保修為客戶提供額外於產品符合議定規格保證的服務，否則本集團根據香港會計準則第37號「撥備、或然負債及或然資產」將保修入賬。

收入自本集團與客戶訂立的定價及短期合約中確認。

##### 分部資料

就分配資源及評估分部表現向主要經營決策者本公司執行董事（「主要經營決策者」）報告之資料集中於所交付貨品之種類及所提供之服務。

為利於管理，於截至二零一八年十二月三十一日止年度，本集團有三個業務分部，即(i)製造及銷售柔性電路板業務；(ii)製造及銷售柔性封裝基板業務；及(iii)其他。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

##### Segment information (Cont'd)

Principal activities are as follows:

FPC business	–	the manufacture and sales of FPC
Flexible packaging substrates business	–	the manufacture and sales of flexible packaging substrates
Other	–	the sourcing and sales of electronic components

The CODM regularly reviews revenue and results analysis by these three business segments. In the current year, the presentation of reportable segments of the Group are revised as detailed below as the CODM believes the current reportable segments could provide better summary to them in reviewing the Group's operating performance and making decision in resource allocation. Accordingly, the comparative figures of the reportable segments have been restated for the purpose of presenting segment information.

The Group's business segments in relation to the "FPC business – the manufacture and sale of FPC" and the "Flexible packaging substrates business – the manufacture and sale of flexible packaging substrates" which were presented as separate reportable segments in the prior years are considered as a single operating segment by the CODM in the current year. Accordingly, the information of these operations has been aggregated into a single reportable segment which is reported as "Circuit boards and components business – the manufacture and sale of FPC and flexible packaging substrates (including components)" for segment reporting. Accordingly, during the year ended 31 December 2019, for management purposes, the Group had two business segments namely (i) the circuit boards and components business – the manufacture and sale of FPC and flexible packaging substrates; and (ii) other.

#### 5. 收入及分部資料 (續)

##### 分部資料 (續)

主要業務如下：

柔性電路板業務	–	製造及銷售柔性電路板
柔性封裝基板業務	–	製造及銷售柔性封裝基板
其他	–	採購及銷售電子元器件業務

主要經營決策者定期審閱按三個業務分部劃的收益及業績分析。於本年度，本集團可申報分部的呈報已作出下文所詳述的修訂，原因為主要經營決策者相信現時的可申報分部可於彼等審閱本集團的經營表現及作出資源分配的決定時為彼等提供更佳的概要。因此，可申報分部的比較數字已就呈報分部資料作出重列。

本集團有關「柔性電路板業務—製造及銷售柔性電路板」及「柔性封裝基板業務—製造及銷售柔性封裝基板」的業務分部於過往多個年度作為獨立的可申報分部呈列，惟主要經營決策者於本年度認為有關分部為單一營運分部。因此，該等營運的資料已整合為單一申報分部，於分部報告中作為「電路板及組件業務—製造及銷售柔性電路板及柔性封裝基板（含組件）」報告。因此，為利於管理，本集團於截至二零一九年十二月三十一日止年度有兩個業務分部，即(i)電路板及組件業務—製造及銷售柔性電路板及柔性封裝基板；及(ii)其他。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

#### Segment information (Cont'd)

Principal activities are as follows:

Circuit boards and components business	– The manufacture and sales of FPC and flexible packaging substrates (including components)
Other	– The sourcing and sale of electronic components and provision of agent services

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

### 5. 收入及分部資料 (續)

#### 分部資料 (續)

主要業務如下：

電路板及組件業務	– 製造及銷售柔性電路板及柔性封裝基板 (含組件)
其他	– 採購及銷售電子元器件業務及提供代理服務

#### 分部收入及業績

本集團按營運及可申報分部劃分之收入及業績分析如下。

		Segment revenue – external sales 分部收入 – 外部銷售		Segment results 分部業績	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (Restated) (經重列)	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元 (Restated) (經重列)
Circuit boards and components business	電路板及組件業務	1,448,487	1,216,351	158,238	106,246
Other	其他	15,143	7,452	2,743	110
Total	合計	<u>1,463,630</u>	<u>1,223,803</u>	<u>160,981</u>	<u>106,356</u>
Interest income	利息收入			2,834	7,372
Central administration costs	中央行政成本			(32,278)	(29,898)
Finance costs	融資成本			(2,091)	(215)
Share of results of associates	分佔聯營公司業績			1,202	163
Profit before taxation	除稅前溢利			<u>130,648</u>	<u>83,778</u>



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### 綜合財務報表附註

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

#### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

##### Segment revenue and results (Cont'd)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, interest income, finance costs and share of results of associates. This is the measure reported to the executive directors, the Group's CODM, for the purposes of resource allocation and performance assessment.

No analysis of the Group's assets and liabilities by operating and reportable segments is disclosed as they are not reviewed by the CODM nor otherwise regularly provided to the CODM for review.

The Group did not have any significant inter-segment sales during the year ended 31 December 2019 and 31 December 2018.

#### 5. 收入及分部資料 (續)

##### 分部收入及業績 (續)

營運分部之會計政策與附註3所述的本集團會計政策相同。分部溢利指各分部所賺取之溢利，但並未就中央行政成本、利息收入、融資成本、出售附屬公司虧損及應佔一間聯營公司之溢利作出分配。此乃呈報予執行董事（本集團之主要經營決策者）用作資源分配及評估表現之方式。

本集團並無披露按營運及可呈報分部劃分之資產及負債之分析，由於有關分析並非由主要經營決策者檢討或定期提供予主要經營決策者作檢討。

於截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，本集團並無重大分部間銷售。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

### 5. 收入及分部資料 (續)

#### Other segment information

#### 其他分部資料

#### During the year ended 31 December 2019

於截至二零一九年十二月三十一日止年度

Amounts included in the measure of segment results:

計算分部業績時包括之款項：

		Circuit boards and components business 電路板及組件業務 HK\$'000 千港元	Other 其他 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元
Provision of allowance for credit losses	信貸虧損撥備	402	—	402
Allowance (reversal of allowance) for inventories	存貨撥備 (撥備撥回)	99	—	99
Depreciation of right-of-use assets	使用權資產折舊	3,119	—	3,119
Depreciation of property, plant and equipment	物業、廠房及設備折舊	114,234	—	114,234
Release of government grant for construction of factory on existing lands and "02 Major Project" of the Group	發放於現有土地興建廠房及本集團「02專項」之政府津貼	(1,796)	—	(1,796)
Government grant for research and development projects	研發項目之政府津貼	(23,316)	—	(23,316)
Government subsidies	政府資助	(4,936)	—	(4,936)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,272	—	2,272
Research and development expenses	研發費用	57,352	—	57,352

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

### 5. 收入及分部資料 (續)

#### Other segment information (Cont'd)

#### 其他分部資料 (續)

#### During the year ended 31 December 2019 (Cont'd)

#### 於截至二零一九年十二月三十一日止年度 (續)

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:

定期向主要經營決策者提供但不包括於計算分部損益之款項：

		Circuit boards and components business 電路板及組件業務 HK\$'000 千港元	Other 其他 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元
Interest income	利息收入	(2,834)	—	(2,834)
Interest expenses	利息開支	2,091	—	2,091
Income tax expense	所得稅開支	12,937	—	12,937
Share of results of associates	分佔聯營公司業績	(1,202)	—	(1,202)

#### During the year ended 31 December 2018

#### 截至二零一八年十二月三十一日止年度

Amounts included in the measure of segment profit or loss:

計算分部損益時包括之款項：

		Circuit boards and components business 電路板及組件業務 HK\$'000 千港元 (Restated) (經重列)	Other 其他 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元
Provision of allowance for credit losses	信貸虧損撥備	127	—	127
Net reversal of allowance for inventories	存貨撥備撥回淨額	(684)	—	(684)
Amortisation of prepaid lease payments	預付租賃款項攤銷	1,250	—	1,250
Depreciation of property, plant and equipment	物業、廠房及設備折舊	89,830	—	89,830
Release of government grant for construction of factory on existing lands	發放於現有土地興建廠房之政府津貼	(791)	—	(791)
Government grant for research and development projects	研發項目之政府津貼	(31,758)	—	(31,758)
Government subsidies	政府資助	(2,484)	—	(2,484)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	5,598	—	5,598
Research and development expenses	研發費用	63,774	—	63,774

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

##### Other segment information (Cont'd)

During the year ended 31 December 2018 (Cont'd)

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:

#### 5. 收入及分部資料 (續)

##### 其他分部資料 (續)

於截至二零一八年十二月三十一日止年度 (續)

定期向主要經營決策者提供但不包括於計算分部損益之款項：

		Circuit boards and components business 電路板及組件業務 HK\$'000 千港元 (Restated) (經重列)	Other 其他 HK\$'000 千港元	Segment total 分部合計 HK\$'000 千港元
Interest income	利息收入	(7,372)	—	(7,372)
Interest expenses	利息開支	215	—	215
Income tax expense	所得稅開支	14,444	—	14,444
Share of results of associates	分佔聯營公司業績	(163)	—	(163)

##### Geographical information

The Group operates in two principal geographical areas – the PRC (excluding Hong Kong) and Hong Kong (country of domicile). The following table provides an analysis of the Group's revenue from external customers by the geographical location of the customer:

##### 地區資料

本集團於兩個主要地區運營—中國（不包括香港）及香港（註冊成立地點）。下表列示本集團按客戶所處地理位置劃分來自外部客戶之收入之分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
PRC other than Hong Kong	中國（不包括香港）	1,185,204	823,068
Hong Kong	香港	184,794	298,740
Other	其他	93,632	101,995
		<b>1,463,630</b>	<b>1,223,803</b>

Substantially all of the Group's non-current assets, including property, plant and equipment and right-of-use assets are located in the PRC.

本集團之絕大部份非流動資產（包括物業、廠房及設備以及使用權資產）均位於中國境內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. REVENUE AND SEGMENT INFORMATION (Cont'd)

### 5. 收入及分部資料 (續)

#### Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

#### 有關主要客戶之資料

來自於相應年度為本集團銷售總額帶來逾10%貢獻之客戶之收入如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A <sup>1</sup>	客戶甲 <sup>1</sup>	383,830	276,322
Customer B <sup>1</sup>	客戶乙 <sup>1</sup>	158,826	179,003
Customer C <sup>1&amp;3</sup>	客戶丙 <sup>1及3</sup>	N/A不適用 <sup>2</sup>	141,220

<sup>1</sup> Revenue from business of circuit boards and components business.

<sup>2</sup> Revenue from Customer C did not contribute over 10% of the total revenue of the Group.

<sup>3</sup> Customer C represents revenue from one of the Company's shareholder and its subsidiary.

<sup>1</sup> 來自電路板及組件業務之收入。

<sup>2</sup> 來自客戶丙之收入對本集團收入總額貢獻少於10%。

<sup>3</sup> 客戶丙指來自本公司一名股東及其附屬公司之收入。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 6. OTHER INCOME

#### 6. 其他收入

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Release of government grant for construction of factory on existing lands and the "02 Major Project" (note 23)	發放於現有土地以興建廠房及「02專項」之政府津貼(附註23)	1,796	791
Government grant for research and development projects (note 23)	發放研發項目之政府津貼(附註23)	23,316	31,758
Government subsidies (note)	政府資助(附註)	4,936	2,484
Interest income	利息收入	2,834	7,372
Rental income	租金收入	339	378
Compensation income from litigation claim	訴訟申索之賠償收入	12	1,420
Scrap income	廢料收入	6,616	4,307
Net exchange gain	匯兌收益淨額	257	7,002
Others	其他	1,065	741
		<b>41,171</b>	<b>56,253</b>

Note:

The amount included approximately HK\$4,936,000 (2018: HK\$2,303,000) represent subsidies from various government authorities in supporting the high technology research and development activities for the year ended 31 December 2019.

附註：

金額包括於截至二零一九年十二月三十一日止年度來自多個政府機構支援高科技研發活動的資助約4,936,000港元(二零一八年：2,303,000港元)。

#### 7. FINANCE COSTS

#### 7. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interests on:	利息：		
– Bank borrowings	– 銀行借貸	1,827	215
– Lease liabilities	– 租賃負債	264	–
		<b>2,091</b>	<b>215</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. PROFIT BEFORE TAXATION

### 8. 除税前溢利

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before taxation has been arrived at after charging	除税前溢利已扣除以下項目		
Research and development expenses	研發費用		
Staff costs	員工成本	9,524	17,419
Other research and development expenses	其他研發費用	47,828	46,355
		<b>57,352</b>	<b>63,774</b>
Directors' and chief executive's emoluments (note 10)	董事及主要行政人員酬金 (附註10)	1,227	1,411
Other staff costs	其他員工成本	152,155	120,702
Other staff's retirement schemes contributions	其他員工之退休計劃供款	13,551	11,360
Total staff costs	員工成本總額	166,933	133,473
Less: Other staff costs included in research and development expenses shown above	減：計入上文所示研發費用之其他員工成本	(9,524)	(17,419)
		<b>157,409</b>	<b>116,054</b>
Amortisation of prepaid lease payments	預付租賃款項攤銷	–	1,250
Auditor's remuneration	核數師酬金	850	980
Cost of inventories recognised as an expense (Note (i))	已確認為開支之存貨成本 (附註(i))	1,254,943	1,071,832
Depreciation for property, plant and equipment	物業、廠房及設備之折舊	114,234	89,830
Depreciation of right-of-use assets	使用權資產之折舊	3,119	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,272	5,598
Minimum lease payments under operating leases in respect of land and buildings (Note (ii))	土地及樓宇經營租賃項下之最低租金 (附註(ii))	N/A不適用	698
Provision for allowance for credit losses	信貸虧損撥備之撥備	402	127

Note:

(i) The amount includes net allowance for inventories of HK\$99,000 (2018: net reversal allowance for inventories of approximately HK\$684,000).

(ii) Operating lease payments in respect of premises for the year ended 31 December 2018 represent payments made and accounted for HKAS 17. Details of the lease payment made for the year ended 31 December 2019 are set out in Note 14.

附註：

(i) 金額包括存貨撥備淨額99,000港元(二零一八年：存貨撥備撥回淨額約684,000港元)。

(ii) 截至二零一八年十二月三十一日止年度有關場所之經營租賃付款指已付且根據香港會計準則第17號列賬之付款。有關截至二零一九年十二月三十一日止年度之已付租賃付款詳情載於附註14。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 9. TAXATION

### 9. 稅項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	—	416
PRC Enterprise Income Tax	中國企業所得稅	15,392	14,661
		<u>15,392</u>	<u>15,077</u>
Over provision in prior years	以往年度超額撥備：		
Hong Kong Profits Tax	香港利得稅	—	(27)
PRC Enterprise Income Tax	中國企業所得稅	(3,964)	(2,169)
		<u>(3,964)</u>	<u>(2,196)</u>
		<u>11,428</u>	<u>12,881</u>
Deferred tax:	遞延稅項：		
Current year (note 26)	本年度 (附註26)	1,509	1,563
		<u>12,937</u>	<u>14,444</u>

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of 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 not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

於二零一八年三月二十一日，香港立法會通過二零一七年稅務（修訂）（第7號）條例草案（「條例草案」），引入利得稅兩級制。條例草案於二零一八年三月二十八日經簽署生效，並於翌日在憲報刊登。根據利得稅兩級制，合資格集團實體將按8.25%之稅率就首2百萬港元溢利繳納稅項，並將按16.5%之稅率就超過2百萬港元之溢利繳納稅項。不符合利得稅兩級制資格之集團實體之溢利將繼續按16.5%之統一稅率繳納稅項。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 9. TAXATION (Cont'd)

For the year ended 31 December 2019 and 31 December 2018, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%. For the year ended 31 December 2019, no provision for Hong Kong profits tax has been made as the group company in Hong Kong has no assessable profits.

