

2020  
ANNUAL  
REPORT  
年報



南順(香港)有限公司  
**Lam Soon (Hong Kong) Limited**

A Member of the Hong Leong Group  
豐隆集團成員

(Stock Code 股份代號 : 411)

刀嘜<sup>®</sup>  
Knife

最多受訪者認同  
刀嘜金裝濃香花生油

**最香  
濃\***



星級米芝蓮  
陳國強名廚推介

註冊營養師  
陳國賓 星級之選



兩項優質產品  
A Lam Soon Quality Product

香港Q標優質產品計劃

香港卓越名牌

\*根據香港尼爾森市場調查公司於2019年7月訪問182名花生油使用者及購買食油決策者對香港市場銷量的八成的8種花生油標本產品之調查。(©2019尼爾森公司版權所有)

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# CORPORATE INFORMATION

## 公司資料

### Board of Directors

KWEK Leng Hai (*Chairman*)\*  
WONG Cho Fai (*Group Managing Director*)\*\*  
TANG Hong Cheong\*  
WHANG Sun Tze, *Ph.D.*\*  
TAN Lim Heng\*  
LO Kai Yiu, Anthony#  
HUANG Lester Garson, *SBS, JP*#  
HO Yuk Wai, Joan#

\*\* *Executive director*

\* *Non-executive director*

# *Independent non-executive director*

### Board Audit and Risk Management Committee

LO Kai Yiu, Anthony (*Chairman*)  
HUANG Lester Garson, *SBS, JP*  
HO Yuk Wai, Joan

### Board Remuneration Committee

HUANG Lester Garson, *SBS, JP* (*Chairman*)  
KWEK Leng Hai  
LO Kai Yiu, Anthony

### Board Nomination Committee

KWEK Leng Hai (*Chairman*)  
LO Kai Yiu, Anthony  
HO Yuk Wai, Joan

### Chief Financial Officer

TSANG Chin Hung, Fanny

### Company Secretary

CHENG Man Ying

### Principal Banker

The Hongkong and Shanghai Banking Corporation Limited

### Auditors

KPMG  
*Certified Public Accountants*  
Public Interest Entity Auditor registered in accordance with the  
Financial Reporting Council Ordinance

### 董事會

郭令海(*主席*)\*  
黃祖暉(*集團董事總經理*)\*\*  
鄧漢昌\*  
黃上哲, *博士*\*  
陳林興\*  
羅啟耀#  
黃嘉純, *銀紫荊星章, 太平紳士*#  
何玉慧#

\*\* *執行董事*

\* *非執行董事*

# *獨立非執行董事*

### 董事會審核及風險管理委員會

羅啟耀(*主席*)  
黃嘉純, *銀紫荊星章, 太平紳士*  
何玉慧

### 董事會薪酬委員會

黃嘉純, *銀紫荊星章, 太平紳士*(*主席*)  
郭令海  
羅啟耀

### 董事會提名委員會

郭令海(*主席*)  
羅啟耀  
何玉慧

### 首席財務總監

曾展紅

### 公司秘書

鄭文英

### 主要往來銀行

香港上海滙豐銀行有限公司

### 核數師

畢馬威會計師事務所  
*執業會計師*  
於《財務匯報局條例》下的註冊公眾利益實體  
核數師

# CORPORATE INFORMATION

## 公司資料

### Place of Incorporation

Hong Kong

### Registered Office

21 Dai Fu Street, Tai Po Industrial Estate,  
Tai Po, New Territories, Hong Kong

### Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited  
Rooms 1712–1716, 17/F, Hopewell Centre,  
183 Queen's Road East, Wanchai, Hong Kong

### Internet Websites

#### Lam Soon Hong Kong Group

<http://www.lamsoon.com>

#### Home Care Business

<http://www.axe.com.hk/hk>

#### Edible Oil Business

<http://www.lamsoonoil.com>  
<https://www.haomama.com>

#### Flour Business

<http://www.hkflourmills.com>  
<http://www.gsflour.com>

#### Hong Leong Group

<http://www.hongleong.com>

### 註冊成立地點

香港

### 註冊辦事處

香港新界大埔大埔工業邨大富街21號

### 股份過戶登記處

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

### 互聯網網站

#### 南順香港集團

<http://www.lamsoon.com>

#### 家居護理業務

<http://www.axe.com.hk/hk>

#### 食用油脂業務

<http://www.lamsoonoil.com>  
<https://www.haomama.com>

#### 麵粉業務

<http://www.hkflourmills.com>  
<http://www.gsflour.com>

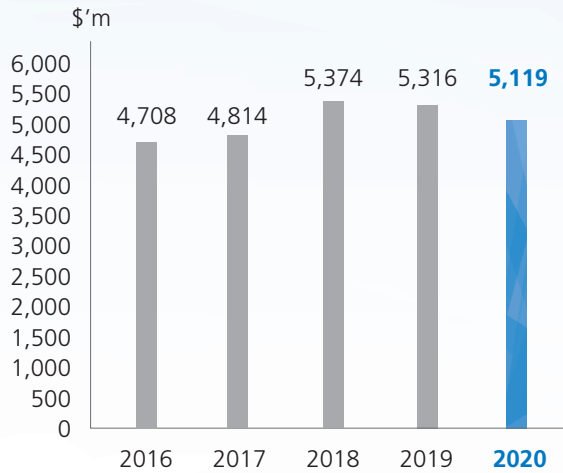
#### 豐隆集團

<http://www.hongleong.com>

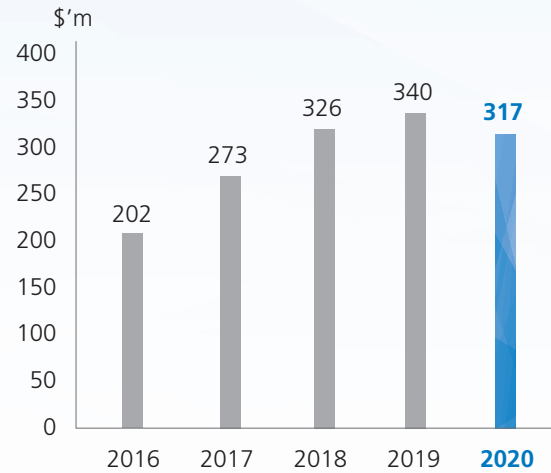
# FINANCIAL HIGHLIGHTS

## 財務摘要

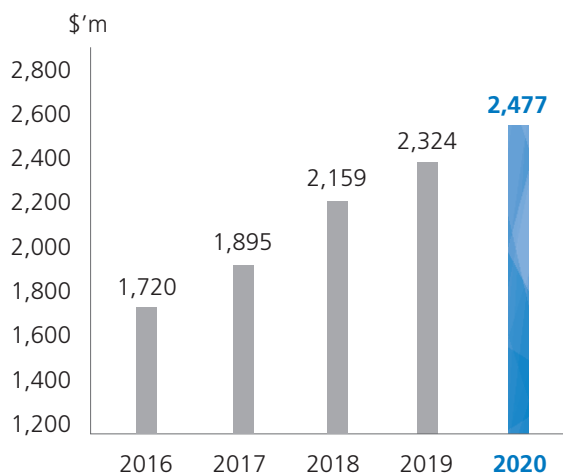
**Revenue (HK\$ million)**  
收入(港幣百萬元)



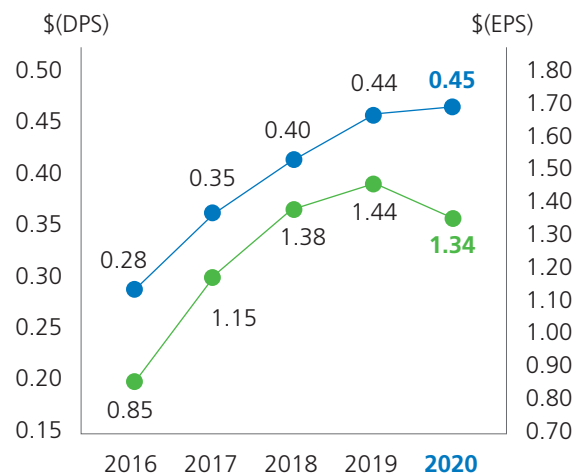
**Profit Attributable to Shareholders (HK\$ million)**  
股東應佔溢利(港幣百萬元)



**Equity Attributable to Shareholders (HK\$ million)**  
股東應佔權益(港幣百萬元)



**Basic Earnings per Share and Dividend per Share (HK\$)**  
每股基本盈利及每股股息(港幣元)



● DPS 每股股息      ● EPS (Basic) 每股基本盈利

# FINANCIAL HIGHLIGHTS

## 財務摘要

### Consolidated Results

#### 綜合業績

(HK\$ million) (港幣百萬元)		Year ended 30 June 截至六月三十日止年度				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
Revenue	收入	5,119	5,316	5,374	4,814	4,708
GP%	毛利率	23%	22%	21%	21%	20%
Profit before taxation	除稅前溢利	400	398	391	319	266
Taxation	稅項	(83)	(58)	(65)	(46)	(64)
Profit for the year	本年度溢利	317	340	326	273	202
Non-controlling interests	非控制權益	-	-	-	-	-
<b>Profit attributable to shareholders of the Company</b>	<b>本公司股東應佔溢利</b>	<b>317</b>	340	326	273	202

### Consolidated Assets and Liabilities

#### 綜合資產及負債

(HK\$ million) (港幣百萬元)		At 30 June 於六月三十日				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
<b>Total assets</b>	<b>總資產</b>	<b>3,215</b>	3,062	2,871	2,561	2,317
<b>Total liabilities</b>	<b>總負債</b>	<b>(738)</b>	(727)	(701)	(655)	(586)
<b>Non-controlling interests</b>	<b>非控制權益</b>	<b>-</b>	(11)	(11)	(11)	(11)
<b>Equity attributable to shareholders of the Company</b>	<b>本公司股東應佔權益</b>	<b>2,477</b>	2,324	2,159	1,895	1,720

# FINANCIAL HIGHLIGHTS

## 財務摘要

### Key Financial Indicators

#### 主要財務指標

		Year ended 30 June 截至六月三十日止年度				
		2020 二零二零年	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年
Earnings per share (HK\$)	每股盈利(港幣元)					
Basic	基本	1.34	1.44	1.38	1.15	0.85
Diluted	攤薄	1.34	1.43	1.37	1.12	0.84
Dividend per share (HK\$)	每股股息(港幣元)	0.45	0.44	0.40	0.35	0.28
Equity-debt ratio*	權益債務比率*	100:0	100:0	100:0	100:0	100:0

\* Equity-debt ratio is defined as the ratio of the total equity attributable to equity shareholders of the Company to net debt. Net debt represents leases liabilities less cash and short term funds.

\* 權益債務比率為本公司股東應佔總權益與淨債務的比率。淨債務包括租賃負債減現金及短期資金。





# CHAIRMAN'S STATEMENT

## 董事會主席報告書

On behalf of the Board of Directors (the "Board") of Lam Soon (Hong Kong) Limited (the "Company"), I present herewith the annual report of the Company and its subsidiaries (collectively the "Group" or "Lam Soon") for the financial year ended on 30 June 2020.

Despite the challenging external factors of COVID-19 pandemic, geopolitical tensions and social unrest in Hong Kong, the Group recorded only a slight decrease both in revenue at HK\$5,119 million and net profit at HK\$317 million versus last year. However, it is worthy to note of further improvement in overall gross margin by 1.6% to 23.3%. As at 30 June 2020, the Group was in sound financial health with a cash balance of HK\$1,530 million.

The Group Food Segment faced significant headwind as COVID-19 adversely impacted our business-to-business customers in hotel, restaurant, catering and food manufacturing. This negative factor was somewhat mitigated through our strong performance in business-to-consumer products, particularly in e-commerce. Overall Food Segment revenue and profit from operations decreased by 5.0% and 6.7% respectively. The Home Care Segment performed solidly to register a 4.5% revenue growth and significant improvement in net profit partially aided by favourable material costs.

本人謹代表南順(香港)有限公司(「本公司」)之董事會(「董事會」)，提呈本公司及其附屬公司(合稱「本集團」或「南順」)截至二零二零年六月三十日止財政年度之年報。

儘管香港受到2019冠狀病毒病(「COVID-19」)疫情、地緣政治局勢緊張以及社會動盪等具有挑戰性之外部因素影響，本集團分別錄得收入及純利為港幣5,119,000,000元及港幣317,000,000元，與去年相比只略微下降。然而，值得注意的是整體毛利率進一步提高了1.6%至23.3%。於二零二零年六月三十日，本集團之財務狀況穩健，現金結餘為港幣1,530,000,000元。

由於COVID-19對我們於酒店、餐廳、餐飲及食品製造業的企業對企業模式之客戶產生不利影響，本集團的食品分部面臨重大阻力。我們在企業對消費者模式之產品，特別是電子商務方面的強勁表現在一定程度上緩解了這一負面因素。食品分部的整體收入及經營溢利分別下降了5.0%及6.7%。家居護理分部表現優異，收入增長4.5%，純利亦顯著提升，部分受益於有利的材料成本。



# CHAIRMAN'S STATEMENT

## 董事會主席報告書

The Directors are recommending a final dividend of HK\$0.31 per share at the forthcoming Annual General Meeting. In addition to the interim dividend of HK\$0.14 per share paid earlier this year, total dividend for the year amounts to HK\$0.45 per share. The total payout for this financial year at HK\$0.45 represents the fifth consecutive year of growth in dividend per share.

The Group remained steadfast to strengthen its growth fundamentals with implementation of a number of long term initiatives. We continued to invest in development of innovative and value-added products, widening online and offline distribution across China and enhancing our production infrastructure and capabilities. Our state-of-the-art Yixing flour factory in Jiangsu Province is now up and running. The specialty fats facility is proceeding on track and is expected to be operational in the second half of FY20/21. Notwithstanding the present adverse macro business environment, we remain cautiously optimistic that our business in providing trustworthy and high quality essential food and home care products will remain on an even keel. Our management team working from a solid foundation in planning and execution forged over the years is well prepared to face the challenges ahead.

On behalf of the Board, I would like to express our sincere gratitude to our shareholders, bankers, customers, and employees for their unwavering support and commitment to the Group in good and bad times. I would also like to record our appreciation to Mr. Joseph LEUNG who retired as Group Managing Director, for his contribution over the last 8 years of services with the Group. We wish him well in his next life chapter. A warm welcome is extended to Mr. WONG Cho Fai who assumed the position of Group Managing Director in July 2020 and I look forward to his positive contribution. Moving forward, while external situations are likely to remain challenging in the near future, we are also excited about the opportunities ahead and will endeavor to grow the businesses of the Group and to build its capital value.

**KWEK Leng Hai**  
*Chairman*

Hong Kong, 27 August 2020

董事建議於即將舉行的股東週年常會上派發末期股息每股港幣0.31元。除於本年度較早時已付中期股息每股港幣0.14元外，本年度股息總額為每股港幣0.45元。本財政年度合計派息港幣0.45元，連續五年每股股息錄得增長。

本集團堅定不移地透過實施多項長期舉措來加強其增長基礎。我們繼續投資開發創新及增值產品，擴大在中國的線上及線下分銷，並增強我們的生產基礎設施及能力。我們位於江蘇省的宜興麵粉廠技術先進，現已建成投產。特種油脂設施正在按計劃進行，預計將於二零／二一財政年度下半年投入營運。儘管目前的宏觀商業環境不利，但我們仍然謹慎樂觀地認為，我們提供可信賴及高品質的基本食品及家居護理產品的業務將保持平穩。我們的管理團隊多年來建立了堅實的規劃及執行基礎，已準備就緒應對未來的挑戰。

本人謹代表董事會衷心感謝我們的股東、銀行、客戶及僱員於順境及逆境時對本集團的堅定支持及貢獻。本人亦謹此感謝退任之集團董事總經理梁玄博先生於過去八年中為本集團服務所作出之貢獻。我們祝願彼於下一個人生篇章中一切順利。我們熱烈歡迎黃祖暉先生於二零二零年七月就任集團董事總經理一職，本人十分期待彼將作出積極貢獻。展望未來，儘管在不久的將來，外部局勢可能仍具挑戰，但我們也對未來的機遇感到興奮，並將努力發展集團的業務並建立其資本價值。

**郭令海**  
*主席*

香港，二零二零年八月二十七日

# REVIEW OF OPERATIONS

## 業務回顧

### Financial Results

The adverse impact of COVID-19 pandemic and the Hong Kong social unrest affected our business-to-business customers in hotel, bakery, catering and food manufacturing. This was partly offset by our growth in e-commerce and Fast Moving Consumer Goods segments of Edible Oil and Home Care. The Group sales revenue decreased by 3.7% from the previous year. Gross profit margin improved by 1.6 percentage points to 23.3% as a result of our product premiumisation strategy and favourable material costs for Flour and Home Care. The Group invested in higher marketing spend to enhance brand equity and in emerging e-commerce channels to maintain business momentum. Profits attributable to shareholders decreased by 6.8% to HK\$317 million due to higher taxation from additional provision for People's Republic of China ("PRC") dividends withholding tax.

### 財務業績

受到2019冠狀病毒病(「COVID-19」)疫情的不利影響及香港社會的動盪，影響了我們於酒店、烘焙、餐飲及食品製造業的企業對企業模式之客戶。此影響被我們在食用油及家居護理的電子商務及快速消費品分部的增長所部分抵銷。與去年相比，本集團的銷售收入下降3.7%。由於我們的產品高端化策略以及麵粉及家居護理的有利原材料成本，毛利率提高了1.6個百分點至23.3%。本集團投入更多營銷開支以提高品牌資產，並投資於新興的電子商務渠道以維持業務發展勢頭。股東應佔溢利減少6.8%至港幣317,000,000元，此乃由於增加中華人民共和國(「中國」)股息預扣稅項的額外撥備所導致。



# REVIEW OF OPERATIONS

## 業務回顧



### 細白香綿 櫻皇相拌

櫻皇日式精研低筋粉  
大師級烘焙新搭檔

- 日本  
制粉工藝  
日本長粉路  
精研工藝
- 100%  
進口小麥  
嚴格篩選  
全球優質小麥



致敬大師級烘焙

# REVIEW OF OPERATIONS

## 業務回顧

### Business Review

#### Food Segment

Food Segment recorded revenues of HK\$4,375 million, a 5.0% reduction against the previous year and profits from operations slipped 6.7% to HK\$368 million, mainly due to flour volume reduction under the challenging backdrop of the COVID-19 pandemic.

During the year, our Flour Division continues to pursue its long-term strategy to transform from an ingredient supplier to a solutions provider. This includes introduction of new high-quality and higher-margin products to cater for the evolving customer and consumer demands, opening additional baking centres to provide hands-on technical training and solutions to our business-to-business customers, deepening and widening our distribution coverage and strengthening our production facilities and supply chain.

In the midst of the intensifying U.S.-China trade relationship, the Group has conducted rigorous sourcing and evaluation of various wheat types from PRC and Europe with the aim to lessen its current dependence on U.S., Canada and Australia wheat. This exercise has not only yielded cost savings but enabled the Group to identify and use various wheat sources that provide bespoke mixes that support our expanding flour products portfolio.

Our highest quality Royal Sakura flour continues to penetrate into the market, albeit at a slower pace than previously planned due to disruption of product demonstrations and roadshows from the pandemic lockdowns. Our specialty fats factory in Jintan continues to proceed on track and is expected to be operational in fourth quarter of FY20/21. Specialty fats is a complementary product to the Group's business with overlapping targeted customers, synergistic distribution network, and operational and system requirements. This will add a strong new pillar to fuel our business growth in the near future.

### 業務回顧

#### 食品分部

食品分部錄得收入港幣4,375,000,000元，較去年減少5.0%，經營溢利下滑6.7%至港幣368,000,000元，主要由於在COVID-19疫情的挑戰下麵粉銷量減少。

年內，我們的麵粉分部繼續遵循其長期策略，從原料供應商轉變為解決方案供應商。其中包括推出高品質且利潤率更高的新產品，以滿足客戶及消費者日新月異的需求；開設更多烘焙中心，為我們的企業對企業模式之客戶提供實踐性的技術培訓及解決方案；深化及擴大我們的分銷範圍，並加強我們的生產設施及供應鏈。

在美中貿易關係不斷激化的過程中，本集團對來自中國及歐洲的各種類型小麥進行了嚴格的採購及評估，目的是減少目前對美國、加拿大及澳洲小麥的依賴。此舉不但節省成本，亦使本集團能夠識別及使用各種小麥來源，而該等小麥來源可提供特製的材料，從而支持我們不斷擴大的麵粉產品組合。

我們最高品質的「櫻皇」麵粉繼續滲入市場，儘管因疫情封鎖措施導致產品展示及路演中斷，其滲透步伐比原定計劃慢。我們在金壇的特種油脂廠繼續按計劃進行，預計於二零／二一財政年度第四季投入營運。特種油脂是本集團業務的互補產品，具有一致的目標客戶、協同分銷網絡以及營運及系統要求。這將為我們在不久將來推動業務增長增添了強大的新支柱。

# REVIEW OF OPERATIONS

## 業務回顧

# 刀嘜 Knife

## 星級選材 升級健康



### 金裝

系列

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刀嘜好媽媽 Knife Oil

刀嘜好媽媽 Knife Oil

# REVIEW OF OPERATIONS

## 業務回顧

### Business Review *(continued)*

#### Food Segment *(continued)*

For Edible Oil, it registered robust revenue growth in the year under review against the challenge of higher raw material costs of corn and peanut. Our core Knife Oil business-to-consumer business had strong growth, both offline in South China and in online e-commerce. This successfully offset our decline in catering and institutional business-to-business. In the very competitive Guangzhou market, Knife grew significantly and reached a new high of 6.3% market value share.<sup>1</sup> Knife grew and expanded in e-commerce via expanding channels into different and wider platforms, enriching the online specific product portfolio and implementing new attractive sales and marketing programmes. In the mature Hong Kong market, Knife delivered solid growth and continued to lead in the very important peanut segment with total market share in value and volume at 27.9% and 31.9% respectively.<sup>2</sup> To capture the prevailing health-conscious trend among consumers, Knife continued to strengthen its premium range offering, with the addition of Supreme Peanut Blended Oil, Supreme Corn Oil and Supreme Canola Oil, which sets a foundation for growth in future.

The Group commenced distribution of Manuka Health honey products in PRC via cross border e-commerce platform in the current year and expects to expand to cover more channels, especially e-commerce, in the upcoming financial year, to provide a new source of future growth.

<sup>1</sup> Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Edible Oil (Consumer Pack) Category for the rolling year June 2020 (from July 2019 to June 2020), for the China Guangdong market. (Copyright ©2020, The Nielsen Company.)

<sup>2</sup> Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Edible Oil Category from July 2018 to June 2020 for Total Supermarkets & Convenience Stores in Hong Kong. (Copyright ©2020, The Nielsen Company.)

### 業務回顧 *(續)*

#### 食品分部 *(續)*

雖然面對粟米及花生原材料成本上漲的挑戰，食用油在回顧年度的收入增長強勁。我們的核心「刀嘜」油在企業對消費者模式之業務於華南地區的線下業務以及線上電子商務均實現了強勢增長。這成功抵銷了我們在餐飲及機構企業對企業模式之業務的下降。於競爭激烈的廣州市場，「刀嘜」大幅增長，市場價值份額達到新高的6.3%<sup>1</sup>。通過將渠道擴展至不同且更廣泛的平台、豐富線上特定產品組合以及實施有吸引力的新銷售及營銷計劃，「刀嘜」在電子商務方面實現了發展及擴張。在成熟的香港市場，「刀嘜」錄得穩健的增長，並繼續在非常重要的花生分部市場中處於領先地位，按價值及銷量計算的整體市場份額分別為27.9%及31.9%<sup>2</sup>。為把握消費者現時流行的健康意識趨勢，「刀嘜」繼續增強其高端產品系列，增加了金裝花生混合油、金裝粟米油及金裝芥花籽油，為未來的增長奠定了基礎。

本集團於本年度開始通過跨境電子商務平台在中國分銷麥盧卡健康蜂蜜產品，並有望在下一個財政年度擴大覆蓋更多渠道（尤其是電子商務），為未來的增長提供新來源。

<sup>1</sup> 南順的計算方式部分是基於尼爾森零售指數服務的食用油（小包裝）類別，按年度滾動至二零二零年六月（即二零一九年七月至二零二零年六月）的中國廣東省市場數據。（版權所有©2020，尼爾森公司）

<sup>2</sup> 南順的計算方式部分是基於尼爾森零售指數服務的食用油類別，從二零一八年七月至二零二零年六月自香港超級市場和便利商店渠道取得的數據。（版權所有©2020，尼爾森公司）

# REVIEW OF OPERATIONS

## 業務回顧



海洋清新

花萃菁香

**8x 潔淨力**



除菌



護色



**消臭**



柔順



可生物降解



# REVIEW OF OPERATIONS

## 業務回顧

### Business Review *(continued)*

#### Home Care Segment

Home Care Segment revenue grew 4.5% to HK\$744 million and profits from operations increased 40.1% to HK\$84 million. This was mainly attributed to consolidation of distributorships, consumer trade up through AXE premiumisation, strong momentum of e-commerce and favourable material costs.

In Hong Kong, we upheld strong market leadership in the dishwashing detergent category with combined value and volume market share at 39.0% and 51.0%.<sup>3</sup> In Guangdong, we maintained our No. 2 market position in dishwashing detergent category with a combined market share of 17.6% in value and 16.4% in volume respectively.<sup>4</sup>

We will continue to execute our long-term strategy to transform Home Care to a wider range household business via rejuvenating the AXE brand, trading up consumers in dishwashing detergent and expanding beyond dishwashing, e.g. Fabric Care. COVID-19 is a threat to most businesses but for Home Care, it is also an opportunity. We strengthened our portfolio and business through the launch of the anti-bacteria range of Triple Actions and Artemisia and accelerated our momentum in our firmly established online channels to pave the way for our further geographical expansion and growth in the future.

<sup>3</sup> Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Dishwashing Detergent Category from July 2018 to June 2020 for Total Supermarkets, Convenience Stores and Drug Stores in Hong Kong. (Copyright ©2020, The Nielsen Company.)

<sup>4</sup> Lam Soon's calculation based in part on data reported by Nielsen through its Retail Index Service for the Dishwashing Liquid Category for the rolling year June 2020 (from July 2019 to June 2020), for the China Guangdong market. (Copyright ©2020, The Nielsen Company.)

### 業務回顧 *(續)*

#### 家居護理分部

家居護理分部的收入增長4.5%至港幣744,000,000元，而經營溢利增加40.1%至港幣84,000,000元。主要是由於分銷商整合、通過「斧頭牌」高端化促進消費者消費更高價產品、電子商務的強勁勢頭以及有利的原材料成本。

在香港，我們在碗碟洗潔精類別中保持了強大的市場領導地位，其合併價值及銷量的市場份額分別為39.0%及51.0%<sup>3</sup>。在廣東，我們在碗碟洗潔精類別中保持第二名的市場地位，其合併價值及銷量的市場份額分別為17.6%及16.4%<sup>4</sup>。

我們將繼續執行長期策略，通過振興「斧頭牌」品牌、促進碗碟洗潔精的消費者升級並擴大至碗碟洗潔精以外的範疇（例如織物護理），將家居護理轉變為更廣泛的家庭用品業務。COVID-19對大多數企業構成了威脅，但對於家居護理而言，卻亦是一個機遇。我們通過推出「三重功效」及「青蒿」抗菌系列增強了產品組合及業務，並在牢固建立的線上渠道中加快了發展勢頭，為我們未來的進一步地域擴張及增長鋪路。

<sup>3</sup> 南順的計算方式部份是基於尼爾森公司全港碗碟洗潔精類別零售指數服務，從二零一八年七月至二零二零年六月自香港超級市場、便利店及藥房渠道取得的數據。（版權所有©2020，尼爾森公司）

<sup>4</sup> 南順的計算方式部份是基於尼爾森對中國廣東省的碗碟洗潔精類別自二零二零年六月滾動年度（即二零一九年七月至二零二零年六月）的零售指數服務數據。（版權所有©2020，尼爾森公司）

## REVIEW OF OPERATIONS

### 業務回顧



GOLDEN  
STATUE  
金像牌

# 金像牌 班戟預拌粉

輕鬆簡易做到  
口感鬆軟厚班戟

3分鐘  
種材料



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有限公司保留最終決定權。

# REVIEW OF OPERATIONS

## 業務回顧

### Outlook

The financial year just ended has been a year marked with volatility and uncertainty as geo-political tensions dampened business sentiment and the COVID-19 pandemic disrupted economic and social activities. It has been a year many had not foreseen nor experienced before. The Group through its strong fundamentals and support of its customers has managed to emerge with minor revenue and profit slippages. It is steadfast to pursue its business agenda to strengthen its products and market support while solidifying its distribution channels and relations with its valued clients. It continues with its plan to introduce new products in higher valued flour and specialty fats from its new plants in Yixing and soon Jintan and in superior offerings of Edible Oil under the Supreme series and in Home Care under new product categories. The Group has taken necessary steps to risk manage its supply chain as best as it can, heightened improved health and safety measures and worked more closely with our customers to assure the availability of our products to our consumers.

The outlook for the new financial year 2020/21 is expected to be challenging as the COVID-19 pandemic continues to ripple across the globe while communities and businesses struggle to cope with the resultant disruption and to operate under a new normal. The stage - two effects of disrupted businesses, job losses and economic retrenchment will start to bite deeper in the new financial year and economic activities may remain soft. Against this backdrop, the Group enters financial year 2020/21 with vigilance and discipline but mindful that its strong financial position and business fundamentals will be a safeguard and allow it to grow when the economic recovery emerges.

### Financial Review

Management has been provided with the following key performance indicators (“KPIs”) to manage its business, through evaluating, controlling and setting strategies to improve performance. Such KPIs include revenue, gross profit margin, net profit attributable to shareholders, inventory and trade receivable turnover days.

### 展望

剛結束的財政年度充滿了動盪及不確定性，原因是地緣政治緊張局勢抑制了營商意欲，以及 COVID-19 疫情使經濟及社會活動停頓。這是很多人從未預見或經歷過的一年。本集團有賴其強大的基礎以及客戶的支持得以成功錄得僅小幅的收入及溢利下滑。本集團堅定不移地實行其業務日程，以加強其產品及市場支持，同時鞏固其分銷渠道以及與尊貴客戶的關係。本集團繼續其計劃，在宜興及不久後的金壇新工廠中推出高價值麵粉及特種油脂新產品，並在「金裝」系列高級食用油產品及家居護理類別推出新產品。本集團已採取必要措施，在最大程度內風險管理其供應鏈，加強健康及安全措施，並與客戶更緊密合作，以確保向消費者提供我們的產品。

隨著 COVID-19 疫情繼續在全球蔓延，而社區及企業努力應對由此造成的混亂並在新常態下營運，新的二零二零／二一財政年度前景預期充滿挑戰。在新的財政年度，業務中斷、失業及經濟緊縮的第二階段影響將開始更加嚴重，經濟活動可能仍然疲軟。在此背景下，本集團將保持警惕及自律進入二零二零／二一財政年度，但會緊記其強大的財務狀況及業務基礎將成為一種保障，讓其可在經濟復甦出現時得以發展。

### 財務回顧

以下的主要表現指標（「主要表現指標」），提供給管理層用作公司營運管理，包括用作評估、監控及釐訂策略以改善業務。主要表現指標包括收入、毛利率、股東應佔淨溢利、存貨及貿易應收賬款周轉天數。

# 新 刀嘜金裝鮮胚粟米油



優質粟米保留天然植物甾醇，減少吸收膳食膽固醇



星級註冊營養師  
陳國寶

營養師之選

# REVIEW OF OPERATIONS

## 業務回顧

### Financial Review *(continued)*

#### Group Results

For the year ended 30 June 2020, the Group's revenue decreased by 3.7% to HK\$5,119 million. The decrease was mainly due to the depreciation of the Renminbi which 85% of Group revenue was denominated and coupled with adverse impact of COVID-19 pandemic and the Hong Kong social unrest affected our business-to-business customers in hotel, bakery, catering and food manufacturing. The Group's gross profit margin improved by 1.6 percentage points to 23.3% due to product premiumisation strategy and favourable material costs for Flour and Home Care.

#### Liquidity and Financial Resources

At 30 June 2020, the Group had a cash balance of HK\$1,530 million (2019: HK\$1,318 million). This was mainly attributable to the net cash generated from operating activities. About 76% of these funds were denominated in Renminbi, 17% in Hong Kong dollars and 7% in United States dollars.

Banking facilities available to Group companies and not yet drawn as at 30 June 2020 amounted to HK\$611 million (2019: HK\$721 million).

The Group centralises all the financing and treasury activities at corporate level. There are internal controls over the application of financial and hedging instruments which can only be employed to manage and mitigate the commodity price risk and currency risk for trade purposes.

At 30 June 2020, the inventory turnover days<sup>1</sup> were 62 days (2019: 59 days). The trade receivable turnover days<sup>2</sup> remained at a stable level of 21 days (2019: 24 days).

In view of the strong liquidity and financial position, management believes the Group will have sufficient resources to fund its daily operations and capital expenditure commitments.

### 財務回顧(續)

#### 集團業績

於截至二零二零年六月三十日止年度，本集團年內之銷售收入下降3.7%至港幣5,119,000,000元。由於本集團收入的其中85%均以人民幣計值，人民幣匯率較低導致收入增長受挫，連同受到COVID-19疫情的不利影響及香港社會的動盪，影響了我們於酒店、烘焙、餐飲及食品製造業的企業對企業模式之客戶。由於我們的產品高端化策略以及麵粉及家居護理的有利原材料成本，毛利率提高了1.6個百分點至23.3%。

#### 流動資金及財政資源

於二零二零年六月三十日，本集團現金結餘為港幣1,530,000,000元（二零一九年：港幣1,318,000,000元）。這主要是受惠於經營活動所得現金淨額。當中約76%的資金是人民幣，17%是港幣以及7%是美元。

可供本集團使用之未提取之銀行融資於二零二零年六月三十日為港幣611,000,000元（二零一九年：港幣721,000,000元）。

本集團於總部集中處理所有融資及財金活動，金融及衍生工具的應用受到內部規管，僅可用於處理及減輕與貿易相關的商品價格風險和貨幣風險。

於二零二零年六月三十日，存貨周轉期<sup>1</sup>為62日（二零一九年：59日）。貿易應收款項周轉期<sup>2</sup>維持在21日（二零一九年：24日）的穩健水平。

鑒於本集團強健的流動比率及財務狀況，管理層相信本集團有充足資源應付日常營運及資本開支承擔項目。

<sup>1</sup> The calculation of inventory turnover days is based on the closing balances divided by the preceding 3 months' cost of sales and multiplied by 91 days.

<sup>2</sup> The calculation of trade receivables turnover days is based on the closing balances divided by the preceding 3 months' revenue and multiplied by 91 days.

<sup>1</sup> 存貨周轉天數的計算按期末結餘數除以前3個月累計的銷售成本再乘以91天。

<sup>2</sup> 貿易應收款項周轉天數的計算按期末結餘數除以前3個月累計的收入再乘以91天。

REVIEW OF OPERATIONS  
業務回顧

AXE® x B.Duĉk™



AXE® 50週年 期間限定



f AXE Home Care | Q

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# REVIEW OF OPERATIONS

## 業務回顧

### Financial Review *(continued)*

#### Foreign Currency Exposure

The Group has operations in Mainland China, Hong Kong and Macau. Local costs and revenue are primarily denominated in Renminbi, Hong Kong dollars, and Macau Patacas.

The Group is exposed to currency risk primarily through sales and purchases, which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The Group monitors its exposure by considering factors including, but not limited to, exchange rate movement of the relevant foreign exchange currencies as well as the Group's cash flow requirements to ensure that its foreign exchange exposure is kept at an acceptable level. Details of the foreign currency exposure of the Group are set out in note 24(d) to the financial statements.

Net exchange losses for the year is set out in note 6 to the financial statements.

#### Capital Expenditure

During the year ended 30 June 2020, the Group invested a total sum of HK\$93 million (2019: HK\$121 million) on construction of new plant and new production lines in China and acquisition of other plant equipment.

Details of the capital expenditure commitments are set out in note 25(a) to the financial statements.

### 財務回顧(續)

#### 外匯風險

本集團在中國大陸、香港及澳門均有業務。當地成本及收入主要以人民幣、港幣及澳門幣定價。

本集團面對的貨幣風險，主要來自因買賣而產生之應收款項、應付款項及現金結餘，該等項目乃按外幣，即交易所涉及業務之功能貨幣以外之貨幣計值。本集團考慮的因素包括(但不限於)有關外幣匯率的走勢及本集團的現金流量的需要去監察其狀況，以確保其面對的外匯風險保持在可接受的水平。本集團之外匯風險詳列於財務報表附註24(d)。

本年度匯兌淨虧損載於財務報表附註6。

#### 資本開支

截至二零二零年六月三十日止年度，本集團在中國建設新廠房及新生產線，以及購買其他廠房設備共投入港幣93,000,000元(二零一九年：港幣121,000,000元)。

資本開支的承擔項目詳列於財務報表附註25(a)。



## REVIEW OF OPERATIONS 業務回顧

### Human Resources

As at 30 June 2020, there were 1,735 employees in the Group. Annual increment and year-end performance bonus mechanism were incorporated in the Group's remuneration policy to retain, reward and motivate individuals for their contributions to the Group. Share options were granted to eligible employees to recognise their contribution and provide incentives to achieve better performance in coming years.

### Relation with Shareholders and Investors

The Company encourages two-way communication with its stakeholders. Extensive information about the Group's activities is provided in the Annual and Interim Reports, which are sent to shareholders. The Group also maintains a number of websites to provide a wide range of information on the Group and its businesses.

### 人力資源

於二零二零年六月三十日，本集團有僱員1,735人。本集團薪酬政策內設有年度薪酬遞增及年終表現獎勵機制，藉此挽留人才、獎償及激勵員工對本集團所作的貢獻，股份認購權亦發放予合資格之僱員，作為對彼等貢獻之認同，並提供獎賞以鼓勵爭取更好的表現。

### 與股東及投資者的關係

本公司鼓勵與利益相關者之間的雙向溝通。本集團的年報及中期報告，載有集團活動的詳盡資料，並寄發予股東。本集團亦維持多個網站，提供本集團及其業務的廣泛資料。





# CORPORATE HIGHLIGHTS

## 集團紀要

Site visit of Jiangsu Lam Soon Flour Mills Company Limited by  
YiXing Government officials  
宜興市政府觀摩江蘇南順麵粉有限公司

July 2019  
2019年7月



China International Import Expo  
中國國際進口博覽會

November 2019  
2019年11月



# CORPORATE HIGHLIGHTS

## 集團紀要

Lam Soon Cup — Chinese Team's Eastern Qualification Trials of the iba.UIBC.Cup of Bakers  
 南順杯－德國IBA世界麵包師大賽中國隊選拔賽華東區分賽

October–November 2019  
 2019年10月–11月



Product launch of "Royal Sakura" Japanese Style Bread Flour  
 櫻皇精研日技麵包粉發佈會

November 2019  
 2019年11月



# CORPORATE HIGHLIGHTS

## 集團紀要

### Baking Centres

烘焙中心

Hong Kong  
香港



Shenzhen  
深圳



Fuzhou  
福州



Jinan  
濟南



YiXing  
宜興



# CORPORATE HIGHLIGHTS

## 集團紀要

### Honour & Awards

#### 榮譽與獎項

Lam Soon (Hong Kong) Limited was honoured as a “Caring Company” for the thirteenth consecutive years by the Hong Kong Council of Social Service  
 南順(香港)有限公司連續十三年獲香港社會服務聯會嘉許「商界展關懷」標誌



Shekou Lam Soon Flour Mills Company Limited was awarded “National Excellent Enterprise with Foreign Investment – Excellent Tax Payment and Turnover” by the China Association of Enterprises with Foreign Investment and the Shenzhen Association of Enterprises with Foreign Investment  
 蛇口南順麵粉有限公司獲中國外商投資企業協會及深圳外商投資企業協會頒發「全國優秀外商投資企業－雙優企業」



Shenzhen Lam Soon Edible Oils Company Limited was awarded “National Excellent Enterprise with Foreign Investment – Excellent Tax Payment and Turnover” by the China Association of Enterprises with Foreign Investment and the Shenzhen Association of Enterprises with Foreign Investment  
 深圳南順油脂有限公司獲中國外商投資企業協會及深圳外商投資企業協會頒發「全國優秀外商投資企業－雙優企業」



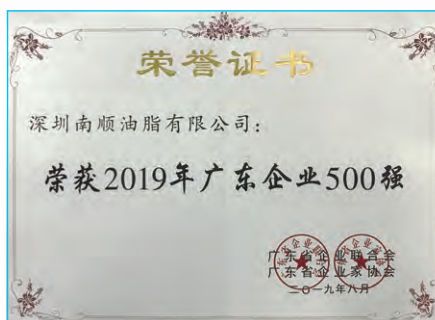
# CORPORATE HIGHLIGHTS

## 集團紀要

### Honour & Awards

#### 榮譽與獎項

Shenzhen Lam Soon Edible Oils Company Limited was awarded "Top 100 Manufacturers of Guangdong" and "Top 500 Enterprises of Guangdong" by the Guangdong Provincial Enterprise Confederation and the Guangdong Provincial Association of Entrepreneurs  
深圳南順油脂有限公司獲廣東省企業聯合會及廣東省企業家協會頒發「廣東製造業100強」及「廣東企業500強」



Shekou Lam Soon Flour Mills Company Limited was awarded "2019 Guangdong Top 100 Baking Enterprises – Top 10 Baking Ingredients Companies" by the Guangdong Light Industrial Council and the China Association of Bakery & Confectionery Industry

蛇口南順麵粉有限公司獲廣東省輕工業聯合會及廣東省焙烤食品糖製品產業協會頒發「2019廣東省烘焙企業百強評選－烘焙原料企業10強」



# CORPORATE HIGHLIGHTS

## 集團紀要

### Honour & Awards

#### 榮譽與獎項

Lam Soon (Sichuan) Food Company Limited was awarded "National Demonstration Project of Safe Grain and Oil-Demonstration Processing Enterprise" by the China National Association of Grain Sector  
南順(四川)食品有限公司獲中國糧食行業協會頒發「全國放心糧油示範工程－示範加工企業」



Shekou Lam Soon Flour Mills Company Limited was awarded "Demonstration Enterprise of Corporate Safety Culture Construction in Nanshan, Shenzhen" by the Emergency Management Bureau of Shenzhen Municipality  
蛇口南順麵粉有限公司獲深圳市南山區應急管理局頒發「深圳市南山區企業安全文化建設示範企業」



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### The Group's Sustainability Mission and Vision

The Lam Soon (Hong Kong) Limited (the "Company") and together with its subsidiaries referred to as the ("Group") is built on the strong heritage of value creation for our stakeholders and communities within which we operate. Over the years, we have taken a progressive approach in integrating sustainability into our businesses, towards a stronger, more resilient group. We are committed to: growing our businesses responsibly, balancing environmental with economic considerations, as well as creating a positive impact for our stakeholders and contributing to our communities.

