

TK 東江集團(控股)有限公司

TK GROUP (HOLDINGS) LIMITED

(incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 2283

2021 年報

ANNUAL REPORT



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The logo consists of the letters 'TK' in a bold, stylized, yellow font with a white outline. The letters are positioned at the bottom left of the page, with a bright yellow light source behind them, creating a lens flare effect that radiates across the bottom of the page.

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Li Pui Leung (*Chairman*)
Mr. Yung Kin Cheung Michael (*Chief Executive Officer*)
Mr. Lee Leung Yiu
Mr. Cheung Fong Wa

Independent Non-executive Directors

Dr. Chung Chi Ping Roy
Ms. Christine Wan Chong Leung
Mr. Tsang Wah Kwong

COMMITTEES OF THE BOARD

Audit Committee

Mr. Tsang Wah Kwong (*Chairman*)
Dr. Chung Chi Ping Roy
Ms. Christine Wan Chong Leung

Remuneration Committee

Dr. Chung Chi Ping Roy (*Chairman*)
Mr. Yung Kin Cheung Michael
Ms. Christine Wan Chong Leung
Mr. Tsang Wah Kwong

Nomination Committee

Mr. Li Pui Leung (*Chairman*)
Dr. Chung Chi Ping Roy
Ms. Christine Wan Chong Leung
Mr. Tsang Wah Kwong

AUTHORISED REPRESENTATIVES

Mr. Yung Kin Cheung Michael
Mr. Cheung Fong Wa

COMPANY SECRETARY

Mr. Cheung Fong Wa

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited
China CITIC Bank Corporation Limited
Hua Xia Bank Co., Limited
China Construction Bank Corporation
The Bank of East Asia, Limited

董事會

執行董事

李沛良先生(*主席*)
翁建翔先生(*行政總裁*)
李良耀先生
張芳華先生

獨立非執行董事

鍾志平博士
梁蘊莊女士
曾華光先生

董事會委員會

審核委員會

曾華光先生(*主席*)
鍾志平博士
梁蘊莊女士

薪酬委員會

鍾志平博士(*主席*)
翁建翔先生
梁蘊莊女士
曾華光先生

提名委員會

李沛良先生(*主席*)
鍾志平博士
梁蘊莊女士
曾華光先生

授權代表

翁建翔先生
張芳華先生

公司秘書

張芳華先生

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師
香港

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司
中信銀行股份有限公司
華夏銀行股份有限公司
中國建設銀行股份有限公司
東亞銀行有限公司

FINANCIAL HIGHLIGHTS

財務摘要

Results and Financial performances	業績及財務表現	2021	2020
Results	業績		
Revenue (HK\$'000)	收入(千港元)	2,404,398	2,033,419
Profit attributable to owners of the Company (HK\$'000)	本公司擁有人應佔溢利(千港元)	282,383	209,687
Basic earnings per share (HK\$)	每股基本盈利(港元)	0.34	0.25
Proposed final dividend per share (HK cents)	建議每股末期股息(港仙)	8.6	8.0
Gross profit margin	毛利率	23.7%	26.2%
Net profit margin	淨利率	11.7%	10.3%
Return on equity (Note 1)	股本回報率(附註1)	17.4%	15.0%
Return on assets (Note 2)	資產回報率(附註2)	9.9%	8.2%
Inventory turnover days (Note 3)	存貨周轉天數(附註3)	98	105
Trade receivable turnover days (Note 4)	貿易應收款項周轉天數(附註4)	50	54
Trade payable turnover days (Note 5)	貿易應付款項周轉天數(附註5)	62	74
Financial position	財務狀況		
Net current assets (HK\$'000)	流動資產淨值(千港元)	1,162,975	835,259
Current ratio (Note 6)	流動比率(附註6)	220.7%	182.5%
Quick ratio (Note 7)	速動比率(附註7)	169.2%	138.3%
Gearing ratio (Note 8)	資產負債比率(附註8)	20.9%	20.2%
Net gearing ratio (Note 9)	淨資產負債比率(附註9)	0%	0%

Notes:

- (1) Return on equity ratio is calculated by dividing profit after tax by total equity and multiplying the resulting value by 100%.
- (2) Return on assets ratio is calculated by dividing profit after tax by total assets and multiplying the resulting value by 100%.
- (3) Inventory turnover days are calculated based on the average balance of inventories divided by the cost of sales for the relevant year multiplied by 365 days.
- (4) Trade receivable turnover days are calculated based on the average trade receivables divided by the revenue for the relevant year multiplied by 365 days.
- (5) Trade payable turnover days are calculated based on the average trade payables divided by the cost of sales for the relevant year multiplied by 365 days.
- (6) Current ratio is calculated by dividing current assets by current liabilities and multiplying the resulting value by 100%.
- (7) Quick ratio is calculated by dividing current assets less inventory by current liabilities and multiplying the resulting value by 100%.
- (8) Gearing ratio is calculated by dividing total borrowings by total equity and multiplying the resulting value by 100%.
- (9) Net gearing ratio is calculated by dividing net borrowings (total borrowings net-off cash and pledged bank deposits) by total equity and multiplying the resulting value by 100%. Net gearing ratio was zero as net cash of the Company as at 31 December 2021 and 31 December 2020 was HK\$864,067,000 and HK\$786,885,000 respectively.

附註：

- (1) 股本回報比率按除稅後溢利除以權益總額再將所得值乘以100%計算。
- (2) 資產回報比率按除稅後溢利除以資產總額再將所得值乘以100%計算。
- (3) 存貨周轉天數乃按存貨平均結餘除以有關年度的銷售成本再乘以365天計算。
- (4) 貿易應收款項周轉天數乃按平均貿易應收款項除以有關年度的收入再乘以365天計算。
- (5) 貿易應付款項周轉天數乃按平均貿易應付款項除以有關年度的銷售成本再乘以365天計算。
- (6) 流動比率按流動資產除以流動負債再將所得值乘以100%計算。
- (7) 速動比率按流動資產減去存貨除以流動負債再將所得值乘以100%計算。
- (8) 資產負債比率按借貸總額除以權益總額再將所得值乘以100%計算。
- (9) 淨資產負債比率按借貸淨額(借貸總額減現金及抵押銀行存款)再除以權益總額再將所得值乘以100%計算。於2021年12月31日及2020年12月31日本公司的現金淨額分別為864,067,000港元及786,885,000港元，所以淨資產負債比率為0。

CHAIRMAN'S STATEMENT

主席報告書



The Group will carefully control costs, continue to promote domestic market development and diversify regional risks. In 2022, when the epidemic continues and the economic environment is volatile, we will make prudent deployment and sufficient preparations to maintain steady growth in the volatile external environment.

本集團將謹慎管控成本，繼續推展國內市場開發，分散地域性風險。在疫情持續且經濟環境多變的 2022 年，我們將審慎部署，做足準備以在多變的外圍局勢保持業績穩健成長。



Li Pui Leung 李沛良
Chairman 主席



Chairman's Statement (continued)

主席報告書(續)

In response to the volatility of the market environment, the Group maintained a sound and stable financial position and strong cash flow. The Board resolved to recommend a dividend payout ratio of 41.3% for the current year, with a final dividend of HK8.6 cents per share. Together with the interim dividend of HK5.4 cents per share, the total dividend payout for the year was HK14.0 cents per share, in return for the unremitting support of shareholders.

PROSPECTS

As the variants of COVID-19 continue to spread in 2022, the global supply chain disruptions remains unresolved, raw material prices continue to rise, and various countries introduce easing monetary policies to stimulate their economy, all of which lead to mounting inflationary pressures in major economies and some developing countries. Recent Russia-Ukraine tension poses additional risks to the economic recovery. However, since the epidemic outbreak, the new normal of epidemic prevention has led to an increase in consumer demand for electronic products. With the maturing development of 5G and Internet of Things technologies, and the rebound of European and American consumption after the stabilization of the epidemic, the sales volume of consumer electronics has increased. Such consumption trend is favorable for the development of various segments of the Group, and the launch of new products will drive the continuous growth of the Group's orders. The Group has been actively monitoring the trend of high-tech consumer products, expanding its product customer base, developing product applications in emerging industries, and adhering to a diversification strategy, so as to effectively diversify risks and ensure long-term business development.

面對市場環境的波動，本集團保持良好穩健的財務狀況及強勁的現金流，董事會決議建議於本年度的派息比率為41.3%，末期股息派發每股8.6港仙，連同中期股息每股5.4港仙，全年共派息每股14.0港仙，以回饋股東的支持與鼓勵。

展望

隨著新型變種病毒在2022年持續蔓延，全球供應鏈混亂問題仍未解決，原材料價格持續上漲，加上各國刺激經濟的寬鬆貨幣政策，使主要經濟體和部分發展中國家的通脹壓力不斷上升，近期的俄羅斯與烏克蘭的緊張局勢，進一步對經濟復甦帶來額外的風險。然而，自疫情爆發以來，防疫的新常態令消費者對於電子產品的需求有增無減，隨著5G、物聯網技術的發展成熟，加上疫情回穩後歐美消費力反彈，電子消費產品銷售量上揚，消費趨勢利好本集團多個相關板塊發展，新產品的推出持續帶動本集團訂單成長。本集團積極留意高科技消費品的潮流，拓展產品客戶群，發展新興行業的產品應用，堅持多元化策略，有效分散風險，保障業務長遠發展。

In line with China's "dual circulation" development strategy in which the domestic economic cycle plays a leading role while the international economic cycle remains its extension and supplement, the Group actively explores leading domestic customers and implements its domestic expansion strategy in an orderly manner, which is expected to open the domestic market steadily. The newly acquired domestic leading electronic atomiser customer has become a growth engine for the Group. In terms of external expansion strategy, the construction progress of factories in Vietnam was slower than expected due to the epidemic last year. After the production commencement in the first phase of the plant in November 2021, the establishment of the second phase of the production line in 2022 will continue to be pushed forward, which is expected to be put into operation in the second half of 2022. The Group's injection molding plant in Vietnam will be aligned with its customers' development strategy in Southeast Asia as some of its high-end electronic technology customers have shifted their supply chains to Southeast Asia due to the escalating trend of trade frictions between the United States and China, which has led to global supply chain restructuring. The Group will continue to implement its strategy of internal extension and external expansion to further expand its business footprint by acquiring its domestic and overseas customers of well-known brands.

In 2020, the Group set the first five-year plan to double the sales of the injection molding business in five years. The Group is pragmatically and continuously making progress towards the expected goal. The first two years are the foundation period for the plan. To this end, the Group has launched a series of internal reform policies. The new incentive policies encourage employees to actively develop new customers and new regional production locations, and allow employees to invest in subsidiaries to increase their participation, thus promoting a concerted effort to drive business growth. At the process level, the Group has been focusing on the field of high precision injection mold, continuously refining its technology to improve the precision and accuracy of the mold so as to build a century-old brand of expert-level molds. In addition, the Group continues to look for suitable acquisition or investment targets to expand its business scope, and the pace of investment in recent years has not stopped.

配合中國實行國內國際「雙循環」戰略，本集團積極開拓國內龍頭客戶，內拓策略在有序落實中，冀能穩定打開國內市場。新開拓的國內龍頭電子霧化器客戶已成為本集團的增長引擎。在外延策略方面，去年受疫情影響下越南的設廠進展較預期緩慢，繼2021年11月第一期廠區開始投產後，2022年將會繼續推進第二期生產線設立，並預期於2022年下半年投產。由於中美貿易摩擦有擴大的趨勢，牽動全球供應鏈重整，當前一些高端電子科技客戶已轉移供應鏈至東南亞地區，本集團於越南的注塑廠房可配合客戶的東南亞發展策略。本集團持續務實內延外拓策略，進一步拓展海內外知名品牌客戶，擴大業務版圖。

2020年本集團訂定第一個五年計劃，為注塑板塊業務訂立5年銷售翻倍的目標，本集團正務實的持續向預期目標邁進。首兩年為計劃鋪墊期，為此本集團已推出一系列內部革新政策，新的激勵政策鼓勵員工積極開發新客戶及開拓新的區域性產能地點，並允許員工入股子公司增加參與積極度，促進公司上下一心共同推進業務增長。在工藝層面，本集團一直專注於高精度注塑模具領域，持續精進技術的研發改良，提升模具的精準度和精密度，以打造專家級別的模具百年品牌。此外，本集團仍不斷物色合適的收購或投資標的以擴大業務版圖，近年的投資腳步未曾停歇。

Chairman's Statement (continued)

主席報告書(續)

At the beginning of 2022, affected by rising raw material prices and supply disturbances, the inflation in Europe, the United States, and many emerging markets and developing economies grows more than expected, and the recovery of consumption power also shows signs of slowing down. Although the demand for consumer electronics in Europe and the United States will continue in the first half of 2022, there is still uncertainty about the long-term economic growth and the sustainability of consumer sentiment. The Group will carefully control costs, continue to promote domestic market development and diversify regional risks. In 2022, when the epidemic continues and the economic environment is volatile, we will make prudent deployment and sufficient preparations to maintain steady growth in the volatile external environment.

CORPORATE CULTURE

With a corporate culture unanimously recognized and supported by the public and all staff, every decision and every order of TK Group are determined upon thorough consideration in terms of customers, suppliers, staff, natural environment, the society and TK Group itself to ensure all parties are treated in a fair and equal manner, as well as profit maximization. Such culture is consistent with TK Group's operating concept of "concerted development, concerted growth". In addition, the Group places high emphasis on integrity, and believes that the "Three Principles", namely, "Fairness, Equality and Transparency", will facilitate our health development and growth. Under the corporate culture of mutual trust, all of our staff are able to concentrate on the creation of corporate value and provision of better services to our customers, thus protecting interests of the Group and the customers as a whole.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our shareholders, business partners and customers for their full support and trust. I would also like to give special thanks to all our staff and management team of the Company for their dedication. The Group's business is gradually recovering to pre-epidemic levels, with optimistic future development. We will strive to promote the development of the Group under your trust and support, thereby creating better results and return for our shareholders and the society.

Li Pui Leung

Chairman

Hongkong, 25 March 2022

2022年伊始在原材料價格上漲和供給擾動的影響下，歐美以及許多新興市場和發展中經濟體的通脹上升幅度超出預期，消費力的恢復也出現放緩跡象，雖歐美地區對於消費電子產品的需求延續到2022年上半年，但長遠經濟增長及消費態度的持續性仍存在不確定性，本集團將謹慎管控成本，繼續推展國內市場開發，分散地域性風險。在疫情持續且經濟環境多變的2022年，我們將審慎部署，做足準備以在多變的外圍局勢保持業績穩健成長。

企業文化

東江集團擁有一套大眾及全體員工一致認同及擁護的企業文化，本集團的每個決定，每張訂單，皆是衡量客戶、供應商、員工、自然環境、社會及東江集團本身，各方權益均是公平，平等，且兼顧利潤最大化的結果。一如東江集團一直秉持「共同發展、共同提升」的經營理念。同時，本集團非常重視廉潔的文化，我們堅信「公平、公正、公開」，此「三公原則」，確保本集團的健康發展及茁壯。基於共同信賴的企業文化，本集團員工可以集中所有精力於創造企業的價值，為客戶提供更佳服務，進而維護本集團上下及客戶的整體利益。

致謝

我謹藉此機會代表董事會對公司股東、業務夥伴、客戶的不懈支持與信任表示誠摯謝意，並衷心感謝公司全體員工及管理團隊過去一年之辛勤努力。本集團業務已恢復至疫情前水平，未來前景可期。我們將竭盡所能推動本集團成長，創造更亮眼的業績回報股東及社會，不負各位的信任和支持。

李沛良

主席

香港，2022年3月25日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

In 2021, as the global economy recovered from the lowest point caused by the COVID-19 epidemic in the previous year, economies in Europe and the United States gradually relaxed relevant control measures. Many countries implemented large-scale relief and stimulus measures which restored economic activities and promoted the recovery in consumption. The Group's revenue also recovered from the epidemic to a level close to that in 2019. For the year ended 31 December 2021, the Group's total revenue amounted to HK\$2,404.4 million (2020: HK\$2,033.4 million), representing a year-on-year increase of 18.2%. The segments in downstream industries, such as mobile phones and wearable devices, commercial telecommunications equipment and smart home, recorded strong growth during the year, while the new segment of electronic atomizers also performed well.

業務回顧

2021年，全球經濟從上一年COVID-19疫情造成的低點緩步復甦，歐、美經濟體陸續解封，各國普遍實施大規模的紓困及振興措施以提振經濟，刺激消費景氣升溫，本集團的收入已從COVID-19疫情中恢復至2019年水平。截至2021年12月31日止年度，本集團總收入達2,404.4百萬港元（2020年：2,033.4百萬港元），按年上升18.2%。下游行業手機及可穿戴設備、商業通訊設備、智能家居等板塊於年內實現強勁增長，新的電子霧化器板塊亦有亮眼表現。

Revenue Analyzed by Downstream Industries

收入按下游行業分析

Industry 行業	2021		2020		Change 變動	
	HK\$ million 百萬港元	%	HK\$ million 百萬港元	%	HK\$ million 百萬港元	%
Mobile phones and wearable devices 手機及可穿戴設備	804.0	33.4	719.5	35.4	84.5	11.7
Automobiles 汽車	452.2	18.8	409.1	20.1	43.1	10.5
Medical and personal health care 醫療及個人護理	411.5	17.1	431.3	21.2	-19.8	-4.6
Smart home 智能家居	306.9	12.8	203.1	10.0	103.8	51.1
Commercial telecommunications equipment 商業通訊設備	170.3	7.1	99.9	4.9	70.4	70.5
Electronic atomizers 電子霧化器	98.8	4.1	23.2	1.1	75.6	325.9
Household electrical appliances 家電	66.7	2.8	22.0	1.1	44.7	203.2
Digital devices 數字設備	17.6	0.7	31.9	1.6	-14.3	-44.8
Others 其他	76.4	3.2	93.4	4.6	-17.0	-18.2
	2,404.4	100.0	2,033.4	100.0	371.0	18.2

Management Discussion and Analysis (continued)

管理層討論及分析(續)

As the impact of the new variants of COVID-19 continued in 2021, it resulted in the failure of full recovery of supply chain operation. The price of raw materials continued to rise in the circumstance of the supply and demand imbalance. In addition, the shortage of global semiconductors affected the production plans and orders of certain customers. The frequent changes of orders by customers also affected the production efficiency. During the year, the gross profit of the Group increased by 6.9% to HK\$569.2 million (2020: HK\$532.6 million), while gross profit margin dropped by 2.5 percentage points to 23.7% (2020: 26.2%).

During the year, the Group effectively controlled its selling and administrative expenses. Profit attributable to owners of the Company recorded HK\$282.4 million (2020: HK\$209.7 million), representing a significant increase of 34.7% as compared with last year. Net profit margin increased by 1.4 percentage points to 11.7% (2020: 10.3%). Basic earnings per share was HK\$0.34 (2020: HK\$0.25), representing an increase of 36.0% as compared with last year.

The Group has been committed to maintaining a sound financial position. Trade receivable turnover days decreased to 50 days as compared with that of last year. Despite of the lingering global logistics difficulty, inventory turnover days decreased to 98 days in 2021. In view of the recurring and spreading COVID-19 epidemic, the Group adopted a prudent attitude towards capital expenditure, which enabled the Group to maintain net cash of HK\$864.1 million (2020: HK\$786.9 million). The sound cash position has enabled the Group to flexibly respond to the uncertainties and challenges arising from the macro environment. In addition, since the traditional automobile industry was one of those being seriously affected by the supply chain imbalance, coupled with the declining production in Euro zone including Germany and insufficient supply of chips, automobile manufacturers significantly reduced their production targets, which had an impact on the orders for the manufacture of automotive molds. As at 31 December 2021, the Group had sales orders on hand amounting to HK\$918.3 million, which represented a slight decrease of 0.7% as compared with HK\$925.2 million as at 31 December 2020.

COVID-19新型變種病毒在2021年的影響持續，導致供應鏈運作未能完全恢復，在供需失衡下，原材料價格持續攀升。此外，全球半導體短缺顯著影響部分客戶生產計劃及訂單需求，客戶頻繁調動訂單亦影響生產效益。年內，本集團毛利上升6.9%至569.2百萬港元(2020年：532.6百萬港元)。毛利率下降2.5個百分點至23.7%(2020年：26.2%)。

年內，本集團有效控制銷售和行政開支，本公司擁有人應佔溢利較去年大幅提升34.7%，錄得282.4百萬港元(2020年：209.7百萬港元)。淨利率增加1.4個百分點至11.7%(2020年：10.3%)，每股基本盈利為0.34港元(2020年：0.25港元)，較去年增加36.0%。

本集團致力維持健康的財務狀況，貿易應收款項周轉天數同比下降至50天。雖然全球物流困境依舊，2021年存貨週轉天數仍減至98天。面對COVID-19疫情反覆且持續蔓延的趨勢，本集團對於資本開支採取審慎態度，使本集團維持現金淨額達864.1百萬港元(2020年：786.9百萬港元)。健康的現金流令本集團足以靈活應對宏觀環境帶來的不確定性及挑戰。除此之外，由於傳統汽車工業是受供應鏈失衡影響較嚴重的行業之一，包括德國在內的歐元國家的產量皆在下降，加上芯片供應不足，汽車製造商顯著削減了產量目標，影響汽車模具製造訂單。於2021年12月31日，在手銷售訂單達918.3百萬港元，相較2020年12月31日的925.2百萬港元，微跌0.7%。

BUSINESS SEGMENT ANALYSIS

Mold Fabrication Business

During the year under review, the revenue of the mold fabrication segment from external customers amounted to approximately HK\$706.0 million, representing an increase of approximately 0.8% as compared with approximately HK\$700.2 million in last year, and accounting for approximately 29.4% of the Group's total revenue.

The Group has production lines for ultra-large standard molds and high-precision molds. The major products of the Group's ultra-large standard molds are automobiles components. The clients mainly include first-tier component suppliers who manufacture automobiles components for renowned automobile brands in Europe, such as Mercedes-Benz, BMW and Volkswagen. High-precision molds production lines mainly produce high-precision molds with multi-cavity and efficiency, covering the markets of high-end consumer electronics products and commercial telecommunications equipment such as smart home, mobile phones and wearable devices, medical and personal health care. The Group continues to focus on expert-level molding technology research and is committed to providing customers with high quality and cost-effective design solutions. In addition to developing external customers, the Group also cooperates with the downstream plastic components manufacturing business to provide more premium one-stop services for the customers.

During the year, the mold segment continued its good momentum in the second half of 2020. Customers actively launched new products and maintained stable mold demand. The revenue of the segment slightly increased by 0.8% to HK\$706.0 million (2020: HK\$700.2 million), while gross profit margin edged down by 0.3 percentage point to 27.1% (2020: 27.4%). The global economy is gradually recovering. However, under the macro uncertainties such as the extended impacts of the COVID-19 epidemic, the price negotiation pressure from customers has continued, and the market has also experienced fierce competition. In the face of market pressure, the Group will continue to improve its process technology, expand the scope of mold products, deepen customer relationships, provide high-quality mold products and design solutions, and maintain its competitive advantages. Given the opportunities for domestic sales brought by China's internal circular economy policies, the Group is actively exploring new domestic customers in addition to overseas export customers, to continue its customer diversification strategy.

業務分部分析

模具製作業務

回顧年內，模具製作業務部來自外界客戶的收入約為706.0百萬港元，較去年約700.2百萬港元增加約0.8%，佔本集團總收入約29.4%。

本集團設有超大型標準模具生產綫及精密模具生產綫，超大型標準模具產品以汽車零部件為主，客戶主要為替歐洲汽車品牌如奔馳、寶馬、大眾生產汽車零部件的一級部件供應商。精密模具生產綫主要以生產多型腔及高效精密模具為主，市場涵蓋智能家居、手機及可穿戴設備等高端消費電子及商業通訊設備、醫療及個人護理等行業。本集團仍然專注於專家級別的模具工藝技術鑽研，致力於向客戶提供高品質及具成本效益的設計方案。業務除開拓外部客戶外，更與下游注塑組件製造業務相配合，為客戶提供優質的一站式服務。

年內，模具板塊延續2020年下半年的良好勢頭，客戶積極推出新產品使模具需求保持穩定，收入微幅增長0.8%至706.0百萬港元（2020年：700.2百萬港元），分部毛利率微跌0.3個百分點至27.1%（2020年：27.4%）。全球經濟逐步復甦，但在COVID-19疫情的延後影響等眾多宏觀不確定因素下，來自客戶的議價壓力不減，市場亦出現激烈競爭。面對市場壓力，本集團將持續提升其工藝技術，擴大模具產品範疇，深耕客戶關係，提供高品質的模具及設計解決方案，保持競爭優勢。中國的內循環經濟政策提供內銷市場機遇，除海外出口客戶外，本集團正積極開拓國內新客戶，發展客戶多元化策略。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

Plastic Components Manufacturing Business

With the continuous improvement of vaccine coverage rates in developed countries around the world, the gradual recovery of economic activities, coupled with the surges in consumer demand, the global economy recovered in 2021. With rebounded orders from most downstream consumer electronics customers of the Group, sales from plastic injection business recovered from the COVID-19 epidemic and reached closely to the level in 2019. Revenue from the plastic components manufacturing segment amounted to approximately HK\$1,698.4 million (2020: HK\$1,333.2 million), representing an increase of 27.4% as compared with last year, accounting for approximately 70.6% of the total revenue of the Group.

The mobile phones and wearable devices segment achieved a year-on-year increase of 11.7% in revenue, which was due to the fact that the products of the wireless headsets brand customer and the smartphone protective cases brand customer were well received by the market, which led to a significant increase in the Group's orders. The Group actively explored domestic smartphone brands, Internet of Things and other customers to achieve continuous increase in domestic customer orders, which will further diversify the customer portfolio and drive the sustainable growth of the business of this segment.

The smart home segment recorded a significant year-on-year increase of 51.1% in revenue. Thanks to the stabilizing economy in Europe and the United States and the rapid recovery of consumer demand, various products of the Group's two major brand customers were mass-produced during the year. The abundant orders on hand indicate that the business of this segment is growing continuously, and it is believed that the smart home segment will become the future growth driver of the Group.

Medical and personal health care segment recorded a year-on-year decrease of 4.6% in revenue, mainly due to the temporary reduction of orders from personal health care customers resulting from the impact of semiconductor shortages for productions, but this did not affect the Group's strategic investment in this segment. The Group is actively developing well-known brand customers in the medical category at home and abroad, and is optimistic about the development of this sector in the long run.

注塑組件製造業務

隨著全球已開發國家疫苗覆蓋率的持續提升，經濟活動逐步開放，加上消費需求爆發，2021年全球經濟復甦，本集團多數下游電子消費品客戶訂單反彈，注塑業務銷售已從COVID-19疫情影響中恢復至2019年相約水準，注塑組件製造業務部的收入約為1,698.4百萬港元(2020年：1,333.2百萬港元)，較去年增加27.4%，佔本集團總收入約70.6%。

手機及可穿戴設備板塊收入按年增加11.7%，歸功於無線耳機品牌客戶及智能手機保護殼之品牌客戶的產品深受市場歡迎，帶動本集團的訂單顯著增長。本集團積極開拓國內的智能手機品牌、物聯網等客戶，國內客戶訂單持續增長，將進一步多元化客戶組合，帶動此板塊業務可持續增長。

智能家居板塊收入按年大幅上升51.1%，得益於歐、美國家經濟回穩，加上消費需求快速回溫，本集團的兩家主要品牌客戶多款產品於年內量產。飽滿的在手訂單預示此板塊業務正持續增長，相信智能家居板塊將成為本集團未來的增長點。

醫療及個人護理板塊收入按年減少4.6%，主要由於個人護理客戶受半導體短缺影響產品產量，因此短暫減少訂單，但這未有影響本集團對此板塊的戰略投入，本集團正積極開發海內外的醫療類別知名品牌客戶，長遠看好此板塊的發展。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

The commercial telecommunications equipment segment recorded a significant year-on-year increase of 70.5% in revenue, which was due to the significant increase in sales resulting from the increase in supplier share of the Group during the supply chain restructuring of its customer. Although the customer's traditional products have gradually become saturated in the market, their newly developed products are well received by the market. In terms of the latest portfolio of supply chain, the Group remains as the main supplier of the customer's new products with stable prospects.

During the year under review, the gross profit margin of the plastic injection business decreased to 22.2% (2020: 25.6%), which was mainly attributable to raw material prices rising too fast, making it difficult for the cost to be fully passed on to customers in a short period of time, coupled with tight logistics, shortage of semiconductors, and interruption of production schedules, resulting in decline in production efficiency and machine utilisation. The Group's principal production capacity is located in the PRC, where COVID-19 epidemic prevention policies have obtained a relative success at present which enables the operation of the Group to be sustained. It is expected that with the improvement of material supply and the easing of logistics difficulties, coupled with a certain number of new projects entering the mass production stage, our capacity utilization rate will increase and our gross profit margin will return to a healthy level.

CLIENTS OF THE GROUP

As of 31 December 2021, sales of the Group were mainly export sales and our clients were mainly prestigious corporations and brands in Europe and America. Clients of the Group cover a wide range of industries, from automobile to household electrical appliances to mobile phones and wearable devices, smart home as well as medical and personal health care. As a key supplier of molds and plastics of high-end electronic products, the Group's orders are widely impacted by the launch time, popularity and life cycle of products of its downstream industry clients. However, being engaged in the molds and plastic injection industry for more than 30 years, the Group always sticks to the strategy of client diversity in order to manage and minimize risks efficiently. Currently, the Group has been widely recognized as a trustworthy business partner of various internationally known brands of consumer goods, including numbers of leading brands in many fast-growing industries such as smartphones, personal health care and smart home brand.

商業通訊設備板塊收入按年顯著增加70.5%，由於客戶調整供應鏈，將部分供應商生產份額轉移至本集團導致銷售大幅增加。雖然客戶的傳統產品在市場上已漸趨飽和，但客戶新開發的產品備受市場歡迎，在最新的供應鏈組合下，本集團依然是客戶新產品的主要供應商，前景穩定。

回顧年內，注塑業務毛利率下降至22.2%（2020年：25.6%），主要因為原材料價格短期內增長太快，成本難以短時間內完全轉嫁給客戶，加上物流緊繃，半導體短缺，生產編排受到窒礙，導致生產效益及機器使用率下降。本集團主要產能設立在中國境內，目前中國境內之防疫政策相對成功，本集團之生產經營得以持續。本集團預期隨著物料供應改善及物流困境緩解，加上一定數量的新項目進入量產階段，產能利用率將提升，毛利率情況將回復至健康水平。

本集團的客戶

截至2021年12月31日止，本集團的銷售主要為出口銷售，客戶主要為歐美知名企業及品牌。本集團的客戶行業跨度大，涵蓋大型汽車、中型家電、以至體積細小的手機及可穿戴設備、智能家居和醫療及個人護理用品等多種行業。作為高端電子產品的主要模具及注塑供應商，本集團的訂單量受下游行業客戶的產品推出時間、受歡迎程度及產品周期等因素影響。然而，本集團立足於模具及注塑行業逾30年，一直堅守多元化客戶策略，有效管理及分散風險。本集團現已成為國際知名消費品品牌的業務翹楚最信賴的合作夥伴，國際知名消費品品牌包括多個高速增長的各行業領先品牌，如智能手機品牌、個人護理品牌和智能家居品牌等。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

FINANCIAL REVIEW

Revenue

Revenue for the year ended 31 December 2021 was approximately HK\$2,404.4 million, representing an increase of approximately HK\$371.0 million or 18.2% when compared with the revenue of approximately HK\$2,033.4 million in 2020.

In 2021, the revenue from external customers of the mold fabrication segment was approximately HK\$706.0 million, representing an increase of approximately HK\$5.8 million or 0.8% when compared with revenue of approximately HK\$700.2 million in 2020. During the year, the mold fabrication segment enjoyed a good momentum in second half of 2020 as customers actively launching new products to keep demand for moulds stable.

In 2021, the revenue from external customers of the plastic components manufacturing segment was approximately HK\$1,698.4 million, representing an increase of approximately HK\$365.2 million or 27.4% when compared with the revenue of approximately HK\$1,333.2 million in 2020. With the continuous increase of global vaccine coverage, gradual liberalization of economic activities, as well as the explosion of consumer demand and the global economic recovery in 2021, most of the Group's downstream electronics customers' orders rebounded, and sales of the plastic injection business have recovered from the impact of the COVID-19 epidemic to a similar level of 2019.

財務分析

收入

截至2021年12月31日止年度收入約為2,404.4百萬港元，較2020年的收入約2,033.4百萬港元增加約371.0百萬港元或18.2%。

模具製作分部2021年外界客戶收入約為706.0百萬港元，較2020年的收入約700.2百萬港元增加約5.8百萬港元或0.8%。年內，模具製作分部延續2020年下半年的良好勢頭，客戶積極推出新產品使模具需求保持穩定。

注塑組件製造分部2021年外界客戶收入約為1,698.4百萬港元，較2020年的收入約1,333.2百萬港元增加約365.2百萬港元或27.4%。隨著全球疫苗覆蓋率持續提升，經濟活動逐步開放，加上消費需求爆發，2021年全球經濟復甦，本集團多數下游電子消費品客戶訂單反彈，注塑業務銷售已從COVID-19疫情影響中恢復至2019年相若水準。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

Other Gains/(Losses) – Net

Other gains (net) for the year ended 31 December 2021 were approximately HK\$11.1 million, when compared to the other losses (net) of approximately HK\$30.8 million in 2020. In order to minimise the effect of fluctuation of the Euro exchange rate on the Group, the Group borrowed a Euro-denominated bank loan equivalent to the amount of the Group's existing orders from Europe to hedge the effects of fluctuations of the exchange rates of Euro on the Group.

Selling Expenses

Selling expenses for the year ended 31 December 2021 were approximately HK\$79.3 million (2020: HK\$71.1 million), representing an increase of approximately HK\$8.2 million or 11.4% when compared to 2020, and the percentage to sales was approximately 3.3% (2020: 3.5%), representing a decrease of 0.2 percentage point. The increase in selling expenses was mainly attributable to the increase in transportation expenses resulting from the increase in sales and ocean freight unit price.

Administrative Expenses

Administrative expenses for the year ended 31 December 2021 were approximately HK\$247.0 million (2020: HK\$254.7 million), representing a decrease of approximately HK\$7.7 million or 3.0% when compared to 2020, and the percentage to sales was 10.3% (2020: 12.5%), representing a decrease of 2.2 percentage points. The decrease in administrative expenses was mainly attributable to a decrease in one-off anti-epidemic cost.

Finance Income – Net

Net finance income for the year ended 31 December 2021 was approximately HK\$18.1 million, representing an increase of approximately HK\$13.1 million as compared to the net finance income of approximately HK\$5.0 million in 2020, which was primarily due to an increase of approximately HK\$9.5 million in interest income and a decrease of approximately HK\$3.6 million in interest expenses during the year.

其他收益／(虧損)－淨額

截至2021年12月31日止年度其他收益淨額約為11.1百萬港元，而2020年為其他虧損淨額約30.8百萬港元。為了有效防範歐元匯率波動對本集團的影響，本集團從銀行借入了等額於本集團在手歐元訂單額的歐元貸款，以有效對沖歐元匯率波動對本集團的影響。

銷售開支

截至2021年12月31日止年度銷售開支約為79.3百萬港元(2020年：71.1百萬港元)，佔銷售的百分比約為3.3%(2020年：3.5%)。銷售開支較2020年增加約8.2百萬港元或11.4%，佔銷售的百分比下降0.2個百分點。銷售開支增加，主要是由於銷售增長及海運單價上漲，導致運輸費用增加。

行政開支

截至2021年12月31日止年度行政開支約為247.0百萬港元(2020年：254.7百萬港元)，佔銷售的百分比為10.3%(2020年：12.5%)。行政開支較2020年減少約7.7百萬港元或3.0%，佔銷售的百分比下降2.2個百分點。行政開支減少主要是由於一次性防疫費用減少所致。

財務收入－淨額

截至2021年12月31日止年度財務收入淨額約為18.1百萬港元，較2020年的財務收入淨額約5.0百萬港元增加約13.1百萬港元，主要是由於本年度利息收入增加約9.5百萬港元及利息支出減少約3.6百萬港元。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

Share of Profit of an Associate

Share of profit of an associate for the year ended 31 December 2021 was approximately HK\$0.5 million, representing a decrease of approximately HK\$0.2 million or 18.9% when compared with approximately HK\$0.7 million in 2020.

Income Tax Expense

Income tax expense for the year ended 31 December 2021 was approximately HK\$42.1 million (2020: HK\$30.9 million) and the effective tax rate was 13.0% (2020: 12.8%).

Profit for the Year Attributable to Owners of the Company

Profit for the year attributable to owners of the Company for the year ended 31 December 2021 was approximately HK\$282.4 million, representing an increase of approximately HK\$72.7 million or 34.7% when compared with approximately HK\$209.7 million in 2020.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group maintained a sound financial position during the year. As at 31 December 2021, the Group had net current assets of approximately HK\$1,163.0 million (31 December 2020: HK\$835.3 million). The Group had total cash and bank balances of approximately HK\$1,203.2 million (31 December 2020: HK\$1,069.1 million), including cash and cash equivalents of approximately HK\$1,027.6 million (31 December 2020: HK\$920.4 million) and restricted cash and deposits of approximately HK\$175.6 million (31 December 2020: HK\$148.7 million). The current ratio of the Group as at 31 December 2021 was approximately 220.7% (31 December 2020: 182.5%).

Total equity of the Group as at 31 December 2021 was approximately HK\$1,621.9 million (31 December 2020: HK\$1,394.6 million). The gearing ratio as at 31 December 2021 was approximately 20.9% (31 December 2020: 20.2%), which was approximate to that of 2020.

應佔聯營公司溢利

截至2021年12月31日止年度應佔聯營公司溢利約為0.5百萬港元，較2020年約0.7百萬港元減少約0.2百萬港元，或18.9%。

所得稅開支

截至2021年12月31日止年度所得稅開支約為42.1百萬港元(2020年：30.9百萬港元)，實際稅率13.0%(2020年：12.8%)。

本公司擁有人應佔年內溢利

截至2021年12月31日止年度本公司擁有人應佔年內溢利約為282.4百萬港元，較2020年約209.7百萬港元增加約72.7百萬港元，或34.7%。

流動資金、財務資源及資本架構

本集團在年內維持良好的財務狀況。於2021年12月31日，本集團的流動資產淨額約為1,163.0百萬港元(2020年12月31日：835.3百萬港元)。本集團的現金及銀行結餘總額約為1,203.2百萬港元(2020年12月31日：1,069.1百萬港元)，包括現金及現金等價物約1,027.6百萬港元(2020年12月31日：920.4百萬港元)以及有限制現金和按金約175.6百萬港元(2020年12月31日：148.7百萬港元)。於2021年12月31日，本集團的流動比率約為220.7%(2020年12月31日：182.5%)。

於2021年12月31日，本集團的權益總額約為1,621.9百萬港元(2020年12月31日：1,394.6百萬港元)。於2021年12月31日，資產負債比率約為20.9%(2020年12月31日：20.2%)，與2020年資產負債比率相若。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

DEBT MATURITY PROFILE

The maturity profile of the Group's borrowings is set out below:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Within 1 year	1年以內	194,229	223,800
Between 1 and 2 years	1至2年內	85,889	48,360
Between 2 and 5 years	2至5年內	59,051	10,075
		339,169	282,235

An analysis of the Group's key liquidity ratios as at 31 December 2021 is as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Inventory turnover days (Note 1)	存貨周轉天數(附註1)	98	105
Trade receivable turnover days (Note 2)	貿易應收款項周轉天數(附註2)	50	54
Trade payable turnover days (Note 3)	貿易應付款項周轉天數(附註3)	62	74
Current ratio (Note 4)	流動比率(附註4)	220.7%	182.5%

Notes:

- Inventory turnover days are calculated based on the average balance of inventories divided by the cost of sales for the relevant year multiplied by 365 days.
- Trade receivable turnover days are calculated based on the average trade receivables divided by the revenue for the relevant year multiplied by 365 days.
- Trade payable turnover days are calculated based on the average trade payables divided by the cost of sales for the relevant year multiplied by 365 days.
- Current ratio is calculated by dividing current assets by current liabilities and multiplying the resulting value by 100%.

借貸到期狀況

本集團借貸到期狀況如下：

於2021年12月31日，本集團的主要流動資金比率分析如下：

附註：

- 存貨周轉天數乃按存貨平均結餘除以有關年度的銷售成本再乘以365天計算。
- 貿易應收款項周轉天數乃按平均貿易應收款項除以有關年度的收入再乘以365天計算。
- 貿易應付款項周轉天數乃按平均貿易應付款項除以有關年度的銷售成本再乘以365天計算。
- 流動比率按流動資產除以流動負債再將所得值乘以100%計算。

INVENTORY TURNOVER DAYS

During the year, the Group's inventory turnover days were 98 days, representing a decrease of 7 days when compared with that of 2020. The more turnover days last year were primarily attributable to the delay in orders delivery requested by some customers due to the impact of COVID-19 epidemic last year. This year, since global economic activities have gradually resumed, the orders delayed last year were gradually delivered this year.

存貨周轉天數

年內，本集團的存貨周轉天數為98天，較2020年減少7天，主要是由於去年受COVID-19疫情影響，部分客戶要求推遲訂單交付。今年全球經濟活動陸續恢復正常，去年延遲的訂單交付已於年內陸續出貨。

TRADE RECEIVABLE TURNOVER DAYS

During the year, the Group's trade receivable turnover days were 50 days, representing a decrease of 4 days when compared with that of 2020. The more turnover days last year were mainly attributable to production suspension in various regions due to the impact of COVID-19 epidemic last year. This year, global economic activities were gradually back to normal, and the Group's trade receivable turnover days were also reverted to a level similar to the same period in 2019.

TRADE PAYABLE TURNOVER DAYS

During the year, the Group's trade payable turnover days were 62 days, representing a decrease of 12 days when compared with that of 2020, which was primarily due to the impact of COVID-19 epidemic last year. This year, global economic activities were gradually back to normal, and the Group's trade payable turnover days were also reverted to a level similar to the same period in 2019.