The provision for PRC Enterprise Income Tax is based on the estimated taxable income for each PRC subsidiary and at its applicable tax rate. Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

AKM Electronics Industrial (Panyu) Ltd. ("AKM Panyu") and AKM Electronic Technology (Suzhou) Ltd. ("AKM Suzhou") were awarded the Foreign Invested Advanced-Technology Enterprise Certificate in prior years. AKM Suzhou is entitled to tax rate reduction from 25% to 15% for three years commenced from 1 January 2016, which was then renewed for a further term of three years commenced from 1 January 2019. AKM Panyu was entitled to tax rate reduction from 25% to 15% for three years commenced from 1 January 2015, which was then renewed for a further term of three years commenced from 1 January 2018.

#### 9. 稅項 (續)

截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，本集團合資格實體的香港利得稅根據兩級制利得稅率制度計算。不符合兩級制利得稅率制度的香港其他集團實體的溢利將繼續按16.5%的標準稅率徵稅。於截至二零一九年十二月三十一日止年度，由於位於香港的集團公司並無應課稅溢利，故並無就香港利得稅作出撥備。

中國企業所得稅乃按各中國附屬公司之適用稅率就其估計應課稅收入作出撥備。根據中華人民共和國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，中國附屬公司之稅率自二零零八年一月一日起為25%。

於過往年度，安捷利（番禺）電子實業有限公司（「番禺安捷利」）及安捷利電子科技（蘇州）有限公司（「蘇州安捷利」）獲頒高新技術企業認證。蘇州安捷利自二零一六年一月一日起三年享有稅率由25%下調至15%之稅項寬減，並自二零一九年一月一日起獲續期，為期三年。番禺安捷利自二零一五年一月一日起三年享有稅率由25%下調至15%之稅項寬減，並自二零一八年一月一日起獲續期，為期三年。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 9. TAXATION (Cont'd)

The taxation for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

#### 9. 稅項 (續)

年內之稅項可與綜合損益及其他全面收益表之除稅前溢利調節如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before taxation	除稅前溢利	130,648	83,778
Tax at the applicable income tax rate (note a)	按適用所得稅稅率計算之稅項 (附註a)	19,597	12,567
Tax effect of income that are not taxable in determining taxable profit	於釐定應課稅溢利時不可課稅之收入之稅務影響	—	(377)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減之開支之稅務影響	778	913
Tax effect on share of profit of an associate	應佔一間聯營公司之溢利之稅務影響	(180)	(24)
Tax effect of deductible temporary differences not recognised	未確認可扣減臨時差額之稅務影響	74	(84)
Tax effect on further deduction of research and development expenses (note b)	研發成本進一步扣除之稅務影響 (附註b)	(5,476)	(7,168)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	633	9,310
Overprovision in prior years	以往年度之超額撥備	(3,964)	(2,196)
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法權區經營之不同稅率之影響	(34)	(60)
Deferred taxation arising from withholding tax on undistributed profits	未分配溢利被徵收預扣稅所產生之遞延稅項	1,509	1,563
Taxation for the year	本年度稅項	12,937	14,444

Notes:

- AKM Panyu is the Group's major operating subsidiary. Therefore, the Group's applicable income tax rate is 15% (2018: 15%).
- Pursuant to the relevant tax rules and regulations, PRC subsidiaries can claim PRC income tax credits on additional 50% of the qualified research and development expenses in the PRC. Such PRC income tax credits are allowed, and are accounted for, as deduction from current income tax expenses when relevant conditions are fulfilled and tax approval is obtained from the tax bureau.

附註：

- 番禺安捷利為本集團之主要營運附屬公司。因此，本集團之適用所得稅稅率為15%（二零一八年：15%）。
- 根據有關稅務條例及規例，中國附屬公司可就中國之合資格研發開支申請額外50%中國所得稅抵免。在達成有關條例及取得稅局之稅務批文後，有關中國所得稅抵免已獲准並已入賬列作即期所得稅開支扣減。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

#### (i) Details of directors' and chief executive's emoluments are as follows:

For the year ended 31 December 2019

### 10. 董事及主要行政人員之酬金及五名最高薪酬人士

#### (i) 董事及主要行政人員之酬金詳情載列如下：

截至二零一九年十二月三十一日止年度

		Fees	Salaries and other benefits	Retirement Benefit scheme contributions	Performance Related incentive payments	Total emoluments
		袍金	薪金及其他福利	退休福利計劃供款	與表現掛鉤之獎金	酬金總額
		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
Executive director:	執行董事：					
Xiong Zheng Feng	熊正峰	-	-	-	-	-
Non-executive directors:	非執行董事：					
Gao Xiaoguang	高曉光	-	-	-	-	-
Jia Junan	賈軍安	-	-	-	-	-
Zhang Xiaoming (note (b) below)	張曉明 (下述附註(b))	-	-	-	-	-
Wong Chunsheng (note (c) below)	王春生 (下述附註(c))	-	-	-	-	-
Yu Daochun (note (d) below)	余道春 (下述附註(d))	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Hung Chi Yuen Andrew	洪志遠	60	-	-	-	60
Yang Zhaoguo (note (e) below)	楊兆國 (下述附註(e))	72	-	-	-	72
Cui Zheng	崔錚	72	-	-	-	72
Sub-total	小計	204	-	-	-	204
Chief executive officer	行政總裁					
Chai Zhi Qiang (note (g) below)	柴志強 (下述附註(g))	-	684	83	256	1,023
Total	合計	204	684	83	256	1,227

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

## (i) Details of directors' and chief executive's emoluments are as follows: (Cont'd)

For the year ended 31 December 2018

## 10. 董事及主要行政人員之酬金及五名最高薪酬人士(續)

## (i) 董事及主要行政人員之酬金詳情載列如下:(續)

截至二零一八年十二月三十一日止年度

		Fees	Salaries and other benefits	Retirement Benefit scheme contributions	Performance Related incentive payments	Total emoluments
		袍金	薪金及其他福利	退休福利計劃供款	與表現掛鉤之獎金	酬金總額
		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
Executive Directors:	執行董事:					
Xiong Zheng Feng	熊正峰	-	-	-	-	-
Non-executive Directors:	非執行董事:					
Li Ying Hong (note a)	李映紅(附註a)	-	-	-	-	-
Gao Xiaoguang	高曉光	-	-	-	-	-
Jia Junan	賈軍安	-	-	-	-	-
Zhang Xiaoming (note b)	張曉明(附註b)	-	-	-	-	-
Wong Chunsheng (note c)	王春生(附註c)	-	-	-	-	-
Yu Daochun (note d)	余道春(附註d)	-	-	-	-	-
Independent non-executive Directors:	獨立非執行董事:					
Hung Chi Yuen Andrew	洪志遠	60	-	-	-	60
Yang Zhaoquo (note e)	楊兆國(附註e)	45	-	-	-	45
Zhao Xiao (note f)	趙曉(附註f)	12	-	-	-	12
Cui Zheng	崔錚	72	-	-	-	72
Sub-total	小計	189	-	-	-	189
Chief Executive Officer	行政總裁					
Chai Zhi Qiang (note g)	柴志強(附註g)	-	705	82	435	1,222
Total	合計	189	705	82	435	1,411



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

##### (i) Details of directors' and chief executive's emoluments are as follows: (Cont'd)

Notes:

- (a) Resigned on 24 August 2018.
- (b) Appointed on 24 August 2018.
- (c) Appointed on 30 January 2018.
- (d) Appointed on 27 November 2018.
- (e) Appointed on 15 May 2018.
- (f) Retired on 15 February 2018.
- (g) Chai Zhi Qiang is the Chief Executive Officer.
- (h) The performance related incentive payments are determined with reference to the Group's operating results and individual performances.

The chief executive officer's and executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The emoluments of the non-executive directors and independent non-executive directors shown above were mainly for their services as directors of the Company.

There was no arrangement under which a director or the chief executive officer waived or agreed to waive any emoluments during the year 2018 and 2019.

#### 10. 董事及主要行政人員之酬金及五名最高薪酬人士 (續)

##### (i) 董事及主要行政人員之酬金詳情載列如下：(續)

附註：

- (a) 於二零一八年八月二十四日辭任。
- (b) 於二零一八年八月二十四日獲委任。
- (c) 於二零一八年一月三十日獲委任。
- (d) 於二零一八年十一月二十七日獲委任。
- (e) 於二零一八年五月十五日獲委任。
- (f) 於二零一八年二月十五日退任。
- (g) 柴志強乃行政總裁。
- (h) 與表現掛鈎之獎金乃按本集團經營業績及個人表現而釐定。

上文所示行政總裁及執行董事之酬金主要與彼等管理本公司及本集團事務所提供之服務相關。

上文所示非執行董事及獨立非執行董事之酬金主要與彼等作為本公司董事所提供之服務相關。

年內，概無董事或行政總裁放棄或同意放棄於二零一八年及二零一九年的任何薪酬的安排。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Cont'd)

## (ii) Employees' emoluments and five highest paid individuals:

During the year ended 31 December 2019, the emoluments of the five individuals with the highest emoluments of the Group, one (2018: one) was the chief executive officer of the Company whose emoluments is set out in note 10(i) above. The emoluments of four (2018: four) highest paid individuals were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,278	2,550
Performance related incentive payments	與表現掛鈎之獎金	931	1,514
Retirement benefit scheme contributions costs	退休福利計劃供款成本	258	419
		<b>3,467</b>	<b>4,483</b>

Their emoluments were within the following bands:

		2019 二零一九年 Number of individuals 人數	2018 二零一八年 Number of individuals 人數
HK\$nil to HK\$1,000,000	零港元至1,000,000港元	3	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	1

During the year ended 31 December 2019 and 2018, no remunerations were paid by the Group to the directors and the chief executive officer or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

## 10. 董事及主要行政人員之酬金及五名最高薪酬人士 (續)

## (ii) 僱員酬金及五名最高薪酬人士：

於截至二零一九年十二月三十一日止年度，本集團五名最高薪酬人士中，一名（二零一八年：一名）為本公司行政總裁，其薪酬於上述之附註10(i)載列。四名（二零一八年：四名）最高薪酬人士之薪酬載列如下：

彼等之酬金介乎以下範圍：

截至二零一九年及二零一八年十二月三十一日止年度，本集團並無向董事及行政總裁或五名最高薪酬人士支付任何酬金，以作為鼓勵加入或加入本集團時之獎金或離職補償。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. DIVIDEND

During the year ended 31 December 2019, a final dividend of HK1 cent per share in respect of the year ended 31 December 2018 totalling HK\$15,382,000 (2018: HK\$15,382,000) was declared and paid to the owners of the Company.

Pursuant to the board of directors' meeting on 27 March 2020, the directors recommended to declare the final dividend for the year ended 31 December 2019 of HK1 cent per share totaling HK\$15,382,000. Such recommendation is to be approved by the shareholders at the annual general meeting.

### 11. 股息

截至二零一九年十二月三十一日止年度，已向本公司擁有人宣派及派付截至二零一八年十二月三十一日止年度之末期股息每股1港仙，合共15,382,000港元（二零一八年：15,382,000港元）。

根據於二零二零年三月二十七日舉行之董事會會議，董事建議宣派截至二零一九年十二月三十一日止年度之末期股息每股1港仙，合共15,382,000港元。該建議須由股東於股東週年大會上批准。

### 12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

### 12. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利之計算乃根據以下數據：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Earnings</b>	<b>盈利</b>		
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	用作計算每股基本盈利之本公司擁有人應佔本年度溢利	<u>117,711</u>	<u>69,334</u>
		<b>Number of shares</b>	<b>股數</b>
		2019 二零一九年	2018 二零一八年
<b>Number of shares</b>	<b>股數</b>		
Weighted average number of ordinary shares less shares held under the restricted stock incentive scheme during the year, for the purpose of basic earnings per share	用作計算每股基本盈利之普通股加權平均數減本年度內限制性股票激勵計劃下持有的股份	<u>1,537,398,075</u>	<u>1,514,092,021</u>

There was no potential ordinary share in existence for the two years ended 31 December 2019, basic and diluted earnings per share are the same for both years.

由於截至二零一九年十二月三十一日止兩個年度並無具潛在攤薄之普通股，因此兩個年度的每股基本及攤薄盈利相同。

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## 綜合財務報表附註

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

### 13. PROPERTY, PLANT AND EQUIPMENT/ DEPOSITS FOR PROPERTY, PLANT AND EQUIPMENT

### 13. 物業、廠房及設備／物業、廠房及 設備之按金

		Buildings 樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>							
At 1 January 2018	於二零一八年一月一日	173,014	521,921	90,394	22,560	3,451	74,076	885,416
Additions	添置	1,064	38,410	17,697	2,647	451	220,982	281,251
Disposals	出售	-	(19,659)	-	(6)	(107)	-	(19,772)
Written off	撇銷	-	-	(16,795)	-	-	-	(16,795)
Transfer	轉撥	-	89,652	-	-	-	(89,652)	-
Currency realignment	貨幣調整	(7,995)	(28,044)	(4,184)	(1,059)	(133)	(7,396)	(48,811)
At 31 December 2018	於二零一八年十二月三十一日	166,083	602,280	87,112	24,142	3,662	198,010	1,081,289
At 1 January 2019	於二零一九年一月一日	166,083	602,280	87,112	24,142	3,662	198,010	1,081,289
Additions	添置	-	30,270	5,361	2,163	-	115,903	153,699
Disposals	出售	-	(11,750)	-	(20)	-	(206)	(11,976)
Transfer	轉撥	1,217	211,801	5,104	-	-	(218,122)	-
Written off	撇銷	-	-	(4,176)	-	-	-	(4,176)
Currency realignment	貨幣調整	(3,656)	(16,408)	(1,939)	(524)	(62)	(2,112)	(24,701)
At 31 December 2019	於二零一九年十二月三十一日	163,644	816,193	91,462	25,761	3,600	93,475	1,194,135
<b>DEPRECIATION</b>	<b>折舊</b>							
At 1 January 2018	於二零一八年一月一日	31,253	185,038	23,244	9,902	2,670	-	252,107
Provided for the year	年度撥備	8,585	63,330	14,638	2,889	388	-	89,830
Eliminated on disposals	出售時抵銷	-	(10,095)	-	(3)	(102)	-	(10,200)
Eliminated on written off	撇銷時抵銷	-	-	(16,795)	-	-	-	(16,795)
Currency realignment	貨幣調整	(1,735)	(9,931)	(995)	(529)	(95)	-	(13,285)
At 31 December 2018	於二零一八年十二月三十一日	38,103	228,342	20,092	12,259	2,861	-	301,657
At 1 January 2019	於二零一九年一月一日	38,103	228,342	20,092	12,259	2,861	-	301,657
Provided for the year	年度撥備	8,376	86,651	15,582	3,238	387	-	114,234
Eliminated on disposals	出售時抵銷	-	(8,171)	-	(5)	-	-	(8,176)
Eliminated on written off	撇銷時抵銷	-	-	(4,176)	-	-	-	(4,176)
Currency realignment	貨幣調整	(984)	(6,110)	(645)	(301)	(51)	-	(8,091)
At 31 December 2019	於二零一九年十二月三十一日	45,495	300,712	30,853	15,191	3,197	-	395,448
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At 31 December 2019	於二零一九年十二月三十一日	118,149	515,481	60,609	10,570	403	93,475	798,687
At 31 December 2018	於二零一八年十二月三十一日	127,980	373,938	67,020	11,883	801	198,010	779,632

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## 綜合財務報表附註

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

13. PROPERTY, PLANT AND EQUIPMENT/  
DEPOSITS FOR PROPERTY, PLANT AND  
EQUIPMENT (Cont'd)

The above items of property, plant and equipment are depreciated on a straight-line basis after taking into account of the estimated residual values at the following rates per annum:

Buildings	Over the shorter of the term of the lease of relevant land, or 40 – 50 years
Plant and machinery	5 – 15 years
Leasehold improvements	Over the remaining term of the lease or 4 years, whichever is shorter
Office equipment	5 years
Motor vehicles	4 – 5 years

As at 31 December 2019, the Group has pledged buildings with carrying amounts of HK\$46,488,000 (2018: HK\$49,291,000) to secure general banking facilities granted to the Group.

The buildings are located on leasehold land in the PRC.

Deposits for property, plant and equipment represents deposits paid to suppliers and subcontractors for acquisition of property, plant and equipment and construction in progress.