### Our Values

The Group continues to strive for excellence in its day-to-day business operations and embrace the following core values in all aspects:

<b>Honour</b>	To conduct business with honour
<b>Human resources</b>	To enhance the quality of human resources – as the essence of management excellence
<b>Entrepreneurship</b>	To pursue management vision and foster entrepreneurship
<b>Innovation</b>	To nurture and be committed to innovation
<b>Quality</b>	To consistently provide goods and services of the highest quality at competitive prices
<b>Progress</b>	To continuously improve existing operations and to position for expansion and new opportunities
<b>Unity</b>	To ensure oneness in purpose, harmony and friendship in the pursuit of prosperity for all
<b>Social responsibility</b>	To create wealth for the betterment of society

These intrinsic values form a major part of the Group's core value system and have served as the foundation for its sustainable growth and development.

### Our Business

Lam Soon (Hong Kong) Limited has been publicly listed on the Hong Kong Stock Exchange since 1972. The Group is headquartered in Hong Kong and is principally engaged in the manufacturing, trading and processing of food and home care products in Hong Kong, the PRC and Macau. The Group comprises a broad portfolio of famous brands, which include "Knife", "Red Lantern", "AXE", "Labour", "Golden Statue", "American Roses", "Royal Sakura" and "Golden Double Peach".

### 本集團的可持續發展使命與願景

南順(香港)有限公司(「本公司」)及其附屬公司統稱為(「本集團」)建立在為持份者及我們所經營的社區創造價值之強大承傳上。多年來，我們採取進取的方針將可持續發展納入我們的業務，使集團變得更強大及強韌。我們致力：以負責任的態度拓展我們的業務、平衡環境與經濟考慮因素，以及為持份者締造正面的影響及為社區作出貢獻。

### 我們的價值觀

本集團繼續在日常業務營運中追求卓越，並在各方面秉承以下核心價值：

<b>道德</b>	以有信譽之方式進行業務
<b>人力資源</b>	提升人力資源質量 – 作為卓越管理之精髓
<b>企業精神</b>	追求管理願景及培育企業精神
<b>創新</b>	扶持及致力創新
<b>質量</b>	持續以具競爭力的價格提供最優質的貨品及服務
<b>進步</b>	持續改善現有營運以及為擴展及迎接新機遇作好準備
<b>團結</b>	於追求成功的同時，確保目標一致、和諧及友好關係能夠互相協調
<b>社會責任</b>	創造財富以造福社會

該等內在價值組成本集團核心價值體系的重要部分，並已成為其可持續增長及發展的基礎。

### 我們的業務

南順(香港)有限公司自一九七二年起已在香港聯交所公開上市。本集團的總部位於香港，主要於香港、中國及澳門從事食品與家居護理產品的製造、貿易及加工。本集團旗下擁有眾多知名品牌，包括「刀嘜」、「紅燈」、「斧頭牌」、「勞工牌」、「金像牌」、「美玫牌」、「櫻皇」及「金雙桃」。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### About This Report

This is the fourth Environmental, Social and Governance (“ESG”) report of Lam Soon (Hong Kong) Limited, highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 27 to the Rules Governing the Listing of the Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and Guidance set out by the Stock Exchange. The Group has complied with all the “comply or explain” provisions set out in the ESG Reporting Guide during the Reporting Period.

This ESG report covers the Group’s overall performance in two subject areas, namely, Environmental aspect of its major business operations for the manufacture and distribution of food and home care products in Hong Kong and the Mainland China, which accounted for 98% of the Group’s total revenue, and Social aspect of the Group, from 1 July 2019 to 30 June 2020 (the “Reporting Period”), unless otherwise stated. The Group’s major operational sites were:

- (i) the Lam Soon Building in Hong Kong, which comprises the headquarters office and an edible oil plant;
- (ii) the Shenzhen office in Shekou, Shenzhen of the People’s Republic of China (“PRC”);
- (iii) the five flour mills in Shekou (Shenzhen), Yixing, Jintan, Qionglai and Qingzhou of the PRC;
- (iv) the edible oil plant in Shekou, Shenzhen of the PRC; and
- (v) the homecare product plant in Guangzhou of the PRC.

The environmental performance of the business operation in Macau, sales offices in Beijing and Shanghai were not reported as they constituted insignificant environmental impacts during the Reporting Period. The flour mill in Yixing has been relocated to a new factory and recommenced operation since June 2019. No other major operational changes had occurred during the Reporting Period.

### 有關本報告

此為南順(香港)有限公司刊發之第四份環境、社會及管治(「環境、社會及管治」)報告，以強調本集團於環境、社會及管治方面之表現，有關披露乃參考香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄27及指引所述之環境、社會及管治報告指引。本集團已遵守於報告期間的環境、社會及管治報告指引所載的所有「不遵守就解釋」條文。

除另有說明外，本環境、社會及管治報告涵蓋本集團於二零一九年七月一日至二零二零年六月三十日(「報告期間」)在香港和中國大陸之食品及家居護理用品之製造及分銷主要業務(佔本集團總收入98%)在環境方面以及本集團在社會方面這兩大主要範疇之整體表現。本集團之主要業務營運場地包括：

- (i) 位於香港的南順大廈，包括總部辦事處及食用油廠；
- (ii) 位於中華人民共和國(「中國」)深圳蛇口的深圳辦事處；
- (iii) 位於中國蛇口(深圳)、宜興、金壇、邳峽及青州的五個麵粉廠；
- (iv) 位於中國深圳蛇口的食用油廠；及
- (v) 位於中國廣州的家居護理用品廠。

澳門之業務營運以及北京及上海銷售辦事處的環境表現並無報告，皆因該等處所於報告期間內對環境影響較小。宜興麵粉廠已於二零一九年六月搬遷至新工廠並已重新開始營運。於報告期間內並無發生其他重大營運變動。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

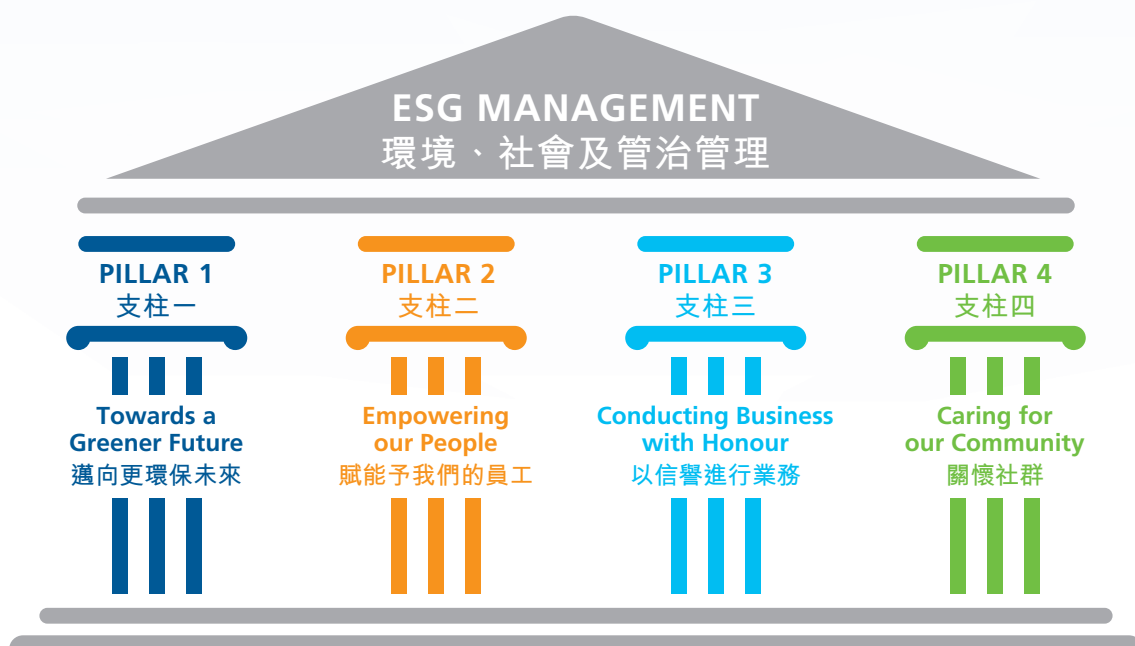
## 環境、社會及管治報告書

### Our Approach

With growing public expectations of corporate responsibility, the Group takes a proactive approach to integrate ESG matters as part of its business strategies. The Group believes that an effective ESG management structure is a key factor to business success, and has therefore adopted an integrated four-pillar approach to its overall sustainability management to manage ESG issues on the environment, human capital, corporate governance and social capital.

### 我們的方法

隨著公眾對企業責任的期望越來越高，本集團採取積極的方法將環境、社會及管治事宜納入其業務策略的一部分。本集團相信有效的環境、社會及管治管理架構是取得業務成功的關鍵因素，並因此於整體可持續性管理中採用了整合的四支柱方法，以管理有關環境、人力資本、企業管治及社會資本的環境、社會及管治問題。



The Group sees the benefits of proactively tackling ESG issues, believing that its strategic focus on sustainability and its ability to manage associated ESG risks can create not only tangible value for its business, but also long-term values for its employees, customers, the environment and the broader society, towards a stronger and more resilient group.

本集團深明積極處理環境、社會及管治問題之裨益，相信其對可持續發展之策略重點及其管理相關環境、社會及管治風險的能力，不僅可以為其業務創造真實的價值，亦可以為其員工、客戶、環境及廣泛的社會創造長期價值，從而使集團變得更強大及強韌。

The Group has dedicated its effort to ensuring its compliance with relevant legal and regulatory requirements as described in the Listing Rules. The Board of Directors of the Company (the "Board") oversees the sustainability management and performance of the Group and has the overall responsibility for the Group's ESG strategy and reporting. For details of the Group's corporate governance practices, please refer to the "Corporate Governance Report" Section of this annual report.

本集團致力確保遵守上市規則所述之相關法律及監管規定。本公司董事會（「董事會」）監督本集團的可持續發展之管理及表現，並全面負責本集團的環境、社會及管治策略及報告。有關本集團企業管治常規的詳情，請參閱本年報的「企業管治報告書」章節。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Stakeholder Engagement

Beyond corporate governance, the Group conducts stakeholder engagement exercises and materiality assessments to ensure its business focus remains relevant to them.

The Group values input and feedback of its stakeholders as they bring potential insights to the Group's business. Key stakeholders including investors, shareholders and employees have been involved in regular engagement sessions to discuss and review areas of attention in order to help the Group meet its expected growth and prepares for future challenges. Through identifying areas of improvement and maintaining close communication with various stakeholders, the Group aims to consistently enhance its ESG performance and management.

### Stakeholders' Feedback

The Group welcomes stakeholders' feedback on our ESG approach and performance. Please give your suggestions or share your views with us via email at [webmaster@lamsoon.com](mailto:webmaster@lamsoon.com).

### Performance Highlights

The Group's remarkable achievements are recognised by the local governments and various trade associations. Awards and grants received by its subsidiaries during the Reporting Period included:

Hong Kong Flour Mills Limited

- "American Roses" and "Golden Statue" were awarded "Hong Kong Top Brand" by the Chinese Manufacturers' Association of Hong Kong and the Hong Kong Brand Development Council

Shekou Lam Soon Flour Mills Company Limited

- "Demonstration Enterprise of Corporate Safety Culture Construction in Nanshan, Shenzhen" awarded by the Emergency Management Bureau of Shenzhen Municipality\*
- "National Excellent Enterprise with Foreign Investment – Excellent Tax Payment and Turnover" awarded by the China Association of Enterprises with Foreign Investment and the Shenzhen Association of Enterprises with Foreign Investment
- "2019 Guangdong Top 100 Baking Enterprises – Top 10 Baking Ingredients Companies" awarded by the Guangdong Light Industrial Council and the China Association of Bakery & Confectionery Industry

### 持份者參與

除企業管治外，本集團開展持份者參與活動及重要性評估，以確保其業務重點與持份者息息相關。

本集團重視持份者的意見及反饋，因為持份者可能會為本集團的業務帶來真知灼見。主要持份者(包括投資者、股東及僱員)已定期參與會議、討論及審閱注意事項，以助本集團達致預期增長及為未來挑戰做好準備。通過識別需要改進的領域並與各持份者保持密切溝通，本集團旨在不斷提高其環境、社會及管治表現及管理水平。

### 持份者意見

本集團歡迎持份者對我們的環境、社會及管治方法及表現發表意見。敬請閣下透過電郵向我們提出建議或分享意見，電郵地址為 [webmaster@lamsoon.com](mailto:webmaster@lamsoon.com)。

### 表現摘要

本集團的卓越成就受到地方政府及各行業協會的認可。其附屬公司於報告期間獲得的獎項及獎勵包括：

香港麵粉廠有限公司

- 「美玫牌」及「金像牌」榮獲香港中華廠商聯合會及香港品牌發展局頒發「香港名牌」

蛇口南順麵粉有限公司

- 深圳市南山區應急管理局頒發「深圳市南山區企業安全文化建設示範企業」
- 中國外商投資企業協會及深圳外商投資企業協會頒發「全國優秀外商投資企業-雙優企業」
- 廣東省輕工業聯合會及廣東省焙烤食品糖製品產業協會頒發「2019廣東省烘焙企業百強評選-烘焙原料企業10強」

\* For identification purpose only

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Performance Highlights *(continued)*

#### Jiangsu Lam Soon Flour Mills Company Limited

- Received a special reward for high-quality development from Yixing Agriculture Bureau in 2019\*
- Received “2019 Yixing City Xinzhuang Street Advanced Enterprise” from the office of Yixing City Xinzhuang Street\*

#### Jiangsu Lam Soon Food Company Limited

- Received a grant as one of the top 20 leading enterprises in agricultural industry from Rural Industry Planning and Development Division of Bureau of Agriculture and Rural Affairs in Changzhou City Jintan District\*
- Received an A-line subsidy for technological transformation project from Rural Industry Planning and Development Division of Bureau of Agriculture and Rural Affairs in Changzhou City Jintan District\*

#### Lam Soon (Sichuan) Food Company Limited

- “National Demonstration Project of Safe Grain and Oil – Demonstration Processing Enterprise” awarded by the China National Association of Grain Sector

#### Lam Soon Products Supply (Hong Kong) Company Limited

- “Knife” was awarded “Hong Kong Premier Brand” by the Chinese Manufacturers’ Association of Hong Kong and the Hong Kong Brand Development Council
- “Red Lantern” was awarded “Hong Kong Top Brand” by the Chinese Manufacturers’ Association of Hong Kong and the Hong Kong Brand Development Council

#### Shenzhen Lam Soon Edible Oils Company Limited

- “Top 100 Manufacturers of Guangdong” and “Top 500 Enterprises of Guangdong” awarded by the Guangdong Provincial Enterprise Confederation and the Guangdong Provincial Association of Entrepreneurs
- “National Excellent Enterprise with Foreign Investment – Excellent Tax Payment and Turnover” awarded by the China Association of Enterprises with Foreign Investment and the Shenzhen Association of Enterprises with Foreign Investment

#### Lam Soon Cleaning & Caring Laboratories (Hong Kong) Company Limited

- “AXE” and “Labour” were awarded “Hong Kong Top Brand” were awarded by the Chinese Manufacturers’ Association of Hong Kong and the Hong Kong Brand Development Council

### 表現摘要 *(續)*

#### 江蘇南順麵粉有限公司

- 獲宜興市農業農村局頒發2019年宜興市農業局高質量發展專項獎勵
- 獲宜興市新莊街道辦事處頒發「2019年宜興市新莊街道後勁投入先進企業」

#### 江蘇南順食品有限公司

- 獲常州市金壇區農業農村局鄉村產業規劃與發展科授予農業龍頭企業20強補助
- 獲常州市金壇區農業農村局鄉村產業規劃與發展科授予A線技術改造補貼

#### 南順(四川)食品有限公司

- 中國糧食行業協會頒發「全國放心糧油示範工程-示範加工企業」

#### 南順產品供應(香港)有限公司

- 「刀嘜」榮獲香港中華廠商聯合會及香港品牌發展局頒發「香港卓越名牌」
- 「紅燈」榮獲香港中華廠商聯合會及香港品牌發展局頒發「香港名牌」

#### 深圳南順油脂有限公司

- 廣東省企業聯合會及廣東省企業家協會頒發「廣東製造業100強」及「廣東企業500強」
- 中國外商投資企業協會及深圳外商投資企業協會頒發「全國優秀外商投資企業-雙優企業」

#### 南順清潔護理研發(香港)有限公司

- 「斧頭牌」及「勞工牌」榮獲香港中華廠商聯合會及香港品牌發展局頒發「香港名牌」

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

***We aim to reduce waste and improve efficiency in energy and use of resources, starting from the humblest of steps and seek to entrench the philosophy into a Group-wide awareness and culture of caring for the environment.***

The Group pledges to make continuous improvement in managing and monitoring its emissions, wastewater, solid waste and noise pollution. Every year, through engaging external licensed testing laboratories, various environmental tests are conducted to evaluate the capability of existing facilities on meeting regulatory and environmental requirements and national standards based on the parameters obtained. Starting from 2013, the Group has also appointed qualified third-party institutions to verify its greenhouse gas ("GHG") emission, as part of the commitment to the government's Emission Trading Scheme. The flour mill in Shekou is audited annually to ensure that their GHG emission quantification and reporting meet the requirements set out in the Specification with Guidance for Quantification and Reporting of the Organisation's GHG Emissions (SZDB/Z 69-2012).

Moreover, the ISO 14001 Environmental Management System has been adopted across most of the Group's operation sites. The system enables that effective and timely emergency mechanism is in place in case of severe environmental pollution incidents, as well as keeps track of the Group's energy efficiency and emission reduction targets.

The Group strictly abides by the laws, rules and regulations enforced in relation to environmental protection and pollution control, including but not limited to the following:

- Environmental Protection Law of the PRC;
- Atmospheric Pollution Prevention and Control Law of the PRC;
- Law of the PRC on Prevention and Control of Water Pollution;
- Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste;
- Soil Pollution Prevention and Control Law of the PRC;
- Directory of National Hazardous Wastes;
- The Administrative Measures for Hazardous Waste Transfer Manifests;
- Regulations on Environmental Protection in Guangdong Province;

### 支柱一：「邁向更環保未來」

我們的目標是從最低限度的步驟開始，減少浪費及提高能源和資源利用的效率，並努力貫徹這理念成為整個集團對關愛環境的意識及文化。

本集團承諾持續改善對排放、污水、固體廢物及噪音污染的管理及監察。本集團每年委聘外部持牌測試實驗室進行針對多項環境測試，以根據所得指標評估現有設施在達至監管及環境規定及國家標準之能力。自二零一三年起，本集團亦委聘合資格第三方機構核查溫室氣體（「溫室氣體」）排放以響應政府的排放交易計劃。蛇口麵粉廠每年接受審核以確保其溫室氣體排放的量化及報告符合《組織的溫室氣體排放量化和報告規範及指南》(SZDB/Z 69-2012)。

此外，我們已於本集團大部份營運場所採納ISO 14001環境管理體系。該系統是我們於發生嚴重環境污染事故時有效及適時的應急機制，並能夠掌握本集團的能源效益及減排目標動向。

本集團嚴格遵守有關環境保護及污染控制的法律、法規及規章，包括但不限於以下各項：

- 《中華人民共和國環境保護法》；
- 《中華人民共和國大氣污染防治法》；
- 《中華人民共和國水污染防治法》；
- 《中華人民共和國固體廢物污染環境防治法》；
- 《中華人民共和國土壤污染防治法》；
- 《國家危險廢物名錄》；
- 《危險廢物轉移聯單管理辦法》；
- 《廣東省環境保護條例》；

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### Pillar 1: "Towards a Greener Future"

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- Regulations on Prevention and Control of Environmental Pollution by Solid Waste in Guangdong Province;
- Measures for the Management of Hazardous Waste Transfer in Shenzhen;
- Environmental Protection Regulations of Shenzhen Special Economic Zone; and
- Measures for the Management of Municipal Domestic Waste (Decree No. 157 of the Ministry of Construction of the PRC).

In addition to complying with laws and regulations at national/provincial/city level, the Group also follows industry standards to monitor its environmental performances.

For air emissions, the Group is committed to strict compliance with:

- The Emission Standard of Air Pollutants for Boilers (DB44/765-2019 and GB 13271-2014);
- The Emission Limits of Air Pollutants (DB44/27-2001) in Guangdong Province;
- The Integrated Emission Standard for Air Pollutants (GB 16297-1996); and
- The Regional and Integrated Emission Standard of Air Pollutants (DB37/2376-2019) in Shandong Province.

For water pollutants, the Group ensures that its discharge meets:

- The Discharge Limits of Water Pollutants (DB44/26-2001) in Guangdong Province;
- The National Integrated Wastewater Discharge Standard (GB 8978-1996); and
- Wastewater Quality Standards for Discharge to Municipal Sewers (GB/T 31962-2015).

For noise pollution, the Group strictly controls the noise generated from production activities by complying with:

- the Emission Standard for Industrial Enterprises Noise at Boundary (GB 12348-2008).

No cases of material non-compliance with relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste were recorded during the Reporting Period.

### 支柱一：「邁向更環保未來」

(續)

- 《廣東省固體廢物污染環境防治條例》；
- 《深圳市危險廢物轉移管理辦法》；
- 《深圳經濟特區環境保護條例》；及
- 《城市生活垃圾管理辦法》(中華人民共和國建設部令第157號)。

除遵守國家／省／市一級的法律及法規外，本集團亦遵循行業標準以監控其環境表現。

就空氣排放而言，本集團致力於嚴格遵守：

- 《鍋爐大氣污染物排放標準》(DB44/765-2019及GB 13271-2014)；
- 《廣東省大氣污染排放限值》(DB44/27-2001)；
- 《大氣污染物綜合排放標準》(GB 16297-1996)；及
- 《山東省區域性大氣污染物綜合排放標準》(DB37/2376-2019)。

就水污染而言，本集團確保其排放符合：

- 《廣東省水污染物排放限值》(DB44/26-2001)；
- 《污水綜合排放標準》(GB 8978-1996)；及
- 《污水排入城鎮下水道水質標準》(GB/T 31962-2015)。

就噪音污染而言，本集團透過遵守以下標準嚴格控制生產活動產生的噪音：

- 《工業企業廠界環境噪聲排放標準》(GB 12348-2008)。

於報告期間，並無發生任何重大違反相關法律及法規的事件對本集團造成重大影響，內容涉及報告期間大氣及溫室氣體排放、對水及土地的排放物以及產生有害及無害廢物。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

(continued)

#### Emissions

##### Air Pollutant Emissions

All air-borne emissions were strictly monitored by the Ministry of Environmental Protection of the PRC. All sampling results were within permissible levels stated by various emission standards, including the Determination of Toxic Substances in Workplace Air – Chloride (GB Z/T 160.37-2004). During the Reporting Period, stationary fuel source of natural gas contributed to the emissions of 7.78 kg of nitrogen oxides ("NO<sub>x</sub>") and 0.02 kg of sulphur oxides ("SO<sub>x</sub>").

Respiratory suspended particles ("RSP"), NO<sub>x</sub> and SO<sub>x</sub> are emitted from fuel consumption of company vehicles. During the Reporting Period, vehicles were used for transportation and delivery of products, contributing to the emissions of 126.97 kg of NO<sub>x</sub>, 0.70 kg of SO<sub>x</sub> and 3.68 kg of RSP. Despite the similar fuel consumption pattern as the last reporting period, there was a substantial increase in NO<sub>x</sub> emission due to the change in emission factors based on the updated model of EMFAC-HK for vehicle emission calculation.

##### Greenhouse Gas Emissions

During the Reporting Period, the Group's business operation resulted in GHG emission of 38,598.29 tonnes of carbon dioxide equivalent ("tCO<sub>2</sub>eq."), mainly carbon dioxide, methane, nitrous oxide and hydro fluorocarbons. The overall intensity of the GHG emissions for the Groups was 0.05 tCO<sub>2</sub>eq./tonnes of production volume. The GHG reported was from the following activities and scopes:

- Direct (scope 1) GHG emissions from the combustion of various fuels in stationary and mobile sources, and release of refrigerants;
- Energy Indirect (scope 2) GHG emissions from purchased electricity; and
- Other Indirect (scope 3) GHG emissions from business air travel, freshwater and sewage processing, and paper waste disposal at landfills.

### 支柱一：「邁向更環保未來」

(續)

#### 排放

##### 空氣污染物排放

所有大氣傳播的排放均受到中國環保部的嚴格監控。所有採樣結果均在各種排放標準規定的允許水平內，包括《工作場所空氣有毒物質測定氯化物》(GBZ/T160.37-2004)。報告期間內，天然氣的固定燃料來源排放了7.78千克氮氧化物(「NO<sub>x</sub>」)以及0.02千克硫氧化物(「SO<sub>x</sub>」)。

公司車輛的燃油消耗會排放可吸入懸浮粒子(「RSP」)、NO<sub>x</sub>和SO<sub>x</sub>。報告期間內，車輛乃用於運輸及交付產品，導致排放了126.97千克NO<sub>x</sub>、0.70千克SO<sub>x</sub>以及3.68千克RSP。儘管燃料消耗模式與上一個報告期間相似，但由於基於更新後的車輛排放計算EMFAC-HK模型的排放因子改變，導致NO<sub>x</sub>之排放大幅增加。

##### 溫室氣體排放

報告期間內，本集團的業務營運導致溫室氣體排放量為38,598.29噸二氧化碳當量(「噸二氧化碳當量」)，主要為二氧化碳、甲烷、氧化亞氮和氫氟碳化物。本集團的溫室氣體排放整體強度為每噸生產量0.05噸二氧化碳當量。所報告之溫室氣體乃來自以下活動及範疇：

- 固定及汽車來源中各種燃料的燃燒以及製冷劑的釋放導致的直接(範疇1)溫室氣體排放；
- 購電產生的間接能源(範疇2)溫室氣體排放；及
- 來自本集團商務差旅、淡水及廢水處理以及在堆填區處置的廢紙所產生的其他間接(範疇3)溫室氣體排放。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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### Pillar 1: "Towards a Greener Future"

(continued)

#### Emissions (continued)

#### Greenhouse Gas Emissions (continued)

### 支柱一：「邁向更環保未來」

(續)

#### 排放(續)

#### 溫室氣體排放(續)

Scope of GHG Emissions	Emission sources	GHG Emissions (in tCO <sub>2</sub> eq.) 溫室氣體排放量 (噸二氧化碳當量)	Total GHG emissions (%) 溫室氣體 排放總量(%)
溫室氣體排放範疇	排放來源		
<b>Scope 1 Direct emission</b>			0.76%
範疇1直接排放			
<b>Combustion of fuels in stationary sources</b>			
固定源之燃料燃燒	Natural gas 天然氣	103.41	
	Liquefied Petroleum Gas ("LPG") 液化石油氣 (「液化石油氣」)	0.09	
	Diesel 柴油	0.57	
	Biofuel 生物燃料	3.32	
<b>Combustion of fuels in mobiles sources</b>			
汽車燃料燃燒	Diesel 柴油	2.90	
	Petrol 汽油	125.12	
	LPG 液化石油氣	0.78	
<b>Refrigerants 製冷劑</b>		57.71	
<b>Scope 2 Energy indirect emission</b>			98.30%
範疇2能源間接排放			
<b>Purchased electricity</b>		37,943.17	
購電			
<b>Scope 3 Other indirect emission</b>			0.94%
範疇3其他間接排放			
<b>Paper waste disposed of at landfills</b>		105.25	
堆填區處置的廢紙			
<b>Freshwater processing</b>		68.15	
淡水處理			
<b>Sewage processing</b>		31.49	
廢水處理			
<b>Business air travel</b>		156.33	
商務航空差旅			
<b>Total GHG emission 溫室氣體排放總量</b>		<b>38,598.29</b>	<b>100%</b>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

(continued)

#### Emissions (continued)

##### Greenhouse Gas Emissions (continued)

Notes:

- Emission factors ("EFs") were made reference to Appendix 27 to the Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.
- EF of 0.50 kg CO<sub>2</sub>eq./kWh was adopted for purchased electricity in Hong Kong. EF of 0.54 kg CO<sub>2</sub>eq./kWh was adopted for purchased electricity in Guangzhou and Shenzhen. For the five flour mills in various provinces of the PRC, their corresponding grid EFs were adopted, i.e., 0.71, 0.61, and 0.65 kg CO<sub>2</sub>eq./kWh for Shandong, Sichuan, and Jiangsu province, respectively.
- EF of biofuel used in canteen operations was assumed to be 0.54 tCO<sub>2</sub>eq./tonne, by referring to the Methanol Institute Specifications.
- CO<sub>2</sub> emissions from the Group's business air travels were reported with accordance to the International Civil Aviation Organisation ("ICAO") Carbon Emission Calculator.

##### Hazardous Waste

The Group has appointed licensed operators/applied industry standard to collect and handle hazardous waste prior to disposal.

The Group generated an approximate total of 20,772 kg of hazardous waste with an intensity of 0.03 kg/tonnes of production volume in the Reporting Period. Hazardous wastes generated include pesticide waste, waste with organic solvent, waste with mineral oil, waste with dye and coating, copper, selenium and mercury-containing wastes and other wastes (i.e. waste containers, capacitors and oil wipes). During the Reporting Period, there was a substantial increase in the generation of other wastes as specified in the Directory of National Hazardous Wastes. Some of the reasons included the change of hazardous waste classification code from HW04-Pesticide Waste to HW49-Others and the disposal of a total of 7,780 kg of empty chemical containers as per the latest regulatory requirements set by the Ministry of Environmental Protection of the PRC. The increase in the waste with organic solvent was caused by end of production of certain homecare products and the expired chemicals returned from its original equipment manufacturers.

### 支柱一：「邁向更環保未來」

(續)

#### 排放(續)

##### 溫室氣體排放(續)

附註：

- 除另有說明外，排放系數(「排放系數」)乃參考聯交所上市規則附錄27及其參考文件。
- 於香港之購電採用的排放係數為每千瓦時0.50千克。就廣州及深圳地區購電採用的排放係數為每千瓦時0.54千克。就位於中國各省的五個麵粉廠而言，均採用其相應的輸電網排放係數，即山東、四川及江蘇省分別為每千瓦時0.71、0.61及0.65千克。
- 通過參考甲醇研究所的規範，假設食堂運營中所使用生物燃料的排放因子為每噸0.54噸二氧化碳當量。
- 本集團航空商務差旅產生的二氧化碳排放量乃根據國際民用航空組織(「ICAO」)碳排放計算方法報告。

##### 有害廢棄物

本集團已委任持牌運營商/應用的行業標準來收集 and 處理有害廢棄物，然後進行處置。

本集團於報告期間共產生約20,772千克有害廢棄物，強度為每噸產量0.03千克。所產生的有害廢棄物包括農藥廢棄物、含有機溶劑的廢棄物、含礦物油的廢棄物、含染料及塗料的廢棄物、含銅、硒及汞的廢棄物以及其他廢棄物(即廢棄容器、電容器及擦油布)。報告期間內，《國家危險廢物名錄》中指明的其他廢棄物之產生量大幅增加。部分原因包括根據中國環保部規定的最新監管規定，將危險廢物分類代碼從HW04-農藥廢物更改為HW49-其他廢物，以及處置總計7,780千克的空化學容器。含有機溶劑的廢棄物增加是由於某些家居護理用品生產停止以及其原始設備製造商退還的過期化學品所致。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Emissions (continued)

#### Hazardous Waste (continued)

#### Hazardous Waste generated in 2019/20

Types of Waste 廢棄物類型	Waste Generated (in kg) 所產生廢棄物量 (千克)
<b>Other waste listed on the Directory of National Hazardous Wastes</b> 名列《國家危險廢物名錄》的其他廢棄物	14,558
<b>Pesticide waste (from treatment within the factory premises)</b> 農藥廢棄物（來自工廠場地內的處理）	3,682
<b>Waste with organic solvent</b> 含有機溶劑的廢棄物	1,299
<b>Waste with mineral oil</b> 含礦物油的廢棄物	525
<b>Mercury-containing waste (from waste lighting products)</b> 含汞廢棄物（來自廢棄照明產品）	306
<b>Waste with dye and coating</b> 含染料及塗料的廢棄物	244
<b>Acid waste</b> 酸性廢棄物	80
<b>Selenium-containing waste</b> 含硒廢棄物	78
<b>Total</b> 總計	20,772

#### Non-hazardous Waste

Centralised waste collection, storage and transfer facilities for on-site solid waste are available in accordance with national standards to maximise recycling rates. Non-hazardous waste is collected by registered waste collectors for proper disposal. Commercial waste is transferred to designated collection points; other recyclables, including scrap metals and waste paper, are collected and repurposed by qualified recyclers.

### 支柱一：「邁向更環保未來」

(續)

#### 排放(續)

#### 有害廢棄物(續)

#### 於2019／20年產生的有害廢棄物

#### 無害廢棄物

可根據國家標準使用集中式廢物收集、存儲和轉移現場固體廢物的設施，以最大程度提高回收率。無害廢棄物由註冊廢物收集商收集，以進行適當處理。商業廢物被轉移到指定的收集點，其他可回收材料(包括廢棄金屬及廢紙)由合資格的回收商收集並重新利用。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Emissions (continued)

##### Non-hazardous Waste (continued)

The Group generated an approximate total of 957,931 kg of non-hazardous waste with an intensity of 1.16 kg/tonnes of production volume in the Reporting Period. Non-hazardous wastes generated comprised of commercial, paper, plastic, scrap metal, sludge and other wastes. Other wastes included sampling and liquid wastes from manufacturing plants. During the Reporting Period, the retrofitting of production lines in the flour mills in Jintan and Shekou and the recyclable scrap waste accumulated in the edible oil plant gave rise to the generation of scrap metal.

##### Non-hazardous Waste generated in 2019/20

### 支柱一：「邁向更環保未來」

(續)

#### 排放(續)

##### 無害廢棄物(續)

本集團於報告期間共產生約957,931千克無害廢棄物，強度為每噸產量1.16千克。所產生的無害廢棄物包括商業、紙張、塑料、廢金屬、污泥及其他廢棄物。其他廢棄物包括樣品及來自製造工廠的液體廢棄物。報告期間內，金壇及蛇口麵粉廠的生產線改造以及食用油廠積累的可循環利用廢料產生了廢金屬。

##### 於2019／20年產生的無害廢棄物

Types of Waste	Sources of Waste	Waste Generated (in kg)
廢棄物類型	廢棄物來源	所產生廢棄物量 (千克)
<b>Commercial waste</b> 商業廢棄物	Tissue paper, food wastes and other daily office wastes 紙巾、廚餘及其他日常辦公廢棄物	355,080
<b>Scrap metal</b> 廢棄金屬	Waste metal containers, equipment parts and accessories 廢棄金屬容器、設備部件及配件	219,195
<b>Sludge</b> 污泥	Sludge from on-site pre-treatment facilities 現場預處理設施的污泥	187,960
<b>Waste plastic</b> 廢棄塑料	Waste woven bags and plastic bottles 廢棄編織袋及塑料瓶	175,055
<b>Waste paper</b> 廢紙	Packaging paper boxes, waste documents and magazines 包裝紙盒、廢棄文件及雜誌	20,641
<b>Total</b> 總計		957,931

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Measures to Mitigate Emissions

##### Production Activity

The Group has made relentless efforts on emission reduction through various initiatives and policies. The edible oil plant in Shekou operates a natural gas-fuelled boiler with high efficiency and low NO<sub>x</sub> emissions. The flour mills are equipped with dust collector systems for collection and removal of airborne dust generated during the flour production processes. The captured flour dust is filtered by a pulse-jet dust collector and the exhaust gas is discharged by a 15-metre high exhaust cylinder.

##### Vehicle and Canteen Operation

All the self-owned heavy-duty vehicle fleet and passenger cars have been upgraded to hybrids to meet the Euro V vehicle emission standard. To further reduce air emissions, the edible oil plant in Shekou has upgraded all its forklift trucks to electric-powered models, resulting in lower fuel consumption and exhaust emissions. The Group has an internal guideline on the purchase of hybrid electric vehicles to further minimise fuel consumption and GHG emission. The staff canteen in the new flour mill in Yixing uses electricity rather than LPG to reduce air pollution caused by catering service. Fume exhaust generated from canteen operations in other plants is purified by electrostatic precipitator before releasing into the atmosphere.

##### Wastes Reduction and Initiatives

To prevent potential harm to human health through contamination of soil, air and water resources, the Group is committed to ensuring proper and immediate treatment of hazardous waste and waste that requires strict control, by engaging qualified companies for collection and further handling.

Additionally, the Group has adopted electronic communication for a paperless office. Where printing is necessary, double-sided printing is recommended. The use of smart-print application also saves paper and ink. Waste recycling bins are installed in the offices to encourage paper recycling. Over 80% of the non-hazardous wastes were recycled during the Reporting Period, achieving with 100% recycling rates for scrap metal, waste paper, plastic and sludge.

### 支柱一：「邁向更環保未來」

(續)

#### 減排措施

##### 生產活動

本集團通過各種舉措和政策為減排作出了不懈的努力。蛇口食用油廠操作的天然氣鍋爐效率高，NO<sub>x</sub>排放低。麵粉廠配備了集塵器系統，用於收集和清除麵粉生產過程中產生的大氣傳播粉塵。採集的麵粉粉塵經脈衝式集塵器過濾，廢氣則通過15米高的排氣筒排出。

##### 車輛及食堂運營

所有自有的重型車隊及乘用車均已升級為混合動力車，以符合歐盟第五期汽車廢氣排放標準。為進一步減少大氣排放，蛇口食用油廠已將其所有叉車升級為電動模式，從而降低了油耗及廢氣排放。本集團設有購買混合動力汽車的內部指引，以進一步減少燃料消耗及溫室氣體排放。宜興新麵粉廠的員工食堂使用電力而非液化石油氣，以減少餐飲服務所造成的空氣污染。在其他工廠的食堂營運中產生的煙氣先用靜電除塵器淨化後方釋放至大氣中。

##### 減廢及其措施

為避免受污染的泥土、空氣及水資源損害人體健康，本集團透過委聘合資格的公司收集及進一步處理廢物，致力確保有害廢物及需要嚴格控制的廢物得以妥善及即時處理。

此外，本集團已為實現無紙化辦公室而採用電子通訊。如需打印，我們建議雙面打印。使用智能打印應用程式亦可節省紙張及墨水。辦公室內安裝了廢物回收箱，以鼓勵紙張回收。報告期間內，我們回收了80%以上的無害廢棄物，廢金屬、廢紙、塑料及污泥的回收率達到100%。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

(continued)

#### Measures to Mitigate Emissions (continued)

##### Wastes Reduction and Initiatives (continued)

The home care product plant has established the following initiatives to reduce waste generation:

- (i) The plant establishes the "Waste Management Procedure" and sets up various recycling stations, to facilitate better classification of waste for storage and disposal; and
- (ii) The plant generates economic benefits from non-hazardous waste, by selling them to recognised recycling companies.

