



彼岸
PEIPOINT

彼岸控股有限公司 Peiport Holdings Ltd.

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 2885



2019

Annual Report 年報

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Five-year Financial Summary

五年財務摘要

A summary of the results, assets, liabilities and non-controlling interests of Peiport Holdings Ltd. (the "Company") and its subsidiaries (collectively the "Group") for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below:

從已刊發的經審核財務報表摘錄且經適當重列／重新分類的彼岸控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)過去五個財政年度的業績、資產、負債及非控股權益的摘要載列如下：

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
REVENUE	收益	275,354	262,080	238,406	251,875	291,576
Gross profit	毛利	93,142	94,055	82,998	82,710	83,616
PROFIT BEFORE TAX	除稅前溢利	36,344	19,806	44,215	33,359	30,491
Income tax expense	所得稅開支	(6,031)	(8,299)	(9,290)	(7,720)	(5,848)
PROFIT FOR THE YEAR	年度溢利	30,313	11,507	34,925	25,639	24,643
Attributable to equity holders of the parent	母公司權益持有人應佔	30,313	11,507	34,469	26,038	24,919

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December 於十二月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	總資產	360,117	256,446	304,699	272,861	253,913
Total liabilities	總負債	(38,785)	(71,132)	(38,731)	(44,093)	(49,211)
Non-controlling interests	非控股權益	-	-	-	(1,877)	(2,389)
		321,332	185,314	265,968	226,891	202,313

Note:

附註：

The financial statements of the Group for the years ended 31 December 2015, 2016 and 2017 was extracted from the prospectus of the Company issued on 31 December 2018 (the "Prospectus") in connection with the listing of the Company's shares (the "Listing") on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 11 January 2019 (the "Listing Date").

本集團截至二零一五年、二零一六年及二零一七年十二月三十一日止年度的財務報表乃摘錄自本公司於二零一八年十二月三十一日刊發的招股章程(「招股章程」)，其內容有關本公司的股份於二零一九年一月十一日(「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」)。

Corporate Information

公司資料

EXECUTIVE DIRECTORS

Mr. YEUNG Lun Ching
Ms. WONG Kwan Lik
Mr. YEUNG Chun Tai

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. NIU Zhongjie
Ms. YEUNG Hiu Fu Helen
Mr. HOU Min

COMPANY SECRETARY

Ms. LEUNG Chin Ching

AUTHORISED REPRESENTATIVES

Ms. WONG Kwan Lik
Ms. LEUNG Chin Ching

AUDIT COMMITTEE

Ms. YEUNG Hiu Fu Helen (*Chairwoman*)
Mr. NIU Zhongjie
Mr. HOU Min

REMUNERATION COMMITTEE

Mr. HOU Min (*Chairman*)
Mr. YEUNG Lun Ching
Mr. NIU Zhongjie

NOMINATION COMMITTEE

Mr. NIU Zhongjie (*Chairman*)
Ms. WONG Kwan Lik
Ms. YEUNG Hiu Fu Helen

AUDITOR

Ernst & Young

Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

執行董事

楊倫楨先生
王群力女士
楊振泰先生

獨立非執行董事

牛鍾洁先生
楊曉芙女士
侯珉先生

公司秘書

梁展鏗女士

授權代表

王群力女士
梁展鏗女士

審核委員會

楊曉芙女士 (*主席*)
牛鍾洁先生
侯珉先生

薪酬委員會

侯珉先生 (*主席*)
楊倫楨先生
牛鍾洁先生

提名委員會

牛鍾洁先生 (*主席*)
王群力女士
楊曉芙女士

核數師

安永會計師事務所
執業會計師
香港
中環添美道1號
中信大廈22樓

Corporate Information (Continued)

公司資料(續)

COMPLIANCE ADVISER

Guotai Junan Capital Limited

26/F–28/F, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

LEGAL ADVISER

Jingtian & Gongcheng LLP

Suites 3203–3207
32/F., Edinburgh Tower
The Landmark
15 Queen's Road Central
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Industrial and Commercial Bank of China Limited

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 316, 3/F.
Lakeside 1, Phase Two
Hong Kong Science Park
Pak Shek Kok, New Territories
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

合規顧問

國泰君安融資有限公司

香港
皇后大道中181號
新紀元廣場
低座26樓至28樓

法律顧問

競天公誠律師事務所有限法律責任合夥

香港
皇后大道中15號
置地廣場
公爵大廈32樓
3203–3207室

主要往來銀行

香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
中國工商銀行股份有限公司

總部及香港主要營業地點

香港
新界白石角
科學園
第二期尚湖樓
3樓316室

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

開曼群島證券登記總處及過戶辦事處

Conyers Trust Company (Cayman) Limited

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Corporate Information (Continued)

公司資料(續)

HONG KONG SHARE REGISTRAR

Union Registrars Limited

Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

STOCK CODE

2885

COMPANY'S WEBSITE

www.peiport.com

香港股份過戶登記處

聯合證券登記有限公司

香港
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英皇道338號
華懋交易廣場2期
33樓3301-04室

股份代號

2885

公司網站

www.peiport.com

Chairman's Statement

主席致辭

長風破浪會有時
直掛雲帆濟滄海



Dear Valuable Shareholders,

It has been a year since the Listing of Peiport Holdings Ltd.. During the year, our overall business have been developing steadily "without great ups and downs". As stated in the Prospectus, we are stepping forward with the predetermined plans and procedures. Among the three business segments, including: (i) thermal imaging products and services, (ii) self-stabilised imaging products and services, and (iii) general aviation products and services, general aviation products and services business segment performed brilliantly. I, on behalf of the board (the "Board") of directors (the "Directors") of the Company hereby, present the annual report of the Company ("Annual Report") for 2019 and the outlook for 2020.

致尊敬的股東：

上市一年，彼岸控股有限公司整體業務算是「也無風雨也無晴」，平穩發展。按招股章程中所述，有計劃，有步驟，一步步往前行。三大業務板塊之中(包括：(i)熱成像產品及服務，(ii)自穩定成像產品及服務及(iii)通用航空產品及服務)，通用航空產品及服務的業務板塊表現尤為亮麗。本人謹此代表本公司董事(「董事」)會(「董事會」)呈列本公司於二零一九年的年度報告(「年度報告」)以及對二零二零年前景的展望。

Chairman's Statement (Continued)

主席致辭(續)

PERFORMANCE REVIEW IN 2019

The China-US trade tensions in 2019 and the social campaigns in Hong Kong affected the economic development of Hong Kong, therefore the three business segments of the Company also faced severe challenges. Fortunately, due to the introduction of supportive policies in the People's Republic of China (the "PRC" or "Mainland China") to develop the general aviation manufacturing industry, many suppliers which build aircraft and sports and ultralight aircraft were attracted to set up factories in Mainland China. At the same time, overseas production lines are introduced. Hence, the demand for aircraft power systems has increased significantly.

In 2019, we have been focusing on the talent acquisition and the formation of research and development teams. In November 2019, we officially settled in the Hong Kong Science Park and established Peiport's research and development centre in Hong Kong. The new research and development centre helps improve the quality of our existing self-owned products and enhances the development of new products, thus strengthens our competitiveness and further expands the market, especially in Hong Kong and the Southeast Asia.

The revenue for the year 2019 increased by approximately HK\$13.3 million to approximately HK\$275.4 million, as compared with the revenue of approximately HK\$262.1 million for 2018, with a slight increase of approximately 5.1% compared to 2018. Similar to 2018, the performance of the general aviation products and services business segment in 2019 was better than the other two business segments.

BUSINESS OUTLOOK FOR 2020

Looking forward to 2020, the economic development of Mainland China is still challenging. However, our Group will continue to work on its three business segments.

二零一九年業績回顧

二零一九年的中美貿易磨擦以及香港的社會運動影響香港的經濟發展，公司的三大業務板塊也因此面對嚴峻的挑戰。所幸的是由於中華人民共和國（「中國」或「中國內地」）出台不少鼓勵性政策發展國內通用航空製造業，吸引不少飛行器和運動型及超輕型飛機的製造商在國內設廠並同時引入國外的生產線，故使對飛行器動力系統的需求有較大升幅。

二零一九年我們在人材的引進以及研發團隊的建設方面做了不少工作。二零一九年十一月我們正式進駐香港科學園，建立彼岸於香港的研發中心。新研發中心有助提升我們現有自主產品的質量以及強化新產品的開發工作，繼而增強我們的競爭力和進一步拓展市場，尤其是香港及東南亞市場。

二零一九年年度收益約為275.4百萬港元，相比二零一八年年度收益約為262.1百萬港元增加約13.3百萬港元，較二零一八年有約5.1%的微小增長。與二零一八年相似，二零一九年通用航空產品及服務板塊的業務表現優於其他兩大業務板塊。

二零二零年業務展望

展望二零二零年，中國內地的經濟發展仍然是不容樂觀，然而本集團會在自己的三大業務板塊上繼續努力。

Chairman's Statement (Continued)

主席致辭(續)

BUSINESS OUTLOOK FOR 2020 (Continued)

In terms of thermal imaging products and services, the demand for instruments to detect fever and abnormal body temperature will continue to increase with the outbreak of the coronavirus disease 2019 ("COVID-19"). We will continue to improve our self-owned products while conducting secondary development of our other products. Since such products are highly competitive in the domestic market in Mainland China, thus in terms of the domestic market in Mainland China, we will continuously focus on the powerlines inspection and security surveillance, which we are relatively familiar with, as well as the infrared temperature detection system in Hong Kong.

In terms of self-stabilised imaging products and services, there are "Peiport" equipment installed in the helicopters for power line inspection and airborne security monitoring in Mainland China, as well as marine patrol, fire fighting and rescue vessels in Hong Kong, the related equipment will continue to be installed on such moving platforms. We expect that there will be moderate growth for the performance of this business segment. In addition, the "upgrading and transformation" of our self-stabilised imaging gyroscope monitoring system will also be carried out in the research and development centre in the Hong Kong Science Park, in order to further expand our product portfolio.

In terms of general aviation products and services, with the development of the domestic market of general aviation in Mainland China, it is predicted that the demand in the market for small aircraft piston engines will remain strong in 2020. We will also invest more manpower in research and development, production, pre-sales and after-sales services to improve our product quality and service standards. In 2020, we expect that our performance in the general aviation business segment will be enhanced to the next level.

二零二零年業務展望(續)

熱成像產品及服務方面，2019冠狀病毒病(「COVID-19」)仍然在擴散蔓延，偵測發燒及體溫異常的儀器需求則有增無減。我們將繼續改進我們的自主產品的同時，對其他產品進行二次開發。由於此類產品在國內市場競爭非常激烈，因此在國內市場方面，我們仍然會把主要的精力放在相對熟悉的電力檢測和保安監控，而香港則繼續專注紅外體溫檢測系統。

自穩定成像產品及服務方面，中國國內部分進行電力線路巡檢和空中保安監控系統的直升機以及香港部分進行海上巡邏、消防及救援的船隻已經安裝「彼岸」的設備，相關設備並繼續會在此類移動平台上安裝。我們預期此業務板塊業績將有溫和的增長。另外，我們的自穩定成像陀螺監測系統的「升級轉型」也將在香港科學園的研發中心展開研發工作，進一步擴闊我們的產品組合。

通用航空產品及服務方面，隨著通用航空國內市場的發展，預測二零二零年市場仍然對小型活塞式航空發動機有熱切的需求。因此，我們也將在研發、生產、售前售後服務上投入更多人手，以提升產品質量和服務水準。我們預期二零二零年通用航空業務板塊將會是更上一層樓。

Chairman's Statement (Continued)

主席致辭(續)

APPRECIATION

With the farewell to the year of pig, we welcome the year of rat. On behalf of the Board, I would like to express my sincere gratitude to all the employees, supervisors, managers and the management of Peiport Group. With their endeavor and unremitting effort, we have achieved outstanding results today. Meanwhile, we also wish to express our sincere gratitude towards the shareholders, customers and partners for their long-term support, help, recognition and tolerance. We will continue to strive to develop our three business segments, complete the 2020 plan, and meet or exceed our operating targets, so as to create more values for the shareholders.

Thank you!

Mr. YEUNG Lun Ching
Chairman

Hong Kong, 26 March 2020

衷心感謝

金豬辭歲，旺鼠迎新。在此我謹代表董事會衷心感謝彼岸集團的全體員工、主管、經理及管理層，正因為你們的辛勤付出和不懈努力，才有今天良好成績。同時我們也衷心感謝各位股東、客戶以及我們的合作夥伴長期的支持、幫助、認同和包容。我們將繼續致力發展公司的三大業務板塊，努力完成二零二零年的計劃，達至或超越經營指標，為股東們創造更多的價值。

謝謝！

楊倫楨先生
主席

香港，二零二零年三月二十六日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the provision of thermal imaging products and services, self-stabilised imaging products and services, and general aviation products and services in the PRC and Hong Kong.

Looking back at the global economy for 2019, the economy of Mainland China was lagging caused by the prolonged trade friction with the United States (“US”). The gross domestic product of the PRC rose 6.1% only on a year-to-year basis compared with the 6.6% growth in 2018. The European economy remained ambiguous with the uncertainties of Brexit. In the Middle East, tensions escalated between the US and Iran. In Hong Kong, the ongoing social unrest posed an unpredictably negative impact on the social and economic environment. The global economy overall show a deceleration and hindered the business confidence.

The Group has still maintained stable development with a moderate increase in revenue overall amidst these volatile market conditions. During the year ended 31 December 2019, the revenue of the Group increased by approximately 5.1% on a year-to-year basis to HK\$275.4 million, while the gross profit decreased by approximately 1.1% on a year-to-year basis to HK\$93.1 million.

In 2019, the Group had set up a new research and development centre in Hong Kong, dedicated to serve our customers in Hong Kong and Macau. The new research and development centre, which has a total floor area of approximately 182 square metres (“sq.m.”), has provided the Group additional capabilities to develop infrared body temperature screening systems and self-stabilised imaging products for vessels. Besides, the relocation of research and development centre in Guangzhou is still in progress. It is expected that the completion of these new research and development centres would enable us to provide more tailor-made products and robust services to our customers.

業務回顧及展望

本集團主要於中國及香港從事提供熱成像產品及服務、自穩定成像產品及服務以及通用航空產品及服務。

回顧二零一九年的全球經濟，由於與美利堅合眾國（「美國」）的長期貿易摩擦，拖累中國內地經濟發展。中國的國內生產總值同比只增長6.1%，而二零一八年的增長為6.6%。歐洲經濟仍因英國脫歐的不穩定因素而維持不明朗。在中東，美國和伊朗之間的緊張局勢升級。在香港，持續的社會動盪對社會及經濟環境帶來不可預測的負面影響。全球經濟總體呈減速趨勢，並削減商業信心。

在瞬息萬變的市場環境中，本集團仍保持穩定發展，整體收益呈溫和增長。於截至二零一九年十二月三十一日止年度，本集團的收益同比增長約5.1%至275.4百萬港元，而毛利同比則下降約1.1%至93.1百萬港元。

於二零一九年，本集團在香港成立新研發中心，致力為香港及澳門的客戶提供服務。新研發中心總建築面積約為182平方米（「平方米」），為本集團提供額外開發紅外體溫檢測系統及船舶自穩定成像產品的能力。此外，廣州研發中心的搬遷計劃亦繼續進行中。預計該等新研發中心的落成將使我們為客戶提供更多量身定制的產品及強大的服務。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

BUSINESS REVIEW AND OUTLOOK (Continued)

業務回顧及展望 (續)

A summary of revenue from different segments of the Group is set out below:

以下是本集團不同分部的收益摘要：

(1) Sale of thermal imaging products and provision of services

(1) 銷售熱成像產品及提供服務

Our products and services in this segment can broadly be divided into three categories: (i) products under our own brand name, PTi; (ii) products of other brands; and (iii) thermal imaging inspection services. Our products are widely used in general consumption, commercial and industrial fields.

我們在該分部的產品和服務大致可分為三類：(i) 我們自有品牌PTi的產品；(ii) 其他品牌的產品；及(iii) 熱成像監測服務。我們的產品廣泛應用於一般消費、商業及工業行業。

Revenue for provision of thermal imaging products and services showed a slight decline by 2.6% on a year-to-year basis due to decrease in demand from our customers for nano-positioning systems.

由於我們客戶對納米定位系統的需求減少，提供熱成像產品及服務的收益同比略降2.6%。

Throughout the years, the Group had provided advanced products, mainly for the provision of the infrared body temperature screening systems at various border control points in Hong Kong, including Hong Kong International Airport, Lo Wu Immigration Control Point, Hong Kong-Zhuhai-Macao Bridge, West Kowloon Terminal Building, etc.

多年來，本集團提供先進產品，主要為香港各邊境管制站提供紅外體溫檢測系統，包括香港國際機場、羅湖入境管制站、港珠澳大橋、西九龍航站樓等。

The Group will endeavor to provide quality products and services with a primary focus on the products specified for use in detect heat abnormalities in electricity substation and overhead powerlines, infrared body temperature screening systems and surveillance systems.

本集團將努力提供優質的產品及服務，主要專注在指定用於檢測變電站及架空輸電線熱異常、紅外體溫檢查系統及監視系統的產品。

Revenue from this segment during the year ended 31 December 2019 was approximately HK\$156.6 million (2018: HK\$160.7 million). It accounted for approximately 56.8% (2018: 61.3%) of the Group's revenue during the year ended 31 December 2019.

截至二零一九年十二月三十一日止年度，來自該分部的收益約為156.6百萬港元(二零一八年：160.7百萬港元)。截至二零一九年十二月三十一日止年度，該業務約佔本集團收益的56.8%(二零一八年：61.3%)。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

BUSINESS REVIEW AND OUTLOOK (Continued) 業務回顧及展望 (續)

(2) Sale of self-stabilised imaging products and provision of services

The products in this segment are designed to be mounted on moving platforms such as aircraft, helicopters, vessels and ships. The Group deploys a self-stabilisation technology whereby the imaging products are mounted on a multiple-axis gimbal structure and achieve maximum stabilisation. The products are traded under own brand name, SkyEye, SeaVision and PGs. We also rent our self-stabilised imaging products for aircraft to our customers for a fixed period at a rental fee.

Affected by the economic condition, revenue of this segment declined by 20.5% on a year-to-year basis, as a result of reduction in demand for self-stabilised imaging products and rendering of maintenance services and equipment rental to the state-owned electric power grid companies. However, the Group has been working towards expanding the product portfolio of this segment. With the new research and development centre in Hong Kong, we expect that the Group will be able to further enriching its product line for self-stabilised imaging products and gain larger market share with rising utilisation for this segment.

Revenue from this segment during the year ended 31 December 2019 was approximately HK\$34.6 million (2018: HK\$43.5 million). It accounted for approximately 12.6% (2018: 16.6%) of the Group's revenue during the year ended 31 December 2019.

(2) 銷售自穩定成像產品及提供服務

該分部的產品是專為裝置於移動平台(例如飛機、直升機、船艇等)上而設計。本集團運用自穩定技術，將成像產品裝置在多軸吊載架構上，以達致最大限度的穩定性。產品乃以我們自有品牌(SkyEye、SeaVision及PGs)交易。我們偶爾亦會按固定租期出租機載自穩定成像產品予客戶及收取租賃費用。

受經濟形勢的影響，國有電網公司對自穩定成像產品及提供維修服務及設備租賃的需求減少，該分部的收益同比下降20.5%。然而，本集團一直致力於擴大該分部的產品組合。通過香港新研發中心，我們預計本集團將能夠進一步豐富其自穩定成像產品的產品線，並隨著該分部利用率的提高而獲得更大的市場份額。

截至二零一九年十二月三十一日止年度，來自該分部的收益約為34.6百萬港元(二零一八年：43.5百萬港元)。截至二零一九年十二月三十一日止年度，該業務約佔本集團收益的12.6%(二零一八年：16.6%)。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

BUSINESS REVIEW AND OUTLOOK (Continued)

業務回顧及展望 (續)

(3) Sale of general aviation products and provision of services

(3) 銷售通用航空產品及提供服務

The services and products in this segment can be broadly divided into three categories, namely (i) light and ultra-light aircraft engines and related components distribution; (ii) maintenance training courses; and (iii) maintenance and support services. Our maintenance training courses and maintenance and support services are mainly carried out in our maintenance centre with a gross floor area of approximately 1,200 sq.m. which is located in Zhuhai City, Guangdong Province. Our customers in this segment include light and ultra-light aircraft manufacturers, flight schools, flying entertainment clubs, light aircraft research institutions and private flight owners.

該分部的服務及產品大致可分為三類，即(i)輕型及超輕型航空發動機及相關部件分銷；(ii)維修保養培訓課程；及(iii)維修及支援服務。我們的維修培訓課程以及維修及支援服務主要於廣東省珠海市的維修中心經營，其總建築面積約為1,200平方米。該分部的客戶包括輕型及超輕型航空器製造商、飛行學校、飛行娛樂俱樂部、輕型飛機研究機構及私人飛機擁有人。

In 2019, the total general aviation flight time in the PRC was 1.125 million hours, representing an increase of 13.8% on a year-to-year basis. And according to “Report on the Work of the Government 2019” made by Chinese Premier Li Keqiang, the PRC would boost infrastructure investment for intercity transportation, logistics, utilities, disaster prevention and mitigation, and civil and general aviation. During the year, the Group had continued to offer comprehensive one-stop general aviation agency services to our customers. The Group believes that there is enormous potential for our products to infuse into the market and would continue to focus on the development of the general aviation value chain in the PRC.

於二零一九年，中國通用航空總飛行時間為1.125百萬小時，同比增長13.8%。根據中國國務院總理李克強發表的《二零一九年政府工作報告》，中國將加大促進城市間交通、物流、公用事業、防災減災以及民用及通用航空的基礎設施投資。於本年度，本集團繼續向客戶提供全面一站式通用航空代理服務。本集團相信，我們的產品具有滲透市場的巨大潛力，並將繼續專注於中國通用航空價值鏈的發展。

Revenue from this segment during the year ended 31 December 2019 was approximately HK\$84.2 million (2018: HK\$57.9 million). It accounted for approximately 30.6% (2018: 22.1%) of the Group’s revenue during the year ended 31 December 2019.

截至二零一九年十二月三十一日止年度，該分部的收益約為84.2百萬港元(二零一八年：57.9百萬港元)。截至二零一九年十二月三十一日止年度，該業務約佔本集團收益的30.6%(二零一八年：22.1%)。

Management Discussion and Analysis (Continued)

管理層討論及分析（續）

PROSPECT

Taking into account the macro economic environment that has become more challenging, the Group expects global trade conflicts and the spread of COVID-19 would continue to have a material impact on the Group's operating environment and the demand of our products. The management would continue to oversee the effects and accommodate the disruptions ahead.

The Group has long been focusing on the research and development in order to maintain its competitive edges. We believe that the new research and development centres in the PRC and Hong Kong would enable us to keep pace with the latest technologies and development of new products and services, which brings extra value to our customers and may eventually expand the Group's market share.

In addition, our thermal imaging products, which could be installed in the infrared body temperature screening systems, could provide the first line of defense for the infection prevention and epidemic control. We believe that with the outbreak of the COVID-19, the demand could remain high with the step-up of detection measures in border control points.

In view of the outbreak of COVID-19, we are currently taking necessary precautions to safeguard our employees and we still remain positive about the Group's prospects amidst the volatile economic environment. Due to the dynamic nature of these circumstances, our Group will continue to monitor and evaluate the impact of COVID-19. In addition, we believe that we could capture many opportunities in the general aviation market, especially the supportive government policies enacted in the PRC. The Group is well positioned to seize these opportunities to create value to the shareholders of the Company.

前景

考慮到日益嚴峻的宏觀經濟環境，本集團預計全球貿易衝突及COVID-19的爆發將繼續對本集團的經營環境及我們產品的需求產生重大影響。管理層將繼續監督該等影響並適應未來的干擾。

本集團長期專注於研發，以保持競爭優勢。我們相信，在中國及香港的新研發中心將使我們能夠與最新技術以及新產品及服務的發展保持同步，這將為我們的客戶帶來額外價值，並最終可能擴大本集團的市場份額。

此外，我們的熱成像產品可安裝在紅外體溫檢查系統，可以為預防感染及控制流行病提供第一道防線。我們認為，隨著COVID-19的爆發，邊境控制點檢測措施進一步加強，需求可能維持高企。

鑑於COVID-19的爆發，我們目前正採取必要的預防措施以保護我們的僱員，且在動盪的經濟環境中，我們仍對本集團的前景保持樂觀。由於此等情況會不斷變化，本集團將繼續監察及評估COVID-19的影響。此外，我們相信我們可以在通用航空市場中抓緊很多機會，尤其是善用中國已頒布的支持性政府政策。本集團具備有利條件把握該等機遇為本公司的股東創造價值。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW

Revenue

The revenue of the Group was derived from business consisting of: (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products and services. For the year ended 31 December 2019, the total revenue of the Group increased by approximately HK\$13.3 million, or 5.1% from approximately HK\$262.1 million for the year ended 31 December 2018 to approximately HK\$275.4 million. The increase was primarily attributable to the following reasons:

(i) Thermal imaging products and services

Revenue derived from thermal imaging products and services decreased by approximately HK\$4.1 million, or 2.6%, from approximately HK\$160.7 million for the year ended 31 December 2018 to approximately HK\$156.6 million for the year ended 31 December 2019. The decrease was primarily attributable to the decrease in sales of nano-positioning systems, which was mainly attributable to the decrease in demand from our existing customers.

(ii) Self-stabilised imaging products and services

Revenue derived from self-stabilised imaging products and services decreased by approximately HK\$8.9 million, or 20.5%, from approximately HK\$43.5 million for the year ended 31 December 2018 to approximately HK\$34.6 million for the year ended 31 December 2019. The decrease was mainly attributable to (i) the decrease in sales of our self-stabilised imaging products for aircraft as a result of the decrease in demand for self-stabilised imaging products for aircraft from a state-owned electric power grid company; and (ii) the decrease in revenue from rendering of maintenance services and equipment rental to a state-owned electric power grid company.

財務回顧

收益

本集團的收益乃產生自以下業務：(i) 熱成像產品及服務；(ii) 自穩定成像產品及服務；及 (iii) 通用航空產品及服務。於截至二零一九年十二月三十一日止年度，本集團的總收益由截至二零一八年十二月三十一日止年度的約262.1百萬港元增加約13.3百萬港元或5.1%至約275.4百萬港元。增長乃主要由於以下原因：

(i) 熱成像產品及服務

熱成像產品及服務產生的收益由截至二零一八年十二月三十一日止年度的約160.7百萬港元減少約4.1百萬港元或2.6%至截至二零一九年十二月三十一日止年度的約156.6百萬港元。減少乃主要由於納米定位系統的銷售減少，此乃主要由於我們現有客戶的需求減少。

(ii) 自穩定成像產品及服務

自穩定成像產品及服務產生的收益由截至二零一八年十二月三十一日止年度的約43.5百萬港元減少約8.9百萬港元或20.5%至截至二零一九年十二月三十一日止年度的約34.6百萬港元。減少乃主要由於(i)一間國有電網公司對飛機自穩定成像產品的需求減少，導致我們飛機自穩定成像產品的銷售減少；及(ii)向一間國有電網公司提供維修服務及設備租賃產生的收益減少。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW (Continued)

Revenue (Continued)

(iii) General aviation products and services

Revenue derived from general aviation products and services increased by approximately HK\$26.3 million, or 45.4%, from approximately HK\$57.9 million for the year ended 31 December 2018 to approximately HK\$84.2 million for the year ended 31 December 2019. The increase was mainly attributable to our new customers in the general aviation industry and the increase in demand from our existing customers as a result of an increase in market demand for light and ultra-light aircraft engine.

Gross Profit and Gross Profit Margin

Gross profit for the Group decreased from approximately HK\$94.1 million for the year ended 31 December 2018 to approximately HK\$93.1 million for the year ended 31 December 2019, and the gross profit margin decreased by approximately 2.1% from approximately 35.9% for the year ended 31 December 2018 to approximately 33.8% for the year ended 31 December 2019.

(i) Gross profit margin of thermal imaging products and services

The gross profit margin of thermal imaging products and services remained relatively stable at approximately 30.6% and 30.1% for the years ended 31 December 2018 and 2019, respectively.

(ii) Gross profit margin of self-stabilised imaging products and services

The gross profit margin of self-stabilised imaging products and services decreased by approximately 3.0% from approximately 56.3% for the year ended 31 December 2018 to approximately 53.3% for the year ended 31 December 2019. The decrease in our gross profit margin was primarily attributable to the decrease in rendering of maintenance services and equipment rental, which had a relatively higher gross profit margin.

財務回顧(續)

收益(續)

(iii) 通用航空產品及服務

通用航空產品及服務產生的收益由截至二零一八年十二月三十一日止年度的約57.9百萬港元增加約26.3百萬港元或45.4%至截至二零一九年十二月三十一日止年度的約84.2百萬港元。增加乃主要由於市場對輕型及超輕型航空發動機的需求增加使我們獲得通用航空行業的新客戶以及現有客戶的需求增加。

毛利及毛利率

本集團的毛利由截至二零一八年十二月三十一日止年度的約94.1百萬港元減少至截至二零一九年十二月三十一日止年度的約93.1百萬港元，而毛利率由截至二零一八年十二月三十一日止年度的約35.9%減少約2.1%至截至二零一九年十二月三十一日止年度的約33.8%。

(i) 熱成像產品及服務的毛利率

熱成像產品及服務的毛利率於二零一八年及二零一九年十二月三十一日止年度維持相對穩定，分別約為30.6%及30.1%。

(ii) 自穩定成像產品及服務的毛利率

自穩定成像產品及服務的毛利率由截至二零一八年十二月三十一日止年度的約56.3%減少約3.0%至截至二零一九年十二月三十一日止年度的約53.3%。毛利率減少乃主要由於毛利率相對較高的提供維修服務及設備租賃減少。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW (Continued)

Gross Profit and Gross Profit Margin (Continued)

(iii) Gross profit margin of general aviation products and services

The gross profit margin of general aviation products and services decreased by approximately 2.4% from approximately 35.2% for the year ended 31 December 2018 to approximately 32.8% for the year ended 31 December 2019. The decrease in our gross profit margin was primarily attributable to decrease in average selling price of certain series of 4-stroke engine products, which was mainly attributable to the provision of discount to our existing customers as a result of their bulk purchases.

Other Income and Gains, Net

The Group's other income and gains increased by approximately HK\$0.5 million, or 27.8%, from approximately HK\$1.8 million for the year ended 31 December 2018 to approximately HK\$2.3 million for the year ended 31 December 2019. The increase was mainly attributable to an increase in bank interest income of approximately HK\$0.6 million and the recognition of recovery of written-off trade receivables of approximately HK\$1.4 million. The effect was partially offset by a decrease in reversal of doubtful receivables, net of approximately HK\$1.5 million.

Selling and Distribution Expenses

The Group's selling and distribution expenses increased by approximately HK\$4.5 million, or 18.5%, from approximately HK\$24.3 million for the year ended 31 December 2018 to approximately HK\$28.8 million for the year ended 31 December 2019. The increase was mainly attributable to an increase in staff costs of our sales and marketing personnel resulting from the increase in sales commission along with the increase in our overall revenue for the year ended 31 December 2019.

財務回顧(續)

毛利及毛利率(續)

(iii) 通用航空產品及服務的毛利率

通用航空產品及服務的毛利率由截至二零一八年十二月三十一日止年度的約35.2%減少約2.4%至截至二零一九年十二月三十一日止年度的約32.8%。毛利率減少乃主要由於四行程發動機產品的平均售價下降，此乃主要由於我們因現有客戶批量購買而向其提供折扣。

其他收入及收益淨額

本集團的其他收入及收益由截至二零一八年十二月三十一日止年度的約1.8百萬港元增加約0.5百萬港元或27.8%至截至二零一九年十二月三十一日止年度的約2.3百萬港元。增加乃主要由於銀行利息收入增加約0.6百萬港元及確認收回已撇銷貿易應收款項約1.4百萬港元。該影響部分被應收款項呆賬撥回淨額減少約1.5百萬港元所抵銷。

銷售及分銷開支

本集團的銷售及分銷開支由截至二零一八年十二月三十一日止年度的約24.3百萬港元增加約4.5百萬港元或18.5%至截至二零一九年十二月三十一日止年度的約28.8百萬港元。增加乃主要因隨著我們截至二零一九年十二月三十一日止年度的整體收益增加，增加了銷售佣金，致使我們銷售及營銷人員的員工成本有所增加。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW (Continued)

Administrative Expenses

The Group's administrative expenses decreased by approximately HK\$16.2 million, or by 36.7%, from approximately HK\$44.1 million for the year ended 31 December 2018 to approximately HK\$27.9 million for the year ended 31 December 2019, which was primarily attributable to the listing expenses of approximately HK\$21.8 million incurred during the year ended 31 December 2018 and were non-recurring in nature. The effect was partially offset by the depreciation of right-of-use assets of approximately HK\$5.3 million during the year ended 31 December 2019 as a result of the adoption of Hong Kong Financial Reporting Standard ("HKFRS") 16 *Leases* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") from 1 January 2019. Details of HKFRS 16 are set out in the section headed "Notes to Financial Statements" in this Annual Report.

Other Expenses

The Group's other expenses decreased by approximately HK\$5.7 million, or 75.0%, from approximately HK\$7.6 million for the year ended 31 December 2018 to approximately HK\$1.9 million for the year ended 31 December 2019. The decrease in other expenses was primarily attributable to the decrease in foreign exchange loss.

Finance Costs

According to the adoption of the HKFRS 16 *Leases*, at the commencement date of a lease, a lessee is required to recognise a liability of lease payment (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). As a result, finance costs of approximately HK\$0.5 million for the year ended 31 December 2019 were recognised.