13. 物業、廠房及設備／物業、廠房及  
設備之按金 (續)

上述物業、廠房及設備項目在參照估計剩餘價值後使用直線法按以下年率折舊：

樓宇	樓宇按相關土地之租期或40至50年（以較短者為準）
廠房及機器	5至15年
租賃物業裝修	於餘下租期或4年（以較短者為準）
辦公室設備	5年
車輛	4至5年

於二零一九年十二月三十一日，本集團已抵押賬面值為46,488,000港元（二零一八年：49,291,000港元）之樓宇，作為本集團所獲授一般銀行信貸之擔保。

該等樓宇均位於中國租賃之土地上。

物業、廠房及設備之按金指就購買物業、廠房及設備及在建工程已付予供應商及分承建商之按金。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 13. PROPERTY, PLANT AND EQUIPMENT/ DEPOSITS FOR PROPERTY, PLANT AND EQUIPMENT (Cont'd)

In accordance with the Group's accounting policies, the Group reviews the carrying amount of its property, plant and equipment to determine whether there is any indication of that these assets have suffered an impairment loss. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made at the reporting period. Indicators of impairment included drop in average unit selling price of products.

As at 31 December 2018, the recoverable amount of property, plant and equipment is determined on the basis of value in use calculation and certain key assumptions. For the purpose of impairment testing, the value in use calculation used the cash flow projections based on financial budgets approved by management of the Group covering a 5-year period and discount rate of 10%. Other key assumptions for the value in use calculations related to the estimation of pretax cash inflows/outflows which included projected revenue and gross margins during the budget period. Budgeted revenue and gross profit margins were determined based on past performance and the management's expectations for the market development.

During the year ended 31 December 2019, no impairment loss has been recognised for property, plant and equipment, as the recoverable amounts are higher than the respective carrying amounts as a result of impairment assessment.

#### 13. 物業、廠房及設備／物業、廠房及 設備之按金 (續)

根據本集團的會計政策，本集團會審核其物業、廠房及設備之賬面值，以確定是否有任何跡象表明該等資產出現減值虧損。若出現任何減值跡象，於報告期內會對可收回金額作出正式估計。減值跡象包括產品平均銷售單價下降。

於二零一八年十二月三十一日，物業、廠房及設備的可收回金額乃根據使用價值計算及若干主要假設釐定。就減值測試而言，使用價值計算基於現金流量預測，該預測乃根據本集團管理層批准的5年期財務預算及10%的折現率。使用價值計算的其他主要假設與稅前現金流入／流出之估計有關，該估計包括預算期內預算收益率及毛利率。預算收益率及毛利率乃根據過往表現及管理層對市場發展的預期釐定。

截至二零一九年十二月三十一日止年度，由於進行減值評估，顯示物業、廠房及設備的可收回金額高於各自賬面值，故並無就有關項目確認減值虧損。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. LEASES

### 14. 租賃

#### (i) Right-of-use assets

#### (i) 使用權資產

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Right-of-use assets:	使用權資產：		
– Leasehold land in the PRC	– 於中國之租賃土地	44,717	46,924
– Buildings	– 樓宇	4,347	–
		<u>49,064</u>	<u>46,924</u>

Right-of-use assets of approximately HK\$44,717,000 represents prepayment for land use rights located in the PRC and is amortised over 50 years on a straight-line basis.

約44,717,000港元的使用權資產指位於中國並按直線法分50年攤銷的土地使用權預付款項。

Besides, the Group has lease arrangements for buildings. The lease terms are generally ranged from two to five years.

此外，本集團有樓宇租賃安排。租賃期限一般為兩年至五年。

Additions to the right-of-use assets for the year ended 31 December 2019 amounted to approximately HK\$5,299,000 due to new leases of buildings and it was treated as the non-cash transaction.

截至二零一九年十二月三十一日止年度，由於新租賃樓宇及被視為非現金交易，使用權資產增加約5,299,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. LEASES (Cont'd)

### 14. 租賃 (續)

#### (ii) Lease liabilities

#### (ii) 租賃負債

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Non-current	非流動	3,481	—
Current	流動	1,112	—
		<b>4,593</b>	—
			<b>31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元</b>
<b>Amounts payable under lease liabilities</b>	<b>租賃負債項下應付款項</b>		
Within one year	一年內		1,112
After one year but within two years	一年後但兩年內		1,144
After two years but within five years	兩年後但五年內		2,337
			4,593
Less: Amount due for settlement within 12 months (show under current liabilities)	減：12個月內到期應付的款項 (於流動負債項下列示)		(1,112)
Amount due for settlement after 12 months	12個月後到期應付的款項		<b>3,481</b>

During the year ended 31 December 2019, the Group entered into a number of new lease agreements in respect of renting properties and recognised lease liability of HK\$5,299,000.

截至二零一九年十二月三十一日止年度，本集團就租賃物業訂立若干新租賃協議，並確認租賃負債5,299,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. LEASES (Cont'd)

#### (iii) Amounts recognised in profit or loss

Depreciation expense on right-of-use assets	使用權資產折舊開支	3,119
Interest expense on lease liabilities	租賃負債利息開支	264

#### (iv) Others

During the year ended 31 December 2019, the total cash outflow for leases amount to HK\$1,665,000.

### 14. 租賃 (續)

#### (iii) 於損益確認的款項

31 December  
2019  
二零一九年  
十二月三十一日  
HK\$'000  
千港元

#### (iv) 其他

截至二零一九年十二月三十一日止年度，租賃的現金流出總額為1,665,000港元。

### 15. PREPAID LEASE PAYMENTS

### 15. 預付租賃款項

		2018 二零一八年 HK\$'000 千港元
The Group's prepaid lease payments comprise:	本集團之預付租賃款項包括：	
Land use right in the PRC	於中國之土地使用權	46,924
Analysed for reporting purposes as:	就呈報用途之分析：	
Current assets	流動資產	1,207
Non-current assets	非流動資產	45,717
		<u>46,924</u>

The prepayment for land use rights represents leasehold land in the PRC and is amortised over 50 years on a straight-line basis.

As at 31 December 2018, the Group's prepaid lease payments of HK\$16,318,000 were pledged to secure general banking facilities granted to the Group. No prepaid lease payments were pledged to secure general banking facilities during the year ended 31 December 2019.

As explained in note 2, the Group's prepaid lease payments were reclassified as right-of-use assets as at 1 January 2019 upon the application of HKFRS 16.

土地使用權之預付款為於中國之租賃土地並按直線法分50年攤銷。

於二零一八年十二月三十一日，本集團之預付租賃款項16,318,000港元已抵押作為本集團所獲授一般銀行信貸之擔保。截至二零一九年十二月三十一日止年度，概無預付租賃款項抵押作為本集團所獲授一般銀行信貸之擔保。

誠如附註2所闡釋，本集團自二零一九年一月一日起採用香港財務報告準則第16號，預付租賃款項重新分類為使用權資產。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. INTERESTS IN ASSOCIATES AND AMOUNTS DUE TO ASSOCIATES

### 16. 於聯營公司之權益及應付聯營公司之款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of unlisted investment in associates	於聯營公司的非上市投資成本	35,107	3,616
Share of post-acquisition profit and other comprehensive income	應佔收購後溢利及其他全面收益	1,308	212
		<b>36,415</b>	<b>3,828</b>
Amount due to associates (note)	應付聯營公司之款項(附註)	<b>4,617</b>	—

Note:

The amounts due to associates are unsecured, interest free and trading in nature with the credit term of 30-120 days.

The following is an aged analysis by invoice date of trade payables to associates at end of the reporting period:

附註：

應付聯營公司之款項為無抵押、免息、屬貿易性質及信貸期為30日至120日。

以下為於報告期末按發票日期呈列之應付聯營公司賬款之賬齡分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30日內	3,989	—
31 – 60 days	31至60日	628	—
		<b>4,617</b>	—

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## 綜合財務報表附註

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

### 16. INTERESTS IN ASSOCIATES AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

Details of the Group's associates as at 31 December 2019 and 31 December 2018 are as follows:

### 16. 於聯營公司之權益及應付聯營公司之款項 (續)

本集團聯營公司於二零一九年十二月三十一日及二零一八年十二月三十一日之詳情如下：

Name of associates 聯營公司名稱	Place of establishment and principal place of operation 成立地點及主要經營地點	Form of business structure 企業組成模式	Attributable interest and proportion of voting power held by the Group (Directly/indirectly) 本集團應佔權益及持有投票權比例 (直接/間接)		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
New Career Guangzhou Electronics Company Limited ("New Career") 廣州市安旭特電子有限公司 (「廣州安旭特」)	The PRC 中國	Sino-foreign enterprise 中外合資企業	30% (directly) (直接)	30% (directly) (直接)	Manufacture and sale of flexible packaging substrates 製造及銷售柔性封裝基板
Jiujiang Flex Co., Limited ("Jiujiang Flex") 九江福萊克斯有限公司 (「九江福萊克斯」)	The PRC 中國	Sino-foreign enterprise 中外合資企業	48% (indirectly) (間接)	–	Manufacture and sale of flexible copper clad laminate and relevant products 製造及銷售柔性覆銅板及相關產品

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 16. INTERESTS IN ASSOCIATES AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

Pursuant to the Company's announcement dated 22 March 2019, 安捷利(番禺)電子實業有限公司 (transliteration as AKM Electronics Industrial (Panyu) Ltd., "AKM Electronics Panyu", a wholly-owned subsidiary of the Company) entered into: (1) the equity transfer agreement with 江西長江化工有限責任公司 (transliteration as Jiangxi Changjiang Chemical Co., Ltd., "Changjiang Chemical", a state-owned enterprise with limited liability established in the PRC, which is owned as to approximately 71.89% by 江西長化化工有限公司 (transliteration as Jiangxi Changhua Chemical Ltd., "Changhua Limited") and is an indirect subsidiary of 中國兵器裝備集團有限公司 (transliteration as China South Industries Group Corporation, "CSIGC"), a wholly state-owned enterprise with limited liability established in the PRC and a connected person of the Company in relation to the acquisition of 38% equity interests in Jiujiang Flex and (2) the equity transfer agreement with Capital Loyal Limited (京龍有限公司, a company incorporated in Hong Kong with limited liability and an independent third party) in relation to the acquisition of 10% equity interests in Jiujiang Flex (collectively referred to as the "Acquisitions"), at a total cash consideration of approximately RMB28,182,000 (equivalent to approximately HK\$31,491,000).

#### 16. 於聯營公司之權益及應付聯營公司之款項 (續)

根據本公司日期為二零一九年三月二十二日的公佈，本公司全資附屬公司安捷利(番禺)電子實業有限公司(「安捷利番禺電子」)：(1)與江西長江化工有限責任公司(「長江化工」)(一間於中國成立之有限責任國有企業，由江西長化化工有限公司(「長化有限公司」)擁有約71.89%權益，並為中國兵器裝備集團有限公司(「中國兵器裝備」)(一間於中國成立之有限責任國有獨資企業及本公司之關連人士)之間接附屬公司)訂立產權交易合同，收購九江福萊克斯38%股權及(2)與京龍有限公司(一間於香港註冊成立之有限公司，並為一名獨立第三方)訂立產權交易合同，收購九江福萊克斯10%股權(統稱為「收購事項」)，總現金代價約為人民幣28,182,000元(相當於約31,491,000港元)。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 16. INTERESTS IN ASSOCIATES AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

Jiujiang Flex is principally engaged in the manufacture and sales of flexible copper clad laminate and relevant products. The directors of the Company consider that the Acquisitions will facilitate the Company to capture pioneer advantage in the research and development of new materials and better equipped the Company for the 5G network era. Besides, the formal inclusion of Jiujiang Flex into the supply chain system of the Group following the Acquisitions will create strategic synergies within the Group, and is anticipated to increase the sales income of Jiujiang Flex, thereby achieving enhancement of the overall results of the Group. The Acquisitions were completed on 23 April 2019.

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements, prepared in accordance with HKFRSs.

The associates are accounted for using the equity method in these consolidated financial statements.

#### 16. 於聯營公司之權益及應付聯營公司之款項 (續)

九江福萊克斯主要業務為生產及銷售電路用撓性覆銅箔層壓板及其製品。本公司董事相信，收購事項將有助本公司把握新物料研發的先導優勢，並讓本公司作好準備迎接5G網絡時代。此外，九江福萊克斯於收購事項完成後正式加入本集團的供應鏈系統將可在本集團內建立協同戰略效益，預期可提升九江福萊克斯的銷售收入，從而提升本集團之整體業績。收購事項已於二零一九年四月二十三日完成。

本集團聯營公司之財務資料概要載列如下。下列財務資料概要指聯營公司按照香港財務報告準則編製之財務報表內所呈列之金額。

聯營公司使用權益法於該等綜合財務報表列賬。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

16. INTERESTS IN ASSOCIATES AND AMOUNTS  
DUE TO ASSOCIATES (Cont'd)16. 於聯營公司之權益及應付聯營公司  
之款項 (續)

## New Career

## 廣州安旭特

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產	6,246	6,268
Current assets	流動資產	17,023	9,545
Non-current liabilities	非流動負債	(715)	—
Current liabilities	流動負債	(8,315)	(3,053)
Net assets	資產淨值	14,239	12,760
Proportion of the Group's ownership interest in the associate	本集團於聯營公司之 擁有權權益比例	30%	30%
Group's share of net assets of the associate	本集團應佔聯營公司之 資產淨值	4,272	3,828
Revenue	收入	30,813	14,046
Profit for the year	本年度溢利	1,793	543
Other comprehensive expenses for the year	本年度其他全面開支	(313)	(608)
Profit (loss) and other comprehensive income (expenses) for the year	本年度溢利(虧損)及 其他全面收益(開支)	1,480	(65)
Group's share of profit	本集團應佔溢利	538	163
Group's share of other comprehensive expenses	本集團應佔其他全面開支	(94)	(183)
Dividend received from the associate	應收聯營公司之股息	—	—

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. INTERESTS IN ASSOCIATES AND AMOUNTS DUE TO ASSOCIATES (Cont'd)

### 16. 於聯營公司之權益及應付聯營公司之款項 (續)

#### Jiujiang Flex

#### 九江福萊克斯

		2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產	22,069
Current assets	流動資產	59,354
Non-current liabilities	非流動負債	(2,231)
Current liabilities	流動負債	(17,086)
Net assets	資產淨值	62,106
Proportion of the Group's ownership interest in the associate	本集團於聯營公司之擁有權權益比例	48%
Goodwill	商譽	2,332
Group's share of net assets of the associate	本集團應佔聯營公司之資產淨值	29,811
Revenue	收入	62,974
Profit for the year	本年度溢利	1,383
Other comprehensive expenses for the year	本年度其他全面開支	(25)
Profit and other comprehensive income for the year	本年度溢利及其他全面收益	1,358
Group's share of profit	本集團應佔溢利	664
Group's share of other comprehensive expenses	本集團應佔其他全面開支	(12)
Dividend received from the associate	應收聯營公司之股息	—

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

17. EQUITY INSTRUMENT AT FAIR VALUE  
THROUGH OTHER COMPREHENSIVE INCOME17. 按公平值計入其他全面收益之權益  
工具

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted equity investment	非上市股權投資		
– Equity instrument at fair value through other comprehensive income	– 按公平值計入其他全面 收益之權益工具	<u>25,808</u>	<u>18,078</u>

The amount represented the Group's 6.40% (2018:7.11%) unlisted equity interests in a company established in the PRC. The investee is engaged in research and development of semi-conductor packaging substrates. The directors of the Company have elected to designate this investment in equity instrument as FVTOCI as they believe this investment is not held for trading and not expected to be sold in foreseeable future. This investment is denominated in RMB other than the functional currency of the relevant group entity. Detail of the fair value measurement of this unlisted equity interest is disclosed in note 28.