#### Use of Resources

##### Energy Consumption

The total energy consumed by the Group was 61,466,375 Kilowatt-hour ("kWh"), with an overall energy intensity of 74.18 kWh/tonnes of production volume during the Reporting Period. Types of energy consumed included electricity, natural gas, LPG, biofuel, petrol and diesel. The table below shows the energy consumption, energy intensity in terms of the Group's production volume.

##### Energy Consumption in 2019/20

Resources	Direct/indirect energy consumption (unit) 直接/間接能源消耗	Consumption (kWh) 消耗量 (千瓦時)	Energy Intensity (kWh/tonnes of production volume) 能源強度 (千瓦時/噸產量)
<b>Electricity</b> 電力	60,502,263 kWh 60,502,263 千瓦時	60,502,263	73.02
<b>For stationary combustion</b> 用於固定源燃燒			
<b>Natural gas</b> 天然氣	50,762 m <sup>3</sup> 50,762 立方米	501,634	0.61
<b>LPG</b> 液化石油氣	30 kg 30 千克	418	0.001
<b>Diesel</b> 柴油	126 L 126 升	1,260	0.002
<b>Petrol</b> 汽油	93 L 93 升	824	0.001
<b>Biofuel</b> 生物燃料	6,150 L 6,150 升	29,859	0.04
<b>For mobile combustion</b> 用於汽車燃料燃燒			
<b>Petrol</b> 汽油	46,415 L 46,415 升	413,148	0.50
<b>Diesel</b> 柴油	1,049 L 1,049 升	10,488	0.01
<b>LPG</b> 液化石油氣	465 kg 465 千克	6,481	0.01

Note: Energy density of 9,500 BTU/pound was adopted for biofuel calculation, by referring to the Methanol: Properties And Uses published by SGS.

### 支柱一：「邁向更環保未來」

(續)

#### 減排措施(續)

##### 減廢及其措施(續)

家居護理用品廠制定以下舉措減少廢物產生：

- (i) 工廠建立「廢物管理程序」並設立多個回收站，以促進對廢物進行更好分類以便儲存及處置；及
- (ii) 工廠通過將無害廢物出售予認可的回收公司，從中獲得經濟利益。

#### 資源使用

##### 能源消耗

於報告期間，本集團的總能源消耗為 61,466,375 千瓦時(「千瓦時」)，整體能源強度為每噸產量 74.18 千瓦時。能源消耗種類包括電力、天然氣、液化石油氣、生物燃料、汽油及柴油。下表列示按本集團產量計算的能源消耗及能源強度。

##### 2019/20 年的能源消耗

Resources	Direct/indirect energy consumption (unit) 直接/間接能源消耗	Consumption (kWh) 消耗量 (千瓦時)	Energy Intensity (kWh/tonnes of production volume) 能源強度 (千瓦時/噸產量)
<b>Electricity</b> 電力	60,502,263 kWh 60,502,263 千瓦時	60,502,263	73.02
<b>For stationary combustion</b> 用於固定源燃燒			
<b>Natural gas</b> 天然氣	50,762 m <sup>3</sup> 50,762 立方米	501,634	0.61
<b>LPG</b> 液化石油氣	30 kg 30 千克	418	0.001
<b>Diesel</b> 柴油	126 L 126 升	1,260	0.002
<b>Petrol</b> 汽油	93 L 93 升	824	0.001
<b>Biofuel</b> 生物燃料	6,150 L 6,150 升	29,859	0.04
<b>For mobile combustion</b> 用於汽車燃料燃燒			
<b>Petrol</b> 汽油	46,415 L 46,415 升	413,148	0.50
<b>Diesel</b> 柴油	1,049 L 1,049 升	10,488	0.01
<b>LPG</b> 液化石油氣	465 kg 465 千克	6,481	0.01

附註：通過參考SGS出版的《甲醇：特性與用途》，採用能量密度每磅9,500 BTU計算生物燃料。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

(continued)

#### Use of Resources (continued)

##### Water Consumption

Water consumed by its Hong Kong's operations was supplied by Hong Kong's Water Supplies Department, whilst water consumed by the China's operations was sourced from the municipal water supply system in Mainland China. There was no issue identified in sourcing water that was fit for purpose. The plants have water tanks in place to store water for emergency use. During the Reporting Period, the Group consumed 160,658 m<sup>3</sup> of freshwater, with a water intensity of 0.19 m<sup>3</sup>/tonnes of production volume.

##### Wastewater treatment

All discharges from production and domestic activities are pre-treated on-site through regularly maintained grease trap and septic tanks. On-site wastewater treatment facilities<sup>1</sup> are installed in the edible oil plant in Shekou and the home care product plant for advanced sewage treatments. The pre-treated wastewater will either enter the sewage collection system into a nearby wastewater treatment facility or directly discharge into the Pearl River Basin.

During the Reporting Period, the treated effluent discharged by the home care products plant and edible oil plant in Shekou fulfilled the requirements of permitted discharge limits set by the Discharge Limits of Water Pollutants (DB44/26-2001). For the home care products plant, the measurable chemical oxygen demand (COD) in the treated wastewater was strictly controlled within 90 mg/L, meeting the first-class discharge standard of Guangzhou of the PRC. The edible oil plant in Shekou performs regular wastewater testing and the sampling results of COD, pH value, total suspended solids (TSS), and oil and grease were all within the permissible levels during the Reporting Period.

<sup>1</sup> Since the flour mills did not generate industrial wastewater, and the wastewater generated by the edible oil plant in Hong Kong was minimal, there were no on-site wastewater treatment facilities provided in these plants.

### 支柱一：「邁向更環保未來」

(續)

#### 資源使用(續)

##### 耗水

香港營運用水由香港水務署提供，而中國營運用水則採購自中國大陸的市政供水系統。在取得合適水源方面並無發現問題。生產廠房亦建有水箱以儲存水作緊急用途。於報告期間，本集團消耗160,658立方米淡水，用水強度為每噸產量0.19立方米。

##### 廢水處理

生產及國內活動中的所有排放物均通過定期維護的隔油池及化糞池進行現場預先處理。蛇口食用油廠及家居護理用品廠安裝了現場廢水處理設施<sup>1</sup>，以進行污水深度處理。經過預先處理的廢水將通過污水收集系統進入附近的廢水處理設施，或直接排入珠江流域。

報告期間內，家居護理用品廠及蛇口食用油廠排放的經處理廢水符合《水污染物排放限值》(DB44/26-2001)中規定的允許排放限值。對於家居護理用品廠，嚴格控制處理後廢水中的可測化學需氧量(COD)於每升90毫克以內，達到中國廣州的一級排放標準。報告期間內，蛇口的食用油廠定期進行廢水測試，並且COD、pH值、總懸浮固體(TSS)及油脂的採樣結果均於允許水平內。

<sup>1</sup> 由於麵粉廠不產生工業廢水，並且香港食用油廠產生的廢水極少，因此該等工廠並無安裝現場廢水處理設施。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Use of Resources (continued)

##### Energy Use Efficiency Initiatives

The Group continues exploring new energy-saving opportunities and energy-efficient technologies for its premises and production lines. When selecting cooling system for the office in Hong Kong, priority is always given to the energy-efficient equipment with Grade 1 energy label.

##### Installation of solar photovoltaic (“PV”) system

To support the use of clean energy, the Group took part in the CLP Power Hong Kong Limited (“CLP”) Renewable Energy Feed-in Tariff Scheme by installing a 220-kW solar PV system on the rooftop of Lam Soon Building in Hong Kong. The solar PV system commenced operation in November 2019 and supplied electricity of 139,389 kWh to CLP’s power grid as at 30 June 2020.

##### Installation of LED lighting system

With the support of the CLP Eco Building Fund, the Group has gradually replaced the T8 fluorescent lamps in office of the Hong Kong Lam Soon Building with the smart LED lighting systems, which saved up to 65% of electricity usage in lighting system during the Reporting Period. Some of the plants in Mainland China are also equipped with LED lighting system. The refurbishment work is expected to be scaled up across the business units in Hong Kong and Mainland China.

##### System and machine upgrades

In the edible oil plant in Shekou, system upgrades on programmable logic controllers (“PLCs”) have been completed for all production lines during the Reporting Period. The strengthened control over production equipment reduces engine idling and thus improves the overall energy efficiency. Old machinery (e.g., blowers and motors) was replaced with energy-saving models. Designed with energy efficiency up to 94%, a new natural gas boiler with a fully automatic condensing system for energy-saving is in operation at the edible oil plant in Shekou since 2019.

### 支柱一：「邁向更環保未來」

(續)

#### 資源使用(續)

##### 高效使用能源措施

本集團繼續為其廠房及生產線探索新的節能機會及高能效技術。為香港辦公室選擇製冷系統時，獲得1級能源標籤的節能設備始終為我們的優先考慮。

##### 安裝太陽能光伏(「光伏」)系統

為支持清潔能源的使用，本集團參加中華電力有限公司(「中電」)的「可再生能源上網電價」計劃，在香港南順大廈的屋頂安裝了220千瓦的太陽能光伏系統。太陽能光伏系統於二零一九年十一月開始運行，截至二零二零年六月三十日已向中電的電網供電139,389千瓦時。

##### 安裝LED照明系統

在中電「綠適樓宇基金」的支持下，本集團已逐步使用智能發光二極管(LED)照明系統取代香港南順大廈辦公室的T8熒光燈，該系統於報告期間內節省了高達65%的照明系統用電量。中國大陸的一些廠房亦配備了LED照明系統。預計翻新工程將擴大至香港及中國大陸的業務分部。

##### 系統及機器升級

報告期間內，位於蛇口的食用油廠已完成所有生產線的可編程邏輯控制器(「PLC」)系統升級。加強對生產設備的控制可減少發動機空轉，從而提高整體能效。節能機型已取代舊機器(例如鼓風機及電動機)。自二零一九年以來，附節能全自動冷凝系統的新天然氣鍋爐已於蛇口的食用油廠投入運作。設計能效高達94%。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: "Towards a Greener Future"

(continued)

#### Use of Resources (continued)

##### Water Use Efficiency Initiatives

The Group persistently reduces water loss by maintaining and upgrading its water supply pipeline system, minimises water consumption through upgrading water-saving devices and re-uses wastewater whenever possible. Some water-saving initiatives include:

- (i) Establishing regulations on water management to regulate water consumption practices of employees;
- (ii) Using cooling water recirculation system for cooling towers;
- (iii) Installing automatic faucets;
- (iv) Re-using purified reverse osmosis ("RO") water for toilet flushing and greening of production areas; and
- (v) Posting promotional materials and reminders to encourage water conservation practices.

The home care product plant has formulated Regulations on Water Use Management during the Reporting Period to regulate the rational use of water and promote the conservation of water resources. In addition, the Administration Department of the Group is expediting the replacement of old water dispensers to reduce the consumption of bottled water.

##### Packaging Materials

Packaging materials consumed by the Group were mainly recyclable materials including plastic, cotton bags and paper. Packaging materials were sourced from external suppliers, with constant inspection on quality, particularly on their safety and hygiene performances. During the Reporting Period, a total of 16,726.86 tonnes of packaging materials have been consumed for the protection of finished products, resulting in a consumption intensity of 0.02 tonnes/tonnes of production volume.

### 支柱一：「邁向更環保未來」

(續)

#### 資源使用(續)

##### 高効用水措施

本集團通過維護及升級其供水管道系統來持續減少水量損失，升級節水設備及在可行情況下再利用廢水，從而減少耗水。部份節水措施包括：

- (i) 訂立有關用水管理的規章以規範僱員的用水習慣；
- (ii) 冷卻塔使用循環冷卻水系統；
- (iii) 安裝自動感應水龍頭；
- (iv) 再使用反滲透淨化廢水於沖廁及廠區綠化；及
- (v) 張貼宣傳材料及提示以鼓勵節水習慣。

於報告期間，家居護理用品廠制定了《用水管理規定》，以規範合理用水及促進保護水源。此外，本集團行政部正加快更換舊飲水機的速度，以減少瓶裝水的消耗。

##### 包裝材料

本集團消耗的包裝材料主要為可回收材料，包括塑料、布袋及紙張。包裝材料乃購自外部供應商，但本集團定期監察質量，特別是其在安全及衛生方面的表現。於報告期間，我們為產品保護共消耗16,726.86噸包裝材料，導致消耗強度為每噸產量0.02噸。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Use of Resources (continued)

##### Packaging Materials (continued)

The Group has been proactively exploring ways to reduce the use of packaging materials and promoting products with replaceable packaging to reduce the consumption of plastic pumps. During the Reporting Period, various production lines have reduced the use of non-recyclable resources for packaging. In particular, the flour mills have implemented the following practices:

- Make use of recyclable materials for packaging materials;
- Reduce the consumption of packaging materials by bulk delivery;
- Re-use packaging materials to achieve zero packaging waste; and
- Evaluate packaging suppliers annually for compliance assurance.

The edible oil plant in Hong Kong has implemented the following practices:

- Light packaging has been applied for bulk transportation;
- Various re-using and recycling methods have been applied to non-food packaging materials, such as re-using as turnover box, or recycling by recognised handlers; and
- Evaluating packaging suppliers annually for compliance assurance.

In addition, the edible oil plants in both Hong Kong and Shekou replaced polyvinyl chloride (“PVC”) based labelling materials with those made of polyethylene terephthalate (“PET”). The edible oil plant in Shekou consumed less plastic for packaging by adoption of simplified packaging methods.

### 支柱一：「邁向更環保未來」

(續)

#### 資源使用(續)

##### 包裝材料(續)

本集團一直積極尋求方法減少使用包裝材料及推廣可替換包裝的產品以減少消耗塑料泵。於報告期間，多條生產線減少使用不可回收資源製作包裝。尤其是，麵粉廠已實施以下措施：

- 將可回收材料用作包裝材料；
- 通過大批交付減少包裝材料的消耗；
- 再使用包裝材料，以實現零包裝浪費；及
- 每年評估包裝供應商以確保合規性。

香港的食用油廠已實施以下措施：

- 採用輕包裝作散貨運輸；
- 已對非食品包裝材料採用多種重複利用及再循環方法，例如作為周轉箱重複使用或由認可處理人員進行回收利用；及
- 每年評估包裝供應商以確保合規性。

此外，香港及蛇口的食用油廠均以聚對苯二甲酸乙二酯(PET)代替以聚氯乙烯(PVC)生產的標籤材料。蛇口的食用油廠透過採用簡易包裝形式，減少了用於包裝的塑料消耗。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### Use of Resources (continued)

#### Packaging Materials (continued)

#### Packaging Materials Consumption in 2019/20

Type of Material 材料類型	Material 材料	Consumption (in tonnes) 消耗量(噸)
<b>Plastic</b> 塑料	Plastic bags, bottles, handles, caps and pumps 塑料袋、瓶子、把手、蓋子及泵	8,133.79
<b>Paper</b> 紙張	Paper bags, boxes, labels and cardboards 紙袋、紙箱、標籤及紙板	6,607.78
<b>Metal</b> 金屬	Metal containers 金屬容器	1,429.39
<b>Cotton</b> 棉布	Cotton bags 布袋	533.58
<b>Fibre and cotton</b> 纖維及棉布	Packet lines 小包線	22.32
<b>Total</b> 總計		16,726.86

### 支柱一：「邁向更環保未來」

(續)

#### 資源使用(續)

#### 包裝材料(續)

#### 2019/20年的包裝材料消耗

### The Environment and Natural Resources

#### Significant Impacts of Activities on the Environment

The Group constantly monitors its air emission, wastewater discharge, and noise level to ensure minimal impacts on the surrounding environment.

To strengthen its environmental management, internal procedures are in place with clear roles and responsibilities assigned to various departments for ensuring efficient utilisation of resources. For instance, the Group carried out regular maintenance of machines and equipment so as to optimise the operational efficiency and to prevent excessive noise generation. During the Reporting Period, the Group did not receive any complaints from the surrounding communities regarding air pollution, odour, noise, or night light pollution.

### 環境及天然資源

#### 活動對環境的重大影響

本集團持續監察其廢氣排放、廢水排放及噪音水平，以確保對周圍環境的影響減至最小。

為加強環境管理，本集團制定了內部程序，並賦予各部門明確的角色及職責，以確保高效利用資源。例如，本集團定期對機器及設備進行維護，以優化運行效率並防止產生過多的噪音。報告期間，本集團並無收到周邊社區關於空氣污染、氣味、噪音或夜燈污染的任何投訴。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 1: “Towards a Greener Future”

(continued)

#### The Environment and Natural Resources (continued)

##### Significant Impacts of Activities on the Environment (continued)

Electricity consumption, which accounted for over 98% of the Group’s total GHG emission, remains the largest source of GHG emissions for the Group during the Reporting Period. To demonstrate its determination to lower overall energy consumption, the Group has phased out old equipment, upgraded lighting system and participated in the CLP clean energy initiative to optimise energy efficiency, which aims to reduce electricity consumption and align the practices in regions where it operates in.

As part of the Group’s management strategy, all business operations except the edible oil plant in Hong Kong have deployed the ISO 14001 Environmental Management System to manage their impact and strive for continuous improvements. Apart from integrating environmental considerations into the procurement processes, the Group also gives priority to sustainable materials and adopts advanced environmental technologies whenever feasible.

### Pillar 2: “Empowering our People”

**We aim to create a diverse, welcoming culture and a safe working environment in which our people are engaged, nurtured and empowered to reveal their full potential.**

#### Employment and Labour Practices

The Group regards human resources (“HR”) as its most valuable asset. With a mission to create values for its employees, the Group offers attractive career prospects, a wide variety of learning opportunities and a safe working environment.

### 支柱一：「邁向更環保未來」

(續)

#### 環境及天然資源(續)

##### 活動對環境的重大影響(續)

電力消耗佔本集團溫室氣體總排放量的98%以上，仍是本集團在報告期間內最大的溫室氣體排放源。為展示降低總體能耗的決心，本集團已淘汰舊設備、升級照明系統並參加了中電優化能源效率的清潔能源計劃，旨在減少電力消耗，並在其經營所在的地區調整慣常做法。

作為本集團管理策略的一部分，除香港的食用油廠外，所有業務營運均已部署ISO 14001環境管理體系來管理其影響並努力不斷改善。除將環境因素納入採購流程外，本集團亦優先考慮可持續材料，並在可行的情況下採用先進的環境技術。

### 支柱二：「賦能予我們的員工」

我們的目標是營造一種多元、熱情的文化以及安全的工作環境，使我們的員工能夠獲得參與、培育及賦能以充分發揮其潛能。

#### 僱傭及勞工常規

本集團視人力資源(「人力資源」)為其最寶貴的資產。本集團以為僱員創造價值為使命，提供具吸引力的職業前景、廣泛的學習機會以及安全的工作環境。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Employment and Labour Practices (continued)

The Group is in compliance with all applicable laws of Hong Kong and the PRC regarding labour rights and employment, included but not limited to:

- Employment Ordinance of the Laws of Hong Kong;
- Minimum Wage Ordinance of the Laws of Hong Kong;
- Employees’ Compensation Ordinance of the Laws of Hong Kong;
- Labour Law of the PRC;
- Labour Contract Law of the PRC; and
- Social Insurance Law of the PRC.

No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare had been identified during the Reporting Period.

#### Employment

The Group provides competitive remuneration with various benefits to attract and retain talents. Employment package is regularly reviewed with consideration of the market trend, benchmarking the industry’s salary and benefit information through salary survey reports conducted by professional consultants. Annual salary increment and year-end performance bonus mechanism have been incorporated in the Group’s remuneration policy. Share options are also granted to the Group’s eligible employees in recognition of their contributions.

Employees in the PRC are entitled to year-end bonus, social security insurance and housing fund. Year-end bonus, life and health insurance are provided to employees in Hong Kong. Additionally, staff sale, meals and transportation are provided to employees. Fair terms on working hours, holidays, termination of contract, fringe benefits and leave entitlement are stipulated in the employment contracts signed between employees and the Group. Overtime work shall be applied through submission of application forms and approved by departmental supervisors. Any disputes will be settled according to the Group’s appeal procedures in an equitable and prompt manner.

### 支柱二：「賦能予我們的員工」

(續)

#### 僱傭及勞工常規(續)

本集團遵守所有香港及中國有關勞工權利及僱傭之適用法律，包括但不限於：

- 香港法例中的《僱傭條例》；
- 香港法例中的《最低工資條例》；
- 香港法例中的《僱員補償條例》；
- 《中華人民共和國勞動法》；
- 《中華人民共和國勞動合同法》；及
- 《中華人民共和國社會保險法》。

報告期間，並無發現任何違反與薪酬及解僱、招聘及晉升、工時、休息時間、平等機會、多樣性、反歧視以及其他利益及福利之相關法律及法規對本集團造成重大影響的事項。

#### 僱傭

本集團提供具競爭力的薪酬及多項福利以吸引及挽留人才。本集團定期檢討薪酬待遇，當中考慮市場趨勢及通過專業顧問進行的薪金調查報告對標業內薪金及福利的資料。本集團根據薪酬政策設立及實施年度加薪及年終業績花紅機制。我們亦向本集團之合資格僱員授出股份認購權，以認可彼等之貢獻。

於中國所僱用的僱員可享有年終花紅、社會保障保險及住房公積金。我們向香港僱員提供年終花紅、人壽及健康保險。此外，我們亦向僱員提供僱員購貨優惠、用餐及交通安排。僱員與本集團簽署的僱傭合約規定的公平條款涵蓋工時、假期、終止合約情況、附加福利及年假。超時工作應透過提交申請表格申請及經部門主管批准。任何爭議均將根據本集團的申訴程序公正及迅速地解決。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: "Empowering our People"

(continued)

#### Our People

The Group had a total of 1,735 employees as of 30 June 2020, all were full-time employees. The total workforce categorised by gender, age group and geographical region are shown below:

### 支柱二：「賦能予我們的員工」

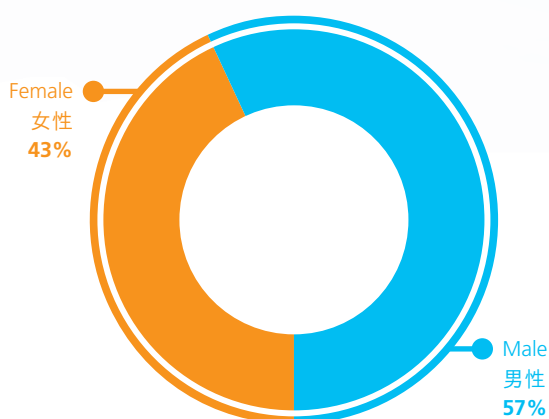
(續)

#### 我們的員工

於二零二零年六月三十日，本集團共有1,735名僱員，全部均為全職僱員。按性別、年齡組別及地區劃分的勞動力總數列示如下：

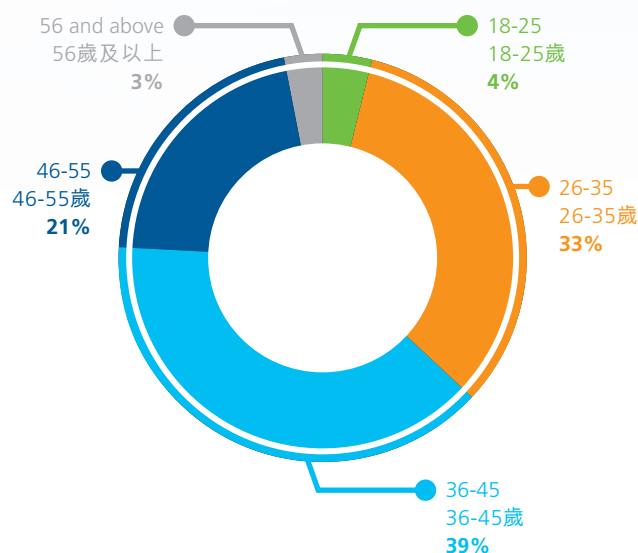
#### Total Workforce (%) by Gender

按性別劃分的勞動力總數(%)



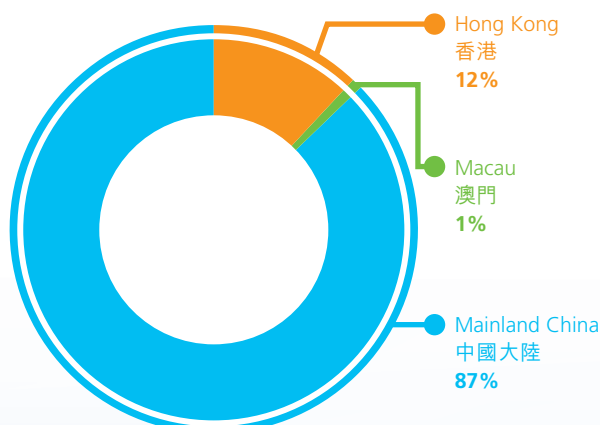
#### Total Workforce (%) by Age Group

按年齡組別劃分的勞動力總數(%)



#### Total Workforce (%) by Geographical Region

按地區劃分的勞動力總數(%)



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Equal Opportunity

Equal opportunities are given to employees in respect of recruitment, training and development, job advancement, and compensation and benefits. The employees are not discriminated against or deprived of such opportunities on the basis of gender, ethnic background, religion, colour, sexual orientation, age, marital status, family status, retirement, disability, pregnancy or any other discrimination prohibited by applicable laws of Hong Kong and the PRC.

#### Appraisal System

The Group has a standardised appraisal system to evaluate employees' performances, assess their capabilities and determine whether their abilities are in line with the Group's business development. It also provides a basis for promotion, salary increment and a communication platform for employees and management to set mutually agreed and measurable performance standards, as well as career development opportunities.

#### Employee Health and Safety

The safety and well-being of employees is the core concern of the Group. As such, the Group strictly complies with all applicable laws and regulations in relation to occupational health and safety (“OHS”), including but not limited to the Law of the PRC on the Prevention and Control of Occupational Diseases, the Hong Kong Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), and Hong Kong Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong). The Group also has OHS systems and policies in place to manage occupational health and safety issues across the entire business operations.

### 支柱二：「賦能予我們的員工」

(續)

#### 平等機會

本集團在招聘、培訓及發展、晉升以及補償及福利方面為僱員提供平等機會。僱員並不會由於性別、種族背景、宗教、膚色、性取向、年齡、婚姻狀況、家庭狀況、退休、殘障、懷孕或香港及中國之適用法律所禁止的任何其他歧視因素而遭受歧視或被剝奪平等機會。

#### 評估系統

本集團設有標準化評估系統以評估僱員表現、評核其能力及釐定彼等才能是否符合本集團的業務發展。系統亦提供晉升、加薪的基準及溝通平台，讓僱員及管理層可制定雙方接納及可計量的表現標準及事業發展機會。

#### 僱員健康與安全

員工的安全和福祉是本集團核心關注的事項。因此，本集團嚴格遵守有關職業健康與安全「職安健」的所有適用的法律及法規，包括但不限於《中華人民共和國職業病防治法》、《香港職業安全及健康條例》(香港法例第509章)以及《香港僱員補償條例》(香港法例第282章)。本集團亦備有職安健系統及政策，以管理整個業務的職業健康與安全問題。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Employee Health and Safety (continued)

##### Regular medical examination

Apart from mandatory health check-up before employment, annual or biennial check-ups are also offered to employees based on their employment categories and nature. Frontline workers in the PRC undergo end of term check-ups to ensure that no OHS-related health issues are developed during their employment. Employees exposing to high occupational health risks are offered with occupational health checks in accordance with the statutory requirements. Appropriate personal protective equipment (“PPE”) is provided to employees based on their duties performed. Offices and canteens are assessed by qualified institutions to ensure that they meet applicable national standards regarding indoor environmental pollution control.

##### Hazard Prevention and Control

Noise reduction devices have been installed in the equipment such as exhaust fans, air compressors and grinders in accordance with the requirements of the Environmental Impact Assessment Report conducted by the Group’s appointed agencies. Acoustic meters have been installed for all working areas to further improving the monitoring processes.

To reduce workers’ exposure to flour dust, effective dust collection devices are installed at all flour mills to ensure that the airborne dust concentration does not exceed regulatory exposure standards. To minimise explosion hazard, the flour mills have deployed various explosion protection systems (e.g., explosion-proof lighting system, flameless vent installations on dust collectors) and maintained compliance with the following regulatory requirements, which include:

- Safety Regulations for Dust Explosion Prevention and Protection (GB15577-2018);
- Safety regulations for the protection of dust explosion for grain processing (GB17440-2008);
- Guide for pressure venting of dust explosions (GBT15605-2008); and
- Safety Specifications for Dedusting System Used in Dust Explosion Hazardous Area (AQ4273-2016).

When purchasing office furniture, the Group selects formaldehyde-free products and gives preference to wood products from FSC-certified forests to ensure that its employees work in a safe environment.

### 支柱二：「賦能予我們的員工」

(續)

#### 僱員健康與安全(續)

##### 定期體檢

除入職前必須進行的健康檢查外，本集團亦根據僱員的工作類別及性質向其提供一年一次或兩年一次的檢查。為中國的前線工人提供約滿體檢，以確保彼等於就業期間並無出現與職安健相關的健康問題。根據法定要求，向面臨高職業健康風險的僱員提供職業健康檢查。根據其履行的職責提供適當個人保護設備(「個人保護設備」)。合資格機構會評估辦公室及食堂，以確保其符合有關室內環境污染控制的適用國家標準。

##### 危害預防與控制

根據本集團委聘之機構進行的《環境影響評估報告》所要求，本集團已於排氣扇、空氣壓縮機及磨床等設備上安裝降噪裝置。已於所有工作區域安裝聲波計，以進一步改善監控過程。

為減少工人接觸麵粉粉塵，所有麵粉廠均已安裝有效的集塵裝置，以確保空氣中的粉塵濃度不超過規定的暴露標準。為減少爆炸危險，麵粉廠已部署各種防爆系統(例如防爆照明系統、集塵器上的無焰通風裝置)，並一直遵守以下監管規定，其中包括：

- 《粉塵防爆安全規程》(GB15577-2018)；
- 《糧食加工、儲運系統粉塵防爆安全規程》(GB17440-2008)；
- 《粉塵爆炸泄壓指南》(GBT15605-2008)；及
- 《粉塵爆炸危險場所用除塵系統安全技術規範》(AQ4273-2016)。

購買辦公室傢俬時，本集團選擇不含甲醛的產品，並優先選擇獲森林管理委員會認證森林中的木材產品，以確保其僱員在安全的環境中工作。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Employee Health and Safety (continued)

##### Reaction to the COVID-19 outbreak

The health and safety of employees in times of the pandemic remains the Group’s primary concern. To contain the spread of COVID-19 and to protect the health and safety of its employees, the Group has implemented special arrangements and stepped up precautionary measures, aiming to reduce the risk of infection.

Special arrangements and preventive measures adopted by the Group included:

- Adopt flexible work arrangements (e.g., work-from-home arrangement, rotating shifts);
- Postpone non-essential travel to countries where there are confirmed cases of COVID-19;
- Request self-quarantine for staff members who have travelled overseas recently;
- Conduct internal questionnaire to understand employees’ health conditions after travelling abroad and collect feedback;
- Arrange body temperature check before entering Lam Soon offices and plants; and
- Provide hand sanitisers and surgical masks in the workplace.

#### Development and Training

With human resources as one of the core values, the Group believes that strengthening the capabilities of employees can benefit both the Group and employees themselves. Training needs are identified through appraisal sessions with employees. Thus, the training provided can effectively address below objectives:

- (i) Facilitate the achievement of the Group’s and/or its departmental targets;
- (ii) Increase productivity in every aspect of working processes;
- (iii) Enhance employees’ satisfaction; and
- (iv) Assist employees’ career development.

### 支柱二：「賦能予我們的員工」

(續)

#### 僱員健康與安全(續)

##### 應對COVID-19疫情爆發的措施

僱員於疫情期間的健康及安全仍然是本集團的主要關切點。為抑制COVID-19的傳播並保護僱員的健康及安全，本集團已採取特殊安排並加強預防措施，旨在降低感染風險。

本集團採取的特殊安排及預防措施包括：

- 採取彈性的工作安排(例如在家工作的安排、輪班)；
- 推遲前往有COVID-19確診病例之國家的不必要差旅；
- 要求近期出國旅行的工作人員進行自我檢疫；
- 開展內部問卷調查，以瞭解僱員出國後的健康狀況並收集反饋意見；
- 進入南順辦公室及廠房前，安排體溫檢查；以及
- 在工作場所提供手部消毒劑及口罩。

#### 發展與培訓

人力資源為本集團的核心價值之一，本集團相信，加強員工能力有利本集團及員工本身。於與僱員進行評估時會識別培訓需要。因此，所提供培訓可有效應對以下目標：

- (i) 促使達成本集團及／或其部門目標；
- (ii) 增加工作過程中各方面的生產力；
- (iii) 提升僱員滿意程度；及
- (iv) 協助僱員的事業發展。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Development and Training (continued)

The training courses vary from mandatory training and skill enhancement to the more advanced supervisory skills and managerial development, targeted employees of various levels. During the Reporting Period, employees have been provided with both internal and external training on numerous areas including occupational health and safety, customer services, product knowledge, management systems, communication skills, risk management, data security and financial budgeting.

Staff members are also encouraged to attend e-learning classes, seminars, team building activities and knowledge sharing events for enhancing their knowledge and skills. The Group will provide subsidy or full reimbursement on the course fees for eligible staff under the training policy.

#### Employee Engagement

Employees are always kept informed of the Group’s key projects, future directions and latest market strategies, activities and social events in the industry through notice boards, intranet, meetings, annual conferences and the internal e-newsletter, namely E Post. In the PRC, a dedicated mediation team, led by the trade union, is set up to improve the Group’s internal communication. Employees can raise concerns regarding workplace and personal issues and obtain speedy resolutions to the issues.

The Group also arranges various onboarding training activities to help new employees adapt to the company culture. During the Reporting Period, the Group organised group meetings, team-building activities and various tours to enhance employees’ sense of belonging and foster staff relationship. Some of the activities organised during the Reporting Period include:

- Lam Soon Annual Conference and team building activities (4–5 July 2019);
- Dananshan hiking competition organised by the Lam Soon Labour Union in Shekou during the Double Ninth Festival (20 October 2019);
- A team building tour in Xunliao Bay for the production division of the flour mill in Shekou (November 2019); and
- Technology exchange session and parent-child baking activity jointly held with the Yixing City Product Quality Supervision & Inspection Institute (31 May 2020).

### 支柱二：「賦能予我們的員工」

(續)

#### 發展與培訓(續)

培訓課程從強制性培訓及技能提升到更高級的監督技能及管理發展，針對不同的員工級別。報告期間，本公司已為員工提供內部及外部培訓，內容涉及多個領域，包括職業健康與安全、客戶服務、產品知識、管理系統、溝通技巧、風險管理、數據安全及財務預算。

本集團亦鼓勵員工出席電子學習課程、研討會、團隊建設活動及知識分享活動，以提升其知識及技能。本集團將根據培訓政策為合資格員工提供課程費用津貼或全額報銷。

#### 僱員之參與

僱員可通過告示板、內聯網、會議、年會及內部電子通訊(即E Post)及時了解本集團的主要項目、未來方向及業內的最新市場策略、活動及社交活動。我們在中國成立一支由工會領導的專責調解小組，以改善本集團的內部溝通。僱員可提出有關工作場所和個人問題的顧慮，並獲得迅速解決問題的方案。

本集團也安排各種入職培訓活動，幫助新員工適應公司文化。於報告期間，本集團舉辦了集團會議、團隊建設活動及各類參觀團，以增加員工的歸屬感及增進員工關係。報告期間舉辦的部分活動包括：

- 南順年會及團隊建設活動(二零一九年七月四日至五日)；
- 南順工會在重陽節期間(二零一九年十月二十日)在蛇口舉行的大南山遠足比賽；
- 在巽寮灣為蛇口麵粉廠生產部進行的團隊建設之旅(二零一九年十一月)；及
- 與宜興市產品質量監督檢驗所聯合舉辦的技術交流會及親子烘焙活動(二零二零年五月三十一日)。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 2: “Empowering our People”

(continued)

#### Labour Standards

The Human Resources Department continues to implement comprehensive checking system during the recruitment process to ensure compliance with all the applicable laws regarding employment and labour standards, such as the Employment Ordinance of the Laws of Hong Kong and Provisions on the Prohibition of Using Child Labour of the PRC.

The Group will take appropriate disciplinary action against anyone who is in breach of any applicable laws, regulations, and ordinance. No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to preventing the use of child and forced labour had been identified during the Reporting Period.

### Pillar 3: “Conducting Business with Honour”

***We aim to uphold good business ethics and integrity and to develop long term relationships with our business partners based upon fairness, mutual trust and benefit.***

#### Operating Practices

The Group places highest regards to integrity and professional ethics. It operates its businesses in an honest, accountable and fair manner which offers safe, reliable and quality products. At the same time, the Group accomplishes its social responsibility by addressing the needs of the local community.

### 支柱二：「賦能予我們的員工」

(續)

#### 勞工準則

人力資源部於招聘過程中繼續實施全面檢查制度，以確保遵守有關僱傭及勞工標準的所有適用法律，例如香港法例中的《僱傭條例》及《中華人民共和國禁止使用童工規定》。

對於任何人違反任何適用法律、法規及條例，本集團將採取適當的紀律處分。報告期間，並無發現不遵守防止使用童工及強迫勞動相關法律及法規的事項對本集團產生重大影響。

### 支柱三：「以信譽進行業務」

我們旨在維護良好的商業道德和誠信，並在公平、互信和互惠的基礎上與我們的業務合作夥伴建立長久關係。

#### 營運慣例

本集團高度重視誠信和職業道德。我們以誠實、負責和公平的方式經營業務，提供安全可靠的優質產品。同時，本集團也通過滿足當地社區的需求履行其社會責任。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” (continued)

#### Product Responsibility

##### Product Safety and Quality

Product safety is of paramount importance to the Group. The Group complies with applicable laws of Hong Kong and the PRC and relevant international standards on product safety and recalls, which include but not limited to:

For food products:

- Food Safety Law of the PRC;
- National Food Safety Standard for the Use of Food Additives;
- Administrative Measures for Food Recalls;
- Public Health and Municipal Services Ordinance of the Laws of Hong Kong;
- Food Adulteration (Metallic Contamination) Regulations; and
- Food Recall Guidelines in Hong Kong.

For home care products:

- National Food Safety Standard – Detergent; and
- Technical Specification for Safety of Soaps and Detergents.

The Group fulfils relevant product quality, product safety and food labelling requirements and meets various internationally recognised standards. All the Group’s business operations possess the ISO 9001 Quality Management System certification. The flour mills and edible oil plants are certified to ISO 22000 Food Safety Management System. The four flour mills in Shekou, Jintan, Qionglai and Qingzhou as well as the edible oil plants are accredited with Hazard Analysis and Critical Control Point (HACCP) certification. The flour mills in Yixing and Jintan and the edible oil plant in Shekou are certified to FSSC22000 Food Safety System Certification. The home care product plant is accredited with the China Environmental Labelling Products Certification for fulfilling the control requirements for hazardous substances in raw materials or products, pollutants in the factory and environmental policy in the production processes.

