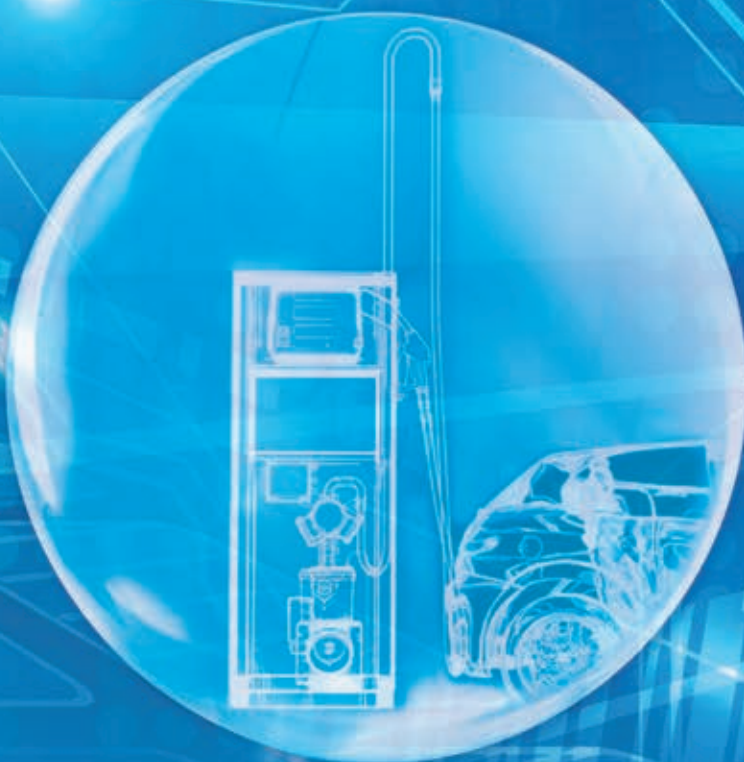


Trio Industrial Electronics Group Limited 致豐工業電子集團有限公司

(Incorporated in Hong Kong with limited liability) (於香港註冊成立的有限公司)

Stock Code 股份代號 : 1710



2017

Annual Report 年報

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CORPORATE INFORMATION 公司資料

EXECUTIVE DIRECTORS

Kwan Tak Sum Stanley (*Chairman*)
Lai Yiu Wah (*Deputy Chairman*)
Tai Leung Lam
Joseph Mac Carthy

INDEPENDENT NON-EXECUTIVE DIRECTORS

Fung Chun Chung
Cheung Kin Wing
Wong Raymond Fook Lam

REGISTERED OFFICE

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

COMPANY WEBSITE

www.trio-ieg.com

COMPANY SECRETARY

Fok Ka Fai (*ACIB, CB, ACS, ACIS*)

AUTHORISED REPRESENTATIVES

Kwan Tak Sum Stanley
Lai Yiu Wah

COMPLIANCE ADVISER

Halcyon Capital Limited

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor Prince's Building
Central, Hong Kong

STOCK CODE

1710

執行董事

關德深 (*主席*)
黎耀華 (*副主席*)
戴良林
Joseph Mac Carthy

獨立非執行董事

馮鎮中
張建榮
黃福霖

註冊辦事處

香港
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民裕街51號
凱旋工商中心2期
5樓J室

公司網站

www.trio-ieg.com

公司秘書

霍家輝 (*ACIB, CB, ACS, ACIS*)

授權代表

關德深
黎耀華

合規顧問

鎧盛資本有限公司

核數師

羅兵咸永道會計師事務所
執業會計師
香港中環
太子大廈22樓

股份代號

1710

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

Wong Raymond Fook Lam (*chairman*)
Kwan Tak Sum Stanley
Lai Yiu Wah
Fung Chun Chung
Cheung Kin Wing

NOMINATION COMMITTEE

Kwan Tak Sum Stanley (*chairman*)
Lai Yiu Wah
Fung Chun Chung
Wong Raymond Fook Lam

RISK MANAGEMENT COMMITTEE

Kwan Tak Sum Stanley (*chairman*)
Lai Yiu Wah
Cheung Kin Wing
Fung Chun Chung
Wong Raymond Fook Lam

SHARE REGISTRAR

Tricor Investor Services Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

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

審核委員會

張建榮 (*主席*)
馮鎮中
黃福霖

薪酬委員會

黃福霖 (*主席*)
關德深
黎耀華
馮鎮中
張建榮

提名委員會

關德深 (*主席*)
黎耀華
馮鎮中
黃福霖

風險管理委員會

關德深 (*主席*)
黎耀華
張建榮
馮鎮中
黃福霖

股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心
22樓

主要往來銀行

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

STATEMENT OF THE MANAGEMENT 管理層報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Trio Industrial Electronics Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), I am pleased to present to you the annual report of the Group for the year ended 31 December 2017.

With its continuous remarkable performance achieved in the industrial electronic manufacturing service (“**EMS**”) industry, the Company was successfully listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 November 2017 (the “**Listing Date**”). This achievement is significant to us as it enables us to gain access to the international capital markets, enhance our corporate and brand image, and strengthen further our leading position within the industrial electronics manufacturing sector in the region.

We offer our customers a comprehensive scope of services, from procurement of raw materials, manufacturing to product delivery. We also provide technical advice and engineering solutions to our customers during product design and development stage. Leveraging our substantial industry experience and expertise, we seek to continuously improve our production process, expand the scope of our services, and strengthen our manufacturing capabilities with a view to become a **manufacturer of world-class standard**. During 2017, we were in the process of applying for an accreditation to Industry 4.0. Based on the assessment by the relevant German appraisal institute and the progress information available to us, subject to any unforeseen circumstances, we anticipate that we shall be able to be accredited by the German institute for an Industry 4.0 level appropriate to our operations and standards by 2019. This accreditation will certainly endorse our positioning as a manufacturer of world-class standard, strengthen our competitiveness as well as enhance our reputation in the industry.

本人謹代表致豐工業電子集團有限公司（「本公司」，連同其附屬公司合稱「本集團」）董事（「董事」）組成之董事會（「董事會」），欣然向閣下提呈本集團截至二零一七年十二月三十一日止年度之年報。

隨著本公司持續在工業電子製造服務（「電子製造服務」）行業中取得突出成績，本公司於二零一七年十一月二十三日（「上市日期」）在香港聯合交易所有限公司（「聯交所」）主板成功上市。這成就對於我們意義重大，不僅讓我們可進入國際資本市場，亦可提升我們的企業及品牌形象，並進一步加強我們在區內工業電子製造行業中的領導地位。

我們向客戶提供由採購原材料、製造到交付產品的全面服務。於產品設計及開發階段，我們亦為客戶提供技術諮詢及工程解決方案。憑藉我們豐富的行業經驗及專業知識，我們尋求不斷改進我們的生產過程、擴展服務範圍及加強生產能力，務求成為**世界級水平生產商**。於二零一七年，我們正辦理申請工業4.0認證。根據相關德國評估機構的評估及我們所得的進度資料，除非出現任何不可預見情況，我們預計我們將可於二零一九年獲該德國機構頒授適用於我們營運及標準的工業4.0認證。此認證肯定認同了我們作為世界級水平生產商的地位，並加強我們的競爭力及提升我們於行業的聲譽。

STATEMENT OF THE MANAGEMENT
管理層報告

With governmental support for developing renewable energy in many countries and greater environmental awareness amongst the general public, it is anticipated that there will be an increasing proportion of energy generated from renewable sources. This stimulates the demand for renewable energy equipment. In addition, the rising popularity of big data analytics, cloud computing services, the 'Internet of Things' and many other innovated subjects will increase the requirement for industrial electronics products in all kind of aspects. To grasp these business opportunities, the Group has been approaching a number of potential customers in these emerging and innovative sectors for possible cooperation to meet the demand in evolving industries, such as electric vehicle ("EV") chargers, smart city systems, renewal energy facilities, medical and/or healthcare devices, etc. To facilitate our accommodation for the above demand, we established a Hong Kong subsidiary, e-Tech Engineering Company Limited ("e-Tech") in December 2017 to engage in the design and manufacture of industrial electronics products as original design manufacturer ("ODM"). We do not anticipate that such business expansion will generate a huge economic benefit to the Group in the short run; however, it is a gateway to sustain our competitiveness and long-term business growth.

The Dublin office in Ireland has been determined by the Board to be the regional headquarters of the European operations. This office will have many more functions and responsibilities than originally planned. It will work closely with the Hong Kong headquarters to promote businesses, global material sourcing and purchasing, and product design and development in the near future. Our European team comprises of six experienced executives at the moment, headed by Mr. Geoges Rene Gener, Chairman of the European Operations. The Dublin office is now cultivating research and development networks with the Irish governmental authorities, universities, design houses, start-ups, etc. We believe this is a critical and strategic move to correspond with the new visions and goals of the Group.

因應許多國家的政府對開發可再生能源的支持以及大眾的環保意識越來越高，預期可再生來源產生的能源比例將越來越高。這情況刺激對可再生能源設備的需求。此外，大數據分析、雲計算服務、「物聯網」及眾多其他創新產物的不斷普及，將使所有種類電子產品的需求不斷增加。為把握這些商機，本集團一直與該等新興及創新行業內的多名潛在客戶接洽，探討可能的合作機會，以滿足新興產品的需求，例如電動車（「**電動車**」）充電器、智能城市系統、再生能源設施、醫療及／或保健器材等。為提升我們的能力以滿足上述需求，我們已於二零一七年十二月成立一間名為依得利工程有限公司（「**依得利工程**」）的香港附屬公司，以作為原設計製造商（「**ODM**」）從事工業電子產品的設計及生產。我們不會預期上述業務擴展會在短期內為本集團帶來龐大經濟利益，但會是維持我們競爭力及長遠業務增長的一個關鍵途徑。

董事會已決定將愛爾蘭都柏林的辦事處定為歐洲業務的地區總部。這辦事處將具有原先所規劃的眾多功能及職責，並於不久將來與香港總部緊密合作，進行業務推廣、全球物料採購以及產品設計及開發。我們的歐洲團隊現時包括六名經驗豐富的行政人員，由歐洲業務主席 Geoges Rene Gener先生領導。都柏林的辦事處現正與愛爾蘭政府當局、各間大學、設計公司及初創公司等磋商建立研發網絡。我們相信，此乃關鍵及戰略性行動，符合本集團的新願景及目標。

STATEMENT OF THE MANAGEMENT

管理層報告

On behalf of the Board, I would like to extend our most sincere thanks to Mr. Kwan Tak Sum Stanley for his outstanding leadership and invaluable contributions to the growth of the Group in the past decades. We wish Mr. Kwan an enjoyable lifestyle and great success in his interests development. Moreover, I would also present my great appreciation to our management team and employees who have contributed to our success and are working towards achieving our visions. My heartfelt gratitude is also expressed to all of our business partners, customers, suppliers and the Shareholders. With your kind support and trust, I am confident that we will lead the Group to another milestone, a stage that our people will share pride and rewards.

本人謹代表董事會，對關德深先生於過去幾十年來為本集團作出的卓越領導和寶貴貢獻致以衷心感謝。我們謹此祝願關先生享受美滿人生，並在個人興趣發展方面取得成功。此外，本人亦為我們的成功作出貢獻並攜手合作達成我們願景的管理層及僱員，致以衷心謝意。本人亦對我們全體業務夥伴、客戶、供應商及股東感激不盡。得到您們的支持和信任，本人有信心我們會帶領本集團邁向另一里程碑，令我們全公司上下同感光榮、共享回報。

On behalf of the Board

Lai Yiu Wah

Deputy Chairman and Executive Director

Hong Kong, 23 March 2018

代表董事會

黎耀華

副主席兼執行董事

香港，二零一八年三月二十三日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in the manufacturing and sales of customised industrial electronic components and products, including (i) electro-mechanical products; (ii) switch-mode power supplies; and (iii) smart chargers. As an original equipment manufacturer (“OEM”), the Group manufactures products in accordance with the design and technical specifications provided by customers.

The Company’s shares have been successfully listed (“the Listing”) on the Main Board of the Stock Exchange on the Listing Date, which is a significant milestone in the Company’s history and strategic development. Since that date, the Company has been actively implementing its business strategies as set out in the prospectus dated 13 November 2017 (the “Prospectus”), which include, among other things, the establishment of Strategic Talent Centre (“STC”) in the Guangzhou City, Guangdong Province, the People’s Republic of China (the “PRC”) and the recruitment of high calibre personnel to enhance its competitiveness in the industrial electronics sector.

The Group’s performance continued to be strong in the financial year ended 31 December 2017 (“FY2017”). With the comprehensive scope of services, together with the in-house developed manufacturing execution system, Trio Manufacturing In-line Control System (“T-MICS”), and quality control system, the Group differentiated itself from other EMS suppliers, and managed it to keep the growing momentum in all dimensions in FY2017. The Group experienced an increase in revenue, gross profit and gross profit margin in FY2017, which were mainly due to an increase in customer demands on the Group’s products and cost cutting initiatives on programs of raw materials achieved by the Group. The growth in gross profit and gross profit margin in FY2017, however, was less than the management’s expectation, which was mainly due to shortage in supplies of certain components in the second half of 2017 which had deferred production and product shipment during this period. The Group has exercised more prudent measures to make better planning in material sourcing to push stock on hand a bit forward to ensure materials can all be in stock for production to satisfy customers’ order demand.

業務回顧

本集團主要從事製造及銷售定制的工業電子零件及產品，包括(i)機電產品；(ii)開關電源；及(iii)智能充電器。作為原始設備製造商（「OEM」），本集團按照客戶提供的設計及技術規格製造產品。

本公司股份於上市日期在聯交所主板成功上市（「上市」），為本公司歷史及戰略發展的一大里程碑。自該日起，本公司一直積極執行本公司日期為二零一七年十一月十三日的招股章程（「招股章程」）所載的業務策略，包括（但不限於）在中華人民共和國（「中國」）廣東省廣州市設立戰略人才中心（「戰略人才中心」），以及招聘優秀人才，以提升本公司在工業電子行業的競爭力。

本集團於截至二零一七年十二月三十一日止財政年度（「二零一七年財政年度」）的表現持續強勁。憑藉全方面的服務，加上內部開發的生產執行系統致豐製造在線控制系統（「T-MICS」）及品質控制系統，本集團在其他電子製造服務供應商中獨樹一幟，使本集團於二零一七年財政年度在各方面都能保持增長動力。本集團於二零一七年財政年度之收益、毛利及毛利率均有增長，主要由於客戶對本集團產品的需求上升以及本集團的削減原材料成本措施取得成效所致。然而，二零一七年財政年度之毛利及毛利率增長遜於管理層的預期，主要原因是二零一七年下半年若干部件的供應短缺，導致期內生產及產品付運受到延誤。本集團已實行更審慎措施，更好地規劃物料採購以預早為未來生產購入物料，確保有足夠存貨用作生產以滿足客戶的訂單需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Excluding the impact of one-off listing expenses of HK\$13.5 million and HK\$4.0 million in FY2017 and the financial year ended 31 December 2016 (“FY2016”), respectively, the adjusted profit before income tax in FY2017 of HK\$100.6 million would remain comparable with that in FY2016 of HK\$101.4 million.

In order to achieve continuous business growth, the Group established a Hong Kong subsidiary, e-Tech, in December 2017 to engage in the design and manufacture of industrial electronics products as ODM. The Group has been in touch with a number of potential customers in new emerging and innovative sectors for possible cooperation to supply products to be applied in evolving industries, such as EV chargers, renewal energy facilities, medical and/or healthcare devices, etc. Subsequent to FY2017, the Group has set up new offices in Dublin, Ireland and Munich, Germany according to the Group's business strategy to engage in sales and marketing, global sourcing of electronics materials and service support in the European region. These new offices will allow the Group to penetrate into new markets and further explore potential business opportunities in Europe.

FINANCIAL REVIEW

Revenue

During FY2017, key driver of the Group's growth in revenue was mainly from the increase in sales of electro-mechanical products and switch-mode power supplies, contributed by the increase in sales orders from these customers.

The table below summarises the amount of revenue generated and as a percentage of total revenue from each product category for FY2017 and FY2016:

二零一七年財政年度及截至二零一六年十二月三十一日止財政年度（「二零一六年財政年度」）之一次性上市開支分別為13,500,000港元及4,000,000港元，若撇除該等開支，則二零一七年財政年度之經調整除所得稅前溢利為100,600,000港元，與二零一六年財政年度之101,400,000港元相若。

為了達到持續業務增長，本集團於二零一七年十二月成立了一間名為依得利工程的香港附屬公司，以作為ODM從事工業電子產品的設計及生產。本集團一直與新興及創新行業內的多名潛在客戶接觸，探討是否有可能合作，以供應在新興行業內應用的產品，例如電動車充電器、再生能源設施、醫療及／或保健器材等。於二零一七年財政年度後，本集團已按照其業務策略，在愛爾蘭都柏林及德國慕尼黑設立新辦事處，以在歐洲區內從事銷售及營銷、全球電子物料的採購以及提供相關的服務支援工作。該等新辦事處將讓本集團可進軍新市場，並進一步探討歐洲區內的潛在商機。

財務回顧

收益

於二零一七年財政年度，本集團收益增長的主要動力來自機電產品及開關電源的客户訂單增加，帶動該等產品的銷售增長。

下表概述各產品類別於二零一七年財政年度及二零一六年財政年度所產生的收益金額，以及佔總收益的百分比：

		2017 二零一七年		2016 二零一六年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Smart chargers	智能充電器	341,538	43.3	336,601	45.2
Electro-mechanical products	機電產品	292,040	37.1	257,708	34.6
Switch-mode power supplies	開關電源	147,074	18.7	138,520	18.6
Others ⁽¹⁾	其他 ⁽¹⁾	7,390	0.9	12,070	1.6
Total	總計	788,042	100.0	744,899	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Note:

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

The Group recorded an increase in revenue by 5.8% from HK\$744.9 million in FY2016 to HK\$788.0 million in FY2017, which was mainly attributable to the increase in sales of electro-mechanical products applied for professional beauty and animal grooming products, renewable energy facilities, water filtration systems, and access and security control systems, as well as the increase in revenue from switch-mode power supplies which included power supply modules and power supply boards for industrial use.

The table below summarises the geographical revenue segment based on the location of customers for FY2017 and FY2016:

		2017 二零一七年		2016 二零一六年	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Europe ⁽¹⁾	歐洲 ⁽¹⁾	494,829	62.8	465,129	62.4
North America ⁽²⁾	北美 ⁽²⁾	210,093	26.7	215,004	28.9
South-east Asia ⁽³⁾	東南亞 ⁽³⁾	34,819	4.4	32,314	4.3
The PRC (including Hong Kong)	中國 (包括香港)	31,663	4.0	24,609	3.3
Others ⁽⁴⁾	其他 ⁽⁴⁾	16,638	2.1	7,843	1.1
Total	總計	788,042	100.0	744,899	100.0

Notes:

(1) Europe includes Austria, Denmark, France, Germany, Hungary, Ireland, Italy, Sweden, Switzerland and the United Kingdom.

(2) The USA and Canada for FY2016; the USA for FY2017.

(3) South-east Asia includes Malaysia, Singapore and the Philippines.

(4) Others include Australia, India, Israel and Japan.

Europe and North America remained the two largest overseas markets of the Group which in aggregate contributed over 89.5% and 91.3% of our total revenue during FY2017 and FY2016, respectively. Growth of the European market was mainly attributed to the continuous increase in sales of electro-mechanical products and switch-mode power supplies to this market during FY2017.

附註：

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

本集團之收益由二零一六年財政年度之744,900,000港元增加5.8%至二零一七年財政年度之788,000,000港元，主要由於應用於專業美容及動物護理產品、可再生能源設施、濾水系統及門禁及保安監控系統之機電產品之銷售上升，以及作工業用途的開關電源（包括電源模組及電源板）之收益增加所致。

下表概述於二零一七年財政年度及二零一六年財政年度按客戶位置分類的地理收益分部：

附註：

(1) 歐洲包括奧地利、丹麥、法國、德國、匈牙利、愛爾蘭、意大利、瑞典、瑞士及英國。

(2) 二零一六年財政年度為美國及加拿大；二零一七年財政年度為美國。

(3) 東南亞包括馬來西亞、新加坡及菲律賓。

(4) 其他包括澳洲、印度、以色列及日本。

歐洲及北美仍是本集團兩個最大海外市場，總計於二零一七年財政年度及二零一六年財政年度分別貢獻我們總收益超過89.5%及91.3%。歐洲市場的增長主要是由於二零一七年財政年度內向該市場銷售機電產品及開關電源的銷售額持續增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of sales

The cost of sales of the Group in FY2017 primarily comprised of direct materials, direct labour cost, and manufacturing overheads. While the revenue increased by 5.8%, the cost of sales only increased by 2.9% from HK\$536.4 million in FY2016 to HK\$552.1 million in FY2017, which was mainly due to cost cutting initiatives on programs of raw materials achieved by the Group.

Gross profit and gross profit margin

The Group's gross profit was HK\$235.9 million and HK\$208.5 million, representing a gross profit margin of 29.9% and 28.0% in FY2017 and FY2016, respectively. Such increase was mainly contributed by the increase in customer demands on the Group's products and the achievement of cost cutting initiatives on raw materials during FY2017.

Other (loss)/income

Other (loss)/income in FY2017 and FY2016 amounted to a loss of HK\$2.9 million and a gain of HK\$6.0 million, respectively. Due to the appreciation of Renminbi ("RMB") and Euros ("EUR"), the Group recorded a loss on foreign exchange of HK\$4.4 million in FY2017, while in FY2016, as a result of the depreciation of RMB and EUR, the Group recorded a gain on foreign exchange of HK\$4.2 million.

Selling and distribution expenses

Selling and distribution expenses mainly comprised of (i) freight, insurance and transportation charges; (ii) marketing and promotion expenses; and (iii) custom and declaration charges.

Selling and distribution expenses increased from HK\$15.7 million in FY2016 to HK\$17.2 million in FY2017. The increase was mainly attributable to the increase in freight, insurance and transportation charges as a result of the increase in sales to Europe, the PRC and other regions.

銷售成本

本集團於二零一七年財政年度之銷售成本主要包括直接物料費用、直接勞工成本及生產開支。雖然收益增加5.8%，但銷售成本僅由二零一六年財政年度之536,400,000港元增加2.9%至二零一七年財政年度之552,100,000港元，主要由於本集團削減原材料成本措施取得成效所致。

毛利及毛利率

本集團於二零一七年財政年度及二零一六年財政年度之毛利分別為235,900,000港元及208,500,000港元，即毛利率分別為29.9%及28.0%。毛利上升，主要是由於二零一七年財政年度客戶對本集團產品的需求上升，加上削減原材料成本措施取得成效所致。

其他（虧損）／收入

二零一七年財政年度及二零一六年財政年度之其他（虧損）／收入，分別為虧損2,900,000港元及收益6,000,000港元。由於人民幣及歐元升值，本集團於二零一七年財政年度錄得外匯虧損4,400,000港元，而本集團於二零一六年財政年度則因人民幣及歐元貶值而錄得外匯收益4,200,000港元。

銷售及分銷費用

銷售及分銷費用主要包括(i)貨運、保險及運輸費；(ii)市場推廣及宣傳開支；及(iii)海關報關費。

銷售及分銷費由二零一六年財政年度之15,700,000港元增加至二零一七年財政年度之17,200,000港元。費用增加，主要歸因於向歐洲、中國及其他地區的銷售上升而導致運費、保險費及運輸費用增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Administrative expenses

The Group recorded an increase in administrative expenses of 28.1% from HK\$90.1 million in FY2016 to HK\$115.3 million in FY2017. This increase was primarily because of the increase in employee benefit expenses as a result of (i) bonus to the Group's staff; (ii) annual salary increment; (iii) the record of directors' fee for newly appointed Independent Non-executive Directors; and (iv) Executive Directors' remuneration increment during FY2017. The increase in administrative expenses was also due to the increase in listing expenses from HK\$4.0 million in FY2016 to HK\$13.5 million in FY2017.

Other operating expenses

Other operating expenses increased from HK\$1.9 million in FY2016 to HK\$4.3 million in FY2017. This was mainly due to (i) an increase in provision for impairment loss/write-off of obsolete inventories from HK\$1.6 million in FY2016 to HK\$2.2 million in FY2017 pursuant to the Group's inventory provision policies; and (ii) a decrease in a gain on derivative financial instruments in relation to a number of RMB forward foreign exchange contracts in FY2017 from HK\$1.2 million in FY2016 to HK\$0.1 million in FY2017 as most of the forward foreign exchange contracts had expired in the first quarter of FY2017.

Finance expenses, net

Net finance expenses decreased slightly by 4.3% from HK\$9.5 million in FY2016 to HK\$9.1 million in FY2017. The decrease was mainly due to the decrease in bank interest expense as a result of the decrease in bank borrowings during FY2017.

Income tax expense

Income tax expense decreased by 22.4% from HK\$22.1 million in FY2016 to HK\$17.1 million in FY2017, which was primarily due to a reduced income tax expense for Trio Microtronics Co., Ltd. ("Trio Microtronics") as a result of a preferential tax rate of 15% from the recognition of "New and High Technology Enterprise" applicable in FY2017. Further details in applying the preferential tax rate to determine income tax expense is set out in note 11 to the consolidated financial statements in this annual report.

行政開支

本集團的行政開支由二零一六年財政年度之90,100,000港元增加28.1%至二零一七年財政年度之115,300,000港元。行政開支主要歸因於僱員福利開支增加，而僱員福利開支增加則由於以下原因導致：(i)向本集團員工派發花紅；(ii)年度薪金調升；(iii)新委任的獨立非執行董事的董事袍金入賬；及(iv)於二零一七年財政年度的執行董事酬金上升。行政開支增加，亦歸因於上市費用由二零一六年財政年度之4,000,000港元增加至二零一七年財政年度之13,500,000港元。

其他經營開支

其他經營開支由二零一六年財政年度之1,900,000港元增加至二零一七年財政年度之4,300,000港元。主要原因為：(i)根據本集團的存貨撥備政策，陳舊存貨的減值虧損撥備／撇銷由二零一六年財政年度之1,600,000港元增加至二零一七年財政年度之2,200,000港元；及(ii)有關多份人民幣遠期外匯合約的衍生金融工具收益，由二零一六年財政年度之1,200,000港元減少至二零一七年財政年度之100,000港元，原因是大部份遠期外匯合約已於二零一七年財政年度第一季到期。

財務開支淨額

財務開支淨額由截至二零一六年財政年度之9,500,000港元，輕微減少4.3%至二零一七年財政年度之9,100,000港元。開支減少，主要由於二零一七年財政年度的銀行借款減少而導致銀行利息開支減少。

所得稅開支

所得稅開支由二零一六年財政年度之22,100,000港元減少22.4%至二零一七年財政年度之17,100,000港元，主要由於致豐微電器有限公司（「致豐微電器」）於二零一七年財政年度獲認定為「高新技術企業」而獲享優惠稅率15%，而令來自致豐微電器之所得稅開支減少。有關應用優惠稅率以釐定所得稅開支的進一步詳情載於本年報的綜合財務報表附註11。

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Profit for the year

As a result of the above, the Group's profit in FY2017 decreased by 7.0% from HK\$75.3 million in FY2016 to HK\$70.0 million in FY2017. The net profit margin also decreased from 10.1% in FY2016 to 8.9% in FY2017. This was mainly due to an increase in listing expenses by HK\$9.5 million in FY2017.

LIQUIDITY AND FINANCIAL RESOURCES

During FY2017, the Group's operation and capital requirements were financed principally through a combination of cash flows generated from the operating activities, proceeds from the Listing and bank borrowings. As at 31 December 2017 and 2016, the Group had net current assets of HK\$288.5 million and HK\$107.7 million, respectively, including bank balances and cash (including restricted bank deposits) of HK\$169.7 million and HK\$16.6 million, respectively. The Group's current ratio (as calculated by current assets divided by current liabilities) increased from 1.8 times as at 31 December 2016 to 2.5 times as at 31 December 2017. Gearing ratio is calculated by net debt divided by total capital as at the end of the year. Net debt is calculated as total borrowings (including bank borrowings and finance lease payables) less cash and bank balances, while total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable. The Group's gearing ratio as at 31 December 2017 and 2016 was nil and 9.3%, respectively. The improvement in liquidity and gearing positions was mainly attributable to the increase in working capital level from the net proceeds received from the Listing during FY2017.

FINANCIAL RISK MANAGEMENT

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

本年度溢利

基於以上理由，本集團二零一七年財政年度的溢利由二零一六年財政年度之75,300,000港元，減少7.0%至二零一七年財政年度之70,000,000港元。純利率亦由二零一六年財政年度的10.1%下降至二零一七年財政年度的8.9%，主要由於二零一七年財政年度的上市費用增加9,500,000港元所致。

流動資金及財務資源

於二零一七年財政年度，本集團主要透過經營活動所得現金流、上市所得款項及銀行借款撥付營運及資金需要。於二零一七年及二零一六年十二月三十一日，本集團的流動資產淨額分別為288,500,000港元及107,700,000港元，包括銀行結餘及現金（包括受限制銀行存款）分別約169,700,000港元及16,600,000港元。本集團的流動比率（按流動資產除以流動負債計算）由二零一六年十二月三十一日的1.8倍上升至二零一七年十二月三十一日的2.5倍。資產負債比率乃根據年末的債項淨額除以總資本計算得出。債項淨額乃根據借款總額（包括銀行借款及融資租賃應付款項）減現金及銀行結餘計算，而總資本則以綜合財務狀況表內所示的「權益」加上債項淨額（如適用）計算。於二零一七年及二零一六年十二月三十一日，本集團的資產負債比率分別為零及9.3%。流動資金及資產負債狀況改善，主要歸因於二零一七年財政年度上市所收取的所得款項淨額令營運資金水平上升。

財務風險管理

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

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Foreign exchange risk

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

The management of the Company has set up a policy to require the group companies to manage their foreign exchange risk against their functional currencies. The group companies do not adopt formal hedge accounting policy. It manages its foreign currency risk by closely monitoring the movements of foreign currency rates and will consider to enter into forward foreign exchange contracts to reduce the exposure should the need arises.

A gain on derivative financial instruments of HK\$0.1 million was recognised in FY2017, decreased by 87.6% from HK\$1.2 million in FY2016, as most of the forward foreign exchange contracts had expired in the first quarter of FY2017.

During FY2017, no new forward foreign exchange contracts had been entered into by the Group.

Cash flow and fair value interest rate risk

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

As at 31 December 2017, the Group has bank borrowings of HK\$18.0 million (2016: HK\$19.0 million), which are primarily denominated in HK\$ and US\$.

外匯風險

本集團主要於香港及中國經營。本集團內實體面對若干貨幣產生的外匯風險，主要有關港元、歐元及人民幣。外匯風險產生自以並非有關實體功能貨幣計值的出口銷售、購買、其他日後商業交易以及貨幣資產及負債。

本公司管理層已制定政策要求集團公司管理其功能貨幣面對的外匯風險。集團公司並無採納正式對沖會計政策。其透過密切監察外幣匯率變動管理其外幣風險，並將考慮在必要時訂立遠期外匯合約以減低風險。

二零一七年財政年度已確認衍生金融工具收益100,000港元，較二零一六年財政年度的1,200,000港元減少87.6%，原因是大部分遠期外匯合約已於二零一七年財政年度第一季到期。

於二零一七年財政年度，本集團並無訂立新遠期外匯合約。

現金流量及公平值利率風險

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

於二零一七年十二月三十一日，本集團有銀行借款18,000,000港元(二零一六年：19,000,000港元)，主要以港元及美元計值。

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Credit risk

Credit risk arises mainly from cash deposited at banks, trade receivables, deposits and other receivables.

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

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

As at 31 December 2017, the customer bases are widely dispersed despite that 37.3% (2016: 43.9%) of the trade receivable were due from the Group's largest customer and 70.5% (2016: 77.9%) were due from the five largest customers determined on the same basis.

Liquidity risk

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

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

信貸風險

信貸風險主要產生自存放於銀行的現金、貿易應收款項、按金及其他應收款項。

就存放於銀行的現金，信貸風險被視為很低，乃由於對方為國際信貸評級機構給予高信貸評級的銀行。

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

於二零一七年十二月三十一日，儘管客戶群基本分散，但貿易應收款項的37.3%（二零一六年：43.9%）乃應收自本集團的最大客戶，而按同一基準釐定則70.5%（二零一六年：77.9%）乃應收自五大客戶。

流動資金風險

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

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

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COMMITMENTS

The Group's contract commitments mainly include minimum lease payment under non-cancellable operating leases in respect of rented premises amounted to HK\$2.6 million and HK\$1.4 million as at 31 December 2017 and 2016, respectively.

CAPITAL STRUCTURE

The Company's shares were successfully listed on the Main Board of the Stock Exchange on the Listing Date. There has been no change in the capital structure of the Group since then. The share capital of the Company only comprises of ordinary shares.

As at 31 December 2017, the Company had 1,000,000,000 shares in issue.

SIGNIFICANT INVESTMENTS

As at 31 December 2017, the Group did not hold any significant investments (2016:none).

MATERIAL ACQUISITIONS OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Prior to the Listing, the Group completed the Reorganisation, details of which are set out in note 1.2 to the consolidated financial statements in this annual report. Subsequent to the completion of the Reorganisation and up to the date of this annual report, the Group did not have any acquisitions or disposals of subsidiaries and affiliated companies.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as those disclosed in the Prospectus or otherwise in this annual report, the Group currently has no other plan for material investments and capital assets.

CONTINGENT LIABILITIES

The Group did not have material contingent liabilities as at 31 December 2017 (2016: none).

承擔

本集團之合約承擔主要包括有關租賃物業的不可撤銷經營租賃項下之最低租金付款，於二零一七年及二零一六年十二月三十一日分別為2,600,000港元及1,400,000港元。

資本架構

本公司股份於上市日期成功在聯交所主板上市。自此，本集團的資本架構並無變動。本公司的股本僅包括普通股。

於二零一七年十二月三十一日，本公司有1,000,000,000股已發行股份。

重大投資

於二零一七年十二月三十一日，本集團並無持有任何重大投資（二零一六年：無）。

重大收購或出售附屬公司及聯屬公司

於上市前，本集團完成重組，詳情載於本年報綜合財務報表附註1.2。完成重組後及截至本年報日期，本集團並無收購或出售任何附屬公司及聯屬公司。

有關重大投資及資本資產的未來計劃

除招股章程或本年報另行披露者外，本集團目前並無其他有關重大投資及資本資產的計劃。

或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債（二零一六年：無）。

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TREASURY MANAGEMENT

During FY2017, there had been no material change in the Group's funding and treasury policies. The Group has a sufficient level of cash and banking facilities for the conduct of its trade in the normal course of business.

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

PLEDGE OF ASSETS

As at 31 December 2017, the financial asset at fair value through profit or loss amounted to HK\$2.7 million (2016: HK\$2.5 million), property, plant and equipment amounted to HK\$24.4 million (2016: HK\$23.9 million) and bank deposits amounted to HK\$8.1 million (2016: HK\$10.1 million) have been charged as security for bank borrowings of the Group.

As at 31 December 2017, the Group had property, plant and equipment with net book value amounted to HK\$1.7 million held under finance leases (2016: HK\$4.0 million).

EMPLOYEES AND REMUNERATION POLICIES

The total number of employees were approximately 1,600 as at 31 December 2017 (2016: approximately 1,600). The Group's employee benefit expenses mainly included salaries, overtime payment and discretionary bonus, share options, other staff benefits and contributions to retirement schemes. For FY2017, the Group's total employee benefit expenses (including Directors' emoluments) amounted to HK\$152.7 million (2016: HK\$132.3 million).

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

庫務管理

於二零一七年財政年度，本集團的融資及庫務政策並無重大變動。本集團具備充足水平的現金及銀行信貸，以供其在一般業務過程中進行貿易活動。

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

資產抵押

於二零一七年十二月三十一日，按公平值計入損益賬的金融資產2,700,000港元（二零一六年：2,500,000港元）、物業、廠房及設備24,400,000港元（二零一六年：23,900,000港元）以及銀行存款8,100,000港元（二零一六年：10,100,000港元）經已抵押，作為本集團銀行借款的擔保。

於二零一七年十二月三十一日，本集團根據融資租賃持有賬面淨值為1,700,000港元（二零一六年：4,000,000港元）的物業、廠房及設備。

僱員及薪酬政策

於二零一七年十二月三十一日合共聘用約1,600名僱員（二零一六年：約1,600名）。本集團的僱員福利開支主要包括薪金、加班工資及酌情花紅、購股權、其他僱員福利及退休計劃供款。於二零一七年財政年度，本集團僱員福利開支總額（包括董事酬金）為152,700,000港元（二零一六年：132,300,000港元）。

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

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and that the risks of non-compliance with such requirements. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Group has complied with all relevant laws and regulations in Hong Kong and the applicable PRC labour laws and regulations in all material respects during the year ended 31 December 2017 save for the matters disclosed in "Non-compliance Matters" under the section "Business" in the Prospectus.

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

ENVIRONMENTAL POLICY

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

RELATIONSHIPS WITH STAKEHOLDERS

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

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

The Group also maintains effective communication and develops long term and stable relationships with suppliers. During the year ended 31 December 2017, there was no material dispute nor disagreement between the Group and its suppliers.