CURRENT RATIO

As at 31 December 2021, the Group's current ratio was 220.7%, representing an increase of 38.2 percentage points when compared with that of 2020, which was primarily attributable to the prudent cash flow management approach adopted by the Group, resulting in an increase in its cash and cash equivalents.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group mainly operated in the PRC and was exposed to foreign currency risks arising from various currency exposures, mainly with respect to US dollar, Euro and HK dollar. Exchange rate fluctuations and market trends have always been a main concern of the Group. Foreign currency hedging of the Group has been managed by the Group's chief financial officer, and overseen by the Group's chief executive officer. In accordance with the Group's hedging needs and the then foreign exchange situation, the Group's chief financial officer would collect and analyze information regarding various hedging instruments and determine stop-loss thresholds. The Group's chief financial officer would then collect quotations from various banks as to the financial instrument and present such quotations to the Group's chief executive officer, who would then evaluate and make a decision as to whether to enter into the relevant hedging agreement. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

貿易應收款項周轉天數

年內，本集團的貿易應收款項周轉天數為50天，較2020年減少4天，主要是由於去年受COVID-19疫情影響，各地停工停業。今年全球經濟活動陸續恢復正常，本集團貿易應收款項周轉天數亦已回復至與2019年相若水平。

貿易應付款項周轉天數

年內，本集團的貿易應付款項周轉天數為62天，較2020年減少12天，主要是由於去年受COVID-19疫情影響所致。今年全球經濟活動陸續恢復正常，本集團貿易應付款項周轉天數亦已回復至與2019年相若水平。

流動比率

於2021年12月31日，本集團的流動比率為220.7%，較2020年增加38.2個百分點，主要是由於本集團採取審慎的現金流管理，使得現金及現金等價物增加所致。

外匯風險管理

本集團主要在中國經營業務，因而面對多種外幣產生的外匯風險，主要為美元、歐元及港元。本集團一直以來都很關注匯率波動和市場趨勢。本集團的首席財務官管理本集團的外匯對沖，而本集團的首席執行官則監控本集團的外匯對沖。根據本集團的對沖需要及當時的外匯情況，本集團的首席財務官將收集有關各種對沖工具的資料進行分析，並釐定止損點。隨後本集團的首席財務官將收集各銀行有關財務工具的報價，並向本集團的首席執行官呈報該報價，而本集團的首席執行官將評估及就是否訂立相關對沖協議作出決定。人民幣兌換成外幣須遵守中國政府頒佈的外匯管理條例及規定。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

The Group's cash and bank balances were primarily denominated in US dollar, RMB and HK dollar. Its operating cash inflows and outflows were primarily denominated in RMB, US dollar, Euro and HK dollar. The Group is closely monitoring the exchange rate movements and regularly reviewing its gearing structure so as to mitigate the expected exchange rate risk.

RMB EXCHANGE RATE RISK

The Group's major revenue is principally denominated in US dollar, Euro, HK dollar and RMB, and the Group's major expenses are principally denominated in RMB. The Group has not entered into any agreement for RMB hedging purpose.

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the year, and the Company's capital included ordinary shares and other reserves.

PLANS FOR MATERIAL CAPITAL INVESTMENTS

The Group will invest in capacity expansion and investment projects to capitalize the potential growth of the Group's business in the coming years in the manner set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. Future funding source is mainly from internal resources.

STAFF POLICY

As at 31 December 2021, the Group had 3,641 full-time employees (31 December 2020: 3,443) and 543 workers dispatched to us by third party staffing companies (31 December 2020: 636).

The Group's remuneration policy aims to offer competitive remuneration packages to recruit, retain and motivate competent directors and employees. The Group believes the remuneration packages are reasonable and competitive and in line with market trends. The Group has put in place a share option scheme and a share award scheme for its directors and employees in a bid to provide a competitive package for the Group's long-term growth and development. The Group also provides appropriate training and development programmes for its employees to enhance the staff's work ability and personal performance.

本集團的現金及銀行結餘主要以美元、人民幣及港元計值。其經營現金流入及流出主要以人民幣、美元、歐元及港元計值。本集團密切監察匯率波動，並定期檢討其資產負債結構，以降低預期匯率風險。

人民幣匯率風險

本集團主要收入主要以美元、歐元、港元及人民幣計值，而本集團主要支出主要以人民幣計值，本集團沒有訂立任何為人民幣對沖的協議。

資本結構

本公司之資本結構於年內並無變動，本公司之資本包括普通股及其他儲備。

重大資本投資計劃

本集團將按招股章程「未來計劃及所得款項用途」一節所載的方式投資於產能擴充及投資項目，以把握本集團未來業務的潛在增長。未來資金來源主要為內部資源。

員工政策

於2021年12月31日，本集團擁有3,641名全職僱員(2020年12月31日：3,443名)及543名由第三方勞務公司派遣的工人(2020年12月31日：636名)。

本集團的薪酬政策旨在為招募、挽留及鼓勵有能力的董事及僱員提供具競爭力的薪酬待遇。本集團認為，有關薪酬待遇屬合理及具競爭力，並與市場趨勢相吻合。本集團已為其董事及僱員設立購股權計劃及股份獎勵計劃，力爭為本集團的長期增長及發展提供具競爭力的薪酬待遇。本集團亦向其僱員提供適當的培訓及發展計劃，旨在提升員工的工作能力及個人績效。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

The Group has implemented training programmes for the employees to meet different job requirements. The Group believes that these initiatives have contributed to increasing employees' productivity.

As required by PRC regulations, the Group has made contributions to mandatory social security funds for the benefits of its PRC employees which provide pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing funds.

MATERIAL ACQUISITIONS AND DISPOSALS

During the year ended 31 December 2021, the Group has made no material acquisitions or disposals of subsidiaries.

CONTINGENT LIABILITIES

As at 31 December 2021, the Group did not have any significant contingent liabilities.

PROSPECTS

The COVID-19 epidemic, over the past two years of its outbreak, has impacted on raw material supply, logistics, production, and even the global supply chain ecosystem. Together with trade measures implemented by various nations as well as geopolitical and economic conflicts, all these remain barriers to a full economic recovery. According to the Global Economic Prospects report published by the World Bank in earlier this year, the global growth is expected to decelerate from 5.5% in 2021 to 4.1% in 2022. Given the uncertainties of the macroeconomic environment, the customer diversification strategy upheld by the Group is superior, and can diversify our business risks across different economic cycles and cope with the ever-changing market. In fact, all segments of the Group have witnessed various degrees of recovery in business, while the new emerging sector also has contributed impetus to the growth.

本集團已實施僱員培訓計劃，以應對不同職位的要求。本集團相信，該等舉措有助於提高僱員的生產力。

如中國法規規定，本集團已為其中國僱員繳交強制性社保基金，包括養老保險、醫療保險、失業保險、工傷保險、生育保險及住房公積金。

重大收購及出售

截至2021年12月31日止年度，本集團並未有重大收購或出售附屬公司。

或然負債

於2021年12月31日，本集團並無任何重大或然負債。

展望

COVID-19疫情持續超過兩年，影響原材料供應、物流、生產，甚至全球供應鏈生態；加上各國貿易措施及地沿政治經濟間的衝突，仍對經濟全面復甦帶來一定阻力。世界銀行年初發佈的年度《全球經濟展望》報告指出，2022年的全球增長率，將從去年的5.5%放緩到4.1%。面對宏觀經濟的不可控，本集團的客戶行業多元化策略更見優勢，在不同經濟周期下均能有效分散業務風險，以面對變化萬千的市場。事實上，本集團的各分部業務已出現不同程度的復甦，而新開拓的新興產業亦已帶來增長動力。

Management Discussion and Analysis (continued)

管理層討論及分析(續)

With vaccine availability, governments in Europe and the United States have gradually eased restrictions and adopted a strategy of “live with the virus”. On this basis, consumer activities have gradually restored across various regions, especially reflecting in the growth of the plastic injection business segment. In 2020, the development and penetration of the smart home market in Europe and the United States were clearly constrained by the COVID-19 epidemic, and had gradually picked up with the easing of anti-epidemic measures and consuming desires improved in 2021. With the close partnership with the two giants in market, the Group has already produced new products for multi-brands for them, and is expected to maintain strong growth momentum and surpass the pre-epidemic business level in 2019. It is predicted that revenue from the smart home segment in the United States will maintain a sound development in the coming years at a compound annual growth rate of 12.8% to reach US\$46.8 billion by 2025. As for the electronic atomizers segment, the business scale will be continually expanding as the Group will orderly increase market share in domestic and overseas markets, and build business relationships with certain leading brands. With the increasing global demand, the global market for electronic atomizers equipment is estimated to reach US\$22.7 billion by 2024. Our management believes that the aforementioned segments will continue to make significant contributions to the Group’s revenue in 2022. For other mold and plastic businesses, the mobile phones and wearable devices segment will be driven by product upgrades along with the integration of emerging technologies (such as 5G, Internet of Things, AI and virtual reality) with consumer electronics products. For the commercial telecommunications equipment segment, our client has actively developed new products during the epidemic period leveraging its leading market position, and they are well appreciated by the market. These bring relatively strong orders to the Group from the two sectors. For medical and personal health care segment, the Group has made significant progress in exploring medical-related customers in China and believes there will be a sound development in 2022.

In 2021, the Group’s mold fabrication segment was hit apparently by unstable logistics of supply chain, mainly reflected in the reduction in orders from suppliers of automobiles components for ultra-large standard molds products, as numerous automobile brands in Europe reduced production to cope with the cost increase resulting from shortage of chips and disruptions of logistics. It is expected that the situation will affect the performance in mold business in 2022. However, the market expects the supply of chips will be back to normal gradually from the second half of 2022 to the end of the year; therefore, the Group will continue to keep close relationship with existing customers, in order to well prepare for the market recovery and seek more potential customers.

隨著疫苗普及化，歐美國家逐漸解除限制措施，採取「與病毒共存」態度，各地消費活動逐漸恢復，並反映於注塑業務板塊的增長。歐美智能家居市場發展與普及明顯在2020年受COVID-19疫情所制約，但在2021年已隨著防疫措施放寬及消費氣氛改善而逐漸回暖。基於本集團與市場上兩大巨頭的緊密合作關係，本集團已為客戶旗下的多個品牌生產新產品，並預期能突破疫情前的2019年業務水平，保持強勁增長勢頭。市場預計，美國智能家居收入在未來數年將健康增長，年複合增長率為12.8%，到2025年將達到468億美元。至於電子霧化器板塊，隨著本集團有序地打開海內外市場，與若干龍頭品牌建立業務關係，業務規模持續擴大。隨著全球需求不斷增加，全球電子霧化設備的市場規模預期將於2024年達至227億美元。管理層相信，在2022年兩個板塊將持續帶來本集團可觀的收入貢獻。其他模塑業務方面，手機及可穿戴設備板塊隨著5G、物聯網、人工智能、虛擬實境等新興技術與消費電子產品的融合，將加速產品更新換代；而商業通訊設備板塊客戶借助其市場領導優勢，在疫情期間積極開發新產品，且備受市場歡迎，帶動本集團來自兩個行業的訂單亦相對充沛。至於醫療及個人護理板塊，本集團在國內開發醫療相關客戶已逐漸取得成績，相信2022年發展亦將向好。

2021年，本集團在模具製作業務部受物流供應鏈動盪影響較為明顯，主要由於超大型標準模具產品以汽車零部件為主，受芯片短缺及物流混亂帶來的成本上漲所致，不少歐洲汽車品牌亦減產，令汽車零部件供應商減少訂單，預期將影響2022年模具業務表現。然而，市場預計芯片供應將於2022年下半年至年尾逐漸回復正常，本集團會繼續與現有客戶保持良好關係，預備迎接市場的復甦，並同時尋求更多潛在客源。

Management Discussion and Analysis (continued) 管理層討論及分析(續)

In view of the ongoing Sino-US trade war and the uncertainty brought by geopolitics, it is critical for the Group to layout its production facilities overseas for the purpose of diversifying the risks arising from a single production site. The Group has set up a plastic injection production base in Vietnam and commenced the first phase of production in November 2021, and schemed to start the second phase of production in the second half of 2022. It is expected the Vietnam site will mainly provide support to the production of smart home, mobile phones and wearable devices. Meanwhile, to set up plants in Vietnam will also help the Group to explore and tap into new markets in the local and nearby regions, so as to prepare for the long-term growth demand from the Southeast Asian supply chains and Europe and the United States.

With the uncertain environment, the Group still remains cautious and optimistic in the new financial year, and adheres to its most effective and fundamental business strategy of maintaining a strict and efficient credit and trade receivables turnover policy to stabilize cash flow and financial position. Meanwhile, the management is proactive in acquisition plans with development potential, seeking to keep pace with the industry trends and maintain the Group's competitive edge in the industry. In the past year, the Group expanded its investment in the production base in Huizhou and acquired Techco Silicone & Technology Co., Ltd. to diversify its production lines, which all made progressive achievement and successfully developed many potential new projects, providing room for further business development. In the coming year, the Group will also continue to invest in related projects, remain its diversified business layout and establish close relationships with industry leaders. On the one hand, the Group continues to support its long-standing overseas customers to realize their global market expansion plans; on the other hand, the Group also continues to expand its domestic market, particularly for strong and industry-leading corporation brands, striving to help its customers capture the opportunities of the national dual-circulation policy and enter the international market.

The Group is confident to maintain its competition edge of customer diversification to embrace the changes and challenges in the new year, and to create value for its customers and shareholders.

面對中美貿易戰持續，加上地沿政治帶來的不確定性，本集團海外的生產布局尤其重要，以分散單一生產地所帶來的風險。本集團已於2021年11月在越南設立注塑生產基地並開始第一階段投產，並計劃在2022年下半年落實第二階段投產，預計越南廠房將主力支持智能家居與手機及可穿戴設備生產。同時，於越南設廠更有助本集團於當地及鄰近地區探索及開拓新市場，為長遠來自東南亞供應鏈及歐美地區的增長需求作好準備。

在充滿變數的大環境之下，本集團對新一個財政年度仍然保持審慎樂觀的態度，維持嚴謹高效的信貸及貿易應收款項周轉政策，穩定現金流及財務狀況仍然是本集團行之有效的最基本業務策略。同時，管理層對有發展潛力的併購計劃採取積極態度，務求能與時並進，保持本集團在行業中的競爭優勢。過去一年，本集團在惠州生產基地投資擴產，以及收購雅高硅膠製品有限公司以擴闊產品線，均已逐漸取得成效，並已成功開發若干具潛力的新項目，為業務提供了進一步發展空間。來年，本集團亦會持續投入相關項目，並將持守多元化的業務佈局，與業界翹楚建立緊密關係，一方面繼續支持長久合作的海外客戶實現其環球市場擴充計劃；另一方面亦持續拓展國內市場，尤其是有實力、領先業界的企業品牌，致力協助客戶捕捉國家雙循環政策的機遇，進軍國際市場。

本集團有信心繼續保持客戶多元化的競爭優勢，以迎接新一年的變化與挑戰，繼續為客戶和股東創造價值。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Li Pui Leung, aged 62, is the chairman of the Group. Mr. Li is one of the founders of the Group and was appointed as an executive director on 28 March 2013. He is also the chairman of the Board and the chairman of the Nomination Committee of the Company. Mr. Li is responsible for the overall management and strategic planning of the Group. He has accumulated more than 38 years of professional experience in plastic mold fabrication and plastic injection molding and also experience in business management in manufacturing industry. Mr. Li together with Mr. Lee Leung Yiu, a substantial shareholder and an executive director of the Company, established Tung Kong Machinery Moulding FTY in Hong Kong in 1983, and have since expanded the Group's mold fabrication business into the PRC in 1992 and relocated the operations to Shenzhen, the PRC.

Mr. Li was elected the "Winner of Young Industrialist Awards of Hong Kong" in 2003 and "Outstanding Person of Shenzhen Machinery Industry" in 2004, and awarded "Shenzhen Person of the Year" by Southern Metropolitan Daily in 2013. Mr. Li holds several social titles, including serving as a committee member and the convenor of Hong Kong of Shenzhen Chinese People's Political Consultative Conference, the President of Guang Ming General Chamber of Commerce (Industry and Commerce), a committee member and honorary president of Hong Kong Young Industrialists Council Foundation, the Chairman of Kowloon City District Road Safety Campaign Committee, the vice chairman of Federation of Hong Kong Shenzhen Association Limited, the vice president of Shenzhen Overseas Chinese International Association, the executive director of Shenzhen General Chamber of Commerce, the vice chairman of charity committee of Shenzhen Guangming District and the president of Rotary Club, Tsuen Wan, Hong Kong in 2000. In July 1974, Mr. Li graduated from Yuanzhou Gongshe Lulan Primary School in Boluo, Guangdong in China, and obtained a middle school graduation certificate. Mr. Li is also the controlling shareholder and director of both Eastern Mix Company Limited (a controlling shareholder of the Company) and Lead Smart Development Limited (a substantial shareholder of the Company), and the elder brother of Mr. Lee Leung Yiu.

執行董事

李沛良先生，62歲，為本集團主席。李先生為本集團創辦人之一，於2013年3月28日獲委任為執行董事。彼亦為本公司董事會主席及提名委員會主席。李先生負責本集團之整體管理及策略規劃。彼於注塑模具製作及注塑方面積累了逾38年的專業經驗及亦於製造業的業務管理方面擁有經驗。李先生與本公司的主要股東兼執行董事李良耀先生於1983年在香港成立東江機械製模廠，1992年將本集團模具製作業務擴展至中國，並將我們的營運遷移至中國深圳。

李先生先後於2003年及2004年獲得「香港青年工業家獎」及「深圳機械行業傑出人物」之獎項，並於2013年榮獲南方都市報封為「深圳2013年度人物」。李先生擔任多項社會公職，包括中國人民政治協商會議深圳市委員會委員及香港區召集人、深圳市光明區總商會（工商聯）會長、香港青年工業家協會榮譽會長及基金會常務委員、香港九龍城區道路安全運動委員會會長、香港深圳社團總會副會長、深圳市僑商國際聯合會常務副會長、深圳市總商會常務理事、深圳市光明區慈善會常務副會長及香港荃灣扶輪社社長（2000年度）。於1974年7月，李先生畢業於中國廣東博羅的圓洲公社綠蘭小學，並取得初中畢業證。李先生亦為集東有限公司（本公司之控股股東）及安領發展有限公司（本公司之主要股東）之控股股東及董事，和李良耀先生的胞兄。

Directors and Senior Management (continued) 董事及高級管理層(續)

Mr. Cheung Fong Wa, aged 59, was appointed as an executive director and the chief financial officer of the Group on 27 November 2013. Mr. Cheung joined the Group in July 2002, as a corporate financial controller and was mainly responsible for the finance, taxation, audit and investment of the Group. Prior to joining the Group, Mr. Cheung had served at Deloitte Ross Tohmatsu (currently known as “Deloitte Touche Tohmatsu”) and served as a financial controller for a FORTUNE 500 manufacturing company, as well as those manufacturing companies listed in Hong Kong and the U.S.. He has accumulated over 30 years of experience in the field of auditing, accounting and corporate finance. Mr. Cheung graduated from Hong Kong Polytechnic (the predecessor of Hong Kong Polytechnic University) department of accounting in November 1987. He is a fellow member of the Association of Chartered Certified Accountants since January 1996 and a fellow member of the Hong Kong Institute of Certified Public Accountants since September 1990.

張芳華先生，59歲，於2013年11月27日獲委任為本集團執行董事兼首席財務官。張先生於2002年7月加入本集團，出任公司財務總監，主要負責本集團的財務、稅務、審計及投資。加入本集團前，張先生曾任職Deloitte Ross Tohmatsu（現稱為「德勤•關黃陳方會計師行」）。張先生曾歷任《FORTUNE》500強製造公司及香港和美國的上市製造公司的財務總監。彼累積逾30年的審計、會計及企業財務經驗。張先生於1987年11月畢業於香港理工學院（香港理工大學前身）會計學系。彼自1996年1月起為英國特許公認會計師公會資深會員及自1990年9月起為香港會計師公會資深會員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Chung Chi Ping Roy, *GBS BBS JP*, aged 69, was appointed as an independent non-executive director of the Company on 27 November 2013. He is also the chairman of the Remuneration Committee, and a member of each of the Audit Committee and the Nomination Committee of the Company.

獨立非執行董事

鍾志平博士，金紫荊星章、銅紫荊星章、太平紳士，69歲，於2013年11月27日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席、審核委員會成員及提名委員會成員。

Dr. Chung obtained a PhD in Engineering from the University of Warwick, the United Kingdom in May 2010. In September 2012 he achieved a PhD of Business Administration from City University of Macau. He was re-appointed as an Industrial Professor by the University of Warwick, the United Kingdom in December 2020. He was awarded a doctorate degree of business administration honoris causa by the University of Macau in November 2019, an honorary doctorate degree of science by the University of Warwick, the United Kingdom in July 2019, an honorary doctorate degree of business administration by the Lingnan University in November 2015, an honorary doctorate degree of business administration by the Hong Kong Polytechnic University in December 2007 and an honorary doctorate degree of the University of Newcastle, Australia in July 2006 respectively. He was awarded by the Hong Kong Special Administrative Region Government (“HKSAR Government”) the Gold Bauhinia Star (GBS) on 30 June 2017, the Bronze Bauhinia Star (BBS) on 1 July 2011, and was appointed as Justice of Peace on 1 July 2005. Dr. Chung was granted the Hong Kong Young Industrialists Award in 1997, and was further awarded the Industrialist of the Year in November 2014.

鍾博士於2010年5月獲英國華威大學工程學博士學位及於2012年9月獲澳門城市大學工商管理學博士學位，彼於2020年12月獲英國華威大學再次委任為工程教授。彼分別於2019年11月獲澳門大學頒授榮譽工商管理學博士學位，同年7月獲英國華威大學頒授榮譽理學博士學位，2015年11月獲嶺南大學頒授榮譽工商管理學博士學位，2007年12月獲香港理工大學頒授榮譽工商管理學博士及2006年7月獲澳洲紐卡斯爾大學頒發榮譽博士學位。彼獲香港特別行政區政府（「香港特區政府」）於2017年6月30日頒授金紫荊星章、2011年7月1日頒授銅紫荊星章、2005年7月1日委任為太平紳士。鍾博士於1997年榮獲香港青年工業家獎，並於2014年11月榮獲傑出工業家獎。

Directors and Senior Management (continued) 董事及高級管理層(續)

Dr. Chung was the Chairman of the Federation of Hong Kong Industries from July 2011 to July 2013 and has been serving as the Honorary President of the Federation since 5 July 2013. Dr. Chung was appointed as the Chairman of the Vocational Training Council from January 2018 until December 2019. He is also the Founder and Chairman of Bright Future Charitable Foundation.

Dr. Chung is a co-founder and currently a non-executive director of Techtronic Industries Company Limited (stock code: 669), a company listed on the Stock Exchange; and an independent non-executive director of Vitasoy International Holdings Limited (stock code: 345), a company listed on the Stock Exchange, since 24 June 2017. He has been an independent non-executive director of Fujikon Industrial Holdings Limited (stock code: 927), a company listed on the Stock Exchange, since 1 April 2014 until 22 June 2021.

Mr. Tsang Wah Kwong, aged 69, was appointed as an independent non-executive director of the Company on 27 November 2013. He is also the chairman of the Audit Committee, a member of both the Nomination Committee and the Remuneration Committee of the Company. Mr. Tsang is a former partner of PricewaterhouseCoopers in Hong Kong and China who has over 30 years of experience in auditing and providing support for initial public offerings and acquisition transactions. Mr. Tsang received a bachelor's degree in business administration from Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chinese Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants.

Currently, Mr. Tsang is an independent non-executive director of the following companies listed on the Main Board of the Stock Exchange: China Merchants China Direct Investments Limited (stock code: 133), Sihuan Pharmaceutical Holdings Group Ltd. (stock code: 460), CA Cultural Technology Group Limited (stock code: 1566) and Shirble Department Store Holdings (China) Limited (stock code: 312). He is an independent director of HUYA Inc. (a company listed on the New York Stock Exchange, stock code: HUYA). Mr. Tsang was an independent non-executive director of Ping An Securities Group (Holdings) Limited (listed on the Stock Exchange, stock code: 231) from February 2016 to March 2020.

鍾博士於2011年7月至2013年7月曾出任香港工業總會主席，亦自2013年7月5日起為該會名譽會長。鍾博士自2018年1月至2019年12月獲委任為職業訓練局主席。彼亦為鵬程慈善基金創辦人及主席。

鍾博士為聯交所上市公司創科實業有限公司(股份代號：669)的聯合創辦人之一，為該公司之非執行董事；亦自2017年6月24日起擔任聯交所上市公司維他奶國際集團有限公司(股份代號：345)的獨立非執行董事。彼自2014年4月1日至2021年6月22日期間擔任聯交所上市公司富士高實業控股有限公司(股份代號：927)的獨立非執行董事。

曾華光先生，69歲，於2013年11月27日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席、提名委員會及薪酬委員會成員。曾先生為香港和中國羅兵咸永道會計師事務所的前合夥人，於審計及為首次公開發售與收購交易提供支援方面具備逾30年的經驗。曾先生取得香港中文大學的工商管理學士學位。彼為香港會計師公會資深會員、中國註冊會計師協會會員及英國特許公認會計師公會資深會員。

曾先生現為下列於聯交所主板上市的公司的獨立非執行董事：招商局中國基金有限公司(股份代號：133)、四環醫藥控股集團有限公司(股份代號：460)、華夏文化科技集團有限公司(股份代號：1566)及歲寶百貨控股(中國)有限公司(股份代號：312)。彼亦擔任HUYA Inc. (一間於紐約證券交易所上市的公司，股份代號：HUYA)之獨立董事。曾先生於2016年2月至2020年3月擔任平安證券集團(控股)有限公司(於聯交所上市的公司，股份代號：231)的獨立非執行董事。

Directors and Senior Management (continued) 董事及高級管理層(續)

Ms. Christine Wan Chong Leung, aged 41, was appointed as an independent non-executive director of the Company on 20 December 2019. She is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company.

Ms. Leung has practiced as a Barrister in Hong Kong for nearly 15 years. Ms. Leung obtained her PCLL from the University of Hong Kong in 2005. She was called to the Bar in Hong Kong in 2006.

Ms. Leung has a broad-based civil practice, undertaking work in all aspects of contractual and commercial disputes, personal injury and family law. From 2007 to 2012, Ms. Leung has been a part-time Lecturer of Company Law for the Hong Kong Institute of Certified Public Accountant (HKICPA) Practising Certificate Law Examination and a part-time Lecturer of Corporate and Business Law for the Association of Chartered Certified Accountants. Ms. Leung is also contributing editor of Archbold Hong Kong and Company Law of Hong Kong Insolvency.

Ms. Leung is serving on various HKSAR Government advisory committees and has actively participated in many social services and public offices. She has served a Member of Hong Kong Clinical Research Ethics Committee from January 2020, as a board member of the Hong Kong Dance Company from October 2020, Co-opted Member of the Audit Committee of the West Kowloon Cultural District Authority from January 2021, Member of the Committee on the Promotion of Civic Education from April 2021, Member of the Advisory Committee on Post-service Employment of Civil Servants and Member of the Communication and Innovation Committee UNICEF from July 2021, Appeal Tribunal Panel (Buildings) Chairman from December 2021, Agency for Voluntary Services – Planning & Services committee from December 2021, Panel of Advisers (Film censorship) from January 2022.

SENIOR MANAGEMENT

Mr. Yue Yiu Chung, aged 55, joined the Group in July 2014 as corporate financial controller, and is responsible for the management of finance, customs declaration and shipping, information technology, human resources, administration, and environment, health and safety (“EHS”) of the Group. Prior to joining the Group, he worked for a company listed in the U.S. and was responsible for the entire Asia Pacific region finance affair. He has approximately 30 years of experience in auditing and finance. He obtained a bachelor’s degree in accountancy from City University of Hong Kong. He has also been a fellow member of the Association of Chartered Certified Accountants since August 2000.

梁蘊莊女士，41歲，於2019年12月20日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會成員。

梁女士在香港執業大律師已經近15年。梁女士於2005年獲得香港大學的法律專業證書。彼於2006年獲得香港大律師資格。

梁女士的執業範圍涵蓋各類型的民事訴訟，包括契約糾紛，商業訴訟，人身傷亡及婚姻訴訟。自2007年至2012年，梁女士亦為兼職講師教授香港會計師公會專業證書之公司法課程及英國特許公認會計師公會執業試之公司法課程。梁女士是Archbold Hong Kong及Company Law of Hong Kong Insolvency的特約編輯。

梁女士現任職於香港特區政府多個諮詢委員會，並熱心參與眾多社福機構，服務社群。彼於2020年1月獲委任為香港臨床研究倫理委員會董事局成員，2020年10月獲委任為香港舞蹈團董事，於2021年1月獲委任為西九文化區管理局審計委員會成員，於2021年4月獲委任為公民教育委員會成員，2021年7月獲委任為離職公務員就業申請諮詢委員會成員及聯合國兒童基金會溝通及創新委員會成員，於2021年12月獲委任為上訴審裁團(建築物)主席，於2021年12月獲委任義務工作發展局一策劃及服務委員會，於2022年1月獲委任電影檢查顧問小組。

高級管理層

余耀宗先生，55歲，於2014年7月加入本集團，擔任公司財務總監，負責管理本集團的財務、報關及船務、信息技術、人力資源、行政後勤以及環境、健康與安全(「EHS」)相關事務。加入本集團前，彼曾任職於某美國上市公司，負責整個亞太地區的財務工作。彼擁有近30年審計及財務經驗。彼取得了香港城市大學的會計學學士學位。彼自2000年8月份起為英國特許公認會計師公會資深會員。

Directors and Senior Management (continued)

董事及高級管理層(續)

Mr. Lu Gong Shan, aged 42, is the general manager of the mold fabrication segment of the Group. Mr. Lu joined the Group in May 2002, and was appointed as the deputy general manager of the Group in January 2009, who is responsible for the development of the mold fabrication business, project management and the management of affairs in respect of technology, quality and sourcing management. In October 2013, Mr. Lu was appointed as the general manager of the standard mold business units of the Group, and the responsibility is for the overall management of the standard mold business units. Mr. Lu graduated from Zhengzhou University of Light Industry in July 2000 with a diploma of high molecular material machining specialised in mold design and manufacturing. In May 2013, Mr. Lu obtained a degree of master of Business Administration in Executive Management from the Royal Roads University.

Mr. Yim Cham Sum, aged 56, joined the Group and was appointed as the Operations Director of the plastic components manufacturing division of the Group in December 2017, whose responsibility is for the operation management of the plastic components manufacturing division. He was appointed as the general manager of the plastic components manufacturing division of the Group in January 2019 and responsible for the overall management of the plastic components manufacturing division. Mr. Yim obtained the Degree of Master of Business Administration (MBA) from the University of Strathclyde in the U.K. in July 2002. He had worked in the manufacturing operation management for over 10 years and has worked of Nypro Plastics & Metal Products (Shenzhen) Co., Ltd.

Mr. Lok See Yuen Samuel, aged 45, is the chief marketing director of the plastic components manufacturing division of the Group. Mr. Lok joined the Group in August 2009 and was appointed as the chief marketing director of the plastic components manufacturing division of the Group. He was mainly responsible for sales and marketing affairs of the plastics components manufacturing division. Prior to joining the Group, Mr. Lok had approximately 8 years of experience in Plastics industry. Mr. Lok previously served as the application development manager of GE Plastics Hong Kong Limited. Mr. Lok graduated from The Hong Kong University of Science and Technology with a bachelor's degree in mechanical engineering in November 1998.

COMPANY SECRETARY

Mr. Cheung Fong Wa, aged 59, is the company secretary of the Company. Please refer to "Directors and Senior Management — Executive Directors — Mr. Cheung Fong Wa" for further information.

盧功善先生，42歲，為本集團模具製造業務總經理。盧先生自2002年5月加入本集團，2009年1月獲委任為本集團之副總經理，負責模具製作業務開發、專案管理及技術、品質及資源管理事務的管理工作。2013年10月盧先生獲委任為本集團之標準模具業務部總經理，負責整體管理標準模具製作業務。盧先生於2000年7月畢業於鄭州輕工業學院，取得高分子材料加工模具設計與製造文憑。2013年5月，盧先生於加拿大皇家大學取得行政管理MBA碩士學位。

嚴湛深先生，56歲，於2017年12月加入本集團並獲委任為本集團注塑組件製造業務部營運總監，負責注塑組件製造業務部營運管理。彼於2019年1月獲委任為本集團之注塑組件業務總經理，負責整體管理注塑組件業務部。嚴先生於2002年7月畢業於英國 University of Strathclyde，取得工商管理碩士學位。彼具備10年以上製造業營運管理相關經驗，曾服務於耐普羅塑膠五金製品(深圳)有限公司。

駱思源先生，45歲，為本集團注塑組件製造業務部市場總監。駱先生自2009年8月起加入本集團，獲委任為本集團注塑組件製造業務部市場總監。彼主要負責注塑組件製造業務部的銷售及市場推廣事務。在加入本集團前，駱思源先生於塑膠行業有近8年經驗。駱先生曾任GE Plastics Hong Kong Limited的應用開發經理。駱先生於1998年11月畢業於香港科技大學，取得機械工程學士學位。

公司秘書

張芳華先生，59歲，為本公司秘書。有關張先生的其他資料請參考「董事及高級管理層—執行董事—張芳華先生」。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company believes that good corporate governance practices are very important for maintaining and promoting investors' confidence and for the sustainable growth of the Group. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business. The Board is committed to strengthening the Group's corporate governance practices and ensuring transparency and accountability of the Company's operations.

The Company has applied the principles as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

The CG Code has been revised with effect from 1 January 2022. As this Corporate Governance Report covers the year ended 31 December 2021, all the corporate governance principles and code provisions mentioned herein refer to those stated in the former CG Code, not the revised CG Code.

In the opinion of the directors, the Company has complied with all the code provisions as set out in the CG Code during the year ended 31 December 2021. Key corporate governance principles and practices of the Company are summarized below.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' dealing in the Company's securities.

Having made specific enquiry of the directors, all the directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2021.

遵守企業管治守則

本公司相信良好的企業管治常規對於維持及增進投資者信心以及本集團可持續發展非常重要。董事會制定適當政策及實施適當的企業管治常規，以切合本集團業務及實現業務增長。董事會致力於加強本集團的企業管治常規並確保本公司經營的透明度及問責性。

本公司已應用聯交所證券上市規則(「上市規則」)附錄14所載企業管治守則(「企業管治守則」)內之原則。本公司會定期檢討其企業管治常規，以確保遵守企業管治守則。

企業管治守則已予修訂，自2022年1月1日起生效。由於本企業管治報告涵蓋截至2021年12月31日止年度，本報告提及的所有企業管治原則及守則條文均指原企業管治守則所載者，並非指經修訂企業管治守則。

董事認為，本公司於截至2021年12月31日止年度期間已遵守企業管治守則所載之所有守則條文。本公司主要企業管治原則及常規概述如下。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行本公司證券交易的行為守則。

經向董事作出具體查詢後，全體董事確認彼等於截至2021年12月31日止年度一直遵守標準守則。

Corporate Governance Report (continued) 企業管治報告(續)

The biographical details of the directors of the Company are set out under “Directors and Senior Management” section in this annual report. Save as Mr. Li Pui Leung and Mr. Lee Leung Yiu are brothers, none of the members of the Board is related to one another.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company fully supports the division of responsibility between the Chairman of the Board and the Chief Executive Officer to ensure a balance of power and authority. The positions of Chairman and Chief Executive Officer are currently held by Mr. Li Pui Leung and Mr. Yung Kin Cheung Michael respectively. Their respective responsibilities are clearly defined and set out in writing.

The Chairman provides leadership and is responsible for the overall management and strategic planning of the Group and the effective functioning of the Board in accordance with good corporate governance practices, whereas the Chief Executive Officer focuses on the day-to-day management of the Group’s business and implementing objectives, policies, strategies and business plan of the Group approved and delegated by the Board.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Throughout the year ended 31 December 2021, the Board has at all times met the requirements of the Listing Rules 3.10 and 3.10A of having three independent non-executive directors (representing at least one-third of the Board) with at least one of them possessing appropriate professional qualifications, or accounting or related financial management expertise.

The independent non-executive directors bring a wide spectrum of business and financial expertise, experience and independent judgment to the Board for its efficient and effective functioning. They are invited to serve on the Board Committees of the Company. Through active participation at Board and Board Committees meetings, taking the lead in managing issues involving potential conflict of interests, all independent non-executive directors have made various contributions to the effective direction of the Company and provided adequate checks and balances to safeguard the interests of both the Group and the shareholders.

本公司董事的履歷詳情載於本年報「董事及高級管理層」一節。除李沛良先生及李良耀先生為兄弟外，董事會成員彼此之間概無任何關係。

主席及行政總裁

本公司完全支持將董事會主席與行政總裁的職能分開，以確保權力和權限的平衡。主席及行政總裁職務目前分別由李沛良先生及翁建翔先生擔任，他們的職責已清晰界定並明文載列。

主席擔當領導角色，並負責本集團的整體管理及戰略規劃，以及確保董事會依照良好企業管治常規有效地運作，而行政總裁則專注於本集團業務之日常管理以及執行董事會批准和下達的本集團目標、政策、策略和業務計劃。

獨立非執行董事

截至2021年12月31日止年度，董事會一直符合上市規則第3.10和3.10A條的規定，委任三名獨立非執行董事（佔董事會成員人數至少三分之一）及其中至少一名獨立非執行董事擁有適當的專業資格或會計或相關財務管理專業知識。

獨立非執行董事為董事會的高效及有效運作帶來廣泛業務及財務專業知識、經驗及獨立判斷。彼等獲邀加入本公司董事會委員會。透過積極參與董事會及董事會委員會會議，於管理涉及潛在利益衝突之事宜方面起主導作用，所有獨立非執行董事於有效指導本公司方面付出不同貢獻，以及為保障本集團及股東之利益提供充分制約和平衡。

The Company has received written annual confirmation from each of the independent non-executive directors of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive directors to be independent in light of the independence guidelines set out in the said Listing Rules.

APPOINTMENT AND RE-ELECTION OF DIRECTORS AND NON-EXECUTIVE DIRECTORS

All directors of the Company are appointed for a specific term, subject to renewal upon expiry of the existing term. Each executive director is engaged on a service agreement for a term of 3 years, which may be terminated by either party by not less than 3 months' written notice. Each of the independent non-executive directors of the Company is appointed for a term of 3 years.

The procedure and process of appointment, re-election and removal of directors are laid down in the Company's Articles of Association (the "Articles"). The Nomination Committee is responsible for reviewing Board composition, monitoring the appointment of directors and assessing the independent non-executive directors.

According to the Articles, one-third of the directors for the time being (if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting provided that every director shall be subject to retirement at an annual general meeting at least once every three years. In addition, any new director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first general meeting after appointment, and any new director appointed by the Board as an addition to the Board shall hold office until the next following annual general meeting of the Company. The retiring directors are eligible for re-election by the shareholders at the respective general meetings.

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出的書面年度確認函。本公司認為，根據上述上市規則所載之獨立性指引，全體獨立非執行董事均為獨立人士。

董事及非執行董事委任和重選

本公司所有董事均有固定任期，可於現有任期屆滿後重續。各執行董事訂有為期三年之服務協議，任何一方均可發出不少於三個月之書面通知終止委任。本公司各獨立非執行董事的任期為三年。

董事之委任、重選及罷免程序及步驟載列於本公司之組織章程細則(「細則」)內。提名委員會負責檢討董事會的組成、監督董事之委任以及對獨立非執行董事進行評估。

根據細則，在每屆股東週年大會上，當時三分之一董事(或若其人數並非三之倍數，則須為最接近但不少於三分之一人數)將輪流告退，惟各董事須至少每三年於股東週年大會上告退一次。此外，任何獲董事會委任填補董事會臨時空缺之新董事任期僅至其獲委任後首次股東大會為止，及任何獲董事會委任為董事會新增成員之新董事任期至本公司下屆股東週年大會為止。退任董事符合資格於各股東大會上由股東重選連任。

Corporate Governance Report (continued) 企業管治報告(續)

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. The Board is also responsible for implementing policies in relation to financial matters, which include risk management and internal controls and compliance, if applicable. In addition, the Board reviews the financial performance of the Group, approves investment proposals, nomination of directors to the Board and appointment of key management personnel. These functions are carried out either directly by the Board or through Board committees such as Audit Committee, Nomination Committee and Remuneration Committee.

All directors are aware of their collective and individual responsibilities to the shareholders of the Company, the duties to act honestly and in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times and to avoid conflicts of interests.

All directors have timely access to all relevant information as well as the advice and services of the Company Secretary and senior management, with a view to ensuring compliance with Board procedures and all applicable laws and regulations. Any director may request for independent professional advice in appropriate circumstances at the Company's expenses, upon reasonable request made to the Board.

Delegation of corporate governance duties

The Board has delegated to the Audit Committee the responsibility for performing corporate governance functions set out in the code provision D.3.1 of the CG Code.

During the year under review, the Audit Committee has reviewed and monitored the Company's corporate governance policies and practices, the training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance with the Model Code and the Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

董事會及管理層的職能、責任及貢獻

董事會負責領導及監控本公司，並監察本集團之業務、策略方針及表現。董事會亦負責執行財務政策，包括風險管理及內部監控和合規事宜(如適用)。此外，董事會檢討本集團財務表現、審批投資建議、董事會的董事提名及主要管理人員委任。上述職能由董事會直接執行或透過審核委員會、提名委員會及薪酬委員會等董事會委員會執行。

全體董事均了解彼等對本公司股東的共同及個別責任，以及真誠地按照適用法律及規例並以一直符合本公司及其股東利益的方式行事與避免利益衝突的責任。

全體董事可及時取得所有相關資料以及獲得公司秘書及高級管理層的意見及服務，以確保遵守董事會程序及所有適用法律及法規。任何董事均可於適當情況下，經向董事會作出合理要求後，徵詢獨立專業意見，費用概由本公司承擔。

企業管治職責授權

董事會授予審核委員會履行企業管治守則之守則條文第D.3.1條所載之企業管治職能之責任。

回顧年內，審核委員會已審閱及監督本公司之企業管治政策及常規、董事及高級管理層之培訓及持續專業發展、本公司有關遵守法例及監管規定的政策及常規、標準守則及僱員書面指引之合規情況、本公司遵守企業管治守則之情況以及本企業管治報告內的披露事項。

Delegation of management functions

The Board gives clear directions as to the powers delegated to the management for the management and administration functions of the Group, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Group. Matters which are specifically reserved to the full Board for decision are those involving a conflict of interest of a substantial shareholder or a director, material acquisitions and disposal of assets, corporate or financial restructuring, share issuance and distribution of dividend, and approval of financial results and corporate strategies. The Board will review those issues on a periodic basis to ensure that they remain appropriate to the needs of the Group.