### 支柱三：「以信譽進行業務」 (續)

#### 產品責任

##### 產品安全與質量

產品安全對本集團至關重要。本集團遵守香港及中國的適用法律以及有關產品安全及召回的相關國際標準，包括但不限於：

對食品產品：

- 《中華人民共和國食品安全法》；
- 《食品安全國家標準食品添加劑使用標準》；
- 《食品召回管理辦法》；
- 香港法例中的《公眾衛生及市政條例》；
- 《食物攙雜(金屬雜質含量)規例》；及
- 在香港的《食品回收指引》。

對家居護理用品：

- 《食品安全國家標準—洗滌劑》；及
- 《洗滌用品安全技術規範》。

本集團符合相關產品質量、產品安全及食品標籤要求，並符合各種國際公認的標準。本集團所有業務部門已獲得ISO 9001品質管理體系標準認證。麵粉廠及食用油廠均獲ISO 22000食品安全管理體系標準認證。蛇口、金壇、邛崃及青州的四個麵粉廠以及食用油廠已取得危害分析與關鍵控制點(HACCP)體系認證。宜興及金壇的麵粉廠以及蛇口的食用油廠已獲FSSC22000食品安全體系標準認證。家居護理用品廠已獲中國環境標誌產品認證，符合生產過程中對控制原材料或產品有害物質、工廠污染物以及環境政策的要求。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” *(continued)*

#### Product Responsibility *(continued)*

##### Product Safety and Quality *(continued)*

To ensure that raw materials (including packaging) comply with related product safety or quality standards, tests are conducted by the Quality Assurance Department against pre-defined specifications. Same for work in progress and finished products to ensure compliance. Qualified testing organisations are engaged to validate the test results and issue independent test reports. The test results shall meet relevant national and industrial standards before proceeding to production or distribution. Any materials or products that fail to meet the required standards will be labelled, isolated and assessed by related departments. Causes of defective products will be analysed and rectifying measures will be implemented by relevant departments. The Group also deploys standard procedures on sanitation of food plants and associated equipment to maintain a high hygiene standard throughout the production process.

Any reported case regarding product quality or safety will be investigated and dealt with promptly and responsibly, putting public health, safety and benefits on top priority. Products required to be recalled after assessments will undergo a process according to the Group’s product recall policy.

##### Product Labelling and Advertising

The Group has its own labelling control policy to ensure that both the design of labels and information shown on labels are in accordance with the General Standard for the Labelling of Pre-Packaged Foods (GB7718-2011) in Mainland China and Food and Drugs (Composition and Labelling) Regulations in Hong Kong. Labels are required to be approved by its Legal Department and Quality Assurance Department with records filed. For edible oils and flour products, the food label contains nutritional profile and the composition of the product. For home care products, the product label provides information on the main ingredients, dosage instructions, directions for use and safety precautions of the product.

### 支柱三：「以信譽進行業務」 (續)

#### 產品責任(續)

##### 產品安全與質量(續)

為確保原材料(包括包裝)符合相關的產品安全或質量標準，品質保證部根據預設規格進行測試。半成品及製成品亦會進行測試以確保合規。我們亦委聘合資格測試機構驗證我們的測試結果並發出獨立測試報告。於進行生產或銷售前，測試結果應符合相關國家及行業標準。任何未達到規定標準的材料或產品將會被標籤、隔離及由相關部門評估。相關部門會分析未能達到標準的原因，並實施糾正措施。本集團亦對食品生產廠房及其相關設備採用標準衛生程序，以確保整個生產過程保持高衛生標準。

如接獲任何有關產品品質或安全的事務報告，本集團會迅速及負責任地處理個案，並將公眾的健康、安全及利益置於首位。本集團將會針對評估後須召回的產品進行既定產品召回政策中的程序。

##### 產品標籤及廣告

本集團擁有自己的標籤控制政策，以確保標籤的設計及標籤上顯示的信息均依據中國大陸的《食品安全國家標準預包裝食品標籤通則》(GB 7718-2011)及香港的《食物及藥物(成分組合及標籤)規例》。標籤必須經其法律部及品質保證部批准並存檔。就食用油及麵粉產品而言，食品標籤應包含營養成分及產品成分。至於家居護理用品，產品標籤會提供有關產品主要成分、劑量說明、使用說明及安全預防措施的資料。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” (continued)

#### Supply Chain Management

The Group’s procurement policy outlines three underlying principles on procurement management:

- (i) Just-in-time inventory model: Buy only what the business operation needs with speculative behaviour prohibited;
- (ii) Source from local suppliers to reduce transportation cost; and
- (iii) Source for high quality and competitive products to meet the business strategy of the Group.

The policy states the Group’s procurement strategy and provides guidelines and procedures on procurement processes such as sourcing new suppliers, assessing existing suppliers, managing suppliers in breach of the policy, tendering, quality assurance and payment/refund arrangements. Suppliers are selected and rated based on a set of criteria, in terms of product price and quality, timeliness of delivery, payment terms, food safety and after-sales service. The Group constantly reviews the policies and has updated the marking scheme for supplier evaluation set out in the Supplier Management Policy during the Reporting Period.

It is essential to engage employees in maintaining, monitoring and improving the Group’s overall procurement management. The Group encourages employees to take proactive, comprehensive and stringent measures in the process of procurement, to avoid unnecessary loss and ensure utilisation of its resources in accomplishing the production, supply and sales targets.

The Group considers the quality of raw materials of paramount importance to ensure the safety of finished food products. Background, permits, licences and certificates of suppliers are checked to ensure their compliance with food safety policies and standards. Products sourced from suppliers are subject to multiple tests to ensure they are of national food safety standards. The flour mills and the edible oil plant evaluate their raw material suppliers every six months for compliance assurance, and collect suppliers’ activity logs on a regular basis for quality assurance. Suppliers of packaging materials are audited against their safety and hygiene performances annually. Suppliers must carry out rectifications if non-conformities have been identified. The Group also enters into contract with suppliers to ensure that they meet occupational health and safety standards while performing their works.

### 支柱三：「以信譽進行業務」 (續)

#### 供應鏈管理

本集團的採購政策概述三個相關採購管理原則：

- (i) 及時庫存模式：僅購買業務營運所需，禁止投機行為；
- (ii) 從本地供應商採購，以降低運輸成本；及
- (iii) 向優質及具競爭力的供應商採購，以配合本集團的業務。

政策列出本集團的採購策略，並提供採購過程的指引及程序，例如物色新供應商、評估現有供應商、管理違反政策的供應商、招標、品質保證及付款／退款安排。供應商的挑選及評級乃基於一套準則，內容涉及產品價格及品質、交付是否合時、付款條款、食品安全及售後服務。本集團於報告期間持續檢討政策，並更新供應商管理政策所載有關考核供應商的評分標準。

僱員的參與對保持、監察及改善本集團整體採購管理屬必要。本集團鼓勵僱員在採購過程中採取積極、全面及嚴格的措施以避免非必要損失及確保使用其資源以達成生產、供應及銷售目標。

本集團認為原材料的品質對確保最終產品的食品安全而言至關重要。本集團會檢查供應商的背景、許可證、牌照及認證，以確保彼等遵守食品安全政策及標準。購自供應商的產品須經過多次測試，以確保符合國家食品安全標準。麵粉廠及食用油廠每六個月評估原料供應商以確保合規性，並定期收集供應商的活動日誌以確保質量。我們每年對包裝材料的供應商進行安全及衛生表現方面的審核。如發現有不合格情況，供應商必須進行糾正。本集團亦與供應商訂立合約，以確保其於進行工作時達至職業健康及安全標準。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” (continued)

#### Customer Services Management

As part of its ongoing effort to transform from an ingredient supplier into a solutions provider, the Group has set up 4 baking centres in Jintan, Fuzhou, Shenzhen and YiXing to increase awareness among business-to-business customers and strengthen technical support to industry partners.

During the period of COVID-19, the Group has adopted live streaming platform to carry out a series of programmes such as Japanese bread baking demonstration, new product introduction, seminars on healthy flour ingredients and training programmes on product knowledge. The Company has collaborated with Wang Sen International Bakery Western-Food College to participate in a Live stream “Baking World Champion” to provide information and technical skills on the usage of our flour products.

The Group strives to improve public well-being by promoting healthy lifestyle. Its “Good Mother” website (<https://www.haomama.com>) and Knife Oil Facebook aim to share resources about healthy and balanced lifestyle with the public. Moreover, the Group produces and shows videos through social media platforms on which registered dietitians introduce nutritional values of its products, shares cooking recipes prepared with nutritious ingredients and organises workshops to promote healthy diets.

For any marketing and promotional activities, the Group ensures that relevant activities comply with applicable laws and regulations such as the Advertisement Law of the PRC. Neither false nor misleading contents shall be contained in any promotional channels. During the Reporting Period, the Group did not record any cases of material non-compliance with laws and regulations regarding health and safety, advertising, labelling and privacy matters relating to products and services provided.

### 支柱三：「以信譽進行業務」 (續)

#### 客戶服務管理

作為其從食材供應商轉變為解決方案供應商的持續努力的一部分，本集團已在金壇、福州、深圳和宜興設立四個烘焙中心，以提高我們在企業對企業模式之客戶當中的知名度，並加強對行業合作夥伴的技術支持。

在COVID-19疫情期間，本集團採用直播平台開展一系列活動，例如日本麵包烘焙示範、新產品推介、健康麵粉成分研討會及產品知識培訓課程。本公司與王森國際西點西餐咖啡學校合作，參與「烘焙世界冠軍」現場直播，以提供有關使用我們麵粉產品的資料和工藝技巧。

本集團致力於通過促進健康生活方式來改善公眾福祉。「好媽媽」網站 (<https://www.haomama.com>) 及刀嚙臉書專頁旨在與公眾分享有關健康及均衡生活方式的資源。此外，本集團透過社交媒體平台製作及展示視頻，其中由註冊營養師介紹其產品的營養價值，分享使用營養豐富材料的食譜及舉辦工作坊以推廣健康飲食。

對於任何營銷及促銷活動，本集團確保相關活動符合適用的法律及法規，例如《中華人民共和國廣告法》。任何促銷渠道均不得包含虛假或誤導性內容。報告期間，就所提供之產品及服務而言，本集團並無錄得任何重大違反健康與安全、廣告、標籤及私隱事宜的法律及法規的個案。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” (continued)

#### Customer Services Management (continued)

##### Customer Communication

The Group values any complaint or feedback from customers as it does not only allow the Group to have a better understanding of customers' concerns, but also point to the need for improvement in product and service quality. The Group also pays special attention to enquiries regarding health and safety aspects and tries its best to help customers better understand its products and to strengthen customers' confidence in its brands. The Group pledges to handle any enquiry or complaint cases according to the standard procedure established, provide prompt response and keep traceable records of the cases in its system. To ensure that all complaints are resolved to customers' satisfaction, complainants would be invited to rate their level of satisfaction and provide feedback regarding their complaint cases after the cases are resolved.

##### Intellectual Property (“IP”) Rights

The Group strives to protect its own IP rights and respects third party IP rights according to all related applicable laws and regulations. It registers new IPs (including trademarks, designs and patents) in different parts of the world, renews existing IP rights, manages the use of IPs, and keeps track of IP infringement by other parties. The Group reserves the right to take legal actions against any alleged infringement.

The Group also ensures its service providers, suppliers or business partners undertake and warrant that all their deliverables or products are their original creation and/or do not infringe any third party's IP rights. Infringers are liable to specified appropriate consequences in the event of a breach.

##### Data Protection

The Group strictly follows its policy, manual and guideline, and procedure on protecting customer data. Before collecting personal data from customers, customers are informed of the purposes of data collection and how it will be used. Its Legal Department ensures that the Group is in compliance with the Personal Data Protection Ordinance of the Laws of Hong Kong and any applicable laws in any document, publicity and marketing activity. Procedures on handling, storing, transferring and erasing customers' personal data collected are reviewed periodically.

### 支柱三：「以信譽進行業務」 (續)

#### 客戶服務管理(續)

##### 客戶溝通

本集團重視任何客戶投訴或反饋，因其不僅能令本集團更理解客戶的顧慮，亦能指出改善產品及服務之需求。本集團亦特別注意有關健康及安全方面的查詢，並盡力提升客戶對產品的理解，以加強客戶對其品牌的信心。本集團承諾，會根據制定的標準程序處理任何查詢或投訴個案，提供迅速回應及在系統內保留可追溯個案記錄。為確保所有投訴以客戶滿意的方式解決，投訴人將於個案解決後獲邀為其滿意度評分及就其投訴個案提供反饋。

##### 知識產權(「知識產權」)

本集團致力根據所有相關之適用法律及法規保障其自有知識產權及尊重第三方知識產權。本集團於世界各地註冊新知識產權(包括商標、設計及專利)、重續現有知識產權、管理知識產權的使用及跟踪其他人士進行之知識產權侵犯。本集團保留對任何涉嫌侵權人士採取法律行動的權利。

本集團亦確保其服務供應商、供應商或業務合作夥伴承諾及保證，彼等所有可交付產品或產品為其原創及／或並無侵犯任何第三方知識產權。侵權人士須承擔侵權所致的特定適當後果。

##### 資料保護

本集團嚴格遵守其保障客戶資料的政策、手冊及指引以及程序。向客戶收集個人資料前，本集團會告知客戶所收集個人資料的目的及擬作用途。法律部確保本集團在任何文件、宣傳及市場推廣活動中遵守香港法例中的《個人資料(私隱)條例》及任何適用法例。我們會定期檢討所收集的客戶個人資料的處理、儲存、轉移及刪除程序。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 3: “Conducting Business with Honour” *(continued)*

#### Anti-corruption

To ensure ethical business practices, the Group strictly observes applicable laws, regulations and regulatory documents related to commercial bribery, including but not limited to:

- Criminal Law of the PRC;
- Anti-Unfair Competition Law of the PRC;
- Prevention of Bribery Ordinance of the Laws of Hong Kong;
- Theft Ordinance of the Laws of Hong Kong; and
- Organized and Serious Crimes Ordinance of the Laws of Hong Kong.

The Group takes a zero-tolerance approach to bribery and is committed to operating its business in an ethical manner with high integrity. The Group has implemented policies on anti-corruption and procedures concerning offering or accepting gifts and gratuities. Suppliers and all employees are required to become acquainted with and to abide by these policies and procedures. Any fraud, corruption, irregular transactions or breach of ethics shall be reported to the Internal Audit Department. Such report, if any, shall be treated in strict confidence to protect the identity of the informer.

No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to corruption, bribery, fraud and money laundering had been identified during the Reporting Period.

### 支柱三：「以信譽進行業務」 (續)

#### 反貪污

為確保遵守道德商業慣例，本集團嚴格遵守與商業賄賂有關的適用法律、法規及監管文件，包括但不限於：

- 《中華人民共和國刑法》；
- 《中華人民共和國反不正當競爭法》；
- 香港法例中的《防止賄賂條例》；
- 香港法例中的《盜竊罪條例》；及
- 香港法例中的《有組織及嚴重罪行條例》。

本集團對賄賂採取零容忍態度，並致力以高度誠信的道德方式進行業務。本集團已實施反貪污政策及針對收受禮物及報酬的程序。供應商及全體僱員須熟習及信守該等政策及程序。任何欺詐、貪污、異常交易或違反道德準則的情況均應向內部審核部門舉報。有關舉報(如有)應嚴格保密處理，以保障舉報者的身份。

報告期間，並無發現任何違反腐敗、賄賂、欺詐及洗錢相關法律及法規的事件對本集團造成重大影響。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

### Pillar 4: “Caring for our Community”

*We aim to contribute for the betterment of society, to create collective advancement and harmonious community relationships.*

While formal policies on community engagement are yet to be established, the Group continues to maintain its strong tradition of supporting various charitable causes during the Reporting Period.

#### Caring Company Scheme

The Group is awarded for the “Caring Company Award” for thirteenth consecutive years by the Hong Kong Council of Social Service since 2007, which is a testament to its long-term commitment to community investment.

#### Volunteering and Charitable Activities

In 2019, the flour mill in Jintan addressed social needs through participating in the poverty alleviation programme “Heart-Winning Project” launched by the Jintan District Party Committee and District Government and provided subsidy to help the underprivileged.

On 27 October 2019, the Group sponsored Sowers Action Challenging 12 Hours Charity Marathon.

On 25 October 2019, the Group collaborated with Hong Chi Morningjoy School, Yuen Long in Hong Kong and organised a parent-child baking activity in Lam Soon Baking Centre.

On 4 December 2019, the Group participated in “Love Teeth Day”, an annual fund-raising event organised by the Community Chest of Hong Kong, the Hong Kong Dental Association and Oral Health Education Unit of the Department of Health to promote oral health education.

On 12 January 2020, the dedicated Lam Soon Volunteer Team provided voluntary service at Shenzhen West Railway Station to serve the crowds during the Lunar New Year travel season.

#### Educational Contributions

Invited by Lingnan University, Mr. Joseph Leung, the Group’s former Managing Director, shared his knowledge with the students of a master programme in Human Resource Management Organisational Behaviour via webinar on 22 May 2020. Mr. Leung introduced the Group’s business operations and shared the human resource management strategies and challenges posed by the business environment.

### 支柱四：「關懷社群」

我們旨在改善社會，創造共同進步及和諧的社區關係。

儘管尚未制定有關社區參與的正式政策，但本集團於報告期間繼續保持支持各種慈善事業的悠久傳統。

#### 商界展關懷

本集團自二零零七年起連續十三年獲香港社會服務聯會嘉許「商界展關懷」標誌，足證其長期致力於社區投資。

#### 志願及慈善活動

於二零一九年，金壇麵粉廠通過參與由金壇區委及區政府推行的「民心工程」扶貧計劃滿足社會需求，提供補貼幫助弱勢社群。

於二零一九年十月二十七日，本集團贊助苗圃挑戰十二小時慈善越野馬拉松。

於二零一九年十月二十五日，本集團與香港匡智元朗晨樂學校合作，於南順烘焙中心舉辦親子烘焙活動。

於二零一九年十二月四日，本集團參加由香港公益金、香港牙醫學會及衛生署口腔健康教育組合辦的「公益愛牙日」年度籌款活動，推廣口腔健康教育。

於二零二零年一月十二日，盡心盡力的南順義工隊在深圳西站提供志願服務，於農曆新年旅行季節為人群提供服務。

#### 教育貢獻

於二零二零年五月二十二日，本集團前董事總經理梁玄博先生應嶺南大學邀請，通過網絡研討會與人力資源管理組織行為學碩士課程的學生分享他的知識。梁先生介紹了本集團的業務營運，並分享人力資源管理策略和營商環境帶來的挑戰。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

Sponsorship of Sowers Action Challenging 12 Hours Charity Marathon – Official bread  
贊助苗圃挑戰12小時慈善越野馬拉松 — 大會指定麵包

October 2019  
2019年10月



Parent-child baking activity at Lam Soon Baking Centre  
南順烘焙中心 — 「親子廚神」活動

October 2019  
2019年10月



Love Teeth Day 2019  
公益愛牙日 2019

December 2019  
2019年12月



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告書

Voluntary service at Shenzhen West Railway Station during  
Spring Festival rush  
深圳西站春運義工服務

January 2020  
2020年1月



# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高層管理人員

### Kwek Leng Hai

Aged 67, the Chairman of the Company since October 2006 and has been a Non-executive Director of the Company since appointment to the Board in 1997. Mr. Kwek is also the Chairman of Board Nomination Committee and a member of Board Remuneration Committee of the Company.

Mr. Kwek is a director and shareholder of Hong Leong Company (Malaysia) Berhad (“HLCM”, and together with its subsidiaries, the “Hong Leong Group”), the ultimate holding company of the Company. He is the Executive Chairman of Guoco Group Limited (“GGL”), a subsidiary of HLCM and listed on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”). He is also a director of GGL’s key listed subsidiaries and associated companies including as the Non-executive Chairman of GL Limited (“GL”) and a director of GuocoLand Limited (“GuocoLand”), both listed on the Main Board of Singapore Exchange Securities Trading Limited, Hong Leong Bank Berhad, listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and Bank of Chengdu Co., Ltd., listed on the Shanghai Stock Exchange.

Mr. Kwek qualified as a chartered accountant of the Institute of Chartered Accountants in England and Wales and has extensive experience in various business sectors, including but not limited to finance, investment, manufacturing and real estate. He is the brother-in-law of Dr. Whang Sun Tze, a Non-executive Director of the Company.

### Wong Cho Fai

Aged 53, Group Managing Director and Executive Director of the Company since appointment to the Board in July 2020.

Mr. Wong holds a bachelor’s degree in Social Science and a master’s degree in Business Administration from The Chinese University of Hong Kong. He also completed the General Management Program in Harvard Business School.

Mr. Wong has more than 30 years of experiences in fast moving consumer goods in USA, Asia and particularly China. Mr. Wong has worked in several multinational Fortune 500 corporations, including Campbell Soup, S.C. Johnson, Coca Cola and Colgate Palmolive. Prior to joining the Company, Mr. Wong served as the President of Campbell Soup Greater China and the Managing Director of S.C. Johnson Greater China.

### 郭令海

現年六十七歲，自二零零六年十月起擔任本公司主席，並自一九九七年七月起擔任本公司非執行董事。郭先生亦為本公司董事會提名委員會主席及董事會薪酬委員會成員。

郭先生為本公司最終控股公司 Hong Leong Company (Malaysia) Berhad (「HLCM」)，及其附屬公司統稱「豐隆集團」之董事及股東。彼為國浩集團有限公司(「國浩」)之執行主席，該公司為 HLCM 於香港聯合交易所有限公司(「聯交所」)主板上市之附屬公司。彼亦為國浩的主要上市附屬公司及聯營公司包括皆於新加坡交易所主板上市之 GL Limited (「GL」) 之非執行主席及國浩房地產有限公司(「國浩房地產」)之董事、於馬來西亞證券交易所有限公司(「馬來西亞交易所」)主板上市之豐隆銀行有限公司，以及於上海證券交易所上市之成都銀行股份有限公司之董事。

郭先生取得英國及威爾斯特許會計師學會之特許會計師資格，並在各行業均積累豐富經驗，包括財務、投資、製造及房地產。彼為本公司非執行董事黃上哲博士配偶之胞弟。

### 黃祖暉

現年五十三歲，自二零二零年七月起為本公司之集團董事總經理兼執行董事。

黃先生持有香港中文大學社會科學學士學位及工商管理碩士學位。彼亦在哈佛商學院完成綜合管理課程。

黃先生在美國、亞洲，特別中國擁有超過三十年快流消費品經驗。黃先生曾於多間《財富》500強跨國企業公司工作，包括金寶湯、美國莊臣、可口可樂和高露潔棕欖。在加入本公司前，黃先生曾擔任金寶湯大中華區總裁和美國莊臣大中華區董事總經理。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高層管理人員

### Tang Hong Cheong

Aged 65, Non-executive Director of the Company since appointment to the Board in September 2016.

Mr. Tang is a Director and the President & CEO of GGL. He is also the Group Managing Director of GL, a Director of GuocoLand and a Non-executive Director of The Rank Group Plc, listed on the London Stock Exchange. He held various senior management positions in different companies within the Hong Leong Group. Prior to his appointment, he was the President/Finance Director of HL Management Co Sdn Bhd.

Mr. Tang is a member of the Malaysian Institute of Accountants and has over 40 years' in-depth experience in the investment, manufacturing, financial services, property development, gaming and hospitality industries. In addition, he possesses broad-based and C-suite expertise in finance, treasury, risk management, operations and strategic planning.

### Whang Sun Tze Ph.D.

Aged 76, Non-executive Director of the Company since appointment to the Board in 1984.

Dr. Whang holds a Doctorate Degree in Chemical Engineering. He is the brother-in-law of Mr. Kwek Leng Hai.

### 鄧漢昌

現年六十五歲，自二零一六年九月起獲委任為本公司非執行董事。

鄧先生為國浩之董事及總裁兼行政總裁。彼亦為GL之集團董事總經理，國浩房地產之董事以及於倫敦證券交易所上市之The Rank Group Plc之非執行董事。彼曾於豐隆集團多間成員公司擔任多個高級管理職位。彼於獲委任前，為HL Management Co Sdn Bhd之總裁／財務總監。

鄧先生為馬來西亞會計師公會之會員，於投資、製造業、金融服務、物業發展、博彩及酒店業務方面具有逾四十年經驗。彼於財務、庫務、風險管理、營運及策略性規劃方面均有廣泛及主管級的深入專業知識。

### 黃上哲 博士

現年七十六歲，自一九八四年起出任本公司非執行董事。

黃博士持有化學工程學博士學位。彼為郭令海先生胞姊之配偶。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高層管理人員

### Tan Lim Heng

Aged 72, Non-executive Director of the Company since appointment to the Board in 1997.

Mr. Tan was a Non-executive Director of GGL from March 2015 to December 2018. Mr. Tan holds a Bachelor of Science first class honours degree in engineering from University of Surrey and a Master of Science degree in management from Massachusetts Institute of Technology. He had previously worked in Geneva in 1974 with the United Nations Conference on Trade and Development. He had also served in the Singapore Civil Service as a Colombo Plan Scholar from 1975 to 1978 before coming to work in Hong Kong with a financial services company and a major U.S. bank. Mr. Tan has extensive experience in property investment, financial and investment management services.

### Lo Kai Yiu, Anthony

Aged 71, Independent Non-executive Director of the Company since appointment to the Board in December 2008. He is the Chairman of Board Audit and Risk Management Committee and a member of Board Nomination Committee and Board Remuneration Committee of the Company.

Mr. Lo is qualified as a chartered accountant with the Institute of Chartered Accountants of Ontario, Canada and a member of the HKICPA. Mr. Lo has over 30 years of experience in banking, finance and investments. He worked for a number of well-known financial institutions as managing director.

Mr. Lo also holds other directorships in a number of listed companies in Hong Kong including independent non-executive director, the audit committee chairman and members of the compensation and nomination committees of Playmates Holdings Limited; independent non-executive director, audit committee chairman and member of the remuneration committee of Tristate Holdings Limited; and independent non-executive director, audit committee chairman and member of the nomination committee of Convenience Retail Asia Limited. He retired as independent non-executive director of The Taiwan Fund, Inc., a company listed on the New York Stock Exchange, in April 2018.

### 陳林興

現年七十二歲，自一九九七年起出任本公司非執行董事。

陳先生自二零一五年三月至二零一八年十二月曾為國浩之非執行董事。陳先生持有 University of Surrey 一等榮譽理學士(工程)學位及 Massachusetts Institute of Technology 理學碩士(管理)學位。彼曾於一九七四年在日內瓦替 United Nations Conference on Trade and Development 工作。彼亦曾於一九七五年至一九七八年期間作為 Colombo Plan Scholar 服務新加坡政府，及後於香港為一金融公司和一主要美資銀行工作。陳先生在物業投資、金融及投資管理方面具廣泛之經驗。

### 羅啟耀

現年七十一歲，自二零零八年十二月起出任本公司獨立非執行董事。彼為本公司董事會審核及風險管理委員會主席及董事會提名委員會及董事會薪酬委員會成員。

羅先生取得加拿大安大略省特許會計師公會之特許會計師及香港會計師公會之會員資格。羅先生在銀行、財務及投資業務方面擁有逾三十年之經驗。彼曾於多間知名金融機構出任董事總經理職位。

羅先生亦擔任香港多間上市公司之其他董事職務包括 Playmates Holdings Limited (彩星集團有限公司)之獨立非執行董事兼審核委員會主席以及薪酬委員會及提名委員會成員；Tristate Holdings Limited 之獨立非執行董事兼審核委員會主席及薪酬委員會成員；及利亞零售有限公司之獨立非執行董事兼審核委員會主席及提名委員會成員。彼於二零一八年四月退任一間於紐約證券交易所上市的公司 The Taiwan Fund, Inc. 之獨立非執行董事。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高層管理人員

### Huang Lester Garson SBS, JP

Aged 60, was appointed as an Independent Non-executive Director of the Company in November 2013. Mr. Huang is the Chairman of the Board Remuneration Committee and a member of the Board Audit and Risk Management Committee of the Company.

Mr. Huang is an independent non-executive director and a member of both the board audit and risk management committee and the board remuneration committee of GGL, a subsidiary of HLCM and listed on the Main Board of the Stock Exchange.

Mr. Huang is a practicing solicitor and notary public, and is currently Managing Partner and Co-Chairman of P. C. Woo & Co., a solicitor firm in Hong Kong. Mr. Huang became a qualified solicitor of Hong Kong in March 1985 and has over 30 years of post-qualification experience. Mr. Huang graduated with a Bachelor of Laws degree from the University of Hong Kong in 1982 and a Master of Education from the Chinese University of Hong Kong in 2006.

In 2002, the Government of the Hong Kong Special Administrative Region ("The Government of HKSAR") appointed Mr. Huang as a Justice of the Peace. In July 2018, The Government of HKSAR awarded him a Silver Bauhinia Star for his public services.

Mr. Huang is a non-executive director of the Securities and Futures Commission ("SFC"). He also chairs the Investor and Financial Education Council (a subsidiary of the SFC). Mr. Huang's public roles also include serving as Chairman of Council of City University of Hong Kong, Chairman of the Social Welfare Advisory Committee of the Labour and Welfare Bureau, Chairman of the Standing Committee on Language Education and Research and an ex-officio member of the Education Commission. He has also been appointed as a director of Faithful Servant Charitable Foundation Limited since August 2019 and a Steward of The Hong Kong Jockey Club since April 2020.

Mr. Huang was the President of the Law Society of Hong Kong from 2007 to 2009. He was also a member of the Hospital Authority and the Hong Kong Monetary Authority's Exchange Fund Advisory Committee as well as a non-executive director of the Urban Renewal Authority. He also served as a member of the Standing Committee on Judicial Salaries and Conditions of Service and other public positions.

Mr. Huang is an independent non-executive director, the remuneration committee chairman, the audit committee member and the nomination committee member of Kidsland International Holdings Limited, a company listed on the Stock Exchange.

### 黃嘉純 銀紫荊星章，太平紳士

現年六十歲，於二零一三年十一月獲委任為本公司之獨立非執行董事。黃先生為本公司董事會薪酬委員會之主席及董事會審核及風險管理委員會之成員。

黃先生為國浩之獨立非執行董事、董事會審核及風險管理委員會以及董事會薪酬委員會之成員，該公司為HLCM於聯交所主板上市之附屬公司。

黃先生為執業律師及國際公証人，現為一間香港律師行胡百全律師事務所合夥人及聯席主席。黃先生於一九八五年三月成為香港合資格律師及在其專業上擁有逾三十年經驗。黃先生於一九八二年畢業於香港大學，持有法律學士學位，並於二零零六年取得香港中文大學教育碩士學位。

於二零零二年，香港特別行政區政府（「香港特區政府」）委任黃先生為太平紳士。於二零一八年七月，香港特區政府向彼授予銀紫荊星章，嘉獎其對公共服務的貢獻。

黃先生為證券及期貨事務監察委員會（「證監會」）之非執行董事，並擔任投資者及理財教育委員會（證監會之附屬機構）之主席。黃先生之公職亦包括香港城市大學校董會主席、勞工及福利局社會福利諮詢委員會主席、語文教育及研究常務委員會主席，以及教育統籌委員會當然委員。彼亦分別自二零一九年八月及二零二零年四月起獲委任為忠僕慈善基金有限公司及香港賽馬會之董事。

黃先生由二零零七年至二零零九年曾擔任香港律師會會長。彼亦曾為香港醫院管理局和香港金融管理局外匯基金諮詢委員會之成員，及市區重建局之非執行董事。彼亦曾擔任司法人員薪俸及服務條件常務委員會委員以及其他公職。

黃先生為凱知樂國際控股有限公司，一間於聯交所上市之公司，之獨立非執行董事、薪酬委員會主席、審核委員會成員以及提名委員會成員。

# BOARD OF DIRECTORS AND SENIOR MANAGEMENT

## 董事會及高層管理人員

### Ho Yuk Wai, Joan

Aged 55, Independent Non-executive Director of the Company since appointment to the Board in November 2019. She is a member of both the Board Audit and Risk Management Committee and the Board Nomination Committee of the Company.

Ms. Ho is a member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Canada. She is also a Chartered Financial Analyst and a member of the CFA Institute. Ms. Ho graduated from Queen's University, Canada with a bachelor's degree (with honours) in Commerce.

Ms. Ho has over 30 years of experience in auditing and advisory services. She was an audit partner of KPMG China financial services group between 2000 and 2015 and was also in charge of the firm's internal audit, risk and compliance services for financial institutions and the accounting advisory services. Ms. Ho has extensive experience in capital market transactions and conducting operational reviews of banks in Hong Kong and the People's Republic of China.

Ms. Ho is currently a member of the Anti-Money Laundering and Counter-Terrorist Financing Review Tribunal and a member of the Process Review Committee of the Hong Kong Monetary Authority. She also serves as a member of the Payment Systems and Stored Value Facilities Appeals Tribunal, a member of the Financial Reporting Review Panel of the Financial Reporting Council and a member of the Hong Kong Institute of Certified Public Accountants' Panel B of the Institute's Disciplinary Panels.

### 何玉慧

現年五十五歲，自二零一九年十一月起出任本公司之獨立非執行董事。彼為本公司董事會審核及風險管理委員會以及董事會提名委員會之成員。

何女士為香港會計師公會之會員及加拿大特許專業會計師協會\*成員。彼亦為特許財務分析師\*及特許財務分析師協會\*會員。何女士畢業於加拿大皇后大學\*，取得商學學士學位(榮譽學位)。

何女士擁有超過三十年的審計及諮詢服務經驗。於二零零零年至二零一五年期間，何女士為畢馬威中國財務服務集團的審計合夥人，亦負責事務所向財務機構提供內部審計、風險及合規服務的業務及會計諮詢服務。何女士於資本市場交易及為香港及中華人民共和國的銀行進行營運審查擁有豐富經驗。

何女士現為打擊洗錢及恐怖分子資金籌集覆核審裁處成員及香港金融管理局程序覆檢委員會會員。彼亦為支付系統及儲值支付工具上訴審裁處成員，財務匯報局財務匯報檢討委員會成員及香港會計師公會紀律小組B成員。

\* 謹供識別

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Corporate Governance Practices

The board of directors of the Company (the “Board”) has adopted a Code of Corporate Governance Practices (the “CGP Code”), which is based on the Corporate Governance Code set out in Appendix 14 (the “HKEx Code”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The CGP Code is reviewed from time to time and updated as appropriate to align with the revised provisions of the HKEx Code. Continuous efforts are made to review and enhance the Group’s risk management and internal controls and procedures in light of changes in regulations and developments in best practices.

The Board is pleased to report compliance with the HKEx Code for the year ended 30 June 2020, except where otherwise stated.

Every director is subject to retirement by rotation at least once every three years pursuant to the Articles of Association of the Company and the CGP Code.

Despite non-executive directors were not appointed for a specific term, they are subject to retirement by rotation and re-election at the annual general meetings of the Company, as stipulated by the HKEx Code. As such, the Company considers that such provisions are sufficient to meet the intent of the relevant provisions of the HKEx Code.

### Directors’ Securities Transactions

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as the code of conduct governing directors’ securities transactions.

All directors of the Company during the year, following specific enquiry by the Company, have confirmed that they have complied with the required standard set out in the Model Code throughout the year.

### 企業管治常規

本公司之董事會(「董事會」)已採納一套以香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14(「聯交所守則」)之原則為本之企業管治常規守則(「企業管治守則」)。企業管治守則將不時檢討及作適當的更新以與經修改後的聯交所守則保持一致。為配合有關規則之改變及最佳常規之發展，本集團不斷致力檢討及優化本集團的風險管理及內部監控與程序。

董事會欣然報告截至二零二零年六月三十日止年度一直遵守聯交所守則，除非另有陳述。

根據本公司組織章程細則及企業管治守則之規定，各董事須至少每三年輪值告退一次。

儘管非執行董事並無特定任期，根據聯交所守則之規定，彼等須於本公司股東週年常會上輪值告退及膺選連任。因此，本公司認為該等條文足以符合聯交所守則有關條文之宗旨。

### 董事之證券交易

本公司已採納上市規則附錄10所載之上市公司董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易之操守守則。

經本公司作出具體查詢，本公司所有董事確認，彼等於本年度內一直遵守標準守則規定之標準。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board of Directors

#### Composition of the Board

The directors of the Company during the year and up to the date hereof are set out in the Directors' Report on page 91.

#### Board Meetings, General Meeting and Attendance

During the year, four board meetings and one general meeting were held. Details of individual attendance of directors at the board meetings and general meeting during the year are set out in the table below:

### 董事會

#### 董事會組成

於本年度內及直到本報告書日期，本公司之董事會成員已載於第91頁董事會報告書內。

#### 董事會會議、股東大會及出席率

於本年度內，共舉行四次董事會會議及一次股東大會。個別董事於本年度內出席董事會會議及股東大會之詳情載於下表：

Name of Director	董事姓名	Board Meeting	General Meeting
		Number of Attendance/ Number of Meeting Held 董事會會議 出席次數/ 舉行會議次數	Number of Attendance/ Number of Meeting Held 股東大會 出席次數/ 舉行會議次數
<b>Chairman:</b>	<b>主席：</b>		
Mr. KWEK Leng Hai	郭令海先生	4/4	1/1
<b>Group Managing Director:</b>	<b>集團董事總經理：</b>		
Mr. WONG Cho Fai (Note 1)	黃祖暉先生 (附註1)	0/0	0/0
Mr. Joseph LEUNG (Note 2)	梁玄博先生 (附註2)	4/4	1/1
<b>Non-Executive Directors:</b>	<b>非執行董事：</b>		
Mr. TANG Hong Cheong	鄧漢昌先生	4/4	1/1
Dr. WHANG Sun Tze	黃上哲博士	4/4	1/1
Mr. TAN Lim Heng	陳林興先生	4/4	1/1
<b>Independent Non-Executive Directors:</b>	<b>獨立非執行董事：</b>		
Mr. LO Kai Yiu, Anthony	羅啟耀先生	4/4	1/1
Mr. AU Chee Ming	區熾明先生	2/2 (Note 3)(附註3)	1/1
Mr. HUANG Lester Garson	黃嘉純先生	4/4	1/1
Ms. HO Yuk Wai, Joan	何玉慧女士	2/2 (Note 4)(附註4)	0/0

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board of Directors *(continued)*

#### Board Meetings, General Meeting and Attendance *(continued)*

Notes:

1. Mr. WONG Cho Fai was appointed as Group Managing Director with effect from 1 July 2020.
2. Mr. Joseph LEUNG retired as Group Managing Director with effect from 1 July 2020.
3. Mr. AU Chee Ming ("Mr. Au") retired as an Independent Non-executive Director after the conclusion of 2019 annual general meeting held on 13 November 2019 ("2019 AGM"). Two Board meetings were held during the period from 1 July 2019 up to the conclusion of the 2019 AGM (date of retirement of Mr. Au).
4. Ms. HO Yuk Wai ("Ms. Ho") was appointed as an Independent Non-executive Director after the conclusion of the 2019 AGM. Two Board meetings were held during the period from the conclusion of the 2019 AGM (date of appointment of Ms. Ho) to 30 June 2020.

#### Operations of the Board

The Board determines the corporate mission and broad strategies, monitors and controls operating and financial performance and sets appropriate policies to manage risks in pursuit of the Group's strategic objectives. Decisions involving financial statements, dividend policy, material contracts and major investments and divestments are reviewed and subject to approval by the Board. Other main roles of the Board are to review the Company's policies and practices on corporate governance and to ensure that adequate risk management and internal control systems and management information systems are in place, including being in compliance with every aspect of the provisions of applicable laws, regulations, rules, directives and guidelines to create value for its shareholders and to ensure that the Company has adequate management to achieve the Company's strategic objectives.

The Board has delegated the day-to-day management and operation of the Group's businesses to management of the Company and its subsidiaries.

Where appropriate, decisions are also taken by way of circulated resolutions.

Board papers are circulated prior to board meetings on a timely manner, which include, among others, financial and corporate information, significant operational and corporate issues and business performance of the Group as well as management proposals which require the approval of the Board.

### 董事會 *(續)*

#### 董事會會議、股東大會及出席率 *(續)*

附註：

1. 黃祖暉先生於二零二零年七月一日獲委任為集團董事總經理。
2. 梁玄博先生退任集團董事總經理，自二零二零年七月一日起生效。
3. 區熾明先生於二零一九年十一月十三日舉行的二零一九年股東週年常會(「二零一九年股東週年常會」)結束後退任獨立非執行董事。由二零一九年七月一日至二零一九年股東週年常會結束日(即區先生退任之日期)共舉行兩次董事會會議。
4. 何玉慧女士(「何女士」)於二零一九年股東週年常會結束後獲委任獨立非執行董事。由二零一九年股東週年常會結束日(即何女士獲委任之日期)至二零二零年六月三十日共舉行兩次董事會會議。

#### 董事會之運作

董事會制定公司使命及整體策略，監察和監控營運及財務表現以及訂立適當之政策管理風險，以達成集團之策略目標。有關財務報表，股息政策，重要合同及重大投資及撤資之決定，均由董事會審閱及審批。董事會其他主要角色包括審閱本公司有關企業管治之政策及守則，以及確保備有合乎需要之風險管理及內部監控系統及管理資訊系統，其中包括遵守適用之法例、條例、規則、指令及指引之每項條文，以為股東創造財富及確保本公司有足夠管理人員達成本公司之策略目標。

董事會已授權本公司及其附屬公司之管理層負責本集團業務之日常管理及營運。

於適當時，董事會亦會以傳閱決議案之方式作決定。

於董事會會議召開前，董事會文件會適時傳閱，其中包括，財務及公司資料、重要營運及公司事宜、本集團業務表現及須獲董事會批准之管理層建議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board of Directors *(continued)*

#### Operations of the Board *(continued)*

All directors have access to the advice and services of the company secretary and internal auditors, and upon reasonable request, independent professional advice in appropriate circumstances at the Company's expense, if any.

