

RUIYUAN  
瑞 远

浙江瑞遠智控科技股份有限公司

Zhejiang RuiYuan Intelligent Control Technology Company Limited\*

(a joint stock limited company incorporated in the People's Republic of China)

(於中華人民共和國註冊成立之股份有限公司)

Stock code 股份代號 : 8249

ANNUAL  
REPORT  
2019 年報

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# Corporate Information 公司資料

## EXECUTIVE DIRECTORS

Mr. He Keng (*Chairman*)  
Ms. Wu Shanhong  
Mr. Chen Weiqiang  
Mr. Ding Cheng

## INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Kim Hung Eddie  
Mr. Zhou Weibo (appointed on 30 April 2019)  
Ms. Sheng Ting (appointed on 30 April 2019)  
Mr. Zhang Zhuoyong (resigned on 30 April 2019)  
Mr. Zhang Tieyi (resigned on 30 April 2019)

## SUPERVISORS

Mr. Shi Huanmiao  
Mr. Zhang Shenggen  
Mr. Chen Yuankang

## MEMBERS OF THE AUDIT COMMITTEE

Mr. Kwok Kim Hung Eddie (*Chairman*)  
Mr. Zhou Weibo (appointed on 30 April 2019)  
Ms. Sheng Ting (appointed on 30 April 2019)  
Mr. Zhang Zhuoyong (resigned on 30 April 2019)  
Mr. Zhang Tieyi (resigned on 30 April 2019)

## MEMBERS OF THE REMUNERATION COMMITTEE

Ms. Sheng Ting (*Chairlady*)  
(appointed on 30 April 2019)  
Mr. He Keng  
Mr. Zhou Weibo (appointed on 30 April 2019)  
Mr. Kwok Kim Hung Eddie  
Mr. Zhang Zhuoyong (resigned on 30 April 2019)  
Mr. Zhang Tieyi (resigned on 30 April 2019)

## MEMBERS OF THE NOMINATION COMMITTEE

Mr. Zhou Weibo (*Chairman*)  
(appointed on 30 April 2019)  
Mr. He Keng  
Ms. Sheng Ting (appointed on 30 April 2019)  
Mr. Kwok Kim Hung Eddie  
Mr. Zhang Zhuoyong (resigned on 30 April 2019)  
Mr. Zhang Tieyi (resigned on 30 April 2019)

## 執行董事

何鏗先生(主席)  
吳珊紅女士  
陳偉強先生  
丁成先生

## 獨立非執行董事

郭劍雄先生  
周偉波先生(於二零一九年四月三十日獲委任)  
盛婷女士(於二零一九年四月三十日獲委任)  
張卓永先生(於二零一九年四月三十日辭任)  
章鐵毅先生(於二零一九年四月三十日辭任)

## 監事

石歡苗先生  
張生根先生  
陳元康先生

## 審核委員會成員

郭劍雄先生(主席)  
周偉波先生(於二零一九年四月三十日獲委任)  
盛婷女士(於二零一九年四月三十日獲委任)  
張卓永先生(於二零一九年四月三十日辭任)  
章鐵毅先生(於二零一九年四月三十日辭任)

## 薪酬委員會成員

盛婷女士(主席)  
(於二零一九年四月三十日獲委任)  
何鏗先生  
周偉波先生(於二零一九年四月三十日獲委任)  
郭劍雄先生  
張卓永先生(於二零一九年四月三十日辭任)  
章鐵毅先生(於二零一九年四月三十日辭任)

## 提名委員會成員

周偉波先生(主席)  
(於二零一九年四月三十日獲委任)  
何鏗先生  
盛婷女士(於二零一九年四月三十日獲委任)  
郭劍雄先生  
張卓永先生(於二零一九年四月三十日辭任)  
章鐵毅先生(於二零一九年四月三十日辭任)

# Corporate Information 公司資料

## COMPLIANCE OFFICER

Mr. He Keng

## JOINT COMPANY SECRETARIES

Ms. Zou Jing  
Mr. Cheng Ching Kit

## AUTHORIZED REPRESENTATIVES

Mr. He Keng  
Mr. Cheng Ching Kit

## AUDITORS

Crowe (HK) CPA Limited

## REGISTERED OFFICE

Factory, No. 3, Laiyan Road West Economic  
Development Zone (South Side), Yuyao  
Zhejiang, China

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40<sup>th</sup> Floor, Sunlight Tower  
248 Queen's Road East  
Wanchai  
Hong Kong

## COMPANY WEBSITE

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

## HONG KONG H SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited

## PRINCIPAL BANKER

Bank of China

## GEM STOCK CODE

8249

## 監察主任

何鏗先生

## 聯席公司秘書

鄒靜女士  
鄭程傑先生

## 授權代表

何鏗先生  
鄭程傑先生

## 核數師

國富浩華(香港)會計師事務所有限公司

## 註冊辦事處

中國浙江省  
余姚市經濟開發區(南區)  
來雁路以西3號廠房

## 香港主要營業地點

香港  
灣仔  
皇后大道東248號  
陽光中心40樓

## 公司網站

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

## 香港H股過戶登記處

卓佳雅柏勤有限公司

## 主要往來銀行

中國銀行

## GEM 股份代號

8249

# Chairman's Statement

## 主席報告

On behalf of Zhejiang RuiYuan Intelligent Control Technology Company Limited (the "Company") and its subsidiaries (collectively known as the "Group"), I am pleased to present the 2019 annual results of the Group.

### BUSINESS REVIEW

The overall economic environment in the PRC in 2019 was very challenging for private enterprises due to the following factors:

- (i) the overall economic growth rate continued to slow down
- (ii) competition and production costs continued to increase

We strived to survive in such a harsh environment by simplifying our operation structure and controlling costs.

In 2019, our major business included sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances.

For the year ended 31 December 2019, the Group recorded revenue of approximately RMB66,558,000 (2018: RMB61,706,000), representing an increase of approximately RMB4,852,000 over the previous year. The increase in revenue of the Group was mainly due to the Group's sales staff expanding and extending the business for the Company and further strengthening its marketing during the year.

For details of performance analysis and financial review, please refer to page 6 to page 10 under the section Management Discussion and Analysis in this annual report.

### PROSPECT

While the market for 2020 remains uncertain. Some trends seem to be certain:

- (i) the economic growth will further slow down; and
- (ii) automatization and replacement of labor by robotics will continue to speed up.

The above trends present challenges and opportunities to the Group. I have more than 12 years experience on industrial automation and have great confidence in the future market of intelligent control system for industrial uses.

While 2020 remains challenging for us, we will explore business opportunities for intelligent control system for industrial uses.

本人謹代表浙江瑞遠智控科技股份有限公司(「本公司」)連同其附屬公司(統稱「本集團」)欣然提呈本集團截至二零一九年年度業績。

### 業務回顧

二零一九年，中國的整體經濟環境對私營企業而言十分嚴峻，原因如下：

- (i) 整體經濟增長率繼續放緩
- (ii) 競爭加劇及生產成本不斷上升

我們通過簡化經營架構及控制成本以努力抵禦該惡劣環境。

二零一九年，我們的主要業務包括銷售電子設備及電子元件的控制器系統及電子用品部件。

截至二零一九年十二月三十一日止年度，本集團錄得收益約人民幣66,558,000元(二零一八年：人民幣61,706,000元)，較去年增加約人民幣4,852,000元。本集團收益有所增加，乃主要由於本集團銷售人員為本公司拓展及延伸了業務，及年內進一步加強市場推廣所致。

有關績效分析及財務回顧之詳情，請參閱本年報第6頁至第10頁的管理層討論及分析一節。

### 展望

雖然二零二零年市場依然不明朗，但某些趨勢看起來很明確：

- (i) 經濟增長將進一步放緩；及
- (ii) 自動化及以機器人取代人工的進程將繼續加快。

上述趨勢為本集團帶來挑戰及機遇。我在工業自動化領域擁有12年以上經驗，而且對工業所用的智能控制系統的未來市場充滿信心。

雖然二零二零年依然充滿各種挑戰，但我們將探索為工業所用的智能控制系統的業務機會。

# Chairman's Statement

## 主席報告

### DEDICATION

On behalf of all members of the board of Directors, I would like to take this opportunity to express our sincerest gratitude to our shareholders and colleagues for their unwavering dedications in 2019 and to our clients and business partners for their loyalties and support rendered to the Group.

#### **He Keng**

*Chairman*

Ningbo, The PRC, 31 March 2020

### 致謝

本人謹代表董事會全體同仁，藉此機會感謝所有股東及員工於二零一九年的勤勉奉獻，亦在此向客戶及業務夥伴對本集團之忠誠支持表示由衷謝意。

主席

**何鏗**

中國寧波，二零二零年三月三十一日

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The Group's activities comprise sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances. The Group's activities are primarily operated in the PRC and the Group's revenue is mainly attributable to customers in the PRC.

For the year ended 31 December 2019, the Group recorded revenue of approximately RMB66,558,000 (2018: RMB61,706,000), representing an increase of approximately RMB4,852,000 over the previous year. The main reason for the increase in revenue was due to the increase in revenue generated from the new products introduced and new markets expanded while maintained old clients by the Group.

Due to the general poor market and increasing competition, the Group strived to survive in the harsh environment by maintaining a simple organizational structure and controlling costs to a minimum level.

### PERFORMANCE ANALYSIS

An analysis by reportable segments is provided in Note 6 to the consolidated financial statements.

Gross profit margin was 3.2% (2018: 6.5%), revenue increased by approximately RMB4,852,000. The decrease in the Group's gross profit margin was due to the increase of product cost and decrease in selling price of the products in 2019.

The Group recorded other income of approximately RMB200,000 (2018: RMB77,000) in 2019.

### 業務回顧

本集團之經營活動包括銷售電子設備及電子元件的控制器系統及電子用品部件。本集團的業務主要在中國經營，且本集團之收益主要來自中國的客戶。

截至二零一九年十二月三十一日止年度，本集團錄得收益約人民幣66,558,000元(二零一八年：人民幣61,706,000元)，較去年增加約人民幣4,852,000元。收益增加的主要原因是本集團維持舊客戶的同時引入新產品及開拓新市場帶來的收益增加。

由於整體市場環境惡劣及競爭日益加劇，本集團維持簡單的組織架構及控制成本至最低水平，以努力抵禦惡劣的環境。

### 績效分析

可呈報分部之相關分析載於綜合財務報表附註6。

毛利率為3.2%(二零一八年：6.5%)，收益增加約人民幣4,852,000元。本集團毛利率下降減少乃由於二零一九年產品成本上升而產品售價下降。

本集團於二零一九年錄得其他收益約人民幣200,000元(二零一八年：人民幣77,000元)。



# Management Discussion and Analysis

## 管理層討論及分析

Administrative expenses recorded an increase by approximately RMB1,020,000 over the previous year. The increase in administrative expenses were mainly due to the increase expense of market development and labor cost (2019: RMB5,370,000; 2018: RMB4,350,000).

Finance costs increased by RMB246,000 over the previous year which is primarily due to the imputed interest expense on loan from a major shareholder (2019: RMB3,323,000; 2018: RMB3,077,000).

Loss attributable to shareholders for the year ended 31 December 2019 was approximately RMB6,844,000 (2018: RMB1,133,000), representing an increase of loss of approximately RMB5,711,000 over previous year. The increase in loss was mainly attributed to the one-off gain of approximately RMB2,286,000 from disposal of a subsidiary for the year ended 31 December 2018, whereas no such one-off gain was recorded for the year ended 31 December 2019. The Group will continue to implement strict cost control to reduce losses.

## FINANCIAL REVIEW

### Current assets and liabilities

As at 31 December 2019, the Group had current assets of approximately RMB23,403,000 (2018: RMB26,126,000), representing a decrease of approximately RMB2,723,000 compared with last year. The decrease was mainly attributable to the decrease in paid in advances by approximately RMB6,923,000.

As at 31 December 2019, the Group had current liabilities of approximately RMB72,280,000 (2018: RMB26,460,000), which represented a increase of approximately RMB45,820,000. The increase was due to the loan from a major shareholder is classified as current liabilities as at 31 December 2019.

行政費用較去年增加約人民幣1,020,000元。行政費用增加的主要原因是市場開拓費用及人工成本增加(二零一九年：人民幣5,370,000元；二零一八年：人民幣4,350,000元)。

融資成本較去年增加人民幣246,000元，主要由於來自一名主要股東的貸款之估算利息開支(二零一九年：人民幣3,323,000元；二零一八年：人民幣3,077,000元)。

截至二零一九年十二月三十一日止年度，股東應佔虧損約為人民幣6,844,000元(二零一八年：人民幣1,133,000元)，較去年同期虧損增加約人民幣5,711,000元。虧損增加的主要原因是截至二零一八年十二月三十一日止年度出售一間附屬公司獲得了約人民幣2,286,000元的一次性收益，而在截至二零一九年十二月三十一日止年度並無錄得有關一次性收益。本集團將繼續嚴控成本，以減少虧損。

## 財務回顧

### 流動資產及負債

於二零一九年十二月三十一日，本集團的流動資產約為人民幣23,403,000元(二零一八年：人民幣26,126,000元)，較去年減少約人民幣2,723,000元。減少的主要原因為預付款項減少約人民幣6,923,000元。

於二零一九年十二月三十一日，本集團的流動負債約為人民幣72,280,000元(二零一八年：人民幣26,460,000元)，增加約人民幣45,820,000元。增加的原因是來自一名主要股東之貸款於二零一九年十二月三十一日分類為流動負債。

# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 December 2019, the Group had net liabilities of approximately RMB48,684,000 (2018: RMB41,840,000). The Group's operations and investments were financed principally by its internal resources, loan from a major shareholder and shareholders' equity.

As at 31 December 2019, the Group had bank balances and cash of approximately RMB10,979,000 (2018: RMB10,558,000), with no bank borrowings (2018: Nil).

As at 31 December 2019, the Group had no other borrowings (2018: Nil).

#### Gearing ratio

As at 31 December 2019, The Group has no gearing ratio. (2018: Nil), which was expressed as a percentage of other borrowings over the total assets.

There were no important events affecting the Group which have occurred after 31 December 2019.

### OUTLOOK AND FUTURE DEVELOPMENT

As the general economic growth in China slowed down in recent years, competition in the controllers systems market becomes keener and keener. In this connection, we will continue to implement stringent cost control measures in 2020. Going forward, the Group will explore business opportunities on intelligence control system for heavy industrial uses such as application for industrial robotics.

### SIGNIFICANT INVESTMENTS AND ACQUISITION

The Group did not have any significant investment and acquisition during the year ended 31 December 2019 (2018: Nil).

### CONTINGENT LIABILITIES

Contingent liabilities of the Group during the year are set out in Note 30 to the consolidated financial statements.

### 財務資源、流動資金及資本負債

於二零一九年十二月三十一日，本集團的淨負債約為人民幣48,684,000元(二零一八年：人民幣41,840,000元)。本集團的營運及投資主要由其內部資源、來自一名主要股東之貸款及股東權益撥付。

於二零一九年十二月三十一日，本集團的銀行結餘及現金約為人民幣10,979,000元(二零一八年：人民幣10,558,000元)，無銀行借貸(二零一八年：無)。

於二零一九年十二月三十一日，本集團無其他借貸(二零一八年：無)。

#### 資本負債比率

於二零一九年十二月三十一日，本集團無資本負債比率(二零一八年：無)，此乃以其他借貸除以資產總值的百分比列示。

二零一九年十二月三十一日後並無發生對本集團有重大影響的事件。

### 展望及未來發展

隨著中國近年來整體經濟增長放緩，控制器系統市場的競爭變得越來越激烈。因此，我們將在二零二零年繼續實施嚴格的成本控制措施。展望未來，本集團將探索為重工業所用的智能控制系統(如工業機器人應用)的業務機遇。

### 重大投資及收購

截至二零一九年十二月三十一日止年度，本集團並無任何重大投資及收購(二零一八年：無)。

### 或然負債

本集團年內或然負債載於綜合財務報表附註30。

# Management Discussion and Analysis

## 管理層討論及分析

### EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2019, the Group had 18 employees (2018: 19 employees). Remuneration is determined by reference to market terms and the performance, qualifications and experience of individual employees. Bonuses based on individual performance will be paid to employees in recognition and reward of their contribution. Other benefits include contributions to retirement scheme.

An analysis of employees of the Group by their duties for each of the three years ended 31 December 2017, 2018 and 2019 is set out below

### 僱員及酬金政策

於二零一九年十二月三十一日，本集團有18名僱員（二零一八年：19名僱員）。酬金是經參閱市場條款及個別僱員的表現、資格及經驗而釐定。按個別表現釐定的花紅將付予僱員，作為對其貢獻的肯定及獎勵。其他福利包括向退休計劃供款。

於截至二零一七年、二零一八年及二零一九年十二月三十一日止三個年度各年，按職能分析，本集團僱員如下：

		Headcount for the year ended 31 December		
		截至十二月三十一日止年度的人數		
		2017	2018	2019
		二零一七年	二零一八年	二零一九年
Sales and marketing	銷售及市場推廣	10	8	7
Production (including quality control)	生產(包括質量控制)	1	1	1
Finance and administration	財務及行政	8	8	8
Procurement	採購	3	2	2
		22	19	18

### REMUNERATION OF DIRECTORS

In compliance with the Corporate Governance Code set out in Appendix 14 to the Listing Rule ("Corporate Governance Code"), the Company has established the Remuneration Committee to formulate remuneration policies. Directors' remuneration is subject to Shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to the recommendations of the Remuneration Committee and factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions of such Directors elsewhere in the Group and desirability of performance-based remuneration. No Director, or any of their respective associates, was involved in deciding his/her own remuneration.

### PLEDGE OF ASSETS

As at 31 December 2019, the Group had no other borrowings or charges on the Group's assets (2018: Nil).

### 董事酬金

為符合上市規則附錄十四所載《企業管治守則》（「企業管治守則」），本公司已成立薪酬委員會以制定薪酬政策。董事薪酬須在股東大會上獲股東批准。其他薪酬由董事會經參考薪酬委員會的推薦意見及可資比較公司所支付的薪金、該等董事所付出的時間及職責、本集團內其他董事的僱用條件以及以表現為基礎支付薪酬的可取性等各項因素而釐定。概無董事或任何彼等各自聯繫人參與釐定其本身的薪酬。

### 資產抵押

於二零一九年十二月三十一日，本集團並無其他借貸或本集團資產抵押（二零一八年：無）。

# Management Discussion and Analysis

## 管理層討論及分析

### **MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES**

During the year ended 31 December 2019, there was no material acquisition.

### **重大收購或出售附屬公司**

截至二零一九年十二月三十一日止年度，本集團並無重大收購。

### **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

There was no specific plan for material investments or capital assets as at 31 December 2019.

### **重大投資或資本資產的未來計劃**

於二零一九年十二月三十一日，並無作出重大投資或購入資本資產的任何具體計劃。

### **RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS**

Please refer to page 39 to page 40 for information about risk management and internal control systems.

### **風險管理及內部監控系統**

有關風險管理及內部監控系統的資料請參閱第39頁至第40頁。

### **COMPLIANCE WITH LAWS AND REGULATIONS**

During the year ended 31 December 2019, the Group was in compliance with all the laws and regulations applicable to the business operations of the Group.

### **遵守法例及法規**

截至二零一九年十二月三十一日止年度，本集團已遵守適用於本集團業務經營的所有法例及法規。

### **EVENTS AFTER THE REPORTING PERIOD**

Details of the events after reporting period of the Group are set out in Note 39 to the consolidated financial statements.

### **報告期後事項**

有關本集團報告期後事項的詳情載於綜合財務報表附註39。

### **DIVIDENDS**

The board of Directors (the "Board") does not recommend the payment of a final dividend for the year under review (2018: Nil).

### **股息**

董事會（「董事會」）不建議派付回顧年度的末期股息（二零一八年：無）。

# Biographical Details of Directors, Supervisors and Senior Management 董事、監事及高級管理人員的履歷詳情

## DIRECTORS

The Board currently consists of 7 Directors including 4 executive Directors, and 3 independent non-executive Directors.

### Executive Directors

Mr. He Keng, aged 44, has been the chairman of the Board and an executive Director since 13 December 2016. Mr. He resigned as a chairman of Zhejiang RuiYuan Machine Tool Co., Ltd\* (“RuiYuan Machine Tool”) on 30 April 2019 and joined Zhejiang Zhu Ji RuiYuan Machine Tool Group Co., Ltd\* (浙江諸暨瑞遠機床集團有限公司) (“RuiYuan Machine Tool Group”), which, RuiYuan Machine Tool, is a Member of the RuiYuan Group, as chairman on 1 May 2019. He has extensive experience in corporate management. He worked in the Bank of China Shaoxing Branch from July 1997 to January 2005, during which he served as the account manager of the corporate account department, the head of the sub-operating office and the president of Zhuji Xincheng Sub-branch respectively. Mr. He graduated from Zhejiang University with a major in accounting and financial management. As at the date of this report, Mr. He Keng is deemed to be interested in 370,000,000 domestic shares of the Company within the meaning of Part XV of the SFO.

Ms. Wu Shanhong, aged 34, has been an executive Director since 13 December 2016. Ms. Wu resigned as the chief financial controller of RuiYuan Machine Tool on 30 April 2019 and joined RuiYuan Machine Tool Group as financial controller on 1 May 2019. She has years of work experience in finance. Ms. Wu Shanhong graduated from Southwest Jiaotong University with a major in accounting.

Mr. Chen Weiqiang, aged 38, has been an executive Director since 13 December 2016. Mr. Chen resigned from RuiYuan Machine Tool on 30 April 2019 and joined RuiYuan Machine Tool Group as the manager of market department on 1 May 2019. Mr. Chen Weiqiang graduated from Southwest University of Science and Technology with a major in economic information management and computer application.

Mr. Ding Cheng, aged 32, has been an executive Director since 13 December 2016. Mr. Ding resigned from RuiYuan Machine Tool on 30 April 2019 and joined RuiYuan Machine Tool Group as the manager of sales department on 1 May 2019. He has extensive experience in sales of machines.

## 董事

董事會現由七名董事組成，包括四名執行董事及三名獨立非執行董事。

### 執行董事

何鏗先生，44歲，自二零一六年十二月十三日起擔任董事會主席兼執行董事。何先生於二零一九年四月三十日離任浙江瑞遠機床有限公司（「瑞遠機床」）董事長，並於二零一九年五月一日加入浙江諸暨瑞遠機床集團有限公司（「瑞遠機床集團」）（一間與瑞遠機床同屬瑞遠集團旗下之公司）擔任董事長，擁有豐富的企業管理經驗。彼於一九九七年七月至二零零五年一月在中國銀行紹興市分行工作，先後任公司業務部客戶經理、分理處主任及諸暨新城支行行長。何先生畢業於浙江大學（會計與財務管理專業）。於本報告日期，何鏗先生被視為於本公司370,000,000股內資股（定義見證券及期貨條例第XV部）中擁有權益。

吳珊紅女士，34歲，自二零一六年十二月十三日起擔任執行董事。吳女士於二零一九年四月三十日離任瑞遠機床首席財務總監，並於二零一九年五月一日加入瑞遠機床集團擔任財務總監，具有多年的財務從業經驗。吳珊紅女士畢業於西南交通大學會計學專業。

陳偉強先生，38歲，自二零一六年十二月十三日起擔任執行董事。陳先生於二零一九年四月三十日離任瑞遠機床之職務，並於二零一九年五月一日加入瑞遠機床集團工作，擔任市場部經理。陳偉強先生畢業於西南科技大學（經濟信息管理與計算機應用專業）。

丁成先生，32歲，自二零一六年十二月十三日起擔任執行董事。丁先生於二零一九年四月三十日離任瑞遠機床之職務，並於二零一九年五月一日加入瑞遠機床集團工作，擔任銷售部經理。彼在機電銷售方面具有豐富的經驗。

# Biographical Details of Directors, Supervisors and Senior Management 董事、監事及高級管理人員的履歷詳情

## Independent non-executive Directors

Mr. Kwok Kim Hung Eddie, aged 48, has been an independent non-executive Director since 20 June 2012. Mr. Kwok currently has been providing corporate advising services as professional accountant in Hong Kong. He has also been appointed as an independent non-executive director of Siberian Mining Group Company Limited, and Winshine Science Company Limited companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), since February 2014 and March 2019, respectively. He was previously appointed as financial controller, company secretary and authorised representative of Forebase International Holdings Limited, a company listed on the Main Board of the Stock Exchange.

Mr. Kwok is a member of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom. He holds a Master of Professional Accounting Degree from the Hong Kong Polytechnic University, a Master of Corporate Governance Degree from the Open University of Hong Kong and a Honours Diploma in Accounting from Hong Kong Shue Yan College (now known as Hong Kong Shue Yan University).

Mr. Zhou Weibo, aged 44, a senior engineer, a first-class certified architect. He has been an independent non-executive Directors since 30 April 2019. Mr. Zhou has been working in the construction industry since 1998. He is currently a project manager and technical director of HAMO Construction Group Co., Ltd.\* (輝邁建設集團有限公司), with rich experience in project management and operation. Mr. Zhou graduated from Zhejiang University with a major in electrical technology

Ms. Sheng Ting, aged 30, has been an independent non-executive Directors since 30 April 2019. She is currently a manager in the business department of Zhejiang Wuchan Zhongda Asset Management Co., Ltd.\* (浙江物產中大資產管理有限公司). She successively served as an auditor in the operations management department of Zhejiang Wuchan Finance Leasing Co., Ltd.\* (浙江物產融資租賃有限公司) and a business manager at Hangzhou Branch of Zhejiang Chouzhou Commercial Bank. Ms. Sheng graduated from Shanghai University of Electric Power with a major in Computer Science and Technology.

## 獨立非執行董事

郭劍雄先生，48歲，自二零一二年六月二十日起擔任獨立非執行董事。郭先生現時在香港作為專業會計師提供公司顧問服務。彼分別於二零一四年二月及二零一九年三月起亦獲委任為西伯利亞礦業集團有限公司及瀛晟科學有限公司之獨立非執行董事，這些公司於香港聯合交易所有限公司（「聯交所」）主板上市。彼曾獲申基國際控股有限公司委任為財務總監、公司秘書及授權代表，該公司於聯交所主板上市。

郭先生為香港會計師公會的成員。彼亦為香港特許秘書公會及英國特許秘書與行政人員公會之會員。彼持有香港理工大學專業會計碩士學位、香港公開大學企業管治碩士學位及香港樹仁學院（現稱為香港樹仁大學）之會計學榮譽文憑。

周偉波先生，44歲，高級工程師，一級註冊建造師，自二零一九年四月三十日起擔任獨立非執行董事。周先生自一九九八年進入建築行業工作，現任輝邁建設集團有限公司項目經理及技術負責人，具有豐富的項目管理和運營經驗。周先生畢業於浙江大學（電氣技術專業）。

盛婷女士，30歲，自二零一九年四月三十日起擔任獨立非執行董事。彼現任浙江物產中大資產管理有限公司業務部經理，歷任浙江物產融資租賃有限公司運營管理部審核專員，浙江稠州商業銀行杭州分行業務部經理。盛女士畢業於上海電力大學（計算機科學與技術專業）。

\* For identification purpose only

\* 僅供識別



# Biographical Details of Directors, Supervisors and Senior Management 董事、監事及高級管理人員的履歷詳情

## SUPERVISORS

Mr. Shi Huanmiao, aged 35, has been a supervisor since 13 December 2016. Mr. Shi has about 10 years experience in project management. Mr. Shi Huanmiao graduated from Hefei University of Technology with a major in science and technology of optical information in July 2007.

Mr. Zhang Shenggen, aged 72, has been a supervisor since 13 December 2016. Mr. Zhang resigned from RuiYuan Machine Tool on 30 April 2019 and joined RuiYuan Machine Tool Group as the manager of sales department on 1 May 2019 and is currently the head of the corporate management department of RuiYuan Machine Tool Group. Mr. Zhang Shenggen graduated from University of Hangzhou\* with a major in administrative management.

Mr. Chen Yuankang, aged 45, has been a supervisor since 13 December 2016. Mr. Chen resigned from RuiYuan Machine Tool on 30 April 2019 and joined RuiYuan Machine Tool Group as the manager of sales department on 1 May 2019 and is currently the head of the production department of RuiYuan Machine Tool Group. Mr. Chen Yuankang is experienced in production management.

## SENIOR MANAGEMENT

Ms. Zou Jing, aged 33, is the deputy general manager and joint company secretary of the Company. Ms. Zou was appointed as the deputy general manager of the Company since May 2017 and was further appointed as a joint company secretary of the Company since February 2018. She is responsible for the daily operation and management and the company secretarial affairs of the Company.

Ms. Zou graduated from Yangtze University with a bachelor's degree in business administration in June 2008.

## JOINT COMPANY SECRETARIES

Ms. Zou Jing. For biography of Ms. Zou, please refer to "Senior Management" above.

Mr. Cheng Ching Kit, is one of the joint company secretaries of the Company. Mr. Cheng is a manager of SWCS Corporate Services Group (Hong Kong) Limited and has over 7 years of experience in corporate secretarial field. He is an associate member of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom. In addition, he holds a Bachelor of Commerce degree in finance from the University of Queensland, Australia.