財務回顧(續)

行政開支

本集團的行政開支由截至二零一八年十二月三十一日止年度的約44.1百萬港元減少約16.2百萬港元或36.7%至截至二零一九年十二月三十一日止年度的約27.9百萬港元，乃主要由於截至二零一八年十二月三十一日止年度產生屬非經常性質的上市開支約21.8百萬港元。該影響部分被截至二零一九年十二月三十一日止年度的使用權資產折舊約5.3百萬港元所抵銷，乃由於自二零一九年一月一日起採納由香港會計師公會(「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」)第16號租賃。香港財務報告準則第16號的詳情載於本年度報告「財務報表附註」一節。

其他開支

本集團的其他開支由截至二零一八年十二月三十一日止年度的約7.6百萬港元減少約5.7百萬港元或75.0%至截至二零一九年十二月三十一日止年度的約1.9百萬港元。其他開支減少乃主要由於外匯虧損減少。

財務成本

根據採納香港財務報告準則第16號租賃，於租賃開始日期，承租人須確認租賃付款的負債(即租賃負債)及代表租賃期內相關資產使用權的資產(即使用權資產)。因此，確認截至二零一九年十二月三十一日止年度的財務成本約為0.5百萬港元。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FINANCIAL REVIEW (Continued)

Income Tax Expense

The Group's income tax expense decreased by approximately HK\$2.3 million, or 27.7%, from approximately HK\$8.3 million for the year ended 31 December 2018 to approximately HK\$6.0 million for the year ended 31 December 2019, which was primarily resulting from a decrease in taxable profits during the year ended 31 December 2019. The Group's effective tax rates decreased from approximately 41.7% for the year ended 31 December 2018 to approximately 16.5% for the year ended 31 December 2019, which was primarily attributable to the absence of non-deductible listing expenses recognised for the year ended 31 December 2019.

Profit for the Year Attributable to Owners of the Parent

As a result of the cumulative effect of the above factors, the Group's profit for the year attributable to the owners of the parent increased by approximately HK\$18.8 million, or 163.5%, from approximately HK\$11.5 million for the year ended 31 December 2018 to approximately HK\$30.3 million for the year ended 31 December 2019.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group maintained a healthy liquidity position, with working capital financed mainly by internal resources. As at 31 December 2019, the Group reported net current assets of approximately HK\$302.5 million, as compared with approximately HK\$172.6 million as at 31 December 2018.

As at 31 December 2019, the Group's cash and bank balances was approximately HK\$177.1 million, representing an increase of approximately HK\$124.2 million as compared to HK\$52.9 million as at 31 December 2018.

財務回顧(續)

所得稅開支

本集團的所得稅開支由截至二零一八年十二月三十一日止年度的約8.3百萬港元減少約2.3百萬港元或27.7%至截至二零一九年十二月三十一日止年度的約6.0百萬港元，乃主要由於截至二零一九年十二月三十一日止年度的應課稅溢利減少。本集團的實際稅率由截至二零一八年十二月三十一日止年度的約41.7%減少至截至二零一九年十二月三十一日止年度的約16.5%，乃主要由於截至二零一九年十二月三十一日止年度並無確認不可扣稅上市開支。

母公司擁有人應佔年度溢利

由於前述各項因素的累計影響，母公司擁有人應佔本集團年度溢利由截至二零一八年十二月三十一日止年度的約11.5百萬港元增加約18.8百萬港元或163.5%至截至二零一九年十二月三十一日止年度的約30.3百萬港元。

流動資金及資本資源

本集團於年內維持健康的流動資金狀況，營運資金主要由內部資源提供。於二零一九年十二月三十一日，本集團錄得流動資產淨值約302.5百萬港元，而二零一八年十二月三十一日則約為172.6百萬港元。

於二零一九年十二月三十一日，本集團的現金及銀行結餘約為177.1百萬港元，較二零一八年十二月三十一日的52.9百萬港元增加約124.2百萬港元。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

LIQUIDITY AND FINANCIAL RESOURCES (Continued)

For the year ended 31 December 2019, the net cash generated from operating activities was approximately HK\$33.6 million (2018: HK\$4.5 million). The cash generated from operating activities was mainly from the profits during the year ended 31 December 2019. The net cash used in investing activities was approximately HK\$3.3 million (2018: net cash generated from investing activities of approximately HK\$46.9 million). The net cash generated from financing activities was approximately HK\$94.6 million (2018: net cash used in financing activities was approximately HK\$37.3 million).

The net cash used in investing activities was mainly attributable to the acquisition of property, plant and equipment and intangible assets during the year. The net cash generated from financing activities was mainly arising from the net proceeds from the Listing.

AWARDS

Guangzhou Peiport Sijing Optoelectronics System Limited was awarded the “2019 Power Technology Innovation Award (the First Prize)” by the China Electricity Council

Guangzhou Peiport Sijing Optoelectronics System Limited was awarded the “China Electric Power Science and Technology Award (the Second Prize)” by the Chinese Society of Electrical Engineering and the China Electrical Science Incentive Office, jointly

CONTINGENT LIABILITIES

As at 31 December 2019, the Group had no significant contingent liabilities (31 December 2018: Nil).

CAPITAL COMMITMENTS

As at 31 December 2019, the Group had no significant capital commitments (31 December 2018: Nil).

流動資金及資本資源(續)

截至二零一九年十二月三十一日止年度，經營活動所得現金淨額約為33.6百萬港元(二零一八年：4.5百萬港元)。經營活動所得現金乃主要來自截至二零一九年十二月三十一日止年度的溢利。投資活動所用現金淨額約為3.3百萬港元(二零一八年：投資活動所得現金淨額約為46.9百萬港元)。融資活動所得現金淨額約為94.6百萬港元(二零一八年：融資活動所用現金淨額約為37.3百萬港元)。

投資活動所用現金淨額乃主要由於年內購入物業、廠房及設備及無形資產。融資活動所得現金淨額乃主要產生自上市所得款項淨額。

獎項

廣州彼岸思精光電系統有限公司榮獲由中國電力企業聯合會頒發的「2019年度電力科技創新獎(一等獎)」

廣州彼岸思精光電系統有限公司榮獲由中國電機工程學會及中國電力科學獎勵工作辦公室聯合頒發的「中國電力科學技術獎(二等獎)」

或然負債

於二零一九年十二月三十一日，本集團並無重大或然負債(二零一八年十二月三十一日：無)。

資本承擔

於二零一九年十二月三十一日，本集團並無重大資本承擔(二零一八年十二月三十一日：無)。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

FOREIGN EXCHANGE EXPOSURE

Functional currency of the Group's operating subsidiaries is either Hong Kong dollar or Renminbi, while some of the Group's business transactions and cost of sales are denominated in United States dollar and Euro.

The Group has transactional currency exposures and such exposures arise from sales or purchases made by subsidiaries in currencies other than the subsidiaries' functional currencies. The Group's foreign currency exposure also comprises assets and liabilities denominated in United States dollar. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

PLEDGE OF ASSETS

As at 31 December 2019, the Group did not pledge any assets (31 December 2018: Nil).

GEARING RATIO

As at 31 December 2019, since we did not have any bank borrowings, gearing ratio was not applicable to our Group.

外匯風險

本集團經營附屬公司的功能貨幣為港元或人民幣，而本集團若干業務交易及銷售成本則以美元及歐元計值。

本集團承受交易貨幣風險，該等風險來自附屬公司以附屬公司功能貨幣以外的貨幣進行的銷售或採購。本集團的外幣風險亦包括以美元計值的資產及負債。本集團密切監察匯率變動，藉此管理外幣風險。

資產抵押

於二零一九年十二月三十一日，本集團並無抵押任何資產(二零一八年十二月三十一日：無)。

資產負債比率

於二零一九年十二月三十一日，由於我們並無任何銀行借款，故資產負債比率對本集團不適用。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

USE OF PROCEEDS

The final offer price for the Listing was HK\$1.25 per share, and the actual net proceeds from the Listing were approximately HK\$81.2 million (after deduction of the listing expenses). As at the date of this Annual Report, the net proceeds from the Listing were utilised as follows:

所得款項用途

上市的最終發售價為每股1.25港元，而實際上市所得款項淨額約為81.2百萬港元（經扣除上市開支）。於本年度報告日期，上市所得款項淨額的使用情況如下：

		Actual net proceeds	Amount utilised as at the date of this Annual Report	Amount unutilised as at the date of this Annual Report
		實際所得 款項淨額 HK\$'000 千港元	於本年度 報告日期 已使用金額 HK\$'000 千港元	於本年度 報告日期 未使用金額 HK\$'000 千港元
Establish new research and development centres in the PRC and Hong Kong	在中國及香港設立新研發中心	39,600	(1,167)	38,433
Enhance the recognition and qualification of our products	提高我們產品的認知度及資格	17,300	(3,155)	14,145
Strengthen our sales capacity and capture new sales opportunities	鞏固銷售實力及把握新銷售機遇	21,100	(5,433)	15,667
Purchase new information technology hardware and software	購買新資訊科技硬件及軟件	2,500	(2,173)	327
Working capital	營運資金	700	(700)	-
		81,200	(12,628)	68,572

The Company has not fully utilised the net proceeds from the Listing. As at the date of this Annual Report, the amount unutilised from the Listing was approximately HK\$68.6 million and there has been no change to the intended use of proceeds as previously disclosed in the Prospectus. In view of the slowdown in growth of the global economy for the year 2019, the Company has been taking a more prudent approach in the utilisation of proceeds for establishing new research and development centres in the PRC and Hong Kong and enhancing the recognition and qualification of our products. The Company intends to continue to apply the net proceeds according to the plan set out in the Prospectus. Going forward in 2020, the Directors will monitor the outbreak of COVID-19 and its impact to the global economy to evaluate our business objective and to apply unutilised proceeds from the Listing according to the changing market condition to create greater value for the shareholders. The unutilised proceeds have been placed in a licensed bank in Hong Kong.

本公司尚未充分使用上市所得款項淨額。於本年度報告日期，上市未使用金額約為68.6百萬港元，而招股章程先前所披露的所得款項擬定用途並無變動。鑑於二零一九年度全球經濟增長放緩，本公司於使用所得款項在中國及香港設立新研發中心及提高產品的認可度及資格方面已採取更審慎的做法。本公司擬繼續按招股章程所載計劃使用所得款項淨額。展望二零二零年，董事將監察COVID-19的爆發及其對全球經濟的影響，以評估我們的業務目標，並根據不斷變化的市場狀況運用未使用的上市所得款項，為股東創造更大的價值。未使用的所得款項已存放於香港的一間持牌銀行。

Management Discussion and Analysis (Continued)

管理層討論及分析 (續)

RESTRUCTURING AND SIGNIFICANT INVESTMENTS

During the year ended 31 December 2019, the Group did not have any restructuring and significant investments. During the year ended 31 December 2018, the Group underwent corporate restructuring prior to the Listing. Please refer to the section headed "History, Reorganisation and Corporate Structure" in the Prospectus for further details on the restructuring and relevant significant investments.

EMPLOYEES AND REMUNERATION POLICY

The Group had a total of 145 (31 December 2018: 140) employees as at 31 December 2019. Total staff costs of the Group (excluding the Directors' and chief executive's remuneration) for the year ended 31 December 2019 was approximately HK\$35.2 million (2018: HK\$29.5 million). The Group's remuneration policies were in line with relevant legislation, market conditions and the performance of our employees.

DIVIDENDS

The Board does not recommend the payment of final dividend for the year ended 31 December 2019 (2018: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 June 2020 to Friday, 12 June 2020, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for attending and voting at the annual general meeting (the "AGM") to be held on Friday, 12 June 2020, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged for registration with the Hong Kong share registrar of the Company, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 4:00 p.m. on Thursday, 4 June 2020.

重組及重大投資

於截至二零一九年十二月三十一日止年度，本集團並無任何重組及重大投資。於截至二零一八年十二月三十一日止年度，本集團在上市前進行公司重組。有關重組及相關重大投資的更多詳情，請參閱招股章程「歷史、重組及企業架構」一節。

僱員及薪酬政策

本集團於二零一九年十二月三十一日有合共145名(二零一八年十二月三十一日：140名)僱員。本集團於截至二零一九年十二月三十一日止年度的員工成本總額(不包括董事及最高行政人員的薪酬)約為35.2百萬港元(二零一八年：29.5百萬港元)。本集團的薪酬政策符合相關法律、市場狀況及我們僱員的表現。

股息

董事會不建議派付截至二零一九年十二月三十一日止年度的末期股息(二零一八年：無)。

暫停辦理股份過戶登記

本公司將於二零二零年六月五日(星期五)至二零二零年六月十二日(星期五)(包括首尾兩日)暫停辦理股份過戶登記，期間將不會辦理股份過戶登記手續。為符合資格出席將於二零二零年六月十二日(星期五)舉行的股東週年大會(「股東週年大會」)並於會上投票，所有股份過戶文件連同相關股票及過戶表格最遲須於二零二零年六月四日(星期四)下午四時正前交回本公司香港股份過戶登記處聯合證券登記有限公司(地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室)以辦理登記手續。

Directors And Senior Management

董事及高級管理層

DIRECTORS

Executive Directors

Mr. YEUNG Lun Ching (楊倫楨), aged 71, is the founder of our Group. Mr. Yeung is the chairman of the Board and an executive Director. Mr. Yeung was appointed as a Director on 19 December 2017. He is in charge of the strategic direction and development strategy of our Group. Mr. Yeung is also a director of a number of our subsidiaries and the member of the Company's remuneration committee.

Mr. Yeung has over 20 years of experience in the optoelectronics and general aviation industry. He obtained his bachelor's degree in aeronautical engineering from Nanjing University of Aeronautics and Astronautics (南京航空航天大學) (formerly known as Nanjing College of Aeronautics (南京航空學院)) in June 1982. Mr. Yeung started his career in the industry working as a designer of aircraft machinery at the Aviation Department Aircraft Design Institute* (中國航空工業總公司第六一一研究所, also known as 四川成都611所) from February 1982 to May 1985 where he was mainly responsible for design of aircraft machinery. He joined Schmidt & Co., (Hong Kong) Ltd., a company focusing on system integration, in May 1986 and was promoted to the role of product manager in January 1993 responsible for business development. He then founded our Group in April 1998 and has served as managing director of our Group since then.

Mr. Yeung served as the general manager (常務理事) of Infrared Analysis Society of China* (中國紅外分析學會) in 1989. In 2004, he was appointed as the Economic Development Consultant of Meijiang District, Meizhou* (梅州市梅江區經濟社會發展顧問) by the Meizhou Meijiang Committee Meizhou Meijiang People's Government* (中共梅州市梅江區委員會梅州市梅江區人民政府). He was awarded the title of the 20th Anniversary of Meijiang District Outstanding Contributor* (梅江區建區20週年突出貢獻者) by the Meizhou Meijiang Committee Meizhou Meijiang People's Government* (中共梅州市梅江區委員會梅州市梅江區人民政府) in 2008. Besides, Mr. Yeung was appointed as the Honorary Vice-chairman of Fifth Executive Committee of Guangzhou Land, Marine and Aero Modelling Association* (廣州市陸海空模型運動協會第五屆理事會名譽副主席) in 2011.

董事

執行董事

楊倫楨先生，71歲，為本集團的創辦人。楊先生為董事會主席及執行董事。楊先生於二零一七年十二月十九日獲委任為董事。彼負責本集團的策略方針及發展策略。楊先生亦於我們多間附屬公司擔任董事及為本公司之薪酬委員會的成員。

楊先生於光電學及通用航空行業擁有超過20年經驗。彼於一九八二年六月自南京航空航天大學(前稱為南京航空學院)取得航空工程學士學位。於一九八二年二月至一九八五年五月，楊先生於中國航空工業總公司第六一一研究所(亦稱為四川成都611所)任職飛機機械設計師，主要負責設計飛機機械，由此開展有關事業。彼於一九八六年五月加入興華科儀有限公司(該公司專注於系統集成)，並於一九九三年一月晉升為產品經理，負責業務發展。其後，彼於一九九八年四月創辦本集團及自此擔任本集團董事總經理。

於一九八九年，楊先生擔任中國紅外分析學會的常務理事。於二零零四年，彼獲中共梅州市梅江區委員會梅州市梅江區人民政府委任為梅州市梅江區經濟社會發展顧問。於二零零八年，彼獲中共梅州市梅江區委員會梅州市梅江區人民政府頒發「梅江區建區20週年突出貢獻者」之名銜。此外，於二零一一年，楊先生獲委任為廣州陸海空模型運動協會第五屆理事會名譽副主席。

Directors and Senior Management (Continued)

董事及高級管理層(續)

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. Yeung has obtained various qualifications, including (i) the Service and Maintenance Course for Ultralight Aircraft Engines ROTAX 582-618-912 Diploma from ROTAX in March 1993; (ii) the Thermovision 500 Operator Training Course awarded by Agema Infrared Systems in October 1997; (iii) The American Society for Nondestructive Testing Level II Certificate Program in October 1999; and (iv) the Thermal Imaging Fundamentals Certificate awarded by FLIR Infrared Training Centre in June 2007. Mr. Yeung further completed the Advanced CEO Program* (企業總裁(CEO)高級研修班) at Tsinghua University in May 2010.

Mr. Yeung is the spouse of Ms. WONG Kwan Lik and the father of Mr. YEUNG Chun Tai.

Ms. WONG Kwan Lik (王群力), aged 63, is the chief executive officer and an executive Director. Ms. Wong was appointed as a Director on 19 December 2017. She joined our Group in April 1998 and has since then taken an active part in the sales and operation of our Group. Ms. Wong is also a director of a number of our subsidiaries and the member of the Company's nomination committee.

Ms. Wong has over 20 years of experience in the optoelectronics and general aviation industry. From February 1982 to May 1986, Ms. Wong worked on aviation machinery research at the Aviation Department Aircraft Design Institute* (中國航空工業總公司第六一一研究所, also known as 四川成都611所). Ms. Wong has been serving as the sales manager of Peiport Scientific Limited ("Peiport Scientific") and Peiport Scientific Aero Limited ("Peiport Aero") from April 1998 to June 2018 and from July 2018 to March 2019, respectively. Since 1 April 2019, she has been promoted to the managing director of Peiport Aero and is responsible for planning and coordination of sales and operations of our Group.

Ms. Wong obtained a bachelor's degree in aeronautical engineering from Nanjing University of Aeronautics and Astronautics (南京航空航天大學) (formerly known as Nanjing College of Aeronautics (南京航空學院)) in June 1982.

Ms. Wong is the spouse of Mr. YEUNG Lun Ching and the mother of Mr. YEUNG Chun Tai.

董事(續)

執行董事(續)

楊先生已取得多項資格，包括(i)於一九九三年三月獲ROTAX頒授超輕型飛機發動機服務及保養課程ROTAX 582-618-912文憑；(ii)於一九九七年十月獲Agema Infrared Systems頒授熱視系統500營運商培訓課程；(iii)於一九九九年十月完成美國非破壞性監測協會二級證書課程；及(iv)於二零零七年六月獲FLIR紅外線培訓中心(FLIR Infrared Training Centre)頒授熱成像基礎證書。於二零一零年五月，楊先生再於清華大學完成企業總裁(CEO)高級研修班。

楊先生為王群力女士之配偶及楊振泰先生之父親。

王群力女士，63歲，為行政總裁及執行董事。王女士於二零一七年十二月十九日獲委任為董事。彼於一九九八年四月加入本集團，自此積極參與本集團的銷售及營運。王女士亦於我們多間附屬公司擔任董事及為本公司之提名委員會的成員。

王女士於光電學及通用航空行業擁有逾20年經驗。於一九八二年二月至一九八六年五月，王女士於中國航空工業總公司第六一一研究所(亦稱為四川成都611所)從事航空機械研究工作。於一九九八年四月至二零一八年六月及於二零一八年七月至二零一九年三月，王女士分別擔任彼岸科儀有限公司(「彼岸科儀」)及彼岸科航有限公司(「彼岸科航」)的銷售經理。自二零一九年四月一日起，彼獲晉升為彼岸科航的董事總經理，負責規劃及協調本集團的銷售及營運。

王女士於一九八二年六月獲得南京航空航天大學(前稱南京航空學院)頒授航空工程學士學位。

王女士為楊倫楨先生的配偶及楊振泰先生的母親。

Directors and Senior Management (Continued)

董事及高級管理層(續)

DIRECTORS (Continued)

Executive Directors (Continued)

Mr. YEUNG Chun Tai (楊振泰), aged 32, is an executive Director. Mr. Yeung was appointed as a Director on 22 August 2018. Mr. Yeung joined our Group in February 2016 and has since then taken part in the management of operation and supplier relationship of our Group.

Mr. Yeung has over 3 years of experience in the optoelectronics and general aviation industry. From April 2013 till February 2014, Mr. Yeung worked as an associate in the ICT hardware department under the Bell Professional Management Program of Bell Canada, and was responsible for building and maintaining the office's computers and facilities. He was promoted to the position of technical analyst in October 2013 and was responsible for managing the daily work of the ICT hardware department. From August 2014 to March 2015, Mr. Yeung joined Bell Business Market of Bell Canada and worked as a technical analyst, responsible for building, testing and deploying Cisco telephone scripts for customers. Mr. Yeung has been working as the marketing manager of Peiport Scientific and Peiport Aero from February 2016 to June 2018 and from July 2018 to March 2019, respectively. Since 1 April 2019, he has been promoted to the business development director of Peiport Aero and is mainly responsible for managing the daily operations of our Group.

Mr. Yeung obtained a bachelor's degree in engineering from McMaster University in Canada in June 2010, majoring in computer engineering. He further obtained a master's degree in engineering from McMaster University in June 2013, majoring in electrical and computer engineering.

Mr. Yeung is the son of Mr. YEUNG Lun Ching and Ms. WONG Kwan Lik.

董事(續)

執行董事(續)

楊振泰先生，32歲，為執行董事。楊振泰先生於二零一八年八月二十二日獲委任為董事。楊振泰先生於二零一六年二月加入本集團，自此參與本集團的營運及供應商關係管理。

楊振泰先生於光電及通用航空行業擁有逾三年經驗。於二零一三年四月至二零一四年二月，楊先生擔任加拿大貝爾公司Bell Professional Management Program的ICT硬件部人員，負責建設及保養辦公室電腦及設施。彼於二零一三年十月晉升為技術分析員，負責管理ICT硬件部門的日常工作。於二零一四年八月至二零一五年三月，楊先生加盟加拿大貝爾公司Bell Business Market，擔任技術分析員，負責為客戶建設、測試及規劃思科的電話對話內容。於二零一六年二月至二零一八年六月及於二零一八年七月至二零一九年三月，楊先生分別擔任彼岸科儀及彼岸科航的市場營銷經理。自二零一九年四月一日起，彼獲晉升為彼岸科航的業務發展總監，主要負責管理本集團的日常營運。

楊先生於二零一零年六月取得加拿大麥克馬斯特大學的工程學士學位，主修計算機工程。彼再於二零一三年六月取得麥克馬斯特大學的工程碩士學位，主修電子及計算機工程。

楊先生為楊倫楨先生與王群力女士的兒子。

Directors and Senior Management (Continued)

董事及高級管理層(續)

DIRECTORS (Continued)

Independent Non-Executive Directors

Mr. NIU Zhongjie (牛鍾洁), aged 52, was appointed as an independent non-executive Director on 18 December 2018. He is responsible for supervising and providing independent judgment to our Board. Mr. Niu is also the chairman of the Company's nomination committee and the member of the audit committee and remuneration committee.

Mr. Niu has worked with various financial institutions and has extensive experience in equity capital markets. He served as a director of Vision Finance Asset Management Limited from February 2008 to January 2015. He has been the director of Vision Finance International Company Limited since September 2007 to present, and has also been the responsible officer of the company to carry on type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities since November 2007. Furthermore, he has been the responsible officer for type 4 (advising on securities) and type 9 (asset management) regulated activities of Vision Finance Asset Management Limited since December 2008 and July 2010, respectively.

He has served as an independent non-executive director of Nanjing Sample Technology Company Ltd. (stock code: 1708) since 27 May 2019. Mr. Niu previously served as an independent non-executive director of Gold-Finance Holdings Limited (stock code: 1462), from 3 February 2016 to 15 May 2019. He also previously served as an executive director of Beijing Sports and Entertainment Industry Group Limited (stock code: 1803), from 23 April 2015 to 7 November 2018.

Ms. YEUNG Hiu Fu Helen (楊曉英), aged 44, was appointed as an independent non-executive Director on 18 December 2018. She is responsible for supervising and providing independent judgment to our Board. Ms. Yeung is also the chairwoman of the Company's audit committee and the member of the nomination committee.

董事(續)

獨立非執行董事

牛鍾洁先生，52歲，於二零一八年十二月十八日獲委任為獨立非執行董事。彼負責監督董事會及向其提供獨立判斷。牛先生同時為本公司之提名委員會的主席，以及審核委員會及薪酬委員會的成員。

牛先生曾於多間金融機構工作，在股權資本市場擁有豐富經驗。彼於二零零八年二月至二零一五年一月擔任睿智金融資產管理有限公司的董事。由二零零七年九月至今，彼為睿智金融國際有限公司董事，亦於二零零七年十一月起擔任該公司就進行第1類(證券交易)及第6類(就機構融資提供意見)受規管活動方面的負責人員。另外，彼分別自二零零八年十二月及二零一零年七月起擔任睿智金融資產管理有限公司在第4類(就證券提供意見)及第9類(提供資產管理)受規管活動方面的負責人員。

自二零一九年五月二十七日起，彼為南京三寶科技股份有限公司(股份代號：1708)的獨立非執行董事。自二零一六年二月三日至二零一九年五月十五日，牛先生曾為金誠控股有限公司(股份代號：1462)的獨立非執行董事。自二零一五年四月二十三日至二零一八年十一月七日，彼曾為北京體育文化產業集團有限公司(股份代號：1803)的執行董事。

楊曉英女士，44歲，於二零一八年十二月十八日獲委任為獨立非執行董事。彼負責監督董事會及向其提供獨立判斷。楊女士同時為本公司之審核委員會的主席及提名委員會的成員。

Directors and Senior Management (Continued)

董事及高級管理層(續)

DIRECTORS (Continued)

Independent Non-Executive Directors (Continued)

Ms. Yeung has over 20 years of experience in finance and accounting. Prior to joining our Group, Ms. Yeung worked in various companies being responsible in the finance and accounting aspects, among which she served as (i) a staff accountant in the audit department of Ernst & Young in Hong Kong from September 1997 to March 1999; (ii) an accounting officer of China Overseas Land & Investment Ltd from September 1999 to 2002; (iii) an accountant of Bruker Optics Inc. from January 2006 to February 2007; and (iv) the accounting manager and financial controller of PCC Asia LCC since April 2007 to June 2019 and from July 2019 to March 2020, respectively.

Ms. Yeung was awarded the Bachelor of Arts (Hons) Degree in Accountancy by The Hong Kong Polytechnic University in 1997. Ms. Yeung was admitted in January 2007 as a member of the HKICPA. She is currently a Certified Public Accountant registered with the HKICPA. She has been a member of Association of Chartered Certified Accountants since May 2006.

Mr. HOU Min (侯珉), aged 55, was appointed as an independent non-executive Director on 18 December 2018. He responsible for supervising and providing independent judgment to our Board. Mr. Hou is also the chairman of the company's remuneration committee and the member of the audit committee.

Mr. Hou has over 20 years of experience in the aviation industry. From 1980 to 1994, Mr. Hou served in the PRC military. Mr. Hou served as an officer at the Anti-Smuggling Bureau of the Beijing Customs Office between September 1994 and March 2002. From 2002 to 2004, Mr. Hou was employed by Sino Television Co. Ltd (神州電視有限公司) as a pilot for aerial photography. From May 2012 to December 2013, Mr. Hou worked at Anhui Dinghong General Aviation Company Limited* (安徽頂宏通用航空有限公司) (previously known as the Anhui Dinghong General Aviation Company Limited* (安徽鼎宏通用航空有限公司)), with his last position being the general manager responsible for daily operations.

董事(續)

獨立非執行董事(續)

楊女士在財務及會計方面擁有逾20年經驗。加入本集團前，楊女士曾在多間公司工作，負責財務及會計事務，其中彼(i)於一九九七年九月至一九九九年三月在香港安永會計師事務所會計部擔任會計師；(ii)由一九九九年九月至二零零二年擔任中國海外發展有限公司的會計人員；(iii)於二零零六年一月至二零零七年二月在Bruker Optics Inc.擔任會計師；及(iv)自二零零七年四月至二零一九年六月及於二零一九年七月至二零二零年三月分別擔任PCC Asia LCC的會計經理及財務總監。

於一九九七年，楊女士獲香港理工大學頒授會計文學(榮譽)學士學位。楊女士於二零零七年一月獲認可為香港會計師公會會員。彼目前於香港會計師公會註冊為執業會計師。彼自二零零六年五月起成為特許公認會計師公會會員。

侯珉先生，55歲，於二零一八年十二月十八日獲委任為獨立非執行董事。彼負責監督董事會及向其提供獨立判斷。侯先生同時為本公司的薪酬委員會的主席及審核委員會的成員。

侯先生在航空業擁有逾20年經驗。由一九八零年至一九九四年，侯先生於中國參軍。侯先生於一九九四年九月至二零零二年三月在北京海關辦事處海關緝私局擔任公職人員。由二零零二年至二零零四年，侯先生受聘於神州電視有限公司，擔任航拍的駕駛員。由二零一二年五月至二零一三年十二月，侯先生任職於安徽頂宏通用航空有限公司(前稱為安徽鼎宏通用航空有限公司)，離任前的最後職位為總經理，負責日常營運。

Directors and Senior Management (Continued)

董事及高級管理層(續)

DIRECTORS (Continued)

Independent Non-Executive Directors (Continued)

From February 2015 to August 2017, Mr. Hou was the general manager of Hunan Sunward General Aviation Company Limited* (湖南山河華翔通航有限公司) responsible for the daily operations of the company. From December 2017 to the present, Mr. Hou has been the legal representative and general manager of Guizhou Huang Ping Qie Lan General Aviation Company Limited* (貴州黃平且蘭通用航空有限公司) responsible for the overall operation and management.

Mr. Hou completed the fighter pilot diploma at the PRC People's Liberation Army Air Force Fourth Aviation School* (中國人民解放軍空軍第四航空學校) in December 1982. He further obtained a bachelor's degree in military science from the Army Staff College* (陸軍參謀學院) in the PRC in July 1994.

SENIOR MANAGEMENT

Ms. SZE So Fan (史溯帆), aged 50, is the deputy chief executive officer of our Group. Ms. Sze joined our Group in May 1999 and is responsible for overall administration and human resources management of our Group.

Ms. Sze has over 20 years of experience in the marketing field. Between March 1998 to April 1999, Ms. Sze worked as a marketing executive in TFH Technology Co., Ltd., a company which engages in the trading of engineering equipment and she was mainly responsible for assisting the sales and marketing manager for formulation and implementation of sales and marketing strategy.

Ms. Sze graduated from Minzu University of China (中央民族學院) in June 1991 with a bachelor's degree in physics.

董事(續)

獨立非執行董事(續)

由二零一五年二月至二零一七年八月，侯先生為湖南山河華翔通航有限公司的總經理，負責公司日常營運。由二零一七年十二月至今，侯先生為貴州黃平且蘭通用航空有限公司的法人代表及總經理，負責整體營運及管理。

侯先生於一九八二年十二月修畢中國人民解放軍空軍第四航空學校的戰鬥機駕駛員學位。彼於一九九四年七月進一步取得中國陸軍參謀學院的軍事科學學士學位。

高級管理層

史溯帆女士，50歲，為本集團的副行政總裁。史女士於一九九九年五月加入本集團及負責本集團的整體行政及人力資源管理。

史女士於市場營銷領域擁有逾20年經驗。於一九九八年三月至一九九九年四月期間，史女士於TFH Technology Co., Ltd. (從事工程設備貿易)任職市場營銷人員，主要負責協助銷售及市場營銷經理制定及實施銷售及市場營銷策略。

史女士於一九九一年六月於中央民族學院畢業，獲物理學學士學位。

Directors and Senior Management (Continued)

董事及高級管理層(續)

SENIOR MANAGEMENT (Continued)

Mr. KWAN Leung Yu (關亮宇), aged 43, is the technology director of our Group and is responsible for the overall technical products and supplier relationship management of our Group. Mr. Kwan has over 20 years of experience in the engineering field. Mr. Kwan joined our Group in September 1999 as a sales engineer and was promoted to assistant general manager in April 2004 where he was mainly responsible for design, tailoring and preparation of technical proposals of thermal imaging products and services and self-stabilised imaging related products and services for our customers. Mr. Kwan obtained his bachelor's degree in engineering from The University of Hong Kong in December 1998.

Mr. XIA Xiaoming (夏曉明), aged 60, is the chief engineer of our Group. Mr. Xia joined our Group in 2002 and is responsible for research and development of the products of our Group. Mr. Xia has over 18 years of experience in the optoelectronics and general aviation industry. From January 1989 to March 1993, Mr. Xia worked as a teacher in Nanjing University of Aeronautics and Astronautics (南京航空航天大學) (formerly known as Nanjing University of Aeronautics (南京航空大學)). From 1993 to 1995, Mr. Xia worked as technical manager in Shenzhen Transportation Machinery and Electronics Company* (深圳交運機械電子公司) and was responsible for research and development of mechanical products.

Mr. Xia obtained a master's degree in engineering, and doctor's degree in engineering, from Nanjing University of Aeronautics and Astronautics (南京航空航天大學) (formerly known as Nanjing University of Aeronautics (南京航空大學)) in December 1984 and May 1989, respectively. He further obtained a master's degree in business administration from Duquesne University in the United States in December 1997.