#### Independence of the Independent Non-Executive Directors

The Company received confirmation of independence from each of the independent non-executive directors ("INEDs") for the year pursuant to Rule 3.13 of the Listing Rules. Up to and as at the date of this report, the Company considers that the INEDs continue to be independent.

#### Relationship among the Members of the Board

The family relationships among the members of the Board are disclosed under "Board of Directors and Senior Management" on pages 65 to 69 of this annual report.

#### Directors' Continuous Training and Development Programme

Pursuant to the HKEx Code which took effect on 1 April 2012, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the board remains informed and relevant.

The Company has put in place a training and development programme for directors which includes (i) induction/familiarisation programme for newly appointed directors; and (ii) on-going training and professional development programme for directors.

### 董事會 *(續)*

#### 董事會之運作 *(續)*

所有董事均可獲得公司秘書及內部核數師之意見及服務，以及在合理要求下，可於適當情況下尋求獨立專業意見，費用(如有)概由本公司負責。

#### 獨立非執行董事之獨立性

於本年度內，本公司接獲各獨立非執行董事(「獨立非執行董事」)根據上市規則第3.13條發出之獨立性確認書。直至及截至本報告書日期，本公司認同獨立非執行董事之獨立性。

#### 董事會成員間的關係

董事會成員間之親屬關係已載於本年報第65至69頁「董事會及高層管理人員」內。

#### 董事持續培訓及發展課程

根據二零一二年四月一日生效之聯交所守則，全體董事須參與持續專業發展，以發展及更新其知識及技能。此舉可確保彼等繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

本公司已為董事提供培訓及發展課程，包括(i)為新委任之董事提供就職／熟悉課程；及(ii)為董事提供持續培訓及專業發展課程。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board of Directors *(continued)*

#### Directors' Continuous Training and Development Programme *(continued)*

During the year ended 30 June 2020, all directors of the Company namely, Messrs. KWEK Leng Hai, Joseph LEUNG, TANG Hong Cheong, WHANG Sun Tze, TAN Lim Heng, LO Kai Yiu, Anthony, AU Chee Ming (retired on 13 November 2019), HUANG Lester Garson and HO Yuk Wai, Joan (appointed on 13 November 2019), received regular briefings and updates on the Group's business, operations, risk management and corporate governance matters. Materials on new or changes to salient laws and regulations, environmental, social and governance matters applicable to the Group were provided to the directors. They also attended regulatory update sessions and seminars on relevant topics. All directors are requested to provide the Company with their respective training record pursuant to the CGP Code.

### Chairman and Group Managing Director

The roles of Chairman and Group Managing Director ("GMD") are segregated and are not held by the same person. Currently Mr. KWEK Leng Hai is the Chairman and Mr. WONG Cho Fai (appointed on 1 July 2020) is the GMD of the Company.

The Chairman leads the Board and ensures its smooth and effective functioning. The GMD is responsible for the vision and strategic direction of the Group, implementing the policies and decisions of the Board, initiating business ideas and corporate strategies to create competitive edge and enhancing shareholder wealth, setting the benchmark and targets for operating companies, overseeing the day-to-day operations and tracking compliance and business progress.

### Non-Executive Directors

The non-executive directors were not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meeting pursuant to the articles of association of the Company and the CGP Code.

### 董事會 *(續)*

#### 董事持續培訓及發展課程 *(續)*

截至二零二零年六月三十日止年度內本公司全體董事(即郭令海先生、梁玄博先生、鄧漢昌先生、黃上哲博士、陳林興先生、羅啟耀先生、區熾明先生(於二零一九年十一月十三日退任)、黃嘉純先生及何玉慧女士(於二零一九年十一月十三日獲委任))已接獲有關本集團業務、營運、風險管理及企業管治事宜之定期簡報及更新。董事亦獲提供適用於本集團之重要法律法規、環境、社會及管治之有關新修訂或變更資料。彼等亦出席有關最新監管議題的課程及研討會。根據企業管治守則，所有董事須向本公司提供彼等各自之培訓記錄。

### 主席及集團董事總經理

主席及集團董事總經理(「集團董事總經理」)之角色獨立分開，並由不同人士擔任。本公司現時之主席為郭令海先生，集團董事總經理為黃祖暉先生(於二零二零年七月一日獲委任)。

主席領導董事會並確保其順利和有效地運作。集團董事總經理則負責本集團的願景和策略方向、執行政策及董事會的決定、提出經營建議及企業策略從而創造競爭優勢並提高股東的財富，定立營運公司的基準與目標，監察日常的運作及遵從法規及緊貼業務發展。

### 非執行董事

非執行董事並無特定任期。然而，根據本公司組織章程細則及企業管治守則，彼等須於股東週年常會上輪值告退及膺選連任。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees

During the year, three board committees, namely, the Board Remuneration Committee, the Board Audit and Risk Management Committee and the Board Nomination Committee were in place for overseeing particular aspects of the Company's affairs pursuant to the Listing Rules and the CGP Code.

The three board committees of the Company are established with defined written terms of reference, approved by the Board, which set out the Committees' major duties. The terms of reference now being posted on the websites of the Stock Exchange and the Company, are available to shareholders.

The majority of the members of each board committee are INEDs. The list of the chairman and members of each board committee is set out in the following board committee section.

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

#### Board Remuneration Committee ("BRC")

The Company established the BRC on 1 July 2005 with specific written terms of reference in accordance with the requirements of the Stock Exchange which deal clearly with its authority and duties.

The principal role and functions of the BRC are to make recommendations to the Board on its policy and structure for the remuneration of directors and senior management, as well as to determine the specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, which may include any compensation payable for loss or termination of their office or appointment. Detailed terms of reference of the BRC are accessible on the Company's website and HKEx's website.

The BRC has adopted the approach under code provision B.1.2(c)(i) of the HKEx Code to determine, with delegated responsibility and authorisation by the Board, the remuneration packages of individual executive directors and senior management.

### 董事委員會

於本年度內，三個董事委員會，即董事會薪酬委員會、董事會審核及風險管理委員會及董事會提名委員會，均已根據上市規則及企業管治守則監察本公司之特定事宜。

本公司所成立之三個董事委員會均設有董事會批准之特定書面職權範圍，當中載有委員會之主要職責。職權範圍現時於聯交所及本公司網站登載，以供股東查閱。

各董事委員會之大部分成員均為獨立非執行董事，而主席及成員名單於下文董事委員會一節內載列。

董事委員會獲提供充足資源，以履行彼等之職責，並在有合理要求時，能夠於適當情況下尋求獨立專業意見，有關費用概由本公司負責。

#### 董事會薪酬委員會(「薪酬委員會」)

本公司於二零零五年七月一日成立薪酬委員會，並設有符合聯交所規定之具體書面職權範圍，當中訂明其權力及職責。

薪酬委員會之主要角色及職能是就有關各董事及高級行政人員之薪酬政策及架構向董事會作出建議，以及釐定全體執行董事及高級管理人員之具體酬金待遇，包括非金錢利益、退休金權利及賠償金額(設有喪失或終止職務或委任之賠償)。薪酬委員會職權範圍之詳情於本公司網站及聯交所網站可供查閱。

薪酬委員會已獲董事會授予職責及權力，採納聯交所守則第B.1.2(c)(i)條守則條文訂明之方法，以釐定個別執行董事及高級管理人員之薪酬待遇。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Remuneration Committee ("BRC") *(continued)*

During the year, the BRC comprised Messrs. HUANG Lester Garson (re-designated as the Chairman of the BRC after the conclusion of the 2019 AGM), AU Chee Ming (Chairman of the BRC, retired after the conclusion of the 2019 AGM), KWEK Leng Hai and LO Kai Yiu, Anthony (appointed as a member of the BRC with effect from the conclusion of the 2019 AGM). Mr. HUANG Lester Garson, Mr. AU Chee Ming and Mr. LO Kai Yiu, Anthony are INEDs of the Company whilst Mr. KWEK Leng Hai is the Chairman of the Company.

During the year, two BRC meetings were held. The individual attendance of each member are as follows:

### 董事委員會 *(續)*

#### 董事會薪酬委員會(「薪酬委員會」)*(續)*

於本年度內，薪酬委員會由黃嘉純先生(於二零一九年股東週年常會結束後調任為董事會薪酬委員會主席)、區熾明先生(薪酬委員會主席，於二零一九年股東週年常會結束後退任)，郭令海先生及羅啟耀先生(獲委任薪酬委員會成員，自二零一九年股東週年常會結束後生效)組成。黃嘉純先生、區熾明先生及羅啟耀先生均為本公司獨立非執行董事，而郭令海先生則為本公司主席。

於本年度內，共舉行兩次薪酬委員會會議。個別成員出席之情況載列如下：

Name of Director	董事姓名	Number of Attendance/ Number of Meeting Held 出席次數/ 舉行會議次數
Mr. HUANG Lester Garson <i>(Chairman)</i> <sup>Note 1</sup>	黃嘉純先生(主席) <sup>附註1</sup>	2/2
Mr. AU Chee Ming <i>(Chairman)</i> <sup>Note 2</sup>	區熾明先生(主席) <sup>附註2</sup>	2/2
Mr. KWEK Leng Hai	郭令海先生	2/2
Mr. LO Kai Yiu, Anthony <sup>Note 3</sup>	羅啟耀先生 <sup>附註3</sup>	0/0

#### Notes:

- Mr. HUANG Lester Garson was re-designated as the Chairman of the BRC after the conclusion of the 2019 AGM.
- Mr. AU Chee Ming ("Mr. Au") ceased to be the Chairman of the BRC after his retirement as an INED which took effect after the conclusion of the 2019 AGM. Two BRC meetings were held during the period from 1 July 2019 up to the conclusion of the 2019 AGM (date of retirement of Mr. Au).
- Mr. LO Kai Yiu, Anthony ("Mr. Lo") was appointed as a member of the BRC after the conclusion of the 2019 AGM. No BRC meeting was held during the period from the conclusion of the 2019 AGM (date of appointment of Mr. Lo) up to 30 June 2020.

#### 附註：

- 黃嘉純先生於二零一九年股東週年常會結束後調任為薪酬委員會主席。
- 區熾明先生(「區先生」)自二零一九年股東週年常會結束後退任獨立非執行董事一職生效後，彼不再擔任薪酬委員會主席。由二零一九年七月一日至二零一九年股東週年常會結束日(即區先生退任之日期)共舉行兩次薪酬委員會會議。
- 羅啟耀先生(「羅先生」)於二零一九年股東週年常會結束後獲委任為薪酬委員會成員。由二零一九年股東週年常會結束日(即羅先生獲委任之日期)至二零二零年六月三十日並無舉行薪酬委員會會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Remuneration Committee ("BRC") *(continued)*

##### *Work done for the financial year 2019/2020*

- Reviewed and recommended directors' fees for non-executive directors for the financial year 2018/2019;
- approved the discretionary bonuses for executive directors and senior management for the financial year 2018/2019;
- reviewed the remuneration packages of executive directors and senior management;
- reviewed and approved the remuneration package for the Group Managing Director of the Company;
- reviewed the Employee's Share Option Scheme;
- reviewed the terms of reference of the BRC and remuneration policy for directors and senior management; and
- deliberated the statement relating to the BRC for inclusion in the Corporate Governance Report.

##### *Level and Make-up of Remuneration*

The Group's remuneration scheme for executive directors and senior management is linked to performance, service seniority, experience and scope of responsibility and is based on the provisions in the Group's Human Resources Manual, which are reviewed from time to time to align with market/industry practices.

The level of remuneration of non-executive directors reflects the level of responsibilities undertaken by them.

The fees of directors, including non-executive directors, are recommended and endorsed by the Board for shareholders' approval at the Company's annual general meeting.

Details of the remuneration of the directors for the year ended 30 June 2020 are provided in note 9 to the Financial Statements in this annual report.

### 董事委員會 *(續)*

#### 董事會薪酬委員會(「薪酬委員會」) *(續)*

##### *於2019/2020年度完成之工作*

- 就二零一八/二零一九年度之非執行董事之袍金向董事會作出建議及檢討；
- 批准截至二零一八/二零一九年度之執行董事及高層管理人員之花紅；
- 檢討執行董事及高層管理人員之酬金待遇；
- 檢討及批准本公司集團董事總經理之薪酬；
- 檢討僱員之股份認購權計劃；
- 檢討薪酬委員會之職權範圍以及董事和高層管理人員之薪酬政策；及
- 批准於企業管治報告中有關薪酬委員會的陳述。

##### *薪酬水平及釐定*

本集團對執行董事及高層管理人員之薪酬計劃按表現、服務年資、經驗及職權範圍釐定，並根據本集團人力資源手冊內之條文，並不時按照市場/行業慣例，作出檢討。

非執行董事之薪酬水平反映其責任水平。

董事(包括非執行董事)之袍金由董事會建議及認可，以供股東於本公司股東週年常會上批准。

就截至二零二零年六月三十日止年度之董事酬金詳情載於本年報之財務報表附註9。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Nomination Committee (“BNC”)

The Company established the BNC on 1 April 2012 with specific written terms of reference in accordance with the requirement of the Stock Exchange which deal clearly with its authority and duties.

The principal role of the BNC is to make recommendations to the Board on the structure, size and composition of the Board, to review the independence of INEDs, the suitability of directors who will stand for re-election and directors’ continuous training and development programme, to formulate, review and implement a policy for the nomination of directors (including nomination procedures) and to formulate a policy concerning board diversity, monitor the implementation of such policy and to review the same, as appropriate. Detailed terms of reference of the BNC is accessible on the Company’s website and HKEx’s website.

The BNC comprised Messrs. KWEK Leng Hai (Chairman of the BNC), LO Kai Yiu, Anthony, AU Chee Ming (retired after the conclusion of the 2019 AGM) and HO Yuk Wai, Joan (appointed as a member of the BNC with effect from the conclusion of the 2019 AGM). Mr. LO Kai Yiu, Anthony, Mr. AU Chee Ming and Ms. HO Yuk Wai, Joan are INEDs of the Company whilst Mr. KWEK Leng Hai is the Chairman of the Company.

During the year, two BNC meetings were held. The individual attendance of each member is as follows:

Name of Director	董事姓名	Number of Attendance/ Number of Meeting Held 出席次數/ 舉行會議次數
Mr. KWEK Leng Hai ( <i>Chairman</i> )	郭令海先生 ( <i>主席</i> )	2/2
Mr. LO Kai Yiu, Anthony	羅啟耀先生	2/2
Mr. AU Chee Ming <sup>Note 1</sup>	區熾明先生 <sup>附註1</sup>	2/2
Ms. HO Yuk Wai, Joan <sup>Note 2</sup>	何玉慧女士 <sup>附註2</sup>	0/0

#### Notes:

- Mr. AU Chee Ming (“Mr. Au”) ceased to be a member of the BNC after his retirement as an INED which took effect after the conclusion of the 2019 AGM. Two BNC meetings were held during the period from 1 July 2019 up to the conclusion of the 2019 AGM (date of retirement of Mr. Au).
- Ms. HO Yuk Wai, Joan (“Ms. Ho”) was appointed as a member of the BNC after the conclusion of the 2019 AGM. No BNC meeting was held during the period from the conclusion of the 2019 AGM (date of appointment of Ms. Ho) to 30 June 2020.

### 董事委員會 (續)

#### 董事會提名委員會 (「提名委員會」)

本公司於二零一二年四月一日設立提名委員會。提名委員會設有符合聯交所規定之具體書面職權範圍，當中訂明其權力及職責。

提名委員會的主要職能是就董事會之架構、規模及組成向董事會作出建議，以及審閱獨立非執行董事之獨立性、董事是否合適獲提名重選及董事之持續培訓及發展項目、制定、檢討及實施有關董事提名政策 (包括提名程序)，以及制定有關董事會多元化之政策，監督該政策之實施及檢討該政策 (如適用)。提名委員會職權範圍之詳情於本公司及聯交所網站可供查閱。

提名委員會由郭令海先生 (提名委員會主席)、羅啟耀先生、區熾明先生 (於二零一九年股東週年常會結束後退任) 及何玉慧女士 (獲委任提名委員會成員，自二零一九年股東週年常會結束後生效) 組成。羅啟耀先生、區熾明先生及何玉慧女士均為本公司獨立非執行董事，而郭令海先生則為本公司主席。

於本年度內，共舉行兩次提名委員會會議。個別成員出席之情況載列如下：

#### 附註：

- 區熾明先生 (「區先生」) 自二零一九年股東週年常會結束後退任獨立非執行董事一職生效後，彼不再擔任提名委員會成員。由二零一九年七月一日至二零一九年股東週年常會結束日 (即區先生退任之日期) 共舉行兩次提名委員會會議。
- 何玉慧女士 (「何女士」) 於二零一九年股東週年常會結束後獲委任提名委員會成員。由二零一九年股東週年常會結束日 (即何女士獲委任之日期) 至二零二零年六月三十日並無舉行提名委員會會議。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Nomination Committee (“BNC”) *(continued)*

##### *Work done during the year*

- reviewed the suitability of 1) a candidate to be appointed as the Group Managing Director of the Company and 2) a candidate to be appointed as an independent non-executive director of the Company;
- reviewed the structure, size, composition and diversity and gender of the Board (including the mix of skills, knowledge, experience, competences of directors, and the balance between executive directors, non-executive directors and independent non-executive directors) annually;
- reviewed and assessed the independence of independent non-executive directors of the Company;
- reviewed the profile of and participation in the Company’s affairs of the directors who stood for re-election at annual general meeting;
- reviewed the continuous training and development programmes undertaken by directors to ensure that an appropriate program is in place;
- reviewed the Board Diversity Policy, the terms of reference of the BNC and reviewed and updated the Nomination Policy; and
- deliberated the statement relating to BNC for inclusion in the Corporate Governance Report.

##### **Board Diversity Policy**

The Company has adopted the Board Diversity Policy pursuant to which the Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. The Company maintains that selection of candidates for Board appointments will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service and the ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The BNC reviews annually the Board Diversity Policy to ensure its effectiveness and application.

### 董事委員會 *(續)*

#### 董事會提名委員會(「提名委員會」) *(續)*

##### *於本年度完成之工作*

- 檢討其合適性1)委任一名候選人為本公司集團董事總經理及2)一名候選人為本公司獨立非執行董事；
- 每年檢討董事會之架構、規模、組成及多元化及性別(包括董事不同之技能、知識、經驗、能力以及執行董事、非執行董事及獨立非執行董事之平衡)；
- 審閱及評核本公司獨立非執行董事之獨立性；
- 審閱於股東週年常會上參與重選之董事之履歷及對本公司事務的參與程度；
- 檢討董事負責之持續培訓及發展項目，並確認已具備適合之項目；
- 檢討本公司之董事會多元化政策、提名委員會之職權範圍及檢討及更新提名政策；及
- 批准於企業管治報告中有關提名委員會的陳述。

##### **董事會多元化政策**

本公司已採納董事會多元化政策，據此本公司認同及接納董事會多元化在提升其表現質素方面的裨益。本公司於選擇董事會候選人時將考慮一系列多元化範疇，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及年資，而最終決定將基於該候選人將為董事會帶來之功績及貢獻。

提名委員會每年檢討董事會多元化政策以確保其有效性及得以實施。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Nomination Committee (“BNC”) *(continued)*

##### *Nomination Policy*

The Company has adopted the Nomination Policy which serves as a guiding mechanism and framework for the BNC on the process for new appointments and re-appointments of directors, Group Managing Director and board committee members and their annual assessment.

The BNC reviews annually the Nomination Policy to ensure its effectiveness and application and will update, amend and modify as appropriate to ensure it continues to be relevant to needs of the Company and is consistent with regulatory and corporate governance requirements.

The Nomination Policy is accessible on the Company’s website.

#### Board Audit and Risk Management Committee (“BARMC”)

The Company established the Board Audit Committee on 29 December 1998 with specific written terms of reference in accordance with the requirements of the Stock Exchange which deal clearly with its authority and duties. On 17 February 2016, the Board has resolved to rename the Committee as Board Audit and Risk Management Committee (“BARMC”).

The BARMC oversees the financial reporting process and assesses the adequacy and effectiveness of the Company’s system of risk management and internal control. The BARMC meets with the Company’s external and internal auditors, and reviews their audit plans, the internal audit programmes, the results of their examinations as well as their evaluations of the system of risk management and internal control. It also reviews directors’ interests in contracts and connected transactions. The BARMC reviews the Group’s and the Company’s financial statements and the auditors’ report thereon and submits its views to the Board. Detailed terms of reference of the BARMC are accessible on the Company’s website.

### 董事委員會 *(續)*

#### 董事會提名委員會(「提名委員會」)*(續)*

##### *提名政策*

本公司已採納提名政策，其為提名委員會定下指導機制及框架，以處理新委任及重新委任董事、集團董事總經理及董事委員會成員及其年度評估事宜。

提名委員會每年檢討提名政策以確保其有效性及得以實施，並將進行適當更新、修訂及修改，以確保其繼續切合本公司需要並符合監管及企業管治規定。

提名政策可於本公司網站查閱。

#### 董事會審核及風險管理委員會(「審核及風險管理委員會」)

本公司於一九九八年十二月二十九日設立董事會審核委員會，並設有符合聯交所規定之具體書面職權範圍，當中訂明其權力及職責。於二零一六年二月十七日，董事會決議把委員會之名稱重新命名為董事會審核及風險管理委員會(「審核及風險管理委員會」)。

審核及風險管理委員會監察財務報告程序以及評估本公司風險管理及內部監控系統是否合乎需要及有效。審核及風險管理委員會會見本公司之外聘核數師及內部核數師，以審閱彼等之審核方案、內部審核項目、彼等審核之結果以及彼等對風險管理及內部監控系統之評價。審核及風險管理委員會亦審閱董事於合同及關連交易之利益關係。審核及風險管理委員會審閱本集團及本公司之財務報表以及相關之核數師報告書，並向董事會提交意見。審核及風險管理委員會職權範圍之詳情於本公司網站可供查閱。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Audit and Risk Management Committee ("BARMC") *(continued)*

During the year, the BARMC comprised Messrs. LO Kai Yiu, Anthony (Chairman of the BARMC), AU Chee Ming (retired after the conclusion of the 2019 AGM), HUANG Lester Garson and Ms. HO Yuk Wai, Joan (appointed as a member of the BARMC with effect from the conclusion of the 2019 AGM). Mr. LO Kai Yiu, Anthony, Mr. AU Chee Ming, Mr. HUANG Lester Garson and Ms. HO Yuk Wai, Joan are INEDs of the Company.

During the year, five BARMC meetings were held. The individual attendance of each member are as follows:

### 董事委員會 *(續)*

#### 董事會審核及風險管理委員會(「審核及風險管理委員會」) *(續)*

於本年度內，審核及風險管理委員會由羅啟耀先生(審核及風險管理委員會主席)，區熾明先生(於二零一九年股東週年常會結束後退任)、黃嘉純先生及何玉慧女士(獲委任為審核及風險管理委員會成員，自二零一九年股東週年常會結束後生效)組成。羅啟耀先生、區熾明先生、黃嘉純先生及何玉慧女士均為本公司獨立非執行董事。

於本年度內，共舉行五次審核及風險管理委員會會議。個別成員出席之情況載列如下：

Name of Director	董事姓名	Number of Attendance/ Number of Meeting Held 出席次數/ 舉行會議次數
Mr. LO Kai Yiu, Anthony <i>(Chairman)</i>	羅啟耀先生 <i>(主席)</i>	5/5
Mr. AU Chee Ming <i>Note 1</i>	區熾明先生 <i>附註1</i>	2/2
Mr. HUANG Lester Garson	黃嘉純先生	5/5
Ms. HO Yuk Wai, Joan <i>Note 2</i>	何玉慧女士 <i>附註2</i>	3/3

#### Notes:

- Mr. AU Chee Ming ("Mr. Au") ceased to be a member of the BARMC after his retirement as an INED which took effect after the conclusion of the 2019 AGM. Two BARMC meetings were held during the period from 1 July 2019 up to the conclusion of the 2019 AGM (date of retirement of Mr. Au).
- Ms. HO Yuk Wai, Joan ("Ms. Ho") was appointed as a member of the BARMC after the conclusion of the 2019 AGM. Three BARMC meetings were held during the period from the conclusion of the 2019 AGM (date of appointment of Ms. Ho) up to 30 June 2020.

#### 附註：

- 區熾明先生(「區先生」)自二零一九年股東週年常會結束後退任獨立非執行董事一職生效後，彼不再擔任審核及風險管理委員會成員。由二零一九年七月一日至二零一九年股東週年常會結束日(即區先生退任之日期)共舉行兩次審核及風險管理委員會會議。
- 何玉慧女士(「何女士」)於二零一九年股東週年常會結束後獲委任審核及風險管理委員會成員。由二零一九年股東週年常會結束日(即何女士獲委任之日期)至二零二零年六月三十日共舉行三次審核及風險管理委員會會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Board Committees *(continued)*

#### Board Audit and Risk Management Committee ("BARMC") *(continued)*

The following is a summary of the work performed by the BARMC during the year:

- reviewed the nature and scope of external audit, the independence of external auditor and effectiveness of the audit process and approved the external audit fee and the engagement terms;
- reviewed the interim financial report, the interim results announcement, the annual accounts and the final results announcement;
- reviewed and discussed with the management the effectiveness of the risk management and internal control system, including the adequacy of resources, staff qualifications, experience and training programmes;
- reviewed the Group's accounting policies and practices;
- reviewed and approved the annual internal audit plan;
- reviewed major findings of internal audit assignments and the progress of implementation of remedial measures on control issues identified;
- reviewed the effectiveness of the processes for financial reporting and Listing Rule compliance of the Company;
- reviewed connected transactions entered into by the Group or subsisting during the year;
- reviewed the terms of reference of the BARMC; and
- deliberated the statement relating to the BARMC for inclusion in the Corporate Governance Report.

### 董事委員會 *(續)*

#### 董事會審核及風險管理委員會(「審核及風險管理委員會」)*(續)*

下列為審核及風險管理委員會於本年度之工作摘要：

- 審閱外部核數之性質及範圍、外聘核數師之獨立性、審核過程之有效性以及批准外部核數費用及協議書條款；
- 審閱中期財務報告、中期業績公佈、年度賬目及全年業績公佈；
- 檢討及與管理層討論風險管理及內部監控系統之有效性，包括資源、員工資歷、經驗及培訓課程是否充足；
- 檢討本集團會計政策及守則；
- 檢討及批准年度內部審核計劃；
- 審理內部審核之主要發現及推行有關已識別監控事故之補救措施之進度；
- 檢討本公司財務報告及遵守上市規則流程之有效性；
- 審閱於本年度由本集團訂立或仍存續之關連交易；
- 檢討審核及風險管理委員會之職權範圍；及
- 批准於企業管治報告中有關審核及風險管理委員會的陳述。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Directors' Responsibilities for Preparing the Financial Statements

The directors of the Company have acknowledged their responsibility for preparing the financial statements for the year. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditors' Report on pages 110 to 116 of this annual report.

### Auditors' Remuneration

Auditors' remuneration for the year is set out in note 7 to the financial statements on page 171.

### Risk Management and Internal Control

The risk management and internal control system is designed to facilitate the effectiveness and efficiency of operations, safeguard assets against unauthorised use and disposition, ensure the maintenance of proper accounting records and the truth and fairness of the financial statements, and ensure compliance with relevant legislation and regulations. It provides reasonable, but not absolute, assurance against material misstatement or loss and manages rather than eliminates risks associated with its business activities.

The Board, recognising its responsibilities in ensuring sound risk management and internal controls, has developed a set of Enterprise Risk Management framework ("ERM framework") for the Group and set forth in its policy and procedures to assist in:

- identifying the enterprise risks faced by the Group in the operating environment as well as evaluating the impact of such risks identified;
- developing the necessary measures for managing these risks; and
- monitoring and reviewing the effectiveness and adequacy of such measures.

### 董事有關編製財務報表之責任

本公司董事均已承認彼等對編製本年度財務報表之責任。目前概無涉及可對本公司持續經營能力構成重大疑慮之事件或情況之重大不明朗因素。

本公司外聘核數師就其對財務報表申報責任發出之聲明載於本年報第110至116頁之獨立核數師報告內。

### 核數師酬金

本年度之核數師酬金已載於本年報第171頁之附註7內。

### 風險管理及內部監控

風險管理及內部監控系統旨在提升營運之成效及效率、保護資產以免在未經授權下被挪用及處理、確保有保存恰當之會計記錄以及財務報表之真實性及公平性，並確保遵守相關法規及條例。內部監控可作為不會出現重大錯誤陳述或損失的合理(而非絕對)保證，亦可管理(而非消除)與其商業活動有關之風險。

董事會確認其有責任確保穩健妥善的風險管理及內部監控，並已建立一套企業風險管理架構(「企業風險管理架構」)並闡述於本集團的政策及程序內以協助本集團：

- 找出本集團在營運環境內之重大風險，同時評估該等風險之影響；
- 制定管理該等風險所需的措施；及
- 監察並檢討該等措施是否有效及合乎需要。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Risk Management and Internal Control *(continued)*

The ERM framework consists of interactive processes for each of our business units to constantly identify and assess risks in terms of their potential impact and probability of occurrence, as well as to establish and implement relevant procedures and internal controls for risk mitigation, ongoing monitoring and periodic reporting by management to ensure that residual risks after taking into account risk mitigating measures fall within the risk appetite and tolerance set by the Board.

The Board has entrusted the BARMC with the responsibility to oversee the implementation of the ERM framework of the Group. In discharging this responsibility, the BARMC, assisted by the Group Internal Audit Department ("GIAD"):

- ensures that new and emerging enterprise risks are promptly identified by management;
- assesses the adequacy of action plans and control systems developed to manage these risks;
- monitors the implementation of the action plans and the effectiveness and adequacy of the control systems; and
- ensures the Group's risk register is up-to-date and risk profile reports are furnished by management to the BARMC review.

These on-going processes have been in place, and reviewed periodically by the BARMC to ensure their effectiveness, supplemented by the other reports from GIAD on the Group's internal control and risk management findings.

The controls built into the risk management framework are intended to manage and not expected to eliminate all risks of failure to achieve business objectives. These controls provide reasonable, but not absolute, assurance against material misstatement of management and financial information or against financial losses and fraud.

### 風險管理及內部監控 *(續)*

企業風險管理架構是我們每個業務分部，就風險之潛在影響及發生概率而言，去持續辨認及評估，以及至風險緩解的制定、實行相關程序和內部監控之間的互動過程，管理人員持續監察及定期報告，以確保執行風險緩解措施後，所剩餘的風險已被考慮及被董事會所釐定的可承受力範圍之內。

董事會已將監察本集團企業風險管理架構之責任委託予審核及風險管理委員會。於履行有關責任時，審核及風險管理委員會在本集團內部審核部門(「內審部」)協助下：

- 確保管理層可立即得知與本集團有關之新企業風險；
- 評估為管理有關風險而制訂之行動計劃及監控制度是否合乎需要；
- 監察行動計劃之執行及監控制度之成效及是否合乎需要；及
- 確保本集團之風險管控表是最新及由管理人員提交的風險概況報告已由審核及風險管理委員會檢閱。

此等持續程序已設立，並由審核及風險管理委員會定期檢討，以確保其有效性，並輔以由內審部提供其他的內部監控報告及風險管理調查結果。

風險管理架構內之監控措施旨在管理(而非期望消除)無法達到業務目標之所有風險。此等監控措施可作為管理及財務資料不會出現重大失實聲明或不會出現財務損失及欺詐的合理(而非絕對)保證。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Risk Management and Internal Control *(continued)*

The Board, through the BARMC, has conducted an annual review on the Group's risk management and internal control system and considers that it is adequate and effective covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. The Board is satisfied that the Group has fully complied with the provisions on risk management and internal controls as set out in the CGP Code.

#### Handling and Dissemination of Inside Information

The Company has established and implemented relevant procedures and internal controls for the handling and dissemination of inside information, including restricting employee access to inside information on a need-to-know basis and ensuring that those who need to know understand the obligation of keeping the information confidential. All inside information is disclosed to the public pursuant to the requirements under the Securities and Futures Ordinance and the Listing Rules and kept strictly confidential before disclosure.

### Shareholders' Rights

The Company has only one class of shares, all shares have the same voting rights and are entitled to the dividends declared.

#### (a) Rights and procedures for shareholders to convene extraordinary general meetings ("EGM")

Subject to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("Hong Kong Companies Ordinance"), the Directors shall on the requisition of shareholders of the Company (the "Shareholder(s)") representing at least 5% of the total voting rights of all the shareholder(s) having a right to vote at general meetings of the Company, forthwith proceed duly to convene an EGM of the Company.

### 風險管理及內部監控 *(續)*

董事會已透過審核及風險管理委員會，就本集團之風險管理及內部監控制度進行年度檢討，並認為是足夠及有效覆蓋所有重要的監控，包括財務、營運及規管控制，以確保員工資歷和經驗、培訓計劃及本集團之財務預算、內部審核及財務匯報職能方面資源充足。董事會信納本集團已全面遵守企業管治守則所載之風險管理及內部監控條文。

#### 處理及發放內幕消息

本公司制定及實施處理及發放內幕消息之相關程序及內部監控，包括限制員工按須知基準查閱內幕消息，確保須知消息之人員了解確保消息機密之義務。所有內幕信息均按照證券及期貨條例及上市規則項下要求向公眾披露，並於披露前嚴格保密。

### 股東權利

本公司僅有一個類別的股份，所有股份具有相同投票權，並有權收取所宣派之股息。

#### (a) 股東召開股東特別大會(「股東特別大會」)之權利及程序

按香港《公司條例》(香港法例第622章)(「香港公司條例」)，董事須應本公司股東(「股東」)佔全體有權在股東大會上投票表決的總表決權最少5%的股東之要求，隨即辦理召開本公司股東特別大會之程序。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Shareholders' Rights *(continued)*

#### (a) Rights and procedures for shareholders to convene extraordinary general meetings ("EGM") *(continued)*

The requests must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is/are intended to be moved at the meeting. The request must be signed by the requisitionists and deposited at the registered office of the Company for the attention of the Company Secretary in hard copy form.

#### (b) Rights and procedures for shareholders to make proposals at general meetings

##### (i) *Rights and procedures for a shareholder to propose a person for election as a director are as follows:*

Pursuant to Article 86 of the Company's Articles of Association, shareholder(s) may send a notice in writing of the intention to propose a person for election as a director and notice in writing by that person of his willingness to be elected shall have been delivered to the Company's registered office provided that the minimum length of the period during which such notices are given, shall be at least seven days and that the period for lodgement of the notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

### 股東權利<sub>(續)</sub>

#### (a) 股東召開股東特別大會(「股東特別大會」)之權利及程序<sub>(續)</sub>

有關要求均必須述明有待於會上處理的事務的一般性質及可包含可在該大會上恰當地動議並擬在該大會上動議的決議的文本。有關要求必須由要求者簽署並以紙本形式送交至本公司之註冊辦事處給予公司秘書。

#### (b) 股東於股東大會上提出建議之權利及程序

##### (i) 股東提名候選董事之權利及程序如下：

根據本公司之組織章程細則第86條，股東可發出書面通知表明有意提名一名人士參選董事，而該名人士表明願意接受推選之書面通知須送達本公司註冊辦事處，惟提交有關通告予本公司的期間最短不少於七日，且提交通知之期間最早由寄發為選舉董事而召開的大會之通知翌日起至不遲於該大會舉行日期前七日止。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Shareholders' Rights *(continued)*

#### (b) Rights and procedures for shareholders to make proposals at general meetings *(continued)*

##### (ii) Rights and procedures for proposing resolution to be put forward at a general meeting:

Shareholder(s) can submit a written requisition to move a resolution at an annual general meeting ("AGM") if they:

- represent at least 2.5% of the total voting rights of all shareholders who have a right to vote on the resolution at the AGM; or
- at least 50 shareholders who have a right to vote on the resolution at the AGM.

### Dividend Policy

The Board has adopted the Dividend Policy which sets out the guiding principles with aims to create long term value for its shareholders through maintaining a balance between dividend distribution, preserving adequate liquidity and reserve to meet its working capital requirements, and capturing future growth opportunities.

Pursuant to this, the Board may propose/declare the payment of dividend(s) after taking into account the current financial performance of the Company, the future financial requirements of the Company and any other factors the Board may deem relevant.

The Board may also decide on the frequency of dividend payment and further declare/recommend any special distributions. Dividend(s) may be in the form of cash, shares, distribution in specie or any other form as the Board may determine.

The Board may review the Dividend Policy from time to time and update, amend, modify and/or cancel the Dividend Policy at any time in the interest of the Company and its shareholders.

### 股東權利<sup>(續)</sup>

#### (b) 股東於股東大會上提出建議之權利及程序<sup>(續)</sup>

##### (ii) 於股東大會上提呈決議案之權利及程序如下：

股東於符合下列條件之情況下，可提出書面請求於股東週年常會（「股東週年常會」）上動議決議案：

- 佔全體有權在股東週年常會上投票表決的股東的總表決權最少2.5%；或
- 最少五十名持有可於股東週年常會上有投票表決權利之股東。

### 股息政策

董事會已採納載有指導原則的股息政策，旨在透過在股息分派、保留足夠流動資金和儲備以滿足其營運資金需求及把握未來增長機會之間取得平衡，為股東創造長遠價值。

據此，董事會經考慮本公司目前財務表現、本公司未來財務需求及董事會可能認為相關的任何其他因素後，可提議／宣派派付股息。

董事會亦可決定股息派付的次數以及進一步宣派／建議任何特別分派。股息的形式可為現金、股份、實物分派或董事會可能釐定的其他任何形式。

董事會可不時檢討股息政策，並為了本公司及其股東的權益，於任何時間更新、修訂、修改及／或取消股息政策。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告書

### Communication with Shareholders

The Company uses a range of communication tools to ensure its shareholders are kept well informed of key business imperatives. These include annual general meeting, annual report, interim report, various notices, announcements and circulars.

The Company shall communicate other information to Shareholders on a need basis by way of announcement which will be posted on the websites of Hong Kong Exchanges and Clearing Limited and the Company. Other than AGM, EGM shall be held pursuant to relevant rules and regulations if required. Shareholders shall receive explanatory circulars and proxy forms relating to the EGMs. Proxy arrangements for the general meetings are in place for shareholders who are unable to attend the meetings in person.

Shareholders and the investment community shall be provided with designated contacts, email addresses and enquiry lines of the Company, which are available on the Company website, in order to enable them to make any query in respect of the Company or to make a request for the Company's information to the extent such information is publicly available.

Shareholders' questions about their shareholdings should be directed to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

### Investor Relations

In order to enhance communication between the Company and investors/analysts, senior management members will hold meetings with investors/analysts upon request as and when the need arises.

Investors are welcome to send email directly to the Company Secretary's email at [comsec@lamsoon.com](mailto:comsec@lamsoon.com) or browse the Company's website for the latest release and financial information.

A dedicated Investor Relations section is available on the Company website (<http://www.lamsoon.com>). Information on the Company website is updated on a regular basis.

### 與股東之溝通

本公司採用多種通訊工具，以確保股東可獲得有關主要業務事宜的充份資料，包括股東週年常會、年報、中期報告、各類通告、公佈及通函。

本公司須於必要時以公佈之方式向股東傳達其他資料，有關公佈將於香港交易及結算所有限公司及本公司之網站登載。除股東週年常會外，如要求召開股東特別大會，則須根據相關法律及法規進行。股東應收取有關股東特別大會之說明通函及代表委任表格。本公司已為無法親身出席股東大會之股東作出有關會議之受委代表安排。

本公司須向股東及投資人士提供本公司之指定聯絡人、電郵地址及查詢熱線(有關資料於本公司之網站可供查閱)，以便他們作出任何有關本公司之查詢或索取本公司可公開之資料。

股東如對名下持有股份有任何問題，應向本公司之股份過戶登記處香港中央證券登記有限公司(地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室)提出。

### 投資者關係

為加強本公司與投資者／分析員之間的溝通，高級管理人員會應要求或於必要時與投資者／分析員召開會議。

本公司歡迎投資者直接向公司秘書寄送電子郵件([comsec@lamsoon.com](mailto:comsec@lamsoon.com))或瀏覽本公司網站，以獲取最新消息及財務資料。

本公司網站(<http://www.lamsoon.com>)專設「投資者關係」欄目。本公司網站登載之資料會定期更新。

# DIRECTORS' REPORT

## 董事會報告書

The directors submit their annual report together with the audited financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 30 June 2020.