CONTINUING PROFESSIONAL DEVELOPMENT OF DIRECTORS

Each newly appointed director shall receive induction on the first occasion of his/her appointment to ensure he/she has appropriate understanding of the business and operations of the Company and he/she is fully aware of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Pursuant to code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. The existing directors are continually updated on changes and developments to the Group's business and on the latest developments in the laws, rules and regulations relating to directors' duties and responsibilities. Directors' training is an ongoing process. All directors are encouraged to attend relevant training courses at the Company's expenses. Directors are requested to provide their training records to the Company for records.

管理職能授權

董事會就管理層有關本集團管理及行政職能的授權制訂清晰指引，特別是界定管理層必須作出匯報及代表本集團作出決定或任何承諾前須事先獲得董事會批准的情況。必須經董事會全體成員審批的事項包括主要股東或董事的利益衝突、資產的重大收購和出售、企業或融資重組、發行股份及派發股息，以及批准財務業績及企業策略。董事會將定期檢討此等事項以確保有關事項符合本集團的需要。

董事的持續專業發展

每名新任董事均會於其首次獲委任時接受入職介紹，以確保其適當了解本公司的業務及營運以及完全知悉上市規則及相關法定規定項下的董事責任及義務。

根據企業管治守則之守則條文第A.6.5條，全體董事均須參與持續專業發展，以發展和更新其知識和技能。現任董事會不斷獲知有關本集團業務的變動和發展及有關董事職責及責任的法律、法規及規例的最新發展的資料。董事培訓是一個持續進程。本公司鼓勵全體董事出席相關培訓課程，有關費用由本公司承擔。董事須將其培訓記錄提供予本公司保存。

Corporate Governance Report (continued) 企業管治報告(續)

During the year ended 31 December 2021, the directors have complied with the code provision A.6.5 of the CG Code on participation in continuous professional training as follows:

截至2021年12月31日止年度，董事一直遵守企業管治守則之守則條文第A.6.5條，參與以下持續專業培訓：

Name of director 董事姓名		Mode of participation 參與模式			
		a	b	c	d
<i>Executive directors:</i> 執行董事：					
Mr. Li Pui Leung	李沛良先生	✓	✓	✓	✓
Mr. Yung Kin Cheung Michael	翁建翔先生	✓	✓	✓	✓
Mr. Lee Leung Yiu	李良耀先生	✓	✓	✓	✓
Mr. Cheung Fong Wa	張芳華先生	✓	✓	✓	✓
<i>Independent non-executive directors:</i> 獨立非執行董事：					
Dr. Chung Chi Ping Roy	鍾志平博士	✓	✓	✓	✓
Ms. Christine Wan Chong Leung	梁蘊莊女士	✓	✓	✓	✓
Mr. Tsang Wah Kwong	曾華光先生	✓	✓	✓	✓

a: Directors attended a training session conducted by the Company relating to directors' duties and responsibilities under Hong Kong Companies Ordinance, the Listing Rules and other applicable laws and regulations.

a: 董事參加了由本公司組織的培訓課程，內容有關董事於香港公司條例、上市規則及其適用法律及法規下的職責及責任。

b: Directors received regular briefings and updates from the Company Secretary/ the Company's management on the Group's business, operations and corporate governance matters.

b: 董事接受了公司秘書／本公司管理層有關本集團業務、營運及企業管治事宜的定期簡報及更新資料。

c: Directors attended seminars/forums, which are relevant to their duties and responsibilities, organised by professional firms/institutions.

c: 董事出席了由專業公司／機構所舉辦且與彼等之職責及責任相關的研討會／論壇。

d: Directors read technical bulletins, periodicals and other publications on subjects relevant to the Group and on their responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

d: 董事閱讀了主題關於本集團及彼等於上市規則及相關法規項下責任和義務的技術公報、期刊和其他出版物。

DIRECTORS' ATTENDANCE RECORDS

The attendance records of each director at the Board and Board committees meetings and the general meeting of the Company held during the year ended 31 December 2021 are set out below:

Name of director 董事姓名	Attendance/Number of Meetings 出席/會議次數				
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
<i>Executive directors:</i> 執行董事:					
Mr. Li Pui Leung 李沛良先生	5/5	N/A不適用	N/A不適用	1/1	1/1
Mr. Yung Kin Cheung Michael 翁建翔先生	5/5	N/A不適用	2/2	N/A不適用	1/1
Mr. Lee Leung Yiu 李良耀先生	5/5	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Cheung Fong Wa 張芳華先生	5/5	N/A不適用	N/A不適用	N/A不適用	1/1
<i>Independent non-executive directors:</i> 獨立非執行董事:					
Dr. Chung Chi Ping Roy 鍾志平博士	5/5	3/3	2/2	1/1	1/1
Ms. Christine Wan Chong Leung 梁蘊莊女士	5/5	3/3	2/2	1/1	1/1
Mr. Tsang Wah Kwong 曾華光先生	5/5	3/3	2/2	1/1	1/1

In addition, the Chairman of the Board held a meeting with the independent non-executive directors without the presence of the other directors during the year under review.

BOARD COMMITTEES

The Board established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference in compliance with the CG Code. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request. All the Board committees should report to the Board on their decisions or recommendations made.

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

董事出席記錄

各董事於截至2021年12月31日止年度內舉行的本公司董事會及董事會委員會會議以及股東大會之出席記錄載列如下：

Attendance/Number of Meetings 出席/會議次數

Name of director 董事姓名	Attendance/Number of Meetings 出席/會議次數				
	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Annual General Meeting 股東週年大會
<i>Executive directors:</i> 執行董事:					
Mr. Li Pui Leung 李沛良先生	5/5	N/A不適用	N/A不適用	1/1	1/1
Mr. Yung Kin Cheung Michael 翁建翔先生	5/5	N/A不適用	2/2	N/A不適用	1/1
Mr. Lee Leung Yiu 李良耀先生	5/5	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Cheung Fong Wa 張芳華先生	5/5	N/A不適用	N/A不適用	N/A不適用	1/1
<i>Independent non-executive directors:</i> 獨立非執行董事:					
Dr. Chung Chi Ping Roy 鍾志平博士	5/5	3/3	2/2	1/1	1/1
Ms. Christine Wan Chong Leung 梁蘊莊女士	5/5	3/3	2/2	1/1	1/1
Mr. Tsang Wah Kwong 曾華光先生	5/5	3/3	2/2	1/1	1/1

此外，在回顧年內董事會主席與獨立非執行董事舉行了一次在沒有其他董事在場情況下的會議。

董事會委員會

董事會已成立三個委員會，即提名委員會、薪酬委員會及審核委員會，以監督本公司特定範疇事務。本公司所有董事會委員會均已根據企業管治守則制定書面職權範圍。董事會委員會的職權範圍已於本公司網站及聯交所網站刊登及可供股東於提出要求後查閱。所有董事會委員會須向董事會匯報其所作決策或建議。

所有董事會委員會配備有充分資源以履行其職責，並可於適當情況下，經作出合理要求後，徵詢獨立專業意見，費用概由本公司承擔。

Corporate Governance Report (continued) 企業管治報告(續)

Nomination Committee

The Nomination Committee currently comprises 4 members, namely, Mr. Li Pui Leung (Chairman), Dr. Chung Chi Ping Roy, Ms. Christine Wan Chong Leung and Mr. Tsang Wah Kwong, the majority of which are independent non-executive directors.

The Nomination Committee is responsible to review the structure, size and composition (including skills, knowledge and experience) of the Board at least once in any financial year and to make recommendation on any proposed changes to the Board to complement the Company's corporate strategy.

To ensure changes to the Board composition can be managed without undue disruption, the Company has adopted a Director Nomination Policy. The Policy includes a formal, considered and transparent procedure for selection, appointment and reappointment of Directors, as well as plans in place for orderly succession (if necessary), including periodical review of such plans.

During the identification of suitable individuals, to ensure the effective carrying out of the responsibilities by the Board, the Nomination Committee will consider criteria set out as below, including but not limited to:

- the integrity, experience, skills and professional knowledge;
- a balance of skills, experience and diversity appropriate to the requirements of the Company's business;
- adequate amount of time and effort devoted to the Company;
- contribution to the diversity of the Board;
- participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
- taking the lead where potential conflicts of interests arise;

提名委員會

提名委員會包括四位成員，即李沛良先生(主席)、鍾志平博士、梁蘊莊女士及曾華光先生，其中大部分為獨立非執行董事。

提名委員會負責於任何財政年度至少檢討一次董事會的架構、規模及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的企業策略而對董事會作出的變動提出建議。

為確保董事會組成人員的變動不會帶來不適當的干擾，本公司已採納的董事提名政策設有正式、經審慎考慮並具透明度的董事甄選、委任及重新委任程序及有秩序的董事繼任計劃(如有需要)，並定期檢討此類計劃。

於物色本公司董事候選人士時，為使董事會能有效履行其職責，提名委員會會參考以下若干標準，包括但不限於：

- 誠信、經驗、技能及專業知識；
- 合適本公司業務要求之技巧、經驗及多樣的平衡；
- 可投入足夠時間及精神以處理本公司事務；
- 促進董事會成員多元化；
- 參與董事會會議，對策略、政策、表現、職責、資源、主要委任及操守準則等事項作出獨立判斷；
- 於發生潛在利益衝突時發揮領導作用；

- bringing a range of business and financial experience to the Board, giving the Board and any Committees on which he or she serves the benefit of his or her skills, expertise, varied backgrounds and qualifications and diversity through attendance and participation in the Board/Committee meetings; and
- scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance.
- 為董事會引入一系列營商及財務經驗，透過出席及參與董事會／委員會會議，而使他或她所服務的董事會及任何委員會受惠於其技能、專業知識、各種背景及資格以及成員多元化；及
- 監察本公司在達致議定之企業宗旨及目標方面的表現及監督相關表現的申報情況。

The Committee identifies suitable individual qualified to become Board members and makes recommendation to the Board on relevant matters relating to the appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors. External recruitment professionals might be engaged to carry out selection process when necessary.

The Company believes that diversity underpins the successful operation on an effective Board and embraces diversity as a means of attaining its strategic objectives. According to the diversity policy of the Board adopted by the Company, the Nomination Committee is also responsible for reviewing the policy, developing and reviewing measurable objectives (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) for implementing the policy, and monitoring the progress on achieving the measurable objectives set to ensure the continued effectiveness of the Board. To ensure the effectiveness of this Policy, the Nomination Committee will, as appropriate, review the Nomination Policy, discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval. The Company believes that greater diversity of directors is good for corporate governance and is committed to attract and retain candidate(s) for Board with a combination of competencies from the widest possible pool of available talents; and to increase diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

委任新董事(作為新增董事或填補所出現的臨時空缺)或重新委任任何董事時，委員會會物色合資格出任董事會成員的適當人選，並就有關委任或重新委任董事的相關事項向董事會提出建議，必要時本公司會聘請外部招聘專家物色人才。

本公司相信，多元化對董事會成功有效運作起支持作用，並接納多元化為達致戰略目標的手段。根據本公司採納之董事會成員多元化政策，提名委員會亦負責檢討政策、制訂及檢討執行政策的可計量目標(包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期)，及監督達致該等為確保董事會的持續有效性而設定之可計量目標的進展。為確保董事會成員多元化政策的有效性，提名委員會將在適當時候檢討提名政策，討論任何可能需作出的修訂，並向董事會提出修訂建議以供董事會審批。本公司認為，董事會越多元化，更有利於企業管治，故致力在最廣泛的人才庫內為董事會吸引及留聘具備各種專業才能的人選，同時提高董事會多元化的水平，以作為維持本公司競爭優勢不可或缺的元素。

Corporate Governance Report (continued) 企業管治報告(續)

During the year ended 31 December 2021, the Nomination Committee has held 1 meeting (the attendance records of each Committee member are set out in above section headed "Directors' Attendance Records") and performed the following major works:

- Review of the policy for the nomination of directors;
- Review of the structure, size and composition of the Board to ensure that it has a balance of expertise, skills and experience appropriate to the requirements for the business of the Group;
- Recommendation of the re-election of the retiring directors standing for re-election at the 2021 annual general meeting; and
- Assessment of the independence of all the Company's independent non-executive directors.

Remuneration Committee

The Remuneration Committee currently comprises 4 members, namely, Dr. Chung Chi Ping Roy (Chairman), Mr. Yung Kin Cheung Michael, Ms. Christine Wan Chong Leung and Mr. Tsang Wah Kwong, the majority of which are independent non-executive directors.

The Remuneration Committee shall meet at least once a year. The primary objectives of the Remuneration Committee include making recommendations to the Board on the Company's remuneration policy and structure and reviewing and approving remuneration proposals of all directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

於截至2021年12月31日止年度內，提名委員會召開了一次會議(各委員會成員的出席記錄載於上文「董事出席記錄」一節)，並進行了下列主要工作：

- 檢討董事提名政策；
- 檢討董事會架構、規模及組成情況，確保其達致符合本集團業務要求之專業知識、技能及經驗的平衡；
- 建議重選於2021年股東週年大會上重選連任之退任董事；及
- 評估本公司所有獨立非執行董事之獨立性。

薪酬委員會

薪酬委員會目前包括四位成員，即鍾志平博士(主席)、翁建翔先生、梁蘊莊女士及曾華光先生，其中大部分為獨立非執行董事。

薪酬委員會需每年至少舉行一次會議。薪酬委員會的主要目的包括就本公司的薪酬政策及架構向董事會提出建議，並審閱及批准所有董事及高級管理人員之薪酬建議。薪酬委員會亦負責設立具透明度的程序，發展有關薪酬政策和架構，確保董事或其任何聯繫人士將不會參與決定其本身之薪酬，該薪酬會參照個人及本公司之表現，以及市場慣例及情況而釐定。

Corporate Governance Report (continued) 企業管治報告(續)

The responsibilities of the Audit Committee are:

- To review the financial statements and reports and consider any significant or unusual matters raised by the external auditor before submission to the Board.
- To review the relationship with external auditor by reference to the work performed by the auditor, their fees and terms of engagement and make recommendations to the Board on the appointment, re-appointment and removal of external auditor.
- To review and supervise the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control systems and internal audit plan.

During the year ended 31 December 2021, the Audit Committee has held 3 meetings (the attendance records of each Committee member are set out in above section headed "Directors' Attendance Records") and performed the following major works:

- Review and discussion of the annual audited financial statements, results announcement and report for the year ended 31 December 2020, the related accounting principles and practices adopted by the Group and the relevant audit findings, the report from the management on the Company's review of the risk management and internal control systems, and recommendation of the re-appointment of the external auditor;
- Review of the Group's continuing connected transactions and the compliance of the non-competition undertaking provided by the Company's controlling shareholders;
- Review of and monitoring the Company's corporate governance policies and practices, the training and continuous professional development of directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report;
- Review and discussion of the interim financial statements, results announcement and report for the six months ended 30 June 2021, and the related accounting principles and practices adopted by the Group;
- Review and discussion of valuation processes and results of unlisted equity investments;

審核委員會的責任包括：

- 於提交董事會前，審閱財務報表及報告，並考慮外聘核數師提呈之任何重大或非經常項目。
- 參考核數師履行的工作、委聘費用及條款，審閱與外聘核數師之關係，並就委聘、重新委任及罷免外聘核數師向董事會提出建議。
- 審閱及監督本公司的財務申報系統、風險管理及內部監控制度以及內部審計計劃的充足性及有效性。

於截至2021年12月31日止年度內，審核委員會召開了三次會議(各委員會成員的出席記錄載於上文「董事出席記錄」一節)，並進行了下列主要工作：

- 檢討及討論截至2020年12月31日止年度之經審核年度財務報表、業績公佈及報告、本集團採納之有關會計原則及常規以及相關審核結果、管理層就本公司對風險管理及內部監控制度的檢討發出之報告，及建議續聘外聘核數師；
- 檢討本集團的持續關連交易及本公司控股股東所提供的不競爭承諾的遵守情況；
- 檢討及監督本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司有關遵守法例及法規規定的政策及常規、遵守標準守則及僱員書面指引、本公司遵守企業管治守則之情況以及本企業管治報告內的披露事項；
- 檢討及討論截至2021年6月30日止六個月之中期財務報表、業績公佈及報告以及本集團採納之有關會計原則及常規；
- 檢討及討論非上市股權投資的估值流程及相關結果；

- Review of the annual audit plan of PricewaterhouseCoopers, including the nature and scope of the audit, the fee payable to them, their reporting obligations and their work plan; and
- Review of the effectiveness and performance of the Company's financial reporting system, risk management and internal control systems and internal audit plan.

The external auditor attended all the above meetings to discuss with the Audit Committee members on issues arising from the audit and financial reporting matters.

There is no disagreement between the Board and the Audit Committee regarding the appointment of external auditor.

COMPANY SECRETARY

The Company Secretary is Mr. Cheung Fong Wa, who fulfils the qualification requirements laid down in the Listing Rules. Biographical details of Mr. Cheung are set out under "Directors and Senior Management" section in this annual report. During the year ended 31 December 2021, Mr. Cheung has taken not less than 15 hours of relevant professional training.

EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities for the Company's financial statements for the year ended 31 December 2021 is set out in the Independent Auditor's Report on pages 103 to 109.

The fees paid/payable to PricewaterhouseCoopers, the Company's auditor, in respect of audit and non-audit services for the year ended 31 December 2021 are analysed below:

- 檢討羅兵咸永道會計師事務所之年度審核計劃，包含審核性質及範圍、應付彼等之費用、其報告責任及工作計劃；及
- 檢討本公司財務申報系統、風險管理及內部監控制度以及內部審計計劃的成績及效果。

外聘核數師出席了上述所有會議，與審核委員會成員討論審核及財務報告事宜中出現的問題。

董事會與審核委員會於委任外聘核數師方面意見並無分歧。

公司秘書

公司秘書為張芳華先生，彼符合上市規則所載之資歷規定。張先生之履歷詳情載於本年報「董事及高級管理層」一節。截至2021年12月31日止年度，張先生接受了不少於15小時的相關專業培訓。

外聘核數師及核數師酬金

本公司的外聘核數師就彼等對本公司截至2021年12月31日止年度財務報表的呈報責任發出的聲明載於第103至109頁的獨立核數師報告內。

截至2021年12月31日止年度，已付／應付本公司核數師羅兵咸永道會計師事務所的核數及非核數服務費用分析如下：

Type of services provided by the external auditor	外聘核數師提供的服務種類	Fees paid/payable 已付／應付費用 HK\$'000 千港元
Audit services – audit fee for the year ended 31 December 2021	核數服務－截至2021年12月31日止年度的核數費用	3,324
Non-audit services – interim review fee for the six months ended 30 June 2021	非核數服務－截至2021年6月30日止六個月的中期審閱費用	500
Total:	總計：	3,824

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibilities for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and the Group and of the results and cash flows of the Group for that year and in compliance with relevant law and disclosure provisions of the Listing Rules. In preparing the financial statements for the year ended 31 December 2021, the directors have selected appropriate accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared disclosure of the financial position of the Group with reasonable accuracy at any time.

The directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board believes that sound risk management and internal control systems are essential to the achievement of the strategic goals of the Group, and confirmed that the Board is responsible to set up, maintain and review the effectiveness of such systems. Management is responsible for the design and implementation of the Group's risk management and internal control systems to manage the risk. Good risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance.

The Group's risk management framework

In order to improve the risk management and internal control systems, as well as enhance the level of management and risk prevention capabilities, the Group established its risk management framework in 2016. The risk management framework includes the Board and its Audit Committee, senior management and subsidiary managements, in three levels (details refer to the below framework).

董事就財務報表須承擔的責任

董事知悉彼等有責任編製每個財政年度真實而公平地反映本公司及本集團事務狀況及本集團於該年度的業績及現金流量的財務報表，以及遵守相關法例及上市規則披露規定。於編製截至2021年12月31日止年度的財務報表時，董事已選取適當的會計政策並加以貫徹應用、作出審慎及合理的判斷及估計以及編製時刻合理準確的本集團財務狀況披露資料。

董事並不知悉有關任何可能導致本公司的持續經營能力存在重大疑問的事件或狀況的任何重大不明朗因素。

風險管理及內部監控

董事會認為，健全的風險管理和內部監控系統對實現本集團的戰略目標至關重要，並確認董事會須負責設置、維護及檢討該等系統的有效性。管理層則負責設計及執行本集團風險管理和內部監控系統以管理風險。良好的風險管理和內部監控系統旨在管理而非消除未能實現業務目標的風險，且只能提供合理而非絕對的保證。

本集團的風險管理架構

為完善風險管理及內部監控系統，提升管理水準及風險防範能力，本集團於2016年建立了風險管理架構。風險管理架構由董事會及其審核委員會、高級管理層、附屬公司管理層三個層面組成(具體詳情參照以下架構圖)。

Corporate Governance Report (continued) 企業管治報告(續)

The management and the Internal Audit Department would report to the Audit Committee and the Board on all findings and the effectiveness of the risk management and internal control systems. The Audit Committee assists the Board in leading the management and overseeing the design, implementation and monitoring of the risk management and internal control systems, and makes recommendations. The Audit Committee also ensures that an overall review of the effectiveness of such systems is conducted at least annually and put forward to the Board for consideration.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives; and acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness.

The Company has also developed its disclosure policy which provides a general guide to the Company's directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries

Review of risk management and internal control system

The Board and its Audit Committee reviewed the effectiveness of the Company's risk management and internal control systems for the year 2021, as well as taking into account the resource, adequacy of staff qualifications, training and experience of the Company's accounting and financial reporting and internal audit functions. Based on the reports submitted by the Internal Audit Department and the management, the Board considered that the Company's risk management and internal control systems are effective and adequate.

The Group has its risk management and internal control policies and procedures reviewed, to ensure compliance with the new requirements, and explore opportunities for improvement.

管理層和內部審計部會向審核委員會和董事會報告所有發現及風險管理和內部監控系統的有效性。審核委員會協助董事會領導管理層及監督風險管理及內部監控系統的設計、實施及監控，並提出建議。審核委員會亦確保至少每年對該等系統的有效性進行全面檢討，並提呈董事會以供考慮。

董事會須承擔總體責任，以評估和確定實現公司的戰略目標所承擔的風險的性質和程度；且確認負責風險管理和內部監控系統及檢討其有效性。

本公司亦已制定其披露政策，為本公司董事、高級職員、高級管理層及相關僱員於處理保密資料、監察資料披露及應對查詢方面提供一般指引。

風險管理及內部監控系統的檢討

董事會連同審核委員會檢討了2021年度本公司風險管理及內部監控系統的有效性，以及考慮本公司在會計及財務匯報與內部審計職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓是否充足。根據內部審計部及管理層提交的報告，董事會認為本公司的風險管理及內部監控系統是有效和充足的。

本集團已對其風險管理和內部監控的政策及程序作出了檢討，以確保符合新要求，並同時探索改進的機會。

Corporate Governance Report (continued) 企業管治報告(續)

Procedure for sending enquiries to the Board

Shareholders are welcome to send enquiries to the Board to the Company's principal place of business in Hong Kong at Workshop No. 19, 9th Floor, Block B, Hi-Tech Industrial Centre, No. 491-501 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong.

INVESTOR RELATIONS

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

The annual general meetings and twice-yearly business performance conference of the Company provide a platform for communication between the Board and the shareholders. The Chairman of the Board as well as the chairmen of the Nomination Committee, Remuneration Committee and Audit Committee or, in their absence, other members of the respective committees, and, where applicable, the chairman of the independent Board committee are available to answer questions at shareholders' meeting.

To promote effective communication, the Company maintains a website at www.tkmold.com where up-to-date information and updates on the Company's business operations and development, financial information and other information are available for public access.

CONSTITUTIONAL DOCUMENTS

During the year under review, the Company has not made any changes to its Articles. An up-to-date version of the Articles is available on the websites of the Stock Exchange and the Company.

向董事會作出查詢的程序

歡迎股東將對董事會的詢問送至本公司的香港主要營業地點，地址為香港新界荃灣青山道491-501號嘉力工業中心B座9樓19號。

投資者關係

本公司認為與股東有效的溝通對增進投資者關係，及投資者對本集團之業務表現及策略的了解至關重要。本公司亦明白保持公司資料透明度及適時披露公司資料之重要性，以讓股東和投資者作出最佳投資決定。

本公司的股東週年大會以及每年兩次的業績發佈會提供一個讓董事會和股東進行溝通的平台。董事會主席及提名委員會、薪酬委員會及審核委員會之主席(或缺席時則為各委員會的其他成員)以及(如適用)獨立董事會委員會主席會於股東大會上回應問題。

為促進有效溝通，本公司設有網站 www.tkmold.com，提供本公司的最新資料以及有關業務營運及發展資料的更新資料、財務資料和其他資料供公眾人士查閱。

章程文件

在回顧年內，本公司未變更其任何細則。最新細則可於聯交所網站及本公司網站上查閱。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Reporting Principles 匯報原則	Definition 釋義	Response 回應
Materiality 重要性	The reporting will be focused on the ESG issues which have material effects on the various stakeholders of the Group. 重點匯報對本集團各類持份者產生重要影響的環境、社會及管治議題。	A board survey was conducted during the year to understand the key ESG issues of concern to the Board. 於本年度已進行董事會調查問卷，了解其關注的重要環境、社會及管治議題。
Quantitative 量化	The KPI data should be measurable and comparable when appropriate. 關鍵績效數據須可予計量，並在適當情況下進行比較。	New environmental targets added this year aimed at further managing the Group's impact on the environment. The Group's social KPIs are sourced from the statistics of the relevant departments. In addition, Carbon Care Asia, a professional consulting company, has been commissioned with the measurement of the environmental KPIs. 今年新增環境目標，旨在進一步管理本集團對環境的影響。本集團社會部分的關鍵績效指標來源於相關部門的統計；此外，環境部分的關鍵績效指標已委託專業顧問公司低碳亞洲進行計算。
Balance 平衡	An issuer shall report on its ESG performance during the year in an objective and truthful manner. 發行人應客觀、真實地匯報本年度於環境、社會及管治方面的表現。	In the preparation of the Report, the Group not only focused on describing its achievements in ESG, but also introduced difficulties occurred and corresponding solutions. 於本報告編寫的過程中，本集團既注重闡述環境、社會及管治的成果，亦會描述遇到的困難及解決方法。
Consistency 一致性	The disclosures in the Report should use consistent disclosing methodologies to allow for comparisons of KPIs in relation to ESG for understanding corporate performance. 報告披露應採用一致的披露統計方法，令與環境、社會及管治有關的關鍵績效指標可以加以比較，以了解企業表現。	In the Report, the Group has adopted methods the same as the previous years and compared some ESG data for the year with data for the previous years. For details, please refer to the section headed "Overview of Key Performance Indicators". 於本報告中，本集團已採用與往年相同的統計方法，並將本年度部分環境、社會及管治數據與往年數據作比較。詳情請參閱「關鍵績效指標總覽」章節。

RECOGNITION AND APPROVAL

The Group has undertaken to make every endeavour to guarantee the accuracy and reliability of all the materials presented in the Report and strengthened management by establishing the internal monitoring and formal review procedures. The Report was recognized and approved by the Board on 25 March 2022.

確認及批准

本集團承諾會竭力確保本報告所有呈現的資料均準確可靠，並通過成立內部監控及正式審查程序加以管理。本報告已於二零二二年三月二十五日獲董事會確認及批准。

COMMENTS AND FEEDBACK

Comments or recommendations of stakeholders in aspects of the Group's ESG performance are greatly valued by the Group. Please feel free to contact us by the following means:

意見反饋

本集團歡迎各持份者就本集團於環境、社會及管治方面的表現提出任何意見或建議。請透過以下方式聯絡本集團：

Group Headquarters 本集團總部

地址：中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園

Add: TK Technology Park, Tangjia Community, Fenghuang Sub-district office, Guangming District, Shenzhen City, the PRC

Tel: 電話：+86-755-2369 0328

Hong Kong Office 香港辦事處

地址：香港新界荃灣青山道491-501號嘉力工業中心B座9樓19號

Add: Workshop No.19, 9th Floor, Block B, Hi-Tech Industrial Centre, 491-501 Castle Peak Road, Tsuen Wan, N. T., Hong Kong

Tel: 電話：+852-2411 3628

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

GOVERNANCE STRUCTURE

The Board of the Group is charged with an important responsibility of promoting good corporate governance and environmental, social and governance (ESG) risk management by drawing the Company's attention to ESG issues. The Group has set up the ESG Management Committee, which is delegated with the authority from the Board and chaired by the Chairman of the Group. It is mainly responsible for identifying priorities for managing ESG issues, guiding and monitoring ESG works, reviewing ESG development trends in the industry and other areas. The Board reviews ESG-related reports submitted by the ESG Management Committee on a quarterly basis. During the year, the Group has set environmental, health and safety targets. Once such targets are exceeded, the ESG Management Committee will be required to identify the reasons and formulate improvement plans.

RISK MANAGEMENT

The Group believes that establishing a sound risk forecasting system is conducive to the effective management of the environmental, social and governance risks in its daily operations. The risk management structure of the Group is comprised of three elements, namely, the Board and its Audit Committee, senior management, and the management of subsidiaries, in order to identify relevant risks. In addition, the Internal Audit Department of the Group evaluates the sufficiency and effectiveness of the risk management structure on a regular basis. In order to improve the environmental risk management, the Group has identified and evaluated significant environmental factors and formulated environmental management plans according to the related impacts and risks during the year. In addition, the following responding measures were also taken to address the sustainability risks identified in the industry:

環境、社會及管治

管治架構

本集團董事會肩負促使公司關注環境、社會及管治(ESG)的重責，從而促進良好企業管治與ESG風險管理。本集團已建立ESG管理委員會，由董事會授權，並由本集團主席擔任委員長，主要負責識別ESG管理優先事宜、指導並監督ESG工作、審視業界ESG發展趨勢等範疇。董事會每季度審閱ESG管理委員會提交的ESG相關匯報。本集團於本年度設有環境、健康與安全指標，若有超出目標的情況，會要求ESG管理委員會分析原因並作出改善方案。

風險管理

本集團深信建立健全的風險預報系統，能有效管理日常營運中的有關環境、社會及管治的風險。本集團風險管理架構由董事會及其審核委員會、高級管理層、附屬公司管理層三個部分組成，以識別相關風險。另外，本集團內審部會定期評估風險管理架構的充分性及有效性。為完善環境風險管理，本集團於本年度識別重大環境因素，作出評價，按照相關影響及風險，制定環境管理方案。另外，亦按業界已識別的可持續發展風險，採取以下應對措施：

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Risk Types 風險類別	Responding Measures of the Group during the year 本年度本集團應對措施
Exhaust emissions 廢氣排放	<ul style="list-style-type: none"> Improve production processes and reduce the impact from operation on the environment. 改善生產工藝，降低營運對環境的影響。
Climate change 氣候變化	<ul style="list-style-type: none"> Incorporate climate change factors into relevant policies. 將氣候變化因素納入相關政策。
Health and safety 健康與安全	<ul style="list-style-type: none"> Seek partnership with local government and sanitary agencies to help employees, contractors and community residents in managing and enhancing healthy level. 與當地政府和衛生機構合作，幫助員工、承包商及社區居民管理及提升其健康水準。
Employee training 員工培訓	<ul style="list-style-type: none"> Regularly organise internal professional technologies exchange and sharing meetings, or arrange employees to take part in the exchange and sharing meetings of the industry, in order to understand the latest development trend and technology direction in real time. 定期舉辦內部專業技術交流分享會，或安排員工參加行業內交流學習會，實時了解行業最新發展趨勢和技術方向。 Organise three-level safety education to enhance the awareness level of employees. 組織三級安全教育，提升員工的意識水平。
Technology innovation 技術創新	<ul style="list-style-type: none"> Work with professional institutions or colleges to jointly develop the latest mold fabrication techniques, so as to enhance production efficiency and product quality; and 與專業機構或高校合作，共同研發最新模具製造技術，以提高生產效率及產品品質；及 Develop latest mold fabrication materials, and streamline the processes, to save energy and reduce emissions as its production and manufacturing processes. 為了在生產製作過程節能減排，研發新模具製造材料，並精減工藝流程。
Business ethics 商業道德	<ul style="list-style-type: none"> Expand the size of anti-corruption trainings for employees. 加大員工反腐敗培訓規模。

STAKEHOLDER COMMUNICATION

Stakeholder communication is one of the most important ways to understand stakeholders' concerns over different environmental, social and governance issues. During the year, the Group has understood the opinions and recommendations of the members of the Board through the questionnaire for the Board. According to the survey results, the following four material issues selected by the members of the Board among 11 issues cover three scopes, being "environment", "employment and labour practices" and "operation practices", the details of which are listed below:

持份者溝通

持份者溝通活動是了解持份者對於環境、社會及管治不同議題關注程度的重要方式之一。本年度，本集團已透過董事會問卷調查的形式，了解董事會成員的意見與建議。調查結果顯示，在11項議題當中，董事會成員選擇以下四項的重要議題涵蓋「環境」、「僱傭及勞工常規」及「營運慣例」三個範疇，詳情如下：



Environmental, Social and Governance Report (continued) 環境、社會及管治報告(續)

Other than the questionnaire for the Board, the Group continues to maintain communication with internal and external stakeholders, with the aim to procure the Group to establish better management policies and measures in reducing risks arising from the environment, social and governance aspects. The communication among the key stakeholders during the reporting period is as shown in the following graph:

除董事會調查問卷外，本集團持續與內外持份者保持溝通，從而促使本集團制訂更為完善的管理政策及措施，減少於環境、社會及管治不同方面的風險。各主要持份者於本報告期內的溝通方式如下圖所示：

Key stakeholders 主要持份者	Mode of communication with stakeholders 與持份者的溝通方式
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"> General meetings 股東會議
Clients 顧客	<ul style="list-style-type: none"> Questionnaires 問卷調查
Employees 員工	<ul style="list-style-type: none"> Organizing training courses and workshops covering different areas 舉辦不同範疇的培訓課程及工作坊 Staff conferences 員工溝通大會
Suppliers 供應商	<ul style="list-style-type: none"> Daily conferences 日常會議
The public and community 公眾及社區	<ul style="list-style-type: none"> Community activities 社區活動 Public consultations 公眾諮詢
Education and research partners 教育及研究夥伴	<ul style="list-style-type: none"> Site visits 實地考察 Internship 實習生計畫

PEOPLE-ORIENTED

Creating healthy and safe employment environment, protecting employees' lawful rights and interests and fostering outstanding talents are not only the foundation for an enterprise to achieve its strategic objectives, but also an important criterion to assess an enterprise's performance in sustainability. The Group has established a series of policies, specifying management measures for aspects including employee remuneration, recruitment, dismissal, training, safety and labour standards.

以人為本

創造健康安全的僱傭環境、保障員工的合法權益以及培養優秀的人才，不僅是實現企業戰略目標的基礎，亦是體現企業可持續發展表現的重要標準。本集團已制訂一系列政策，列明於員工薪酬、招聘、解僱、培訓、安全及勞工準則等方面的管理措施。

HEALTH AND SAFETY OF EMPLOYEES

Governance Structure

In order to comprehensively manage the health and safety risks for the employees of the Group, the Group has set up the EHS² Committee, which is chaired by the Chief Executive Officer and has positions such as vice chairman, EHS supervision and management leader and standing committee member. The establishment of the committee is to consistently implement national policies and approaches on safety works, timely update safety management-related documents and conduct safety inspections on workplace. During the year, the Committee held a total of 4 meetings, at which issues such as environmental safety, occupational health, energy-saving and emission-reduction and industrial safety management were discussed.

僱員健康與安全

管治架構

為全面管理本集團員工的健康安全風險，本集團已成立由行政總裁擔任委員長的EHS²委員會，下設副委員長、EHS監督管理負責人及常務委員等職位。該委員會的建立，目的在於貫徹國家有關安全工作的政策方針、及時更新安全管理相關文件以及進行工作場所安全檢查等工作。本年度，該委員會共召開四次會議，討論了環保安全、職業衛生健康、節能減排、工業安全管理等議題。

EHS objectives 環境、健康與安全目標	Management programs 管理方案
<p>Rate of the occurrence of work injury-related accident 工傷事故發生率</p>	<ul style="list-style-type: none"> EHS conducts inspections on a daily and quarterly basis with problems identified and rectified in time and achieving 100% improvement on problems and response rate. EHS日常及季度稽查，發現問題及時整改，問題改善、回復率100%。 Business division conducts a comprehensive EHS self-inspection and self-assessment on the production site every two weeks. 事業部每兩週對生產現場進行一次EHS全面自查自咎。 Equipment and facility are 100% repaired and maintained according to the maintenance schedule. 設備、設施按維修計劃100%執行。
<p>Completion rate of equipment and facilities maintenance 設備設施維護完成率</p>	<ul style="list-style-type: none"> Periodic inspection and regular maintenance check of special equipment. Development and implementation of safety operation procedures for machinery and equipment. 特種設備的定期檢驗及定期維護檢查。機器設備安全操作規程制定與執行落實。

² EHS represents environment, health and safety.

² 即環境、健康與安全。



Environmental, Social and Governance Report (continued) 環境、社會及管治報告(續)

Safety Training

The Group proactively and continuously builds a corporate safety culture, and conducts various safety publicity activities and trainings to improve employees' safety awareness. Safety trainings for employees are an important way for employees to acquire safety skills. The Group implements the safe production responsibility system through the EHS Management Committee to further manage and promote the safe production of the Company. The following are the key safety publicity activities and trainings provided to employees during the year:

安全培訓

本集團積極不斷地建設企業安全文化，開展各類安全宣傳活動以及培訓，提高員工的安全意識，保證員工獲取正確安全技能的重要方式，通過EHS管理委員會落實安全生產責任制，進一步管理和推動公司的安全生產發展。以下為本年度為員工提供的重點安全宣傳活動和培訓：

Safety publicity activities 安全宣傳活動	Content 活動內容
Training on safety leadership 安全領導力培訓	A special management safety leadership training course is set up to improve the management's leadership and management on safety issues, thereby constructing a health and safety culture. A total of 74 middle and senior managers participated in this training. 為提升管理層針對安全議題的領導及管理，從而塑造健康安全文化，特設管理層安全領導培訓班。共74位中高層管理人員參加了此培訓。
Training on occupational health protection 職業衛生防護培訓	Focus on explaining the prevention and protection and management of occupational disease hazards such as noise, chemicals and dust in business operations, and the emergency treatment of common occupational diseases, so that employees can learn and master the knowledge and skills of occupational disease prevention and treatment, thereby enhancing employees' awareness of occupational diseases prevention and protection. 針對業務存在的雜訊、化學品、粉塵等職業病危害因素的防護、管理和常見職業病應急問題處理等內容進行重點講解，讓員工學習掌握職業病防治知識及技能，從而增強員工的職業病防護意識。
Periodic detection on occupational disease hazards in the workplace 工作場所職業病危害定期檢測工作	The Shenzhen Prevention and Treatment Center for Occupational Diseases is entrusted to carry out regular detection and analysis on occupational disease hazard factors, discover the generation, spread and change of occupational disease hazard factors of the Group, and evaluate the impact of occupational disease hazard factors on the health of workers and the effect of occupational disease protection facilities. 委托深圳市職業病防治院開展職業病危害因素定期檢測分析，了解本集團職業病危害因素的產生、擴散及變化規律，並對職業病危害因素對於勞動者健康影響程度及職業病防護設施效果進行評估。
EHS contest EHS知識競賽	All staff are arranged to participate in the safety knowledge contest to improve their safety awareness and ability, and promote the implementation of the EHS management system. 全員參與安全知識比賽，提高安全防範意識和能力，推廣落實EHS管理制度。

DEVELOPMENT AND TRAINING FOR EMPLOYEES

Talent Training

The Group firmly believes that establishing a comprehensive training system for employees can help them realize their personal value and enhance its long-term development performance. The Group has policies in place such as “Training and Development System” and “Management Regulations on Promotion and Cultivation”, and formulates relevant training plans based on the opinions of its employees and its development route. The main training types are divided into five categories: professional skills, general skills, leadership skills, safety systems, and experience sharing. During the year, a total of 3,579 employees of the Group received training, accounting for 85.5% of the total number of employees, with a total of 42,228.5 training hours. In addition, there is an internal lecturer system, with a total of 111 lecturers participating in this project.

PROMOTING GREEN PRODUCTION

With the increasing expectations of the government and the public on the sustainable development performance of enterprises, the Group actively promotes green production with environmental goals to effectively manage its impact on the environment.

CLIMATE CHANGE

In response to global climate change, the Group will evaluate its carbon footprint, seek ways to reduce carbon dioxide and other greenhouse gas emissions, increase the development and utilization of renewable energy processes and equipment, and promote the improvement of its green and low-carbon development model. Looking forward to the future, the Group will continue to assess the risks and opportunities brought by climate change to its operating sites, and formulate relevant responding measures, as appropriate.