高級管理層(續)

關亮宇先生，43歲，為本集團的技術總監並負責管理本集團整體技術產品及供應商關係管理。關先生於工程領域擁有逾20年經驗。關先生於一九九九年九月加入本集團擔任銷售工程師並於二零零四年四月獲晉升為助理總經理，主要負責為客戶設計、訂造及編製熱成像產品及服務和自穩定成像相關產品及服務的技術方案。關先生於一九九八年十二月獲得香港大學工程學學士學位。

夏曉明先生，60歲，為本集團總工程師。夏先生於二零零二年加入本集團及負責本集團產品研發。夏先生於光電及通用航空行業擁有逾18年經驗。於一九八九年一月至一九九三年三月，夏先生在南京航空航天大學(前稱南京航空大學)任職教師。於一九九三年至一九九五年，夏先生在深圳交運機械電子公司任職技術經理，負責機械產品研發。

夏先生分別於一九八四年十二月及一九八九年五月獲得南京航空航天大學(前稱南京航空大學)的工程學碩士學位及工程學博士學位。彼再於一九九七年十二月取得美國杜肯大學的工商管理碩士學位。

Directors and Senior Management (Continued)

董事及高級管理層(續)

SENIOR MANAGEMENT (Continued)

Ms. LEUNG Chin Ching (梁展鏗), aged 33, is the company secretary and financial controller of our Group. Ms. Leung joined our Group in December 2017 and is primarily responsible for the secretarial, compliance work and overall financial and accounting operations of our Group.

Ms. Leung has over 10 years of experience in finance and accounting. She obtained the bachelor degree of business administration in accountancy from the City University of Hong Kong in July 2009. She is admitted as a certified public accountant of the HKICPA in July 2013.

Note: If there is any inconsistency between the official Chinese name of the PRC laws or regulations or the PRC Government authorities or the PRC entities and their English translation, the Chinese version shall prevail. English translations of official Chinese names are for identification purposes only and are marked with “*”.

高級管理層(續)

梁展鏗女士，33歲，為本集團公司秘書及財務總監。梁女士於二零一七年十二月加入本集團，主要負責本集團的秘書、合規工作及整體財務及會計運作。

梁女士在財務及會計方面擁有逾10年經驗。彼於二零零九年七月獲得香港城市大學的工商管理(會計)學士學位。彼於二零一三年七月獲認可為香港會計師公會的執業會計師。

附註：倘中國法律或法規或中國政府機關或中國實體的官方中文名稱與其英文翻譯存在任何歧義，概以中文版為準。官方中文名稱的英文翻譯僅供識別用途，並以「*」標記。

Corporate Governance Report

企業管治報告

The Board is pleased to present the corporate governance report of the Company (the “Corporate Governance Report”) for the year ended 31 December 2019.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

Since the Listing Date, the Company has adopted the principles and the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange.

In the opinion of the Board, the Company has complied with all the applicable code provisions set out in the CG Code throughout year ended 31 December 2019.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set forth in Appendix 10 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors in the securities of the Company and other matters covered by the Model Code. Specific enquiry has been made to all Directors and they have confirmed that they have complied with the Model Code throughout the year under review.

董事會欣然呈列本公司截至二零一九年十二月三十一日的企業管治報告(「企業管治報告」)。

企業管治常規

本公司致力於達致高水平的企業管治標準。董事會相信，對於提供本集團保障股東利益的框架以及提升企業價值及問責度而言，高水平的企業管治標準至關重要。

自上市日期起，本公司已採納聯交所證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企管守則」)的原則及守則條文。

董事會認為，本公司已於截至二零一九年十二月三十一日止年度內一直遵守企管守則所載之所有適用守則條文。

證券交易的標準守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)作為其自身的證券交易守則，以規管董事從事本公司證券的所有交易及標準守則涵蓋的其他事項。經向全體董事作出具體詢問後，彼等確認其於整個回顧年度內一直遵守標準守則。

Corporate Governance Report (Continued)

企業管治報告(續)

THE BOARD

Roles and Responsibilities of the Board and Senior Management

The Board is the primary decision-making body of the Company and is responsible for overseeing the Group's businesses, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. The Board makes decisions objectively in the interests of the Company.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Group's senior management is responsible for the day-to-day management of the Group's businesses and is responsible for overseeing the general operation, business development, finance and marketing.

BOARD COMPOSITION

The Board currently comprises six members, consisting of three executive Directors and three independent non-executive Directors.

During the year ended 31 December 2019 and up to the date of this Corporate Governance Report, the composition of the Board comprises the following Directors:

Executive Directors

Mr. YEUNG Lun Ching (*Chairman*)
Ms. WONG Kwan Lik (*Chief Executive Officer*)
Mr. YEUNG Chun Tai

Independent Non-Executive Directors

Mr. NIU Zhongjie
Ms. YEUNG Hiu Fu Helen
Mr. HOU Min

董事會

董事會及高級管理層的職務及責任

董事會為本公司主要決策機構，負責監管本集團的業務、策略決策及表現以及集體負責透過指導及監管本公司的事務推動其成功發展。董事會應以本公司的利益作出客觀決定。

全體董事(包括獨立非執行董事)均為董事會提供多種領域的寶貴業務經驗、知識及專長，使其高效及有效地運作。

本集團高級管理層負責本集團業務的日常管理並負責監管整體營運、業務發展、財務及市場推廣。

董事會組成

董事會現由六名成員組成，當中包括三名執行董事及三名獨立非執行董事。

截至二零一九年十二月三十一日止年度及直至本企業管治報告日期，董事會組成包括下列董事：

執行董事

楊倫楨先生(主席)
王群力女士(行政總裁)
楊振泰先生

獨立非執行董事

牛鍾洁先生
楊曉英女士
侯珉先生

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD COMPOSITION (Continued)

The biographical information of the Directors are set out in the section headed “Directors and Senior Management” on pages 24 to 31 of this Annual Report. The relationships between the members of the Board are also disclosed under the same section.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. YEUNG Lun Ching (“Mr. YEUNG”), being the chairman of the Board (the “Chairman”), provides leadership and is responsible for the effective functioning and leadership of the Board. Ms. WONG Kwan Lik (“Ms. WONG”), being the chief executive officer, focuses on the Company’s business development and the daily management and operations. The segregation of roles of the Chairman and the chief executive officer of the Company aligns with the requirement pursuant to the code provision A.2.1 of the CG Code.

APPOINTMENT AND RE-ELECTION OF THE DIRECTORS

Pursuant to the CG Code, it stipulates that non-executive Directors should be appointed for a specific term, subject to re-election and all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. The Company has complied with the requirements of the CG Code that all Directors are appointed for a term of three years. Such appointment may be terminated earlier by either party giving to the other not less than three months’ notice in writing.

Pursuant to the Company’s articles of association (the “Articles of Association”), at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least one every three years. Accordingly, Mr. YEUNG Chun Tai and Mr. HOU Min, will retire by rotation at the forthcoming AGM of the Company and, being eligible, offers themselves for re-election.

董事會組成(續)

董事的履歷資料載於本年度報告第24至31頁「董事及高級管理層」一節。董事會各成員之間的關係亦於同一章節內披露。

主席及行政總裁

楊倫楨先生(「楊先生」)為董事會主席(「主席」)，負責領導並為董事會的有效運作及領導負責。王群力女士(「王女士」)為行政總裁，專注於本公司的業務發展及日常管理及營運。本公司主席與行政總裁的角色區分符合企管守則守則條文第A.2.1條的要求。

董事委任及膺選連任

根據企管守則，其訂明非執行董事須按特定年期委任，可予膺選連任，而所有獲委任以填補臨時空缺的董事均應在獲委任後的首次股東大會上膺選連任。本公司已遵守所有董事按三年任期委任的企管守則規定。有關委任可由任何一方向另一方給予不少於三個月書面通知提前終止。

根據本公司組織章程細則(「組織章程細則」)，於每屆股東週年大會上，當時為數三分之一的董事(或如董事人數並非三的倍數，則須為最接近但不少於三分之一之數目)須輪席退任，每位董事須至少每三年在股東周年大會上輪席退任一次。因此，楊振泰先生及侯珉先生將於下一屆股東週年大會上輪席退任及合資格膺選連任。

Corporate Governance Report (Continued)

企業管治報告(續)

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing more than one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from each of the independent non-executive Directors a written annual confirmation in respect of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

Each of the independent non-executive Directors has signed a letter of appointment with the Company for an initial term of three years unless terminated by not less than three months' notice in writing served by each independent non-executive Director concerned or our Company expiring at the end of the initial term or at any time thereafter.

BOARD COMMITTEES

The Board has established three Board committees, namely, the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee") and the nomination committee (the "Nomination Committee"), to oversee particular aspects of the Company's affairs. All Board committees are provided sufficient resources to perform its duties and, if necessary, to seek independent professional advice at the expense of the Company to fulfill their responsibilities. They are also required to report to the Board after each meeting on their decisions or recommendations.

獨立非執行董事

董事會於任何時間均符合上市規則關於至少委任三名獨立非執行董事的要求，該三名董事佔董事會三分之一以上，且其中一名擁有適當專業資格或會計或相關財務管理專長。

董事會已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出的書面年度確認函。本公司認為所有獨立非執行董事均屬獨立。

各獨立非執行董事已與本公司訂立委任函，初始期限為三年（除非經各相關獨立非執行董事或本公司發出不少於三個月的書面通知予以終止），並於初始期限結束時或其後任何時間屆滿。

董事委員會

董事會已成立三個董事委員會（即審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」））以監督本公司事務的特定方面。所有董事委員會備有足夠資源履行其職責，及於必要時尋求獨立專業建議，費用由本公司承擔，以履行其職責。其亦須於每次會議後就其決定或建議向董事會報告。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Audit Committee

The Audit Committee has been established since 18 December 2018 with written terms of reference in compliance with the Rule 3.22 of the Listing Rules. Currently, the Audit Committee comprises three independent non-executive Directors, namely Mr. NIU Zhongjie, Ms. YEUNG Hiu Fu Helen and Mr. HOU Min. Ms. YEUNG Hiu Fu Helen is the chairwoman of the Audit Committee.

The primary duties of the Audit Committee are to (i) make recommendations to our Board on the appointment, re-appointment and removal of external auditors; (ii) review the financial statements; (iii) provide material advice in respect of our financial reporting process; (iv) oversee our internal control and risk management systems and audit process; and (v) provide advice and comment to our Board on matters related to corporate governance.

During the year under review, the Audit Committee held four meetings and has performed the following works:

- recommended to the Board on the re-appointment of external auditor and the remuneration;
- considered and reviewed the scope of audit work and monitored its independence;
- reviewed the unaudited accounts, interim results for the six-month ended 30 June 2019 and annual results for the year ended 31 December 2018;
- reviewed the continuing connected transactions of the Group; and
- reviewed the effectiveness of the financial reporting system, internal control and risk management systems and internal audit function of the Group.

In addition, according to our terms of reference of the Audit Committee, the Audit Committee also held a meeting with our external auditor in the absence of the management to discuss matters relating to the auditor's remuneration and scope of audit works during the year under review.

董事委員會(續)

審核委員會

本公司已自二零一八年十二月十八日起成立審核委員會，並遵照上市規則第3.22條制定書面職權範圍。目前，審核委員會包括三名獨立非執行董事，即牛鍾洁先生、楊曉芙女士及侯珉先生。楊曉芙女士為審核委員會的主席。

審核委員會的主要職責為(i)就外聘核數師的委任、重續及罷免向董事會作出推薦建議；(ii)審閱財務報表；(iii)就財務報告程序提供重大意見；(iv)監督內部監控及風險管理系統及審核程序；及(v)就與企業管治有關的事宜向董事會提供意見及建議。

於回顧年度，審核委員會舉行四次會議及已履行以下工作：

- 就續聘外聘核數師及其薪酬向董事會提出建議；
- 考慮及檢討審核工作範疇及監察其獨立性；
- 審閱未經審核賬目、截至二零一九年六月三十日止六個月的中期業績及截至二零一八年十二月三十一日止年度的年度業績；
- 檢討本集團的持續關連交易；及
- 檢討本集團財務報告程序、內部監控及風險管理系統以及內部審核職能的有效性。

此外，根據審核委員會的職權範圍，於回顧年度內，審核委員會亦與我們的外聘核數師在管理層缺席下舉行一次會議，以討論有關核數師薪酬及審核工作範疇的事宜。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Remuneration Committee

The Remuneration Committee has been established since 18 December 2018 with written terms of reference in compliance with the Rule 3.26 of the Listing Rules. Currently, the Remuneration Committee comprises two independent non-executive Directors, namely Mr. HOU Min and Mr. NIU Zhongjie and one executive Director, namely Mr. YEUNG Lun Ching. Mr. HOU Min is the chairman of the Remuneration Committee.

The primary duties of the remuneration committee are to (i) review and make recommendations to our Board on the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management of the Company; (ii) assessing performance of Directors; and (iii) approving the terms of the Directors' service contracts.

During the year under review, the Remuneration Committee held one meeting and has performed the following works:

- reviewed the remuneration packages of the executive Directors and senior management of the Company and made recommendations to the Board on their specific packages; and
- reviewed the fees of the independent non-executive Directors and make recommendations to the Board.

Details of the remuneration payable to each Director of the Company for the year ended 31 December 2019 are set out in note 8 to the financial statements.

董事委員會(續)

薪酬委員會

本公司已自二零一八年十二月十八日起成立薪酬委員會，並遵照上市規則第3.26條制定書面職權範圍。目前，薪酬委員會包括兩名獨立非執行董事，即侯珉先生及牛鍾潔先生，及一名執行董事，即楊倫楨先生。侯珉先生為薪酬委員會的主席。

薪酬委員會的主要職責為(i)審閱及向董事會建議應付董事及高級管理層的薪酬待遇、花紅及其他薪酬的條款；(ii)考核董事的表現；及(iii)批准董事服務合約條款。

於回顧年度，薪酬委員會舉行一次會議及已履行以下工作：

- 檢討本公司執行董事及高級管理層的薪酬組合及向董事會就彼等特定組合提出建議；及
- 檢討獨立非執行董事的袍金及向董事會提出建議。

截至二零一九年十二月三十一日止年度應付本公司各董事薪酬之詳情載於財務報表附註8。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

董事委員會(續)(續)

Remuneration Committee (Continued)

薪酬委員會(續)

Pursuant to the code provision B.1.5 of the CG Code, the remuneration of the senior management by band for the year ended 31 December 2019 was set out below:

根據企管守則守則條文第B.1.5條，截至二零一九年十二月三十一日止年度按等級劃分的高級管理層薪酬如下：

Within the band of	組別介乎於	Number of individuals 人數
Nil to HK\$1,000,000	零至 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	2

Nomination Committee

提名委員會

The Nomination Committee has been established since 18 December 2018 with written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. Currently, the Nomination Committee comprises two independent non-executive Directors, namely Mr. NIU Zhongjie and Ms. YEUNG Hiu Fu Helen and one executive Director, namely Ms. WONG Kwan Lik. Mr. NIU Zhongjie is the chairman of the Nomination Committee.

本公司已自二零一八年十二月十八日起成立提名委員會，並遵照上市規則附錄十四所載的企管守則制定書面職權範圍。目前，提名委員會包括兩名獨立非執行董事，即牛鍾洁先生及楊曉芙女士，及一名執行董事，即王群力女士。牛鍾洁先生為提名委員會的主席。

The primary duties of the Nomination Committee are to (i) review the structure, size and composition of our Board; (ii) identify individuals suitably qualified to become board members; (iii) assess the independence of independent non-executive Directors; and (iv) review and make recommendations to the Board on appointment or re-appointment of directors and the management of the Board succession.

提名委員會的主要職責為(i)審閱董事會架構、規模及組成；(ii)物色合資格成為董事會成員的適當人選；(iii)評估獨立非執行董事的獨立性；及(iv)審閱及就委任或重新委任董事及管理董事會繼任人向董事會提供推薦建議。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

During the year under review, the Nomination Committee held one meeting and has performed the following works:

- reviewed the structure, size and diversity of the Board and make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for directors;
- set up the nomination policy of the Company (the “Nomination Policy”) and reviewed its implementation;
- identified individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- assessed the independence of independent non-executive Directors; and
- reviewed the Board diversity policy of the Company (the “Board Diversity Policy”) and its implementation.

董事委員會(續)

提名委員會(續)

於回顧年度，提名委員會舉行一次會議及已履行以下工作：

- 檢討董事會架構、規模及成員多元化，並就董事委任或重新委任及董事繼任計劃向董事會提出建議；
- 設立本公司的提名政策(「提名政策」)及檢討其實施；
- 物色合資格成為董事會成員的適當人選，並挑選提名擔任董事的人選或就此向董事會提出建議；
- 評估獨立非執行董事的獨立性；及
- 檢討本公司的董事會成員多元化政策(「董事會成員多元化政策」)及其實施。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD DIVERSITY POLICY

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board Diversity Policy, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a director.

In identifying and selecting suitable candidates to serve as a director of the Company, the Nomination Committee would consider the above criteria necessary to complement the corporate strategy and achieve board diversity, where appropriate, before making recommendations to the Board.

The Board will consider setting measurable objectives to implement board diversity and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Nomination Committee shall review and monitor the effectiveness of the board diversity of the Board.

As at the date of this Annual Report, the Board's composition under diversified perspectives was summarised as follows:

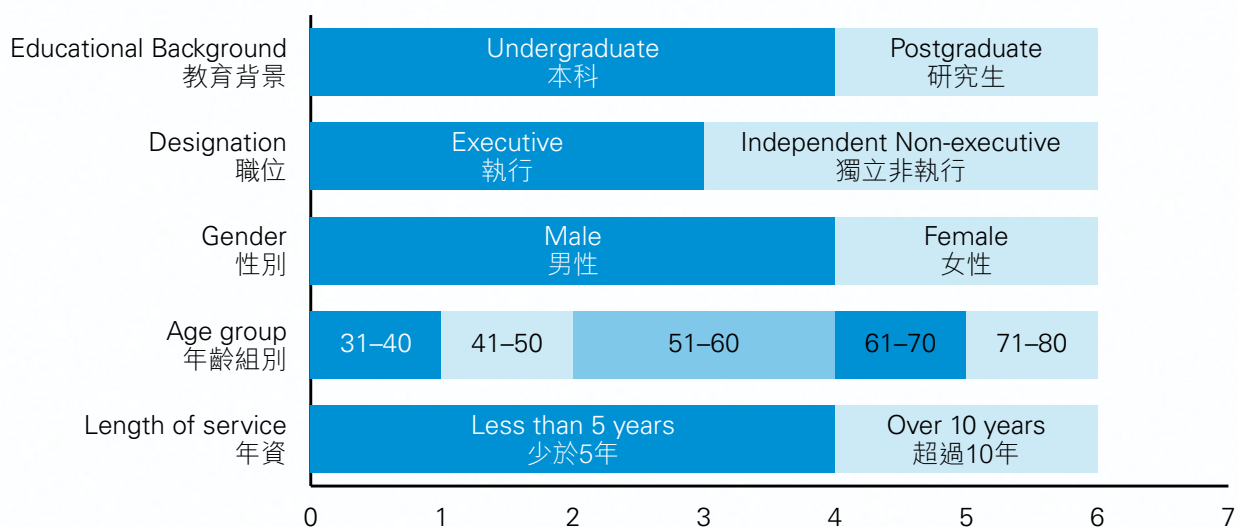
董事會成員多元化政策

在評估董事會組成時，提名委員會會考慮董事會成員多元化政策所載之多個範疇，包括但不限於性別、年齡、文化及教育背景、行業經驗、技術及專業技能及／或資格、知識、年資及作為董事將投入的時間。

在物色及挑選擔任本公司董事的適合人選以向董事會作出推薦建議前，提名委員會將考慮上述對配合公司策略及達致董事會成員多元化而言屬必要的標準(如適用)。

董事會將考慮制定可計量目標以實行董事會成員多元化政策，並不時審閱該等目標，確保其適當程度及確定達致該等目標的進度。提名委員會應審閱及監察董事會的董事會成員多元化的成效。

於本年度報告日期，董事會在多元化角度下的組成情況概述如下：



Corporate Governance Report (Continued)

企業管治報告(續)

NOMINATION POLICY

The Group adopted the Nomination Policy on 22 February 2019. A summary of this policy is disclosed as below.

Objectives

The Nomination Committee assists the Board in making recommendations to the Board on the appointment of Directors and succession planning for Directors. This Policy provides the key selection criteria and principles of the Nomination Committee in making any such recommendations.

Selection Criteria

When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- (1) Reputation for integrity;
- (2) Accomplishment, experience and reputation in the business and other relevant sectors relate to the Company and/or its subsidiaries;
- (3) Commitment in respect of sufficient time and attention to the Company's business;
- (4) Diversity in all aspects, including but not limited to gender, age, cultural/educational and professional background, skills, knowledge and experience;
- (5) The ability to assist and support management and make significant contributions to the Company's success;

提名政策

本集團於二零一九年二月二十二日採納提名政策。該政策的概要披露如下。

目的

提名委員會為董事會提供協助，就委任董事及董事繼任計劃向董事會提供建議。本政策說明提名委員會於作出任何有關建議時所採用的主要甄選標準及原則。

甄選標準

於就任何建議候選人的委任或董事會的任何現有成員的重新委任而向董事會作出推薦建議時，提名委員會在評估建議候選人的合適性時應考慮多項因素，包括但不限於以下因素：

- (1) 誠信的聲譽；
- (2) 在涉及本公司及／或其附屬公司的業務或其他相關行業中的成就、經驗及聲譽；
- (3) 對本公司的業務給予足夠時間及關注的承諾；
- (4) 所有方面的多樣性，包括但不限於性別、年齡、文化／教育及專業背景、技能、知識及經驗；
- (5) 協助及支持管理層及為本公司的成功作出重要貢獻的能力；

Corporate Governance Report (Continued)

企業管治報告(續)

NOMINATION POLICY (Continued)

Selection Criteria (Continued)

- (6) Compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules for the appointment of an independent non-executive Director; and
- (7) Any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Articles of Association and other applicable rules and regulations.

Nomination Procedures

In general, the Board shall have the ultimate responsibility for all matters relating to the selection, appointment and re-appointment of Directors.

- (1) The secretary of the Nomination Committee shall convene a meeting and invite nominations of candidates from Board members (if any), for consideration by the Nomination Committee. The Nomination Committee may also nominate candidates for its consideration.
- (2) In the context of appointment of any proposed candidate to the Board, the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.
- (3) In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

提名政策(續)

甄選標準(續)

- (6) 符合載列於上市規則第3.13條對委任獨立非執行董事所規定的獨立性標準；及
- (7) 提名委員會或董事會不時決定的任何其他相關因素。

委任任何董事會建議候選人或重新委任董事會任何現有成員均須根據組織章程細則及其他適用規則和規例進行。

提名程序

一般而言，董事會應對有關甄選、委任及重新委任董事的所有事宜負最終責任。

- (1) 提名委員會的秘書須召開會議，並邀請董事會成員提名的候選人(如有)供提名委員會考慮。提名委員會亦可提名候選人供其考慮。
- (2) 對於任何建議的董事會候選人的任命，提名委員會應對有關人士進行充分的盡職調查，並提出建議，供董事會審議及批准。
- (3) 就重新委任董事會任何現有成員而言，提名委員會須提交建議供董事會考慮及作出推薦，讓建議候選人可於股東大會上膺選連任。

Corporate Governance Report (Continued)

企業管治報告(續)

NOMINATION POLICY (Continued)

Review and Monitoring of the Policy

The Nomination Committee will review the Nomination Policy, as appropriate, to ensure the effectiveness of the Nomination Policy. The Nomination Committee will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

DIVIDEND POLICY

The Group adopted a dividend policy (the “Dividend Policy”) on 22 February 2019. A summary of this policy is disclosed as below.

The Group is committed to maintaining sufficient resources and flexibility to meet the Group’s financial and operational requirements. At the same time, the Company continually seeks ways to enhance shareholders’ value to ensure sustainable long-term yields for shareholders.

Under the Dividend Policy, the Company gives priority to distributing dividend in cash and shares its profits with its shareholders. The dividend payout ratio shall be determined or recommended, as appropriate, by the Board at its absolute discretion after taking into account the Group’s financial results, future prospects and other factors, and subject to:

- (1) the Articles of Association;
- (2) the applicable restrictions and requirements under the laws of the Cayman Islands;
- (3) any banking or other funding covenants by which the Company is bound from time to time;
- (4) the investment and operating requirements of the Group; and
- (5) any other factors that have material impact on the Company.

提名政策(續)

檢討及監察政策

提名委員會將檢討提名政策(如適用)以確保提名政策的有效性。提名委員會將討論任何可能須作出的修訂並提交任何有關修訂建議予董事會作審議及批准。

股息政策

本集團於二零一九年二月二十二日採納一項股息政策(「股息政策」)。該政策的概要披露如下。

本集團致力維持充足資源及靈活性以迎合本集團財政及營運需求。同時，本公司不斷尋求提升股東價值的方法，以確保股東的可持續性長期收益。

根據股息政策，本公司優先考慮以現金方式分派股息，與股東共享其溢利。股息派付率應由董事會考慮本集團業績、未來前景及其他因素後全權酌情釐定或建議，並受以下各項限制：

- (1) 組織章程細則；
- (2) 開曼群島法律下的適用限制及規定；
- (3) 本公司不時受其約束的任何銀行或其他融資契諾；
- (4) 本集團的投資及經營需求；及
- (5) 任何其他對本公司構成重大影響的因素。

Corporate Governance Report (Continued)

企業管治報告(續)

DIVIDEND POLICY (Continued)

The Board may consider distributing special dividend to all shareholders, and the amount of which shall be determined and approved by the Board at its absolute discretion.

Under the Cayman Islands Companies Act and the Articles of Association, all of our shareholders have equal entitlement to dividends and distributions. The Board shall have the right to review the Dividend Policy from time to time as it deems fit according to the financial and business development requirements of the Group.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the functions set out in code provision D.3.1 of the CG Code.

The Board would review the Company's corporate governance policies and practices, training and continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct applicable to employees and Directors, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

BOARD MEETINGS

Code provision A.1.1 of the CG Code stipulates that Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communications.

股息政策(續)

董事會可考慮分派特別股息予全體股東，而有關金額應由董事會全權酌情釐定及批准。

根據開曼群島公司法及組織章程細則，全體股東享有同等股息及分派之權利。董事會有權於其認為合適時按本集團財政及業務發展需求不時審閱股息政策。

企業管治職能

董事會負責履行企管守則守則條文第D.3.1條所載之職能。

董事會檢討本公司的企業管治政策及常規、董事及高級管理層的培訓及持續專業發展、本公司在遵守法律及監管規定方面的政策及常規、適用於僱員及董事的行為準則以及本公司遵守企管守則及本企業管治報告披露的情況。

董事會會議

企管守則守則條文第A.1.1條規定，董事會會議應每年召開至少四次，約每季度一次，且須有大多數董事（以親身出席或透過電子通訊方式）積極參與。

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD MEETINGS (Continued)

Notice of regular Board meetings are served to all Directors at least 14 days in advance while reasonable notice is given for other Board meetings. Agenda and accompanying Board papers are sent, in full, to all Directors at least 3 days before the intended date of the regular Board meetings and Board committees meetings to enable all Directors to make informed decisions.

Minutes of regular Board meetings and Board committees meetings are drafted by the company secretary of the Company ("Company Secretary") in sufficient detail the matters considered and decisions reached. Draft and final versions of minutes of the meetings are sent to all Board members and Board committee members for their comment and records, within a reasonable time after the meetings. Full minutes are kept by the Company Secretary and open for inspection at any reasonable time on reasonable notice by any Director.

The individual attendance record of each Director at the meetings of the Board and the Board Committees, and the AGM during the year ended 31 December 2019 are set out below:

董事會會議(續)

召開董事會定期會議的通告會於最少十四天前發出，而就其他董事會會議的通告則會於合理時間內發出。議程連同會議文件將最少董事會定期會議及董事委員會會議擬定舉行日期前三天全數發送予全體董事，讓全體董事可作出知情決定。

本公司公司秘書(「公司秘書」)起稿董事會定期會議及董事委員會會議記錄，詳細記錄所考慮事宜及所達成決定。會議記錄初稿及最終版本於會議後合理時間內送達全體董事會成員及董事委員會成員，以供其提出意見及作記錄。完整會議記錄由本公司秘書保管及可就任何董事作出合理通知於任何合理時間公開查閱。

各董事於截至二零一九年十二月三十一日止年度在董事會及董事委員會會議及股東週年大會的個別出席記錄載列如下：

Name of Directors	董事姓名	Board 董事會	Number of meetings attended/held 出席/舉行會議次數			AGM 股東週年大會
			Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	
Executive Directors 執行董事						
Mr. YEUNG Lun Ching	楊倫禎先生	4/4	-	1/1	-	1/1
Ms. WONG Kwan Lik	王群力女士	4/4	-	-	1/1	1/1
Mr. YEUNG Chun Tai	楊振泰先生	4/4	-	-	-	1/1
Independent Non-Executive Directors 獨立非執行董事						
Mr. NIU Zhongjie	牛鍾洁先生	4/4	4/4	1/1	1/1	1/1
Ms. YEUNG Hiu Fu Helen	楊曉芙女士	4/4	4/4	-	1/1	1/1
Mr. HOU Min	侯珉先生	4/4	4/4	1/1	-	1/1

Corporate Governance Report (Continued)

企業管治報告(續)

BOARD MEETINGS (Continued)

During the year ended 31 December 2019, the chairman has also met once with all independent non-executive Directors without the presence of other Directors, to discuss various matters in respect of corporate governance of the Company.

In addition, according to the terms of reference of Audit Committee, the members of the Audit Committee have met with the auditors in the absence of the management to discuss matters relating to the auditor's remuneration and scope of audit works during the year under review.

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors keep abreast of the responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

Every newly appointed Director will receive formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

In accordance with code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. All Directors are encouraged to attend relevant training courses at the Company's expenses.

董事會會議(續)

截至二零一九年十二月三十一日止年度，主席亦已與全體獨立非執行董事在管理層缺席下舉行一次會議，以討論各種有關本公司企業管治的事宜。

此外，根據審核委員會的職權範圍，於回顧年度內，審核委員會成員已與核數師在管理層缺席下舉行會議，以討論有關核數師薪酬及審核工作範疇的事宜。

董事的持續專業發展

董事須時刻了解作為本公司董事的職責及本公司的經營、業務活動及發展。

每名新任董事均於首次獲委任時獲提供正式、全面及針對性的入職介紹，確保其可適當掌握本公司業務及營運，並完全了解於上市規則及相關法定要求下的董事職責及責任。

根據企管守則的守則條文第A.6.5條，全體董事均應參與持續專業發展以提高及更新其知識及技能，確保繼續在具備全面資訊及切合所需的情況下向董事會作出貢獻。本公司鼓勵所有董事參與相關培訓課程，費用由本公司承擔。

Corporate Governance Report (Continued)

企業管治報告(續)

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT (Continued)

For the year ended 31 December 2019, all Directors, namely Mr. YEUNG Lun Ching, Ms. WONG Kwan Lik, Mr. YEUNG Chun Tai, Mr. NIU Zhongjie, Ms. YEUNG Hiu Fu Helen and Mr. HOU Min have confirmed that they had complied with code provision A.6.5 of the CG Code and details are set out below:

董事的持續專業發展(續)

截至二零一九年十二月三十一日止年度，全體董事包括楊倫楨先生、王群力女士、楊振泰先生、牛鍾洁先生、楊曉芙女士以及侯珉先生確認彼等已遵守企管守則的守則條文第A.6.5條，詳情載列如下：

Directors	董事	Types of Trainings (See Remarks) 培訓類別 (見註解)
Executive Directors		
Mr. YEUNG Lun Ching	楊倫楨先生	A, B
Ms. WONG Kwan Lik	王群力女士	A, B
Mr. YEUNG Chun Tai	楊振泰先生	A, B
Independent Non-Executive Directors		
Mr. NIU Zhongjie	牛鍾洁先生	A, B
Ms. YEUNG Hiu Fu Helen	楊曉芙女士	A, B
Mr. HOU Min	侯珉先生	A, B

Remarks:

A: attending seminars and/or conferences and/or forums

B: reading journals, updates, articles and/or materials, etc.

註解：

A: 出席研討會及／或會議及／或論壇

B: 研讀期刊、更新、文章及／或材料等

ACCOUNTABILITY AND AUDIT

Directors' Responsibility in Respect of the Financial Statements

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group and other financial disclosures required in accordance with the statutory requirements and applicable accounting standards.

問責及審核

董事對財務報表之責任

董事知悉其根據法定要求及適用會計準則編製本集團綜合財務報表及其他所需財務披露的責任。

Corporate Governance Report (Continued)

企業管治報告(續)

ACCOUNTABILITY AND AUDIT (Continued)

Directors' Responsibility in Respect of the Financial Statements (Continued)

In preparing the accounts for the year ended 31 December 2019, the Directors confirm that, to the best of their knowledge, the accounts is prepared on a going concern basis and they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

A statement by the auditor about their reporting responsibilities for the financial statements is included in the "Independent Auditor's Report" on pages 75 to 82 of this Annual Report.

AUDITOR'S RESPONSIBILITY AND REMUNERATION

During the year ended 31 December 2019, the Company appointed Ernst & Young as the external auditor. Details of the fees paid or payable in respect of the audit and non-audit services provided by Ernst & Young for the year ended 31 December 2019 are set out in the table below:

問責及審核(續)

董事對財務報表之責任(續)

於編製截至二零一九年十二月三十一日止年度的賬目時，董事確認，就其所知，賬目乃按持續經營基準編製，且其並不知悉存在可能對本公司持續經營能力引起重大疑問的任何重大不確定事件或情況。

核數師就其於財務報表的申報責任發出的聲明載於本年度報告第75至82頁的「獨立核數師報告」。

核數師的職責及薪酬

於截至二零一九年十二月三十一日止年度，本公司委任安永會計師事務所為外聘核數師。截至二零一九年十二月三十一日止年度就安永會計師事務所提供的審計及非審計服務而已付或應付費用的詳情載於下表：

Services Rendered	已提供服務	Fee paid/ payable 已付/ 應付費用 HK\$'000 千港元
Audit services: — Annual audit and related services	審計服務： — 年度審計及相關服務	1,300
Non-audit services: — Agreed-upon procedures with respect to interim report and other professional services	非審計服務： — 有關中期報告的協定程序及其他專業服務	300

Corporate Governance Report (Continued)

企業管治報告(續)

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has undertaken the overall responsibility for overseeing the Group's risk management and internal control systems on an on-going basis and reviewing their effectiveness at least annually in order to safeguard the interests of the shareholders and the assets of the Group.