### Principal Activities

The Company is an investment holding company and the principal activities of the principal subsidiaries are set out on pages 229 to 231.

### Principal Subsidiaries

Details of the Company's principal subsidiaries are set out on pages 229 to 231.

### Business Review

The business review of the Group for the year ended 30 June 2020 are provided in the Chairman's Statement, Review of Operations and Environmental, Social and Governance Report of this annual report.

### Financial Statements

The profit of the Group for the year, the state of affairs of the Company and of the Group as at 30 June 2020 and the Group's cash flows and statement of changes in equity for the year ended are set out in the financial statements on pages 117 to 228.

### Dividends

The Directors are recommending to the shareholders for approval at the forthcoming annual general meeting to be held on Wednesday, 11 November 2020 a final dividend of HK\$0.31 per share totaling approximately HK\$75,440,000. This, together with the interim dividend of HK\$0.14 per share paid on Tuesday, 24 March 2020, will amount to a total dividend of HK\$0.45 per share for the year (2019: interim dividend of HK\$0.14 and final dividend of HK\$0.30 per share). Subject to shareholders' approval, the final dividend will be payable on Wednesday, 2 December 2020 to the shareholders whose names appear on the register of members on Friday, 20 November 2020.

董事謹提呈其截至二零二零年六月三十日止年度本公司及其附屬公司(以下統稱「集團」)的週年報告及經審核財務報表。

### 主要業務

本公司為一間投資控股公司，其主要附屬公司的主要業務詳列於第229頁至第231頁。

### 主要附屬公司

本公司之主要附屬公司的資料詳列於第229頁至第231頁。

### 業務回顧

本集團於截至二零二零年六月三十日止年度之業務回顧載於本年報之董事會主席報告書、業務回顧及環境、社會及管治報告書內。

### 財務報表

本集團於本年度的溢利、本公司及本集團於二零二零年六月三十日的財務狀況，以及截至該日止年度本集團的現金流量及權益變動表，均載列於第117頁至第228頁的財務報表內。

### 股息

董事會將於二零二零年十一月十一日星期三之股東週年常會上向股東建議，批准派發末期股息每股港幣0.31元，合共約港幣75,440,000元。此項股息連同於二零二零年三月二十四日星期二支付之中期股息每股港幣0.14元，本年度合共派發股息每股港幣0.45元(二零一九年：中期股息每股港幣0.14元及末期股息每股港幣0.30元)。待股東批准後，末期股息將於二零二零年十二月二日星期三支付予於二零二零年十一月二十日星期五名列股東名冊之股東。

# DIRECTORS' REPORT

## 董事會報告書

### Closure of Register of Members

For ascertaining shareholders' right to attend and vote at the forthcoming annual general meeting:

Closure dates of Register of Members (both days inclusive)	6 November 2020 (Friday) to 11 November 2020 (Wednesday)
Latest time to lodge transfers	4:30 p.m. on 5 November 2020 (Thursday)
Record date	11 November 2020 (Wednesday)
Annual General Meeting	11 November 2020 (Wednesday)

For ascertaining shareholders' entitlement to the proposed final dividend\*:

Closure dates of Register of Members (both days inclusive)	19 November 2020 (Thursday) to 20 November 2020 (Friday)
Latest time to lodge transfers	4:30 p.m. on 18 November 2020 (Wednesday)
Record date	20 November 2020 (Friday)
Proposed final dividend payment date	2 December 2020 (Wednesday)

(\* subject to shareholders' approval at the annual general meeting)

During the periods of the closure of Register of Members, no share transfers will be registered. For registration, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrars and Transfer Office – Computershare Hong Kong Investor Services Limited at Rooms 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before the relevant latest time to lodge transfers.

### Share Capital

Details of the movements in share capital of the Company during the year are set out in Note 21 to the financial statements.

### Equity-Linked Agreements

Other than the Executive Share Option Scheme 2013 of the Company as disclosed in this Directors' Report, no equity-linked agreement was entered into by the Company subsisted at the end of the year or at any time during the year ended 30 June 2020.

### 暫停辦理股份過戶登記手續

以確定股東有權出席股東週年常會並於會上投票：

暫停辦理股份過戶登記日期 (包括首尾兩天)	二零二零年十一月六日 (星期五)至二零二零年十一月十一日 (星期三)
截止辦理股份過戶時間	二零二零年十一月五日 (星期四)下午四時三十分
記錄日期	二零二零年十一月十一日 (星期三)
股東週年常會	二零二零年十一月十一日 (星期三)

以確定股東享有擬派發之末期股息\*：

暫停辦理股份過戶登記日期 (包括首尾兩天)	二零二零年十一月十九日 (星期四)至二零二零年十一月二十日 (星期五)
截止辦理股份過戶時間	二零二零年十一月十八日 (星期三)下午四時三十分
記錄日期	二零二零年十一月二十日 (星期五)
末期股息擬派發日期	二零二零年十二月二日 (星期三)

(\*有待股東於股東週年常會批准)

在暫停辦理股份過戶登記期間，本公司將暫停辦理股份過戶登記手續。所有股份過戶文件連同有關之股票必須在有關之截止辦理股份過戶時間前送交本公司之股份過戶登記處—香港中央證券登記有限公司辦理登記手續，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

### 股本

本集團本年度股本的變動詳列於財務報表附註21。

### 股票掛鈎協議

除本董事會報告披露的2013行政人員股份認購權計劃，於截至二零二零年六月三十日止年度末或在本年度任何時間內，本公司並無訂立任何股票掛鈎協議。

# DIRECTORS' REPORT

## 董事會報告書

### Directors

The directors during the year and up to the date of this report are:

- KWEK Leng Hai, *Chairman\**  
WONG Cho Fai, *Group Managing Director\*\**  
– appointed on 1 July 2020  
TANG Hong Cheong\*  
WHANG Sun Tze, *Ph.D.\**  
TAN Lim Heng\*  
LO Kai Yiu, *Anthony#*  
HUANG Lester Garson, *SBS, JP#*  
HO Yuk Wai, *Joan#*  
– appointed as *Independent Non-executive Director* after the conclusion of the 2019 annual general meeting held on 13 November 2019 (the “2019 AGM”)  
LEUNG Joseph\*\*  
– retired as *Group Managing Director* with effect from 1 July 2020  
AU Chee Ming#  
– retired as *Independent Non-executive Director* after the conclusion of the 2019 AGM

- \* *Non-executive director*  
\*\* *Executive director*  
# *Independent non-executive director*

In accordance with Article 84 of the Company's articles of association and Code A.4.2 of the Code of Corporate Governance Practices of the Company, Dr. WHANG Sun Tze and Mr. TAN Lim Heng shall retire from office by rotation at the forthcoming annual general meeting (the “AGM”). Dr. WHANG Sun Tze, being eligible, will offer himself for re-election at the AGM.

Mr. TAN Lim Heng has indicated his intention not to offer himself for re-election at the AGM as he would like to devote more time to pursue his personal interests.

In accordance with Article 89 of the Company's articles of association and Code A.4.2 of the Code of Corporate Governance Practices of the Company, Mr. WONG Cho Fai and Ms. HO Yuk Wai, Joan shall retire and, being eligible, offer themselves for re-election at the forthcoming AGM.

### 董事

本年度及直至本報告書日期之董事如下：

- 郭令海，主席\*  
黃祖暉，集團董事總經理\*\*  
– 於二零二零年七月一日獲委任  
鄧漢昌\*  
黃上哲，博士\*  
陳林興\*  
羅啟耀#  
黃嘉純，銀紫荊星章，太平紳士#  
何玉慧女士#  
– 於二零一九年十一月十三日舉行的二零一九年股東週年常會（「二零一九年股東週年常會」）結束後獲委任為獨立非執行董事  
梁玄博，集團董事總經理\*\*  
– 退任集團董事總經理一職，自二零二零年七月一日起生效  
區熾明#  
– 於二零一九年股東週年常會結束後退任獨立非執行董事

- \* 非執行董事  
\*\* 執行董事  
# 獨立非執行董事

根據本公司組織章程細則第84條及本公司企業管治常規守則第A.4.2條，黃上哲博士及陳林興先生將於即將舉行之股東週年常會（「股東週年常會」）上輪值告退。黃上哲博士符合資格，並願意於股東週年常會上膺選連任。

陳林興先生已表示希望投放更多時間於其個人興趣，因此將不會於股東週年常會上膺選連任。

根據本公司組織章程細則第89條及本公司企業管治常規守則第A.4.2條，黃祖暉先生及何玉慧女士將於即將舉行之股東週年常會上退任，並符合資格且願意膺選連任。

# DIRECTORS' REPORT

## 董事會報告書

### Directors (continued)

#### Directors of Subsidiaries

The names of all directors who have served on the boards of the subsidiaries of the Company during the financial year ended 30 June 2020 or during the period from 1 July 2020 up to the date of this report is available on the Company's website (<http://www.lamsoon.com>).

#### Directors' Service Contracts

No director proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Company or any of its subsidiaries, within one year without payment of compensation (other than statutory compensation).

#### Directors' Interests in Transactions, Arrangement or Contracts

No transaction, arrangement or contract of significance to which the Company or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company or an entity connected with a director had a material interest, subsisted at the end of the year or at any time during the year.

#### Permitted Indemnity

Pursuant to the Company's Articles of Association, every director of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company maintains directors and officers liability insurance, which gives appropriate cover for any legal action brought against its directors. The level of the coverage is reviewed annually.

### 董事(續)

#### 附屬公司董事

截至二零二零年六月三十日止之財政年度內或由二零二零年七月一日起至本報告書日期期間，所有本公司各附屬公司董事會的董事姓名已登載於本公司的網站(<http://www.lamsoon.com>)。

#### 董事的服務合約

擬於股東週年常會重選之董事，概無與本公司或其任何附屬公司訂立不可由本公司或其任何附屬公司於一年內終止而毋須作賠償(法定賠償除外)之服務合約。

#### 董事在交易、安排或合約的權益

在本年度末或在本年度任何時間內，本公司或其任何控股公司、附屬公司或同系附屬公司概無簽訂任何涉及本集團之業務而本公司之董事在其中擁有重大權益之交易、安排或合約。

#### 獲准許的彌償保證

根據本公司組織章程細則，本公司各董事有權就履行其職務或在其他有關方面蒙受或產生之所有損失或責任自本公司之資產中獲得賠償。本公司已就本公司董事及高級人員投購責任保險，就針對董事的任何法律訴訟提供適當保障，保障範圍每年檢討一次。

# DIRECTORS' REPORT

## 董事會報告書

### Connected Transactions

#### Master Services Agreements

The following master services agreements (collectively, the "Master Services Agreements") were entered into by the Company (together with its subsidiaries, the "Group") with certain subsidiaries of Hong Leong Company (Malaysia) Berhad ("HLCM"), the ultimate holding company of the Company, for the provision by the latter of management services including, among other things, overview and/or oversight of businesses and operations, investment management and financial management disciplines, treasury and risk management, key managerial recruitment and retention as well as other operating practices and procedures, accounting, corporate advisory, legal, company secretarial and other services (the "Services"):

- (i) the master services agreement entered into by the Company with GuoLine Group Management Co. Limited ("GGMC") dated 7 July 2017 for provision of the Services by GGMC to the Company's subsidiaries excluding, at any time, the subsidiaries incorporated, resident or with operation in Hong Kong ("Hong Kong Subsidiaries"); and
- (ii) the master services agreement entered into by the Company with GOMC Limited ("GOMC") dated 7 July 2017 for provision of the Services by GOMC to the Company and the Hong Kong Subsidiaries.

The Master Services Agreements are for a term of three financial years from 1 July 2017 to 30 June 2020.

The fees payable under the Master Services Agreements comprise a monthly fee (the "Monthly Fee") of HK\$100,000 (or such amount as agreed from time to time between the Company or such service recipient and the relevant service provider) and an annual fee (the "Annual Fee") equal to 3 percent of the annual profits before tax of the Company and the subsidiaries as shown in the audited profit and loss accounts for the relevant financial year, subject to appropriate adjustments. The total fee, being the sum of the Monthly Fee, the Annual Fee and the total amount of any fees paid or payable by the Group to any Hong Leong Group Company for services of a similar nature as the Services are subject to an annual cap of HK\$25 million (the "Annual Cap") for each of the three financial years ending 30 June 2020.

### 關連交易

#### 服務主協議

本公司(連同其附屬公司,「本集團」)與本公司之最終控股公司, Hong Leong Company (Malaysia) Berhad (豐隆(馬來西亞)有限公司)(「HLCM」)之若干附屬公司訂立以下服務主協議(統稱「該等服務主協議」),藉以經由後者提供管理服務包括(除其他事項)監察及或監管業務及營運、投資管理及財務管理紀律、財資及風險管理、主要管理人員職位招聘及挽留以及其他營運常規和程序、會計、企業諮詢、法律、公司秘書及其他服務(「該等服務」):

- (i) 本公司與 GuoLine Group Management Co. Limited (「GGMC」)於二零一七年七月七日訂立之服務主協議,藉以由GGMC向本公司之附屬公司(於任何時間在香港成立,常駐或營運之附屬公司「香港附屬公司」除外)提供該等服務;及
- (ii) 本公司與GOMC Limited (「GOMC」)於二零一七年七月七日訂立之服務主協議,藉以由GOMC向本公司及香港附屬公司提供該等服務。

該等服務主協議合約期由二零一七年七月一日至二零二零年六月三十日,為期三個財政年度。

按該等服務主協議應付之費用包括月費港幣100,000元(「月費」)或由本公司或服務使用者及有關服務提供者不時協定之款額及相等於本公司及其附屬公司在有關財政年度的經審核損益表中除稅前溢利之3%的年費(「年費」),惟須作適當的調整。總費用(即月費、年費及任何由本集團就該服務性質相近的服務已付或應付予豐隆集團之總額的總和)於截至二零二零年六月三十日止三個財政年度各年之年度上限為港幣25,000,000元(「年度上限」)。

# DIRECTORS' REPORT

## 董事會報告書

### Connected Transactions *(continued)*

#### Master Services Agreements *(continued)*

GGMC and GOMC are indirect wholly-owned subsidiaries of HLCM and thus they are associates of a connected person of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). HLCM is deemed to be invested in shareholding in the Company. The transactions under the Master Services Agreements constitute continuing connected transactions for the Company under the Listing Rules.

The independent non-executive directors of the Company had reviewed the transactions under the Master Services Agreements during the year and confirmed that:

- (1) the transactions under the Master Services Agreements for the year were entered into:
  - in the ordinary and usual course of business of the Group;
  - on normal commercial terms or better; and
  - according to the agreement governing them and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- (2) the aggregate service fees, being the sum of the monthly fee, the annual fee and the total amounts of any fees, paid and payable by the Group to any Hong Leong Group company for services of a similar nature under the Master Services Agreements for the year amounted to approximately HK\$13,189,000 which did not exceed the Annual Cap of HK\$25 million as disclosed in the announcement of the Company dated 7 July 2017.

### 關連交易 *(續)*

#### 服務主協議 *(續)*

由於GGMC和GOMC乃持有本公司股權權益的控股股東HLCM之間接全資附屬公司，根據香港聯合交易所有限公司證券上市規則（「上市規則」）彼等屬本公司之關連人士。HLCM被視為持有本公司之權益。根據上市規則，該等服務主協議涉及之交易構成本公司之持續關連交易。

本公司獨立非執行董事已於本年度內檢討該等服務主協議下之交易，並確認：

- (1) 於年內該等服務主協議內之交易：
  - 屬本集團日常及一般業務；
  - 按一般商務條款或更佳條款；及
  - 根據有關交易的協議條款進行，而交易條款屬公平合理，並符合本公司股東整體利益。
- (2) 服務費總額為月費、年費及本集團根據該等服務主協議就該等服務性質相近的服務已付或應付予任何豐隆集團公司之任何費用的總額之總和約為港幣13,189,000元，並無超過本公司於二零一七年七月七日之公佈內所披露的年度上限港幣25,000,000元。



# DIRECTORS' REPORT

## 董事會報告書

### Connected Transactions *(continued)*

#### Distribution Agreements

1. On 29 August 2019, LS SynaLife Trading Company Limited ("LS SynaLife") entered into the distribution agreement (the "Distribution Agreement") with Manuka Health New Zealand Limited ("MHNZ"), pursuant to which MHNZ has agreed to appoint LS SynaLife as the distributor to distribute the full range of the products of MHNZ (the "Products") via certain online channels in the PRC for the period from 1 July 2019 to 30 June 2020.
2. On 27 March 2020, a master distribution agreement (the "Master Distribution Agreement") was entered into by Lam Soon (Hong Kong) Limited (the "Company") with MHNZ to extend the distributorship of the Distribution Agreement to a wider geographic and channel coverage for the distribution of the Products of any MHNZ and its subsidiaries by the Company and its subsidiaries in the PRC and such other jurisdictions as the parties may agree from time to time. The Master Distribution Agreement is for a term from 27 March 2020 to 30 June 2022.

MHNZ is an indirect wholly-owned subsidiary of Guoco Group Limited which is an indirect subsidiary of HLCCM and thus MHNZ is an associate of a connected person of the Company under the Listing Rules. The transactions under the Master Distribution Agreement constitute continuing connected transactions for the Company under the Listing Rules.

### 關連交易 *(續)*

#### 分銷協議

1. 於二零一九年八月二十九日，新豐鏈貿易有限公司(「新豐鏈」)與Manuka Health New Zealand Limited (「MHNZ」)訂立分銷協議(「分銷協議」)，據此，MHNZ同意委任新豐鏈為分銷商，於二零一九年七月一日起至二零二零年六月三十日止期間，於中國透過若干網上銷售渠道分銷MHNZ全線產品(「產品」)。
2. 於二零二零年三月二十七日，南順(香港)有限公司(「本公司」)與MHNZ訂立主分銷協議(「主分銷協議」)，以擴展分銷協議下之分銷權覆蓋更廣泛的地域及渠道，讓本公司及其附屬公司於中國及訂約方可能不時協定的其他司法權區分銷任何MHNZ的產品。主分銷協議合約期由二零二零年三月二十七日起至二零二二年六月三十日止。

MHNZ為國浩集團有限公司之間接全資附屬公司，後者為HLCCM之間接附屬公司。因此，根據上市規則，MHNZ屬本公司之關連人士的聯繫人。主分銷協議下擬進行之交易即構成本公司於上市規則下的持續關連交易。

# DIRECTORS' REPORT

## 董事會報告書

### Connected Transactions *(continued)*

#### Distribution Agreements *(continued)*

The independent non-executive directors of the Company had reviewed the transactions under the Distribution Agreement and Master Distribution Agreement during the year and confirmed that:

- (1) the transactions under the Distribution Agreement and Master Distribution Agreement for the year were entered into:
  - in the ordinary and usual course of business of the Group;
  - on normal commercial terms or better; and
  - according to the agreement governing them and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.
- (2) the total amount of purchases of Products paid and payable by the Group under the Distribution Agreement for the period from 1 July 2019 to 26 March 2020 amounted to approximately HK\$8,945,000 which did not exceed the Annual Cap of HK\$36 million as disclosed in the announcement of the Company dated 29 August 2019; and
- (3) the total amount of purchases of Products paid and payable by the Group under the Master Distribution Agreement for the period from 27 March 2020 to 30 June 2020 amounted to approximately HK\$2,904,000 which did not exceed the Annual Cap of HK\$60 million as disclosed in the announcement of the Company dated 27 March 2020.

*Note:* During the year ended 30 June 2020, the total amount of purchases of Products with MHNZ was approximately HK\$11,849,000.

### 關連交易 *(續)*

#### 分銷協議 *(續)*

本公司獨立非執行董事已於本年度內檢討分銷協議及主分銷協議下之交易，並確認：

- (1) 於年內分銷協議及主協議內之交易：
  - 屬本集團日常及一般業務；
  - 按一般商務條款或更佳條款；及
  - 根據有關交易的協議條款進行，而交易條款屬公平合理，並符合本公司股東整體利益。
- (2) 本集團根據分銷協議，於二零一九年七月一日至二零二零年三月二十六日止期間內已付或應付之購買產品總額約為港幣8,945,000元，並無超過本公司於二零一九年八月二十九日之公佈內所披露的年度上限港幣36,000,000元；及
- (3) 本集團根據主分銷協議，於二零二零年三月二十七日至二零二零年六月三十日止期間內已付或應付之購買產品總額約為港幣2,904,000元，並無超過本公司於二零二零年三月二十七日之公佈內所披露的年度上限港幣60,000,000元。

*附註：* 截至二零二零年六月三十日止年度，向MHNZ購買產品總額約為港幣11,849,000元。

# DIRECTORS' REPORT

## 董事會報告書

### Connected Transactions *(continued)*

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditors were engaged to report on the Group's continuing connected transactions regarding the Master Services Agreements, the Distribution Agreement and the Master Distribution Agreement mentioned above in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, there are no other transactions of the Company which require disclosure in the annual report in accordance with the Listing Rules.

### Management Contracts

Except for the Master Services Agreements disclosed in the section of "Connected Transactions" above, no contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or subsisted during the year.

### Directors' Interests in Competing Business

None of the directors is interested in any business apart from the Group's business, which is likely to compete, either directly or indirectly, with the business of the Group.

### 關連交易 *(續)*

根據上市規則第14A.56條，本公司之核數師獲委聘根據香港核證委聘準則第3000號「對過往財務資料進行審核或審閱以外的核證委聘」及參考香港會計師公會發出之「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」對本集團在上文提及有關該等服務主協議、分銷協議及主分銷協議之持續關連交易進行報告。本公司之核數師已根據上市規則第14A.56條就本集團於上文披露之持續關連交易發出彼等之無保留函件，當中載有彼等之調查結果及結論。本公司已向聯交所提供核數師函件之副本。

除本文所披露者外，本公司並無其他交易須根據上市條例於年報內披露。

### 管理合約

除上文「關連交易」一節所披露之該等服務主協議外，於本年度內概無訂立或存在任何有關本集團整體業務或任何重要業務之管理及行政工作的合約。

### 董事於競爭業務之權益

概無董事於與本集團業務有直接或間接競爭關係的非本集團業務中擁有任何權益。

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

As at 30 June 2020, the directors of the Company have the following 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 Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") set out in Appendix 10 to the Listing Rules:

#### (A) The Company

##### Long positions in shares/underlying shares

Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份/ 相關股份數目	Note 附註	Total 總計	Approximate percentage of total number of ordinary shares of the Company in issue 佔本公司已發行普通股總數之概約百分比
KWEK Leng Hai 郭令海	Personal 個人	2,300,000		2,300,000	0.95%
Joseph LEUNG 梁玄博	Personal 個人	1,850,000		1,850,000	0.76%
TANG Hong Cheong 鄧漢昌	Personal 個人	700,000		700,000	0.29%
WHANG Sun Tze 黃上哲	Personal 個人	27,523,743			
	Corporate 公司	19,326	(a)	27,543,069	11.32%
TAN Lim Heng 陳林興	Personal 個人	274,000		274,000	0.11%
LO Kai Yiu, Anthony 羅啟耀	Personal 個人	200,000		200,000	0.08%
HUANG Lester Garson 黃嘉純	Family 家族	150,000		150,000	0.06%

### 董事於股份、相關股份及債券之權益

於二零二零年六月三十日，各董事於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)擁有須根據證券及期貨條例第352條規定而設之登記名冊中所載之股份或有關股本中之淡倉股份、相關股份及債券之權益及根據上市規則之上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

#### (A) 本公司

##### 股份／相關股份之好倉

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

### 董事於股份、相關股份及債券之權益(續)

#### (A) The Company (continued)

##### Long positions in shares/underlying shares (continued)

Note:

- (a) The interests disclosed represent the corporate interests of Dr. WHANG Sun Tze in 18,457 ordinary shares and 869 ordinary shares in the Company held by SGR Investment Company, Limited ("SGR") and T.C. Whang & Company (Private) Limited ("T.C. & Co.") respectively. Dr. WHANG Sun Tze holds 95.41% and 59.52% interests in SGR and T.C. & Co. respectively.

#### (A) 本公司(續)

##### 股份／相關股份之好倉(續)

附註：

- (a) 所披露之權益代表黃上哲博士透過 SGR Investment Company, Limited (「SGR」) 及 T.C. Whang & Company (Private) Limited (「T.C. & Co.」) 分別持有本公司 18,457 股普通股及 869 股普通股之公司權益。黃上哲博士在 SGR 及 T.C. & Co. 分別持有 95.41% 及 59.52% 之股份權益。

#### (B) Associated corporations

##### (i) Long positions in shares/underlying shares

#### (B) 相聯法團

##### (i) 股份／相關股份之好倉

Name of associated corporation 相聯法團名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Note 附註	Total 總計	Approximate percentage of total number of ordinary shares of associated corporation in issue 佔相聯法團已發行普通股總數之概約百分比
Hong Leong Company (Malaysia) Berhad	KWEK Leng Hai 郭令海	Personal 個人	420,500		420,500	2.61%
Guoco Group Limited 國浩集團有限公司	KWEK Leng Hai 郭令海	Personal 個人	3,800,775		3,800,775	1.16%
	TANG Hong Cheong 鄧漢昌	Personal 個人	130,000		130,000	0.04%
	TAN Lim Heng 陳林興	Personal 個人	566,230		566,230	0.17%

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

### 董事於股份、相關股份及債券之權益(續)

#### (B) Associated corporations (continued)

##### (i) Long positions in shares/underlying shares (continued)

#### (B) 相聯法團(續)

##### (i) 股份／相關股份之好倉(續)

Name of associated corporation 相聯法團名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Note 附註	Total 總計	Approximate percentage of total number of ordinary shares of associated corporation in issue 佔相聯法團已發行普通股總數之概約百分比
GuocoLand Limited ("GLL") 國浩房地產有限公司 (「國浩房地產」)	KWEK Leng Hai 郭令海	Personal 個人	35,290,914		35,290,914	2.98%
	TANG Hong Cheong 鄧漢昌	Personal 個人	865,000	(a)	865,000	0.07%
	WHANG Sun Tze 黃上哲	Family 家族	66,600		66,600	0.01%
Hong Leong Bank Berhad	TAN Lim Heng 陳林興	Personal 個人	1,337,777		1,337,777	0.11%
	KWEK Leng Hai 郭令海	Personal 個人	5,510,000		5,510,000	0.26%
	WHANG Sun Tze 黃上哲	Family 家族	129,000		129,000	0.01%
Hong Leong Financial Group Berhad	KWEK Leng Hai 郭令海	Personal 個人	2,526,000		2,526,000	0.22%
	TANG Hong Cheong 鄧漢昌	Personal 個人	174,146		174,146	0.02%
	WHANG Sun Tze 黃上哲	Family 家族	534,092		534,092	0.05%
	TAN Lim Heng 陳林興	Personal 個人	267,813		267,813	0.02%

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

### 董事於股份、相關股份及債券之權益(續)

#### (B) Associated corporations (continued)

##### (i) Long positions in shares/underlying shares (continued)

#### (B) 相聯法團(續)

##### (i) 股份／相關股份之好倉(續)

Name of associated corporation 相聯法團名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Note 附註	Total 總計	Approximate percentage of total number of ordinary shares of associated corporation in issue 佔相聯法團已發行普通股總數之概約百分比
Hong Leong Industries Berhad	KWEK Leng Hai 郭令海	Personal 個人	190,000		190,000	0.06%
	TANG Hong Cheong 鄧漢昌	Personal 個人	300,000		315,000	0.10%
	WHANG Sun Tze 黃上哲	Family 家族	15,000			
GuocoLand (Malaysia) Berhad	KWEK Leng Hai 郭令海	Personal 個人	226,800		226,800	0.03%
	TANG Hong Cheong 鄧漢昌	Personal 個人	195,000		195,000	0.03%
	TAN Lim Heng 陳林興	Personal 個人	326,010		326,010	0.05%
Hume Industries (Malaysia) Sdn Bhd	WHANG Sun Tze 黃上哲	Family 家族	12,667		12,667	0.01%
GL Limited	KWEK Leng Hai 郭令海	Personal 個人	300,000		300,000	0.02%
	TANG Hong Cheong 鄧漢昌	Personal 個人	2,500,000		2,500,000	0.18%
	TAN Lim Heng 陳林興	Personal 個人	1,100,000		1,100,000	0.08%

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

### 董事於股份、相關股份及債券之權益(續)

#### (B) Associated corporations (continued)

##### (i) Long positions in shares/underlying shares (continued)

#### (B) 相聯法團(續)

##### (i) 股份／相關股份之好倉(續)

Name of associated corporation 相聯法團名稱	Name of director 董事姓名	Nature of interest 權益性質	Number of shares/ underlying shares held 持有股份／ 相關股份數目	Note 附註	Total 總計	Approximate percentage of total number of ordinary shares of associated corporation in issue 佔相聯法團已發行普通股總數之概約百分比
Malaysian Pacific Industries Berhad	KWEK Leng Hai 郭令海	Personal 個人	71,250		71,250	0.04%
The Rank Group Plc	KWEK Leng Hai 郭令海	Personal 個人	1,026,209		1,026,209	0.26%
	TANG Hong Cheong 鄧漢昌	Personal 個人	130,000		130,000	0.03%
	TAN Lim Heng 陳林興	Personal 個人	152,882		152,882	0.04%
Hume Industries Berhad ("HIB")	KWEK Leng Hai 郭令海	Personal 個人	310,771	(b) & (c)	310,771	0.06%
	TANG Hong Cheong 鄧漢昌	Personal 個人	3,776,670	(b) & (d)	3,802,869	0.76%
		Family 家族	26,199			
Southern Steel Berhad	TANG Hong Cheong 鄧漢昌	Personal 個人	71,000		71,000	0.01%



# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

### 董事於股份、相關股份及債券之權益(續)

#### (B) Associated corporations (continued)

#### (B) 相聯法團(續)

##### (ii) Long positions in debentures

##### (ii) 債券之好倉

Name of associated corporation 相聯法團名稱	Name of director 董事姓名	Nature of interest 權益性質	Amount of debentures held 債權證的數額 MYR 馬來西亞元	Note 附註	Total 總計 MYR 馬來西亞元
HIB	KWEK Leng Hai 郭令海	Personal 個人	73,900	(b)	73,900
	TANG Hong Cheong 鄧漢昌	Personal 個人 Family 家族	930,000 7,000	(b)	937,000

Notes:

附註：

- |     |   |     |  |
|-----|---|-----|--|
| (a) | The total interests of 865,000 shares/underlying shares comprised 345,000 ordinary shares of GLL and an option in respect of 520,000 underlying shares of GLL pursuant to an executive option scheme of a Hong Leong Group Company.   | (a) | 865,000股股份／相關股份之權益總額包括345,000股國浩房地產普通股及根據一豐隆集團公司行政人員股份認購權計劃所授予520,000股國浩房地產相關股份之認購權。   |
| (b) | Interests in 5-year 5% redeemable convertible unsecured loan stocks ("RCULS") issued by HIB. The RCULS are convertible into ordinary shares of HIB at the conversion price of MYR0.7 RCULS for 1 HIB share.   | (b) | HIB發行的5年期5厘息可贖回可換股無擔保債權股(「RCULS」)的利息。RCULS可按每股0.7馬來西亞元的轉換價轉換為1股HIB的普通股。  |
| (c) | The total interests of 310,771 shares/underlying shares comprised 205,200 ordinary shares of HIB and a derivative interest of 105,571 underlying shares of HIB through the conversion right under the RCULS.  | (c) | 310,771股股份／相關股份之權益總額包括205,200股HIB普通股及透過RCULS下的換股權獲得的105,571股HIB相關股份之衍生權益。  |
| (d) | The personal interests of 3,776,670 shares/underlying shares comprised 2,448,100 ordinary shares of HIB and a derivative interest of 1,328,570 underlying shares of HIB through the conversion right under the RCULS. The family interests of 26,199 shares/underlying shares comprised 16,200 ordinary shares of HIB and a derivate interest of 9,999 underlying shares of HIB through the conversion right under the RCULS. | (d) | 3,776,670股股份／相關股份之個人權益總額包括2,448,100股HIB普通股及透過RCULS下的換股權獲得的1,328,570股HIB相關股份之衍生權益。26,199股股份／相關股份之家族權益總額包括16,200股HIB普通股及透過RCULS下的換股權獲得的9,999股HIB相關股份之衍生權益。 |

# DIRECTORS' REPORT

## 董事會報告書

### Directors' Interests in Shares, Underlying Shares and Debentures

(continued)

#### (B) Associated corporations (continued)

Save as disclosed herein, none of the directors 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) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### Share Options

#### Executive Share Option Scheme 2013 ("ESOS 2013")

ESOS 2013 was approved by the shareholders of the Company at the extraordinary general meeting held on 23 April 2013 and took effect on 25 April 2013 ("Adoption Date"). Summary of details of the ESOS 2013 is set out below:

The purpose of the ESOS 2013 is as follows:

- (i) to align the long term interests of any executive or director of the Group, who is eligible to participate in the ESOS 2013 ("Eligible Executives") with those of the Shareholders and encourage Eligible Executives to assume greater responsibility for the performance of the business that they manage;
- (ii) to motivate Eligible Executives towards strategic business objectives;
- (iii) to reward Eligible Executives with an equity stake in the success of the Group; and
- (iv) to make the total compensation package more competitive in order to attract, retain and motivate high caliber executives.

### 董事於股份、相關股份及債券之權益(續)

#### (B) 相聯法團(續)

除本文所披露者外，概無任何本公司董事於本公司或其任何相聯法團(根據證券及期貨條例第XV部之定義)擁有須根據證券及期貨條例第352條規定而設之登記名冊中所載之股份或有關股本中之淡倉股份、相關股份及債券及根據標準守則須知會本公司及聯交所之權益。

### 股份認購權

#### 2013行政人員股份認購權計劃(「2013股份認購權計劃」)

2013股份認購權計劃於二零一三年四月二十三日於股東特別大會上獲股東批准，並於二零一三年四月二十五日(「採納日期」)生效。2013股份認購權計劃之詳情如下：

2013股份認購權計劃的目的如下：

- (i) 使集團內符合資格參與2013股份認購權計劃之行政人員或董事(「合資格行政人員」)的長遠利益與股東一致，並鼓勵合資格行政人員對彼等所管理之業務的表現承擔更大責任；
- (ii) 推動合資格行政人員實踐策略業務目標；
- (iii) 以股本權益獎勵對集團的成功作出貢獻之合資格行政人員；及
- (iv) 使整體薪酬待遇更吸引，以招攬、挽留及推動高質素的行政人員。

# DIRECTORS' REPORT

## 董事會報告書

### Share Options *(continued)*

#### Executive Share Option Scheme 2013 ("ESOS 2013") *(continued)*

To be eligible for participation in the ESOS 2013, a person must be at least eighteen (18) years of age and:

- (i) be an executive of a member of the Group and has been confirmed in service; or
- (ii) be a director of member of the Group.

The Board may at its absolute discretion select and identify suitable Eligible Executives to be offered options.

The total number of shares which may be issued and/or transferred by the Trust upon exercise of all options to be granted under the ESOS 2013 and any other share option scheme shall not in aggregate exceed 10% of the Company's total number of shares in issue at the Adoption Date of the ESOS 2013.

The maximum entitlement for any eligible executive in respect of the total number of shares issued and to be issued upon exercise of options granted and to be granted in any 12 months period does not exceed 1% of the Company's total number of shares in issue.

The Board may at its discretion determine the exercise price of an option under the ESOS 2013 provided that the exercise price so fixed shall not be less than greatest of (a) the average closing price of a share as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the day of offer of such option; (b) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the day of offer of such option, which must be a business day; and (c) the nominal value of a share<sup>(Note)</sup>.

A nominal consideration of HK\$1 is payable on acceptance of the share option within 30 days (or such longer period of time as may be permitted by the Board at its discretion) from the date of making such offer.

The ESOS 2013 will remain in force for a period of 10 years commencing on 25 April 2013.

Note: The concept of par value of a share was abolished with effect from 3 March 2014 pursuant to the Hong Kong Companies Ordinance.

### 股份認購權<sup>(續)</sup>

#### 2013行政人員股份認購權計劃(「2013股份認購權計劃」)<sup>(續)</sup>

符合資格參與2013股份認購權計劃之人士必須年滿十八(18)歲及：

- (i) 為集團成員公司之行政人員並已被確認於集團服務；或
- (ii) 為集團成員公司之董事。

董事會可按其絕對酌情權挑選及確認適合之合資格行政人員授予認購權。

根據2013股份認購權計劃或其他股份認購權計劃可予授出之所有認購權獲行使時，可發行及／或透過由信託轉讓之股份總數，合共不得超過本公司於採納日已發行股份總數之10%。

於任何十二個月期間，任何合資格行政人員就行使已授出及將授出之認購權時已發行及將發行股份總數，最多不得超過已發行股份總數之1%。

董事會可按其酌情權決定每股於2013股份認購權計劃下授出之認購權之行使價，惟就此既定的行使價須至少為下列的較高者：(a)緊接授出該認購權之日前五個營業日聯交所之每日報價表所顯示之每股股份平均收市價；(b)授出該認購權當日(必須為營業日)聯交所之每日報價表所顯示之每股股份收市價；及(c)每股面值<sup>(附註)</sup>。

於授出日期起計的三十日內(或經董事會按其酌情權允許的一個較長期間)，接納認購權須支付代價港幣1元。

2013股份認購權計劃之有效期限由二零一三年四月二十五日起計十年。

附註：根據香港公司條例，股份面值的概念已被廢除，由二零一四年三月三日起生效。

# DIRECTORS' REPORT

## 董事會報告書

### Share Options (continued)

#### Executive Share Option Scheme 2013 ("ESOS 2013")

(continued)

Details of the options during the year ended 30 June 2020 are as follows:

As at 1 July 2019, there were 1,035,000 outstanding options pursuant to the ESOS 2013.

During the year, no share options were vested to the grantees under the ESOS 2013. No share options granted to the grantees were lapsed or cancelled and 1,035,000 share options were exercised by the grantees. Details of the share options as at 30 June 2020 are as follows:

Date of grant 授出日期	Grantees 獲授人	Number of share options 股份認購權數目					As at 30 June 2020 於二零二零年 六月三十日	Exercise price per share 每股行使價	Weighted average closing price for exercise of options (Note 4) 行使認購權之 加權平均 收市價 (附註4)	Notes 附註
		As at 1 July 2019 於二零一九年 七月一日	Granted during the year 於期內授出	Lapsed during the year 於期內失效	Exercised during the year 於期內行使	As at 30 June 2020 於二零二零年 六月三十日				
28 Jun 2013 二零一三年六月二十八日	LEUNG Joseph (Group Managing Director) 梁玄博先生，集團董事總經理	450,000	-	-	450,000	-	4.62	12.60	1&3	
28 Jun 2013 二零一三年六月二十八日	Eligible Executives 合資格行政人員	504,000	-	-	504,000	-	4.62	14.42	1&3	
26 Nov 2014 二零一四年十一月二十六日	Eligible Executive 合資格行政人員	81,000	-	-	81,000	-	6.80	12.60	2&3	
Total 總數：		1,035,000	-	-	1,035,000	-				

Notes:

1. Following the end of the performance period from 1 July 2012 to 30 June 2017, the Board Remuneration Committee of the Company ("BRC") has exercised its discretion to vest options in respect of 2,250,000 shares of the Company to Mr. LEUNG Joseph and 2,520,000 shares of the Company to Eligible Executives ("Earned Option").