該款項佔本集團於中國成立的公司的非上市股本權益的6.40%（二零一八年：7.11%）。被投資對象從事半導體封裝基板的研發。本公司董事已選擇將該等權益工具之投資指定為公平值計入其他全面收益，因為彼等認為該等投資並非持作交易且並不預期於可見將來出售。此項投資以相關集團實體之功能貨幣以外的人民幣列值。該非上市權益的公平值計量詳情於附註28中披露。

## 18. INVENTORIES

## 18. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Raw materials	原材料	32,282	44,618
Work in progress	半成品	54,143	34,936
Finished goods	製成品	<u>38,423</u>	<u>38,258</u>
		<u>124,848</u>	<u>117,812</u>

The carrying amount of inventories for the Group as at 31 December 2019 is approximately HK\$124,848,000 (2018: HK\$117,812,000), net of allowance for inventories of approximately HK\$12,712,000 (2018: HK\$12,613,000).

本集團於二零一九年十二月三十一日之存貨賬面值約為124,848,000港元（二零一八年：117,812,000港元），已扣除存貨撥備約12,712,000港元（二零一八年：12,613,000港元）。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 19. TRADE AND OTHER RECEIVABLES

Trade and other receivables include the following balances:

#### 19. 貿易及其他應收款項

貿易及其他應收款項包括下列結餘：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項	665,447	506,486
Less: Allowance for credit losses	減：信貸虧損撥備	(520)	(127)
		<u>664,927</u>	<u>506,359</u>
Other receivables	其他應收款項	8,831	7,431
Prepayments	預付款	5,463	6,655
Tax recoverable	可收回稅項	—	8,425
		<u>14,294</u>	<u>22,511</u>
		<u><b>679,221</b></u>	<u><b>528,870</b></u>

The Group allows a credit period ranging from 30 to 120 days to its trade customers. Before accepting any new customer, the management assesses the potential customer's credit quality and defines credit limits by customer.

本集團向其貿易客戶授出之信貸期介乎30至120天不等。在接納任何新客戶之前，管理層會評估潛在客戶之信貸質素，並確定客戶可享有之信貸額度。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 19. TRADE AND OTHER RECEIVABLES (Cont'd)

The following is an aged analysis of trade receivables, net of allowance for credit losses presented based on the invoice dates (other than bills receivables which are presented based on the issuance date of relevant bills) at the end of the reporting period, which approximated the respective revenue recognition dates:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30日內	332,680	266,561
31 – 60 days	31至60日	157,915	105,349
61 – 90 days	61至90日	97,291	58,657
91 – 120 days	91至120日	54,475	54,909
121 days – 1 year	121日至1年	22,566	20,883
		<b>664,927</b>	<b>506,359</b>

Included in the Group's trade receivable is (i) amount due from a shareholder and its subsidiaries amounting to approximately HK\$70,297,000 (2018:HK\$72,190,000) and (ii) amount due from an associate amounting to approximately HK\$1,207,000 (2018:HK\$164,000).

The Group's trade and other receivables that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
USD	美元	<b>72,182</b>	<b>84,005</b>

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL, refer to note 28 for details.

#### 19. 貿易及其他應收款項 (續)

以下為於報告期末(與相應收入確認日期相近)貿易應收款項(經扣除按發票日期呈列之信貸虧損撥備)(按相關票據之出具日期呈列之應收票據除外)之賬齡分析:

本集團之貿易應收款項結餘包括(i)應收一名股東及其附屬公司的款項約70,297,000港元(二零一八年:72,190,000港元)及(ii)應收一間聯營公司款項約1,207,000港元(二零一八年:164,000港元)。

以相關集團實體功能貨幣以外之貨幣列值之本集團貿易及其他應收款項載列如下:

本集團按相等於存續期預期信貸虧損之金額計算貿易應收款項的虧損撥備,詳情參閱附註28。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 20. PLEDGED BANK DEPOSITS

The amounts represent deposits pledged to banks to secure short-term banking facilities granted to the Group and are therefore classified as current assets.

The pledged bank deposits of the Group carried at fixed interest rate of 0.02% per annum (2018: 0.02% per annum). The pledged bank deposits will be released upon withdrawal of banking facilities. The pledged bank deposits are denominated in HK\$.

#### 21. BANK BALANCES AND CASH

Bank balances comprise short-term bank deposits with original maturity less than three months which carry at floating interest rates ranging from 0.01% to 3.00% (2018: 0.01% to 3.34%) per annum.

Included in the Group's bank balances are short-term deposits of approximately HK\$43,796,088 (2018 HK\$98,148,000) kept in banks located in the PRC.

In addition, included in the bank balances and cash are the following amounts denominated in currencies other than the functional currencies of the relevant group entities are:

#### 20. 已抵押銀行存款

該款項為抵押予銀行之存款，用作擔保授予本集團之短期銀行信貸，因此分類為流動資產。

本集團之已抵押銀行存款按固定年利率0.02%（二零一八年：年利率0.02%）計息。已抵押銀行存款將於提取銀行信貸後解除。已抵押銀行存款乃以港元計值。

#### 21. 銀行結餘及現金

銀行結餘包括以介乎0.01%至3.00%之浮動年利率（二零一八年：0.01%至3.34%）計息且原到期日少於三個月之短期銀行存款。

本集團銀行結餘包括存放在位於中國之銀行之短期存款約43,796,088港元（二零一八年：98,148,000港元）。

此外，銀行結餘及現金包括下列以有關集團實體之功能貨幣以外之貨幣列值之款項：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
USD	美元	17,591	95,880
KRW	韓國圓	62	104

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

## 22. TRADE AND OTHER PAYABLES

## 22. 貿易及其他應付款項

Trade and other payables include the following balances:

貿易及其他應付款項包括下列結餘：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade and bills payables (note (a) below)	貿易應付款項及應付票據 (下文附註(a))	335,844	340,931
Payables for acquisition of property, plant and equipment	收購物業、廠房及設備之 應付款項	31,371	29,522
Accrued staff costs	應計員工成本	36,965	26,188
Construction payables	應付工程款項	9,379	9,008
Amount due to a shareholder (note (b) below)	應付一名股東款項 (下文附註(b))	5,303	—
Other tax payables	其他應付稅項	8,967	4,040
Received from restricted stock incentive scheme	收取自限制性股票激勵計劃	12,221	—
Other payables and accruals	其他應付款項及應計費用	27,495	16,251
		<b>467,545</b>	<b>425,940</b>

Notes:

附註：

### (a) Trade and bills payables

### (a) 貿易應付款項及應付票據

The following is an aged analysis by invoice date/bills issued date of trade and bills payables at the end of the reporting period:

以下為於報告期末按發票日期／票據出具日期呈列之貿易應付款項及應付票據之賬齡分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30日內	218,502	119,291
31 – 60 days	31至60日	70,503	91,481
61 – 90 days	61至90日	40,365	77,454
91 – 120 days	91至120日	6,370	40,818
121 days – 1 year	121日至1年	103	8,198
Over 1 year	1年以上	1	3,689
		<b>335,844</b>	<b>340,931</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. TRADE AND OTHER PAYABLES (Cont'd)

Notes: (Cont'd)

#### (b) Amount due to a shareholder

During the year ended 31 December 2019, the Group entered into Technology Development Co-operation Agreement (the "CNIGC Agreement") with 中國兵器工業集團有限公司 (transliteration as China North Industries Group Corporation ("CNIGC"), a wholly state-owned enterprise with limited liability established in the PRC which is a shareholder and a connected person of the Company). Pursuant to the CNIGC Agreement, the Group participates in a research and development project with CNIGC Group (the "CNIGC Project"). During the year, research and development fee of RMB8,000,000 (equivalent to approximately HK\$8,930,000) has been paid by CNIGC Group to the Group in relating to the CNIGC Project. The amount of approximately HK\$3,627,000 has been utilised during the year ended 31 December 2019. It is expected the CNIGC Project will be completed in 2020.

#### (c) Other

The Group's trade and other payables that are denominated in currencies other than functional currencies of the relevant group entities are set out below:

### 22. 貿易及其他應付款項 (續)

附註：(續)

#### (b) 應付一名股東款項

截至二零一九年十二月三十一日止年度，本集團與中國兵器工業集團有限公司（「中國兵器工業」，於中國成立之有限責任國有獨資企業，為本公司之股東及關連人士）訂立技術開發合作合同（「中國兵器工業合同」）。根據中國兵器工業合同，本集團與中國兵器工業集團參與研發項目（「中國兵器工業項目」）。年內，中國兵器工業集團已就中國兵器工業項目向本集團支付研發費用人民幣8,000,000元（相當於約8,930,000港元）。於截至二零一九年十二月三十一日止年度，已動用款項約為3,627,000港元。預計中國兵器工業項目將於二零二零年完成。

#### (c) 其他

以相關集團實體功能貨幣以外之貨幣列值之本集團貿易及其他應付款項載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
JPY	日圓	-	9,510
EUR	歐元	-	313
USD	美元	30,610	40,474

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 23. DEFERRED INCOME

### 23. 遞延收入

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Government grants received in respect of:	就下列各項所收取之 政府津貼：		
Development of new products and plant and equipment ( <i>note a</i> )	開發新產品以及廠房及設備 (附註a)	17,714	—
Construction of factory on existing lands ( <i>note b</i> )	於現有土地興建廠房 (附註b)	23,516	24,805
		41,230	24,805
Less: Amounts to be recognised in profit or loss in the following year	減：來年於損益內確認之款項	(3,968)	(763)
Amount shown under non-current liabilities	非流動負債項下所示之金額	37,262	24,042

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 23. DEFERRED INCOME (Cont'd)

Notes:

#### (a) Development of new products and plant and equipment

- (i) The Group has undertaken a research and development project, "O2 Major Project", of certain flexible packaging substrates products since 2014. Research and development expenditure incurred for the project has been recognised in profit or loss in prior years since the commencement. The project has been completed in 2017. During the year ended 31 December 2019, an amount of HK\$1,036,000 (2018: Nil) in respect of the release of government grant for the plant and equipment of the O2 Project was credited to profit or loss.
- (ii) During the year ended 31 December 2019, a total amount of HK\$23,316,000 (2018: HK\$31,758,000) was released to profit or loss in relation to part of research and development expenses incurred on the development of certain new products.

#### (b) Construction of factory on existing lands

In 2010, an amount of RMB26,750,000 was received in respect of a development support fund for the construction of factory on existing lands owned by the Group located at Suzhou pursuant to "Implementation Measures for Development Support Policies for Advanced Manufacturing Industries in Suzhou Gaoxin District". The amount would be released over the estimated useful lives of the constructed factory upon the commencement of operation of the new factory. The construction of the factory was completed and was in use since 2011. During the year, an amount of HK\$760,000 (2018: HK\$791,000) in respect of the release of government grant for construction of factory on existing lands of the Group was credited to profit or loss. Details in relation to the grant of the fund had been disclosed in the announcement of the Company dated 25 September 2008.

### 23. 遞延收入 (續)

附註：

#### (a) 開發新產品以及廠房及設備

- (i) 本集團自二零一四年起已承擔「O2專項」，是一項研發若干柔性封裝基板產品之項目。自項目開始以來，該項目所產生的研發開支已於過往年度於損益表中確認。該項目已於二零一七年完成。截至二零一九年十二月三十一日止年度，有關發放O2專項廠房及設備之政府津貼金額1,036,000港元（二零一八年：無）已計入損益。
- (ii) 截至二零一九年十二月三十一日止年度，總額23,316,000港元（二零一八年：31,758,000港元）已就開發若干新產品產生之部分研發開支轉撥至損益。

#### (b) 於現有土地上興建廠房

於二零一零年，為數人民幣26,750,000元之款項為本集團根據「蘇州高新區關於促進先進製造業發展扶持政策之實施辦法」就其於蘇州擁有的現有土地上興建廠房而收取之發展扶持資金。該款項將於新廠房開始營運後於所建造廠房之估計可使用年期發放。該廠房已經竣工，並自二零一一年起開始使用。年內，有關發放於本集團現有土地興建廠房之政府津貼金額760,000港元（二零一八年：791,000港元）已計入損益。有關所獲授資金的詳情已於本公司日期為二零零八年九月二十五日的公佈中披露。

### 24. BANK BORROWINGS

### 24. 銀行借貸

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank Loan – Secured 銀行貸款—有抵押	39,358	—

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 24. BANK BORROWINGS (Cont'd)

As at 31 December 2019, bank loans amounting to approximately HK\$39,358,000 (2018: Nil) were secured by charges over buildings and bank deposits of the Group (note 31).

At 31 December 2019, the bank borrowings of the Group were bore interest at variable rates and repayable within one year (2018: nil).

The ranges of effective interest rates (which also equal to contracted interest rates) on the Group's borrowings are as follows:

#### 24. 銀行借貸 (續)

於二零一九年十二月三十一日，銀行貸款金額約為39,358,000港元（二零一八年：無），以本集團之樓宇及銀行存款作擔保（附註31）。

於二零一九年十二月三十一日，本集團銀行借貸按可變利率計息，並須於一年內償還（二零一八年：無）。

本集團借貸之實際利率（亦相等於訂約利率）範圍如下：

		2019 二零一九年	2018 二零一八年
Effective interest rates:	實際利率：		
Variable-rate borrowings	浮息借貸	LIBOR+1.5% P.A. 按倫敦銀行同業 拆息另加1.5%的 年利率計息	N/A不適用

The Group's bank borrowings that are denominated in currencies other than functional currencies of the relevant group entities are set out below

以相關集團實體功能貨幣以外之貨幣列值之本集團銀行借貸載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
USD	美元	39,358	N/A不適用



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 25. SHARE CAPITAL

### 25. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
At 1 January 2018	於二零一八年一月一日	1,234,337,500	466,667
Issue of subscription shares (note below)	發行認購股份 (下文附註)	303,900,000	454,886
At 31 December 2018 and at 31 December 2019	於二零一八年十二月 三十一日及於二零一九年 十二月三十一日	1,538,237,500	921,553

Note:

On 30 January 2018, the Company issued 103,900,000 ordinary shares and 200,000,000 ordinary shares at the subscription price of HK\$1.5 per share to Alpha Luck Industrial Limited and Anjie Technology (Hong Kong) Company Limited respectively. The net proceeds raised by the Company were approximately HK\$454,886,000. The number of ordinary shares in issue of the Company increased to 1,538,237,500 shares. The new shares issued rank pari passu in all respects with the existing shares in issue.

附註：

於二零一八年一月三十日，本公司分別以每股1.5港元之認購價向安捷利實業有限公司及安潔科技（香港）有限公司發行103,900,000股普通股及200,000,000股普通股。本公司所籌得之所得款項淨額約為454,886,000港元。本公司之已發行普通股數目增至1,538,237,500股。所發行之新股份與已發行之現有股份於所有方面均享有同等地位。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 26. DEFERRED TAXATION

The following deferred tax liability arises from temporary difference associated with the undistributed profits of the PRC subsidiaries and movement thereon during current and prior year:

### 26. 遞延稅項

以下為因與中國附屬公司之未分配溢利相關之暫時差額而產生之遞延稅項負債，及其於本年度及過往年度之相關變動：

		HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	9,106
Charged to profit or loss (note 9)	自損益賬扣除 (附註9)	1,563
Currency realignment	貨幣調整	(473)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	10,196
Charged to profit or loss (note 9)	自損益賬扣除 (附註9)	1,509
Currency realignment	貨幣調整	(250)
At 31 December 2019	於二零一九年十二月三十一日	11,455

At the end of the reporting period, the Group has the deductible temporary differences in respect of accumulated provision for allowance for credit losses and accumulated allowance for inventories of approximately HK\$520,000 (2018: HK\$127,000) and HK\$12,712,000 (2018: HK\$12,613,000) respectively. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that the deductible temporary differences can be utilised in the foreseeable future.

於報告期末，本集團擁有與信貸虧損撥備之累計撥備及存貨之累計撥備相關之可扣減臨時差額分別約520,000港元（二零一八年：127,000港元）及12,712,000港元（二零一八年：12,613,000港元）。由於不可能在可預見將來動用可扣減臨時差額，因此並無就該等可扣減臨時差額確認遞延稅項資產。

At the end of the reporting period, the Group has unused tax losses of approximately HK\$226,545,000 (2018: HK\$222,328,000) available for offset against future taxable profits. No deferred tax asset has been recognised due to the unpredictability of future taxable profit streams. The unrecognised tax losses arising from subsidiaries operated in the PRC of approximately HK\$225,108,000 (2018: HK\$222,328,000) will expire from 2019 to 2022. Other tax losses arising from group companies in Hong Kong may be carried forward indefinitely.