The Board acknowledges its responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives and ensuring that the Group has established and maintained appropriate and effective risk management and internal control systems. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated to the Audit Committee to review the effectiveness of the risk management and internal controls of the Group. Based on its review, the Audit Committee advises the Board on the effectiveness of the Group's risk management and internal control systems, including the identification and monitoring of the risks, the adequacy of resources, staff qualifications and experience, training programmes and the Company's accounting and financial reporting functions. The management has also been delegated to design, implement and maintain the appropriate and effective risk management and internal control systems of the Group.

風險管理及內部控制

董事會全面負責持續監督本集團的風險管理及內部控制系統，且至少每年檢討其有效性，以保障股東的利益及本集團的資產。

董事會知悉其有責任評估及釐定其願意為實現本集團的策略目標而承擔的風險的性質及程度，並確保本集團已建立及維持適當及有效的風險管理及內部控制系統。該等系統旨在管理而非消除未能實現業務目標的風險，且僅可合理而非絕對保證能避免重大錯誤陳述或損失。

董事會已委託審核委員會檢討本集團風險管理及內部控制的有效性。根據其檢討，審核委員會就本集團風險管理及內部控制系統的有效性向董事會提供意見，包括識別及監察風險、資源的足夠性、員工資歷及經驗、培訓課程及本公司的會計及財務匯報職能。管理層亦獲委託設計、實施及維持本集團適當及有效的風險管理及內部控制系統。

Corporate Governance Report (Continued)

企業管治報告(續)

RISK MANAGEMENT AND INTERNAL CONTROLS (Continued)

Risk management is curial to promote good corporate governance. Our risk management process includes risk identification, risk evaluation, risk control and review. The management is entrusted with duties to identify, evaluate, respond, monitor and communicate risks to the head of the respective business units or department to enforce the remediation. Risks are assessed by our management and reviewed by the Audit Committee and the Board based on (i) the probability that the risk will occur; and (ii) the severity of the impact on the Group. According to the likelihood of occurrence and the impact of the risk, our Group implement the risk management strategies by avoiding the risk, sharing or transferring the risk, mitigating the risk, and accepting the risk.

To further strengthen the risk management and internal control of the Group, the Company appointed external advisers to undertake the internal audit function and perform an annual review of the internal control systems of the Group. The external advisers evaluate the Group's risk management and internal control systems by reviewing the material controls, including financial, operation and compliance. The rotation basis would be applied to operations with similar risk associated so as to enhance the efficiency and effectiveness of the internal audit function. Review results and the recommendations in the form of written report are submitted to the Audit Committee for discussion and review. Follow up actions will be taken up by the management of the Group to ensure all significant control activities are properly in place within the Group and findings previously identified have been properly resolved.

The Company has conducted annual review on the effectiveness and efficiency of the Groups risk management and internal control systems for the year ended 31 December 2019 and the management has confirmed that there is no significant deficiency and weakness on the internal control system has been identified by the external advisers. During the year under review, both the Board and the Audit Committee satisfied and confirmed that the Group's risk management and internal control systems were effective and adequate.

風險管理及內部控制(續)

風險管理對促進良好的企業管治至關重要。我們的風險管理程序包括風險識別、風險評估、風險控制及檢討。管理層受託履行的職責為識別、評估、應對、監察風險並向各業務單元或部門的主管進行溝通以執行補救措施。風險由我們管理層進行評估並由審核委員會及董事會基於以下事項進行審閱：(i) 風險發生的可能性；及(ii) 對本集團影響的嚴重性。基於風險發生的可能性及影響，本集團通過避免風險、分散或轉移風險、降低風險及接受風險以實施風險管理策略。

為進一步加強本集團的風險管理及內部控制，本公司委任外部顧問承擔內部審核職能，並對本集團的內部控制系統進行年度檢討。外部顧問通過檢討重大控制情況(包括財務、營運及合規)以評估本集團的風險管理及內部控制系統。涉及類似風險的業務將應用輪替基準以提升內部審計職能的效率及有效性。檢討結果及推薦意見會以書面報告形式提交予審核委員會進行討論及審閱。本集團管理層將採取跟進行動，以確保在本集團內妥為實施所有重大控制活動，且先前已識別的問題已妥善解決。

本公司已對本集團截至二零一九年十二月三十一日止年度的風險管理及內部控制系統的有效性效率進行年度檢討，而管理層已確認外部顧問並無發現內部控制系統有重大不足之處及弱點。於回顧年度內，董事會及審核委員會均信納及確認，本集團的風險管理及內部控制系統均屬有效及充足。

Corporate Governance Report (Continued)

企業管治報告(續)

INSIDE INFORMATION

With respect to procedures and internal controls for handling the dissemination of inside information, the Group has adopted a policy on the disclosure of inside information (the “Inside Information Policy”) in order to comply with the Securities and Futures Ordinance (“SFO”) and the Listing Rules. According to the Inside information Policy, the Company has taken appropriate measures to identify inside information and preserve its confidentiality until proper dissemination via the electronic publication system operated by the Stock Exchange. Senior management of the Group must take all reasonable measures to ensure that proper safeguards exist to prevent the leakage of inside information of the Company from time to time. They must also promptly bring any possible leakage or divulgence of inside information to the attention of the Board accordingly for taking the appropriate action promptly.

COMPANY SECRETARY

The Company Secretary, Ms. LEUNG Chin Ching, who is also the financial controller of the Group, is a full-time employee of the Company. Her biography is set out on page 31 of this Annual Report in the section of “Directors and Senior Management”.

During the year ended 31 December 2019, Ms. LEUNG Chin Ching has confirmed that she has complied with all the qualifications and training requirements as required under Rule 3.29 of the Listing Rules.

內幕消息

就處理內幕消息傳播的程序及內部控制而言，本集團已採納內幕消息披露政策（「內幕消息政策」）以遵守證券及期貨條例（「證券及期貨條例」）及上市規則。根據內幕消息政策，本公司已採取適當措施以識別內幕消息並於透過聯交所營運的電子發佈系統適當發佈前保持其機密。本集團高級管理層必須採取一切合理措施，確保本公司不時設有恰當的防範措施，以防本公司的內幕消息遭洩露。彼等亦必須迅速就內幕消息的任何潛在洩漏或洩露提請董事會注意，以便及時採取適當的行動。

公司秘書

公司秘書梁展銓女士亦為本集團的財務總監及本公司的全職僱員。其履歷載於本年度報告第31頁「董事及高級管理層」一節。

於截至二零一九年十二月三十一日止年度，梁展銓女士確認，其已遵守上市規則第3.29條下的所有資格及培訓規定。

Corporate Governance Report (Continued)

企業管治報告(續)

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meetings (the "EGM") by the Shareholders

Pursuant to Article 58 of the Articles of Association, the Board may whenever it thinks fit call EGM. EGM shall also be convened on the requisition of any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting forward Proposals at a General Meeting

A shareholder shall make a written requisition to the Board or the Company Secretary at the principal place of business in Hong Kong of the Company at Unit 316, 3/F., Lakeside 1, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

Putting Forward Enquiries to the Board

Shareholders have the right to put forward enquiries to the Board at general meeting or send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong at Unit 316, 3/F., Lakeside 1, Phase Two, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.

股東權利

股東召開股東特別大會(「股東特別大會」)

根據組織章程細則第58條，董事會可於其認為適當的任何時候召開股東特別大會。任何一位或以上於遞呈要求當日持有不少於本公司繳足股本(具本公司股東大會之投票權)十分之一的股東於任何時候有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求中指明的任何事務；且該大會應於遞呈該要求後兩(2)個月內舉行。若於遞呈當日起二十一(21)日內，董事會沒有開展召開有關大會之程序，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會之缺失而產生的所有合理開支應由本公司向遞呈要求人償付。

於股東大會作出提議

股東可向董事會及公司秘書作出書面請求(發送至香港主要營業地點，地址為香港新界白石角科學園第二期尚湖樓3樓316室)，當中列明股東的持股資料、其聯繫方式詳情及其就任何具體交易/業務而有意於股東大會提出的提議以及其支持文件。

向董事會作出查詢

股東有權於股東大會上向董事會作出查詢，或將書面查詢發送至本公司的香港主要營業地點(地址為香港新界白石角科學園第二期尚湖樓3樓316室)並由公司秘書接收。

Corporate Governance Report (Continued)

企業管治報告(續)

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS RELATIONS

The Company has established a shareholders' communication policy on 18 December 2018. Such policy is monitored and reviewed by the Board on a regular basis to ensure its effectiveness. The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company endeavors to maintain an on-going dialogue with shareholders and in particular, through AGMs and other general meetings. At the forthcoming AGM, Directors (or their delegates as appropriate) will be available to meet shareholders and answer their enquiries.

To promote effective communication, the Company maintains a website at "www.peiport.com". Through its website, the Company provides shareholders with corporate information, corporate governance practice, interim and annual reports, announcements, circulars and etc. The Company will also update the website information from time to time to inform the shareholders and investors of the latest development of the Company.

CONSTITUTIONAL DOCUMENTS

During the year under review, there is no significant change in the Company's constitution documents. An up to date version of the Articles of Association is available on the Company's website and the Stock Exchange's website.

與股東溝通及投資者關係

本公司於二零一八年十二月十八日已制定股東溝通政策。該政策由董事會定期監察及審閱以確保其有效性。本公司認為，與股東有效溝通對加強投資者關係及讓投資者了解本集團業務表現及策略至關重要。本公司竭力維持與股東之間的持續溝通，尤其是透過股東週年大會及其他股東大會。董事(或彼等代表，如適合)將出席應屆股東週年大會與股東會面及解答疑問。

為推動有效溝通，本公司設立網站「www.peiport.com」。通過其網站，本公司向股東提供公司資料、企業管治常規、中期及年度報告、公告、通函等等。本公司亦將繼續不時更新網站資料以向股東及投資者提供本公司的最新發展動向。

憲章文件

於回顧年度，本公司的憲章文件並無重大變動。最新組織章程細則可於本公司網站及聯交所網站查閱。

Report of the Directors

董事會報告

The Board of Directors is pleased to present their report together with the audited financial statements of the Company and of the Group for the year ended 31 December 2019.

CHANGE OF HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Pursuant to a Board resolution passed on 29 November 2019, the headquarters and principal place of business in Hong Kong of the Company was changed to Unit 316, 3/F., Lakeside 1, Phase 2, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong with effect from 18 December 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company and its subsidiaries were principally engaged in the provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products and services. An analysis of the principal activities of the Group during the year ended 31 December 2019 is set out in the section headed “Management Discussion and Analysis” in this Annual Report.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a discussion of the principal risks and uncertainties facing the Group, an indication of likely future developments in the Group’s businesses and other relevant information, can be found in the sections headed “Chairman’s Statement” and the “Management Discussion and Analysis” set out on pages 6 to 9 and pages 10 to 23 of this Annual Report, respectively. Such discussion forms part of this “Report of the Directors”.

In addition, discussion on the Group’s environmental policies and performance, compliance with relevant laws and regulations and the key relationships with the Company’s key stakeholders which have a significant impact on the Group are set out in the “Environmental, Social and Governance Report”.

董事會欣然呈列其截至二零一九年十二月三十一日止年度的報告以及本公司及本集團經審核財務報表。

更改總部及香港主要營業地點

根據於二零一九年十一月二十九日通過的董事會決議案，本公司的總部及香港主要營業地點變更為香港新界白石角科學園第二期尚湖樓3樓316室，自二零一九年十二月十八日起生效。

主要業務及業務回顧

本公司為投資控股公司，且其附屬公司主要從事提供(i)熱成像產品及服務；(ii)自穩定成像產品及服務；及(iii)通用航空產品及服務。對本集團截至二零一九年十二月三十一日止年度的主要活動的分析載於本年度報告「管理層討論及分析」一節。

根據香港法例第622章香港公司條例附表5所規定，有關該等業務之進一步討論及分析(包括有關本集團所面臨主要風險及不確定因素之討論，及本集團業務未來可能發展之指引及其他相關資料)可分別於本年度報告第6至9頁的「主席報告」及第10至23頁的「管理層討論及分析」兩節查閱。此討論構成本「董事會報告」之一部份。

此外，有關本集團環境政策及表現、遵守相關法律及法規的情況及與對本集團有重大影響的本公司主要持份者的主要關係的討論載於「環境、社會及管治報告」。

Report of the Directors (Continued)

董事會報告(續)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group is committed to contributing to the sustainability of the environment and is committed to becoming an environmentally friendly corporation. Details of our environmental, social and governance policies and performance during the year ended 31 December 2019 shall be disclosed in a standalone “Environmental, Social and Governance Report” to be published within three months after the publication of this Annual Report on the websites of the Company and the Stock Exchange.

RESULTS AND DIVIDENDS

The Group’s profit for the year ended 31 December 2019 and the Group’s financial position as at 31 December 2019 are set out in the financial statements on pages 83 to 85. The Board does not recommend the payment of final dividend for the year ended 31 December 2019 (2018: Nil).

FINANCIAL SUMMARY

A summary of the audited results and the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements, is set out on page 2 of this Annual Report.

SUBSIDIARIES

Particulars of the Company’s subsidiaries are set out in note 1 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2019 are set out in note 13 to the financial statements.

環境、社會及管治報告

本集團致力為環境的可持續性作出貢獻，並致力成為一間環保的企業。我們於截至二零一九年十二月三十一日止年度的環境、社會及管治政策及表現的詳情單獨披露於「環境、社會及管治報告」，其將於本年度報告刊發後三個月內於本公司及聯交所網站刊發。

業績及股息

本集團截至二零一九年十二月三十一日止年度的年度溢利及本集團於二零一九年十二月三十一日的財務狀況載於第83至85頁的財務報表。董事會不建議派付截至二零一九年十二月三十一日止年度的末期股息(二零一八年：零)。

財務摘要

對本集團於過去五個財政年度的經審核業績及資產、負債及非控股權益的概要乃摘錄自己刊發的經審核財務報表，並載於本年度報告第2頁。

附屬公司

本公司附屬公司的詳情載於財務報表附註1。

物業、廠房及設備

本集團於截至二零一九年十二月三十一日止年度的物業、廠房及設備變動詳情載於財務報表附註13。

Report of the Directors (Continued)

董事會報告(續)

SHARE CAPITAL

Details of movements in the share capital of the Company for the year ended 31 December 2019 are set out in note 24 to the financial statements.

DEBENTURE ISSUED

The Group did not issue any debenture during the year ended 31 December 2019.

EQUITY-LINKED AGREEMENTS

Save for disclosed in "Share Option Scheme" as set out in this section, no equity-linked agreements were entered into by the Group, or existed during the year ended 31 December 2019.

PRE-EMPTIVE RIGHTS

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2019, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Company during the year ended 31 December 2019 are set out in note 25 to the financial statements and the consolidated statements of changes in equity. The distributable reserve of the Company as at 31 December 2019 was HK\$78,456,000.

股本

本公司截至二零一九年十二月三十一日止年度的股本變動詳情於財務報表附註24。

已發行債權證

截至二零一九年十二月三十一日止年度，本集團並無發行任何債權證。

股權掛鈎協議

除本節所載的「購股權計劃」所披露者外，截至二零一九年十二月三十一日止年度，本集團並無訂立或存續任何股權掛鈎協議。

優先購買權

組織章程細則或開曼群島法例並無規定本公司須按比例向現有股東發售新股份的優先購買權條文。

購買、出售或贖回本公司上市證券

截至二零一九年十二月三十一日止年度，本公司及其附屬公司概無購買、出售或贖回任何本公司上市證券。

可分派儲備

本公司於截至二零一九年十二月三十一日止年度的儲備變動詳情載於財務報表附註25及綜合權益變動表。本公司於二零一九年十二月三十一日的可分派儲備為78,456,000港元。

Report of the Directors (Continued)

董事會報告(續)

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2019, sales to the Group's five largest customers accounted for 50.6% of the total sales for the year and sales to the largest customer included therein amounted to 20.8%.

During the year ended 31 December 2019, purchases from the Group's five largest suppliers accounted for 87.3% of the total purchases for the year and purchase from the largest supplier included therein amounted to 54.0%.

None of the Directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers during the year ended 31 December 2019.

DIRECTORS

The Directors who held office during the year ended 31 December 2019 and up to the date of this Annual Report are:

Executive Directors

Mr. YEUNG Lun Ching (*Chairman*)
Ms. WONG Kwan Lik (*Chief Executive Officer*)
Mr. YEUNG Chun Tai

Independent Non-Executive Directors

Mr. NIU Zhongjie
Ms. YEUNG Hiu Fu Helen
Mr. HOU Min

The Company has received written annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has duly reviewed the independence of each of these directors. The Company considered that all independent non-executive Directors are independent.

主要客戶及供應商

於截至二零一九年十二月三十一日止年度，向本集團五大客戶作出的銷售額佔年度銷售總額的50.6%，而其中向最大客戶作出的銷售額佔20.8%。

於截至二零一九年十二月三十一日止年度，向本集團五大供應商作出的採購額佔年度採購總額的87.3%，而其中向最大供應商作出的採購額佔54.0%。

概無本公司董事或其任何聯繫人或任何股東（據董事所知持有本公司已發行股本超過5%）於本集團截至二零一九年十二月三十一日止年度的五大客戶及供應商中擁有任何實益權益。

董事

截至二零一九年十二月三十一日止年度及直至本年度報告日期在任的董事如下：

執行董事

楊倫楨先生(主席)
王群力女士(行政總裁)
楊振泰先生

獨立非執行董事

牛鍾洁先生
楊曉芙女士
侯珉先生

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之書面年度獨立確認書。提名委員會已妥為檢視該等董事各自的獨立性。本公司認為全體獨立非執行董事均屬獨立。

Report of the Directors (Continued)

董事會報告(續)

BIOGRAPHICAL INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

Biographical information of the Directors and senior management of the Group are set out in the section headed “Directors and Senior Management” on pages 24 to 31 of this Annual Report.

DIRECTORS’ SERVICE CONTRACTS

Each of the Directors has entered into a service agreement with our Company for a term of three years and are subject to termination in accordance with their respective terms. The term of the service contracts may be renewed in accordance with the Articles of Association and the applicable rules of the Listing Rules.

Save as discussed above, none of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company and/or any of its subsidiaries, which is not terminable by employing company within one year without payment of compensation, other than statutory compensation.

REMUNERATION OF DIRECTORS AND CHIEF EXECUTIVE AND FIVE HIGHEST PAID EMPLOYEES

Details of the remuneration of the Directors and chief executive and the five highest paid employees of the Group are set out in notes 8 and 9 to the financial statements of this Annual Report.

董事及高級管理層的履歷資料

本集團董事及高級管理層的履歷資料載於本年度報告第24至31頁「董事及高級管理層」一節。

董事的服務合約

各董事已與本公司訂立服務協議，為期三年，並可根據其各自的條款予以終止。服務合約的期限可根據組織章程細則及上市規則的適用規則重續。

除上文所討論者外，概無擬於應屆股東週年大會重選連任之董事與本公司及／或其附屬公司訂有僱用公司不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

董事及行政總裁及五名最高薪酬僱員的薪酬

本集團董事及行政總裁及五名最高薪酬僱員的薪酬詳情載於本年度報告財務報表附註8及9。

Report of the Directors (Continued)

董事會報告(續)

PERMITTED INDEMNITY

Pursuant to the Articles of Association and subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. The Company has maintained appropriate directors' and officers' liability insurance to provide appropriate coverage for the Directors and other officers of the Group throughout the year and are currently in force.

DEED OF NON-COMPETITION

Mr. YEUNG, Ms. WONG and Peiport Alpha Ltd. ("Peiport Alpha"), each being the controlling shareholder (as defined under the Listing Rules) of the Company (the "Controlling Shareholder(s)"), have entered into a deed of non-competition dated 18 December 2018 (in favour of the Company (the "Deed of Non-Competition"). Details of the Deed of Non-Competition was set out in the section headed "Relationship with Controlling Shareholders" of the Prospectus. The Company has received confirmations from Mr. YEUNG, Ms. WONG and Peiport Alpha of their compliance with the terms of the Deed of Non-Competition. Mr. YEUNG, Ms. WONG and Peiport Alpha declared that they have fully complied with the Deed of Non-Competition for the year ended 31 December 2019.

The independent non-executive Directors of the Company have reviewed the confirmations from the Controlling Shareholders and confirmed that up to the date of this Annual Report, all the undertakings under the Deed of Non-Competition have been complied with by Mr. YEUNG, Ms. WONG and Peiport Alpha.

獲允許彌償

根據組織章程細則，在不違反適用法律法規的情況下，各董事將獲本公司以資產及溢利作彌償保證，確保不會因彼等或彼等任何一方於履職過程中引致或蒙受的所有訴訟、費用、收費、損失、損害及開支而受損。本公司已於整個年度內投購適當的董事及高級職員責任保險，以為本集團董事及其他高級職員提供適當保障，且目前生效。

不競爭契據

楊先生、王女士及彼岸阿爾法有限公司(「彼岸阿爾法」)(各自均為本公司控股股東(定義見上市規則)(「控股股東」))已以本公司為受益人訂立日期為二零一八年十二月十八日的不競爭契據(「不競爭契據」)。有關不競爭契據的詳情載於招股章程「與控股股東的關係」一節。本公司已收到楊先生、王女士及彼岸阿爾法有關其遵守不競爭契據條款的確認。楊先生、王女士及彼岸阿爾法表示，彼等截至二零一九年十二月三十一日止年度已完全遵守不競爭契據。

本公司獨立非執行董事已檢閱控股股東的確認並確認直至本年度報告日期，楊先生、王女士及彼岸阿爾法均已遵守不競爭契據下的所有承諾。

Report of the Directors (Continued)

董事會報告(續)

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

As at the date of this Annual Report, the following Directors and chief executive of the Company had or were deemed to have interests or short positions in the shares, underlying shares and 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 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 the Model Code:

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉

於本年度報告日期，下列本公司董事及行政總裁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、相關股份及債權證中擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例之該等規定被當作或視為擁有之權益及淡倉);或(ii)根據證券及期貨條例第352條須記錄於該條例所指之登記冊之權益或淡倉;或(iii)根據標準守則須知會本公司及聯交所之權益或淡倉:

Ordinary Shares of the Company:

本公司之普通股股份：

Name of Director	Capacity/ Nature of interest	Number of ordinary shares and class of securities 普通股的數目 及證券類別	Approximate percentage of shareholding (%) 持股概約百分比(%)
董事姓名	身份／權益性質		
Mr. YEUNG 楊先生	Interest of a controlled corporation 受控制法團權益	300,000,000 Shares (L) ⁽¹⁾ 300,000,000 股股份 (L) ⁽¹⁾	75% ⁽²⁾
Ms. WONG 王女士	Interest of spouse 配偶權益	300,000,000 Shares (L) ⁽¹⁾ 300,000,000 股股份 (L) ⁽¹⁾	75% ⁽²⁾

Notes:

附註：

- The letter "L" denotes to the person with long position in the shares of the Company (the "Share(s)").
- The calculation is based on the total number of 400,000,000 Shares in issue after completion of the global offering.
- Our Company is owned as to approximately 75% by Peiport Alpha. The entire issued share capital of Peiport Alpha is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Ms. WONG is the spouse of Mr. YEUNG and therefore each of Ms. WONG and Mr. YEUNG is deemed to be interested in Shares held by Peiport Alpha pursuant to the SFO. Mr. YEUNG, Ms. WONG and Peiport Alpha together are a group of Controlling Shareholders of our Company.

- 字母「L」指該人士於本公司股份(「股份」)的好倉。
- 基於全球發售完成後已發行股份總數400,000,000股計算。
- 本公司由彼岸阿爾法擁有約75%。彼岸阿爾法全部已發行股本分別由楊先生及王女士擁有70%及30%。王女士為楊先生的配偶，因此，根據證券及期貨條例，王女士及楊先生各自被視為於彼岸阿爾法持有的股份中擁有權益。楊先生、王女士及彼岸阿爾法共同為本公司一組控股股東。

Report of the Directors (Continued)

董事會報告(續)

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

董事及行政總裁於股份、相關股份及債權證中的權益及淡倉(續)

Ordinary Shares of an Associated Corporation — Peiport Alpha:

相聯法團 — 彼岸阿爾法之普通股股份：

Name of Director	Capacity/ Nature of interest	Number of ordinary shares and class of securities	Approximate percentage of shareholding (%)
董事姓名	身份／權益性質	普通股的數目及證券類別	持股概約百分比(%)
Mr. YEUNG 楊先生	Beneficial owner 實益擁有人	10 Shares (L) ⁽¹⁾ 10 股股份 (L) ⁽¹⁾	100% ⁽²⁾
Ms. WONG 王女士	Interest of spouse 配偶權益	10 Shares (L) ⁽¹⁾ 10 股股份 (L) ⁽¹⁾	100% ⁽²⁾

Notes:

- The letter "L" denotes to the person with long position in the shares.
- The calculation is based on the total number of 10 shares of Peiport Alpha in issue.
- The entire issued share capital of Peiport Alpha is owned as to 7 shares and 3 shares by Mr. YEUNG and Ms. WONG respectively. Since Ms. WONG is the spouse of Mr. YEUNG, pursuant to the SFO, they are deemed to be interested in the entire issued share capital of Peiport Alpha and the Shares held by Peiport Alpha.

附註：

- 字母「L」指該人士於股份的好倉。
- 基於彼岸阿爾法已發行股份總數10股計算。
- 彼岸阿爾法的全部已發行股本由楊先生及王女士分別擁有7股及3股股份。由於王女士為楊先生的配偶，根據證券及期貨條例，彼等被視為於彼岸阿爾法全部已發行股本及彼岸阿爾法所持股份中擁有權益。

Save as disclosed above, as at the date of this Annual Report, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) 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 he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於本年度報告日期，概無本公司董事或行政總裁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、相關股份及債權證中登記任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例之該等規定被當作或視為擁有之權益或淡倉)；或根據證券及期貨條例第352條須記錄於該條例所指之登記冊之權益或淡倉；或根據標準守則須知會本公司及聯交所之權益或淡倉。

Report of the Directors (Continued)

董事會報告(續)

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the paragraph headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" in this section, at no time during the year ended 31 December 2019 were rights to acquire benefits by means of the acquisition of shares or underlying shares in, or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DIRECTORS' INTEREST IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the "Connected Transactions" as set out in this section and the related party transactions disclosed in note 29 to the financial statements of this Annual Report, no Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party, at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2019, none of the Directors nor their respective associates had an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

董事購買股份及債權證的權利

除於上文「董事及行政總裁於股份、相關股份及債權證中的權益及淡倉」一段披露者外，於截至二零一九年十二月三十一日止年度內本公司並無授予任何董事或其各自配偶或未滿十八歲之子女任何透過購買本公司股份或相關股份或債券而獲取利益之權利；以上人士亦無行使所述任何權利，本公司或其任何控股公司、附屬公司或同系附屬公司亦無參與任何安排，致令各董事於任何其他法人團體獲得此等權利。

董事於交易、安排或合約的權益

除本節所載的「關連交易」所披露者及本年度報告財務報表附註29所披露的關聯方交易外，概無董事於年內任何時間直接或間接於本公司、其控股公司或其任何附屬公司所訂立的任何交易、安排或合約中擁有重大權益。

董事於競爭業務的權益

於截至二零一九年十二月三十日止年度，概無董事或彼等各自的聯繫人於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

Report of the Directors (Continued)

董事會報告(續)

SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") has been conditionally adopted on 18 December 2018.

The Board may, at its discretion, offer to grant an option to any person belonging to any of the following classes of participants (the "Eligible Participants"), to take up options to subscribe for the shares:

- (1) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;
- (2) any directors (including executive, non-executive Directors and independent non-executive Directors) of our Company or any of its subsidiaries;
- (3) any advisers (professional or otherwise), consultants, suppliers, customers and agents to our Company or any of its subsidiaries; and
- (4) related entities who, in the sole opinion of the Board, will contribute or have contributed to our Company or any of its subsidiaries.

The Share Option Scheme became effective on the Listing Date and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Share Option Scheme (i.e. 17 December 2028).

購股權計劃

本公司已於二零一八年十二月十八日有條件採納購股權計劃(「購股權計劃」)。

董事會可酌情向屬於以下任何類別參與者(「合資格參與者」)的任何人士授出購股權以認購股份：

- (1) 本公司或其任何附屬公司的任何全職或兼職僱員、行政人員或高級職員；
- (2) 本公司或其任何附屬公司的任何董事(包括執行、非執行董事及獨立非執行董事)；
- (3) 本公司或其任何附屬公司的任何顧問(專業或其他顧問)、諮詢人、供應商、客戶及代理；及
- (4) 董事會全權認為將會或已對本公司或其任何附屬公司作出貢獻的有關實體。

購股權計劃於上市日期生效，除另行註銷或修訂外，將自購股權計劃採納日期起計10年(即二零二八年十二月十七日)內有效。

Report of the Directors (Continued)

董事會報告(續)

SHARE OPTION SCHEME (Continued)

The maximum number of shares which may be issued upon exercise of all options granted and to be granted under the Share Option Scheme is 40,000,000 shares, representing 10% of the shares of the Company in issue as at the Listing Date and as at the date of this Annual Report. The maximum number of shares issuable under share options granted to each eligible participant in the Share Option Scheme (including both exercised and outstanding options) within any 12-month period is limited to 1% of the shares of the Company in issue. Any grant or further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. A grant of share options under the Share Option Scheme to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is subject to approval in advance by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option). In addition, any grant of share options to a substantial shareholder or an independent non-executive Director of the Company, or to any of their associates, which would result in the shares issued and to be issued, upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding), to such person in the 12-month period up to and including the date of the grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, are subject to shareholders' approval in advance in a general meeting.

購股權計劃(續)

因根據購股權計劃授出及將予授出的所有購股權獲行使而可能發行的股份數目上限為40,000,000股股份，佔於上市日期及本年報日期本公司已發行股份的10%。於任何12個月期間根據購股權計劃向每位合資格參與者授出的購股權(包括已行使及尚未行使的購股權)可予以發行的股份數目上限以本公司已發行股份之1%為限。任何授出或進一步授出超過此限額的任何購股權均須經股東於股東大會上批准。根據購股權計劃向本公司董事、主要行政人員或主要股東，或任何彼等的聯繫人士授出購股權須經獨立非執行董事(不包括身為購股權承授人的任何獨立非執行董事)事先批准。此外，若於截至授出日期(包括該日)的12個月期間內，向本公司主要股東或獨立非執行董事或任何彼等的聯繫人士授出的任何購股權，將導致於行使所有已授出及將授出的購股權(包括已行使、已註銷及尚未行使購股權)時向該等人士發行及將予發行的股份超過本公司已發行股份0.1%及總價值(根據本公司股份於授出日期的收市價計算)超過5百萬港元，則須經股東於股東大會上事先批准。

Report of the Directors (Continued)

董事會報告(續)

SHARE OPTION SCHEME (Continued)

The offer of a grant of share options may be accepted on or before the relevant acceptance date upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the Board in its absolute discretion, save that such a period shall not be more than 10 years from the date of offer of the share options and subject to the provisions for early termination as set out in the Share Option Scheme. There is no minimum period for which an option must be held before it can be exercised. The exercise price of the share options shall be not less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options, which must be a date on which the Stock Exchange is open for business of dealing in securities; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately before the date of offer; and (iii) the nominal value of the Company's share as at the date of offer.

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions Eligible Participants had or may have made to the Group. The Share Option Scheme will provide Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives: (i) motivate Eligible Participants to optimise their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain on-going business relationship with Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

No options had been granted or agreed to be granted under the Share Option Scheme during the year and up to the date of this Annual Report. The Company did not have any outstanding share options, warrants and convertible instruments into shares as at 31 December 2019 and up to the date of this Annual Report.

購股權計劃(續)

授出購股權的要約可於承授人支付合共1港元的名義代價後於相關承兌日期當日或之前予以接納。所授出購股權的行使期由董事會全權酌情決定，惟該期間不得為期超過購股權要約日期起計10年，且須受購股權計劃所載提前終止條文所規限。行使購股權前並無持有購股權最短期限的規定。購股權的行使價不得低於下列各項的最高者：(i)本公司股份於購股權要約日期(須為聯交所開始進行證券買賣的日子)在聯交所的收市價；(ii)本公司股份於緊接要約日期前五個交易日在聯交所的平均收市價；及(iii)本公司股份於要約日期的面值。

購股權計劃為一項股份獎勵計劃，乃為嘉許及肯定合資格參與者對本集團所作出或可能作出的貢獻而設立。購股權計劃將為合資格參與者提供於本公司持有個人權益的機會，旨在達到下列目的：(i)激勵合資格參與者為本集團利益提高工作效率；及(ii)吸引及挽留其貢獻目前或將來對本集團長期發展有利的合資格參與者，或以其他方式維持與該等合資格參與者的持續業務關係。

於本年度及直至本年度報告日期，概無根據購股權計劃授出或同意授出購股權。本公司於二零一九年十二月三十一日及直至本年度報告日期並無任何發行在外的購股權、認股權證及可換股工具。

Report of the Directors (Continued)

董事會報告(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

主要股東於股份、相關股份及債權證中的權益

As of the date of this Annual Report, so far as was known to any Director, or chief executive of our Company, the following persons (other than the Directors and chief executive of the Company) had, or were deemed to have, interests and/or short positions in the Shares, underlying shares and debentures of the Company which would fall to be disclosed to our Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under Section 336 of the SFO:

於本年度報告日期，據本公司董事或行政總裁所知，以下人士(本公司董事及行政總裁除外)於本公司股份、相關股份及債權證中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須向本公司及聯交所披露的權益及/或淡倉或本公司根據證券及期貨條例第336條規定備置之登記冊所記錄的權益及/或淡倉：

Name of Shareholder	Capacity/ Nature of interest	Number of ordinary shares and class of securities 普通股的數目及證券類別	Approximate percentage of shareholding (%) 持股概約百分比(%)
股東姓名/名稱	身份/權益性質		
Peiport Alpha ⁽³⁾ 彼岸阿爾法 ⁽³⁾	Beneficial owner 實益擁有人	300,000,000 Shares (L) ⁽¹⁾ 300,000,000 股股份 (L) ⁽¹⁾	75% ⁽²⁾
Mr. YEUNG ⁽³⁾ 楊先生 ⁽³⁾	Interest in a controlled corporation 受控制法團權益	300,000,000 Shares (L) ⁽¹⁾ 300,000,000 股股份 (L) ⁽¹⁾	75% ⁽²⁾
Ms. WONG ⁽³⁾ 王女士 ⁽³⁾	Interest of spouse 配偶權益	300,000,000 Shares (L) ⁽¹⁾ 300,000,000 股股份 (L) ⁽¹⁾	75% ⁽²⁾

Notes:

附註：

- The letter "L" denotes to the entity's with long position in the securities.
- The calculation is based on the total number of 400,000,000 Shares in issue after completion of the global offering.
- Our Company is owned as to approximately 75% by Peiport Alpha. The entire issued share capital of Peiport Alpha is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Ms. WONG is the spouse of Mr. YEUNG and therefore each of Ms. WONG and Mr. YEUNG is deemed to be interested in Shares held by Peiport Alpha pursuant to the SFO. Mr. YEUNG, Ms. WONG and Peiport Alpha together are a group of Controlling Shareholders of our Company.