僱員發展與培訓

人才培訓

本集團深信為員工建立完善培訓體系，能幫助實現個人價值，並提升本集團長遠發展表現。本集團設有《培訓與開發制度》以及《晉升與培養管理規定》政策，並根據員工意見以及企業發展路線，而製定相關培訓計劃。主要培訓類型分為專業技能、通用技能、領導能力、安全體系、經驗分享五大類。本年度，本集團共有3,579名員工接受培訓，佔總員工人數85.5%，培訓時數共42,228.5小時。另外，設有內部講師體系，共有111名講師參與此項目。

推廣綠色生產

隨著政府以及公眾對企業可持續發展表現期待不斷提升，本集團積極推廣綠色生產，設有環境目標，有效管理對環境帶來的影響。

氣候變化

應對全球氣候變化，本集團將評估碳足跡，尋求減少二氧化碳和其他溫室氣體排放的活動方式，加大開發和利用再生能源的工藝和設備，推動完善企業綠色低碳發展模式。展望未來，本集團將持續評估氣候變化對營運點帶來的風險以及機遇，並按情況制定相關應對措施。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Emission of greenhouse gases 溫室氣體排放	Emission quantity for the current year (tonnes of CO ₂ equivalent) 本年度排放量 (公噸二氧化碳當量)	Emission quantity for 2020 (tonnes of CO ₂ equivalent) 二零二零年排放量 (公噸二氧化碳當量)
Scope I – Direct greenhouse gas emissions 範圍1 – 直接溫室氣體排放		
Fossil fuel combustion – stationary sources 化石燃料燃燒 – 固定源	0.4	0.3
Fossil fuel combustion – mobile sources 化石燃料燃燒 – 移動源	36.6	31.1
Greenhouse gases emitted during the operation of equipment and systems 設備及系統運作時釋放的溫室氣體	526.1	148.8
Scope II – Indirect greenhouse gas emissions from energy 範圍2 – 能源間接溫室氣體排放		
Purchased electricity 外購電力	48,904.4	42,070.5
Scope III – Emissions 範圍3 – 排放		
Business aircraft travel 飛機商務旅行	55.2	55.2
Total greenhouse gas emissions 溫室氣體排放總量	49,522.7	42,305.9
Greenhouse gas emissions density (based on revenue per million Hong Kong dollars) 溫室氣體排放密度(依每百萬港元收入額計)	20.6	20.8

Exhaust emissions

廢氣排放

Environmental goals - Exhaust emissions

環境目標－廢氣排放

Goal
目標

We are committed to working with our global partners to strengthen our ability to mitigate climate change and adapt to climate-related impacts, and ensure that our operations meet the emission standards for both organized and unorganized emissions.

我們致力與全球夥伴合作，以加強我們減緩氣候變化及適應氣候相關影響的能力，確保營運過程有組織、無組織廢氣達標排放。

Action
行動

- Cooperate with public organisations in order to obtain analysis results on regional climate change and deepen the enterprise's understanding of the vulnerability of business and community climate
與公共機構合作，以獲得區域性氣候變化分析結果，以提高企業對業務和社會氣候脆弱性的理解
- Improve production processes and reduce the impact from operation on the environment
改善生產工藝，降低營運對環境的影響
- Keep frequent communication with different stakeholders, and make reference from their opinions and know-how during decision-making process
持續與不同持份者保持恒常溝通，並於決策過程中參考其亮點及專業知識
- Regularly monitor the concentration of organized and unorganized emissions to ensure compliance with emission standards
定期監測有組織、無組織排放濃度，確保達標排放

The injection molding plants of the Group generate exhaust gas including spraying exhaust gas, printing exhaust gas, injection molding exhaust gas and dust during the production process. This will be managed by the Quality Department through overseeing and checking the function of the environmental management system, formulating rectification measures, as well as inspecting and maintaining exhaust gas treatment equipment. Furthermore, the Quality Department will also regularly organise relevant departments to identify and evaluate the sources of exhaust gases and timely establish and update the List of Exhaust Gases.

本集團注塑廠房於生產過程中產生的廢氣包括噴塗廢氣、印刷廢氣、注塑廢氣及粉塵等，由品質部負責進行管理，例如監督檢查環境管理體系的運行狀況、制訂整改措施以及檢查及維護廢氣處理設備等。另外，品質部亦會定期組織相關部門識別及評價廢氣排放源，並適時建立及更新《廢氣清單》。

Environmental, Social and Governance Report (continued) 環境、社會及管治報告(續)

Compared with 2020, the nitrogen oxides, sulfur oxides and respirable suspended particulates emitted by fossil fuel consumption from stationary and mobile sources during the year increased by 2.8%, 18.2% and 25.0%, respectively.

本年度固定源和移動源化石燃料消耗所排放的氮氧化物、硫氧化物和可吸入懸浮粒子與二零二零年度相比分別增加了2.8%、18.2%和25.0%。

Emission 排放物	Emissions for the year (kg) 本年度排放量(千克)	Emissions for 2020 (kg) 二零二零年排放量(千克)
Nitrogen oxides (NO _x) 氮氧化物(NO _x)	3.7	3.6
Sulfur oxides (SO _x) 硫氧化物(SO _x)	1.3	1.1
Respirable suspended particulates (PM) 可吸入懸浮粒子(PM)	0.5	0.4

Waste

廢棄物

Environmental goals - Waste discharge 環境目標－廢棄物排放	
Goal 目標	Reduce the environmental impact of waste by improving material recycling rates, reducing waste generation and ensuring compliant disposal of waste 通過提高物料的回收利用率，降低廢棄物產生量和確保廢棄物合規處理，以降低廢棄物對環境帶來的相關影響
Action 行動	<ul style="list-style-type: none"> More environmentally friendly materials are used in the production process 生產流程中採用更環保的材料 Waste classification and recycling is carried out in the process of daily operation, and all employees are required to handle waste correctly in accordance with the requirements of the waste classification list 日常營運過程中進行廢棄物分類回收，要求全員按照廢棄物分類清單的要求正確丟棄廢棄物 Ensure that the waste generated is collected and disposed of by licensed professionals 產生廢棄物確保由持牌的專業人士進行收集和處置

During its daily operation, the Group will classify and recycle waste and requires all staff to handle waste correctly in accordance with the requirements of the waste classification list. After classification, the waste will be delivered to different warehouse for storage based on nature. For instance, hazardous waste will be delivered to hazardous waste warehouse for storage, and then for regular recycle after contacting designated contractors, while other recyclable or non-recyclable non-hazardous waste will also be delivered to special warehouse for storage, and then to be sold or cleaned.

本集團於日常營運過程中會進行廢棄物的分類回收，要求全員按照廢棄物分類清單的要求正確丟棄廢棄物。分類完成之後的廢棄物按照其性質送至不同倉庫儲存，例如危險廢棄物將會被送至危險廢棄物倉進行儲存，之後聯繫指定承包商進行定期回收；而其他可回收或不可回收無害廢棄物亦將被送至專門倉儲點進行儲存而後進行變賣或清理。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

The total non-hazardous waste for the year increased by 29.7% to 2,257.3 tonnes compared with that of 2020. The total hazardous waste for the year increased by 35.8% to 494.6 tonnes compared with that of 2020.

本年度的無害廢物總量為2,257.3公噸，和二零二零年度相比，增加了29.7%。本年度的有害廢棄物總量為494.6公噸，相比二零二零年度增加了35.8%。

Wastewater Management

The management of wastewater collection, transport and treatment of the Group is shared by the Equipment Department, the Production Department and the EHS Department to achieve the effective wastewater management. Among them, the Equipment Department is mainly responsible for the maintenance of domestic wastewater and industrial wastewater treatment equipment to ensure the discharge of wastewater is effectively collected; the Production Department is mainly responsible for ensuring no penetration of industrial wastewater into domestic wastewater pipe networks or rainwater pipe networks; and the EHS Department is mainly responsible for overseeing the collection of waste water within the injection molding plant to ensure that different waste water is not Leaked and is responsible for coordinating with qualified third parties for transport and disposal.

廢水管理

本集團由設備部、生產部以及EHS部門共同負責廢水收集拉運處理的管理，以達致最有效的廢水管理。其中，設備部主要負責生活廢水以及工業廢水收集設備的維護，確保廢水得到有效收集；生產部主要負責確保工業廢水不進入生活廢水管網或雨水管網；而EHS部主要監督注塑廠範圍內的廢水收集，確保不同廢水不發生漏排，並負責協調有資質的第三方廠商進行拉運處置。

USE OF RESOURCES

Total energy consumption of the Group amounted to 80,309.4 Mwh equivalent during the year, representing an increase of 16.2% as compared with 2020. The direct energy use and indirect energy use during the year recorded an increase of 17.7% and 16.2% as compared with that of 2020, respectively.

資源使用

本集團於本年度的能源總耗量為80,309.4兆瓦時等值，和二零二零年度相比增加了16.2%。直接能源與間接能源使用和二零二零年度相比分別增加了17.7%和16.2%。

Use of energy 能源使用	Consumption for the year 本年度耗用量	Consumption for 2020 二零二零年耗用量
Gasoline (GJ) 汽油(吉焦耳)	538.8	457.9
Diesel (GJ) 柴油(吉焦耳)	0.0	0.0
Liquefied petroleum gas (GJ) 液化石油氣(吉焦耳)	6.2	5.0
Electricity (Mwh) 電力(兆瓦時)	80,158.0	68,956.7
Total energy consumption (Mwh equivalent) 能源總耗量(兆瓦時等值)	80,309.4	69,085.3
Energy intensify (Mwh equivalent/million HKD revenue) 能源密度(每百萬港元營業額兆瓦時等值)	33.4	34.0

During its operation, the Group adheres to aim of "Reuse, Recycle and Reduce Waste" by adopting reasonable use of resources.

本集團於日常營運中以「重複利用資源、回收資源及減少浪費」為宗旨進行合理的資源使用。

Central Air-conditioning Renovation Project of Plastic Injection Workshop

注塑車間中央空調改造項目

During the year, the Group invested RMB982,000 to upgrade the existing central air-conditioning system in the injection molding plant of the Group in Shenzhen to central water-cooled air-conditioning, which saved electricity of 527,000 kWh after renovation. 於本年度，本集團花費982,000元人民幣將本集團位於深圳的注塑工廠原有的中央空調系統改造成集中式水冷氣空調，改造後，年節省電量約52.7萬kWh.

Case Study
 案例分享

Water

The Group did not encounter any problems in sourcing water at its operating locations for the year.

水資源

年內，本集團的營運地點均未面臨求取適用水源的問題。

Environmental objective - Water

環境目標－水資源

Objective
 目標

Reduce water consumption and increase water recycling in the Group operation
 減少本集團營運中的水資源消耗和增加水資源循環再用

Action
 行動

- Reuse of wastewater
 重複利用廢水
- Strengthen the daily maintenance and management of water equipment to avoid waste of water caused by “escaping, infiltrating, leaking, dripping” of water
 加強對水設備的日常維護和管理，避免「跑、冒、漏、滴」，浪費水能源現象發生

THE ENVIRONMENT AND NATURAL RESOURCES

In case there are material environmental contingencies including chemical leakage occurred in the Group, relevant departments will immediately conduct contingency rescue in accordance with relevant requirements under the Emergency Contingency Plan of TK Group and the Emergency Flow Chart. After the emergencies, the EHS Manager of the Group will arrange for the EHS Committee and other relevant personnel to optimise the emergency response procedures and submit the same to competent parties for approval.

環境及天然資源

若本集團發生包括化學品洩漏在內的重大環境影響突發事件，將會立即由相關部門按照「東江災難應急計劃」和「應急流程圖」中的相關規定進行應急救援。緊急情況發生後，本集團EHS經理會組織EHS委員會及其他相關人員對應急響應流程進行優化，並報主管部門進行審批。

ACHIEVING HIGH OPERATIONAL EFFICIENCY

During its operation, the Group has always adhered to its own business principles and is committed to improving our operational efficiency through the establishment of corruption reporting channels, supplier selection criteria and product quality management system.

ANTI-CORRUPTION

The Group is well aware of the importance of building integrity corporate culture to the long-term development of an enterprise. Upholding the system of "Fairness, Equality and Transparency", the Group takes a zero tolerance approach to bribery, extortion, fraud and money laundering. There was a total of four directors and 2,387 employees participated in business ethics training during the year, in order to promote awareness on anti-corruption.

The Group has the Supplier Management Processes and the Staff Handbook in place with relevant integrity requirements. All employees are required to sign an integrity clause agreement. An employee, once found breaches in relevant regulations, will be warned, dismissed or subject to legal action in accordance with the Treatment System for Disciplinary Offence and Poor Performance. At the same time, we enter into the Business Cooperation Agreement with suppliers, which contain integrity clauses, and will terminate the cooperation with them or take legal action if any non-compliance with the relevant regulations is found. The Group welcomes any person or organization to lodge a complaint through wechat QR code complaint platform of the Group or chairman complaint mailbox regarding any reasonably suspected corruption case with the Group based on facts. The Group will handle the complaint on the principle of confidentiality in accordance with the Complaint Management System.

實現高效營運

本集團於營運過程中一直堅持自身商業準則，致力通過建立貪污舉報途徑，供應商篩選準則以及產品品質管理制度，提升本集團的營運效率。

防止貪污

本集團明白營造廉潔的企業文化對於企業長遠發展的重要性，堅守「公平、公正、公開」的體制，對於賄賂、勒索、欺詐及洗黑錢的行為有零容忍的立場。為提升反貪污意識，本年度共有四名董事以及2,387名員工參與商業道德培訓。

本集團設有《供應商管理流程》及《員工手冊》有相關的廉潔要求，員工需要簽署廉潔條款協定，若發現員工違反相關的規定，會按照《違紀過失及不良工作表現處理制度》採取警告、辭退或訴訟法律等手段。同時，與供應商簽署有包含廉潔條款的《商務合作規約》，若發現違反相關規定的，與其終止合作或訴訟法律等手段。本集團歡迎任何人士或機構基於事實，透過本集團微信二維碼投訴平臺或董事長投訴信箱向本集團投訴經合理懷疑的貪污案件，本集團將按《投訴管理制度》，秉持保密的原則對投訴進行處理。

SUPPLY CHAIN MANAGEMENT

The Group understands the importance of managing the environmental and social risks of suppliers to the ecosystem of the whole supply chain. It has formulated the Supplier Management Procedure and the Supplier Management Processes and other policies to strictly screen suppliers, and has included reviews on environmental, social responsibility and occupational health and safety management in the Comprehensive Review on New Suppliers.

In order to reduce the risk of sustainability, the Supplier Management Processes specifies that the Procurement Department shall not introduce suppliers who purposefully use conflict metals (thallium, tin, tungsten, gold and cobalt). Meanwhile, there are standards for the use of green environmental protection products and suppliers are required to sign the Environmental Substances Control Standards and the Environmental Substances Guarantee. For suppliers not in the best interests of the environment, we will not introduce and engage.

PRODUCT LIABILITY

Product quality

The Group has always attached great importance to the management of product quality. In the process of product manufacturing, the Group has taken four major steps: first article sampling, first article confirmation, patrol inspection and pre-warehousing inspection to ensure that product quality can meet relevant requirements. During the year, the Group received a total of 4 complaints, all of which are related to product quality. In this regard, the Group has implemented various approaches to strengthen product quality control, such as changing the appearance design of products, improving design of box packaging, adjusting positioning of mold according to customer requirements, and organizing relevant staff training.

Customer privacy

The Group understands that protecting customer's privacy is an important way of realising good corporate governance. The Confidentiality Management System stipulates that confidential information of any business partners and other connected persons shall be protected and all staff are required to sign the Employee Confidentiality Agreement, promising guaranteeing customer's privacy against any infringement.

管理供應鏈

本集團明白管理供應商的環境及社會風險對於整個供應鏈生態的重要性，已制訂《供應商管理程序》和《供應商管理流程》等政策對供應商進行嚴格篩選，並於《新供應商綜合評審》設有環境、社會責任、職業健康安全管理的審核內容。

為減低可持續發展風險，《供應商管理流程》上有明確規定採購部不得引入有目的使用衝突金屬(銻、錫、鎢、金及鈷)的供應商。同時，設有使用綠色環保產品的標準，要求供應商簽署《環境物質控制標準》和《環境物質保證書》，對於不符合環保要求的供應商並不會引入和使用。

產品責任

產品質量

本集團一向重視對於產品質量的管理，在產品製造的過程中，已採取首件取樣、首件確認、巡檢以及入庫前檢驗四大步驟，致力確保產品的質量符合相關要求。本集團於本年度共接獲四次客戶投訴，投訴事件均與產品質量有關。為此，本集團已經按顧客要求更改產品設計外表、改善箱子包裝設計、調整模具的定位，並作出相關員工培訓，加強對產品質量控制。

客戶隱私

本集團明白保障客戶隱私是實現良好企業管治的重要方式。《保密管理制度》中已明確說明，所有合作夥伴及其他相關人員的隱私信息均受本集團保護。同時，所有員工均已簽署《員工保密協議》，承諾保障客戶隱私不受侵犯。

Intellectual property

In the Group, the Legal Department is responsible for the management of intellectual property. If an employee obtains a patent certificate related to the nature of his/her work during his/her work, the Group will grant him/her rewards of different degrees. Meanwhile, the Group also undertakes not to infringe intellectual property rights during the cooperation with any partner.

Regarding to the content of our product advertisements, the Group advocates fair trade. The Group won't mislead relevant parties or initiate vicious competition in manner of price war or otherwise and commits to making advertisement in compliance with recognized competition standards in terms of approach and content. The market advertising plan and its implementation shall be reviewed by personnel in charge of market via approval meeting to ensure its manner and content comply with relevant laws (i.e. no infringement, no misleading to related parties, no leakage of customer secrets, etc.), and the meeting minutes of which shall be maintained. Relevant confidential information shall be managed in accordance with the Confidentiality Management System.

GROWTH WITH COMMUNITY

The Group has always concerned about the development of the local community where it operates. During the year, under the guidance of the Policy of Community Investment, Donation and Sponsorship Management, the Group placed "Charities and Disaster Relief" as its major investment area.

知識產權

本集團由法務部門負責知識產權的管理工作。若員工於工作期間獲得與工作性質有關的專利證書，則本集團會給予不同程度的獎勵。同時，本集團亦承諾在與任何合作夥伴合作的過程中，不侵犯其知識產權。

對於廣告宣傳內容，本集團奉行公平交易原則，不能誤導相關方，不能採取價格戰等惡性競爭方式，確保銷售廣告方式和內容符合公認的競爭標準。有關市場廣告宣傳的策劃與實施應由市場負責人組織評審會議，就銷售策劃的方式及廣告內容的合法性進行審定（包括是否侵權、誤導相關方、洩漏客戶機密等），並保留會議記錄，相關保密資料按《保密管理制度》執行。

與社區共同發展

本集團一直關心營運所在地社區的發展，在《社區投資、捐贈及贊助管理制度》的指導下，本集團於本年度將「慈善救災」作為主要投資範疇。

Area of concern 關注範疇	Case study for the year 本年度案例分享
Charities and Disaster Relief 慈善救災	<ul style="list-style-type: none">In late July 2021, Henan continued to be hit by extremely heavy rainfall, causing significant losses of lives and properties to local people. The Group, together with Charity Federation in Guangming District, responded quickly, contacted the local provincial and municipal charities at the first time, and launched a project namely "Rush to Rescue Henan, Guangming is in Action (馳援河南光明在行動)", to set up caring donation channels for rescuing Henan. The Group donated a total of approximately HK\$290,000 on its own, and also issued donation appeals and initiatives to other enterprises and people in the district. 2021年7月下旬，河南持續遭遇極端強降雨，給當地人民群眾造成重大生命和財產損失。本集團聯合光明區慈善會迅速響應，第一時間聯繫當地省、市慈善機構，啟動「馳援河南光明在行動」項目，開啟馳援河南愛心捐贈通道，本集團自籌捐款共約290,000港元，同時也向區內其他企業和社會人士發出捐贈呼籲和倡議。

During the year, the donation made by the Group amounted to approximately HK\$1,531,000, among which the community investment amounted to approximately HK\$513,000.

本年度，本集團捐贈約1,531,000港元，其中社區投資額約達513,000港元。

COMPLIANCE

合規情況

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

相關法律法規遵守概況

The Board is fully responsible for the Group's operational compliance and is responsible for supervising the management of compliance requirements across the Group's departments in the effective implementation of the Group's policies to ensure compliant operations. Laws and regulations that have a significant impact on the Group include, but are not limited to, the following laws and regulations:

董事會對本集團營運合規性負上全部負責，並負責監管本集團各部門管理相關合規要求切實執行本集團為確保合規營運所制訂的政策。對本集團有重大影響的法律法規包括但不限於以下法律和規例：

Aspect 層面	Relevant laws and regulations 相關法律法規	Compliance disclosure 合規情況披露	Major impacts on the Company 對貴司造成的重大影響	Methods for ensuring the compliance of these laws and regulations 確保遵守這些法律及規例的方法
A1 Emissions A1排放物	<ul style="list-style-type: none"> The Environmental Protection Law of the People's Republic of China 《中華人民共和國環境保護法》 The Water Pollution Prevention and Control Law of the People's Republic of China 《中華人民共和國水污染防治法》 The Atmospheric Pollution Prevention Law of the People's Republic of China 《中華人民共和國大氣污染防治法》 	<p>The Group was not aware of any violation related to emissions during the year. 本集團於年內並無發現與排放物相關的違法違規個案。</p>	<p>The Group may be subject to administrative penalties, and in case of severe circumstances, be ordered to suspend production and operation. 本集團可能招致行政處罰，情況嚴重時可能被勒令停產停業。</p>	<p>Comply with the requirements under environmental laws, establish system to avoid, reduce and control environmental pollution resulting from daily operation as much as possible, and handle and disposal of emissions in accordance the requirements of national laws and regulations. 遵守環境保護法律規定，制訂制度盡量避免、減少和控制日常營運所導致的環境污染，並按國家法律法規要求處理和處置排放物。</p>

Aspect 層面	Relevant laws and regulations 相關法律法規	Compliance disclosure 合規情況披露	Major impacts on the Company 對貴司造成的重大影響	Methods for ensuring the compliance of these laws and regulations 確保遵守這些法律及規例的方法
B1 Employment B1僱傭	<ul style="list-style-type: none"> The Labour Law of the People's Republic of China 《中華人民共和國勞動法》 The Labour Contract Law of the People's Republic of China 《中華人民共和國勞動合同法》 The Law of the People's Republic of China on the Protection of Women's Rights and Interests 《中華人民共和國婦女權益保護法》 The Social Insurance Law of the People's Republic of China 《中華人民共和國社會保險法》 	<p>The Group was not aware of any violation related to employment during the year. 本集團於年內並無發現與僱傭相關的違法違規個案。</p>	<p>The Group may be subject to administrative penalties, face legal litigations and suffer damage to its external image. 本集團可能受到行政處罰、面臨法律訴訟及企業對外的形象受損。</p>	<p>The Human Resources Department has formulated different policies in accordance with relevant laws, and has adhered to the principles of openness, fairness and justice in the selection and employment of talents. 人力資源部門已按照相關法律的要求制訂不同政策，堅持公開、公平、公正的選人和用人原則。</p>
B2 Health and safety B2健康與安全	<ul style="list-style-type: none"> The Production Safety Law of the People's Republic of China 《中華人民共和國安全生產法》 The Law of the People's Republic of China on Prevention and Control of Occupational Disease 《中華人民共和國職業病防治法》 The Fire Protection Law of the People's Republic of China 《中華人民共和國消防法》 	<p>The Group was not aware of any violation related to health and safety during the year. 本集團於年內並無發現與健康及安全相關的違法違規個案。</p>	<p>Major safety accidents and occupational disease risk can cause the Group to be penalised and its employee to be injured. 重大安全事故及職業病風險可能導致本集團被處罰及員工受工傷。</p>	<p>Provide staff with mechanical safety protection equipment and personal protective equipment, organize three-level safety education and training, and perform works in accordance with safety operation guidelines. 向員工提供機械安全防護設備以及個人勞保用品，並組織進行三級安全教育培訓，按照安全操作指引進行工作。</p>

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Aspect 層面	Relevant laws and regulations 相關法律法規	Compliance disclosure 合規情況披露	Major impacts on the Company 對貴司造成的重大影響	Methods for ensuring the compliance of these laws and regulations 確保遵守這些法律及規例的方法
B4 Labour standards B4勞工準則	<ul style="list-style-type: none"> The Labour Law of the People's Republic of China 《中華人民共和國勞動法》 The Law of the People's Republic of China on the Protection of Juveniles 《中華人民共和國未成年人保護法》 	<p>The Group was not aware of any violation of labour standards during the year.</p> <p>本集團於年內並無發現與勞工準則相關的違法違規個案。</p>	<p>The Group may be subject to administrative penalties, face legal litigations and suffer damage to its external image.</p> <p>本集團可能受到行政處罰、面臨法律訴訟及公司對外的形象受損。</p>	<p>The Group forbids the use of child labour and forced labour, and has developed remedies to timely deal with misuse of child labour and forced labour.</p> <p>本集團嚴禁使用童工及強制勞工，並已制訂補救措施，以時處理誤用童工及強制勞工的情況。</p>
B6 Product responsibility B6產品責任	<ul style="list-style-type: none"> The Product Quality Law of the People's Republic of China 《中華人民共和國產品質量法》 The Patent Law of the People's Republic of China 《中華人民共和國專利法》 	<p>The Group was not aware of any violation related to product responsibility during the reporting period.</p> <p>本集團於本報告期內並無發現與產品責任相關的違法違規個案。</p>	<p>The Group may face return of goods by client or consumer, causing significant economic losses.</p> <p>本集團可能被客戶或消費者退貨，造成嚴重的經濟損失。</p>	<p>The Group and its supply chain have implemented a strict quality management system to ensure that product quality at each session is in compliance with relevant laws and regulations and client's requirements.</p> <p>本集團及供應鏈嚴格執行質量管理制度，確保各個環節的品質符合相關法律法規及客戶要求。</p>
B7 Anti-corruption B7反貪污	<ul style="list-style-type: none"> The Law of the People's Republic of China Against Unfair Competition 《中華人民共和國反不正當競爭法》 The Anti-Money Laundering Law of the People's Republic of China 《中華人民共和國反洗錢法》 	<p>The Group did not receive any corruption lawsuits against the enterprise or its employees, and did not have any violations of relevant laws and regulations that have significant influences on the Group during the reporting period.</p> <p>本集團於本報告期內並沒有收到對企業或僱員提出的貪污訴訟案件，亦沒有違反對本集團有重大影響的相關法律及規例。</p>	<p>There may be an increase in the Group's operating costs, causing economic losses.</p> <p>增加本集團的營運成本，造成經濟損失。</p>	<p>Stipulated in the Employee Handbook the code of conduct that must be followed by employees, and adopt zero-tolerance policies for illegal actions such as corruption and bribery. The Group also provides anti-corruption trainings for directors and employees.</p> <p>《員工手冊》已訂明員工必須遵守的行為守則，對貪污、賄賂等違法行為採取零容忍的政策。本集團亦為董事以及員工提供反貪污培訓。</p>

OVERVIEW OF KEY PERFORMANCE INDICATORS

關鍵績效指標總覽

Environmental performance

環境表現

Key performance indicators of the environment 環境關鍵績效指標	During the year 本年度	2020	2019	Unit 單位
Type of emissions and relevant data 排放物種類及相關排放數據				
Nitrogen oxides (NO _x) 氮氧化物(NO _x)	3.7	3.6	103.9	Kg 千克
Sulfur oxides (SO _x) 硫氧化物(SO _x)	1.3	1.1	3.3	Kg 千克
Respirable suspended particulates (PM) 可吸入懸浮粒子(PM)	0.5	0.4	6.8	Kg 千克
Other air emissions ⁴ 其他廢氣排放 ⁴				
Benzene 苯(Benzene)	36.9	33.3	42.9	Kg 千克
Toluene 甲苯(Toluene)	116.4	230.6	173.4	Kg 千克
Xylene 二甲苯(Xylene)	122.7	151.0	105.6	Kg 千克
Total Volatile Organic Compounds (TVOC) ⁵ 總揮發性有機化合物(TVOC) ⁵	1,742.7	636.2	1,693.2	Kg 千克
Non-methane hydrocarbon (NMHC) 非甲烷總烴(NMHC)	667.8	2,616.5	4,178.8	Kg 千克
Respirable suspended particulates (PM) 可吸入懸浮粒子(PM)	346.1	643.3	1,344.7	Kg 千克
Greenhouse gas emissions in total 溫室氣體總排放量				
Scope I – Direct emission 範圍1 – 直接排放	563.1	180.2	347.2	tonnes of CO ₂ equivalent 公噸二氧化碳 當量
Scope II – Indirect emission 範圍2 – 間接排放	48,904.4	42,070.5	45,406.1	tonnes of CO ₂ equivalent 公噸二氧化碳 當量
Scope III – Indirect emission 範圍3 – 間接排放	55.2	55.2	220.8	tonnes of CO ₂ equivalent 公噸二氧化碳 當量
Greenhouse gas emissions in total 溫室氣體總排放量	49,522.7	42,305.9	45,974.1	tonnes of CO ₂ equivalent 公噸二氧化碳 當量
Greenhouse gas intensity (as per revenue) 溫室氣體密度(以收入計算)	20.6	20.8	19.9	tonnes of CO ₂ equivalent/ million HKD 公噸二氧化碳 當量/百萬港幣

⁴ Data calculation is based on the test reports of production bases in Shenzhen headquarters, Suzhou, Huizhou and Dongguan. Data from two new sampling sites, Dongguan and Huizhou, were added this year, therefore the emissions may not be directly comparable.

⁴ 數據計算基於深圳總部、蘇州、惠州以及東莞生產基地的檢測報告。今年新增東莞和惠州2個採樣點的數據，因此無法直接比較排放量。

⁵ According to Emission Standards for Volatile Organic Compounds for the Furniture Manufacturing Industry (DB44/815-2010), common VOC include benzene, toluene, xylene, acetic acid, methyl-ethyl copper, isopropanol, ethyl acetate and butyl acetate, etc.

⁵ 根據印刷行業揮發性有機化合物排放標準 (DB44/815-2010)，常見的揮發性有機化合物包括苯、甲苯、二甲苯、乙酸、甲乙銅、異丙醇、乙酸乙酯及乙酸丁酯等。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Key performance indicators of the environment 環境關鍵績效指標	During the year 本年度			Unit 單位
	2020	2019		
Hazardous waste in total 有害廢棄物總量				
Hazardous waste produced in total 有害廢棄物總產生量	494.6	364.3	269.2	tonnes 公噸
Hazardous waste intensity (as per revenue) 有害廢棄物密度(以收入計算)	0.21	0.18	0.12	tonnes/million HKD 公噸/百萬港幣
Non-hazardous waste in total 無害廢棄物總量				
Non-hazardous waste produced in total 無害廢棄物總產生量	2,257.3	1,740.5	1,771.9	tonnes 公噸
Non-hazardous waste intensity (as per revenue) 無害廢棄物密度(以收入計算)	0.94	0.86	0.77	tonnes/million HKD 公噸/百萬港幣
Energy consumption in total 能源總耗量				
Direct energy 直接能源	545.0	462.9	656.9	GJ 吉焦耳
Indirect energy 間接能源	80,158.0	68,956.7	74,424.0	Mwh 兆瓦時
Energy intensity (as per revenue) 能源密度(以收入計算)	33.4	34.0	32.3	Mwh/million HKD 兆瓦時/ 百萬港幣
Water consumption in total 總耗水量				
Water consumption in total 總耗水量	247,847	252,636	262,373	m ³ 立方米
Water consumption intensity (as per revenue) 耗水密度(以收入計算)	103	124	114	m ³ /million HKD 立方米/ 百萬港幣
Packing materials used by finished products in total 製成品所用包裝材料的總量				
Packing materials in total 包裝材料總量	2,127.7	2,011.2	2,794.1	tonnes 公噸
Packing materials intensity (as per revenue) 包裝物料密度(以收入計算)	0.9	1.0	1.2	tonnes/million HKD 公噸/百萬港幣

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Occupational safety and health performance 職業安全健康績效	During the year 本年度	2020
Number and percentage of work-related deaths for the past three years ⁸ 過去三年因工關係而死亡的人數及比率 ⁸	0	0
Number of work-related injuries 因工受傷人數	2	5
Number of working days lost due to work-related injuries 因工傷損失工作日數	98	157

Employee distribution 員工人數分佈		Percentage of employees receiving training ⁹ 培訓僱員比例 ⁹	Total training hours 培訓總時數	Average training hours 平均培訓時數	
Gender 性別	Male 男性	2,447	2,214 (61.9%)	28,492.4	11.6
	Female 女性	1,737	1,365 (38.1%)	13,736.1	7.9
Age 年齡	18-30 years old 18-30歲	1,210	1,129 (31.5%)	10,494.2	8.7
	31-45 years old 31-45歲	2,596	2,219 (62.0%)	29,008.8	11.2
	Above 45 years old 45歲以上	378	231 (6.5%)	2,725.5	7.2
Rank 職級	Management staff 管理人員	186	148 (4.1%)	1,479.5	8.0
	General staff 一般職員	2,132	2,072 (57.9%)	30,435.0	14.3
	Production staff 生產員工	1,866	1,359 (38.0%)	10,314.0	5.5
Total number of employees receiving training 培訓總人數			3,579 (85.5%)	42,228.5	10.1

Region where suppliers are located 供應商所在地區	Number of suppliers 供應商數量
Mainland China 中國大陸	1,995
Hong Kong 香港地區	199
Others 其他地區	157
Total 合計	2,351
Percentage of suppliers who implement the practices 執行慣例供應商比例	100%

⁸ Number and percentage of work-related deaths in 2019 is 0.

⁸ 2019年因工關係而死亡的人數及比率為0。

⁹ Percentage of employees receiving training is calculated by dividing the number of trained employees of specific category by the number of trained employees.

⁹ 培訓比例計算方式為特定類別僱員受訓人數／受訓僱員。

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Subject Areas 主要範疇	Description 描述	Page/Remarks 頁面索引／備注
“Comply or explain” Provisions 「不遵守就解釋」 條文		
A. Environment A.環境		
Aspect A1 : Emission 層面A1 : 排放物		
General Disclosure 一般披露	Information on: 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 遵守對發行人有重大影響的相關法律及規例的資料。	60-66, 70
A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	63-64, 73
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity. 直接(範圍1)及能源間接(範圍2)溫室氣體排放量及(如適用)密度。	61-62, 73
A1.3	Total hazardous waste produced and, where appropriate, intensity. 所產生有害廢棄物總量及(如適用)密度。	64-65, 74
A1.4	Total non-hazardous waste produced and, where appropriate, intensity. 所產生無害廢棄物總量及(如適用)密度。	64-65, 74
A1.5	Description of emission target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	61
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	64-65

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Subject Areas 主要範疇	Description 描述	Page/Remarks 頁面索引/備注
B.Social B.社會		
Aspect B1 : Employment 層面B1 : 僱傭		
General Disclosure 一般披露	Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視 以及其他待遇及福利的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 遵守對發行人有重大影響的相關法律及規例的資料。	55, 59, 71
B1.1	Total workforce by gender, employment type, age group, and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數。	75
B1.2	Employee turnover rate by gender, age group, and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	75
Aspect B2: Health and Safety 層面B2 : 健康與安全		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 遵守對發行人有重大影響的相關法律及規例的資料。	56-58, 71
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年(包括匯報年度)每年因工亡故的人數及比率。	76
B2.2	Lost days due to work injury. 因工傷損失工作日數。	76
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	56-58

Subject Areas 主要範疇	Description 描述	Page/Remarks 頁面索引/備注
Aspect B3: Development and Training 層面B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	60
B3.1	The percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	76
B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	76
Aspect B4: Labour Standards 層面B4：勞工準則		
General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 遵守對發行人有重大影響的相關法律及規例的資料。	59, 72
B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	59
B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	59
Aspect B5: Supply Chain Management 層面B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	68
B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	76
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	68, 76
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	68
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	68

Environmental, Social and Governance Report (continued)

環境、社會及管治報告(續)

Subject Areas 主要範疇	Description 描述	Page/Remarks 頁面索引/備注
Aspect B6: Product Responsibility 層面B6：產品責任		
General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 遵守對發行人有重大影響的相關法律及規例的資料。	68-69, 72
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	77
B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	68, 77
B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	69
B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	68
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	68

Subject Areas 主要範疇	Description 描述	Page/Remarks 頁面索引／備注
Aspect B7: Anti-corruption 層面B7：反貪污		
General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 遵守對發行人有重大影響的相關法律及規例的資料。	67, 72
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	67, 72
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	67
B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	67
Aspect B8: Community Investment 層面B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	69
B8.1	Focus areas of contribution. 專注貢獻範疇。	69
B8.2	Resources contributed to the focus area. 在專注範疇所動用資源。	69

DIRECTORS' REPORT

董事會報告書

The Board has pleasure in presenting the annual report and the audited accounts of the Group for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company is investment holding. Principal activities of its subsidiaries are set out in note 38 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis on revenue and operation of the Group for the year ended 31 December 2021 is set out in note 5 to the consolidated financial statements.

BUSINESS REVIEW

The Group's business review for the year ended 31 December 2021, which includes a discussion on principal risks and uncertainties facing by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important events affecting the Group during the year, and an indication of likely future developments in the Group's business is set out in the sections headed "Financial Highlights" and "Management Discussion and Analysis" in this annual report. In addition, discussions on the Group's environmental policies, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are also set out in the sections headed "Management Discussion and Analysis", "Corporate Governance Report" and "Environmental, Social and Governance Report".

RESULTS AND DIVIDEND

The Group's results for the year ended 31 December 2021 are set out in the consolidated statement of comprehensive income on page 110.

It is the policy of the Board, in considering the payment of dividends, to allow shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves for the Group's future growth. The Board shall consider the following factors before declaring or recommending dividends:

- the Group's actual and expected financial performance;
- retained earnings and distributable reserves of the Company and each of the members of the Group;

董事會欣然提呈本集團截至2021年12月31日止年度的年報及經審計賬目。

主要業務

本公司的主要業務為投資控股。附屬公司的主要業務載於合併財務報表附註38。

分部資料

本集團截至2021年12月31日止年度之收益及經營分析載於合併財務報表附註5。

業務回顧

本集團截至2021年12月31日止年度的業務回顧，包括年內有關本集團所面對主要風險及不明朗因素的討論、運用重要財務績效指標對本集團表現的分析、影響本集團的重要事件詳情及對本集團業務未來發展的預測，載於本年報「財務摘要」及「管理層討論及分析」內。此外，有關本集團環保政策、與主要持份者的關係及遵守相關法律法規的討論亦載於「管理層討論及分析」、「企業管治報告」及「環境、社會及管治報告」內。

業績及股息

本集團截至2021年12月31日止年度的業績載於第110頁的合併綜合收益表。

董事會當釐訂股息分派時，採納的政策是一方面讓本公司股東分享本公司溢利，同時預留足夠儲備以供本集團日後發展之用。董事會在宣佈派發或建議派發股息前，須考慮下列因素：

- 本集團的實際和預期財務業績；
- 本公司及本集團各成員公司的保留溢利和可分配儲備金；

- the Group's working capital requirements, capital expenditure requirements and future expansion plans;
- the Group's liquidity position;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- other factors that the Board deems relevant.

The payment of dividend is also subject to compliance with applicable laws and regulations including the laws of the Cayman Islands and the Articles. The Board will continually review the said dividend policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period.

After considering the above-mentioned factors, the Board has recommended the payment of a final dividend of HK8.6 cents per share for the year ended 31 December 2021 to the shareholders whose names appear on the register of members of the Company at the close of business on Thursday, 9 June 2022, amounting to a total of approximately HK\$71,660,000. The proposed final dividend is subject to the approval of the shareholders at the forthcoming annual general meeting of the Company (the "AGM"). The final dividend, if approved, is expected to be paid on Monday, 27 June 2022.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Monday, 30 May 2022, the register of members of the Company will be closed from Wednesday, 25 May 2022 to Monday, 30 May 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered shareholders of the Company should ensure that all share transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 24 May 2022.

- 本集團的營運資本要求，資本開支要求及未來擴展計劃；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的商業週期，以及對本公司業務、財務業績和財務狀況可能有影響的其他內在或外在因素；及
- 董事會認為相關的其他因素。

本公司派付股息亦須遵守適用的法例及規例，包括開曼群島法例及細則。董事會將繼續不時檢討上述股息政策，並不保證會在任何指定期間派付任何特定金額的股息。

經考慮上述因素，董事會建議向於2022年6月9日(星期四)營業時間結束時名列本公司股東名冊的股東派付截至2021年12月31日止年度的末期股息每股8.6港仙，合共約71,660,000港元。建議末期股息須於本公司應屆股東週年大會(「股東週年大會」)上獲得股東批准。如獲批准，預期末期股息將於2022年6月27日(星期一)派付。

暫停辦理股份過戶登記手續

為釐定出席將於2022年5月30日(星期一)舉行的股東週年大會並於會上投票的資格，本公司將自2022年5月25日(星期三)至2022年5月30日(星期一)(首尾兩日包括在內)暫停辦理股份過戶登記手續，期間概不會受理任何股份過戶登記。為符合資格出席股東週年大會並於會上投票，本公司股份的未登記持有人須確保所有股份過戶文件連同相關股票不遲於2022年5月24日(星期二)下午4時30分送達本公司香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心54樓)辦理登記手續。

Directors' Report (continued)

董事會報告書(續)

For determining the entitlement to the aforesaid proposed final dividend, the register of members of the Company will be closed from Tuesday, 7 June 2022 to Thursday, 9 June 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be qualified for the proposed final dividend, unregistered holders of shares of the Company should ensure that all share transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong at the above address for registration not later than 4:30 p.m. on Monday, 6 June 2022.

FIVE YEAR FINANCIAL SUMMARY

A summary of the Group's results, assets and liabilities for the past five financial years is set out on page 212. The summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in the Group's property, plant and equipment during the year are set out in note 13 to the consolidated financial statements.

BANK BORROWINGS

Particulars of the bank borrowings of the Group as at 31 December 2021 are set out in note 26 to the consolidated financial statements.