\* For identification purpose only

## 監事

石歡苗先生，35歲，自二零一六年十二月十三日起擔任監事。石先生擁有約10年項目管理經驗。石歡苗先生於二零零七年七月畢業於合肥工業大學(光資訊科學與技術專業)。

張生根先生，72歲，自二零一六年十二月十三日起擔任監事。張先生於二零一九年四月三十日離任瑞遠機床之職務，並於二零一九年五月一日加入瑞遠機床集團擔任銷售經理，現任瑞遠機床集團企管部主任。張生根先生畢業於杭州大學(行政管理專業)。

陳元康先生，45歲，自二零一六年十二月十三日起擔任監事。陳先生於二零一九年四月三十日離任瑞遠機床之職務，並於二零一九年五月一日加入瑞遠機床集團工作，現任瑞遠機床集團生產部部長。陳元康先生對生產管理方面具有豐富的經驗。

## 高級管理層

鄒靜女士，33歲，為本公司副總經理及聯席公司秘書。鄒女士於二零一七年五月獲委任為本公司副總經理及於二零一八年二月獲進一步獲委任為本公司聯席公司秘書。彼負責本公司的日常營運及管理及公司秘書事務。

鄒女士於二零零八年六月畢業於長江大學，擁有工商管理學士學位。

## 聯席公司秘書

鄒靜女士。有關鄒女士的履歷請參閱上文「高級管理層」。

鄭程傑先生，為本公司聯席公司秘書之一。鄭先生為方圓企業服務集團(香港)有限公司之經理，於企業秘書服務範疇擁有逾七年經驗。彼為香港特許秘書公會以及英國特許公司治理公會(前稱特許秘書及行政人員公會)之會士。此外，彼持有澳洲昆士蘭大學商學士(金融)學位。

\* 僅供識別

# Report of the Directors

## 董事會報告書

The Directors present their annual report together with the audited consolidated financial statements for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company are the sales of intelligent controller systems for electronic equipment and electronic component and subassembly for electronic appliances. Details of the principal activities of its subsidiaries are set out in Note 37 to the consolidated financial statements.

Analysis of the Group's performance for the year by geographical segments is set out in Note 6 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the business of the Group for the year and a discussion on the Group's future business development and the principal risks and uncertainties facing the Group are provided in the "Management Discussion and Analysis" on pages 6 to 10 in this annual report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on page 52.

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2019.

### POSSIBLE RISK EXPOSURE AND UNCERTAINTIES

#### Credit Risk

At 31 December 2019 and 2018, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to the failure to discharge an obligation by the counterparties arose from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group reviews the recoverable amount of each individual trade and other debtor at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced. Please refer to Note 35(b) to the consolidated financial statements for details of credit risk.

董事呈交其截至二零一九年十二月三十一日止年度的年度報告及經審核綜合財務報表。

### 主要業務及按地區分類的業務分析

本公司的主要業務為銷售電子設備及電子元件的控制器系統及電子用品部件。有關其附屬公司主要業務的詳情載於綜合財務報表附註37。

本集團本年度按地區分類的業績分析載於綜合財務報表附註6。

### 業務審視

本集團年內之業務審視及有關本集團未來業務發展以及本集團面對的主要風險及不確定因素之討論載於本年報第6至10頁之「管理層討論及分析」。

### 業績及分派

本集團截至二零一九年十二月三十一日止年度的業績載於第52頁的綜合損益及其他全面收益表。

董事並不建議就截至二零一九年十二月三十一日止年度派發任何股息。

### 可能承受的風險及不明朗因素

#### 信貸風險

於二零一九年及二零一八年十二月三十一日，本集團就對手方未能履行其責任而面臨的最高信貸風險（將導致本集團的財務虧損），乃因綜合財務狀況表所述各已確認金融資產的賬面值而引致。

本集團於各報告期末檢討各應收貿易賬款及其他應收賬款的可收回款項，以確保對不可收回的款項計提足夠的減值虧損。就此而言，董事認為，本集團的信貸風險已大大降低。有關信貸風險詳情請參閱綜合財務報表附註35(b)。



# Report of the Directors

## 董事會報告書

### Interest Rate Risk

The Group was not exposed to any fair value interest rate risk in relation to fixed-rate bank borrowings for the year ended 31 December 2019 and 2018.

The Group is exposed to cash flow interest rate risk in relation to its variable rate bank balances. However, the Group considered that the effect of the cash flow interest rate is minimal and no sensitivity analysis to interest rate risk is presented. Please refer to Note 35(b) to the consolidated financial statements for details of interest rate risk.

### Liquidity Risk

The Group was exposed to liquidity risk as at 31 December 2019 as its financial assets due within one year were less than its financial liabilities due within one year. The Group had net current liabilities of approximately RMB48,877,000 as at 31 December 2019. The liquidity of the Group depends upon the positive cash flows expected to be generated from the Group's future operations and the Group's ability to successfully obtain new working capital in order to meet the Group's future working capital and financial requirements. Please refer to Note 35(b) to the consolidated financial statements for details of liquidity risk.

### Currency risk

The Group operates in the PRC with most of the transactions denominated and settled in RMB. All of the financial assets at amortised cost are denominated in RMB. As a result, there is no exposure to foreign currency risk.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. Please refer to Note 35(b) to the consolidated financial statements for details of currency risk.

### 利率風險

於截至二零一九年及二零一八年十二月三十一日止年度，本集團並無面對有關其定息銀行借貸之任何公平值利率風險。

本集團亦面對與其可變利率之銀行結餘有關之現金流量利率風險。然而，本集團認為現金流量利率影響甚微，故此沒有就利率風險呈列任何敏感度分析。有關利率風險詳情請參閱綜合財務報表附註35(b)。

### 流動資金風險

由於本集團於一年內到期的金融資產少於一年內到期的金融負債，因此本集團於二零一九年十二月三十一日面臨流動資金風險。於二零一九年十二月三十一日，本集團的流動負債淨額約為人民幣48,877,000元。本集團之流動資金取決於本集團未來業務預期將產生正現金流量，以及本集團成功取得營運資金以滿足本集團的未來營運資金及財務需求的能力。有關流動資金風險詳情請參閱綜合財務報表附註35(b)。

### 貨幣風險

本集團於中國經營業務，大部分交易以人民幣及美元計值及結算。所有按攤銷成本計量的金融資產均以人民幣計值。因此，概無面對外匯風險。

本集團目前並無外幣對沖政策。然而，管理層會監控外匯風險，並將於必要時考慮對沖重大外幣風險。有關貨幣風險詳情請參閱綜合財務報表附註35(b)。

# Report of the Directors

## 董事會報告書

### PLANT AND EQUIPMENT

Details of movements in plant and equipment of the Group during the year are set out in Note 16 to the consolidated financial statements.

### SHARE CAPITAL

Details of the share capital of the Company are set out in Note 28 to the consolidated financial statements.

### RESERVES

Details of movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 55. The Company has no reserve available for distribution to shareholders as at 31 December 2019.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association of the Company and no restriction against such rights under the laws of the People's Republic of China (the "PRC"), which will oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### SUMMARY OF FINANCIAL INFORMATION

A summary of the results and assets and liabilities of the Group for the last five financial years is set out on page 131 and 132.

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

### SHARE OPTIONS

As at the date of this report, no option has been granted or agreed to be granted by the Company to any of its Directors, Supervisors or employees of the Company or its subsidiaries.

### 廠房及設備

本集團的廠房及設備年內變動詳情載於綜合財務報表附註16。

### 股本

本公司的股本詳情載於綜合財務報表附註28。

### 儲備

本集團的儲備年內變動詳情載於第55頁的綜合權益變動表。本公司於二零一九年十二月三十一日並無任何可供分派予股東的儲備。

### 優先購買權

根據本公司的公司章程細則，概無有關優先購買權的條文，而根據中華人民共和國（「中國」）法律，並無限制該等權利的條文而規定本公司有義務按現有股東的股權比例，提呈發售新股份。

### 財務資料概要

本集團最近五個財政年度的業績、資產及負債概要載於第131及132頁。

### 購買、出售或贖回上市證券

年內，本公司概無贖回其任何股份。本公司或其任何附屬公司於年內概無購買或出售本公司任何股份。

### 購股權

於本報告日期，本公司概無向本公司或其附屬公司任何董事、監事或僱員授出或同意授出購股權。

# Report of the Directors 董事會報告書

## DIRECTORS

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

### Executive Directors

Mr. He Keng (*Chairman*)  
Ms. Wu Shanhong  
Mr. Chen Weiqiang  
Mr. Ding Cheng

### Independent Non-executive Directors

Mr. Kwok Kim Hung Eddie  
Mr. Zhou Weibo (appointed on 30 April 2019)  
Ms. Sheng Ting (appointed on 30 April 2019)  
Mr. Zhang Zhuoyong<sup>1</sup> (resigned on 30 April 2019)  
Mr. Zhang Tieyi<sup>2</sup> (resigned on 30 April 2019)

Notes:

1. Mr. Zhang Zhuoyong resigned as an independent non-executive Director as he would like to devote more time on his personal career development.
2. Mr. Zhang Tieyi resigned as an independent non-executive Director as he would like to devote more time on his personal career development.

In accordance with Articles 88 and 112 of the Company's Articles of Association, the Directors and Supervisors appointed by the Board since last shareholders' annual general meeting shall be elected at the coming shareholders' general meeting for a term of three years. A Director or supervisor may serve consecutive terms if re-elected upon the expiration of the terms.

## BIOGRAPHICAL DETAILS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Brief biographical details of Directors, Supervisors and senior management are set out on page 11 to page 13.

## 董事

於本年度及截至本報告日期止，在職董事為：

### 執行董事

何鏗先生(主席)  
吳珊紅女士  
陳偉強先生  
丁成先生

### 獨立非執行董事

郭劍雄先生  
周偉波先生(於二零一九年四月三十日獲委任)  
盛婷女士(於二零一九年四月三十日獲委任)  
張卓永先生<sup>1</sup>(於二零一九年四月三十日辭任)  
章鐵毅先生<sup>2</sup>(於二零一九年四月三十日辭任)

附註：

1. 張卓永先生因希望投入更多時間發展個人事業而辭任獨立非執行董事。
2. 章鐵毅先生因希望投入更多時間發展個人事業而辭任獨立非執行董事。

根據本公司的公司章程細則第88及第112條，自上屆股東週年大會以來由董事會委任的董事及監事須於來屆股東大會上接受選舉，任期三年。董事或監事可於任期屆滿時重選連任。

## 董事、監事及高級管理人員的履歷詳情

董事、監事及高級管理人員的簡歷詳情載於第11頁至第13頁。

# Report of the Directors

## 董事會報告書

### DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

Each of the Directors and Supervisors has entered into a service contract with the Company for a term of three years from his/her date of appointment as a Director or, as the case may be, as a Supervisor and thereafter subject to termination by either party giving not less than one month's written notice to the other party.

Save as disclosed above, no Directors or Supervisors who are proposed for re-election at the forthcoming annual general meeting has entered into any service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

Apart from the Directors' and Supervisors' service contracts disclosed above, no contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director or a Supervisor of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save for as disclosed under the section headed "Permitted Indemnity Provision", no transaction, arrangement and contract of significance to which the Company, or any of its holding companies or subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2019 or at any time during the year ended 31 December 2019. In addition, no contract of significance between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries was made.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2019, no Directors or their respective associates has engaged in or has any interest in any business which were in competition or were likely to compete, directly or indirectly with the business of the Group.

### 董事及監事的服務合約

各董事及監事已分別與本公司訂立服務合約，任期由其各自獲委任為董事或（視情況而定）獲委任為監事之日起計為期三年，其後可由任何一方或向另一方發出不少於一個月書面通知終止。

除上述所披露者外，概無擬於應屆股東週年大會重選連任的董事或監事，與本公司訂有任何不可於一年內免付賠償（法定賠償除外）而終止的服務合約。

### 董事及監事於合約的權益

除上文所披露的董事及監事的服務合約外，於本年度終結或年內任何時間，本公司或其附屬公司概無訂立對本集團業務而言屬重大及本公司董事或監事於當中直接或間接擁有重大權益的合約。

### 重要交易、安排及合同

除「獲准許的彌償條文」一節所披露者外，本公司或其任何控股公司或附屬公司或同系附屬公司概無參與訂立任何於截至二零一九年十二月三十一日止年度末或於截至二零一九年十二月三十一日止年度內任何時間仍然有效，且由董事或與董事有關連的實體直接或間接擁有重大權益的重大交易、安排及合約。此外，本公司或其任何附屬公司與控股股東或其附屬公司之間概無訂立重要合約。

### 董事於競爭業務中的權益

於截至二零一九年十二月三十一日止年度，董事或彼等各自的聯繫人概無參與直接或間接與本集團業務競爭或可能競爭的任何業務或於其中擁有任何權益。

# Report of the Directors

## 董事會報告書

### CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

None of the controlling shareholders of the Company or their subsidiary has or had a material interest, either directly or indirectly, in any contract of significance, whether for the provision of services or otherwise, to the business of the group to which the company or any of its subsidiaries was a party during the year ended 31 December 2019.

### DIRECTORS', CHIEF EXECUTIVES' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS

So far as known to the Directors, at 31 December 2019, the interests and short position of each Director, Chief Executive and Supervisor in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), as required pursuant to Section 352 of the SFO to be recorded in the register referred to therein or as otherwise notified to be Company and the Stock Exchange pursuant to the minimum standards of dealing of securities by directors and supervisor of listed issuers as referred to in Rule 5.46 of the GEM Listing Rule, were as follows:

Ordinary shares of RMB0.10 each of the Company as at 31 December 2019:

#### Long positions in shares

Name of Director/ Chief Executive/ Supervisor	Number of Shares interested (Note 1)	Nature of interest	Approximate percentage of shareholding interested in same class of securities 佔同類別證券 概約持有權益的 股份百分比	Approximate percentage of shareholding interested in the registered capital 佔註冊資本 概約持有權益的 股份百分比
董事／主要行政 人員／監事姓名	持有權益的股份數目(附註1)	權益性質		
Mr. He Keng 何鏗先生	370,000,000 Domestic Shares (Note 2) 370,000,000 股內資股(附註2)	Interest of controlled corporation 受控法團權益	100.00%	74.00%
	1,000 H Shares (Note 3) 1,000 股H股(附註3)	Beneficial owner 實益擁有人	0.0008%	0.0002%

Notes:

(1) Domestic Shares of a nominal value of RMB0.10 each (the "Domestic Shares"), in the registered capital of the Company, which are subscribed for or credited as fully-paid in Renminbi. "H Share(s)" represent overseas listed foreign share(s) of a nominal value of RMB0.10 each in the registered capital of the Company, which are listed on the GEM and subscribed for and traded in Hong Kong dollars.

### 控股股東於重大合約中的權益

於截至二零一九年十二月三十一日止年度，本公司控股股東或其附屬公司概無於本公司或其任何附屬公司所訂立對本集團業務而言屬重大的任何合約(不論為提供服務或其他事務)中直接或間接擁有重大權益。

### 董事、主要行政人員及監事權益及淡倉

據董事所知，於二零一九年十二月三十一日，各董事、主要行政人員及監事於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有根據證券及期貨條例第352條規定須記入該條所述的登記冊的權益及淡倉，或根據GEM上市規則第5.46條所述上市發行人董事及監事進行證券交易的最低標準已知會本公司及聯交所的權益及淡倉如下：

於二零一九年十二月三十一日，本公司每股面值人民幣0.10元的普通股：

#### 股份的好倉

附註：

(1) 本公司註冊資本中每股面值人民幣0.10元的內資股(「內資股」)乃以人民幣認購或入賬列作繳足。「H股」為本公司註冊資本中每股面值人民幣0.10元的海外上市外資股，於GEM上市，並以港元認購及買賣。

# Report of the Directors

## 董事會報告書

- (2) On 11 July 2016, Zhejiang RuiYuan Intelligent Robot Company Limited (“RuiYuan Robot”) entered into a share transfer agreement with Wan Li Group Company Limited (萬里控股集團股份有限公司) (“Wanli”), Mr. Qi Yong Qiang (“Mr. Qi”) and other parties, pursuant to which, among other things, RuiYuan Robot agreed to acquire (i) 306,900,000 Domestic Shares held by Wanli and 15,775,000 Domestic Shares held by Mr. Qi (collectively the “First Batch Sale Shares”) and (ii) 47,325,000 Domestic Shares held by Mr. Qi (the “Second Batch Sale Shares”). After completion of the transfer of the First Batch Sale Shares and the Second Batch Sale Shares, Mr. He Keng and parties acting in concert with it owned an aggregate of 370,000,000 Domestic Shares, representing approximately 74% of the entire issued share capital of the Company as at 31 December 2019.
- (3) As a result of the mandatory cash offer following the sale and purchase of the First Batch Sale Shares and the Second Batch Sale Shares (the “Mandatory Cash Offer”), which closed at 4 pm on 14 September 2016, Mr. He Keng acquired valid acceptances in respect of 1,000 H Shares. Accordingly, Mr. He Keng was interested in 1,000 H Shares as at 31 December 2019.

Save as disclosed above, at no time during the year did the Directors, Chief Executives and Supervisors (including their spouse and children under 18 years of age) have any interest in, or had they been granted, or exercised, any rights to subscribe for shares of the Company or its associated corporations (within the meaning of SFO).

Apart from the above, at no time during the year was the Company or its subsidiaries a party to any arrangement enabling the Directors, Chief Executives and Supervisors of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporation.

Furthermore, at no time during the year was there any arrangement whose objects are, or one of whose objects is, to enable Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or its associated corporation.

- (2) 於二零一六年七月十一日，浙江瑞遠智能機器人股份有限公司（「瑞遠機器人」）與萬里控股集團股份有限公司（「萬里」）、元勇強先生（「元先生」）及其他方訂立一份股份轉讓協議，據此（其中包括）瑞遠機器人同意收購（i）萬里持有的306,900,000股內資股及元先生持有的15,775,000股內資股（統稱為「第一批銷售股份」）及（ii）元先生持有的47,325,000股內資股（「第二批銷售股份」）。於第一批銷售股份及第二批銷售股份轉讓完成後，何鏗先生及其一致行動方合共擁有370,000,000股內資股，佔本公司於二零一九年十二月三十一日的全部已發行股份約74%。
- (3) 買賣第一批銷售股份及第二批銷售股份之後的強制性現金要約（「強制性現金要約」）於二零一六年九月十四日下午四時結束後，何鏗先生收到有關1,000股H股的有效接納。因此，於二零一九年十二月三十一日，何鏗先生於1,000股H股中擁有權益。

除上文所披露者外，於本年度的任何時間，概無董事、主要行政人員及監事（包括彼等之配偶及未滿十八歲的子女）於本公司或其相聯法團（定義見證券及期貨條例）的股份擁有任何權益，或已獲授或已行使可認購該等股份的任何權利。

除上文所述者外，於本年度的任何時間，本公司或其附屬公司概無訂立任何安排，致使本公司董事、主要行政人員及監事持有本公司或其相聯法團的股份、相關股份或債券任何權益或淡倉。

此外，於本年度的任何時間，並無訂立任何安排，使董事可藉購買本公司或其相聯法團之股份或債券而獲取利益。



# Report of the Directors

## 董事會報告書

### INTERESTS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 31 December 2019, the persons or companies (other than the Director or chief executive of the Company) have interests and/or long positions in the shares or underlying shares of the Company which are required to be notified to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept under section 336 of the SFO, and who were directly or indirectly deemed to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company are listed as follows:

### 主要股東於本公司股份或相關股份的權益

就董事所知，於二零一九年十二月三十一日，以下人士或公司（本公司董事或主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的規定須知會本公司及聯交所，以及根據證券及期貨條例第336條須記錄於該條所述登記冊的權益及／或好倉，以及被視為直接或間接擁有附帶權利可於任何情況下在本公司的股東大會上投票的任何類別股本面值5%或以上的權益：

Name of Substantial Shareholder	Total number of Shares interested	Nature of interest	Approximate percentage of shareholding interested in same class of securities 佔同類別證券概約持有權益的股份百分比	Approximate percentage of shareholding interested in the registered capital 佔註冊資本概約持有權益的股份百分比
主要股東姓名／名稱	持有權益的股份總數	權益性質		
瑞遠機器人 RuiYuan Robot	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2, 3 and 4) (附註2、3及4)	Beneficial owner 實益擁有人	100%	74%
杭州沁蝶機電設備有限公司 (「杭州沁蝶」) (Hangzhou Qindie Electronic Equipment Company Limited) (“Hangzhou Qindie”)	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2 and 5) (附註2及5)	Interest of controlled corporation 受控法團權益	100%	74%
諸暨金福機電設備有限公司(「諸暨金福」) (Zhujin Jinfu Electrical Equipment Company Limited*) (“Zhujin Jinfu”)	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2 and 5) (附註2及5)	Interest of controlled corporation 受控法團權益	100%	74%
紹興沁遠電子科技有限公司(「紹興沁遠」) (Shaoxing Qinyuan Electronic Technology Company Limited) (“Shaoxing Qinyuan”)	47,325,000 Domestic Shares 47,325,000 股內資股 (Notes 2 and 6) (附註2及6)	Nominee 代名人	12.79%	9.47%
何鏗先生 Mr. He Keng	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2, 5 and 6) (附註2、5及6)	Interest of controlled corporation 受控法團權益	100%	74%
	1,000 H Shares 1,000 股H股 (Note 7) (附註7)	Beneficial owner 實益擁有人	0.0008%	0.0002%
湯晶豐先生 Mr. Tang Jingfeng	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2, 5 and 6) (附註2、5及6)	Interest of controlled corporation 受控法團權益	100%	74%
趙忠信先生 Mr. Zhao Zhongxin	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2 and 5) (附註2及5)	Interest of controlled corporation 受控法團權益	100%	74%
何楊根先生 Mr. He Yanggen	370,000,000 Domestic Shares 370,000,000 股內資股 (Notes 2 and 5) (附註2及5)	Interest of controlled corporation 受控法團權益	100%	74%
Martin Currie China Hedge Fund Limited	14,245,000 H Shares 14,245,000 股H股股份	Investment manager 投資經理	10.96%	2.85%
Martin Currie Investment Management Limited	14,245,000 H Shares 14,245,000 股H股股份	Investment manager 投資經理	10.96%	2.85%

# Report of the Directors

## 董事會報告書

### Notes:

- (1) Domestic Shares of a nominal value of RMB0.10 each, in the registered capital of the Company, which are subscribed for or credited as fully-paid in Renminbi. "H Share(s)" represent overseas listed foreign share(s) of a nominal value of RMB0.10 each in the registered capital of the Company, which are listed on the GEM and subscribed for and traded in Hong Kong dollars.
- (2) On 11 July 2016, RuiYuan Robot entered into a share transfer agreement with Wanli, Mr. Qi and other parties, pursuant to which, among other things, RuiYuan Robot agreed to acquire (i) the First Batch Sale Shares from Wanli and Mr. Qi and (ii) the Second Batch Sale Shares from Mr. Qi. After completion of the transfer of the First Batch Sale Shares and the Second Batch Sale Shares, RuiYuan Robot and parties acting in concert with it owned an aggregate of 370,000,000 Domestic Shares, representing 74% of the entire issued share of the Company as at 31 December 2019.
- (3) As disclosed in the announcement of the Company dated 29 December 2017, RuiYuan Robot has pledged its 322,675,000 domestic shares of the Company (representing 64.535% of the total issued share capital of the Company) to an independent third party for serving Zhejiang RuiYuan's own purpose and fulfilling its responsibilities.
- (4) RuiYuan Robot is a joint stock company incorporated in the PRC with limited liability and is owned as to 55% by Hangzhou Qindie and as to 45% by Zhuji Jinfu.
- (5) Hangzhou Qindie is a company established in the PRC and is owned as to 51% by Mr. He and as to 49% by Mr. Tang Jingfeng. Zhuji Jinfu is a company established in the PRC and is owned as to 50% by Mr. Zhao Zhongxin and as to 50% by Mr. He Yanggen.
- (6) Shaoxing Qinyuan, to whom the second Batch Sale Shares were transferred, is the nominee for RuiYuan Robot and a company that is owned as to 60% by Mr. He and 40% by Mr. Tang Jinfeng.
- (7) After the Mandatory Cash Offer closed, Mr. He Keng acquired valid acceptances in respect of 1,000 H Shares. Accordingly, Mr. He Keng was interested in 1,000 H Shares.

Save as discussed above, the Directors are not aware of any person (other than the Directors whose interests are set out in the section headed "Directors, Chief Executives' and Supervisors' Interests and Short Positions" above) holding any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register pursuant to section 336 of the SFO as at 31 December 2019.

### 附註：

- (1) 本公司註冊資本中每股面值人民幣0.10元的內資股乃以人民幣認購或入賬列作繳足。「H股」為本公司註冊資本中每股面值人民幣0.10元的海外上市外資股，於GEM上市，並以港元認購及買賣。
- (2) 於二零一六年七月十一日，瑞遠機器人與萬里、元先生及其他方訂立一份股份轉讓協議，據此，（其中包括）瑞遠機器人同意收購(i)萬里及元先生的第一批銷售股份及(ii)元先生的第二批銷售股份。於第一批銷售股份及第二批銷售股份轉讓完成後，瑞遠機器人及其一致行動方合共擁有370,000,000股內資股，佔本公司於二零一九年十二月三十一日的全部已發行股份74%。
- (3) 誠如本公司日期為二零一七年十二月二十九日之公告所披露，瑞遠機器人將其持有之本公司322,675,000股內資股（佔本公司已發行股本總數64.535%）向獨立第三方予以質押，以供浙江瑞遠本身之用途及履行其責任。
- (4) 瑞遠機器人為一間於中國註冊成立的股份有限公司，並由杭州沁蝶擁有55%及諸暨金福擁有45%。
- (5) 杭州沁蝶為一間於中國成立的公司，並由何先生擁有51%及湯晶豐先生擁有49%。諸暨金福為一間於中國成立的公司，並由趙忠信先生擁有50%及何楊根先生擁有50%。
- (6) 紹興沁遠（第二批銷售股份的受讓人）為瑞遠機器人的代名人，由何先生擁有60%及湯晶豐先生擁有40%。
- (7) 強制性現金要約結束後，何鏗先生收到有關1,000股H股的有效接納。因此，何鏗先生於1,000股H股中擁有權益。

除上文所披露者外，於二零一九年十二月三十一日，董事並不知悉有任何人士（並非擁有上述「董事、主要行政人員及監事權益及淡倉」一節中所載權益的董事）於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露，或須根據證券及期貨條例第336條記入登記冊內的任何權益或淡倉。



# Report of the Directors

## 董事會報告書

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

### PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Director's and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622, Laws of Hong Kong) when the Report of the Board of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance (Chapter 622, Laws of Hong Kong).

### CORPORATE GOVERNANCE REPORT

Corporate governance report of the Company is set out on page 27 to page 44 of the annual report.

### FINAL DIVIDEND

The Board did not recommend a payment of final dividend for the year ended 31 December 2019.

### SUFFICIENCY OF PUBLIC FLOAT

The Company maintained a sufficient public float as required under the GEM Listing Rules during the year ended 31 December 2019.

### 管理層合約

年內概無訂立或訂有有關本公司全部或任何主要部分業務的管理及行政合約。

### 獲准許的彌償條文

本公司已就其董事及高級管理人員可能面對因企業活動產生之法律訴訟，為董事及行政人員之職責作適當之投保安排。基於董事利益的獲准許彌償條文根據公司條例（香港法例第622章）第470條的規定於董事編製之董事會報告根據公司條例（香港法例第622章）第391(1)(a)條獲通過時生效。

### 企業管治報告

本公司之企業管治報告載於本年報第27至第44頁。

### 末期股息

董事會不建議派發截至二零一九年十二月三十一日止年度的末期股息。

### 充足之公眾持股量

於截至二零一九年十二月三十一日止年度，本公司根據GEM上市規則之規定維持充足之公眾持股量。

# Report of the Directors

## 董事會報告書

### MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales and purchases for the year attributable to the Group's major customers and suppliers are as follows:

#### Sales

— the largest customer	42%
— five largest customers combined	97%

#### Purchases

— the largest supplier	37%
— five largest suppliers combined	93%

None of the Directors, their associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has an interest in the major suppliers and major customers noted above.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

According to our business nature and pursuant to the relevant laws of the PRC/Hong Kong, there are no specific environmental standards and/or requirements for conducting the Group's business.

For details about the environmental, social and governance matters, please refer to the 2019 environmental, social and governance report of the Company, which will be published within three months after the publication of this annual report to the websites of both the Stock Exchange and the Company.

### RELATIONSHIP WITH EMPLOYEES

The Group ensures that all the employees are reasonably remunerated and maintains good relationship with its employees. For details, please refer to the sections headed "Management Discussion and Analysis — Employees and Remuneration Policies" and "Report of the Directors — Corporate Social Responsibilities" of this annual report, respectively. The Group is committed to providing a safe and healthy workplace for its employees and encourage them to have a work-life balance.