- 字母「L」指該實體於證券的好倉。
- 基於全球發售完成後已發行股份總數400,000,000股計算。
- 本公司由彼岸阿爾法擁有約75%。彼岸阿爾法全部已發行股本分別由楊先生及王女士擁有70%及30%。王女士為楊先生的配偶，因此，根據證券及期貨條例，王女士及楊先生各自被視為於彼岸阿爾法持有的股份中擁有權益。楊先生、王女士及彼岸阿爾法共同為本公司一組控股股東。

Report of the Directors (Continued)

董事會報告(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Save as disclosed above, as at the date of this Annual Report, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the paragraph headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" in this section, had any interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

MANAGEMENT CONTRACTS

No contracts, other than the employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year ended 31 December 2019.

RELATED PARTY TRANSACTIONS

Related party transactions entered into by the Group for the year ended 31 December 2019 are disclosed in note 29 to the financial statements. These transactions were conducted in accordance with terms as agreed between us and the respective related parties. Our Directors confirm that all related party transactions during the year ended 31 December 2019 were conducted on normal commercial terms that were reasonable and in the interest of our Group as a whole. Save as disclosed in below sections of this Annual Report, there were no other connected transactions or non-exempted continuing connected transactions under the Listing Rules as at the date of this Annual Report.

主要股東於股份、相關股份及債權證中的權益(續)

除上文所披露者外，於本年度報告日期，概無主要或高持股量股東或其他人士(本公司董事及行政總裁除外，其權益載於本節「董事及行政總裁於股份、相關股份及債權證中的權益及淡倉」一段)於本公司股份或相關股份中擁有本公司根據證券及期貨條例第336條規定備置之登記冊所記錄的任何權益或淡倉。

管理合約

於截至二零一九年十二月三十一日止年度，我們並無就本集團業務的全部或任何重大部分的管理及行政事宜訂立或存有合約(僱傭合約除外)。

關聯方交易

本集團於截至二零一九年十二月三十一日止年度訂立的關聯方交易披露於財務報表附註29。該等交易乃按我們與相應關聯方協定的條款進行。我們的董事確認，於截至二零一九年十二月三十一日止年度的所有關聯方交易均按合理的正常商業條款進行，並符合本集團的整體利益。除本年度報告下文章節所披露者外，於本年度報告日期並無上市規則項下的其他關連交易或非豁免持續關連交易。

Report of the Directors (Continued)

董事會報告(續)

CONNECTED TRANSACTIONS

關連交易

Non-Exempt Continuing Connected Transactions

非豁免持續關連交易

During the year ended 31 December 2019, we have entered into a number of lease agreement (together, the “Lease Agreements”, and each the “Lease Agreement”) with the connected persons (as defined in the Listing Rules) in our ordinary and usual course of business, which constitute continuing connected transactions under the Listing Rules upon our Listing.

於截至二零一九年十二月三十一日止年度，我們於日常及一般業務過程中與關連人士(定義見上市規則)訂立多項租賃協議(統稱為「租賃協議」及各為一份「租賃協議」)，其於我們上市後構成上市規則項下的持續關連交易。

Details of these continuing connected transactions of our Group are set out below:

本集團的該等持續關連交易的詳情載列如下：

Date of lease agreement 租賃協議日期	Landlord 業主	Tenant 租戶	Connected Relationship 關連關係	Location of property 物業地點	Area of property 物業面積	Term 租期	Maximum annual rent payable 應付最高年租	Use of property 物業用途
18 December 2018	Peiport Scientific	Peiport Aero	Peiport Scientific is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Mr. YEUNG and Ms. WONG are our Controlling Shareholders and executive Directors	Room 1301, Westlands Centre, 20 Westlands Road, Taikoo Place, Hong Kong	156.12 sq.m.	Period commencing from the Listing Date and up to 31 December 2020	HK\$600,000	Warehouse, system integration and service centre
二零一八年十二月十八日	彼岸科儀	彼岸科航	彼岸科儀分別由楊先生及王女士擁有70%及30%。楊先生及王女士為控股股東及執行董事	香港太古坊華蘭路20號華蘭中心1301室	156.12平方米	由上市日期直至二零二零年十二月三十一日止期間	600,000港元	倉庫、系統整合及服務中心
18 December 2018	Peiport Scientific	Peiport Aero	Peiport Scientific is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Mr. YEUNG and Ms. WONG are our Controlling Shareholders and executive Directors	Room 1302, Westlands Centre, 20 Westlands Road, Taikoo Place, Hong Kong	159.23 sq.m.	Period commencing from the Listing Date and up to 31 December 2020	HK\$600,000	Warehouse, system integration and service centre
二零一八年十二月十八日	彼岸科儀	彼岸科航	彼岸科儀分別由楊先生及王女士擁有70%及30%。楊先生及王女士為控股股東及執行董事	香港太古坊華蘭路20號華蘭中心1302室	159.23平方米	由上市日期直至二零二零年十二月三十一日止期間	600,000港元	倉庫、系統整合及服務中心
18 December 2018	Peiport Scientific	Peiport Aero	Peiport Scientific is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Mr. YEUNG and Ms. WONG are our Controlling Shareholders and executive Directors	Room 1307, Westlands Centre, 20 Westlands Road, Taikoo Place, Hong Kong	158.29 sq.m.	Period commencing from the Listing Date and up to 31 December 2020	HK\$600,000	Warehouse, system integration and service centre
二零一八年十二月十八日	彼岸科儀	彼岸科航	彼岸科儀分別由楊先生及王女士擁有70%及30%。楊先生及王女士為控股股東及執行董事	香港太古坊華蘭路20號華蘭中心1307室	158.29平方米	由上市日期直至二零二零年十二月三十一日止期間	600,000港元	倉庫、系統整合及服務中心

Report of the Directors (Continued)

董事會報告(續)

CONNECTED TRANSACTIONS (Continued)

關連交易(續)

Non-Exempt Continuing Connected Transactions (Continued)

非豁免持續關連交易(續)

Date of lease agreement 租賃協議日期	Landlord 業主	Tenant 租戶	Connected Relationship 關連關係	Location of property 物業地點	Area of property 物業面積	Term 租期	Maximum annual rent payable 應付最高年租	Use of property 物業用途
23 June 2019	Peiport Scientific	Peiport Aero	Peiport Scientific is owned as to 70% and 30% by Mr. YEUNG and Ms. WONG, respectively. Mr. YEUNG and Ms. WONG are our Controlling Shareholders and executive Directors	Car Parking Space No. P18 on 1st Floor, Westlands Centre, 20 Westlands Road, Taikoo Place, Hong Kong	11.76 sq.m.	Period commencing from 1 July 2019 and up to 31 December 2020	HK\$50,400	Car parking space
二零一九年六月二十三日	彼岸科儀	彼岸科航	彼岸科儀分別由楊先生及王女士擁有70%及30%。楊先生及王女士為控股股東及執行董事	香港太古坊華蘭路20號華蘭中心1樓P18號停車位	11.76平方米	由二零一九年七月一日直至二零二零年十二月三十一日止期間	50,400港元	停車位
9 January 2018	Mr. YEUNG	Peiport Guangzhou Sijing Opto-electronics System Limited ("Peiport Guangzhou")	Mr. YEUNG is our Controlling Shareholder and executive Director	Unit 2523, Wuyang Xincheng Plaza, No.111 Siyou New Road, Yuexiu District, Guangzhou, Guangdong Province, the PRC	139.55 sq.m.	Period of three years commencing from 1 January 2018	Renminbi ("RMB") 159,600	Office
二零一八年一月九日	楊先生	廣州彼岸思精光電系統有限公司(「彼岸廣州」)	楊先生為控股股東及執行董事	中國廣東省廣州市越秀區寺右新馬路111號五羊新城2523室	139.55平方米	二零一八年一月一日起為期三年	人民幣 (「人民幣」) 159,600元	辦事處
9 March 2017	Ms. WONG	Beijing Peiport Jingdu Technology Limited ("Peiport Beijing")	Ms. WONG is our Controlling Shareholder and executive Director	Flat 2-7 on level 121 Block 1, Yuetan Mansion, No. 2 Yuetan North Street, Xicheng District, Beijing, the PRC	235.45 sq.m.	Period of five years commencing from 12 March 2017	RMB360,000	Office
二零一七年三月九日	王女士	北京彼岸京都科技有限公司(「彼岸北京」)	王女士為控股股東及執行董事	中國北京市西城區月壇北街2號月壇大廈一座121樓2-7室	235.45平方米	二零一七年三月十二日起為期五年	人民幣360,000元	辦事處
9 March 2017	Ms. WONG	Peiport Beijing	Ms. WONG is our Controlling Shareholder and executive Director	Flat 2-8 on level 121 Block 1, Yuetan Mansion, No. 2 Yuetan North Street, Xicheng District, Beijing, the PRC	123.56 sq.m.	Period of five years commencing from 12 March 2017	RMB357,600	Office
二零一七年三月九日	王女士	彼岸北京	王女士為控股股東及執行董事	中國北京市西城區月壇北街2號月壇大廈一座121樓2-8室	123.56平方米	二零一七年三月十二日起為期五年	人民幣357,600元	辦事處

Report of the Directors (Continued)

董事會報告(續)

CONNECTED TRANSACTIONS (Continued)

關連交易(續)

Non-Exempt Continuing Connected Transactions (Continued)

非豁免持續關連交易(續)

Date of lease agreement 租賃協議日期	Landlord 業主	Tenant 租戶	Connected Relationship 關連關係	Location of property 物業地點	Area of property 物業面積	Term 租期	Maximum annual rent payable 應付最高年租	Use of property 物業用途
1 November 2017	Ms. WONG	Peiport Guangzhou	Ms. WONG is our Controlling Shareholder and executive Director	Unit 1102, Block C, Hesheng Jinguang Centre, No. 11 Tangyan Road, Xi'an Hi-tech Industries Development Zone, Yantat District, Xi'an, Shaanxi Province, the PRC	192 sq.m.	Period of two years commencing from 1 November 2017	RMB172,800	Office
二零一七年十一月一日	王女士	彼岸廣州	王女士為控股股東及執行董事	中國陝西省西安市雁塔區西安高新技術產業開發區唐延路11號禾盛京廣中心C座1102室	192平方米	二零一七年十一月一日起為期兩年	人民幣172,800元	辦事處
1 November 2019	Ms. WONG	Peiport Guangzhou	Ms. WONG is our Controlling Shareholder and executive Director	Unit 1102, Block C, Hesheng Jinguang Centre, No. 11 Tangyan Road, Xi'an Hi-tech Industries Development Zone, Yantat District, Xi'an, Shaanxi Province, the PRC	192 sq.m.	Period of two years commencing from 1 November 2019	RMB172,800	Office
二零一九年十一月一日	王女士	彼岸廣州	王女士為控股股東及執行董事	中國陝西省西安市雁塔區西安高新技術產業開發區唐延路11號禾盛京廣中心C座1102室	192平方米	二零一九年十一月一日起為期兩年	人民幣172,800元	辦事處
8 January 2018	Ms. WONG	Peiport Guangzhou	Ms. WONG is our Controlling Shareholder and executive Director	Unit 2301, Office Block 1, Jinniu Wanda Plaza, No. 118 Renmin North Road, 2nd Section, Jinniu District, Chengdu, Sichuan Province, the PRC	276.6 sq.m.	Period of two years commencing from 19 January 2018	RMB215,784	Office
二零一八年一月八日	王女士	彼岸廣州	王女士為控股股東及執行董事	中國四川省成都市金牛區二段人民北路118號金牛萬達廣場寫字樓1座2301室	276.6平方米	二零一八年一月十九日起為期兩年	人民幣215,784元	辦事處

Report of the Directors (Continued)

董事會報告(續)

CONNECTED TRANSACTIONS (Continued)

關連交易(續)

Non-Exempt Continuing Connected Transactions (Continued)

非豁免持續關連交易(續)

During the year ended 31 December 2019, there was no material change in the Lease Agreements. There was also no termination of the Lease Agreements, nor was there any failure to terminate when the restrictions that led to the adoption of the Lease Agreements are removed.

於截至二零一九年十二月三十一日止年度，租賃協議並無重大變動。概無租賃協議被終止，當導致採納租賃協議的各項限制解除時亦無發生任何未能終止租賃協議的情況。

The aggregate of the maximum annual rent payable by the Group under all of the Lease Agreements described above is approximately HK\$3.8 million and HK\$3.8 million which shall constitute the maximum amount of rent payable by us to Peiport Scientific, Mr. YEUNG and Ms. WONG for the year ended 31 December 2019 and 2020, respectively. In relation to the Lease Agreements for the properties in Hong Kong, our Group was not charged any rentals in respect of our usage thereof before the entering into of the Lease Agreements for the properties in Hong Kong.

本集團根據上文所述所有租賃協議應付的最高年租總額分別約為3.8百萬港元及3.8百萬港元，其指我們於截至二零一九年及二零二零年十二月三十一日止年度須向彼岸科儀、楊先生及王女士支付的最高租金。就香港物業的租賃協議而言，於訂立香港物業的租賃協議前，本集團並無因使用有關物業而被收取任何租金。

Mr. YEUNG and Ms. WONG are our Controlling Shareholders and executive Directors, while Peiport Scientific is an associate of our Controlling Shareholders. Accordingly, the transactions contemplated under the Lease Agreements will constitute continuing connected transactions for our Company under Chapter 14A of the Listing Rules.

楊先生及王女士為我們的控股股東及執行董事，而彼岸科儀為控股股東的聯營公司。因此，據租賃協議擬進行的交易將構成本公司於上市規則第14A章下的持續關連交易。

Since each of applicable percentage ratios (other than the profits ratio) as defined under Rule 14.07 of the Listing Rules for the Lease Agreements is expected to be more than 0.1% but less than 5% on an annual basis, the transactions contemplated under the Lease Agreements are subject to the reporting, annual review and announcement but will be exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

由於根據上市規則第14.07條所界定有關租賃協議的各適用百分比率(不包括利潤率)預期將不超過每年0.1%但少於5%，故據租賃協議擬進行的交易須遵守報告、年度審閱及公告規定，但獲豁免遵守上市規則第14A章下的獨立股東批准規定。

Report of the Directors (Continued)

董事會報告(續)

CONNECTED TRANSACTIONS (Continued)

Non-Exempt Continuing Connected Transactions (Continued)

In accordance with Rule 14A.55 of the Listing Rules, the independent non-executive Directors have reviewed the continuing connected transactions and confirmed that these continuing connected transactions were entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the agreement governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, Ernst & Young, the Company's external auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Financial Statements* and with reference to Practice Note 740 *Auditors' Letter on Continuing Connected Transactions under Hong Kong Listing Rules* issued by the HKICPA. Ernst & Young issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, the Company had no connected transactions or continuing connected transactions which fell to be disclosed in accordance with the provisions under Chapter 14A of the Listing Rules in relation to the disclosure of connected transactions and continuing connected transactions.

關連交易(續)

非豁免持續關連交易(續)

根據上市規則第14A.55條，獨立非執行董事已審閱持續關連交易，並確認該等持續關連交易乃於以下情況訂立：

- (1) 於本集團日常及一般業務過程中；
- (2) 按正常商業條款或更佳條款；及
- (3) 根據各自規管該等交易的協議按公平合理的條款進行，並符合本公司股東整體利益。

根據上市規則第14A.56條，本公司外聘核數師安永會計師事務所已獲委聘按照香港會計師公會頒佈之香港鑒證業務準則第3000號(經修訂)下之非審核或審閱過往財務資料之鑒證工作規定，並參照實務說明第740號關於香港上市規則所述持續關連交易的核數師函件就本集團之持續關連交易作出報告。根據上市規則第14A.56條，安永會計師事務所已就本集團披露的持續關連交易發出無保留意見，並載有其發現和結論的函件。本公司已將核數師函件副本提供予聯交所。

除上文所披露者外，本公司概無根據上市規則第14A章項下有關關連交易及持續關連交易披露的條文而須予披露的關連交易或持續關連交易。

Report of the Directors (Continued)

董事會報告(續)

REMUNERATION POLICIES

As at 31 December 2019, the remuneration policy for employees of the Group is determined based on their responsibilities, qualifications, performance, experience and seniority which are reviewed periodically.

Compensation of Directors of the Group is reviewed by the Remuneration Committee, approved by the Board and authorised by the shareholders at the AGM of the Company, which is based on the Group's performance and the Directors' respective contributions to the Group.

The Company has adopted the Share Option Scheme as incentive to Directors and eligible employees, details of the scheme are set out in the section headed "Share Option Scheme" on pages 63 to 65 of this Annual Report.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by our Company are set out in the "Corporate Governance Report" section on pages 32 to 53 of this Annual Report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this Annual Report, at least 25% of the Company's total number of issued shares were held by the public.

EVENT AFTER THE REPORTING PERIOD

Details of the significant event after the reporting period are set out in note 33 to the financial statements.

薪酬政策

於二零一九年十二月三十一日，本集團的僱員薪酬政策乃基於其職責、資格、表現、經驗及年資而釐定，並會進行定期審閱。

本集團董事的薪酬由薪酬委員會審閱及董事會批准，並經股東於本公司股東週年大會上授權，乃基於本集團的表現及各董事對本集團的貢獻。

本公司已採納購股權計劃作為對董事及合資格僱員的激勵，計劃詳情載於本年度報告第63至65頁「購股權計劃」一節。

企業管治

本公司採納的主要企業管治常規載於本年度報告第32至53頁「企業管治報告」一節。

公眾持股量充足性

根據本公司可獲取的公開資料及就董事所知悉，於本年報日期，本公司已發行股份總數最少有25%由公眾人士持有。

報告期後事項

報告期後的重大事項詳情載於財務報表附註33。

Report of the Directors (Continued)

董事會報告(續)

AUDITOR

A resolution will be proposed at the forthcoming AGM for the re-appointment of Ernst & Young as the independent auditor of the Company.

By order of the Board of Directors

Mr. YEUNG Lun Ching

Chairman and Executive Director

Hong Kong, 26 March 2020

核數師

應屆股東週年大會上將提出決議案以續聘安永會計師事務所為本公司獨立核數師。

承董事會命

楊倫楨先生

主席兼執行董事

香港，二零二零年三月二十六日

Independent Auditor's Report

獨立核數師報告



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To the shareholders of Peiport Holdings Ltd.
(Incorporated in the Cayman Islands with limited liability)

致彼岸控股有限公司股東
(於開曼群島註冊成立之有限公司)

OPINION

意見

We have audited the consolidated financial statements of Peiport Holdings Ltd. (the "Company") and its subsidiaries (collectively the "Group") set out on pages 83 to 176, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

吾等已審核載於第83至176頁的彼岸控股有限公司(「貴公司」)及其他附屬公司(統稱「貴集團」)的綜合財務報表，包括二零一九年十二月三十一日的綜合財務狀況表、截至該日期止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及包括主要會計政策概要在內的綜合財務報表附註。

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

吾等認為綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例之披露要求而妥善編製。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

意見的基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等在該等準則下承擔的責任已在吾等的報告「核數師就審核綜合財務報表須承擔之責任」一節中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，吾等獨立於貴集團，並已根據守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

關鍵審核事項

關鍵審核事項是根據吾等的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。該等事項是在吾等審核整體綜合財務報表及就此出具意見時進行處理的，且吾等不會對該等事項提供單獨的意見。吾等對下述每一事項於審計中是如何處理的描述亦以此為背景。

吾等已履行吾等的報告「核數師就審核綜合財務報表須承擔之責任」一節闡述的責任，包括與該等事項相關的責任。相應地，吾等的審核工作包括執行為應對評估的綜合財務報表重大錯誤陳述風險而設計的審核程序。吾等執行審核程序的結果，包括處理下述事項所執行的程序，為綜合財務報表審核意見提供基礎。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (Continued)

Key audit matters

關鍵審核事項

Impairment assessment of trade and bills receivables

貿易應收款項及應收票據的減值評估

As at 31 December 2019, the Group had trade and bills receivables of HK\$106,637,000, after making a provision of HK\$1,076,000. The Group applies the simplified approach to provide impairment for expected credit losses ("ECLs") under HKFRS 9, which permits the use of the lifetime ECLs for all trade and bills receivables. To measure the ECLs, trade and bills receivables are grouped based on shared credit risk characteristics and the days past due and the calculation of ECLs are based on the historical observable default rates and forward-looking information. The ECLs of trade and bills receivables were HK\$1,076,000 as at 31 December 2019.

於二零一九年十二月三十一日，貴集團作出撥備1,076,000港元後有貿易應收款項及應收票據106,637,000港元。貴集團採用簡化法，就香港財務報告準則第9號下的預期信貸虧損（「預期信貸虧損」）計提減值撥備，該條允許就所有貿易應收款項及應收票據使用全期預期虧損撥備。就計量預期信貸虧損，貿易應收款項及應收票據已根據共同信貸風險特徵及逾期日數分類，而預期信貸虧損乃基於過往可觀察的拖欠率及前瞻性資料計算。於二零一九年十二月三十一日的貿易應收款項及應收票據預期信貸虧損為1,076,000港元。

We focused on this area because it required a high level of management judgement and estimation and the amounts involved were material.

吾等關注該範疇乃由於其需要高水平的管理層判斷及估計，而涉及金額重大。

The Group's disclosures of the trade and bills receivables are included in notes 3 and 17 to the financial statements.

貴集團對貿易應收款項及應收票據的披露載於財務報表附註3及17。

關鍵審核事項(續)

How our audit addressed the key audit matters

吾等的審核如何處理關鍵審核事項

We assessed the Group's internal controls over the credit control of trade and bills receivables. We also reviewed management's assessment regarding the recoverability of the Group's trade and bills receivables by evaluating the assumptions and methodologies of the ECLs model, obtaining evidence which included background search and review of repayment history, checking the accuracy of ageing of trade and bills receivables and forward-looking information and recalculating ECLs. We also assessed the disclosures related to trade and bills receivables in the consolidated financial statements.

吾等評估貴集團對貿易應收款項及應收票據信貸控制的內部控制。吾等亦評估預期信貸虧損模型的假設及方法、獲取證據（包括背景調查及審閱還款記錄）、檢查貿易應收款項及應收票據賬齡及前瞻性資料的準確性及重新計算預期信貸虧損，藉以審閱管理層就貴集團貿易應收款項及應收票據的可收回性進行的評估。吾等亦評估綜合財務報表中涉及貿易應收款項及應收票據的披露。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (Continued)

Key audit matters

關鍵審核事項

Allowance for inventory obsolescence

陳舊存貨撥備

As at 31 December 2019, the Group had inventories of HK\$48,926,000, after making allowance for inventory obsolescence of HK\$340,000. Allowance for inventory obsolescence is based on management's judgement using the available facts and circumstances, including but not limited to, the inventories' own physical conditions, their market selling prices and estimated selling costs of the inventories.

於二零一九年十二月三十一日，貴集團作出陳舊存貨撥備340,000港元後有存貨48,926,000港元。陳舊存貨撥備乃基於管理層使用可得事實及情況(包括但不限於存貨本身的物理狀況、其市場售價及存貨的估計銷售成本)而作出的判斷。

We focused on this area as the inventories were material to the consolidated financial statements and the determination of allowance for inventory obsolescence involved significant management's judgement and estimation.

吾等關注該範疇乃由於存貨對綜合財務報表屬重大，且釐定陳舊存貨撥備涉及管理層的重大判斷及估計。

The Group's disclosures of the inventories are included in notes 3 and 16 to the financial statements.

貴集團對存貨的披露載於財務報表附註3及16。

關鍵審核事項(續)

How our audit addressed the key audit matters

吾等的審核如何處理關鍵審核事項

We attended management's inventory counts and observed the processes at material inventory locations, including observing the processes implemented by management to identify and monitor obsolete inventories. We evaluated the assessments made by management in respect of identification of inventory obsolescence by assessing inventory costing, ageing reports, and obsolete inventories on a sampling basis. We recalculated the allowance for inventory obsolescence in accordance with the Group's policy.

吾等出席管理層的存貨盤點並於主要存貨地點觀察有關程序，包括觀察管理層為識別及監察陳舊存貨所實施的程序。吾等抽樣評估存貨成本、賬齡報告及陳舊存貨，藉以評估管理層就識別陳舊存貨而作出的評估。吾等根據貴集團的政策重新計算陳舊存貨撥備。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises 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 THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

年報內的其他資料

貴公司董事須對其他資料承擔責任。其他資料包括年報中所包含的資料，但不包括綜合財務報表及吾等就此發出的核數師報告。

吾等對綜合財務報表作出的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，在此過程中考慮其他資料是否與綜合財務報表或吾等於審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料存在重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，以及落實董事認為所必需的有關內部監控，以確保有關綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(倘適用)。除非貴公司董事有意將貴集團清盤或停止營運，或別無其他實際的替代方案，否則董事須採用持續經營為會計基礎。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The directors of the Company are assisted by the Company's audit committee (the "Audit Committee") in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement 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 error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

董事就綜合財務報表須承擔的責任(續)

貴公司董事在 貴公司的審核委員會(「審核委員會」)協助下履行職責，監督 貴集團的財務報告流程。

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理核證整體上綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出包含吾等意見的核數師報告。吾等僅向 閣下(作為整體)報告，除此之外，本報告別無其他目的。吾等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。

合理核證屬高層次的核證，但不能保證根據香港核數準則進行的審核於某一重大錯誤陳述存在時總能發現。錯誤陳述可以由於欺詐或錯誤引起，倘個別或整體於合理預期情況下可影響使用者依據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港核數準則進行審核的過程中，吾等運用專業判斷，於整個審核過程中保持專業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯報風險，因應該等風險設計及執行審核程序，獲得充足及適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及串謀、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報風險高於未能發現由於錯誤而導致的重大錯報風險。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

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

核數師就審核綜合財務報表須承擔的責任(續)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 了解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對 貴集團的內部控制的有效性發表意見。
- 評估所用會計政策是否恰當，以及董事所作出的會計估算及相關披露是否合理。
- 總結董事採用持續經營會計基礎是否恰當，並根據已獲取的審核憑證，確定是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若吾等總結認為有重大不確定因素，吾等須於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則吾等應當發表非標準無保留意見。吾等的結論為基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況或會導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體呈列、架構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足、適當的審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行 貴集團的審核工作。吾等為審核意見承擔全部責任。

Independent Auditor's Report (Continued)

獨立核數師報告(續)

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Hui Kin Fai, Stephen.

Ernst & Young
Certified Public Accountants
Hong Kong
26 March 2020

核數師就審核綜合財務報表須承擔的責任(續)

吾等與審核委員會溝通計劃的審核範圍、時間安排、重大審核發現等，包括吾等在審核中識別出的內部控制的任何重大缺陷。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的相關道德要求，並與其溝通有可能合理地被認為會影響吾等獨立性的所有關係及其他事宜以及適用的相關保障措施。

從與審核委員會溝通的事項中，吾等確定該等對本期綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。吾等在核數師報告中描述此等事項，除非法律法規不允許公開披露此等事項，或在極端罕見的情況下，如果合理預期在吾等報告中談及某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中談及該事項。

出具本獨立核數師報告的審核項目合夥人為許建輝。

安永會計師事務所
執業會計師
香港
二零二零年三月二十六日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
REVENUE	收益	5	275,354	262,080
Cost of sales	銷售成本		(182,212)	(168,025)
Gross profit	毛利		93,142	94,055
Other income and gains, net	其他收入及收益淨額	5	2,374	1,827
Selling and distribution expenses	銷售及分銷開支		(28,838)	(24,308)
Administrative expenses	行政開支		(27,912)	(44,127)
Other expenses	其他開支		(1,878)	(7,641)
Finance costs	財務成本	7	(544)	–
PROFIT BEFORE TAX	除稅前溢利	6	36,344	19,806
Income tax expense	所得稅開支	10	(6,031)	(8,299)
PROFIT FOR THE YEAR	年度溢利		30,313	11,507
OTHER COMPREHENSIVE LOSS	其他全面虧損			
Exchange differences on translation of foreign operations	換算外國業務的匯兌差額		(537)	(3,061)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	年內其他全面虧損，扣除稅項		(537)	(3,061)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收益總額		29,776	8,446
Profit attributable to: Owners of the parent	以下各方應佔溢利： 母公司擁有人		30,313	11,507
Total comprehensive income attributable to: Owners of the parent	以下各方應佔全面 收益總額： 母公司擁有人		29,776	8,446
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人 應佔每股盈利			
Basic and diluted	基本及攤薄	12	HK7.63 cents 港仙	HK3.84 cents 港仙

Consolidated Statement of Financial Position

綜合財務狀況表

31 December 2019 二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	11,443	10,483
Right-of-use assets	使用權資產	14	6,809	–
Intangible assets	無形資產	15	869	–
Deferred tax assets	遞延稅項資產	23	2,063	2,240
Total non-current assets	非流動資產總值		21,184	12,723
CURRENT ASSETS	流動資產			
Inventories	存貨	16	48,926	43,270
Trade and bills receivables	貿易應收款項及應收票據	17	106,637	111,725
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	18	6,243	35,812
Cash and bank balances	現金及銀行結餘	19	177,127	52,916
Total current assets	流動資產總值		338,933	243,723
CURRENT LIABILITIES	流動負債			
Trade payables	貿易應付款項	20	7,247	13,886
Other payables and accruals	其他應付款項及應計費用	21	9,793	38,828
Contract liabilities	合約負債	22	7,430	13,497
Lease liabilities	租賃負債	14	4,907	–
Tax payable	應付稅項		7,086	4,921
Total current liabilities	流動負債總值		36,463	71,132
NET CURRENT ASSETS	流動資產淨值		302,470	172,591
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		323,654	185,314
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債	14	2,322	–
Total non-current liabilities	非流動負債總值		2,322	–
Net assets	資產淨值		321,332	185,314

Consolidated Statement of Financial Position (Continued)

綜合財務狀況表(續)

31 December 2019 二零一九年十二月三十一日

		Notes	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	24	4,000	4
Reserves	儲備	25	317,332	185,310
Total equity	權益總值		321,332	185,314

YEUNG Lun Ching
楊倫楨
Director
董事

WONG Kwan Lik
王群力
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the parent 母公司擁有人應佔						
		Share capital	Share premium*	Other reserve*	Statutory surplus reserve*	Exchange fluctuation reserve*	Retained profits*	Total equity
		股本	股份溢價*	其他儲備*	法定盈餘	匯率波動	保留溢利*	權益總值
		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
		(note 24)		(note 25)	(note 25)			
		(附註24)		(附註25)	(附註25)			
At 1 January 2018	於二零一八年一月一日	4	-	21,871	2,723	1,120	239,864	265,582
Profit for the year	年度溢利	-	-	-	-	-	11,507	11,507
Other comprehensive loss for the year:	年內其他全面虧損：							
Exchange differences on translation of foreign operations	換算外國業務的匯兌差額	-	-	-	-	(3,061)	-	(3,061)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	-	-	-	-	(3,061)	11,507	8,446
Transfer from retained profits	轉撥自保留溢利	-	-	-	957	-	(957)	-
Deemed distribution to the shareholders	視作分派予股東	-	-	(88,714)	-	-	-	(88,714)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	4	-	(66,843)	3,680	(1,941)	250,414	185,314
Profit for the year	年度溢利	-	-	-	-	-	30,313	30,313
Other comprehensive loss for the year:	年內其他全面虧損：							
Exchange differences on translation of foreign operations	換算外國業務的匯兌差額	-	-	-	-	(537)	-	(537)
Total comprehensive (loss)/income for the year	年內全面(虧損)/收益總額	-	-	-	-	(537)	30,313	29,776
Transfer from retained profits	轉撥自保留溢利	-	-	-	455	-	(455)	-
Capitalisation Issue (as defined in note 24(i))	資本化發行(定義見附註24(i))	2,996	(2,996)	-	-	-	-	-
New issue of shares from global offering	自全球發售的新發行股份	1,000	124,000	-	-	-	-	125,000
Share issue expenses	股份發行開支	-	(18,758)	-	-	-	-	(18,758)
At 31 December 2019	於二零一九年十二月三十一日	4,000	102,246	(66,843)	4,135	(2,478)	280,272	321,332

* These reserve accounts comprise the consolidated reserves of HK\$317,332,000 (2018: HK\$185,310,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備317,332,000港元(二零一八年: 185,310,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax:	除稅前溢利：	36,344	19,806
Adjustments for:	就以下各項作出調整：		
Finance costs	財務成本	7 544	–
Bank interest income	銀行利息收入	5 (741)	(87)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	6 10	468
Gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的金融資產之收益	5 –	(79)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6 2,976	2,602
Depreciation of right-of-use assets	使用權資產折舊	6 5,303	–
Amortisation of intangible assets	無形資產攤銷	6 167	–
Gain on remeasurement resulting from early-termination of right-of-use assets	因提前終止而重新計量使用權資產之收益	5 (11)	–
Reversal of inventory obsolescence	陳舊存貨撥回	6 (61)	(254)
Reversal of doubtful receivables, net	應收款項呆賬撥回淨額	5 (136)	(1,552)
		44,395	20,904
Increase in inventories	存貨增加	(7,978)	(15,306)
Decrease/(increase) in trade and bills receivables	貿易應收款項及應收票據減少／(增加)	3,623	(27,034)
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少／(增加)	10,661	(6,609)
Decrease in amount due from a related company	應收一間關聯公司款項減少	–	1,404
Decrease in amount due from the ultimate holding company	應收一間最終控股公司款項減少	–	4
Decrease in pledged deposits	已抵押存款減少	–	480
(Decrease)/increase in trade payables	貿易應付款項(減少)／增加	(4,351)	5,160
(Decrease)/increase in other payables and accruals	其他應付款項及應計費用(減少)／增加	(3,399)	26,707
(Decrease)/increase in contract liabilities	合約負債(減少)／增加	(5,983)	7,987
Cash generated from operations	營運所產生現金	36,968	13,697
Interest received	已收利息	741	87
Interest paid	已付利息	(544)	–
Income taxes paid	已付所得稅	(3,601)	(9,318)
Net cash flows from operating activities	經營活動所得現金流量淨額	33,564	4,466

Consolidated Statement of Cash Flows (Continued)

綜合現金流量表(續)

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(2,300)	(226)
Purchases of financial assets at fair value through profit or loss		—	(11,810)
Proceeds from disposal of financial assets at fair value through profit or loss		—	27,003
Additions of intangible assets		(1,048)	—
Receipt of returns on financial assets at fair value through profit or loss	5	—	79
Settlement of directors' balances		—	36,786
Advances to directors		—	(4,966)
Net cash flows (used in)/from investing activities		(3,348)	46,866
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		125,000	—
Share issue expenses		(25,511)	—
Principal portion of lease payments		(4,871)	—
Listing expenses paid — equity portion	26	(9)	(17,905)
Cash paid arising from the Reorganisation (as defined in note 1)		—	(19,371)
Net cash flows from/(used in) financing activities		94,609	(37,276)
NET INCREASE IN CASH AND CASH EQUIVALENTS		124,825	14,056
Cash and cash equivalents at beginning of year		52,916	40,621
Effect of foreign exchange rate changes, net		(614)	(1,761)
CASH AND CASH EQUIVALENTS AT END OF YEAR		177,127	52,916
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	177,127	52,916

Notes to Financial Statements

財務報表附註

31 December 2019 二零一九年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

Peiport Holdings Ltd. (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as consolidated and revised) of the Cayman Islands on 19 December 2017. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 11 January 2019 (the “Listing Date”).