遵守法例及法規

本集團深明遵守監管規定的重要性以及不遵守有關規定所涉及的風險。就董事作出一切合理查詢後所深知、盡悉及確信，於截至二零一七年十二月三十一日止年度，本集團已在各主要方面遵守香港一切相關法例及法規以及適用的中國勞動法例及規例，惟招股章程內「業務」一節「不合規事宜」所披露的事宜除外。

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

環保政策

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

與持份者的關係

本集團視僱員為本集團其中一項寶貴資產。本集團嚴格遵守香港的勞動法例及法規，並定期審閱並完善現有員工福利。

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

本集團亦與供應商維持有效溝通，並建立長期穩定關係。截至二零一七年十二月三十一日止年度，本集團與供應商之間並無任何重大糾紛或意見分歧。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

COMPARISON OF BUSINESS STRATEGIES WITH ACTUAL BUSINESS PROGRESS

業務策略與實際業務進展之比較

The following sets out a comparison of the business strategies as stated in the Prospectus with the Group's actual business progress for FY2017 and up to the date of this annual report:

下文載列於二零一七年財政年度及截至本年報日期，招股章程所載的業務策略與本集團實際業務進展之比較：

Business strategies as stated in the Prospectus 招股章程所述的業務策略	Actual business progress up to the date of this annual report 截至本年報日期的實際業務進展
<p>Continue to expand the customer base in the European market and explore new markets in the PRC, the USA and other Asian countries</p> <p>持續擴展歐洲市場客戶群以及在中國、美國及其他亞洲國家開拓新市場</p>	<p>There has been satisfactory progress in exploring new potential customers in different regions. The Group has successfully attracted two new customers, which are expected to have solid sales orders placed with the Group in 2018. As well, the sales orders backlog and pipelines are normal, healthy and have increased comparing to the corresponding period in 2017.</p> <p>在不同地區內開拓新潛在客戶方面已取得理想進展。本集團已成功吸納兩名新客戶，而預期該等客戶將於二零一八年向本集團發出實質銷售訂單。此外，未完成及準備中的銷售訂單屬正常和健康水平，並與二零一七年同時間比較有所增長。</p>
<p>Manufacture products of higher value and/or with higher profit contribution per the resources</p> <p>生產按資源價值較高及／或利潤較高的產品</p>	<p>To explore more business opportunities in manufacturing products with higher value and/or higher profit contribution margin, the Group (i) proactively participates in more industry exhibitions to promote and market its products to local and overseas electronics manufacturers in new emerging and innovative sectors, such as EV chargers, healthcare/medical industry, etc.; (ii) sets up new offices in Europe to provide platforms for direct communication with our existing and potential customers; and (iii) cooperates with existing and potential customers, design houses and engineers to develop innovations and technologies in new industries.</p> <p>為了探討生產較高價值及／或較高利潤的產品的更多商機，本集團(i)積極參與更多行業展覽，以向新興及創新行業(例如電動車充電器、保健／醫療行業等)的本地及海外電子製造商推廣和推銷本集團的產品；(ii)在歐洲開設新辦事處，以提供平台讓本集團可與現有及潛在客戶直接溝通；及(iii)與現有及潛在客戶、設計公司及工程人員合作，以開發新行業中的創新科技。</p>

MANAGEMENT DISCUSSION AND ANALYSIS

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Business strategies as stated in the Prospectus 招股章程所述的業務策略	Actual business progress up to the date of this annual report 截至本年報日期的實際業務進展
Continue to expand the operations in ATE business segment 繼續擴大自動化檢測設備業務	The Group has actively started the marketing of ATE business in the fourth quarter of FY2017. It is a solid supplementary advantage that the Group can offer to its existing and potential customers. 本集團已於二零一七年財政年度第四季度積極展開自動化檢測設備業務的營銷工作。此乃本集團可向現有及潛在客戶提供的可靠的補充優勢。
Further enhance the production efficiency and expand the production capacity	The Group is working closely with Shiji Cooperative Economic Association of Dongchong Town, Nansha District, Guangzhou City, Guangdong Province (廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社), the landlord of the Group's Nansha plant, and the construction company on the construction and design layouts of new factory buildings to ensure relevant approvals and certificates can be obtained to implement the expansion project.
進一步提高生產效率及擴大產能	本集團正就新工廠大廈的建築及設計布局，與廣東省廣州市南沙區東涌鎮石基股份合作經濟聯合社（為本集團南沙廠房的地主）及建築公司緊密合作，以確保可獲取相關批文及證書從而實行擴展計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business strategies as stated in the Prospectus 招股章程所述的業務策略	Actual business progress up to the date of this annual report 截至本年報日期的實際業務進展
<p>Strengthen the sales and marketing efforts in the industrial EMS sector</p>	<p>The Group set up offices in Dublin, Ireland and Munich, Germany to engage in sales and marketing, global sourcing of electronics materials and service support in the European region. Another office in Paris, France, as stated in the Prospectus, is scheduled to be established by mid-2018.</p>
<p>加強對工業電子製造服務領域的銷售及營銷力度</p>	<p>本集團已在愛爾蘭都柏林及德國慕尼黑設立新辦事處，以在歐洲區內從事銷售及營銷、全球電子物料的採購以及提供相關服務的支援工作。招股章程所述另一間位於法國巴黎的辦事處預定於二零一八年年中成立。</p>
<p>Continue to recruit talents and professionals</p>	<p>The STC in the Guangzhou City was formally set up in the fourth quarter of FY 2017. Recruitment of high calibre talents is in good progress and as at date of this annual report, the number of employees working in this STC is eight. The management of the Company is optimistic to further recruit talents of necessary level and number at this STC in the coming months.</p>
<p>繼續招聘優秀人才及專業人士</p>	<p>位於廣州市的戰略人才中心已於二零一七年財政年度第四季度成立。優秀人才的招聘過程進展順利，而截至本年報日期，有八名僱員在該戰略人才中心工作。本公司管理層對於未來數月進一步招聘該戰略人才中心所需水平及人數的人才深感樂觀。</p>

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

USE OF PROCEEDS

The Company's shares have been successfully listed on the Stock Exchange on the Listing Date. The actual net proceeds from the Listing, after deducting the listing-related expenses, were HK\$110.0 million (the "Actual Net Proceeds"). The table below sets out an adjusted allocation as adjusted in the same manner and same proportions as shown in the Prospectus and the actual use of the Actual Net Proceeds as at 31 December 2017.

所得款項用途

本公司股份已成功於上市日期在聯交所上市。經扣除上市相關開支後，上市的實際所得款項淨額為110,000,000港元（「實際所得款項淨額」）。下表載列實際所得款項淨額截至二零一七年十二月三十一日的經調整分配（按招股章程所示的相同方式及相同比例作調整）及實際用途：

Business strategies as set out in the Prospectus 招股章程所載的業務策略	The Actual Net Proceeds	Incurred at 31 December 2017	Balance as at 31 December 2017
	實際所得款項淨額	於二零一七年十二月三十一日已動用	於二零一七年十二月三十一日之結餘
	HK\$' million 百萬港元	HK\$' million 百萬港元	HK\$' million 百萬港元
Development of new production base 發展新生產基地	77.8	-	77.8
Upgrading of existing production facilities 升級現有生產設施	4.5	-	4.5
Establishment of offices in Dublin, Ireland and Paris, France 在愛爾蘭都柏林及法國巴黎建立辦事處	11.3	-	11.3
Establishment of the STC in the Guangzhou City, Guangdong Province, the PRC 在中國廣東省廣州市建立戰略人才中心	11.3	0.1	11.2
Working capital and other general corporate purposes 營運資金及其他一般企業用途	5.1	5.1	-
	110.0	5.2	104.8

The unutilised net proceeds have been deposited in interest-bearing bank accounts with licensed banks in Hong Kong.

未動用的所得款項淨額經已存放在香港持牌銀行的計息銀行賬戶內。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FUTURE PROSPECTS

The Company's shares were successfully listed on the Main Board of Stock Exchange on the Listing Date. The Board considers that such public listing status on the Stock Exchange allows the Company to gain access to the capital market for corporate finance exercise which will assist the Group in future business development, enhances its corporate profile and recognition and strengthens its competitiveness.

Looking into 2018, despite the uncertainties and competition, the Group will continue to actively explore new market opportunities and strive for new developments. To reach the long-term goal of being a manufacturer of world-class standard, the Group will continue to place investment in the production, engineering and information technology facilities. The Group will continue to invest in upgrading production facilities to achieve the accreditation of Industry 4.0 in 2019, set up European offices to expand customer bases in Europe and the USA and further develop the STC for talents reserve. In terms of marketing strategy, apart from further development in the ATE business, the Group will also focus on some products with higher value and/or higher profit contribution margin, which the Group considers as some "New Era" electronic products used in some evolving industries, including smart chargers for transportation facilities, power supplies for renewable energy facilities and components for medical/healthcare equipment and devices.

未來前景

本公司股份成功於上市日期在聯交所主板上市。董事會認為在聯交所的公眾上市地位讓本公司可進入資本市場以進行企業融資活動，將有助本集團日後的業務發展、提升企業形象和認知度以及加強其競爭力。

展望二零一八年，儘管面對不明朗因素及競爭，本集團將繼續積極探討新的市場機遇和努力推行新發展項目。為了達到世界級水平生產商之長遠目標，本集團將繼續對生產、工程及資訊科技等設施進行投資。本集團將繼續投資於生產設施的升級以於二零一九年取得工業4.0認證、設立歐洲辦事處以擴大歐洲及美國的客戶基礎，並為人才儲備進一步發展戰略人才中心。在市場策略方面，除了自動化檢測設備業務的進一步發展外，本集團亦會專注於具有較高價值及／或貢獻較高利潤的一些產品，而本集團認為這些產品乃在一些新興行業中使用的「新世代」電子產品，包括運輸設施所使用的智能充電器、再生能源設施的電力供應設備，以及醫療／保健設備及器材所使用的零件。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Kwan Tak Sum Stanley (關德深), aged 63, is one of the founders of the Group, the Chairman, chief executive officer (“CEO”), Executive Director and the director of marketing of the Group. He is also the chairman of each of the Nomination Committee and Risk Management Committee and a member of the Remuneration Committee. He is responsible for the overall strategic planning and management of the Group as well as supervision of the marketing division. Mr. Kwan has taken a leave of absence since October 2017.

Mr. Kwan informed the Board that, due to his retirement to pursue a healthy lifestyle and other personal interests, he has decided not to stand for re-election at the annual general meeting (the “AGM”) of the Company to be held on 25 May 2018 and he would retire from his positions as Chairman, CEO, Executive Director, Director of Marketing, member of the Remuneration Committee, Chairman of the Nomination Committee, Chairman of the Risk Management Committee with effect from the conclusion of the AGM.

In September 1983, Mr. Kwan founded the Group with Mr. Kwan Chan Kwong and worked as a manager from September 1983 to February 1989, as a general manager from June 1989 to June 1990, and has been a director of Trio Engineering since July 1990. Mr. Kwan was appointed as Director of the Company since 15 April 2016. He has approximately 30 years of experience in the electronics industry, in particular plastic injection moulding and electronic assembly services.

Mr. Kwan obtained a diploma in management studies in the Hong Kong Polytechnic (now known as Hong Kong Polytechnic University) in September 1993.

Before joining the Group, Mr. Kwan worked in Timco (H.K.) Limited, a limited company incorporated in Hong Kong and principally engaged in electronics manufacturing, as a shipping clerk from October 1976 to 1978, as a shipping supervisor from 1978 to 1980 and as a marketing executive from 1980 to August 1983.

執行董事

關德深先生，63歲，為本集團創辦人之一、主席、首席行政總裁（「行政總裁」）兼執行董事，並為本集團營銷總監。關先生亦為提名委員會及風險管理委員會的主席及薪酬委員會成員。彼負責本集團整體策略規劃及管理以及監督營銷部。關先生自二零一七年十月起已休假。

關先生已通知董事會，由於打算退休以追求健康人生和其他個人興趣，彼已決定不會於二零一八年五月二十五日舉行的股東週年大會（「股東週年大會」）上重選連任，並將退任主席、行政總裁、執行董事、營銷總監、薪酬委員會成員、提名委員會主席及風險管理委員會主席等職務，自股東週年大會結束起生效。

於一九八三年九月，關先生與關燦光先生創立本集團，自一九八三年九月至一九八九年二月擔任經理，自一九八九年六月至一九九零年六月擔任總經理，及自一九九零年七月起擔任致豐工程之董事。關先生自二零一六年四月十五日起獲委任為本公司董事。彼於電子行業有約30年經驗，尤其是塑膠注塑及電子裝配服務。

關先生於一九九三年九月於香港理工學院（現稱為香港理工大學）獲取管理文憑。

在加入本集團前，關先生由一九七六年十月至一九七八年在德高工程有限公司（一間在香港註冊成立及主要從事電子製造的有限公司）擔任船務文員、由一九七八年至一九八零年擔任船務主管及由一九八零年至一九八三年八月擔任營銷主任。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Lai Yiu Wah (黎耀華), aged 62, is the deputy Chairman, Executive Director and the chief financial officer of the Company. He is a member of each of the Remuneration Committee, Nomination Committee and Risk Management Committee. Mr. Lai joined our Group since April 2015 and has been the Director of the Company since 15 April 2016. He is responsible for the corporate and strategic development and investor relationships of the Group as well as the management of the finance division. During the leave of absence of Mr. Kwan Tak Sum, Mr. Lai has acted in the capacity of the Chairman (acting) of the Board and chairman of the Risk Management Committee. Mr. Lai has extensive experience in accountancy and has been engaged in the profession for over 35 years.

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

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

黎耀華先生，62歲，為副主席、執行董事及本公司首席財務官。黎先生亦為薪酬委員會、提名委員會及風險管理委員會的成員。黎先生於二零一五年四月加入本集團，自二零一六年四月十五日起一直擔任本公司董事。彼負責本集團的公司及策略發展及投資者關係以及財務部管理。於關德深先生休假期間，黎先生擔任董事會主席（代理）及風險管理委員會主席。黎先生在會計方面有豐富經驗，並已從事該專業逾35年。

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

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Tai Leung Lam (戴良林), aged 70, is the Executive Director and the director of manufacturing of the Group. Mr. Tai joined our Group since October 1985 and was appointed as Director of the Company on 15 April 2016. He is responsible for the management, strategic planning and development of the manufacturing division. During the leave of absence of Mr. Kwan Tak Sum Stanley, Mr. Tai has acted in the capacity of CEO of the Group (acting). Mr. Tai was a director of Trio Engineering from October 1985 to July 1987, and has been serving in the same position from July 1990 until present. Mr. Tai has over 45 years of experience in the electronics industry, and specialises in the establishment and management of production plants for electronics manufacturers.

Mr. Tai obtained a diploma in Wireless Mechanical Maintenance without Wireless Telegraph Communication in The World Electric Engineering College (香港世界電機工程學校) in March 1965. Mr. Tai attended short courses in Quality Assurance and Component Testing for Transistor Radio, as well as The Use of Radio and T.V. Servicing Equipment at the department of electrical engineering in Morrison Hill Technical Institute (now known as Hong Kong Institute of Vocational Education) during the session from 1970 to 1971 and during the session from 1971 to 1972, respectively. During the period from October 1976 to 1983, Mr. Tai held various positions in Timco Manufacturing Co. Limited (“Timco”), a limited liability company incorporated in Hong Kong and principally engaged in electronics manufacturing. Timco was dissolved in December 1991 as a result of creditor’s winding up.

Mr. Joseph Mac Carthy, aged 52, is the Executive Director and the director of marketing of the Group. Mr. Mac Carthy joined our Group since March 1996 and was appointed as Director of the Company on 15 April 2016. He is responsible for the overall management and supervision of the marketing activities in Europe and the USA. He joined us as a consultant in March 1996 and has been a director of Trio Engineering since October 2003. Before joining the Group, Mr. Mac Carthy worked in different companies engaging in related industries. Mr. Mac Carthy has been in the industry of design engineering for electronic and magnetic products for over 20 years.

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

戴良林先生，70歲，為執行董事及本集團生產總監。戴先生自一九八五年十月起加入本集團，於二零一六年四月十五日獲委任為本公司董事。彼負責製造部的管理、策略規劃及發展。於關德深先生休假期間，戴先生擔任本集團行政總裁（代理）。戴先生於一九八五年十月至一九八七年七月擔任致豐工程之董事，並於一九九零年七月至今擔任相同職位。戴先生於電子行業有逾45年經驗，且專注於為電子產品製造商建立及管理生產廠房。

戴先生於一九六五年三月從香港世界電機工程學校獲得無線機械維修及無線電報通訊文憑。戴先生分別於一九七零年至一九七一年期間及一九七一年至一九七二年期間在摩理臣山技術學院（現稱香港專業教育學院）電機工程參加晶體管無線電的質量保證和組件測試以及無線電及電視服務設備使用的短期課程。於一九七六年十月至一九八三年期間，戴先生於嘉和工程有限公司（「嘉和」，一間於香港註冊成立的有限公司，主要從事電子製造）擔任不同職位。嘉和於一九九一年十二月解散，原因是債權人清盤。

Joseph Mac Carthy先生，52歲，為執行董事及本集團營銷總監。Mac Carthy先生自一九九六年三月起加入本集團，於二零一六年四月十五日獲委任為本公司董事。彼負責歐洲及美國市場營銷活動之整體管理及監督。Mac Carthy先生於一九九六年三月加入我們擔任顧問，自二零零三年十月起為致豐工程的董事。於加入本集團之前，Mac Carthy先生曾任職於相關行業的不同公司。Mac Carthy先生已從事電子及磁性產品的設計工程行業逾20年。

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Fung Chun Chung (馮鎮中), aged 75, is an Independent Non-executive Director appointed on 10 February 2017, and a member of each of the Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee. Mr. Fung has over 40 years of experience in the electronics industry.

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

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

獨立非執行董事

馮鎮中先生，75歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為審核委員會、薪酬委員會、提名委員會及風險管理委員會的成員。馮先生於電子行業擁有逾40年經驗。

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

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Cheung Kin Wing (張建榮), aged 63, is an Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Audit Committee and a member of each of the Remuneration Committee and the Risk Management Committee. Mr. Cheung has more than 30 years of experience in information technology (“IT”), financial accounting, auditing and management.

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

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

Mr. Cheung is currently an independent non-executive director of BaWang International (Group) Holding Limited, (whose shares are listed on the Stock Exchange, stock code: 1338), ENM Holdings Limited (whose shares are listed on the Stock Exchange, stock code: 128), and Kin Pang Holdings Limited (whose shares are listed on the Stock Exchange, stock code: 1722).

張建榮先生，63歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為審核委員會主席以及薪酬委員會及風險管理委員會的成員。張先生於資訊科技（「IT」）、財務會計、審計及管理方面擁有逾30年經驗。

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

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

張先生現時為霸王國際（集團）控股有限公司（其股份於聯交所上市，股份代號：1338）及安寧控股有限公司（其股份於聯交所上市，股份代號：128）及建鵬控股有限公司（其股份於聯交所上市，股份代號：1722）之獨立非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Wong Raymond Fook Lam (黃福霖), aged 63, is the Independent Non-executive Director appointed on 10 February 2017, and is the chairman of the Remuneration Committee and a member of each of the Audit Committee, the Nomination Committee and the Risk Management Committee. Mr. Wong has approximately 30 years of experience in financial management, treasury, internal control and investment in the commercial field.

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

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

黃福霖先生，63歲，於二零一七年二月十日獲委任為獨立非執行董事，亦為薪酬委員會主席以及審核委員會、提名委員會及風險管理委員會的成員。黃先生在商界的財務管理、庫務、內部控制及投資方面擁有約30年經驗。

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

黃先生於一九七六年六月獲City of London Polytechnic（現稱London Metropolitan University）頒發會計文憑。彼為英國及威爾斯特許公認會計師公會及香港會計師公會的資深會員，以及澳大利亞及新西蘭特許會計師公會會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Georges Rene Gener, aged 69, is the Chairman of European Operations, overseeing the overall business operations and developments in the European market. He has over 35 years of experience in the industrial electronics industry.

Mr. Gener obtained a Diploma in Electrical Engineering from ESIGELEC Graduate School of Engineering in Paris, France in 1970. He further obtained a Master Degree in Business Administration from Institut de Controle de Gestion in Paris, France in 1990.

From 1977 to 1982, Mr. Gener first worked in PHILIPS Components as Sales Manager for automotive and industrial markets in France. He then joined SPRAGUE, an American industrial group for electronic component business, from 1982 to 1991. He first worked as a Sales Manager in France and Large Account Manager in Europe, and later as the Managing Director of FILMAG division of SPRAGUE and eventually, after the successful acquisition by FEE, as Managing Director of FEE FILMAG. From 1992 to 2000, Mr. Gener worked as the Sales Director for MYRRA France, an industrial company for magnetic components with businesses worldwide. He handled the setting up of the factory in Poland. In 2000, after the successful management buyout of MYRRA, he became the Chairman and major shareholder and engaged in the international development of the company, including setting up factories in Poland and the PRC, as well as building agents and sales structures internationally, thereby developing the company's markets globally. In 2013, ACAL PLC of the United Kingdom acquired the entire equity of MYRRA and Mr. Gener had since then become the President of MYRRA France until February 2018. He joined our Group as the Chairman of European Operations in February 2018.

高級管理層

Georges Rene Gener先生，69歲，歐洲營運主席，監督我們歐洲市場的整體業務營運及發展。彼在工業電子行業擁有逾35年經驗。

Gener先生於一九七零年獲法國巴黎ESIGELEC Graduate School頒授電機工程文憑。彼再於一九九零年獲法國巴黎Institut de Controle de Gestion頒授工商管理碩士學位。

於一九七七年至一九八二年，Gener先生首先在PHILIPS Components任職，擔任法國汽車及工業市場的營銷經理。然後彼於一九八二年至一九九一年加入一間從事電子零件業務的美國工業集團SPRAGUE。彼首先擔任法國的營銷經理及歐洲的大客戶經理，其後擔任SPRAGUE的FILMAG部門董事總經理，而最後當該公司獲FEE成功收購後，擔任FEE FILMAG的董事總經理。於一九九二年至二零零零年，Gener先生擔任MYRRA France的營銷總監，該公司為業務遍佈全球的從事磁性元件的工業公司。彼亦為該公司處理在波蘭設立工廠的事宜。於二零零零年，當MYRRA成功進行管理層收購後，彼成為該公司主席及主要股東，負責該公司的國際業務發展，包括在波蘭及中國設立工廠，以及在國際上建立代理及銷售架構，藉此開拓該公司的全球市場。於二零一三年，英國的ACAL PLC收購MYRRA全部股權，而自此Gener先生成為MYRRA France的總裁，至二零一八年二月為止。彼於二零一八年二月加入本集團出任歐洲營運主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Lai Sek Piu (黎錫標), aged 58, is the director of Innovation and Development Division and is responsible for the management and supervision of the Group's innovation and development. He has over 32 years of experience in the field of manufacturing and engineering.

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

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

Mr. Fok Ka Fai (霍家輝), aged 59, is the company secretary and the head of the Finance Division of the Group. He is responsible for the management and supervision of the Finance Division. Mr. Fok has more than 35 years of experience in finance and accounting in various industries.

Mr. Fok obtained a higher certificate of business studies in banking in November 1989 from the Hong Kong Polytechnic (now known as Hong Kong Polytechnic University). He further obtained an honour bachelor of science degree in financial services from the University of Manchester in the United Kingdom through distance learning in August 2006 and a master degree in corporate governance from the Open University of Hong Kong in December 2009. Mr. Fok was awarded associateship from the Institute of Financial Services of United Kingdom (now known as The London Institute of Banking and Finance) in September 2006, the Hong Kong Institute of Bankers (now known as Certified Banker) in December 2006, the Institute of Chartered Secretaries and Administrators in February 2010 and the Hong Kong Institute of Chartered Secretaries in February 2010.

黎錫標先生，58歲，為創新及發展部總監，負責本集團創新及發展的管理及監督。彼於製造及工程領域有逾32年經驗。

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

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

霍家輝先生，59歲，為公司秘書及本集團財務部主管，負責財務部的管理及監督。霍先生在多個行業的財務及會計方面有逾35年經驗。

霍先生於一九八九年十一月在香港理工學院 (現稱為香港理工大學) 獲取銀行商業研究高級證書。彼於二零零六年八月透過遠程學習進一步獲取英國曼徹斯特大學之金融服務榮譽理學士學位及於二零零九年十二月獲取香港公開大學企業管治碩士學位。霍先生於二零零六年九月榮獲英國金融服務協會 (現稱為The London Institute of Banking and Finance) 會士、二零零六年十二月榮獲香港銀行學會會士 (現稱為銀行專業會士)、二零一零年二月榮獲特許秘書及行政人員公會會士及二零一零年二月榮獲香港特許秘書公會會士。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Before joining the Group, Mr. Fok worked in Ace Win Investment Co., Ltd., a company principally engaged in garment manufacturing and trading, as a financial controller from December 1999 to August 2002, in Smart Union (Hong Kong) Ltd., a company principally engaged in the manufacturing and trading of toys, as a senior finance manager from August 2002 to September 2004, and in Golden Lady Trading Co., Ltd., a company principally engaged in garment trading, as a financial manager from February 2005 to January 2008. He was the group financial controller of the Group from November 2008 to December 2017 and has been the company secretary since 10 February 2017. Mr. Fok has been the head of the Finance Division of the Group since January 2018.

Mr. Lo Ka Kei Jun (羅嘉祺), aged 39, is the director of the Marketing Division and is responsible for the management and supervision of the Group's marketing. Mr. Lo has 13 years of experience in international marketing and business development in the electronics industry.

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

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

於加入本集團前，霍先生自一九九九年十二月至二零零二年八月在Ace Win Investment Co., Ltd. (一家主要從事服裝製造及貿易的公司) 擔任財務總監，自二零零二年八月至二零零四年九月在Smart Union (Hong Kong) Ltd. (一家主要從事玩具製造及貿易的公司) 擔任高級財務經理，及自二零零五年二月至二零零八年一月在Golden Lady Trading Co., Ltd. (一家主要從事服裝貿易的公司) 擔任財務經理。彼自二零零八年十一月至二零一七年十二月擔任本集團的集團財務總監，並自二零一七年二月十日起一直擔任公司秘書。霍先生自二零一八年一月起出任本集團的財務部主管。

羅嘉祺先生，39歲，為市場營銷部總監，負責本集團的市場營銷的管理及監督。羅先生於電子行業的國際市場營銷及業務發展方面有逾13年經驗。

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

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

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Shahpour Javanmard Emamghissi, aged 61, is the director of project development and is responsible for business development in the European market and supervision of the product designs. He has over 30 years of experience in the electronic engineering industry and specialises in manufacturing, quality control and business development management.

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

Mr. Emamghissi worked as part of a team working on projects designing automation and monitoring systems in Micro Systems Control Limited, an engineering automation company in the United Kingdom, from September 1982 to January 1984. He held various positions (electronics design and test engineer, project engineer and telecom engineering manager) in Denis Ferranti Group, a telecom and consumer electronics contract manufacturer in the United Kingdom, from February 1984 to March 2003. From June 2003 to November 2003, he worked as a project manager and as a process engineer in Eaton Electrical Part of Eaton Corporation USA, a manufacturer of electrical distribution equipment, circuit breakers and safety products in the United Kingdom. He then served as an operations manager in Thermatru UK Manufacturing Limited, a company principally engaged in the manufacturing and supply of composite security and fire doors in the United Kingdom, from November 2003 to April 2005. He worked as an engineering project manager in Dolgarrog Aluminium Limited, a manufacturer and supplier of flat aluminium products to aerospace and other industries in the United Kingdom, from June 2005 to November 2005. He worked as an offshore manufacturing and quality manager in Lake Communications Limited, a supplier of communication equipment in Ireland, from November 2005 to December 2011. During the period from December 2011 to December 2015, Mr. Emamghissi worked as a consultant for Mr. Mac Carthy, and provided support to the sales activities in Europe as well as technical support to the customers therein. He formally joined the Group as the director of project development in January 2016.

Shahpour Javanmard Emamghissi先生，61歲，為項目開發部總監，負責歐洲市場業務開發及監督產品設計。彼於電子工程行業擁有超過30年經驗，專門從事製造、質量控制及業務發展管理。

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

Emamghissi先生自一九八二年九月至一九八四年一月於Micro Systems Control Limited（一家於英國的自動化工務公司）負責項目設計自動化及監控系統的團隊工作。自一九八四年二月至二零零三年三月，彼於Denis Ferranti Group（一家於英國的電信和消費類電子產品合同製造商）擔任多個職位（電子設計及測試工程師，項目工程師及電信工程經理），自二零零三年六月至二零零三年十一月，彼於Eaton Electrical Part of Eaton Corporation USA（一家於英國的配電設備、斷路器及安全產品製造商）擔任項目經理及工藝設計師。其後於二零零三年十一月至二零零五年四月，彼於Thermatru UK Manufacturing Limited（一家於英國的主要從事複合安全防火門的製造與供應的公司）擔任運營經理。於二零零五年六月至二零零五年十一月，彼於Dolgarrog Aluminium Limited（一家於英國的為航天及其他行業製造及供應平板鋁製品的公司）擔任工程項目經理。彼於二零零五年十一月至二零一一年十二月在Lake Communications Limited（一家於愛爾蘭的通訊設備供應商）擔任離岸製造及質量經理。於二零一一年十二月至二零一五年十二月期間，Emamghissi先生擔任Mac Carthy先生的顧問，並為歐洲的銷售活動提供支援以及為在當地的客戶提供技術支援。彼於二零一六年一月正式加入本集團擔任項目開發總監。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Ms. Wan Mei Wa Ruby (溫美華), aged 34, is the Group Financial Controller, responsible for overall financial management of the Group.

Ms. Wan obtained a Bachelor of Commerce (Honours) in Accounting from Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) in July 2006 and a Master of Corporate Governance from the Hong Kong Polytechnic University in October 2012. She is an associate member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries, and the Institute of Chartered Secretaries and Administrators. Ms. Wan has over 10 years of experience in audit and assurance, financial management, and corporate governance. She previously worked as a manager, assurance in an international accounting firm. Prior to joining our Group, Ms. Wan was a finance manager of Guardforce (Macau) Limited, a company principally engaged in the provision of security services, transporting money and other valuable goods.

Ms. Wan joined our Group as the Assistant Financial Controller in March 2015 and has been the Group Financial Controller since January 2018.

溫美華女士，34歲，為集團財務總監，負責本集團整體財務管理。

溫女士於二零零六年七月獲香港樹仁大學（前稱香港樹仁學院）頒授商業（榮譽）會計學學士學位，並於二零一二年十月獲香港理工大學頒授企業管治碩士學位。彼為香港會計師學會、香港特許秘書公會及英國特許秘書及行政人員公會的會員。溫女士在審計及認證、財務管理及企業管治方面擁有超過10年經驗。彼之前曾在一間國際會計師事務所擔任審計部經理。在加入本集團前，溫女士為衛安（澳門）有限公司的財務經理，而該公司主要從事提供保安服務、押送款項及其他貴重貨品。

溫女士於二零一五年三月加入本集團出任助理財務總監，並自二零一八年一月起擔任集團財務總監。

CORPORATE GOVERNANCE REPORT 企業管治報告

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

The Company complied with all code provisions in the CG Code during the period from 23 November 2017, being the Listing Date, to 31 December 2017 except for paragraph A.2.1 of the Corporate Governance Code, which provides that the roles of chairman and CEO should be separate and should not be performed by the same individual. Mr. Kwan Tak Sum Stanley is the Chairman and CEO of the Company. Mr. Kwan Tak Sum Stanley has taken a leave of absence since October 2017 and his roles as Chairman and CEO have been taken up by Mr. Lai Yiu Wah and Mr. Tai Leung Lam, respectively. In substance, the Company has therefore, complied with paragraph A.2.1 of the CG Code.

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

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

本公司自二零一七年十一月二十三日（上市日期）至二零一七年十二月三十一日期間已遵守所有企業管治守則之守則條文，惟企業管治守則第A.2.1段除外，該條文規定主席及行政總裁的角色應予區分，不應由一人同時兼任。關德深先生為本公司主席兼行政總裁。關德深先生已自二零一七年十月起休假，而其作為主席及行政總裁的角色分別由黎耀華先生及戴良林先生替代。因此，實質上本公司已遵守企業管治守則第A.2.1段。

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

COMPOSITION OF THE BOARD

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

董事會之組成

於本年報日期，董事會由四名執行董事及三名獨立非執行董事組成。本公司董事會及董事委員會各成員之姓名及職位如下：

Board members 董事會成員	Office 職位
Kwan Tak Sum Stanley 關德深	Chairman, CEO, Executive Director and Director of Marketing 主席、行政總裁、執行董事及營銷總監
Lai Yiu Wah	Deputy Chairman, Executive Director and Chief Financial Officer (during the absence of Mr. Kwan, also the acting Chairman)
黎耀華	副主席、執行董事及首席財務官（於關先生休假期間亦為代理主席）
Tai Leung Lam	Executive Director and Director of Manufacturing (during the absence of Mr. Kwan, also the acting CEO)
戴良林	執行董事及生產總監（於關先生休假期間亦為代理行政總裁）
Joseph Mac Carthy	Executive Director and Director of Marketing
Joseph Mac Carthy	執行董事及營銷總監
Fung Chun Chung 馮鎮中	Independent Non-executive Director 獨立非執行董事
Cheung Kin Wing 張建榮	Independent Non-executive Director 獨立非執行董事
Wong Raymond Fook Lam 黃福霖	Independent Non-executive Director 獨立非執行董事

CORPORATE GOVERNANCE REPORT

企業管治報告

Mr. Kwan Tak Sum Stanley has taken a leave of absence since October 2017 and his capacity as Chairman, CEO and various committees has been taken up by:

關德深先生已自二零一七年十月起休假，而其作為主席、行政總裁及各委員會的職務將由以下人士替代：

Board 董事會	Mr. Lai Yiu Wah, acting Chairman 黎耀華先生，代理主席
CEO 行政總裁	Mr. Tai Leung Lam, acting CEO 戴良林先生，代理行政總裁
Nomination Committee 提名委員會	Mr. Fung Chun Chung (chairman) 馮鎮中先生（主席）
Risk Management Committee 風險管理委員會	Mr. Lai Yiu Wah (chairman) 黎耀華先生（主席）

Mr. Kwan Take Sum Stanley has decided not to stand for re-election upon his retirement by rotation at the forthcoming AGM to be held on 25 May 2018.

關德深先生已決定於二零一八年五月二十五日舉行的應屆股東週年大會上輪席退任時不再膺選連任。

AUDIT COMMITTEE MEMBERS

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

審核委員會成員

張建榮（主席）
馮鎮中
黃福霖

REMUNERATION COMMITTEE MEMBERS

Wong Raymond Fook Lam (*chairman*)
Kwan Tak Sum Stanley
Lai Yiu Wah
Fung Chun Chung
Cheung Kin Wing

薪酬委員會成員

黃福霖（主席）
關德深
黎耀華
馮鎮中
張建榮

NOMINATION COMMITTEE MEMBERS

Kwan Tak Sum Stanley (*chairman*)
Fung Chun Chung (during the absence of Mr. Kwan,
being elected as chairman)
Lai Yiu Wah
Wong Raymond Fook Lam

提名委員會成員

關德深（主席）
馮鎮中（於關先生休假期間獲選為主席）
黎耀華
黃福霖

RISK MANAGEMENT COMMITTEE

Kwan Tak Sum Stanley (*chairman*)
Lai Yiu Wah (during the absence of Mr. Kwan,
being elected as chairman)
Cheung Kin Wing
Fung Chun Chung
Wong Raymond Fook Lam

風險管理委員會

關德深（主席）
黎耀華（於關先生休假期間獲選為主席）
張建榮
馮鎮中
黃福霖

CORPORATE GOVERNANCE REPORT
企業管治報告

Each of the Executive Directors has signed a service contract with the Company for an initial term of three years, commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service contract).

Each of the Independent Non-executive Directors has signed a service contract with the Company for an initial term of three years, commencing from the Listing Date (subject to termination in certain circumstances as stipulated in the relevant service contract).

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

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

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

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

各執行董事已與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。

各獨立非執行董事已與本公司簽訂服務合約，由上市日期起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。

全體董事須根據本公司組織章程細則（「細則」）規定每三年至少一次輪席退任。

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

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

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

CORPORATE GOVERNANCE REPORT

企業管治報告

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

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

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

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

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

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

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

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

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

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

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

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

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

RESPONSIBILITIES

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

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors' responsibilities for the consolidated financial statements are set out on page 93 of this annual report.

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

責任

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

董事就綜合財務報表承擔之責任

董事就綜合財務報表承擔之責任載於本年報第93頁。

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BOARD DIVERSITY POLICY

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

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

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

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

BOARD MEETINGS AND GENERAL MEETINGS

During the period from the Listing Date to 31 December 2017, two Board meetings were held to approve the grant of share options to Directors and employees and the incorporation of a subsidiary. The Board also held a Board meeting on 23 March 2018 to approve the annual results of the Company. No general meeting was held during the period from the Listing Date to 31 December 2017. A general meeting was held on 12 February 2018 to approve the grant of the share options to the Executive Directors.

董事會多元化政策

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

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

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

於本年報日期，董事會由七名董事組成。三名董事為獨立於管理層的獨立非執行董事，藉此促進管理過程的重要審核及監管。不論以專業背景及技能為考慮因素，董事會亦顯著多元化。

董事會會議及股東大會

由上市日期至二零一七年十二月三十一日期間曾舉行兩次董事會會議，以批准向董事及僱員授出購股權及註冊成立一間附屬公司。董事會亦於二零一八年三月二十三日舉行一次董事會會議，以通過本公司的年度業績。自上市日期至二零一七年十二月三十一日期間並無舉行股東大會。本公司於二零一八年二月十二日舉行股東大會，以批准向執行董事授出購股權。

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Details of the Directors' attendance records in Board meetings during the period from the Listing Date to 31 December 2017 are set out below:

自上市日期至二零一七年十二月三十一日期間，董事於董事會會議的出席記錄詳情如下：

Name of Directors 董事姓名	No. of Board meetings attended/ held 出席董事會會議/ 會議舉行次數
<i>Executive Directors</i> 執行董事	
Kwan Tak Sum Stanley *	0/2
關德深*	
Lai Yiu Wah	2/2
黎耀華	
Tai Leung Lam	2/2
戴良林	
Joseph Mac Carthy	2/2
Joseph Mac Carthy	
<i>Independent non-executive Directors</i> 獨立非執行董事	
Fung Chun Chung	2/2
馮鎮中	
Cheung Kin Wing	2/2
張建榮	
Wong Raymond Fook Lam	2/2
黃福霖	

* Mr. Kwan Tak Sum Stanley has taken a leave of absence since October 2017.

* 關德深先生已申請由二零一七年十月開始休假。

DELEGATION BY THE BOARD

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

董事會授權

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

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AUDIT COMMITTEE

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

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

During the period from the Listing Date to 31 December 2017, no Audit Committee meeting was held. One Audit Committee meeting was held in January 2018 to discuss the general functions of the Audit Committee and to review the engagement of external auditor. An Audit Committee meeting was also held on 23 March 2018 with all the members present to review and consider, inter alia, the audited financial statements of the Group for the year ended 31 December 2017 and the re-appointment of independent auditor of the Group. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor.

The Company's consolidated financial statements for the year ended 31 December 2017 have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

審核委員會

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

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

由上市日期至二零一七年十二月三十一日期間，審核委員會並無舉行會議。於二零一八年一月，審核委員會舉行了一次會議，以討論審核委員會的一般職能，並檢討外部核數師的聘任。審核委員會亦於二零一八年三月二十三日舉行一次會議（全體成員均有出席），以審閱及考慮（其中包括）本集團截至二零一七年十二月三十一日止年度的經審核財務報表，以及重新委任本集團獨立核數師。董事會與審核委員會在甄選及委任外部核數師時並無出現意見分歧。

審核委員會已審閱本公司於截至二零一七年十二月三十一日止年度的綜合財務報表。審核委員會認為，有關財務報表已遵照適用的會計原則及聯交所的規定而編製，並已作出全面披露。

REMUNERATION COMMITTEE

The Remuneration Committee was established with written terms of reference in compliance with paragraph B1 of the CG Code on 27 October 2017. The Remuneration Committee comprises five members, namely, Mr. Wong Raymond Fook Lam, Mr. Kwan Tak Sum Stanley, Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Cheung Kin Wing. The chairman of the Remuneration Committee is Mr. Wong Raymond Fook Lam.