### 主要客戶及供應商

本年度本集團主要客戶及供應商應佔的銷售及採購百分比如下：

#### 銷售

— 最大客戶	42%
— 五大客戶合計	97%

#### 採購

— 最大供應商	37%
— 五大供應商合計	93%

概無董事、其聯繫人士或任何股東(董事獲悉持有本公司5%以上股本之股東)於上文所述主要供應商及主要客戶中擁有權益。

### 環保政策及表現

根據我們的業務性質及遵照相關中國／香港法例，本集團進行業務時並無指定的環保標準及／或規定。

有關環境、社會及管治方面的詳情，請參閱本公司的二零一九年環境、社會及管治報告。該報告將於本年報刊發後三個月內登載聯交所及本公司網站。

### 與僱員的關係

本集團確保所有員工獲得合理酬金及維持良好的員工關係。有關詳情，請參閱本年報「管理層討論及分析 — 僱員及酬金政策」及「董事會報告書 — 企業社會責任」章節。本集團承諾向僱員提供一個安全及健康的工作環境以及鼓勵僱員保持工作和生活的平衡。

# Report of the Directors

## 董事會報告書

On 7 November 2016, a former employee of the Company, filed a claim with the Labour Tribunal of Hong Kong against the Company and its former subsidiary, Hong Kong Wan Li Enterprise Company Limited (together the “Respondent”) for a compensation of approximately HK\$2,600,000. As of the reporting date, the dispute between the Claimant and the Group are still in progress, the result of the case has not yet come up and the Directors are of the opinion that the Company has strong grounds to defend the claim. An amount of RMB86,000 was made in the consolidated financial statements for the year ended 31 December 2019, and no further provisions was made thereafter.

Details of the dispute are set out in Note 30 to the consolidated financial statements.

### KEY RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS

The Group maintains good relationship with its customers. The sales personnel make regular visits and/or phone calls to the customers. If there is any complaint from customers, it will be reported to the management and immediate remedial action will be taken and feedback from customers will be followed till settlement of the complaint. Thereafter, the cause of such complaint will be studied, analysed and evaluated and recommendations will be in place for improvement.

The Group also maintains good relationship with its suppliers. During the year, no complaint was received from the suppliers and there were no disputed debts or unsettled debts and all the debts were settled on or before due dates or a latest date as mutually agreed.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Details of the Company’s compliance with the code provisions set out in Corporate Governance Code set out in Appendix 15 in the Corporate Governance Report of the GEM Listing Rules throughout the financial year ended 31 December 2019 are disclosed on page 27 to page 44.

### RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group, are set out in Note 33 to the consolidated financial statements.

None of the transactions described therein fall under the definition of connected transaction which are not fully exempted from shareholders’ approval, annual review and all disclosure requirement under chapter 20 of the GEM Listing Rules.

於二零一六年十一月七日，本公司一名前僱員向香港勞資審裁處提出針對本公司及其前附屬公司香港萬豪企業有限公司(統稱「被告」)之申索，追索賠償約2,600,000港元。截至報告日期，原告與本集團之間的糾紛仍在處理當中，該案件尚未有結果，董事認為本公司有充分理據進行抗辯。於截至二零一九年十二月三十一日止年度的綜合財務報表中作出人民幣86,000元的撥備，其後並無進一步撥備。

該糾紛之詳情載於綜合財務報表附註30。

### 與客戶及供應商的主要關係

本集團與客戶維持良好關係。銷售人員定期與客戶會面及／或致電客戶。客戶如有任何不滿，將向管理層匯報並即時作出補救措施，並將緊貼處理客戶意見直至有關投訴解決為止。此後，本集團將研究、分析及評估該投訴的因由，並提出改善建議。

本集團亦與供應商維持良好關係。年內，概無接獲供應商任何投訴，亦無任何具爭議債務或未償還債務，且所有債務均於到期日或雙方同意的較後日期或之前償付。

### 遵守企業管治守則

於截至二零一九年十二月三十一日止財政年度，本公司遵守GEM上市規則企業管治報告附錄15企業管治守則所載的守則條文之詳情披露於第27頁至44頁。

### 關連人士交易

本集團的關連人士交易詳情載於綜合財務報表附註33。

本年報所載之交易均不符合GEM上市規則第20章項下的不獲全面豁免遵守股東批准、年度審閱及所有披露規定的關連交易之定義。

# Report of the Directors

## 董事會報告書

### DONATIONS

No charitable and other donations was made by the Group during the year ended 31 December 2019.

### EVENTS AFTER THE REPORTING PERIOD

Details of the events after reporting period of the Group are set out in Note 39 to the consolidated financial statements.

### COMPETING INTERESTS

None of the Directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in any business that directly or indirectly competes with the business of the Group or has any other conflicts of interest.

### REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matter, including the review of the audited Consolidated Financial Statements of the Group for the year ended 31 December 2019.

### AUDITORS

KTC Partners CPA Limited has resigned as the auditor of the Group with effect from 10 January 2019. Crowe (HK) CPA Limited has been appointed as the auditor of the Group with effect from 10 January 2019 to fill the casual vacancy following the resignation of KTC Partners CPA Limited. Save as disclosed above, there have been no changes of auditors in the past three years.

The consolidated financial statements for the year ended 31 December 2019 have been audited by Crowe (HK) CPA Limited, who shall retire and, being eligible, offer themselves for reappointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

**He Keng**  
Chairman

Ningbo, The PRC, 31 March 2020

### 捐款

於截至二零一九年十二月三十一日止年度，本集團並無作出慈善及其他捐贈。

### 報告期後事項

有關本集團報告期後事項的詳情載於綜合財務報表附註39。

### 競爭權益

董事、本公司管理層股東及彼等各自的聯繫人士（定義見GEM上市規則）概無於直接或間接與本集團業務構成競爭的任何業務中擁有權益，亦無任何其他利益衝突。

### 審閱年度業績

審核委員會已審閱本集團所採納的會計原則及常規，並討論審核、內部控制及財務報告事宜，包括審閱本集團截至二零一九年十二月三十一日止年度的經審核綜合財務報表。

### 核數師

和信會計師事務所有限公司自二零一九年一月十日起辭任本集團核數師一職。國富浩華（香港）會計師事務所有限公司已獲委任為本集團核數師，自二零一九年一月十日起生效，以填補和信會計師事務所有限公司辭任而產生之臨時空缺。除上文所披露者外，過往三年核數師概無任何變動。

截至二零一九年十二月三十一日止年度的綜合財務報表由國富浩華（香港）會計師事務所有限公司審核，該會計師事務所將於本公司應屆股東週年大會告退，並符合資格及願意應聘連任。

代表董事會

主席  
何鏗

中國寧波，二零二零年三月三十一日

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE

During the year ended 31 December 2019, the Company has complied with the code provisions set out in the Corporate Governance Code as stated in Appendix 15 of the GEM Listing Rules except the following deviations (Code Provisions A.2.1):

Mr. He Keng is the Chairman of the Board. The Company has no such title as the chief executive officer and the daily operation and management of the Company is monitored by the executive directors as well as the senior management. The Board is of the view that although there is no chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals and meet from time to time to discuss issues affecting the operations of the Company.

Further information on the Company's corporate governance practices is set out below.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has appointed 3 independent non-executive Directors. The Company confirms that it has received from each of the independent non-executive Directors a confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company still considers all the existing independent non-executive Directors to be independent. All the independent non-executive Directors are appointed for a three-year term.

### CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company are committed to establishing good corporate governance practices and procedures. The maintenance of high standard of business ethics and corporate governance practices has always been one of the Group's goals. The Company believes that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture, thereby leading to the enhancement of shareholders' value.

### 企業管治

於截至二零一九年十二月三十一日止年度，本公司遵守GEM上市規則附錄15所載之企業管治守則之守則條文，惟以下偏離(守則條文第A.2.1條)除外：

何鏗先生為董事會主席。本公司並無設立行政總裁職銜，而本公司之日常營運及管理由執行董事及高級管理層實行監控。董事會認為，雖然本公司並無行政總裁，但透過由具備豐富經驗之人士組成之董事會運作並不時開會討論影響本公司營運之事宜，足以確保維持權責平衡。

有關本公司企業管治常規之進一步資料載列於下文。

### 獨立非執行董事

本公司已委任3名獨立非執行董事。本公司確認，本公司已接獲各獨立非執行董事之確認書，確認其具有GEM上市規則第5.09條所指之獨立性，而本公司認為，所有現任獨立非執行董事均仍具備獨立性。所有獨立非執行董事任期均為三年。

### 企業管治常規

董事會及本公司管理層致力訂立良好之企業管治常規及程序。本集團一直以維持高水準之商業道德及企業管治常規為其目標之一。本公司相信，良好之企業管治能為有效管理、成功之業務增長及健康之企業文化訂立框架，從而提升股東價值。

# Corporate Governance Report

## 企業管治報告

The Board has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the Rules Governing the GEM Listing Rules. Continuous efforts are made to review and enhance the Group’s internal controls and procedures in light of changes in regulations and developments in best practices. To us, maintaining high standards of corporate governance practices is not just complying with the provisions but also the intent of the regulations to enhance corporate performance and accountability.

The Board is pleased to report compliance with the code provisions of the CG Code throughout the year, except where otherwise stated.

### DIRECTORS’ AND SUPERVISORS’ SECURITIES TRANSACTIONS

The Group has adopted a code of dealing in securities by Directors, supervisors and employees of the Group as set out in Rule 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding securities transactions by Directors, supervisors and employees. Having made specific enquiry with all Directors and supervisors, the Directors and supervisors confirmed that they had complied with the required standard set out in the Model Code throughout the year.

### DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong and the GEM Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the GEM Listing Rules as well as the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and its website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group’s affairs.

董事會已採納載於GEM上市規則附錄15之企業管治守則(「企業管治守則」)。本集團一直致力就條例之變更及最佳常規之發展檢討及提升其內部監控及程序。對我們而言，維持高水準之企業管治常規不僅為符合條文，而是實現條文之精神，提升企業表現及加強問責性。

董事會欣然報告，除另有說明者外，於整個年度符合企業管治守則之守則條文。

### 董事及監事之證券交易

本集團已採納載於GEM上市規則第5.48條至5.67條之集團之董事、監事及僱員進行證券交易之守則作為其本身有關董事、監事及僱員進行證券交易之行為守則。經向全體董事及監事作出特定查詢後，董事及監事均確認彼等於整個年度已遵守標準守則所載之規定標準。

### 披露內幕消息

本集團知悉其根據香港法例第571章證券及期貨條例及GEM上市規則所應履行的責任，整體原則是內幕消息必須在有所決定後即時公佈。處理及發佈內幕消息的程序及內部監控措施如下：

- 本集團處理事務時會充分考慮GEM上市規則項下的披露規定以及香港證券及期貨事務監察委員會於二零一二年六月頒佈的「內幕消息披露指引」；
- 本集團透過財務報告、公告及公司網站等途徑向公眾廣泛及非獨家披露資料，以實施及公平披露其政策；
- 本集團已嚴格禁止未經授權使用機密或內幕消息；及
- 本集團已就外界查詢本集團事務訂立及執行回應程序。



# Corporate Governance Report

## 企業管治報告

### BOARD OF DIRECTORS

The Board comprises:

Executive Directors : Mr. He Keng (*Chairman*)  
Ms. Wu Shan hong  
Mr. Chen Weiqiang  
Mr. Ding Cheng

Independent Non-Executive Directors : Mr. Kwok Kim Hung Eddie  
Mr. Zhou Weibo  
Ms. Sheng Ting

Each independent non-executive Director has given an annual confirmation of his independence to the Company, and the Company considers them to be independent under Rule 5.09 of the GEM Listing Rules.

As at 31 December 2019, the Board comprises seven members, including four executive Directors and three independent non-executive Directors. Each of the members possesses sufficient experience and qualification which enable them to discharge their duties properly.

The Company seeks to achieve board diversity through the consideration of a number of factors, including age, education background, skills and experience.

The chairman is responsible for the formulation and review of the Group's overall development strategies. The daily operation is delegated to the executive Directors and senior management. None of the independent non-executive Directors is interested in the business of the Group and their independence has to be confirmed upon appointment or reappointment. Currently, there is no financial, business, family or other relevant material relationship among the existing Directors.

According to the articles of association of the Company, all the Directors shall be elected at the general meeting of the shareholders and the term of office shall be three years, renewable upon reappointment or re-election.

### 董事會

董事會成員包括：

執行董事 : 何鏗先生(主席)  
吳珊紅女士  
陳偉強先生  
丁成先生

獨立非執行董事 : 郭劍雄先生  
周偉波先生  
盛婷女士

各位獨立非執行董事已就其獨立性向本公司發出年度確認，而根據GEM上市規則第5.09條之規定，本公司認為彼等均為獨立人士。

於二零一九年十二月三十一日，董事會由七名成員組成，包括四名執行董事及三名獨立非執行董事。董事會各成員均具有足夠經驗及資歷以妥善履行其職責。

本公司力求透過考慮多個因素實現董事會多元化，包括年齡、教育背景、技能及經驗。

主席負責製訂及檢討本集團的整體發展策略，日常營運則由執行董事及高級管理人員負責。各獨立非執行董事概無於本集團業務中擁有任何權益，並於出任及留聘有關任命時確認其獨立地位。目前，現任董事間並無財務、業務、家族或其他相關重大關係。

根據本公司的公司章程細則規定，所有董事須於股東大會上選舉產生，任期三年，於任期屆滿時重選連任。

# Corporate Governance Report

## 企業管治報告

### ATTENDANCE OF MEETINGS

Board meetings are conducted on a periodic basis and with reference to the operation needs. During the financial year ended 31 December 2019, a total of 6 Board meetings and 1 annual general meeting ("AGM") were held by Company, and the attendance of each Director is set out as follows:

Number of meetings attended in the year ended 31 December 2019 於截至二零一九年十二月三十一日止年度內出席會議次數		Attendance/Number of meetings held	
		出席/舉行會議次數	
Name of Director	董事姓名	Board meetings 董事會會議	AGM 股東週年大會
Mr. He Keng ( <i>Chairman</i> )	何鏗先生(主席)	6/6	1/1
Ms. Wu Shanhong	吳珊紅女士	6/6	1/1
Mr. Chen Weiqiang	陳偉強先生	6/6	1/1
Mr. Ding Cheng	丁成先生	6/6	1/1
Mr. Zhou Weibo (appointed on 30 April 2019)	周偉波先生(於二零一九年四月三十日獲委任)	3/3	1/1
Ms. Sheng Ting (appointed on 30 April 2019)	盛婷女士(於二零一九年四月三十日獲委任)	3/3	1/1
Mr. Eddie Kwok Kim Hung	郭劍雄先生	6/6	1/1
Mr. Zhang Zhuoyong (resigned on 30 April 2019)	張卓永先生(於二零一九年四月三十日辭任)	3/3	N/A 不適用
Mr. Zhang Tieyi (resigned on 30 April 2019)	章鐵毅先生(於二零一九年四月三十日辭任)	3/3	N/A 不適用

The chairman attended AGM to answer questions and collect views of shareholders. All Directors, company secretary and the auditors had attended the AGM to answer questions at the meeting.

### 會議出席記錄

董事會定期及按業務所需舉行會議。於截至二零一九年十二月三十一日止財政年度內，本公司合共舉行6次董事會會議及1次股東週年大會(「股東週年大會」)，各位董事之出席情況載列如下：

主席已出席股東週年大會以回答股東問題及搜集其意見。全體董事、公司秘書及核數師已出席股東週年大會並於會上回答問題。

Except for the annual general meeting, the Company did not hold any other general meetings during the year ended 31 December 2019.

除股東週年大會外，本公司於截至二零一九年十二月三十一日止年度沒有舉行任何其他股東大會。

### REMUNERATION OF SENIOR MANAGEMENT

Details of the remuneration of the senior management of the Company by remuneration band for the year ended 31 December 2019, are set out in Note 14 to the consolidated financial statements.

### 高級管理層的薪酬

截至二零一九年十二月三十一日止年度按薪酬組別劃分的本公司高級管理層薪酬詳情載於綜合財務報表附註14。



# Corporate Governance Report

## 企業管治報告

### RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board focuses on formulating the Group's overall strategies, authorising the development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control system; supervising and managing management's performance of the Group; and setting the Group's values and standards. The Board delegates the day-to-day management, administration and operation of the Group to management. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

### CORPORATE GOVERNANCE FUNCTIONS

No corporate governance committee has been established and the Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies, practices on corporate governance, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, etc.

The Board held meetings from time to time whenever necessary. At least 10 days' notice of regular Board meetings is given to all Directors and they can include matters for discussion in the agenda as they think fit. The agenda accompanying Board papers are sent to all Directors at least 3 days or a shorter period agreed by the directors before the date of a regular Board meeting in order to allow sufficient time for the Directors to review the documents.

Minutes of every Board meeting are circulated to all Directors for their perusal and comments prior to confirmation of the minutes. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties.

Every Board member has full access to the advice and services of the company secretary with a view to ensuring that Board procedures, and all applicable rules and regulations are followed and they are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

### 董事會責任

董事會負責領導及控制本集團並透過指導及監督本集團之業務共同負責令本集團達致成功。董事會專注於制定本集團之整體策略、批准發展計劃及預算、監察財務及營運表現、檢討內部監控系統之成效、監督及管理本集團管理層之表現及釐定本集團之價值觀及標準。董事會委任管理層負責本集團之日常管理、行政及營運工作。董事會定期檢討所授出之職能，以確保其符合本集團之需要。

### 企業管治職能

由於並無成立企業管治委員會，因此由董事會負責執行企業管治職能，如制定及檢討本公司企業管治之政策及常規、為董事及高級管理層提供培訓及持續專業發展及確保本公司之政策及常規符合法律及監管規定等。

董事會不時在有需要時舉行會議。本公司會向全體董事發出至少10天的有關召開定期董事會會議之通知，彼等可將彼等認為適合之討論事項納入會議議程。會議議程連同董事會文件會於定期董事會會議舉行當日至至少3天或董事協定的較短期間內送交全體董事，以便董事有充足時間審議有關文件。

每次董事會會議之會議記錄給所有董事傳閱，以讓彼等確認會議記錄前細讀及作註解。董事會亦會確保會議記錄將及時，以適當形式及內容提供必須資料，已讓所有董事可履行彼等之職責。

每位董事會成員均可全面取得公司秘書之意見及服務，旨在確保董事會程序以及所有適用規則及規例均獲遵守，而彼等亦有權全面獲取董事會文件及相關資料，以便彼等能作出知情決定及履行彼等之職責及責任。

# Corporate Governance Report

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. He Keng (“Mr. He”) is the Chairman of the Company. Mr. He is responsible for the overall strategic planning and policy making of the Group.

The Company has no such title as the chief executive officer and therefore the daily operation and management of the Company is monitored by the executive Directors as well as the senior management.

The Board is of the view that although there is no chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals and meet from time to time to discuss issues affecting operation of the Company.

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

Pursuant to the Articles of Association, Directors shall be elected at general meetings and shall hold office for a term of three years and shall be eligible for re-election upon expiry of their term. Each of the executive Directors and independent non-executive Directors has entered into a service contract with the Company for a term of three years.

### 主席及行政總裁

何鏗先生(「何先生」)為本公司主席。何先生負責本集團之整體策略規劃及政策制定。

本公司並無設立行政總裁職銜，因此，本公司之日常營運及管理由執行董事及高級管理層實行監控。

董事會認為，雖然本公司並無行政總裁，但透過由具備豐富經驗之人士組成之董事會運作並不時開會討論影響本公司營運之事宜，足以確保維持權責平衡。

### 委任及重選董事

根據公司章程細則，董事須經股東大會選舉產生，任期為三年。董事任期屆滿，可重選連任。本公司已與各執行董事及獨立非執行董事訂立服務合約，任期為三年。

# Corporate Governance Report

## 企業管治報告

### PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company recommends Directors to attend relevant seminars to develop and refresh their knowledge and skills. All Directors also participate in continuous professional development programmes such as external seminars organised by qualified professionals, to develop and refresh their knowledge and skills in relation to their contribution to the Board. A record of the training received by the respective Directors are kept and updated by the company secretary of the Company.

The individual training record of each Director received for the year ended 31 December 2019 is summarized below:

### 專業發展

為協助董事之持續專業發展，本公司建議董事出席相關之座談會以發展及更新彼等之知識及技能。全體董事亦有出席持續專業發展計劃，如由合資格專業人士所舉辦之外部座談會，就彼等對董事會之貢獻發展及更新彼等之知識及技能。各董事所接受之培訓記錄由本公司公司秘書保管及更新。

截至二零一九年十二月三十一日止年度，各董事所接受培訓之個別記錄概述如下：

		Attending seminar(s)/ programme(s)/conference(s) relevant to the business or Directors' duties 出席有關業務或董事職責之 座談會／計劃／會議之情況
Mr. He Keng ( <i>Chairman</i> )	何鏗先生(主席)	✓
Ms. Wu Shanhong	吳珊紅女士	✓
Mr. Chen Weiqiang	陳偉強先生	✓
Mr. Ding Cheng	丁成先生	✓
Mr Zhou Weibo (appointed on 30 April 2019)	周偉波先生(於二零一九年四月三十日獲委任)	✓
Ms. Sheng Ting (appointed on 30 April 2019)	盛婷女士(於二零一九年四月三十日獲委任)	✓
Mr. Kwok Kim Hung Eddie	郭劍雄先生	✓
Mr. Zhang Zhuoyong (resigned on 30 April 2019)	張卓永先生(於二零一九年四月三十日辭任)	✓
Mr. Zhang Tiejie (resigned on 30 April 2019)	章鐵毅先生(於二零一九年四月三十日辭任)	✓

All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

全體董事亦了解到持續專業發展之重要性，承諾參與任何合適之培訓，以發展及更新彼等之知識及技能。

# Corporate Governance Report

## 企業管治報告

### AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises 3 independent non-executive Directors, who have reviewed the annual results of the Company for the year ended 31 December 2019. Mr. Kwok Kim Hung, Eddie, is the chairman of the Audit Committee who has appropriate professional qualifications and accounting or related financial management expertise.

The Audit Committee has primary responsibility for monitoring the quality of internal control and ensuring that the financial performance of the Company is properly measured and reported on, receiving and reviewing reports from management and the auditors relating to the annual, quarterly and interim results, and monitoring the accounting and internal control system in use throughout the Group. The Audit Committee held 4 meetings during the year ended 31 December 2019.

According to the current terms of reference, meetings of the Audit Committee shall be held at least 4 times a year. 4 meetings were held for the year ended 31 December 2019. The attendance of each member is set out as follows:

### 審核委員會

本公司審核委員會(「審核委員會」)由3位獨立非執行董事組成，彼等已審閱本公司截至二零一九年十二月三十一日止年度之全年業績。郭劍雄先生為審核委員會主席，其具備合適專業資格及會計或相關財務管理經驗。

審核委員會主要負責監察內部監控之質素及確保本公司之財務表現得以準確地計量及申報、接收及審核管理層及核數師有關年度、季度及中期業績之報告及監察本集團使用之會計及內部監控系統。於截至二零一九年十二月三十一日止年度，審核委員會舉行了4次會議。

根據現有職權範圍，審核委員會每年須至少舉行4次會議。截至二零一九年十二月三十一日止年度，審核委員會已舉行了4次會議。各位成員之出席情況載列如下：

Name of members of Audit Committee	審核委員會成員姓名	Attendance/ Number of meetings held 出席／舉行 會議次數
Mr. Kwok Kim Hung Eddie ( <i>Chairman</i> )	郭劍雄先生(主席)	5/5
Mr. Zhou Weibo (appointed on 30 April 2019)	周偉波先生(於二零一九年四月三十日獲委任)	3/3
Ms. Sheng Ting (appointed on 30 April 2019)	盛婷女士(於二零一九年四月三十日獲委任)	3/3
Mr. Zhang Zhuoyong (resigned on 30 April 2019)	張卓永先生(於二零一九年四月三十日辭任)	2/2
Mr. Zhang Tiewi (resigned on 30 April 2019)	章鐵毅先生(於二零一九年四月三十日辭任)	2/2

During the year under review, the Group did not have an internal audit function but had appointed an external consultant to review the material controls of the Group on a continuous basis and aims to cover all major operations of the Group on a cyclical basis. The Board, through the Audit Committee, reviewed the appraisal performed by the an independent auditor on the Company's risk management and internal control systems. Based on information furnished to it and its own observations, the Board is satisfied that the present internal control and risk management systems of the Group are effective and adequate in all material respects.

於回顧年內，本集團並無內部審核職能，惟已任命外聘顧問按持續基準審核本集團重要監控，旨在週期性地涵蓋本集團所有主要業務。董事會通過審核委員會審核獨立核數師對本公司風險管理及內部控制系統的評估。基於所獲提供的資料及自身的觀察，董事會信納本集團當前的內部控制及風險管理系統在所有重大方面行之有效及充足。

# Corporate Governance Report

## 企業管治報告

At the meetings held during the year, in performing its duties in accordance with its terms of reference, the work performed by the Audit Committee included:

- (a) review and supervise the financial reporting process and internal control system and risk management of the Company and its subsidiaries;
- (b) recommendation to the Board, for the approval by shareholders, of the re-appointment of the external auditor and approval of their remuneration;
- (c) determination of the nature and scope of the audit; and
- (d) review the financial statements for the relevant periods.

### REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) was established on 22 March 2012 comprising the 3 independent non-executive Directors and 1 executive Director. Ms. Sheng Ting is the chairlady of the Remuneration Committee. The terms of reference of the Remuneration Committee are available at the Company’s website and on the website of the Stock Exchange.

The roles and functions of the Remuneration Committee include consulting the chairman of the Board about their remuneration proposals for other executive Directors, making recommendation to the Board on the Company’s remuneration policy and structure for all Directors’ and senior management and the Remuneration Committee has adopted the approach under B.1.2(c)(ii) of the code provisions to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

Meeting of the Remuneration Committee shall be held at least once a year. 2 meeting was held during the year ended 31 December 2019. During the meeting, remuneration packages, performance and service contracts of the Directors had been reviewed and approved, no change has been proposed to the remuneration policy.

於年內舉行之會議上，在根據其職權範圍履行其職責方面，審核委員會所履行之工作包括：

- (a) 檢討及監督本公司及其附屬公司之財務申報程序、內部監控系統及風險管理；
- (b) 向董事會建議重新委任外部核數師並批准彼等之酬金，惟須獲得股東批准；
- (c) 釐定審核之性質及範圍；及
- (d) 審核有關期間之財務報表。

### 薪酬委員會

本公司於二零一二年三月二十二日成立由3位獨立非執行董事及1名執行董事組成之薪酬委員會（「薪酬委員會」）。盛婷女士為薪酬委員會主席。薪酬委員會之職權範圍載於本公司網站及聯交所網站。

薪酬委員會之角色及職能包括向董事會主席諮詢彼等就其他執行董事之薪酬建議及就本公司全體董事及高級管理層之薪酬政策及架構向董事會作出建議。薪酬委員會已採納守則條文B.1.2(c)(ii)條項下之方式向董事會建議個別執行董事及高級管理層薪酬待遇。

薪酬委員會每年須至少舉行一次會議。薪酬委員會已於截至二零一九年十二月三十一日止年度內舉行2次會議。於會議期間，董事薪酬待遇、表現及服務合約已獲檢討及批准，並無建議對薪酬政策作出任何變更。

# Corporate Governance Report

## 企業管治報告

The attendance of each member is set out as follows:

各位成員之出席情況載列如下：

Name of members of Remuneration Committee	薪酬委員會成員姓名	Attendance/ Number of meetings held 出席／舉行 會議次數
Ms. Sheng Ting ( <i>Chairlady</i> ) (appointed on 30 April 2019)	盛婷女士(主席) (於二零一九年四月三十日獲委任)	N/A 不適用
Mr. He Keng	何鏗先生	2/2
Mr. Zhou Weibo (appointed on 30 April 2019)	周偉波先生 (於二零一九年四月三十日獲委任)	N/A 不適用
Mr. Kwok Kim Hung Eddie	郭劍雄先生	2/2
Mr. Zhang Tieyi ( <i>Chairman</i> ) (resigned on 30 April 2019)	章鐵毅先生(主席) (於二零一九年四月三十日辭任)	2/2
Mr. Zhang Zhuoyong (resigned on 30 April 2019)	張卓永先生(於二零一九年四月三十日辭任)	2/2

### NOMINATION COMMITTEE

### 提名委員會

The nomination committee of the Company (the "Nomination Committee") was established on 22 March 2012 comprising the 3 independent non-executive Directors and 1 executive Director. Mr. Zhou Weibo is currently the chairman of the Nomination Committee. The terms of reference of the Nomination Committee are available at the Company's website and on the website of the Stock Exchange.

本公司於二零一二年三月二十二日成立由3位獨立非執行董事及1名執行董事組成之提名委員會(「提名委員會」)。周偉波先生現為提名委員會主席。提名委員會之職權範圍載於本公司網站及聯交所網站。

The roles and functions of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least once a year, making recommendations on any proposed changes to the Board to complement the Company's corporate strategies, identifying individuals suitably qualified to become Board members (select or make recommendations to the Board on the selection of individuals nominated for directorships), assessing the independence of independent non-executive Directors, making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman; and reporting to the Board on its decisions or recommendations, unless there are legal or regulatory restrictions.

提名委員會之角色及職能包括至少每年一次檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，就任何為推行本公司企業戰略擬作出的變動向董事會提出建議、物色具備合適資格可擔任董事的人士(挑選、提名有關人士出任董事或就此向董事會提供意見)、評核獨立非執行董事的獨立性、就董事委任或重新委任以及董事(尤其是主席)繼任計劃的有關事宜向董事會提出建議及向董事會匯報其決定或建議，除非受法律或監管限制所限而不能作出匯報。



# Corporate Governance Report

## 企業管治報告

### BOARD DIVERSITY POLICY

The Company has adopted a Board Diversity Policy to have a well diversified Board of Directors by considering a number of factors, including but not limited to gender, age, cultural/education and professional background, skills, knowledge and experience.