The Company is an investment holding company. During the year, the Company and its subsidiaries (collectively the “Group”) were principally engaged in the provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products and services.

In the opinion of the directors, the ultimate holding company of the Group is Peiport Alpha Ltd., which was incorporated in the British Virgin Islands (“BVI”) with limited liability and is controlled by Mr. YEUNG Lun Ching (“Mr. YEUNG”) and Ms. WONG Kwan Lik (“Ms. WONG”).

Pursuant to the reorganisation of the Company in connection with the listing of the shares of the Company on the Stock Exchange (the “Reorganisation”), the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the section headed “History, Reorganisation and Corporate Structure” in the prospectus of the Company dated 31 December 2018 (the “Prospectus”).

1. 公司及集團資料

彼岸控股有限公司(「本公司」)於二零一七年十二月十九日根據開曼群島公司法(經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司股份於二零一九年一月十一日(「上市日期」)在香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一間投資控股公司。年內本公司及其附屬公司(統稱「本集團」)主要從事提供(i)熱成像產品及服務；(ii)自穩定成像產品及服務；及(iii)通用航空產品及服務。

董事認為，本集團的最終控股公司為彼岸阿爾法有限公司，其為一間於英屬維爾京群島(「英屬維爾京群島」)註冊成立的有限公司，並受楊倫楨先生(「楊先生」)及王群力女士(「王女士」)控制。

根據本公司就本公司股份於聯交所上市而進行的重組(「重組」)，本公司成為本集團現時旗下公司的控股公司。重組的詳情載於本公司日期為二零一八年十二月三十一日的招股章程(「招股章程」)中「歷史、重組及企業架構」一節。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

Name 名稱	Place and date of incorporation/ registration and place of operations 成立/註冊地點及 日期以及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Peiport Bravo Ltd. 彼岸進取有限公司	BVI 20 December 2017 英屬維爾京群島 二零一七年十二月二十日	HK\$1 1港元	100	-	Investment holding 投資控股
Peiport Creative Ltd. 彼岸創新有限公司	BVI 20 December 2017 英屬維爾京群島 二零一七年十二月二十日	HK\$1 1港元	100	-	Investment holding 投資控股
Peiport Scientific Aero Limited 彼岸科航有限公司	Hong Kong 18 December 2017 香港 二零一七年十二月十八日	HK\$1 1港元	-	100	Provision of (i) thermal imaging products and services and (ii) self-stabilised imaging products and services 提供(i)熱成像產品及服務及(ii)自穩定成像產品及服務
Peiport Industries Limited 彼岸實業有限公司	Hong Kong 1 March 2006 香港 二零零六年三月一日	HK\$2,000,000 2,000,000港元	-	100	Provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products 提供(i)熱成像產品及服務；(ii)自穩定成像產品及服務；及(iii)通用航空產品

1. 公司及集團資料(續)

附屬公司資料

本公司附屬公司的詳情如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued)

1. 公司及集團資料(續)

Information about subsidiaries (Continued)

附屬公司資料(續)

Name 名稱	Place and date of incorporation/ registration/ and place of operations 成立/註冊地點及 日期以及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
DNL Optoelec Systems Limited 識卓光電系統有限公司	Hong Kong 11 August 2000 香港 二零二零年八月十一日	HK\$1,000,000 1,000,000港元	-	100	Provision of thermal imaging products and services 提供熱成像產品及服務
Peiport (Shanghai) Optoelectronics Technology Limited ^(a) 彼岸(上海)光電科技有限公司 ^(a)	People's Republic of China (the "PRC"/ "Mainland China") 9 November 2011 中華人民共和國 (「中國」/「中國內地」) 二零一一年十一月九日	Renminbi ("RMB") 10,180,000 人民幣(「人民幣」) 10,180,000元	-	100	Provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products 提供(i)熱成像產品及服務； (ii)自穩定成像產品及服務； 及(iii)通用航空產品
Guangzhou Peiport Sijing Optoelectronics System Limited ^(b) 廣州彼岸思精光電系統有限公司 ^(b)	PRC/Mainland China 19 November 2003 中國/中國內地 二零零三年十一月十九日	RMB20,000,000 人民幣 20,000,000元	-	100	Provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products 提供(i)熱成像產品及服務； (ii)自穩定成像產品及服務； 及(iii)通用航空產品

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued)

1. 公司及集團資料(續)

Information about subsidiaries (Continued)

附屬公司資料(續)

Name 名稱	Place and date of incorporation/ registration and place of operations 成立/註冊地點及 日期以及經營地點	Nominal value of issued ordinary/ registered share capital 已發行普通股/ 註冊股本面值	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Beijing Peiport Jingdu Technology Limited ^(a)	PRC/Mainland China 26 March 2001	RMB5,100,000	–	100	Provision of (i) thermal imaging products and services; (ii) self-stabilised imaging products and services; and (iii) general aviation products
北京彼岸京都科技有限公司 ^(a)	中國/中國內地 二零零一年三月二十六日	人民幣 5,100,000元			提供(i)熱成像產品及服務; (ii)自穩定成像產品及服務; 及(iii)通用航空產品
Peiport (Zhuhai) Air Equipment Manufacturing Limited ^(a)	PRC/Mainland China 2 January 2004	United States dollars ("US\$") 250,000	–	100	Provision of general aviation products and services
彼岸(珠海)航空器材製造有限公司 ^(a)	中國/中國內地 二零零四年一月二日	250,000美元 (「美元」)			提供通用航空產品及服務

(a) Registered as wholly-foreign-owned enterprises under the PRC law

(a) 根據中國法律註冊為外商獨資企業

(b) Registered as limited liability companies under the PRC law

(b) 根據中國法律註冊為有限公司

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention. The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

Pursuant to the Reorganisation as set out in the section headed “History, Reorganisation and Corporate Structure” in the Prospectus, the Company became the holding company of its subsidiaries now comprising the Group. The consolidated financial statements of the Group have been prepared as if the Group had always been in existence throughout both years presented; or since the respective dates of incorporation or establishment of the group companies, rather than from the date when the Company became the holding company pursuant to the Reorganisation.

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

2.1 編製基準

財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例的披露規定而編製。其乃按歷史成本慣例編製。財務報表以港元(「港元」)呈列，且所有價值均約整至最接近的千位，惟另有說明者除外。

綜合入賬基準

根據招股章程「歷史、重組及公司架構」一節所載的集團重組，本公司成為本集團現時旗下附屬公司的控股公司。本集團綜合財務報表乃假設本集團於呈列的兩個年度或自集團公司各自的註冊成立或成立日期起一直存在而編製，而非假設自本公司根據重組成為控股公司的日期起存在而編製。

附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力(即本集團獲賦予現有能以主導投資對象相關活動的既存權利)影響該等回報時，即取得控制權。

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利的權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準(續)

綜合入賬基準(續)

- (a) 與投資對象的其他投票權持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的財務報表使用與本公司一致的會計政策按同一報告期間編製。附屬公司的業績由本集團取得控制權當日起計入綜合賬目，並持續計入綜合賬目至該控制權終止當日為止。

損益及其他全面收益的各個組成部份歸屬於本集團母公司的擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。所有有關本集團各成員公司間的交易集團內部公司間資產及負債、權益、收入、開支及現金流量會於綜合賬目時全數抵銷。

倘事實及情況顯示上文所述三項控制因素之一項或多項出現變化，本集團會重新評估其是否控制投資對象。於一間附屬公司的擁有權權益變動，惟並無失去控制權，則以權益交易入賬。

倘本集團失去附屬公司的控制權，則會終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計匯兌差額；並確認(i)已收代價的公平值；(ii)任何保留投資的公平值；及(iii)所產生並於損益確認的任何盈餘或虧絀。先前已於其他全面收益確認的本集團應佔組成部分乃重新分類至損益或保留溢利(倘適用)，基準與本集團直接出售相關資產或負債所需使用的基準相同。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements to HKFRSs 2015–2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

Other than as further explained below regarding the impact of HKFRS 16 *Leases*, the adoption of the above new and revised HKFRSs do not have material impact on the consolidated financial statements of the Group.

HKFRS 16 *Leases*

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17.

HKFRS 16 did not have any significant impact on leases where the Group is the lessor.

2.2 會計政策及披露事項變動

本集團已於本年度的財務報表首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第9號的修訂本	具有反向補償的提前還款特徵
香港財務報告準則第16號	租賃
香港會計準則第19號的修訂本	計劃修正、縮減或清償
香港會計準則第28號的修訂本	於聯營企業及合營企業中的長期權益
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性
二零一五年至二零一七年期年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂本

除下文對香港財務報告準則第16號租賃的影響作進一步解釋外，採納上述新訂及經修訂香港財務報告準則對綜合財務報表並無重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定安排是否包括租賃、香港(常務詮釋委員會)–詮釋第15號經營租賃—優惠及香港(常務詮釋委員會)–詮釋第27號評估涉及租賃法律形式的交易內容。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人在單一資產負債表模型下計值所有租賃，以確認及計量使用權資產及租賃負債，惟若干確認豁免除外。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人繼續使用與香港會計準則第17號相若的原則將所有租賃分類為經營租賃或融資租賃。

香港財務報告準則第16號對本集團為出租人的租賃並無重大影響。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

HKFRS 16 Leases (Continued)

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretations.

New definition of a lease

Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

2.2 會計政策及披露事項變動(續)

香港財務報告準則第16號租賃(續)

本集團採用經修訂追溯法採納香港財務報告準則第16號，於二零一九年一月一日首次應用。根據該方法，本集團已追溯應用該準則，並將首次採納的累計影響確認為對於二零一九年一月一日之保留溢利期初結餘的調整，且概不會重列二零一八年的比較資料，並繼續根據香港會計準則第17號及相關詮釋進行匯報。

租賃之新定義

根據香港財務報告準則第16號，倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。當客戶有權從使用可識別資產獲得絕大部分經濟利益以及擁有指示使用可識別資產的權利時，即有控制權。本集團選擇應用過渡性的實際權宜辦法以允許該準則僅適用於先前於首次應用日期已根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號確定為租賃之合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號未確定為租賃的合約不會重新評估。因此，香港財務報告準則第16號項下的租賃定義僅適用於在二零一九年一月一日或之後訂立或變更的合約。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

2.2 會計政策及披露事項變動(續)

HKFRS 16 Leases (Continued)

香港財務報告準則第16號租賃(續)

As a lessee — Leases previously classified as operating leases

作為承租人 — 以前分類為經營租賃的租賃

Nature of the effect of adoption of HKFRS 16

採納香港財務報告準則第16號之影響性質

The Group has lease contracts for several warehouses, system integration and service centres, office properties (collectively the “Office Properties”) and a car parking space. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less (“short-term leases”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

本集團擁有多個倉庫、系統整合以及服務中心、辦公室物業(統稱為「辦公室物業」)及一個停車位的租賃合約。作為承租人，本集團先前根據租賃是否將資產所有權的絕大部分回報及風險轉移至本集團的評估，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團採用單一方法確認及計量所有租賃的使用權資產及租賃負債，惟低價值資產租賃(按個別租賃基準選擇)及租賃期為12個月或更短的租賃(「短期租賃」)(按相關資產類別選擇)的兩項選擇性豁免除外。自二零一九年一月一日起，本集團經營租賃的租金支出未按直線法在租賃期內確認，而是以確認使用權資產折舊(及減值，如有)以及未償租賃負債的應計利息(作為財務成本)所取代。

Impacts on transition

過渡的影響

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The right-of-use assets were measured at the amount of the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the consolidated statement of financial position immediately before 1 January 2019.

於二零一九年一月一日之租賃負債按剩餘租賃付款的現值，使用二零一九年一月一日的增量借貸利率貼現後予以確認。使用權資產根據租賃負債金額計量，並就與緊接二零一九年一月一日前於綜合財務狀況表確認的租賃相關的任預付或應計租賃付款金額作出調整。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

HKFRS 16 Leases (Continued)

As a lessee — Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the consolidated statement of financial position.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Using a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relying on its assessment of whether leases are onerous immediately before the date of initial application
- Applying the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluding the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease

2.2 會計政策及披露事項變動(續)

香港財務報告準則第16號租賃(續)

作為承租人 — 以前分類為經營租賃的租賃(續)

過渡的影響(續)

所有該等資產於該日均已根據香港會計準則第36號進行減值評估。本集團選擇於綜合財務狀況表中單獨列示使用權資產。

於二零一九年一月一日採用香港財務報告準則第16號時，本集團已使用以下選擇性實際權宜辦法：

- 對具有相似特徵的租賃組合採用單一貼現率
- 依賴其在首次應用日期之前對租賃是否有虧損性之評估
- 對租賃期於首次應用日期起十二個月內終止的租賃應用短期租賃確認豁免
- 於首次應用日期剔除初始直接成本，以計量使用權資產
- 倘合約包含延期或終止租賃的選擇權，則使用事後方式釐定租賃年期

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

2.2 會計政策及披露事項變動(續)

HKFRS 16 Leases (Continued)

香港財務報告準則第16號租賃(續)

Financial impact at 1 January 2019

於二零一九年一月一日的財務影響

The impact arising from the adoption of HKFRS 16 as at 1 January 2019 was as follows:

於二零一九年一月一日採納香港財務報告準則第16號所產生的影響如下：

		HK\$'000 千港元
Assets	資產	
Increase in right-of-use assets	使用權資產增加	11,278
Increase in total assets	資產總值增加	11,278
Liabilities	負債	
Increase in lease liabilities	租賃負債增加	11,278
Increase in total liabilities	負債總值增加	11,278

The lease liabilities as at 1 January 2019 reconciled to the operating lease commitments as at 31 December 2018 are as follows:

於二零一九年一月一日的租賃負債與於二零一八年十二月三十一日的經營租賃承擔對賬如下：

		HK\$'000 千港元
Operating lease commitments as at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	9,970
Weighted average incremental borrowing rate as at 1 January 2019	於二零一九年一月一日的加權平均增量借貸利率	4.97%
Discounted operating lease commitments as at 1 January 2019	於二零一九年一月一日的貼現經營租賃承擔	9,242
Add: Payments for optional extension periods not recognised as at 31 December 2018	加： 於二零一八年十二月三十一日未確認的可延期付款	2,036
Lease liabilities as at 1 January 2019	於二零一九年一月一日的租賃負債	11,278

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRSS

The Group has not applied the following new and revised HKFRSSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
HKFRS 17	<i>Insurance Contracts</i> ²
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for annual periods beginning on or after 1 January 2021

³ No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and revised HKFRSSs upon initial application. So far, the Group considers that these new and revised HKFRSSs may result in changes in accounting policies but are unlikely to have a significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於此等財務報表應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第3號的修訂本	業務的定義 ¹
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號的修訂本	利率基準改革 ¹
香港財務報告準則第10號及香港會計準則第28號(二零一一年)的修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港財務報告準則第17號	保險合約 ²
香港會計準則第1號及香港會計準則第8號的修訂本	重大的定義 ¹

¹ 於二零二零年一月一日或之後開始的年度期間生效

² 於二零二一年一月一日或之後開始的年度期間生效

³ 強制生效日期尚未釐定但可供採納

本集團正評估該等新訂及經修訂的香港財務報告準則的影響。到目前為止，本集團認為該等新訂及經修訂的香港財務報告準則可能會導致會計政策的變化，惟不大可能對本集團的財務報表造成重大的影響。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.4 主要會計政策概要

Fair value measurement

The Group measures its available-for-sale investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

公平值計量

本集團於各報告期末按公平值計量其可供出售投資。公平值為市場參與者於計量日期在有序交易中出售資產所收取價格或轉讓負債所支付價格。公平值計量已假設出售資產或轉讓負債之交易於資產或負債主要市場或(在無主要市場情況下)資產或負債最具優勢市場進行。主要或最具優勢市場須為本集團可進入之市場。資產或負債之公平值乃按假設市場參與者於資產或負債定價時會以其最佳經濟利益行事計量。

非金融資產之公平值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途之其他市場參與者所產生經濟效益。

本集團採納適用於不同情況且具備充分數據以供計量公平值之估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要(續)

公平值計量(續)

公平值於財務報表計量或披露之所有資產及負債乃基於對公平值計量整體而言屬重大之最低層輸入數據按以下公平值等級分類：

- 第一級 — 基於相同資產或負債於活躍市場之報價(未經調整)
- 第二級 — 基於對公平值計量而言屬重大之可觀察(直接或間接)最低層輸入數據之估值方法
- 第三級 — 基於對公平值計量而言屬重大之不可觀察最低層輸入數據之估值方法

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平值計量整體而言屬重大之最低層輸入數據)確定是否發生不同等級轉移。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

非金融資產減值

倘存在減值跡象，或須每年對資產(存貨及金融資產除外)作減值測試時，資產之可收回金額會予以估計。資產之可收回金額乃資產或現金產生單位之使用價值，以及其公平值減出售成本較高者，並就個別資產釐定，除非資產並不產生很大程度上獨立於其他資產或資產組別之現金流入，在此情況下，可收回金額按資產所屬之現金產生單位釐定。

減值虧損僅於資產之賬面值超過其可收回金額時確認。評估使用價值時，估計日後現金流量按能反映當時市場對貨幣時值之評估及該項資產特定風險之除稅前貼現率貼現為現值。減值虧損於其產生期間在損益內與已減值資產功能相符的開支類別下扣除。

於各報告期末，將評估是否有跡象顯示先前確認之減值虧損或不再存在或可能已減少。倘存在該跡象，則會估計可收回金額。倘用以釐定資產之可收回金額之估計出現變動，先前確認之資產(商譽除外)減值虧損方可撥回，惟該數額不得超過有關資產於過往年度並未有確認減值虧損而予以釐定之賬面值(扣除任何折舊/攤銷)。該減值虧損之撥回於其產生期間計入損益。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Related parties

關聯方

A party is considered to be related to the Group if:

一方將被視為與本集團有關聯，條件為：

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

- (a) 該方為某一人士或該人士家屬及該人士之直系親屬且該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理人員；

or

或

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

- (b) 倘該方為符合以下任何條件之實體：
 - (i) 該實體及本集團為同一集團成員；
 - (ii) 一家實體為另一家實體(或另一家實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 實體及本集團為同一第三方之合營企業；
 - (iv) 一家實體為第三方實體之合營企業，而另一家實體為第三方實體之聯營公司；
 - (v) 實體為本集團或與本集團有關聯之實體為其僱員福利而設立之退休福利計劃；及為退休福利計劃提供資助之僱主亦與該實體有關聯；

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Related parties (Continued)

(b) (Continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

關聯方(續)

(b) (續)

- (vi) 實體受(a)項所述之人士控制或共同控制；
- (vii) (a)(i)項所述之人士對實體擁有重大影響力或為實體(或其母公司)之主要管理人員；及
- (viii) 實體或所屬集團旗下任何成員公司向本集團或本集團母公司提供主要管理人員服務。

物業、廠房及設備與折舊

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目成本包括購買價及使資產達至營運狀況及地點以作擬定用途產生之任何直接應佔成本。

物業、廠房及設備項目投入運作後產生之開支，如維修及保養費，一般於產生期間在損益中扣除。倘符合確認標準，主要檢查開支於資產賬面值中資本化為重置成本。如須不時更換物業、廠房及設備的重要部分，則本集團將該等部分確認為具有特定使用年期的個別資產，並按各自使用年期折舊。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Land and buildings	5%
Leasehold improvements	Over the shorter of the lease terms or 20%
Furniture, fixtures and office equipment	20% to 33 $\frac{1}{3}$ %
Plant and machinery	20% to 33 $\frac{1}{3}$ %
Equipment for rental purpose	20%
Motor vehicles	33 $\frac{1}{3}$ %

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 主要會計政策概要(續)

物業、廠房及設備與折舊(續)

折舊以直線法按每項物業、廠房及設備項目之估計使用年期撇銷成本至剩餘價值計算。為此而採用之主要年率如下：

土地及樓宇	5%
租賃物業裝修	按租賃期或20%之較短者
傢俬、裝置及辦公室設備	20% to 33 $\frac{1}{3}$ %
廠房及機械	20% to 33 $\frac{1}{3}$ %
用作租賃之設備	20%
汽車	33 $\frac{1}{3}$ %

倘物業、廠房及設備項目各部分使用年期不同，則該項目的成本按合理基準於各部分之間分配，而各部分分別折舊。本集團至少於各財政年度末檢討剩餘價值、使用年期及折舊方法，並予以調整(如適用)。

物業、廠房及設備項目(包括初步確認之任何重大部分)於出售時或當預期使用或出售不再產生日後經濟利益，則終止確認。在資產終止確認年度於損益確認之出售或報廢的任何收益或虧損為出售所得款項淨額與有關資產賬面值之間的差額。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Leases (applicable from 1 January 2019)

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

無形資產(商譽除外)

單獨取得的無形資產於初始確認時以成本計量。無形資產的使用年限估計為有限或不確定。具有使用年限的無形資產隨後在可使用的經濟年限內攤銷，並於有跡象表明無形資產可能發生減值時評估減值虧損。使用年限有限的無形資產的攤銷期限及攤銷方法至少於每個財政年度末進行評估。

租賃(自二零一九年一月一日起適用)

本集團在合約開始時評估合約是否為租賃或包含租賃。倘合約已傳達於一段時間內控制已識別資產使用的權利以換取代價，則該合約為租賃或包含租賃。

本集團作為承租人

本集團對所有租賃採用單一確認和計量方法，短期租賃及低價值資產租賃除外。本集團確認用於支付租金的租賃負債及代表相關資產使用權的使用權資產。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Office Properties and a car parking space	1 to 4 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要(續)

租賃(自二零一九年一月一日起適用)(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產在租賃開始日(即基礎資產可供使用之日)確認。使用權資產按成本減去任何累計折舊及任何減值虧損後的金額進行計量,並根據租賃負債的任何重新計量進行調整。使用權資產的成本包括已確認的租賃負債金額,已發生的初始直接成本以及在開始日期或之前支付的租賃付款額減已收到的任何租賃激勵措施。使用權資產按租賃期和資產的估計使用壽命中的較短者按直線法計提折舊:

辦公室物業及一個車位	一年至四年
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倘租賃資產的所有權於租賃期結束時轉移至本集團,或者成本已反映購買期權的行使,則折舊使用資產的估計使用年限計算的。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Leases (applicable from 1 January 2019) (Continued)

租賃(自二零一九年一月一日起適用) (續)

Group as a lessee (Continued)

本集團作為承租人(續)

(b) Lease liabilities

(b) 租賃負債

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

租賃負債租賃開始日以租賃期內應支付的租賃付款額的現值確認。租賃付款包括固定付款(包括實質固定付款)減去任何應收的租賃激勵措施,取決於指數或利率的可變租賃付款,以及預期根據殘值擔保支付的金額。租賃付款還包括本集團合理確定將行使的購股權的行使價及終止租賃的罰款,前提乃是租賃期限反映本集團正在行使終止期權的情況。不依賴於指數或利率的可變租賃付款在觸發付款的事件或條件發生的期間內確認為費用。

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

在計算租賃付款的現值時,本集團在租賃開始日使用增量借款利率,由於租賃中隱含的利率難以確定。在開始日期之後,增加租賃負債的金額以反映利息的增加,並減少所支付的租賃付款額。此外,倘發生變更,租賃期限發生變化,租賃付款額發生變化(例如,因指數或利率變化而導致的未來租賃付款額發生變化)或發生變化,則重新計量租賃負債的賬面值。購買基礎資產的期權評估價值的變化。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019) (Continued)

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, are accounted for as finance leases.

2.4 主要會計政策概要(續)

租賃(自二零一九年一月一日起適用)(續)

本集團作為出租人

當本集團作為出租人時，在租賃開始時(或發生租賃變更時)將其每個租賃分類為經營租賃或融資租賃。

本集團實質上不轉移與資產所有權有關的全部風險及報酬的租賃分類為經營租賃。當合約包含租賃及非租賃組成部分時，本集團以相對獨立的銷售價格為基礎將合約中的代價分配予每個組成部分。租金收入在租賃期內按直線法入賬，由於其經營性質，計入當期損益。協商及安排經營租賃所發生的初始直接費用獲增加至租賃資產的賬面值中，並在租賃期內以與租金收入相同的基礎確認。

實質上將與基礎資產所有權有關的所有風險及報酬轉移予承租人的租賃，均列為融資租賃。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Leases (applicable before 1 January 2019)

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

租賃(適用於二零一九年一月一日前)

實質上將所有所有權收益及風險轉移予本集團(不包括法定所有權)的租賃,均計入融資租賃。融資租賃初納時,租賃資產的成本以最低租賃付款額的現值資本化,並與債務(利息部分除外)同時反映,以反映購買及融資。資本化融資租賃持有的資產,包括融資租賃下的預付土地租賃款,計入物業、廠房及設備,並按較短的租賃期及資產的估計使用年限折舊。此類租賃的財務成本於損益表中扣除,以便於租賃期內提供穩定的定期費用率。

通過融資性質的租購合約獲得的資產計入融資租賃,惟於其估計使用年限內計提折舊。

資產擁有權之絕大部分回報與風險仍歸於出租人之租賃列作經營租賃。倘本集團為出租人,本集團根據經營租賃租賃的資產計入非流動資產以及經營租賃項下應收的租金在租賃期內按直線法計入當期損益。倘本集團為承租人,則經營租賃之應付租金(扣除任何收自出租人的補償)按照租期以直線法在損益表中扣除。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade and bills receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 主要會計政策概要(續)

投資及其他金融資產

首次確認及計量

金融資產於初步確認時分類為隨後按攤銷成本計量、按公平值計量且其變動計入其他全面收益及按公平值計量且其變動計入損益。

金融資產於初步確認時的分類視乎金融資產合約現金流量的特徵及本集團管理該等資產的業務模式。除並無重大融資成分或本集團並未就此應用不調整重大融資成分影響實際權宜方法的貿易應收款項及應收票據外，本集團初步按其公平值加(倘並非按公平值計量且其變動計入損益的金融資產)交易成本計量金融資產。如下文「收益確認」所載政策，並無重大融資成分或本集團並未就此應用實際權宜方法的貿易應收款項及應收票據按香港財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或按公平值計量且其變動計入其他全面收益分類及計量，需產生僅為支付本金及未償還本金利息(「SPPI」)的現金流量。現金流量非SPPI的金融資產獲分類及以公允價值計量且其變動計入當期損益，而與業務模式無關。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Investments and other financial assets (Continued)

投資及其他金融資產(續)

Initial recognition and measurement (Continued)

首次確認及計量(續)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

本集團管理金融資產的業務模式指為產生現金流量管理金融資產的方式。業務模式釐定現金流量會否來自收取合約現金流量、出售金融資產或以上兩者。以攤餘成本分類及計量的金融資產獲保存於一種商業模型中，其目的乃是持有金融資產以收集合約現金流量，而以公平值計量且其變動計入其他綜合收益的金融資產則以一種商業模式持有，其目的是持有以收取合同現金流量和出售資產。不屬於上述業務模式的金融資產，按照公平值計量且其變動計入當期損益。

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

所有定期買賣的金融資產概於交易日(即本集團承諾購買或出售該資產的日期)確認。定期買賣是指於市場規定或慣例一般規定的期間內須交付資產的金融資產買賣。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

後續計量

金融資產的後續計量取決於其分類，載列如下：

按攤銷成本列賬的金融資產(債務工具)

按攤銷成本列賬的金融資產隨後使用實際利率法計量，並可予減值。收益及虧損於資產終止確認、修改或減值時於損益表中確認。

按公平值計入損益的金融資產

按公平值計入損益的金融資產乃於財務狀況表按公平值列賬，而公平值變動淨額則於損益表確認。

終止確認金融資產

金融資產(或(如適用)一項金融資產的一部分或一組類似金融資產的一部分)主要在下列情況下被終止確認(即自本集團綜合財務狀況表中移除)：

- 收取該項資產所得現金流量的權利已屆滿；或
- 本集團已轉讓其收取該項資產所得現金流量的權利，或已根據一項「轉付」安排，在並無嚴重延遲的情況下，負責向第三方全數支付所收取現金流量，以及(a)本集團已轉讓該項資產的絕大部分風險及回報；或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報，但已轉讓該項資產的控制權。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

終止確認金融資產(續)

當本集團已轉讓其收取該項資產所得現金流量的權利或已訂立一項轉付安排，則其將評估其是否保留擁有該項資產的風險及回報，或其保留該等風險及回報的程度。倘其並無轉讓或保留該項資產的絕大部分風險及回報，且並無轉讓該項資產的控制權，本集團繼續按本集團的持續參與程度確認該轉讓資產。在此情況下，本集團亦確認相關負債。已轉讓的資產及相關負債按反映本集團已保留的權利及責任的基準計量。

持續參與指就已轉讓資產作出的保證，並按該項資產的原賬面值與本集團或須償還的代價數額上限之較低者計算。

金融資產減值

本集團就所有並非按公平值計入損益持有的債務工具確認預期信貸虧損(「預期信貸虧損」)撥備。預期信貸虧損乃以根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額為基準，按原有實際利率相近的差額貼現。預期現金流量將包括來自銷售所持有抵押品或其他信用增級的現金流量，此乃合約條款不可或缺的部分。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

The Group considers a financial asset in default when contractual payments are 1 year past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要(續)

金融資產減值(續)

一般方法

預期信貸虧損於兩個階段進行確認。對於自初步確認後並無顯著增加的信貸風險，預期信貸虧損就可能於未來12個月內(12個月預期信貸虧損)出現的違約事件計提撥備。對於自初步確認後有顯著增加的信貸風險，須在信貸虧損風險預期的剩餘年期計提虧損撥備，不論違約事件於何時發生(全期預期信貸虧損)。

於各報告日期，本集團於評估自初始確認後金融工具的信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較，本集團會考慮合理且可支持的資料，包括無需付出不必要的成本或努力而可得之歷史及前瞻性資料。

本集團將合約付款逾期1年的金融資產視作違約。然而，於若干情況下，當內部或外部資料顯示本集團不可能在本集團採取任何信貸提升安排前悉數收回未償還合約金額時，本集團亦可能認為該金融資產違約。當無合理預期可收回合約現金流量時，金融資產將被撇銷。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Impairment of financial assets (Continued)

金融資產減值(續)

General approach (Continued)

一般方法(續)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables which apply the simplified approach as detailed below.