SHARE CAPITAL

Details of the movement in the Company's share capital during the year are set out in note 21 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

為釐定收取上述建議末期股息的資格，本公司將自2022年6月7日(星期二)至2022年6月9日(星期四)(首尾兩日包括在內)暫停辦理股份過戶登記手續，期間概不會受理任何股份過戶登記。為符合資格收取建議末期股息，本公司股份的未登記持有人須確保所有股份過戶文件連同相關股票不遲於2022年6月6日(星期一)下午4時30分送達如上所示地址的本公司香港股份過戶登記分處辦理登記手續。

五年財務概要

本集團過往五個財務年度的業績、資產及負債的概要載於第212頁。該概要並不構成經審計財務報表的一部分。

物業、廠房及設備

本集團物業、廠房及設備於年內變動的詳情載於合併財務報表附註13。

銀行借貸

本集團於2021年12月31日的銀行借貸詳情載於合併財務報表附註26。

股本

本公司股本於年內變動的詳情載於合併財務報表附註21。

優先權

細則或開曼群島法例並無有關優先權之規定，要求本公司須按比例向本公司的現有股東發售新股份。

購買、出售或贖回本公司的上市證券

本公司及其任何附屬公司概無於截至2021年12月31日止年度購買、出售或贖回本公司任何上市證券。

Directors' Report (continued) 董事會報告書(續)

DIRECTORS' REMUNERATION AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of directors' remuneration and those of the five highest paid individuals in the Group are set out in notes 39 and 8 to the consolidated financial statements.

DIRECTORS' SERVICE AGREEMENTS

Each of the executive directors entered into a service agreement with the Company for a term of three years commencing from 20 December 2019, which may be terminated by either party giving not less than three months' notice in writing.

The Company has issued a letter of appointment to each of the independent non-executive directors for a term of three years commencing from 20 December 2019, unless terminated by either party giving not less than three months' notice in writing.

No director proposed for re-election at the AGM has a service agreement which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the section headed "Connected Transactions" in this report and note 36 (Related Party Transactions) to the consolidated financial statements, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contract of significance in relation to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party subsisted at the end of the year or at any time during the year under review.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" below, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements and the objects of or one of the objects of such arrangements is/are to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debt securities, including debentures, of the Company or any other body corporate.

董事薪酬及五名最高薪酬人士

董事薪酬及本集團五名最高薪酬人士的薪酬詳情載於合併財務報表附註39和8。

董事的服務協議

各執行董事與本公司訂立一項服務協議，自2019年12月20日起計為期三年，該服務協議可由任何一方發出不少於三個月的書面通知予以終止。

本公司已向各獨立非執行董事發出委任函，自2019年12月20日起計為期三年，除非任何一方發出不少於三個月的書面通知予以終止則另當別論。

概無擬於股東週年大會上重選連任的董事訂立不可由本集團於一年內免付賠償(法定賠償除外)而予以終止的服務協議。

董事於交易、安排或合約中擁有的權益

除本報告「關連交易」一節及合併財務報表附註36(關連方交易)所披露者外，於年末或回顧年內的任何時間，概無董事或董事的關連實體直接或間接於本公司、其控股公司或其任何附屬公司或同系附屬公司所訂立的對本集團業務而言屬重大的任何交易、安排或合約中擁有重大權益。

董事收購股份或債券的權利

除下文「購股權計劃」及「股份獎勵計劃」所披露者外，於年內任何時間，本公司、其控股公司或任何其他附屬公司或同系附屬公司概無訂立任何安排，而其目的(或目的之一為)致使本公司董事可藉收購本公司或任何其他法人團體的股份或債務證券(包括債券)而獲益。

Directors' Report (continued) 董事會報告書(續)

Save as disclosed above, as at 31 December 2021, none of the directors nor chief executive of the Company had any interests or short positions in shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which has been recorded in the register required to be kept pursuant to Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2021, the following corporations had interests in 5% or more of the issued share capital of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or as known by the Company:

Long position in the shares of the Company

Name of shareholder 股東姓名	Capacity/Nature of interests 身份／權益性質	Number of shares 股份數目	Approximate percentage of shareholding in the Company* 於本公司的概約股權百分比*
Eastern Mix (Note 1) 集東(附註1)	Beneficial owner 實益擁有人	352,816,000	42.34%
Lead Smart (Note 1) 安領(附註1)	Beneficial owner 實益擁有人	89,400,000	10.73%
Cheer Union (Note 2) 興邦(附註2)	Beneficial owner 實益擁有人	55,620,000	6.67%
Normal Times (Note 3) 適時(附註3)	Beneficial owner 實益擁有人	53,640,000	6.44%
FMR LLC (Note 4) FMR LLC(附註4)	Interest in controlled corporations 受控制法團權益	42,186,899	5.06%
FIL Limited (Note 5) FIL Limited(附註5)	Interest in controlled corporations 受控制法團權益	59,504,000	7.14%
Pandanus Partners L.P. (Note 5) Pandanus Partners L.P.(附註5)	Interest in controlled corporations 受控制法團權益	59,504,000	7.14%
Pandanus Associates Inc. (Note 5) Pandanus Associates Inc.(附註5)	Interest in controlled corporations 受控制法團權益	59,504,000	7.14%

除上文所披露者外，於2021年12月31日，概無本公司董事或最高行政人員於本公司或其任何相關法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有根據證券及期貨條例第352條須予存置的登記冊內所記錄的權益或淡倉，或須根據標準守則知會本公司及聯交所的權益或淡倉。

主要股東於股份及相關股份的權益

於2021年12月31日，本公司根據證券及期貨條例第336條規定須由本公司存置的權益登記冊所記錄或就本公司所知，以下法團擁有本公司5%或以上的已發行股本的權益：

於本公司股份的好倉

Notes:

1. The above interests of Eastern Mix and Lead Smart were also disclosed as the interests of Mr. Li in the above section headed "Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures".
2. The above interests of Cheer Union were also disclosed as the interests of Mr. Yung in the above section headed "Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures".
3. The above interests of Normal Times were also disclosed as the interests of Mr. Lee in the above section headed "Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures".
4. FMR LLC was deemed to be interested in these 42,186,899 shares through a series of subsidiaries pursuant to Part XV of the SFO.
5. Pandanus Associates Inc. is a general partner of Pandanus Partners L.P., which in turn owns as to 37.01% in FIL Limited. FIL Limited was deemed to be interested in these 59,504,000 shares of the Company through a series of subsidiaries. Accordingly, Pandanus Associates Inc., Pandanus Partners L.P. and FIL Limited were deemed to be interested in these shares pursuant to Part XV of the SFO.

* The percentage represents the number of ordinary shares involved divided by the number of the Company's issued shares as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, no person, other than the directors and chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures" above, had any interests or short positions in the shares or underlying shares of the Company as recorded in the register of interests required to be kept pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 29 November 2013 (the "Share Option Scheme") for the purpose of providing incentives or rewards to eligible participants (including employees, executives or officers, directors including non-executive directors and independent non-executive directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries) for their contribution to the long term growth of the Group and to enable the Company to attract and retain high caliber employees.

附註：

1. 以上集東及安領之權益於上文「董事及最高行政人員於股份、相關股份及債券中的權益」一節中亦已披露為李沛良先生的權益。
2. 以上興邦之權益於上文「董事及最高行政人員於股份、相關股份及債券中的權益」一節中亦已披露為翁先生的權益。
3. 以上適時之權益於上文「董事及最高行政人員於股份、相關股份及債券中的權益」一節中亦已披露為李良耀先生的權益。
4. 根據證券及期貨條例第XV部，FMR LLC被視為透過一系列附屬公司間接擁有該等42,186,899股股份的權益。
5. Pandanus Associates Inc.是Pandanus Partners L.P.的普通合夥人，而Pandanus Partners L.P.持有FIL Limited 37.01%的股份。而FIL Limited透過一系列附屬公司被視為擁有本公司該等59,504,000股股份的權益。因此，根據證券及期貨條例第XV部Pandanus Associates Inc.、Pandanus Partners L.P.以及FIL Limited被視為為該等股份中擁有權益。

* 百分比指所涉及的普通股數目除以本公司於2021年12月31日已發行的股份數目。

除上文所披露者外，於2021年12月31日，概無人士(權益載於上文「董事及最高行政人員於股份、相關股份及債券中的權益」一節的本公司董事及最高行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條須存置的權益登記冊所記錄的權益或淡倉。

購股權計劃

本公司已於2013年11月29日採納一項購股權計劃(「購股權計劃」)，以就合資格參與者(包括本公司或其任何附屬公司的僱員、行政人員或高級職員、董事(包括非執行董事及獨立非執行董事)、顧問、諮詢人士、供應商、客戶及代理)為本集團的長期增長作出的貢獻向他們提供獎勵或回報，並有助本公司吸引及挽留有才能的僱員。

Directors' Report (continued)

董事會報告書(續)

The Share Option Scheme became effective on the date of the Company's listing (20 December 2013) and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The total number of securities of the Company available for issue under the Share Option Scheme was 73,340,000 shares, representing approximately 8.80% of the shares of the Company in issue as at the date of this annual report. The maximum number of shares issuable under share options granted to each eligible participant in the Share Option Scheme (including both exercised and outstanding options) within any 12-month period is limited to 1% of the shares of the Company in issue. Any grant or further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. A grant of share options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the Options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, which would result in the shares issued and to be issued, upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding), to such person in the 12-month period up to and including the date of the grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 30 days from the date of offer upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the directors, save that such a period shall not be more than 10 years from the date of offer of the share options and subject to the provisions for early termination as set out in the Share Option Scheme. There is no requirement of a minimum period for which an option must be held before it can be exercised.

購股權計劃於本公司上市日期(2013年12月20日)開始生效及將自該日起計十年內持續有效(除非另行註銷或修訂)。

購股權計劃下可予發行之本公司證券總數為73,340,000股，佔本年報日期本公司已發行股份的約8.80%。於任何12個月期間根據購股權計劃向每位合資格參與者授出的購股權(包括已行使及尚未行使的購股權)可予以發行的股份數目上限以本公司已發行股份之1%為限。授出或進一步授出超過此限額的任何購股權均須經股東在股東大會上批准。根據購股權計劃向本公司董事、主要行政人員或主要股東，或任何彼等的聯繫人士授出購股權須經獨立非執行董事(不包括身為購股權承授人的任何獨立非執行董事)提前批准。此外，若於截至授出日期(包括該日)的12個月期間內，向本公司主要股東或獨立非執行董事或任何彼等的聯繫人士授出的任何購股權，將導致於行使所有已授出及將授出的購股權(包括已行使、已注銷及尚未行使購股權)時向該等人士發行及將予發行的股份超過本公司已發行股份0.1%及總價值(根據本公司股份於授出日期的收市價計算)超過5百萬港元，則須經股東在股東大會上提前批准。

授出購股權的要約可於承授人支付總額為1港元的名義代價後，自要約日期起計的30日內獲接納。已授出購股權的行使期由董事釐定，惟倘有關行使期自購股權要約日期起計不超過十年，及須受購股權計劃所載的提前終止條文規限。購股權獲行使前並無須持有購股權的最短期間的規定。

The exercise price of the share options shall be not less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options, which must be a date on which the Stock Exchange is open for business of dealing in securities; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company on the date of offer.

For the year ended 31 December 2021, there was no outstanding share option for the subscription of new shares held by any parties.

SHARE AWARD SCHEME

The Company adopted a share award scheme on 25 February 2019 (the "Share Award Scheme") as means to recognise the contribution by the Group's personnel and to provide them with incentives to retain them for the continual operation and development of the Group. The shares of the Company to be awarded under the Share Award Scheme will be purchased by the trustee from the open market out of cash contributed by the Group or subscribed by the trustee when allotted and issued by the Company under a general mandate granted or to be granted by the shareholders of the Company from time to time to allot, issue or otherwise deal with the Company's shares in accordance with the Listing Rules for the purpose of the trust and be held on trust for the Eligible Participants (as defined under the Share Award Scheme) (other than Excluded Participants (as defined under the Share Award Scheme)) until such shares are vested with the relevant Selected Participants (as defined under the Share Award Scheme) in accordance with the provisions of the Share Award Scheme.

For the year ended 31 December 2021, the Group did not acquire the Company's shares through its trustee, Bank of Communications Trustee Limited. Details of the Share Award Scheme are set out in note 25 to the consolidated financial statements.

As at 31 December 2021, all the share awards were held by the trustee, and no share has been vested.

購股權之行使價不得低於(以最高者為準)：(i)本公司股份於購股權要約日期(須為聯交所開市進行證券買賣的日子)在聯交所的收市價；(ii)本公司股份於緊接要約日期前五個交易日在聯交所的平均收市價；及(iii)本公司股份於要約日期的面值。

於截至2021年12月31日止年度，概無任何人士持有可認購新股份且尚未行使之購股權。

股份獎勵計劃

本公司已於2019年2月25日採納一項股份獎勵計劃(「股份獎勵計劃」)，作為肯定本集團人員所作出貢獻及向彼等提供獎勵以挽留彼等繼續協助本集團營運及發展的方法。根據股份獎勵計劃將予獎勵的本公司股份將由受託人以本集團提供的現金於公開市場購入，或由受託人於本公司就信託而言根據本公司股東根據上市規則不時授出或將授出以配發、發行或以其他方式處置本公司股份的一般授權進行配發及發行時認購，並以信託形式代合資格參與者(股份獎勵計劃所定義)(不包括除外參與者(股份獎勵計劃所定義))持有，直至該等股份根據股份獎勵計劃條文歸屬予相關選定參與者(股份獎勵計劃所定義)為止。

於截至2021年12月31日止年度，本公司並無透過其受託人交通銀行信託有限公司購買本公司股份。有關股份獎勵計劃的詳情載於合併財務報表附註25。

於2021年12月31日，所有股份獎勵均由受託人持有，且概無股份已獲歸屬。

DEED OF NON-COMPETITION

Each of Mr. Li, Lead Smart and Eastern Mix (collectively the "Covenantors") have entered into a Deed of Non-Competition in favour of the Company (on behalf of itself and the Group) dated 29 November 2013 (the "Deed"). Pursuant to the Deed, each of the Covenantors shall procure their respective associates not to directly or indirectly engage in any business in competition with the existing businesses of the Group. Relevant information on the Deed was disclosed in the Prospectus in the section headed "Relationship with Controlling Shareholders". The Company has received confirmations from the Covenantors of their compliance with the terms of the Deed. The Covenantors declared that they have fully complied with the Deed for the year ended 31 December 2021. The independent non-executive directors have reviewed the confirmations from the Covenantors and concluded that the Deed has been complied with and enforced in an effective manner.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout the year.

CONNECTED TRANSACTIONS

The Group entered into the following continuing connected transactions during the year. The directors confirmed that those transactions have been entered into in the ordinary and usual course of business of the Group, on normal commercial terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole. All applicable percentage ratios (other than the profits ratio) as defined in Rule 14.07 of the Listing Rules in respect of the proposed annual caps for those transactions are expected to be less than 5%. Those transactions are exempt from shareholders' approval under Rule 14A.76(2) of the Listing Rules and in the interests of the shareholders of the Company as a whole.

不競爭契據

李沛良先生、安領及集東(統稱「契約方」)已代表本身及本集團以本公司為受益人訂立一份日期為2013年11月29日的不競爭契據(「契據」)。根據契據，各契約方須促使他們各自的聯繫人士不會直接或間接從事與本集團現有業務構成競爭的任何業務。契據相關資料披露於招股章程「與控股股東的關係」一節。本公司已接獲契約方有關他們遵守契據條款的確認函。契約方宣佈，他們於截至2021年12月31日止年度已全面遵守契據。獨立非執行董事已審閱契約方的確認函，並推定契據已獲遵守並有效實施。

獲准許彌償條文

有關惠及本公司董事的獲准許彌償條文(定義見香港公司條例)於現在及年內均為有效。

關連交易

年內本集團訂立以下持續關連交易。董事確認該等交易乃於本集團日常及一般業務過程中按公平合理之正常商業條款訂立，並符合本公司股東之整體利益。根據上市規則第14.07條的定義，該等交易之建議年度上限所有適用百分比率(盈利比率除外)預期低於5%。根據上市規則第14A.76(2)條，該等交易獲豁免遵守股東批准的規定，並符合本公司股東之整體利益。

Directors' Report (continued) 董事會報告書(續)

(1) Hong Kong Tenancy Agreement

A tenancy agreement dated 27 December 2018 (the "Hong Kong Tenancy Agreement") was entered into between TK Technology Holdings as landlord and TK Group International (Hong Kong) Limited ("TK Group International (Hong Kong)", a subsidiary of the Company) as tenant in respect of the premises located at Workshop No. 19 on 9th Floor, Block B, Hi-Tech Industrial Centre, No. 491-501 Castle Peak Road, Tsuen Wan, New Territories, Hong Kong (the "Hong Kong Premises") with an area of approximately 77.67 square metres for a term of three years commencing on 1 January 2019 and expiring on 31 December 2021 at a monthly rent of HK\$17,500 in 2021. The property is used as the principal place of business for the Group in Hong Kong. At any time during the term of the Hong Kong Tenancy Agreement, TK Group International (Hong Kong) may terminate the Hong Kong Tenancy Agreement by giving not less than one month's prior written notice to the landlord or by paying one month's rent to the landlord.

TK Technology Holdings is a property holding company and indirectly held as to 45.0% by Mr. Li, 28.0% by Mr. Yung and 27.0% by Mr. Lee. According to the Listing Rules, TK Technology Holdings is an associate of Mr. Li, Mr. Yung and Mr. Lee, and is thus a connected person of the Company.

Pursuant to the Hong Kong Tenancy Agreement, the annual rent of the Hong Kong Premises in 2021 amounted to HK\$210,000, payable by TK Group International (Hong Kong) in advance on the first day of each calendar month. The annual rent payable to TK Technology Holdings was determined at after arm's length negotiation between the parties to the Hong Kong Tenancy Agreement. The independent property valuer of the Company has also confirmed that the terms of the Hong Kong Tenancy Agreement are fair and reasonable and the rental payment under the Hong Kong Tenancy Agreement reflects the prevailing market rate.

(1) 香港租賃協議

東江科技集團(作為業主)與東江集團國際(香港)有限公司(「東江集團國際(香港)」, 本公司之附屬公司)(作為承租人)於2018年12月27日訂立租賃協議(「香港租賃協議」), 內容有關香港新界荃灣青山道491-501號嘉力工業中心B座9樓第19號車間的物業(「香港物業」), 面積約77.67平方米, 租期三年, 自2019年1月1日起至2021年12月31日屆滿, 於2021年每月租金為17,500港元。該物業被用作本集團在香港的主要營業地點。於香港租賃協議期限內任何時間, 東江集團國際(香港)可隨時向業主發出不少於一個月事先書面通知, 或向業主支付一個月的租金終止香港租賃協議。

東江科技集團為物業控股公司, 由李沛良先生、翁先生及李良耀先生分別間接持有45.0%、28.0%及27.0%。根據上市規則, 東江科技集團為李沛良先生、翁先生及李良耀先生的聯繫人, 故為本公司的關連人士。

根據香港租賃協議, 2021年香港物業的年租為210,000港元, 由東江集團國際(香港)於各曆月首日預先支付。應付予東江科技集團的年租乃經香港租賃協議訂約方公平磋商後釐定。本公司的獨立物業估值師亦已確認香港租賃協議的條款屬公平合理, 及香港租賃協議項下的租金反映了現行市價。

(2) Shenzhen Tangjia Plants Lease Agreements

The following lease agreements were entered into between TK Technology (Shenzhen) as landlord and TK Mold (Shenzhen) Limited ("TK Mold (Shenzhen)"), TK Precision Plastics (Shenzhen) Limited ("TK Precision Plastics (Shenzhen)"), YD Mold (Shenzhen) Limited ("YD Mold") and TK Supply Chain Management Services (Shenzhen) Limited ("TK Supply Chain") as tenants respectively:

(2) 深圳塘家廠房租賃協議

東江科技(深圳)(作為業主)與東江模具(深圳)有限公司(「東江模具(深圳)」)、東江精創注塑(深圳)有限公司(「東江精創注塑(深圳)」)、佑東模具(深圳)有限公司(「佑東模具」)以及東江供應鏈管理服務(深圳)有限公司(「東江供應鏈」)(作為承租人)分別訂立下列租賃協議：

Agreement 協議	Parties to the Agreement 協議訂約方	Date of Agreement 協議日期	Leased Property 租賃物業	Term 年期	Monthly Rent 月租 (RMB) (人民幣)
Shenzhen Tangjia Plant No. 1 Lease Agreement	TK Technology (Shenzhen) as landlord and TK Mold (Shenzhen), TK Precision Plastics (Shenzhen) and YD Mold as tenants	1 January 2019	Workshop A, B, C, D, E and F Phase 1 of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	1,802,764
深圳塘家廠房1號租賃協議	東江科技(深圳)(作為業主)與東江模具(深圳)、東江精創注塑(深圳)及佑東模具(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園(一期)廠房A、B、C、D、E、F棟	2019年1月1日至2021年12月31日	
Shenzhen Tangjia Plant No. 2 Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) as tenant	1 January 2019	Workshop G and H Phase 2, Zone A Workshop J, Phase 3, the 4th, 5th, and 6th floor of Zone B, Workshop J, Phase 3 of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	3,017,180
深圳塘家廠房2號租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園(二期)廠房G、H棟；(三期)廠房J棟A區、J棟B區第4、5、6層	2019年1月1日至2021年12月31日	
Shenzhen Tangjia Plant No. 3 Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) as tenants	1 January 2019	The 1st, 2nd, 3rd, 8th, 9th and 10th floor of Zone B, Workshop J, Phase 3 of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	630,206
深圳塘家廠房3號租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園(三期)廠房J棟B區第1、2、3、8、9、10層	2019年1月1日至2021年12月31日	

Directors' Report (continued)

董事會報告書(續)

Agreement 協議	Parties to the Agreement 協議訂約方	Date of Agreement 協議日期	Leased Property 租賃物業	Term 年期	Monthly Rent 月租 (RMB) (人民幣)
Shenzhen Tangjia Plant No. 4 Lease Agreement	TK Technology (Shenzhen) as landlord and TK Supply Chain as tenant	15 June 2019	Zone B Level 7 Workshop J, Phase 3 of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	15 June 2019 to 31 December 2021	1,719
深圳塘家廠房4號租賃協議	東江科技(深圳)(作為業主)與東江供應鏈(作為承租人)	2019年6月15日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園(三期)廠房J棟B區第7層	2019年6月15日至2021年12月31日	
Shenzhen Tangjia Plant Dormitory Block A Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) and TK Mold (Shenzhen) as tenants	1 January 2021	Dormitory Block A of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2021 to 31 December 2021	48,802
深圳塘家廠房A棟宿舍租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)及東江模具(深圳)(作為承租人)	2021年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園A棟宿舍	2021年1月1日至2021年12月31日	
Shenzhen Tangjia Plant Parking Space Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) and TK Mold (Shenzhen) as tenants	1 January 2019	Parking Space of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	76,200
深圳塘家廠房車位租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)及東江模具(深圳)(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園車位	2019年1月1日至2021年12月31日	
Shenzhen Tangjia Plant Farm Land Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) as tenant	1 January 2019	Farm Land of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	46,400
深圳塘家廠房農莊租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園農莊	2019年1月1日至2021年12月31日	
Shenzhen Tangjia Plant Football Field Lease Agreement	TK Technology (Shenzhen) as landlord and TK Precision Plastics (Shenzhen) as tenant	1 January 2019	Football Field of TK Technology Park, Tangjia Community, Fenghuang Sub-District Office, Guangming District, Shenzhen City, the PRC	1 January 2019 to 31 December 2021	22,000
深圳塘家廠房足球場租賃協議	東江科技(深圳)(作為業主)與東江精創注塑(深圳)(作為承租人)	2019年1月1日	中國深圳市光明區鳳凰辦事處塘家社區東江科技工業園足球場	2019年1月1日至2021年12月31日	

TK Mold (Shenzhen), TK Precision Plastics, YD Mold and TK Supply Chain are entitled to renew the Shenzhen Tangjia Plants Lease Agreements by notifying the landlord one month before the expiration of the Shenzhen Tangjia Plants Lease Agreements, and TK Mold (Shenzhen), TK Precision Plastics (Shenzhen), YD Mold and TK Supply Chain are entitled to a right of first refusal in the renewal. Moreover, in the event that the landlord intends to sell the subject properties during the term of the Shenzhen Tangjia Plants Lease Agreements, including any renewal thereof, the landlord shall inform TK Mold (Shenzhen), TK Precision Plastics (Shenzhen), YD Mold and TK Supply Chain of the intended sale in writing and TK Mold (Shenzhen), TK Precision Plastics (Shenzhen), YD Mold and TK Supply Chain are entitled to a right of first refusal to purchase, which is deemed to be waived if TK Mold (Shenzhen), TK Precision Plastics (Shenzhen), YD Mold and TK Supply Chain do not accept the offer within 30 days after receiving such notice. TK Mold (Shenzhen), TK Precision Plastics (Shenzhen), YD Mold and TK Supply Chain are further entitled to terminate the Shenzhen Tangjia Plants Lease Agreements by giving one month's notice to the landlord without cause. Mr. Li, Mr. Yung and Mr. Lee, being the ultimate shareholders of TK Technology (Shenzhen), undertake to use their best endeavour to procure TK Technology (Shenzhen) to fulfil its obligations under the Shenzhen Tangjia Plants Lease Agreements.

TK Technology (Shenzhen) is a company indirectly held as to 45.0% by Mr. Li, 28.0% by Mr. Yung and 27.0% by Mr. Lee. According to the Listing Rules, TK Technology (Shenzhen) is an associate of Mr. Li, Mr. Yung and Mr. Lee, and is thus a connected person of the Company.

The annual rent payable to TK Technology (Shenzhen) was determined at after arm's length negotiation between the parties to the Shenzhen Tangjia Plants Lease Agreements. The independent property valuer of the Company has also confirmed that, the terms of the Shenzhen Tangjia Plants Lease Agreements (including the rental payable thereunder) are fair and reasonable and the rental payable under the Shenzhen Tangjia Plants Lease Agreements reflects the prevailing market rate. Our directors consider that the Shenzhen Tangjia Plants Lease Agreements have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group.

東江模具(深圳)、東江精創注塑、佑東模具及東江供應鏈有權於深圳塘家廠房租賃協議屆滿前一個月通知業主續簽深圳塘家廠房租賃協議，且東江模具(深圳)、東江精創注塑(深圳)、佑東模具及東江供應鏈擁有續期的優先權。此外，倘業主擬於深圳塘家廠房租賃協議期限(包括該協議的任何續期)內出售物業，業主須以書面形式告知東江模具(深圳)、東江精創注塑(深圳)、佑東模具及東江供應鏈該擬定出售，且東江模具(深圳)、東江精創注塑(深圳)、佑東模具及東江供應鏈擁有優先購買權，倘東江模具(深圳)、東江精創注塑(深圳)、佑東模具及東江供應鏈於接獲該通知後30日內並無接受要約，則視作放棄該優先購買權。東江模具(深圳)、東江精創注塑(深圳)、佑東模具及東江供應鏈有權給予業主一個月通知予以終止深圳塘家廠房租賃協議，而毋須任何理由。東江科技(深圳)最終股東李沛良先生、翁先生及李良耀先生承諾，盡他們最大努力促使東江科技(深圳)根據深圳塘家廠房租賃協議履行其責任。

東江科技(深圳)為由李沛良先生、翁先生及李良耀先生分別間接持有45.0%、28.0%及27.0%的公司。根據上市規則，東江科技(深圳)為李沛良先生、翁先生及李良耀先生的聯繫人，故為本公司的關連人士。

應付東江科技(深圳)的年租乃經深圳塘家廠房租賃協議的各方公平磋商後釐定。本公司的獨立物業估值師亦已確認深圳塘家廠房租賃協議的條款(包括其項下的應付租金)屬公平合理，且深圳塘家廠房租賃協議項下的應付租金反映了現行市價。我們的董事認為，深圳塘家廠房租賃協議於本集團日常及一般業務過程中按正常商業條款訂立。

Directors' Report (continued)

董事會報告書(續)

Pursuant to Rules 14A.81, 14A.82 and 14A.83 of the Listing Rules, the transactions under the Hong Kong Tenancy Agreement and Shenzhen Tangjia Plants Lease Agreements (collectively the "Connected Lease Agreements") have been aggregated for the purposes of determining the category of continuing connected transaction that the Connected Lease Agreements shall fall into under the Listing Rules.

The independent non-executive directors of the Company have, for the purpose of Rule 14A.55 of the Listing Rules, reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or better; and (iii) according to the agreements governing such transactions on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

For the purpose of Rule 14A.56 of the Listing Rules, PricewaterhouseCoopers, the auditor of the Company, has provided a letter to the Board, confirming that nothing has come to their attention that causes them to believe that the continuing connected transactions abovementioned:

- (i) have not been approved by the Board;
- (ii) have not been entered into in accordance with the relevant agreements governing the transactions; and
- (iii) have exceeded the respective annual caps.

根據上市規則第14A.81、14A.82及14A.83條，香港租賃協議及深圳塘家廠房租賃協議(統稱「關連租賃協議」)項下的交易乃合併計算，以釐定關連租賃協議根據上市規則所屬的持續關連交易類別。

就上市規則第14A.55條而言，本公司獨立非執行董事已檢討上述持續關連交易並確認，該等持續關連交易乃由本集團(i)於其日常及一般業務過程中訂立；(ii)按正常商業條款或更佳之條款；及(iii)根據規管該等交易之協議之公平合理條款進行，並符合本公司股東的整體利益。

就上市規則第14A.56條而言，本公司核數師羅兵咸永道會計師事務所已致函董事會，確認概無注意到任何事宜致使彼等相信上述持續關連交易：

- (i) 未獲董事會批准；
- (ii) 未根據規管有關交易的相關協議訂立；及
- (iii) 已超出各自的年度上限。

RELATED PARTY TRANSACTIONS

The details of the related party transactions are set out in note 36 to the consolidated financial statements.

The Company confirms that in relation to the related party transactions for the year ended 31 December 2021, it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers accounted for 39.3% of the Group's total sales and the sales attributable to the Group's largest customer was approximately 14.7% of the Group's total sales. The aggregate purchases attributable to the Group's five largest suppliers were approximately 12.5% of the Group's total purchases and the purchase attributable to the Group's largest supplier was approximately 3.7% of the Group's total purchases.

None of the directors or any of their close associates or any shareholder of the Company (which to the knowledge of the directors own more than 5% of the Company's issued share capital) had beneficial interests in the Group's top five suppliers or customers referred to above.

COMPLIANCE OF RELEVANT LAWS AND REGULATIONS

During the year, there was no material breach or non-compliance with the applicable laws regulations by the Group.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections headed "Share Option Scheme" and "Share Award Scheme" in this annual report, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares entered into by the Company during the year under review or subsisted at the end of the year.

關連方交易

關連方交易的詳情載於合併財務報表附註36。

本公司確認，截至2021年12月31日止年度的關連方交易已根據上市規則第14A章遵守披露規定。

主要客戶及供應商

年內，本集團五大客戶應佔的銷售總額佔本集團銷售總額的39.3%，而本集團最大客戶應佔的銷售額約為本集團銷售總額的14.7%。本集團五名最大供應商應佔的採購總額約為本集團採購總額的12.5%，而本集團最大供應商應佔的採購額約為本集團採購總額的3.7%。

本公司董事、他們的任何緊密聯繫人或任何股東(據董事所知擁有本公司5%以上已發行股本的股東)概無於上文所述的本集團五大供應商或客戶中擁有實益權益。

遵守相關法律法規

年內，本集團概無重大違反或不遵守適用法律法規的情況。

股票掛鈎協議

除本年報「購股權計劃」及「股份獎勵計劃」章節所披露者外，本公司於回顧年內概無訂立或於年末概無存續任何股票掛鈎協議將會或可能導致本公司發行股份，或規定本公司訂立任何協議將會或可能導致本公司發行股份。

Directors' Report (continued) 董事會報告書(續)

CONTRACTS OF SIGNIFICANCE

No contracts of significance were entered into between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries during the year.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors as at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

PROFESSIONAL TAX ADVICE

If the shareholders of the Company are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the shares of the Company, they are advised to consult an expert.

AUDITOR

PricewaterhouseCoopers will retire and a resolution for their re-appointment as auditor of the Company will be proposed at the AGM.

By the order of the Board
Li Pui Leung
Chairman

Hong Kong, 25 March 2022

重大合約

於本年度，本公司或其任何附屬公司並無與任何控股股東或其附屬公司訂立任何重大合約。

公眾持股量

根據本公司所得公開資料及據董事所知，於本年報日期，本公司已發行股份維持上市規則規定的充足公眾持股量。

諮詢專業稅務意見

倘本公司股東不確定購買、持有、出售、買賣本公司股份或行使當中任何權利的稅務影響，務請諮詢專家意見。

核數師

羅兵咸永道會計師事務所將退任，本公司將於股東週年大會上提呈一項續聘其為本公司核數師的決議案。

承董事會命
李沛良
主席

香港，2022年3月25日



To the Shareholders of TK Group (Holdings) Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of TK Group (Holdings) Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 110 to 211, comprise:

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

Our opinion

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

羅兵咸永道

致東江集團(控股)有限公司股東
(於開曼群島註冊成立的有限公司)

意見

我們已審計的內容

東江集團(控股)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第110至211頁的合併財務報表，包括：

- 於2021年12月31日的合併資產負債表；
- 截至該日止年度的合併綜合收益表；
- 截至該日止年度的合併權益變動表；
- 截至該日止年度的合併現金流量表；及
- 合併財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等合併財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於2021年12月31日的合併財務狀況及其截至該日止年度的合併財務表現及合併現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

Independent Auditor's Report (continued) 獨立核數師報告(續)

BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

Key audit matter identified in our audit is related to the assessment of expected credit losses on trade receivables.

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》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

獨立性

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

關鍵審計事項

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

我們在審計中識別的關鍵審計事項與評估貿易應收款項預期信貸虧損有關。

Key Audit Matter	關鍵審計事項
<p>Assessment of expected credit losses on trade receivables</p> <p>Refer to note 3.1(b), note 4.1 and note 18(a) to the consolidated financial statements.</p> <p>As at 31 December 2021, gross trade receivables amounted to HK\$373,807,000, which represented approximately 13% of the total assets of the Group. Management has estimated the expected credit losses ("ECL") on trade receivables and a loss allowance of HK\$14,272,000 was made against the gross trade receivables as at 31 December 2021.</p> <p>Management estimated the ECL on trade receivables based on estimation about risk of default and expected credit loss rates. Management applied judgments in making the estimation and selecting the methodology and inputs used in the ECL calculation, based on the customers' settlement history, financial position of major customers as well as forward looking information.</p> <p>We considered this area a key audit matter due to the magnitude of the balance of trade receivables as well as the significant judgments and estimates involved in the estimation of the related ECL.</p>	<p>評估貿易應收款項預期信貸虧損</p> <p>請參閱合併財務報表附註3.1(b)、附註4.1及附註18(a)。</p> <p>於2021年12月31日，貿易應收款項總額為373,807,000港元，約佔貴集團總資產約13%。管理層已估計貿易應收款項的預期信貸虧損，並對於2021年12月31日的貿易應收款項總額作出虧損撥備14,272,000港元。</p> <p>管理層已根據估計違約風險及預期信貸虧損率而對貿易應收款項的預期信貸虧損進行估算。在作出有關估計及選擇預期信貸虧損計算採用的方法及輸入數據時，管理層會根據客戶的結算歷史、主要客戶的財務狀況以及前瞻性資料應用判斷。</p> <p>我們視該領域為關鍵審計事項，此乃由於貿易應收款項結餘的大小以及相關預期信貸虧損估計中涉及的重大判斷及估計。</p>
<p>How our audit addressed the Key Audit Matter</p> <p>We obtained an understanding of the management's internal control and assessment process over the estimation of ECL on trade receivables and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty, complexity and subjectivity.</p> <p>We evaluated and tested management's key controls in relation to the estimation of the ECL.</p> <p>We assessed the appropriateness of the ECL provisioning methodology adopted by management based on our understanding on the Group's business and credit control process and the credit risk characteristics of the trade receivables.</p> <p>We tested, on a sample basis, the accuracy of ageing analysis of trade receivables by tracing to sales invoices and receipts.</p>	<p>我們的審計如何處理關鍵審計事項</p> <p>我們了解管理層估計貿易應收款項的預期信貸虧損所用的內部控制和程序以及通過考慮估計的不確定性程度和複雜性、客觀性以評估重大錯誤陳述的固有風險。</p> <p>我們評估及測試管理層所採用與估計預期信貸虧損有關的主要控制措施。</p> <p>我們基於了解貴集團業務及信貸控制程序及貿易應收款項的信貸風險特徵評估管理層所採納的預期信貸虧損撥備計提方法是否適當。</p> <p>我們透過追溯銷售發票及收據抽查測試貿易應收款項的賬齡分析的準確性。</p>

Independent Auditor's Report (continued)

獨立核數師報告(續)

How our audit addressed the Key Audit Matter	我們的審計如何處理關鍵審計事項
<p>We evaluated the financial position of major customers by checking to relevant information and evaluated the appropriateness of management's assessment of forward looking information with reference to our understanding of the industry and external macroeconomic data.</p>	<p>我們通過檢查相關資料來評估主要客戶的財務狀況，並參考我們對行業以及外部宏觀經濟數據的了解以評估管理層對前瞻性資料進行評估的適當性。</p>
<p>We checked the mathematical accuracy of the calculation of ECL.</p>	<p>我們檢查預期信貸虧損計算的準確度。</p>
<p>Based on the above, we considered that the significant judgments and estimates made in relation to the assessment of ECL on trade receivables were supportable by available evidence.</p>	<p>基於上述，我們認為就評估貿易應收款項的預期信貸虧損作出的重大判斷及估計有適當的證據支持。</p>

OTHER INFORMATION

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

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

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

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

其他信息

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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.

董事及審核委員會就合併財務報表須承擔的責任

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

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

審核委員會須負責監督 貴集團的財務報告過程。

核數師就審計合併財務報表承擔的責任

我們的目標，是對合併財務報表整體是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向 閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。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，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響合併財務報表使用者依賴合併財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

Independent Auditor's Report (continued) 獨立核數師報告(續)

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

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

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

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，確定是否存在與事件或情況有關的重大不確定性，從而可能導致對貴集團持續經營的能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併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。我們的結論是基於截至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。
- 評價合併財務報表的整體列報方式、結構及內容，包括披露，以及合併財務報表是否中肯反映相關交易及事項。

Independent Auditor's Report (continued) 獨立核數師報告(續)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Cheung Siu Cheong.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 March 2022

- 就 貴集團中實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。我們負責 貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

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

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

出具本獨立核數師報告的審計項目合夥人為張肇昌。

羅兵咸永道會計師事務所
執業會計師

香港，2022年3月25日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

合併綜合收益表

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Revenue	5	2,404,398	2,033,419
Cost of sales	7	(1,835,231)	(1,500,786)
Gross profit		569,167	532,633
Other income	6	51,869	58,835
Other gains/(losses) — net	6	11,076	(30,761)
Selling expenses	7	(79,252)	(71,130)
Administrative expenses	7	(247,004)	(254,719)
Operating profit		305,856	234,858
Interest income	9	24,513	15,025
Interest expenses	9	(6,376)	(9,991)
Finance income — net		18,137	5,034
Share of profit of an associate	12	527	650
Profit before income tax		324,520	240,542
Income tax expense	10	(42,137)	(30,855)
Profit for the year attributable to the owners of the Company		282,383	209,687
Other comprehensive income			
<i>Item that may be reclassified to profit and loss:</i>			
Currency translation differences		54,627	87,949
Total comprehensive income for the year		337,010	297,636
Earnings per share attributable to the owners of the Company (expressed in HK\$ per share)			
— Basic and diluted	11	0.34	0.25

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

以上合併綜合收益表應連同隨附附註一併閱讀。

CONSOLIDATED BALANCE SHEET

合併資產負債表

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	13	527,966
Right-of-use assets	使用權資產	14	101,601
Intangible assets	無形資產	15	31,746
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入損益的金融資產	19	33,621
Investment in an associate	於聯營公司之投資	12	16,296
Deferred income tax assets	遞延所得稅資產	30	2,978
Prepayments for property, plant and equipment	物業、廠房及設備的預付款		10,099
			724,307
			724,362
Current assets	流動資產		
Inventories	存貨	17	495,644
Trade and other receivables	貿易及其他應收款項	18	417,060
Amounts due from a related company	應收關聯公司款項	36(c)	10,913
Deposits for bank borrowings	銀行借貸的按金	20	174,437
Restricted cash	受限制現金	20	1,231
Cash and cash equivalents	現金及現金等價物	20	1,027,568
			2,126,853
			1,847,949
Total assets	資產總額		2,851,160
			2,572,311
EQUITY	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益		
Share capital	股本	21	83,326
Share premium	股份溢價	21	251,293
Shares held for employee share scheme	就僱員股份計劃持有之股份	22	(10,416)
Other reserves	其他儲備	24	201,232
Retained earnings	保留溢利	23	1,096,484
			1,621,919
Total equity	權益總額		1,621,919
			1,394,555

Consolidated Balance Sheet (continued) 合併資產負債表(續)

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Bank borrowings	26	144,940	58,435
Lease liabilities	14	23,432	19,536
Deferred income	27	61,316	46,421
Deferred income tax liabilities	30	35,675	40,674
		265,363	165,066
Current liabilities	流動負債		
Trade and other payables	28	399,202	456,370
Contract liabilities	29	263,518	245,955
Income tax liabilities		25,894	7,471
Bank borrowings	26	194,229	223,800
Lease liabilities	14	81,035	79,094
		963,878	1,012,690
Total liabilities	負債總額	1,229,241	1,177,756
Total equity and liabilities	權益及負債總額	2,851,160	2,572,311

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

以上合併資產負債表應連同隨附附註一併閱讀。

The consolidated financial statements on pages 110 to 211 were approved by the Board of Directors on 25 March 2022 and were signed on its behalf.