The Board consists of seven directors, three of whom are independent non-executive directors. The Nomination Committee and Board are of the view that the diversity of the Board is embodied in terms of age, skills, expertise, knowledge and educational background.

### Nomination Policy

The company has adopted a nomination policy for directors. The factors considered by the Nomination Committee in assessing candidates include, but are not limited to: (a) the structure, size and composition of the Board; (b) the diversity of the Board in terms of background, skill and experience (including but not limited to gender, age, education and professional background, skills, knowledge and experience); (c) the compliance with the independence criteria set out in Rule 5.09 of the GEM Listing Rules for the appointment of independent non-executive directors; and (d) any other relevant factors as determined by the Nomination Committee or the Board from time to time, and make recommendations on appointing board candidates or re-appointing existing members of the Board.

The appointments of directors will be proposed to the Board of Directors after the Nomination Committee assesses the above factors. The Nomination Committee will annually assess and report to the Board on the composition of the Board of Directors in a context of diversity and keep an watch on the implementation thereof.

### 董事會成員多元化政策

本公司已採納董事會成員多元化政策，透過考慮多項因素，包括但不限於性別、年齡、文化／教育及專業背景、技能、知識及經驗，務求達致董事會成員多元化。

董事會由七名董事組成，其中三名為獨立非執行董事，提名委員會及董事會認為董事會於年齡、技能、專業經驗、知識及教育背景方面皆體現了董事會成員之多元化。

### 提名政策

本公司已採納董事提名政策。提名委員會在評估候選人時考慮的因素包括(但不限於)以下各項，並就委任董事會候選人或重新委任董事會現有成員作出建議：(a) 董事會的架構、規模及組成；(b) 董事會背景、技能及經驗之多元化(包括但不限於性別、年齡、文化／教育及專業背景、技能、知識及經驗)；(c) 符合載列於GEM上市規則第5.09條對委任獨立非執行董事所規定的獨立性準則；及(d) 提名委員會或董事會不時決定的任何其他相關因素。

所有董事之委任將由提名委員會評估上述因素後向董事會作出建議，提名委員會將每年評估及在企業管治報告內匯報董事會在多元化角度下的組成，並監察本政策的執行。

# Corporate Governance Report

## 企業管治報告

Meeting of the Nomination Committee shall be held at least once a year. 2 meeting was held during the year ended 31 December 2019. Issues concerning the structure, size and composition of the Board were discussed.

提名委員會每年須至少舉行一次會議。提名委員會已於截至二零一九年十二月三十一日止年度內舉行2次會議。會上討論了有關董事會之架構、人數及組成情況。

The attendance of each member is set out as follows:

各位成員之出席情況載列如下：

Name of members of Nomination Committee	提名委員會成員姓名	Attendance/ Number of meetings held 出席／舉行會議次數
Mr. Zhou Weibo ( <i>Chairman</i> ) (appointed on 30 April 2019)	周偉波先生(主席) (於二零一九年四月三十日獲委任)	N/A 不適用
Mr. He Keng	何鏗先生	2/2
Ms. Sheng Ting (appointed on 30 April 2019)	盛婷女士 (於二零一九年四月三十日獲委任)	N/A 不適用
Mr. Kwok Kim Hung Eddie	郭劍雄先生	2/2
Mr. Zhang Zhuoyong ( <i>Chairman</i> ) (resigned on 30 April 2019)	張卓永先生(主席) (於二零一九年四月三十日辭任)	2/2
Mr. Zhang Tieyi (resigned on 30 April 2019)	章鐵毅先生 (於二零一九年四月三十日辭任)	2/2

## ACCOUNTABILITY AND AUDIT

## 問責及審核

### Financial Reporting

### 財務申報

The management provides such explanation and information to the Board and reports regularly to the Board on financial position and prospects of the business of the Company so as to enable the Board to make an informed assessment of the financial and other information put before the Board for approval.

管理層須就本公司之財政狀況及業務發展前景向董事會提供有關解釋及資料，並定期向董事會匯報，以便董事會能夠於其批准前就所提交之財務及其他資料作出知情評估。

The Directors acknowledge their responsibilities (as set out in the Independent Auditor's Report) for preparing the financial statements of the Group that give a true and fair view of the state of affairs of the Group. The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. A statement by auditor about their reporting responsibility is set out in the Independent Auditor's Report.

誠如獨立核數師報告書所載，董事確認負責編製真實及公平地反映本集團財務狀況之本集團財務報表。外聘核數師乃根據彼等之審核結果，對董事會所編製之該等綜合財務報表作出獨立意見，並向本公司股東匯報彼等之意見。核數師作出之申報責任聲明載於獨立核數師報告書內。



# Corporate Governance Report

## 企業管治報告

### INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining adequate system of internal controls and risk management within the Group and for reviewing their effectiveness. The systems of internal controls and risk management are designed to facilitate effective and efficient operations, to safeguard assets and to ensure the quality of internal and external reporting and compliance with applicable laws and regulations. They are also designed to provide reasonable, but not absolute, assurance that material misstatement or loss can be avoided, and to manage and minimize risks of failure in operation systems. The Company is committed to implementing a stricter and more regulated internal control and risk management procedures in the new financial year.

During the year ended 31 December 2019, the Board engaged an external consultant conduct a review on the Group's internal control and risk management systems and its effectiveness. No significant area of concern that may affect the financial, operational, compliance, internal control and risk management of the Group has been identified, and considers them effective and adequate.

The Group conducts review of the Group's internal control and risk management systems and its effectiveness regularly to ensure the interest of shareholders is safeguarded.

### OBJECTIVES OF RISK MANAGEMENT AND INTERNAL CONTROL

The objectives of the risk management and internal control framework of the Group include:

- to strengthen the Company's risk management and internal control in compliance with the GEM Listing Rules requirements;
- to establish and constantly improve the risk management and internal control systems; and
- to keep baseline risks within the acceptable range.

### THREE-TIER RISK MANAGEMENT APPROACH

The Group has adopted a three-tier risk management approach to identify, assess, mitigate and handle risks. At the first line of defence, business units are responsible for identifying, assessing and monitoring risks associated with each business or deal. The finance department, as the second line of defence, defines rule sets and models, oversees and reports risk management matters to the Board. It ensures that risks are within the acceptable range and that the first line of defence is effective. As the final line of defence, the Board together with audit committee of the Company, with the professional advices and opinions from the external professional Company by whom internal audit work of the Group was conducted on annual basis, ensures that the first and second lines of defence are effective through constant inspection and monitoring.

### 內部監控及風險管理

董事會負責為本集團維持充分的內部監控及風險管理系統，並審查其有效性。內部監控及風險管理系統旨在促進營運效果及效率、維護資產及確保內部及外對報告的質素和符合適用的法律法規。此外，該等系統亦旨在合理（但非絕對）地保證能避免發生嚴重誤報或損失的情況，以及管理並減低營運系統失效的風險。本公司於新財政年度內致力執行更嚴格及更高規範性的內部監控及風險管理程序。

於截至二零一九年十二月三十一日止年度內，董事會已委聘外部顧問以檢討本集團的內部監控及風險管理系統及其有效性。概無識別到任何對本集團財務、營運、合規、內部監控及風險管理造成影響之重大關注事項。

本集團定期檢討本集團的內部監控及風險管理系統及其有效性，以確保股東利益獲得保障。

### 風險管理及內部監控的目標

本集團的風險管理及內部監控框架的目標包括：

- 根據GEM上市規則規定加強本公司的風險管理及內部監控；
- 建立及持續提升風險管理及內部監控系統；及
- 維持基線風險在可接受範圍內。

### 三級風險管理方法

本集團採納三級風險管理方法以識別、評估、降低及應對風險。在第一道防線，業務單位負責識別、評估及監察與每項業務或交易有關的風險。作為第二道防線，財務部門界定規則組合及模型、監督及向董事會報告風險管理事宜。其確保風險在可接受範圍內及第一道防線行之有效。作為最後一道防線，本公司董事會連同審核委員會在外聘專業公司（按年為本集團進行內部審核工作）的專業建議及意見下透過持續檢查及監控確保第一道防線及第二道防線行之有效。

# Corporate Governance Report

## 企業管治報告

### PRINCIPLES OF INTERNAL CONTROL

Our risk management and internal control systems involve five elements as internal environment, risk assessment, control activities, information and communication and internal supervision. The aim of internal control is to reasonably guarantee the compliance of its operation and management with regulations and laws, assets security, and authenticity and integrity of financial report and related information, improve the efficiency and effectiveness of operating activities and promote the realization of development strategy of the Group.

### EXTERNAL AUDITORS

The Audit Committee of the Company is responsible for the appointment of the external auditors, including the engagement of non-auditing tasks and fees. During the year under review, the financial statements for the year ended 31 December 2019 was audited by Crowe (HK) CPA Limited and the fees paid for the audit of the Group's financial statements are set out as follows:

### 內部監控原則

我們的風險管理及內部監控系統涉及內部環境、風險評估、監控活動、資訊與溝通及內部監督等五項要素。內部監控旨在合理保證公司經營管理合規合法、資產安全、財務報告及相關資料真實完整、提高經營活動的效率及成效，以及促進本集團實行發展策略。

### 外聘核數師

本公司審核委員會負責委聘外聘核數師，包括非核數範圍的工作及費用。於回顧年度內，國富浩華(香港)會計師事務所有限公司審核截至二零一九年十二月三十一日止年度的財務報表及就審核本集團財務報表支付的費用情況載列如下：

<b>Services Rendered</b>	<b>所提供的服務</b>	<b>Fee paid/payable</b> 已付／應付的費用 RMB'000 人民幣千元
Audit Service	審核服務	547
Non-audit services	非審核服務	—
		<hr/>
		547

### JOINT COMPANY SECRETARIES

Ms. Zou Jing ("Ms. Zou") and Mr. Cheng Ching Kit ("Mr. Cheng") were appointed as the joint Company secretaries of the Company on 7 February 2018 and 11 June 2018 respectively. The biographical details of Ms. Zou and Mr. Cheng are set out under the section headed "Biographical Details of Directors, Supervisors and Senior Management".

Mr. Cheng is a manager of SWCS Corporate Services Group (Hong Kong) Limited, and assists Ms. Zou in company secretarial affairs. The primary corporate contact person of Mr. Cheng at the Company is Ms. Zou.

According to Rule 5.15 of the GEM Listing Rules, Ms. Zou and Mr. Cheng have taken separately no less than 15 hours of relevant professional training during the financial year ended 31 December 2019.

### 聯席公司秘書

鄒靜女士(「鄒女士」)及鄭程傑先生(「鄭先生」)分別於二零一八年二月七日及二零一八年六月十一日獲委任為本公司聯席公司秘書。鄒女士及鄭先生之履歷詳情載於「董事、監事及高級管理人員的履歷詳情」一節。

鄭先生為方圓企業服務集團(香港)有限公司之經理，並在公司秘書事務方面協助鄒女士。鄭先生在本公司的主要公司聯絡人為鄒女士。

根據GEM上市規則第5.15條，鄒女士及鄭先生已分別於截至二零一九年十二月三十一日止財政年度接受不少於15小時之相關專業培訓。

# Corporate Governance Report

## 企業管治報告

### INVESTORS' RELATIONS

The Company places great emphasis on its relationship and communication with investors. The Company has numerous communication channels, such as press conference and seminars, to communicate with the media, analysts and fund managers. Designated senior management staff holds dialogue with analysts, fund managers and investors, who are also arranged to visit the Company and investment projects from time to time, so as to keep them abreast of the Group's business and latest developments. In addition, investors can also visit the Company's website at [www.ruiyuanhk.com](http://www.ruiyuanhk.com) for the most updated information and the status of the business development of the Group.

There had been no change in the constitutional documents of the Company during the year ended 31 December 2019. Investors can obtain the latest articles of association of the Company from the websites of the Company and the Stock Exchange.

### COMMUNICATION WITH SHAREHOLDERS

The Board and senior management recognise the responsibility of safeguarding the interest of shareholders of the Company and provide highly transparent and real-time information on the Company so as to keep the shareholders and investors abreast of the Company's position and help them to make the best investment decision. The Company believes that maintaining good and effective communication with shareholders can facilitate the shareholders' understanding of the business performance and strategies of the Group. The Board and senior management also recognise the responsibility of safeguarding the interest of shareholders of the Company. In order to safeguard the shareholders' interest, the Company reports its financial and operating performance to shareholders through annual reports, interim reports and quarterly reports. Shareholders of the Company can also obtain information of the Group in time through annual reports, interim reports, quarterly reports, announcements, circulars, press releases and the Company's website [www.ruiyuanhk.com](http://www.ruiyuanhk.com).

The annual general meetings are an appropriate forum for direct communication between the Board and shareholders. Shareholders can raise questions directly to the Board in respect of the performance and future development of the Group at annual general meetings.

### 投資者關係

本公司十分注重與投資者之關係及溝通。本公司設有多種溝通渠道，如召開新聞發佈會、研討會，與媒體、分析員及基金經理聯繫。指定之高級管理人員與分析員、基金經理及投資者對話，並不時安排彼等參觀本公司及投資項目，了解本集團業務及最新發展。此外，投資者亦可於本公司網站([www.ruiyuanhk.com](http://www.ruiyuanhk.com))，及時了解本集團的最新信息及業務發展狀況。

於截至二零一九年十二月三十一日止年度，本公司組織章程文件並無變動。投資者亦可於本公司及聯交所網站查閱本公司最新的公司章程細則。

### 與股東之溝通

董事會及高層管理人員確認彼等須保障本公司股東利益的責任，提供高透明度及實時的公司數據，讓股東及投資者及時了解公司狀況並作出最佳投資決策。本公司深信，與股東保持良好有效之溝通，有助於促進股東對本集團業務表現及策略的了解。董事會及高級管理人員亦確認彼等須保障本公司股東利益的責任。為保障股東利益，本公司透過年報、中期報告及季度報告向股東匯報其財務及經營表現。本公司股東亦可透過年報、中期報告、季度報告、公告、通函、新聞稿，以及本公司的網站([www.ruiyuanhk.com](http://www.ruiyuanhk.com))，及時取得本集團的資料。

本公司的股東週年大會提供合適場合讓董事會與股東進行直接溝通。股東可就本集團的表現及未來發展於股東週年大會向董事會直接提出問題。

# Corporate Governance Report

## 企業管治報告

### Dividend Policy

The Company has adopted a dividend policy to provide guidance to the Board on whether to declare and distribute dividends. In order to keep sufficient reserves for the future development of the Company, the Board will appraise its dividend policy based on the operations and earnings, cash flow, financial position, capital and other reserve requirements and surplus, contractual restrictions and its overall financial conditions and any other conditions or factors that the Board considers relevant, so as to determine or recommend dividends for any financial year and also the number, amount and form of dividends paid.

### SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting ("EGM").

### RIGHT TO CONVENE EGM

Pursuant to Article 52 of the Articles, shareholders individually or jointly holding 10% or more of the Company's issued shares carrying voting rights requests in writing to the Company's registered office: Factory No. 3, Laiyan Road West Economic Development Zone (South Side) Yu Yao Zhejiang China for convening of an extraordinary general meeting.

To convene a general meeting, the Company shall give written notices no less than 45 days before the date of the meeting, informing all registered shareholders of the matters proposed to be considered at the meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall return the written reply of attendance to the Company to be received by the Company 20 days before the date of the meeting.

The Company shall calculate, according to the written replies received 20 days before the date of the meeting, the number of shares carrying voting rights represented by the shareholders attending the meeting. The Company may convene a general meeting if the number of shares carrying voting rights represented by shareholders intending to attend aggregates to more than half of the total number of shares carrying such rights. If not, the Company shall make an announcement within five days, once again notifying the shareholders of the matters proposed to be considered and the date and place of the meeting. Once an announcement has been so made, the Company may convene the general meeting.

### 股息政策

本公司已採納股息政策，以為董事會決定是否宣佈及派發股息方面提供指引。為確保本公司的未來發展保留足夠的儲備，董事會將根據本公司的營運及盈利、現金流量、財務狀況、資本及其他儲備要求及盈餘、合約限制及其整體財務狀況以及董事會認為有關的任何其他條件或因素，來評估股息政策，以決定或建議任何財政年度是否派發股息，及派發股息的次數、金額及形式。

### 股東權利

本公司之股東大會提供機會讓本公司股東及董事會進行溝通。本公司每年舉行一次股東週年大會，地點由董事會釐定。各股東大會(股東週年大會除外)稱為臨時股東大會(「臨時股東大會」)。

### 召開臨時股東大會之權利

根據章程細則第52條，單獨或合併持有本公司10%或以上附有表決權的已發行股份的股東，可向本公司註冊地址(地址為：中國浙江省余姚市經濟開發區南區來雁路以西3號廠房)發出書面要求，要求董事會召開臨時股東大會。

公司召開股東大會，應當於會議召開前不少於45日發出書面通知，將會議擬審議的事項以及開會的日期和地點告知所有在冊股東。擬出席會議的股東，應當於會議召開20日前，將出席會議的書面回復送達本公司。

本公司根據會議召開前20日時收到的書面回復，計算擬出席會議的股東所代表的有表決權的股份數。若擬出席會議的股東所代表的有表決權的股份數達到本公司有表決權的股份總數二分之一以上，本公司可以召開股東大會；若達不到，本公司應當在五日以內將會議擬審議的事項、開會日期和地點以公告形式再次通知股東，經公告通知，本公司可以召開股東大會。

# Corporate Governance Report

## 企業管治報告

Shareholders requisitioning an extraordinary general meeting or class meeting shall abide by the following procedures:

- (i) Two or more shareholders holding in aggregate 10% or more of the shares carrying the right to vote at the meeting sought to be held shall sign a written requisition in one or more counterparts in the same form and contents, requiring the board of Directors to convene an extraordinary general meeting or a class meeting thereof and stating the matters to be considered at the meeting. The board of Directors shall, as soon as possible after receipt of the requisition, convene an extraordinary general meeting or a class meeting thereof. The aforementioned number of shares held by the shareholders shall be calculated based on the date of submission of the written requisition.
- (ii) If the board of Directors fails to issue a notice to convene such meeting within 30 days from the date of receipt of the requisition, the requisitioning shareholders may themselves convene such meeting within 4 months of the receipt of the requisition by the board of Directors. In so convening a meeting, the requisitioning shareholders shall adopt a procedure as similar possible as that of general meetings convened by the board of Directors.

All reasonable expenses incurred by the requisitioning shareholders as a result of the failure of the board of Directors to convene a meeting and so convening such meeting themselves as mentioned above shall be borne by the Company and deducted from any sums due to such defaulting Directors by the Company.

### RIGHT TO PUT FORWARD PROPOSALS AT GENERAL MEETINGS

Pursuant to Article 54 of the Articles, the Board of Directors, the Board of Supervisors and shareholders severally or jointly holding 3% or above shares of the Company shall be entitled to submit proposals to the Company at the general meeting.

Shareholder(s) individually or jointly holding 5% or above of shares of the Company shall have the right to submit a temporary proposal to the convener in writing 10 days prior to the holding of the general meeting; the convener shall, within 2 days after its receipt of such a proposal, issue an supplementary notice of the general meeting, and announce the contents of the temporary proposal. If the listing rules of the place where the Company's shares are listed provide otherwise, such rules shall also be complied with.

股東要求召開臨時股東大會或者類別股東會議，應當按照下列程序辦理：

- (i) 合計持有在該擬舉行的會議上有表決權的股份10%以上(含10%)的兩名或者兩名以上的股東，可以簽署一份或者數份同樣格式內容的書面要求，提請董事會召開臨時股東大會或者類別股東會議，並闡明會議的議題。董事會在收到前述書面要求後應當儘快召開臨時股東大會或者類別股東會議。前述持股數按股東提出書面要求日計算。
- (ii) 倘董事會在收到前述書面要求後30日內沒有發出召開會議的通知，提出該要求的股東可以在董事會收到該要求後4個月內自行召開會議。召開會議的程序應當盡可能與董事會召開股東大會的程序相同。

股東因董事會未應前述要求舉行會議而自行召集並舉行會議的，其所發生的合理費用，應當由公司承擔，並從公司欠付失職董事的款項中扣除。

### 於股東大會上提呈提案之權利

根據章程細則第54條，董事會、監事會及單獨或合併持有本公司3%或以上股份的股東，有權於股東大會上向本公司提出提案。

單獨或合併持有本公司5%或以上股份的股東，有權在股東大會召開10日前提出臨時提案並書面提交召集人；召集人應當在收到相關提案後2日內發出股東大會補充通知，公告臨時提案的內容。如本公司股份上市地的上市規則另有規定，應同時滿足其規定。



# Corporate Governance Report

## 企業管治報告

### RIGHT TO PUT ENQUIRIES TO THE BOARD

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to registered office of the Company in PRC: Factory No. 3 Laiyan Road West, Economic Development Zone (South Side), Yuyao, Zhejiang, China for the attention of Ms. Zou Jing, the Joint Company Secretary.

### 向董事會作出查詢之權利

股東有權向董事會作出查詢。所有查詢必須以書面作出，郵寄至本公司國內註冊辦事處，地址為：中國浙江省余姚市經濟開發區(南區)來雁路以西3號廠房。收件人為聯席公司秘書鄒靜女士。



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



國富浩華（香港）會計師事務所有限公司  
**Crowe (HK) CPA Limited**  
香港 銅鑼灣 禮頓道77號 禮頓中心9樓  
9/F Leighton Centre,  
77 Leighton Road,  
Causeway Bay, Hong Kong

## TO THE SHAREHOLDERS OF ZHEJIANG RUIYUAN INTELLIGENT CONTROL TECHNOLOGY COMPANY LIMITED

(Incorporated in the People's Republic of China with limited liability)

### OPINION

We have audited the consolidated financial statements of Zhejiang RuiYuan Intelligent Control Technology Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 52 to 130, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

## 致浙江瑞遠智控科技股份有限公司 列位股東

(於中華人民共和國註冊成立的股份有限公司)

### 意見

本核數師已審核列載於第52至130頁浙江瑞遠智控科技股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，當中包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

本核數師認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實與公平地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定而妥善編製。

# Independent Auditor's Report

## 獨立核數師報告書

### BASIS FOR OPINION

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

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3(a) to the consolidated financial statements, which indicates that the Group incurred a net loss of approximately RMB6,844,000 for the year ended 31 December 2019 and, as of that date, the Group’s current liabilities exceeded its current assets by approximately RMB48,877,000. These conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

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

### 意見的基礎

本核數師已按照香港會計師公會頒佈的香港審核準則(「香港審核準則」)進行審核工作。我們就該等準則承擔的責任在本報告核數師就審核綜合財務報表承擔的責任一節中進一步闡述。根據香港會計師公會的職業會計師道德守則(「守則」)，我們獨立於 貴集團，並已履行守則中的其他職業道德責任。本核數師相信，本核數師所獲得的審核憑證能充足和適當地為本核數師的審核意見提供基礎。

### 關於持續經營的重大不確定性

我們注意到綜合財務報表附註3(a)指出， 貴集團於截至二零一九年十二月三十一日止年度產生淨虧損約人民幣6,844,000元，而 貴集團截至該日的流動負債高於其流動資產約人民幣48,877,000元。該等狀況連同附註3所載的其他事項顯示存在重大不明朗因素可能對 貴集團持續經營的能力構成重大疑慮。我們的意見並無就此作出修訂。

### 關鍵審核事項

關鍵審核事項是根據我們的職業判斷，對本期間綜合財務報表的審核最為重要的事項。該等事項是在我們審核整體綜合財務報表及出具意見時進行處理的。我們不會對該等事項提供單獨的意見。

# Independent Auditor's Report

## 獨立核數師報告書

### Key audit matters

#### 關鍵審核事項

### How our audit addressed the key audit matters

#### 我們的審核如何處理關鍵審核事項

#### Provision for expected credit losses (“ECL”) of trade receivables

應收貿易賬款估值預期信貸虧損(「預期信貸虧損」)撥備

Refer to Note 18 and 35(b) to the consolidated financial statements

參閱綜合財務報表附註 18 及 35(b)

ECL for trade receivables are based on management's estimate of the lifetime ECL to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgment.

貿易應收賬款的預期信貸虧損乃根據管理層對將產生的終身預期信貸虧損的估計，而該估計乃考慮信貸虧損經驗、逾期貿易應收款項的賬齡、客戶的還款記錄及客戶財務狀況以及對當前及預測的整體經濟狀況的評估，所有這些在很大程度上均涉及管理層的判斷。

We have identified ECL assessment of trade receivables as a key audit matter because the assessing ECL of trade receivables is a subjective area as it requires the management's judgment and uses of estimates.

我們將對貿易應收款項的預期信貸虧損評估確認為關鍵審計事項，因為評估貿易應收款項的預期信貸虧損需要管理層進行判斷及運用估計，所以該評估乃主觀範疇。

Our procedures in relation to management's ECL assessment on trade receivables included:

我們有關管理層對貿易應收款項的預期信貸虧損評估的程序包括：

- reviewing and assessing the application of the Group's policy for calculating the ECL;
- 審查並評估 貴集團預期信貸虧損計算政策的應用情況；
- evaluating the techniques and methodology in the ECL model against the requirements of HKFRS 9;
- 對照香港財務報告準則第9號的要求，運用預期信貸虧損模型中的評估技術及方法；
- assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances;
- 通過審查管理層為形成該等判斷所用的信息來評估管理層對損失準備金估計的合理性，包括測試歷史違約數據的準確性，評估歷史損失率是否根據當前經濟狀況及前瞻性信息進行適當調整，及審查本財政年度期間錄得的實際損失，以及評估在確認損失準備時是否存在管理層偏差的跡象；

# Independent Auditor's Report

## 獨立核數師報告書

### Key audit matters

#### 關鍵審核事項

At 31 December 2019, the carrying amount of trade receivables is approximately RMB11,770,000 (net of allowance for doubtful debts of approximately RMB706,000).

於二零一九年十二月三十一日，應收貿易賬款之賬面值為約人民幣11,770,000元（經扣除約人民幣706,000元的呆賬撥備）。

Details of the trade receivables are set out in Note 18 to the consolidated financial statements.

應收貿易賬款之詳情載於綜合財務報表附註18。

### How our audit addressed the key audit matters

#### 我們的審核如何處理關鍵審核事項

- Inquiring of management for the status of each of the material trade receivables past due as at year end and corroborating explanations from management with supporting evidence, such as understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and
- 向管理層問詢截至年末逾期的各重大貿易應收款項的狀況，並向管理層索要解釋及支持性證據，例如根據交易記錄了解與客戶的持續業務關係，核查與客戶的歷史及後續結算記錄及與客戶的其他通信；及
- checking, on a sample basis, the ageing profile of the trade receivables as at 31 December 2019 to the underlying financial records and post year-end settlement to bank receipts.
- 抽樣檢查於二零一九年十二月三十一日有關財務記錄內的貿易應收款項的賬齡情況及銀行收據於年末後結算情況。

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon ("Other Information").

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.

## 其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報表及我們就此發出的核數師報告書（「其他資料」）。

本核數師對綜合財務報表的意見並不涵蓋其他資料，亦不對該等其他資料發表任何形式的保證結論。

就本核數師對綜合財務報表的審核，本核數師的責任乃細閱其他資料，在此過程中，考慮其他資料與綜合財務報表或本核數師在審核過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於本核數師已執行的工作，倘本核數師認為其他資料存在重大錯誤陳述，本核數師需要報告該事實。本核數師就此並無任何事項須報告。

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

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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.