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

No Remuneration Committee meeting was held during the period from the Listing Date to 31 December 2017. One Remuneration Committee meeting was held on 26 January 2018 to determine the remuneration policy of the Group and review the remuneration of the Directors. Another Remuneration Committee meeting was also held on 23 March 2018 to review the remuneration of senior management.

Details of the directors' remuneration and five highest paid individuals for the year ended 31 December 2017 are set out in note 9 to the consolidated financial statements.

During the year ended 31 December 2017, the remuneration of the senior management is listed below by band:

薪酬委員會

薪酬委員會於二零一七年十月二十七日成立，並遵照企業管治守則第B1段制訂書面職權範圍。薪酬委員會包括五名成員，即黃福霖先生、關德深先生、黎耀華先生、馮鎮中先生及張建榮先生。薪酬委員會主席為黃福霖先生。

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

由上市日期至二零一七年十二月三十一日期間，薪酬委員會並無舉行會議。於二零一八年一月二十六日舉行一次薪酬委員會會議，以釐定本集團的薪酬政策和檢討董事的薪酬。於二零一八年三月二十三日舉行另一次薪酬委員會會議，以檢討高級管理層的薪酬。

截至二零一七年十二月三十一止年度，董事及五名最高薪酬人士的薪酬詳情，載於綜合財務報表附註9。

截至二零一七年十二月三十一止年度，高級管理層薪酬按範圍載列如下：

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

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NOMINATION COMMITTEE

The Nomination Committee was established with written terms of reference in compliance with paragraph A5 of the CG Code on 27 October 2017. The Nomination Committee comprises four members, namely Mr. Kwan Tak Sum Stanley, Mr. Lai Yiu Wah, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Nomination Committee is Mr. Kwan Tak Sum Stanley.

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

No Nomination Committee meeting was held during the period from the Listing Date to 31 December 2017. In the absence of Mr. Kwan Tak Sum Stanley, Mr. Fung Chun Chung was elected as the chairman. At a Nomination Committee meeting held on 23 March 2018, the Nomination Committee members (i) reviewed and considered that the structure, size, diversity and composition of the Board are appropriate; (ii) assessed the independence of Independent Non-executive Directors; (iii) recommended the re-appointments of Directors, and (iv) recommended the aforesaid matters to the Board for approval.

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

提名委員會

提名委員會於二零一七年十月二十七日成立，並遵照企業管治守則第A5段制訂書面職權範圍。提名委員會包括四名成員，即關德深先生、黎耀華先生、馮鎮中先生及黃福霖先生。提名委員會主席為關德深先生。

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

由上市日期至二零一七年十二月三十一日期間，提名委員會並無舉行會議。在關德深先生休假期間，馮鎮中先生獲選為主席。提名委員會於二零一八年三月二十三日舉行會議，提名委員會成員(i) 檢討董事會的架構、規模、多元化及組成並認為屬適當；(ii) 評估獨立非執行董事的獨立性；(iii) 建議重新委任董事；及(iv) 建議董事會批准上述事宜。

提名委員會將透過考慮多元化各方面的裨益檢討董事會的組成，包括但不限於本報告「董事會多元化政策」項下所述者。董事會多元化政策須由提名委員會審閱（視乎情況），以確保其有效。

RISK MANAGEMENT COMMITTEE

The Risk Management Committee was established on 27 October 2017 to oversee the future hedge activities. The Risk Management Committee comprises five members, namely Mr. Kwan Tak Sum Stanley, Mr. Lai Yiu Wah, Mr. Cheung Kin Wing, Mr. Fung Chun Chung and Mr. Wong Raymond Fook Lam. The chairman of the Risk Management Committee is Mr. Kwan Tak Sum Stanley.

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

No Risk Management Committee meeting was held during the period from the Listing Date to 31 December 2017. One Risk Management Committee meeting was held on 26 January 2018 to review the material risk exposures of the Group and formulate risk policies. In the absence of Mr. Kwan Tak Sum Stanley, Mr. Lai Yiu Wah was elected as the chairman.

DIRECTORS' SECURITIES TRANSACTIONS

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

風險管理委員會

風險管理委員會於二零一七年十月二十七日成立，以監督未來對沖活動。風險管理委員會包括五名成員，即關德深先生、黎耀華先生、張建榮先生、馮鎮中先生及黃福霖先生。

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

由上市日期至二零一七年十二月三十一日期間，風險管理委員會並無舉行會議。風險管理委員會於二零一八年一月二十六日舉行一次會議，以檢討本集團面對的重大風險和制定風險政策。在關德深先生休假期間，黎耀華先生獲選為主席。

董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為規管董事進行證券交易的操守守則。經本公司作出具體查詢後，所有董事已確認彼等已遵守標準守則所載的規定標準，且自上市日期直至本年報日期並無發生不遵守上市規則之事件。

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CONTINUOUS PROFESSIONAL DEVELOPMENT FOR DIRECTORS

Directors must keep abreast of their collective responsibilities. Before the Listing, each newly appointed Director received training from the legal adviser of the statutory and regulatory obligations of a director of a listed company in Hong Kong. The Directors are continually updated with business and market changes, and legal and regulatory developments to facilitate the discharge of their responsibilities through various Board meetings, resolutions, memoranda, Board papers, and updates on corporate governance practices and director's responsibilities under the Listing Rules, applicable laws and other relevant statutory requirements.

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

董事之持續專業發展

董事需確保其集體責任與時並進。於上市前，每名新任董事均接受法律顧問就香港上市公司董事的法定及監管義務的培訓。董事透過各種董事會會議、決議案、備忘錄、董事會文件、根據上市規則、適用法律及其他相關法定規定的企業管治常規和董事職責之更新，持續獲得有關業務和市場變動，以及法律和監管發展之更新，以助彼等履行其職責。

直至本年報日期，現任董事會成員曾參加以下培訓課程：

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

CORPORATE GOVERNANCE REPORT
企業管治報告

DIRECTORS AND OFFICERS INSURANCE

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

COMPANY SECRETARY

The Company Secretary is to ensure a good information flow within the Board and between the Board and senior management of the Company, to provide advice to the Board in relation to the Directors' obligations under the Listing Rules and applicable laws and regulations and to assist the Board in implementing the corporate governance practices. Mr. Fok Ka Fai, the Company Secretary, had attended not less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules during the year ended 31 December 2017.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges that it is responsible for monitoring the risk management and internal control systems of the Group on an ongoing basis and reviewing their effectiveness. Such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. The Company improves its business and operational activities by identifying the areas of significant business risk by means of a regular review and taking appropriate measures to control and mitigate these risks. The management of the Company reviews all significant control policies and procedures and highlights all significant matters to the Board and Risk Management Committee on a timely basis to ensure prompt remedial actions are taken.

Although the Group does not have an internal audit function, the Group is committed to maintaining and upholding good corporate governance practice and internal control systems.

董事及高級職員保險

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

公司秘書

公司秘書確保董事會成員之間以及董事會與本公司高級管理層之間的資訊交流良好，就根據上市規則及適用法律法規的董事責任向董事會提供意見，以及協助董事會實行企業管治常規。公司秘書霍家輝先生已於截至二零一七年十二月三十一日止年度遵守上市規則第3.29條的規定，出席不少於15小時的相關專業培訓。

風險管理及內部監控

董事會知悉其有責任按持續經營基準監控本集團風險管理及內部監控系統並審閱其成效。該等系統旨在管理而非消除未能達成業務目標的風險，且僅可就重大失實陳述或虧損作出合理而非絕對的保證。本公司透過定期檢討來識別涉及重大業務風險的範疇，並採取合適措施來控制和減輕有關風險，從而改善其業務及營運活動。本公司管理層檢討所有重大監控政策及程序，並適時向董事會及風險管理委員會指出所有重大事項，以確保可迅速採取補救行動。

雖然本集團並無內部審計職能，但本集團維持及擁護良好企業管治常規及內部監控系統。

CORPORATE GOVERNANCE REPORT

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

The results of the independent review and assessment were reported to the Risk Management Committee and the Board. Moreover, improvements in internal control and risk management measures to enhance the risk management and internal control systems of the Group and to mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations, as well as the comments of the Risk Management Committee, the Board considered the internal control and risk management systems are adequate and effective.

AUDITOR'S REMUNERATION AND RESPONSIBILITIES

The Company has appointed PricewaterhouseCoopers as the Auditor of the Group. For the year ended 31 December 2017, PricewaterhouseCoopers received HK\$1.8 million for audit services. Non-audit services provided to the Group mainly represented (i) the reporting accountant's work in connection with the Listing provided by PricewaterhouseCoopers of approximately HK\$4.7 million and (ii) internal control reviews and taxation services provided by PricewaterhouseCoopers Limited of HK\$0.09 million in aggregate. The reporting responsibilities of PricewaterhouseCoopers are set out in pages 94 to 96 of this annual report.

There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditor during the year ended 31 December 2017.

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

獨立審閱及評估結果乃呈報予風險管理委員會及董事會。此外，為提高本集團風險管理及內部監控系統以及減低本集團風險而作出的內部監控及風險管理措施的改進措施已獲董事會採納。根據審閱結果及推薦意見以及風險管理委員會的意見，董事會認為，內部監控及風險管理系統乃屬充足及有效。

核數師薪酬及責任

本公司已委任羅兵咸永道會計師事務所為本集團核數師。於截至二零一七年十二月三十一日止年度，羅兵咸永道會計師事務所就核數服務收取1,800,000港元。向本集團提供之非核數服務主要指(i)羅兵咸永道會計師事務所就上市提供的申報會計師工作約4,700,000港元及(ii)由羅兵咸永道有限公司提供的內部監控審閱及稅務服務之費用為共計90,000港元。羅兵咸永道會計師事務所之呈報責任載於本年報第94至96頁。

於截至二零一七年十二月三十一日止年度，董事會與審核委員會於甄選及委任外部核數師方面並無意見分歧。

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

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

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

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

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

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

與股東及投資者之溝通

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

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

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

股東亦可透過上述方式向董事會發出查詢。本公司的聯絡資料載於本年報、本年報「公司資料」一節及本公司網址。

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

CORPORATE GOVERNANCE REPORT
企業管治報告

**PROCEDURES FOR SHAREHOLDERS TO CONVENE
AN EXTRAORDINARY GENERAL MEETING**

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

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

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

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

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

股東召開股東特別大會之程序

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

股東可向本公司發送書面查詢，或向董事會提出任何查詢或建議。聯絡資料如下：

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

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

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

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

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

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

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

CONSTITUTIONAL DOCUMENTS

The Company adopted an amended and restated articles of association (the "**Amended and Restated AA**") on 27 October 2017 and the Amended and Restated AA took effect on the date on which the Shares are listed on the Stock Exchange.

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

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

並應按細則所述方式發送予所有股東、董事及核數師。

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

組織章程文件

本公司於二零一七年十月二十七日採納經修訂及重列組織章程細則（「**經修訂及重列細則**」），而經修訂及重列細則自股份於聯交所上市當日起生效。

REPORT OF THE DIRECTORS 董事會報告

The Board is pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is an investment holding. The Group are principally engaged in the manufacturing and sales of electronic products.

CORPORATE REORGANISATION

Pursuant to the reorganisation of the Group in connection with the Listing of the Shares on the Stock Exchange, the Company became the holding company of the Group on 12 September 2016. Details of the reorganisation are set out in note 1.2 to the consolidated financial statements.

The Shares have been listed on the Stock Exchange since the Listing Date.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated financial statements on pages 97 to 100.

On 15 March 2017, the Company declared an interim dividend of HK\$15,000,000 per share (2016: HK\$11,750,000 per share), totaling HK\$30,000,000 (2016: HK\$23,500,000) to its then shareholder of the Company which was paid on 28 March 2017.

The Board has recommended a final dividend of HK2.0 cents per ordinary share of the Company for the year ended 31 December 2017 (2016: nil) to the Shareholders. The proposed final dividend, subject to the approval of the Shareholders at the AGM to be held on Friday, 25 May 2018, is expected to be paid on Thursday, 14 June 2018 to all Shareholders whose names appear on the register of members of the Company on Monday, 4 June 2018.

董事會欣然提呈其報告連同本集團截至二零一七年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。本集團主要從事製造及銷售電子產品。

企業重組

根據本集團就股份於聯交所上市而進行的重組，本公司於二零一六年九月十二日成為本集團的控股公司。重組的詳情載於綜合財務報表附註1.2。

股份自上市日期起於聯交所上市。

業績及撥款

本集團截至二零一七年十二月三十一日止年度之業績載於第97至100頁之綜合財務報表。

於二零一七年三月十五日，本公司向本公司當時的股東宣派中期股息每股15,000,000港元（二零一六年：每股11,750,000港元），合共30,000,000港元（二零一六年：23,500,000港元），已於二零一七年三月二十八日派付。

董事會建議向股東派付截至二零一七年十二月三十一日止年度之末期股息每股普通股2.0港仙（二零一六年：無）。於股東在將於二零一八年五月二十五日（星期五）舉行的股東週年大會上批准後，擬派末期股息預期將於二零一八年六月十四日（星期四）支付予於二零一八年六月四日（星期一）名列本公司股東名冊之所有股東。

REPORT OF THE DIRECTORS
董事會報告

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Friday, 25 May 2018, the register of members of the Company will be closed from Friday, 18 May 2018 to Friday, 25 May 2018, both days inclusive, during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 17 May 2018.

In order to ascertain the entitlement to the final dividend, the register of members of the Company will be closed from Thursday, 31 May 2018 to Monday, 4 June 2018, both days inclusive. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 30 May 2018.

BUSINESS REVIEW

A discussion and analysis of the Group's performance during the year ended 31 December 2017, the key factors affecting its results and financial position, and the information on the compliance with laws and regulations, environmental policy and relationships with stakeholders are set out in the section headed "Management Discussion and Analysis" of this annual report. Furthermore, a fair review of, and an indication of likely future development in the Group's business are set out in the sections headed "Statement of the Management" of this annual report. Save as disclosed in this annual report, since the end of the year ended 31 December 2017, no important event affecting the Group has occurred.

暫停辦理股東登記

為確定出席股東週年大會及在會上投票的資格，本公司將於二零一八年五月十八日（星期五）至二零一八年五月二十五日（星期五）之期間（包括首尾兩日）暫停辦理股份過戶登記手續。為符合資格出席股東週年大會及在會上投票，務請於二零一八年五月十七日（星期四）下午四時三十分前將所有轉讓文件連同有關股票送交本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

為確定獲派發末期股息的權利，本公司將於二零一八年五月三十一日（星期四）至二零一八年六月四日（星期一）之期間（包括首尾兩日）暫停辦理股份過戶登記手續。為符合資格享有末期股息，務請於二零一八年五月三十日（星期三）下午四時三十分前將所有轉讓文件連同有關股票送交本公司的股份過戶登記處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓。

業務回顧

對本集團截至二零一七年十二月三十一日止年度表現的討論及分析、影響其業績及財務狀況的主要因素以及有關遵守法例及法規、環境政策及與持分者的關係之資料載於本年報「管理層討論及分析」一節。此外，本集團業務的公平審視以及其可能的未來發展趨向載於本年報「管理層報告」一節。除本年報所披露者外，自截至二零一七年十二月三十一日止年度末以來，概無發生可影響本集團的重要事件。

REPORT OF THE DIRECTORS

董事會報告

PRINCIPAL RISKS AND UNCERTAINTIES

The five largest customers accounted for more than 70.0% of the total revenue. Any loss of the major customers or any request for price reduction may materially and adversely affect our business performance and financial condition.

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

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

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

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

主要風險及不確定因素

五大客戶佔總收益的70.0%以上。主要客戶的任何損失或任何下調價格的要求，或會對我們的業務表現及財務狀況造成重大不利影響。

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

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

原材料價格波動或會對銷售成本造成影響及對業務營運及盈利能力造成不利影響。

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

REPORT OF THE DIRECTORS
董事會報告

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

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

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

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

The Group is exposed to foreign exchange risks.

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

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

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

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

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

本集團須承受匯兌風險。

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

REPORT OF THE DIRECTORS

董事會報告

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

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

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

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

未能留聘主要人員繼續為本集團效力或會對經營業績構成不利影響。

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

概不保證業務策略及未來計劃將會成功落實。

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

REPORT OF THE DIRECTORS
董事會報告

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last four financial years is set out on page 188 of this annual report. This summary does not form part of the consolidated financial statements.

SUBSIDIARIES

Details (including the principal activities) of the Company's subsidiaries as at 31 December 2017 are set out in note 16 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2017 are set out in note 14 to the consolidated financial statements.

CHARITABLE DONATIONS

No charitable and other donations was made by the Group during the year ended 31 December 2017 (2016: nil).

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 December 2017, the Company's distributable reserves available for distribution is HK\$20,661,000 (2016: HK\$278,000).

PRE-EMPTIVE RIGHTS

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

SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 24 to the consolidated financial statements.

財務概要

本集團過去四個財政年度的業績、資產及負債概要載於本年報第188頁。此概要並不構成綜合財務報表的一部分。

附屬公司

本公司附屬公司於二零一七年十二月三十一日之詳情（包括主要業務）載於綜合財務報表附註16。

物業、廠房及設備

本集團於截至二零一七年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註14。

慈善捐款

本集團於截至二零一七年十二月三十一日止年度並無作出慈善及其他捐款（二零一六年：無）。

本公司可分派儲備

於二零一七年十二月三十一日，本公司的可供分派儲備為20,661,000港元（二零一六年：278,000港元）。

優先購買權

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

股本

本公司於本年度的股本變動詳情載於綜合財務報表附註24。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

董事

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

於本年度及其後直至本年報日期之董事名列如下：

Executive Directors

執行董事

Kwan Tak Sum Stanley	(appointed on 15 April 2016)
關德深	(於二零一六年四月十五日獲委任)
Lai Yiu Wah	(appointed on 15 April 2016)
黎耀華	(於二零一六年四月十五日獲委任)
Tai Leung Lam	(appointed on 15 April 2016)
戴良林	(於二零一六年四月十五日獲委任)
Joseph Mac Carthy	(appointed on 15 April 2016)
Joseph Mac Carthy	(於二零一六年四月十五日獲委任)

Independent non-executive Directors

獨立非執行董事

Fung Chun Chung	(appointed on 10 February 2017)
馮鎮中	(於二零一七年二月十日獲委任)
Cheung Kin Wing	(appointed on 10 February 2017)
張建榮	(於二零一七年二月十日獲委任)
Wong Raymond Fook Lam	(appointed on 10 February 2017)
黃福霖	(於二零一七年二月十日獲委任)

Pursuant to article 119(c) of the Articles, any Director so appointed, either to fill a casual vacancy or by way of addition to their number, by the Board shall hold office only until the next following annual general meeting of the Company, and shall then be eligible for re-appointment.

根據細則第119(c)條，獲董事會委任以填補臨時空缺或增加董事人數之任何董事，只可任職至本公司下屆股東週年大會為止，並於屆時有資格膺選連任。

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

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

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

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

REPORT OF THE DIRECTORS
董事會報告

Accordingly, Mr. Fung Chun Chung, Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam will retire pursuant to article 119(c) of the Articles, and being eligible, offer themselves for re-election as Directors at the forthcoming AGM.

Pursuant to the A.4.2 of the CG Code, all directors (no matter executive or independent non-executive directors) including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. As such, Mr. Kwan Tak Sum Stanley, Mr. Lai Yiu Wah and Mr. Tai Leung Lam voluntarily retire pursuant to article 120(a) of the Articles. Mr. Kwan Tak Sum Stanley has decided not to stand for re-election at the forthcoming AGM. Mr. Lai Yiu Wah and Mr. Tai Leung Lam, being eligible, offer themselves for re-election as Directors at the forthcoming AGM.

DIRECTORS OF SUBSIDIARIES

The Directors of subsidiaries of the Company during the year or the period and up to the date of this annual report are as follows:

Trio Engineering Company Limited

Kwan Tak Sum Stanley
Lai Yiu Wah
Tai Leung Lam
Joseph Mac Carthy

Professional Electronics Manufacturing Solutions Limited

Kwan Tak Sum Stanley
Lai Yiu Wah
Tai Leung Lam

Panyu Trio Microtronics Co., Ltd.

Kwan Tak Sum Stanley
Lai Yiu Wah
Tai Leung Lam

Guangzhou Professional Electronics Manufacturing Solutions Limited

Kwan Tak Sum Stanley
Lai Yiu Wah
Tai Leung Lam

因此，馮鎮中先生、張建榮先生及黃福霖先生將根據細則第119(c)條於即將舉行的股東週年大會上退任，惟彼等符合資格並願意膺選連任董事。

根據企業管治守則第A.4.2條，所有董事（不論執行或獨立非執行董事）（包括按特定任期委任的董事）應最少每三年輪席退任一次。因此，關德深先生、黎耀華先生及戴良林先生自願退任。關德深先生已決定不會在應屆股東週年大會上重選連任。黎耀華先生及戴良林先生符合資格並願意於應屆股東週年大會上膺選連任董事。

附屬公司的董事

於本年度或直至本年報日期的期間，本公司的附屬公司之董事如下：

致豐工程有限公司

關德深
黎耀華
戴良林
Joseph Mac Carthy

普發電子工業設備有限公司

關德深
黎耀華
戴良林

廣州市番禺致豐微電器有限公司

關德深
黎耀華
戴良林

廣州普發電子工業設備有限公司

關德深
黎耀華
戴良林

REPORT OF THE DIRECTORS

董事會報告

e-Tech Engineering Company Limited

Lai Yiu Wah (appointed on 20 December 2017)
Tai Leung Lam (appointed on 20 December 2017)
Joseph Mac Carthy (appointed on 20 December 2017)

Trio-tronics Manufacturing Global Limited

Lai Yiu Wah (appointed on 7 February 2018)
Tai Leung Lam (appointed on 7 February 2018)
John Anthony Tiernan (appointed on 7 February 2018)

Trio Engineering GmbH (GmbH in Formation)

Trio Engineering Company Limited (appointed on 28 February 2018)

依得利工程有限公司

黎耀華 (於二零一七年十二月二十日獲委任)
戴良林 (於二零一七年十二月二十日獲委任)
Joseph Mac Carthy
(於二零一七年十二月二十日獲委任)

Trio-tronics Manufacturing Global Limited

黎耀華 (於二零一八年二月七日獲委任)
戴良林 (於二零一八年二月七日獲委任)
John Anthony Tiernan (於二零一八年二月
七日獲委任)

Trio Engineering GmbH (GmbH in Formation)

致豐工程有限公司 (於二零一八年二月二十八日
獲委任)

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

獨立非執行董事之獨立性確認

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

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 23 to 33 of this annual report.

董事及高級管理層履歷

董事及本集團高級管理層的履歷詳情載於本年報第23至33頁。

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors has signed a service contract with the Company for an initial term of three years, commencing from 10 February 2017 (subject to termination in certain circumstances as stipulated in the relevant service agreement).

董事服務合約

各執行董事已與本公司簽訂服務合約，由二零一七年二月十日起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。

Each of the Independent Non-executive Directors has signed a service contract with the Company for an initial term of three years, commencing from the Listing Date (subject to termination in certain circumstances as stipulated in the relevant service contract).

各獨立非執行董事已與本公司簽訂服務合約，由上市日期起初步為期三年（可於相關服務合約所訂明的若干情況下終止）。

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董事會報告

None of the Directors has or is proposed to have entered into any service contract or letter of appointment with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without payment of compensation other than statutory compensation).

TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No transactions, arrangements and contracts of significance in relation to the business of the Group to which the Company, or its holding company, or any of its subsidiaries was a party and in which a director or a connected entity of a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year, nor was there any transaction, arrangements or contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder (as defined in the Listing Rules) or any of its subsidiaries for the year. There was also no contract of significance between the Company or one of the subsidiaries and the controlling shareholders or any of its subsidiaries.

MANAGEMENT CONTRACT

No contract concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the year ended 31 December 2017.

DIRECTORS' EMOLUMENTS

Details of the remuneration of the Directors on a named basis during the year ended 31 December 2017 are set out in note 9 to the consolidated financial statements.

董事並無或擬與本集團任何成員公司訂立任何服務合約或委任書（不包括於一年內屆滿或可由本集團任何成員公司於一年內終止而毋須補償（法定補償除外）的協議）。

重大交易、安排及合約

概無由本公司或其控股公司或其任何附屬公司訂立，而董事或董事的關連實體於其中直接或間接擁有重大利益之有關本集團業務的重大交易、安排及合約於年末或年內任何時間存續，而年內亦概無有關控股股東（定義見上市規則）或其任何附屬公司為本公司或其任何附屬公司提供服務的任何重大交易、安排或合約。本公司或任何一間附屬公司與控股股東或其任何附屬公司之間亦概無重大合約。

管理合約

於截至二零一七年十二月三十一日止年度內，概無訂立或存在有關本公司或其附屬公司的所有或任何重大部分業務之管理及行政合約。

董事酬金

截至二零一七年十二月三十一日止年度內董事薪酬詳情按記名方式載於綜合財務報表附註9。

REPORT OF THE DIRECTORS

董事會報告

REMUNERATION POLICY

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

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

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

PERMITTED INDEMNITY PROVISION

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

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

薪酬政策

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

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

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

獲准許的彌償

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

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

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Model Code contained in Appendix 10 of the Listing Rules, were as follows:

董事及主要行政人員於本公司股份、相關股份及債權證或本公司或任何其他相聯法團之任何指明事務的權益及淡倉

於二零一七年十二月三十一日，董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視為擁有的權益或淡倉）；或(ii)根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或(iii)根據上市規則附錄十所載標準守則須知會本公司及聯交所的權益及淡倉如下：

Name of Directors	Nature of interest	Number of Shares/ underlying Shares held	Percentage of shareholding in the Company's issued share capital 佔本公司 已發行股本之 股權百分比
董事姓名	權益性質	所持股份／ 相關股份數目	
Kwan Tak Sum Stanley 關德深	Interest in a controlled corporation 於受控法團的權益	750,000,000 (L)(Note 2) 750,000,000 (L) (附註2)	75.0% 75.0%
Tai Leung Lam 戴良林	Interest in controlled corporation 於受控法團的權益	750,000,000 (L)(Note 2) 750,000,000 (L) (附註2)	75.0% 75.0%
	Beneficial owner 實益擁有人	7,000,000 (Note 3) 7,000,000 (附註3)	0.7% 0.7%
Lai Yiu Wah 黎耀華	Interest in controlled corporation 於受控法團的權益	750,000,000 (L)(Note 2) 750,000,000 (L) (附註2)	75.0% 75.0%
	Beneficial owner 實益擁有人	7,000,000 (Note 3) 7,000,000 (附註3)	0.7% 0.7%
Joseph Mac Carthy Joseph Mac Carthy	Interest in controlled corporation 於受控法團的權益	750,000,000 (L)(Note 2) 750,000,000 (L) (附註2)	75.0% 75.0%
	Beneficial owner 實益擁有人	6,000,000 (Note 3) 6,000,000 (附註3)	0.6% 0.6%

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (1) The letter "L" denotes a long position in the Shares
- (2) These shares are held by Trio Industrial Electronics Holding Limited ("**Trio Holding**"). Trio Holding was owned as to 32.5%, 32.5%, 17.5% and 17.5% by Nawk Investment Inc. ("**Nawk Investment**"), LLT Investment Inc. ("**LLT Investment**"), Proactive Investment Inc. ("**Proactive Investment**") and Grand Energy Investment Limited ("**Grand Energy**"), respectively. Nawk Investment, LLT Investment and Proactive Investment were directly and wholly owned by Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam and Mr. Lai Yiu Wah, respectively. Grand Energy was directly and wholly owned by King Fung Nominees Limited ("**King Fung Nominees**") on trust for Mr. Joseph Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy and King Fung Nominees are regarded as the controlling shareholders and together be entitled to exercise and control 75.0% of the issued share capital of the Company as at 31 December 2017.
- (3) These interests represented the total underlying Shares comprised in the share options granted by the Company on 28 December 2017.

Save as disclosed above, as at 31 December 2017, none of the Directors nor chief executive of the Company has registered an interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Model Code.

DIRECTORS' RIGHT TO ACQUIRE SHARES

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

附註：

- (1) 字母「L」表示股份的好倉。
- (2) 該等股份由致豐工業電子控股有限公司（「致豐控股」）持有。致豐控股由Nawk Investment Inc.（「Nawk Investment」）、LLT Investment Inc.（「LLT Investment」）、Proactive Investment Inc.（「Proactive Investment」）及Grand Energy Investment Limited（「Grand Energy」）分別擁有32.5%、32.5%、17.5%及17.5%。Nawk Investment、LLT Investment及Proactive Investment分別由關德深先生、戴良林先生及黎耀華先生直接全資擁有。Grand Energy由King Fung Nominees Limited（「King Fung Nominees」）以信託形式為Joseph Mac Carthy先生直接及全資擁有。由於關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy及King Fung Nominees於致豐控股之權益，於二零一七年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股本的75.0%。
- (3) 該等權益指本公司於二零一七年十二月二十八日授出的購股權所包含的相關股份總數。

除上文所披露者外，於二零一七年十二月三十一日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中登記擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉）；或(ii)根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或(iii)根據標準守則須知會本公司及聯交所的權益及淡倉。

董事購入股份之權利

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

REPORT OF THE DIRECTORS

董事會報告

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

So far as the Directors are aware, as at 31 December 2017, the following persons (not being Directors or chief executive of the Company) will have or be deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

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

就董事所知，於二零一七年十二月三十一日，下列人士（並非董事或本公司主要行政人員）將於本公司的股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露或將記錄於根據證券及期貨條例第336條須予存置的登記冊內的權益或淡倉：

Name of shareholders	Nature of interests	Number of Shares held	Percentage of shareholding in the Company's issued share capital 佔本公司已發行股本之股權百分比
股東名稱	權益性質	所持股份數目	
Trio Holding	Beneficial owner	750,000,000 (L) (Note 2)	75.0%
致豐控股	實益擁有人	750,000,000 (L) (附註2)	75.0%
Nawk Investment	Interest in a controlled corporation	750,000,000 (L) (Note 2)	75.0%
Nawk Investment	於受控法團的權益	750,000,000 (L) (附註2)	75.0%
LLT Investment	Interest in a controlled corporation	750,000,000 (L) (Note 2)	75.0%
LLT Investment	於受控法團的權益	750,000,000 (L) (附註2)	75.0%
Proactive Investment	Interest in a controlled corporation	750,000,000 (L) (Note 2)	75.0%
Proactive Investment	於受控法團的權益	750,000,000 (L) (附註2)	75.0%
King Fung Nominees	Trustee; interest in a controlled corporation	750,000,000 (L) (Note 2)	75.0%
King Fung Nominees	受託人：於受控法團的權益	750,000,000 (L) (附註2)	75.0%
RUAN David Ching Chi	Interest of controlled corporation	80,944,000 (Note 3)	8.09%
RUAN David Ching Chi	受控法團的權益	80,944,000 (附註3)	8.09%
RAYS Capital Partners Limited	Investment manager	80,944,000 (Note 3)	8.09%
RAYS Capital Partners Limited	投資經理	80,944,000 (附註3)	8.09%
Asian Equity Special Opportunities Portfolio Master Fund Limited	Beneficial owner	76,436,000	7.64%
Asian Equity Special Opportunities Portfolio Master Fund Limited	實益擁有人	76,436,000	7.64%

REPORT OF THE DIRECTORS

董事會報告

Note:

- (1) The letter "L" denotes a long position in the Shares
- (2) These shares are held by Trio Industrial. Trio Holding was owned as to 32.5%, 32.5%, 17.5% and 17.5% by Nawk Investment, LLT Investment, Proactive Investment and Grand Energy, respectively. Nawk Investment, LLT Investment and Proactive Investment were directly and wholly owned by Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam and Mr. Lai Yiu Wah, respectively. Grand Energy was directly and wholly owned by King Fung Nominees on trust for Mr. Joseph Mac Carthy. Because of their interests in Trio Holding, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy, Nawk Investment, LLT Investment, Proactive Investment, Grand Energy and King Fung Nominees are regarded as the controlling shareholders and together be entitled to exercise and control 75.0% of the issued share capital of the Company as at 31 December 2017.
- (3) Accordingly to the information available on the website of the Stock Exchange, Asian Equity Special Opportunities Portfolio Master Fund Limited is owned as to 100% by RAYS Capital Partners Limited, which in turn is owned as to 95.24% by Mr. Ruan David Ching Chi.

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly 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 any other member of the Group.

SHAREHOLDERS' INTERESTS IN SECURITIES OF SIGNIFICANCE

Other than the interests disclosed above in respect of the substantial shareholders, as at 31 December 2017, no other person is individually or collectively entitled to exercise or control the exercise of 5% or more of the voting power at the general meetings of the Company and are able, as a practicable manner, to direct or influence the management of the Company.

附註：

- (1) 字母「L」表示股份的好倉。
- (2) 該等股份由致豐控股持有。致豐控股由Nawk Investment、LLT Investment、Proactive Investment及Grand Energy分別擁有32.5%、32.5%、17.5%及17.5%。Nawk Investment、LLT Investment及Proactive Investment分別由關德深先生、戴良林先生及黎耀華先生直接全資擁有。Grand Energy由King Fung Nominees以信託形式為Joseph Mac Carthy先生直接及全資擁有。由於關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生、Nawk Investment、LLT Investment、Proactive Investment、Grand Energy及King Fung Nominees於致豐控股之權益，於二零一七年十二月三十一日，彼等將被視作控股股東，且一起有權行使及控制本公司已發行股本的75.0%。
- (3) 根據在聯交所網站可供查閱的資料，Asian Equity Special Opportunities Portfolio Master Fund Limited由RAYS Capital Partners Limited擁有100%，而後者由Ruan David Ching Chi先生擁有95.24%。

除上文所披露者外，於二零一七年十二月三十一日，董事並不知悉任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的任何權益或淡倉，或擁有將記錄於根據證券及期貨條例第336條須予存置的登記冊內的任何權益或淡倉，及／或直接或間接擁有附帶權利可在任何情況下於本集團任何其他成員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。

股東於大多數證券之權益

除上文所披露有關主要股東的權益外，於二零一七年十二月三十一日，概無其他人士個別或共同地有權於本公司股東大會上行使或控制行使5%或以上投票權，而能以切實可行的方式指示或影響本公司的管理。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of sales for the year ended 31 December 2017 generated from the Group's major customers is as follows:

- The largest customer	37.3%
- 最大客戶%	
- Five largest customers	70.3%
- 五大客戶%	

The percentage of suppliers for the year ended 31 December 2017 attributable to the Group's major suppliers is as follows:

- The largest supplier	8.5%
- 最大供應商%	
- Five largest suppliers	25.0%
- 五大供應商%	

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Save for the listing of the Shares on the Stock Exchange on the Listing Date, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DIRECTOR'S SECURITIES TRANSACTIONS

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

主要客戶及供應商

截至二零一七年十二月三十一日止年度來自本集團主要客戶之銷售額百分比如下：

	37.3%
	70.3%

截至二零一七年十二月三十一日止年度歸屬於本集團主要供應商之供應商百分比如下：

	8.5%
	25.0%

概無董事、彼等的緊密聯繫人（定義見上市規則）或任何股東（就董事所知擁有本公司超過5%股本者）於本集團於年內的任何五大客戶或其五大供應商中擁有任何實益權益。

購買、出售或贖回本公司上市證券

除股份於上市日期在聯交所上市外，本公司或其任何附屬公司並無購買、出售或贖回本公司的任何上市證券。

董事進行證券交易

本公司已採納有關董事進行證券交易的行為守則，其條款不較標準守則寬鬆。經本公司具體查詢後，全體董事確認彼等於上市日期至本年報日期的整個期間一直遵守有關證券交易的規定交易標準及行為守則。

REPORT OF THE DIRECTORS

董事會報告

COMPETING INTERESTS

During the year ended 31 December 2017 and up to the date of this annual report, none of the Directors nor the controlling shareholders nor substantial shareholders (as defined in the Listing Rules) of the Company or their respective close associates (as defined in the Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group.

NON-COMPETITION UNDERTAKING

The Company confirms that the deed of non-competition of each of Trio Holding, Nawk Investment, LLT Investment, Proactive Investment, King Fung Nominees, Grand Energy, Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy, details of which were set out in the Prospectus has been fully complied with and enforced since the Listing Date and up to 31 December 2017. The Board also confirms that there are no other matters in relation to the aforesaid undertaking which should be brought to the attention of the Shareholders and the potential investors of the Group.

SHARE OPTION SCHEME

The Share Option Scheme was conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by written resolutions of the then Shareholder on 27 October 2017. A summary of the Share Option Scheme and the movement of the share options granted was set out in note 25 to the consolidated financial statements.

競爭權益

於截至二零一七年十二月三十一日止年度及直至本年報日期，董事或本公司控股股東或主要股東（定義見上市規則）或彼等各自的緊密聯繫人（定義見上市規則）概無被視為於與本集團業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益，及／或致使或可能致使與本集團有任何其他利益衝突。

不競爭承諾

本公司確認，自上市日期起直至二零一七年十二月三十一日，致豐控股、Nawk Investment、LLT Investment、Proactive Investment、King Fung Nominees、Grand Energy、關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生各自的不競爭承諾（詳情載於招股章程）已獲完全遵守及執行。董事會亦確認概無其他有關上述承諾的事項須提呈股東及本集團有意投資者垂注。

購股權計劃

購股權計劃是於二零一七年十月二十七日由當時股東根遵照上市規則第17章通過書面決議案有條件批准及採納。購股權計劃的概要及授出購股權的變動載於綜合財務報表附註25。

REPORT OF THE DIRECTORS
董事會報告

AUDIT COMMITTEE

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

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year are set out in note 32 to the consolidated financial statements in this annual report. None of these related party transactions constituted a connected transaction as defined under the Listing Rules for the year.

SUFFICIENCY OF PUBLIC FLOAT

From the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital are held by the public at all times throughout the period from the Listing Date to the date of this annual report.

TAX RELIEF

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

審核委員會

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

關聯方交易

本集團於年內的關聯方交易詳情載於本年報綜合財務報表附註32。於年內，該等關聯方交易概無構成上市規則所界定的關連交易。

充足公眾持股量

自本公司可得的公開資料及就董事所知，於上市日期至本年報日期止整段期間內任何時間，本公司全部已發行股本的最少25%由公眾人士持有。

稅務寬減

本公司並不知悉有股東因持有股份而享有任何稅務寬減。

REPORT OF THE DIRECTORS

董事會報告

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to implementing good corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 34 to 51 of this annual report.