第110至211頁的合併財務報表於2022年3月25日經董事會批准，並由下列董事代表董事會簽署。

Li Pui Leung

李沛良

Director

董事

Yung Kin Cheung Michael

翁建翔

Director

董事

CONSOLIDATED STATEMENT OF CASH FLOWS

合併現金流量表

		Year ended 31 December 截至12月31日止年度	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
	Note 附註		
Cash flows from operating activities	來自經營活動的現金流量		
Cash generated from operations	經營產生的現金	384,348	563,437
Interest received	已收利息	5,531	2,419
Income taxes paid	已付所得稅	(32,508)	(47,746)
Net cash generated from operating activities	經營活動所產生的現金淨額	357,371	518,110
Cash flows from investing activities	來自投資活動的現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(103,524)	(62,068)
Purchase of intangible assets	購買無形資產	(5,086)	(16,449)
Payment for business combination	業務合併付款	(11,862)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	2,541	1,655
Dividends from an associate	來自一間聯營公司的股息	407	-
Additions of financial assets at fair value through profit or loss	添置以公允價值計量且其變動計入損益的金融資產	(1,287,813)	(1,241,008)
Disposals of financial assets at fair value through profit or loss	出售以公允價值計量且其變動計入損益的金融資產	1,306,886	1,253,161
Net cash used in investing activities	投資活動所用現金淨額	(98,451)	(64,709)
Cash flows from financing activities	來自融資活動的現金流量		
Proceeds from bank borrowings	銀行借貸所得款項	378,609	219,440
Repayments of bank borrowings	償還銀行借貸	(315,635)	(179,165)
Increase in deposits for bank borrowings	銀行借貸按金增加	(26,206)	(13,637)
Interest paid	已付利息	(6,376)	(4,036)
Principal elements of lease payments	租賃付款之本金部分	(71,898)	(47,269)
Acquisitions of shares for employee share scheme	就僱員股份計劃收購股份	-	(4,899)
Dividends paid	已付股息	(111,657)	(91,658)
Net cash used in financing activities	融資活動所用現金淨額	(153,163)	(121,224)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	105,757	332,177
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	920,446	582,878
Effects of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	1,365	5,391
Cash and cash equivalents at end of the year	年末現金及現金等價物	1,027,568	920,446

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

以上合併現金流量表應連同隨附附註一併閱讀。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of the Company and its subsidiaries.

2.1 Basis of preparation

(a) Compliance with HKFRS and the disclosure requirements of HKCO

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRS) and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622.

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

(b) Historical cost convention

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

(c) New and amended standards adopted by the Group

The Group has applied the following new and amendments to HKFRSs for the first time for accounting periods beginning on 1 January 2021:

- *Interest Rate Benchmark Reform — Phase 2 — amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16*

2 主要會計政策概要

本附註載有編製該等合併財務報表時所採用的主要會計政策。除另有說明者外，該等政策已於所呈報年度得到貫徹採納。本合併財務報表乃為本集團(由本公司及其附屬公司組成)而編製。

2.1 編製基準

(a) 遵守《香港財務報告準則》及香港《公司條例》的披露規定

本公司的合併財務報表已按香港財務報告準則(「香港財務報告準則」)及第622章香港公司條例(「香港公司條例」)的披露規定編製。

編製符合香港財務報告準則的合併財務報表需要採用若干主要會計估計及判斷。管理層亦須在應用本集團會計政策的過程中作出判斷。涉及較高程度判斷或複雜性的領域，或對合併財務報表屬重大估計的領域披露於附註4。

(b) 歷史成本法

合併財務報表已根據歷史成本法編製，以公允價值計量且其變動計入損益的金融資產除外。

(c) 本集團採納的新訂及經修訂準則

本集團已於2021年1月1日開始之會計期間首次採納下列新訂及經修訂香港財務報告準則：

- *利率基準改革 — 階段二 — 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號修訂本*

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

(c) New and amended standards adopted by the Group (Continued)

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial position and performance for the current and prior years and on the disclosures set out in these consolidated financial statements.

(c) 本集團採納的新訂及經修訂準則(續)

於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度的財務狀況及表現以及該等合併財務報表所載列的披露並無重大影響。

(d) New and amended standards and interpretations that have been issued but are not yet effective and have not been early adopted by the Group

(d) 已頒佈但尚未生效且未由本集團提早採納的新訂或經修訂準則及詮釋

		Effective for accounting periods beginning on or after
		於下列日期或之後開始的會計期間生效
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
香港財務報告準則第16號(修訂本)	2021年6月30日後Covid-19相關的租金寬減	2021年4月1日
Amendments to Accounting Guideline 5 (revised)	Merger Accounting for Common Control Combinations	1 January 2022
會計指引第5號(修訂本)	共同控制之合併的合併會計處理	2022年1月1日
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use	1 January 2022
香港會計準則第16號(修訂本)	物業、廠房及設備 — 用於擬定用途之前的所得款	2022年1月1日
Amendments to HKAS 37	Onerous contracts — Costs of Fulfilling a Contract	1 January 2022
香港會計準則第37號(修訂本)	虧損合約 — 履行合約的成本	2022年1月1日
Amendments to HKFRS 3, HKAS 16 and HKAS 37	Narrow-scope amendments (amendments)	1 January 2022
香港財務報告準則第3號、香港會計準則第16號及香港會計準則第37號(修訂本)	小範圍修訂(修訂本)	2022年1月1日
Amendments to HKFRS 9, HKFRS 16, HKFRS 1 and HKAS 41	Annual improvements to HKFRS Standards 2018 - 2020 cycle	1 January 2022
香港財務報告準則第9號、香港財務報告準則第16號、香港財務報告準則第1號及香港會計準則第41號(修訂本)	香港財務報告準則2018 — 2020週期年度改進	2022年1月1日
Amendments to HKFRS 3	Reference to the Conceptual Framework	1 January 2022
香港財務報告準則第3號(修訂本)	參考概念框架	2022年1月1日

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2 主要會計政策概要(續)

2.1 Basis of preparation (Continued)

2.1 編製基準(續)

(d) New and amended standards and interpretations that have been issued but are not yet effective and have not been early adopted by the Group (Continued)

(d) 已頒佈但尚未生效且未由本集團提早採納的新訂或經修訂準則及詮釋(續)

		Effective for accounting periods beginning on or after
		於下列日期或之後開始的會計期間生效
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
香港會計準則第1號(修訂本)	將負債分類為流動或非流動	2023年1月1日
Hong Kong Interpretation 5 (2020)	Presentation of financial statement - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
香港解釋公告第5號(2020年)	財務報表呈報－借款人對載有按要求還款條款的有期貸款的分類	2023年1月1日
Amendments to HKFRS 17	Insurance Contracts	1 January 2023
香港財務報告準則第17號(修訂本)	保險合約	2023年1月1日
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
香港會計準則第1號及香港財務報告準則實務說明第2號(修訂本)	會計政策的披露	2023年1月1日
Amendments to HKAS 8	Definition of Accounting Estimates	1 January 2023
香港會計準則第8號(修訂本)	會計估計的定義	2023年1月1日
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
香港會計準則第12號(修訂本)	與單一交易產生的資產及負債相關的遞延稅項	2023年1月1日
Amendments to HKAS 28 and HKFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
香港會計準則第28號及香港財務報告準則第10號(修訂本)	投資者與聯營公司或合營公司之間的資產出售或注資	待定

The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the directors of the Company, these standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

本集團已評估該等新訂或經修訂準則、修訂本及詮釋的影響，其中若干與本集團的業務有關。根據本公司董事的初步評估，預期該等準則、修訂本或詮釋於當前或未來報告期間不會對本集團及可預見未來交易產生重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Change in accounting policies

In the consolidated financial statements for the year ended 31 December 2020, individual other reserve items were presented separately in the consolidated statement of changes in equity. In preparing the consolidated financial statements for the year ended 31 December 2021, the Group, for easy reading and reducing voluminous details, combined all other reserve items into one single item to simplify the presentation of the consolidated statement of changes in equity. Comparative information for the consolidated statement of changes in equity for the year ended 31 December 2020 has been restated to conform to the current period presentation. This change in accounting policies has no impact on the results, financial position and cashflow of the Group.

2.3 Principles of consolidation and equity accounting

(a) Subsidiaries

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (c) below), after initially being recognised at cost.

2 主要會計政策概要(續)

2.2 會計政策變動

於截至2020年12月31日止年度的合併財務報表中，單獨其他儲備項目呈列於合併權益變動表。在編製截至2021年12月31日止年度的合併財務報表時，為方便閱讀及減少冗長細節，本集團將所有其他儲備項目合併為一個單項，以簡化合併權益變動表的呈列。截至2020年12月31日止年度的合併權益變動表的比較資料已經重列，以符合本期間的呈列方式。此會計政策變動並不會對本集團的業績、財務狀況及現金流量造成影響。

2.3 合併原則及權益會計法

(a) 附屬公司

附屬公司為本集團擁有控制權的實體(包括結構性實體)。當本集團承受或享有參與實體所得之可變回報，且有能力透過其對實體活動之權力影響該等回報時，則本集團控制該實體。自控制權轉移至本集團的日期起，附屬公司獲全面合併入賬。附屬公司於控制權終止之日不再獲合併入賬。

集團內公司之間的交易、交易結餘及未變現收益乃予撇銷。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值則作別論。附屬公司之會計政策已按需要作出變動，以確保與本集團所採納之政策貫徹一致。

(b) 聯營公司

聯營公司指本集團對其有重大影響力但無控制權或共同控制權的實體，通常情況乃本集團持有20%至50%表決權。於聯營公司的投資乃初步按成本確認後，使用權益會計法(見下文(c))入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Principles of consolidation and equity accounting (Continued)

(c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 2.11.

2 主要會計政策概要(續)

2.3 合併原則及權益會計法(續)

(c) 權益法

根據權益會計法，投資初步按成本確認，隨後予以調整以確認本集團在被投資方損益中所佔收購後溢利或虧損及於被投資方其他綜合收益中所佔其他綜合收益變動。已收或應收聯營公司股息乃確認為投資賬面值的減少。

當本集團分佔以權益法入賬投資的虧損等於或超過其佔實體的權益(包括任何其他無抵押長期應收款項)時，本集團不再確認進一步虧損，除非本集團代表其他實體承擔義務或支付款項。

本集團及其聯營公司間交易所產生未變現收益的對銷，只限於本集團於該等實體的應佔權益。除非交易提供證據顯示所轉讓資產已減值，否則未實現虧損亦予以對銷。以權益法入賬的被投資方的會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

以權益法入賬的投資的賬面值根據附註2.11所述政策進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combinations (Continued)

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

2.5 Separate financial statements

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

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

2 主要會計政策概要(續)

2.4 業務合併(續)

超出所收購可識別資產淨值的公允價值時，其差額以商譽列賬。倘該等款項低於所收購業務的可識別資產淨值的公允價值，則差額將直接於損益中確認為議價購買。

倘現金代價的任何部分被延期結算，則未來的應付金額將按交換日的現值貼現。所用貼現率為該實體的增量借款利率，即按可資比較的條款和條件自獨立融資方獲得類似借款的利率。或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新計量至公允價值，而公允價值變動於損益中確認。

2.5 獨立財務報表

於附屬公司的投資以成本扣除減值列賬。成本包括投資直接應佔成本。附屬公司業績由本公司按已收及應收股息基準列賬。

當收到於附屬公司之投資之股息時，且股息超過附屬公司在宣派股息期間之綜合收益總額，或在獨立財務報表之投資賬面值超過被投資方資產淨值(包括商譽)在合併財務報表之賬面值時，則必須對有關投資進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors who makes strategic decisions.

2.7 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). Renminbi (RMB) is the functional currency of principal operating subsidiaries of the Group. These consolidated financial statements are presented in Hong Kong dollar (HK\$), which is the presentation and functional currency of the Company.

(b) Transactions and balances

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

Foreign exchange gains and losses are presented in statement of comprehensive income within 'Other gains/(losses) — net'.

2 主要會計政策概要(續)

2.6 分部報告

經營分部乃以與提交予主要經營決策者的內部報告一致的方式呈報。

主要經營決策者被認為作出策略性決定的執行董事，負責分配資源及評估經營分部表現。

2.7 外幣折算

(a) 功能及呈列貨幣

本集團各實體財務報表所列的項目，均以該實體經營所在主要經濟環境所使用的貨幣（「功能貨幣」）計量。人民幣乃本集團的主要營運附屬公司的功能貨幣。該等合併財務報表乃以港元呈列，港元乃本公司的呈列及功能貨幣。

(b) 交易及結餘

外幣交易採用交易當日或於項目重新計量時估值當日的現行匯率換算為功能貨幣。因上述交易結算及按年末匯率兌換以外幣計值的貨幣資產及負債而產生的匯兌盈虧，一般均於合併綜合收益表內確認。

匯兌盈虧於綜合收益表中呈列為「其他收益／（虧損）— 淨額」。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currency translation (Continued)

(c) Group companies

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

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

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2 主要會計政策概要(續)

2.7 外幣折算(續)

(c) 集團公司

倘本集團的所有實體(全部均非採用嚴重通脹經濟體系的貨幣)的功能貨幣有別於呈列貨幣,則其業績及財務狀況會按下列方法換算為呈列貨幣:

- 每份列報的資產負債表內的資產和負債按該資產負債表日期的收市匯率換算;
- 每份綜合收益表內的收入和開支按平均匯率換算(除非此平均匯率並非交易日期匯率的累計影響的合理約數,在此情況下,收入和開支按該交易日期的匯率換算);及
- 所有由此產生的外幣報表折算差異均於其他綜合收益確認。

收購海外實體所產生之商譽及公允價值調整被視為該海外實體的資產及負債處理,並按收市匯率換算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Property, plant and equipment (Continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.11).

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other gains/(losses) - net' in the consolidated statement of comprehensive income.

2.9 Intangible assets

(a) Computer software

Acquired software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives of 3 to 10 years.

(b) Goodwill

Goodwill is measured as described in note 2.4. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units ("CGUs") for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The CGUs or groups of CGUs are identified at the lowest level at which goodwill is monitored for internal management purposes.

2 主要會計政策概要(續)

2.8 物業、廠房及設備(續)

資產的剩餘價值及可使用年期於各報告期間末進行審閱，並於適當時作出調整。

若資產賬面值高於其估計可收回金額，其賬面值即時撇減至可收回金額(附註2.11)。

出售收益及虧損透過比較所得款項與賬面值釐定，並於合併綜合收益表的「其他收益／(虧損) — 淨額」內確認。

2.9 無形資產

(a) 電腦軟件

購入軟件特許權按購入及將特定軟件達致使用所產生的成本基準而撥充資本。該等成本乃按直線法於其估計可使用年期(3年至10年)攤銷。

(b) 商譽

商譽之計量如附註2.4所述。收購附屬公司所產生的商譽計入無形資產。商譽並無攤銷，但每年進行減值測試，或當有事件或情況改變顯示可能出現減值時須更頻繁地進行減值測試，且按成本減累計減值虧損列賬。出售實體所產生的收益及虧損包括與所出售實體有關商譽的賬面值。

就減值測試而言，商譽獲分配至現金產生單位(「現金產生單位」)。該分配乃向預期將從產生商譽的業務合併中獲益的該等現金產生單位或現金產生單位組別作出。商譽被分配的每個現金產生單位或現金產生單位組別指商譽被監控作內部管理用途的最低層面。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Financial assets

(a) Classification

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

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

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

For assets measured at fair value, gains and losses will be recorded in profit or loss.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 主要會計政策概要(續)

2.11 非金融資產減值

使用年期不確定的商譽及無形資產毋須進行攤銷，且每年進行減值測試，或倘發生事項或情況變動顯示可能出現減值時則須更頻繁地進行減值測試。當任何事件發生或情況變化顯示其賬面值可能無法收回時，則對其他資產進行減值測試。當該資產的賬面值超過其可收回金額時，則就其差額確認減值虧損。可收回金額以資產公允價值減出售成本及使用價值兩者之較高者為準。就評估減值而言，資產按可獨立識別大致獨立於其他資產或資產組別現金流入的現金流入之最低水準分類。出現減值的非金融資產(除商譽外)於各報告期間末檢討是否可能撥回減值。

2.12 金融資產

(a) 分類

本集團按下列計量類別分類其金融資產：

- 按公允價值計量且其變動計入其他綜合收益或損益的金融資產；及
- 按攤餘成本計量的金融資產。

該分類取決於實體管理金融資產之業務模式及現金流量之合約條款。

就按公允價值計量的資產而言，其收益及虧損將於損益入賬。

僅當管理該等資產之業務模式發生變動時，本集團方會對債務投資重新分類。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) – net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2 主要會計政策概要(續)

2.12 金融資產(續)

(b) 確認及取消確認

金融資產的一般買賣於交易日(即本集團承諾購入或出售該資產當日)確認。當從金融資產收取現金流量的權利已逾期或已轉讓，而本集團已將擁有權之絕大部分風險和回報轉讓時，有關金融資產將終止確認。

(c) 計量

於初始確認時，本集團按公允價值另加(倘金融資產並非按公允價值計量且其變動計入損益收購金融資產)直接歸屬於購買金融資產的交易成本計量金融資產。按公允價值計量且其變動計入損益的金融資產之交易成本於損益中列作開支。

債務工具

債務工具的后續計量取決於本集團管理該項資產時商業模式和該項資產的現金流量特點。本集團按照以下三種計量方式對債務工具進行分類：

- 以攤餘成本計量：為收取合約現金流而持有，且其現金流僅為支付本金和利息的資產被分類成以攤餘成本計量的金融資產。該等金融資產的利息收入以實際利率法計入財務收入。取消確認產生任何收益或虧損直接於損益中確認並連同匯兌收益及虧損於其他收益/(虧損)一淨額中呈列。減值虧損於合併綜合收益表中呈列為獨立項目。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(c) Measurement (Continued)

Debt instruments (Continued)

- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses) – net. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on an debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'other gains/(losses) – net' in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) – net in the statement of comprehensive income as applicable.

2 主要會計政策概要(續)

2.12 金融資產(續)

(c) 計量(續)

債務工具(續)

- 按公允價值計量且其變動計入其他綜合收益：以收取合約現金流及出售該金融資產為目的而持有，且其現金流僅支付本金和利息的資產，被分類為以公允價值計量且其變動計入其他綜合收益的金融資產。除確認減值虧損、利息收入及匯兌損益導致的金融資產的賬面值變動，其他變動計入其他綜合收益。當金融資產終止確認時，以前計入其他綜合收益的累計收益或虧損從權益重分類至綜合收益表，並在其他收益／(虧損)－淨額中確認。這些金融資產的利息收入按實際利率法計算並計入財務收入。
- 按公允價值計量且其變動計入損益：不符合攤餘成本計量或按公允價值計量且其變動計入其他綜合收益的資產，被分類為按公允價值計量且其變動計入損益的金融資產。後續按公允價值計量且其變動損益的債務投資產生的收益或虧損，於其產生期間在損益中確認並在「其他收益／(虧損)－淨額」中呈列為淨值。

權益工具

本集團所有權益工具後續以公允價值計量。按公允價值計量且其變動計入損益的金融資產公允價值變動所產生的收益或虧損，於其產生的期間呈列在綜合收益表的其他收益／(虧損)－淨額內。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Financial assets (Continued)

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer note 3.1 for further details.

2.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value ("NRV"). Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises direct materials, direct labour, other direct costs and related production overheads allocated on normal operating capacity. It excluded borrowing costs. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2 主要會計政策概要(續)

2.12 金融資產(續)

(d) 減值

本集團以前瞻性基準評估其按攤餘成本列賬的債務工具的預期信貸虧損。所應用的減值方法取決於信貸風險是否大幅增加。請參閱附註3.1以了解進一步詳情。

2.13 對銷金融工具

當本集團目前存在合法可執行權利對銷已確認金額及當有意按淨額基準償付責任或同時變現資產與償付負債，金融資產及負債於資產負債表對銷及呈報淨金額。

2.14 存貨

存貨按成本與可變現淨值(「可變現淨值」)兩者之較低者列賬。成本以加權平均法釐定。製成品及半成品之成本包括直接材料、直接勞工、其他直接成本及相關生產開支(根據正常運作能力分配)，惟不包括借貸成本。可變現淨值乃按日常業務過程中之估計售價減去資產至完工時估計將要發生的成本及估計的銷售費用計算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Trade receivables

Trade receivables are amounts due from customers for merchandise sold and service provided in the ordinary course of business. They are generally due for settlement within 90 days and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Refer note 18(a) for further information about the Group's accounting for trade receivables and note 3.1 for a description of the Group's impairment policies.

2.16 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2 主要會計政策概要(續)

2.15 貿易應收款項

貿易應收款項乃就日常業務過程中就已售商品及提供服務而應收客戶的款項。該等款項通常在90天內到期結算，因此將其分類為流動資產。

除非貿易應收款項含有重大融資成分，否則其於初始確認時之代價金額須為無條件且按公允價值確認。本集團持有貿易應收款項旨在收取合約現金流量，因此，其後乃採用實際利率法按攤餘成本計量。請分別參閱附註18(a)及3.1以了解有關本集團貿易應收款項的會計處理及本集團減值政策的進一步資料。

2.16 現金及現金等價物

就呈列現金流量表而言，現金及現金等價物包括手頭現金、銀行活期存款、可隨時轉換為已知數額現金且價值變動風險較少之其他短期、高流通性且原到期日為三個月或以內的投資，以及銀行透支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Share capital and shares held for employee share scheme

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Bank of Communications Trustee Limited on behalf of the Group are disclosed as shares held for employee share scheme and deducted from the equity attributable to owners of the Company.

2 主要會計政策概要(續)

2.17 股本及就僱員股份計劃持有的股份

普通股被列為權益。

直接歸屬於發行新股份的新增成本在權益中列為所得款項的扣減項目(除稅後)。

倘任何集團公司購買公司股本工具，例如因股份購回或以股份為基礎之付款計劃，已付代價(包括任何直接應佔新增成本(扣除所得稅))作為庫存股份自本公司擁有人應佔權益中扣除，直至有關股份被註銷或獲再發行。倘該等普通股其後獲再發行，任何已收代價(扣除任何直接應佔新增交易成本及相關所得稅影響)計入本公司擁有人應佔權益。

交通銀行信託有限公司代表本集團持有的股份披露為就僱員股份計劃持有的股份及自實繳本公司擁有人應佔權益中扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.20 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2 主要會計政策概要(續)

2.18 貿易及其他應付款項

該等金額指於財政年度結束前提供予本集團之商品及服務之未償還負債。貿易及其他應付款項呈列為流動負債，除非付款並非於報告期後12個月內到期。有關款項初始按公允價值確認，其後採用實際利率法按攤餘成本計量。

2.19 借貸

借貸初始按公允價值扣除所產生的交易成本予以確認。借貸其後按攤餘成本列賬。所得款項(扣除交易成本)與贖回金額間的任何差額使用實際利率法於借貸期間在合併綜合收益表中確認。

除非本集團有權無條件將債務結算日期遞延至報告期末後至少12個月，否則借貸將被列為流動負債。

2.20 借貸成本

直接歸屬於收購、興建或生產合資格資產的一般及特定借貸成本於須完成及備妥有關資產作擬定用途或銷售期間資本化。合資格資產指必須經一段長時間處理方可達到其擬定用途或銷售的資產。

就特定借貸而言，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借貸成本中扣除。

其他借貸成本在其產生期間支銷。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Current and deferred income tax (Continued)

(b) Deferred income tax (Continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 主要會計政策概要(續)

2.21 即期及遞延所得稅(續)

(b) 遞延所得稅(續)

倘公司可控制暫時性差額的撥回時間及很有可能在可見未來不會撥回有關差額，則不會就於海外業務投資的賬面值與稅基之間的暫時性差額確認遞延稅項負債及資產。

倘有合法可強制執行的權利以即期稅項資產抵銷負債，以及當遞延稅項結餘與同一稅務機構有關，則遞延稅項資產與負債互相抵銷。倘實體有合法可強制執行抵銷的權利，並有意按淨額基準結算或同時變現資產和清償負債時，則即期稅項資產與稅項負債相互抵銷。

即期及遞延稅項乃於損益確認，惟倘其與於其他綜合收益或直接於權益中確認的項目有關者除外，在此情況下，稅項亦會分別於其他綜合收益或直接於權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Share-based payments

The Group operates equity-settled, share-based compensation plans, under which the Group receives services from employees as consideration for equity instruments (award shares) of the Group. The fair value of the employee services received in exchange for the grant of the award shares is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the award shares granted.

The grant by the Company over its equity instruments to the employees of subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity in the parent entity accounts.

2.24 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when control of the products has transferred, and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to sale have been resolved. Revenue is recognised as follows:

2 主要會計政策概要(續)

2.23 以股份為基礎之付款

本集團設有以權益結算的股份基礎酬金計劃，據此，本集團視僱員所提供服務為本集團權益工具(獎勵股份)的代價。僱員就獲授獎勵股份所提供服務的公允價值確認為開支。將予支銷總金額參照所授出獎勵股份的公允價值而釐定。

本公司向本集團附屬公司僱員授出股本工具視作注資。已獲得的僱員服務的公允價值乃參考授出日期的公允價值計量並於歸屬期內確認為於附屬公司投資增加，並相應計入母公司實體賬目權益。

2.24 收入確認

收入包括本集團在日常業務過程中出售產品及服務之已收或應收代價之公允價值。收入在扣除增值稅、退貨、回扣及折扣及經撇銷本集團的銷售額後予以呈列。

本集團於產品的控制權已轉讓，且已符合下述本集團各業務的特定條件時確認收入。與銷售相關的所有或有項目解決後，收入金額方視為能可靠計量。收入確認如下：

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Revenue recognition (Continued)

(a) Sales of goods

The Group's sales mainly consist of mold fabrication and plastics components. Revenue is recognised when control of the products has transferred, being when the products are delivered to the customers, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

As receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Deposits received from customers are classified as contract liabilities and then recognised as revenue when the obligation is performed.

(b) Modification income

Revenue from mold modification services is recognised when control of the modified mold has transferred. The modified mold has no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until the customer has accepted the modification specified in the contract.

2 主要會計政策概要(續)

2.24 收入確認(續)

(a) 銷售商品

本集團的銷售主要包括模具製作及注塑組件。收入於產品的控制權轉移時(即產品交付予客戶之時)確認，客戶對銷售產品的去到及價格有充分的酌情權，且並無未履行責任可影響客戶對該等商品的接納。當產品運抵指定地點、過時及損失的風險已轉移予客戶，以及客戶已根據銷售合約驗收產品、驗收條文已告失效或本集團有客觀證據證明已符合所有驗收標準時，則已完成交付。

應收款項於產品交付予客戶時確認，乃由於因該時間點為代價僅因付款到期前所需的時間過去而成為無條件。

自客戶收取的按金分類為合約負債，且其後於達成履約責任時確認為收入。

(b) 修改收入

來自模具修改服務的收入在修改模具的控制權轉移後確認。因合約限制，模具修改對本集團而言並無其他用途。然而，在客戶接受合約所訂明之修改前，強制支付權利將不會產生。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.26 Government grants

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

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred income and are credited to the consolidated statement of comprehensive income on a straight-line basis over the expected lives of the related assets.

2.27 Leases

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

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

2 主要會計政策概要(續)

2.25 股息收入

股息收入於收取股息之權利確立時確認。

2.26 政府補助

當能合理確定將收到政府的補助，而本集團將遵守所有附帶條件時，補助按其公允價值確認。

有關成本的政府補助將被遞延，並於將有關補助與其擬定補償的成本配對所需的期間內於損益中確認。

有關物業、廠房及設備的政府補助被納入非流動負債列為遞延收入，並於有關資產的預期年限內按直線法計入合併綜合收益表。

2.27 租賃

租賃於租賃資產可供本集團使用之日期確認為使用權資產及相應負債。

合約可能包含租賃及非租賃組成部分。本集團按照租賃及非租賃組成部分相應的獨立價格，將合約代價分配至租賃及非租賃組成部分。然而，就本集團為承租人的房地產租賃而言，其選擇將租賃及非租賃組成部分入賬為單一租賃組成部分，並無將兩者區分。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Leases (Continued)

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

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

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

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

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

2 主要會計政策概要(續)

2.27 租賃(續)

租期乃按個別基準磋商並載有多項不同的條款及條件。除出租人所持租賃資產的抵押權益外，租賃協議並無施加任何契諾。租賃資產或不可用作借貸的抵押品。

租賃產生的資產及負債初步以現值基準計量。租賃負債包括下列租賃付款的淨現值：

- 固定付款(包括實質上的固定付款)，減去任何應收租賃優惠
- 基於指數或利率的可變租賃付款，採用於開始日期的指數或利率初步計量
- 本集團於剩餘價值擔保下預計應付的金額
- 倘本集團合理確定行使購買選擇權，則為該選擇權的行使價，及
- 倘租賃期反映本集團行使該選擇權，則支付終止租賃的罰款。

根據合理確定延續選擇權支付的租賃付款亦計入負債計量之內。

租賃付款使用租賃中隱含的利率進行貼現。倘無法輕易確定該利率(為本集團租賃的一般情況)，則使用承租人的增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產具有類似價值的資產所需資金而必須支付的利率。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Leases (Continued)

To determine the incremental borrowing rate, the Group:

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

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on a rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

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

2 主要會計政策概要(續)

2.27 租賃(續)

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整，以反映自獲得第三方融資以來融資條件的變動
- 使用累加法，首先就本集團所持有租賃的信貸風險(最近並無第三方融資)調整無風險利率，及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

倘個別承租人可透過近期融資或市場數據獲得易於觀察的攤銷貸款利率，且該利率與租賃的付款情況類似，則集團實體將該利率作為釐定增量借款利率的出發點。

本集團未來可能根據指數或利率增加可變租賃付款額，而有關指數或利率在生效前不會計入租賃負債。當根據利率對租賃付款作出的調整生效時，租賃負債根據使用權資產進行重新評估及調整。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Leases (Continued)

The Group has adopted Amendment to HKFRS 16 - Covid-19-Related Rent Concessions from 1 January 2020. The amendment provides an optional practical expedient allowing lessees to elect not to assess whether a rent concession related to COVID-19 pandemic is a lease modification. Lessees adopting this election may account for qualifying rent concessions in the same way as they would if they were not lease modifications. The practical expedient only applies to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the following conditions are met: (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (b) any reduction in lease payments affects only payments due on or before 30 June 2021; and (c) there is no substantive change to other terms and conditions of the lease.

The Group did not early adopt Amendment to HKFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2021, which extended the practical expedient to lease payments that were due on or before 30 June 2022 and becomes effective for the accounting period starting from 1 April 2021.

2.28 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.29 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2 主要會計政策概要(續)

2.27 租賃(續)

本集團已自2020年1月1日採納香港財務報告準則第16號—Covid-19相關的租金寬減。該修訂提供一種可選的可行權宜法，允許承租人選擇不評估與COVID-19疫情有關的租金寬減是否屬於租賃修訂。採用該選擇的承租人可按其並非租賃修訂情況下使用的同一方式將合資格租金寬減入賬。可行權宜法僅應用於由COVID-19疫情直接引致的租金寬減，而且僅在符合以下條件時應用：(a)租賃付款變動導致對租賃代價作出修訂，而經修訂租賃代價幾乎等於或少於緊接變動前的租賃代價；(b)租賃付款的任何扣減僅影響於2021年6月30日或之前到期的付款；及(c)租賃其他條款及條件沒有實質性變化。

本集團並無提早採納香港財務報告準則第16號—2021年6月30日後Covid-19相關的租金寬減，當中將實用權宜之計擴展至2022年6月30日或之前到期的租賃付款，並於2021年4月1日開始的會計期間生效。

2.28 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(已經適當授權及再不由實體酌情決定)作出撥備。

2.29 利息收入

利息收入使用實際利率法按時間比例確認。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the respective balance sheet dates are as follows:

		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Assets	資產		
HK\$	港元	10,187	72,332
USD	美元	437,322	286,893
EUR	歐元	22,946	36,470
Total	總計	470,455	395,695
Liabilities	負債		
HK\$	港元	54,419	81,593
USD	美元	178,667	94,304
EUR	歐元	125,307	125,322
Total	總計	358,393	301,219

If RMB had strengthened/weakened by 5% against the relevant foreign currencies, with all other variables held constant, the profit before income tax would have been higher/(lower) as follows:

		2021		2020	
		+5%	-5%	+5%	-5%
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
HK\$	港元	2,212	(2,212)	463	(463)
USD	美元	(12,933)	12,933	(9,629)	9,629
EUR	歐元	5,118	(5,118)	4,443	(4,443)
Total	總計	(5,603)	5,603	(4,723)	4,723

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外匯風險(續)

於各資產負債表日期，本集團以外幣計值的貨幣資產及負債之賬面值載列如下：

倘人民幣兌有關外幣升值／貶值5%，而所有其他變量保持不變，則除所得稅前溢利增加／(減少)情況如下：

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Price risk

The Group is not exposed to equity securities price risk or commodity price risk and the Group has not entered into any long-term contracts with the suppliers. Fluctuations in the price of raw materials are usually passed on to customers.

(iii) Cash flow and fair value interest-rate risk

The Group's interest-rate risk arises from bank borrowings. Bank borrowings at variable rates expose the Group to cash flow interest-rate risk. Bank borrowings at fixed rates expose the Group to fair value interest-rate risk. The Group currently has not used any interest rate swap arrangements but will consider hedging interest rate risk should the needs arise. If interest rate for variable rate borrowings had been 10% higher/lower for the year ended 31 December 2021 with all other variables held at constant, the Group's profit before tax would have been lower/higher by HK\$281,000 (2020: HK\$404,000).

As at 31 December 2021 and 2020, changes in interest rates within an expected range had no material impact on the interest income of cash and bank balances.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 價格風險

本集團並未面對股本證券價格風險或商品價格風險，本集團亦尚未與供應商簽訂任何長期合約。原材料價格的波動通常轉嫁予客戶。

(iii) 現金流量及公允價值利率風險

本集團的利率風險來自銀行借貸。浮息銀行借貸使本集團承受現金流量利率風險。定息銀行借貸使本集團承受公允價值利率風險。本集團目前並無使用任何利率掉期安排，惟會於有需要時考慮對沖利率風險。倘於截至2021年12月31日止年度的浮息借貸利率增加／減少10%，而其他所有變量保持不變，則本集團的除稅前溢利將減少／增加281,000港元(2020年：404,000港元)。

於2021年及2020年12月31日，預期範圍內的利率變動不會對現金及銀行結餘的利息收入造成重大影響。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

Credit risk arises from cash and bank balances, trade and other receivable and amounts due from a related company.

(i) Risk management and Security

For cash and cash equivalents and deposits for bank borrowings, the Group manages the credit risk by placing all the bank deposits in state-owned financial institutions or reputable banks which are all high-credit-quality financial institutions.

The Group does not require collateral from the debtors on the outstanding balances. To manage the credit risk in respect of trade and other receivables and amounts due from a related company, the Group performs ongoing credit evaluations of its debtors' financial condition. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group reviews regularly the recoverable amount of each individual receivable to ensure that the adequate impairment losses are made for irrecoverable amounts. Based on the historical credit losses experienced and forward-looking information on macroeconomic factors, the Group maintains an allowance for doubtful accounts and actual losses incurred have been within management's expectations.

As at 31 December 2021, the Group faced concentration of credit risk as the Group's five largest customers accounted for approximately 41% (2020: 60%) of the total trade receivables. The Group has been taking measure to reduce the concentration by expanding customer base.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險源自現金及銀行結餘、貿易及其他應收款項以及應收關聯公司款項。

(i) 風險管理及安全

就現金及現金等價物以及銀行借貸的按金而言，本集團通過將所有銀行存款置於國有金融機構或聲譽良好銀行（均為擁有高信貸質素的金融機構），以管理信貸風險。

本集團並無要求債務人就未償還結餘作出抵押。為管理有關貿易及其他應收款項以及應收關聯公司款項的信貸風險，本集團會對其債務人的財務狀況持續進行信貸評估。本集團設有監控程序，以確保作出跟進行動以收回逾期債務。本集團定期審閱各個別應收款項的可收回金額，以確保就不可收回金額作出足夠減值虧損。根據經歷的過往信貸虧損及宏觀經濟因素的前瞻性資料，本集團對呆賬進行撥備，而產生的實際虧損一直在管理層的預期內。

於2021年12月31日，由於本集團五大客戶佔貿易應收款項總額約41%（2020年：60%），故本集團面對一定程度的信貸集中風險。本集團一直採取措施，通過擴大客戶基礎，減少集中風險。

本集團於債務工具投資視作低風險投資。投資的信貸評級受監控以防信貸惡化。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets

The Group formulates the credit losses of cash and bank balances, trade and other receivables and amounts due from a related company using expected credit losses (“ECL”) models according to HKFRS 9 requirements.

Cash and bank balances

The fair values of cash and bank balances including deposits for bank borrowings, restricted cash and cash and cash equivalents approximate to their carrying amount and represent maximum exposure to credit risk.

While cash and bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial as management considers that the counter-parties are reputable banks and financial institutions with high credit ratings. There is no significant increase in credit risk since initial recognition.

Trade receivables

The Group applies the HKFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the corresponding historical credit losses. The historical loss rates are then adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the annual real GDP growth and annual merchandise trade balance in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產之減值

本集團根據香港財務報告準則第9號的規定使用預期信貸虧損(「預期信貸虧損」)釐定現金及銀行結餘、貿易及其他應收款項以及應收關聯公司款項的信貸虧損。

現金及銀行結餘

包括銀行借貸的按金、受限制現金以及現金及現金等物在內的現金及銀行結餘的公允價值與其賬面值相若，且為最大信貸風險。

儘管現金及銀行結餘亦須遵守香港財務報告準則第9號的減值規定，惟已識別減值虧損並不重大，乃由於管理層認為交易對方為聲譽良好的銀行及高信貸評級的金融機構。信貸風險自初始確認以來並無顯著增加。

貿易應收款項

本集團使用香港財務報告準則第9號簡易法計量預期信貸虧損，即就所有貿易應收款項則採用全期的預期虧損計提撥備。

為計量預期信貸虧損，應收貿易賬款已按照共有信貸風險特點及逾期天數分類。

預期虧損率乃基於相應過往信貸虧損而得出。歷史虧損率其後已作出調整以反映當前及前瞻性的宏觀經濟因素資料，該等因素影響客戶結算應收款項的能力。本集團已識別其產品及服務銷往國家的年度實際國內生產總值增長及年度商品貿易餘額為最相關因素，並據此基於該等因素的預期變動而調整歷史虧損率。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

On that basis, the loss allowance was determined as follows for trade receivables:

		Current	1-90 days past due	91-180 days past due	More than 180 days past due	Total
		即期	1至90日	91至180日	180日	總計
As at 31 December 2021	於2021年12月31日					
Expected loss rate	預期虧損率	1.05%	2.15%	43.77%	100.00%	3.82%
Gross carrying amount	賬面總值					
— trade receivables (HK\$'000)	— 貿易應收款項(千港元)	321,784	32,928	15,828	3,267	373,807
Loss allowance (HK\$'000)	虧損撥備(千港元)	3,368	709	6,928	3,267	14,272
As at 31 December 2020	於2020年12月31日					
Expected loss rate	預期虧損率	2.96%	2.60%	44.31%	100.00%	3.97%
Gross carrying amount	賬面總值					
— trade receivables (HK\$'000)	— 貿易應收款項(千港元)	255,196	23,043	4,473	1,122	283,834
Loss allowance (HK\$'000)	虧損撥備(千港元)	7,554	600	1,982	1,122	11,258

The loss allowances for trade receivables as at 31 December 2021 reconcile to the opening loss allowances are presented in note 18.

於2021年12月31日貿易應收款項的虧損撥備與期初虧損撥備的對賬情況於附註18呈列。

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產之減值(續)

貿易應收款項(續)

按此基準，就貿易應收款項釐定的虧損撥備如下：

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Trade receivables (Continued)

Trade receivables is written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 1 year.

Other receivables and amounts due from a related company

The Group applies the HKFRS 9 three-stage approach to measuring ECL of other receivables and amounts due from a related company. The Group makes periodic collective assessments as well as individual assessment on the recoverability of other receivables based on historical settlement records and past experience. Other receivable comprises: prepayments and deposits, value-added tax recoverable, advances to employees, export tax refund receivables and others.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. Impairment on other receivables and amounts due from a related company is measured as 12-month expected credit losses when there has been no significant increase in credit risk since initial recognition. If a significant increase in credit risk has occurred since initial recognition, then impairment is measured as lifetime expected credit loss.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產之減值(續)

貿易應收款項(續)

貿易應收款項於並無合理預期可收回時予以撇銷。無合理預期可收回的指標包括(其中包括)債務人無法與本集團達成還款計劃,且無法就逾期超過1年的款項作出合約付款。

其他應收款項及應收關聯公司款項

本集團採用香港財務報告準則第9號規定的三階段法計量其他應收款項及應收關聯公司款項的預期信貸虧損。本集團按過往結算記錄及過往經驗,定期對其他應收款項之可收回情況進行整體評估及個別評估。其他應收款項包括:預付款及按金、可收回增值稅、為僱員墊款、出口退稅應收款及其他。

本集團於初始確認資產時考慮違約的可能性,並持續考慮信貸風險於各報告期內有否顯著增加。倘其他應收款項及應收關聯公司款項的信貸風險自初始確認以來並無顯著增加,則按12個月的預期信貸虧損計量減值。倘信貸風險自初始確認以來有顯著增加,則按全期預期信貸虧損計量減值。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Other receivables and amounts due from a related company (Continued)

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 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 borrower's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower
- significant increases in credit risk on other financial instruments of the same borrower
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

As at 31 December 2021, the Group has assessed that the ECL for other receivables and amounts due from a related company were immaterial.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(ii) 金融資產之減值(續)

其他應收款項及應收關聯公司款項(續)

為評估信貸風險有否顯著增加，本集團比較資產於報告日期的違約風險與於初始確認日期的違約風險，並考慮可得的前瞻性資料，尤其納入下列各項指標：

- 內部信貸評級
- 外部信貸評級
- 預期業務、財務或經濟狀況實際發生或預期發生重大不利變動導致借款人履行其義務的能力產生重大變化
- 借款人的經營業績實際發生或預期發生重大變動
- 同一借款人的其他金融工具信貸風險顯著增加
- 借款人預期履約及行為發生重大變化，包括本集團借款人付款情況的變化及借款人經營業績的變動。

於2021年12月31日，本集團已評估其他應收款項及應收關聯公司款項之預計信貸虧損並不重大。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances. The Group's liquidity risk is further mitigated through the availability of financing through its own cash resources and the availability of banking facilities to meet its financial commitments. In the opinion of the directors, the Group does not have any significant liquidity risk.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows including interest elements computed using contractual rates, or if floating based on rates at the year-end date.