按攤銷成本計量的金融資產，在一般方法下可能會發生減值，並且除了採用簡化方法的貿易應收款項及應收票據(以下詳述)外，它們在以下階段分類用於預期信貸虧損計量。

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

第一階段 — 金融工具自初始確認以來信貸風險未顯著增加，且其虧損撥備相等於12個月預期信貸虧損

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

第二階段 — 金融工具自初始確認後信貸風險顯著增加，但並非信貸減值金融資產且其虧損撥備相等於全期預期信貸虧損

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

第三階段 — 於報告日期信貸減值的金融資產(但不是購買或原始信貸減值)，其虧損撥備相等於全期預期信貸虧損

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, financial liabilities included in other payables and accruals and lease liabilities.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

2.4 主要會計政策概要(續)

金融資產減值(續)

簡化方法

對於不包含重大融資成分的貿易應收款項及應收票據，或本集團採用實際權宜之計，不會就重大融資成分的影響調整時，本集團採用簡化方法進行預期信貸虧損計量。根據簡化方法，本集團不會追蹤信貸風險的變化，而是於各報告日期進行全期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並根據債務人及經濟環境的前瞻性因素作出調整。

金融負債

首次確認及計量

金融負債於首次確認時分類為應付款項。

所有金融負債首次按公平值確認，而就貸款及借款及應付款項而言則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付款項、其他應付款項及應計費用所包括的金融負債及租賃負債。

後續計量

金融負債的後續計量取決於其分類，載列如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Financial liabilities (Continued)

金融負債(續)

Financial liabilities at amortised cost

按攤銷成本列賬的金融負債

After initial recognition, trade payables, financial liabilities included in other payables and accruals and lease liabilities are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

於首次確認後，貿易應付款項、其他應付款項及應計費用所包括的金融負債及租賃負債其後以實際利率法按攤銷成本計量，但若折現的影響並不重大，於此情況下，則按成本列賬。損益會於負債終止確認時透過實際利率攤銷程序於損益表確認。

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

攤銷成本經計及任何購買折扣或溢價及組成實際利率整體部分的費用或成本計算得出。實際利率攤銷計入損益表中的財務成本內。

Derecognition of financial liabilities

終止確認金融負債

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

當負債的責任被解除或取消或屆滿，金融負債將被終止確認。

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

如現有金融負債由條款有重大差異的相同放款人負債所取代，或現有負債的條款有重大修訂，此類交換或修訂將被視為取消確認原負債及確認新負債處理，有關賬面值的差額於損益表確認。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the special identification basis and, in the case of semi-finished products and finished products, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 主要會計政策概要(續)

存貨

存貨按成本與可變現淨值之較低者列賬。成本按特定的識別基準釐定及就半成品及成品而言包括直接材料、直接勞工及合適比例的雜項開支。可變現淨值按估計售價減任何於完成及出售時所產生之估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物為手頭現金及活期存款，以及可隨時兌換為已知數額現金、無重大價值變動風險及通常購入後三個月內到期之短期及高流動性投資，扣除須按要求償還且構成本集團現金管理不可或缺部分之銀行透支。

就綜合財務狀況表而言，現金及現金等價物為手頭現金及銀行存款，包括用途不受限制之定期存款以及性質與現金相似之資產。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

撥備

倘由於過去的事件而產生當前的義務(法律上或建設性上)，並且大有可能需要未來的資源流出以清償該義務，則可以確認撥備金額，前提乃是可以對該義務金額進行可靠的估計。

倘折現的影響重大，則撥備確認的金額為預計需要清償債務的未來支出在報告期末的現值。隨著時間的推移，折現現值金額的增加計入損益表中的財務成本。

所得稅

所得稅包括即期及遞延稅項。有關在損益以外確認的項目的所得稅乃在損益以外於其他全面收益或直接於權益內確認。

即期稅項資產及負債按預期自稅務機關退回或向稅務機關支付的金額，並根據於報告期間結束時已頒佈或實際頒佈的稅率(及稅法)計量，並經考慮本集團經營所在國家現行的詮釋及常規。

遞延稅項使用負債法，就於報告期間末資產及負債的稅基與其作財務申報用途的賬面值之間的所有暫時差額計提撥備。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 主要會計政策概要(續)

所得稅(續)

遞延稅項負債乃就所有應課稅暫時差額而確認，惟下列情況除外：

- 遞延稅項負債乃因首次確認交易(並非業務合併)的商譽或資產或負債而產生，且於交易時並不影響會計溢利或應課稅損益；及
- 就與於附屬公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間可予控制，而該等暫時差額於可見將來可能不會撥回。

就所有可扣減暫時差額以及未動用稅項抵免及任何未動用稅項虧損的結轉確認遞延稅項資產。遞延稅項資產乃於有應課稅溢利可動用以抵銷可扣減暫時差額以及未動用稅項抵免及未動用稅項虧損可結轉的情況下予以確認，惟下列情況除外：

- 與可扣減暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中首次確認資產或負債而產生，並於交易時並不影響會計溢利或應課稅損益；及
- 就與於附屬公司的投資有關的可扣減暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回及有應課稅溢利可動用以抵銷暫時差額的情況下，方予確認。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Income tax (Continued)

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

所得稅(續)

本集團於各報告期間末檢討遞延稅項資產的賬面值，並在不再可能有足夠應課稅溢利以動用全部或部分遞延稅項資產時，相應扣減該賬面值。未確認的遞延稅項資產會於各報告期間末重新評估，並在可能有足夠應課稅溢利以收回全部或部分遞延稅項資產的情況下予以確認。

遞延稅項資產及負債按照於各報告期間末已實施或實質上實施的稅率(及稅法)，以預計於變現資產或償還負債的期間內適用的稅率計量。

倘有法定可強制執行權利將即期稅項資產及即期稅項負債抵銷，且該等遞延稅項與同一納稅實體和稅務機構相關，則會抵銷遞延稅項資產與遞延稅項負債。打算在每個未來期間內有大量遞延稅項負債或資產的同一應稅實體或不同的應稅實體以淨額結算當期稅項負債和資產，或同時變現資產並同時清算負債的企業預計將獲結算或收回。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2.4 主要會計政策概要(續)

收益確認

來自客戶合約的收益

來自客戶合約的收益乃於商品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價。

當合約中的代價包含可變金額時，代價金額於本集團向客戶轉讓商品或服務而有權獲得交換時估計。可變代價於合約開始時估計並受到約束，直至與可變代價相關的不確定因素得到解決時，確認的累積收益金額將不會發生重大收益回撥。

當合約中包含融資成分，該融資成分為客戶提供超過一年的商品或服務轉讓融資的重大利益時，收益按應收款項的現值計量，使用貼現率折現，而該貼現率將反映在本集團與客戶在合同開始時的單獨融資交易中。當合約中包含融資部分，該融資部分為在本集團提供了一年以上的重大財務利益時，合約項下確認的收益包括按實際利息法在合約負債上加算的利息。就客戶付款至轉讓承諾商品或者服務的期限為一年或者更短的合約而言，交易價格採用香港財務報告準則第15號中實際權宜之計，不會對重大融資部分的影響作出調整。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued) 2.4 主要會計政策概要(續)

Revenue recognition (Continued)

收益確認(續)

Revenue from contracts with customers (Continued)

來自客戶合約的收益(續)

(a) Sales of products

(a) 產品銷售

Revenue from the sales of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

產品銷售所得收益於資產控制權轉讓予客戶之時(一般於交付產品時)確認。

(b) Provision of maintenance services

(b) 提供維修服務

Revenue from the provision of maintenance services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

提供維修服務所得收益於計劃期間內按直線基準確認，乃由於客戶同時接受及享用本集團提供的利益。

Revenue from other sources

來自其他來源的收益

Equipment rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

設備租賃收入於租賃期內按時間比例確認。不取決於指數或利率的可變租賃付款在其產生的會計期間內獲確認為收入。

Other income

其他收入

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

利息收入按應計基準採用將金融工具於預期年期或更短期間(倘適用)的估計未來現金收入精確貼現至金融資產賬面淨值的比率，以實際利率法予以確認。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contract liabilities

A contract liability is recognised when a payment is received or the a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs are expensed in the period in which they are incurred.

2.4 主要會計政策概要(續)

合約負債

當本集團轉移相關商品或服務時，在收到客戶的款項或應付款(較早者)時確認合同負債。合約負債於本集團履行合約時確認為收益(如轉移相關商品或服務的控制予客戶)。

僱員福利

退休金計劃

本集團根據《強制性公積金計劃條例》為合資格參與定額供款強制性公積金退休福利計劃(「強積金計劃」)的僱員營運強積金計劃。供款按僱員的基本薪金百分比作出，並於供款根據強積金計劃規則變為應付時於損益扣除。強積金計劃的資產與本集團的資產於獨立管理基金中分開持有。本集團的僱主供款於注入強積金計劃時悉數歸屬於僱員。

本集團於中國內地營運之附屬公司之僱員須參與地方市政府運作之中央退休金計劃。該等附屬公司須將其薪金成本之若干百分比向中央退休金計劃供款。有關供款在其根據中央退休金計劃之規則須予支付時於損益扣除。

借款成本

借款成本於期內產生時列賬為開支。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 主要會計政策概要(續)

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

The financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

股息

末期股息於股東於股東大會上批准時確認為負債。

由於本公司的組織章程大綱及章程細則賦予董事權力宣派中期股息，故中期股息同時建議派付及宣派。因此，中期股息於建議派付及宣派時即時確認為負債。

外幣

財務報表乃以本公司的功能貨幣港元列示。本集團旗下各個實體均可自行決定其功能貨幣，而每個實體的財務報表所包含的項目均採用該功能貨幣計量。本集團旗下實體所記錄的外幣交易在初次記錄時，採用交易發生當日的有關功能貨幣匯率。以外幣計算的貨幣資產及負債採用報告期末的現行匯率換算。貨幣項目結算或換算產生的差額，均於損益表確認。

以外幣歷史成本計算的非貨幣項目按初次交易發生當日的匯率換算。以外幣公平值計算的非貨幣項目按計量公平值當日的匯率換算。換算按公平值計量的非貨幣項目所產生的收益或虧損與確認該項目公平值變動的收益或虧損的處理方法一致(即於其他全面收益或損益中確認公平值收益或虧損的項目的換算差額，亦分別於其他全面收益或損益確認)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of certain subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策概要(續)

外幣(續)

為了確定涉及預付代價及終止非貨幣資產或非貨幣負債的相關資產、開支或收入於初始確認時的匯率，初始交易日期為本集團初始確認因支付或收到預付代價而產生的非貨幣性資產或負債的日期。倘於確認相關項目之前有多個付款或收據，則本集團確定每筆預付代價付款或收據的交易日期。

若干附屬公司的功能貨幣並非港元。於報告期末，該等實體的資產及負債按報告期末的當時匯率換算為港元，其損益表按年內加權平均匯率換算為港元。

所產生匯兌差異於其他全面收益確認及於匯兌波動儲備中累計。出售海外業務時，有關該指定海外業務的其他全面收益部分於損益表確認。

就綜合現金流量表而言，若干附屬公司之現金流量按現金流量日期的現行匯率換算為港元。海外附屬公司整年經常產生之現金流量則按該年度之加權平均匯率換算為港元。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Significant judgement in determining the lease term of contracts with renewal options

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate the lease (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group includes the renewal period as part of the lease term for leases of Office Properties and a car parking space due to the significance of these assets to its operations. These leases have a short non-cancellable period (i.e., three to five years) and there will be a significant negative effect on production if a replacement is not readily available.

3. 重大會計判斷及估計

管理層編製本集團的財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對所呈報的收益、開支、資產及負債的金額，及其隨附披露以及或然負債披露會產生影響。由於此等假設及估計存在不確定因素，因此可能導致須於將來對受影響的資產或負債的賬面值作出重大調整。

判斷

於採納本集團之會計政策之過程中，除涉及估計之會計政策外，管理層已作出對財務報表已確認金額構成最重大影響之判斷如下：

在釐定具有續訂權的合約的租賃期限時的重大判斷

本集團有多份包括延期及終止選擇權的租賃合約。本集團在評估是否行使選擇權續約或終止租賃時作出判斷。即，已考慮所有對其進行續展或終止產生經濟動機的相關因素。生效日期後，倘發生重大事件或環境變化在其控制範圍內，並且影響其行使或不行使續期或終止租賃選擇權的能力(例如，建造大量租賃權改進或對租賃資產的重大定制)，本集團將重新評估租賃期限。

由於該等物業對其業務的重要性，本集團將續期作為辦公室物業及一個車位租賃的租賃期的一部分。該等租約的不可撤銷期較短(即三至五年)，倘無法隨時提供替代品，則會對生產造成重大不利影響。

Notes to Financial Statements (Continued)

財務報表附註(續)

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Judgements (Continued)

Withholding taxes arising from the distribution of dividends

The Group's determination as to whether to accrue for withholding taxes arising from the distribution of dividends from subsidiaries according to the relevant tax jurisdictions is subject to judgement on the timing of the payment of the dividends. Management considered that it is not probable that the Group's subsidiaries in Mainland China will distribute retained profits as at the end of each of the reporting periods in the foreseeable future, and accordingly no provision for withholding tax was made. Where the final outcome of these matters is different from the amounts originally rewarded, the difference will impact the deferred tax provision in the period in which the difference arises.

Estimation uncertainty

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

Deferred tax assets

Deferred tax assets are recognised for certain deductible temporary differences and unpaid expenses to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are contained in note 23 to the financial statements.

3. 重大會計判斷及估計(續)

判斷(續)

分派股息產生之預扣稅

本集團於釐定是否應根據相關稅收司法權區規定累算就來自附屬公司之股息分派所產生的預扣稅時，須判斷股息支付的時間。管理層認為，本集團位於中國內地的附屬公司於可預見的未來不大可能會於報告期末分派留存溢利，因此，並無就預扣稅作出撥備。倘該等事項的最終結果與原本授予的金額不同，該差額將影響產生差額期間的遞延稅項撥備。

估計的不確定性

報告期末為未來作出的主要假設及其他主要不明朗估計要素載述如下，該等因素極有可能使下一財政年度的資產負債賬面值出現重大調整。

遞延稅項資產

遞延稅項資產就若干可扣稅暫時性差額及未支付開支加以確認，而其確認的金額不超過很可能獲得可用作抵除可扣稅暫時性差額或未動用稅項虧損之未來應課稅溢利。此舉需管理層作重大判斷，根據未來應課稅溢利的時間及水平連同未來稅務規劃策略，釐定可確認的遞延稅項資產金額。進一步的詳情載於財務報表附註23。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Provision for expected credit losses on trade and bills receivables

The Group makes allowances on receivables based on assumptions about risk of default and expected loss rates. The Group used judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and bills receivables and doubtful debt expenses in the periods in which such estimate has been changed. Further details of the trade and bills receivables are given in note 17 to the financial statements.

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3. 重大會計判斷及估計(續)

估計的不確定性(續)

貿易應收款項及應收票據預期信貸虧損撥備

本集團根據違約風險及預期虧損率的假設計提應收款項撥備。本集團於作出該等假設及選擇減值計算的輸入數據時行使判斷，此乃根據本集團的過往記錄、於各報告期末的當前市況及前瞻估計。

倘預測有別於原先估計，則有關差異將影響貿易應收款項及應收票據以及呆賬開支於該估計變動期間之賬面值。有關貿易應收款項及應收票據之更多詳情載於財務報表附註17。

租賃 — 估算增量借款利率

本集團無法輕易確定租賃內含的利率，因此，本集團使用增量借款利率("IBR")來計量租賃負債。IBR乃是指本集團在類似期限內以類似擔保，為獲得與在類似經濟環境下具有與使用權資產類似價值的資產所必需的資金所必須支付的利率。因此，IBR反映本集團「將要支付的費用」，當沒有可觀察的利率(例如，未進行融資交易的附屬公司)或需要調整以反映金融工具的條款及條件時，需要估算。租賃(例如，當租賃並非以附屬公司的功能貨幣表示時)。本集團使用可觀察到的輸入(例如市場利率)(倘可用)估算IBR，並且需要進行若干特定於主體的估算(例如附屬公司的獨立信用評級)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Write-down of inventories to net realisable value

Write-down of inventories to net realisable value is made based on the estimated net realisable value of the inventories. The assessment of the provision required involves management's judgement and estimates on market conditions. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying amounts of inventories and the write-down and reversal of write-down of inventories in the period in which such estimate has been changed.

4. OPERATING SEGMENT INFORMATION

The Group was principally engaged in the provision of thermal imaging products and services, self-stabilised imaging products and services and general aviation products and services. Information reported to the Group's chief operating decision maker, for the purposes of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment information is available. Accordingly, no operating segment information is presented.

3. 重大會計判斷及估計(續)

估計的不確定性(續)

撇減存貨至可變現淨值

存貨乃根據存貨之估計可變現淨值而撇減至可變現淨值。評估該撥備需要牽涉管理層對市況之判斷及估計。倘實際結果或未來預測有別於原先估計，則有關差異將影響存貨及存貨撇減和撇減撥回於該估計變動期間之賬面值。

4. 經營分部資料

本集團主要從事提供熱成像產品及服務、自穩定成像產品及服務和通用航空產品及服務。就資源分類及績效評估向本集團主要營運決策人呈報的資料，集中於本集團之整體經營業績，因本集團的資源經已整合且並無可用的獨立經營分部資料。故此，並無呈列經營分部資料。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

Geographical information

地區資料

(a) Revenue from external customers

(a) 來自外部客戶的收益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mainland China	中國內地	235,221	228,931
Hong Kong and Macau	香港及澳門	37,624	31,005
Overseas	海外	2,509	2,144
		275,354	262,080

The revenue information above is based on the locations of the customers.

上述收益資料乃根據客戶所在地作出。

(b) Non-current assets

(b) 非流動資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mainland China	中國內地	15,018	10,406
Hong Kong	香港	4,103	77
		19,121	10,483

The non-current assets information above is based on the locations of the assets and excludes deferred tax assets.

上述非流動資產資料乃根據資產所在地作出，不包括遞延稅項資產。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

Information about major customers

Revenue derived from sales to individual customers which contributed over 10% of the total revenue of the Group during the years ended 31 December 2019 and 2018 is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶 A	57,156	29,237
Customer B	客戶 B	N/A 不適用 *	41,345
Customer C	客戶 C	35,059	N/A 不適用 *

* The corresponding revenues from these customers are not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the respective periods.

主要客戶資料

於截至二零一九年及二零一八年十二月三十一日止年度，貢獻本集團總收益超過10%之個人客戶銷售所得收益如下：

* 由於收益於各期間不單獨佔本集團收益10%或以上，來自該等客戶的相應收益不予披露。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue, other income and gains, net is as follows:

Revenue

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue			
Thermal imaging products and services	熱成像產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	144,187	149,067
— Rendering of maintenance services and equipment rental ^{Note (B)}	— 提供維修服務及設備租賃 ^{附註(B)}	12,405	11,593
		156,592	160,660
Self-stabilised imaging products and services	自穩定成像產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	25,266	28,989
— Rendering of maintenance services and equipment rental ^{Note (B)}	— 提供維修服務及設備租賃 ^{附註(B)}	9,299	14,498
		34,565	43,487
General aviation products and services	通用航空產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	82,811	57,337
— Rendering of maintenance services ^{Note (B)}	— 提供維修服務 ^{附註(B)}	1,386	596
		84,197	57,933
Total	總計	275,354	262,080

Note (A) The revenue from sales of goods was recognised at a point in time.

Note (B) The revenue from rendering of maintenance services and equipment rental was recognised over time, which included operating lease income of HK\$3,085,000 (2018: HK\$4,052,000) for the year ended 31 December 2019.

5. 收益、其他收入及收益淨額

收益、其他收入及收益淨額分析如下：

收益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
收益			
Thermal imaging products and services	熱成像產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	144,187	149,067
— Rendering of maintenance services and equipment rental ^{Note (B)}	— 提供維修服務及設備租賃 ^{附註(B)}	12,405	11,593
		156,592	160,660
Self-stabilised imaging products and services	自穩定成像產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	25,266	28,989
— Rendering of maintenance services and equipment rental ^{Note (B)}	— 提供維修服務及設備租賃 ^{附註(B)}	9,299	14,498
		34,565	43,487
General aviation products and services	通用航空產品及服務		
— Sales of goods ^{Note (A)}	— 銷售貨品 ^{附註(A)}	82,811	57,337
— Rendering of maintenance services ^{Note (B)}	— 提供維修服務 ^{附註(B)}	1,386	596
		84,197	57,933
Total	總計	275,354	262,080

附註(A) 銷售貨品收益乃於某時間點確認。

附註(B) 提供維修服務及設備租賃收益乃隨時間確認，其包括截至二零一九年十二月三十一日止年度的經營租賃收入3,085,000港元(二零一八年：4,052,000港元)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS, NET (Continued)

Performance obligations

The performance obligations for sales of goods is satisfied upon delivery of the goods and the performance obligations for rendering of maintenance services and equipment rental is satisfied over time.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2019 and 2018 are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Amounts expected to be recognised as revenue:			
Within one year	一年內	9,817	9,357
After one year	一年後	25,265	30,101
		35,082	39,458

For sales of goods contracts with original expected duration of less than one year, the Group has elected not to disclose information about the remaining performance obligations. All considerations from contracts with customers with original expected duration of not less than one year have been included in the transaction price and, therefore, were included in the information disclosed in the above table.

5. 收益、其他收入及收益淨額(續)

履約責任

銷售貨品的履約責任於交付貨物時獲完滿履行，而提供維修服務和設備租賃的履約責任則隨時間推移而獲完滿履行。

於二零一九年及二零一八年十二月三十一日分配至剩餘履約責任(未獲完滿履行或部分未獲完滿履行)的交易價格如下：

就原初預期持續時間少於一年的銷售貨品合約而言，本集團已選擇不披露有關剩餘履約責任的資料。從原初預計持續時間不少於一年的客戶合約而來的所有代價已包含在交易價格中，因此亦已包含於上表披露的信息中。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS, NET (Continued)

5. 收益、其他收入及收益淨額(續)

Other income and gains, net

其他收入及收益淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank interest income	銀行利息收入	741	87
Gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的 金融資產之收益	-	79
Gain on remeasurement resulting from early-termination of right-of-use assets	因提前終止而重新計量 使用權資產之收益	11	-
Reversal of doubtful receivables, net	應收款項呆賬撥回淨額	136	1,552
Recovery of written-off trade receivables	收回已撇銷貿易應收款項	1,417	-
Others	其他	69	109
		2,374	1,827

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

6. 除稅前溢利

本集團的除稅前溢利乃經扣除/(計入)以下各項後達致：

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of inventories sold		175,546	161,215
Cost of services provided		6,666	6,810
Depreciation of property, plant and equipment	13	2,976	2,602
Depreciation of right-of-use assets	14	5,303	—
Amortisation of intangible assets	15	167	—
Research and development costs		4,056	4,091
Reversal of doubtful receivables, net	5, 17	(136)	(1,552)
Recovery of written-off trade receivables	5	(1,417)	—
Reversal of inventory obsolescence		(61)	(254)
Minimum lease payments under operating leases		—	2,665
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8)):			
Wages and salaries		31,479	27,935
Pension scheme contributions (defined contribution scheme)		3,693	1,530
		35,172	29,465
Auditor's remuneration		1,300	1,360
Listing expenses		—	21,821
Foreign exchange differences, net*		1,405	5,545
Loss on disposal of items of property, plant and equipment		10	468
Gain on disposal of financial assets at fair value through profit or loss	5	—	(79)
Bank interest income	5	(741)	(87)

* The foreign exchange loss, net was included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

* 外匯虧損淨額計入綜合損益及其他全面收益表中的「其他開支」。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

7. FINANCE COSTS

An analysis of finance costs is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	544	-

7. 財務成本

財務成本分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fees	袍金	360	15
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,547	3,755
Performance related bonuses	表現相關花紅	722	525
Pension scheme contributions	退休金計劃供款	36	36
		5,665	4,331

8. 董事及最高行政人員薪酬

根據聯交所證券上市規則(「上市規則」)、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部披露的年內董事及最高行政人員薪酬如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mr. NIU Zhongjie	牛鍾洁先生	120	5
Ms. YEUNG Hiu Fu Helen	楊曉芙女士	120	5
Mr. HOU Min	侯珉先生	120	5
		360	15

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

8. 董事及最高行政人員薪酬(續)

(a) 獨立非執行董事

年內向獨立非執行董事支付的袍金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mr. NIU Zhongjie	牛鍾洁先生	120	5
Ms. YEUNG Hiu Fu Helen	楊曉芙女士	120	5
Mr. HOU Min	侯珉先生	120	5
		360	15

年內概無其他應付獨立非執行董事的酬金(二零一八年：無)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

8. 董事及最高行政人員薪酬(續)

(b) Executive directors and the chief executive

(b) 執行董事及最高行政人員

		Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 HK\$'000 千港元	Performance related bonuses 表現相關 花紅 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 薪酬總額 HK\$'000 千港元
2019					
二零一九年					
Mr. YEUNG	楊先生	1,873	290	–	2,163
Ms. WONG*	王女士*	1,637	260	18	1,915
Mr. YEUNG Chun Tai	楊振泰先生	1,037	172	18	1,227
		4,547	722	36	5,305
2018					
二零一八年					
Mr. YEUNG	楊先生	1,554	212	–	1,766
Ms. WONG*	王女士*	1,410	188	18	1,616
Mr. YEUNG Chun Tai	楊振泰先生	791	125	18	934
		3,755	525	36	4,316

* Ms. WONG is also the chief executive officer of the Company.

* 王女士亦為本公司行政總裁。

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2018: Nil).

於年內，概無有關董事放棄或同意放棄任何薪酬之安排(二零一八年：無)。

During the year, no remuneration was paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office (2018: Nil).

於年內，本集團並無向董事支付薪酬作為加入本集團或加入本集團後的獎勵或作為離職後的補償(二零一八年：無)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three directors (2018: three directors), details of whose remuneration are set out in note 8 to the financial statements. Details of the remuneration for the year of the remaining two (2018: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	2,019	1,170
Performance related bonuses	表現相關花紅	253	711
Pension scheme contributions	退休金計劃供款	36	36
		2,308	1,917

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	-	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	1
		2	2

9. 五名最高薪僱員

年內的五名最高薪僱員包括三名董事(二零一八年：三名董事)，其薪酬詳情載於財務報表附註8。年內餘下兩名(二零一八年：兩名)並非本公司董事或最高行政人員的最高薪僱員的薪酬詳情如下：

列入以下薪酬組別的非董事及非最高行政人員之最高薪僱員數目如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

10. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which subsidiaries of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax.

Hong Kong profits tax has been provided at the rate of 16.5% (2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group, which is a qualifying entity under the two-tiered profits tax rates regime effective from the year of assessment 2018/2019. The first HK\$2,000,000 (2018: Nil) of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Pursuant to the PRC Income Tax Law and the respective regulations, corporate income tax ("CIT") has been provided at the rate of 25% (2018: 25%) on the taxable income of the subsidiaries operating in Mainland China during the year, except for certain subsidiaries of the Group, which are qualified small and micro-sized enterprises ("SMEs") under Caishui [2019] No.13. According to Caishui [2019] No.13 effective from 1 January 2019 to 31 December 2021, qualified SMEs refer to enterprises that do not engage in any restricted or prohibited industries in the PRC and meet the criteria of (i) number of staff not exceeding 300; (ii) total assets not exceeding RMB50,000,000; and (iii) annual taxable income not exceeding RMB3,000,000. Qualified SMEs are eligible for a reduced CIT rate of 20%, 75% reduction of taxable income for the first RMB1,000,000 taxable income and 50% reduction of taxable income for the remaining taxable income.

10. 所得稅開支

本集團須按實體基準就本集團之附屬公司註冊成立及經營所在司法權區產生或來自該地的溢利繳納所得稅。根據開曼群島法規及規則，本公司毋須繳納任何所得稅。

已於年內就在香港所產生之估計應課稅溢利按 16.5% (二零一八年：16.5%) 之稅率作出利得稅撥備，除本集團的一間附屬公司外，該附屬公司乃是由二零一八年／二零一九年課稅年度起生效的兩級利得稅稅率制度下的合格實體。該附屬公司的首 2,000,000 港元 (二零一八年：無) 的應課稅溢利稅率為 8.25%，餘下的應課稅溢利稅率為 16.5%。

根據中國所得稅法及相關規例，企業所得稅(「企業所得稅」)已於年內就在中國內地經營的附屬公司的應課稅收入按 25% (二零一八年：25%) 之稅率作出撥備，本集團的若干附屬公司除外，該等公司為財稅[2019]13號下的合資格小型微利企業(「小型微利企業」)。根據財稅[2019]13號(於二零一九年一月一日至二零二一年十二月三十一日生效)，合資格小型微利企業指於中國並無從事任何受限制或禁止行業且符合以下各項條件：(i) 員工人數不超過 300 名；(ii) 總資產不超過人民幣 50,000,000 元；及 (iii) 年度應課稅收入不超過人民幣 3,000,000 元。合資格小型微利企業可享有 20% 的較低企業所得稅稅率、首人民幣 1,000,000 元的應課稅收入可享有 75% 的應課稅收入減免，而餘下的應課稅收入則可享有 50% 的應課稅收入減免。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current	即期	5,860	8,437
Deferred (note 23)	遞延(附註23)	171	(138)
Total tax charge for the year	年內稅項支出總額	6,031	8,299

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

10. INCOME TAX EXPENSE (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit before tax	除稅前溢利	36,344	19,806
Tax at the statutory tax rate of 16.5%	按法定稅率 16.5% 計算之稅項	5,997	3,268
Effect on different taxation rate in Mainland China	於中國內地稅率不同之影響	688	1,045
Lower tax rates enacted by local tax authorities	地方稅務局制定的較低稅率	(789)	-
Income not subject to tax	毋須課稅收入	(362)	(194)
Expenses not deductible for tax	不可扣稅支出	598	4,030
Tax losses utilised from previous periods	已使用前期稅項虧損	(101)	-
Tax losses not recognised	未確認稅項虧損	-	210
Tax concession	稅務減免	-	(60)
Total tax charge for the year	年內稅項支出總額	6,031	8,299

11. DIVIDENDS

The board of directors does not recommend the payment of final dividend for the year ended 31 December 2019 (2018: Nil).

10. 所得稅開支(續)

按本公司及其大部分附屬公司註冊成立所在國家之法定稅率計算除稅前溢利之適用稅項開支與按實際稅率計算之稅項開支之對賬，以及適用稅率(即法定稅率)與實際稅率之對賬如下：

11. 股息

董事會不建議派付截至二零一九年十二月三十一日止年度的末期股息(二零一八年：無)。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 397,260,000 (2018: 300,000,000) in issue during the year, as adjusted for the assumption that 299,620,000 new shares issued pursuant to the Capitalisation Issue (as defined in note 24(ii)) had been issued on 1 January 2018, which is made to be consistent with the basis of presentation of the financial statements for the year ended 31 December 2019.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2019 and 2018.

The calculations of basic and diluted earnings per share are based on:

Earnings 盈利

Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations

計算每股基本及攤薄盈利所用的母公司普通權益持有人應佔溢利

12. 母公司普通權益持有人應佔每股盈利

每股基本盈利乃基於母公司普通權益持有人應佔年內溢利及年內已發行397,260,000股(二零一八年: 300,000,000股)普通股的加權平均股數(經調整以假設於二零一八年一月一日根據資本化發行(定義見附註24(ii))已發行299,620,000股新股份)計算,其與截至二零一九年十二月三十一日止年度的財務報表呈列基準一致。

本集團於截至二零一九年及二零一八年十二月三十一日止年度並無已發行的潛在攤薄普通股。

每股基本及攤薄盈利乃基於以下項目計算:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculations	30,313	11,507

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Continued)

12. 母公司普通權益持有人應佔每股盈利(續)

Shares 股份		Number of shares 股份數目	
		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Number of issued shares on 1 January	於一月一日已發行股份數目	380	380
Effect of the Capitalisation Issue on 11 January 2019 (note 24(i))	於二零一九年一月十一日進行 資本化發行的影響(附註24(i))	299,620	299,620
Weighted average number of ordinary shares in issue upon completion of global offering on 11 January 2019	於二零一九年一月十一日 全球發售完成後發行的 普通股加權平均股數	97,260	—
Weighted average number of ordinary shares used in the basic and diluted earnings per share calculations	計算每股基本及攤薄盈利所用的 普通股加權平均股數	397,260	300,000

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Land and buildings	Leasehold improvements	Furniture, fixtures and office equipment	Plant and machinery	Equipment for rental purpose	Motor vehicles	Total
		土地及樓宇	租賃物業裝修	傢俱、裝置及辦公室設備	廠房及機械	租賃之設備 用作	汽車	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
31 December 2019	二零一九年十二月三十一日							
Cost:	成本:							
At 1 January 2019	於二零一九年一月一日	5,978	1,240	1,290	3,123	6,927	248	18,806
Additions	添置	-	265	1,150	600	-	285	2,300
Disposal	出售	-	-	(173)	(396)	-	-	(569)
Transfer*	轉撥*	-	-	-	-	1,827	-	1,827
Exchange realignment	匯兌調整	(102)	(21)	(23)	(56)	(144)	(4)	(350)
At 31 December 2019	於二零一九年十二月三十一日	5,876	1,484	2,244	3,271	8,610	529	22,014
Accumulated depreciation:	累計折舊:							
At 1 January 2019	於二零一九年一月一日	1,793	588	851	2,857	1,986	248	8,323
Provided during the year	年內撥備	298	331	466	283	1,535	63	2,976
Disposal	出售	-	-	(168)	(391)	-	-	(559)
Exchange realignment	匯兌調整	(35)	(15)	(13)	(47)	(55)	(4)	(169)
At 31 December 2019	於二零一九年十二月三十一日	2,056	904	1,136	2,702	3,466	307	10,571
Net book value:	賬面淨值:							
At 31 December 2019	於二零一九年十二月三十一日	3,820	580	1,108	569	5,144	222	11,443

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

13. 物業、廠房及設備(續)

		Land and buildings	Leasehold improvements	Furniture, fixtures and office equipment	Plant and machinery	Equipment for rental purpose	Motor vehicles	Total
		土地及樓宇	租賃物業裝修	傢俱、裝置及辦公室設備	廠房及機械	租賃之設備	汽車	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
31 December 2018	二零一八年十二月三十一日							
Cost:	成本:							
At 1 January 2018	於二零一八年一月一日	6,298	1,307	1,165	3,370	7,390	261	19,791
Additions	添置	-	-	205	21	-	-	226
Disposals	出售	-	-	(36)	(99)	(1,073)	-	(1,208)
Transfers*	轉撥*	-	-	-	-	982	-	982
Exchange realignment	匯兌調整	(320)	(67)	(44)	(169)	(372)	(13)	(985)
At 31 December 2018	於二零一八年十二月三十一日	5,978	1,240	1,290	3,123	6,927	248	18,806
Accumulated depreciation:	累計折舊:							
At 1 January 2018	於二零一八年一月一日	1,574	175	769	2,713	1,392	261	6,884
Provided during the year	年內撥備	312	440	191	345	1,314	-	2,602
Disposals	出售	-	-	(36)	(97)	(607)	-	(740)
Exchange realignment	匯兌調整	(93)	(27)	(73)	(104)	(113)	(13)	(423)
At 31 December 2018	於二零一八年十二月三十一日	1,793	588	851	2,857	1,986	248	8,323
Net book value:	賬面淨值:							
At 31 December 2018	於二零一八年十二月三十一日	4,185	652	439	266	4,941	-	10,483

* Transfers represented the fact that the purpose of "SkyEye dispatcher" and thermal infrared imager were changed from sale to lease and the products were reclassified from inventories to property, plant and equipment accordingly.