The 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. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定，編製表達真實且公允意見的綜合財務報表，以及維持董事認為必要的內部監控，以確保編製綜合財務報表時不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

審核委員會須負責監督 貴集團的財務報告過程。

## 核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告書。我們僅向 閣下（作為整體）按照香港公司條例第405條報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能保證按照香港審核準則進行的審核，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。



# Independent Auditor's Report

## 獨立核數師報告書

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 在根據香港審核準則進行審核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：
- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，以及獲取充足和適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，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。
  - 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對 貴集團內部控制的有效性發表意見。
  - 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
  - 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告書中提請注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非保留意見。我們的結論是基於核數師報告書日期止所取得的審核憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
  - 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
  - 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責 貴集團審核的方向、監督與執行。我們為審核意見承擔全部責任。



# Independent Auditor's Report

## 獨立核數師報告書

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

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

**Crowe (HK) CPA Limited**  
Certified Public Accountants  
Hong Kong, 31 March 2020

Kwok Chi Kwong  
Practising Certificate Number P01911

除其他事項外，我們與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核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和其他事項，以及在適用的情況下，相關的防範措施。

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

**國富浩華(香港)會計師事務所有限公司**  
執業會計師  
香港，二零二零年三月三十一日

郭志光  
執業證書編號P01911

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Revenue</b>	<b>收益</b>	5	<b>66,558</b>	61,706
Cost of sales	銷售成本		<b>(64,429)</b>	(57,716)
<b>Gross profit</b>	<b>毛利</b>		<b>2,129</b>	3,990
Other income	其他收入	7	<b>200</b>	77
Gain on disposal of a subsidiary	出售一間附屬公司的 收益	38	–	2,286
Impairment losses under expected credit loss model	預期信貸虧損模式項下 減值虧損	9	<b>(363)</b>	–
Selling expenses	銷售開支		<b>(96)</b>	(32)
Administrative expenses	行政費用		<b>(5,370)</b>	(4,350)
Finance costs	融資成本	8	<b>(3,323)</b>	(3,077)
<b>Loss before taxation</b>	<b>除稅前虧損</b>	10	<b>(6,823)</b>	(1,106)
Income tax expense	所得稅開支	11	<b>(21)</b>	(27)
<b>Loss for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔 年內虧損</b>		<b>(6,844)</b>	(1,133)
<b>Other comprehensive income Items that may be reclassified subsequently to profit or loss:</b>	<b>其他全面收入 其後可重新分類至損益之項目：</b>			
Exchange reserve released upon disposal of a subsidiary	出售一間附屬公司時解除 匯兌儲備		–	(71)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		–	19
<b>Total other comprehensive income for the year</b>	<b>年內其他全面收入總額</b>		–	(52)
<b>Total comprehensive income for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔 年內全面收入總額</b>		<b>(6,844)</b>	(1,185)
<b>Loss per share (RMB' cents)</b>	<b>每股虧損 (人民幣分)</b>	15		
Basic	基本		<b>(1.37)</b>	(0.23)
Diluted	攤薄		<b>N/A 不適用</b>	N/A 不適用

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019

於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Plant and equipment	廠房及設備	16	193	35
			<b>193</b>	35
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	17	241	303
Trade receivables	應收貿易賬款	18	11,770	8,115
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	19	294	108
Paid in advances	已付預付款項		119	7,042
Bank balances and cash	銀行結餘及現金	20	10,979	10,558
			<b>23,403</b>	26,126
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade payables	應付貿易賬款	21	10,214	10,580
Other payables and accruals	其他應付賬款及應計費用	22	1,240	2,224
Contract liabilities	合約負債	23	153	1,372
Amount due to a director	應付一名董事款項	24	11,357	–
Amount due to a major shareholder	應付一名主要股東款項	25	–	7,843
Dividends payables	應付股息	26	4,440	4,440
Tax payable	應付稅項		12	1
Loan from a major shareholder	來自一名主要股東之貸款	27	44,864	–
			<b>72,280</b>	26,460
<b>NET CURRENT LIABILITIES</b>	<b>流動負債淨額</b>		<b>(48,877)</b>	(334)
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Loan from a major shareholder	來自一名主要股東的貸款	27	–	41,541
<b>NET LIABILITIES</b>	<b>淨負債</b>		<b>(48,684)</b>	(41,840)
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	28	50,000	50,000
Reserves	儲備		(98,684)	(91,840)
<b>CAPITAL DEFICIENCY</b>	<b>資本虧絀</b>		<b>(48,684)</b>	(41,840)

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019

於二零一九年十二月三十一日

The consolidated financial statements on pages 52 to 130 were approved and authorised for issue by the board of directors on 31 March 2020 and are signed on its behalf by:

第52頁至第130頁的綜合財務報表乃經董事會於二零二零年三月三十一日批准及授權刊發，並由下列董事代表簽署：

**He Keng**

何鏗

*Director*

董事

**Wu Shanhong**

吳珊紅

*Director*

董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital	Capital reserve	Other reserve	Statutory surplus reserve	Translation reserve	Accumulated losses	Total
		股本	資本儲備	其他儲備	法定盈餘公積金	匯兌儲備	累計虧損	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(Note i) (附註 i)	(Note ii) (附註 ii)	(Note iii) (附註 iii)			
At 1 January 2018	於二零一八年一月一日	50,000	40,449	274,106	24,998	52	(430,260)	(40,655)
Loss for the year	年內虧損	-	-	-	-	-	(1,133)	(1,133)
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額	-	-	-	-	19	-	19
Release upon disposal of a subsidiary	出售一間附屬公司時解除	-	-	-	-	(71)	-	(71)
Total comprehensive income for the year	年內全面收入總額	-	-	-	-	(52)	(1,133)	(1,185)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	50,000	40,449	274,106	24,998	-	(431,393)	(41,840)
Total comprehensive income for the year	年度全面收入總額	-	-	-	-	-	(6,844)	(6,844)
Transfer	轉撥	-	-	-	42	-	(42)	-
At 31 December 2019	於二零一九年十二月三十一日	50,000	40,449	274,106	25,040	-	(438,279)	(48,684)

Notes:

### (i) CAPITAL RESERVE

Capital reserve includes the share premium arising from the issuance of H shares after deduction of the respective share issuance costs of the Company.

### (ii) OTHER RESERVE

Other reserve represents the waiver of the amounts due to a former major shareholder upon change in shareholding in the Company in previous year, the difference between the fair value of the loan from a major shareholder and the amount received in May 2017 as described in Note 27 and waiver of amount due to a major shareholder.

### (iii) STATUTORY SURPLUS RESERVE

The Articles of Association of the Company and its subsidiaries established in the People's Republic of China (the "PRC") require the appropriation of 10% of their profit after income tax determined under the PRC accounting standards each year to the statutory surplus reserve until the balance reaches 50% of the registered share capital. According to the provision of the Company's Articles of Association, under normal circumstances, the statutory surplus reserve shall only be used for making up losses, capitalisation into share capital and expansion of the Company's production and operation. For the capitalisation of statutory surplus reserve into share capital, the remaining amount of such reserve shall not be less than 25% of the registered share capital.

附註：

### (i) 資本儲備

資本儲備包括本公司發行H股產生的股份溢價(已扣除相關股份發行成本)。

### (ii) 其他儲備

其他儲備指於以往年度本公司股權變動後豁免應付一名前主要股東款項。來自一名主要股東貸款之公平值及於二零一七年五月收取的款項(如附註27所述)之間的差額及豁免應付一名主要股東款項。

### (iii) 法定盈餘公積金

本公司及其在中華人民共和國(「中國」)成立的附屬公司的公司章程細則規定：每年須將根據中國會計準則計算的除所得稅後溢利其中10%撥入法定盈餘公積金，直至法定盈餘公積金結餘達到註冊股本的50%為止。根據本公司的公司章程細則規定，在一般情況下，法定盈餘公積金僅可用作抵銷虧損、撥充股本及擴展本公司的生產及營運。就將法定盈餘公積金撥充股本而言，法定盈餘公積金的結餘不得少於註冊股本的25%。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損	<b>(6,823)</b>	(1,106)
Adjustments for:	已就下列項目調整：		
Bank interest income	銀行利息收入	<b>(2)</b>	(5)
Depreciation of plant and equipment	廠房及設備折舊	<b>47</b>	29
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	(2,286)
Finance costs	融資成本	<b>3,323</b>	3,077
Impairment losses under expected credit loss model	預期信貸虧損模式項下減值虧損	<b>363</b>	-
<b>Operating cash flows before movements in working capital</b>	<b>營運資金變動前的營運現金流量</b>	<b>(3,092)</b>	(291)
Decrease in inventories	存貨減少	<b>62</b>	1,474
(Increase)/decrease in trade and bills receivables	應收貿易賬款及應收票據 (增加)/減少	<b>(4,018)</b>	12,763
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款 (增加)/減少	<b>(186)</b>	488
Decrease/(increase) in paid in advances	已付預付款項減少/(增加)	<b>6,923</b>	(6,661)
Decrease in trade payables	應付貿易賬款減少	<b>(366)</b>	(4,219)
Decrease in other payables and accruals	其他應付賬款及應計費用減少	<b>(984)</b>	(5,340)
(Decrease)/increase in contract liabilities	合約負債(減少)/增加	<b>(1,219)</b>	1,165
<b>Cash used in operations</b>	<b>經營業務所用現金</b>	<b>(2,880)</b>	(621)
Income tax paid	已付所得稅	<b>(10)</b>	(66)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營業務所用現金淨額</b>	<b>(2,890)</b>	(687)



# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Purchase of plant and equipment	購買廠房及設備	(205)	–
Net cash inflow from disposal of a subsidiary	出售一間附屬公司的現金流入淨額	–	1
Interest received	已收利息	2	5
<b>NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES</b>	<b>投資活動(所用)/所得現金淨額</b>	<b>(203)</b>	<b>6</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Repayments of other borrowings	償還其他借貸	–	(1,520)
Advance from/(repayment to) a director	來自一名董事墊款/(償還一名董事墊款)	11,357	(86)
(Repayment to)/advance from a major shareholder	(償還一名主要股東墊款)/來自一名主要股東墊款	(7,843)	7,568
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>融資活動所得現金淨額</b>	<b>3,514</b>	<b>5,962</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目增加淨額</b>	<b>421</b>	<b>5,281</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>於年初的現金及現金等值項目</b>	<b>10,558</b>	<b>5,265</b>
Effect of foreign exchanges rate changes	匯率變動影響	–	12
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash</b>	<b>於年末的現金及現金等值項目 即銀行結餘及現金</b>	<b>10,979</b>	<b>10,558</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 1. GENERAL INFORMATION

Zhejiang RuiYuan Intelligent Control Technology Company Limited (the “Company”) is a joint stock limited liability company incorporated in the People’s Republic of China (the “PRC”) and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding and ultimate holding company is Zhejiang RuiYuan Intelligent Robot Co., Ltd, a company incorporated in the PRC. Its ultimate controlling party is Mr. He Keng, who is also the Chairman and Executive Director of the Company.

The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the Annual Report.

The consolidated financial statements are presented in Renminbi (“RMB”). The functional currency of the Company and its subsidiaries (collectively referred to as the “Group”) is RMB.

The principal activities of the Group are sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances in the PRC.

### 1. 一般資料

浙江瑞遠智控科技股份有限公司(「本公司」)為於中華人民共和國(「中國」)註冊成立的股份有限公司，其股份在香港聯合交易所有限公司(「聯交所」)GEM上市。其直接控股及最終控股公司為浙江瑞遠智能機器人股份有限公司(一間於中國註冊成立的公司)。其最終控股人士為何鏗先生，彼亦為本公司主席兼執行董事。

本公司之註冊辦事處地址及主要營業地點披露於年報中之「公司資料」一節。

綜合財務報表以人民幣(「人民幣」)呈列。本公司及其附屬公司(統稱為「本集團」)的功能貨幣為人民幣。

本集團主要在中國從事銷售可用於電子用品的電子設備及電子元件及電子部件的控制器系統業務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

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

#### New and amendments to HKFRSs that are mandatorily effective for the current year

The Company and its subsidiaries (the “Group”) has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

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

#### HKFRS 16 Leases

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

#### Definition of a lease

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

#### 於本年度強制生效之新訂及經修訂香港財務報告準則

本公司及其附屬公司（「本集團」）已於本年度首次應用香港會計師公會（「香港會計師公會」）頒佈的以下香港財務報告準則之修訂：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理之不確定性
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年周期之年度改進

除下文所述者外，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目前及以往年度之財務狀況及表現及／或綜合財務報表所載之披露並無重大影響。

#### 香港財務報告準則第16號租賃

本集團已於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號*租賃*（「香港會計準則第17號」）及相關詮釋。

#### 租賃的定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而並無對先前並未識別為包含租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – Continued

#### New and amendments to HKFRSs that are mandatorily effective for the current year – Continued

##### HKFRS 16 Leases – Continued

###### Definition of a lease – Continued

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

###### As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－ 續

#### 於本年度強制生效之新訂及經修訂香港財務報告準則－ 續

##### 香港財務報告準則第16號租賃－ 續

###### 租賃的定義－ 續

就於二零一九年一月一日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

###### 作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期（二零一九年一月一日）確認。於首次應用日期的任何差額於期初累計虧損確認，比較資料不予重列。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- (i) 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；
- (ii) 於首次應用日期計量使用權資產時撇除初始直接成本。

At 1 January

2019

於二零一九年

一月一日

RMB'000

人民幣千元

Operating lease commitments disclosed  
as at 31 December 2018

Less: Recognition exemption – short-term leases

於二零一八年十二月三十一日披露的  
經營租賃承擔

減：確認豁免－ 短期租賃

34

(34)

-

On transition, there is no impact of transition to HKFRS 16 on the consolidated financial statements at 1 January 2019.

於過渡時，過渡至香港財務報告準則第16號對於二零一九年一月一日的綜合財務報表並無影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – Continued

#### New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 3	Definition of a Business <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>4</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021.

<sup>2</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）— 續

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並未提早採納以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 <sup>1</sup>
香港財務報告準則第3號(修訂本)	業務的定義 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合資企業之間之資產出售或投入 <sup>3</sup>
香港會計準則第1號及香港會計準則第8號(修訂本)	重大的定義 <sup>4</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革 <sup>4</sup>

<sup>1</sup> 於二零二一年一月一日或之後開始之年度期間生效。

<sup>2</sup> 對於收購日期為二零二零年一月一日或之後開始之首個年度期間初或之後的業務合併及資產收購生效。

<sup>3</sup> 於待釐定日期當日或之後開始之年度期間生效。

<sup>4</sup> 於二零二零年一月一日或之後開始之年度期間生效。

除上文新訂及經修訂香港財務報告準則外，二零一八年頒佈了經修訂財務報告概念框架。其重大修訂、提述香港財務報告準則概念框架之修訂，將於二零二零年一月一日或之後開始之年度期間生效。

除下文所提及的新訂及經修訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則在可預見的未來將不會對綜合財務報表造成任何重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – Continued

#### New and amendments to HKFRSs in issue but not yet effective – Continued

##### *Amendments to HKAS 1 and HKAS 8 Definition of Material*

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and
- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

##### *Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards*

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;

### 2. 採用新訂及經修訂香港財務報告準則（「香港財務報告準則」）－ 續

已頒佈但尚未生效之新訂及經修訂香港財務報告準則－ 續

##### *香港會計準則第1號及香港會計準則第8號（修訂本）重大的定義*

修訂本透過載入作出重大判斷時的額外指引及解釋，對重大的定義進行修訂。具體而言，修訂：

- 包含「掩蓋」重要資料的概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重要性的範圍以「可合理預期影響」取代「可影響」；及
- 包含於決定於財務報表披露何等資料時使用詞組「主要使用者」，而非僅指「使用者」，「使用者」被視為過於寬泛。

修訂本與各香港財務報告準則的定義一致，並將在本集團於二零二零年一月一日開始的年度期間強制生效。預期應用修訂本不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

##### *二零一八年財務報告概念框架（「新框架」）及提述香港財務報告準則概念框架之修訂*

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利的新資產定義以及範圍可能比所取代定義更廣的新負債定義，惟不會改變負債與權益工具之間的區別；



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) – Continued

#### New and amendments to HKFRSs in issue but not yet effective – Continued

#### *Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards – Continued*

- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with all applicable individual HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance (“CO”). These consolidated financial statements also comply with the applicable disclosure provisions of Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong (“GEM Listing Rules”).

### 2. 採用新訂及經修訂香港財務報告準則(「香港財務報告準則」) – 續

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則 – 續

#### *二零一八年財務報告概念框架(「新框架」)及提述香港財務報告準則概念框架之修訂) – 續*

- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且於特殊情況下方會使用其他全面收益，且僅用於資產或負債現值變動產生的收入或開支；及
- 討論不確定因素、終止確認、會計單位、報告實體及合併財務報表。

相應修訂已作出，致使有關若干香港財務報告準則中的提述已更新至符合新框架，惟部分香港財務報告準則仍參考該框架的先前版本。該等修訂於二零二零年一月一日或之後開始的年度期間生效，並可提早應用。除仍參考該框架先前版本的特定準則外，本集團將於其生效日期按新框架決定會計政策，尤其是會計準則未有處理的交易、事件或條件。

### 3. 重大會計政策

綜合財務報表根據香港會計師公會頒佈的所有適用之個別香港財務報告準則(包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則及香港公司條例(「公司條例」)披露規定之統稱)而編製。該等綜合財務報表亦遵守香港聯交所GEM證券上市規則(「GEM上市規則」)的適用披露規定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Basis of preparation

##### (a) Going concern

During the year, the Group incurred a net loss for the year of approximately RMB6,844,000. At 31 December 2019, the Group had net current liabilities of approximately RMB48,877,000 and capital deficiency of approximately RMB48,684,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liability in the normal course of business. Nevertheless, the Directors have performed an assessment of the Group's future liquidity and cash flows, taking into account the following relevant matters:

- (i) The Directors will strengthen to implement measures aiming of improving the working capital and cash flows of the Group including closely monitoring the general administrative expenses and operating costs;
- (ii) a major shareholder of the Company confirms to provide adequate financial support to the Group as is necessary to ensure its continuing operation for a period at least twelve months from the date of this report; and
- (iii) to negotiate with certain bankers to obtain additional banking facilities, if necessary.

The Directors consider that after taking into account the abovementioned financing plans and financial support of the major shareholder, the Group will have sufficient working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to the consolidated financial statements to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets as current assets. The effect of these adjustments have not been reflected in the consolidated financial statements.

#### 編製基準

##### (a) 持續經營

年內，本集團錄得年內淨虧損約人民幣6,844,000元。於二零一九年十二月三十一日，本集團的流動負債淨額約人民幣48,877,000元及資本虧絀約人民幣48,684,000元。該等情況顯示經營存在重大不確定性，可能對本集團繼續持續經營的能力產生重大質疑，因此，本集團可能無法在日常營業過程中將其資產變現，亦無法清償其負債。然而，董事已對本集團的未來流動資金及現金流量進行評估，當中計及以下相關事項：

- (i) 董事將加強實施旨在增加本集團營運資金及現金流量的措施，包括密切監控一般行政費用及營運成本；
- (ii) 本公司一名主要股東已確認在必要時向本集團提供足夠的財務支持，以確保本集團能夠自本報告日期至少十二個月內持續運營；及
- (iii) 如需要，與若干往來銀行商討以獲取額外銀行融資。

董事認為，經計及上述融資計劃及主要股東的財務支持，本集團將具備充足的營運資金以履行其於該等綜合財務報表批准日期起計至少未來十二個月的現時需求。因此，綜合財務報表乃基於持續經營基準編製。倘本集團不能以持續經營基準繼續營業，有必要將綜合財務報表中之資產價值撇減至可收回額、為可能產生之其他負債計提撥備以及將非流動資產重新分類為流動資產。該等調整之影響並未於綜合財務報表中反映。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Basis of preparation – Continued

##### (b) Historical cost basis of preparation

The consolidated financial statements have been prepared on the historical cost basis.

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### 3. 重大會計政策 – 續

#### 編製基準 – 續

##### (b) 編製歷史成本法

綜合財務報表已根據歷史成本法編製。

歷史成本一般按換取貨品及服務所付出代價之公平值計量。

公平值是指市場參與者之間在計量日期進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時會考慮的那些特徵。在該等綜合財務報表中作計量及／或披露用途的公平值均在此基礎上予以確定，但屬於香港財務報告準則第2號以股份為基礎的付款範圍內的以股份為基礎的支付交易、根據香港財務報告準則第16號（自二零一九年一月起）或香港會計準則第17號（應用香港財務報告準則第16號前）入賬的租賃交易、以及與公平值有部分類似但並非公平值的計量（例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

The principal accounting policies are set out below:

#### Basis of consolidation

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

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

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

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

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

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

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

主要會計政策載列於下文：

#### 綜合基準

綜合財務報表包括本公司及由本公司及其附屬公司控制的實體的財務報表。倘本公司符合以下要素時，則取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上文所述的三項控制要素之一項或多項出現變動，本集團會重新評估其是否控制被投資方。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

如有必要，本集團會調整附屬公司的財務報表，以使其與本集團所採納的會計政策一致。

有關本集團成員之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合時悉數對銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less accumulated impairment loss, if any.

#### Revenue from contracts with customers

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

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

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

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

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

#### 附屬公司投資

於本公司之財務狀況表中，於附屬公司之投資乃以成本扣除累計減值虧損（如有）入賬。

#### 來自客戶合約的收益

本集團於（或就此）履行履約責任時（即當特定履約責任所涉貨品或服務的「控制權」轉移予客戶時）確認收益。

履約責任指個別貨品或服務（或一組貨品或服務）或一系列個別貨品或服務大致上相同。

倘以下其中一項準則獲達成，則控制權會隨著時間轉移，而收益經參考完成履行相關履約責任的進度後隨時間確認：

- 客戶於本集團履約時同時接受及使用本集團履約所提供的利益；
- 本集團的履約為創造或增強一項於本集團履約時由客戶控制的資產；或
- 本集團的履約並無創造對本集團而言具替代用途的資產，且本集團對迄今完成的履約具有可執行付款權利。

否則，收益會在客戶獲得明確貨品或服務控制權時確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Revenue from contracts with customers – Continued

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

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

#### *Sale with a right of return/exchange*

For a sale of products with a right of return/exchange for dissimilar products, the Group recognises all of the following:

- (a) revenue for the transferred products in the amount of consideration to which the Group expects to be entitled (therefore, revenue would not be recognised for the products expected to be returned/exchanged);
- (b) a refund liability/contract liability; and
- (c) an asset (and corresponding adjustment to cost of sales) for its right to recover products from customers.

### 3. 重大會計政策 – 續

#### 來自客戶合約的收益 – 續

合約資產是指本集團已向客戶轉讓商品或服務而有權收取對價的權利(尚未成為無條件)。其根據香港財務報告準則第9號進行減值評估。相反，應收款項是指本集團擁有無條件的向客戶收取對價的權利，即該權利僅取決於時間流逝的因素。

合約負債是指本集團已收或應收客戶對價(或到期對價金額)而應向客戶轉讓商品或服務的義務。

與同一合約有關的合約資產和合約負債按淨額計量並列報。

#### *附帶退貨/換貨權的銷售*

對於附帶退貨/換貨權的產品銷售，本集團確認以下各項：

- (a) 按本集團預計有權收取的代價金額確認已轉讓產品的收益(因此，將不會就預計退貨/換貨的產品確認收益)；
- (b) 退款負債/合約負債；及
- (c) 有權從客戶收回的產品確認資產(及其對銷售成本的相應調整)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Revenue from contracts with customers – Continued

##### *Existence of significant financing component*

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

#### Plant and equipment

Plant and equipment are tangible assets that are held for use in the supply of goods or services, or for administrative purpose. Plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

### 3. 重大會計政策 – 續

#### 來自客戶合約的收益 – 續

##### *存在重大融資成分*

於釐定交易價格時，倘向客戶就轉移貨品或服務(不論以明示或暗示方式)而協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就貨幣時間值的影響而調整已承諾之代價金額。於該等情況下，合約含有重大融資成分。不論於合約中以明示呈列或合約訂約方協定的支付條款暗示融資承諾，均存在重大融資成分。

就相關貨品或服務之支付與轉移期間少於一年的合約而言，本集團就任何重大融資成分應用不調整交易價格的實際權宜方法。

針對本集團因重大融資成本而就代價承諾金額作出調整的轉讓相關貨品或服務前已收客戶的預付款項，本集團應用可反映於合約開始時本集團與客戶之間進行獨立融資交易的貼現率。已收預付款項與轉讓相關貨品及服務期間的相關利息開支按相同基準入賬為其他借貸成本。

#### 廠房及設備

廠房及設備為持作供應貨品或服務或作行政用途的有形資產。廠房及設備按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Plant and equipment – Continued

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

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

#### Impairment on plant and equipment

At the end of the reporting period, the Group reviews the carrying amounts of its plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of plant and equipment are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

#### 廠房及設備 – 續

折舊乃透過於資產的估計可使用年期內以直線法撇銷資產成本減殘值後確認。估計可使用年期、殘值及折舊法於各報告期末檢討，任何估計變動的影響往後入賬。

任何廠房及設備項目於出售或預期日後持續使用該資產不會取得經濟利益時終止確認。出售或停用廠房及設備項目所產生的任何收益或虧損根據出售資產的所得款項與資產的賬面值的差額釐定，並於損益確認。

#### 廠房及設備減值

於報告期末，本集團檢討其廠房及設備的賬面值，以釐定該等資產有否任何減值虧損跡象。倘有任何減值跡象，則會估計資產的可收回數額以釐定減值虧損(如有)程度。廠房及設備的可收回數額乃個別進行估計。倘無法個別估計可收回數額，則本集團對該資產所屬之現金產生單位之可收回數額進行估計。

此外，本集團對是否有跡象顯示公司資產可能出現減值進行評估。倘存在有關跡象，在合理及一貫之分配基準可被確定之情況下，公司資產亦分配至個別現金產生單位，否則將分配至合理及一貫之分配基準可被確定之最小現金產生單位組合。

可收回數額指公平值減出售成本後之價值與其使用價值之間之較高者。在評估使用價值時，使用稅前折現率將估計未來現金流量折現至其現值，該折現率反映目前市場對貨幣時間價值之評估及該項資產因其未來現金流量估計未獲調整之特有風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Impairment on plant and equipment – Continued

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

#### Leases

##### **Definition of a lease (upon application of HKFRS 16 in accordance with transitions in Note 2)**

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

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

#### 廠房及設備減值 – 續

倘估計資產(或現金產生單位)的可收回數額降至低於其賬面值,則該資產(或現金產生單位)的賬面值將調低至其可收回數額的水平。減值虧損會即時於損益確認。

倘減值虧損其後撥回,則有關資產(或現金產生單位)的賬面值將調升至其經修訂的估計可收回數額,惟調升後的賬面值不得超過假設該資產(或現金產生單位)於過往年度並無確認減值虧損所釐定的賬面值。減值虧損的撥回即時於損益確認。

#### 租賃

##### **租賃的定義(於根據附註2的過渡條文應用香港財務報告準則第16號後)**

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利,則該合約屬於或包含租賃。

就於首次應用日期或之後訂立或修改或產生自業務合併的合約而言,本集團根據香港財務報告準則第16號的定義於開始、修訂日期或收購日期(視何者合適而定)評估該合約是否屬於或包含租賃。除非合約的條款及條件其後出現變動,否則有關合約將不予重新評估。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Leases – Continued

#### **The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in Note 2)**

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

The Group applies the short-term lease recognition exemption to leases of buildings that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

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

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

#### **The Group as lessee**

Operating lease payments are recognised as an expense on a straight-line basis over the lease terms.

### 3. 重大會計政策 – 續

#### 租賃 – 續

本集團作為承租人（於根據附註2的過渡條文應用香港財務報告準則第16號後）

##### *短期租賃及低價值資產租賃*

本集團對租期自開始日期起為期12個月或以下且不包含購買選擇權的樓宇租賃應用短期租賃確認豁免。本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款於租期內按直線法或其他系統性基準確認為開支。

#### 租賃（於二零一九年一月一日前）

租約條款將擁有權的絕大部分風險及回報轉移予承租人的租約，均列作融資租約。所有其他租約則列作經營租約。

#### **本集團作為承租人**

經營租賃款項於有關租約年期以直線法確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

#### Borrowing costs

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

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

#### 外幣

於編製個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）計值的交易按交易當日的匯率確認。於報告期末，以外幣計值的貨幣項目均按當日的匯率重新換算。按公平值入賬並以外幣計值的非貨幣項目按釐定公平值當日的匯率重新換算。按歷史成本以外幣計值的非貨幣項目不予重新換算。

於呈列綜合財務報表時，本集團海外業務的資產與負債按各報告期末的匯率換算為本集團的呈報貨幣（即人民幣），而其收支項目則按期內的平均匯率換算。匯兌差額（如有）均在其他全面收入確認及累計入在匯兌儲備項下的權益內。

於出售海外業務時，本公司擁有人應佔該業務於權益內累計的所有匯兌差額重新分類至損益。

#### 借貸成本

收購、建築或生產認可資產（指需要用上大量時間準備就緒以供擬定用途或銷售之資產）直接應佔之借貸成本乃計入該等資產之成本，直至該等資產大致上已準備就緒以供擬定用途或銷售為止。

所有其他借款成本均在產生期間於損益內確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Taxation

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

#### Current tax

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

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

### 3. 重大會計政策 – 續

#### 稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

#### 即期稅項

即期應付稅項按年內應課稅溢利計算。應課稅溢利與除稅前虧損不同乃由於前者並無計入其他年度之應課稅或可扣減收支項目，亦無計入毋須課稅或不獲扣減之項目所致。本集團的即期稅項按報告期末已頒佈或實際頒佈的稅率計算。

#### 遞延稅項

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相關稅基的差額確認。遞延稅項負債一般按所有應課稅暫時差額確認。遞延稅項資產一般於所有應扣稅暫時差額有可能用以抵銷應課稅溢利時予以確認。

投資附屬公司相關的應課稅暫時差額須確認為遞延稅項負債，惟本集團可控制暫時差額的撥回及有可能在可見將來不會撥回暫時差額則除外。與該等投資相關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之益處且預計於可見將來可以撥回時確認。

遞延稅項資產的賬面值於各報告期末作出檢討，並於不再可能有足夠應課稅溢利以收回全部或部分資產的情況下作出調減。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Taxation – Continued

##### *Deferred tax – Continued*

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

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

##### *Current tax and deferred tax for the year*

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 重大會計政策 – 續

#### 稅項 – 續

##### *遞延稅項 – 續*

遞延稅項資產及負債乃按預期適用於清償負債或變現資產期間之稅率，並根據報告期末已實施或大致上已實施之稅率(及稅法)計量。

遞延稅項負債及資產的計量反映出按本集團預期於報告期末將收回或結清其資產與負債的賬面值所產生的稅項後果。

##### *年內即期稅項及遞延稅項*

即期及遞延稅項乃於損益內確認，除非其關乎於其他全面收入或直接於權益確認之項目，在該情況下，即期及遞延稅項亦於其他全面收入或直接於權益中分別確認。

#### 存貨

存貨按成本與可變現淨值兩者的較低者入賬。存貨成本以先進先出法計算。可變現淨值指估計存貨售價減所有估計完成成本及作出銷售所需之成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

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

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

#### Financial assets

##### *Classification and subsequent measurement of financial assets*

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

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

#### 金融工具

當集團實體成為工具合約條文的訂約方時，會確認金融資產及金融負債。

金融資產及金融負債初始按公平值計量，惟客戶合約所產生的應收貿易賬款初始按照香港財務報告準則第15號計量除外。收購或發行金融資產及金融負債（按公平值計入損益的金融資產或金融負債除外）直接應佔的交易成本於初始確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除（如適用）。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益確認。

實際利率法為於有關期間計算金融資產或金融負債之攤銷成本及分配利息收入及利息開支之方法。實際利率乃將金融資產或金融負債之預期年期或（如適用）較短期間估計未來現金收入及付款（包括構成實際利率不可或缺部分之一切已付或已收費用及利率差價、交易成本及其他溢價或折扣）全數貼現至初步確認時賬面淨值之利率。

#### 金融資產

##### 金融資產的分類及後續計量

滿足下列條件的金融資產其後按攤銷成本計量：

- 金融資產於以目標為持有金融資產以收取合約現金流量的業務模式下持有；及
- 金融資產的合約條款於特定日期產生僅為支付本金及未償還本金利息的現金流量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Financial instruments – Continued

#### Financial assets – Continued

##### Amortised cost and interest income

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

#### Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets at amortised cost which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

#### 金融工具 – 續

#### 金融資產 – 續

##### 攤銷成本及利息收入

其後按攤銷成本計量的金融資產利息收入使用實際利率法確認。除其後出現信貸減值的金融資產(見下文)外，利息收入透過將實際利率應用到金融資產的賬面總值計算。就其後出現信貸減值的金融資產而言，利息收入透過將實際利率應用到下一報告期間的金融資產攤銷成本確認。倘信貸減值金融工具的信貸風險改善，以致金融資產不再出現信貸減值，則於釐定資產不再出現信貸減值後的報告期初起，利息收入透過將實際利率應用到金融資產的賬面總值確認。

#### 金融資產減值

本集團就須根據香港財務報告準則第9號進行減值的按攤銷成本計量之金融資產按預期信貸虧損(「預期信貸虧損」)模式進行減值評估。預期信貸虧損金額於各報告日期更新，以反映自初始確認以來之信貸風險變動。

終身預期信貸虧損指於相關工具的預期年期內所有可能違約事件將產生的預期信貸虧損。反之，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能違約事件預期將產生的終身預期信貸虧損的一部分。評估乃按本集團過往信貸虧損的經驗進行，並就債務人、整體經濟情況及評估於報告日期的當前情況及對未來情況的預測的特定因素作出調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Financial instruments – Continued

#### Impairment of financial assets – Continued

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balance or collectively using a provision matrix with similar credit risk characteristics based primarily on the debtors' aging profiles.