於報告期末，本集團擁有可抵銷未來應課稅溢利之未動用稅項虧損約226,545,000港元（二零一八年：222,328,000港元）。由於未來應課稅溢利來源不可預測，因此並無確認遞延稅項資產。於中國運營之附屬公司產生未確認稅項虧損約225,108,000港元（二零一八年：222,328,000港元）將於二零一九年至二零二二年到期。集團公司於香港產生之其他稅項虧損可予無限期結轉。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 26. DEFERRED TAXATION (Cont'd)

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amount to approximately HK\$148,717,000 (2018: HK\$142,681,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

#### 27. LIABILITY DUE TO A SHAREHOLDER

During the year ended 31 December 2018, the Group entered into Technology Development Co-operation Agreement (the "CNIC Agreement") with 中國北方工業有限公司 (transliteration as China North Industries Corporation ("CNIC"), a wholly state-owned enterprise with limited liability established in the PRC is a shareholder and a connected person of the Company. Pursuant to the CNIC Agreement, the Group participates in a research and development project directed by CNIC (the "CNIC Project"). During the year ended 31 December 2018, research and development fee of RMB15,000,000 (equivalent to HK\$17,120,000) has been paid by CNIC to the Group in relating to the CNIC Project. It is expected that the CNIC Project will be completed in 2020. During the year, the entire amount was fully utilised by setting off the research and development expenses.

#### 26. 遞延稅項 (續)

根據中國企業所得稅法，由二零零八年一月一日起以中國附屬公司所賺取的溢利所宣派的股息須繳納預扣稅。於綜合財務報表中並無就中國附屬公司累計溢利所產生的暫時性差額約148,717,000港元（二零一八年：142,681,000港元）作出遞延稅項撥備，原因為本集團能夠控制該暫時性差額的撥回時間，且該暫時性差額不大可能於可見將來撥回。

#### 27. 應付一位股東之負債

截至二零一八年十二月三十一日止年度，本集團與中國北方工業有限公司（「北方工業」，於中國成立之有限責任國有獨資企業，為本公司之股東及關連人士）訂立技術開發合作合同（「北方工業合同」）。根據北方工業合同，本集團參與一項由北方工業領導的研發項目（「北方工業項目」）。截至二零一八年十二月三十一日止年度，北方工業已就北方工業項目向本集團支付研發費用人民幣15,000,000元（相當於17,120,000港元）。預計北方工業項目將於二零二零年完成。年內，全部款項已悉數動用於抵銷研發開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS

### 28. 金融工具

#### Categories of financial instruments

#### 金融工具類別

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本計量之金融資產	795,829	669,013
Equity instruments designated at FVTOCI	指定為按公平值計入其他全面收益之權益工具	25,808	18,078
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	449,582	383,370

#### Financial risk management objectives

#### 財務風險管理目標

The financial instruments are fundamental to the Group's daily operations. The Group's major financial instruments include equity instrument designated at FVTOCI, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, amounts due to associate and bank borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

金融工具對本集團之日常營運極為重要。本集團之主要金融工具包括指定為按公平值計入其他全面收益之權益工具、貿易及其他應收款項、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、應付聯營公司款項及銀行借貸。該等金融工具之詳情於有關附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時有效地採取適當之措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives (Cont'd)

##### Market risk

##### Foreign currency risk management

Certain trade and other receivables, trade and other payables, bank borrowings and bank balances and cash of the Group are denominated in US\$, other than the functional currencies of the relevant group entities, which expose the Group to foreign currency risk. The Group has not used any financial instruments to hedge against currency risk. However, the management monitors foreign currency risk exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

### 28. 金融工具 (續)

#### 財務風險管理目標 (續)

##### 市場風險

##### 外幣風險管理

本集團之若干貿易及其他應收款項、貿易及其他應付款項、銀行借貸以及銀行結餘及現金乃以美元(不同於有關集團實體之功能貨幣)計值,使本集團承受外幣風險。本集團並未利用任何金融工具對沖貨幣風險。然而,管理層監控外幣風險,並會在需要時考慮對沖重大外幣風險。

於報告日期,本集團以外幣計值之貨幣資產及貨幣負債之賬面值如下:

	Liabilities 負債		Assets 資產	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
USD 美元	<b>69,968</b>	40,474	<b>89,773</b>	179,885

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives (Cont'd)

##### Market risk (Cont'd)

##### Foreign currency sensitivity

The following table details the Group's sensitivity to a 5% (2018: 5%) increase and decrease in RMB against US\$. 5% (2018: 5%) represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis represents the trade and other receivables, trade and other payables, bank borrowings, and bank balances and cash where the denomination are in US\$, the major foreign currency risks. A positive number indicates an increase in profit for the year where RMB weakens against US\$. For a 5% strengthens of RMB against US\$, there would be an equal and opposite impact on the post-tax profit for the year, and the balances below would be negative.

Increase in post-tax profit for the year: 本年度除稅後溢利增加：  
USD 美元

##### Interest rate risk management

The Group is exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits (see note 20).

The Group is also exposed to cash flow interest rate risk in relation to bank balances and bank borrowings. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of LIBOR arising from bank borrowings.

### 28. 金融工具 (續)

#### 財務風險管理目標 (續)

##### 市場風險 (續)

##### 外幣敏感度

下表詳述本集團對人民幣兌美元升值及貶值5% (二零一八年: 5%) 之敏感度。5% (二零一八年: 5%) 反映管理層對外幣匯率之可能合理變動之評估。敏感度分析僅包括尚未清償之以外幣計值之貨幣項目，並於年末換算時就外幣匯率之5%變動作出調整。倘以美元 (主要外幣風險) 計值，敏感度分析代表貿易及其他應收款項、貿易及其他應付款項、銀行借貸以及銀行結餘及現金。倘人民幣兌美元貶值，正數則表示年度溢利增加。對於人民幣兌美元升值5%，將對年內除稅後溢利有一個對等之相反影響，而下列結餘將會為負數。

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
----------------------------------	----------------------------------

842

5,925

##### 利率風險管理

本集團亦面對定息已抵押銀行存款之公平值利率風險 (見附註20)。

本集團亦面對銀行結餘及銀行借貸之現金流利率風險。本集團現時並無利率對沖政策。然而，管理層監察利率風險，並將於預料出現重大利率風險時考慮其他必要行動。本集團的現金流利率風險，主要集中於銀行借貸產生的倫敦銀行同業拆息波動。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 28. FINANCIAL INSTRUMENTS (Cont'd)

##### Financial risk management objectives (Cont'd)

##### Market risk (Cont'd)

##### Interest rate risk management (Cont'd)

##### Sensitivity analysis

The management considered that, the Group does not have material interest rate risk exposure and hence no sensitivity analysis is presented.

##### Other price risk

The Group is exposed to other price risk through its investment in equity securities measured at FVTOCI. The Group invested in unquoted equity securities for an investee operating in research and development industry sector for long term strategic purposes which had been designed as FVTOCI. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

##### Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to equity price risk at the reporting date. Sensitivity analyses for unquoted equity securities with fair value measurement categorised within Level 3.

##### Credit risk and impairment assessment

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position of the Group.

#### 28. 金融工具 (續)

##### 財務風險管理目標 (續)

##### 市場風險 (續)

##### 利率風險管理 (續)

##### 敏感度分析

管理層認為本集團並無重大利率風險敞口，因而並無呈列敏感度分析。

##### 其他價格風險

本集團因其於按公平值計入其他全面收益計量之股本證券之投資承受其他價格風險。本集團投資於一位於研究及開發行業經營的投資對象之未報價權益債券，其長期戰略目的為將其指定為按公平值計入其他全面收益。本集團已委任專責團隊監察價格風險，並將於有需要時考慮對沖風險。

##### 敏感度分析

敏感度分析乃根據報告日期之股本價格風險釐定。對分類為級別3的以公平值計量的未報價之權益證券的敏感度分析披露如下。

##### 信貸風險及減值評估

本集團就對手方未能履行責任可能導致的財務虧損所承擔的最高信貸風險為各項金融資產於本集團綜合財務狀況表所確認的賬面值。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 28. FINANCIAL INSTRUMENTS (Cont'd)

##### Financial risk management objectives (Cont'd)

##### Credit risk and impairment assessment (Cont'd)

The Group's credit risk is primarily attributable to its trade and bills receivables. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed once a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on each individually for debtors with significant balances and collectively for other. The provision rates applied is estimated using the historical observed default rates of the debtors taking into consideration forward-looking information that is reasonably and supportably available without undue costs or effort. At the end of each of the reporting period, these historical loss rates are reassessed and updated if required after considering the forward-looking information then available to the directors of the Company. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 90% (2018: 85%) of the total trade receivables as at 31 December 2019.

The Group has concentration of credit risk as 19% (2018: 23%) and 72% (2018: 69%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the circuit boards and components business segment.

#### 28. 金融工具 (續)

##### 財務風險管理目標 (續)

##### 信貸風險及減值評估 (續)

本集團的信貸風險主要來自貿易應收款項及應收票據。為盡量降低信貸風險，本集團管理層有團隊專責釐定信貸限額及進行信貸審批。在接納任何新客戶之前，本集團會運用內部信貸評分系統評估潛在客戶之信貸質素，並釐定客戶可享有之信貸額度。客戶的額度及評分會每年進行審閱。本集團亦有其他程序確保採取跟進措施以收回逾期債務。此外，本集團應用香港財務報告準則第9號後根據預期信貸虧損模型就每名涉及重大結餘的債務人進行獨立減值評估，而其他債務人則會合併進行減值評估。所應用的撥備率乃使用應收款項的歷史觀察違約率進行估計，當中會考慮毋須過多成本或努力即可取得的合理及有理據支持的前瞻性資料。於各報告期末，倘在考慮當時本公司董事可得的前瞻性資料後應為有需要，會重新評估及更新該等歷史違約率。就此而言，本公司董事認為本集團之信用風險已大幅下降。

本集團按地區劃分的集中信貸風險主要在中國，佔於二零一九年十二月三十一日的貿易應收款項總額的90%（二零一八年：85%）。

由於電路板及組件業務分部內應收本集團最大客戶及五大客戶的貿易應收款項分別佔有關總額的19%（二零一八年：23%）及72%（二零一八年：69%），故本集團擁有集中信貸風險。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 28. FINANCIAL INSTRUMENTS (Cont'd)

##### Financial risk management objectives (Cont'd)

##### Credit risk and impairment assessment (Cont'd)

The credit risks on bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Other than the concentration of credit risk on liquid funds which are deposited with several banks with good reputation and high credit ratings, the Group does not have any other significant concentration of credit risk, with exposure spread over a number of counterparties.

The Group has considered that credit risk on other receivables, pledged bank deposits and bank balances has not increased significantly since initial recognition and has assessed the expected credit loss rate under 12m ECL method based on the Group's assessment in the risk of default of the respective counterparties.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor

#### 28. 金融工具 (續)

##### 財務風險管理目標 (續)

##### 信貸風險及減值評估 (續)

銀行結餘的信貸風險有限，原因是交易對手乃獲國際信貸評級機關給予高信貸評級之銀行。

除存放於多間聲譽良好及擁有高信貸評級的銀行的流動資金擁有集中信貸風險外，本集團並無任何其他重大集中信貸風險，有關風險分散於多個對手方。

本集團認為其他應收款項、已抵押銀行存款及銀行結餘的信貸風險自初步確認以來並無大幅上升，並已根據本集團對相關對手方違約風險的評估採用12個月預期信貸虧損方法評估預期信貸虧損率。

本集團於初步確認資產時考慮違約概率，以及於整個報告期間持續考慮信貸風險大幅上升。為評估信貸風險會否大幅上升，本集團將於報告日期資產發生違約的風險與初步確認日期的違約風險作比較，當中考慮現有合理支持性的前瞻性資料。本集團的指標已加入內部信貸評級。

尤其是已納入以下指標：

- 內部信貸評級
- 外部信貸評級
- 業務、財務或經濟狀況之實際或預期重大不利變動，預期將導致債務人履行其責任之能力發生重大變動
- 債務人經營業績之實際或預期重大不利變動

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

### 28. 金融工具 (續)

#### Financial risk management objectives (Cont'd)

#### 財務風險管理目標 (續)

#### Credit risk and impairment assessment (Cont'd)

#### 信貸風險及減值評估 (續)

The Group's internal credit risk grading assessment comprises the following categories:

本集團的內部信貸風險評級評估包括以下類別：

Internal credit rating 內部信貸評級	Description 描述	Trade receivables 貿易應收款項	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對手違約風險低，並無任何逾期款項	Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – (無信貸減值)	12-month ECL 12個月預期信貸虧損
Watch list 需監察	Debtor frequently repays after due dates but usually settle after due date 債務人經常於到期日後還款，但通常於到期日後結算	Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – (無信貸減值)	12-month ECL 12個月預期信貸虧損
Doubtful 可疑	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 自從透過內部產生或獲取自外部來源的資料初步確認以來，信貸風險顯著增加	Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – (無信貸減值)	Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – (無信貸減值)
Loss 虧損	There is evidence indicating the asset is credit-impaired 有跡象表明資產出現信貸減值	Lifetime ECL – credit-impaired 存續期預期信貸虧損 – (信貸減值)	Lifetime ECL – credit-impaired 存續期預期信貸虧損 – (信貸減值)
Write-off 核銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有跡象表明債務人陷入嚴重的財務困境，因而本集團收回款項的希望渺茫	Amount is written off 款項已被核銷	Amount is written off 款項已被核銷

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## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

### 28. 金融工具 (續)

#### Financial risk management objectives (Cont'd)

#### 財務風險管理目標 (續)

#### Credit risk and impairment assessment (Cont'd)

#### 信貸風險及減值評估 (續)

The table below details the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

下表詳列本集團須接受預期信貸虧損評估的金融資產的信貸風險：

				2019 二零一九年	2018 二零一八年
		Internal credit rating	12-month or lifetime ECL 12個月或存續期	Gross carrying amount	Gross carrying amount
	Note 附註	內部信貸評級	預期信貸虧損	總賬面值 HK\$'000 千港元	總賬面值 HK\$'000 千港元
<b>Financial assets at amortised cost 按攤銷成本計量之金融資產</b>					
Trade receivables 貿易應收款項	19	Note (i) & (ii) 附註(i)及(ii)	Lifetime ECL – not credit-impaired 存續期預期信貸虧損 — 非信貸減值	665,447	506,486
Other receivables 其他應收款項	19	Low risk 低風險	12-month ECL 12個月預期信貸虧損	8,831	7,431
Pledged bank deposits 已抵押銀行存款	20	Low risk 低風險	12-month ECL 12個月預期信貸虧損	2,364	2,358
Bank balances and cash 銀行結餘及現金	21	Low risk 低風險	12-month ECL 12個月預期信貸虧損	119,707	152,865

Notes:

附註：

- (i) As at 31 December 2019, the gross amount of trade receivable arising from contract with customers amount to HK\$665,447,000 (2018: HK\$506,486,000). The balances of trade receivable are no past due over one year.
- (ii) For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses for individually significant trade debtors and collectively for others.

- (i) 於二零一九年十二月三十一日，因客戶合約產生的貿易應收款項總額為665,447,000港元（二零一八年：506,486,000港元）。貿易應收款項的結餘並無於一年後到期。
- (ii) 就貿易應收款項而言，本集團應用香港財務報告準則第9號的簡化方法，以存續期預期信貸虧損計算虧損撥備。本集團對重大貿易應收款項個別釐定預期信貸虧損，而其他應收款項則集體釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives (Cont'd)

#### Credit risk and impairment assessment (Cont'd)

Notes: (Cont'd)

(ii) (Cont'd)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit-impaired) 存續期預期 信貸虧損 (無信貸減值) HK\$'000 千港元
As at 1 January 2018	於二零一八年一月一日	12
Increase in allowance	撥備增加	127
Exchange adjustments	匯兌調整	(12)
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	127
Increase in allowance	撥備增加	402
Exchange adjustments	匯兌調整	(9)
As at 31 December 2019	於二零一九年十二月三十一日	520

(iii) For the purposes of internal credit risk management, the Group has applied the general approach in HKFRS 9 to measure the loss allowance at 12m ECL as there is no significant increase in credit risk since initial recognition. The Group determines the expected credit losses for other receivables, pledged bank deposits and bank balances by assessment of probability of default. During the year ended 31 December 2019, in view of the nature of these balances, historical settlement record and good reputations of the banks, the Group considers the provision of impairment allowance for other receivables, pledged bank deposits and bank balances is insignificant.