* 轉撥指「SkyEye 調度器」及紅外線熱像儀之用途由銷售轉為租賃，故產品由存貨重新分類至物業、廠房及設備。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

14. LEASES

The Group as a lessee

The Group has lease contracts for Office Properties and a car parking space with lease terms between 1 to 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Office Properties and a car parking space 辦公室物業 及一個車位 HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	11,278
Additions	添置	1,326
Depreciation charge	折舊費	(5,303)
Remeasurement resulting from early-termination of a lease	因提前終止租賃而重新計量	(423)
Exchange realignment	匯兌調整	(69)
As at 31 December 2019	於二零一九年十二月三十一日	6,809

14. 租賃

本集團作為承租人

本集團擁有辦公室物業及一個車位的租賃合同，租賃期限為1至5年。一般而言，本集團不得在本集團以外轉讓及轉租租賃資產。

(a) 使用權資產

年內本集團使用權資產的賬面值及變動情況如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

14. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2019 二零一九年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日的賬面值	11,278
New leases	新租賃	1,326
Accretion of interest recognised during the year	年內確認的應計利息	544
Remeasurement resulting from early-termination of a lease	因提前終止租賃而重新計量	(434)
Payments	支付費用	(5,415)
Exchange realignment	匯兌調整	(70)
Carrying amount as at 31 December	於十二月三十一日的賬面值	7,229
Analysed into:	分析為：	
Current portion	即期部分	4,907
Non-current portion	非即期部分	2,322

The maturity analysis of lease liabilities is disclosed in note 32 to the financial statements.

14. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

年內租賃負債的賬面值及變動情況如下：

租賃負債的到期日分析在財務報表附註32中披露。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

14. LEASES (Continued)

The Group as a lessee (Continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2019 二零一九年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	544
Depreciation charge of right-of-use assets	使用權資產折舊費	5,303
Total amount recognised in profit or loss	計入損益總額	5,847

(d) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in notes 26 (c) and 28, respectively, to the financial statements.

14. 租賃(續)

本集團作為承租人(續)

(c) 在損益中確認與租賃有關的金額如下：

		2019 二零一九年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	544
Depreciation charge of right-of-use assets	使用權資產折舊費	5,303
Total amount recognised in profit or loss	計入損益總額	5,847

(d) 租賃的現金流出總額及與尚未開始的租賃有關的未來現金流出分別在財務報表附註26(c)及28中披露。

15. INTANGIBLE ASSETS

15. 無形資產

		Computer software 電腦軟件 HK\$'000 千港元
Cost at 1 January 2018, 31 December 2018 and 1 January 2019, net of accumulated amortisation	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日的成本，扣除累計攤銷	-
Additions	添置	1,048
Amortisation provided during the year	年內攤銷撥備	(167)
Exchange realignment	匯兌調整	(12)
At 31 December 2019	於二零一九年十二月三十一日	869
At 31 December 2019	於二零一九年十二月三十一日	
Cost	成本	1,034
Accumulated amortisation	累計攤銷	(165)
Net carrying amount	賬面淨值	869

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

16. INVENTORIES

16. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Components and consumables	部件及消耗品	982	997
Semi-finished products	半成品	6,052	2,093
Finished products	製成品	41,892	40,180
		48,926	43,270

17. TRADE AND BILLS RECEIVABLES

17. 貿易應收款項及應收票據

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	貿易應收款項	90,040	97,020
Bills receivables	應收票據	17,673	15,921
		107,713	112,941
Impairment	減值	(1,076)	(1,216)
		106,637	111,725

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are reviewed regularly by senior management. Trade and bills receivables are non-interest-bearing.

本集團與客戶的貿易條款主要為信貸，惟新客戶除外，新客戶一般須預先付款。信貸期通常為一至三個月。每名客戶均設有最高信貸額。本集團設法嚴格控制其未償還應收款項，並設有信貸監控政策以盡量減低信貸風險。逾期結餘由高級管理人員定期檢討。貿易應收款項及應收票據為不計息。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

17. TRADE AND BILLS RECEIVABLES (Continued)

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Less than 3 months	少於三個月	67,563	63,800
3 to 6 months	三至六個月	14,502	20,602
6 to 12 months	六至十二個月	7,662	13,850
Over 1 year	一年以上	16,910	13,473
		106,637	111,725

The movements in the loss allowance for impairment of trade and bills receivables are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	1,216	2,760
Reversal of doubtful receivables, net (note 6)	應收款項呆賬撥回淨額(附註6)	(136)	(1,552)
Exchange realignment	匯兌調整	(4)	8
At end of year	於年末	1,076	1,216

17. 貿易應收款項及應收票據(續)

於報告期末按發票日期列示的貿易應收款項及應收票據的賬齡分析如下(扣除虧損撥備):

貿易應收款項及應收票據的減值虧損撥備的變動情況如下:

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

17. TRADE AND BILLS RECEIVABLES (Continued)

An impairment analysis of trade and bills receivables is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and bills receivables are written off if past due for more than three years and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade and bills receivables using a provision matrix:

As at 31 December 2019

		Current	Past due within 1 year	Past due more than 1 year but within 2 years	Past due more than 2 years but within 3 years	Past due over 3 years	Total
		即期	逾期少於一年	逾期超過一年但少於兩年	逾期超過兩年但少於三年	逾期超過三年	總計
ECLs rate	預期信貸虧損率	0%-0.4%	2.2%	19.9%	38.4%	100%	0-1.2%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	102,233	4,370	215	482	413	107,713
ECLs (HK\$'000)	預期信貸虧損(千港元)	339	96	43	185	413	1,076

17. 貿易應收款項及應收票據(續)

於各報告日期均採用撥備矩陣進行貿易應收款項及應收票據的減值分析，以計量預期信貸虧損。撥備率乃基於就擁有類似虧損模式的多個客戶分部進行的分組的逾期日數計算。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。一般而言，倘逾期超過三年且並無受到強制執行活動，則貿易應收款項及應收票據將予以撇銷。

以下為本集團採用撥備矩陣計量的貿易應收款項及應收票據之信用風險敞口資料：

於二零一九年十二月三十一日

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

17. TRADE AND BILLS RECEIVABLES (Continued)

As at 31 December 2018

		Current	Past due within 1 year	Past due more than 1 year but within 2 years	Past due more than 2 years but within 3 years	Past due over 3 years	Total
		即期	逾期少於一年	逾期超過一年但少於兩年	逾期超過兩年但少於三年	逾期超過三年	總計
ECLs rate	預期信貸虧損率	0%–0.2%	1.1%	4.7%	83.8%	100%	0–1.3%
Gross carrying amount (HK\$'000)	賬面總值(千港元)	103,090	8,260	673	–	918	112,941
ECLs (HK\$'000)	預期信貸虧損(千港元)	175	91	32	–	918	1,216

17. 貿易應收款項及應收票據(續)

於二零一八年十二月三十一日

18. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Prepayments	預付款項	2,813	3,410
Deposits and other receivables	按金及其他應收款項	3,430	13,644
Prepaid listing cost	預付上市成本	–	18,758
		6,243	35,812

18. 預付款項、按金及其他應收款項

The above balances are unsecured and interest-free.

上述結餘為無抵押且免息。

The financial assets included in the above balances relate to receivables for which there were no recent history of default and past due amounts. As at 31 December 2019 and 2018, the loss allowance was assessed to be minimal.

上述結餘所包含的金融資產與近期沒有違約記錄及逾期金額的應收款項有關。於二零一九年及二零一八年十二月三十一日，虧損撥備獲評估為最低。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

19. CASH AND BANK BALANCES

19. 現金及銀行結餘

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	173,347	49,144
Time deposits	定期存款	3,780	3,772
		177,127	52,916

At the end of reporting period, the cash and bank balances of the Group denominated in RMB amounted to HK\$38,888,000 (2018: HK\$18,377,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣計值之現金及銀行結餘為38,888,000港元(二零一八年：18,377,000港元)。人民幣不可自由兌換其他貨幣，然而，根據《中華人民共和國外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權進行外匯業務的銀行將人民幣兌換成其他貨幣。

銀行現金根據每日銀行存款率按浮動利率賺取利息。短期定期存款按各自的定期存款利率賺取利息。銀行結餘存放於近期並無違約記錄的可靠銀行。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

20. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 1 month	少於一個月	5,100	6,300
1 to 3 months	一至三個月	461	2,716
Over 3 months	三個月以上	1,686	4,870
		7,247	13,886

The trade payables are interest-free and are normally settled ranging from 30 to 90 days.

21. OTHER PAYABLES AND ACCRUALS

Other payables	其他應付款項	4,070	4,698
Accruals	應計費用	5,723	8,619
Accrued listing expenses	應計上市開支	-	25,511
		9,793	38,828

Other payables are non-interest-bearing and are normally settled within one year.

20. 貿易應付款項

於報告期末按發票日期列示的貿易應付款項的賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 1 month	少於一個月	5,100	6,300
1 to 3 months	一至三個月	461	2,716
Over 3 months	三個月以上	1,686	4,870
		7,247	13,886

貿易應付款項不計息及通常結付期為30至90日。

21. 其他應付款項及應計費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other payables	其他應付款項	4,070	4,698
Accruals	應計費用	5,723	8,619
Accrued listing expenses	應計上市開支	-	25,511
		9,793	38,828

其他應付款項不計息及通常於一年內結付。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

22. CONTRACT LIABILITIES

The following table provides information about contract liabilities from contracts with customers:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract liabilities	合約負債	7,430	13,497

Contract liabilities of the Group mainly arise from the advance payments made by customers while the underlying goods or services are yet to be provided.

Changes in the contract liabilities during the years ended 31 December 2019 and 2018 are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	13,497	5,531
Revenue recognised that was included in the contract liabilities balance at beginning of year	於年初計入合約負債結餘的已確認收益	(12,095)	(5,531)
Increases due to cash received, excluding amounts recognised as revenue during the year	因已收現金而增加，不包括於年內已確認為收益的款額	6,028	13,497
At end of year	於年末	7,430	13,497

22. 合約負債

下表列載有關客戶合約的合約負債資料：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contract liabilities	7,430	13,497

本集團的合約負債主要源於客戶墊付款項，而相關產品或服務尚未提供。

於截至二零一九年及二零一八年十二月三十一日止年度的合約負債變動列載如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

23. DEFERRED TAX

The movements in deferred tax assets during the year are as follows:

Deferred tax assets

23. 遞延稅項

遞延稅項資產於年內的變動如下：

遞延稅項資產

		Unpaid accrued expenses 未支付應計開支 HK\$'000 千港元	Provision for inventories and trade receivables 存貨及貿易應收款項撥備 HK\$'000 千港元	Unrealised profit 未變現溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2019	二零一九年				
At 1 January 2019	於二零一九年一月一日	424	318	1,498	2,240
Deferred tax credited/ (charged) to profit or loss during the year (note 10)	計入/(扣除自)年內損益之 遞延稅項(附註10)	(297)	1	125	(171)
Exchange realignment	匯兌調整	(4)	(2)	-	(6)
At 31 December 2019	於二零一九年十二月三十一日	123	317	1,623	2,063
2018	二零一八年				
At 1 January 2018	於二零一八年一月一日	644	585	905	2,134
Deferred tax credited/ (charged) to profit or loss during the year (note 10)	計入/(扣除自)年內損益之 遞延稅項(附註10)	(195)	(260)	593	138
Exchange realignment	匯兌調整	(25)	(7)	-	(32)
At 31 December 2018	於二零一八年十二月三十一日	424	318	1,498	2,240

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

23. DEFERRED TAX (Continued)

Deferred tax assets (Continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% (or a lower rate if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors) withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 December 2019, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China. In the opinion of the directors, the Group's earnings will be retained in Mainland China, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. As at 31 December 2019, the aggregate amounts of temporary differences associated with investments in subsidiaries in Mainland China was approximately HK\$3,396,000 (2018: HK\$2,981,000).

The Group also has tax losses arising in Mainland China of HK\$109,000 (2018: HK\$210,000) that will expire in four years (2018: one to five years) for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

23. 遞延稅項(續)

遞延稅項資產(續)

內地成立的外商投資企業須就向外國投資者宣派的股息提撥10%(若中國內地與外國投資者所屬司法權區有稅務協議,則可申請較低的稅率)預扣稅。該規定由二零零八年一月一日起生效,並適用於二零零七年十二月三十一日後產生的盈利。因此本集團須就於中國內地成立之該等附屬公司因自二零零八年一月一日起產生之盈利而分派之股息繳付預扣稅。

於二零一九年十二月三十一日,本集團並未就於中國內地成立且須繳交預扣稅之附屬公司之未匯出盈利應付之預扣稅確認遞延稅項。董事認為,本集團之盈利將保留於中國內地,故該等附屬公司於可預見未來將不可能分派該等盈利。於二零一九年十二月三十一日,與投資中國內地附屬公司有關的臨時差異總額約為3,396,000港元(二零一八年:2,981,000港元)。

本集團亦於中國內地產生稅項虧損109,000港元(二零一八年:210,000港元),該稅項虧損於四年內到期(二零一八年:一至五年),可用作抵銷產生虧損的公司未來應課稅溢利。

並無就該等虧損確認遞延稅項資產,因產生遞延稅項資產之附屬公司已呈虧損一段時間,並認為不大可能會產生應課稅溢利以抵銷可動用之稅項虧損。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

24. SHARE CAPITAL

24. 股本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
400,000,000 (2018: 380,000) ordinary shares of HK\$0.01 each	400,000,000 股(二零一八年： 380,000 股)每股面值 0.01 港元的普通股	4,000	4

A summary of movements in the Company's share capital is as follows:

本公司的股本變動的概要如下：

		Notes 附註	Number of shares in issue 已發行 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
At 1 January 2018, 31 December 2018 and 1 January 2019	於二零一八年一月一日、 二零一八年十二月三十一日 及二零一九年一月一日		380	4
Capitalisation Issue	資本化發行	(i)	299,620	2,996
New issue of shares from global offering	全球發售的新發行股份	(ii)	100,000	1,000
At 31 December 2019	於二零一九年十二月三十一日		400,000	4,000

Notes:

附註：

- (i) Pursuant to a written resolution of the shareholders of the Company passed on 18 December 2018, a total of 299,620,000 shares of HK\$0.01 each were allotted and issued at par value to the shareholders of the Company as of the date immediately before the Listing Date on a pro rata basis by way of capitalisation of HK\$2,996,200 (the "Capitalisation Issue") from the Company's share premium account on the Listing Date.
- (ii) On the Listing Date, 100,000,000 new shares were issued at a price of HK\$1.25 per share in connection with the Company's initial public offering on the Stock Exchange. The net proceeds from the global offering, after deducting the underwriting commission and related listing expenses payable by the Company in the global offering, were approximately HK\$81.2 million.

- (i) 根據本公司股東於二零一八年十二月十八日通過的書面決議案，於上市日期，合共 299,620,000 股每股面值 0.01 港元的股份通過將本公司股份溢價賬中的 2,996,200 港元撥充資本而按面值及按比例獲配發及發行予截至緊接上市日期前之日的本公司股東（「資本化發行」）。
- (ii) 於上市日期，100,000,000 股新股份就本公司於聯交所首次公開發售而按每股 1.25 港元的價格獲發行。經扣除包銷佣金及本公司於全球發售應付的相關上市開支後，全球發售所得款項淨額約為 81.2 百萬港元。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

25. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

Other reserve

The balance represented the aggregate paid-in capital of the subsidiaries acquired, offset by investment costs in subsidiaries of the Company during the Reorganisation.

Statutory surplus reserve

Pursuant to the relevant laws and regulations in the PRC, the Company's subsidiaries registered in the PRC shall appropriate a certain percentage of their net profit after tax (after offsetting any prior years' losses) calculated under the accounting principles generally applicable to the PRC enterprises to the reserve fund. When the balance of this reserve fund reaches 50% of the entity's capital, any further appropriation is optional. The statutory surplus reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory surplus reserve must be maintained at a minimum of 25% of the capital after these usages. After making the appropriation to the statutory surplus reserve, the Company's subsidiaries may also appropriate their profits for the year to the discretionary surplus reserve upon approval by the board of directors or the shareholders in a general meeting.

25. 儲備

本集團於本年度及過往年度之儲備金額及其變動於財務報表中的綜合權益變動表呈列。

其他儲備

該結餘代表所收購附屬公司繳足股本總額，被重組期間本公司附屬公司的投資成本抵銷。

法定盈餘儲備

根據中國相關法律及法規，於中國註冊的本公司附屬公司須將除稅後純利(抵銷任何往年虧損後)的若干百分比撥至儲備基金，金額根據中國企業一般適用會計原則計算。當該儲備基金結餘到達實體資本的50%時，可選擇性地作出任何其他撥款。法定盈餘儲備可用作抵銷往年虧損或增加資本。然而，法定盈餘儲備的結餘必須維持於該等用途後資本的至少25%。對法定盈餘儲備作出撥款後，本公司附屬公司經董事會或股東於股東大會上批准後亦可將其年內溢利撥至酌情盈餘儲備。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

26. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$1,326,000 and HK\$1,326,000, respectively, in respect of lease arrangements for Office Properties and a car parking space (2018: Nil).

(b) Changes in liabilities arising from financing activities:

2019

26. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就辦公室物業及一個車位租賃安排的使用權資產及租賃負債的非現金增加分別為1,326,000港元及1,326,000港元(二零一八年：無)。

(b) 融資活動產生的負債變動：

二零一九年

		Accrued listing expenses included in other payables and accruals 計入其他應付款項及應計費用的 累計上市開支 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	9	-
Changes from financing cash flows	融資現金流量變動	(9)	(4,871)
At 31 December 2019	於二零一九年十二月三十一日	-	(4,871)

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

26. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing activities: (Continued)

2018

		Accrued listing expenses included in other payables and accruals 計入其他應付款項及應計費用的 累計上市開支 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	239
Changes from financing cash flows	融資現金流量變動	(17,905)
Recognition of prepaid listing expenses	確認預付上市費用	17,675
At 31 December 2018	於二零一八年十二月三十一日	9

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

26. 綜合現金流量表附註(續)

(b) 融資活動產生的負債變動：(續)

二零一八年

		Accrued listing expenses included in other payables and accruals 計入其他應付款項及應計費用的 累計上市開支 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	239
Changes from financing cash flows	融資現金流量變動	(17,905)
Recognition of prepaid listing expenses	確認預付上市費用	17,675
At 31 December 2018	於二零一八年十二月三十一日	9

(c) 租賃的現金流出總額

綜合現金流量表中包括的租賃現金流出總額如下：

		2019 二零一九年 HK\$'000 千港元
Within financing activities	融資活動範圍內	(4,871)

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

27. PLEDGE OF ASSETS

As at 31 December 2019, the Group did not pledge any assets (31 December 2018: Nil).

28. COMMITMENTS

(a) At the end of the reporting period, the Group did not have any significant commitments.

(b) Operating lease commitments as at 31 December 2018

The Group leased certain of its Office Properties under operating lease arrangements. Leases for Office Properties were negotiated for terms ranging from one to five years.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	5,073
In the second to fifth years	第二至第五年	4,897
		9,970

27. 資產抵押

於二零一九年十二月三十一日，本集團並無抵押任何資產(二零一八年十二月三十一日：無)。

28. 承擔

(a) 於報告期末，本集團並無任何重大承擔。

(b) 於二零一八年十二月三十一日的經營租賃承擔

本集團根據經營租賃安排租賃若干其辦公室物業。物業租賃年期磋商為一至五年。

於二零一八年十二月三十一日，根據不可撤銷經營租約，本集團之到期應付未來最低租金總額如下：

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

29. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the year:

(a) Names of the Group's principal related parties and their relationship with the Group:

Name of related parties 關聯方之姓名/名稱	Relationship 關係
Mr. YEUNG 楊先生	Director 董事
Ms. WONG 王女士	Director 董事
Peiport Scientific Limited 彼岸科儀有限公司	A company controlled by Mr. YEUNG and Ms. WONG 楊先生及王女士控制的一間公司

(b) Significant related party transactions during the year are as follows:

29. 關聯方交易

除於該等財務報表其他地方所詳述之交易外，本集團於年內與關聯方進行以下交易：

(a) 本集團主要關聯方之姓名/名稱及其與本集團之關係：

(b) 年內重大的關聯方交易如下

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Rental fee paid to directors	向董事支付的租賃費用	(i)	1,436	1,489
Rental fee paid to Peiport Scientific Limited	向彼岸科儀有限公司支付的租賃費用	(ii), (iii)	1,777	—

Notes:

- (i) Certain subsidiaries in Mainland China rented commercial units from Mr. YEUNG and Ms. WONG as offices which were made in accordance with terms in lease agreements. These are continuing connected transactions under Chapter 14A of the Listing Rules.
- (ii) During the year ended 31 December 2019, the transactions were made in accordance with terms in lease agreements. These are continuing connected transactions under Chapter 14A of the Listing Rules.
- (iii) During the year ended 31 December 2018, the Group occupied the offices owned by Peiport Scientific Limited at a nil consideration.

附註：

- (i) 中國內地若干附屬公司根據租賃協議條款向楊先生及王女士租賃商業單位作為辦公室。根據上市規則第14A章，該等為持續關連交易。
- (ii) 於截至二零一九年十二月三十一日止年度，交易乃根據租賃協議條款進行。根據上市規則第14A章，該等為持續關連交易。
- (iii) 於截至二零一八年十二月三十一日止年度，本集團以零代價佔有彼岸科儀有限公司所擁有的辦公室。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

29. RELATED PARTY TRANSACTIONS (Continued)

(c) Compensation of key management personnel of the Group:

Details of the compensation of key management personnel of the Group, who are the directors, are disclosed in note 8 to the financial statements.

30. FINANCIAL INSTRUMENTS BY CATEGORY

As at 31 December 2019 and 2018, all financial assets of the Group including trade and bills receivables, financial assets included in prepayments, deposits and other receivables and cash and bank balances were stated at amortised cost.

As at 31 December 2019, all financial liabilities of the Group including trade payables, financial liabilities included in other payables and accruals and lease liabilities were stated at amortised cost.

As at 31 December 2018, all financial liabilities of the Group including trade payables, financial liabilities included in other payables and accruals were stated at amortised cost.

The Group's classification of its financial assets and liabilities are explained in note 2.4 to the financial statements.

29. 關聯方交易(續)

(c) 本集團主要管理人員之薪酬：

本集團主要管理人員(身為董事)之薪酬詳情於財務報表附註8披露。

30. 按類別劃分之金融工具

於二零一九年及二零一八年十二月三十一日，本集團所有金融資產，包括貿易應收款項及應收票據、計入預付款項、按金及其他應收款項的金融資產以及現金及銀行結餘均按攤銷成本列賬。

於二零一九年十二月三十一日，本集團所有金融負債，包括貿易應付款項、計入其他應付款項及應計費用的金融負債及租賃負債均按攤銷成本列賬。

於二零一八年十二月三十一日，本集團所有金融負債，包括貿易應付款項、計入其他應付款項及應計費用的金融負債均按攤銷成本列賬。

本集團對其金融資產及負債分類的解釋載於財務報表附註2.4。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

31. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

As at 31 December 2019, management has assessed that the fair values of trade and bills receivables, financial assets included in prepayments, deposits and other receivables, cash and bank balances, trade payables, financial liabilities included in other payables and accruals and lease liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

As at 31 December 2018, management has assessed that the fair values of trade and bills receivables, financial assets included in prepayments, deposits and other receivables, cash and bank balances, trade payables and financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the financial controller analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

31. 金融工具的公平值及公平值層級

於二零一九年十二月三十一日，管理層經評估後認為，貿易應收款項及應收票據、計入預付款項、按金及其他應收款項的金融資產、現金及銀行結餘、貿易應付款項、計入其他應付款項及應計費用的金融負債及租賃負債的公平值與其賬面值相若，乃主要由於該等工具於短期內到期。

於二零一八年十二月三十一日，管理層經評估後認為，貿易應收款項及應收票據、計入預付款項、按金及其他應收款項的金融資產、現金及銀行結餘、貿易應付款項及計入其他應付款項及應計費用的金融負債的公平值與其賬面值相若，乃主要由於該等工具於短期內到期。

本集團之財務總監負責釐定金融工具公平值計量之政策及程序。於各報告日期，財務總監分析金融工具公平值之變動及釐定估值中所應用的主要輸入數字。

金融資產及負債之公平值乃雙方知悉及自願(而非被迫或已算定的銷售)的情況下進行的交易中交換金融工具的金額。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by subsidiaries in currencies other than the subsidiaries' functional currencies.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change by 1% in the US\$ exchange rate against RMB, with all other variables held constant, of the Group's profit before tax due to changes in the fair value of monetary assets and liabilities:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
If US\$ strengthens against RMB	美元兌人民幣升值	(1,326)	(1,108)
If US\$ weakens against RMB	美元兌人民幣貶值	1,326	1,108

The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

32. 金融風險管理目標及政策

本集團之主要金融工具包括現金及銀行結餘。該等金融工具之主要用途乃為本集團之營運籌備資金。本集團擁有多種其他金融資產及金融負債，如貿易應收款項及應收票據及貿易應付款項，直接源自其營運。

本集團之金融工具所產生的主要風險為外匯風險、信貸風險及流動資金風險。董事會審閱及協定管理該等風險的政策，有關政策於下文概述。

外匯風險

本集團承擔交易貨幣風險。有關風險源自附屬公司以附屬公司功能貨幣以外之貨幣所作出之銷售或採購。

下表展示在全部其他變量不變情況下，報告期末本集團之除稅前溢利因貨幣資產及負債公平值變動對美元兌人民幣匯率合理潛在變動1%的敏感度：

本集團透過密切監察匯率變動管理其外匯風險。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2019 and 2018. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2019

		12-month	Lifetime ECLs			Total	
		ECLs	ECLs				
		12個月預期	全期預期信貸虧損				
		信貸虧損	Stage 1	Stage 2	Stage 3	Simplified approach	
			第1階段	第2階段	第3階段	簡化方法	
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	
			千港元	千港元	千港元	千港元	
Trade and bills receivables*	貿易應收款項及應收票據*	-	-	-	-	106,637	106,637
Financial assets included in prepayments, deposits, and other receivables	計入預付款項、按金及其他應收款項的金融資產						
— Normal**	— 正常**	3,430	-	-	-	-	3,430
— Doubtful**	— 可疑**	-	-	-	-	-	-
Cash and bank balances	現金及銀行結餘						
— Not yet past due	— 尚未逾期	177,127	-	-	-	-	177,127
			180,557	-	-	106,637	287,194

32. 金融風險管理目標及政策(續)

信貸風險

本集團僅與獲認可及信譽可靠的第三方進行買賣。本集團的政策為所有有意按信貸條款進行買賣之客戶均須接受信貸審核程序。此外，本集團持續監控應收款項結餘，且本集團面臨的壞賬風險並不重大。

最高風險及年結階段

下表載列基於本集團的信貸政策的信貸質素及最高信貸風險，主要基於逾期資料(除非其他資料可在無須付出不必要成本或努力的情況下獲得)，及於二零一九年及二零一八年十二月三十一日的年結階段分析。所呈列的有關金額指金融資產總賬面值。

於二零一九年十二月三十一日

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

32. 金融風險管理目標及政策(續)

Credit risk (Continued)

信貸風險(續)

Maximum exposure and year-end staging (Continued)

最高風險及年結階段(續)

As at 31 December 2018

於二零一八年十二月三十一日

		12-month	Lifetime ECLs			Total	
		ECLs	Simplified				
		12個月預期	Stage 1	Stage 2	Stage 3	approach	Total
		信貸虧損	第1階段	第2階段	第3階段	簡化方法	總計
		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
Trade and bills receivables*	貿易應收款項及應收票據*	-	-	-	-	111,725	111,725
Financial assets included in prepayments, deposits, and other receivables	計入預付款項、按金及其他應收款項的金融資產						
— Normal**	— 正常**	35,812	-	-	-	-	35,812
— Doubtful**	— 可疑**	-	-	-	-	-	-
Cash and bank balances	現金及銀行結餘						
— Not yet past due	— 尚未逾期	52,916	-	-	-	-	52,916
		88,728	-	-	-	111,725	200,453

* For trade and bills receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in note 17 to the financial statements.

* 就本集團應用簡化減值方法的貿易應收款項及應收票據，基於撥備矩陣的資料於財務報表附註17披露。

** The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

** 倘計入預付款項、按金及其他應收款項的金融資產並未逾期且並無資料顯示該金融資產的信貸風險自其初始確認以來大幅增加，則其信貸質素被視為「正常」。否則，金融資產的信貸質素被視為「可疑」。

At the end of the reporting period, the Group had certain concentrations of credit risk as 36% (2018: 42%) of the Group's trade receivables were due from the Group's two largest customers.

於報告期末，本集團承受若干信貸集中風險，因本集團的貿易應收款項中有36% (二零一八年：42%) 乃由本集團兩大客戶結欠。

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 17 to the financial statements.

有關本集團因貿易應收款項及應收票據而面臨的信貸風險的更多量化數據披露於財務報表附註17。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internally generated cash flows from operations. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2019

32. 金融風險管理目標及政策(續)

流動資金風險

本集團旨在透過使用經營所得內部產生現金流維持資金持續性與靈活度之間的平衡。本集團定期檢討其主要資金狀況以確保其擁有足夠的財務資源可達成其財務責任。

本集團於報告期末按合約未折現付款的金融負債到期情況如下：

二零一九年

		On demand and less than 1 year 按要求及少於一年 HK\$'000 千港元	1 to 5 years 一至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Trade payables	貿易應付款項	7,247	–	7,247
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	1,649	–	1,649
Lease liabilities	租賃負債	5,210	2,479	7,689
		14,106	2,479	16,585

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

2018

		On demand and less than 1 year 按要求及 少於一年 HK\$'000 千港元
Trade payables	貿易應付款項	13,886
Financial liabilities included in other payables and accruals	計入其他應付款項及 應計費用的金融負債	25,198
		39,084

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 2018.

33. EVENTS AFTER THE REPORTING PERIOD

There were no significant events after 31 December 2019 and up to the date of this annual report.

32. 金融風險管理目標及政策(續)

流動資金風險(續)

二零一八年

	On demand and less than 1 year 按要求及 少於一年 HK\$'000 千港元
Trade payables	13,886
Financial liabilities included in other payables and accruals	25,198
	39,084

資本管理

本集團資本管理之主要目標為保障本集團持續經營的能力及維持穩健的資本比率，以支持其業務及實現股東價值最大化。

本集團因應經濟狀況變化及相關資產的風險特徵管理其資本架構及作出調整。為維持或調整資本架構，本集團或須調整派付予股東的股息、向股東返還資本或發行新股份。本集團毋須遵守任何外部施加的資本規定。於截至二零一九年及二零一八年十二月三十一日止年度，管理資本之目標、政策或程序並無作出任何變動。

33. 報告期後事件

自二零一九年十二月三十一日起至本年度報告日期為止期間，並無重大事件。

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

34. 本公司財務狀況表

有關本公司於報告期末的財務狀況表的資料如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Investment in subsidiaries	於附屬公司的投資	—*	—*
Right-of-use assets	使用權資產	1,116	—
Total non-current assets	非流動資產總值	1,116	—*
CURRENT ASSETS	流動資產		
Amount due from subsidiaries	應收附屬公司款項	12	11
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	625	18,897
Cash and bank balances	現金及銀行結餘	86,307	—
Total current assets	流動資產總值	86,944	18,908
CURRENT LIABILITIES	流動負債		
Amount due to subsidiaries	應付附屬公司款項	2,831	13,649
Other payables and accruals	其他應付款項及應計費用	1,599	26,520
Lease liabilities	租賃負債	364	—
Total current liabilities	流動負債總值	4,794	40,169
NET CURRENT ASSETS/ (LIABILITIES)	流動資產/(負債)淨額	82,150	(21,261)

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

34. 本公司財務狀況表(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	83,266	(21,261)
NON-CURRENT LIABILITIES	非流動負債		
Lease liabilities	租賃負債	810	-
Total non-current liabilities	非流動負債總值	810	-
Net assets/(liabilities)	資產/(負債)淨值	82,456	(21,261)
EQUITY	權益		
Share capital	股本	4,000	4
Reserves/(accumulated losses) (note)	儲備/(累計虧損)(附註)	78,456	(21,265)
Total equity/(deficiency in assets)	權益總值/(資產虧絀)	82,456	(21,261)

* The amount is less than HK\$1,000.

* 金額少於1,000港元。

YEUNG Lun Ching

楊倫楨
Director
董事

WONG Kwan Lik

王群力
Director
董事

Notes to Financial Statements (Continued)

財務報表附註(續)

31 December 2019 二零一九年十二月三十一日

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves/(accumulated losses) is as follows:

34. 本公司財務狀況表(續)

附註：

本公司儲備／(累計虧損)概要如下：

		Share premium	Accumulated losses	Total
		股份溢價	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	-	-	-
Total comprehensive loss for the year	年內全面虧損總額	-	(21,265)	(21,265)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	-	(21,265)	(21,265)
Total comprehensive loss for the year	年內全面虧損總額	-	(2,525)	(2,525)
Capitalisation Issue	資本化發行	(2,996)	-	(2,996)
New issue of shares from global offering	自全球發售的新發行股份	124,000	-	124,000
Share issue expenses	股份發行開支	(18,758)	-	(18,758)
At 31 December 2019	於二零一九年十二月三十一日	102,246	(23,790)	78,456

35. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 March 2020.

35. 批准財務報表

財務報表已於二零二零年三月二十六日經董事會批准及授權刊發。

彼岸控股有限公司
Peiport Holdings Ltd.