THE FORTHCOMING AGM

The forthcoming AGM of the Company will be held at Strategic Room 1, 24/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Friday, 25 May 2018 at 2:30 p.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this annual report, there are no significant events affecting the Group after the year ended 31 December 2017 and up to the date of this annual report.

INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 31 December 2017 have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment. The Board has taken the Audit Committee's recommendation that a resolution for their re-appointment as independent auditor of the Company will be proposed at the forthcoming AGM.

There is no change of independent auditor for the year and up to the date of this annual report.

On behalf of the Board

Lai Yiu Wah

Deputy Chairman and Executive Director
Hong Kong, 23 March 2018

遵守企業管治守則

本公司致力實行良好企業管治常規。有關本公司採納的主要企業管治常規的資料載於本年報第34至51頁的企業管治報告。

應屆股東週年大會

本公司應屆股東週年大會將於二零一八年五月二十五日（星期五）下午二時三十分假座香港夏慤道18號海富中心1座24樓1室縱橫廳舉行，而召開有關大會的通告將按照上市規則所規定的方式適時刊登及寄發予股東。

報告期後事項

除本年報披露者外，截至二零一七年十二月三十一日止年度後及直至本年報日期，並無對本集團造成影響的重大事項。

獨立核數師

截至二零一七年十二月三十一日止年度綜合財務報表已由羅兵咸永道會計師事務所審核，而彼將退任並符合資格獲重新委任。董事會已參照審核委員會的建議，並將於應屆股東週年大會上提呈有關重新委任該會計師事務所為本公司獨立核數師之決議案。

於年內及直至本年報日期，獨立核數師並無變動。

代表董事會

黎耀華

副主席兼執行董事
香港，二零一八年三月二十三日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

SCOPE AND REPORTING PERIOD

This is the first Environmental, Social and Governance (“ESG”) report by the Group, highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 27 of the Listing Rules and Guidance set out by the Stock Exchange.

The Group is an industrial EMS provider exporting products mainly to Europe, the USA and Asia Pacific, etc. This ESG report covers the Group’s overall performance in two subject areas, namely, Environmental and Social of the business operations in the manufacturing plant in Nansha District, Guangzhou, the PRC, from 1 January 2017 to 31 December 2017, unless otherwise stated. The Group’s head office in Hong Kong was not included in the scope as it has no significant environmental and social impacts.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

The Group values input and feedback of its stakeholders as they bring potential impacts to the Group’s business. Internal and external stakeholders have been involved in regular engagement activities to share views regarding the Group’s operations and performances. The Group has specifically engaged the board members, senior management, frontline staff, suppliers and customers to gain further insights on ESG material aspects and challenges in the reporting period. Through meetings and surveys, the Group and its stakeholders identified the following top five material aspects:

- Occupational health and safety;
- Labour standards;
- Customer service;
- Anti-corruption; and
- Canteen food health and safety.

The above aspects are strictly managed through the Group’s policies and guidelines. Management of the aspects have been described in separate sections below. In particular, the Group was planning to:

範圍及報告期

這報告是本集團首份環境、社會及管治報告，主要闡述本集團於環境、社會及管治等各方面之表現。報告所披露內容及模式均參照聯交所之上市規則附錄二十七「環境、社會及管治報告指引」而編製。

本集團是工業電子製造服務供應商，主要出口產品往歐洲、美國及亞太等地。本環境、社會及管治報告主要匯報本集團位於中國廣州南沙區的工廠在環境及社會兩方面之整體表現。除非另有說明，報告期為2017年1月1日至2017年12月31日止。由於本集團在香港的總辦事處對環境及社會兩方面無重要影響，故並沒納入披露範圍內。

持份者之參與及重要性

本集團十分重視持份者的意見及反饋，認為會為業務帶來潛在影響，故定期就集團在營運和業績兩方面的表現，諮詢內部及外部持份者的意見。本集團特別就報告期內在環境、社會及管治的重要範疇及挑戰，諮詢董事會成員、高級管理層、前線員工、供應商及客戶的意見。透過會議及問卷調查，本集團及持份者確立以下五大重要範疇：

- 職業健康及安全；
- 勞工準則；
- 客戶服務；
- 反貪腐；及
- 食堂食物健康及安全。

上述範疇均按照本集團的政策及指引嚴格執行管理。有關管理之詳情，將於下文個別部份另行闡述。特別一提，本集團正籌劃：

Environmental, Social and Governance Report

環境、社會及管治報告

- Set up small-scale fire stations to facilitate responsiveness towards accidents;
- Join the “Nansha District anti-corruption alliance” in respond to the government’s anti-corruption campaign to promote anti-corruption, business ethics and fair competition; and
- Enhance food safety measures through installation of CCTVs and tests for agrochemical residues.
- 設立小型消防站，提高應對突發火警的處置能力；
- 加入「廉潔南沙企業聯盟」，以響應政府的反貪腐運動，推動反貪腐，促進商業道德和公平競爭；以及
- 加強食品安全，措施包括安裝閉路電視及進行農用化學品殘留物測試。

The Group will continue to identify areas of improvement for the concerned aspects and keep close communication with its stakeholders to share and exchange ideas for advancing the Group’s ESG management.

本集團將繼續查找不足，改善相關的範疇，並與持份者保持密切溝通，分享及交流有關這方面的想法，以進一步加強集團在環境、社會及管治方面的管理。

STAKEHOLDERS’ FEEDBACK

The Group welcomes stakeholders’ feedback on its environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email at ad_hjbin@triopy.com.

持份者意見

本集團歡迎各方持份者就環境、社會及管治方針及表現提供意見。請以電郵向我們提出建議或分享意見，電郵地址：ad_hjbin@triopy.com。

THE GROUP’S MISSION AND STRATEGIES

Mission

Powered by partnership, we try endlessly to innovate the best ways out to deliver our EMS services, plan to avoid environmental and safety failure, yet create friendship, care and respect among all people working with us.

集團的使命及策略

使命

「致豐工程，守誠互動」。我們致力研發最佳的電子產品生產服務方案，並籌劃如何防止環境和安全失誤，與此同時，我們珍惜與夥伴們的互動，著重友誼、關懷和尊重。

Strategies

1. Dedicated marketing and regional sales support
2. Manufacture products of higher value and contributions
3. Expand ATE business segment
4. Further enhance efficiency and capability
5. Strengthen presence in the industrial EMS sector
6. Continue to recruit talents and professionals

策略

1. 着重市務，區域支援
2. 高值產品，高效回報
3. 行銷自動化檢測設備，業務多元
4. 提升效率，強化產能
5. 公司品牌，行業翹楚
6. 招聘英才，長期培育

In summary, we strongly believe the human factor is the core propeller of our business expansion. The Group’s success formula in maintaining the best possible labour portfolio is:

總括而言，我們深信「人」是一間企業的真正核心動力所在。本集團秉持強大的人力資源實力，締造成功的方程式：

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People are our core foundation

以人為本



ACCREDITATION AND CERTIFICATION

The Group adopts a progressive approach in its management. It complies with various international standards to stay competitive in the industry and enhance credibility through third party accreditation. Certifications and membership include:

- ISO 9001 Quality Management System
- IATF16949 Quality Management System for Automotive Industry
- ISO13485 Quality Management System for Medical Devices
- OHSAS 18001 Occupational Health and Safety Management System
- ISO 14001 Environmental Management System
- TUV Certified Manufacturing Facility
- UL1446 Electrical Insulation System
- UL Traceability Requirement for Printed Circuit Board Assemblies (Category ZPVI2)
- CCC Product Certification
- Association Connecting Electronics Industries Member

標準與認證

本集團在企業管理上自強不息，引入多個國際標準，以保持行業競爭優勢，並通過第三方認證提高認受性。認證及會員資格包括：

- ISO 9001 質量管理體系
- IATF16949 汽車生產件及相關服務件質量管理體系
- ISO13485 醫療器械質量管理體系
- OHSAS 18001 職業健康和安全管理系統
- ISO 14001 環境管理體系
- TUV 電子元器件產品認證
- UL1446 絕緣材料系統
- UL 印刷電路板組件追蹤要求 (ZPVI2 類別)
- CCC 產品安規認證
- 國際電子工業聯接協會會員

Environmental, Social and Governance Report
環境、社會及管治報告

A. ENVIRONMENTAL

Sources of emissions the Group involved during the reporting period included natural gas, petrol, diesel, refrigerants, electricity, paper, water and business air travels. The Group was in strict compliance with the national standards and regulations such as the Emission Limits of Air Pollutants (DB44/27-2001) of Guangdong Province, Emission Standard of Cooking Fume (GB 18483-2001), Discharge Limits of Water Pollutants (DB44/26-2001) of Guangdong Province and the Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste. It has obtained all necessary discharge permits, installed electrostatic precipitators, carbon adsorption systems, grease trap and on-site waste water treatment facility to control emissions and discharge. To comply with the ISO 14001 standard, the Group has a comprehensive management system to continuously improve its environmental standards and performances.

1. Emissions

(i) Air Pollutant Emissions

During the reporting period, employees and guests consumed petrol for Group-owned vehicles and natural gas for cooking in the canteen operation, which contributed to the emission of 18.39 kg of nitrogen oxides (NOx), 0.35 kg of sulphur oxides (SOx) and 0.97 kg of respiratory suspended particles (PM).

(ii) Greenhouse Gas Emissions

A. 環境

在報告期內，本集團的污染排放源包括天然氣、汽油、柴油、製冷劑、電力、紙張、水及商務飛行旅程。本集團嚴格遵守國家標準和規定，如廣東省大氣污染物排放限值(DB44/27-2001)、飲食業油煙排放標準(GB18483-2001)、水污染物排放限值(DB44/26-2001)，以及《中華人民共和國固體廢物污染環境防治法》等。本集團已申領所有必須的排放許可證，安裝了靜電除塵器、活性炭處理系統、隔油池及現場廢水處理設施，以控制廢氣及污水的排放。為符合ISO 14001標準，本集團已設立全面的管理系統，持續改善相關的環境標準和表現。

1. 排放

(i) 空氣污染物排放

在報告期內，員工和賓客使用集團所擁有的汽車而耗用汽油，以及在食堂內用餐而耗用天然氣煮食，兩者共排放氮氧化物(NOx)18.39公斤、硫氧化物(SOx)0.35公斤及可吸入懸浮粒子(PM)0.97公斤。

(ii) 溫室氣體排放

Scope of Greenhouse Gas Emissions	Emission Sources	Emission (in tCO2e) 二氧化碳排放當量 (以噸計)	Total Emission (in percentage) 總排放量 (百分比)
溫室氣體排放範疇			
Scope 1 Direct Emission 範疇1直接排放			
Combustion of fuel for stationary source 燃料燃燒(固定源)	Natural gas 天然氣	79.61	13%
Combustion of fuel for mobile sources 燃料燃燒(流動燃燒源)	Petrol 汽油	59.88	
Refrigerants 製冷劑		488.70	

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Scope of Greenhouse Gas Emissions	Emission Sources	Emission (in tCO ₂ e) 二氧化碳排放當量 (以噸計)	Total Emission (in percentage) 總排放量 (百分比)
溫室氣體排放範疇			
Scope 2 Indirect Emission 範疇2間接排放			
Purchased electricity 購買電力		4,226.59	85%
Purchase of natural gas 購買天然氣		21.85	
Scope 3 Other Indirect Emission 範疇3其他間接排放			
Paper waste disposal 廢紙棄置		35.69	2%
Water consumption 用水		56.03	
Business air travel 商務飛行旅程		3.43	
Total 總額		4,971.78	100%

Note 1: Emission factors were made by reference to Appendix 27 of the Main Board Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.

附註1：除另有說明外，排放系數均參照聯交所之指定文件及主板上市規則附錄二十七而編製。

Note 2: Combined margin emission factor of 0.63 tCO₂/MWh was used for purchased electricity in Guangdong Province of the PRC.

附註2：在中國大陸廣東省所購買電力以組合邊際排放系數0.63噸二氧化碳排放當量／兆瓦時計算。

Note 3: Emission factor for combustion of natural gas and diesel for stationary source were calculated with made reference to GHG Emissions from Stationary Combustion (Chinese), provided by the Greenhouse Gas Protocol.

附註3：固定污染源的燃燒天然氣和柴油之排放系數，是參考溫室氣體核算體系提供的「固定源的燃料燃燒所致的溫室氣體排放計算工具(中文)」來計算。

Note 4: The above emission data does not include the removal of CO₂ contributed by recycling of paper.

附註4：上述排放數據不包括因回收紙張而抵銷的二氧化碳。

The Group's activities contributed to 4,971.78 tonnes (0.22 tCO₂/m²) of carbon dioxide equivalent (carbon dioxide, methane, nitrous oxide and hydrofluorocarbons) emission during the reporting period. With the Group's effort in recycling of paper, a total of 1,050.87 tonnes of carbon dioxide equivalent was removed, the carbon dioxide equivalent emission after removal was 3,899.06 tonnes (0.17 tCO₂/m²).

在報告期內，本集團的活動共產生4,971.78噸(0.22噸／平方米)二氧化碳當量(二氧化碳、甲烷、氧化亞氮及氫氟碳化合物)排放。透過積極回收廢紙，我們抵銷了1,050.87噸二氧化碳當量，抵銷後的二氧化碳當量排放為3,899.06噸(0.17噸／平方米)。

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Natural Gas, Petrol and Diesel

Apart from natural gas and petrol consumption mentioned above, the Group also consumed diesel for generators, but it had no significant contribution to the carbon dioxide equivalent emissions.

Refrigerants

270 kg of HCFC-22/R22 were used in air conditioning system during the reporting period, contributing to 488.70 tonnes of carbon dioxide equivalent emissions.

Paper Consumption

Paper Consumption	7.29t
Total Emission from Paper Disposal	35.69 tCO ₂ e
Paper Collected for Recycling	218.93t
Total Emission reduced from Paper Recycling	1,050.87 tCO ₂ e

* For consistency, all CO₂e emitted from paper consumption and removed from paper recycling are calculated based on paper waste disposed at landfills (referenced from Appendix 2: Reporting Guidance on Environmental KPIs issued by the Stock Exchange)

The Group distributes paper according to the monthly paper consumption of different departments with registered record. A total of 7.29 tonnes of paper was used for daily office operation such as printing of documents, contracts, order forms, technical drawings and meeting notes. The Group strives to reduce paper consumption by:

- Developing management software to support establishment of a paperless office;
- Using recycled paper;
- Adopting double-sided printing; and
- Maintaining printers, copiers, and fax machines to avoid wastage of paper due to poor printing quality.

Office waste paper involving confidential information was shredded and disposed of. Only waste paper packaging materials (a total of 218.93 tonnes) were collected by licensed recyclers for recycling, which contributed to a removal of 1,050.87 tonnes of equivalent carbon dioxide emission.

天然氣、汽油及柴油

除上述天然氣及汽油的消耗外，本集團的發電機組亦耗用柴油，不過對於二氧化碳當量排放並無重大影響。

製冷劑

在報告期內，空調系統耗用270千克HCFC-22/R22製冷劑，產生488.70噸二氧化碳當量排放。

紙張用量

紙張用量	7.29噸
棄置廢紙的總排放量	35.69噸 二氧化碳當量排放
回收廢紙	218.93噸
回收廢紙共抵銷排放量	1,050.87噸 二氧化碳當量排放

* 為保持數據一致性，所有因紙張消耗而排放及廢紙回收所抵銷的二氧化碳排放當量，是根據堆填區處置的紙廢物來計算（參考附錄2：聯交所公佈的環境關鍵績效指標報告指引）

本集團要求各部門記錄每月用紙量，並根據用量分配紙張。日常辦公室運作如打印文件、合約、訂單、技術圖紙和會議記錄，共使用7.29噸紙張。本集團致力減少用紙量，措施包括：

- 開發管理軟件以助建立無紙辦公室；
- 使用再造紙；
- 採用雙面打印；及
- 保養打印機、複印機和傳真機，避免因打印效果欠佳而浪費紙張。

涉及機密資料的辦公室廢紙，會先被切碎，然後棄置。我們只把紙材包裝廢料（共218.93噸）交予持牌回收商作回收再利用，共抵銷1,050.87噸的二氧化碳當量排放。

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Business Air Travel

Employees travel by air for exhibitions and meeting their colleagues, suppliers and customers. The Group keeps track of their business air travels and avoids travelling by air whenever possible. During the reporting period, its business air travels had contributed a total of 3.43 tonnes of carbon dioxide equivalent emission.

商務飛行旅程

員工乘坐飛機公幹之目的是參加展覽會，以及與同事、供應商或客戶會面。本集團持續檢討商務飛行旅程的必要性，盡可能避免乘坐飛機公幹。在報告期內，商務飛行旅程共產生3.43噸二氧化碳排放當量。

(iii) Hazardous Waste

(iii) 有害廢棄物

Hazardous Wastes	有害廢棄物	Wastes Generated(in %) 廢棄物產生量 (以百分比計)
Thinner	稀釋劑	49%
Activated carbon	廢活性炭	20%
Emulsifier	廢乳化液	14%
Metal containers for thinner and paint	含稀釋劑、油漆的廢鐵罐	4%
Oil-containing waste and filter	含油廢渣、濾芯	4%
Alcohol and oil-containing fabric	含酒精、油漆廢布	4%
Lubricating oil	機油	2%
Fluorescent lamp	廢燈管	2%
Dust from PCB production	廢線路板粉塵	1%

The Group generated a total of 5.07 tonnes of hazardous waste (0.22kg/m²). The major hazardous wastes generated by the Group were thinner, activated carbon and emulsifier which were used for cleaning of electronic products, treatment of emissions and operation of air compression equipment respectively. Hazardous wastes were stored in the hazardous waste containers and collected by licensed collectors twice a year. The Group will strive to reduce generation of hazardous waste through upgrading technologies whenever possible.

本集團共產生5.07噸有害廢棄物(0.22千克/平方米)。本集團產生的有害廢棄物主要為稀釋劑、活性炭和乳化劑，分別用於電子產品浸漬、排放處理和空壓機設備運行。有害廢棄物貯存於有害廢棄物容器內，並由持牌收集商每年收集兩次。本集團將盡力通過技術升級減少產生有害廢棄物。

(iv) Non-hazardous Waste

The Group generated a total of 25.36 tonnes (1.11kg/m²) of domestic waste which was mainly composed of food waste generated from the canteen operation. All food waste was collected by villagers to use for fish feeds. Other recyclable materials (including waste packaging and raw materials) were collected either by recyclers or suppliers.

(iv) 無害廢棄物

本集團共產生25.36噸(1.11公斤/平方米)生活廢物，主要來源為食堂的廚餘。所有廚餘由村民回收作餵魚用。其他可回收材料(包括廢棄的包裝物料和原材料)由回收商或供應商回收。

In the canteen operation, the Group banned the use of disposable tableware and managed canteen food through its developed system. Employees must order their meals through the digital ordering system which enables preparation of meals based on the received orders. Employees can also order meals according to their needs to avoid food wastage at source.

在食堂營運方面，本集團禁止使用一次性餐具，並開發系統管理食堂的食物。員工必須使用電子訂餐系統訂購餐食，以便按照訂單準備餐食，員工還可以按自己的需要而訂餐，從源頭避免浪費食物。

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2. Use of Resources

Reducing energy use, reducing resources consumption and enhancing utilisation are the Group's principles in managing its use of resources. The Group has a management policy regarding the use of energy and resources such as electricity, natural gas, petrol and diesel, water and paper.

(i) Energy Consumption

Energy Consumption Sources		Consumption Distribution (in %) 能源消耗分佈 (以百分比計)	Consumption Intensity (in kWh/m ²) 能源消耗密度 (以千瓦時／平方米計)
Electricity	電力	92%	292.89
Natural Gas	天然氣	5%	15.71
Petrol	汽油	3%	8.55
Diesel	柴油	0%	0.17

The energy use involved in the Group's operation included the consumption of electricity, natural gas, petrol and diesel. The Group consumed a total of 7,268,593.83 kWh (317.32 kWh/m²) during the reporting period.

a. Electricity

Electricity consumed by the Group is supplied by the national electricity grid. The administration department keeps track of the consumption and informs responsible departments if abnormal consumption is found. A total of 6,708,868 kWh was consumed during the reporting period. Different departments of the Group maintained equipment in good operation condition, controlled lightings and air conditioner's temperature to reduce electricity consumption. The Group also used evaporative coolers rather than air conditioners in the canteen and was planning to install electricity monitoring devices to monitor and record real-time electricity data, so as to explore opportunities for optimising energy efficiency.

In the manufacturing area, lightings have been gradually changing from traditional lightings to LED lightings with higher efficiency. The Group has installed over 300 energy-saving lightings during the reporting period, which contributed to a saving of 2,000 kWh of electricity consumption.

2. 資源使用

本集團管理資源使用的方針是：減少能源消耗、減少資源消耗、提高利用率。本集團制定了政策，管理有關能源和資源（如電力、天然氣、汽油、柴油、水和紙等）的使用。

(i) 能源消耗

本集團營運所使用的能源包括電力、天然氣、汽油和柴油。在報告期內，本集團共耗用能源7,268,593.83千瓦時（317.32千瓦時／平方米）。

a. 電力

本集團所使用的電力由國家電網供應。行政部門會跟蹤電力消耗情況，如果發現異常，會通知有關部門。在報告期內，共耗用電力6,708,868千瓦時。本集團各部門皆保養設備，確保運作狀況良好，控制照明及空調溫度，以降低用電量。本集團食堂使用蒸發冷卻器而非空調，並計劃安裝電力監察裝置，用以監察及記錄實時電力數據，從而探究優化能源效益的方案。

在製造區，照明設備已由傳統照明逐漸改為較高能源效益的LED照明。在報告期內，本集團安裝了節能燈300多盞，節省電耗2,000千瓦時。

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b. Natural gas, Petrol and Diesel

The Group keeps record of its consumption of natural gas, petrol and diesel. During the reporting period, 36,417m³ of natural gas, 22,112 L of petrol and 390 L of diesel were consumed. The administration department, the electrical and mechanical technicians and the logistic department work together to avoid wastage of natural gas, petrol and diesel due to malfunctioned or deteriorated equipment, generators and vehicles.

(ii) Water Consumption

The Group consumed freshwater supplied by the municipal freshwater supplier. Water is mainly consumed for domestic use and the canteen operation. Water consumption of the Group during the reporting period was 94,660m³ (4.13m³/m²). The Group encourages water conservation and reduces water wastage through inspections and maintenance of the water supply network.

In the reporting period, auto-flush systems have been installed in restroom urinals in the manufacturing area to reduce flush water wastage. This contributed to a flush water usage reduction of 8% as compared to the year before this reporting period.

(iii) Packaging Materials

Packaging Materials	包裝材料	Consumption Distribution (in %) 材料用量分佈 (以百分比計)
Paper	紙	70%
Wood	木	16%
Plastic	塑膠	7%
Sponge	海綿	7%

Upon customer's agreement, the Group adopts recyclable materials as packaging materials. During the reporting period, the Group had consumed a total of 617.58 tonnes of paper, wooden crates, cushioning sponge, plastic blisters and plastic bags for products packaging.

b. 天然氣、汽油和柴油

本集團保存天然氣、汽油和柴油的用量記錄。在報告期內，共耗用天然氣36,417立方米、汽油22,112公升、柴油390公升。行政部門、機電技術人員和後勤部門通力合作，避免因設備、發電機及車輛故障或老化，而導致浪費天然氣、汽油和柴油。

(ii) 用水

本集團使用市政淡水供應商所提供的淡水。水主要作內部使用及食堂營運。在報告期內，本集團用水量為94,660立方米(4.13立方米/平方米)。本集團鼓勵節約用水，並通過檢查和保養供水網絡來減少水資源浪費。

在報告期內，製造區內洗手間的尿廁安裝了自動沖廁系統，以減少沖廁水浪費。跟報告期的前一年相比，沖廁水用量減少了8%。

(iii) 包裝材料

經客戶同意，本集團採用可回收物料作包裝材料。在報告期內，本集團所消耗的產品包裝材料，包括紙、木箱、海綿、吸塑和膠袋，共617.58噸。

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B. SOCIAL

1. Employment and Labour Practices

(i) Employment

Total Employees and Turnover

The Group had a total number of 1,586 employees as of 31 December 2017, in which all employees were full-time employees from the PRC.

B. 社會

1. 僱傭及勞工常規

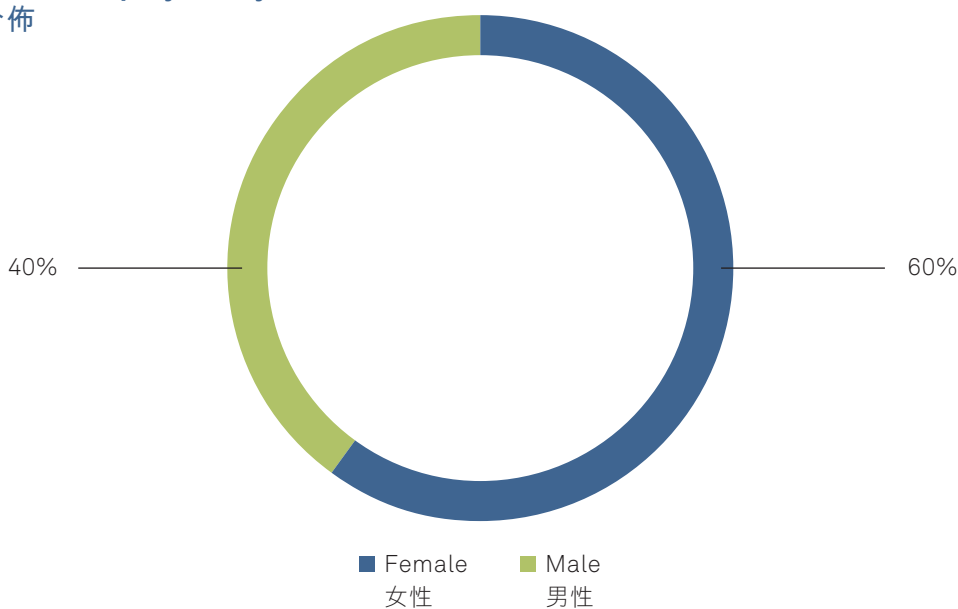
(i) 僱傭

僱員總數及流失率

截至2017年12月31日，本集團共有1,586名僱員，全部為全職的中國內地僱員。

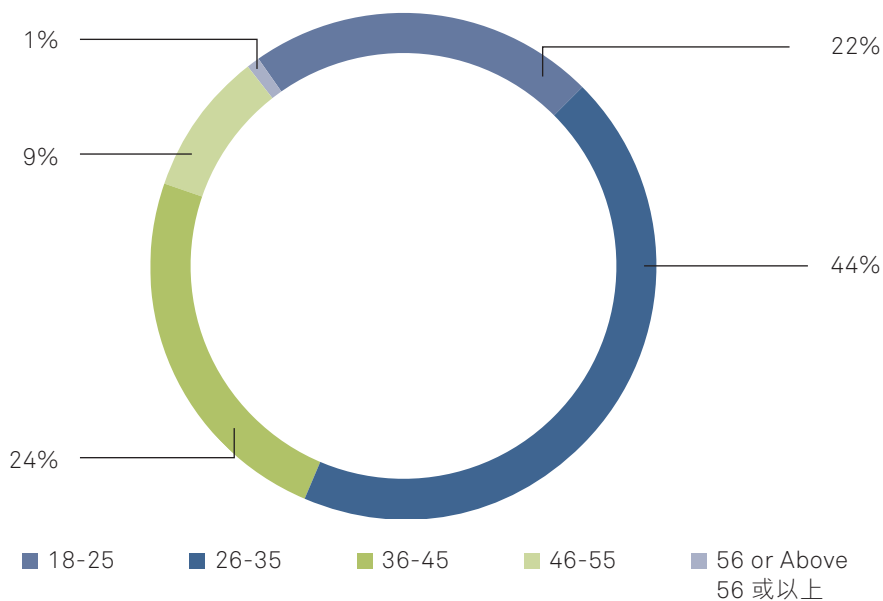
Distribution Of Employees by Gender

僱員性別分佈



Distribution of Employees by Age Group

僱員年齡分佈

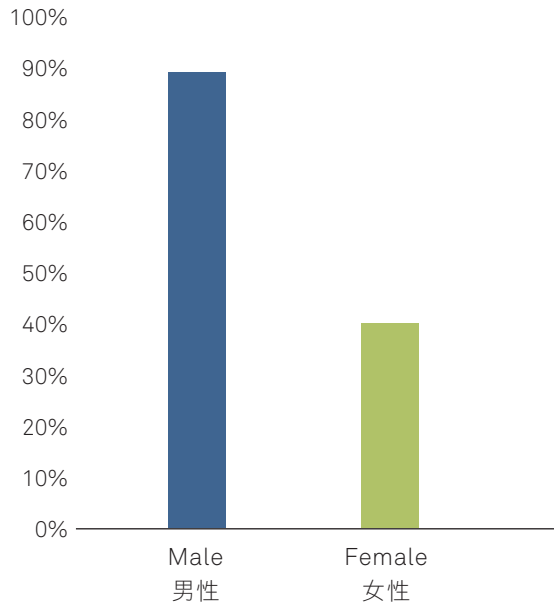


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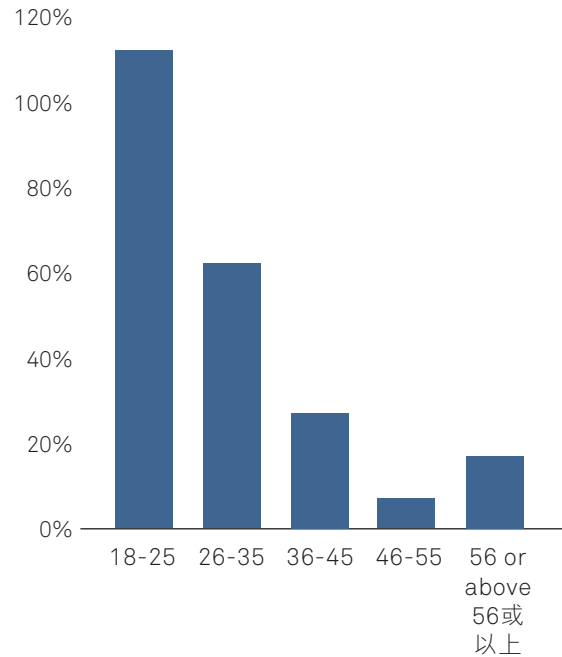
A total of 942 employees left the Group in the reporting period (average turnover rate: 5.74%)¹.

共有942名僱員離職(平均流失率為5.74%)¹。

Turnover Rate by Gender
流失率(以性別計)



Turnover Rate by Age Group
流失率(以年齡計)



Employee Benefits and Welfare

The Group abides by the Labour Law of the PRC and provides social insurance, subsidies, holidays and other welfare according to the statutory requirement. Employment contract terms were stipulated under the principles of fairness, voluntarism, mutual consent, integrity and credibility. The Group provides employees with competitive compensation and discretionary bonus. The regular work hours are 40 hours per week, with overtime pay calculated according to the specified equations in the Employee Handbook. Salary adjustment is performed annually according to the financial results of the Group, work performance of individual employee and the market trend. Employees are entitled to casual leave, annual leave, marriage leave, maternity leave, paternity leave, lactation break, sick leave and compassionate leave. Employees are also provided with share option, subsidised meals and temporary accommodation if necessary. No material non-compliance in relation to employment laws and regulations was recorded during reporting period.

僱員權益及福利

本集團按照《中華人民共和國勞動法》規定，為僱員提供社會保險、補貼、假期等福利。我們以公平、自願、彼此同意、公正和具公信力的原則，制定僱傭合約條款。本集團給予員工具競爭力的薪酬及酌情花紅。一般工作時間為每週40小時，加班費按《職員手冊》內指定的公式計算。每年跟據本集團之財務業績、員工個人工作表現及市場趨勢，進行一次薪酬調整。員工有權放事假、年假、結婚假、產假、待產假、授乳時段、病假及恩恤假。如有必要，員工還可獲認股權、膳食補貼和臨時住宿。在報告期內沒有與僱傭相關法律法規的重大違規紀錄。

¹ The average turnover rate is calculated by averaging the monthly turnover rates. Monthly turnover rate is calculated by number of employees who left the Group in a specific month/total number of employees in the previous month*100%. Employees who leave the Group within a month is not counted.

¹ 平均流失率是通過平均每月流失率來計算。每月流失率是根據本集團在特定月份離職的員工人數除以上一個月份的員工總數*100%計算。在一個月內離開集團的員工不算在內。

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Labour Standards

In pursuance of the employment contract, the Group's regulations and policies, the Labour Law and other related national laws of the PRC, there was no child labour nor forced labour working in the Group. The job application requirement specifies that job applicants must be at least 18 years old. To ensure that job applicants can meet the age requirement, identities of job applicants are verified against their valid identity documents, relevant permits and certificates. The human resources department is required to carry out background checks to authenticate information provided by job applicants and is required to fill in forms that confirm hired employees have met the age requirement. No material non-compliance in relation to laws and regulations regarding prevention of child and forced labour was recorded during reporting period.

Equal Opportunity

When there is a job vacancy, the Group recruits internally before recruiting externally. Recruitment process is carried out according to the Group's regulations on employee recruitment management. The Group provides equal opportunities for employees in respect of recruitment, job advancement, training and development, etc. Employees are not discriminated against or deprived of such opportunities on the basis of race, nationality, religion, physical condition, disability, gender, pregnancy, sexual orientation, political status, age and any other discrimination prohibited by applicable law. Employees shall not act in discriminatory manner or they can be subject to disciplinary actions.

勞工準則

本集團遵從勞工用合同、集團規章制度及《中華人民共和國勞動法》等國家相關法律法規，並沒有僱用童工或強迫勞工。我們規定求職者必須年滿18歲。為確定求職者符合年齡要求，我們會核對求職者的有效身份證明文件、相關許可證及證書，以確認身份。人力資源部門必須進行背景調查，以核實求職者所提供的資料，並要填寫表格，確認所僱用的員工符合年齡要求。在報告期內沒有與防止童工或強制勞工準則相關法律法規的重大違規紀錄。

平等機會

當有職位空缺時，本集團會先進行內部招募，然後才對外招聘。招聘過程按照本集團有關員工招聘的規定進行。本集團在招聘、工作晉升、培訓和發展等方面，均提供平等機會予每一位員工。員工不會因為種族、國籍、宗教信仰、身體狀況、殘障、性別、懷孕、性取、政治地位、年齡及任何其他法律禁止的歧視，而受到歧視或剝削機會。同時，員工亦不得作出歧視的行為，否則可能會受到紀律處分。

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(ii) Employee Relations

The Group believes that strong communication is a prerequisite for effective management. Regular communication at different levels is maintained in accordance with the Group's guideline for standardised communication management. The guideline helps new employees adapt to the work environment, existing employees acquire adequate support and the Group gain feedback and suggestions from departing employees. The Group communicates with 100% of all types of employee categories (new employees, existing employees and departing employees). Means of standardized communication includes trainings, individual and group interviews and phone calls. Adequacy of communication is examined through random sampling surveys and interviews. The sampling or interview rate is not lower than 20%.

Apart from the standardised communication procedures, the Group also organizes celebration activities, gatherings and lucky draws to foster employees' sense of belonging.

(iii) Employee Health and Safety
Occupational Health and Safety

With the OHSAS 18000 certification, the Group has established standardised procedures for its occupational health and safety system. Employees exposing to high occupational hazards are provided with occupational health checks and their health records are well-maintained. Personal protective equipment ("PPE") is provided by the Group and employees are only allowed to enter the production area when all necessary PPE has been put on. All results from the annual occupational hazards and risk factors assessment have met the required standards and no material non-compliance in relation to health and safety laws and regulations was recorded during reporting period.

The Group gives special attention to fire hazards in its workplace. An on-site fire station has been set up to provide prompt support to fire accidents. Fire safety is also ensured through regular fire drills and maintenance of electrical and fire equipment. During the reporting period, three fire drills have been held. Employees were able to evacuate within two minutes and use various types of fire-fighting equipment from past drill experiences.

(ii) 僱員關係

本集團相信緊密的溝通是有效管理的基礎。本集團根據既定的溝通管理指引，從不同層面與員工保持定期溝通。該指引既有助新入職員工適應工作環境；也讓現職員工獲得足夠支援；同時亦有助我們向離職員工收集意見和建議。本集團與所有類別的員工（包括新入職、現職及離職員工）百分百溝通，既定溝通程序的方法包括培訓、個別及小組面談及電話會談；並透過問卷抽查和面談來檢討溝通是否充分；抽查或面談率不低於20%。

除了既定的溝通程序外，本集團亦舉辦慶祝活動、聚會及抽獎，以培養員工的歸屬感。

(iii) 僱員健康及安全
職業健康及安全

通過OHSAS 18000認證，本集團制定了實行職業健康及安全系統的標準程序。我們安排工作性質易受職業危害影響之員工接受職業健康檢查，並妥善保存其健康記錄。本集團向員工提供個人防護裝備（「PPE」），員工必須佩戴所有必要之個人防護裝備，方可進入生產區。在報告期內，所有職業危害因素的年度監測結果均符合有關要求，並沒有與職業健康及安全相關的法律法規的重大違規紀錄。

本集團特別留意工場的火災隱患。在工場內設有消防站，以便一旦出現火災時，可及時提供支援。為確保消防安全，集團定期進行消防演習，並保養電力及消防設備。在報告期內，共舉行了3次消防演習，員工能夠在2分鐘內撤離，並從過去的演習中，學懂使用各種滅火設備。

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Occupational Health and Safety Data in 2017		2017年職業健康及安全數據	Days
			天
Work related fatality	因工死亡		0
Work injury cases >3 days	因工傷損失多於三個工作天的個案		5
Work injury cases <=3 days	因工傷損失不少於三個工作天的個案		7
Lost days due to work injury	因工傷損失工作天總數		195

The 12 work injury cases in the reporting period were all minor injuries. In response to the injury cases, the Group has analysed cause of the injuries and developed corresponding measures to avoid reoccurrence.

在報告期內，共發生了12宗工傷事件，受傷者均為輕傷。本集團已就工傷事件檢討事發原因，並制定相應措施，以避免事件再次發生。

Food Health and Safety

The Group follows its regulations regarding canteen management, hygiene and safety management to ensure that food served in the canteen is of high quality and safe to eat. It only purchases food materials that are fresh, hygienic, clean and in compliance with all applicable national standards and regulations. Samples of each dish, rice and soup are kept 48 hours every day for record and testing if necessary. Food premises are sanitized regularly and inspected every day. There were no complaints regarding food quality in the reporting period.