		On demand	3 months or less	3 months to 1 year	Over 1 year	Total
		按要求	三個月或以下	三個月至一年	超過一年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 December 2021	於2021年12月31日					
Bank borrowings	銀行借貸	-	141,787	55,017	147,448	344,252
Trade and other payables (excluding non-financial liabilities)	貿易及其他應付款項 (非金融負債除外)	6,043	297,220	2,373	-	305,636
Lease liabilities	租賃負債	-	21,045	63,342	25,250	109,637
Total	總計	6,043	460,052	120,732	172,698	759,525

		On demand	3 months or less	3 months to 1 year	Over 1 year	Total
		按要求	三個月或以下	三個月至一年	超過一年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 December 2020	於2020年12月31日					
Bank borrowings	銀行借貸	-	142,359	83,239	59,496	285,094
Trade and other payables (excluding non-financial liabilities)	貿易及其他應付款項 (非金融負債除外)	6,664	346,356	-	-	353,020
Lease liabilities	租賃負債	-	20,525	61,576	21,900	104,001
Total	總計	6,664	509,240	144,815	81,396	742,115

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

本集團透過備有充足現金及銀行結餘審慎地管理流動資金風險。本集團的流動資金風險進一步透過其自有現金資源維持備用資金以及備有銀行融資以滿足財政承擔而得以緩解。董事認為，本集團並無任何重大流動資金風險。

下表乃根據資產負債表日期至合約到期日的剩餘期間，按相關到期組別分析本集團的金融負債。表內披露的金額為合約未貼現現金流量，包括使用合約比率計算的利息部分，或倘屬浮動，則按年結日的比率計算。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Floating rate	浮動利率		
Expiring beyond one year	一年後到期	447,563	396,640

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may vary the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total equity.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

本集團於報告期末可獲得以下未提取的借款融資：

3.2 資本管理

本集團管理資本的目標為保障本集團持續營運的能力，從而為股東提供回報並為其他持份者提供利益，以及維持最佳的資本架構以減低資本成本。

為維持或調整資本架構，本集團或會更改支付予股東的股息金額、發行新股或出售資產以減低債務。

本集團按資產負債比率的基準監察資本。該比率乃按借貸總額除以權益總額計算。

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理(續)

3.2 Capital management (Continued)

3.2 資本管理(續)

The gearing ratio is as follows:

資產負債比率如下：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Total borrowings	借貸總額	339,169	282,235
Total equity	權益總額	1,621,919	1,394,555
Gearing ratio (%)	資產負債比率(%)	21%	20%

(i) Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenant:

- the ratio of earnings before interest, taxes, depreciation and amortisation ("EBITDA")-to-Interest of the Group shall not less than 20.

The Group has complied with this covenant throughout the year. As at 31 December 2021, the ratio of EBITDA-to-Interest of the Group was 87 (31 December 2020: 46).

(i) 貸款契諾

根據主要借貸融資條款，本集團須遵守以下財務契諾：

- 本集團的利息、稅項、折舊及攤銷前溢利(「EBITDA」)與利息的比率均不得低於20。

本集團於年內一直遵守此契諾的規定。於2021年12月31日，本集團的EBITDA與利息的比率為87(2020年12月31日：46)。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation

The fair values of current financial assets, including cash and cash equivalents, restricted cash, deposits for bank borrowings, amounts due from a related company and trade and other receivables, as well as current financial liabilities including trade and other payables and current bank borrowings approximate their carrying amounts due to their short maturities. The fair value of non-current bank borrowings approximate their carrying amounts, as the impact of discounting is not significant.

(i) Fair value hierarchy

The Group has classified its financial instruments into the three levels prescribed under the accounting standards.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

3 財務風險管理(續)

3.3 公允價值估計

由於到期日較短，流動金融資產(包括現金及現金等價物、受限制現金、銀行借貸的按金、應收關聯公司款項以及貿易及其他應收款項)及流動金融負債(包括貿易及其他應付款項以及即期銀行借貸)的公允價值均與其賬面值相若。由於貼現影響不大，非即期銀行借貸的公允價值與其賬面值相若。

(i) 公允價值層級

本集團已按會計準則規定將其金融工具分為三個層級。

本集團按其政策於報告期末確認公允價值層級的轉入及轉出。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(i) Fair value hierarchy (Continued)

The table below analyses financial instruments carried at fair value, by the levels of inputs to valuation techniques. The inputs to valuation techniques are categorised into three levels within a fair value hierarchy, as follows:

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

During the year ended 31 December 2021 and 2020, all the resulting fair value estimates of the Group's financial assets at fair value through profit or loss are included in level 3 during the year. For transfers in and out of level 3 measurements see (iii) below.

3 財務風險管理(續)

3.3 公允價值估計(續)

(i) 公允價值層級(續)

下表透過估值技術的層級輸入數據分析按公允價值列賬的金融工具。估值技術輸入數據在公允價值層級範圍內被分類為以下三個層級：

第一層：在活躍市場買賣的金融工具的公允價值按報告期末的市場報價列賬。所用的市場報價為當時買盤價。該等工具列入第一層。

第二層：並非於活躍市場買賣的金融工具的公允價值採用估值技術釐定，該等估值技術盡量利用可觀察市場數據而極少依賴實體的特定估計。倘計算工具公允價值所需全部重大輸入數據均屬可觀察，則該工具列入第二層。

第三層：倘一項或多項重大輸入數據並非根據可觀察市場數據釐定，則該項工具會納入第三層。

截至2021年及2020年12月31日止年度，本集團本年度以公允價值計量且其變動計入損益的金融資產之公允價值估計結果全部計入第三層。有關第三層計量的轉入及轉出，請參閱下文(iii)。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(ii) Valuation techniques used to determine fair values

For unlisted equity investments, the specific valuation techniques used to value financial instruments are discounted cash flow analysis. The fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

(iii) Fair value measurements using significant unobservable inputs (level 3)

There is no change in level 3 items for the year:

		31 December 2021 2021年 12月31日 HK\$'000 千港元	31 December 2020 2020年 12月31日 HK\$'000 千港元
Unlisted equity investments	非上市股權投資	33,621	33,621

3 財務風險管理(續)

3.3 公允價值估計(續)

(ii) 用於釐定公允價值的估值技術

就非上市股權投資而言，用於評估金融工具價值的特定估值技術為貼現現金流量分析。公允價值已按現值釐定及所用貼現率就對手方或自身信貸風險而調整。

(iii) 使用重大不可觀察輸入數據的公允價值計量(第三層)

第三層項目於本年度概無變動：

3 FINANCIAL RISK MANAGEMENT (Continued)

3 財務風險管理(續)

3.3 Fair value estimation (Continued)

3.3 公允價值估計(續)

(iv) Valuation inputs and relationships to fair value

(iv) 估值輸入數據及與公允價值的關係

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

下表概述第三層公允價值計量所用重大不可觀察輸入數據的量化資料。

Description 概述	Fair value as at 31 December 於12月31日的公允價值		Un-observable inputs 不可觀察輸入數據	Range of inputs (probability-weighted average) 輸入數據範圍(概率加權平均)	
	2021 HK\$'000 千港元	2020 HK\$'000 千港元		2021	2020
Unlisted equity investments 非上市股權投資					
Precision Robotics Limited Precision Robotics Limited	23,621	23,621	Discount rate 貼現率	19% – 21%	19% – 21%
			Net profit rate 淨利率	17% – 19%	19% – 21%
Intelligent Precision Micro-systems Limited 精密睿創系統有限公司	10,000	10,000	Discount rate 貼現率	19% – 21%	19% – 21%
			Net profit rate 淨利率	22% – 24%	19% – 21%

Relationship of unobservable inputs to fair value as follow:

不可觀察輸入數據與公允價值的關係如下：

- The higher the discount rate, the lower the fair value.
- The higher the net profit rate, the higher the fair value.

- 貼現率越高，公允價值越低。
- 淨利率越高，公允價值越高。

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

不可觀察輸入數據之間並無任何嚴重影響公允價值的重大內部關係。

3 FINANCIAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(v) Valuation processes

The finance department of the Group includes a team that performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. This team reports directly to the CFO and the audit committee (AC). Discussions of valuation processes and results are held between the team, the CFO and AC at least once every six months, in line with the Group's half-yearly reporting periods.

The main level 3 inputs used by the Group are derived and evaluated as follows:

- Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Net profit rates are estimated based on market information for similar types of companies.

3 財務風險管理(續)

3.3 公允價值估計(續)

(v) 估值程序

本集團財務部設有一個小組，專責就財務報告目的對非財產項目進行估值，包括第三層公允價值。此小組直接向首席財務官和審核委員會匯報。為配合本集團每半年度報告的日期，此小組、首席財務官及審核委員會最少每六個月開會一次，討論估值流程和相關結果。

本集團使用的主要第三層輸入數據乃從下列各項取得和評估：

- 貼現率乃使用資本資產定價模式釐定，藉此計算反映當前對時間金錢值的市場評估和資產特定風險的稅前利率。
- 基於同類公司的市場信息估計淨利率。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

4.1 Impairment of trade receivables

Management estimated the ECL on trade receivables based on estimation about risk of default and expected credit loss rates. Management applied judgments in making the estimation and selecting the inputs used in the ECL calculation, based on the customers' settlement history, financial position of major customers as well as forward looking information. Details are disclosed in note 3.1(b).

4.2 Allowance for inventories

In determining the NRV of inventories, the Group would evaluate customers' orders, the estimated costs of completion and the estimated costs necessary to make the sale. If conditions which have impact on the NRV of inventories deteriorate, additional allowances for write-down may be required.

4 關鍵會計估計及判斷

本公司按過往經驗及其他因素繼續檢討估計及判斷，包括於有關情況下對日後事件作出合理估計。

本集團對未來作出估計及判斷。顧名思義，會計估計結果很少等同相關實際結果。下文論述可能會導致於下個財政年度內對資產及負債賬面值作出重大調整的重大風險之估計及判斷。

4.1 貿易應收款項減值

管理層已根據估計違約風險及預期信貸虧損率而對貿易應收款項的預期信貸虧損進行估算。在作出有關估計及選擇預期信貸虧損計算採用的輸入數據時，管理層會根據客戶的結算歷史、主要客戶的財務狀況以及前瞻性資料應用判斷。詳情披露於附註3.1(b)。

4.2 存貨撥備

於釐定存貨的可變現淨值，本集團將評估客戶訂單、資產至完工時估計將要發生的成本及估計的銷售費用。倘影響存貨可變現淨值的狀況惡化，則須作出額外撇減撥備。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

4.3 Useful lives of property, plant and equipment

The Group determines the useful lives of property, plant and equipment based on the historical experience of the actual useful lives of assets with similar nature and functions. The estimated useful lives could be changed significantly as a result of technical innovations and competitor actions in response to severe industry cycles. The depreciation charge will be increased when useful lives are less than previously estimated. Write-off or write-down will be recognised when the assets become technically obsolete or non-strategic.

4.4 Income taxes and deferred taxation

There are many transactions and calculations for which the ultimate determination of income tax is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be recognised. The outcome of their actual recognition may be different.

4 關鍵會計估計及判斷(續)

4.3 物業、廠房及設備的可使用年期

本集團根據類似性質及功能的物業、廠房及設備的實際使用年期的歷史經驗釐定物業、廠房及設備可使用年期。該估計可使用年期可能因技術革新及應對嚴峻的行業週期競爭行為而產生顯著變化。倘可使用年期少於以往估計的年期，則將會增加折舊開支。當資產技術上過時或屬非戰略性，則將確認撤銷或撤減。

4.4 所得稅及遞延稅項

在日常業務過程中，多項交易及計算方式均會導致未能確定最終所得稅項。倘這些事宜最終所得稅務與最初錄得的款額有所差異，有關差額將會影響釐定稅項期間的即期及遞延所得稅資產及負債。

倘管理層認為有可能動用日後應課稅溢利以抵銷可予以確認的暫時差異或稅項虧損，則確認有關若干暫時差異及稅項虧損的遞延稅項資產。實際確認結果或會有所不同。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

4.5 Withholding income tax

Subsidiaries in the PRC are required to withhold income tax on dividend declared out of profits earned after 1 January 2008 to the overseas immediate holding companies of the PRC subsidiaries. The directors assessed the cash requirement of the Group and the dividend policy of its major subsidiaries established in the PRC, based on the Group's business plan and financial position. According to the assessment made by the directors, the retained earnings generated by these subsidiaries would be distributed in the near future and deferred tax liabilities for withholding income tax were accrued accordingly.

5 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the Group. The executive directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on the internal reports that are used to make strategic decisions. The Group's operating segments are aggregated into a reportable segment when they have similar economic characteristics associated with the production process, distribution channel and type of customers, and satisfy all conditions and meet all the aggregation criteria in HKFRS 8. Accordingly, the executive directors considered the nature of the Group's business and determined that the Group has two reportable segments: (i) mold fabrication and (ii) plastic components manufacturing.

4 關鍵會計估計及判斷(續)

4.5 預扣所得稅

中國附屬公司就2008年1月1日後所賺取的溢利向中國附屬公司的境外直接控股公司宣派股息，須對股息金額繳付預扣所得稅。董事根據本集團業務計劃及財務狀況，對本集團的現金需求以及其於中國成立的主要附屬公司的股息政策予以評估。根據董事作出的估計，該等附屬公司所產生的保留溢利將會於不久的將來進行分派，亦相應地確認了因預扣所得稅產生的遞延稅項負債。

5 分部資料

本集團執行董事為主要經營決策者。執行董事審閱本集團的內部報告以評估表現及分配資源，並根據用於作出戰略決策的內部報告釐定經營分部。本集團之經營分部於具備與生產過程、分銷渠道及客戶類型有關的類似經濟特徵及滿足香港財務報告準則第8號的所有條件並符合當中所有整合標準時合併為一個可報告分部。因此，執行董事考慮本集團業務的性質並釐定本集團兩個可報告分部：(i) 模具製作及(ii) 注塑組件製造。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

5 SEGMENT INFORMATION (Continued)

The executive directors assess the performance of the operating segments based on their revenue and gross profit and do not assess the assets and liabilities of the operating segments.

(a) Information of the reportable segments for the year is set out as below:

5 分部資料(續)

執行董事根據經營分部的收入及毛利評估分部表現，但並無評估經營分部的資產及負債。

(a) 本年度分部報告資料載列如下：

		Mold fabrication		Plastic components		Total	
		模 具 製 作		注 塑 組 件 製 造		總 計	
		2021	2020	2021	2020	2021	2020
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Revenue	收入						
Segment revenue	分部收入	822,364	797,315	1,698,373	1,333,221	2,520,737	2,130,536
Inter-segment revenue elimination	分部間收入抵銷	(116,339)	(97,117)	-	-	(116,339)	(97,117)
Revenue from external customers	外界客戶收入	706,025	700,198	1,698,373	1,333,221	2,404,398	2,033,419
Segment results	分部業績	191,557	191,562	377,610	341,071	569,167	532,633
Other income and other gains/(losses) — net	其他收入及其他 收益/(虧損) — 淨額					62,945	28,074
Selling expenses	銷售開支					(79,252)	(71,130)
Administrative expenses	行政開支					(247,004)	(254,719)
Finance income — net	財務收入 — 淨額					18,137	5,034
Share of profit of an associate	應佔聯營公司溢利					527	650
Profit before income tax	除所得稅前溢利					324,520	240,542

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

(b) Information regarding the Group's revenue by nature:

(b) 有關本集團按性質劃分的收入資料：

		Year ended 31 December 截至12月31日止年度	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Sales of goods	銷售商品	2,321,883	1,951,086
Modification income	修改收入	82,515	82,333
		2,404,398	2,033,419

The Group's revenue is generated from contracts with customers and recognised at a point in time.

本集團的收入來自與客戶所訂合約並於某時點確認。

Revenue of approximately HK\$352,397,000 (2020: HK\$277,715,000) was derived from a single external customer that contributing over 10% of the Group's revenue. Such revenue is attributable to the plastic components manufacturing segment.

約 352,397,000 港元 (2020 年 : 277,715,000 港元) 的收入來自佔本集團收入超10%的單一外界客戶。該收入來自注塑組件製造分部。

Sales between segments are based on the terms and conditions agreed by the respective segments' management.

分部間銷售乃基於各分部管理人員協定之條款及條件。

(c) Information on revenue of the Group by geographical markets, based on delivery location of the customers, for the year is as follows:

(c) 本集團於年內基於客戶的交付地點確定的地域市場劃分的收入資料如下：

		Year ended 31 December 截至12月31日止年度	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
PRC	中國	997,304	738,846
South East Asia and Hong Kong	東南亞及香港	276,695	320,752
Europe	歐洲	432,381	443,710
USA	美國	639,493	502,327
Others	其他	58,525	27,784
		2,404,398	2,033,419

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

5 SEGMENT INFORMATION (Continued)

(d) The non-current assets other than financial instruments and deferred tax assets by location of the assets are shown in the following:

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
PRC	中國	654,888	663,357
Germany	德國	9,096	11,208
Vietnam	越南	7,428	-
		671,412	674,565

5 分部資料(續)

(d) 不包括金融工具及遞延稅項資產的非流動資產按地點劃分如下所示：

6 OTHER INCOME AND OTHER GAINS/(LOSSES) — NET

6 其他收入及其他收益/(虧損) — 淨額

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Other income	其他收入		
Government grants	政府補助	23,881	40,427
Sales of scrap and surplus materials	銷售廢料及剩餘材料	24,807	15,918
Others	其他	3,181	2,490
		51,869	58,835
Other gains/(losses) — net	其他收益/(虧損) — 淨額		
Net foreign exchange loss	匯兌虧損淨額	(1,582)	(37,241)
Rent concessions	租金寬減	9,152	5,327
Gain on disposal of property, plant and equipment (note 32(b))	出售物業、廠房及設備的收益 (附註32(b))	2,077	1,153
Lease modification	租賃修訂	1,429	-
		11,076	(30,761)

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

7 EXPENSES BY NATURE

7 按性質劃分的開支

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Changes in inventories of finished goods and work in progress	製成品及半成品存貨變動	(34,631)	(62,990)
Raw materials and consumables used	原材料及消耗品耗用	912,109	781,781
Employee benefit expenses (note 8)	僱員福利開支(附註8)	634,715	534,232
Subcontracting expenses	代工費用	189,391	172,015
Depreciation of property, plant and equipment and amortisation of intangible assets	物業、廠房及設備折舊以及無形資產攤銷	151,645	145,380
Depreciation of right-of-use assets	使用權資產折舊	69,647	64,714
Transportation and travelling expenses	運輸及差旅開支	62,963	47,453
Water and electricity expenditures	水電費用	56,156	45,183
Maintenance expenses	維修費用	17,955	10,506
Other taxes and levies	其他稅費	16,189	13,681
Operating lease payments (note 14(b))	經營租賃付款(附註14(b))	12,332	3,846
Allowance for inventories	存貨撥備	8,948	5,203
Advisory and legal service expenses	諮詢及法律服務開支	7,831	12,862
Security and estate management expenses	保安及物業管理費	7,811	7,261
Impairment of property, plant and equipment (note 13)	物業、廠房及設備減值(附註13)	7,145	—
Commission expenses	佣金費用	6,986	8,385
Utilities and postage fees	雜費及郵費	6,142	3,293
Advertising and promotion fees	廣告及推廣費用	5,351	2,993
Auditors' remuneration	核數師薪酬		
— Audit services	— 核數服務	3,611	3,013
— Non-audit services	— 非核數服務	500	435
Impairment loss on financial assets	金融資產減值虧損	2,941	6,992
Custom declaration charges	報關費	2,172	1,854
Donations	捐贈	1,531	2,194
Other expenses	其他開支	12,047	16,349
Total cost of sales, selling expenses and administrative expenses	銷售成本、銷售開支及行政開支總額	2,161,487	1,826,635

8 EMPLOYEE BENEFIT EXPENSES

8 僱員福利開支

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Wages and bonuses	工資及花紅	570,937	497,329
Pension costs — defined contribution plans (a)	退休成本 — 定額供款計劃(a)	18,969	11,821
Other social security costs	其他社保成本	28,405	18,232
Other allowances and benefits	其他津貼及福利	14,393	4,839
Share award scheme (note 25)	股份獎勵計劃(附註25)	2,011	2,011
		634,715	534,232

(a) Employees in the Group's PRC subsidiaries are required to participate in a defined contribution retirement scheme administrated and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated as 10%-20% (2020: 10%-20%) of the average employee salary for the year to the scheme.

During the years ended 31 December 2020 and 2021, the Group had no forfeited contributions under its defined contribution schemes which were used to reduce the existing level of contribution.

As at 31 December 2021, the Group had no contributions payable to the scheme (31 December 2020: Nil).

(a) 本集團中國附屬公司的僱員須參與由地方市政府管理及運作的定額供款退休計劃。本集團的中國附屬公司按僱員年內平均薪金的10%至20%(2020年:10%至20%)計算的數額向該計劃供款。

截至2020年及2021年12月31日止年度，本集團並無沒收其定額供款計劃項下的供款以用於降低現有的供款水平。

於2021年12月31日，本集團概無該計劃的應付款項(2020年12月31日:無)。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

8 EMPLOYEE BENEFIT EXPENSES (Continued)

8 僱員福利開支(續)

(b) Five highest paid individuals

(b) 五名最高薪酬人士

The five individuals whose emoluments were the highest in the Group for the year include four (2020: four) directors whose emoluments are reflected in the analysis shown in note 39. The emoluments payable to the remaining one (2020: one) individual during year are as follows:

本年度，本集團五名最高薪酬人士包括四名(2020年：四名)董事，其酬金已載於附註39所列示的分析。年內，應付予其餘一名(2020年：一名)最高薪酬人士的薪酬如下：

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, housing allowances, share award scheme, other allowances and benefits in kind	基本酬金、房屋津貼、股份獎勵計劃、其他津貼及實物利益	2,066	1,695
Discretionary bonuses	酌情花紅	1,585	1,587
Contribution to pension scheme	退休計劃供款	18	18
		3,669	3,300

The emoluments paid to this individual fell within the following bands:

向該人士支付的酬金介乎下列組別：

		Number of individuals 該等人士數量	
		Year ended 31 December 截至12月31日止年度	
		2021	2020
Emolument bands (in HK dollar)	酬金組別(港元)		
HK\$3,000,001 — HK\$3,500,000	3,000,001港元至3,500,000港元	—	1
HK\$3,500,001 — HK\$4,000,000	3,500,001港元至4,000,000港元	1	—

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

9 FINANCE INCOME — NET

9 財務收入—淨額

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Interest income:	利息收入：		
— Bank deposits	— 銀行存款	5,440	2,872
— Financial assets at fair value through profit or loss	— 以公允價值計量且其變動計入損益的金融資產	19,073	12,153
Finance income	財務收入	24,513	15,025
Interest expenses:	利息開支：		
— Bank borrowings	— 銀行借貸	(2,814)	(4,036)
— Lease liabilities (note 14)	— 租賃負債(附註14)	(3,562)	(5,955)
Finance costs	財務成本	(6,376)	(9,991)
Finance income — net	財務收入 — 淨額	18,137	5,034

10 INCOME TAX EXPENSE

10 所得稅開支

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	即期所得稅		
— Hong Kong profits tax	— 香港利得稅	18,673	13,560
— PRC corporate income tax	— 中國企業所得稅	32,258	21,958
Total current tax expense	即期稅項開支總額	50,931	35,518
Deferred income tax	遞延所得稅		
— Hong Kong profits tax	— 香港利得稅	(109)	(1,089)
— PRC corporate income tax	— 中國企業所得稅	(8,685)	(3,574)
Total deferred tax benefit	遞延稅項利益總額	(8,794)	(4,663)
Income tax expense	所得稅開支	42,137	30,855

10 INCOME TAX EXPENSE (Continued)

The Company is incorporated in the Cayman Islands as an exempted company with limited liability and is exempted from Cayman Islands income tax.

No provision for income tax in the British Virgin Islands (the "BVI") has been made as the Group has no income assessable for income tax in BVI during the year (2020: Nil).

Under the current Hong Kong Inland Revenue Ordinance, from the year of assessment 2018/2019 onwards, the subsidiaries in Hong Kong are subject to profits tax at the rate of 8.25% on assessable profits up to HK\$2,000,000, and 16.5% on any part of assessable profits over HK\$2,000,000.

PRC corporate income tax ("CIT") is provided on the assessable income of entities within the Group incorporated in the PRC, calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits. The applicable CIT rate is 25% (2020: 25%). Certain subsidiaries of the Group were recognised as "New and High Technology Enterprise" and enjoy a preferential CIT rate of 15%.

According to the CIT Law, a withholding income tax of 10% will be levied on the immediate holding companies outside the PRC when their PRC subsidiaries declare dividend out of profits earned after 1 January 2008. The immediate holding companies of certain PRC subsidiaries have obtained Hong Kong tax resident status, and a lower 5% withholding income tax rate is applied.

10 所得稅開支(續)

本公司於開曼群島註冊成立為一間獲豁免有限公司，獲豁免繳納開曼群島所得稅。

由於本集團於年內在英屬處女群島並無應課所得稅收入，故並無計提英屬處女群島的所得稅撥備(2020年：無)。

根據當前香港稅務條例，自2018/2019課稅年度起，香港附屬公司2,000,000港元以下的應課稅溢利按8.25%稅率繳納利得稅，而2,000,000港元以上的任何應課稅溢利按16.5%稅率繳納利得稅。

中國企業所得稅(「中國企業所得稅」)乃按本集團旗下於中國註冊成立的實體產生的應課稅收入作出撥備，其於計及可獲得的稅項優惠後根據中國的相關法規計算。適用企業所得稅稅率為25%(2020年：25%)。本集團之若干附屬公司被認為「高新技術企業」並享有15%的企業所得稅優惠稅率。

根據企業所得稅法，當中國境外直接控股公司的中國附屬公司於2008年1月1日後就所賺取的溢利中宣派股息，則將對該等公司徵收10%的預扣所得稅。若干中國附屬公司的直接控股公司已獲得香港稅收居民身份並按5%的較低稅率繳納預扣所得稅。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

10 INCOME TAX EXPENSE (Continued)

The taxation on the Group's profit before income tax differs from the theoretical amount that would have arisen using the main statutory tax rate applicable to profit of the Group due to the following:

10 所得稅開支(續)

就本集團除所得稅前溢利繳納的稅項因下列各項而與採用本集團溢利適用主要法定稅率計算的理論金額存在差異：

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	除所得稅前溢利	324,520	240,542
Tax calculated at corporate income tax rate of 25%	按25%企業所得稅稅率計算的稅項	81,130	60,135
Effects of:	下列各項的影響：		
— Different tax rates applied	— 採用不同稅率	(31,617)	(23,301)
— Income not subject to tax	— 毋須課稅收入	(994)	(1,675)
— Accelerated deduction of research and development expenses	— 研發費用加計扣除	(12,308)	(7,482)
— Effects of tax rate change on deferred tax	— 稅率變動對遞延稅項的影響	1,446	—
— Tax losses not recognised	— 未確認稅項虧損	3,372	1,728
— Expenses not deductible for tax	— 不可扣稅開支	995	1,224
— Under provision in prior years	— 過往年度撥備不足	113	1,261
— Utilisation of previously unrecognised tax losses	— 使用先前尚未確認之稅項虧損	—	(1,035)
		42,137	30,855

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold Improvements	Plant and machinery	Furniture, fixture and computer equipment 傢具、裝置及 電腦設備	Motor vehicles	Construction in progress	Total
		租賃物業裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	電腦設備 HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	合計 HK\$'000 千港元
Year ended 31 December 2021	截至2021年12月31日 止年度						
Opening net book amount	年初賬面淨值	70,821	457,927	7,282	152	20,721	556,903
Currency translation differences	外幣報表折算差異	1,646	11,893	58	3	660	14,260
Additions	添置	-	-	1,447	1,961	100,100	103,508
Acquisition of business (note 35)	收購業務(附註35)	-	4,751	42	-	-	4,793
Transfers	轉撥	25,920	63,388	-	-	(89,308)	-
Disposals (note 32(b))	出售(附註32(b))	-	(436)	(28)	-	-	(464)
Impairment (i)	減值(i)	-	(7,145)	-	-	-	(7,145)
Depreciation charge	折舊支出	(32,000)	(107,031)	(4,409)	(449)	-	(143,889)
Closing net book amount	年末賬面淨值	66,387	423,347	4,392	1,667	32,173	527,966
At 31 December 2021	於2021年12月31日						
Cost	成本	234,985	1,085,311	45,722	7,653	32,173	1,405,844
Accumulated depreciation and impairment	累計折舊及減值	(168,598)	(661,964)	(41,330)	(5,986)	-	(877,878)
Net book amount	賬面淨值	66,387	423,347	4,392	1,667	32,173	527,966
Year ended 31 December 2020	截至2020年12月31日 止年度						
Opening net book amount	年初賬面淨值	80,818	466,231	8,201	782	36,246	592,278
Currency translation differences	外幣報表折算差異	3,175	23,341	268	8	2,279	29,071
Additions	添置	-	-	3,640	-	71,157	74,797
Transfers	轉撥	18,370	70,591	-	-	(88,961)	-
Disposals	出售	(5)	(476)	(2)	-	-	(483)
Depreciation charge	折舊支出	(31,537)	(101,760)	(4,825)	(638)	-	(138,760)
Closing net book amount	年末賬面淨值	70,821	457,927	7,282	152	20,721	556,903
At 31 December 2020	於2020年12月31日						
Cost	成本	207,407	1,018,345	45,051	6,049	20,721	1,297,573
Accumulated depreciation and impairment	累計折舊及減值	(136,586)	(560,418)	(37,769)	(5,897)	-	(740,670)
Net book amount	賬面淨值	70,821	457,927	7,282	152	20,721	556,903

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

13 PROPERTY, PLANT AND EQUIPMENT (Continued)

13 物業、廠房及設備(續)

Depreciation charges were included in the following categories in the profit or loss:

折舊支出計入損益的下列類別：

		Year ended 31 December 截至12月31日止年度	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Cost of sales	銷售成本	125,595	117,136
Administrative expenses	行政開支	18,196	21,483
Selling expenses	銷售開支	98	141
		143,889	138,760

(i) The amount mainly represented full impairment loss for specialised machineries due to the termination of a plastic components manufacturing project relating to a specific product in December 2021. The whole amount was recognised as cost of sales for the year (2020: Nil).

(i) 該金額主要指2021年12月因有關特定產品的注塑組件製造項目終止而導致專用機械悉數減值虧損。全部金額於年內在損益確認為銷售成本(2020年：無)。

14 RIGHT-OF-USE ASSETS AND LEASES

14 使用權資產及租賃

(a) Amounts recognised in the balance sheet

(a) 於資產負債表確認之金額

		As at 31 December 於12月31日	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Right-of-use assets — Properties	使用權資產 — 物業	101,601	83,438
Lease liabilities	租賃負債		
Current	流動	81,035	79,094
Non-current	非流動	23,432	19,536
		104,467	98,630

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

14 RIGHT-OF-USE ASSETS AND LEASES (Continued)

(a) Amounts recognised in the balance sheet (Continued)

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 8 years.

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

Leases are recognised as a right-of-use asset and a corresponding liability when they are not short-term and not for low-value assets. Additions to the right-of-use assets during the year were HK\$92,456,000 (2020: HK\$1,635,000).

(b) Amounts recognised in the statement of comprehensive income

14 使用權資產及租賃(續)

(a) 於資產負債表確認之金額(續)

本集團租賃多項辦公室、倉庫、設備及車輛。作出的租約一般固定期限為6個月至8年。

租期乃按個別基準磋商並載有多項不同的條款及條件。除出租人所持租賃資產的抵押權益外，租賃協議並無施加任何契諾。租賃資產或不可用作借貸的抵押品。

倘租賃不屬短期亦非低價值資產，則確認為使用權資產及相應負債。於本年度添置使用權資產92,456,000港元(2020年：1,635,000港元)。

(b) 於綜合收益表確認之金額

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation charge of right-of-use assets (note 7)	使用權資產折舊支出(附註7)		
— Charged to cost of sales	— 計入銷售成本	53,855	51,655
— Charged to administrative expenses	— 計入行政開支	15,792	13,059
Expense relating to short-term and low-value assets leases (note 7)	與短期及低價值資產租賃相關的開支(附註7)		
— Charged to cost of sales	— 計入銷售成本	10,663	3,514
— Charged to administrative expenses	— 計入行政開支	1,669	332
Rent concession (note 6)	租金寬減(附註6)	9,152	5,327
Lease modification (note 6)	租賃修訂(附註6)	1,429	—
Interest expense (note 9)	利息開支(附註9)	3,562	5,955

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

14 RIGHT-OF-USE ASSETS AND LEASES (Continued)

14 使用權資產及租賃(續)

(c) The total cash outflow for leases were as follows:

(c) 租賃的現金流出總額如下：

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Principal elements of lease payments	租賃付款之本金部分	71,898	47,269
Interest portion of lease payments	租賃付款之利息部分	3,562	7,590
Short-term and low-value assets leases payments	短期及低價值租賃付款	12,332	3,846
		87,792	58,705

(d) Covid-19-related Rent Concession

(d) Covid-19相關的租金寬減

The Group has applied the practical expedient to all qualifying Covid-19-Related Rent Concessions. Rent concessions totalling HK\$9,152,000 have been accounted for as negative variable lease payments and recognised in other gains/(losses) – net in the consolidated statement of comprehensive income for the year (2020: HK\$5,327,000), with a corresponding adjustment to the lease liabilities.

本集團已對所有符合條件的Covid-19相關的租金寬減採用可行權宜法。合共9,152,000港元(2020年：5,327,000港元)的租金寬減以負可變租賃付款入賬及於本年度的合併綜合收益表中的其他收益/(虧損)一淨額確認，並就租賃負債作出相應的調整。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

15 INTANGIBLE ASSETS

15 無形資產

		Computer software 電腦軟件 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Goodwill 商譽 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2021	截至2021年12月31日止年度				
Opening net book amount	年初賬面淨值	23,242	–	899	24,141
Currency translation differences	外幣報表折算差異	599	98	136	833
Additions	添置	5,086	–	–	5,086
Acquisition of business (note 35)	收購業務(附註35)	–	3,084	6,358	9,442
Amortisation charge	攤銷支出	(7,517)	(239)	–	(7,756)
Closing net book amount	年末賬面淨值	21,410	2,943	7,393	31,746
At 31 December 2021	於2021年12月31日				
Cost	成本	60,851	3,182	7,393	71,426
Accumulated amortisation	累計攤銷	(39,441)	(239)	–	(39,680)
Net book amount	賬面淨值	21,410	2,943	7,393	31,746
Year ended 31 December 2020	截至2020年12月31日止年度				
Opening net book amount	年初賬面淨值	13,010	–	821	13,831
Currency translation differences	外幣報表折算差異	422	–	78	500
Additions	添置	16,449	–	–	16,449
Amortisation charge	攤銷支出	(6,620)	–	–	(6,620)
Disposals	出售	(19)	–	–	(19)
Closing net book amount	年末賬面淨值	23,242	–	899	24,141
At 31 December 2020	於2020年12月31日				
Cost	成本	54,091	–	899	54,990
Accumulated amortisation	累計攤銷	(30,849)	–	–	(30,849)
Net book amount	賬面淨值	23,242	–	899	24,141

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

15 INTANGIBLE ASSETS (Continued)

Amortisation charges were included in the following categories in profit or loss:

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Administrative expenses	行政開支	7,517	6,620
Cost of sales	銷售成本	239	-
		7,756	6,620

Goodwill arose from the acquisition of 100% equity interest in TK Mold Germany GmbH ("TKMG") in 2014 and the silicone business from Techco Silicone & Technology Co., Ltd. ("Silicone Business") in 2021.

The recoverable amounts of the CGUs are determined based on value-in-use calculations. The calculation uses pre-tax cash flow projections based on financial forecasts prepared by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

15 無形資產(續)

攤銷支出計入損益的下列類別：

商譽因2014年收購TK Mold Germany GmbH(「TKMG」)的100%股本權益及2021年收購東莞市雅高硅膠製品有限公司的硅膠業務(「硅膠業務」)而產生。

現金產生單位之可收回金額乃根據使用價值計算方式釐定。該計算根據管理層所作出涵蓋五年期間的財務預測，使用稅前現金流量預測作出。超過五年期間的現金流量乃使用下文所述的估計增長率推斷。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

15 INTANGIBLE ASSETS (Continued)

The following table sets out the goodwill and key assumptions used for value-in-use calculation for those CGUs that goodwill allocated to:

15 無形資產(續)

下表載列用於計算該等獲分配商譽的現金產生單位的使用價值的商譽及主要假設：

		Silicone Business 硅膠業務	TKMG TKMG
31 December 2021	2021年12月31日		
Goodwill net book value (HK\$'000)	商譽賬面淨值(千港元)	6,358	1,035
Net profit margin (%)	淨利率(%)	6%	9%
Revenue growth rate (%)	收入增長率(%)	10%	3%
Pre-tax discount rate (%)	稅前貼現率(%)	9%	16%
31 December 2020	2020年12月31日		
Goodwill net book value (HK\$'000)	商譽賬面淨值(千港元)	NA 不適用	899
Net profit margin (%)	淨利率(%)	NA 不適用	7%
Revenue growth rate (%)	收入增長率(%)	NA 不適用	2%
Pre-tax discount rate (%)	稅前貼現率(%)	NA 不適用	16%

The directors of the Company consider that no impairment charge was required after performing the impairment assessment for the year (2020: Nil).

於年內進行減值評估後，本公司董事認為毋須計提減值撥備(2020年：無)。

If the estimated future cash flows had been 10% lower than management's estimates, the Group would still have recognised no impairment loss.

倘估計未來現金流量較管理層的估計值低10%，本集團仍將確認並無減值虧損。

If the discount rate had increased 2% points, the Group would still have recognised no impairment loss.

倘貼現率增加2%點，本集團仍將確認並無減值虧損。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

16 FINANCIAL INSTRUMENTS BY CATEGORY

16 按類別劃分的金融工具

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤餘成本計量的金融資產		
— Trade and other receivables (excluding prepayments and tax recoverable)	— 貿易及其他應收款項 (不包括預付款項及 可收回稅項)	365,040	277,760
— Restricted cash	— 受限制現金	1,231	443
— Deposits for bank borrowings	— 銀行借貸的按金	174,437	148,231
— Cash and cash equivalents	— 現金及現金等價物	1,027,568	920,446
Financial assets at fair value through profit or loss	以公允價值計量且其變動計入 損益的金融資產	33,621	33,621
		1,601,897	1,380,501
Financial liabilities	金融負債		
Liabilities measured at amortised cost	按攤餘成本計量的負債		
— Trade and other payables (excluding non-financial liabilities)	— 貿易及其他應付款項 (不包括非金融負債)	305,636	353,020
— Bank borrowings	— 銀行借貸	339,169	282,235
— Lease liabilities	— 租賃負債	104,467	98,630
		749,272	733,885

The Group's exposure to various risks associated with the financial instruments is discussed in note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

本集團就與金融工具相關須承擔的多項風險於附註3中討論。於報告期末須承擔的最大信貸風險為上述各類金融資產的賬面值。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

17 INVENTORIES

17 存貨

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Raw materials	原材料		
— At cost	— 按成本	49,093	25,960
— At NRV	— 按可變現淨值	643	1,408
Work in progress	半成品		
— At cost	— 按成本	296,288	323,145
— At NRV	— 按可變現淨值	42,960	27,509
Finished goods	製成品		
— At cost	— 按成本	105,053	68,782
— At NRV	— 按可變現淨值	1,607	291
		495,644	447,095

The movements of allowance for write-down are analysed as follows:

撇減撥備變動分析如下：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	年初	14,444	8,188
Currency translation difference	外幣報表折算差異	662	1,053
Allowance for write-down, net	撇減撥備淨額	8,948	5,203
At end of the year	年末	24,054	14,444

The cost of inventories included in cost of sales for the year was HK\$845,835,000 (2020: HK\$680,630,000).

計入年內銷售成本之存貨成本為845,835,000港元(2020年：680,630,000港元)。

The Group reversed HK\$1,928,000 of previous inventory write-down in 2021 (2020: HK\$1,267,000), as the Group sold the relevant goods that had been written down to independent customers at prices above NRV. The amount reversed has been included in 'cost of sales' in the consolidated statement of comprehensive income.

本集團於2021年撥回先前存貨撇減1,928,000港元(2020年：1,267,000港元)，乃由於本集團將已撇減相關商品以高於可變現淨值的價格出售予獨立客戶。撥回款項已計入合併綜合收益表的「銷售成本」。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

18 TRADE AND OTHER RECEIVABLES

18 貿易及其他應收款項

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables (a)	貿易應收款項(a)	373,807	283,834
Less: allowance for impairment	減：減值撥備	(14,272)	(11,258)
Trade receivables, net	貿易應收款項淨額	359,535	272,576
Export tax refund receivables	出口退稅應收款項	4,608	13,629
Prepayments and deposits (b)	預付款項及按金(b)	42,247	27,054
Value-added tax recoverable	可收回增值稅	5,165	2,393
Advances to employees	為僱員墊款	3,675	3,550
Others	其他	1,830	1,634
		417,060	320,836

(a) Trade receivables

(a) 貿易應收款項

The carrying amounts of the trade receivables are denominated in the following currencies:

貿易應收款項之賬面值以下列貨幣計值：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
USD	美元	274,207	232,963
RMB	人民幣	86,482	39,742
EUR	歐元	12,284	11,024
Others	其他	834	105
		373,807	283,834

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

18 TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade receivables (Continued)

The credit period granted to customers is generally between 30 and 90 days. The ageing analysis of the trade receivables from the date of sales is as follows:

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Less than 3 months	三個月以內	344,310	255,196
More than 3 months but not exceeding 1 year	超過三個月但不超過一年	28,132	27,804
More than 1 year	一年以上	1,365	834
		373,807	283,834

The Group's sales are made to various customers. While there is concentration of credit risk within a few major customers, these customers are reputable and with good track record of payment.