(iv) There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

### 28. 金融工具 (續)

#### 財務風險管理目標 (續)

#### 信貸風險及減值評估 (續)

附註：(續)

(ii) (續)

下表顯示根據簡化方法就貿易應收款項確認的存續期預期信貸虧損的變動。

(iii) 就內部信貸風險管理而言，由於信貸風險自確認以來並無大幅上升，本集團已應用香港財務報告準則第9號的一般方法，以12個月預期信貸虧損計算虧損撥備。本集團透過評估違約概率釐定其他應收款項、已抵押銀行存款及銀行結餘的預期信貸虧損。於截至二零一九年十二月三十一日止年度，鑒於該等結餘的性質、過往償付記錄及銀行的良好聲譽，本集團認為就其他應收款項、已抵押銀行存款及銀行結餘減值撥備作出的撥備並不重大。

(iv) 於本報告期間採用的估計技術或作出的重大假設並無變動。



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### 綜合財務報表附註

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

## 28. FINANCIAL INSTRUMENTS (Cont'd)

### Financial risk management objectives (Cont'd)

#### Liquidity risk

Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. The Group's strategy to manage liquidity risk is to ensure that the Group has sufficient funds to meet all its potential liabilities as they fall due.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management also monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

#### Liquidity tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

## 28. 金融工具 (續)

### 財務風險管理目標 (續)

#### 流動資金風險

流動資金風險指本集團將無充足資源償付其到期金融負債之風險。本集團管理流動資金風險之策略旨在確保本集團有充足資金於到期時償付所有潛在負債。

在流動資金風險管理方面，本集團會監控及維持管理層認為充足之現金及現金等值項目水平，從而為本集團營運提供資金及減輕現金流量波動之影響。管理層亦監控銀行借貸之動用及確保遵守貸款契約。

#### 流動資金表

下表詳述本集團非衍生金融負債之餘下合同到期情況。該表根據本集團須付款之最早日期之金融負債之未折現現金流量編製。特別是，附有應要求還款條款的銀行貸款乃計入最早的時間段，而不論該等銀行選擇行使彼等權利的可能性。其他非衍生金融負債的到期日乃根據協定的還款日期釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

### 28. 金融工具 (續)

#### Financial risk management objectives (Cont'd)

#### 財務風險管理目標 (續)

#### Liquidity risk (Cont'd)

#### 流動資金風險 (續)

#### Liquidity tables (Cont'd)

#### 流動資金表 (續)

The table includes both interest and principal cash flows.

下表包括利息與本金之現金流量。

		On demand and less than 1 year 於要求時 償還及少於 1年 HK\$'000 千港元	1-2 year 1至2年 HK\$'000 千港元	2-5 year 2至5年 HK\$'000 千港元	Total undiscounted cash flows 未折現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面總值 HK\$'000 千港元
<b>At 31 December 2019</b>	<b>於二零一九年 十二月三十一日</b>					
Non-derivative financial liabilities:	非衍生金融負債：					
Trade and other payables	貿易及其他應付款項	405,607	–	–	405,607	405,607
Amounts due to associates	應付聯營公司之款項	4,617	–	–	4,617	4,617
Bank borrowings	銀行借貸	39,726	–	–	39,726	39,358
		<u>449,950</u>	<u>–</u>	<u>–</u>	<u>449,950</u>	<u>449,582</u>
Lease liabilities	租賃負債	<u>1,432</u>	<u>1,432</u>	<u>1,960</u>	<u>4,824</u>	<u>4,593</u>
<b>At 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>					
Non-derivative financial liabilities:	非衍生金融負債：					
Trade and other payables	貿易及其他應付款項	<u>383,370</u>	<u>–</u>	<u>–</u>	<u>383,370</u>	<u>383,370</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. FINANCIAL INSTRUMENTS (Cont'd)

### 28. 金融工具 (續)

#### Fair value measurements of financial instruments

The Group's equity investment is measured at fair value at the end of each reporting period. The following table gives information about how the fair values of the equity investment is determined (in particular, the valuation technique and input used).

#### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

#### 金融工具的公平值計量

本集團的股本投資於各報告期末按公平值計量。下表列示如何釐定股本投資之公平值（尤其是估值方法及所用數據）。

#### 按經常性基準以公平值計量的本集團金融資產公平值

Financial assets 金融資產	Fair value as at 於以下日期的公平值		Fair value hierarchy 公平值等級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable input 重大不可觀察輸入數據
	31.12.2019 二零一九年 十二月 三十一日 HK\$'000 千港元	31.12.2018 二零一八年 十二月 三十一日 HK\$'000 千港元			
Unlisted equity instrument designated at FVTOCI 指定為按公平值計入其他全 面收益的非上市股本工具	25,808	18,078	Level 3 級別3	Market approach: estimated net profits with main multiple being Price-to- Earnings multiples of comparable companies and a discounted rate for lack of marketability 市場法：估計淨利潤，主要倍 數乃可資比較公司的市盈率 倍數和缺乏市場性的折讓率	Discount for lack of marketability 29.80%. (2018: 17.37%) determined with reference to the share price of listed entities in similar industry 參照類似行業上市實體之股價 釐定缺乏市場流通性之折 現29.80%（二零一八年： 17.37%）

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

## 28. FINANCIAL INSTRUMENTS (Cont'd)

## 28. 金融工具 (續)

**Fair value measurements of financial instruments**  
(Cont'd)

**金融工具的公平值計量 (續)**

**Fair value of the Group's financial assets that are measured at fair value on a recurring basis** (Cont'd)

**按經常性基準以公平值計量的本集團金融資產公平值 (續)**

There were no transfers between Level 1, 2 and 3 during the year.

於本年度內，級別1、級別2和級別3之間沒有轉移。

The sensitivity analyses below have been determined based on the exposure to equity price risk on the unlisted equity securities in financial assets designated at fair value through OCI at the end of the reporting period. Should the discount rate for lack of marketability on such unlisted equity securities had been 10% (2018: 10%) higher/lower and all the other variables were held constant, the Group's FVTOCI reserve would increase/decrease by approximately HK\$2,500,000 (2018: increase/decrease by HK\$2,000,000) arising from the equity instrument at fair value through other comprehensive income.

下文之敏感度分析乃根據報告期末就指定為按公平值計入其他全面收益的金融資產中的非上市股本證券所面對的股本價格風險釐定。倘該等非上市股本證券缺乏市場性的折扣率上升／下降10%（二零一八年：10%），而其他所有變數保持不變，本集團自按公平值計入其他全面收益的權益工具所產生的按公平值計入其他全面收益儲備將增加／減少約2,500,000港元（二零一八年：增加／減少2,000,000港元）。

## Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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## 28. FINANCIAL INSTRUMENTS (Cont'd)

## 28. 金融工具 (續)

Fair value measurements of financial instruments  
(Cont'd)

## 金融工具的公平值計量 (續)

Fair value of the Group's financial assets that are  
measured at fair value on a recurring basis (Cont'd)按經常性基準以公平值計量的本集團金融  
資產公平值 (續)Reconciliation of Level 3 fair value measurements of  
financial assets on recurring basis:按經常性基準對金融資產進行第3級公平  
值計量之對賬：

		Financial assets at FVTOCI 按公平值計入 其他全面收益 之金融資產 HK\$'000 千港元
From available-for-sale to FVTOCI upon Initial adoption of HKFRS 9 at 1 January 2018	於二零一八年一月一日首次採納 香港財務報告準則第9號由可供 出售至按公平值計入其他全面收益	20,325
Fair value change recognised in other comprehensive income	於其他全面收益確認之公平值變動	(1,359)
Currency realignment	貨幣調整	(888)
As at 31 December 2018	於二零一八年一月一日及 二零一八年十二月三十一日	18,078
Fair value change recognised in other comprehensive income	於其他全面收益確認之公平值變動	8,253
Currency realignment	貨幣調整	(523)
As at 31 December 2019	於二零一九年十二月三十一日	25,808

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### 綜合財務報表附註

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

#### 29. CAPITAL RISK MANAGEMENT

The Group manages the capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remain unchanged from prior year.

The capital structure of the Group consists of bank borrowings disclosed in note 24, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The management of the Group reviews the capital structure on a continuous basis. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the raising of bank borrowings and the redemption of existing debt.

#### 29. 資本風險管理

本集團之資本管理旨在確保本集團內之實體均可持續經營，同時透過優化債務及股本結構為股東謀求最大回報。本集團之整體策略維持與過往年度不變。

本集團之資本架構包括附註24披露之銀行借貸，扣除現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。

本集團管理層持續審閱資本架構。本集團考慮到資本成本及各類資本相關之風險，並將透過增加銀行借貸及贖回現有債務以平衡其整體資本架構。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

#### 30. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動（包括現金變動）。融資活動產生之負債指在本集團之綜合現金流量表內，其現金流量被列為（或其未來現金流量會被列為）來自融資活動之現金流量。

		Lease liabilities 租賃負債 HK\$'000 千港元	Dividend payable 應付股息 HK\$'000 千港元	Borrowings 借貸 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	–	–	67,976	67,976
Financing cash flows	融資現金流量	–	(15,382)	(67,542)	(82,924)
Foreign exchange translation	外幣換算	–	–	(649)	(649)
Dividends declared (note 11)	已宣派股息（附註11）	–	15,382	–	15,382
Finance cost incurred	已產生融資成本	–	–	215	215
At 31 December 2018 and at 1 January 2019	於二零一八年 十二月三十一日及 二零一九年一月一日	–	–	–	–
New lease arrangement	新租賃安排	5,299	–	–	5,299
Financing cash flows	融資現金流量	(1,137)	(15,382)	40,078	23,559
Foreign exchange translation	外幣換算	167	–	(720)	(553)
Dividends declared (note 11)	已宣派股息（附註11）	–	15,382	–	15,382
Finance cost incurred	已產生融資成本	264	–	–	264
At 31 December 2019	於二零一九年 十二月三十一日	4,593	–	39,358	43,951

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### 綜合財務報表附註

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#### 31. PLEDGE OF ASSETS

At the end of the reporting period, certain bank deposits, buildings, right-of-use assets and trade receivables were pledged to secure the banking facilities granted to the Group as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank deposits	銀行存款	2,364	2,358
Buildings	樓宇	46,488	49,291
Prepaid lease payments	預付租賃款項	—	16,318
		<b>48,852</b>	<b>67,967</b>

#### 31. 資產抵押

於報告期末，下列若干銀行存款、樓宇、使用權資產及貿易應收款項已予抵押，作為本集團獲授銀行信貸之擔保如下：

#### 32. OPERATING LEASE COMMITMENTS

##### The Group as lessee

At 31 December 2018, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	410

Operating lease payments represent rentals payable by the Group for certain of the office properties and staff quarters. Leases are negotiated for terms within one year (2018: one year).

#### 32. 經營租賃承擔

##### 本集團作為承租人

於二零一八年十二月三十一日，本集團根據土地及樓宇不可撤銷經營租賃而於下列期間到期之未來最低租賃款項之未履行承擔如下：

經營租賃付款指本集團就若干辦公室物業及職工宿舍須支付之租金。租期獲商定為一年內（二零一八年：一年）。

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## 綜合財務報表附註

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

### 33. CAPITAL COMMITMENTS

### 33. 資本承擔

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Capital expenditure in respect of acquisition of property, plant and equipment which is contracted for but not provided in the consolidated financial statements	83,658	66,222
購置物業、廠房及設備之資本開支，已訂約但未於綜合財務報表內撥備		

### 34. RETIREMENT BENEFITS SCHEMES

### 34. 退休福利計劃

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The retirement benefits scheme contributions charged to consolidated statement of profit or loss and other comprehensive income of approximately HK\$37,000 (2018: HK\$50,000) represent contributions payable to the MPF Scheme by the Group, which contribution is matched by employees.

本集團為所有在香港之合資格僱員設立強制性公積金計劃（「強積金計劃」）。於綜合損益及其他全面收益表內列支之退休福利計劃供款約為37,000港元（二零一八年：50,000港元），乃由本集團支付予強積金計劃之供款，而僱員會作出相同供款。

The employees employed in the Group's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Group is required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The state-managed retirement benefits scheme contributions charged to the consolidated statement of profit or loss and other comprehensive income amounted to approximately HK\$13,597,000 (2018: HK\$11,392,000). The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

本集團中國附屬公司聘用之僱員為中國政府運作之國營退休福利計劃之成員。本集團須向退休福利計劃支付薪金之若干百分比作為福利金。於綜合損益及其他全面收益表內列支之國營退休福利計劃供款約為13,597,000港元（二零一八年：11,392,000港元）。本集團於退休福利計劃之唯一責任為根據該計劃作出規定之供款。

No forfeited contributions are available to reduce the contribution payable in future years.

本公司並無沒收供款可用於扣減來年應付之供款。

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### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME

##### (a) Summary of the restricted stock incentive scheme

The restricted stock incentive scheme ("the Scheme") of the Company was approved and adopted by the Board of Directors on 13 December 2018, and was duly passed by the independent shareholders by way of poll at the extraordinary general meeting held on 31 January 2019.

##### (1) Purpose

The purpose of the Scheme is to further improve corporate governance of the Group, retain and motivate its participants of the Scheme ("Scheme Participants") to make contributions to the long-term growth and profits of the Group with a view to achieving the objectives of increasing the value of the Group and to promote a greater alignment of interests between the Scheme Participants and the shareholders of the Company.

##### (2) Scope of Scheme Participants

The Scheme Participants shall include the executive director(s), members of the senior management and management personnel who, as determined by the Board of the Directors, contribute directly to the overall business performance and sustainable development of the Company.

#### 35. 限制性股票激勵計劃

##### (a) 限制性股票激勵計劃概要

本公司之限制性股票激勵計劃（「計劃」）於二零一八年十二月十三日獲董事會通過及採納，並於二零一九年一月三十一日舉行之股東特別大會上獲獨立股東正式通過。

##### (1) 目的

計劃旨在進一步改善本集團的公司管治，挽留及激勵計劃參與者（「計劃參與者」）為本集團的長遠增長及溢利作出貢獻，務求達到提升本集團價值的目標，使計劃參與者與本公司股東之間的利益更趨於一致。

##### (2) 計劃參與者範圍

計劃參與者將包括本公司的執行董事、高級管理人員以及經董事會認定的對本公司整體業績和持續發展有直接影響的管理骨幹人員。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (3) Restricted Stock

Pursuant to the Scheme, the board of the directors shall select the Scheme Participants and determine the number of restricted stock to be granted. The Company will appoint a trustee to purchase the Shares from the secondary market and a grant price shall be payable by the Scheme Participants (the "Trust").

##### (4) Maximum Grant

The maximum total number of Shares comprised in the restricted stock to be granted under the Scheme shall not exceed 10% of the total issued share capital of the Company as at the date of approval of the Scheme at the extraordinary general meeting of the Company (i.e. 31 January 2019). As of 31 January 2019, the Company's total number of issued Shares was 1,538,237,500 ordinary shares.

##### (5) Duration of the Scheme

The Scheme shall be effective for a term of 10 years commenced from the adoption date (i.e. 31 January 2019), unless early termination is proposed by the board of directors and approved by the shareholders of the Company. Unless otherwise required, the restricted stock granted before the termination of the Scheme shall remain effective and could be unlocked according to the terms of the Scheme.