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

(i) *Significant increase in credit risk*

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

### 3. 重大會計政策 – 續

#### 金融工具 – 續

#### 金融資產減值 – 續

本集團一直就應收貿易賬款確認終身預期信貸虧損。該等資產的預期信貸虧損乃就具有巨額結餘的債務人個別或使用具有相似信貸風險特徵(主要根據債務人的賬齡情況)的撥備矩陣集體予以評估。

就所有其他工具而言,本集團計量的虧損撥備相等於12個月預期信貸虧損,除非當信貸風險自初始確認起出現大幅增加,則本集團會確認終身預期信貸虧損。就應否確認終身預期信貸虧損的評估乃按自初始確認起發生違約的可能性或風險大幅增加而進行。

(i) *信貸風險大幅增加*

於評估信貸風險自初步確認以來有否大幅增加時,本集團比較金融工具於報告日期出現違約的風險與該金融工具於初步確認日期出現違約的風險。作此評估時,本集團會考慮合理並有理據支持的定量及定性資料,包括過往經驗及毋須使用不必要成本或努力即可獲得的前瞻性資料。

具體而言,評估信貸風險有否大幅增加時會考慮下列資料:

- 金融工具外界(如有)或內部信貸評級的實際或預期重大惡化;
- 信貸風險的外界市場指標的重大惡化,例如信貸息差大幅增加、債務人的信貸違約掉期價;

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## 綜合財務報表附註

For the year ended 31 December 2019

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### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Financial instruments – Continued

#### Impairment of financial assets – Continued

##### (i) Significant increase in credit risk – Continued

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that result in a significant decrease in the debtor's ability to meet its debt obligations.

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

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

### 3. 重大會計政策 – 續

#### 金融工具 – 續

#### 金融資產減值 – 續

##### (i) 信貸風險大幅增加 – 續

- 業務、財務或經濟狀況的現有或預測不利變動，預期將導致債務人履行其債務責任的能力大幅下降；
- 債務人經營業績的實際或預期重大惡化；
- 債務人監管、經濟或技術環境的實際或預期重大不利變動，導致債務人履行其債務責任的能力大幅下降。

不論上述評估結果，本集團假定，倘合約付款逾期超過30日，則信貸風險自初步確認以來已大幅增加，惟本集團擁有合理並有證據支持的資料顯示情況並非如此，則當別論。

本集團定期監控用於確定信貸風險是否大幅增加標準的有效性，並於有需要時進行修訂，確保該標準能在款項逾期前確定信貸風險是否大幅增加。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Financial instruments – Continued

#### Impairment of financial assets – Continued

##### (ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

### 3. 重大會計政策 – 續

#### 金融工具 – 續

#### 金融資產減值 – 續

##### (ii) 違約的定義

就內部信貸風險管理而言，本集團認為，當內部編製的資料或從外部來源獲得的資料表明債務人不可能向其債權人（包括本集團）悉數還款（不計及本集團所持有的任何抵押品）時，則發生違約事件。

無論是否出現上述情況，本集團認為，倘金融資產逾期超過90天，則違約事件已發生，惟倘本集團擁有合理並有理據支持的資料說明更寬鬆的違約標準更為合適，則另作別論。

##### (iii) 信貸減值金融資產

倘發生對金融資產的估計未來現金流量有不利影響的一項或多項事件，則該金融資產出現信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或交易對手方出現重大財務困難；
- 違反合約，如違約或逾期事件；
- 交易對手方的貸款人因有關交易對手方財務困難的經濟或合約原因向交易對手方授出貸款人不會另作考慮的特權；
- 交易對手方將有可能破產或進行其他財務重組；或
- 金融資產因財務困難而失去活躍市場。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Financial instruments – Continued

#### Impairment of financial assets – Continued

(iv) *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 重大會計政策 – 續

#### 金融工具 – 續

#### 金融資產減值 – 續

(iv) *撇銷政策*

本集團在有資料顯示交易對方陷入嚴重財務困難，且無實際收回前景之時（例如交易對方遭受清盤或已進入破產程序，或應收貿易賬款之金額逾期超過兩年（以較早發生者為準））撇銷金融資產。在考慮法律意見（如適當）後，已撇銷之金融資產仍可根據本集團之收回程序實施強制執行。撇銷構成終止確認事件。任何其後收回款項於損益確認。

(v) *預期信貸虧損的計量及確認*

計量預期信貸虧損時，所依據函數乃違約概率、違約損失率（即違約損失的程度）及違約風險。評估違約概率及違約損失率乃根據過往數據作出，有關數據則會根據前瞻性資料進行調整。估計預期信貸虧損可反映無偏頗及概率加權金額，有關金額則根據作為加權項目的相應違約風險釐定。

一般而言，預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預期將收取按初步確認時釐定之實際利率貼現的現金流量之間的差額進行估計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Financial instruments – Continued

#### Impairment of financial assets – Continued

##### (v) Measurement and recognition of ECL – Continued

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped by considering the following factors:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, where the corresponding adjustment is recognised through a loss allowance account.

#### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

### 3. 重大會計政策 – 續

#### 金融工具 – 續

#### 金融資產減值 – 續

##### (v) 預期信貸虧損的計量及確認 – 續

預期信貸虧損乃按整體基準進行計量，或為應對可能未能獲取個別工具層面的預期信貸虧損的證據的情況，金融工具乃按以下基準分類：

- 金融工具的性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期審查分組以確保每個分組下的組成部分具有相似的信貸風險特徵。

利息收入按金融資產的賬面總值計算，除非金融資產出現信貸減值則除外，而在該情況下，利息收入乃按金融資產的攤銷成本計算。

本集團透過調整所有金融工具賬面值，確認該等金融工具於損益中的減值收益或虧損，惟透過虧損撥備賬確認相應調整的應收貿易賬款則除外。

#### 終止確認金融資產

僅當從資產中收取現金流量的合約權利到期，或金融資產轉讓且資產所有權的絕大部分風險及回報轉予另一方時，本集團終止確認金融資產。

終止確認按攤銷成本計量的金融資產時，資產的賬面值與已收及應收代價總和之間的差額於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Financial instruments – Continued

##### *Financial liabilities and equity*

##### *Classification as debt or equity*

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

##### *Financial liabilities at amortised cost*

The Group's financial liabilities, including trade and other payables, amount due to a director, amount due to a major shareholder, dividends payables and loan from a major shareholder, are subsequently measured at amortised cost, using the effective interest method.

##### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 金融工具 – 續

##### 金融負債及股本

##### 分類為債務或股本

債務及股本工具按照所訂立的合約安排內容及金融負債與股本工具的定義分類為金融負債或股本。

##### 股本工具

股本工具為證明實體在扣減其所有負債後的資產中擁有剩餘權益的任何合約。集團實體發行的股本工具按收取的所得款項扣除直接發行成本予以確認。

##### 按攤銷成本計量的金融負債

本集團金融負債(包括應付貿易賬款及其他應付賬款、應付一名董事款項、應付一名主要股東款項、應付股息及來自一名主要股東之貸款)其後採用實際利率法按攤銷成本計量。

##### 終止確認金融負債

當且僅當本集團的責任獲履行、解除或到期時，本集團終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

#### Retirement benefits costs

Payments to Mandatory Provident Fund Scheme and state-managed retirement benefits schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

#### 撥備及或然負債

倘本集團因過往事件而產生現有責任(法定或推定)，而本集團可能須履行該責任，而有關責任金額能可靠估計，則會確認撥備。

確認為撥備之金額是於報告期間結束日經計入有關責任之風險及不明朗因素後，對償付現有責任之所需代價之最佳估計。倘撥備使用償付現有責任之估計現金流量計量，則其賬面值為該等現金流量之現值(如貨幣時間價值影響重大)。

當結算撥備所需之部分或全部經濟利益預期可自第三方收回時，倘大致確定將可獲償付及應收賬款金額可作可靠計量，則將應收賬款確認為資產。

或然負債是指由過去的事項引起的可能需要履行的責任，其存在將由某些本集團所不能完全控制的未來事項是否發生來確定。或然負債也可能是由於過去事項而產生的現時責任，但由於該責任不太可能引起經濟資源的流出或該義務金額不能可靠地計量，因此該責任未被確認為負債。

或然負債不予確認，僅在綜合財務報表的附註中披露。若情況有變以致將來可能需要撥出資源以履行責任，才會確認撥備。

#### 退休福利成本

對強制性公積金計劃及國家管理的退休福利計劃的供款均於僱員提供服務而有權獲得供款時，確認為開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued 3. 重大會計政策 – 續

#### Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise of cash on hand and at banks with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

#### Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (“reporting entity”).

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

#### 現金及現金等值項目

綜合財務狀況表內的銀行結餘及現金包括手頭及到期日為三個月或以下的銀行現金。就綜合現金流量表而言，現金及現金等值項目包括上文界定的現金及短期存款。

#### 關連方

關連方為與編製其財務報表的實體（「呈報實體」）有關的人士或實體。

- (a) 倘屬以下人士，即該人士或該人士的近親與呈報實體有關連：
- (i) 控制或共同控制呈報實體；
  - (ii) 對呈報實體有重大影響；或
  - (iii) 為呈報實體或其母公司的主要管理層成員。
- (b) 倘實體符合下列任何條件，即與呈報實體有關連：
- (i) 該實體與呈報實體屬同一集團的成員公司（即母公司、附屬公司及同系附屬公司之間互有關連）。
  - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體所屬集團旗下成員公司的聯營公司或合營企業）。
  - (iii) 兩間實體均為同一第三方的合營企業。
  - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES – Continued

#### Related parties – Continued

- (b) An entity is related to a reporting entity if any of the following conditions applies: – Continued
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### 3. 重大會計政策 – 續

#### 關連方 – 續

- (b) 倘實體符合下列任何條件，即與呈報實體有關連：– 續
- (v) 該實體為呈報實體或與呈報實體有關連的實體就其僱員福利而設立的離職福利計劃。倘呈報實體本身為離職福利計劃，則提供贊助的僱主亦與呈報實體有關連。
  - (vi) 該實體受(a)項所述的人士控制或共同控制。
  - (vii) (a)(i)項所述的人士對該實體有重大影響或為該實體(或該實體的母公司)的主要管理層人員。
  - (viii) 該實體或其所屬集團旗下任何成員公司向呈報實體或報告實體之母公司提供主要管理層人員服務。

某人士的近親是指與該實體交易時預期可影響該人士或受該人士影響的家庭成員。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimated and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimation (see below), that the Directors have made in the process of applying the Group accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

#### Going concern consideration

The assessments of the going concern assumptions involve making judgement by the Directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The Directors consider that the Group has the ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in Note 3 to the consolidated financial statements.

#### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. 關鍵會計判斷及估計不明朗因素的主要來源

於應用本集團會計政策時(詳情見附註3),董事須在未有其他資料來源的情況下就資產及負債的賬面值作出判斷、估計及假設。該等估計及有關假設乃以歷史經驗及其他被視為有關的因素為基準。實際結果可能與該等估計有所出入。

估計及相關假設會按持續基準被審閱。倘對會計估計的修訂僅會對修訂估計的期間產生影響,則有關修訂會於該期間確認,而倘修訂影響當前及未來期間,則會於修訂期間及未來期間確認。

#### 於應用會計政策時的關鍵判斷

除涉及估計的判斷(見下文)以外,以下為董事於應用本集團會計政策過程中所作的關鍵判斷,對綜合財務報表中確認的金額產生最重大的影響。

#### 持續經營考慮

評估持續經營假設涉及董事於某個特定時間點,就本質上不確定的事項或條件的未來結果,作出的判斷。董事認為本集團有能力持續經營,而個別或共同可能對持續經營假設構成重大疑問,從而可能導致經營風險的主要事項或條件已載於綜合財務報表附註3。

#### 估計不明朗因素的主要來源

以下為很有可能導致下個財政年度的資產及負債的賬面值須作出重大調整的日後主要假設,以及其他於報告期末的估計不明朗因素的主要來源。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY – Continued

#### Key sources of estimation uncertainty – Continued

##### *Provision of ECL for trade receivables*

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. In addition, the Group uses provision matrix to calculate ECL for the trade receivables which are individually insignificant. The provision rates are primarily on the debtors' aging profiles as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in Notes 18 and 35(b).

An impairment loss of approximately RMB363,000 (2018: Nil) was recognised for the year.

##### *Provision for claim*

During the current and prior years, the Group had been involved in a dispute (Note 30). The Directors determine the provision for claim based on their best estimates according to their understanding of legal advice. Where the final outcome of the claim and negotiation with the respective party is different from the estimation made by the directors, such difference will impact the provision for claims in the year in which such determination is finalised. As at 31 December 2019, the provision for claim was approximately RMB86,000 (2018: RMB86,000).

### 4. 關鍵會計判斷及估計不明朗因素的主要來源 – 續

#### 估計不明朗因素的主要來源 – 續

##### *為貿易應收款項撥備預期信貸虧損*

就預期信貸虧損逐個評估具有重大結餘和信用減值的貿易應收款項。此外，本集團使用撥備矩陣計算個別不重大貿易應收款項的預期信貸虧損。撥備率主要基於對具有類似虧損模式的各種債務人組別的賬齡狀況。撥備矩陣基於本集團的歷史違約率，並考慮到無需不必要的成本或努力即可獲得的合理且有支持的前瞻性資料。於每個報告日，重新評估觀察到的歷史違約率，並考慮前瞻性資料的變動。

預期信貸虧損的撥備會緊隨估值變化而變化。有關預期信貸虧損及本集團貿易應收款項的資料於附註18及35(b)披露。

本年度確認的減值虧損約為人民幣363,000元(二零一八年：無)。

##### *索償撥備*

於本年度及過往年度期間，本集團被捲入一場糾紛中(附註30)。根據其對法律意見的理解，董事基於其最佳估釐定索償撥備。倘有關索償及與各方協商之最終結果有別於董事作出的估計，則該等差異會影響年內達成該釐定的索償撥備。於二零一九年十二月三十一日，已作出索償撥備金額為人民幣86,000元(二零一八年：人民幣86,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 5. REVENUE

Revenue represents the net amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes.

#### (i) Disaggregation of revenue from contracts with customers

Type of goods	貨品類型
Sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances	銷售電子設備及電子元件的控制器系統及電子用品部件
Timing of revenue recognition	收益確認時點
At point in time	某時間點

#### (ii) Performance obligations for contracts with customers

##### **Sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances (“electronic products”)**

The Group sells electronic products to the wholesale market. Revenue is recognised when control of the goods has transferred, being when the goods have been delivered to the wholesaler’s specific location (“delivery”). Following the delivery, the wholesaler has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 90 days upon delivery.

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for electronic products such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of electronic products that had an original expected duration of one year or less.

### 5. 收益

收益指本集團向外界客戶出售貨品的已收及應收賬款扣除折扣及與銷售相關的稅項後的淨額。

#### (i) 與客戶合約的收益分解

2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
66,558	61,706
66,558	61,706

#### (ii) 與客戶合約之履約責任

##### **銷售電子設備及電子元件的控制器系統及電子用品部件（「電子產品」）**

本集團向批發市場出售電子產品。於貨品控制權轉移時確認收益，即當貨品交付至批發商的特定地點時（「交付」）。交付後，批發商全權決定貨品的分銷方式及售價，並承擔貨品銷售的主要責任以及有關貨品的過時及虧損風險。信貸期一般為交付後90天。

本集團已將香港財務報告準則第15號第121段的可行權宜方法用於其電子產品的銷售合約，因此上述資料並不包括有關本集團履行原定預計為期一年或以內的電子產品銷售合約項下的剩餘履約責任時將有權獲得之收益的資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 6. SEGMENT INFORMATION

For management purpose, the Group operates in one business unit based on its products, and has only one reportable and operating segment which is controller systems for electronic equipment and electronic component and subassembly for electronic appliances.

#### Geographical information

The Group's business is primarily operated in the PRC. All of the Group's revenue is attributable to customers in the PRC.

An analysis of the carrying amount of segment assets by geographical area in which the assets are located has not been presented as they are all located in the PRC.

#### Major customers

Turnover from customers of the corresponding years contributing over 10% of the total turnover of the Group are as follows:

Customer A	客戶 A
Customer B	客戶 B
Customer C	客戶 C

<sup>1</sup> The corresponding revenue did not contribute over 10% of the total revenue of the Group.

### 6. 分部資料

就管理而言，本集團按其產品以單一業務單位經營，並僅設有一個可呈報及經營分部，即電子設備及電子元件的控制器系統及電子用品部件。

#### 地區資料

本集團的業務主要在中國經營。本集團之收益全數來自中國的客戶。

由於全部分部資產位於中國，故此並無按資產所在地區呈列有關賬面值的分析。

#### 主要客戶

於相關年度，來自對本集團總營業額貢獻超過 10% 的客戶之營業額載列如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Customer A	27,977	18,027
Customer B	18,844	- <sup>1</sup>
Customer C	6,987	29,333

<sup>1</sup> 相關收益並無佔本集團總收益的 10% 以上。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 7. OTHER INCOME

### 7. 其他收入

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	2	5
Sundry income	雜項收入	198	72
		<b>200</b>	<b>77</b>

### 8. FINANCE COSTS

### 8. 融資成本

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Imputed interest expense on loan from a major shareholder	來自一名主要股東貸款之估計利息開支	3,323	3,077

### 9. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

### 9. 預期信貸虧損模式項下減值虧損，扣除撥回

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Impairment losses recognised on:	就下列確認減值虧損：		
— Trade receivables	— 應收貿易賬款	363	—

Details of impairment assessment are set out in Note 35(b).

減值評估詳情載於附註35(b)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 10. LOSS BEFORE TAXATION

### 10. 除稅前虧損

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Loss before taxation has been arrived at after charging:	除稅前虧損已扣除以下項目：		
Staff costs, excluding chairman, directors' and supervisors' emoluments	員工成本(不包括主席、董事及監事酬金)		
— Salaries, wages and other benefits in kind	— 薪金、工資及其他實物福利	1,557	1,086
— Retirement benefits scheme contributions	— 退休福利計劃供款	55	91
Total staff costs	總員工成本	1,612	1,177
Depreciation of plant and equipment	廠房及設備折舊	47	29
Auditor's remuneration	核數師酬金	547	536
Cost of inventories recognised as an expense	已確認為開支的存貨成本	63,928	57,602
Net foreign exchange losses	外匯虧損淨額	15	10
Expense relating to short-term lease and other leases with lease terms end within 12 months/operating lease rentals on premises	與短期租賃及租期於12個月內結束的其他租賃相關的開支/物業經營租賃租金	140	55



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 11. INCOME TAX EXPENSE

### 11. 所得稅開支

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
PRC enterprise income tax	中國企業所得稅		
— Current year	— 本年度	22	27
— Overprovision in prior year	— 過往年度超額撥備	(1)	—
Income tax expense	所得稅開支	21	27

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the Company and the PRC subsidiaries is 25% from 1 January 2008 onwards.

According to the normal statutory PRC EIT law and relevant rules. From 1 January 2018 to 31 December 2018, qualified small and thin-profit enterprises with an annual taxable income of RMB1 million or less is subject to an effective EIT rate of 10%.

From 1 January 2019 to 31 December 2021, qualified small and thin-profit enterprises with an annual taxable income of RMB1 million or less is applicable to the effective EIT rate of 5%. Where its annual taxable income exceeds RMB1 million but does not exceed RMB3 million (inclusive), the RMB1 million portion will be subject to an effective EIT rate of 5%, whereas the excess portion will be subject to the effective EIT rate of 10%.

For the years ended 31 December 2019 and 2018, certain subsidiaries of the Company have been qualified as small and thin-profit enterprises which can enjoy preferential tax rate in the related period.

No provision for Hong Kong profits tax was made for the year ended 31 December 2019 and 2018 as the Group did not generate any assessable profits arising in Hong Kong for that years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，本公司及中國附屬公司的稅率為25%。

根據正常法定中國企業所得稅法及相關規則，自二零一八年一月一日至二零一八年十二月三十一日，全年應課稅收入在人民幣1,000,000元或以下的合資格小型微利企業須按實際企業所得稅稅率10%納稅。

自二零一九年一月一日至二零一九年十二月三十一日，全年應課稅收入在人民幣1,000,000元或以下的合資格小型微利企業的適用實際企業所得稅稅率為5%。倘其全年應課稅收入超過人民幣1,000,000元但不超過人民幣3,000,000元(含人民幣3,000,000元)，則人民幣1,000,000元的部分將按實際企業所得稅稅率5%納稅，而超出部分將按實際企業所得稅稅率10%納稅。

截至二零一九年及二零一八年十二月三十一日止年度，本公司若干附屬公司已定為可在相關期間享有優惠稅率的小型微利企業。

由於本集團於截至二零一九年及二零一八年十二月三十一日止年度並未在香港產生任何應課稅溢利，故並無於該年度就香港利得稅計提撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 11. INCOME TAX EXPENSE – Continued

The income tax expense for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Loss before taxation</b>	<b>除稅前虧損</b>	<b>(6,823)</b>	(1,106)
Tax at the statutory applicable tax rate of 25% (2018: 25%)	按法定適用稅率 25% (二零一八年：25%) 計算的稅項	<b>(1,706)</b>	(277)
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營的附屬公司的稅率差異的影響	-	10
Tax effect of expenses not deductible for tax purposes	就稅務而言不可扣稅開支的稅務影響	<b>1,005</b>	1,100
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅項虧損的稅收影響	-	(232)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損的稅務影響	<b>809</b>	365
Statutory tax concession	法定稅收優惠	<b>(86)</b>	(186)
Tax effect of income not taxable for tax purpose	無須課稅收入的稅收影響	-	(753)
Over provision in previous year	過往年度超額撥備	<b>(1)</b>	-
<b>Income tax expense for the year</b>	<b>年內所得稅開支</b>	<b>21</b>	27

### 11. 所得稅開支 – 續

年內所得稅開支可與綜合損益及其他全面收益表所列除稅前虧損對賬如下：

### 12. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2019 (2018: Nil), nor has any dividend been proposed since the end of the reporting period.

### 12. 股息

並無就截至二零一九年十二月三十一日止年度支付或建議派付任何股息(二零一八年：無)，自報告期末以來，亦無建議派付任何股息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 13. STAFF COSTS (INCLUDING CHAIRMAN, DIRECTORS' AND SUPERVISORS' EMOLUMENTS)

### 13. 員工成本(包括主席、董事及監事酬金)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries, wages and other benefits in kind	薪金、工資及其他實物福利	1,782	1,276
Retirement benefits scheme contributions	退休福利計劃供款	55	91
		<b>1,837</b>	1,367

#### Hong Kong

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for its Hong Kong employees. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, each of the Group companies (the "employer") in Hong Kong and its employees makes monthly contribution to the scheme at 5% of the employee's earning as defined under the Mandatory Provident Fund Legislation. The contributions from each of the employer and employees are subject to a cap of HKD1,500 per month (2018: HKD1,500 per month), a total contribution of approximately RMBNil (2018: RMB5,000) was made by the Group in respect of this scheme.

#### The PRC, other than Hong Kong

As stipulated by rules and regulations in the PRC, the Company and those subsidiaries, which operated in the PRC, are required to contribute to a state-sponsored retirement plan for all its employees. The state-sponsored retirement plan is responsible for the entire pension obligations payable to all retired employees. Under the state-sponsored retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions, a total contribution of approximately RMB55,000 (2018: RMB86,000) was made by the Group in respect of this scheme.

#### 香港

本集團安排香港僱員參與由香港強制性公積金計劃條例規定的強制性公積金計劃(「強積金計劃」)。強積金計劃屬於界定供款退休計劃，由獨立受託人管理。根據強積金計劃，本集團於香港的各公司(「僱主」)及其僱員每月均按有關僱員的5%收入(定義見強制性公積金法例)作出供款。僱主及僱員的供款以每月1,500港元(二零一八年：每月1,500港元)為限，本集團就該計劃作出的供款總額約為人民幣零元(二零一八年：人民幣5,000元)。

#### 中國(香港除外)

按照中國的條例及法規規定，本公司及在中國營運的該等附屬公司須向所有僱員作出國家退休福利計劃供款。國家退休福利計劃負責向所有退休僱員支付全部退休金。根據國家退休福利計劃，本集團除每年供款外，毋須對其他實際退休金付款或退休後福利作出進一步承擔，本集團就該計劃作出的供款總額約為人民幣55,000元(二零一八年：人民幣86,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 14. CHAIRMAN, DIRECTORS' AND SUPERVISORS' EMOLUMENTS

#### Chairman, directors' and supervisors' emoluments

The emoluments paid or payable to each of the nine (2018: seven) chairman, directors and three (2018: three) supervisors were as follows:

**Year ended 31 December 2019**

Name	Fees	Salaries, allowances and benefits	Retirement benefits scheme contributions	Total
		in kind		
姓名	袍金	薪金、津貼及實物福利	退休福利計劃供款	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>Executive directors</b>		<b>執行董事</b>		
Mr. He Keng (Chairman)	-	何鏗先生(主席)	49	49
Ms. Wu Shanhong	-	吳珊紅女士	-	-
Mr. Chen Weiqiang	-	陳偉強先生	43	43
Mr. Ding Cheng	-	丁成先生	17	17
<b>Independent non-executive directors</b>		<b>獨立非執行董事</b>		
Mr. Zhou Weibo (appointed on 30 April 2019)	24	周偉波先生(於二零一九年四月三十日獲委任)	-	24
Ms. Sheng Ting (appointed on 30 April 2019)	24	盛婷女士(於二零一九年四月三十日獲委任)	-	24
Mr. Zhang Zhuoyong (resigned on 30 April 2019)	12	張卓永先生(於二零一九年四月三十日辭任)	-	12
Mr. Zhang Tieyi (resigned on 30 April 2019)	12	章鐵毅先生(於二零一九年四月三十日辭任)	-	12
Mr. Kwok Kim Hung, Eddie	44	郭劍雄先生	-	44
<b>Supervisors</b>		<b>監事</b>		
Mr. Shi Huanmiao	-	石歡苗先生	-	-
Mr. Zhang Shenggen	-	張生根先生	-	-
Mr. Chen Yuankang	-	陳元康先生	-	-
<b>Total</b>	<b>116</b>	<b>總計</b>	<b>109</b>	<b>225</b>

### 14. 主席、董事及監事酬金

#### 主席、董事及監事酬金

已付或應付九名(二零一八年:七名)主席、董事及三名(二零一八年:三名)監事的酬金如下:

**截至二零一九年十二月三十一日止年度**

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. CHAIRMAN, DIRECTORS' AND SUPERVISORS' EMOLUMENTS – Continued

#### Chairman, directors' and supervisors' emoluments – Continued

Year ended 31 December 2018

### 14. 主席、董事及監事酬金 – 續

#### 主席、董事及監事酬金 – 續

截至二零一八年十二月三十一日止年度

Name	Fees	Salaries, allowances and benefits in kind	Retirement benefits scheme contributions	Total
姓名	袍金	薪金、津貼 及實物福利	退休福利 計劃供款	總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Executive directors</b> 執行董事				
Mr. He Keng ( <i>Chairman</i> )	何鏗先生(主席)	-	-	-
Ms. Wu Shanhong	吳珊紅女士	-	-	-
Mr. Chen Weiqiang	陳偉強先生	-	38	38
Mr. Ding Cheng	丁成先生	-	38	38
<b>Independent non-executive directors</b> 獨立非執行董事				
Mr. Zhang Zhuoyong	張卓永先生	36	-	36
Mr. Zhang Tieyi	章鐵毅先生	36	-	36
Mr. Kwok Kim Hung, Eddie	郭劍雄先生	42	-	42
<b>Supervisors</b> 監事				
Mr. Shi Huanmiao	石歡苗先生	-	-	-
Mr. Zhang Shenggen	張生根先生	-	-	-
Mr. Chen Yuankang	陳元康先生	-	-	-
<b>Total</b>	<b>總計</b>	114	76	190

Note:

No directors and supervisors waived or agreed to waive any emoluments for the two years ended 31 December 2019 and 2018.