Movements for the Group's allowance for impairment of trade receivables are as follows:

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Opening loss allowance at 1 January	於1月1日的期初虧損撥備	11,258	4,361
Increase in loss allowance recognised in profit or loss during the year	本年度於損益確認之虧損撥備增加	2,941	6,992
Receivables written off during the year as uncollectible	本年度因無法收回而撇銷之應收款項	–	(144)
Currency translation differences	外幣報表折算差異	73	49
Closing loss allowance at 31 December	於12月31日之期末虧損撥備	14,272	11,258

(b) Prepayments and deposits mainly represent prepayments for purchases of raw materials.

18 貿易及其他應收款項(續)

(a) 貿易應收款項(續)

授予客戶的信貸期通常介乎30至90日之間。貿易應收款項自銷售日期起的賬齡分析如下：

本集團的銷售乃向不同客戶作出。雖然信貸風險集中於若干主要客戶，但該等客戶信譽昭著並擁有良好的償付往績記錄。

本集團貿易應收款項的減值撥備變動如下：

(b) 預付款項及按金主要指購買原材料之預付款項。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

19 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets mandatorily measured at FVPL include the following:

19 以公允價值計量且其變動計入損益的金融資產

強制以公允價值計量且其變動計入損益的金融資產包括下列各項：

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Unlisted equity investments (a)	非上市股權投資(a)		
— At beginning and end of the year	— 於年初及年末	33,621	33,621
Current assets	流動資產		
Wealth management products (b)	財富管理產品(b)		
— Beginning of the year	— 年初	—	—
— Additions	— 添置	1,287,813	1,241,008
— Interest income recognised in profit and loss	— 於損益確認之利息收入	19,073	12,153
— Disposals	— 出售	(1,306,886)	(1,253,161)
End of the year	年末	—	—

(a) Fair value measurements

For information about the methods and assumptions used in determining fair value of the unlisted equity investments, please refer to note 3.3.

(b) The wealth management products were placed in banks in the PRC for cash management purposes and with effective interest rates ranging from 2.0% to 3.9% (2020: 2.4% to 3.6%) per annum and mature within six months.

(a) 公允價值計量

有關釐定非上市股權投資公允價值所採用方法及假設的資料，請參閱附註3.3。

(b) 理財產品乃存置於中國的銀行，作現金管理用途，實際年利率介乎2.0%至3.9%（2020年：2.4%至3.6%），並於六個月內到期。

20 CASH AND CASH EQUIVALENTS

20 現金及現金等價物

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Cash and bank balances (a)	現金及銀行結餘(a)	1,203,236	1,069,120
Less: deposits for bank borrowings (b)	減：銀行借貸的按金(b)	(174,437)	(148,231)
Less: restricted cash	減：受限制現金	(1,231)	(443)
Cash and cash equivalents	現金及現金等價物	1,027,568	920,446

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

20 CASH AND CASH EQUIVALENTS (Continued)

(a) The cash and bank balances are denominated in the following currencies:

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
RMB	人民幣	1,019,318	916,571
USD	美元	163,115	53,930
EUR	歐元	10,662	25,446
HK\$	港元	9,939	72,227
Others	其他	202	946
		1,203,236	1,069,120

(b) As at 31 December 2021, bank borrowings amounting to HK\$123,340,000 (2020: HK\$123,760,000) were secured by bank deposits of HK\$174,437,000 (2020: HK\$148,231,000) (note 26(a)).

20 現金及現金等價物(續)

(a) 現金及銀行結餘以下列貨幣計值：

(b) 於2021年12月31日，為數123,340,000港元的銀行借貸(2020年：123,760,000港元)乃以銀行存款174,437,000港元(2020年：148,231,000港元)作抵押(附註26(a))。

21 SHARE CAPITAL AND SHARE PREMIUM

21 股本及股份溢價

		Number of ordinary shares	Nominal value	Share premium	Total
		普通股數目	面值	股份溢價	總計
		thousands	HK\$'000	HK\$'000	HK\$'000
		千股	千港元	千港元	千港元
Authorised	法定				
As at 1 January 2020,	於2020年1月1日、				
31 December 2020	2020年12月31日及				
and 31 December 2021	2021年12月31日	2,000,000	200,000		
Issued and fully paid	已發行及繳足				
As at 1 January 2020,	於2020年1月1日、				
31 December 2020	2020年12月31日及				
and 31 December 2021	2021年12月31日	833,260	83,326	251,293	334,619

(a) All shares issued rank pari passu with each other.

(a) 所有已發行股份彼此享有同等權益。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

22 SHARES HELD FOR EMPLOYEE SHARE SCHEME 22 就僱員股份計劃持有之股份

		Year ended 31 December 截至12月31日止年度			
		2021		2020	
		Number of shares 股份數目 thousands 千股	Total consideration 總代價 HK\$'000 千港元	Number of shares 股份數目 thousands 千股	Total consideration 總代價 HK\$'000 千港元
Opening balance as at 1 January	於1月1日的期初結餘	2,932	10,416	1,154	5,517
Acquisitions	購置	-	-	1,778	4,899
Balance as at 31 December	於12月31日的結餘	2,932	10,416	2,932	10,416

The Group acquires the Company's shares through its trustee, Bank of Communications Trustee Limited (the "Trustee"), for the Share Award Scheme (note 25). The total consideration paid for acquisitions of these shares is presented as a deduction from equity attributable to owners of the Company. These shares are held by the Trustee for the purpose of granting shares to be awarded under the Share Award Scheme.

本集團透過其受託人交通銀行信託有限公司(「受託人」)購買本公司股份用於股份獎勵計劃(附註25)。購買的已付總代價已呈列為自本公司擁有人應佔權益中扣除。該等股份由受託人根據股份獎勵計劃擬授出股份獎勵而持有。

23 RETAINED EARNINGS

23 保留溢利

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於1月1日	944,326	841,175
Profit for the year	年內溢利	282,383	209,687
Dividends paid (note 31)	已付股息(附註31)	(111,657)	(91,658)
Transfer to statutory reserves (note 24(a))	轉撥至法定儲備(附註24(a))	(18,568)	(14,878)
At 31 December	於12月31日	1,096,484	944,326

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

24 OTHER RESERVES

24 其他儲備

		Statutory reserves	Shares-based payments reserve	Currency translation reserve	Total
		法定儲備	以股份為基礎之付款儲備	匯兌儲備	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2021	於2021年1月1日	112,467	3,250	10,309	126,026
Share-based payment expenses	以股份為基礎之付款開支	-	2,011	-	2,011
Transfer to statutory reserves (a)	轉撥至法定儲備(a)	18,568	-	-	18,568
Currency translation differences	外幣報表折算差異	-	-	54,627	54,627
At 31 December 2021	於2021年12月31日	131,035	5,261	64,936	201,232
At 1 January 2020	於2020年1月1日	97,589	1,239	(77,640)	21,188
Share-based payment expenses	以股份為基礎之付款開支	-	2,011	-	2,011
Transfer to statutory reserves	轉撥至法定儲備	14,878	-	-	14,878
Currency translation differences	外幣報表折算差異	-	-	87,949	87,949
At 31 December 2020	於2020年12月31日	112,467	3,250	10,309	126,026

(a) Statutory reserves

In accordance with the relevant laws and regulations of the PRC, the PRC subsidiaries of the Group should make appropriation of not less than 10% of its net income after tax to a statutory reserve. Further appropriation is optional when the accumulated statutory reserve is 50% or more of its registered capital. Upon approval from the board of directors, the statutory reserves can be used to offset accumulated losses of the PRC subsidiaries of the Group.

(a) 法定儲備

根據中國相關法律及法規，本集團的中國附屬公司應將其稅後淨收入不少於10%撥作法定儲備。當累計法定儲備達到其註冊資本50%或以上時，可自行決定是否進一步撥備。經董事會批准後，法定儲備可用於抵銷本集團的中國附屬公司之累計虧損。

25 EMPLOYEE SHARE SCHEME

The share-based compensation expense recognised during the year for the Share Award Scheme was HK\$2,011,000 (2020: HK\$2,011,000).

The Company adopted a share award scheme on 25 February 2019 (the "Share Award Scheme") as means to recognise the contribution by the Group's personnel and to provide them with incentives to retain them for the continual operation and development of the Group. Pursuant to the Share Award Scheme, the vesting period of the awarded shares is 5 years from their respective grant dates.

Fair value of the awarded shares granted represents the market value of those awarded shares at their respective grant dates.

The Group planned to use the shares held for employee share scheme to award the grantees of the Share Award Scheme (note 22). No share has been vested since the establishment of the scheme.

Movements in the number of awarded shares are as follows:

		Year ended 31 December 截至12月31日止年度	
		2021	2020
At 1 January	於1月1日	2,932,000	1,154,000
Granted	授出	–	1,778,000
At 31 December	於12月31日	2,932,000	2,932,000

25 僱員股份計劃

股份獎勵計劃於年內確認的以股份為基礎補償開支為2,011,000港元(2020年：2,011,000港元)。

本公司於2019年2月25日採納股份獎勵計劃(「股份獎勵計劃」)，作為認可本集團人員所作貢獻以及提供獎勵挽留彼等為本集團的持續經營及發展作出貢獻的途徑。根據股份獎勵計劃，獎勵股份的歸屬期為各自授出日期起計5年。

所授出獎勵股份的公允價值指該等獎勵股份於其各自授出日期之市值。

本集團計劃使用就僱員股份計劃持有的股份獎勵股份獎勵計劃(附註22)的承授人。自設立計劃以來，概無股份已獲歸屬。

股份獎勵計劃的數目變動如下：

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

25 EMPLOYEE SHARE SCHEME (Continued)

Awarded shares granted and outstanding have the following grant dates and vest dates with zero exercise price:

Grant date	Vest date	Number of shares granted	Number of shares awarded	Number of shares outstanding
授出日期	歸屬日期	已授出 股份數目	獎勵 股份數目	尚未行使 股份數目
31 January 2019 2019年1月31日	31 January 2024 2024年1月31日	1,154,000	–	1,154,000
20 January 2020 2020年1月20日	31 January 2025 2025年1月31日	1,778,000	–	1,778,000
Total 總計		2,932,000	–	2,932,000

25 僱員股份計劃(續)

已授出及尚未行使獎勵股份有下列授出日期及歸屬日期，行使價為零：

The Group has to estimate the expected retention rate of the share award scheme in order to determine the amount of share-based compensation expenses charged to profit or loss. As at 31 December 2021, the expected retention rate was assessed to be 100%.

本集團須估計股份獎勵計劃的預期留存率，以釐定自損益扣除的以股份為基礎補償開支金額。於2021年12月31日，預期留存率經評估為100%。

26 BORROWINGS

26 借貸

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Non-current	非即期		
Bank borrowings — unsecured	銀行借貸 — 無抵押	215,829	158,475
Less: current portion of non-current borrowings	減：非即期借貸之流動部分	(70,889)	(100,040)
		144,940	58,435
Current	即期		
Bank borrowings — secured (a)	銀行借貸 — 有抵押(a)	123,340	123,760
Current portion of non-current borrowings	非即期借貸之流動部分	70,889	100,040
		194,229	223,800
Total borrowings	借貸總額	339,169	282,235

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

26 BORROWINGS (Continued)

- (a) As at 31 December 2021, bank borrowings amounting to HK\$123,340,000 (2020: HK\$123,760,000) were secured by bank deposits of HK\$174,437,000 (2020: HK\$148,231,000) (note 20(b)).
- (b) The carrying amounts of the borrowings are denominated in the following currencies:

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	50,000	75,860
USD	美元	165,829	82,615
EUR	歐元	123,340	123,760
		339,169	282,235

- (c) The exposure of the borrowings to interest-rate changes and the contractual repricing dates at the balance sheet date is as follows:

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Borrowings at floating rates 6 months or less	浮動利率借貸 6個月或以內	339,169	282,235

26 借貸(續)

- (a) 於 2021 年 12 月 31 日，為數 123,340,000 港元（2020 年：123,760,000 港元）的銀行借貸乃以銀行存款 174,437,000 港元（2020 年：148,231,000 港元）作抵押（附註 20(b)）。
- (b) 借貸的賬面值按下列貨幣計值：

- (c) 於資產負債表日期，就借貸面對的利率變動風險及合約重新定價日期如下：

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

26 BORROWINGS (Continued)

26 借貸(續)

(d) The borrowings are repayable as follows:

(d) 借貸須於以下期限內償還：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 year	1年以內	194,229	223,800
Between 1 and 2 years	1至2年內	85,889	48,360
Between 2 and 5 years	2至5年內	59,051	10,075
		339,169	282,235

(e) The effective weighted average interest rates at the balance sheet date are as follows:

(e) 於資產負債表日期的實際加權平均利率如下：

		As at 31 December 於12月31日	
		2021	2020
Bank borrowings denominated in:	以下列貨幣計值的銀行借貸：		
HK\$	港元	1.20%	2.29%
USD	美元	1.22%	1.37%
EUR	歐元	0.19%	0.59%

27 DEFERRED INCOME

27 遞延收入

The amount represented various grants by local government authorities in the PRC. The movements in deferred income on government grants are as follows:

該款項指中國當地政府機關授出的多項補助。政府補助遞延收入的變動如下：

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Opening balance as at 1 January	於1月1日的期初結餘	46,421	36,442
Granted	授出	26,498	18,210
Recognised in the profit or loss	於損益確認	(13,306)	(10,970)
Currency translation differences	外幣報表折算差異	1,703	2,739
Closing balance as at 31 December	於12月31日的期終結餘	61,316	46,421

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

28 TRADE AND OTHER PAYABLES

28 貿易及其他應付款項

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables (a)	貿易應付款項(a)	288,192	335,321
Wages and staff welfare benefits payable	應付工資及僱員福利	84,813	97,849
Accrual for expenses and other payables (b)	應計開支及其他應付款項(b)	15,071	17,699
Contingent consideration (note 35)	或然代價(附註35)	2,373	–
Other taxes payable	其他應付稅項	8,753	5,501
		399,202	456,370

(a) Trade payables were denominated in the following currencies:

(a) 貿易應付款項以下列貨幣計值：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
RMB	人民幣	268,861	316,337
USD	美元	12,838	11,689
HK\$	港元	4,419	5,733
EUR	歐元	1,967	1,562
Others	其他	107	–
		288,192	335,321

The ageing analysis of trade payables based on the goods/services receipt date is as follows:

貿易應付款項按商品/服務接收日期的賬齡分析如下：

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
0 – 90 days	0至90日	217,922	261,677
91 – 120 days	91至120日	40,168	49,783
121 – 365 days	121至365日	24,486	19,951
Over 365 days	超過365日	5,616	3,910
		288,192	335,321

(b) The amounts mainly represented accruals for commission fees, professional service expenses, utilities and other payables.

(b) 該款項主要指佣金費用、專業服務開支、公共事業費及其他應付款項的應計費用。

29 CONTRACT LIABILITIES

Contract liabilities of the Group mainly arise from the advance payments made by customers related to contracts with customers while the underlying goods are yet to be provided. The increase in contract liabilities from 31 December 2020 was mainly due to the growth of the Group's business.

Costs incurred to obtain a contract was not recognised as asset because the period of amortisation is less than one year.

Revenue recognised in the current reporting period relates to carried-forward contract liabilities for sales of goods was HK\$197,537,000 (2020: HK\$175,887,000).

The aggregate amount of the transaction price allocated to sales orders on hand that are partially or fully unsatisfied as at 31 December 2021 was HK\$918,286,000 (2020: HK\$925,172,000).

Management expects that 97.6% (HK\$896,578,000) of the transaction price allocated to unsatisfied performance obligations as of 31 December 2021 will be recognised as revenue during the next reporting period. The remaining 2.4% (HK\$21,708,000) will be recognised in the 2023 financial year. The amount does not include variable consideration which is constrained.

29 合約負債

本集團的合約負債主要由尚未提供與客戶合同相關的商品時客戶所支付的預付款項產生。自2020年12月31日起，合約負債增加主要由於本集團業務增長。

獲得合約所產生之成本並無確認為資產，乃由於攤銷期間少於一年。

於本報告期間已確認與銷售商品的結轉合約負債有關的收入為197,537,000港元(2020年：175,887,000港元)。

於2021年12月31日部分或全部未完成的在手銷售訂單的交易價格合計金額為918,286,000港元(2020年：925,172,000港元)。

管理層預計，截至2021年12月31日分配至未完成履約責任的97.6%(896,578,000港元)交易價格將於下個報告期間確認為收入。剩餘2.4%(21,708,000港元)將於2023年財政年度確認。金額不包括受限制可變代價。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

30 DEFERRED INCOME TAX

30 遞延所得稅

The analysis of deferred tax assets and liabilities is as follows:

遞延稅項資產及負債分析如下：

		As at 31 December 於12月31日	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Before offsetting	抵銷前		
Deferred income tax assets:	遞延所得稅資產：		
— to be recovered after more than 12 months	— 將於超過12個月後收回	9,197	6,963
— to be recovered within 12 months	— 將於12個月內收回	10,080	14,749
		19,277	21,712
Deferred income tax liabilities:	遞延所得稅負債：		
— to be settled after more than 12 months	— 將於超過12個月後結算	(44,074)	(47,226)
— to be settled within 12 months	— 將於12個月內結算	(7,900)	(15,160)
		(51,974)	(62,386)
After offsetting	抵銷後		
Deferred income tax assets	遞延所得稅資產	2,978	—
Deferred income tax liabilities	遞延所得稅負債	(35,675)	(40,674)

As at 31 December 2021, deferred income tax assets and deferred income tax liabilities were offset, where they are in the same entity, to the extent of HK\$16,299,000 (31 December 2020: HK\$21,712,000).

於2021年12月31日，於相同實體的遞延所得稅資產及遞延所得稅負債已相互抵銷16,299,000港元（2020年12月31日：21,712,000港元）。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

30 DEFERRED INCOME TAX (Continued)

30 遞延所得稅(續)

The movements in deferred income tax assets and liabilities are as follows:

遞延所得稅資產及負債的變動如下：

Deferred income tax assets		Tax losses	Accrued expenses and impairment	Deferred income	Total
遞延所得稅資產		稅項虧損	應計開支及減值	遞延收入	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2021	於2021年1月1日	7,602	7,147	6,963	21,712
Currency translation differences	外幣報表折算差異	197	193	237	627
Recognised in profit or loss	於損益確認				
— Effects of tax rate change	— 稅率變動影響	(3,025)	(307)	—	(3,332)
— Others	— 其他	(2,449)	722	1,997	270
As at 31 December 2021	於2021年12月31日	2,325	7,755	9,197	19,277
As at 1 January 2020	於2020年1月1日	7,796	3,528	5,466	16,790
Currency translation differences	外幣報表折算差異	841	(177)	280	944
Recognised in profit or loss	於損益確認	(1,035)	3,796	1,217	3,978
As at 31 December 2020	於2020年12月31日	7,602	7,147	6,963	21,712

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

30 DEFERRED INCOME TAX (Continued)

30 遞延所得稅(續)

Deferred income tax liabilities		Accelerated tax depreciation	Withholding income tax	Revaluation surplus in related to business combination 與業務 合併相關之 重估盈餘	Total
遞延所得稅負債		加速稅項折舊 HK\$'000 千港元	預扣所得稅 HK\$'000 千港元	重估盈餘 HK\$'000 千港元	總計 HK\$'000 千港元
As at 1 January 2021	於2021年1月1日	(47,218)	(15,160)	(8)	(62,386)
Currency translation differences	外幣報表折算差異	(1,452)	–	8	(1,444)
Recognised in profit or loss	於損益確認				
— Effects of tax rate change	— 稅率變動影響	1,886	–	–	1,886
— Others	— 其他	2,710	7,260	–	9,970
As at 31 December 2021	於2021年12月31日	(44,074)	(7,900)	–	(51,974)
As at 1 January 2020	於2020年1月1日	(42,872)	(17,672)	17	(60,527)
Currency translation differences	外幣報表折算差異	(2,519)	–	(25)	(2,544)
Recognised in profit or loss	於損益確認	(1,827)	2,512	–	685
As at 31 December 2020	於2020年12月31日	(47,218)	(15,160)	(8)	(62,386)

Deferred income tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefits through the future taxable profits is probable. As at 31 December 2021, no deferred tax asset has been recognised in respect of the unused tax losses amounting to HK\$53,333,000 (31 December 2020: HK\$39,703,000) as its realisation is uncertain. Such tax losses may be carried forward indefinitely.

遞延所得稅資產乃以相關稅項優惠可透過未來應課稅溢利變現而結轉之稅項虧損確認入賬。於2021年12月31日，本集團並未就未使用稅項虧損53,333,000港元(2020年12月31日：39,703,000港元)確認遞延稅項資產，乃由於其變現存在不確定性。有關稅項虧損或會無限期結轉。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

31 DIVIDENDS

31 股息

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Interim dividend of HK5.4 cents (2020 Interim: HK2.0 cents) per ordinary share	中期股息按每股普通股 5.4港仙 (2020年中期: 2.0港仙)	44,996	16,665
Proposed final dividend of HK8.6 cents (2020 Final: HK8.0 cents) per ordinary share	建議末期股息按每股普通股 8.6港仙 (2020年末期: 8.0港仙)	71,660	66,661
		116,656	83,326

The dividends paid in 2021 and 2020 were HK\$111,657,000 (HK13.4 cents per share) and HK\$91,658,000 (HK11.0 cents per share) respectively. A final dividend in respect of the year ended 31 December 2021 of HK8.6 cents per share, amounting to a total of approximately HK\$71,660,000, is to be approved at the forthcoming annual general meeting.

於2021年及2020年派付的股息分別為111,657,000港元(每股13.4港仙)及91,658,000港元(每股11.0港仙)。本公司將於應屆股東週年大會上批准派付截至2021年12月31日止年度之末期股息每股8.6港仙，股息總額約71,660,000港元。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

32 NOTES TO CONSOLIDATED STATEMENT OF
 CASH FLOWS

32 合併現金流量表附註

(a) Reconciliation of profit before income tax to cash generated from operations:

(a) 除所得稅前溢利與經營所得現金之對賬：

		Year ended 31 December	
		截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Profit before income tax	除所得稅前溢利	324,520	240,542
Adjustments for:	調整：		
Finance income — net (note 9)	財務收入 — 淨額(附註9)	(18,137)	(10,989)
Depreciation of property, plant and equipment (note 13)	物業、廠房及設備折舊(附註13)	143,889	138,760
Impairment of property, plant and equipment (note 7)	物業、廠房及設備減值(附註7)	7,145	—
Depreciation of right-of-use assets (note 7)	使用權資產折舊(附註7)	69,647	64,714
Amortisation of intangible assets (note 15)	無形資產攤銷(附註15)	7,756	6,620
Gain on disposal of property, plant and equipment (note 6)	出售物業、廠房及設備收益(附註6)	(2,077)	(1,153)
Rent concessions (note 6)	租金寬減(附註6)	(9,152)	(5,327)
Lease modification (note 6)	租賃修訂(附註6)	(1,429)	—
Allowance for inventories (note 7)	存貨撥備(附註7)	8,948	5,203
Impairment loss on financial assets (note 7)	金融資產減值虧損(附註7)	2,941	6,992
Share award scheme (note 8)	股份獎勵計劃(附註8)	2,011	2,011
Share of profit of an associate (note 12)	應佔聯營公司溢利(附註12)	(527)	(650)
Changes in working capital:	營運資金變動：		
Inventories	存貨	(57,497)	(55,257)
Restricted cash	受限制現金	(788)	17,195
Trade and other receivables	貿易及其他應收款項	(99,256)	43,966
Amounts due from a related company	應收關聯公司款項	—	(10,898)
Contract liabilities	合約負債	17,563	19,292
Trade and other payables	貿易及其他應付款項	(11,209)	102,416
Cash generated from operations	經營所得現金	384,348	563,437

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

32 NOTES TO CONSOLIDATED STATEMENT OF
 CASH FLOWS (Continued)

(b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

		Year ended 31 December 截至12月31日止年度	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Net book amount disposed	已出售賬面淨值	464	502
Gain on disposal (note 6)	出售收益(附註6)	2,077	1,153
Proceeds from disposals	出售所得款項	2,541	1,655

(b) 於合併現金流量表內，出售物業、廠房及設備的所得款項包括：

(c) This section sets out an analysis of the movements in liabilities from financing activities:

		Leases 租賃 HK\$'000 千港元	Borrowings 借貸 HK\$'000 千港元	Total 總額 HK\$'000 千港元
As at 1 January 2021	於2021年1月1日	98,630	282,235	380,865
Cash flows	現金流量			
Principal amounts	本金	(71,898)	62,974	(8,924)
Interest payments	利息付款	(3,562)	(2,814)	(6,376)
Other changes	其他變動			
New lease (note 14)	新租賃(附註14)	92,456	-	92,456
Rent concessions and lease modification (note 6)	租金寬減及租賃修訂(附註6)	(10,581)	-	(10,581)
Foreign exchange adjustments	外匯調整	(4,140)	(6,040)	(10,180)
Interest expense	利息開支	3,562	2,814	6,376
As at 31 December 2021	於2021年12月31日	104,467	339,169	443,636
As at 1 January 2020	於2020年1月1日	151,226	241,960	393,186
Cash flows	現金流量			
Principal amounts	本金	(47,269)	40,275	(6,994)
Interest payments	利息付款	(7,590)	(4,036)	(11,626)
Other changes	其他變動			
New lease	新租賃	1,635	-	1,635
Rent concessions	租金寬減	(5,327)	-	(5,327)
Interest expense	利息開支	5,955	4,036	9,991
As at 31 December 2020	於2020年12月31日	98,630	282,235	380,865

(c) 本節載列來自融資活動的負債變動之分析：

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

35 BUSINESS COMBINATION

The Group acquired the Silicone Business from Techco Silicone on 31 March 2021 for a consideration of RMB12,000,000 (equivalent to approximately HK\$14,235,000). Techco Silicone was mainly engaged in a full range of liquid silicone rubber molds and product solutions from development, mold design and manufacturing as well as the production and assembly of silicone products. The Group acquired the Silicone Business in order to expand the technology and production capacity of the Group in silicone mold and product solutions and thus further broaden the product mix and market of the Group.

Details of the acquisition are as follows:

Purchase consideration		HK\$'000
採購代價		千港元
Cash paid during the year	年內已付現金	11,862
Contingent consideration (a)	或然代價(a)	2,373
Total	總計	14,235

The assets recognised as a result of the acquisition are as follows:

		Fair value
		公允價值
		HK\$'000
		千港元
Property, plant and equipment	物業、廠房及設備	4,793
Customer relationship (included in intangible assets)	客戶關係 (包括於無形資產中)	3,084
Net identifiable assets acquired	收購可識別資產淨值	7,877
Add: Goodwill (b)	加：商譽(b)	6,358
		14,235

35 業務合併

於2021年3月31日，本集團以代價人民幣12,000,000元(折合約14,235,000港元)自雅高硅膠收購硅膠業務。雅高硅膠主要從事各類液態硅橡膠模具與生產製品解決方案，包括開發、模具設計及製造以及硅膠產品的生產及組裝。本集團收購硅膠業務，以擴充本集團於硅膠模具與產品解決方案的技術及產能，從而進一步拓寬本集團的產品組合及市場。

收購詳情如下：

因收購確認的資產如下：

35 BUSINESS COMBINATION (Continued)

- (a) Pursuant to the acquisition arrangement, the Group is required to pay Techco Silicone additional considerations of RMB1,000,000 (equivalent to approximately HK\$1,187,000) if the sales amounts generated by the acquired business (excluding the Group's contribution) exceed RMB6,000,000 or RMB2,000,000 (equivalent to approximately HK\$2,373,000) if the sales amounts generated by the acquired business (excluding the Group's contribution) exceed RMB7,400,000 from the acquisition date to 31 March 2022.

The potential undiscounted amount of future payments that the Group could be required to make under this arrangement is HK\$0, HK\$1,187,000 or HK\$2,373,000. The fair value of the contingent consideration arrangement approximates to the carrying amount due to the short maturity as at 31 December 2021.

- (b) The goodwill is attributable to the workforce and the profitability in trading the products and synergies expected to arise after the Group's acquisition of the Silicone Business.
- (c) The acquired businesses contributed revenue of HK\$5,696,000 and net loss of HK\$3,362,000 to the Group for the period from the acquisition date to 31 December 2021. Had the business been consolidated from 1 January 2021, the consolidated income statement for the year ended 31 December 2021 would show pro-forma revenue of HK\$2,407,376,000 and profit for the period of HK\$281,459,000.

35 業務合併(續)

- (a) 根據收購安排，倘自收購日期至2022年3月31日收購業務產生的銷售金額(不包括本集團貢獻)超過人民幣6,000,000元，本集團須向雅高硅膠支付額外代價人民幣1,000,000元(相當於約1,187,000港元)。倘收購業務產生的銷售金額(不包括本集團貢獻)超過人民幣7,400,000元，本集團須向雅高硅膠支付額外代價人民幣2,000,000元(相當於約2,373,000港元)。

本集團可能須根據本安排作出的未來付款的潛在未貼現金額為0港元、1,187,000港元或2,373,000港元。因到期時間較短，於2021年12月31日，或然代價安排的公允價值與其賬面值相若。

- (b) 該商譽歸因於勞動力、買賣硅膠產品的盈利能力及本集團收購硅膠業務後預期產生的協同效應。
- (c) 已收購業務於各收購日期至2021年12月31日期間為本集團貢獻收入5,696,000港元及虧損淨額3,362,000港元。倘該業務自2021年1月1日合併，截至2021年12月31日止年度之綜合收益表將呈列備考收入2,407,376,000港元及期內溢利281,459,000港元。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

36 RELATED PARTY TRANSACTIONS

36 關連方交易

(a) Names and relationship

The following companies and individuals were related parties of the Group that have transactions or balances with the Group for the year ended 31 December 2021:

(a) 名稱及關係

以下公司及個別人士為於截至2021年12月31日止年度與本集團有交易或結餘的本集團關連方：

Name of the related party 關連方名稱	Relationship with the Group 與本集團之關係
TK Technology Holdings Limited 東江科技集團有限公司	Entity controlled by Ultimate Shareholders 最終股東控制的實體
TK Technology (Shenzhen) Limited 東江科技(深圳)有限公司	Entity controlled by Ultimate Shareholders 最終股東控制的實體
Mr. Li Pui Leung 李沛良先生	Ultimate Shareholders 最終股東
Mr. Yung Kin Cheung Michael 翁建翔先生	Ultimate Shareholders 最終股東
Mr. Lee Leung Yiu 李良耀先生	Ultimate Shareholders 最終股東

(b) Transactions with related parties during the year

Other than the related party transactions disclosed in note 39, the following transactions with related parties were undertaken by the Group during the year.

(b) 年內與關連方之交易

除附註39所披露的關連方交易外，本集團於年內與關連方進行的交易如下。

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Payment of lease liabilities	支付租賃負債	74,713	54,822
Interest expense paid on lease liabilities	就租賃負債支付的利息開支	1,919	4,834
Operating lease expenses paid	已付經營租賃開支	4,322	473
Rent concessions	租金寬減	(9,152)	(4,830)
Total (i)	總計(i)	71,802	55,299

The related additions of right-of-use assets for the year ended 31 December 2021 were approximately HK\$79,384,000 (2020: HK\$1,635,000).

截至2021年12月31日止年度，使用權資產相關增加額約為79,384,000港元(2020年：1,635,000港元)。

(i) The amounts mainly represented rental payments for land and buildings for factory, office and other facilities purposes paid to TK Technology Holdings Limited and TK Technology (Shenzhen) Limited. All rental amounts were determined with reference to independent property valuation.

(ii) 該款項主要指向東江科技集團有限公司及東江科技(深圳)有限公司支付的用於工廠、辦公及其他設施用途的土地和樓宇的租金付款。所有租金金額均參考獨立物業估值釐定。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

36 RELATED PARTY TRANSACTIONS (Continued)

36 關連方交易(續)

(c) Outstanding balances arising from leases

The following balances are outstanding at the end of the reporting period in relation to lease transactions with related parties:

		As at 31 December 於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Amounts due from a related party	應收一名關連方款項		
TK Technology (Shenzhen) Limited	東江科技(深圳)有限公司	10,913	10,898

Amounts mainly represented rental deposits paid to a related party. The amounts are interest-free and repayable according to the lease terms.

(c) 租賃產生的未償還結餘

於報告期末，與關連方租賃交易有關的未償還結餘如下：

應收一名關連方款項主要指向一名關連方支付的租金按金。該款項免息並根據租賃條款償還。

(d) Key management personnel compensation

The compensations paid or payable to key management personnel for employee services are shown below:

		Year ended 31 December 截至12月31日止年度	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Wages, salaries and bonuses	工資、薪金及花紅	28,176	23,685
Share award scheme	股份獎勵計劃	680	680
Pension costs — defined contribution plans	退休金成本 — 定額供款計劃	163	148
		29,019	24,513

(d) 主要管理人員薪酬

就僱員服務已付或應付主要管理人員之薪酬載列如下：

(e) Indemnity

Each of the Ultimate Shareholders jointly and severally has undertaken to indemnify and keep each of the Group's companies fully indemnified against all claims and losses suffered or incurred by any company of the Group as a result of or in connection with, amongst others, the use of the land and buildings owned by certain related companies by any company of the Group as tenants, as these related companies have not obtained the approval from the relevant authorities in relation to the lease arrangements of such land and buildings.

(e) 彌償

各最終股東已共同及個別承諾就因或涉及(其中包括)本集團任何公司(作為租客)使用若干關聯公司擁有之土地及樓宇而令本集團任何公司蒙受或產生的所有索償及損失向本集團各成員公司提供彌償保證及維持全面彌償，原因為該等關聯公司並未獲得有關機關就該等土地及樓宇的租賃安排之批准。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

37 BALANCE SHEET AND RESERVE MOVEMENTS
 OF THE COMPANY

37 本公司資產負債表及儲備變動

(a) Balance sheet of the Company

(a) 本公司資產負債表

		As at 31 December	
		於12月31日	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Assets	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	226,316	224,305
Deferred income tax assets	遞延所得稅資產	42	42
Total non-current assets	非流動資產總額	226,358	224,347
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	347,058	342,322
Cash and cash equivalents	現金及現金等價物	206	211
Total current assets	流動資產總額	347,264	342,533
Total assets	資產總額	573,622	566,880
Equity and liabilities	權益及負債		
Equity attributable to owners of the company	本公司擁有人應佔權益		
Share capital	股本	83,326	83,326
Share premium	股份溢價	425,815	425,815
Shares held for employee share scheme	就僱員股份計劃持有之股份	(10,416)	(10,416)
Other reserves	其他儲備	5,261	3,250
Retained earnings	保留溢利	69,636	64,748
Total equity	權益總額	573,622	566,723
Liabilities	負債		
Current liabilities	流動負債		
Other payables	其他應付款項	-	157
Total liabilities	負債總額	-	157
Total equity and liabilities	權益及負債總額	573,622	566,880

The balance sheet of the Company was approved by the Board of Directors on 25 March 2022 and was signed on its behalf:

本公司資產負債表由董事會於2022年3月25日批准，並由下列董事代表董事會簽署：

Li Pui Leung
 李沛良

Yung Kin Cheung Michael
 翁建翔

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

**37 BALANCE SHEET AND RESERVE MOVEMENTS
 OF THE COMPANY (Continued)**

37 本公司資產負債表及儲備變動(續)

(b) Other reserves and retained earnings movements
 of the Company

(b) 本公司其他儲備及保留溢利變動

		Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元
At 1 January 2021	於2021年1月1日	3,250	64,748
Profit for the year	年內溢利	–	116,545
Employee share schemes — Value of employee services	僱員股份計劃— 僱員服務價值	2,011	–
Dividends	股息	–	(111,657)
At 31 December 2021	於2021年12月31日	5,261	69,636
At 1 January 2020	於2020年1月1日	1,239	72,903
Profit for the year	年內溢利	–	83,503
Employee share schemes — Value of employee services	僱員股份計劃— 僱員服務價值	2,011	–
Dividends	股息	–	(91,658)
At 31 December 2020	於2020年12月31日	3,250	64,748

Other reserves represent share-based payments reserve.

其他儲備指以股份為基礎之付款儲備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

38 SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2021 and 2020, all of which are limited liability companies:

38 附屬公司

下文為於2021年及2020年12月31日的主要附屬公司(均為有限公司)列表：

Company name 公司名稱	Place of incorporation 註冊成立地點	Principal activities and place of operation 主要業務及經營地點	Particulars of issued share capital 已發行股本詳情	Interest held 持有權益
TK Group International (Hong Kong) Limited* 東江集團國際(香港)有限公司*	BVI 英屬處女群島	Trading of plastic products and molds/HK 塑膠製品及模具貿易/香港	50,000 ordinary shares of USD 1 each 50,000股每股面值1美元的普通股	100%
TK Plastic Products (Suzhou) Limited# 東江塑膠製品(蘇州)有限公司#	PRC 中國	Manufacture of plastic products/PRC 製造塑膠製品/中國	Paid-in capital of HK\$10,000,000 實收資本10,000,000港元	100%
TK Mold (Shenzhen) Limited# 東江模具(深圳)有限公司#	PRC 中國	Fabrication of mold/PRC 模具製作/中國	Paid-in capital of HK\$132,000,000 實收資本132,000,000港元	100%
YD Mold (Shenzhen) Limited# 佑東模具(深圳)有限公司#	PRC 中國	Fabrication of mold/PRC 模具製作/中國	Paid-in capital of HK\$10,000,000 實收資本10,000,000港元	100%
TK Precision Plastics (Shenzhen) Limited# 東江精創注塑(深圳)有限公司#	PRC 中國	Manufacture of plastic products/PRC 製造塑膠製品/中國	Paid-in capital of HK\$166,000,000 實收資本166,000,000港元	100%
TK Precision Plastics (Huizhou) Limited# 東江精創注塑(惠州)有限公司#	PRC 中國	Manufacture of plastic products/PRC 製造塑膠製品/中國	Paid-in capital of HK\$10,000,000 實收資本10,000,000港元	100%
TK Mold Germany GmbH TK Mold Germany GmbH	Germany 德國	Fabrication of mold/Germany 模具製作/德國	Paid-in capital of EUR25,600 實收資本25,600歐元	100%

* Shares held directly by the Company

Registered as wholly owned foreign enterprises under PRC law

* 本公司直接持有股份

根據中國法律註冊為外商獨資企業

Significant restrictions

Cash and bank balances held in Asian countries (including China) are subject to local exchange control regulations. These regulations impose restrictions on remitting capital from those countries, other than through normal dividends.

The carrying amount of the cash and bank balances included within the consolidated financial statements to which these restrictions apply is HK\$854,194,000 (2020: HK\$784,560,000).

重大限制

於亞洲國家(包括中國)持有的現金及銀行結餘須遵守當地外匯管制法規。該等法規對自該等國家的資本流出施加限制(正常股息除外)。

計入合併財務報表內適用該等限制的現金及銀行結餘的賬面值為854,194,000港元(2020年: 784,560,000港元)。

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

39 BENEFITS AND INTERESTS OF DIRECTORS

39 董事福利及權益

(a) Directors' and chief executive's emoluments

(a) 董事及最高行政人員酬金

The remuneration of every director and the chief executive is set out below:

各董事及最高行政人員的薪酬載列如下：

For the year ended 31 December 2021:

截至2021年12月31日止年度：

Name	Fees	Salary	Discretionary bonus	Employer's contribution to retirement benefit scheme	Total
姓名	袍金	薪金	酌情花紅	僱主的退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive Directors					
執行董事					
Mr. Li Pui Leung	500	2,430	2,932	18	5,880
Mr. Yung Kin Cheung Michael (i)	500	2,086	2,547	18	5,151
Mr. Lee Leung Yiu	500	1,427	1,405	18	3,350
Mr. Cheung Fong Wa	500	1,685	1,555	18	3,758
Independent non-executive Directors					
獨立非執行董事					
Dr. Chung Chi Ping Roy	320	-	-	-	320
Mr. Tsang Wah Kwong	320	-	-	-	320
Ms. Christine Wan Chong Leung	320	-	-	-	320
	2,960	7,628	8,439	72	19,099

Notes to the Consolidated Financial Statements (continued)
 合併財務報表附註(續)

39 BENEFITS AND INTERESTS OF DIRECTORS
 (Continued)

39 董事福利及權益(續)

(a) Directors' and chief executive's emoluments
 (Continued)

(a) 董事及最高行政人員酬金(續)

For the year ended 31 December 2020:

截至2020年12月31日止年度：

Name	Fees	Salary	Discretionary bonus	Employer's contribution to retirement benefit scheme	Total
姓名	袍金	薪金	酌情花紅	僱主的退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
Executive Directors					
執行董事					
Mr. Li Pui Leung	500	2,108	2,136	18	4,762
Mr. Yung Kin Cheung Michael (i)	500	1,774	1,854	18	4,146
Mr. Lee Leung Yiu	500	1,138	1,025	18	2,681
Mr. Cheung Fong Wa	250	1,591	1,133	18	2,992
Independent non-executive Directors					
獨立非執行董事					
Dr. Chung Chi Ping Roy	320	-	-	-	320
Mr. Tsang Wah Kwong	320	-	-	-	320
Ms. Christine Wan Chong Leung	320	-	-	-	320
	2,710	6,611	6,148	72	15,541

(i) Mr. Yung Kin Cheung Michael is also the chief executive officer.

(ii) 翁建翔先生亦為首席執行官。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

		Year ended 31 December 截至12月31日止年度					2021
		2017	2018	2019	2020	2021	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	
Revenue	收入	1,860,900	2,298,609	2,310,842	2,033,419	2,404,398	
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	301,833	350,185	301,803	209,687	282,383	

		As at 31 December 於12月31日					2021
		2017	2018	2019	2020	2021	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	
Total assets	資產總額	1,638,607	2,163,489	2,324,543	2,572,311	2,851,160	
Total liabilities	負債總額	727,089	1,088,031	1,133,078	1,177,756	1,229,241	
Total equity	權益總額	911,518	1,075,458	1,191,465	1,394,555	1,621,919	



東江集團(控股)有限公司

TK GROUP (HOLDINGS) LIMITED