#### 35. 限制性股票激勵計劃 (續)

##### (a) 限制性股票激勵計劃概要 (續)

##### (3) 限制性股票

根據計劃，董事會將選擇計劃參與者，並確定將授予的限制性股票數量。本公司將委託受託人在二級市場購買股份，計劃參與者應當支付授予價格（「信託」）。

##### (4) 授予上限

根據計劃授予的限制性股票所涉及的股份數量之總額上限，將不得超過計劃經本公司股東特別大會批准當日（即二零一九年一月三十一日）本公司已發行股本總額的10%。於二零一九年一月三十一日，本公司已發行股份總額為1,538,237,500股普通股。

##### (5) 計劃有效期

計劃有效期為十年，自採納日（即二零一九年一月三十一日）起計算，除非經董事會提議並獲本公司股東批准提前終止。除非另有規定，否則在計劃終止前授予的限制性股票繼續有效，並仍可按照計劃的條款解鎖。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (6) Determination of the Grant Price

The grant price of the restricted stock to be granted to the Scheme Participants shall be determined by the Board. The base date for the determination of the grant price is the grant date. The pricing basis of the grant price shall not be set lower than the highest of the following: (i) the closing price of the Shares as quoted on the Stock Exchange on the grant date; (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five trading days immediately preceding the grant date; and (iii) the average closing price of the Shares in the 20 trading days, 60 trading days or 120 trading days immediately before the grant date. The grant price shall be 50% of the pricing basis and shall not be lower than the most recent audited net asset per Share.

##### (7) Lock-up Period and Unlocking Period

In principle, the lock-up period (the "Lock-up Period") shall be for a period of not less than two years commencing from the grant date, during which the restricted stock granted to the Scheme Participants shall be locked up and shall not be transferred, used as guarantee or for repayment of debts.

In principle, the unlocking period shall be for a period of not less than three years commencing from the expiry of the lock-up period. Eligible restricted stock will be gradually unlocked during the unlocking period.

#### 35. 限制性股票激勵計劃 (續)

##### (a) 限制性股票激勵計劃概要 (續)

##### (6) 授予價格的釐定

董事會將確定授予計劃參與者的限制性股票的授予價格。授予價格的釐定基準日為授予日。授予價格的定價基準不得低於下列的最高價格：(i)股份於授予日在聯交所所報的收市價；(ii)股份於緊接授予日之前五個交易日在聯交所所報的平均收市價；及(iii)股份於緊接授予日前20個交易日、60個交易日或120個交易日的平均收市價。授予價格將按照定價基準的50%確定，且不得低於最近期的經審核每股資產淨值。

##### (7) 禁售期及解鎖期

禁售期（「禁售期」）為自授予日起原則上不少於兩年。於禁售期內，授予計劃參與者的限制性股票將被鎖定，不得轉讓、用於擔保或償還債務。

解鎖期為自禁售期滿之日起原則上不少於三年。合資格限制性股票將於解鎖期內逐步解鎖。



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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (8) Initial Grant

Under the Initial Grant, approximately an aggregate of 27,500,000 Restricted Stock will be granted to 84 Scheme Participants.

##### (9) Conditions for Unlocking the Initial Grant

Conditions for Unlocking the Initial Grant are as followings:

##### Unlocking Period 解鎖期

First Unlocking Period

第一個解鎖期

##### Performance Assessment Target 業績考核目標

- the return on equity ("ROE") for 2019 shall be not lower than 9% and not lower than the 75 percentile of benchmarking enterprises;
- 二零一九年淨資產收益率(「ROE」)不低於9%，且不低於對標企業75分位值水平；
- based on the net profit attributable to the owner of the parent company in 2017, the compound profit growth rate of the net profit attributable to the owner of the parent company in 2019 shall be not lower than 20%, and not lower than 75 percentile of benchmarking enterprises; and
- 以二零一七年歸屬於母公司擁有人的純利為基數，二零一九年歸屬於母公司擁有人的純利複合溢利增長率不低於20%，且不低於對標企業75分位值水平；及
- based on the Company's operating income in 2017, the compound revenue growth rate of business income in 2019 shall be not lower than 20% and not lower than the 75 percentile of benchmarking enterprises.
- 以本公司於二零一七年的經營收入為基數，二零一九年業務收入的複合收益增長率不低於20%，且不低於對標企業75分位值水平。

#### 35. 限制性股票激勵計劃 (續)

##### (a) 限制性股票激勵計劃概要 (續)

##### (8) 首次授予

在首次授予時，向84位計劃參與者授予總計約27,500,000股限制性股票。

##### (9) 首次授予的解鎖條件

首次授予的解鎖條件如下：

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### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (9) Conditions for Unlocking the Initial Grant (Cont'd)

##### Unlocking Period 解鎖期

Second Unlocking Period

第二個解鎖期

##### Performance Assessment Target 業績考核目標

- the ROE for 2020 shall be not lower than 10% and not lower than the 75 percentile of benchmarking enterprises;
- 二零二零年ROE不低於10%，且不低於對標企業75分位值水平；
- based on the net profit attributable to the owner of the parent company in 2017, the compound profit growth rate of the net profit attributable to the owner of the parent company in 2020 shall be not lower than 20%, and not lower than the 75 percentile of benchmarking enterprises; and
- 以二零一七年歸屬於母公司擁有人的純利為基數，二零二零年歸屬於母公司擁有人的純利複合溢利增長率不低於20%，且不低於對標企業75分位值水平；及
- based on the Company's operating income in 2017, the compound revenue growth rate of business income in 2020 shall be not lower than 20% and not lower than the 75 percentile of the benchmarking enterprises.
- 以本公司於二零一七年的經營收入為基數，二零二零年業務收入的複合收益增長率不低於20%，且不低於對標企業75分位值水平。

#### 35. 限制性股票激勵計劃（續）

##### (a) 限制性股票激勵計劃概要（續）

##### (9) 首次授予的解鎖條件（續）

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (9) Conditions for Unlocking the Initial Grant (Cont'd)

##### Unlocking Period 解鎖期

Third Unlocking Period

第三個解鎖期

##### Performance Assessment Target 業績考核目標

- the ROE for 2021 shall be not lower than 11% and not lower than the 75 percentile of benchmarking enterprises;
- 二零二一年ROE不低於11%，且不低於對標企業75分位值水平；
- based on the net profit attributable to the owner of the parent company in 2017, the compound profit growth rate of the net profit attributable to the owner of the parent company in 2021 shall be not lower than 20%, and not lower than the 75 percentile of benchmarking enterprises; and
- 以二零一七年歸屬於母公司擁有人的純利為基數，二零二一年歸屬於母公司擁有人的純利複合溢利增長率不低於20%，且不低於對標企業75分位值水平；及
- based on the Company's operating income in 2017, the compound revenue growth rate of business income in 2021 shall be not lower than 20% and not lower than the 75 percentile of the benchmarking enterprises.
- 以本公司於二零一七年的經營收入為基數，二零二一年業務收入的複合收益增長率不低於20%，且不低於對標企業75分位值水平。

#### 35. 限制性股票激勵計劃 (續)

##### (a) 限制性股票激勵計劃概要 (續)

##### (9) 首次授予的解鎖條件 (續)

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (a) Summary of the restricted stock incentive scheme (Cont'd)

##### (10) The Unlocking Period of Initial Grant

The details of the Unlocking Period of Initial Grant are as followings:

Unlocking arrangement 解鎖安排	Time of unlocking 解鎖時間	Proportion of unlocking shares 解鎖比例
First Unlocking Period	From the first trading day after 24 months from the Grant Date to the last trading day within 36 months from the Grant Date	33%
第一個解鎖期	自授予日起24個月後的首個交易日起至授予日36個月內的最後一個交易日當日止	33%
Second Unlocking Period	From the first trading day after 36 months from the Grant Date to the last trading day within 48 months from the Grant Date	33%
第二個解鎖期	自授予日起36個月後的首個交易日起至授予日48個月內的最後一個交易日當日止	33%
Third Unlocking Period	From the first trading day after 48 months from the Grant Date to the last trading day within 60 months from the Grant Date	34%
第三個解鎖期	自授予日起48個月後的首個交易日起至授予日60個月內的最後一個交易日當日止	34%

Details of the Scheme were disclosed in the Company's announcement dated 13 December 2018 as well as the circular dated 16 January 2019.

#### 35. 限制性股票激勵計劃 (續)

##### (a) 限制性股票激勵計劃概要 (續)

##### (10) 首次授予的解鎖期

首次授予的解鎖期詳情如下：

計劃詳情於本公司日期為二零一八年十二月十三日之公佈及日期為二零一九年一月十六日之通函披露。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (b) Initial Grant of the Restricted Stock under the Scheme

Pursuant to the Company's announcement dated 14 February 2019, on 14 February 2019, the Board of the Directors approved the granting of 27,500,000 restricted stock (the "Restricted Stock") under the Scheme to 81 selected Scheme Participants, details of which are as follows:

- i. An aggregate of 27,500,000 Restricted Stock, representing approximately 1.788% of the issued share capital of the Company as at 14 February 2019 was granted to 81 Scheme Participants, including executive director(s), members of the senior management and management personnel who contribute directly to the overall business performance and sustainable development of the Group.
- ii. Grant Date: 14 February 2019.
- iii. Grant Price: HK\$0.65 per share.
- iv. The Grant Price shall be payable by the Scheme Participants at their own cost.
- v. All the Restricted Stock granted will be subject to the Lock-up Period of not less than two years commencing from the Grant Date, during which the Restricted Stock granted to the Scheme Participants shall be locked-up and shall not be transferred, used as guarantee or for repayment of debts.

Please refer to the Announcement and the Circular for details of other specified conditions and timing for unlocking under the Scheme.

#### 35. 限制性股票激勵計劃 (續)

##### (b) 根據計劃首次授予限制性股票

根據本公司日期為二零一九年二月十四日之公佈，於二零一九年二月十四日，董事會批准根據計劃向81名選定計劃參與者授予27,500,000股限制性股票（「限制性股票」），詳情如下：

- i. 批准合共27,500,000股限制性股票（佔於二零一九年二月十四日本公司已發行股本之約1.788%）被授予81名計劃參與者，包括執行董事、高級管理人員及對本集團整體業務表現及持續發展直接作出貢獻之主管人員。
- ii. 授予日：二零一九年二月十四日。
- iii. 授予價格：每股股份0.65港元。
- iv. 授予價格須由計劃參與者自費支付。
- v. 所有已授予的限制性股票均將遵守自授予日起計不少於兩年之禁售期，在此期間，授予計劃參與者之限制性股票將被鎖定，不得轉讓、用於擔保或償還債務。

有關計劃項下其他特定條件及解鎖時間之詳情，請參閱該公佈及該通函。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (c) Further Grant of Restricted Stock under the Scheme

Pursuant to the Company's announcement dated 27 March 2019, the Board of the Directors approved the granting of 2,490,000 restricted stock under the Scheme to Xiong Zheng Feng, an executive director and Chai Zhi Qiang, the chief executive officer of the Company, details of which are as follows:

- i. An aggregate of 2,490,000 Restricted Stock, representing approximately 0.162% of the issued share capital of the Company as at 27 March 2019 was granted to Xiong Zheng Feng and Chai Zhi Qiang, including executive director, members of the senior management personnel who contribute directly to the overall business performance and sustainable development of the Group.
- ii. Grant Date: 27 March 2019.
- iii. Grant Price: HK\$0.77 per share.
- iv. The Grant Price shall be payable by the Scheme Participants at their own cost.
- v. All the Restricted Stock granted will be subject to the Lock-up Period of not less than two years commencing from the Grant Date, during which the Restricted Stock granted to the Scheme Participants shall be locked-up and shall not be transferred, used as guarantee or for repayment of debts.

Please refer to the Announcement and the Circular for details of other specified conditions and timing for unlocking under the Scheme.

#### 35. 限制性股票激勵計劃（續）

##### (c) 根據計劃進一步授予限制性股票

根據本公司日期為二零一九年三月二十七日之公佈，董事會批准根據計劃向執行董事熊正峰及本公司行政總裁柴志強授予2,490,000股限制性股票，詳情如下：

- i. 合共2,490,000股限制性股票（相當於二零一九年三月二十七日本公司已發行股本約0.162%）獲授予熊正峰及柴志強，包括執行董事、高級管理人員及對本集團整體業務表現及持續發展直接作出貢獻之主管人員。
- ii. 授予日：二零一九年三月二十七日。
- iii. 授予價格：每股股份0.77港元。
- iv. 授予價格須由計劃參與者自費支付。
- v. 所有已授予的限制性股票均將遵守自授予日起計不少於兩年之禁售期，在此期間，授予計劃參與者之限制性股票將被鎖定，不得轉讓、用於擔保或償還債務。

有關計劃項下其他特定條件及解鎖時間之詳情，請參閱該公佈及該通函。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (d) Outstanding of restricted stock under the scheme

During the year, three Scheme Participants resigned from the Group and accordingly, 2,750,000 restricted stock was forfeited thereon.

Set out below are details of the movements of the outstanding restricted stock granted under the Scheme during the year ended 31 December 2019:

		Granted during the year	Expect to vest during the year	Forfeited during the year	Outstanding as at 31 December 2019 於 二零一九年 十二月 三十一日 未行使
		年內授予	預期 於年內歸屬	年內沒收	
February 14, 2019	二零一九年二月十四日	27,500,000	–	2,750,000	24,750,000
March 27, 2019	二零一九年三月二十七日	2,490,000	–	–	2,490,000
Total	總計	29,990,000	–	2,750,000	27,240,000
Weighted average fair value per share (HK\$)	每股加權平均公平值 (港元)	0.7179	–	0.7198	0.7178

In respect of the Restricted Stock granted during the year, the weighted average fair value per share at the date of grant was HK\$0.7179.

The estimated fair values of the Restricted Stock granted are approximately HK\$19,552,000.

#### 35. 限制性股票激勵計劃 (續)

##### (d) 根據計劃的未行使限制性股票

於本年度內，三名計劃參與者向本集團辭任，因此2,750,000股相關限制性股票被沒收。

下文載列截至二零一九年十二月三十一日止年度根據計劃授予的未行使限制性股票變動的詳情：

就本年度內授予的限制性股票而言，於授予日期的每股加權平均公平值為0.7179港元。

授予的限制性股票之估計公平值約為19,552,000港元。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 35. RESTRICTED STOCK INCENTIVE SCHEME (Cont'd)

##### (d) Outstanding of restricted stock under the scheme (Cont'd)

The fair value was calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

Life of the restricted stock	限制性股票年期
Risk Free Rate	無風險利率
Expected volatility	預期波幅
Expected dividend yield	預期股息率
Spot Price	現貨價

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 2 years. The expected life used in model has been adjusted, based on management is best estimate.

During the year ended 31 December 2019, the Company acquired 4,480,000 (2018:nil) ordinary shares of the Company from the open market by the independent trustee of the Company with a total consideration of approximately HK\$5,105,000 (2018:nil) in respect of the restricted stock incentive scheme of the Company. The carrying amount of the shares held as at the year-end was presented as a deduction against equity as "Restrict stock incentive scheme reserve".

During the year, the Group do not fulfill the unlocking condition under restricted stock incentive scheme. Therefore, no Restricted Stock was expected to vest by the Scheme Participants and all the Restricted Stock are remain at the Trust.