附註：

截至二零一九年及二零一八年十二月三十一日止兩個年度並無董事及監事放棄或同意放棄任何酬金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 14. CHAIRMAN, DIRECTORS' AND SUPERVISORS' EMOLUMENTS – Continued

#### Senior management's emoluments

Of the five individuals with highest emoluments in the Group, none (2018: none) was a director of the Company whose emolument are included in the disclosures above. The emoluments of the remaining five (2018: five) highest paid individuals were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other benefits in kind	薪金及其他實物福利	947	544
Retirement benefits scheme contributions	退休福利計劃供款	16	35
		<b>963</b>	<b>579</b>

Their emoluments were within the following band:

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至 1,000,000 港元	5	5

No emolument have been paid by the Group to the directors and supervisors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the two years ended 31 December 2019 and 2018.

No bonuses paid or receivable which are discretionary or based on the Company's, the group's or any member of the group's performance for the financial years ended 31 December 2019 and 2018.

### 15. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company of approximately RMB6,844,000 (2018: RMB1,133,000) divided by the weighted average number of 500,000,000 shares (2018: 500,000,000 shares) in issue during the year.

### 14. 主席、董事及監事酬金 — 續

#### 高級管理層酬金

本集團五名最高薪酬人士中，概無(二零一八年：無)本公司董事，其酬金載列於上文的披露資料中。其餘五名(二零一八年：五名)最高薪酬人士的酬金如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other benefits in kind	947	544
Retirement benefits scheme contributions	16	35
	<b>963</b>	<b>579</b>

彼等之酬金均介乎以下範圍內：

	Number of employees 僱員人數	
	2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	5	5

截至二零一九年及二零一八年十二月三十一日止兩個年度，本集團並無向本公司董事及監事或五位最高薪酬人士支付酬金作為吸引加入或加入本集團時之獎金，或作為離職補償。

截至二零一九年及二零一八年十二月三十一日止財政年度，概無已付或應付酌情花紅或基於本公司、本集團或本集團旗下任何公司的表現的花紅。

### 15. 每股虧損

每股基本虧損乃根據本公司擁有人應佔年內虧損約人民幣6,844,000元(二零一八年：人民幣1,133,000元)除以年內已發行股份的加權平均股數500,000,000股(二零一八年：500,000,000股)計算。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 15. LOSS PER SHARE – Continued

No diluted loss per share have been presented for the two years ended 31 December 2019 and 2018 as there was no diluted potential ordinary share outstanding for both years.

### 16. PLANT AND EQUIPMENT

#### COST

At 1 January 2018 and  
31 December 2018

Additions

Written off

**At 31 December 2019**

#### ACCUMULATED DEPRECIATION

At 1 January 2018

Provided for the year

At 31 December 2018

Eliminated on written off

Provided for the year

**At 31 December 2019**

#### CARRYING VALUES

**At 31 December 2019**

At 31 December 2018

#### 成本

於二零一八年一月一日及  
二零一八年十二月三十一日

添置

撤銷

於二零一九年十二月三十一日

#### 累計折舊

於二零一八年一月一日

年內撥備

於二零一八年十二月三十一日

撤銷時對銷

年內撥備

於二零一九年十二月三十一日

#### 賬面值

於二零一九年十二月三十一日

於二零一八年十二月三十一日

### 15. 每股虧損 – 續

由於截至二零一九年及二零一八年十二月三十一日止兩個年度並無發行可能具有攤薄效應的普通股，因此並無呈列該兩個年度的每股攤薄虧損。

### 16. 廠房及設備

Computer and office equipment 電腦及辦公室設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
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At 1 January 2018 and 31 December 2018	於二零一八年一月一日及 二零一八年十二月三十一日	619	–	619
Additions	添置	–	205	205
Written off	撤銷	(418)	–	(418)
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	201	205	406
At 1 January 2018	於二零一八年一月一日	555	–	555
Provided for the year	年內撥備	29	–	29
At 31 December 2018	於二零一八年十二月三十一日	584	–	584
Eliminated on written off	撤銷時對銷	(418)	–	(418)
Provided for the year	年內撥備	12	35	47
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	178	35	213
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	23	170	193
At 31 December 2018	於二零一八年十二月三十一日	35	–	35

Notes:

(a) The above items of plant and equipment are depreciated on a straight-line basis over the estimated useful lives less their residual values at the following rates per annum:

Computer and office equipment	20%
Motor vehicles	20%

(b) During the year ended 31 December 2019, certain computer and office equipment was written off due to wear and tear.

附註：

(a) 上述廠房及設備項目乃於估計可使用年期內減去其殘值並以直線法按下列年率折舊：

電腦及辦公室設備	20%
汽車	20%

(b) 截至二零一九年十二月三十一日止年度，若干電腦及辦公室設備因耗損而撤銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 17. INVENTORIES

Raw materials 原材料  
Finished goods 製成品

### 17. 存貨

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	<b>13</b>	–
	<b>228</b>	303
	<b>241</b>	303

The cost of inventories recognised as an expense included approximately RMB60,000 (2018: RMBNil) in respect of write-downs of inventory to net realisable value.

就撇減存貨至可變現淨值而言，確認為開支之存貨成本包括約人民幣60,000元（二零一八年：人民幣零元）。

### 18. TRADE RECEIVABLES

Trade receivables — contracts with customers 應收貿易賬款 — 客戶合約  
Less: Allowance for credit loss 減：信貸虧損撥備

Trade receivables, net of impairment 應收貿易款項，扣除減值

### 18. 應收貿易賬款

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	<b>12,476</b>	8,458
	<b>(706)</b>	(343)
	<b>11,770</b>	8,115

The Group allows an average credit period of 90 days to its trade customers.

本集團給予其貿易客戶的平均信貸期為90日。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 18. TRADE RECEIVABLES – Continued

The aged analysis of trade receivables presented based on the invoice date, net of impairment losses recognised was as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0-90 days	0至90日	7,364	6,198
91-180 days	91至180日	4,347	-
181-365 days	181至365日	9	-
Over 365 days	365日以上	50	1,917
		<b>11,770</b>	<b>8,115</b>

The aging analysis of trade receivables which were past due but not impaired are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 90 days past due	逾期90日內	4,347	-
91 to 180 days past due	逾期91至180日	9	-
Over 180 days past due	逾期180日以上	50	1,917
		<b>4,406</b>	<b>1,917</b>

Details of impairment assessment of trade receivables are set out in Note 35(b).

### 18. 應收貿易賬款 — 續

以下為按發票日呈列的應收貿易賬款(已扣除已確認的減值虧損)的賬齡分析：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0-90 days	0至90日	7,364	6,198
91-180 days	91至180日	4,347	-
181-365 days	181至365日	9	-
Over 365 days	365日以上	50	1,917
		<b>11,770</b>	<b>8,115</b>

已逾期但未減值的應收貿易賬款的賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 90 days past due	逾期90日內	4,347	-
91 to 180 days past due	逾期91至180日	9	-
Over 180 days past due	逾期180日以上	50	1,917
		<b>4,406</b>	<b>1,917</b>

應收貿易賬款減值評估詳情載於附註35(b)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Prepayments	預付款項	119	27
Deposits	按金	21	68
Other taxes recoverables	其他應收稅項	152	-
Other receivables	其他應收賬款	2	652
		<b>294</b>	747
Less: Accumulated impairment losses	減：累計減值虧損	-	(639)
		<b>294</b>	108

Details of impairment assessment of deposits and other receivables are set out in Note 35(b).

### 20. BANK BALANCES AND CASH

Bank balances earns interest at floating rates based on daily bank deposits rates.

For the years ended 31 December 2019 and 2018, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

At 31 December 2019, the bank balance and cash equivalents of the Group denominated in RMB amounted to approximately RMB10,979,000 (2018: RMB10,558,000). RMB is in not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through authorised banks to conduct foreign exchange business.

### 19. 預付款項、按金及其他應收賬款

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Prepayments	預付款項	119	27
Deposits	按金	21	68
Other taxes recoverables	其他應收稅項	152	-
Other receivables	其他應收賬款	2	652
		<b>294</b>	747
Less: Accumulated impairment losses	減：累計減值虧損	-	(639)
		<b>294</b>	108

按金及其他應收賬款減值評估詳情載於附註35(b)。

### 20. 銀行結餘及現金

銀行結餘根據每日銀行存款利率以浮動利率賺取利息。

截至二零一九年及二零一八年十二月三十一日止年度，本集團對銀行結餘進行減值評估並認為交易銀行的違約概率並不重大，因此概無就信貸虧損計提撥備。

於二零一九年十二月三十一日，本集團以人民幣計值的銀行結餘及現金等價物約為人民幣10,979,000元(二零一八年：人民幣10,558,000元)。人民幣不可自由兌換為其他貨幣，但根據中國內地「外匯管理條例」及「結匯、售匯及支付外匯管理條例」，本集團獲准透過授權銀行以人民幣兌換其他貨幣進行涉及外匯的業務。

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## 綜合財務報表附註

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截至二零一九年十二月三十一日止年度

### 21. TRADE PAYABLES

The average credit period on purchases of goods is 90 days.

The aged analysis of trade payables presented based on the invoice date at the end of the reporting period was as follows:

### 21. 應付貿易賬款

購買商品的平均信貸期為90日。

於報告期末按發票日呈列的應付貿易賬款的賬齡分析列示如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
0-90 days	0至90日	9,394	8,100
91-180 days	91至180日	20	-
181-365 days	181至365日	-	-
Over 365 days	超過365日	800	2,480
		<b>10,214</b>	<b>10,580</b>

### 22. OTHER PAYABLES AND ACCRUALS

Other payables  
Accruals  
Provision for claim (Note 30)

其他應付賬款  
應計費用  
索償撥備(附註30)

### 22. 其他應付賬款及應計費用

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Other payables	其他應付賬款	434	1,497
Accruals	應計費用	720	641
Provision for claim (Note 30)	索償撥備(附註30)	86	86
		<b>1,240</b>	<b>2,224</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 23. CONTRACT LIABILITIES

### 23. 合約負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Sales of controller systems for electronic equipment and electronic component and subassembly component and subassembly for electronic appliances	銷售電子設備的控制器系統和電子電器的電子元件及子組件	153	1,372

The contract liabilities primarily relate to the advance consideration received from customers for sales of controller systems for electronic equipment and electronic component and subassembly component and subassembly for electronic appliances, for which revenue is recognised at point in time. This will be recognised as revenue when control of the goods has transferred, being when the goods have been delivered to the wholesaler's specific location.

合約負債主要與銷售電子設備的控制器系統和電子電器的電子元件及子組件自客戶收取的墊付代價相關，其收益乃按時間點確認。收益將於貨品的控制權轉移（即貨品已交付至批發商的指定地點交付）時確認。

#### Movements in contract liabilities

#### 合約負債變動

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Balance at 1 January	於一月一日的結餘	1,372	207
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	年內確認計入期初合約負債的收益導致合約負債減少	(1,219)	(54)
Increase in contract liabilities as a result of billings in advance of goods delivered during the year	年內貨品交付前開具票據導致合約負債增加	-	1,219
Balance at 31 December	於十二月三十一日的結餘	153	1,372



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 24. AMOUNT DUE TO A DIRECTOR

### 24. 應付一名董事款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Amount due to a director Mr. Ding Cheng	應付一名董事款項 丁成先生	11,357	–

The amount is unsecured, non-interest bearing and has no fixed term of repayment.

該款項為無抵押、免息及無固定還款期。

### 25. AMOUNT DUE TO A MAJOR SHAREHOLDER

### 25. 應付一名主要股東款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Due to a major shareholder Zhejiang RuiYuan Intelligent Robot Co., Ltd.	應付一名主要股東款項 浙江瑞遠智能機器人 股份有限公司	–	7,843

The amount is unsecured, non-interest bearing and has no fixed term of repayment.

該款項為無抵押、免息及無固定還款期。

### 26. DIVIDENDS PAYABLES

### 26. 應付股息

The dividends payables represent the final dividend declared for Domestic Shares in 2004 which amounting RMB4,440,000.

應付股息指於二零零四年就內資股宣派的末期股息為人民幣4,440,000元。

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## 綜合財務報表附註

For the year ended 31 December 2019

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### 27. LOAN FROM A MAJOR SHAREHOLDER

As at 31 December 2019 and 2018, the loan from Zhejiang RuiYuan Intelligent Robot Co., Ltd. is unsecured, interest free and will be repayable on 30 April 2020.

On the date of grant, the Group credited an amount of approximately RMB9,483,000 to other reserve which represented the difference between the fair value of the loan from a major shareholder and the amount received.

### 28. SHARE CAPITAL

### 27. 來自一名主要股東之貸款

於二零一九年及二零一八年十二月三十一日，由浙江瑞遠智能機器人股份有限公司提供的貸款為無抵押、免息及將於二零二零年四月三十日償還。

於授出日期，本集團將約人民幣9,483,000元計入其他儲備（指來自一名主要股東之貸款與收取款項的差額）。

### 28. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 RMB'000 人民幣千元
Authorised, issued and fully paid:	法定、已發行及繳足：		
<b>At 1 January 2018, 31 December 2018 and 31 December 2019</b>	於二零一八年一月一日、 二零一八年十二月三十一日及 二零一九年十二月三十一日	500,000	50,000
Domestic shares (Note a)	內資股(附註a)	370,000	37,000
H shares (Note b)	H股(附註b)	130,000	13,000
		500,000	50,000

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## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 28. SHARE CAPITAL – Continued

Notes:

- (a) Pursuant to an approval dated 4 June 2003 issued by the China Securities Regulatory Commission, all the shares of the Company, which were issued and fully paid, being 37,000,000 ordinary shares with a par value of RMB1.00 each, were sub-divided into 370,000,000 ordinary shares with a par value of RMB0.10 each.
- (b) On 14 November 2003, the Company commenced the trading of the newly issued 130,000,000 H shares of RMB0.10 each on the GEM of the Stock Exchange, including 117,000,000 H shares to institutional investors by way of placement and 13,000,000 H shares for subscription by members of the public in Hong Kong under the Public Offer at the Offer Price of HKD0.50 (equivalent to approximately RMB69,550,000). Following the issue, the share capital and capital reserve of the Company increased by approximately HKD12,150,000 (equivalent to approximately RMB13,000,000) and HKD52,850,000 (equivalent to approximately RMB56,550,000) respectively.

### 29. DEFERRED TAXATION

At the end of the reporting period, the Group had unused tax losses of approximately RMB11,681,000 (2018: RMB9,507,000) available to offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Pursuant to the relevant laws and regulations in the PRC, the unused tax losses incurred by the Company and PRC subsidiaries can be carried forward for a period of five years. Other tax losses may be carried forward indefinitely.

### 28. 股本 — 續

附註：

- (a) 根據中國證券監督管理委員會於二零零三年六月四日頒佈的批文，已發行及繳足的所有本公司股份，即每股面值為人民幣1.00元的37,000,000股普通股被拆細為每股面值為人民幣0.10元的370,000,000股普通股。
- (b) 於二零零三年十一月十四日，本公司開始於聯交所GEM買賣新發行的130,000,000股每股人民幣0.10元的H股，包括以配售方式配售予機構投資者的117,000,000股H股，以及根據公開發售按發售價0.50港元供香港公眾人士認購的13,000,000股H股（相當於約人民幣69,550,000元）。股份發行後，本公司股本及資本儲備分別增長約12,150,000港元（相當於約人民幣13,000,000元）及52,850,000港元（相當於約人民幣56,550,000元）。

### 29. 遞延稅項

於報告期末，本集團有未動用稅項虧損約人民幣11,681,000元（二零一八年：人民幣9,507,000元），可用於抵銷未來溢利。由於未來溢利來源的不可預測性，故此並無確認任何遞延稅項資產。根據中國有關法律及法規，本公司及中國附屬公司產生的未動用稅項虧損可在五年期內結轉。其他稅項虧損可無限期結轉。

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## 綜合財務報表附註

For the year ended 31 December 2019

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### 30. CONTINGENT LIABILITIES

#### (i) LBTC 3663/2016 (the “Labour Tribunal Proceedings”)

On or around 7 November 2016, a former employee (the “Former Employee”) was terminated by the Company on or around 5 October 2016 (the “Termination Date”), commenced proceedings in the Labour Tribunal against the Company and its former subsidiary, Hong Kong Wan Li Enterprise Co. Ltd. (“HK Wan Li”) (together, the “Respondents”), claiming a total amount of approximately of HK\$2,600,000 (equivalent to approximately RMB2,340,000) on a number of grounds, including (i) dismissal by reason of redundancy, (ii) failure to grant statutory holidays, (iii) failure to grant annual leave, (iv) failure to pay long service payment, (v) failure to make payment for overtime work, (vi) failure to pay end of year payment, (vii) failure to pay bonus. Pursuant to the Order of the Labour Tribunal dated 5 May 2017, the Labour Tribunal Proceedings are presently stayed indefinitely with costs reserved.

As of the date hereof, the Company is not aware of any further development to the Labour Tribunal Proceedings since 5 May 2017.

#### (ii) Mandatory Provident Fund Schemes Authority Case No. C17080247 (the “MPF Case”)

The Former Employee filed a complaint with the Mandatory Provident Fund Schemes Authority (“MPFSA”) alleging that the Company (i) did not arrange for him to be a member of a registered Mandatory Provident Fund (“MPF”) scheme, and (ii) did not make MPF contributions for him. After investigation, the MPFSA issued a letter dated 28 December 2017 requesting HK Wan Li to make a payment for the unpaid MPF contribution and surcharges in the total amount of approximately of HK\$3,000, which was paid in early January 2018.

As of the date hereof, the Company is not aware of whether the MPFSA intends to, or will, take further steps against the Company and/or HK Wan Li in the MPF case since January 2018.

### 30. 或然負債

#### (i) LBTC 3663/2016 (「勞資審裁訴訟」)

於二零一六年十一月七日或前後，一名本公司於二零一六年十月五日(「解僱日期」)或前後解僱的前僱員(「前僱員」)向勞資審裁處對本公司及其前附屬公司香港萬豪企業有限公司(「香港萬豪」)(統稱「被告」)展開法律程序，索償總金額約2,600,000港元(相當於約人民幣2,340,000元)，理由包括(i)因裁員解僱；(ii)法定假期不放假；(iii)不放假；(iv)未能支付長期服務金；(v)沒有支付加班費；(vi)沒有支付年終酬金；(vii)沒有支付花紅。根據勞資審裁處日期為二零一七年五月五日的法令，勞資審裁程序不簽無限期暫停，並保留成本。

截至本報告日期，本公司並不知悉勞資審裁程序自二零一七年五月五日起有任何進一步發展。

#### (ii) 強制公積金計劃管理局第 C17080247 號案件(「強積金案」)

前僱員向強制公積金計劃管理局(「積金局」)提起訴訟，指控本公司(i)未為其安排成為註冊強制公積金(「強積金」)計劃的成員；及(ii)未為其作出強積金供款。於調查後，積金局於二零一七年十二月二十八日發出函件，要求香港萬豪就未支付強積金供款及附加費用共約3,000港元作出支付，其已於二零一八年一月初支付。

截至本報告日期，本公司並不知悉積金局是否擬，或將自二零一八年一月起於強積金案中對本公司及／或香港萬豪採取進一步措施。

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### 30. CONTINGENT LIABILITIES – Continued

#### (iii) KTS17027/2017 – Summons Hearing against the Company in relation to Section 40(1) of the Employees' Compensation Ordinance

The Company was prosecuted by the Labour Department under a Summons dated 13 September 2017 for employing one employee on 4 October 2016 without there being in force in relation to such employee a policy of insurance issued by an insurer for an amount not less than the applicable amount under the Employee Compensation Ordinance (“ECO”) in respect of the liability of the employer. The Company pleaded guilty and was convicted at a hearing in the Kwun Tong Magistrates' Courts on 12 October 2017 for contravening section 40(1) and 40(2) of the ECO and was ordered to pay a fine in the amount of HK\$2,500, which has been paid by the Company.

By a demand notice dated 16 April 2018, the Employees Compensation Assistance Fund Board (the “ECAF Board”) also requested the Company to pay a surcharge of approximately HK\$200 (the “Surcharge”) in respect of the above conviction under Section 36A of the Employees compensation Assistance Ordinance. The surcharge has been paid by the Company.

#### (iv) KTS31/2018 – Summons Hearing against the Company in relation to Sections 11F(3), 63(1) and 63(7) of the Employment Ordinance

During 2017, the Labour Department made enquiries and requested information from the Company in relation to a complaint made by the Former Employee in relation to payment of end of year payment in respect of the period between 1 January 2016 to 5 October 2016.

Subsequently, the Company was prosecuted by the Labour Department under a Summons dated 3 January 2018 for wilfully and without reasonable excuse failing to pay the Former Employee within seven days from the Termination Date the proportion of the end of year payment in respect of the period between 1 January 2016 and 5 October 2016. The Company pleaded guilty and was convicted on 1 February 2018 for contravening Sections 11F(3), 63(1) and 63(7) of the Employment Ordinance and was ordered to pay a fine in the amount of HK\$6,000, which has been paid by the Company.

### 30. 或然負債 – 續

#### (iii) KTS17027/2017 就僱員賠償條例第 40(1) 條傳喚對本公司的聽證會

根據日期為二零一七年九月十三日的傳喚，本公司受到勞工處起訴，內容有關於二零一六年十月四日僱傭一名僱員，而無發行人對該僱員就僱主責任發出的生效保單，而其數額不小於僱員賠償條例（「僱員賠償條例」）下的適用數額。本公司承認控罪並於二零一七年十月十二日在觀塘裁判法院聽證會上被裁定違反僱員賠償條例第 40(1) 條及第 40(2) 條，及被命令支付 2,500 港元之罰款，其已由本公司支付。

根據二零一八年四月十六日的催繳通知函，僱員補償援助基金管理局（「管理局」）亦要求本公司根據僱員補償援助條例第 36A 款就上述定罪支付約 200 港元附加費（「附加費」）。該附加費已由本公司支付。

#### (iv) KTS31/2018 就僱傭條例第 11F(3) 條、第 63(1) 條及第 63(7) 條傳喚對本公司的聽證會

於二零一七年，勞工處作出問詢並要求本公司提供有關前僱員作出的訴訟（內容有關支付有關二零一六年一月一日至二零一六年十月五日期間的年終酬金）的資料。

其後，根據日期為二零一八年一月三日的傳喚，本公司受勞工處起訴，內容有關故意及無合理原因而並未於解僱日期起七日內支付有關二零一六年一月一日至二零一六年十月五日期間部分的年終酬金。本公司承認控罪並於二零一八年二月一日被裁定違反僱傭條例第 11F(3) 條、第 63(1) 條及第 63(7) 條，及被判令支付 6,000 港元的罰款，其已由本公司支付。

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### 30. CONTINGENT LIABILITIES – Continued

#### (iv) KTS31/2018 – Summons Hearing against the Company in relation to Sections 11F(3), 63(1) and 63(7) of the Employment Ordinance – Continued

As of the date hereof, the Company's not aware of any further developments in relation to the said proceedings since February 2018.

Taking into account the possible outcome and their obligations for the above cases, the Group has made a provision for claim of approximately RMB86,000 (equivalent to approximately HK\$96,000) for the year ended 31 December 2016 and no further provision was made thereafter.

Since the above cases are still in progress, the Directors would continue to exercise their due care in monitoring the progress of the cases and would assess the adequacy of provision of claim and the financial impact to the Group as and when appropriate. The Directors believe that the amount of approximately RMB86,000 as at 31 December 2019 (2018: RMB86,000) represents the best estimate of the Group's liability having taken legal advice.

Save as disclosed above, the Group had no material contingent liabilities.

### 31. OPERATING LEASES

#### The Group as lessee

The Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內	34
In the second to fifth year inclusive	第二至第五年(包括首尾兩年)	—
		<hr/>
		34

### 30. 或然負債 – 續

#### (iv) KTS31/2018就僱傭條例第11F(3)條、第63(1)條及第63(7)條傳喚對對本公司的聽證會 – 續

截至本報告日期，本公司並不知悉上述訴訟自二零一八年二月起有任何進一步進展。

經考慮上述案件的可能結果及責任，截至二零一六年十二月三十一日止年度，本集團已作出索償撥備約人民幣86,000元(相當於約96,000港元)，且此後無進一步撥備。

由於上述案件仍在進行當中，董事將繼續謹慎監察該等案件之進展，並將於適當時候評估該索償之撥備是否足夠及對本集團之財務影響。董事認為於二零一九年十二月三十一日約人民幣86,000元(2018年：人民幣86,000元)之金額為本集團採納法律意見後作出的最佳負債估計。

除上文所披露者外，本集團概無重大或然負債。

### 31. 經營租約

#### 本集團作為承租人

本集團根據於以下日期到期的不可撤銷經營租約就日後最低租賃付款作出承擔：

2018  
二零一八年  
RMB'000  
人民幣千元



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### 32. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

		Other borrowings	Amount due to a director	Amount due to a former director	Amount due to a major shareholder	Loan from a major shareholder	Total liabilities from financing activities
		其他借款 RMB'000 人民幣千元	應付一名 董事款項 RMB'000 人民幣千元	應付一名 前任董事 款項 RMB'000 人民幣千元	應付一名 主要股東 款項 RMB'000 人民幣千元	來自一名 主要股東 之貸款 RMB'000 人民幣千元	融資活動 負債總額 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	1,520	539	1,775	275	38,464	42,573
Changes in cash flows	現金流變化	(1,520)	(86)	-	7,568	-	5,962
Non-cash changes	非現金變更	-	-	-	-	3,077	3,077
Disposal of a subsidiary	出售一間附屬公司	-	(453)	(1,769)	-	-	(2,222)
Foreign exchange translations	外匯匯兌	-	-	(6)	-	-	(6)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	-	-	-	7,843	41,541	49,384
Changes in cash flows	現金流變化	-	11,357	-	(7,843)	-	3,514
Non-cash changes	非現金變更	-	-	-	-	3,323	3,323
At 31 December 2019	於二零一九年十二月三十一日	-	11,357	-	-	44,864	56,221

### 32. 綜合現金流量表附註

#### 融資活動產生的負債之變動

下表為本集團於年內融資活動產生的負債之變動：

### 33. RELATED PARTY TRANSACTIONS

- (a) The balances with related parties at the end of reporting period are disclosed elsewhere in the consolidated financial statements.
- (b) The key management personnel of the Group comprises all Directors and Supervisors, details of their emoluments are disclosed in Note 14. The remuneration of the Directors is determined by the remuneration committee having regard to the performance of individuals and market.

### 34. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through optimisation of the debt and equity balance.

### 33. 關連人士交易

- (a) 於報告期末與關連人士的結餘披露於綜合財務報表的其他部分中。
- (b) 本集團主要管理人員包括所有董事及監事，其酬金詳情披露於附註14。董事薪酬由薪酬委員會就個人表現及市場狀況而釐定。

### 34. 資本風險管理

本集團管理其資本乃為確保本集團旗下的實體能持續經營業務，同時透過優化債務及權益之間的均衡狀態，為股東帶來最大回報。

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## 綜合財務報表附註

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### 34. CAPITAL RISK MANAGEMENT – Continued

The gearing ratio at the end of the reporting period was as follows:

Debts (Note (i))	債務(附註(i))
Bank balances and cash	銀行結餘及現金
Net debt	淨債務
Capital deficiency (Note (ii))	資本虧絀(附註(ii))
Net debt to equity ratio	淨債務對權益比率

Notes:

- (i) Debts comprise amount due to a director/a major shareholder, and loan from a major shareholder.
- (ii) Capital deficiency includes all capital and reserves attributable to owners of the Company.
- \* As the Group had a net deficiency in capital at 31 December 2019 and 2018, the Group's gearing ratio as at that date were not applicable. The directors of the Company have given careful consideration on the measures currently undertaken in respect of the Group's liquidity position. The directors of the Company believe that the Group will be able to meet in full its financial obligations as they fall due based on the Group's working capital sufficiency plans.

The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 2018.