### 股份認購權(續)

#### 2013行政人員股份認購權計劃(「2013股份認購權計劃」)(續)

截至二零二零年六月三十日止年度，認購權的詳情如下：

於二零一九年七月一日，根據2013股份認購權計劃，尚未行使之認購權數目為1,035,000。

於期內，根據2013股份認購權計劃，並沒有向獲授人授予認購權。沒有授予獲授人之認購權失效或取消，以及獲授人行使共1,035,000股認購權。於二零二零年六月三十日，股份認購權之詳情如下：

附註：

1. 於二零一二年七月一日至二零一七年六月三十日之表現期結束後，本公司董事會薪酬委員會(「薪酬委員會」)已行使酌情權向梁玄博先生授予2,250,000股本公司股份之認購權及向合資格行政人員授予2,520,000股本公司股份之認購權(「所得認購權」)。

# DIRECTORS' REPORT

## 董事會報告書

### Share Options *(continued)*

#### Executive Share Option Scheme 2013 ("ESOS 2013")

*(continued)*

Notes: *(continued)*

2. Following the end of the performance period from 1 July 2014 to 30 June 2017, the BRC has exercised its discretion to vest options in respect of 405,000 shares of the Company to an Eligible Executive ("Earned Option").
3. The Earned Option shall be exercisable as follows:
  - (a) 40% of the Earned Option is exercisable from the date of notification of entitlement for the Earned Option ("Vesting Date") up to 6 months from the Vesting Date, i.e. from 23 November 2017 to 22 May 2018;
  - (b) another 40% of the Earned Option is exercisable from the 13th month up to the 18th month from the Vesting Date, i.e. from 23 November 2018 to 22 May 2019; and
  - (c) the remaining 20% of the Earned Option is exercisable from the 25th month up to the 30th month from the Vesting Date, i.e. from 23 November 2019 to 22 May 2020.
4. Being the weighted average closing price of the Company's ordinary shares immediately before the dates on which the options were exercised.

Save as disclosed herein, no other options were vested, exercised, lapsed or cancelled under the ESOS 2013 during the year. Accordingly, there were no outstanding options at 30 June 2020.

Save for above, certain other subsidiaries of Hong Leong Company (Malaysia) Berhad ("HLCM"), the ultimate holding company of the Company, maintain share option schemes or plans or arrangements which subsisted at the end of the year or at any time during the year, under which eligible directors of the Company may be granted share options for acquisition of shares of respective companies concerned. Mr. TANG Hong Cheong, a director of the Company, had acquired and held shares of certain subsidiaries of HLCM in pursuance of a share option scheme maintained by a subsidiary of HLCM during the year.

Apart from above, at no time during the year was the Company, its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

### 股份認購權 *(續)*

#### 2013行政人員股份認購權計劃(「2013股份認購權計劃」) *(續)*

附註：*(續)*

2. 於二零一四年七月一日至二零一七年六月三十日之表現期結束後，薪酬委員會已行使酌情權向合資格行政人員授予405,000股本公司股份之認購權(「所得認購權」)。
3. 所得認購權將按以下方式行使：
  - (a) 所得認購權之百分之四十可自經知會所得認購權日期(「歸屬日期」)起至歸屬日期後六個月內行使，即由二零一七年十一月二十三日至二零一八年五月二十二日；
  - (b) 所得認購權之另外百分之四十可於歸屬日期起第十三個月至第十八個月期間行使，即由二零一八年十一月二十三日至二零一九年五月二十二日；及
  - (c) 所得認購權之剩餘百分之二十可於歸屬日期起第二十五個月至第三十個月期間行使，即由二零一九年十一月二十三日至二零二零年五月二十二日。
4. 即本公司普通股在緊接認購權行使日期之前的加權平均收市價。

除本文所披露者外，於本年度內，在2013股份認購權計劃下，並無其他認購權獲確認歸屬、行使、失效或取消。因此，於二零二零年六月三十日，並無尚未行使之認購權。

除上文所述者外，本公司之最終控股公司，Hong Leong Company (Malaysia) Berhad (「HLCM」)之若干其他附屬公司於結算日或年度內任何時間已設立的股份認購權計劃或方案，據此，本公司合資格董事可獲授認購有關公司股份之股份認購權。於本年度內，本公司董事鄧漢昌先生根據HLCM之附屬公司所設立的股份認購權計劃，已收購及持有HLCM之若干附屬公司之股份。

除上文所述者外，於本年度內，本公司、其控股公司、附屬公司或同系附屬公司在任何時候概無成為任何安排之訂約方，以致本公司董事可藉收購本公司或任何其他法團之股份或債券獲得利益。

# DIRECTORS' REPORT

## 董事會報告書

### Substantial Shareholders' Interests

As at 30 June 2020, the following shareholders (other than directors of the Company whose interests or short positions in the shares and underlying shares of the Company as disclosed above) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

### 主要股東之持股權益

於二零二零年六月三十日，根據證券及期貨條例第336條規定而設之登記名冊中所載，下列股東（除上文所述本公司董事所持有本公司之股份或有關股份中之淡倉股份及相關股份之權益）持有本公司股份或有關股本中之淡倉股份及相關股份之權益：

	Number of shares held 持有之股份數目	Approximate percentage of interest 權益之概約百分比
Hong Leong Company (Malaysia) Berhad ("HLCM")	155,349,659	63.84%
QUEK Leng Chan 郭令燦	155,349,659	63.84%
HL Holdings Sdn Bhd ("HLH")	155,349,659	63.84%
Hong Leong Investment Holdings Pte Limited ("HLIH")	155,349,659	63.84%
Davos Investment Holdings Private Limited ("Davos")	155,349,659	63.84%
KWEK Leng Kee	155,349,659	63.84%

*Note:*

The interests comprised (i) 140,008,659 ordinary shares in the Company held by GuoLine International Limited ("GIL"); (ii) 6,016,000 ordinary shares in the Company held by Richly Choice Development (PTC) Limited, a wholly-owned subsidiary of the Company; and (iii) 9,325,000 underlying shares of the Company of other unlisted derivatives held by Oceanease Limited.

GIL was a wholly-owned subsidiary of GuoLine Capital Assets Limited ("GCA") which in turn was a wholly-owned subsidiary of HLCM. Oceanease Limited was a wholly-owned subsidiary of GuocoEquity Assets Limited which in turn was a wholly-owned subsidiary of Guoco Group Limited ("GGL"). GGL was 71.88% owned by GuoLine Overseas Limited ("GOL") which in turn was a wholly-owned subsidiary of GCA. By virtue of Section 316(2) of the SFO, HLCM was 49.11% owned by Mr. QUEK Leng Chan as to 2.43% under his personal name, 46.68% via HLH which was wholly-owned by him. HLIH held 34.49% interest in HLCM. Mr. KWEK Leng Kee held 41.92% interest in Davos which in turn held 33.59% interest in HLIH.

All the interests disclosed under this section were long positions in the ordinary shares of the Company.

Save as disclosed herein, no other person (other than directors of the Company) has an interest or a short position in the shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

*附註：*

該權益包括 (i) GuoLine International Limited (「GIL」) 持有於本公司140,008,659股普通股之權益；(ii)本公司之全資附屬公司 Richly Choice Development (PTC) Limited持有於本公司6,016,000股普通股之權益；及(iii)Oceanease Limited透過其他非上市衍生工具持有本公司9,325,000股相關股份之權益。

GIL為GuoLine Capital Assets Limited (「GCA」)之全資附屬公司，後者為HLCM之全資附屬公司。Oceanease Limited為國浩股本資產有限公司之全資附屬公司，後者為國浩集團有限公司(「國浩集團」)之全資附屬公司，國浩集團之71.88%權益由GuoLine Overseas Limited (「GOL」)擁有。GOL為GCA之全資附屬公司。根據證券及期貨條例第316(2)條規定，HLCM之49.11%權益為郭令燦先生以私人名義持有2.43%、經他全資擁有之HLH持有46.68%。HLIH持有HLCM 34.49%之權益。KWEK Leng Kee先生持有Davos 41.92%之股權而Davos則持有HLIH 33.59%之股權。

此部份披露之所有權益皆為持有本公司好倉普通股股份。

除本文所披露者外，根據證券及期貨條例第336條規定而設之登記冊所記錄，並無其他人士(本公司董事除外)持有本公司股份或有關股本中之淡倉股份及相關股份之權益。

# DIRECTORS' REPORT

## 董事會報告書

### Purchase, Sale or Redemption of the Company's Listed Shares

During the year, a wholly-owned subsidiary of the Company, as the trustee for a trust set up for the purpose of acquiring shares of the Company to satisfy the exercise of options granted to the Executive Share Option Scheme adopted on 23 April 2013, purchased 702,000 shares of the Company on the Stock Exchange at a total consideration of HK\$9,302,000.

Save as disclosed above, during the year, the Company did not redeem any of its listed shares and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's listed shares.

### Major Customers and Suppliers

Total sales to the Group's five largest customers accounted for less than 30% of the Group's revenue for the year.

Total purchases from the Group's five largest suppliers accounted for less than 30% of the Group's purchases for the year.

### Sufficiency of Public Float

At all times during the year and up to 27 August 2020, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the directors.

### Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming annual general meeting.

By Order of the Board  
**KWEK Leng Hai**  
Chairman

Hong Kong, 27 August 2020

### 購買、出售或贖回本公司之上市證券

於本年度內，本公司之全資附屬公司(作為一項信託之受託人，該信託乃為收購本公司之股份而設立，籍以履行根據本公司於二零一三年四月二十三日採納之行政人員股份認購權計劃可能授出之股份認購權之行使)在香港聯合交易所有限公司購買702,000股本公司股份，總代價為港幣9,302,000元。

除上文所披露外，於本年度內，本公司概無贖回其任何上市證券，而本公司或其他任何附屬公司均無購買或出售任何本公司之上市證券。

### 主要客戶及供應商

本集團售予最大的首五位客戶的收入共佔本集團本年度銷售額少於30%。

本集團購自最大的首五位供應商的購貨額佔本集團本年度購貨總額少於30%。

### 足夠之公眾持股量

基於公開於本公司查閱之資料及據董事所知悉，在本年度內及直至二零二零年八月二十七日，本公司一直維持上市規則所訂明之公眾持股量。

### 核數師

畢馬威會計師事務所退任及符合資格續聘。在即將召開之股東週年常會，將提呈決議案，建議續聘畢馬威會計師事務所為本公司的核數師。

承董事會命  
主席  
郭令海

香港，二零二零年八月二十七日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書



**Independent auditor's report  
to the members of Lam Soon (Hong Kong) Limited**  
*(incorporated in Hong Kong with limited liability)*

### Opinion

We have audited the consolidated financial statements of Lam Soon (Hong Kong) Limited ("the Company") and its subsidiaries ("the Group") set out on pages 117 to 228, which comprise the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2020 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### Basis for opinion

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

獨立核數師報告  
致南順(香港)有限公司成員  
(於香港註冊成立的有限公司)

### 意見

本核數師(以下簡稱「我們」)已審計列載於第117至228頁的南順(香港)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零二零年六月三十日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二零年六月三十日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### 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.

#### Revenue recognition

Refer to note 5 to the consolidated financial statements and the accounting policies on pages 157 to 159

The Key Audit Matter	How the matter was addressed in our audit
<p>Sales of flour, edible oil and home care products are recognised as revenue when the control of the products are transferred to the Group's customers according to the terms of the sales and purchase agreements entered into between the Group and its customers.</p> <p>Generally, management considers the control of the products are transferred to the Group's customers when the goods are delivered to the customers' premises.</p> <p>The Group trades mainly with distributors and supermarkets and has a large volume of individual transactions which increases the risk of error in recognising revenue.</p> <p>We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Group which could create an incentive for management to record revenue inappropriately to meet targets or expectations and because the large transaction volume increases the possibility of errors in recognising revenue.</p>	<p>Our audit procedures to assess the recognition of revenue included the following:</p> <ul style="list-style-type: none"><li>gaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls over the completeness, existence and accuracy and timing of revenue recognition;</li><li>challenging the revenue recognition policies adopted by the Group by making inquiries of management and inspecting a sample of sales and purchase agreements to understand the terms of the transactions with reference to the requirements of the prevailing accounting standards;</li><li>assessing the existence and identity of a sample of new customers of the Group during the year by performing background searches on these customers;</li><li>comparing sales records for a sample of sales transactions recorded during the year with relevant underlying documentation, which included sales invoices and goods delivery notes with evidence of the customers' receipt of the goods and the date of receipt of the goods by the customers;</li><li>identifying significant sales returns from the sales ledger after the year end and inspecting the underlying documentation in relation to these sales returns to assess if the related adjustments to revenue had been accounted for in the appropriate accounting period;</li></ul>

### 關鍵審計事項

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### Key audit matters (continued)

#### Revenue recognition (continued)

Refer to note 5 to the consolidated financial statements and the accounting policies on pages 157 to 159 (continued)

The Key Audit Matter (continued)	How the matter was addressed in our audit (continued)
	<p>Our audit procedures to assess the recognition of revenue included the following: (continued)</p> <ul style="list-style-type: none"><li>assessing, on a sample basis, whether specific revenue transactions around the financial year end had been recognised in the appropriate financial period in accordance with the terms of sale as set out in the sales and purchase agreements by comparing details of these transactions with sales invoices and goods delivery notes with evidence of the customers' receipt of the goods and the date of receipt of the goods by the customers; and</li><li>selecting a sample of journal entries affecting revenue recognised during the year, adopting specific risk-based criteria, and comparing the details of these adjustments with the related underlying documentation.</li></ul>

#### 收入確認

請參閱綜合財務報表附註5及第157頁至159頁的會計政策

關鍵審計事項	我們的審計如何處理該事項
<p>麵粉、食用油及家居護理產品的銷售於產品之控制權根據貴集團與其客戶訂立的買賣協議條款轉移至貴集團客戶時確認為收入。</p> <p>一般而言，當貨物送達客戶的場地時，管理層認為已售產品擁有權的相關風險及回報已轉移至貴集團客戶。</p> <p>貴集團主要與分銷商及超市進行交易，並有大量個別交易，從而令確認收入時出錯的風險增加。</p> <p>我們視收入確認為一項關鍵審計事項，乃由於收入為貴集團其中一項關鍵績效指標，故可能誘使管理層對收入作出不適當記錄以達致目標或期望，另外龐大的交易量亦增加確認收入時出錯的可能性。</p>	<p>我們評估收入確認所進行的審計程序包括以下：</p> <ul style="list-style-type: none"><li>了解及評估有關收入確認的完整性、存在性及準確性以及時間的關鍵內部控制的設計、實施及運行有效性；</li><li>通過向管理層作出查詢及抽查買賣協議以了解交易條款，並參考現行會計政策的要求，以對貴集團採納的收入確認政策作出質疑；</li><li>對貴集團年內的新客戶進行抽樣背景調查，從而評估該等客戶是否存在及其身份；</li><li>抽樣將年內錄得的銷售交易的銷售記錄與相關支持文件(包括證明客戶收到貨物及收貨日期的銷售發票及貨物送貨單)進行對比；</li><li>識別年末之後的銷售賬目當中的大額銷售退回並檢查該等銷售退回的相關支持文件以評估對收入的相關調整是否已於適當會計期間入賬；</li></ul>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### 關鍵審計事項(續)

收入確認(續)

請參閱綜合財務報表附註5及第157頁至159頁的會計政策(續)

關鍵審計事項(續)

我們的審計如何處理該事項(續)

我們評估收入確認所進行的審計程序包括以下：(續)

- 抽樣將財政年度末前後的特定收入交易的詳情與證明客戶收到貨物及收貨日期的銷售發票及貨物送貨單進行比較，以評估該等交易是否已根據買賣協議所載的銷售條款於適當的財務期間確認；及
- 抽樣選取影響年內收入的會計分錄，並採取特定風險標準對比該等調整的詳情及相關支持文件。

### Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all 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.

### 綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

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

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

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### Responsibilities of the directors for the consolidated financial statements

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

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

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

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

### 董事就綜合財務報表須承擔的責任

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

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

審核及風險管理委員會協助董事履行監督貴集團的財務報告過程的責任。

### 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

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

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### Auditor's responsibilities for the audit of the consolidated financial statements *(continued)*

As part of an audit in accordance with HKSAs, 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 fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

### 核數師就審計綜合財務報表承擔的責任 *(續)*

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### Auditor's responsibilities for the audit of the consolidated financial statements *(continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: *(continued)*

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

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

From the matters communicated with the Board Audit and Risk Management 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 Guen Kin Shing.

**KPMG**  
Certified Public Accountants

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

27 August 2020

### 核數師就審計綜合財務報表承擔的責任 *(續)*

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

- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

我們還向審核及風險管理委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，以行動消除威脅或相關的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是姜健成。

畢馬威會計師事務所  
執業會計師

香港中環  
遮打道十號  
太子大廈八樓

二零二零年八月二十七日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Revenue</b>	收入	5	<b>5,119,437</b>	5,316,205
Cost of sales	銷售成本		<b>(3,925,837)</b>	(4,161,761)
<b>Gross profit</b>	毛利		<b>1,193,600</b>	1,154,444
Other income	其他收入	6	<b>67,793</b>	43,702
Selling and distribution expenses	銷售及分銷費用		<b>(661,831)</b>	(614,519)
Administrative expenses	行政費用		<b>(199,692)</b>	(185,499)
<b>Profit from operations</b>	經營溢利		<b>399,870</b>	398,128
Finance costs	融資成本	7	<b>(238)</b>	–
<b>Profit before taxation</b>	除稅前溢利	7	<b>399,632</b>	398,128
Taxation	稅項	8(a)	<b>(82,743)</b>	(58,052)
<b>Profit for the year</b>	本年度溢利		<b>316,889</b>	340,076
<b>Attributable to:</b>	應佔：			
Equity shareholders of the Company	本公司股東		<b>316,889</b>	340,076
Non-controlling interests	非控制權益		–	–
<b>Profit for the year</b>	本年度溢利		<b>316,889</b>	340,076
<b>Earnings per share</b>	每股盈利			
Basic	基本	11(a)	<b>HK\$港幣1.34元</b>	HK\$港幣1.44元
Diluted	攤薄	11(b)	<b>HK\$港幣1.34元</b>	HK\$港幣1.43元

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

The notes on pages 125 to 228 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 10.

列於第125至228頁之各項附註為本財務報表之一部份。應付予本公司股東應佔本年度溢利股息之詳情載列於附註10。

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Profit for the year</b>	本年度溢利	<b>316,889</b>	340,076
<b>Other comprehensive income for the year (net of nil tax and reclassification adjustments)</b>	本年度其他全面收益(扣除零稅項及重新分類調整後)		
<b>Items that may be reclassified subsequently to profit or loss:</b>	其後可重新分類至損益賬之項目：		
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	換算香港以外附屬公司財務報表所產生之匯兌差額	<b>(64,048)</b>	(61,555)
Exchange reserves reclassified to profit or loss upon liquidation of a subsidiary	附屬公司清盤之匯兌儲備重新分類至損益賬	<b>(595)</b>	-
<b>Other comprehensive income for the year</b>	本年度其他全面收益	<b>(64,643)</b>	(61,555)
<b>Total comprehensive income for the year</b>	本年度全面收益總額	<b>252,246</b>	278,521
<b>Attributable to:</b>	應佔：		
Equity shareholders of the Company	本公司股東	<b>252,246</b>	278,521
Non-controlling interests	非控制權益	-	-
<b>Total comprehensive income for the year</b>	本年度全面收益總額	<b>252,246</b>	278,521

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

The notes on pages 125 to 228 form part of these financial statements.

列於第125至228頁之各項附註為本財務報表之一部份。



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

		Note	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Leasehold land and property, plant and equipment	租賃土地及物業、 廠房及設備	12	668,030	703,570
Intangible assets and goodwill	無形資產及商譽	13	6,862	9,597
Deferred tax assets	遞延稅項資產	20	26	–
Other non-current assets	其他非流動資產	14	17,284	11,498
			<b>692,202</b>	724,665
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	15(a)	646,073	625,843
Trade and other receivables	貿易及其他應收賬款	16	347,216	393,284
Cash and short term funds	現金及短期資金	17	1,529,608	1,317,927
			<b>2,522,897</b>	2,337,054
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付賬款	18(a)	639,793	673,063
Contract liabilities	合同負債	18(b)	39,369	28,232
Tax payables	應付稅款	8(c)	35,146	13,636
Lease liabilities	租賃負債	19	2,767	160
			<b>717,075</b>	715,091
<b>Net current assets</b>	<b>淨流動資產</b>		<b>1,805,822</b>	1,621,963
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>2,498,024</b>	2,346,628
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	20	19,543	11,731
Lease liabilities	租賃負債	19	1,584	354
			<b>21,127</b>	12,085
<b>NET ASSETS</b>	<b>淨資產</b>		<b>2,476,897</b>	2,334,543

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日

		Note	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
		附註		
<b>CAPITAL AND RESERVES</b>	<b>資金及儲備</b>			
Share capital	股本	21(a)	672,777	672,777
Reserves	儲備		1,804,120	1,651,053
Total equity attributable to equity shareholders of the Company	本公司股東應佔總權益		2,476,897	2,323,830
Non-controlling interests	非控制權益		–	10,713
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>2,476,897</b>	<b>2,334,543</b>

Approved and authorised for issue by the Board of Directors on 27 August 2020.

經由董事會於二零二零年八月二十七日批准及授權刊發。

**WONG Cho Fai**  
DIRECTOR

黃祖暉  
董事

**TANG Hong Cheong**  
DIRECTOR

鄧漢昌  
董事

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

The notes on pages 125 to 228 form part of these financial statements.

列於第125至228頁之各項附註為本財務報表之一部份。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

		Attributable to equity shareholders of the Company 本公司股東應佔								Total equity 權益合計 HK\$'000 港幣千元								
		Share capital 股本 HK\$'000 港幣千元	Surplus reserves 盈餘儲備 HK\$'000 港幣千元	ESOP reserve 行政人員 股份認購權 方案儲備 HK\$'000 港幣千元	Share option reserve 股份 認購權儲備 HK\$'000 港幣千元	Exchange reserve 匯兌儲備 HK\$'000 港幣千元	Revenue reserve 收益儲備 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	Non-controlling interests 非控制權益 HK\$'000 港幣千元									
At 1 July 2019	於二零一九年七月一日	672,777	156,399	(52,978)	1,072	(33,504)	1,580,064	2,323,830	10,713	2,334,543								
Profit for the year	本年度溢利	-	-	-	-	-	316,889	316,889	-	316,889								
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	換算香港以外附屬公司財務報表所產生之匯兌差額	-	-	-	-	(64,048)	-	(64,048)	-	(64,048)								
Exchange reserves reclassified to profit or loss upon liquidation of a subsidiary	附屬公司清盤之匯兌儲備重新分類至損益賬	-	-	-	-	(595)	-	(595)	-	(595)								
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	(64,643)	316,889	252,246	-	252,246								
Exercise of share options	行使之股份認購權	-	-	9,186	(1,150)	-	(3,078)	4,958	-	4,958								
Equity settled share-based transactions	按權益結算之以股份為基礎交易	-	-	-	78	-	-	78	-	78								
Purchase of ordinary shares of the Company for share option scheme	就股份認購權計劃購買本公司之普通股	21(a)	-	(9,302)	-	-	-	(9,302)	-	(9,302)								
Transfer from revenue reserve to surplus reserve	由收益儲備轉撥至盈餘儲備	-	6,497	-	-	-	(6,497)	-	-	-								
Liquidation of a subsidiary with non-controlling interests	清盤帶有非控制權益之附屬公司	-	-	-	-	-	10,713	10,713	(10,713)	-								
Utilisation of discretionary surplus reserve	使用酌情盈餘儲備	-	(1,329)	-	-	-	-	(1,329)	-	(1,329)								
Final dividend paid in respect of prior year	就往年度已付末期股息	10(b)	-	-	-	-	(71,077)	(71,077)	-	(71,077)								
Interim dividend paid in respect of current year	就本年度已付中期股息	10(a)	-	-	-	-	(33,220)	(33,220)	-	(33,220)								
		-	5,168	(116)	(1,072)	-	(103,159)	(99,179)	(10,713)	(109,892)								
At 30 June 2020	於二零二零年六月三十日	672,777	161,567	(53,094)	-	(98,147)	1,793,794	2,476,897	-	2,476,897								

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

Attributable to equity shareholders of the Company  
本公司股東應佔

		Share capital	Surplus reserves	ESOP reserve	Share option reserve	Exchange reserve	Revenue reserve	Total	Non-controlling interests	Total equity
		股本	盈餘儲備	行政人員 股份認購權 方案儲備	股份 認購權儲備	匯兌儲備	收益儲備		合計	非控制權益
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 July 2018	於二零一八年七月一日	672,777	151,588	(47,397)	2,870	28,051	1,352,473	2,160,362	10,713	2,171,075
Profit for the year	本年度溢利	-	-	-	-	-	340,076	340,076	-	340,076
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong	換算香港以外附屬公司財務報表所產生之匯兌差額	-	-	-	-	(61,555)	-	(61,555)	-	(61,555)
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	(61,555)	340,076	278,521	-	278,521
Exercise of share options	行使之股份認購權	-	-	15,745	(2,160)	-	(3,669)	9,916	-	9,916
Equity settled share-based transactions	按權益結算之以股份為基礎交易	-	-	-	362	-	-	362	-	362
Purchase of ordinary shares of the Company for share option scheme	就股份認購權計劃購買本公司之普通股	21(a)	-	(21,326)	-	-	-	(21,326)	-	(21,326)
Transfer from revenue reserve to surplus reserve	由收益儲備轉撥至盈餘儲備	-	11,862	-	-	-	(11,862)	-	-	-
Utilisation of discretionary surplus reserve	使用酌情盈餘儲備	-	(7,051)	-	-	-	-	(7,051)	-	(7,051)
Final dividend paid in respect of prior year	就往年度已付末期股息	10(b)	-	-	-	-	(63,731)	(63,731)	-	(63,731)
Interim dividend paid in respect of current year	就本年度已付中期股息	10(a)	-	-	-	-	(33,223)	(33,223)	-	(33,223)
		-	4,811	(5,581)	(1,798)	-	(112,485)	(115,053)	-	(115,053)
At 30 June 2019	於二零一九年六月三十日	672,777	156,399	(52,978)	1,072	(33,504)	1,580,064	2,323,830	10,713	2,334,543

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

The notes on pages 125 to 228 form part of these financial statements.

列於第125至228頁之各項附註為本財務報表之一部份。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	Note 附註			
<b>Operating activities</b>		<b>經營活動</b>		
Profit before taxation		除稅前溢利	399,632	398,128
<i>Adjustments for:</i>		<i>調整：</i>		
Depreciation and amortisation	7	折舊及攤銷	68,381	61,786
Write-down of inventories	15(b)	存貨減值	2,433	3,763
Loss allowance recognised for trade receivables	7	貿易應收賬款之虧損撥備確認	93	228
Finance costs	7	融資成本	238	-
Interest income on financial assets measured at amortised cost	6	按攤銷成本計量金融資產之利息收入	(32,140)	(27,250)
Net unrealised loss on club membership	6	會籍之未變現淨虧損	143	152
Net losses on disposal of property, plant and equipment	6	出售物業、廠房及設備之淨虧損	8,499	66
Government grants income related to relocation of a flour mill plant	6	就搬遷一間麵粉廠房之政府補貼收入	(11,751)	(7,766)
Share-based payment expenses	7	股權支付費用	78	362
Net unrealised exchange losses		未變現匯兌淨虧損	3,645	936
<i>Changes in working capital:</i>		<i>營運資金的變動：</i>		
Increase in inventories		存貨之增加	(43,916)	(11,211)
Decrease/(increase) in trade and other receivables		貿易及其他應收賬款之減少／(增加)	39,519	(17,185)
(Decrease)/increase in trade and other payables		貿易及其他應付賬款之(減少)／增加	(3,856)	38,463
Increase in contract liabilities		合同負債之增加	12,285	445
<b>Cash generated from operations</b>		<b>經營業務所得的現金</b>	<b>443,283</b>	440,917
Taxation:		稅項：		
Hong Kong Profits Tax refunded/(paid)		退回／(已付)香港利得稅	697	(6,229)
Tax paid outside Hong Kong		已付香港以外稅項	(53,553)	(45,641)
<b>Net cash generated from operating activities</b>		<b>經營活動所得現金淨額</b>	<b>390,427</b>	389,047

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	Note 附註			
<b>Investing activities</b>		<b>投資活動</b>		
Interest received		已收利息	30,211	27,250
(Increase)/decrease in fixed deposits held at banks with original maturity over three months		所持有原到期日為三個月以上的銀行定期存款之(增加)/減少	(192,272)	50,000
Purchase of leasehold land and property, plant and equipment and intangible assets		購買租賃土地及物業、廠房及設備以及無形資產	(92,904)	(120,733)
Net proceeds from disposal of property, plant and equipment		出售物業、廠房及設備所得款項淨額	1,039	1,485
Cash compensation received related to relocation of a flour mill plant		收到有關搬遷一間麵粉廠房所得現金補償	36,359	-
<b>Net cash used in investing activities</b>		<b>投資活動所用現金淨額</b>	<b>(217,567)</b>	<b>(41,998)</b>
<b>Financing activities</b>		<b>融資活動</b>		
Purchase of ordinary shares of the Company for share option scheme		就股份認購權計劃購買本公司之普通股	(9,302)	(21,326)
Proceeds from exercise of share options	21(a)	行使之股份認購權所得款項	4,958	9,916
Decrease in restricted bank balances		有限制之銀行結餘之減少	-	2,924
Capital element of lease rentals paid	17(b)	已付租賃租金之資本部份	(3,642)	(346)
Interest element of lease rentals paid	17(b)	已付租賃租金之利息部份	(238)	-
Dividends paid to equity shareholders of the Company		付予本公司股東之股息	(104,297)	(96,954)
<b>Net cash used in financing activities</b>		<b>融資活動所用現金淨額</b>	<b>(112,521)</b>	<b>(105,786)</b>
<b>Net increase in cash and cash equivalents</b>		<b>現金及現金等額淨額增加</b>	<b>60,339</b>	<b>241,263</b>
<b>Cash and cash equivalents at 1 July</b>		<b>於七月一日之現金及現金等額</b>	<b>1,317,927</b>	<b>1,109,222</b>
<b>Effect of foreign exchange rate changes</b>		<b>匯率變動之影響</b>	<b>(40,930)</b>	<b>(32,558)</b>
<b>Cash and cash equivalents at 30 June</b>	17(a)	<b>於六月三十日之現金及現金等額</b>	<b>1,337,336</b>	<b>1,317,927</b>

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

The notes on pages 125 to 228 form part of these financial statements.

列於第125至228頁之各項附註為本財務報表之一部份。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 1. General Information

Lam Soon (Hong Kong) Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The registered office and the principal place of business of the Company is located at 21 Dai Fu Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong.

The Company is a holding company and its principal activity is investment holding. The principal activities of the Company’s subsidiaries include manufacturing, trading and processing of edible oil, flour products and home care products in Hong Kong, the People’s Republic of China (“PRC”) and Macau.

### 2. Significant Accounting Policies

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, 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 requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). Significant accounting policies adopted by the Company and its subsidiaries (together referred to as the “Group”) are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

### 1. 一般資料

南順(香港)有限公司(「本公司」)為一間於香港註冊成立的有限公司。本公司的註冊辦事處及主要營業地點位於香港新界大埔大埔工業村大富街二十一號。

本公司為一間控股公司，主要業務為投資控股。本公司之附屬公司之主要業務是於香港、中華人民共和國(「中國」)及澳門提供食用油、麵粉產品及家居護理產品的生產、貿易及處理。

### 2. 重要會計政策

#### (a) 遵守聲明

此財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈之所有適用《香港財務報告準則》(「香港財務報告準則」)，此統稱包括所有適用之個別《香港財務報告準則》、《香港會計準則》(「香港會計準則」)及詮釋、香港普遍公認會計原則及香港《公司條例》之披露規定而編製。本財務報表亦符合香港聯合交易所有限公司證券上市規則(「上市規則」)之適用披露條文規定。下文列載本公司及其附屬公司(合稱「本集團」)採納之主要會計政策概要。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納的新訂及經修訂之香港財務報告準則。附註2(c)提供有關本集團當前和以往會計期間之財務報表因初次執行此等頒佈而改變的會計政策。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2020 comprise the Company and its subsidiaries.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- club membership; and
- derivative financial instruments (see note 2(g)).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

## 2. 重要會計政策(續)

### (b) 財務報表編製基準

截至二零二零年六月三十日止年度之綜合財務報表包括本公司及其附屬公司。

編製此財務報表所採用之計算基準為歷史成本法，惟以下以其公平價值計算之資產及負債(於下文載列的會計政策闡釋)除外：

- 會籍；及
- 衍生金融工具(見附註2(g))。

為編製符合香港財務報告準則之財務報表，管理層須對影響政策之應用、資產、負債、收入及開支列報作出判斷、估計及假設。有關估計及相關之假設乃根據過往經驗，以及多項在當時情況下相信屬合理之其他因素而作出，有關結果構成在未能依循其他途徑即時確切得知資產與負債賬面值時所作出判斷的基礎。實際結果可能與此等估計或有不同。

管理層會不斷審閱各項估計和相關假設。如果會計估計的修訂只是影響某一期間，其影響便會在該期間內確認；如果修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間確認。

管理層在應用香港財務報告準則時所作出對財務報表有重大影響的判斷及估計不確定性的主要原因於附註3論述。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies

The HKICPA has issued a new HKFRS, HKFRS 16, *Leases*, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, *Leases*, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

#### **HKFRS 16, *Leases***

HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases – incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 July 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of lease liabilities and the corresponding right-of-use assets at 1 July 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

## 2. 重要會計政策 (續)

### (c) 會計政策的變動

香港會計師公會頒佈了一項於本集團當前會計期間初始生效之新訂之香港財務報告準則，香港財務報告準則第十六號「租賃」，以及多項香港財務報告準則修訂。

除香港財務報告準則第十六號「租賃」外，概無任何發展對本財務報表所編製或呈列本集團於本期間或過往期間之業績及財務狀況之方式造成重大影響。本集團並未於本會計期間應用尚未生效之任何新訂準則或詮釋。

#### **香港財務報告準則第十六號，「租賃」**

香港財務報告準則第十六號取代香港會計準則第十七號「租賃」及相關詮釋—香港(國際財務報告詮釋委員會)第四號「釐定安排是否包括租賃」、香港(詮釋常務委員會)第十五號「經營租賃—優惠」，以及香港(詮釋常務委員會)第二十七號「評估涉及租賃法律形式之交易」之內容。該準則就承租人引入單一會計模式，並規定承租人就所有租賃確認使用權資產及租賃負債，惟租賃期為十二個月或以下的租賃(「短期租賃」)及低價值資產租賃除外。出租人的會計處理規定則大致保留香港會計準則第十七號的規定。

香港財務報告準則第十六號亦引入額外的定性及定量披露要求，旨在讓財務報表使用者評估租賃對實體之財務狀況、財務表現及現金流量的影響。

本集團於二零一九年七月一日起初始採用香港財務報告準則第十六號。本集團已選用經修訂的追溯法，並因而確認初始採用之累計影響為對租賃負債及相關之使用權資產於二零一九年七月一日於年初結餘之調整。比較資料並不會重列且將繼續按照香港會計準則第十七號進行呈報。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

#### HKFRS 16, Leases (continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

#### (a) New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 July 2019. For contracts entered into before 1 July 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16.

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

#### 香港財務報告準則第十六號「租賃」(續)

有關過往會計政策變動之性質及影響以及所採用的過渡性選擇之進一步詳情載列如下：

#### (a) 租賃的新定義

租賃定義之變動主要涉及控制權之概念。香港財務報告準則第十六號根據客戶是否於一段時間內控制一項已識別資產用途而定義租賃，可透過確定使用量釐定。在客戶既有權指示已識別資產用途及從使用中獲得絕大部分經濟利益的情況下，則表示控制權已轉移。

本集團僅將香港財務報告準則第十六號的租賃新定義應用於二零一九年七月一日或之後訂立或變更之合同。本集團已就於二零一九年七月一日前訂立的合同選用寬免先前評估之過渡可行權宜方法，當中現有安排為(或包含)租賃。因此，先前根據香港會計準則第十七號評估為租賃之合約繼續作為香港財務報告準則第十六號項下之租賃入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

*HKFRS 16, Leases (continued)*

#### (b) Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt. As far as the Group is concerned, these newly capitalised leases are primarily in relation to property, plant and equipment as disclosed in note 12. For an explanation of how the Group applies lessee accounting, see note 2(j)(i).

At the date of transition to HKFRS 16 (i.e. 1 July 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates at 1 July 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 5.14%.

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

香港財務報告準則第十六號「租賃」(續)

#### (b) 承租人會計處理及過渡影響

香港財務報告準則第十六號剔除先前香港會計準則第十七號規定承租人將租賃分類為經營租賃或融資租賃之規定。反之，當本集團為承租人，其須將所有租賃資本化，包括先前根據香港會計準則第十七號分類為經營租賃之租賃，惟該等短期租賃及低價值資產租賃除外。對本集團而言，這些新增的資本化租賃主要跟物業、廠房及設備有關(誠如附註12所披露)。有關本集團應用租賃會計處理方法之解釋，請參閱附註2(j)(i)。

於過渡至香港財務報告準則第十六號當日(即二零一九年七月一日)，本集團已就先前分類為經營租賃之租賃釐定餘下租賃期長度及按餘下租賃付款現值計量租賃負債，並使用於二零一九年七月一日之相關遞增借款利率貼現。用於釐定剩餘租賃付款現值之加權平均遞增借款利率為5.14%。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

#### HKFRS 16, Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 30 June 2020; and
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

#### 香港財務報告準則第十六號，「租賃」(續)

#### (b) 承租人會計處理及過渡影響(續)

為順利過渡至香港財務報告準則第十六號，本集團於初始採用香港財務報告準則第十六號當日已採用下列確認豁免及可行權宜方法：

- (i) 本集團選擇不採用香港財務報告準則第十六號有關確認餘下租賃期於初始採用香港財務報告準則第十六號當日起計十二個月內屆滿(即租賃期於二零二零年六月三十日或之前屆滿)之租賃之租賃負債及使用權資產之規定；及
- (ii) 於初始採用香港財務報告準則第十六號當日計量租賃負債時，本集團已就具有合理類似特徵之租賃組合(例如於相似經濟環境下之類似相關資產類別且租期相若租賃)應用單一貼現率。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

#### HKFRS 16, Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

The following table reconciles the operating lease commitments as disclosed in note 25(b) as at 30 June 2019 to the opening balance for lease liabilities recognised as at 1 July 2019:

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

#### 香港財務報告準則第十六號「租賃」(續)

#### (b) 承租人會計處理及過渡影響(續)

誠如附註25(b)所披露，下表概述於二零一九年六月三十日之經營租賃承擔與於二零一九年七月一日確認之租賃負債年初結餘之對賬：

		1 July 2019 二零一九年 七月一日 HK\$'000 港幣千元
Operating lease commitments at 30 June 2019	於二零一九年六月三十日之經營租賃承擔	3,423
Less: commitments relating to leases exempt from capitalisation:	減：有關豁免資本化之租賃承擔：	
– short-term leases and other leases with remaining lease term ending on or before 30 June 2020	– 剩餘租賃期於二零二零年六月三十日或之前屆滿之短期租賃及其他租賃	(219)
		3,204
Less: total future interest expenses	減：未來利息費用總額	(122)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 July 2019	於二零一九年七月一日之以遞增借款利率貼現之餘下租賃付款現值	3,082
Add: finance lease liabilities recognised as at 30 June 2019	加：於二零一九年六月三十日確認之融資租賃負債	514
Total lease liabilities recognised at 1 July 2019	於二零一九年七月一日確認之租賃負債總額	3,596

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

#### HKFRS 16, Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position at 30 June 2019.

So far as the impact of the adoption of HKFRS 16 on leases previously classified as finance leases is concerned, the Group is not required to make any adjustments at the date of initial application of HKFRS 16, other than changing the captions for the balances. Accordingly, instead of "obligations under finance leases", these amounts are included within "lease liabilities", and the depreciated carrying amount of the corresponding leased assets is identified as right-of-use assets. There is no impact on the opening balance of equity.