食物健康及安全

本集團謹守有關食堂管理、衛生和安全管理的規定，以確保食堂所供應的食物品質優良，可安全食用。食堂所購買的食材，皆為新鮮、衛生、清潔，並符合所有適用的國家標準和法規。我們每天抽取每道菜餚、米飯和湯的樣本，保存48小時，以便在有需要時進行記錄和檢測。食肆會定期消毒，並每天進行檢查。在報告期內，沒有接獲關於食物品質的投訴。

(iv) Development and Training

People are the most treasurable assets of the Group. Investing in people is one of the Group's focuses and a key factor contributing to the Group's continuous growth. The Group therefore provides comprehensive training and development opportunities to its employees:

- a. Orientation training – To familiarise employees with the Group's objectives, culture, rules and regulations, safety and product-related knowledge on the first day of work;
- b. Pre-job training – to familiarise new employees or transferred employees with their new duties;

(iv) 發展及培訓

人才為本集團最寶貴資產。投入資源、培養英才為集團的發展重點之一，也是推動集團持續增長的一個重要因素。因此，本集團為旗下員工提供全面的培訓和發展機會：

- a. 迎新培訓 – 讓員工在首個工作天先熟悉集團的目標、文化、規矩和守則，以及有關安全和產品的知識；
- b. 崗前培訓 – 讓新入職或轉崗的員工熟悉新的職務；

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- | | |
|---|---|
| <p>c. Internal and external trainings – To ensure employees participate in continuous personal, vocational and other technical skills development; and</p> <p>d. Key operation training – To ensure designated employees obtained permits (through examinations) before performing key operations. Designated employees are required to take refreshment trainings regularly to maintain their professional competence.</p> | <p>c. 內部及外部培訓－確保員工能獲得持續的個人、職業及其他技術的發展；及</p> <p>d. 關鍵崗位培訓－確保指定員工在執行重要操作前（通過考試）獲得認可證書。指定員工必須定期進行更新培訓，以保持專業能力。</p> |
|---|---|

The Group arranges trainings according to needs of employees, which were identified annually by individual departments. Apart from classroom trainings, e-learning system is also in place to cater for different needs of employees.

本集團每年按個別部門旗下員工的需要，安排培訓。除了課堂培訓之外，也備有電子學習系統以滿足員工不同的需求。

Training and Development Data in 2017	2017年培訓及發展數據	
Total Number of Employees	總僱員人數	1,586
Total Training Hours	總培訓時數	44,868
Percentage of Employees trained by Gender	受訓僱員百分比，按性別計	
Male	男性	186%
Female	女性	146%
Percentage of Employees trained by Employment Category	受訓僱員百分比，按僱員類別計	
Senior Management	高級管理層	100%
Middle Management	中級管理層	86%
Frontline and Other Employees	前線及其他僱員	165%
Average Training Hours Completed per Employee by Gender	每僱員平均受訓時數，按性別計	
Male	男性	32
Female	女性	26
Average Training Hours Completed per Employee by Employee Category	每僱員平均受訓時數，按僱員類別計	
Senior Management	高級管理層	9
Middle Management	中級管理層	23
Frontline and Other Employees	前線及其他僱員	29

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2. Operating Practices

(i) Supply Chain Management

Equipment or materials are purchased based on specifications, quality and safety performance of equipment, reputation, after-sales service and delivery time of the supplier. The Group compares different suppliers to select qualified suppliers (based on their product specifications, product compliances, production management, quality management and also corporate social responsibility performances) before the Group enters into contract with the qualified suppliers.

When selecting energy or water consuming equipment, the Group places preferences to energy efficient and water-saving equipment according to its management policy on energy and resources use. During the reporting period, the Group sourced its major materials from suppliers of the following geographical regions².

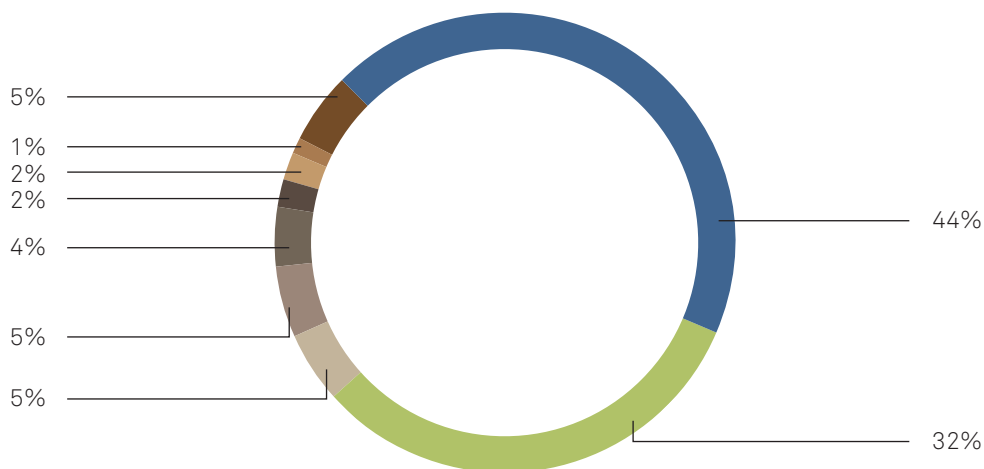
2. 營運方式

(i) 供應鏈管理

選購設備或材料時，會考慮設備的規格、質量及安全性能，以及供應商的信譽、售後服務和交貨時間等。本集團與合資格供應商訂立合約前，會比較不同供應商，考慮其產品規格、產品合規性、生產管理、質量管理，以及企業社會責任的表現，以選出合資格的供應商。

在選擇耗能或耗水設備時，本集團會按照既有的能源和資源使用管理政策，優先考慮節能和節水的設備。於報告期內，本集團向以下不同地區的供應商採購主要原材料²。

Distribution of Suppliers by Geographical Regions
按地區分的供應商分佈



■ Mainland China (中國大陸)
 ■ Hong Kong (香港)
 ■ UK (英國)
 ■ USA (美國)
 ■ Taiwan (台灣)
 ■ Germany (德國)
 ■ Singapore (新加坡)
 ■ France (法國)
 ■ Others (其他)

² Other geographical regions include suppliers (less than 1% each) in Malaysia, India, Korea, Ireland, Thailand, Italy, Japan, Israel, Austria, Denmark, Australia, Spain, Samoa, Philippines and Holland.

² 其他地區包括馬來西亞、印度、韓國、愛爾蘭、泰國、意大利、日本、以色列、奧地利、丹麥、澳大利亞、西班牙、薩摩亞、菲律賓和荷蘭的供應商（各不到1%）。

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(ii) **Product Responsibility**

Product Assurance and Recall

The Group is committed to ensuring its product quality and reliability. Product quality is controlled and managed through laboratory tests, Restriction of Hazardous Substances Directive (“RoHS”) spectrum inspections, automatic optical inspections, burn-in tests, and unit under tests, etc. Products and its incoming components are examined for not less than three times. There are responsible persons for quality assurance of incoming materials, intermediate products and final products.

Upon receipt of complaints, the Group responds in 24 hours and provides analysis reports to complainant within seven working days. There was no product recalled due to safety and health reasons and no material non-compliance with laws and regulations in relation to product health and safety recorded during the reporting period; 39 complaints have been received, of which all complaints had been resolved with corrective actions and preventive measures taken.

Intellectual Property Rights and Information Security

Intellectual property (“IP”) includes trademarks, service marks, copyrights, rights in inventions and rights in know-how etc. The Group registered patents and copyrights for its inventions including its technologies, software and systems. It is also committed to using third party licensed rights and IP assets rightfully without infringement of any applicable laws and regulations. Suppliers also undertake to respect IP rights and act in accordance with the suppliers’ code of conduct developed by the Group.

The Group has policy on customer property control. Property under protection does not include only tangible properties but also IP rights, personal information and confidential information. Non-disclosure agreements are signed between the Group and clients if necessary. No material non-compliance with laws and regulations in relation to customer data protection and privacy was recorded during reporting period.

(ii) **產品責任**

產品質量保證及回收

本集團致力確保產品的質量和可靠性。為控制和管理產品質量，我們會進行實驗室測試、限制使用有害物質指令(「RoHS」)譜系檢測、自動光學檢測、老化測試及單元測試等。產品及相關的購入組件，均接受起碼三次檢測。集團購入的材料、半成品和成品，均由專責人員進行質量檢測。

如收到投訴，本集團會在24小時內作出回應，並在7個工作天內向投訴人提交分析報告。本集團於報告期內並沒有產品基於安全及健康的理由而須回收，也沒有與產品安全及健康相關法律法規的重大違規紀錄；共接獲39宗投訴，並已就所有投訴採取糾正行動及預防措施。

知識產權及資訊安全

知識產權(「IP」)包括商標、服務標誌、版權、發明權及知識產權等。本集團已為其發明(包括技術、軟件和系統)註冊了專利和版權。集團亦承諾正當使用第三方的許可權和知識產權資產，不違反任何適用的法律和法規。供應商亦承諾尊重知識產權，並遵守本集團制定的供應商行為守則。

本集團制定了顧客財產控制政策。財產保護不僅涵蓋實物，還包括知識產權、個人資料和機密資料。如有需要，本集團會與顧客簽署保密協議。本集團於報告期內並沒有與顧客資料保護及私隱相關法律法規的重大違規紀錄。

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(iii) Anti-corruption

According to the Group's anti-corruption policy, all employees shall abide by the laws and regulations of the PRC and shall not engage in any illegal activities. Employees shall uphold the code of ethics, advocate fair competition and act against bribery. Any bribery, fraud, money laundering and embezzlement are prohibited. Employees must not accept or request any improper benefits including banquets, gifts, securities, valuables and high-expenditure entertainment activities from business partners, suppliers and merchants, etc.

When there is any alleged case in violation of laws, regulations, code of conduct or Group's policies, the Group will investigate and impose disciplinary actions upon offenders after verification. Employees have the responsibilities to report any wrongdoing through the Group's whistleblowing hotline.

Mr. Felix Fok
Company Secretary
Tel:+852 2355 9926
Email:felix@triohk.com.hk

Mr. Edwin Cheung
Chairman of the Audit Committee
Tel:+852 9126 0524
Email:edwin@trimpf.com

Whistle-blowers are protected from retaliation and their information will be kept strictly confidential.

The Group was in compliance with all applicable laws on prohibiting corruption and bribery of the PRC. There was no concluded legal case regarding corrupt practices brought against the Group or its employees during the reporting period.

(iii) 反貪腐

根據本集團的反貪腐政策，全體員工須遵守中華人民共和國的法律和法規，不得從事任何非法活動。員工須恪守職業道德，倡導公平競爭，防止賄賂。嚴禁任何賄賂、欺詐、洗黑錢和挪用公款行為。員工不得接受，亦不可要求商業夥伴、供應商及商人給予任何不當的利益，包括宴會、禮品、股票、貴重物品和高消費娛樂活動等。

若發生涉嫌違反法律、法規、行為守則或集團政策的事件，本集團會進行深入調查。若查明屬實，將會對違例者採取紀律處分。員工有責任向本集團舉報任何不當行為，舉報熱線：

霍家輝先生
公司秘書
電話：+852 2355 9926
電郵：felix@triohk.com.hk

張健榮先生
審核委員會主席
電話：+852 9126 0624
電郵：edwin@trimpf.com

舉報人不會遭受報復，所提供的資料將被嚴格保密。

本集團遵守中華人民共和國所有有關禁止貪污、賄賂的法律。在本報告期內，本集團及旗下員工沒有涉及任何已審結之貪污訴訟案件。

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3. Community Investment

The Group is committed to creating friendship, care and respect among our community. It mainly contributes through sponsorship.

(i) Poverty Alleviation

On 13 January 2017, the Dongchongzhen's city authority organized a Dongchong Town Charity Party 2017 to raise fund for poverty alleviation in town. More than 800 guests including villagers, representatives from corporates, organisations and the government attended the party. The Group sponsored a total of RMB50,000 to the poverty alleviation fund during the event.

(ii) Protecting Workers' Rights

The Nansha District General Union (the "Union") safeguards rights and interests of workers, deals with labour disputes, conducts collective bargaining and offers assistance, training and development to workers. To support the Union's operation, the Group had sponsored more than RMB9,000 to the Union in July 2017 for supporting people in need in Nansha District.

(iii) Caring for the Community

The Group cares for its community including the elderlies, children and farmers in the villages. It sponsored activities for the elderlies (RMB5,000) in January 2017 and celebrative activities for children during the International Children's Day (RMB3,000). The Group also actively participated in the voluntary blood donation to discharge individual and corporate social responsibilities. In August 2017, a total of 60 employees participated in the Dongchong Town blood donation activity initiated by the Group.

In January 2017, sugar cane farmers were under pressure due to poor sales performance of their produces. The Group purchased 3,000 kg of the sugar cane dead stock directly from the farmers through its procurement process to ease their financial burden. Sugar canes were then distributed to employees for free.

3. 社區投資

本集團透過贊助，致力在社區內建立友誼、關懷和尊重。

(i) 扶貧

2017年1月13日，東涌鎮政府舉辦了2017年東涌鎮慈善晚會，以籌募扶貧基金，共有800多位賓客出席，包括村民及多間企業、組織和政府的代表。在會上，本集團共贊助人民幣5萬元予扶貧基金。

(ii) 保障工人權益

南沙區總工會（以下簡稱「工會」）維護工人權益，處理勞資糾紛，進行集體談判，並為工人提供協助、培訓和發展。為支持工會的運作，本集團於2017年7月贊助超過9,000元人民幣予工會，用於支援南沙區內有需要的人士。

(iii) 關懷社區

本集團關懷社區內人士，包括農村的長者、兒童和農民。在2017年1月，本集團贊助了人民幣5,000元支持敬老活動。此外，亦贊助人民幣3,000元，支持在國際兒童節期間舉行的慶祝活動。為履行個人及企業社會責任，本集團員工亦積極參與東涌鎮集體義務獻血。在2017年8月，共有60名員工參與本集團發起的義務獻血活動。

2017年1月，由於甘蔗的銷情欠佳，蔗農飽受壓力。有見及此，本集團透過採購程序直接向農戶購入3,000公斤過剩的甘蔗存貨，以減輕農戶的財務負擔。隨後，集團把該批甘蔗免費派發予員工享用。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

To the members of Trio Industrial Electronics Group Limited
(incorporated in Hong Kong with limited liability)

OPINION

What we have audited

The consolidated financial statements of Trio Industrial Electronics Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 97 to 187, which comprise:

- the consolidated statement of financial position as at 31 December 2017;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

致致豐工業電子集團有限公司成員
(於香港註冊成立的有限公司)

意見

我們已審計的內容

致豐工業電子集團有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)列載於第97至187頁的綜合財務報表，包括：

- 於二零一七年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一七年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

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

The key audit matter identified in our audit is related to the net realisable value assessment of inventories.

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

我們在審計中識別的關鍵審計事項為關於存貨的可變現淨值評估。

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
Net realisable value assessment of inventories <i>Refer to notes 4(b) and 17 to the consolidated financial statements</i> 存貨的可變現淨值評估 請參閱綜合財務報表附註4(b)及17	Our procedures in relation to the net realisable value assessment of inventories included: <ul style="list-style-type: none">Understanding, evaluating and testing the key controls in relation to inventory costing and net realisable value assessment ; 我們就存貨的可變現淨值評估進行的程序包括： <ul style="list-style-type: none">了解、評價及測試存貨成本及估計可變現淨值涉及的關鍵控制；

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 我們的審計如何處理關鍵審計事項
<p>As at 31 December 2017, the Group has inventories of HK\$156 million, which were stated at lower of cost and net realisable value.</p> <p>The determination of net realisable value required judgement to be made by management on the estimated selling price, estimated cost to completion and other cost necessary to make the sale including but not limited to marketing, selling and distribution costs.</p> <p>We focused on this area because of the significance of the balances and the judgements and estimates involved.</p> <p>於二零一七年十二月三十一日，本集團的存貨為156百萬港元，乃按成本及可變現淨值的較低者列賬。</p> <p>可變現淨值的釐定，須要由管理層對估計售價、達致完成的估計成本及進行銷售所需的其他成本（包括但不限於營銷、銷售及分銷成本）作出判斷。</p> <p>由於結餘和所涉及的判斷及估計的重要性，我們特別關注此方面的審計工作。</p>	<ul style="list-style-type: none">• Tested, on a sample basis, whether invoiced costs for raw materials have been correctly recorded and that the allocation of directly attributable costs has been correctly calculated;• Assessed the reasonableness of estimated selling price determined by management by testing, on a sample basis, the sales subsequent to the year end. If subsequent sales were not available, we compared the estimated selling price against the most recent selling price prior to the year end and assessed the impact of recent price trends for these inventories;• Assessed the reasonableness of (i) the estimated costs to completion by comparing to the historical costs to completion and (ii) other costs (including marketing, selling and distribution) by comparing to costs incurred in previous years. <p>We found the judgements and assumptions used by management in determining the net realisable value of inventories were supported by available evidence.</p> <ul style="list-style-type: none">• 以抽樣方式測試原材料的發票成本是否正確記錄，以及直接應佔成本的分配是否正確計算；• 以抽樣方式測試於報告期末後的銷售，從而評估管理層所釐定的估計售價的合理性。如未能取得報告期末後的銷售資料，我們將估計售價與年結日前的最近期售價進行比較，並評估該等存貨近期價格趨勢的影響；• (i)透過比較存貨達致完成的歷史成本，從而評估達致完成的估計成本的合理性；及(ii)透過比較以往年度產生的成本，從而評估其他成本（包括營銷、銷售及分銷成本）的合理性。 <p>我們發現管理層於釐定存貨可變現淨值時所使用的判斷及假設，均有可得的憑證支持。</p>

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

OTHER INFORMATION

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

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

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

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

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

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

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

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

其他信息

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

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

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

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

董事及審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布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

核數師就審計綜合財務報表承擔的責任

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

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

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

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

- 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.
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

我們亦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，並與他們就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進行了溝通。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Ms Yau Yu Xin, Amelia.

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計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是尤妤心女士。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 23 March 2018

羅兵咸永道會計師事務所
執業會計師

香港，二零一八年三月二十三日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表

(For the year ended 31 December 2017) (截至二零一七年十二月三十一日止年度)

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Revenue	收益	6	788,042	744,899
Cost of sales	銷售成本	7	(552,142)	(536,403)
Gross profit	毛利		235,900	208,496
Other (loss)/ income	其他(虧損)/收入	6	(2,920)	5,955
Selling and distribution expenses	銷售及分銷費用	7	(17,179)	(15,689)
Administrative expenses	行政開支	7	(115,315)	(90,054)
Other operating expenses	其他經營開支	7	(4,285)	(1,895)
Profit from operations	經營溢利		96,201	106,813
Finance expenses, net	財務開支淨額	10	(9,053)	(9,458)
Profit before income tax	除所得稅前溢利		87,148	97,355
Income tax expense	所得稅開支	11	(17,140)	(22,098)
Profit for the year	年內溢利		70,008	75,257
Other comprehensive income <i>Items that will not be reclassified subsequently to profit or loss:</i>	其他全面收益 其後不會重新分類至 損益的項目：			
Fair value gains on revaluation of land and building, net of tax	重估土地及樓宇的 公平值收益(扣稅後)		1,279	1,493
Total comprehensive income for the year	年內全面收益總額		71,287	76,750
Earnings per share	每股盈利			
- Basic and diluted, HK cents	— 基本及攤薄, 港仙	12	9.01	10.03

The notes on pages 101 to 187 are an integral part of these financial statements.

第101至187頁的附註為本財務報表的不可分割部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

(As at 31 December 2017) (於二零一七年十二月三十一日)

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Assets	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	44,729	47,756
Financial asset at fair value through profit or loss	按公平值計入損益賬 的金融資產	15	2,651	2,535
Prepayment	預付款項	19	418	430
			47,798	50,721
Current assets	流動資產			
Inventories	存貨	17	155,597	101,479
Trade and other receivables	貿易及其他應收款項	18	139,345	114,397
Prepayments and deposits	預付款項及按金	19	12,286	10,979
Restricted bank deposits	受限制銀行存款	20	8,084	10,079
Bank and cash balances	銀行及現金結餘	20	161,626	6,569
			476,938	243,503
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	163,165	99,555
Borrowings	借款	22	17,994	18,972
Finance lease payables	融資租賃應付款項	23	1,849	3,472
Derivative financial instruments	衍生金融工具	26	—	721
Current income tax liabilities	即期所得稅負債		5,459	13,037
			188,467	135,757
Total assets less current liabilities	資產總值減流動負債		336,269	158,467
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	27	3,705	3,712
			3,705	3,712
Net assets	資產淨值		332,564	154,755
Equity	權益			
Share capital	股本	24	281,507	145,172
Reserves	儲備	28	51,057	9,583
Total equity	權益總額		332,564	154,755

The financial statements on pages 97 to 187 were approved by the Board of Directors on 23 March 2018 and were signed on its behalf

第97至187頁之財務報表已由董事會於二零一八年三月二十三日批准，並由以下董事代表董事會簽署

Lai Yiu Wah
黎耀華
Director
董事

Tai Leung Lam
戴良林
Director
董事

The notes on pages 101 to 187 are an integral part of these financial statements.

第101至187頁的附註為本財務報表的不可分割部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

(For the year ended 31 December 2017) (截至二零一七年十二月三十一日止年度)

	Note	Share capital	Other reserve	Statutory reserve	Revaluation reserve	Share option reserve	Retained profits	Total
	附註	股本	其他儲備	法定儲備	重估儲備	購股權儲備	保留盈利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2017	於二零一七年一月一日結餘	145,172	(125,162)	6,077	19,785	-	108,883	154,755
Revaluation surplus on building	樓宇重估盈餘	-	-	-	1,419	-	-	1,419
Tax effect of revaluation surplus	重估盈餘稅務影響	-	-	-	(140)	-	-	(140)
Realisation of revaluation surplus	實現重估盈餘	-	-	-	(891)	-	1,038	147
Contributions by/ (distribution to) owners:	擁有人注資/(向擁有人作出分派):							
Issuance of shares by public offering, net of expenses	透過公開發售發行股份，經扣除開支	24	-	-	-	-	-	136,335
Equity-settled share-based transaction	以權益結算及股份為基礎付款的交易	25	-	-	-	40	-	40
Profit for the year	年內溢利	-	-	-	-	-	70,008	70,008
Dividends paid	已付股息	13	-	-	-	-	(30,000)	(30,000)
Balance at 31 December 2017	於二零一七年十二月三十一日結餘	281,507	(125,162)	6,077	20,173	40	149,929	332,564
Balance at 1 January 2016	於二零一六年一月一日結餘	-	20,010	6,077	18,765	-	80,075	124,927
Revaluation surplus on building	樓宇重估盈餘	-	-	-	1,656	-	-	1,656
Tax effect of revaluation surplus	重估盈餘稅務影響	-	-	-	(163)	-	-	(163)
Realisation of revaluation surplus	實現重估盈餘	-	-	-	(473)	-	551	78
Contributions by/ (distribution to) owners:	擁有人注資/(向擁有人作出分派):							
Issuance of shares upon incorporation	於註冊成立時發行普通股	24	-	-	-	-	-	-
Issuance of shares upon reorganisation	於重組時發行股份	24	145,172	(145,172)	-	-	-	-
Profit for the year	年內溢利	-	-	-	-	-	75,257	75,257
Dividends paid	已付股息	13	-	-	-	-	(47,000)	(47,000)
Balance at 31 December 2016	於二零一六年十二月三十一日結餘	145,172	(125,162)	6,077	19,785	-	108,883	154,755

The notes on pages 101 to 187 are an integral part of these financial statements.

第101至187頁的附註為本財務報表的不可分割部分。

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

(For the year ended 31 December 2017) (截至二零一七年十二月三十一日止年度)

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	經營活動現金流量			
Cash generated from operations	經營業務所得現金	31	89,117	87,855
Finance expenses paid	已付財務開支		(9,255)	(9,519)
Income tax paid	已付所得稅		(24,717)	(18,628)
Net cash generated from operating activities	經營活動所得現金淨額		55,145	59,708
Cash flows from investing activities	投資活動現金流量			
Net decrease/(increase) in restricted bank deposits	受限制銀行存款減少/(增加)淨額		1,995	(517)
Bank interest received	已收銀行利息		39	30
Purchases of property, plant and equipment	購置物業、廠房及設備		(5,209)	(4,582)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		18	66
Settlement on derivative financial instruments	衍生金融工具結算		(577)	(10,922)
Net cash used in investing activities	投資活動所用現金淨額		(3,734)	(15,925)
Cash flows from financing activities	融資活動現金流量			
Shares issued pursuant to the public offering	根據公開發售發行股份		155,000	-
Transaction costs attributable to the public offering debited to equity	從股權扣除的公開發售應佔的交易成本		(18,665)	-
Balances with shareholders	股東結餘		(88)	11,776
(Repayments of)/proceeds from borrowings	借款(還款)/所得款項		(978)	2,038
Repayments of finance lease payables	償還融資租賃應付款項		(1,623)	(789)
Dividends paid	已付股息		(30,000)	(49,000)
Net cash used in financing activities	融資活動所用現金淨額		103,646	(35,975)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		155,057	7,808
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		6,569	(1,239)
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物		161,626	6,569
Analysis of cash and cash equivalents	現金及現金等價物分析			
Time deposit up to three months	為期三個月或以下的定期存款	20	90,000	-
Bank and cash balances	銀行及現金結餘	20	71,626	6,569
			161,626	6,569

The notes on pages 101 to 187 are an integral part of these financial statements.

第101至187頁的附註為本財務報表的不可分割部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

1 GENERAL INFORMATION AND REORGANISATION

1.1 General information

Trio Industrial Electronics Group Limited (the “**Company**”) is a limited liability company incorporated in Hong Kong and listed (the “**Listing**”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 November 2017 (the “**Listing Date**”). The principal place of business and registered office of the Company is at Block J, 5/F., Phase II, Kaiser Estate, 51 Man Yue Street, Hung Hom, Kowloon, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively the “**Group**”) are principally engaged in the manufacturing and sales of electronic products. The immediate holding company of the Company is Trio Industrial Electronics Holding Limited (“**Trio Holding**”), a company incorporated in the British Virgin Islands with limited liability. The Directors of the Company consider the controlling shareholders of the Group are Mr. Kwan Tak Sum, Stanley (“**Mr. Kwan**”), Mr. Tai Leung Lam (“**Mr. Tai**”), Mr. Lai Yiu Wah (“**Mr. Lai**”) and Mr. Joseph Mac Carthy (“**Mr. Mac Carthy**”).

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

1.2 Reorganisation

Prior to the incorporation of the Company and the completion of the reorganisation (the “**Reorganisation**”) as described below, the Group’s business was carried out by Trio Engineering Company Limited (“**Trio Engineering**”), Panyu Trio Microtronics Co., Ltd. (“**Trio Microtronics**”) and Professional Electronics Manufacturing Solutions Limited (“**PEMS**”).

1 一般資料及重組

1.1 一般資料

致豐工業電子集團有限公司（「**本公司**」）為一家於香港註冊成立的有限公司，並於二零一七年十一月二十三日（「**上市日期**」）在香港聯合交易所有限公司（「**聯交所**」）主板上市（「**上市**」）。本公司主要營業地點及註冊辦事處為香港九龍紅磡民裕街51號凱旋工商中心2期5樓J室。

本公司為一家投資控股公司。本公司及其附屬公司（統稱「**本集團**」）主要從事製造及銷售電子產品。本公司之直接控股公司為致豐工業電子控股有限公司（「**致豐控股**」，一家於英屬處女群島註冊成立的有限公司）。本公司董事認為本集團的控股股東為關德深先生（「**關先生**」）、戴良林先生（「**戴先生**」）、黎耀華先生（「**黎先生**」）及Joseph Mac Carthy先生（「**Mac Carthy先生**」）。

除另有指明外，本綜合財務報表乃以港幣千元（「**千港元**」）呈列。

1.2 重組

於下文所述本公司註冊成立及重組（「**重組**」）完成前，本集團業務主要由致豐工程有限公司（「**致豐工程**」）、廣州市番禺致豐微電器有限公司（「**致豐微電器**」）及普發電子工業設備有限公司（「**普發電子工業設備**」）營運。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

1 GENERAL INFORMATION AND REORGANISATION
(continued)

1.2 Reorganisation (continued)

Prior to the Listing, the Group underwent the Reorganisation as detailed below:

- (i) On 15 April 2016, the Company was incorporated in Hong Kong. Upon incorporation, one ordinary share was allotted and issued to Trio Holding.
- (ii) On 29 August 2016, the Company purchased the entire shareholding interests in Trio Engineering and PEMS from Mr. Kwan, Mr. Tai, Mr. Lai and Grand Energy Investment Limited (“**Grand Energy**”) in consideration of which one ordinary share in the Company was allotted and issued to Trio Holding. Since then, the Company holds the entire shareholding interests in Trio Engineering and PEMS.
- (iii) Upon completion of the Reorganisation on 12 September 2016, the Company becomes the holding company of the subsidiaries now comprising the Group.
- (iv) On 3 November 2016, Guangzhou Professional Electronics Manufacturing Solutions Limited (“**Guangzhou PEMS**”) was established as a wholly foreign owned enterprise under the laws of the People’s Republic of China (the “**PRC**”) with a registered capital of RMB500,000 and is wholly-owned by PEMS.

After the Listing, e-Tech Engineering Company Limited (“**e-Tech**”) was incorporated in Hong Kong on 20 December 2017 with share capital of HK\$10,000 and is wholly-owned by the Company.

1 一般資料及重組 (續)

1.2 重組 (續)

在上市前，本集團已進行下列重組：

- (i) 於二零一六年四月十五日，本公司在香港註冊成立。註冊成立後，一股普通股份獲配發及發行予致豐控股。
- (ii) 於二零一六年八月二十九日，本公司向關先生、戴先生、黎先生及 Grand Energy Investment Limited (“**Grand Energy**”) 收購致豐工程及普發電子工業設備的全部股權，並以本公司向致豐控股配發及發行一股普通股作為代價。自此，本公司持有致豐工程及普發電子工業設備的全部股權。
- (iii) 於二零一六年九月十二日重組完成後，本公司成為本集團現時旗下附屬公司的控股公司。
- (iv) 於二零一六年十一月三日，廣州普發電子工業設備有限公司 (“**廣州普發電子工業設備**”) 根據中華人民共和國 (“**中國**”) 法律成立為外商獨資企業，註冊資本為人民幣500,000元，並由普發電子工業設備全資擁有。

於上市後，依得利工程有限公司 (“**依得利工程**”) 於二零一七年十二月二十日在香港註冊成立，股本為10,000港元，由本公司全資擁有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of presentation

2.1.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and in compliance with the Hong Kong Companies Ordinance (Chapter 622, the laws of Hong Kong) (“HKCO”). These consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

2.1.2 Basis of preparation

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

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

2 主要會計政策概要

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

2.1 呈列基準

2.1.1 遵例聲明

本綜合財務報表乃按照香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）並遵照香港公司條例（香港法例第622章）（「香港公司條例」）編製。本綜合財務報表亦包括聯交所證券上市規則（「上市規則」）所規定的適用披露資料。

2.1.2 編製基準

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of presentation (continued)

2.1.2 Basis of preparation (continued)

Amended standards effective in 2017 which are relevant to the Group's operations

The following amendments to standards have been adopted by the Group for the financial year beginning on or after 1 January 2017 and do not have a material impact to the Group.

HKFRSs (Amendments)	Annual Improvements 2014-2016 Cycle
Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted

The following are new standards and amendments to standards relevant to the Group that have been issued but are not effective for the accounting period beginning 1 January 2017 and are yet to be adopted:

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零一七年生效並與本集團營運有關的經修訂準則

以下準則的修訂由本集團就二零一七年一月一日或之後開始的財政年度採納，而對本集團並無重大影響。

香港財務報告準則 (修訂本)	二零一四年至 二零一六年週期 之年度改進
香港會計準則 第7號之修訂	披露計劃
香港會計準則 第12號之修訂	就未變現虧損確認 遞延稅項資產

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則

下列與本集團有關的新訂準則及準則修訂本已於二零一七年一月一日開始的會計期間頒佈但尚未生效，故並未採納：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 主要會計政策概要 (續)

2.1 Basis of presentation (continued)

2.1 呈列基準 (續)

2.1.2 Basis of preparation (continued)

2.1.2 編製基準 (續)

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted (continued)

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則 (續)

		Effective for accounting periods beginning on or after 於以下日期或之後開始的會計期間生效
Annual Improvements Project	Annual Improvements 2014-2016 Cycle	1 January 2018
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions	1 January 2018
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 15	Revenue from Contracts with Customers	1 January 2018
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments	1 January 2019
HKFRS 16	Leases	1 January 2019
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture	To be determined
香港財務報告準則年度改進項目	二零一四年至二零一六年週期之年度改進	二零一八年一月一日
香港財務報告準則第2號 (修訂本)	以股份為基礎付款交易的分類及計量	二零一八年一月一日
香港財務報告準則第9號	金融工具	二零一八年一月一日
香港財務報告準則第15號	來自客戶合同之收入	二零一八年一月一日
香港 (國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及預付代價	二零一八年一月一日
香港 (國際財務報告詮釋委員會) – 詮釋第23號	所得稅不確定性的處理	二零一九年一月一日
香港財務報告準則第16號	租賃	二零一九年一月一日
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營企業之間的資產出售或注資	待定

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of presentation (continued)

2.1.2 Basis of preparation (continued)

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted (continued)

(i) HKFRS 9, "Financial instruments"

Nature of changes

HKFRS 9, "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness but contemporaneous documentation is still required. Management is in the process of assessing the impact of HKFRS 9. Measurement of impairment loss on trade receivable based on an expected credit losses model requires the use of historical data as well as forward looking information and may have an impact to the Group's financial statements.

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則 (續)

(i) 香港財務報告準則第9號「金融工具」

變動性質

香港財務報告準則第9號「金融工具」闡述金融資產及金融負債的分類、計量及確認，取代香港會計準則第39號有關金融工具分類及計量的指引。香港財務報告準則第9號保留但簡化混合計量模型，確立金融資產的三個主要計量類別：攤銷成本、按公平值計入其他全面收入及按公平值計入損益。分類基準視乎實體之業務模式及財務資產之合約現金流量特徵而定。股本工具投資須按公平值通過損益計量，並在最初有不可撤銷於其他未回收的全面收益呈列公平值變動。新預期信貸虧損模式將取代香港會計準則第39號所用已產生虧損減值模式。對財務負債的分類及計量並無作出更改，惟指定按公平值計入損益賬之負債，須於其他全面收益確認本身信貸風險變動。香港財務報告準則第9號放鬆對沖有效性要求但仍須有同期文件存檔。管理層正在評估採納香港財務報告準則第9號的影響。貿易應收款項減值虧損基於預期信貸虧損模式計量，該模式需要使用過往數據及前瞻性資料，並可能對本集團的歷史財務資料有所影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of presentation (continued)

2.1.2 Basis of preparation (continued)

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted (continued)

(i) HKFRS 9, "Financial instruments" (continued)

Potential impact

Based on the assessment undertaken to date, the adoption of expected credit losses model may result in earlier recognition of allowance for impairment of trade and other receivables. Other than the adoption of expected credit losses model and disclosure changes, the adoption of HKFRS 9 is currently not expected to have a material impact on the consolidated financial statements of the Group.

(ii) HKFRS 15 "Revenue from contracts with customers"

Nature of changes

HKFRS 15 "Revenue from contracts with customers" replaces the previous revenue standards HKAS 18 "Revenue" and HKAS 11 "Construction Contracts" and the related interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (i) identify the contract(s) with customer; (ii) identify separate performance obligations in a contract; (iii) determine the transaction price; (iv) allocate transaction price to performance obligations; and (v) recognise revenue when performance obligation is satisfied. The core principal is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. HKFRS 15 provides specific guidance on capitalisation of contract cost and license arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. Under HKFRS 15, an entity normally recognises revenue when a performance obligation is satisfied. Impact on the revenue recognition may arise when multiple performance obligation are identified.

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則 (續)

(i) 香港財務報告準則第9號「金融工具」(續)

潛在影響

根據迄今進行的評估，採用預期信貸虧損模式或會導致提早確認貿易及其他應收款項的減值撥備。除採用預期信貸虧損模式及披露的改變外，採納香港財務報告準則第9號對本集團之綜合財務報表並無重大影響。

(ii) 香港財務報告準則第15號「來自客戶合同之收入」

變動性質

香港財務報告準則第15號「來自客戶合同之收入」取代先前有關收入確認之收益準則，即香港會計準則第18號「收入」及香港會計準則第11號「建築合同」以及相關詮釋。香港財務報告準則第15號確立完備框架，通過五個步驟釐定何時確認收入及確認多少收入：(i) 識別客戶合同；(ii) 識別合同中之獨立履約責任；(iii) 釐定交易價格；(iv) 分配交易價格至履約責任；及(v) 於完成履約責任時確認收入。此準則之核心原則為公司應確認收入，以述明按反映公司預期可用以交換已約定貨品或服務之代價之金額向客戶移交該等貨品或服務。香港財務報告準則第15號就合同成本資本化及特許權安排提供具體指引。此準則亦就實體之客戶合同所產生之收入及現金流量之性質、金額、時點及不明朗因素設定一套嚴密之披露規定。根據香港財務報告準則第15號，實體一般於履約責任達成時確認收入。於識別多項履約責任時可能對收入確認產生影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of presentation (continued)

2.1.2 Basis of preparation (continued)

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted (continued)

(ii) HKFRS 15 “Revenue from contracts with customers” (continued)

Potential impact

Based on the assessment undertaken to date, the Group does not expect the adoption of HKFRS 15 would have a material impact other than presenting more disclosures.

The Group intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2018 and that comparatives will not be restated.