### 34. 資本風險管理 — 續

於報告期末的資本負債比率如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Debts (Note (i))	56,221	49,384
Bank balances and cash	(10,979)	(10,558)
Net debt	45,242	38,826
Capital deficiency (Note (ii))	(48,864)	(41,840)
Net debt to equity ratio	N/A* 不適用*	N/A* 不適用*

附註：

- (i) 債務包括應付一名董事／一名主要股東款項，及來自一名主要股東之貸款。
- (ii) 資本虧絀包括本公司擁有人應佔的所有資本及儲備。
- \* 由於本集團於二零一九年及二零一八年十二月三十一日之資本處於淨虧絀水平，故本集團於該日之資本負債比率並不適用。本公司董事已審慎考慮目前就本集團之流動資金狀況採取之措施。本公司董事相信，根據本集團營運資金之充足性計劃，將能全面履行其到期之財務責任。

本集團並不受到任何來自外部的資本結構要求的制約。於截至二零一九年及二零一八年十二月三十一日止年度，目標、方針或管理資本的程序均無變動。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 35. FINANCIAL INSTRUMENTS

### 35. 金融工具

#### (a) Categories of financial instruments

#### (a) 金融工具類別

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本列賬之金融資產	22,772	18,754
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	72,115	66,628

#### (b) Financial Risk Management Objectives and Policies

#### (b) 財務風險管理的目標及政策

The Group's major financial instruments include trade receivables, deposits and other receivables, bank balances and cash, trade payables, other payables and accruals, dividend payable, amount due to a director/a major shareholder and loan from a major shareholder are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on timely and effective manner.

本集團的主要金融工具包括應收貿易賬款、按金及其他應收賬款、銀行結餘及現金、應付貿易賬款、其他應付賬款及應計賬項、應付股息、應付一名董事／一名主要股東款項以及來自一名主要股東之貸款的詳情於各相關附註中披露。有關該等金融工具的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。有關如何降低該等風險的政策載列於下文。管理層會管理並監控該等風險承擔，以確保及時有效地實施適當措施。

#### Market risk

#### 市場風險

##### (i) Currency risk

##### (i) 貨幣風險

The functional currency of the Group is RMB since the Group operates in the PRC with all of the transactions and financial assets at amortised cost are denominated and settled in RMB. As a result, there is no exposure to foreign currency risk.

由於本集團於中國經營業務，本集團的功能貨幣為人民幣，所有交易及按攤銷成本計量的金融資產均以人民幣計值及結算。因此，概無面對外匯風險。

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### **Market risk – Continued**

##### (ii) Interest rate risk

The Group do not expose any fair value interest rate risk in relation to fixed-rate bank borrowings for the year ended 31 December 2019 and 2018.

The Group is exposed to cash flow interest rate risk in relation to its variable rate bank balances. The Group considered that the effect of the cash flow interest rate is minimal and no sensitivity analysis to interest rate risk is presented.

##### **Credit risk and impairment assessment**

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, bank balances and other receivables and deposits. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

##### (i) Trade receivables

The Group has concentration of credit risk as 62% (2018: 49%) and 99% (2018: 100%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

The Group has concentration of credit risk by geographical location as the entire balance of its trade receivable as at 31 December 2019 and 2018 were in the PRC.

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### **市場風險 – 續**

##### (ii) 利率風險

於截至二零一九年及二零一八年十二月三十一日止年度，本集團並無面對有關其定息銀行借貸之任何公平值利率風險。

本集團面對有關與其可變利率之銀行結餘有關之現金流量利率風險。本集團認為現金流量利率影響甚微，故此並無就利率風險呈列任何敏感度分析。

##### **信貸風險及減值評估**

信貸風險指及本集團對手方違反彼等合約義務而導致本集團產生財務虧損的風險。本集團的信貸風險主要歸因於貿易應收賬款、銀行結餘及其他應收賬款及按金。本集團並不持有任何抵押品或其他信用增級措施，以保障其與金融資產相關的信貸風險。

##### (i) 貿易應收賬款

本集團有集中信貸風險，此乃由於62%（二零一八年：49%）及99%（二零一八年：100%）貿易應收賬款分別為應收本集團最大客戶及五大客戶賬款。

按地理位置劃分，於二零一九年及二零一八年十二月三十一日，本集團的信貸風險集中在中國，原因為其貿易應收賬款的全部結餘位於中國。

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### **Credit risk and impairment assessment – Continued**

##### (i) Trade receivables – Continued

In order to minimise the credit risk, the Group performs impairment assessment under ECL model on trade receivables individually or based on provision matrix. Except for items that are subject to individual evaluation, which are assessed for impairment individually, the remaining trade receivables are grouped under a provision matrix based on shared credit risk characteristics by reference to repayment histories for recurring customers and current past due exposure. Impairment of RMB363,000 (2018: RMB Nil) is recognised during the year. Details of the quantitative disclosures are set out below in this note.

##### (ii) Bank balances

The credit risk of the Group on liquid funds is limited because the majority of the counterparties are international banks and state-owned banks with good reputation.

##### (iii) Other receivables and deposits

The credit risk on other receivables and deposits are also limited because of the natures of these balances, credit quality of the counterparties and the historical settlement record.

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### **信貸風險及減值評估 – 續**

##### (i) 貿易應收賬款 – 續

為盡量降低信貸風險，本集團根據預期信貸虧損模式或撥備矩陣對貿易應收賬款進行獨立減值評估。除個別評估的項目（即個別評估減值）外，餘下的貿易應收款項乃基於共同的信貸風險特徵，經參考經常性客戶的還款歷史及目前的逾期風險，按撥備矩陣分組。於年內已確認減值人民幣363,000元（二零一八年：人民幣零元）。有關定量披露的詳情載於本附註下文。

##### (ii) 銀行結餘

本集團流動資金的信貸風險有限，因為大多數對手方為具有良好信譽的國際銀行及國有銀行。

##### (iii) 其他應收賬款及按金

其他應收賬款及按金的信貸風險亦因該等結餘的性質、對手方的信貸質素及歷史清算紀錄而屬有限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### *Credit risk and impairment assessment – Continued*

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

2019	二零一九年	Notes 附註	Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或終身 預期信貸虧損	Gross carrying amount 賬面總額 RMB'000 人民幣千元
<b>Financial assets at amortised costs</b>	<b>按攤銷成本列賬的 金融資產</b>				
Bank balances and cash	銀行結餘及現金	20	N/A 不適用	12-month ECL 12個月 預期信貸虧損	10,979
Trade receivables	應收貿易賬款	18	(note i) (附註 i)	Lifetime ECL 終身 預期信貸虧損	12,476
Other receivables and deposits	其他應收賬款及按金	19	(note ii) (附註 ii)	12-month ECL 12個月 預期信貸虧損	23

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### *信貸風險及減值評估 – 續*

下表詳列本集團的金融資產信貸風險 (須進行預期信貸虧損評估)：



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## 綜合財務報表附註

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### 35. FINANCIAL INSTRUMENTS – Continued

### 35. 金融工具 – 續

#### (b) Financial Risk Management Objectives and Policies – Continued

#### (b) 財務風險管理的目標及政策 – 續

#### Credit risk and impairment assessment – Continued

#### 信貸風險及減值評估 – 續

2018	二零一八年	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount
		附註	內部信貸評級	12個月或終止 預期信貸虧損	賬面總值 RMB'000 人民幣千元
<b>Financial assets at amortised costs</b>	<b>按攤銷成本列賬的 金融資產</b>				
Bank balances and cash	銀行結餘及現金	20	N/A 不適用	12-month ECL 12個月 預期信貸虧損	10,558
Trade receivables	應收貿易賬款	18	(note i) (附註i)	Lifetime ECL 終止 預期信貸虧損	8,458
Other receivables and deposits	其他應收賬款及按金	19	(note ii) (附註ii)	12-month ECL 12個月 預期信貸虧損	81
			(note iii) (附註iii)	Lifetime ECL (credit-impaired) 終止 預期信貸虧損 (信貸減值)	639

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### **Credit risk and impairment assessment – Continued**

Notes:

- (i) For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for items that are subject to individual evaluation, which are assessed for impairment individually, the Group determines the ECL on these items by past due status, historical loss rates and adjust for forward-looking information.
- (ii) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. As at 31 December 2019 and 2018, these balances are either not past due or doesn't have fixed repayment.
- (iii) The directors of the Company considers credit risks have increased significantly and those past due more than 90 days are considered as credit-impaired.

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers because these customers have common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix within lifetime ECL (not credit-impaired).

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### **信貸風險及減值評估 – 續**

附註：

- (i) 對於應收貿易賬款，本集團已應用香港財務報告準則第9號的簡化法按終身預期信貸虧損計量虧損撥備。除需進行逐項評估減值的單獨評估的項目外，本集團按逾期狀況、歷史虧損率及就前瞻性資料作出的調整釐定該等項目的預期信貸虧損。
- (ii) 就內部信貸風險管理而言，本集團採用逾期資料評估自首次確認以來信貸風險是否已大幅增加。於二零一九年及二零一八年十二月三十一日，該等結餘並未逾期亦無固定還款期。
- (iii) 本公司董事認為信貸風險已顯著增加及該等逾期超過90天被視作信貸減值。

作為本集團信貸風險管理的一部分，本集團採用債務人的賬齡評估其客戶的減值，原因是該等客戶具有共同風險特徵（體現為客戶根據合約條款支付所有到期款項的能力）。下表為終身預期信貸虧損（未發生信貸減值）基於撥備矩陣評估的應收貿易賬款信貸風險的資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### Credit risk and impairment assessment – Continued

Gross carrying amount	賬面總額	2019 二零一九年		2018 二零一八年	
		Average loss rate 平均虧損率	Trade receivables 應收貿易賬款	Average loss rate 平均虧損率	Trade receivables 應收貿易賬款
Current (not past due)	當前(未逾期)	0%	7,376	0%	6,198
1–90 days past due	逾期1至90天	0%	4,351	0%	–
91–180 days past due	逾期91至180天	53%	20	30%	–
Over 180 days past due	逾期超過180天	100%	492	100%	343
			<b>12,239</b>		<b>6,541</b>

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

During the year ended 31 December 2019, the Group provided RMB176,000 (2018: RMB Nil) impairment allowance for trade receivables, based on the provision matrix.

Debtors with significant outstanding balances or credit-impaired with gross carrying amounts of RMB237,000 as at 31 December 2019 (2018: RMB1,917,000) was assessed individually.

During the year ended 31 December 2019, impairment allowance of RMB187,000 (2018: RMB Nil) was made on debtor with significant balances or credit-impaired debtors. The impairment allowance is based on the customer's historical settlement records, current ability to pay and the current economic environment in which the customer operates.

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### 信貸風險及減值評估 – 續

估計虧損率乃按應收賬款預期年期的歷史觀察所得違約率估計，並就毋須付出過多成本或努力即可獲得的前瞻性資料作出調整。管理層會定期審閱該組別以確保更新關於特定應收賬款的相關資料。

截至二零一九年十二月三十一日止年度，根據撥備矩陣，本集團就應收貿易賬款計提人民幣176,000元(二零一八年：人民幣零元)的減值撥備。

於二零一九年十二月三十一日賬面總值為人民幣237,000元(二零一八年：人民幣1,917,000元)的具有重大未償還結餘或信貸減值的債務人會進行個別評估。

截至二零一九年十二月三十一日止年度，就具有重大結餘的債務人或出現信貸減值的債務人計提人民幣187,000元(二零一八年：人民幣零元)減值撥備。減值撥備乃根據客戶過往結算記錄、當前支付能力以及客戶經營所在當前經濟環境釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### *Credit risk and impairment assessment – Continued*

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		<b>Lifetime ECL (credit-impaired) 終身預期信貸虧損 (出現信貸減值) RMB'000 人民幣千元</b>
As at 1 January 2018 and 31 December 2018	於二零一八年一月一日及 二零一八年十二月三十一日	343
Impairment losses recognised	已確認減值虧損	363
<b>As at 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>706</b>

Changes in the loss allowance for trade receivables are mainly due to:

應收貿易賬款虧損撥備變動乃主要由於：

		<b>2019 二零一九年 Increase/ (decrease) in lifetime ECL Credit-impaired 終止 預期信貸虧損 增加/(減少) 出現信貸減值 RMB'000 人民幣千元</b>	<b>2018 二零一八年 Increase/ (decrease) in lifetime ECL Credit-impaired 終止 預期信貸虧損 增加/(減少) 出現信貸減值 RMB'000 人民幣千元</b>
Increase in the loss allowances for trade receivables	應收貿易賬款虧損撥備增加	<b>187</b>	–
Changes in average loss rate	平均虧損率變動	<b>176</b>	–
		<b>363</b>	–

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### *信貸風險及減值評估 – 續*

下表列示已根據簡化法就應收貿易賬款確認的終身預期信貸虧損：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### **Credit risk and impairment assessment – Continued**

The following tables show reconciliation of loss allowances that has been recognised for other receivables.

As at 1 January 2018 and 31 December 2018

Write-offs

**As at 31 December 2019**

The Group writes off a trade receivable/other receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### **信貸風險及減值評估 – 續**

下表列示已就其他應收賬款確認的虧損撥備對賬。

**Lifetime ECL  
(credit-impaired)  
終身預期信貸虧損  
(出現信貸減值)  
RMB'000  
人民幣千元**

於二零一八年一月一日及

二零一八年十二月三十一日

639

撇銷

(639)

於二零一九年十二月三十一日

–

倘有資料顯示債務人處於嚴重財困且並無實際收回款項的預期(即當債務人已經清盤或已進行破產程序或當應收貿易賬款逾期兩年以上(以較早發生者為準))，本集團會撇銷應收貿易賬款/其他應收款項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (b) Financial Risk Management Objectives and Policies – Continued

##### *Liquidity risk*

The Group is exposed to liquidity risk as at 31 December 2019 as its financial assets due within one year was less than its financial liabilities due within one year. The Group had net current liabilities of approximately RMB48,877,000 as at 31 December 2019. The liquidity of the Group depends upon the positive cash flows expected to be generated from the Group's future operations and successfully obtain new working capital in order to meet the Group's future working capital and financial requirements. Details of which are set out in Note 3.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment dates. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

### 35. 金融工具 – 續

#### (b) 財務風險管理的目標及政策 – 續

##### *流動資金風險*

由於本集團於一年內到期的金融資產少於一年內到期的金融負債，因此本集團於二零一九年十二月三十一日面臨流動資金風險。於二零一九年十二月三十一日，本集團的流動負債淨額約為人民幣48,877,000元。本集團之流動資金取決於本集團未來業務預期將產生正現金流量，以及成功取得營運資金滿足本集團的未來營運資金及財務需求。有關詳情載於附註3。

下表詳述根據協定的還款日期，本集團非衍生金融負債的餘下合約到期時間。該表乃根據本集團可能須支付的最早日期按照金融負債的未貼現現金流量草擬。該表包括利息及本金現金流量。倘利息流量為浮動利率，則未貼現數額乃根據報告期末之利率曲線計算得出。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 35. FINANCIAL INSTRUMENTS – Continued

### 35. 金融工具 – 續

#### (b) Financial Risk Management Objectives and Policies – Continued

#### (b) 財務風險管理的目標及政策 – 續

##### Liquidity tables

##### 流動資金表

		Within 1 year or repayable on demand 一年內或 按要求償還 RMB'000 人民幣千元	Between 1 and 2 years 一年至兩年 RMB'000 人民幣千元	Between 2 and 5 years 兩年至五年 RMB'000 人民幣千元	Total undiscounted cash flow 未貼現的 現金流量總額 RMB'000 人民幣千元	Carrying amounts 賬面值 RMB'000 人民幣千元
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>					
Non-derivative financial liabilities:	非衍生金融負債：					
Trade payables	應付貿易賬款	10,214	-	-	10,214	10,214
Other payables and accruals	其他應付賬款及應計賬款	1,240	-	-	1,240	1,240
Amount due to a director	應付一名董事款項	11,357	-	-	11,357	11,357
Dividends payable	應付股息	4,440	-	-	4,440	4,440
Loan from a major shareholder	來自一名主要股東之貸款	46,000	-	-	46,000	44,864
		<b>73,251</b>	<b>-</b>	<b>-</b>	<b>73,251</b>	<b>72,115</b>
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>					
Non-derivative financial liabilities:	非衍生金融負債：					
Trade payables	應付貿易賬款	10,580	-	-	10,580	10,580
Other payables and accruals	其他應付賬款及應計賬款	2,224	-	-	2,224	2,224
Amount due to a major shareholder	應付一名主要股東款項	7,843	-	-	7,843	7,843
Dividends payable	應付股息	4,440	-	-	4,440	4,440
Loan from a major shareholder	來自一名主要股東之貸款	-	46,000	-	46,000	41,541
		<b>25,087</b>	<b>46,000</b>	<b>-</b>	<b>71,087</b>	<b>66,628</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (c) Fair value measurements of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices, respectively; and
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values due to their short-term maturities, except for the loan from a major shareholder, for which its carrying amount and fair value and the level of fair value hierarchy are disclosed below:

### 35. 金融工具 – 續

#### (c) 金融工具公平值計量

金融資產及金融負債之公平值釐定如下：

- 具有標準條款及條件並於活躍流動市場買賣之金融資產及金融負債，乃分別參考所報市場買盤價及賣盤價釐定公平值；及
- 其他金融資產及金融負債（不包括衍生工具）之公平值乃根據普遍採納定價模型按貼現現金流量分析使用可觀察現時市場交易之價格及類似工具交易商報價釐定。

董事認為，綜合財務報表中按攤銷成本入賬之金融資產及金融負債之賬面值，因到期日屬短期而與其公平值相若，惟來自一名主要股東之貸款除外，其賬面值及公平值以及公平值等級披露如下：

	Carrying amount at 31 December 2019	Fair value at 31 December 2019	Fair value measurements as at 31 December 2019 categorised into		
			Level 1	Level 2	Level 3
	於二零一九年十二月三十一日的賬面值	於二零一九年十二月三十一日的公平值	於二零一九年十二月三十一日的公平值計量分類為		
	RMB'000	RMB'000	Level 1 第一級 RMB'000	Level 2 第二級 RMB'000	Level 3 第三級 RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Loan from a major shareholder					
來自一名主要股東之貸款	44,864	43,100	-	-	43,100

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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### 35. FINANCIAL INSTRUMENTS – Continued

#### (c) Fair value measurements of financial instruments – Continued

	Carrying amount at 31 December 2018	Fair value at 31 December 2018	Fair value measurements as at 31 December 2018 categorised into		
			Level 1	Level 2	Level 3
	於二零一八年十二月三十一日的賬面值	於二零一八年十二月三十一日的公平值	第一級	第二級	第三級
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Loan from a major shareholder	41,541	34,600	-	-	34,600
來自一名主要股東之貸款					

#### Valuation techniques and inputs used in Level 3 fair value measurements

The loan from a major shareholder is an interest-free loan of RMB46,000,000, received from the major shareholder on 1 May 2017. The loan is repayable in full on 30 April 2020. The fair value of the loan is estimated as being the present values of future cash flows, discounted at prevailing market interest rates for an equivalent loan of 13% (2018: 15%).

### 35. 金融工具 – 續

#### (c) 金融工具公平值計量 – 續

#### 第三級公平值計量使用的估值技術及輸入數據

來自一名主要股東之貸款為於二零一七年五月一日自主要股東獲取的免息貸款人民幣46,000,000元。該貸款須於二零二零年四月三十日悉數償還。貸款公平值估計為按等額貸款之現行市場利率13%（二零一八年：15%）貼現的未來現金流量現值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 36. 本公司的財務狀況表

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Non-current assets</b>	<b>非流動資產</b>			
Investments in subsidiaries	於附屬公司的投資	(a)	2,332	725
			<b>2,332</b>	725
<b>Current assets</b>	<b>流動資產</b>			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		169	11
Bank balances and cash	銀行結餘及現金		10,028	10,043
			<b>10,197</b>	10,054
<b>Current liabilities</b>	<b>流動負債</b>			
Other payables and accruals	其他應付賬款及應計費用		641	747
Amounts due to subsidiaries	應付附屬公司款項		925	884
Amount due to a director	應付一名董事款項		11,357	–
Amount due to a major shareholder	應付一名主要股東款項		–	7,843
Dividends payable	應付股息		4,440	4,440
Loan from a major shareholder	來自一名主要股東之貸款		44,864	–
			<b>62,227</b>	13,914
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(52,030)</b>	(3,860)
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Loan from a major shareholder	來自一名主要股東之貸款		–	41,541
<b>Net liabilities</b>	<b>淨負債</b>		<b>(49,698)</b>	(44,676)
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本		50,000	50,000
Reserves	儲備	(b)	(99,698)	(94,676)
<b>Capital deficiency</b>	<b>資本虧絀</b>		<b>(49,698)</b>	(44,676)

The Company's statement of financial position was approved and authorised for issue by the board of directors on 31 March 2020 and are signed on its behalf by:

本公司的財務狀況表乃經董事會於二零二零年三月三十一日批准及授權刊發，並由下列董事代表簽署：

**He Keng**  
何鏗  
Director  
董事

**Wu Shan hong**  
吳珊紅  
Director  
董事

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY – Continued

### 36. 本公司的財務狀況表 – 續

Notes

附註

(a) Investments in subsidiaries

(a) 於附屬公司的投資

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
		<b>5,512</b>	3,905
Unlisted investments, at cost	非上市投資，按成本	<b>(3,180)</b>	(3,180)
Less: Accumulated impairment	減：累計減值	<b>2,332</b>	725

(b) Reserves

(b) 儲備

		Capital reserve 資本儲備 RMB'000 人民幣千元	Other reserve 其他儲備 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘公積金 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	40,449	258,993	23,701	(410,654)	(87,511)
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	(7,165)	(7,165)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	40,449	258,993	23,701	(417,819)	(94,676)
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	(5,022)	(5,022)
At 31 December 2019	於二零一九年十二月三十一日	<b>40,449</b>	<b>258,993</b>	<b>23,701</b>	<b>(422,841)</b>	<b>(99,698)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 37. PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 December 2019 and 2018 are as follows:

Name of subsidiary	Class of shares held	Place of incorporation/ registration and operation/ establishment 註冊成立/ 註冊及營運/ 成立地點	Date of incorporation/ establishment 註冊成立/成立日期	Paid up/ issued share capital 已繳足/ 已發行股本	Attributable equity interest held by the Company		Principal activities
					2019 二零一九年	2018 二零一八年	
Shenzhen Shi WanHao Wu Lian Technology Limited* 深圳市萬豪物聯科技有限公司*	Contributed capital 實繳股本	PRC 中國	25 December 2012 二零一二年十二月二十五日	RMB3,180,000 人民幣3,180,000元	100%	100%	Trading the electronic component and original equipment manufacturing electronic subassembly 買賣電子元件及原始設備製造電子部件
Hangzhou Jinqin Trading Co. Ltd.* 杭州金沁貿易有限公司*	Contributed capital 實繳股本	PRC* 中國*	5 May 2017 二零一七年五月五日	RMB2,097,000 人民幣2,097,000元	100%	100%	Trading the industrial electronic intelligent control equipment and electronic automation digital control system 買賣工業電子智能控制設備及電子自動數字控制系統
Hangzhou Qinyu Electronic Technology Co. Ltd.* 杭州沁玉電子科技有限公司*	Contributed capital 實繳股本	PRC* 中國*	7 May 2017 二零一七年五月七日	RMB235,000 人民幣235,000元	100%	100%	Trading the industrial electronic intelligent control equipment and electronic automation digital control system 買賣工業電子智能控制設備及電子自動數字控制系統

# Up to the reporting date, the Company only paid RMB2,332,000 for the registered share capital.

\* These entities are established in the form of limited liability Company.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year.

### 37. 主要附屬公司

於二零一九年及二零一八年十二月三十一日，本公司主要附屬公司詳情如下：

# 直至報告日期，本公司已繳註冊股本僅為人民幣2,332,000元。

\* 該等實體為有限責任公司。

於年末或年內任何時間，概無附屬公司有任何尚未償還的債務證券。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 38. DISPOSAL OF A SUBSIDIARY

On 29 June 2018, the Company entered into a sale and purchase agreement to dispose of its 100% equity interest in its subsidiary, Hong Kong Wan Li Enterprise Company Limited ("Hong Kong Wan Li") (香港萬豪企業有限公司) to an independent third party at a consideration of HK\$1. The principal activity of Hong Kong Wan Li is trading the electronic component and electronic subassembly. The disposal was completed on 26 September 2018. The net liabilities of Hong Kong Wan Li as at the date of completion of the above transaction were as follows:

### 38. 出售一間附屬公司

於二零一八年六月二十九日，本公司訂立買賣協議，將其附屬公司香港萬豪企業有限公司的全部(100%)股權以1港元對價出售予獨立第三方。香港萬豪的主要業務是買賣電子元件及電子組件。此項出售於二零一八年九月二十六日完成。香港萬豪於上述交易完成日期的淨負債如下：

		RMB'000 人民幣千元
<b>Net liabilities disposed of</b>	<b>出售淨負債</b>	–
Inventories	存貨	7
Amount due to a former director	應付前任董事的款項	(1,769)
Amount due to a director	應付董事的款項	(454)
		<hr/>
		(2,216)
Release of exchange reserve	釋放外匯儲備	(71)
Cash consideration received	收到的現金對價	1
		<hr/>
Gain on disposal of a subsidiary	出售一間附屬公司的收益	2,286
		<hr/>
Net cash inflow arising on disposal	出售時產生的現金流入淨額	1
		<hr/>

The subsidiary disposed during the year ended 31 December 2018 had no significant impact on the turnover and results of the Group.

截至二零一八年十二月三十一日止年度出售的附屬公司對本集團的營業額及業績並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### 39. EVENT AFTER THE REPORTING PERIOD

Effect assessment of the Novel Coronavirus disease outbreak since the outbreak of the Novel Coronavirus (COVID-19) disease in China, ongoing prevention and control measures have been carried out throughout the whole world. The epidemic will impact the overall economy as well as the Group's business operations of the sales of controller systems for electronic equipment and electronic component and subassembly for electronic appliances in PRC. Therefore, the Group's operations and revenue may be negatively affected to a certain extent depending on the effects of the prevention and control measures, duration of the outbreak and implementation of various policies. The Company will closely monitor the situation, and assess its impacts on the Group's financial position and operating results. As of the date of this annual report, such assessment is still ongoing.

### 39. 報告期後事項

自中國爆發新型冠狀病毒(COVID-19)以來，全球均已對新型冠狀病毒爆發進行影響評估並採取持續防控措施。該疫情將影響整體經濟以及本集團於中國銷售電子設備及電子元件的控制器系統及電子用品部件的業務經營。因此，本集團的經營及收益或會受到一定程度的負面影響，視乎防控措施的成效、爆發的持續時間及各項政策的落實而定。本公司將密切監控形勢，並評估其對本集團財務狀況及經營業績的影響。截至本年報日期，有關評估仍在進行中。

# Summary of Financial Information

## 財務資料摘要

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### RESULTS

### 業績

		For the year ended 31 December 截至十二月三十一日止年度				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益	66,558	61,706	44,529	14,337	56,427
Cost of sales	銷售成本	(64,429)	(57,716)	(43,905)	(12,648)	(54,477)
Gross profit	毛利	2,129	3,990	624	1,689	1,950
Other income	其他收入	200	77	14	5	512
Reversal of trade payables	撥回應付貿易賬款	-	-	-	-	850
Waiver of other payables and accruals and receipt in advances	豁免其他應付賬款、應計費用及預收款項	-	-	-	-	5,938
Impairment losses under expected credit loss model	預期信貸虧損模式下減值虧損	(363)	-	-	-	-
Selling and distribution expenses	銷售及分銷費用	(96)	(32)	-	-	-
Other gain and losses	其他收益和虧損	-	-	(556)	(445)	-
Administrative expenses	行政費用	(5,370)	(4,350)	(5,217)	(6,218)	(5,353)
Finance costs	融資成本	(3,323)	(3,077)	(1,948)	-	-
Gain on disposal of investment properties and prepaid lease payments	出售投資物業及預付租賃付款收益	-	-	-	2,343	-
Gain/(loss) on disposal/deregistration of subsidiaries	出售/撤銷登記附屬公司收益/(虧損)	-	2,286	(34)	-	627
(Loss)/profit before taxation	除稅前(虧損)/溢利	(6,823)	(1,106)	(7,117)	(2,626)	4,524
Income tax (expense)/credit	所得稅(開支)/抵免	(21)	(27)	(58)	2	-
(Loss)/profit for the year	年內(虧損)/溢利	(6,844)	(1,133)	(7,175)	(2,624)	4,524
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(6,844)	(1,133)	(7,175)	(2,624)	4,524
Non-controlling interests	非控股權益	-	-	-	-	-
(Loss)/profit for the year	年內(虧損)/溢利	(6,844)	(1,133)	(7,175)	(2,624)	4,524

# Summary of Financial Information

## 財務資料摘要

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

### ASSETS, LIABILITIES AND EQUITY

### 資產、負債及權益

		At 31 December 於十二月三十一日				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總額	<b>23,596</b>	26,161	28,968	15,388	16,079
Total liabilities	負債總額	<b>(72,280)</b>	(68,001)	(69,623)	(66,466)	(64,457)
		<b>(48,684)</b>	(41,840)	(40,655)	(51,078)	(48,378)
Equity attributable to owners of the Company	本公司擁有人 應佔權益	<b>(48,684)</b>	(41,840)	(40,655)	(51,078)	(48,378)
Non-controlling interests	非控股權益	-	-	-	-	-
		<b>(48,684)</b>	(41,840)	(40,655)	(51,078)	(48,378)

RUIYUAN  
瑞 远

浙江瑞遠智控科技股份有限公司

Zhejiang RuiYuan Intelligent Control Technology Company Limited\*