#### 35. 限制性股票激勵計劃 (續)

##### (d) 根據計劃的未行使限制性股票 (續)

公平值採用柏力克－舒爾斯定價模式計算。模式輸入數據以下：

As at 14 February 2019 於二零一九年 二月十四日	As at 27 March 2019 於二零一九年 三月二十七日
2.00	2.00
1.56%	1.56%
57.63%	57.63%
0.00%	0.00%
1.289	1.249

預期波幅乃使用本公司股價於過往兩年內之歷史波幅釐定。模型中所使用之預期可使用年期已根據管理層之最佳估計作出調整。

截至二零一九年十二月三十一日止年度，本公司就限制性股票激勵計劃由本公司之獨立受託人於公開市場購買4,480,000股本公司普通股（二零一八年：零），總代價約為5,105,000港元（二零一八年：零）。於本年度末持有的股份賬面金額指扣減權益的「限制性股票激勵計劃儲備」。

於本年度內，本集團並無達成限制性股票激勵計劃項下之解鎖條件。因此，概無計劃參與者預期歸屬限制性股票及所有限制性股票仍於信託持有。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 36. RELATED PARTY TRANSACTIONS

#### 36. 關聯方交易

- (i) Saved as disclosed in the respective notes, the Group entered into the following transactions with related parties during the year:

- (i) 除於相關附註披露者外，於本年度內，本集團亦曾與關聯方訂立下列交易：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Shareholder and its subsidiaries	股東及其附屬公司		
– Sales (note (iv))	– 銷售 (附註(iv))	101,343	141,220
– Purchases of raw materials	– 購買原材料	(52)	–
– Technology and technical fee paid	– 支付科技及技術費用	(20,745)	–
Associate	聯營公司		
– Sales	– 銷售	11,812	2,008
– Purchases of raw materials	– 購買原材料	(27,074)	(2,283)
– Rental income received for office	– 辦公室租金收入	(339)	(378)
– Disposal of property, plant and equipment	– 出售物業、廠房及設備	150	1,750
– Subcontracting expenses paid	– 支付分包費用	–	1,879
– Purchases of property, plant and equipment	– 購買物業、廠房及設備	–	(1,129)
– Finance cost paid	– 支付融資成本	(182)	–
Fellow subsidiaries	同系附屬公司		
– Rentals paid for office	– 支付辦公室租金	–	120

- (ii) Transactions/balances with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled by the PRC government (“state-controlled entities”). In addition, the Group is significant influenced indirectly by CNIC, a state-owned enterprise established in the PRC.

- (ii) 與中國其他國家控制企業產生之交易／結餘

本集團經營所在之經濟環境目前由中國政府直接或間接擁有或控制之企業（「國家控制企業」）主導。此外，本集團間接受於中國成立之國有企業北方工業重大影響。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 36. RELATED PARTY TRANSACTIONS (Cont'd)

##### (ii) Transactions/balances with other state-controlled entities in the PRC (Cont'd)

The Group also conducts business with other state-controlled entities. The directors of the Company consider those state-controlled entities to be third parties so far as the Group's businesses with them are concerned.

In addition, the Group has entered into various transactions, including deposits placements, borrowings and other general banking facilities, with certain banks which are state-controlled entities in its ordinary course of business.

The directors are of the opinion that the transactions with other state-controlled entities are not significant to the Group's operations.

##### (iii) Compensation of key management personnel

The emoluments of key management during the year 31 December 2019 and 2018 represented emoluments paid to directors of the Company as disclosed in note 10(i).

The emoluments of key management personnel are determined by the Remuneration Committee having regard to the performance of individuals and market trends.

##### (iv) Sales of goods to shareholder

Sales of goods to Goertek (Hong Kong) Co., Limited amounted to HK\$94,793,000 (2018: HK\$141,220,000) and Suzhou Anjin Technology Company Limited amounted to approximately HK\$6,550,000 (2018: Nil).

#### 36. 關聯方交易 (續)

##### (ii) 與中國其他國家控制企業產生之交易／結餘 (續)

本集團亦與其他國家控制企業進行業務。本公司董事認為，就本集團與彼等之業務而言，該等國家控制企業為第三方。

此外，本集團已於其正常業務過程中與為國家控制企業之若干銀行訂立各種交易，包括存款、借貸及其他一般銀行信貸。

董事認為與其他國家控制企業之交易對本集團之營運並非重要。

##### (iii) 主要管理人員之補償

截至二零一九年及二零一八年十二月三十一日止年度，主要管理人員之酬金指附註10(i)所披露支付本公司各董事之酬金。

主要管理人員之酬金由薪酬委員會根據個人表現及市場趨勢釐定。

##### (iv) 向股東銷售貨品

向香港歌爾泰克有限公司銷售貨品的金額為94,793,000港元(二零一八年：141,220,000港元)，而向蘇州安潔科技股份有限公司銷售貨品的金額則約為6,550,000港元(二零一八年：零)。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 37. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY

#### 37. 本公司財務狀況表及儲備

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	33	39
Right-of-use assets	使用權資產	410	—
Investments in subsidiaries	於附屬公司之投資	466,740	931,516
Investment in an associate	於一間聯營公司之投資	3,616	3,616
		<b>470,799</b>	935,171
Current assets	流動資產		
Inventories	存貨	4,575	7,394
Trade and other receivables	貿易及其他應收款項	68,187	70,969
Amounts due from subsidiaries (note a)	應收附屬公司款項 (附註a)	438,178	6,872
Tax recoverable	可收回稅項	—	102
Pledged bank deposits	已抵押銀行存款	2,364	2,358
Bank balances and cash	銀行結餘及現金	21,993	11,765
		<b>535,297</b>	99,460
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項	25,087	31,683
Amount due to an associate (note a)	應付一間聯營公司款項 (附註a)	628	—
Lease liabilities	租賃負債	210	—
		<b>25,925</b>	31,683
Net current assets	淨流動資產	<b>509,372</b>	67,777
Total assets less current liabilities	總資產減流動負債	<b>980,171</b>	1,002,948

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 37. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (Cont'd)

#### 37. 本公司財務狀況表及儲備(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Capital and reserves	股本及儲備		
Share capital	股本	921,553	921,553
Reserves (note b)	儲備(附註b)	58,422	81,395
Equity attributable to owners of the Company	本公司擁有人應佔權益	979,975	1,002,948
Non-current liabilities	非流動負債		
Lease Liabilities	租賃負債	196	—
		196	—
Total equity	總權益	980,171	1,002,948

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 27 March 2020 and are signed on its behalf by:

本公司之財務狀況表已獲董事會於二零二零年三月二十七日批准並授權刊發，並由下列董事代表簽署：

**XIONG ZHENG FENG**

DIRECTOR

熊正峰

董事

**HUNG CHI YUEN ANDREW**

DIRECTOR

洪志遠

董事



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 37. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (Cont'd)

#### 37. 本公司財務狀況表及儲備 (續)

##### (a) Amounts due from subsidiaries/Amount due to an associate

At as 31 December 2019, the amounts due from subsidiaries and amount due to an associate was unsecured, interest free and repayable on demand (2018: Included in interests in subsidiaries, the amounts due from subsidiaries of approximately HK\$464,776,000 was unsecured, interest free and not repayable within one year.).

##### (a) 應收附屬公司款項／應付一間聯營公司款項

於二零一九年十二月三十一日，應收附屬公司款項及應付一間聯營公司款項為無抵押、免息及於要求時償還（二零一八年：包括於附屬公司的權益及無抵押、免息及毋須於一年內償還的應收附屬公司款項約464,776,000港元）。

##### (b) Movement in the Company's reserves

##### (b) 本公司儲備之變動

		Restricted stock incentive scheme reserve 限制性股票激勵計劃儲備 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 1 January 2018	於二零一八年一月一日	—	83,195	83,195
Profit for the year and total comprehensive income for the year	本年度溢利及本年度全面收益總額	—	13,582	13,582
Dividend paid	已付股息	—	(15,382)	(15,382)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	—	81,395	81,395
Loss for the year and total comprehensive expense for the year	本年度虧損及本年度全面開支總額	—	(2,486)	(2,486)
Dividend paid	已付股息	—	(15,382)	(15,382)
Purchase of shares under the restricted stock incentive scheme (note 35)	根據限制性股票激勵計劃購買股份 (附註35)	(5,105)	—	(5,105)
At 31 December 2019	於二零一九年十二月三十一日	(5,105)	63,527	58,422

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 38. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Group's subsidiaries as at 31 December 2019 and 2018 are as follows:

#### 38. 本公司附屬公司之詳情

於二零一九年及二零一八年十二月三十一日之本集團附屬公司之詳情如下：

Name of subsidiaries 附屬公司名稱	Place of establishment and principal place of operation 成立地點及主要經營地點	Form of business structure 企業組成模式	Paid-up capital 繳足資本	Attributable equity interest held by the Company 由本公司持有之應佔股本權益		Principal activities 主要業務
				2019 二零一九年	2018 二零一八年	
AKM Electronics Industrial (Panyu) Ltd.	The PRC	Wholly owned-foreign enterprise	US\$21,700,000	100%	100%	Manufacture and sale of FPC and flexible packaging substrates
安捷利(番禺)電子實業有限公司	中國	外商獨資企業	21,700,000美元	100%	100%	製造及銷售柔性電路板及柔性封裝基板
AKM Electronic Technology (Suzhou) Company Limited	The PRC	Wholly owned-foreign enterprise	US\$37,642,460	100%	100%	Manufacture and sale of FPC, manufacture of flexible packaging substrates
安捷利電子科技(蘇州)有限公司	中國	外商獨資企業	37,642,460美元	100%	100%	製造及銷售柔性電路板、製造柔性封裝基板
Anrick Electronics India Private Limited	India	Wholly owned-foreign enterprise	US\$1,447,948	100%	–	Manufacture and sale of FPC
Anrick Electronics India Private Limited	印度	外商獨資企業	1,447,948美元	100%	–	製造及銷售柔性電路板

None of the subsidiaries had issued any debt securities during both years and at the end of both years.

附屬公司於兩個年度及兩個年度末均無發行任何債務證券。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 39. EVENT AFTER REPORTING PERIOD

##### (a) Formation of a joint venture company

Pursuant to the Company's announcement dated 27 December 2019, AKM Electronics Panyu, a wholly-owned subsidiary of the Company, entered into a joint venture agreement (the "JV Agreement") with 美智投資(廈門)有限公司 ((transliteration as Meizhi Investment (Xiamen) Co., Ltd.), 廈門半導體投資集團有限公司 (transliteration as Xiamen Semiconductor Investment Group Co., Ltd.) and 安美創業(廈門)股權投資合夥企業(有限合夥)(transliteration as Anmei Ventures (Xiamen) Equity Investment Partnership (Limited Partnership) for the formation of a joint venture company (the "JV Company"). Pursuant to the JV Agreement, the JV Company shall be, after its formation, owned as to 6% by AKM Electronics Panyu, 53% by Meizhi Investment (Xiamen) Co., Ltd., 40% by Xiamen Semiconductor Investment Group Co., Ltd. and 1% by Anmei Ventures (Xiamen) Equity Investment Partnership (Limited Partnership). The registered capital of the JV Company is expected to be RMB4.50 billion. AKM Electronics Panyu will contribute a total amount of RMB270 million in the form of cash. The relevant entities will contribute a total amount of RMB4.23 billion in the form of cash. The JV Company will be incorporated in the PRC and the business scope of the JV Company primarily includes production of optoelectronic products and other electronic devices, printed circuit boards, electronic components, integrated circuits, electronic vacuum devices, semiconductor discrete devices and other electronic equipment. As at 31 December 2019, the capital commitment of the amount is RMB270 million.

Details of which are set out in the Company's announcement dated 27 December 2019.

#### 39. 報告期後事項

##### (a) 成立合資公司

根據本公司日期為二零一九年十二月二十七日的公佈，本公司之全資附屬公司安捷利番禺電子與美智投資(廈門)有限公司、廈門半導體投資集團有限公司及安美創業(廈門)股權投資合夥企業(有限合夥)就成立合資公司(「合資公司」)訂立出資協議。根據出資協議，合資公司於成立後將由安捷利番禺電子擁有6%、美智投資(廈門)有限公司擁有53%、廈門半導體投資集團有限公司擁有40%及安美創業(廈門)股權投資合夥企業(有限合夥)擁有1%。合資公司之註冊資本預期為人民幣45.0億元。安捷利番禺電子將以現金形式出資合共人民幣270百萬元。相關實體將以現金形式出資合共人民幣42.3億元。合資公司將於中國註冊成立，其業務範圍主要包括光電子器件及其他電子器件、印制電路板、電子元件及組件、集成電路、電子真空器件、半導體分立器件及其他電子設備之製造。於二零一九年十二月三十一日，資本承擔為人民幣270百萬元。

詳情載列於本公司日期為二零一九年十二月二十七日之公佈。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 39. EVENT AFTER REPORTING PERIOD (Cont'd)

##### (b) Acquisition of certain companies

Pursuant to the Company's announcement dated 23 January 2020, the Purchaser, 安捷利美維電子(廈門)有限責任公司 (transliteration as AKMMeadville Electronics (Xiamen) Co., Ltd., "AKMMeadville Electronics") a company in which the Company indirectly holds around 6.4% equity interest, TTM Technologies China Limited (the "Seller", a company incorporated in Hong Kong with limited liability) and the Seller's ultimate controlling shareholder, TTM Technologies Inc., entered into the equity interests purchase agreement, pursuant to which AKMMeadville Electronics conditionally agreed to acquire, and the Seller conditionally agreed to sell all of the equity interests of the certain companies, namely 廣州美維電子有限公司 (transliteration as Guangzhou Meadville Electronics Co., Ltd.), 上海美維電子有限公司 (transliteration as Shanghai Meadville Science & Technology Co., Ltd.), 上海美維科技有限公司 (transliteration as Shanghai Meadville Science & Technology Co., Ltd.) and 上海凱思爾電子有限公司 (transliteration as Shanghai Kaiser Electronics Co., Ltd.), for a consideration of US\$550,000,000 (subject to adjustment).

Details of which are set out in the Company's announcement dated 23 January 2020.

##### (c) Novel Coronavirus

The wide spread of the novel Coronavirus since the beginning of 2020 is a fluid and challenging situation facing all the industries of the society. The Group has already assessed the overall impact of the situation on the operation of the Group and taken all possible effective measures to limit and keep the impact in control. The Group will keep continuous attention on the change of situation and make timely response and adjustments in the future.

#### 39. 報告期後事項 (續)

##### (b) 收購若干公司

根據本公司日期為二零二零年一月二十三日的公佈，安捷利美維電子(廈門)有限責任公司(「安捷利美維電子」，為本公司間接持有6.4%股權的公司)(「買方」)與迅達科技中國有限公司(一間於香港註冊成立之有限公司)(「賣方」)及賣方的最終控股股東迅達科技公司訂立股權購買協議，根據協議，安捷利美維電子有條件同意收購而賣方有條件同意出售若干公司(即廣州美維電子有限公司、上海美維電子有限公司、上海美維科技有限公司及上海凱思爾電子有限公司)的全部股權，代價為550,000,000美元(可予以調整)。

詳情載列於本公司日期為二零二零年一月二十三日之公佈。

##### (c) 新型冠狀病毒

自2020年初以來，新型冠狀病毒大範圍傳播，令各行各業面臨不確定性及挑戰。本集團已評估對本集團營運情況造成的整體影響，並採取所有可行、有效的措施減弱及控制影響。本集團將持續關注疫情的演變，並於未來及時作出應對及調整。

## Financial Summary

### 財務概要

#### RESULTS

##### 業績

		Year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收入	1,463,630	1,223,803	1,118,838	821,662	630,631
Cost of sales	銷售成本	(1,254,943)	(1,071,832)	(898,627)	(646,373)	(551,392)
Gross profit	毛利	208,687	151,971	220,211	175,289	79,239
Other income	其他收入	41,171	56,253	17,874	15,037	36,321
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	-	(3,224)	-	-
Distribution costs	分銷成本	(20,952)	(19,433)	(16,760)	(15,897)	(16,360)
Administrative expenses	行政支出	(40,017)	(41,187)	(36,551)	(31,852)	(25,234)
Research and development expenses	研發費用	(57,352)	(63,774)	(79,882)	(92,122)	(70,324)
Share of profit of an associate	應佔一間聯營公司之溢利	1,202	163	40	-	-
Finance costs	融資成本	(2,091)	(215)	(2,850)	(5,198)	(3,598)
Profit before taxation	除稅前溢利	130,648	83,778	98,858	45,257	44
Taxation	稅項	(12,937)	(14,444)	(19,850)	(17,567)	(366)
Profit (loss) for the year	本年度溢利(虧損)	117,711	69,334	79,008	27,690	(322)

#### ASSETS AND LIABILITIES

##### 資產及負債

		At 31 December 於十二月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	總資產	1,849,066	1,671,449	1,268,416	981,651	831,541
Total liabilities	總負債	(581,916)	(483,432)	(529,973)	(497,594)	(336,353)
		1,267,150	1,188,017	738,443	484,057	495,188
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,267,150	1,188,017	738,443	483,426	491,969
Non-controlling interests	非控股權益	-	-	-	631	3,219
Total equity	總權益	1,267,150	1,188,017	738,443	484,057	495,188