(iii) HKFRS 16 “Leases”

Nature of changes

HKFRS 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則 (續)

(ii) 香港財務報告準則第15號「來自客戶合同之收入」 (續)

潛在影響

根據迄今進行的評估，除呈列更多披露資料外，本集團預期採納香港財務報告準則第15號並無重大影響。

本集團有意使用經改良的追溯方法來採納該準則，即表示採納該準則的累計影響將於截至二零一八年一月一日的保留盈利中確認，而不會重列比較數字。

(iii) 香港財務報告準則第16號「租賃」

變動性質

由於經營及財務租賃之間的分別已消除，香港財務報告準則第16號將導致所有租賃將在財務狀況表中確認。根據該新準則，資產（使用租賃項目的權利）及支付租金的財務責任均予以確認。唯一例外是短期及低價值租賃。出租者之會計處理不會有重大改變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of presentation (continued)

2.1.2 Basis of preparation (continued)

New and amended standards effective after 2017 which are relevant to the Group's operations and yet to be adopted (continued)

(iii) **HKFRS 16 "Leases"** (continued)

Potential impact

The standard will affect primarily the accounting for the Group's operating leases. As at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$2,556,000 as disclosed in note 30(b). Based on the preliminary assessment undertaken to date, it is estimated that the adoption of HKFRS 16 would result in recognition of right-of-use assets and financial liabilities in the consolidated statement of financial position primarily arising from leases of various office, warehouses and factory. The interest expenses on the lease liabilities and the depreciation expenses on the right-of-use assets under HKFRS 16 will replace the rental charge under HKAS 17 in the consolidated income statement. Management expects the adoption of HKFRS 16 will not have significant impact on the consolidated financial position and finance performance of the Group.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

Except those mentioned above, the Group anticipates that the application of the other amendments and improvements to standards that have been issued but are not yet effective will have no material impact on the results of operations and financial position.

2 主要會計政策概要 (續)

2.1 呈列基準 (續)

2.1.2 編製基準 (續)

於二零一七年後生效並與本集團營運有關而尚未採納的新訂及經修訂準則 (續)

(iii) **香港財務報告準則第16號「租賃」** (續)

潛在影響

該準則將主要影響本集團經營租賃的會計處理。按附註30(b)所披露，截至二零一七年十二月三十一日，本集團有不可撤銷經營租賃承擔2,556,000港元。根據迄今進行的初步評估，估計採納香港財務報告準則第16號會導致在綜合財務狀況表中確認主要由於租賃多個辦公室、倉庫及工廠引致的使用權資產及財務責任。在香港財務報告準則第16號下有關租賃責任的利息開支及有關使用權資產的折舊開支，將在綜合收益表內取代香港會計準則第17號下的租金支出。管理層預期採納香港財務報告準則第16號不會對本集團的綜合財務狀況及財務表現產生重大影響。

該新準則於二零一九年一月一日或之後開始的財政年度強制生效。在此階段，本集團無意於其生效日期前採納該準則。

除上述內容外，本集團預計應用已頒佈但尚未生效的其他準則的修訂及改進，對經營業績及財務狀況應不會有重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries

2.2.1 Consolidation

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

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

Acquisition-related costs are expensed as incurred.

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

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

2 主要會計政策概要 (續)

2.2 附屬公司

2.2.1 合併入賬

附屬公司為本集團擁有控制權的實體(包括架構實體)。當本集團透過參與該實體的活動而獲得或享有可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。附屬公司自控制權轉移至本集團當日起合併入賬，並自控制權終止當日起終止合併入賬。

本集團採用收購法將業務合併入賬。收購附屬公司的轉讓代價為已轉讓資產、所產生負債及本集團發行的股本權益的公平值。所轉讓代價包括因或然代價安排而令被收購方前擁有人承擔之所產生任何資產或負債的公平值。收購相關成本於產生時支銷。於業務合併中收購的可識別資產及承擔的負債及或然負債初步按於收購日期的公平值計量。

購買相關成本乃於產生時支銷。

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

集團內的交易、結餘及未變現收益均予以抵銷。未變現虧損亦會抵銷。附屬公司所報金額已作出必要的調整以確保與本集團會計政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.2 Separate financial statements

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

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

2.3 Segment reporting

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

2.4 Foreign currency translation

(i) Functional and presentation currency

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

2 主要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.2 獨立財務報表

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

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

2.3 分部報告

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

2.4 外幣換算

(i) 功能及呈列貨幣

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Foreign currency translation (continued)

(ii) Transactions and balances in financial statements

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

(iii) Group companies

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

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

2 主要會計政策概要 (續)

2.4 外幣換算 (續)

(ii) 財務報表的交易及結餘

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

(iii) 集團公司

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment

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

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

Land and buildings comprise mainly offices. Land and buildings are carried at fair values, based on periodic valuations by external independent valuers, less subsequent depreciation and impairment losses. Any accumulated depreciation at the date of valuation is eliminated against the gross carrying amounts of the asset and the net amount is restated to the revalued amount of the asset.

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

2 主要會計政策概要 (續)

2.5 物業、廠房及設備

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

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

土地及樓宇主要包括辦公室。土地及樓宇按公平值(根據外聘獨立估值師定期進行之估值計算)減其後之折舊及減值虧損列賬。於重估日之任何累計折舊與資產之賬面值總額對銷，而淨額則重列至資產之重估金額。

倘土地及樓宇的重估增加可抵銷先前於損益內確認的同一資產過往的重估減少，則增加於損益內確認；所有其他重估增加撥入股東權益的物業重估儲備。抵銷物業重估儲備內的同一資產過往增加的重估減少於權益扣除；所有其他減少均於損益內確認。已重估樓宇其後出售或報廢時，物業重估儲備餘下應佔重估增加乃直接轉撥至留存溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

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

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

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

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

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

2 主要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

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

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

剩餘價值、可使用年期及折舊方法於各報告日期進行檢討及作出調整（如需要）。

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Leases

(i) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease payments (net of any incentives received from the lessor) are expensed in the profit or loss on a straight-line basis over the lease term.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 主要會計政策概要 (續)

2.6 租賃

(i) 經營租賃

當擁有權的大部分風險及回報由出租人保留時，租賃分類為經營租賃。租賃付款（扣除出租人給予的任何獎勵）於租期內按直線法在損益中支銷。

(ii) 融資租賃

資產擁有權的絕大部份風險及回報實質上轉讓至本集團的租賃，分類為融資租賃。融資租賃在開始時按租賃資產的公平值及最低租賃款項現值（兩者均於租賃開始時釐定）的較低者入賬。

對出租人的相應債務於綜合財務狀況表中列作應付融資租賃。租賃款項按比例分配為財務費用及削減未付債務。財務費用租期內各期間分攤，以為債務結餘得出一個貫徹的定期利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Inventories

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

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

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

2.8 Trade and other receivables

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

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

2 主要會計政策概要 (續)

2.7 存貨

存貨按成本與可變現淨值兩者中的較低者入賬。

成本包括採購成本(包括稅項、交通及手續費)扣除貿易折扣及將存貨付運至其現在位置及令存貨達致現在狀況所產生的其他成本,以加權平均法計算。可變現淨值乃按估計售價釐定,減市場推廣、銷售及分銷產生的所有估計成本。

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

2.8 貿易及其他應收款項

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

A financial asset which is managed and evaluated on a fair value basis is classified as financial asset at fair value through profit or loss. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables", "restricted bank deposits" and "cash and cash equivalents" in the consolidated statement of financial position.

2 主要會計政策概要 (續)

2.9 金融資產

分類

本集團將其金融資產分為以下類別：以公平值計量且其變動計入損益以及貸款及應收款項。分類視收購金融資產的目的而定。管理層於初始確認時釐定其金融資產的分類。

(a) 按公平值計入損益賬的金融資產

按公平值管理及評估的金融資產分類為按公平值計入損益賬之金融資產。衍生工具亦分類為持作買賣，除非其被指定為對沖工具。倘預期此類別資產將於12個月內結算，則分類為流動資產；否則，分類為非流動資產。

(b) 貸款及應收款項

貸款及應收款項為於活躍市場並無報價的固定或可確定付款額的非衍生金融資產。此等款項計入流動資產內；於報告期末後超過12個月結清或預期將予結清的款項除外，此等款項分類為非流動資產。本集團的貸款及應收款項包括綜合財務狀況表中所列示的「貿易及其他應收款項」、「受限制銀行存款」及「現金及現金等價物」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Financial assets (continued)

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Financial asset carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the consolidated statement of comprehensive income. Loans and receivables are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial asset at fair value through profit or loss is subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial asset at fair value through profit or loss” category are presented in the consolidated statement of comprehensive income within “other (loss)/income” which they arise.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2 主要會計政策概要 (續)

2.9 金融資產 (續)

確認及計量

按常規方式購買或出售的金融資產於交易日(即本集團承諾購買或出售該資產的日期)確認。按公平值計入損益賬的金融資產初始按公平值確認,交易成本於綜合全面收益表中列為開支。初始貸款及應收款項按公平值加交易成本確認。當本集團自投資收取現金流量的權利已屆滿或已轉讓且本集團已轉移擁有權的絕大部分風險及回報時,金融資產會被終止確認。金融資產及以公平值計量且其變動計入損益的金融資產其後即按公平值列值。貸款及應收款項其後以實際利率法按攤銷成本列值。

「按公平值計入損益賬的金融資產」類別的公平值變動所產生的利得和損失,於產生期間於綜合全面收益表「其他(虧損)/收入」內呈列。

抵銷金融工具

當有法定可執行權力可抵銷已確認金額,並有意按淨額基準結算或同時變現資產和結算負債時,金融資產與負債可互相抵銷,並在綜合財務狀況表呈報其淨額。法定可執行權利不得依賴未來事件而定,而在一般業務過程中以及倘集團或對手方一旦出現違約、無償債能力或破產時,這也必須具有約束力。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets

(i) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or “events”) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset’s carrying amounts and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The carrying amounts of the asset is reduced and the amount of the loss is recognised in the consolidated statement of comprehensive income. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument’s fair value using an observable market price.

2 主要會計政策概要 (續)

2.10 金融資產減值

(i) 按攤銷成本列值的資產

本集團於各報告期末評估是否存在客觀證據顯示某一金融資產或一組金融資產出現減值。僅當一項資產於初始確認後一宗或多宗導致出現減值的客觀證據的事件(「虧損事件」)發生時且該宗(或該等)虧損事件對該金融資產或該組金融資產的估計未來現金流量已構成的影響可以合理估計，該金融資產或該組金融資產才視為出現減值及產生減值虧損。

減值的證據可能包括以下指標：債務人或一組債務人正處於重大財政困境，違約或拖欠利息或本金，有可能進入破產程序或進行其他財務重組，以及當有可觀察數據顯示，估計未來現金流量出現可計量的減少，例如欠款變動或與違約相關的經濟狀況。

就貸款及應收款項這一類別而言，虧損金額以相關資產的賬面值與估計未來現金流量(不包括尚未產生的未來信貸虧損)的現值之間的差額按金融資產最初的實際利率貼現計量。相關資產的賬面值被削減，而相關虧損金額則於綜合全面收益表確認。倘貸款按浮動利率計息，計量任何減值虧損的貼現率為根據合約釐定的即期實際利率。作為實際可行的權宜之計，本集團可能按可觀察市價以工具的公平值計量減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of financial assets (continued)

(i) **Assets carried at amortised cost** (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2.11 Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The gain or loss is recognised in "other operating expenses" in the consolidated statement of comprehensive income.

2.12 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.13 Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

2 主要會計政策概要 (續)

2.10 金融資產減值 (續)

(i) **按攤銷成本列值的資產 (續)**

倘後期減值虧損的金額減少且該減少可客觀歸因於減值確認後發生的事件(例如債務人的信用評級提升),則先前已確認減值虧損的撥回於匯總綜合全面收益表中確認。

2.11 衍生金融工具

衍生工具於訂立衍生合約當日初步按公平值確認,其後按公平值重新計量。損益於綜合全面收益表中的「其他經營開支」內確認。

2.12 現金及現金等價物

於綜合現金流量表中,現金及現金等價物包括手頭現金、銀行活期存款、其他原到期日為三個月或以內之短期高度流通投資以及銀行透支。於綜合財務狀況表中,銀行透支於流動負債中的借款中列示。

2.13 貿易及其他應付款項

貿易及其他應付款項初始按其公平值列賬,並於其後採用實際利息法按攤銷成本計算,除非貼現之影響輕微,則在此情況下按成本列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities.

Revenue from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.

2.15 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amounts to its recoverable amount, being the estimated future cash flow discounted at the original effective rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

2.16 Employee benefits

(i) Pension obligations

The Group joined the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those qualifying employees employed under the jurisdiction of the Hong Kong Employment Ordinance, and who are eligible to participate in the MPF Scheme.

2 主要會計政策概要 (續)

2.14 收益確認

收入按已收或應收對價的公平值計量，為供應貨品的應收款項，並於扣除折扣、退回及增值稅後列賬。當收入數額能夠可靠地計量；未來經濟利益可能流入該實體；及符合本集團各業務的特定標準時，本集團便會確認收入。

銷售貨品所得收益於擁有權之重大風險及回報轉移時，即貨品交付予客戶及所有權轉移時予以確認。

2.15 利息收入

利息收入乃按實際利率法進行確認。倘一項貸款及應收款項出現減值，本集團將其賬面值減至其可收回金額（即按工具原實際利率貼現的估計未來現金流量），並持續撥回貼現作為利息收入。已減值貸款及應收款項的利息收入使用原實際利率確認。

2.16 僱員福利

(i) 退休金責任

本集團根據香港強制性公積金計劃條例，為受香港僱傭條例管轄且符合資格參與強制性公積金計劃（「強積金計劃」）的所有合資格僱員營運強積金計劃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Employee benefits (continued)

(i) Pension obligations (continued)

The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds. The Group has no further payment obligations once the contribution has been paid. The Group's contributions to the scheme are recognised as employee benefit expenses when they are due. When employees leave the scheme prior to the full vesting of the employer's voluntary contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The Group in the PRC participate in defined contribution retirement benefit plans organised by relevant government authorities for its employees in the PRC and contribute to these plans based on certain percentage of the salaries of the employees on a monthly basis, up to a maximum fixed monetary amount, as stipulated by the relevant government authorities. The government authorities undertake to assume the retirement benefit obligations payable to all existing and future retired employees under these plans.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2 主要會計政策概要 (續)

2.16 僱員福利 (續)

(i) 退休金責任 (續)

強積金計劃為界定供款計劃，計劃的資產由獨立受託管理的基金持有。本集團於供款後再無其他付款責任。僱員在可全數取得僱主自願性供款前離職，則沒收的供款金額用於減少本集團應付供款。

本集團於中國為其中國僱員參與有關政府機關營辦之定額供款退休福利計劃，並依照僱員薪金之若干百分比按月向該等計劃供款不超過有關政府機關規定之最高固定貨幣金額。根據該等計劃，該等政府機關承擔應付所有現有及未來退休僱員之退休福利責任。

就界定供款計劃而言，本集團以強制性、合同性或自願性方式向公開或私人管理的退休保險計劃供款。本集團作出供款後，即無進一步付款義務。該等供款於到期時確認為僱員福利支出。預付供款按照現金退款或可減少未來付款而確認為資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Employee benefits (continued)

(ii) Bonus plans

The expected cost of bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(iii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(iv) Short-term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

2 主要會計政策概要 (續)

2.16 僱員福利 (續)

(ii) 獎金計劃

當本集團因為職工已提供之服務而產生現有法律或推定性責任，而該責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。

獎金計劃的負債預期於12個月內付清，並以預期付清時應付的款項計算。

(iii) 僱員應享假期

僱員應得的年假於其可享有時確認。截至報告日期僱員因提供服務而可享有年假的估計負債已作撥備。

僱員應享的病假及產假於休假時方予確認。

(iv) 短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利成本於僱員提供相關服務報告期間內累計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares of the Company. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the date at which the entity and another party (including an employee) agree to a share-based payment arrangement, being when the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement ("Grant Date"). The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the Binomial Option Pricing Model, taking into account any market conditions and non-vesting conditions.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("Vesting Date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to consolidated statement of comprehensive income for the year of the review, with a corresponding adjustment to the reserve within equity.

2 主要會計政策概要 (續)

2.17 以股份為基礎付款交易

權益結算交易

本集團的僱員(包括董事)按以股份為基礎的付款交易之形式收取報酬,而僱員則以提供服務交換股份或涉及本公司股份的權利。與僱員所進行相關交易之成本乃參照股本工具於實體與其他人士(包括一名僱員)協定以股份為基礎的付款安排(即實體與交易對方就安排的條款及條件達成共識之日(「授出日期」))之日期的公平值計量。授予僱員的購股權的公平值確認為僱員成本,而權益內的儲備亦相應增加。公平值乃於計及任何市況及非歸屬條件後使用二項式期權定價模型釐定。

與僱員以外之人士進行的以權益結算以股份為基礎的付款交易按已收取貨物或服務之公平值計量,惟倘公平值無法可靠估計,則按已授出股本工具的公平值計量。於所有情況下,公平值均於本集團取得貨物或交易對方提供服務之日期計量。

以權益結算的交易的成本連同權益的相應升幅會於達致歸屬條件之期間確認,直至相關僱員不再須待任何非市場歸屬條件獲達成方可享有該報酬之日(「歸屬日」)為止。於歸屬期內會審閱預期將最終歸屬的購股權數目。於過往年度確認對累計公平值的任何調整會於審閱年度的綜合全面收益表內扣除/計入,並相應調整權益內的儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Share-based payment transactions (continued)

Equity-settled transactions (continued)

When the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

2.18 Taxation

The tax expense comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 主要會計政策概要 (續)

2.17 以股份為基礎付款交易 (續)

權益結算交易 (續)

行使購股權時，之前已於購股權儲備確認之數額將轉撥至股本。倘購股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，之前已於購股權儲備確認之數額將轉撥至保留盈利。

2.18 稅項

稅項開支包括即期及遞延稅項。稅項於綜合全面收益表確認，惟與於其他全面收入或直接於權益確認之項目相關除外。於此情況下，稅項亦分別於其他全面收入或直接於權益確認。

(i) 即期所得稅

即期稅項開支根據本集團營運所在及產生應課稅收入之國家於報告期末已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例有待詮釋之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Taxation (continued)

(ii) Deferred income tax

Inside basis differences

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Information. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

2 主要會計政策概要 (續)

2.18 稅項 (續)

(ii) 遞延所得稅

內在差異

對於資產及負債的稅基與其在財務資料的賬面值之間的暫時差額，使用負債法確認遞延所得稅。然而，若遞延稅項負債於商譽初步確認時產生，則其不獲確認；若遞延所得稅於交易（不包括業務合併）中對資產或負債初步確認時產生，而在交易時不影響會計損益或應課稅損益，則不作記賬。遞延所得稅乃以於報告期末已頒佈或實質頒佈的稅率（及稅法）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

遞延所得稅資產僅於有可能產生未來應課稅溢利而可動用暫時差額抵銷而確認。

外在差異遞延

所得稅負債就於附屬公司、聯營公司及合營安排之投資所產生之應課稅暫時差額作出撥備，惟倘本集團可控制暫時差額之撥回時間，及很有可能在可預見未來不會撥回該暫時差額之遞延所得稅負債除外。一般而言，本集團不能控制聯營公司及之暫時差額撥回。僅在訂有協議賦予本集團權力於可預見未來控制暫時差額撥回時，方不就聯營公司的未分派溢利所產生的應課稅暫時差額確認遞延稅項負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Taxation (continued)

(ii) Deferred income tax (continued)

Outside basis differences (continued)

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(iii) Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 主要會計政策概要 (續)

2.18 稅項 (續)

(ii) 遞延所得稅 (續)

外在差異遞延 (續)

僅在暫時差額可能將於日後撥回，且有充足之應課稅溢利而動用暫時差額予以抵銷時，方會就因投資附屬公司、聯營公司及合營安排而產生之可扣減暫時差額確認遞延所得稅資產。

(iii) 抵銷

倘有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，以及當遞延所得稅資產及負債涉及由同一稅務機關就應課稅實體或有意以淨額基準結算結餘之不同應課稅實體徵收所得稅，遞延所得稅資產與負債則互相抵銷。

2.19 撥備

撥備乃於下列情況下確認：本集團因過往事件而有現有法律或推定責任，且有可能需要撥出資源以履行責任，及已可靠地估計數額。重建撥備包括租賃終止罰款及僱員終止付款。撥備並無就未來經營虧損而確認。

如有多項類似責任，於釐定需要流出資源以抵償責任的可能性時，會整體考慮該責任類別。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Provisions (continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense within “finance expenses, net” in the consolidated statement of comprehensive income.

2.20 Share capital

Ordinary shares are classified as equity.

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

2.21 Borrowings and borrowing costs

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probably that some or all of the facilities will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2 主要會計政策概要 (續)

2.19 撥備 (續)

撥備採用稅前利率按預期抵償責任所需開支的現值計算，該利率反映當時市場對貨幣時間價值及該責任固有風險的評估。撥備隨時間流逝而增加的金額確認為綜合全面收益表中「財務開支淨額」內的利息開支。

2.20 股本

普通股分類為權益。

發行新股份或購股權直接應佔的新增成本於權益中列作所得款項的減項（扣除稅項）。

2.21 借款及借款成本

借款最初按公平值（扣除已產生交易成本）確認。借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值的任何差額，於借款期採用實際利率法於綜合全面收益表確認。

在貸款將很可能部份或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取貸款時。在並無跡象顯示該貸款將很有可能部份或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Borrowings and borrowing costs (continued)

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

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

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

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

2.22 Dividend distribution

Dividend distribution to the shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

2 主要會計政策概要 (續)

2.21 借款及借款成本 (續)

除非本集團可無條件延遲償還負債至報告期末後至少12個月，否則借款分類為流動負債。

收購、建造或生產合資格資產(即需相當長時間方可作擬定用途或出售的資產)直接應佔的一般及特定借款成本會計入該等資產的成本，直至該等資產大致可作擬定用途或出售為止。

特定借款用於合資格資產之前作為臨時投資所賺取的投資收入，於合資格撥充資本的借款成本中扣除。

所有其他借款成本在產生期內的損益確認。

2.22 股息分派

向股東分派的股息在股息獲本公司股東或董事(如適用)批准有關股息的期間內，於本集團及本公司的財務報表確認為負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

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

3.1 Financial risk factors

(a) Market risk

(i) Foreign exchange risk

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

Management has set up a policy to require the group companies to manage their foreign exchange risk against their functional currencies. The group companies do not adopt formal hedge accounting policy. It manages its foreign currency risk by closely monitoring the movement of foreign currency rates and will consider to enter into foreign exchange contracts to reduce the exposure should the need arises.

As at 31 December 2017, if US\$ had weakened/strengthened by 5 percent against EUR with all other variables held constant, post-tax profit for the year ended 31 December 2017 would have been HK\$589,000 (2016: HK\$143,000) lower/higher, mainly as a result of foreign exchange loss on translation of EUR denominated trade and other payables, and cash and cash equivalents.

3 財務風險管理

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

3.1 財務風險因素

(a) 市場風險

(i) 外匯風險

本集團主要於香港及中國經營。本集團內實體面對若干貨幣產生的外匯風險，主要有關港元、歐元（「歐元」）及人民幣（「人民幣」）。外匯風險產生自以並非有關實體功能貨幣計值的出口銷售、購買、其他日後商業交易、貨幣資產及負債。

管理層已制定政策要求集團公司管理其功能貨幣面對的外匯風險。集團公司並無採納正式對沖會計政策。其透過密切監察外幣匯率變動管理其外幣風險，並將考慮在必要時訂立外匯合約以減低風險。

於二零一七年十二月三十一日，倘美元兌歐元貶值／升值5%而所有其他變量保持不變，截至二零一七年十二月三十一日止年度除稅後溢利將減少／增加589,000港元（二零一六年：143,000港元），主要乃由於換算以歐元計值的貿易及其他應付款項以及現金及現金等價物的外匯虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign exchange risk (continued)

As at 31 December 2017, if the US\$ had weakened/strengthened by 5 percent against RMB with all other variables held constant, post-tax profit for the year ended 31 December 2017 would have been HK\$5,515,000 (2016: HK\$1,442,000) lower/higher, mainly as a result of foreign exchange differences on translation of RMB denominated trade and other receivables, deposits, trade and other payables, and cash and cash equivalents.

Under the Linked Exchange Rate System in Hong Kong, HK\$ is pegged to US\$, management therefore considers that there is no significant foreign exchange risk with respect to the HK\$.

As at 31 December 2017 and 2016, the exposure to foreign exchange risk arising from certain currency exposures such as Great British Pound, Singapore dollar, etc. are not significant.

(ii) Cash flow and fair value interest rate risk

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

Bank borrowings of the Group were arranged at floating rates varied with the then prevailing market condition.

As at 31 December 2017, if interest rates on borrowings at variable rates had been 50 basis points higher/lower with all other variables held constant, the Group's post-tax profit for the year ended 31 December 2017 would have been HK\$16,000 (2016: HK\$18,000) lower/higher as a result of higher/lower net interest expenses.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(i) 外匯風險 (續)

於二零一七年十二月三十一日，倘美元兌人民幣貶值／升值5%而所有其他變量保持不變，截至二零一七年十二月三十一日止年度除稅後溢利將減少／增加5,515,000港元(二零一六年：1,442,000港元)，主要乃由於換算以人民幣計值的貿易及其他應收款項、按金、貿易及其他應付款項以及現金及現金等價物的外匯差額。

根據香港的聯繫匯率制度，港元與美元掛鈎，管理層因此認為並無有關港元的重大外匯風險。

於二零一七年及二零一六年十二月三十一日，若干貨幣(如英鎊及新加坡元等)產生的外匯風險並不重大。

(ii) 現金流量及公平值利率風險

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

銀行貸款乃按隨當時市況波動之浮動利率計息。

於二零一七年十二月三十一日，倘借款浮息利率增加／減少50個基點而所有其他變量保持不變，本集團截至二零一七年十二月三十一日止年度的除稅後溢利將因利息開支淨額增加／減少而減少／增加16,000港元(二零一六年：18,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

Credit risk arises mainly from cash deposited at banks, trade receivables, deposits and other receivables.

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

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

As at 31 December 2017, the customer bases are widely dispersed despite that 37.3% (2016: 43.9%) of the trade receivable were due from the Group's largest customer and 70.3% (2016: 77.9%) were due from the five largest customers determined on the same basis.

(c) Liquidity risk

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

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

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險

信貸風險主要產生自存放於銀行的現金、貿易應收款項、按金及其他應收款項。

就存放於銀行的現金，信貸風險被視為很低，乃由於對手方為國際信貸評級機構給予高信貸評級的銀行。

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

於二零一七年十二月三十一日，儘管貿易應收款項的37.3%（二零一六年：43.9%）乃應收自本集團的最大客戶，而按同一基準釐定則70.3%（二零一六年：77.9%）乃應收自五大客戶，客戶基礎的分散。

(c) 流動資金風險

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below analyses the Group's non-derivative and derivative financial liabilities into the applicable maturity groupings based on the remaining period at the end of reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

3 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動資金風險 (續)

下表分析按報告期末至合約到期日餘下期間將本集團的非衍生及衍生金融負債劃分成適用到期日組別。所披露金額為合約未貼現現金流量。

		Carrying amount	Total contractual undiscounted cash flow	Within one year
		賬面值	合約未貼現現金流量總額	一年內
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 31 December 2017	於二零一七年十二月三十一日			
Trade and other payables (excluding sale deposit received)	已收貿易及其他應付款項 (不包括已收銷售訂金)	151,954	151,954	151,954
Borrowings	借款	17,994	18,302	18,302
Finance lease payables	融資租賃應付款項	1,849	1,913	1,913
		171,797	172,169	172,169
At 31 December 2016	於二零一六年十二月三十一日			
Derivative financial instruments	衍生金融工具	721	721	721
Trade and other payables (excluding sale deposit received)	已收貿易及其他應付款項 (不包括已收銷售訂金)	91,603	91,603	91,603
Borrowings	借款	18,972	19,654	19,654
Finance lease payables	融資租賃應付款項	3,472	3,629	3,629
		114,768	115,607	115,607

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group uses bank borrowings to finance its operations.

In order to maintain or adjust the capital structure, the Group may adjust the amounts paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (include bank borrowings and finance lease payables) less cash and bank balances. Total capital is calculated as "equity" as shown in the consolidated statement of financial position, plus net debt, where applicable.

The Group's strategy was to maintain optimal capital structure to reduce the cost of capital. The gearing ratios as at 31 December 2017 and 2016 were as follows:

3 財務風險管理 (續)

3.2 資金管理

本集團管理資本的目標是保障本集團能持續經營，以為股東帶來回報及為其他利益相關者帶來利益，並維持最理想的資本架構以降低資本成本。本集團以銀行借款撥付營運所需。

為維持或調整資本架構，本集團可能調整支付予股東的款項、向股東發回資本、發行新股或出售資產以減少債務。

本集團以槓桿比率為基準監察資本，與其他業內人士一致。槓桿比率按淨債務除以總資本計算。淨債務按總借款（包括銀行借款及融資租賃應付款項）減現金及銀行結餘計算。總資本按綜合財務狀況表所示「權益」加淨債務（如適用）計算。

本集團的策略為維持最理想的資本架構以降低資本成本。於二零一七年及二零一六年十二月三十一日的槓桿比率如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Borrowings (note 22)	借款 (附註22)	17,994	18,972
Finance lease payables (note 23)	融資租賃應付款項 (附註23)	1,849	3,472
Less: Cash and bank balances (note 20)	減：現金及銀行結餘 (附註20)	(161,626)	(6,569)
Net debt	淨債務	(141,783)	15,875
Total equity	總權益	332,564	154,755
Total capital	總資本	(190,781)	170,630
Gearing ratio	槓桿比率	N/A 不適用	9.3%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation

The table below analyses the Group's assets and liabilities carried at fair value as at 31 December 2017 and 2016 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As at 31 December 2017 and 2016, all the Group's assets and liabilities carried at fair value are categorised into level 2.

There were no transfers between levels 1, 2 and 3 during the year ended 31 December 2017 (2016: Nil).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in the Group's assets and liabilities carried at fair value for the year ended 31 December 2017 and 2016:

3 財務風險管理 (續)

3.3 公平值估計

下表按計量公平值之估值技術所用輸入數據的層級，分析本集團於二零一七年及二零一六年十二月三十一日按公平值列賬之資產及負債。有關輸入數據乃按下文所述而分類歸入公平值架構內的三個層級：

- 相同資產或負債在交投活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

於二零一七年及二零一六年十二月三十一日，本集團所有按公平值列賬的資產及負債均歸入第2層。

截至二零一七年十二月三十一日止年度概無第1、2及3層之間的轉換(二零一六年：無)。

並非於活躍市場上交易的金融工具(如場外衍生工具)的公平值乃使用估值方法釐定。該等估值方法盡量使用可供使用之可觀察市場數據，並盡量減少倚賴實體特定估算。倘計算某工具的公平值所需之重要輸入數據全部均可觀察，則有關工具會被列入第2層。

倘若一項或以上之重要計量並非根據可觀察市場資料計算，該工具將被列入第3層。

下表載列截至二零一七年及二零一六年十二月三十一日止年度本集團按公平值列賬之資產及負債的變動：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3 財務風險管理 (續)

3.3 Fair value estimation (continued)

3.3 公平值估計 (續)

		Land and building at fair value 按公平值計量的土地及樓宇 HK\$'000 千港元	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Financial asset at fair value through profit or loss 按公平值計入損益賬的金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
For the year ended 31 December 2017	截至二零一七年十二月三十一日止年度				
Opening balance	期初結餘	23,900	(721)	2,535	25,714
Gain recognised in profit or loss	於損益確認的收益	-	144	116	260
Gains recognised in other comprehensive income	於其他全面收益確認的收益	1,419	-	-	1,419
Depreciation	折舊	(919)	-	-	(919)
Settlement	結算	-	577	-	577
Closing balance	期末結餘	24,400	-	2,651	27,051
For the year ended 31 December 2016	截至二零一六年十二月三十一日止年度				
Opening balance	期初結餘	23,100	(12,805)	2,423	12,718
Gain recognised in profit or loss	於損益確認的收益	-	1,162	112	1,274
Gains recognised in other comprehensive income	於其他全面收益確認的收益	1,656	-	-	1,656
Depreciation	折舊	(856)	-	-	(856)
Settlement	結算	-	10,922	-	10,922
Closing balance	期末結餘	23,900	(721)	2,535	25,714

3.4 Offsetting financial assets and financial liabilities

As at 31 December 2017, there were no financial assets or financial liabilities which were subject to offsetting, enforceable master netting or similar agreements (2016: Nil).

3.4 金融資產及金融負債之抵銷

於二零一七年十二月三十一日，概無金融資產或金融負債受抵銷、具有可強制性執行的統一淨額結算或類似安排所規限（二零一六年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment assessment of property, plant and equipment

The Group has substantial investments in property, plant and equipment. Judgement is required in the area of asset impairment, particularly in assessing: (1) whether an event has incurred that may indicate that the related asset values may not be recoverable; (2) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal or value-in-use, which is the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions used to determine the level, if any, of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the projected performance and resulting future cash flow projections, it may be necessary to take an impairment charge to the profit or loss.

4 應用本集團會計政策的主要會計估計及判斷

估計及判斷須持續進行評估，並以過往經驗及其他因素（包括對因應情況相信為合理的未來事件的預期）為基準。

主要會計估計及假設

本集團對未來作出估計及假設。所得的會計估計如其定義，很少會與其實際結果相同。存在重大風險導致下個財政年度之資產和負債之賬面值作出重大調整之估計和假設討論如下。

(a) 物業、廠房及設備減值評估

本集團大量投資於物業、廠房及設備。在資產減值領域，要求作出判斷，尤其是評估：(1)有否出現可能顯示有關資產值可能無法回收的事件；(2)資產賬面值是否獲得可收回款項（即公平值減出售成本或使用價值（即以業務持續使用資產為基礎估計的有關日後現金流量的現值淨額）兩者中的較高者）的支持；及(3)編製現金流量預測時使用的適當主要假設，包括有關現金流量預測是否以適用比率折現。倘用於釐定減值層級的假設（包括現金流量預測所用貼現率或增長率假設）有所變更，可能對減值檢測所用現值淨額產生重大影響，從而或影響本集團的財務狀況及經營業績。倘預測表現及因而達致的未來現金流量預測有重大不利變動，則可能須於損益內扣除減值費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (continued)

Critical accounting estimates and assumptions
(continued)

(b) Net realisable value of inventories

Net realisable value of inventories is estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. Management reassesses these estimates at the end of each statement of financial position date.

(c) Impairment of trade receivables

The Group's management estimates the provision of impairment of trade receivables by assessing their recoverability. Provisions are applied to trade receivables where events or changes in circumstances indicate that the balances may not be collectible and require the use of estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of trade receivables and impairment charge in the period in which such estimate has been changed.

(d) Income taxes

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

4 應用本集團會計政策的主要會計估計及判斷 (續)

主要會計估計及假設 (續)

(b) 存貨的可變現淨值

存貨的可變現淨值指日常業務過程中的估計售價減估計銷售成本。該等估計乃基於現時市況及銷售類近性質產品的過往經驗而作出。客戶喜好及競爭對手因應不利行業週期而採取的行動可能使該等估計有重大改變。管理層於各財務狀況表日期重新評估該等估計。

(c) 貿易應收款項減值

本集團管理層通過評估貿易應收款項的可收回性來估計其減值撥備。當出現事件或環境變化預示結餘可能無法收回並需要使用估計時，則會就貿易應收款項計提撥備。倘預期金額與原先估計的金額不同，有關差額將影響貿易應收款項的賬面值以及有關估計出現變動期間內的減值開支。

(d) 所得稅

本集團須繳納香港及中國的所得稅。釐定所得稅撥備時須作出重大判斷。有大量不能確定最終稅項的交易及計算。倘該等事宜的最終稅務結果與初始記錄的金額不同，該等差額將影響於釐定期內的即期及遞延所得稅資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES (continued)

Critical accounting estimates and assumptions
(continued)

(d) Income taxes (continued)

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

(e) Valuation of equity-settled share-based payment transactions

The fair value of share options has been calculated using the Binomial Option Pricing Model which requires the input of highly subjective assumptions, including the expected volatility of the share price. Because changes in subjective assumptions can materially affect the fair value estimate, in the opinion of the Directors, the existing model may not always necessarily produce a reliable single measure of the fair value of the share options. Details of the assumptions used are set out in note 25 to the consolidated financial statements.

4 應用本集團會計政策的主要會計估計及判斷 (續)

主要會計估計及假設 (續)

(d) 所得稅 (續)

當管理層認為未來應課稅溢利將可以抵銷臨時差額或稅項虧損時，遞延所得稅資產就與已確認的若干臨時差額及稅項虧損有關。當預期情況有別於原本估計時，該等差異將影響遞延所得稅資產的確認以及該等估計更改時的期內稅務變動。

(e) 以權益結算及股份為基礎付款的交易估值

購股權公平值已按二項式購股權定價模式計算，該模式需要採用非常主觀假設的輸入值（包括股份價格的預計波幅）。由於主觀假設的變更可對公平值估計造成重大影響，董事認為，現有模式未必是購股權公平值唯一可靠的計量方式。有關所採用假設的詳情載於綜合財務報表附註25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

5 SEGMENT INFORMATION

Management has determined the operating segments based on the information reviewed by the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the Board of Directors of the Company.

Operating segments are reported in the manner consistent with the internal reporting provided to the CODM. The Group is subject to similar business risk, and resources are allocated based on what is beneficial to the Group in enhancing the value as a whole. The Board of Directors considers the performance assessment of the Group should be based on the profit before income tax of the Group as a whole and regards the Group as a single operating segment and reviews internal reporting accordingly. Therefore, the Board of Directors considers there to be only one operating segment under the requirements of HKFRS 8 "Operating Segments".

The Group provides manufacturing and sales of electronic products, which are carried out internationally, through the production complexes located in the PRC during the year ended 31 December 2017.

Segment assets and liabilities

No assets and liabilities are included in the Group's segment reporting that are submitted to and reviewed by the CODM internally. Accordingly, no segment assets and liabilities are presented.

Information about major customers

External customers contribute over 10% of total revenue of the Group for any of the year ended 31 December 2017 are as follows:

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

5 分部資料

管理層已根據首席經營決策者審閱的資料釐定經營分部。首席經營決策者負責分配經營分部的資源及評估其表現。首席經營決策者負責分配資源及評估經營分部的表現，而本公司董事會被視為首席經營決策者。

經營分部的呈報方式與提供予首席經營決策者的內部呈報一致。本集團面臨類似業務風險，且資源基於對提升本集團整體價值有利的原則分配。董事會認為本集團的表現評估應基於本集團整體除稅前溢利作出，視本集團為單一經營分部並相應審閱內部報告。因此，董事會認為，根據香港財務報告準則第8號「運營分部」的規定，應只有一個運營分部。

於截至二零一七年十二月三十一日止年度，本集團透過位於中國的生產綜合體提供電子產品製造及銷售（屬國際業務）。

分部資產及負債

內部遞交予首席經營決策者及由其作審閱的本集團分部報告並無包括任何資產及負債。因此，概無呈列分部資產及負債。

主要客戶的資料

截至二零一七年十二月三十一日止任何年度，外部客戶貢獻本集團總收益超過10%：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	客戶A	131,535	125,536
Customer B	客戶B	341,538	336,601
Customer C	客戶C	65,847	57,242

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

5 SEGMENT INFORMATION (continued)

Geographical information

During the year ended 2017, majority of revenue were sold to customers in Europe (mainly Switzerland, the United Kingdom, Ireland, Denmark and Austria), while the remaining revenue were sold to customers in the United States of America (the “USA”), the PRC, Malaysia and Australia.

In relation to non-current assets held by the Group (primarily represented by property, plant and equipment as detailed in note 14), land and buildings with carrying values as at 31 December 2017 of HK\$24,400,000 (2016: HK\$23,900,000) are located in Hong Kong. Other property, plant and equipment are primarily located in the PRC.

5 分部資料 (續)

地理區域資料

於截至二零一七年止年度，大部分收益來自歐洲客戶（主要為瑞士、英國、愛爾蘭、丹麥及奧地利），其餘收益來自美利堅合眾國（「美國」）、中國、馬來西亞及澳洲的客戶。

就本集團所持有的非流動資產（主要為物業、廠房及設備，詳情載於附註14）而言，於二零一七年十二月三十一日，賬面值為24,400,000港元（二零一六年：23,900,000港元）的土地及樓宇均位於香港。其他物業、廠房及設備主要位於中國。

6 REVENUE AND OTHER (LOSS)/ INCOME

6 收益及其他（虧損）／收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益		
Sales of goods	貨品銷售	788,042	744,899
Other (loss)/ income	其他（虧損）／收入		
Commission income	佣金收入	141	146
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益賬的 金融資產公平值收益	116	112
(Loss)/gain on foreign exchange	外匯（虧損）／收益	(4,436)	4,155
Sundry income	雜項收入	1,259	1,542
		(2,920)	5,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

7 EXPENSES BY NATURE

Expenses included “cost of sales”, “selling and distribution expenses” and “administrative expenses”, and “other operating expenses” are analysed as follows:

7 按性質劃分開支

開支包括「銷售成本」、「銷售及分銷費用」及「行政開支」及「其他經營開支」，分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Employee benefit expenses (including directors' emoluments) (note 8)	僱員福利開支(包括董事酬金)(附註8)	152,685	132,296
Listing expenses	上市開支	13,540	3,966
Auditors' remuneration	核數師薪酬		
– Audit services	– 審計服務	2,150	865
– Non-audit services	– 非審計服務	35	57
Depreciation (note 14)	折舊(附註14)	9,623	12,497
Amortisation of insurance expense	保險開支攤銷	12	12
Gain on derivative financial instruments	衍生金融工具收益	(144)	(1,162)
Obsolete inventories written off	陳舊存貨撇銷	1,541	110
Operating lease payments	經營租賃付款	5,181	5,333
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	14	(3)
Provision for impairment loss on inventories (note 17)	存貨減值虧損撥備(附註17)	623	1,501

8 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

8 僱員福利開支(包括董事酬金)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Wages, salaries and allowances	工資、薪金及津貼	130,046	112,328
Retirement benefit costs	退休福利成本	22,599	19,968
Share-based payment (note 25)	以股份為基礎付款(附註25)	40	–
		152,685	132,296

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS

Directors' remuneration disclosed pursuant to the section 383 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

9 董事的福利及權益

根據香港公司條例（第622章）第383條披露的董事薪酬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:	就個人擔任董事（無論為本公司或其附屬公司業務）已付或應收之酬金：		
Fees	袍金	660	-
Basic salaries, bonus, allowance and benefits in kind	基本薪金、花紅、津貼及實物福利	14,387	10,790
Employer's contribution to a retirement benefit scheme	退休福利計劃的僱主供款	1,532	990
Share-based payment	以股份為基礎付款	28	-
		16,607	11,780

(a) Directors' retirement benefits

No retirement benefits were paid to or receivable by any directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertaking during the year ended 31 December 2017 (2016: Nil).

(a) 董事之退休福利

於截至二零一七年十二月三十一日止年度，概無就任何董事有關管理本公司或其附屬公司事務的其他服務而支付或應收任何退休福利（二零一六年：無）。

(b) Directors' termination benefits

No payment was made to Directors as compensation for the early termination of the appointment during the year ended 31 December 2017 (2016: Nil).

(b) 董事之離職福利

於截至二零一七年十二月三十一日止年度，概無就提早終止委任而向董事支付任何付款作為賠償（二零一六年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS
(continued)

(c) Consideration provided to third parties for making available Directors' services

Save as disclosed above, no other payment was made to the former employer or Directors for making available the services of them as a Director of the Company during the year ended 31 December 2017 (2016: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors

Save as disclosed in note 29(b) to the consolidated financial statements, there are no loans, quasi-loans and other dealings in favour of Directors, controlled bodies corporate by and connected entities with such Directors during the year ended 31 December 2017 (2016: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a Director 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 ended 31 December 2017 (2016: Nil).

9 董事的福利及權益 (續)

(c) 就獲提供董事服務而向第三方提供之代價

除上文披露者外，於截至二零一七年十二月三十一日止年度，概無就獲提供董事服務而就擔任本公司董事向先前僱主或董事支付其他款項(二零一六年：無)。

(d) 有關有利於董事、由有關董事控制的法團及與其有關連的實體之貸款、準貸款及其他交易之資料

除綜合財務報表附註29(b)所披露者外，於截至二零一七年十二月三十一日止年度，概無有利於董事、由有關董事控制的法團及與其有關連的實體之貸款、準貸款及其他交易(二零一六年：無)。

(e) 董事於交易、安排或合約中之重大權益

本公司概無訂立且本公司董事於當中直接或間接擁有重大權益而於年末或截至二零一七年十二月三十一日止年度任何時間仍然存續與本公司業務有關之重大交易、安排及合約(二零一六年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS
(continued)

(f) Directors' emolument

The remuneration of every Director for the year ended 31 December 2017 and 2016 is set out below:

9 董事的福利及權益 (續)

(f) 董事酬金

截至二零一七年及二零一六年十二月三十一日止年度各董事薪酬如下：

		Basic salaries, bonuses, allowances and benefits	Discretionary bonuses	Employer's contribution to a retirement benefit scheme	Remunerations paid or receivable in respect of accepting office as director	Share-based payment	Total
	Fees	in kind					
	袍金	基本薪金、花紅、 津貼及實物福利	酌情花紅	僱主供款 退休福利計劃的	已付或應收之薪酬	以股份為基礎 付款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
2017	二零一七年						
Executive Directors	執行董事						
Mr. Kwan Tak Sum Stanley (note vi)	關德深先生 (附註vi)	-	4,390	-	558	-	4,948
Mr. Tai Leung Lam (note vi)	戴良林先生 (附註vi)	-	4,390	-	558	10	4,958
Mr. Joseph Mac Carthy (note vi)	Joseph Mac Carthy先生 (附註vi)	-	2,244	-	-	8	2,252
Mr. Lai Yiu Wah (note ii, iv)	黎耀華先生 (附註ii, iv)	-	3,363	-	416	10	3,789
Independent Non- executive Directors	獨立非執行 董事						
Mr. Fung Chun Chung (note v)	馮鎮中先生 (附註v)	220	-	-	-	-	220
Mr. Cheung Kin Wing (note v)	張建榮先生 (附註v)	220	-	-	-	-	220
Mr. Wong Raymond Fook Lam (note v)	黃福霖先生 (附註v)	220	-	-	-	-	220
		660	14,387	-	1,532	-	16,607
2016	二零一六年						
Executive Directors	執行董事						
Mr. Kwan Tak Sum Stanley (note vi)	關德深先生 (附註vi)	-	3,510	-	486	-	3,996
Mr. Tai Leung Lam (note vi)	戴良林先生 (附註vi)	-	3,510	-	486	-	3,996
Mr. Joseph Mac Carthy (note vi)	Joseph Mac Carthy先生 (附註vi)	-	1,690	-	-	-	1,690
Mr. Lai Yiu Wah (note ii, iv)	黎耀華先生 (附註ii, iv)	-	2,080	-	18	-	2,098
		-	10,790	-	990	-	11,780

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS
(continued)

(f) Directors' emolument (continued)

Notes:

- (i) Mr. Kwan Chan Kwong resigned as a Director of Trio Microtronics on 22 June 2016.
- (ii) Mr. Lai Yiu Wah was appointed as a Director of Trio Microtronics on 22 June 2016.
- (iii) Discretionary bonuses are determined based on the overall performance of the individual and the Group.
- (vi) Mr. Kwan Tak Sum Stanley, Mr. Tai Leung Lam, Mr. Lai Yiu Wah and Mr. Joseph Mac Carthy were appointed as the Executive Directors of the Company on 15 April 2016.
- (v) Mr. Fung Chun Chung, Mr. Cheung Kin Wing and Mr. Wong Raymond Fook Lam were appointed as Independent Non-executive Directors of the Company on 10 February 2017.

There was no arrangement under which a Director or the chief executive waived or agreed to waive any remuneration during the year ended 31 December 2017 (2016: Nil).

(g) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2017 included 4 Directors (2016: 4 Directors) whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining 1 individual during the year ended 31 December 2017 (2016: 1 individual) are as follows:

9 董事的福利及權益 (續)

(f) 董事酬金 (續)

附註：

- (i) 關燦光先生於二零一六年六月二十二日辭任致豐微電器董事。
- (ii) 黎耀華先生於二零一六年六月二十二日獲委任為致豐微電器董事。
- (iii) 酌情花紅乃按個別人士及本集團的整體表現釐定。
- (iv) 關德深先生、戴良林先生、黎耀華先生及Joseph Mac Carthy先生於二零一六年四月十五日獲委任為本公司執行董事。
- (v) 馮鎮中先生、張建榮先生及黃福霖先生於二零一七年二月十日獲委任為本公司獨立非執行董事。

於截至二零一七年十二月三十一日止年度，董事或主要行政人員並無安排放棄或同意放棄任何薪酬(二零一六年：無)。

(g) 五名最高薪酬人士

截至二零一七年十二月三十一日止年度，本集團五名最高薪酬人士包括上述分析反映其酬金的4名董事(二零一六年：4名董事)。截至二零一七年十二月三十一日止年度，應付餘下1名個別人士(二零一六年：1名個別人士)的酬金如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物福利	1,293	855
Bonuses	花紅	167	306
Pension scheme contributions	退休金計劃供款	-	18
Share-based payment	以股份為基礎付款	1	-
		1,461	1,179

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

9 BENEFITS AND INTERESTS OF DIRECTORS
(continued)

(g) Five highest paid individuals (continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following band is as follows:

		2017 二零一七年 number of individuals 人數	2016 二零一六年 number of individuals 人數
Nil – HK\$1,000,000	零至1,000,000港元	–	–
HK\$1,000,000 – HK\$1,500,000	1,000,001港元至 1,500,000港元	1	1

9 董事的福利及權益 (續)

(g) 五名最高薪酬人士 (續)

薪酬介乎以下範圍的非董事及非行政總裁最高薪僱員人數如下：

10 FINANCE EXPENSES, NET

10 財務開支淨額

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Finance income	財務收入		
Bank interest income	銀行利息收入	98	30
Other interest income	其他利息收入	104	31
Finance income	財務收入	202	61
Finance expenses	財務開支		
Interest on bank borrowings	銀行借款利息		
– Wholly repayable within five years	– 須於五年內全數償還	(3,647)	(4,193)
Other finance expenses	其他財務開支		
Bank charges	銀行收費	(5,517)	(5,176)
Finance lease charges	融資租賃收費	(91)	(150)
Finance expenses	財務開支	(9,255)	(9,519)
Finance expenses, net	財務開支淨額	(9,053)	(9,458)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

11 INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of comprehensive income represents:

11 所得稅開支

綜合全面收益表內稅項金額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current income tax – Hong Kong:	即期所得稅 – 香港：		
Provision for the year	年內撥備	12,598	12,602
Current income tax – The PRC:	即期所得稅 – 中國：		
Provision for the year	年內撥備	4,542	9,522
		17,140	22,124
Deferred income tax	遞延所得稅		
Origination and reversal of timing differences	時間差異產生及轉回	–	(26)
Income tax expense	所得稅開支	17,140	22,098

Hong Kong profits tax is provided at the rate of 16.5% based on the assessable profits for the year ended 31 December 2017 (2016: 16.5%).

香港利得稅乃根據截至二零一七年十二月三十一日止年度的應課稅溢利按16.5% (二零一六年：16.5%) 稅率計算。

PRC corporate income tax (“CIT”) is provided on the assessable income of entities within the Group incorporated in the PRC, calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits.

中國企業所得稅(「企業所得稅」)乃經考慮可獲提供的稅務優惠後，根據中國相關規定按在中國國內註冊成立的本集團內實體之應課稅收入計提撥備。

Pursuant to the PRC Corporate Income Tax Law passed by the Tenth National People’s Congress on 16 March 2007 (the “CIT Law”), the CIT rate for domestic and foreign enterprises has been unified at the rate of 25%, effective from 1 January 2008.

根據第十屆人民代表大會於二零零七年三月十六日通過的《中國企業所得稅法》(「所得稅法」)，國內及外國企業的企業所得稅率自二零零八年一月一日起劃一為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

11 INCOME TAX EXPENSE (continued)

On 11 December 2017, Trio Microtronics was awarded the “New and High Technology Enterprise” (“NHTE”) accreditation by Guangdong Science and Technology Department (廣東省科學技術廳) (“GDSTD”) as indicated in a non-public announcement made by GDSTD on its website. The website indicated NHTE certificate with number “GR201744011322” was assigned to Trio Microtronics for an effective period of three years from 11 December 2017 to 11 December 2020. By virtue of the NHTE accreditation, the Directors, having regard to the relevant requirements under the Administrative Measures in relation to the Recognition of New and High Technology Enterprises (《高新技術企業認定管理辦法》) and Guidelines on New and High Technology Enterprises Recognition Management (《高新技術企業認定管理工作指引》) jointly issued by Ministry of Science and Technology of the PRC (中華人民共和國科學技術部), Ministry of Finance of the PRC (中華人民共和國財政部) and State Administration of Taxation of the PRC (國家稅務總局), considered that Trio Microtronics is entitled to a preferential tax rate of 15% (the “**Preferential Rate**”) for three years from 2017 to 2019 together with some financial subsidies from the district, municipal and provincial authorities. As at 31 December 2017, Trio Microtronics received an initial subsidy amounting to RMB200,000 from the People’s Government of Nansha District of Guangzhou City (廣州市南沙區人民政府) as a result of the NHTE accreditation.

As at the date of approval of the audited consolidated financial statements, although Trio Microtronics has yet to perform record filing with the relevant tax authority pending the receipt of the physical NHTE certificate from GDSTD, the Directors are of the opinion that it is appropriate to apply the Preferential Rate in determining the provision of CIT for the year ended 31 December 2017.

11 所得稅開支 (續)

於二零一七年十二月十一日，致豐微電器獲廣東省科學技術廳(「廣東省科技廳」)授予「高新技術企業」(「高新技術企業」)認證，並已在廣東省科技廳在其網站內作出的非公開通告中顯示。該網站顯示編號為「GR201744011322」的高新技術企業證書已授予致豐微電器，有效期由二零一七年十二月十一日至二零二零年十二月十一日為期三年。根據該高新技術企業認證，董事經考慮由中華人民共和國科學技術部、中華人民共和國財政部及國家稅務總局聯合頒布的《高新技術企業認定管理辦法》及《高新技術企業認定管理工作指引》之相關規定後認為，致豐微電器有權由二零一七年至二零一九年這三年享有15%之優惠稅率(「優惠稅率」)連同地方政府、市政府及省政府部門給予的一些財務補貼。基於該高新技術企業認證，於二零一七年十二月三十一日，致豐微電器已收到廣州市南沙區人民政府所給予為數人民幣200,000元的初步補貼。

截至經審核綜合財務報表批准日期，雖然致豐微電器仍待收取廣東省科技廳發出的高新技術企業實物證書，故尚未在相關稅務部門辦理存檔記錄，但董事認為，在釐定截至二零一七年十二月三十一日止年度的企業所得稅撥備時應用優惠稅率乃屬合適。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

11 INCOME TAX EXPENSE (continued)

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the tax rate applicable to profits as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before income tax	除所得稅前溢利	87,148	97,355
Calculated at a tax rate of 16.5% (2016: 16.5%)	按稅率16.5% (二零一六年： 16.5%) 計算之稅項	14,379	16,063
Effect of different tax rates in other countries	其他國家不同稅率的影響	(410)	2,437
Income not subject to tax	毋須課稅收入	(55)	(96)
Tax losses for which no deferred tax asset was recognised	並無確認遞延所得稅資產之 稅項虧損	21	80
Expenses not deductible for tax purposes	不可扣稅開支	3,222	3,618
Utilisation of previously unrecognised tax loss	動用過往未予確認之 稅項虧損	(17)	(4)
Income tax expense	所得稅開支	17,140	22,098

11 所得稅開支 (續)

本集團除所得稅前溢利稅項與按應用於溢利的稅率計算之理論數額差別如下：

12 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share is calculated on the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year ended 31 December 2017.

12 每股盈利

(a) 每股基本盈利

每股基本盈利乃按本公司股權持有人應佔溢利除以截至二零一七年十二月三十一日止年度已發行普通股加權平均股數計算。

		2017 二零一七年	2016 二零一六年
Profit attributable to equity holders of the Company (HK\$'000)	本公司股權持有人應佔 溢利 (千港元)	70,008	75,257
Weighted average number of shares in issue (thousand shares) (note (i))	已發行加權平均股數 (千股) (附註(i))	777,397	750,000
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	9.01 cents	10.03 cents

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

12 EARNINGS PER SHARE (continued)

(a) Basic earnings per share (continued)

Note:

- (i) The weighted average of 777,397,000 ordinary shares used in the calculation of basic earnings per share for the year ended 31 December 2017 comprising: (i) 2 ordinary shares of the Company in issue as at 31 December 2016; and (ii) 749,999,998 ordinary shares of the Company issued and allotted to Trio Holding without payment and credited as fully-paid shares pursuant to the shareholders' resolution dated 27 October 2017 as if these shares had been issued at 1 January 2017, the beginning of the earliest period reported; and (iii) 250,000,000 ordinary shares offered to the public were issued on 23 November 2017.

The weighted average of 750,000,000 ordinary shares used in the calculation of basic earnings per share for the year ended 31 December 2016 comprising: (i) 1 ordinary share of the Company issued and allotted at the date of incorporation on 15 April 2016; (ii) 1 ordinary share of the Company issued and allotted during the Reorganisation and (iii) 749,999,998 ordinary shares of the Company issued and allotted to Trio Holding without payment and credited as fully-paid shares pursuant to the shareholders' resolution dated 27 October 2017 as if these shares had been issued at 1 January 2016, the beginning of the earliest period reported.

(b) Diluted earnings per share

For the year ended 31 December 2017, diluted earnings per share presented was same as the basic earnings per share as the share options of the Company have an anti-dilutive effect.

For the year ended 31 December 2016, diluted earnings per share presented was same as the basic earnings per share as there were no potentially dilutive ordinary shares issued during the year.

12 每股盈利 (續)

(a) 每股基本盈利 (續)

附註：

- (i) 計算截至二零一七年十二月三十一日止年度之每股基本盈利所使用的加權平均數777,397,000股普通股包括：(i)於二零一六年十二月三十一日已發行的2股本公司普通股；及(ii)根據日期為二零一七年十月二十七日的股東決議案，以無償及入賬列為繳足股份方式向致豐控股發行及配發的749,999,998股本公司普通股，猶如該等股份已於二零一七年一月一日（即所報告的最早期間開始日）發行；及(iii)於二零一七年十一月二十三日向公眾發售而發行的250,000,000股普通股。

計算截至二零一六年十二月三十一日止年度之每股基本盈利所使用的加權平均數750,000,000股普通股包括：(i)於註冊成立日期二零一六年四月十五日發行及配發的1股本公司普通股；(ii)於重組時發行及配發的1股本公司普通股；及(iii)根據日期為二零一七年十月二十七日的股東決議案，以無償及入賬列為繳足股份方式向致豐控股發行及配發的749,999,998股本公司普通股，猶如該等股份已於二零一六年一月一日（即所報告的最早期間開始日）發行。

(b) 每股攤薄盈利

截至二零一七年十二月三十一日止年度，所呈列每股攤薄盈利與每股基本盈利相同，乃因本公司的購股權有反攤薄效應。

截至二零一六年十二月三十一日止年度，所呈列每股攤薄盈利與每股基本盈利相同，乃因於該年度並無發行潛在攤薄普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

13 DIVIDENDS

During the year ended 31 December 2017, the Company had declared an interim dividend of HK\$15,000,000 per share, totaling HK\$30,000,000 to its then shareholder of the Company prior to the Listing in November 2017. A final dividend of HK\$2.0 cents per ordinary share, amounting to a total dividend of HK\$20,000,000, is to be proposed at the AGM.

During the year ended 31 December 2016, the Company had declared an interim dividend of HK\$11,750,000 per share, totalling HK\$23,500,000 to the then shareholder of the Company. A subsidiary of the Company declared an interim dividend of HK\$117.50 per ordinary share, totalling HK\$23,500,000 to its then shareholders for the year ended 31 December 2016.

13 股息

於截至二零一七年十二月三十一日止年度，本公司於二零一七年十一月上市前向本公司當時的股東宣派中期股息每股15,000,000港元，合共30,000,000港元。本公司建議於股東週年大會上，宣派末期股息每股普通股2.0港仙，即股息合共為20,000,000港元。

於截至二零一六年十二月三十一日止年度，本公司向本公司當時的股東宣派中期股息每股11,750,000港元，合共23,500,000港元。本公司一間附屬公司向其當時股東宣派截至二零一六年十二月三十一日止年度之中期股息每股普通股117.50港元，合共23,500,000港元。

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

		Land & buildings 土地及樓宇 HK\$'000 千港元	Plant & machinery 廠房及機械 HK\$'000 千港元	Furniture & fixtures 傢俱及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度								
Net book value at 1 January 2017	於二零一七年一月一日的賬面淨值	23,900	7,325	6,547	905	551	8,297	231	47,756
Additions	添置	-	1,754	2,501	21	-	897	36	5,209
Surplus on revaluation	重估盈餘	1,419	-	-	-	-	-	-	1,419
Disposals	出售	-	(1)	(30)	(1)	-	-	-	(32)
Depreciation	折舊	(919)	(2,826)	(2,166)	(507)	(140)	(3,065)	-	(9,623)
Balance as at 31 December 2017	於二零一七年十二月三十一日的結餘	24,400	6,252	6,852	418	411	6,129	267	44,729
At 31 December 2017	於二零一七年十二月三十一日								
Cost or valuation	成本或估值	24,400	31,893	14,021	3,368	3,163	26,768	267	103,880
Accumulated depreciation	累計折舊	-	(25,641)	(7,169)	(2,950)	(2,752)	(20,639)	-	(59,151)
Net book value at 31 December 2017	於二零一七年十二月三十一日的賬面淨值	24,400	6,252	6,852	418	411	6,129	267	44,729

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (continued) 14 物業、廠房及設備 (續)

		Land & buildings 土地及樓宇 HK\$'000 千港元	Plant & machinery 廠房及機械 HK\$'000 千港元	Furniture & fixtures 傢俱及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended	截至二零一六年十二月								
31 December 2016	三十一日止年度								
Net book value at 1 January 2016	於二零一六年一月一日 的賬面淨值	23,100	9,317	6,228	1,543	912	12,789	189	54,078
Additions	添置	-	1,626	2,729	3	182	-	42	4,582
Surplus on revaluation	重估盈餘	1,656	-	-	-	-	-	-	1,656
Disposals	出售	-	(1)	(56)	(6)	-	-	-	(63)
Depreciation	折舊	(856)	(3,617)	(2,354)	(635)	(543)	(4,492)	-	(12,497)
Balance as at 31 December 2016	於二零一六年十二月 三十一日的結餘	23,900	7,325	6,547	905	551	8,297	231	47,756
At 31 December 2016	於二零一六年								
Cost or valuation	十二月三十一日 成本或估值	23,900	30,270	11,572	3,378	3,563	25,871	231	98,785
Accumulated depreciation	累計折舊	-	(22,945)	(5,025)	(2,473)	(3,012)	(17,574)	-	(51,029)
Net book value at 31 December 2016	於二零一六年十二月 三十一日的賬面淨值	23,900	7,325	6,547	905	551	8,297	231	47,756

The analysis of the cost or valuation at 31 December 2017 of the above assets is as follows:
上述資產於二零一七年十二月三十一日的成本或估值分析如下：

At cost	按成本	-	6,252	6,852	418	411	6,129	267	20,329
At valuation	按估值	24,400	-	-	-	-	-	-	24,400
		24,400	6,252	6,852	418	411	6,129	267	44,729

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

(continued)

For the year ended 31 December 2017, depreciation expense of HK\$2,826,000 and HK\$6,797,000 (2016: 3,616,000 and HK\$8,881,000) was charged to “cost of goods sold” and “administrative expenses” respectively.

As at 31 December 2017, the Group’s land and buildings are held under medium term leases (unexpired period between 20 years to 50 years) and the carrying amounts of land and buildings pledged as part of the securities for banking facilities from a bank amounted to HK\$24,400,000 (2016: HK\$23,900,000).

As at 31 December 2017, the net carrying amounts of the Group’s fixed assets held under finance leases (note 23) included in the total amount of plant and machinery was HK\$1,712,000 (2016: HK\$3,969,000).

Valuation processes of the Group

The Group’s land and building was valued at 31 December 2017 and 2016 by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the assets valued. For land and building, the current use equates to the highest and best use.

The Group’s finance division includes a team that reviews the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the chief financial officer (“CFO”) and the directors. Discussions of valuation processes and results are held between the CFO, directors, the valuation team and valuers annually. As at 31 December 2017 and 2016, the fair values of the land and building have been determined by Grant Sherman Appraisal Limited.

14 物業、廠房及設備 (續)

截至二零一七年十二月三十一日止年度，折舊費用2,826,000港元及6,797,000港元(二零一六年：3,616,000港元及8,881,000港元)分別計入「售出貨品成本」及「行政開支」。

於二零一七年十二月三十一日，本集團之土地及樓宇為按中期租約(未逾期期間為20年至50年)持有，以及已抵押土地及樓宇(作為自銀行取得的銀行融資的部分擔保)賬面值為24,400,000港元(二零一六年：23,900,000港元)。

於二零一七年十二月三十一日，本集團計入廠房及機器總額之按融資租賃(附註23)持有之固定資產賬面淨值為1,712,000港元(二零一六年：3,969,000港元)。

本集團的估值流程

本集團的土地及樓宇於二零一七年及二零一六年十二月三十一日由專業合資格獨立估值師估值，該等估值師具有認可的相關專業資格，並在估值資產的地區及分部方面擁有新近經驗。就土地及樓宇而言，目前用途相當於最高及最佳用途。

本集團的財務部包括一個團隊，負責審核獨立估值師就財務報告進行的估值。該團隊直接向首席財務官(「首席財務官」)及董事報告。首席財務官、董事、估值團隊及估值師每年就估值過程及結果進行討論。於二零一七年及二零一六年十二月三十一日，土地及樓宇的公平值由中證評估有限公司釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

(continued)

Valuation processes of the Group (continued)

At each financial year end the finance division:

- verifies all major inputs to the independent valuation report;
- assesses property valuations movements when compared to the prior year valuation report;
- holds discussions with the independent valuer.

Valuation techniques

For land and building, the valuation was determined using the sale comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot, which is approximately amounted to HK\$6,124 per square foot for the year ended 31 December 2017 (2016: HK\$6,000 per square foot).

15 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial asset at fair value through profit or loss represented the investment element of the key man insurance purchased for Mr. Kwan Tak Sum Stanley, the Director of the Company.

As at 31 December 2017, the carrying amounts of financial asset at fair value through profit or loss pledged as security for the Group's bank loan outstanding amounted to HK\$168,000 (2016: HK\$444,000).

14 物業、廠房及設備 (續)

本集團的估值流程 (續)

於各財政年度結算日，財務部：

- 核實獨立估值報告之所有主要輸入數據；
- 於比較過往年度之估值報告時，評估物業估值變動；
- 與獨立估值師討論。

估值技巧

就土地及樓宇而言，估值採用銷售比較法釐定。相近可比較物業的銷售價格會因應如物業大小的關鍵屬性差異而調整。該估值法輸入之最重要可觀察資料是每平方呎之價格，於截至二零一七年十二月三十一日止年度為每平方呎6,124港元（二零一六年：每平方呎6,000港元）。

15 按公平值計入損益賬的金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted Key man insurance contract	非上市－要員保險合約	2,651	2,535

按公平值計入損益賬的金融資產指本公司董事關德深先生所購買要員保險的投資元素。

於二零一七年十二月三十一日，作為本集團未償還銀行貸款抵押品的按公平值計入損益賬的金融資產賬面值為168,000港元（二零一六年：444,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

16 SUBSIDIARIES

Particulars of the principal subsidiaries at 31 December 2017 and 2016 are as follows:

16 附屬公司

於二零一七年及二零一六年十二月三十一日之主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation or establishment and type of legal entity 註冊成立或成立地點及 法律實體種類	Principal activities 主要業務	Issued and paid in capital 已發行及實繳股本	Effective interest held by the Company 本公司持有之實際權益	
				2017 二零一七年	2016 二零一六年
Directly held: 直接持有：					
Trio Engineering 致豐工程	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	200,000 shares HK\$20,000,000 200,000股股份 20,000,000港元	100%	100%
PEMS 普發電子工業設備	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	100%
e-Tech 依得利工程	Hong Kong/Limited liability company 香港／有限責任公司	Sales of electronic products 銷售電子產品	10,000 shares HK\$10,000 10,000股股份 10,000港元	100%	N/A 不適用
Indirectly held: 間接持有：					
Trio Microtronics 致豐微電器	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Manufacturing of electronic products 製造電子產品	Registered capital US\$1,385,000 註冊資本 1,385,000美元	100%	100%
Guangzhou PEMS 廣州普發電子工業設備	The PRC/Wholly foreign-owned enterprise 中國／外商獨資企業	Sales of electronic products 銷售電子產品	Registered capital RMB500,000 註冊資本 人民幣500,000元	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

17 INVENTORIES

17 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原材料	122,370	64,349
Work in progress	在製品	28,354	19,218
Finished goods	製成品	3,647	12,254
Goods in transit	在運貨品	1,226	5,658
		155,597	101,479

The cost of inventories recognised as expenses and included in “cost of sales” amounted to HK\$451,074,000 for the year ended 31 December 2017 (2016: HK\$440,529,000). A provision for impairment of inventories of HK\$623,000 was recognised in “other operating expenses” in the consolidated statement of comprehensive income for the year ended 31 December 2017 (2016: HK\$1,501,000).

截至二零一七年十二月三十一日止年度，確認為開支並計入「銷售成本」的存貨成本為451,074,000港元（二零一六年：440,529,000港元）。截至二零一七年十二月三十一日止年度，於綜合全面收益表內確認為「其他經營開支」的存貨減值撥備為623,000港元（二零一六年：1,501,000港元）。

18 TRADE AND OTHER RECEIVABLES

18 貿易及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	貿易應收款項	138,767	114,169
Less: allowance for impairment of trade receivables	減：貿易應收款項減值撥備	-	-
Trade receivables – net	貿易應收款項 – 淨額	138,767	114,169
Other receivables	其他應收款項	519	228
Interest receivables	應收利息	59	-
		139,345	114,397

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

18 TRADE AND OTHER RECEIVABLES (continued)

- (a) Trade receivables were arising from trading of electronic products. The payment terms of trade receivables granted to third party customers generally range from full payment before shipment to 75 days from end of month. Aging analysis based on invoice date of the trade receivables is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Below 30 days	30天以下	59,633	66,002
Between 31 and 60 days	31至60天	51,323	39,034
Over 60 days	60天以上	27,811	9,133
		138,767	114,169

Trade and other receivables are past due when a counterparty has failed to make a payment when contractually due.

As at 31 December 2017, trade receivables of HK\$112,347,000 (2016: HK\$104,877,000) were not yet past due.

As at 31 December 2017, trade receivables of HK\$26,420,000 (2016: HK\$9,292,000) were past due but not impaired. The Group has not provided for an impairment loss as at 31 December 2017 (2016: Nil) because there was no significant change in credit quality and the amounts are still considered recoverable.

18 貿易及其他應收款項 (續)

- (a) 貿易應收款項來自買賣電子產品。授予第三方客戶的貿易應收款項的付款期限一般由出貨前全數付款至月結後75天。根據發票日期，貿易應收款項的賬齡分析如下：

當對手方不能於合約到期時支付款項，貿易及其他應收款項被視為逾期。

於二零一七年十二月三十一日，貿易應收款項112,347,000港元（二零一六年：104,877,000港元）尚未逾期。

於二零一七年十二月三十一日，貿易應收款項為26,420,000港元（二零一六年：9,292,000港元），均已逾期但並無減值。於二零一七年十二月三十一日，本集團並無為此計提減值虧損（二零一六年：無），原因是信貸質素並無重大變動，且金額仍被視作可收回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

18 TRADE AND OTHER RECEIVABLES (continued)

(a) (continued)

Trade receivables that were past due but not impaired relate to a number of independent customers for whom there is no significant financial difficulty and based on past experience, the overdue amounts can be recovered. The ageing analysis of these receivables is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Past due by:	逾期：		
Below 30 days	30天以下	23,581	5,844
Between 31 and 60 days	31至60天	573	597
Over 60 days	60天以上	2,266	2,851
		26,420	9,292

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	7,422	127
US\$	美元	131,345	114,042
		138,767	114,169

18 貿易及其他應收款項 (續)

(a) (續)

已逾期但並無減值之貿易應收款項與多名並無重大財務困難的獨立客戶有關，根據過往經驗，可收回該等逾期款項。該等應收款項的賬齡分析如下：

本集團貿易應收款項之賬面值以下列貨幣計值：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

18 TRADE AND OTHER RECEIVABLES (continued)

(a) (continued)

The creation and release of provision for impaired receivables have been included in "other operating expenses" in the consolidated statement of comprehensive income. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The carrying amounts of trade and other receivables approximate their fair values as at 31 December 2017 and 2016.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

18 貿易及其他應收款項 (續)

(a) (續)

已減值應收款項撥備之增設及解除已計入綜合全面收益表「其他營運開支」內。計入撥備賬之款項一般於預期無法收回額外現金時撇銷。

於二零一七年及二零一六年十二月三十一日，貿易及其他應收款項之賬面值與其公平值相若。

於報告日期之最高信貸風險為上文所披露各類別應收款項之賬面值。

19 PREPAYMENTS AND DEPOSITS

Prepayments	預付款項	9,396	8,750
Rental, utility and other deposits	租務、公用事業及其他按金	3,308	2,659
		12,704	11,409
Less: non-current portion	減：非即期部分	(418)	(430)
Prepayments	預付款項	12,286	10,979

The carrying amounts of deposits of the Group approximate their fair values as at 31 December 2017 and 2016.

19 預付款項及按金

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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本集團按金的賬面值與其於二零一七年及二零一六年十二月三十一日之公平值相若。

20 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES

Restricted bank deposits (note (a))	受限制銀行存款 (附註(a))	8,084	10,079
Time deposit up to three months	為期三個月或以下的定期存款	90,000	-
Bank and cash balances	銀行及現金結餘	71,626	6,569
		161,626	6,569

20 受限制銀行存款及銀行及現金結餘

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

20 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES (continued)

- (a) The Group's restricted bank deposits represented deposits pledged to banks to secure banking facilities granted to a subsidiary of the Group as set out in note 29 to the consolidated financial statements.
- (b) The carrying amount of restricted bank deposits, time deposit up to three months, cash and bank balances of the Group are denominated in the following currencies:

The Group

		2017	2016
		二零一七年	二零一六年
		<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>千港元</i>	<i>千港元</i>
HK\$	港元	149,154	10,836
US\$	美元	13,866	2,736
RMB	人民幣	6,656	2,960
EUR	歐元	12	43
Other currencies	其他貨幣	22	73
		169,710	16,648

20 受限制銀行存款及銀行及現金結餘
(續)

- (a) 本集團的受限制銀行存款為存放於銀行的存款，以作為綜合財務報表附註29所載授予本集團一家附屬公司的銀行融資之抵押。
- (b) 本集團的受限制銀行存款、為期三個月或以下的定期存款、現金及銀行結餘的賬面值以下列貨幣計值：

本集團

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

20 RESTRICTED BANK DEPOSITS AND BANK AND CASH BALANCES (continued)

- (c) The Group's bank and cash balances included the following for the purpose of the consolidated statement of cash flows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Time deposit up to three months	為期三個月或以下的定期存款	90,000	-
Bank and cash balances	銀行及現金結餘	71,626	6,569
Cash and cash equivalents	現金及現金等價物	161,626	6,569

The restricted deposits, time deposit up to three months, and bank and cash balances are at fixed interest rate range from 0.01% to 1.04% per annum (2016: 0.01% to 0.60%) as at 31 December 2017 and therefore are subject to fair value interest rate risk.

20 受限制銀行存款及銀行及現金結餘 (續)

- (c) 就綜合現金流量表而言，本集團的銀行及現金結餘包括以下項目：

於二零一七年十二月三十一日，受限制存款、為期三個月或以下的定期存款以及銀行及現金結餘按固定年利率範圍0.01%至1.04%（二零一六年：0.01%至0.60%）計息，因此須面臨公平值利率風險。

21 TRADE AND OTHER PAYABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	93,952	61,391
Trust receipts	信託收據	47,491	24,361
Accruals and other payables	應計及其他應付款項	18,839	12,276
Sale deposits received	已收銷售訂金	2,883	1,439
Amount due to a shareholder	應付一名股東款項	-	88
		163,165	99,555

21 貿易及其他應付款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

21 TRADE AND OTHER PAYABLES (continued)

The credit terms of trade payables granted by the vendors generally range from net 14 days to 90 days from end of month. The aging analysis of trade payables based on invoice date is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Below 30 days	30天以下	47,423	35,000
Between 31 and 60 days	31至60天	40,485	23,043
Over 60 days	60天以上	6,044	3,348
		93,952	61,391

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	16,810	13,117
US\$	美元	37,714	23,653
RMB	人民幣	31,870	22,569
EUR	歐元	6,672	1,969
Other currencies	其他貨幣	886	83
		93,952	61,391

21 貿易及其他應付款項 (續)

賣方授予的貿易應付款項的信貸期一般由發票日起計14至月結後90天不等。根據發票日期的貿易應付款項賬齡分析如下：

本集團貿易應付款項之賬面值以下列貨幣計值：

(a) As at 31 December 2016, amount due to a shareholder of the Group was denominated in HK\$, unsecured, interest-free, and repayable on demand.

(a) 於二零一六年十二月三十一日，本集團應付一名股東的款項以港元計值、無抵押、免息及按要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

22 BORROWINGS

22 借款

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Profits tax loans	利得稅貸款	(a)	14,787	9,274
Term loans	定期貸款	(a)	3,039	9,254
Insurance premium loan	保費貸款	(a)	168	444
			17,994	18,972

The Group's borrowings were repayable as follows (without taking into account the repayable on demand clause as detailed in note 22(a) below):

本集團的借款償還情況如下(未計及下文附註22(a)所詳述按要償還條款)：

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 year	1年內		17,082	13,829
Between 1 and 2 years	1年至2年		912	3,672
Between 2 and 5 years	2年至5年		-	1,471
			17,994	18,972

(a) As these loans include a clause that gives the lender the unconditional right to call the loans at any times (“**Repayment on Demand Clause**”), according to HK Interpretation 5 “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause” which requires the classification of whole term loans containing the repayment on demand clause as current liabilities, these loans were classified by the Group as current liabilities.

(a) 由於該等貸款包括一項條款賦予貸款人無條件權力在任何時間追回貸款(「**按要償還條款**」)，根據香港詮釋第5號「財務報表的列報－借款人對包含可隨時要求償還條款之定期貸款之分類」，其規定包含可隨時要求償還條款的全期貸款分類為流動負債，該等貸款均由本集團歸類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

22 BORROWINGS (continued)

(b) As at 31 December 2017, the total borrowings pledged by certain assets and their carrying values are shown below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Property, plant and equipment (note 14)	物業、廠房及設備(附註14)	24,400	23,900
Financial asset at fair value through profit or loss (note 15)	按公平值計入損益賬之金融資產(附註15)	2,651	2,535
Restricted bank deposits (note 20)	受限制銀行存款(附註20)	8,084	10,079
		35,135	36,514

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at end of the reporting period are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 year	1年內	17,994	18,972

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

The weighted average effective interest rate of bank borrowings are 3.94% per annum for the year ended 31 December 2017 (2016: 3.80% per annum).

22 借款(續)

(b) 於二零一七年十二月三十一日，以若干資產作抵押的總借款及其賬面值列示如下：

本集團借款於報告期末的利率變動及合同重新定價日期如下：

由於折現影響並非重大，即期借款之公平值與其賬面值相等。

截至二零一七年十二月三十一日止年度，銀行借款的加權平均實際年利率為3.94%（二零一六年：年利率3.80%）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

22 BORROWINGS (continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	17,826	18,528
US\$	美元	168	444
		17,994	18,972

22 借款(續)

本集團借款之賬面值以下列貨幣計值：

The Group has the following undrawn borrowing facilities:

本集團尚有下列尚未提取的借款融資額：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Expiring within one year	於一年內到期	106,621	146,021

23 FINANCE LEASE PAYABLES

23 融資租賃應付款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gross finance lease liabilities	融資租賃負債總額		
– minimum lease payments	– 最低租賃付款		
Within 1 year	1年內	1,913	3,629
Future finance charges on finance lease	融資租賃的未來融資支出	(64)	(157)
Present values of finance lease liabilities	融資租賃負債的現值	1,849	3,472

The carrying amounts of balances of the Group approximate their fair values as at 31 December 2017 and 2016.

本集團結餘之賬面值與其於二零一七年及二零一六年十二月三十一日之公平值相若。

Assets arranged under finance leases represent plant and machinery. The average lease term is 4 years (2016: 4 years) with effective interest rate of 3.50% per annum as at 31 December 2017 (2016: 3.50% per annum).

根據融資租賃安排的資產指廠房及機器。於二零一七年十二月三十一日，平均租期為4年(二零一六年：4年)，而實際年利率為3.50%(二零一六年：年利率3.50%)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

24 SHARE CAPITAL

24 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Issued and fully paid	已發行及繳足				
At beginning of the year/period	於年初/期初	2	145,172	-	-
Issue of shares upon incorporation	於註冊成立時發行股份	-	-	1	-
Issue of shares upon Reorganisation (note 1.2)	於重組時發行股份 (附註1.2)	-	-	1	145,172
Issue of bonus shares (note a)	發行紅股 (附註a)	749,999,998	-	-	-
Issue of shares by public offering (note b)	透過公開發售發行股份 (附註b)	250,000,000	136,335	-	-
At end of the year	於年末	1,000,000,000	281,507	2	145,172

(a) Pursuant to the shareholder's resolution dated 27 October 2017, 749,999,998 shares were issued and allotted to Trio Holding without payment and credited as fully-paid shares, each ranking pari passu in all respects with the then existing shares in issue.

(b) Pursuant to the shareholder's resolution dated 27 October 2017, 250,000,000 ordinary shares, representing 25% of the Company's enlarged issued share capital, were issued by way of the public offering on the Main Board of the Stock Exchange at a price of HK\$0.62 per share on 23 November 2017. The gross proceeds received by the Company after deducting the capitalised listing expenses were approximately HK\$136,335,000. Dealings in the Company's shares on the Main Board of the Stock Exchange commenced on 23 November 2017.

(a) 根據日期為二零一七年十月二十七日的股東決議案，以無償方式向致豐控股發行749,999,998股股份，並入賬列為繳足股份，而每股股份在各方面與當時已發行的現有股份享有同等地位。

(b) 根據日期為二零一七年十月二十七日的股東決議案，於二零一七年十一月二十三日以公開發售方式，按每股0.62港元之價格在聯交所主板發行250,000,000股普通股，佔本公司經擴大已發行股本的25%。本公司經扣除資本化的上市開支後的所得款項總額約為136,335,000港元。本公司股份於二零一七年十一月二十三日開始在聯交所主板買賣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION

Pursuant to written resolution of the then shareholder passed on 27 October 2017, the Company adopted a Share Option Scheme (the “Scheme”). The terms of the Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The Scheme is a share incentive scheme established to recognise and acknowledge the contributions eligible participants have made to the Group. The Scheme is valid and effective for a period of ten years commencing on the date of the adoption of the Scheme, unless terminated earlier by the shareholders in a general meeting.

Participants may include: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or a company in which the Group holds an interest or a subsidiary of such company (the “Affiliate”); (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to any member of the Group or an Affiliate.

As at 31 December 2017, the total number of shares available for issue under the Scheme was 70,000,000, representing 7% of the issued share capital of the Company. The aggregate number of shares which may be issued upon exercise of all outstanding options granted and to be exercised under the Scheme and any other share option scheme of the Company, must not in aggregate exceed 10% of the Company’s shares in issue as at the Listing Date. The 10% limit may be refreshed at any time by obtaining approval of the Company’s shareholders in general meeting provided that the total number of the Company’s shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company, must not exceed 10% of the Company’s shares in issue as at the date of the approval of the refreshed limit.

25 以權益結算及股份為基礎付款的交易

根據於二零一七年十月二十七日由當時股東通過的書面決議記錄，本公司採納購股權計劃（「該計劃」）。該計劃的條款符合上市規則第17章的條文。

該計劃為一項股份獎勵計劃，乃為表彰和肯定合資格參與者對本集團所作貢獻而設立。該計劃除非由股東在股東大會上提早終止，否則自該計劃採納日期起十年期間有效及具效力。

參與者可包括：(i)本集團任何成員公司或本集團持有其中權益的公司或該公司的附屬公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人或諮詢人或承辦商（「關聯人士」）；(ii)其酌情受益人包括本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士的任何信託或全權信託的受託人；或(iii)本集團任何成員公司的任何董事、僱員、顧問、專業人員、客戶、供應商、代理、合夥人、諮詢人或承辦商或關聯人士實益擁有的公司。

於二零一七年十二月三十一日，根據該計劃可供發行的股份總數為70,000,000股，相當於本公司已發行股本7%。根據該計劃及本公司任何其他購股權計劃已授出而可予行使的所有未行使購股權獲行使時可發行的股份總數，合共不得超過本公司於上市日期的已發行股份10%。該10%上限可隨時由本公司股東於股東大會上批准而予以更新，惟根據該計劃及本公司任何其他購股權計劃將授出的所有購股權獲行使時可予發行的本公司股份總數，不得超過本公司於更新上限獲批准日期的已發行股份10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (continued)

The number of shares issued and to be issued in respect of which options granted and which may be granted to any individual in any 12-month period up to the date of the grant, shall not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of this limit must be separately approved by the Company's shareholders in a general meeting with such grantee and his/her close associates abstaining from voting. Any grant of an option to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).

Where any grant of options to a substantial shareholder of the Company or an independent non-executive Director (or any of their respective associates) will result in the total number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the Scheme and any other share option scheme of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant representing in aggregate over 0.1% of the shares in issue and having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such further grant of options is required to be approved by shareholders at a general meeting of the Company, with voting to be taken by way of a poll.

Upon acceptance of an option to subscribe for shares, the eligible participant shall pay HK\$1 to the Company as consideration for the grant. The subscription price of a share subject to options granted under the Scheme shall be a price determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the grant of the option; and

25 以權益結算及股份為基礎付款的交易 (續)

於任何12個月期間內直至授出日期，任何個別人士獲授及可獲授的購股權所涉及的已發行及將發行的股份數目，不得超過本公司已發行股份的1%。超出此上限的任何購股權進一步授出，必須另外經本公司股東在股東大會上批准，而有關承授人及其緊密聯繫人須放棄在會上投票。向本公司董事、行政人員或主要股東（或彼等各自的聯繫人）授出任何購股權，必須經獨立非執行董事（不包括身為購股權承授人的任何獨立非執行董事）批准。

倘向本公司主要股東或獨立非執行董事（或彼等各自的聯繫人）授出任何購股權，會導致於任何12個月期間內直至授出日期（包括該日）該人士根據該計劃或本公司任何其他購股權計劃獲授及將獲授的所有購股權獲行使時獲發行及可獲發行的股份總數，合共超過已發行股份的0.1%，且根據每次授出日期的股份收市價計算，總值超過5,000,000港元，則上述進一步授出購股權須由股東在本公司股東大會上批准，且須以投票方式表決。

於接納可認購股份的購股權時，合資格參與者須向本公司支付1港元作為是次授出的代價。根據該計劃授出購股權所涉及的股份認購價應為由董事會釐定並向參與者知會的價格，並應最少相等於以下最高者：

- (i) 聯交所每日報價表所示股份於授出購股權日期的收市價；及

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (continued)

- (ii) The average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the option.

The movement in the number of share options under the Scheme during the year is as follows:

Date of grant	Exercise price (note)	Outstanding at 1 January 2017	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31 December 2017
授出日期	行使價 (附註) HK\$ 港元	於二零一七年一月一日未行使	年內授出	年內已行使	年內失效	於二零一七年十二月三十一日未行使
Executive Directors						
執行董事						
Mr. Lai Yiu Wah 黎耀華先生	28 December 2017 二零一七年十二月二十八日	0.954	-	7,000,000	-	7,000,000
Mr. Tai Leung Lam 戴良林先生	28 December 2017 二零一七年十二月二十八日	0.954	-	7,000,000	-	7,000,000
Mr. Joseph Mac Carthy Joseph Mac Carthy先生	28 December 2017 二零一七年十二月二十八日	0.954	-	6,000,000	-	6,000,000
Other eligible participants 其他合資格參與者	28 December 2017 二零一七年十二月二十八日	0.954	-	10,000,000	-	10,000,000
			-	30,000,000	-	30,000,000
Weighted average exercise price 加權平均行使價			-	HK\$0.954 0.954港元	-	HK\$0.954 0.954港元

note: The closing price of the share immediately before the date on which the share options were granted was HK\$0.95.

25 以權益結算及股份為基礎付款的交易 (續)

- (ii) 聯交所每日報價表所示股份於緊接授出購股權日期前五個交易日的平均收市價。

年內該計劃項下的購股權數目變動如下：

附註：緊接授出購股權日期前的股份收市價為0.95港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (continued)

Of the total number of options outstanding at the end of the year, no share options had vested and were exercisable at the end of the year.

The options granted on 28 December 2017 (the “**Valuation Date**”) with an exercise price of HK\$0.954 per share, are vested for a period of three years immediately after the date of the grant. Options granted are exercisable after three years but not exceeding ten years from the date of the grant.

The fair value of the options has been calculated by Grant Sherman Appraisal Limited using the Binomial Option Pricing Model. The assumptions used are as follows:

		Granted on 28 December 2017 於二零一七年十二月 二十八日授出
Grant date share price	授出日期股份價格	HK\$0.93 0.93港元
Exercise price	行使價	HK\$0.954 0.954港元
Expected volatility	預期波幅	53.07%
Contractual option life	購股權合約年期	10 years 10年
Risk-free rate	無風險利率	2.16%
Expected dividend yield	預期股息率	4.93%

Since the historical volatility of the Company’s shares over the most recent period commensurate with the contractual life of the share options is not available, the average of the historical volatilities of the adopted listing guideline companies has been adopted as the expected volatility and reflects the assumption that the historical volatility is indicative of future trends. The risk-free rate is the yield of Hong Kong Generic Rate with maturity matching the contractual option life of the share options as obtained from Bloomberg as at the Valuation Date. The historical annualised dividend yield of the Company of 4.93% has been adopted.

The assumptions used in computing the fair value of the share options are based on management’s best estimate. The valuation of options is dependent upon a number of variables using subjective assumptions. Any changes in the variables may materially affect the estimation of the fair value of an option.

25 以權益結算及股份為基礎付款的交易 (續)

在年結日未行使的購股權總數當中，概無購股權於年結日已歸屬及可行使。

於二零一七年十二月二十八日(「**估值日期**」)授出而行使價為每股0.954港元的購股權，乃於緊隨授出日期後三年期間歸屬。所授出的購股權可於授出日期起計三年後但不超過十年的期間行使。

購股權的公平值由中證評估有限公司採用二項式期權定價模式計算。所用假設如下：

由於並無本公司股份於最近期間(相當於購股權的合約年期)的歷史波幅數據，因此已採用獲採用上市可比公司的歷史波幅平均數作為預期波幅，並已反映假設歷史波幅可顯示未來趨勢。無風險利率乃於估值日取自彭博社(Bloomberg)的到期日與購股權合約年期一致的香港通用收益率。已採用本公司的年度化歷史股息率4.93%。

計算購股權公平值時採用的假設是基於管理層的最佳估計。購股權的估值取決於多項使用主觀假設的可變因素。該等可變因素的任何變動可能會對購股權公平值估計構成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

25 EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTION (continued)

There was no market vesting condition or non-market performance condition associated with the options granted.

Based on the fair values derived from the above pricing model, the fair value of the share options granted was approximately HK\$11,080,000, of which the Group recognised share-based compensation expenses of HK\$40,000 to the consolidated statement of comprehensive income during the year (2016: HK\$Nil) (note 8).

26 DERIVATIVE FINANCIAL INSTRUMENTS

The fair values of the Group's derivative financial instruments at the statement of financial position date were:

25 以權益結算及股份為基礎付款的交易 (續)

概無與已授出購股權相關的市場歸屬條件或非市場表現條件。

根據從上述定價模式得出的公平值，年內授出的購股權的公平值約為11,080,000港元，其中本集團已確認以股份為基礎的報酬開支40,000港元，並計入本年度的綜合全面收益表(二零一六年：零港元)(附註8)。

26 衍生金融工具

本集團衍生金融工具於財務狀況表日期的公平值為：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Forward foreign exchange contracts liabilities	遠期外匯合約負債	-	721
Less: Non-current portion	減：非即期部分	-	-
		-	721

The fair values of forward foreign exchange contracts have been determined at the end of the reporting period using observable market information.

As at 31 December 2017, all outstanding contracts have been settled (2016: HK\$6,200,000).

As at 31 December 2017 and 2016, there is no commitment in respect of the foreign exchange contract entered by the Group.

遠期外匯合約的公平值是假設在報告期末使用可觀察市場資料終止合約得出。

於二零一七年十二月三十一日，所有未到期合約已全部結清(二零一六年：6,200,000港元)。

於二零一七年及二零一六年十二月三十一日，概無有關本集團所訂立外匯合約的新承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

27 DEFERRED INCOME TAX

Deferred income tax is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5% for the year ended 31 December 2017 (2016: 16.5%). The net movement on the deferred income tax liabilities, arising from accelerated tax depreciation is as follows:

27 遞延所得稅

截至二零一七年十二月三十一日止年度，遞延所得稅乃採用負債法就關於短暫性差異按主要稅率16.5%（二零一六年：16.5%）計算。由加速稅項折舊導致的遞延所得稅負債淨變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of the year	年初	3,712	3,656
Credited to the consolidated statement of comprehensive income (note 11)	於綜合全面收益表計入 (附註11)	-	(26)
Charged to equity	從權益扣除	(7)	85
Others	其他	-	(3)
At end of the year	年末	3,705	3,712

The net deferred income tax liabilities are expected to be settled after more than 12 months.

Deferred income tax liabilities of HK\$3,869,000 as at 31 December 2017 (2016: 2,633,000) have not been recognised for the withholding tax that would be payable on the unremitted earnings of certain subsidiaries. Unremitted earnings as at 31 December 2017 is HK\$77,371,000 (2016: 52,652,000).

遞延所得稅負債淨額預計將在超過12個月後結清。

於二零一七年十二月三十一日，尚未就若干附屬公司未匯出盈利應付的預扣稅確認的遞延所得稅負債為3,869,000港元（二零一六年：2,633,000港元）。於二零一七年十二月三十一日的未匯出盈利為77,371,000港元（二零一六年：52,652,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 RESERVES

(a) Other capital reserve

Other capital reserves as at 31 December 2017 and 2016 represent the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the Reorganisation.

(b) Statutory reserve

In accordance with the PRC Company Law and the articles of association of those group companies incorporated in the PRC, the group companies are required to appropriate 10% of their profits after tax, as determined in accordance with Accounting Standards for Business Enterprises and the Accounting System for Business Enterprises and other regulations applicable to group companies, to the statutory surplus reserve until such reserve reaches 50% of the registered capital of the group companies. The appropriation to the reserve must be made before any distribution of dividends to holders of the group companies. The statutory surplus reserve can be used to offset previous years' losses, if any, and part of the statutory surplus reserve can be capitalised as the group companies' capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the capital of the group companies.

(c) Revaluation reserve

Revaluation reserve as at 31 December 2017 and 2016 represent the revaluation of land and buildings held by the Group.

(d) Share option reserve

The fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in the share option reserve.

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest and the impact of the revision of these estimates, if any, is recognised in the consolidated statement of profit or loss over the remaining vesting period, with a corresponding adjustment to the share option reserve.

28 儲備

(a) 其他資本儲備

於二零一七年及二零一六年十二月三十一日，其他資本儲備指重組期間被本公司於附屬公司的投資成本抵銷的所收購附屬公司的實繳資本總額。

(b) 法定儲備

根據中國公司法及於中國註冊成立的集團公司的組織章程細則，集團公司須提取其稅後溢利之10%（根據企業會計準則及企業會計制度以及其他適用於集團公司的規例而定）作為法定盈餘儲備，直至該儲備達至其註冊股本之50%為止。儲備的撥款必須於向集團公司持有人宣派股息前作出。法定盈餘儲備可於抵銷過往年度虧損（若有），亦可部分用於撥充集團公司股本的資金，惟於資本化後餘下的該等儲備金額不得少於其股本的25%。

(c) 重估儲備

於二零一七年及二零一六年十二月三十一日，重估儲備指重估本集團持有的土地及樓宇。

(d) 購股權儲備

於授出日期授出購股權的公平值以直線基準按歸屬期間支銷，而相應的權益增加計入購股權儲備。

於報告期末，本集團修訂其對於預計最終歸屬的購股權數目的估計，而修訂原估計所造成的影響（如有）按餘下歸屬期間在綜合損益表中確認，並在購股權儲備內作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

28 RESERVES (continued)

(d) Share option reserve (continued)

At the time when the options are exercised, the amount previously recognised in the share option reserve is transferred to the share capital. When the share options are forfeited or are still not exercised at the expiry date, the amount previously recognised in the share option reserve is transferred to retained profits.

29 BANKING FACILITIES

(a) At 31 December 2017, the Group had banking facilities totalling HK\$206,000,000 granted by three banks. These facilities were secured by the leasehold land and buildings of the Group, financial assets at fair value through profit or loss of the Group, fixed deposits placed in two banks, and a corporate guarantee from the Company.

As at 31 December 2016, the Group had banking facilities totalling HK\$198,000,000 granted by three banks. These facilities were secured by the leasehold land and buildings of the Group, financial assets at fair value through profit or loss of the Group, fixed deposits placed in three banks, and joint and several guarantees executed by Mr. Kwan, Mr. Tai and, Mr. Mac Carthy (which was replaced by the corporate guarantee from the Company following successful listing of the Company on the Main Board of the Stock Exchange on 23 November 2017).

28 儲備 (續)

(d) 購股權儲備 (續)

當購股權獲行使時，之前在購股權儲備確認的金額轉撥至股本。當購股權被沒收或至屆滿日期仍未獲行使，之前在購股權儲備確認的金額轉撥至保留溢利。

29 銀行融資

(a) 於二零一七年十二月三十一日，本集團擁有由三家銀行授出合共206,000,000港元之銀行融資。該等融資由本集團的租賃土地及樓宇、本集團按公平值計入損益賬的金融資產、存於兩家銀行的定期存款以及由本公司的企業擔保作抵押。

於二零一六年十二月三十一日，本集團擁有由三家銀行授出合共198,000,000港元之銀行融資。該等融資由本集團的租賃土地及樓宇、本集團按公平值計入損益賬的金融資產、存於三家銀行的定期存款以及關先生、戴先生及Mac Carthy先生共同及個別提供的擔保作擔保（於本公司於二零一七年十一月二十三日在聯交所主板成功上市後，由本公司的企業擔保取代）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

29 BANKING FACILITIES (continued)

- (b) The Group's borrowings and obligations under finance lease (note 23) of HK\$1,849,000 as at 31 December 2017 were secured by plant and equipment of the Group, a guarantee executed by the Hong Kong Special Administrative Region Government ("HKSAR"), and the corporate guarantee from the Company.

As at 31 December 2016, the Group's borrowings and obligations under finance lease of HK\$3,472,000 were secured by plant and equipment of the Group, a guarantee executed by the HKSAR Government, and an unlimited guarantee from Mr. Kwan, Mr. Tai, and Mr. Mac Carthy (which was replaced by the corporate guarantee from the Company following successful listing of the Company on the Main Board of the Stock Exchange on 23 November 2017).

- (c) At 31 December 2016, the Group had general banking facilities under the Hong Kong Mortgage Corporation Limited ("HKMC") SME financing guarantee scheme granted by two banks to the extent of HK\$12,000,000. These facilities were secured by HKMC and joint and several guarantees executed by Mr. Kwan, Mr. Tai and Mr. Mac Carthy (which was replaced by the corporate guarantee from the Company following successful listing of the Company on the Main Board of the Stock Exchange on 23 November 2017). These loans were fully repaid by the Group for the year ended 31 December 2017.

29 銀行融資 (續)

- (b) 本集團於二零一七年十二月三十一日於融資租賃(附註23)項下之借款及債務為1,849,000港元，由本集團的廠房及設備、香港特別行政區(「香港特區」)政府提供的擔保及本公司的企業擔保作抵押。

本集團於二零一六年十二月三十一日於融資租賃項下之借款及債務為3,472,000港元，由本集團的廠房及設備、香港特區政府提供的擔保及來自關先生、戴先生及Mac Carthy先生的無限制擔保作擔保(於本公司於二零一七年十一月二十三日在聯交所主板成功上市後，由本公司的企業擔保取代)。

- (c) 於二零一六年十二月三十一日，本集團獲兩間銀行授出香港按揭證券有限公司(「香港按揭證券公司」)中小企業融資擔保計劃下的一般銀行融資，金額最多為12,000,000港元。該等融資由香港按揭證券公司擔保，並由關先生、戴先生及Mac Carthy先生共同及個別提供的擔保作擔保(於本公司於二零一七年十一月二十三日在聯交所主板成功上市後，由本公司的企業擔保取代)。本集團已於截至二零一七年十二月三十一日止年度全數償還該等貸款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

30 COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for but not yet incurred is as follows:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Property, plant and equipment 物業、廠房及設備	23	18

(b) Operating lease commitments – as a lessee

The Group leases staff dormitory, offices, warehouses, and car parking spaces under non-cancellable operating lease agreements. The lease terms are between one to three years, and the majority of lease agreements are renewable at the end of the lease period at market rate.

The Group also leases various warehouses and factory under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements.

The total future minimum lease payments under non-cancellable operating lease for the rented premises are payable as follows:

30 承擔

(a) 資本承擔

已訂約但未產生的資本開支如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Property, plant and equipment 物業、廠房及設備	23	18

(b) 經營租賃承擔 – 作為承租人

本集團根據不可撤銷之經營租賃協議租賃員工宿舍、辦公室、倉庫及停車位。租賃期介乎一至三年，大部分租賃協議於租賃期末可根據市值重續。

本集團亦根據可撤銷之經營租賃協議租賃多個倉庫及工廠。本集團就終止此等協議須發出六個月通知。

就租賃物業所根據不可撤銷之經營租賃未來應付最低租賃付款總額如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year 一年內	1,421	789
In the second to third years, inclusive 於第二至第三年（首尾兩年包括在內）	1,135	586
	2,556	1,375

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

31 NOTE TO THE STATEMENT OF CASH FLOWS

31 綜合現金流量表附註

Reconciliation of profit before income tax to cash generated from operations:

除所得稅前溢利與營運產生之現金對賬：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	經營活動所得現金流量		
Profit before income tax	除所得稅前溢利	87,148	97,355
Adjustments for:	就下列各項調整：		
Bank interest	銀行利息	(98)	(30)
Amortisation	攤銷	12	12
Depreciation	折舊	9,623	12,497
Equity-settled share based payment expense	權益結算以股份為基礎付款開支	40	-
Finance costs	融資成本	9,255	9,519
Gain on derivative financial instruments	衍生金融工具收益	(144)	(1,162)
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	14	(3)
Provision for impairment loss on inventories	存貨減值虧損撥備	623	1,501
Obsolete inventories written off	陳舊存貨撇銷	1,541	110
Fair value gain on financial assets at fair value through profit or loss	按公平值計入損益賬的金融資產的公平值收益	(116)	(112)
Operating profit before working capital changes	營運資金變動前的經營溢利	107,898	119,687
(Increase)/decrease in inventories	存貨(增加)／減少	(56,282)	19,648
Increase in trade and other receivables	貿易及其他應收款項增加	(24,889)	(17,012)
Increase in prepayment and deposits	預付款項及按金增加	(1,307)	(2,940)
Increase/(decrease) in trade and other payables	貿易及其他應付款項增加／(減少)	63,697	(31,528)
Net cash generated from operations	經營所得現金淨額	89,117	87,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

31 NOTE TO THE STATEMENT OF CASH FLOWS 31 綜合現金流量表附註 (續)
(continued)

Reconciliation of liabilities arising from financing activities:

融資活動產生之負債對賬：

		Balance with shareholders	Term loans	Finance lease payables	Profit tax loans	Insurance premium loan
		股東結餘	定期貸款	融資租賃 應付款項	利得稅貸款	保費貸款
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	(11,688)	13,390	4,261	2,831	713
Cash flows	現金流量	11,776	(4,136)	(789)	6,443	(269)
At 31 December 2016	於二零一六年 十二月三十一日	88	9,254	3,472	9,274	444
Cash flows	現金流量	(88)	(6,215)	(1,623)	5,513	(276)
At 31 December 2017	於二零一七年 十二月三十一日	-	3,039	1,849	14,787	168

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

32 RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Save for those disclosed elsewhere in these consolidated financial statements, details of transactions between the Group and other related parties are disclosed below:

- (a) The Directors of the Company are of the view that the following parties/companies were related parties that had transaction or balances with the Group during the year ended 31 December 2017 and 2016:

32 關聯方交易

本公司與其附屬公司之間的交易已於綜合賬目時對銷而並無於本附註內披露。除本綜合財務報表其他部分披露的內容外，本集團與其他關聯方之間的交易詳情披露如下：

- (a) 本公司董事認為，以下各方／公司為於截至二零一七年及二零一六年十二月三十一日止年度與本集團之間有交易或結餘的關聯方：

Name of related parties 關聯方姓名／名稱	Relationship with the Group 與本集團的關係
Mr. Kwan Tak Sum, Stanley 關德深先生	A controlling shareholder and executive director of the Company 本公司的控股股東及執行董事
Mr. Lai Yiu Wah 黎耀華先生	A controlling shareholder and executive director of the Company 本公司的控股股東及執行董事
Mr. Tai Leung Lam 戴良林先生	A controlling shareholder and executive director of the Company 本公司的控股股東及執行董事
Mr. Joseph Mac Carthy Joseph Mac Carthy先生	A controlling shareholder and executive director of the Company 本公司的控股股東及執行董事
Mr. Kwan Chan Kwong 關燦光先生	A co-founder and the then shareholder of the Group 本集團的共同創辦人及當時股東
Grand Energy Investment Limited Grand Energy Investment Limited	Shareholder of the Company controlled by Mr. Joseph Mac Carthy, a controlling shareholder of the Company 本公司股東，由本公司的控股股東Joseph Mac Carthy先生控制
Multi-Trend Investment Limited ("Multi-Trend") 茂高投資有限公司(「茂高」)	Controlled by Mr. Kwan Tak Sum, Stanley, Mr. Tai Leung Lam, Mr. Kwan Chan Kwong and Grand Energy Investment Limited 由關德深先生、戴良林先生、關燦光先生及Grand Energy Investment Limited控制
PSI Europe Limited ("PSI") PSI Europe Limited (「PSI」)	Controlled by Mr. Joseph Mac Carthy, a controlling shareholder of the Company, up to 15 December 2015 直至二零一五年十二月十五日由本公司的控股股東Joseph Mac Carthy先生控制
Ms. Wai Yuet Wah ("Ms. Wai") Wai Yuet Wah女士(「Wai女士」)	Spouse of Mr. Kwan Tak Sum, Stanley 關德深先生的配偶

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

32 RELATED PARTY TRANSACTIONS (continued)

(b) During the year ended 31 December 2017, the Group had the following transactions with related parties that are not members of the Group, which in the opinion of the directors, were conducted at arm's length and on normal commercial terms:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Rental expense to Multi-Trend	應付茂高的租賃開支	-	40
Commission expense to PSI	應付PSI的佣金開支	-	10
Rental expense to Ms. Wai	應付Wai女士的租賃開支	-	41

32 關聯方交易 (續)

(b) 於截至二零一七年十二月三十一日止年度，本集團與關聯方（並非本集團的成員公司）進行以下交易，而董事認為該等交易乃按公平基準及正常商業條款進行：

(c) Year end balances with related parties

As at 31 December 2017

(c) 關聯方年末結餘

於二零一七年十二月三十一日

		Outstanding amount at the beginning of the year 年初未 清償金額 HK\$'000 千港元	Outstanding amount at the end of the year 年末未 清償金額 HK\$'000 千港元	Maximum outstanding during the year 年內最高 未清償金額 HK\$'000 千港元
Amounts due from then shareholders	應收當時股東款項			
- Mr. Kwan Tak Sum Stanley	- 關德深先生	-	-	-
- Mr. Tai Leung Lam	- 戴良林先生	-	-	-
- Mr. Lai Yiu Wah	- 黎耀華先生	-	-	-
- Grand Energy	- Grand Energy	-	-	-
		-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

32 RELATED PARTY TRANSACTIONS (continued)

(c) Year end balances with related parties (continued)

As at 31 December 2016

32 關聯方交易 (續)

(c) 關聯方年末結餘 (續)

於二零一六年十二月三十一日

		Outstanding amount at the beginning of the year 年初未 清償金額 HK\$'000 千港元	Outstanding amount at the end of the year 年末未 清償金額 HK\$'000 千港元	Maximum outstanding during the year 年內最高未 清償金額 HK\$'000 千港元
Amounts due from then shareholders	應收當時股東款項			
– Mr. Kwan Tak Sum Stanley	– 關德深先生	6,003	–	9,750
– Mr. Tai Leung Lam	– 戴良林先生	6,003	–	9,750
– Mr. Lai Yiu Wah	– 黎耀華先生	2	–	8,313
– Grand Energy	– Grand Energy	2	–	8,313
		12,010	–	36,126
			2017	2016
			二零一七年	二零一六年
			HK\$'000	HK\$'000
			千港元	千港元
Amount due to then shareholder	應付當時股東款項			
– Grand Energy	– Grand Energy		–	88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

32 RELATED PARTY TRANSACTIONS *(continued)*

(d) Amounts due from/to a related party and then shareholder of the Group are unsecured, interest-free and repayable on demand.

(e) Members of key management during the year comprised the Directors only whose remuneration is set out in note 9 to the consolidated financial statements.

(f) Guarantees by Directors

Save as disclosed in note 29 to the consolidated financial statements, there are no other guarantees by Directors as at 31 December 2017.

32 關聯方交易 (續)

(d) 應收／應付關聯方及當時股東的款項為無抵押、免息及按要求償還。所有結餘為非貿易性質。

(e) 於本年度主要管理層成員僅由其薪酬金載列於綜合財務報表附註9之董事所組成。

(f) 董事擔保

除載列於綜合財務報表附註29外，於二零一七年十二月三十一日本集團並無其他董事擔保。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 33 本公司財務狀況表及儲備變動

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Assets	資產			
Non-current assets	非流動資產			
Investment in subsidiaries	於附屬公司的投資	16	145,182	145,172
			145,182	145,172
Current assets	流動資產			
Other receivables	其他應收款項		20,059	4,000
Prepayments and deposits	預付款項及按金		325	3,299
Amount due from a subsidiary	應收一間附屬公司款項		5,100	-
Bank and cash balances	銀行及現金結餘		140,912	423
			166,396	7,722
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項		6,615	2,298
Amount due to a subsidiary	應付一間附屬公司款項		10	5,146
Current tax liabilities	即期稅務負債		2,745	-
			9,370	7,444
Net current assets	流動資產淨值		157,026	278
Net assets	資產淨值		302,208	145,450
Equity	權益			
Share capital	股本	24	281,507	145,172
Reserves	儲備	(a)	20,701	278
Total equity	總權益		302,208	145,450

The statement of financial position of the Company were approved by the Board of Directors on 23 March 2018 and were signed on its behalf

本公司的財務狀況表已由董事會於二零一八年三月二十三日批准，並由以下董事代表董事會簽署

Lai Yiu Wah
黎耀華
Director
董事

Tai Leung Lam
戴良林
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

33 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY
(continued)

33 本公司財務狀況表及儲備變動
(續)

(a) Reserve movement of the Company

(a) 本公司儲備變動

			Share options reserve 購股權儲備	Retained profits 保留溢利	Total 總計
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 15 April 2016 (date of incorporation)	於二零一六年四月十五日 (註冊成立日期)		-	-	-
Profit for the period	期內溢利		-	23,778	23,778
Dividend paid	已付股息	13	-	(23,500)	(23,500)
At 31 December 2016	於二零一六年 十二月三十一日		-	278	278
Profit for the year	年內溢利		-	50,383	50,383
Equity-settled share-based transaction	以權益結算以股份為 基礎付款的交易	25	40	-	40
Dividend paid	已付股息	13	-	(30,000)	(30,000)
At 31 December 2017	於二零一七年 十二月三十一日		40	20,661	20,701

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

34 FINANCIAL INSTRUMENTS BY CATEGORY

As at 31 December 2017

34 金融工具 – 按類別劃分

於二零一七年十二月三十一日

		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Assets at fair value through the profit or loss 按公平值計入 損益賬的資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial asset at fair value through the profit or loss	按公平值計入損益賬的金融資產	–	2,651	2,651
Trade and other receivables	貿易及其他應收款項	139,345	–	139,345
Deposits	按金	3,308	–	3,308
Restricted bank deposits	受限制銀行存款	8,084	–	8,084
Bank and cash balances	現金及現金結餘	161,626	–	161,626
Total	總計	312,363	2,651	315,014

		Financial liabilities at fair value 按公平值計量之 金融負債 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量 之金融負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項 (已收銷售訂金除外)	–	151,954	151,954
Borrowings	借款	–	17,994	17,994
Finance lease payables	融資租賃應付款項	–	1,849	1,849
Total	總計	–	171,797	171,797

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

34 FINANCIAL INSTRUMENTS BY CATEGORY **34 金融工具 – 按類別劃分 (續)**
(continued)

As at 31 December 2016

於二零一六年十二月三十一日

		Loans and receivables	Assets at fair value through the profit or loss	Total
		貸款及應收款項	按公平值計入 損益賬的資產	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Financial asset at fair value through the profit or loss	按公平值計入損益賬的金融資產	–	2,535	2,535
Trade and other receivables	貿易及其他應收款項	114,397	–	114,397
Deposits	按金	2,659	–	2,659
Restricted bank deposits	受限制銀行存款	10,079	–	10,079
Bank and cash balances	現金及現金結餘	6,569	–	6,569
Total	總計	133,704	2,535	136,239

		Financial liabilities at fair value	Financial liabilities at amortised cost	Total
		按公平值計量之 金融負債	按攤銷成本計量 之金融負債	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Trade and other payables (excluding sale deposits received)	貿易及其他應付款項 (已收銷售訂金除外)	–	91,603	91,603
Borrowings	借款	–	18,972	18,972
Finance lease payables	融資租賃應付款項	–	3,472	3,472
Derivative financial instruments	衍生金融工具	721	–	721
Total	總計	721	114,047	114,768

35 CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2017 (2016: Nil).

35 或然負債

於二零一七年十二月三十一日，本集團並無任何重大或然負債（二零一六年：無）。

FOUR YEARS FINANCIAL SUMMARY 四年財務概要

		For the year ended 31 December 截至十二月三十一日止年度			
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Results	業績				
Revenue	收益	788,042	744,899	657,614	517,479
Profit before income tax	除所得稅前溢利	87,148	97,355	42,513	28,501
Income tax expense	所得稅開支	(17,140)	(22,098)	(12,756)	(6,623)
Profit for the year	年內溢利	70,008	75,257	29,757	21,878
Attributable to:	應佔：				
Owners of the Company	本公司擁有人	70,008	75,257	29,757	21,878

		As at 31 December 於十二月三十一日			
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Assets and liabilities	資產及負債				
Total assets	資產總值	524,736	294,224	308,895	278,203
Total liabilities	負債總額	(192,172)	(139,469)	(183,968)	(170,324)
Net assets	資產淨值	332,564	154,755	124,927	107,879
Equity attributable to owners of the Company	本公司擁有人應佔權益	332,564	154,755	124,927	107,879

Trio Industrial Electronics Group Limited
致豐工業電子集團有限公司

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