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

#### 香港財務報告準則第十六號，「租賃」(續)

#### (b) 承租人會計處理及過渡影響(續)

過往分類為經營租賃之租賃，其有關使用權資產以等同於餘下租賃負債已確認總額作確認，並根據於二零一九年六月三十日綜合財務狀況表內就該租賃已確認任何預付或應計租賃付款進行調整。

香港財務報告準則第十六號初始生效後，對於過往分類為融資租賃之租賃，本集團只需更改報表說明，無須作出任何調整。根據準則，「融資租賃承擔」計入「租賃負債」，而已折舊之相關租賃資產之賬面值被定為使用權資產。此對權益之年初結餘不會構成影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

HKFRS 16, Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

The following table summarises the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

## 2. 重要會計政策 (續)

### (c) 會計政策的變動 (續)

香港財務報告準則第十六號「租賃」(續)

#### (b) 承租人會計處理及過渡影響 (續)

下表概述採納香港財務報告準則第十六號對本集團綜合財務狀況表之影響：

	Carrying amount at 30 June 2019 於二零一九年 六月三十日之 賬面值 HK\$'000 港幣千元	Capitalisation of operating lease contracts 經營租賃 合同資本化 HK\$'000 港幣千元	Carrying amount at 1 July 2019 於二零一九年 七月一日之 賬面值 HK\$'000 港幣千元
<b>Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:</b>	<b>綜合財務狀況表中受採納香港財務報告準則第十六號影響的項目：</b>		
Leasehold land and property, plant and equipment	租賃土地及物業、廠房及設備		
	703,570	3,082	706,652
<b>Total non-current assets</b>	<b>非流動資產總額</b>	<b>3,082</b>	<b>727,747</b>
Lease liabilities (current)	租賃負債(流動)	2,206	2,366
<b>Total current liabilities</b>	<b>流動負債總額</b>	<b>2,206</b>	<b>717,297</b>
<b>Net current assets</b>	<b>淨流動資產</b>	<b>(2,206)</b>	<b>1,619,757</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>876</b>	<b>2,347,504</b>
Lease liabilities (non-current)	租賃負債(非流動)	876	1,230
<b>Total non-current liabilities</b>	<b>非流動負債總額</b>	<b>876</b>	<b>12,961</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (c) Changes in accounting policies (continued)

#### HKFRS 16, Leases (continued)

#### (c) Impact on the financial result, segment results and cash flows of the Group

After the initial recognition of right-of-use assets and lease liabilities as at 1 July 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. The adoption of HKFRS 16 does not have material impact on the financial results and segment results of the Group for the year ended 30 June 2020.

In the consolidated statement of cash flows, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element (see note 17(b)). These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a change in presentation of cash flows within the consolidated statement of cash flows (see note 17(c)).

#### (d) Lessor accounting

The accounting policies applicable to the Group as a lessor remain substantially unchanged from those under HKAS 17.

## 2. 重要會計政策(續)

### (c) 會計政策的變動(續)

#### 香港財務報告準則第十六號，「租賃」(續)

#### (c) 對本集團財務業績、分部業績及現金流量之影響

於二零一九年七月一日初始確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債未付結存所產生之利息費用及使用權資產折舊，而非根據先前政策於租賃期內以直線法確認經營租賃項下所產生之租金費用。採納香港財務報告準則第十六號對本集團截至二零二零年六月三十日止年度之財務業績及分部業績不會構成重大之影響。

於綜合現金流量表中，本集團作為承租人須將資本化租賃項下所付之租金分為資本部份及利息部份(見附註17(b))。該等部份分類為融資現金流出(與先前根據香港會計準則第十七號分類為融資租賃之租賃處理方法相若)，而非根據香港會計準則第十七號以經營現金流出處理。儘管現金流量總額未受影響，惟採用香港財務報告準則第十六號導致綜合現金流量表中現金流量之呈列方式出現變動(見附註17(c))。

#### (d) 出租人會計處理

適用於本集團作為出租人之會計政策與香港會計準則第十七號所規定大致保持不變。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability.

## 2. 重要會計政策(續)

### (d) 附屬公司及非控制權益

附屬公司為本集團所控制之實體。當本集團從參與某實體之業務獲得或有權獲得可變回報，及有能力藉對實體行使其權力而影響該等回報，則本集團控制該實體。當評估本集團是否有權力時，只考慮具體權利(由本集團及其他人士持有)。

於附屬公司之投資於擁有控制權日期起獲合併至綜合財務報表，直至該控制權終止為止。集團內部往來之結餘、交易、現金流量及因內部往來交易而產生之任何未變現溢利，均於編製綜合財務報表時全數抵銷。在無出現減值之情況下，集團內部交易所產生之未變現虧損，會按與未變現溢利相同之方法抵銷。

非控制權益指並非由本公司直接或間接擁有的應佔附屬公司的權益，而本集團未與該等權益的持有者同意任何額外條款而令本集團整體對該等權益產生符合金融負債的定義的合約責任。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (d) Subsidiaries and non-controlling interests

(continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(f)) or, when appropriate, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(k)(ii)).

## 2. 重要會計政策(續)

### (d) 附屬公司及非控制權益(續)

非控制權益列入綜合財務狀況表的權益賬內，與本公司股權持有人應佔權益分開列賬。至於非控制權益應佔集團業績的權益，則於綜合損益表及綜合損益及其他全面收益表內列報，並作為非控制權益與本公司股權持有人於損益賬及全面收益總額的一個分配項目。

當本集團於一附屬公司權益出現變動，但並無失去控制權，須以權益交易入賬，而在綜合權益內以調整控股股東及非控制股東權益的數額去反映有關權益變動，但對商譽則不作調整及無收益或損失被確認。

當本集團失去一附屬公司的控制權，須以出售全部於該附屬公司權益入賬，並在損益賬內確認最終收益或損失。於失去控制該前附屬公司控制權當日而保留的任何權益則以公平價值確認，而該數額被視為首次以公平價值確認的金融資產(參閱附註2(f))或，如適當，被視為首次確認投資於一間合營企業或聯營公司的成本。

於本公司之財務狀況表內，於一家附屬公司之投資按成本扣除減值虧損列示(見附註2(k)(ii))。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (e) Goodwill

Goodwill represents the excess of (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(k)(ii)).

On disposal of a cash-generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

### (f) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(t)(iii)).

## 2. 重要會計政策(續)

### (e) 商譽

商譽代表以下的超越值(i)代價的公平價值、被收購者的非控制權益數額及集團從前已持有被收購者股本權益的公平價值的總額；超越(ii)於收購當日，被收購者的可區別資產及負債的淨公平價值。

當(ii)超越(i)時，該超越值即時在損益賬內確認為議價收購收益。

商譽按成本減累計減值虧損列賬。業務合併產生之商譽分配至預計將會受惠於合併之協同作用之各現金產生單位或現金產生單位的組別，並於每年進行減值測試(見附註2(k)(ii))。

於年度內出售的現金產生單位時，應佔商譽部份將撥入出售盈利或虧損中計算。

### (f) 權益投資以外的投資

本集團持有的非權益投資分類為以下其中一個計量類別：

- 攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為獲得本金及利息付款。投資所得利息收入乃使用實際利率法計算(見附註2(t)(iii))。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (f) Investments other than equity investments (continued)

Non-equity investments held by the Group are classified into one of the following measurement categories: (continued)

- fair value through other comprehensive income (“FVOCI”) – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- fair value at profit or loss (“FVPL”) if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

### (g) Derivative financial instruments

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

## 2. 重要會計政策(續)

### (f) 權益投資以外的投資(續)

本集團持有的非權益投資分類為以下其中一個計量類別：(續)

- 透過其他全面收益按公平價值列賬 – 可劃轉，倘投資的合約現金流量僅包括本金及利息付款，且投資乃按其目的為同時收取合約現金流量及出售的業務模式持有。公平價值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兌收益及虧損則於損益賬確認。當投資終止時，於其他全面收益累計的金額從權益劃轉至損益賬。
- 透過損益賬以公平價值列賬，倘投資不符合按攤銷成本計量或透過其他全面收益按公平價值列賬(可劃轉)的標準。投資的公平價值變動(包括利息)於損益賬確認。

### (g) 衍生金融工具

衍生金融工具先按公平價值確認，並在每個報告期終日重新計量。於按公平價值重新計量時所得收益或虧損即時計入損益賬中。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (h) Property, plant and equipment

Right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest and items of property, plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment, are stated at cost less accumulated depreciation and impairment losses (see note 2(k)(ii)). The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its present working condition and location for its intended use. Expenditure incurred after an item of property, plant and equipment has 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 situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of the property, plant and equipment.

Construction in progress is stated at cost less impairment losses (see note 2(k)(ii)). Cost comprises direct costs of construction, capitalised borrowing costs and exchange differences to the extent that it is an adjustment to borrowing costs during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to property, plant and equipment when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

## 2. 重要會計政策(續)

### (h) 物業、廠房及設備

當本集團並非物業權益之註冊擁有人時，租賃物業之租賃所產生之使用權資產及物業、廠房及設備之其他項目，包括租賃相關廠房及設備所產生之使用權資產乃按成本減累計折舊及減值虧損列賬(見附註2(k)(ii))。資產的成本值包括購入的代價，加上將該項資產達至擬定現有用途的狀態及運送至運作地點而支付的費用。在物業、廠房及設備投入運作後的支出，如維修及保養，均通常於作出該等支出的期間在損益賬中列作費用。倘若能清楚顯示出該等支出能增加預計於日後運用該項物業、廠房及設備而產生的未來經濟效益，則該等支出將撥作該項物業、廠房及設備的額外成本。

在建工程以成本減除減值虧損列賬(見附註2(k)(ii))。成本包括建設與安裝期內的直接建設成本、資本化借貸成本及匯兌差額的調整。待資產投入擬定用途所需的準備工作大致完成時，這些成本便會停止資本化，而在建工程也會被轉撥到物業、廠房及設備。在建工程在完工並可隨時投入擬定用途前，不計提任何折舊準備。

報廢或出售物業、廠房及設備項目所產生之收益或虧損為出售該項目所得款項淨額與該項目賬面值之差額，並於報廢或出售當日在損益賬內確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (h) Property, plant and equipment (continued)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

Leasehold land is depreciated over the unexpired term of lease.

Buildings and leasehold improvements	2-25 years
Machineries, equipment, furniture and motor vehicles	3-20 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

### (i) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(k)(ii)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Enterprise planning resources system ("ERP")	5 years
Trademarks	5 years

Both the period and method of amortisation are reviewed annually.

## 2. 重要會計政策(續)

### (h) 物業、廠房及設備(續)

物業、廠房及設備按其估計可用年期(如下)以直線法撇減其成本減除其估計剩餘價值(如適用):

租賃土地按未屆滿租賃期折舊。

樓宇及裝修	2-25年
機器、設備、傢俬及汽車	3-20年

倘一項物業、廠房及設備中之不同部份有不同之可使用年期,該項目之成本將合理地分配至各部份,而各部份則獨立計提折舊。資產之可用年期及估計剩餘價值將於每年檢討。

### (i) 無形資產(商譽除外)

本集團收購之無形資產按成本減累計攤銷(若可使用年期有限)及減值虧損(見附註2(k)(ii))列賬。內部產生商譽及品牌之支出於產生期間確認為開支。

可使用年期有限之無形資產,以直線法在預計可使用年期內,在損益賬攤銷。下列可使用年期有限之無形資產,從可使用日起開始攤銷,而其預計可使用年期如下:

企業資源計劃系統	5年
商標	5年

每年均檢討攤銷年期及方式。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (j) Leased assets

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

#### (i) As a lessee

##### (A) Policy applicable from 1 July 2019

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

## 2. 重要會計政策(續)

### (j) 租賃資產

於合同開始時，本集團會評估合同是否屬租賃或包含租賃。倘合同為換取代價而給予在一段時間內控制已識別資產使用之權利，則該合同屬租賃或包含租賃。倘客戶既有權指示已識別資產之使用，亦有權自該使用中獲得絕大部分經濟利益，則控制權已轉移。

#### (i) 作為承租人

##### (A) 自二零一九年七月一日起適用之政策

於租賃開始日期，除租賃期為十二個月或以下之短期租賃及低價值資產租賃外，本集團確認使用權資產及租賃負債。倘本集團就低價值資產訂立租賃，則本集團決定是否按個別租賃基準將租賃資本化。與該等未資本化租賃相關之租賃付款在租賃期內有系統地確認為開支。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (j) Leased assets (continued)

#### (i) As a lessee (continued)

##### (A) Policy applicable from 1 July 2019 (continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(h) and 2(k)(ii)).

## 2. 重要會計政策(續)

### (j) 租賃資產(續)

#### (i) 作為承租人(續)

##### (A) 自二零一九年七月一日起適用之政策(續)

倘租賃已資本化，租賃負債初步按租賃期內應付租賃付款現值確認，並按租賃中所隱含之利率貼現，或倘該利率不能輕易釐定，則以相關遞增貸款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。租賃負債之計量不包括並非依據某一指數或利率之可變租賃付款，因此於其產生之會計期間於損益賬中扣除。

於資本化租賃時確認之使用權資產初步時按成本計量，當中包括租賃負債之初始金額加上於開始日期或之前已支付之任何租賃付款，以及所產生之任何初始直接成本。於適用情況下，使用權資產之成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在場所而產生之估計成本，按其現值貼現並扣除任何已收之租賃獎勵。使用權資產其後列入成本減累計折舊及減值虧損(見附註2(h)及2(k)(ii))。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (j) Leased assets (continued)

#### (i) As a lessee (continued)

(A) Policy applicable from 1 July 2019  
(continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in "Leasehold land and property, plant and equipment" and presents lease liabilities separately in the statement of financial position.

## 2. 重要會計政策(續)

### (j) 租賃資產(續)

#### (i) 作為承租人(續)

(A) 自二零一九年七月  
一日起適用之政策  
(續)

當未來租賃付款因某一指數或利率變化而出現變動，或本集團預期根據餘值擔保估計應付之金額有變，或因重新評估本集團是否合理確定將行使購買、續租或終止選擇權而產生變化，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產之賬面值將作相應調整，或倘使用權資產之賬面值已調減至零，則於損益賬內列賬。

本集團於財務狀況表獨立呈列使用權資產於「租賃土地及物業、廠房及設備」及租賃負債。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (j) Leased assets (continued)

#### (i) As a lessee (continued)

##### (B) Policy applicable prior to 1 July 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group acquired the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets were recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, were recorded as obligations under finance leases. Depreciation was provided at rates which wrote off the cost of the assets over the term of the relevant lease or, where it was likely the Group would obtain ownership of the asset, the life of the asset, as set out in note 2(h). Impairment losses were accounted for in accordance with the accounting policy as set out in note 2(k)(ii). Finance charges implicit in the lease payments were charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

## 2. 重要會計政策(續)

### (j) 租賃資產(續)

#### (i) 作為承租人(續)

##### (B) 於二零一九年七月一日前適用之政策

於可比較期間，當租賃將擁有權之絕大部份風險及回報轉予本集團時，本集團(作為承租人)將租賃分類為融資租賃。並未將擁有權之絕大部份風險及回報轉予本集團之租賃，則歸類為經營租賃。

若本集團以融資租賃收購資產使用權，租賃資產之公平價值數額或最低租賃金額之現值之較低者，將列入物業、廠房及設備及相關負債(扣除融資費用)列作融資租賃承擔。折舊為於相關租賃有效期間或資產可用期限之期間(若本集團將取得資產所有權)，按撇銷資產成本之比率計算(見附註2(h))。減值虧損按照附註2(k)(ii)所載之會計政策入賬。租賃金額所包含之融資費用將於租賃期間計入損益賬內，藉此在每個會計期間以一個相若的息率計算負債餘額的融資費用。或然租金將於產生之會計期間計入損益賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (j) Leased assets (continued)

#### (i) As a lessee (continued)

(B) Policy applicable prior to 1 July 2019  
(continued)

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

#### (ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

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. The rental income from operating leases is recognised in accordance with note 2(t)(ii).

## 2. 重要會計政策(續)

### (j) 租賃資產(續)

#### (i) 作為承租人(續)

(B) 於二零一九年七月  
一日前適用之政策  
(續)

如本集團是以經營租賃持有資產之使用權，則根據租賃作出之付款在租賃期所涵蓋之會計期間內，以等額在損益賬內扣除；惟其他基準能更清楚地反映租賃資產所產生之收益模式除外。租賃所涉及之獎勵均在損益賬中確認為淨租賃款項總額之組成部分。或然租金將於產生之會計期間計入損益賬。

#### (ii) 作為出租人

倘本集團作為出租人，其將於租賃開始時釐定各租賃是否屬融資租賃或經營租賃。倘租賃向承租人轉移相關資產擁有權附帶之絕大部分風險及回報，該租賃應分類為融資租賃。否則，該租賃則分類為經營租賃。

倘合同包含租賃及非租賃部分，本集團會按照相對獨立售價基準將合約代價分配至各部分。來自經營租賃之租金收入根據附註2(t)(ii)確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (k) Credit losses and impairment of assets

#### (i) Credit losses from financial assets

The loss allowance of trade receivables is measured at an amount equal to lifetime expected credit losses ("ECLs"), which are those losses that are expected to occur over the expected life of the trade receivables. The loss allowance is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial assets (including cash and short term funds and other receivables), the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial assets since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are remeasured at each reporting date with any changes recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss with a corresponding adjustment to the carrying amount of financial assets through a loss allowance account.

## 2. 重要會計政策(續)

### (k) 信貸虧損及資產減值

#### (i) 金融資產產生之信貸虧損

貿易應收賬款之虧損撥備是按整個存續期的預期信貸虧損之金額計量，該虧損預期於貿易應收賬之整個存續期所產生。該等虧損撥備乃根據本集團過往信貸虧損經驗，使用撥備矩陣予以估算，並就債務人之特有因素及對報告日現時及預測整體經濟狀況的評估進行調整。

至於其他金融資產(包括現金及短期資金及其他應收賬款)，本集團會以相等於十二個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該金融資產的信貸風險顯著增加，在此情況下，虧損撥備會以整個存續期的預期信貸虧損金額計量。

預期信貸虧損在每個報告日重新計量，並在損益賬中確認為減值收益或虧損。本集團確認金融資產的減值收益或虧損時，會對其賬面價值於虧損撥備賬戶進行相應調整。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (k) Credit losses and impairment of assets

(continued)

#### (i) Credit losses from financial assets

(continued)

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

#### (ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- leasehold land and property, plant and equipment (including construction in progress and right-of-use assets);
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

## 2. 重要會計政策(續)

### (k) 信貸虧損及資產減值(續)

#### (i) 金融資產產生之信貸虧損(續)

如果沒有實際可回收的前景，金融資產的賬面總額(部分或全部)會被撇銷。一般情況下，撇銷金額是本集團認為債務人沒有資產或收入來源可產生足夠的現金流以償還該款項。

以往撇銷的資產的後續回收在回收期間被確認為減值回撥計入損益賬。

#### (ii) 其他非流動資產的減值

本集團於每個報告期終日需檢討內部及外來資料來源，以辨識下列資產是否需作減值，或之前所確認之減值虧損(商譽減值虧損除外)是否已不再存在或可能已經減少：

- 租賃土地及物業、廠房及設備(包括在建工程及使用權資產)；
- 無形資產；
- 商譽；及
- 本公司財務狀況表中之於附屬公司之投資。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (k) Credit losses and impairment of assets

(continued)

#### (ii) Impairment of other non-current assets

(continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

– Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit ("CGU")).

## 2. 重要會計政策(續)

### (k) 信貸虧損及資產減值(續)

#### (ii) 其他非流動資產的減值

(續)

倘若有任何跡象顯示上述情況，資產的可收回價值將會被評估。此外，即使並無任何減值跡象，商譽及未可使用及無既定可使用期限的無形資產仍按年進行減值評估。

– 計算可收回價值

資產的可收回價值是按其公平價值減出售成本或使用價值中的較高者。在衡量使用價值時，預計未來現金流量將按除稅前折現率計算折現值，以反映市場目前對金錢的時間值和該資產的特定風險的評估。倘某項資產所產生之現金流並非大致上獨立於其他資產的現金流，則按獨立產生現金流的最小一組資產組合(即一個現金產生單位)來釐定可收回的價值。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (k) Credit losses and impairment of assets

(continued)

#### (ii) Impairment of other non-current assets

(continued)

– Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

## 2. 重要會計政策(續)

### (k) 信貸虧損及資產減值(續)

#### (ii) 其他非流動資產的減值

(續)

– 確認減值虧損

若資產或其所屬現金生產單位的賬面值超逾其可收回價值，則於損益賬確認其減值虧損。為現金產生單位而確認之減值虧損，將首先用以撇減該現金產生單位(或一組單位)之任何商譽之賬面值，然後按比例減少單位(或一組單位)內其他資產之賬面值，但資產的賬面值不可減至低於其扣除出售成本(如能計量)後的公平價值或使用價值(如能確定)。

– 減值虧損之回撥

有關商譽以外的資產，如果用作釐定資產可收回價值的估計數額出現正面的改變，有關減值虧損將會回撥。但商譽之減值虧損則不會被回撥。

減值虧損之回撥額不會超過假設該資產往年從來沒有確認減值虧損而釐定之賬面值。減值虧損之回撥將於確認回撥之年度內計入當期損益賬中。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (I) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of work in progress and finished goods, cost comprises direct materials, direct labour and an attributable proportion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

## 2. 重要會計政策(續)

### (I) 存貨

存貨乃以成本及可變現淨值之較低者列賬。成本按加權平均法計算，並計算購買成本、加工成本及為把存貨達致現有場所及狀況而產生的其他成本。半成品及製成品的成本則包括直接原料、直接人工及應佔的部份生產費用。

可變現淨值指正常業務中之估計售價減去完成交易之估計成本及進行銷售所需之估計成本。

出售存貨時，其賬面值於有關收入確認期內確認為開支。任何存貨金額撇減至可變現淨值及存貨之所有虧損均於撇減或虧損之發生期內確認為開支。倘存貨之撇減出現任何回撥，則於回撥出現期內扣減當期存貨費用。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (m) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(t)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(n)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(t)(iii)).

### (n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(k)(i)).

### (o) Cash and short term funds

Cash and short term funds comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and short term funds are assessed for ECL in accordance with the policy set out in note 2(k)(i).

## 2. 重要會計政策(續)

### (m) 合同負債

倘客戶於本集團確認相關收入之前支付代價，則確認合同負債(見附註2(t))。倘本集團擁有無條件權利可於本集團確認相關收入前收取代價，亦將確認合同負債。在此情況下，亦將確認相應之應收賬款(見附註2(n))。

就與客戶的單一合約而言，會呈列合同資產淨值或合同負債淨值。就多項合同而言，無關聯相同的合同資產及合同負債不按淨額基準呈列。

當合同包含一項重大融資成分時，合同結餘按實際利率法累計的利息計入(見附註2(t)(iii))。

### (n) 貿易及其他應收賬款

本集團有無條件權利收取代價時確認應收賬款。倘若經過一段時間是到期支付該代價的唯一前提，則收取代價權利為無條件。

應收賬款採用實際利率法按攤銷成本減信貸虧損撥備列賬(見附註2(k)(i))。

### (o) 現金及短期資金

現金及短期資金包括銀行存款及現金、存放於銀行和其他財務機構之活期存款，及短期與高流動性之投資。該等投資可隨時換算為已知數額之現金，而其價值變動風險不大。現金及短期資金乃根據附註2(k)(i)所載的政策評估預期信貸虧損。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (p) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### (q) Employee benefits

#### (i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

#### (ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

## 2. 重要會計政策 (續)

### (p) 貿易及其他應付賬款

貿易及其他應付賬款按公平價值初始確認。其後按攤銷成本入賬，惟若折現影響並不重大，則按成本入賬。

### (q) 僱員福利

#### (i) 短期僱員福利及向定額供款退休計劃之供款

薪酬、年終花紅、有薪年假、向定額供款退休計劃之供款及非金錢福利之成本均於僱員提供有關服務之年度計提。若付款或結算期被推延及其影響屬重大，該金額將按折現值入賬。

#### (ii) 股權支付

授予僱員之股份認購權公平價值會確認為僱員成本，而權益中的股份認購權儲備亦相應增加。公平價值乃採用「柏力克-舒爾斯」模型，按股份認購權授出日期計算，並已考慮授予股份認購權之條款。當僱員須符合歸屬期條件才可無條件享有該等股份認購權，預計公平價值總額在歸屬期內攤分入賬，並已考慮股份認購權歸屬的或然率。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (q) Employee benefits (continued)

#### (ii) Share-based payments (continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to revenue reserve).

#### (iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

## 2. 重要會計政策(續)

### (q) 僱員福利(續)

#### (ii) 股權支付(續)

估計可歸屬股份認購權之數目須在歸屬期內作出檢討。除非原僱員支出符合資產確認之要求，任何已在往年確認的累積公平價值之調整須在檢討期內之損益賬中扣除／計入，並在股份認購權儲備作相應調整。已確認為支出的數額將在歸屬日作出調整，以反映所給予股份認購權的實際數目(同時對股份認購權儲備作相應調整)；但只會在無法符合與本公司股份市價相關的生效條件時方會放棄行使權。權益金額在股份認購權儲備確認，直至當認購權被行使時(股份發行時確認為股本金額)，或當認購權之有效期屆滿時(直接轉入收益儲備)。

#### (iii) 離職福利

當本集團不能取消提供該福利時或當集團把有關離職福利的重組成本入賬時(以較早者為準)，該離職福利會被入賬。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they related to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

## 2. 重要會計政策(續)

### (r) 所得稅

本年度所得稅包括本年稅項及遞延稅項資產和負債的變動。除某些在其他全面收益或直接確認於權益內關於已確認於的項目之相關稅項應分別記入其他全面收益或直接確認於權益內外，其他本年度稅項及遞延稅項資產及負債的變動則於損益賬確認。

本年稅項是指年內就應課稅收入按報告期終日已生效或實質上已生效的稅率計算之預期應付稅項，並已包括以往年度應付稅項的任何調整。

遞延稅項資產和負債分別由可扣稅及應課稅暫時差異產生，而暫時差異乃資產及負債在財務報表上的賬面值與這些資產及負債的納稅基礎兩者之差異。遞延稅項資產亦由未動用之稅務虧損及未動用之稅款抵免產生。

除若干有限的例外情況外，所有遞延稅項負債，以及未來可能有應課稅溢利可供抵免的相關遞延稅項資產均予確認。支持確認由可抵扣暫時差異所產生遞延所得稅資產的未來應課稅溢利包括因回撥目前存在的應課稅暫時差異而產生的數額；惟有關回撥的差異必須與同一稅務機關及同一應課稅實體有關，並預期在可抵扣暫時差異預計回撥的同一期間或遞延所得稅資產所產生可抵扣虧損可向後期或向前期結轉的期間內回撥。在決定目前存在的應課稅暫時差異是否足以支持確認由未利用可抵扣虧損和稅款抵減所產生的遞延所得稅資產時，亦會採用同一準則，即差異是否與同一稅務機關及同一應課稅實體有關，以及是否預期在能夠使用未利用可抵扣虧損及稅款抵免的同一期間內回撥。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (r) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

## 2. 重要會計政策(續)

### (r) 所得稅(續)

確認遞延稅項資產及負債的有限特別情況，包括不可扣稅的商譽所產生的暫時差異，以及不影響會計或應課稅溢利(惟並非業務合併之其中部份)的資產及負債之初始確認，以及有關於附屬公司之投資之暫時差異(就可課稅差異而言，則本集團可控制回撥時間及差異於可見將來或不能回撥，或就可扣減差異而言，則除非差異可於未來回撥)。

確認遞延稅項的金額是根據該項資產及負債的賬面值之預期變現或償還方式，按在報告期終日已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

本集團於各報告期終日重新審閱遞延稅項資產的賬面值，對預期不再可能有足夠應課稅溢利以實現相關稅務利益的遞延稅項資產予以扣減。若日後可能出現足夠的應課稅溢利時，則有關扣減予以回撥。

因宣派股息所產生的額外所得稅於支付有關股息的責任確立時確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (r) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separated from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

## 2. 重要會計政策(續)

### (r) 所得稅(續)

當期所得稅結餘及遞延所得稅結餘及其變動額會分開列示，並且不予抵銷。當期及遞延所得稅資產僅會在本公司或本集團有法定行使權以當期所得稅資產抵銷當期所得稅負債，並且符合以下附帶條件的情況下，才可以分別抵銷當期及遞延所得稅負債：

- 當期所得稅資產與負債：本公司或本集團計劃按淨額基準結算，或同時變現該資產和結算該負債；或
- 遞延所得稅資產與負債：這些資產與負債必須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一應課稅實體；或
  - 不同的應課稅實體。這些實體計劃在日後每個預計有大額遞延所得稅負債需要結算或大額遞延所得稅資產可以收回的期間內，按淨額基準實現當期所得稅資產和結算當期所得稅負債，或同時變現該資產和結算該負債。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (s) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### (t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

## 2. 重要會計政策(續)

### (s) 撥備及或然負債

若本集團須就已發生的事件承擔法律或推定責任，因而預期很可能導致經濟效益外流，在可以作出可靠的估計時，便會就該時間或數額不定的負債計提準備。若貨幣時間值屬重大，撥備須按預期結算責任之支出現值入賬。

若流出經濟利益之可能性較低，或相關數額未能作出可靠估計時，該責任將披露為或然負債，惟流出經濟利益之可能性渺茫者除外。僅由於一項或多項未來事項之發生或不發生而確認是否存在之可能責任亦須披露為或然負債，惟流出經濟利益之可能性渺茫者除外。

### (t) 收入及其他收入

本集團將其日常業務過程中源自銷售貨品、提供服務或其他人士使用本集團租賃資產產生收入時分類為收入。

收入於產品或服務的控制權轉移至客戶或承租人有權使用資產時確認，按本集團預期有權獲取的承諾代價的金額(不包括代表第三方收取的金額)。收入不包含增值稅或其他銷售稅，並經扣除任何貿易折扣。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (t) Revenue and other income (continued)

Further details of the Group's revenue and other income recognition policies are as follows:

#### (i) Sale of goods

Sales of the Group's products are recognised when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and/or services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

#### (ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term.

#### (iii) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(k)(i)).

## 2. 重要會計政策(續)

### (t) 收入及其他收入(續)

本集團收入及其他收入確認政策的進一步詳情如下：

#### (i) 銷售貨品

本集團的貨物銷售於客戶擁有及接納產品時確認。倘該等產品為部分履行涵蓋其他產品及／或服務之合約，則確認收入之金額為合同項下交易總額之合適比例，按照相對獨立售價基準在根據合同協定之所有貨物及服務之間分配。

#### (ii) 經營租賃的租金收入

經營租賃的應收租金收入在租期所涉期間，以等額分期款項於損益賬確認。

#### (iii) 利息收入

利息收入採用實際利率法於產生時確認。就按攤銷成本或其他全面收益按公平價值列賬(可劃轉)計量且並無出現信貸減值之金融資產而言，實際利率乃應用於資產之賬面總值。就已出現信貸減值之金融資產而言，實際利率乃應用於資產之攤銷成本(即經扣除虧損撥備之賬面總值)(見附註2(k)(i))。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (t) Revenue and other income (continued)

#### (iv) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

### (u) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

## 2. 重要會計政策(續)

### (t) 收入及其他收入(續)

#### (iv) 政府補助

政府補助於可合理確保本集團將收取政府補助且將遵守其所附帶之條件時於綜合財務狀況表初步確認。用於補償本集團已產生開支之補助於開支產生之同一期間有系統地於損益賬中確認為收入。補償本集團資產成本之補助乃於資產賬面值扣除，並根據該項資產之可使用期間以減少折舊開支之方式於損益賬內平均確認。

### (u) 外幣換算

年內之外幣交易按交易日之外幣匯率換算。以外幣為單位之貨幣資產及負債按報告期終日之外幣匯率換算。匯兌損益在損益賬確認。

以歷史成本計量之外幣非貨幣資產及負債按交易日之外幣匯率換算。以外幣為單位並以公平價值列賬之非貨幣資產及負債按計量公平價值當日之外幣匯率換算。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (u) Translation of foreign currencies (continued)

The results of operations outside Hong Kong are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of operations outside Hong Kong acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates at the end of reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of an operation outside Hong Kong acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the operation outside Hong Kong.

On disposal of an operation outside Hong Kong, the cumulative amount of the exchange differences relating to that operation outside Hong Kong is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

### (v) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
  - (a) has control or joint control over the Group;
  - (b) has significant influence over the Group; or
  - (c) is a member of the key management personnel of the Group or the Group's parent.

## 2. 重要會計政策(續)

### (u) 外幣換算(續)

海外業務之業績按交易日期之外幣匯率換算為港幣。財務狀況表項目(包括二零零五年一月一日或之後收購香港以外之業務綜合計算時產生之商譽)則按報告期終日之外幣匯率換算為港幣。所產生之匯兌差額確認在其他全面收益及獨立累計在權益中的匯兌儲備。二零零五年一月一日前收購香港以外之業務綜合計算時產生之商譽乃按收購該海外業務當日之外幣匯率換算。

出售香港以外之業務並於確認出售損益時，與該香港以外之業務有關之累計匯兌差額，將從權益重分類到損益賬中。

### (v) 關連人士

- (i) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
  - (a) 控制或共同控制本集團；
  - (b) 對本集團有重大影響；或
  - (c) 為本集團或本集團母公司的主要管理層成員。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (v) Related parties (continued)

- (ii) An entity is related to the Group if any of the following conditions applies:
  - (a) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (c) Both entities are joint ventures of the same third party.
  - (d) One entity is a joint venture of a third party and the other entity is an associate of the third entity.
  - (e) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
  - (f) The entity is controlled or jointly controlled by a person identified in (i).

## 2. 重要會計政策(續)

### (v) 關連人士(續)

- (ii) 倘符合下列任何條件，即實體與本集團有關連：
  - (a) 該實體與本公司屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
  - (b) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
  - (c) 兩間實體均為同一第三方的合營企業。
  - (d) 一間實體為第三方的合營企業，而另一實體為該第三方實體的聯營公司。
  - (e) 實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
  - (f) 實體受(i)所識別人土控制或受共同控制。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 2. Significant Accounting Policies

(continued)

### (v) Related parties (continued)

- (ii) An entity is related to the Group if any of the following conditions applies: (continued)
- (g) A person identified in (i)(a) 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).
- (h) 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 Group's parent.

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

### (w) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

## 2. 重要會計政策(續)

### (v) 關連人士(續)

- (ii) 倘符合下列任何條件，即實體與本集團有關連：  
(續)
- (g) 於(i)(a)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (h) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員。

### (w) 分部報告

營運分部及財務報表所呈報之各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員之財務資料而確定。

就財務報告而言，個別重要營運分部不會綜合呈報，除非這些分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用之方式及監管環境性質方面類似。倘獨立而言並非屬重要之營運分部共同擁有上述大部分特徵，則可綜合呈報。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 3. Accounting Estimates and Judgement

#### Key sources of estimation uncertainty

In the process of applying the Group's accounting policies, management has made various estimates based on past experiences, expectations of the future and other information. Note 23 contains information about the assumptions and their risk factors relating to fair value of share options granted. Other key sources of estimation uncertainty that may significantly affect the amounts recognised in the financial statements are disclosed below:

#### (a) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives, after taking into account of their estimated residual value. The determination of the useful lives and residual value involve management's estimation.

The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the assessment result differs from the original estimate, such a difference may impact the depreciation for the year. The details of property, plant and equipment are disclosed in note 12.

#### (b) Impairment of leasehold land and property, plant and equipment and goodwill

Determining whether leasehold land and property, plant and equipment and goodwill are impaired requires an estimation of the value in use of the cash-generating units to which the leasehold land and property, plant and equipment and goodwill have been allocated. The calculation of value in use requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. If the estimation of value in use is different, any reversal or further impairment will impact the profits or losses of the Group. The details of leasehold land and property, plant and equipment and goodwill are disclosed in notes 12 and 13 respectively.

### 3. 會計估計及判斷

#### 估計不確定性之主要來源

於應用本集團會計政策時，管理層會根據過往的經驗、對將來的預測及其他資料，作出不同的估計。與股份認購權的公平價值有關的假設及風險因素於附註23論述。其他估計不確定性的主要來源可能對財務報表內確認的數額帶來重大影響，在下文披露：

#### (a) 物業、廠房及設備折舊

物業、廠房及設備在扣除其估計剩餘價值後，以直線方法按其可使用年期計算折舊。可使用年期及剩餘價值的決定涉及管理層的估計。

本集團每年均會評估物業、廠房及設備的剩餘價值及可使用年期，若預期和原本的估計不同，有關差異或會影響本年度之折舊。物業、廠房及設備的詳情於附註12內披露。

#### (b) 租賃土地及物業、廠房及設備及商譽之減值

決定租賃土地及物業、廠房及設備及商譽有否減值須估計租賃土地及物業、廠房及設備及商譽所分配的現金產生單位的使用價值。計算使用價值時是需要本集團估計預期來自現金產生單位的未來現金流量和計算現值的合適折現率。如使用價值之估計不相同，所有回撥及進一步減值會對本集團之損益賬有所影響。租賃土地及物業、廠房及設備及商譽的詳情分別於附註12及13內披露。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 3. Accounting Estimates and Judgement (continued)

#### Key sources of estimation uncertainty (continued)

##### (c) Income taxes

At 30 June 2020, deferred tax assets of HK\$5,199,000 (2019: HK\$4,762,000) in relation to unused tax losses were recognised as set out in note 20. No deferred tax asset was recognised in respect of the remaining tax losses of HK\$249,263,000 (2019: HK\$256,181,000) and temporary differences of HK\$79,705,000 (2019: HK\$103,322,000) arising from impairment of certain leasehold land and property, plant and equipment due to the unpredictability of future taxable profit streams. The realisability of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the future profits generated are less or more than expected, a write down or further recognition of deferred tax assets may arise, which would be recognised in the profit or loss for the period in which such a write down or further recognition takes place.

##### (d) Provision for expected credit loss of trade receivables

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

The provision of ECLs is sensitive to changes in circumstances and of forecast general economic conditions. The information about the ECLs and trade receivables are disclosed in note 24(a). If the financial condition of the customers or the forecast economic conditions were to deteriorate, actual loss allowance would be higher than estimated.

### 3. 會計估計及判斷(續)

#### 估計不確定性之主要來源(續)

##### (c) 所得稅

於二零二零年六月三十日，未用稅務虧損之相關確認遞延稅項資產為港幣5,199,000元(二零一九年：港幣4,762,000元)，並已載於附註20內。由於不能預計未來盈利趨勢，故不會對餘下稅務虧損港幣249,263,000元(二零一九年：港幣256,181,000元)及因對若干租賃土地及物業、廠房及設備減值而產生港幣79,705,000元(二零一九年：港幣103,322,000元)的暫時性差異作出確認。遞延稅項資產主要由是否有足夠未來溢利或應繳稅暫時性差異決定其變現能力。假若未來實際溢利少或多於預期，遞延稅項資產會回撥或進一步確認，有關回撥或進一步確認會於該期間之損益賬確認。

##### (d) 貿易應收賬款的預期信貸虧損撥備

本集團使用撥備矩陣計算貿易應收賬款的預期信貸虧損。撥備矩陣，乃基於管理層對將產生的整個存續期之預期信貸虧損之估算，其藉考量信貸虧損經驗、逾期貿易應收賬款賬齡、客戶還款記錄和客戶財政狀況及對現時和預測整體經濟狀況的評估來估量，當中各項均涉及重大程度的管理層判斷。

預期信貸虧損撥備極易受到環境變化和預測整體經濟狀況所影響。有關預期信貸虧損及貿易應收賬款的資料於附註24(a)披露。倘若客戶的財務狀況或預測的經濟狀況惡化，實際虧損撥備將會高於估計。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. Segment Reporting

In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, the Group has two reportable segments, as described below. Businesses in each reporting segment have similar operating and currency risks, class of customer for products, distribution channels and safety regulation. The following summary describes the operations in each segment:

**Food:** manufacture and distribution of a wide range of food products including flour, edible oils and specialty fats, and trading and distribution of health products.

**Home Care:** manufacture and distribution of household and institutional cleaning products.

#### (a) Segments results, assets and liabilities

The Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

The measure used for reporting segment profit is "profit from operations". To arrive at "profit from operations", the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as head office or corporate administration costs.

Segment assets include all tangible assets, intangible assets and current assets with the exception of deferred tax assets and other corporate assets. Segment liabilities include tax payables, all trade and other payables and contract liabilities attributable to the manufacturing and sales activities of the individual segments and lease liabilities with the exception of deferred tax liabilities and other corporate liabilities.

### 4. 分部報告

本集團已呈報兩個可呈報分部，方式與向本集團最高層行政管理人員內部呈報資料的方式一致。每個營運分部的業務有相類似的經營及貨幣風險、產品顧客類別、分銷渠道和安全規則。下文概述各分部之營運：

**食品：** 製造及分銷一系列食品產品，包括麵粉，食用油及特種油脂，以及貿易及分銷健康產品。

**家居護理：** 製造及分銷家用及工業用途之清潔用品。

#### (a) 分部業績、資產及負債

本集團最高層行政管理人員根據下列事項監控各需作報告分部之業績、資產及負債：

用於報告分部溢利之表示方法為「經營溢利」。為了得出「經營溢利」，本集團之盈利就並無明確歸於個別分部之項目（如總公司或企業行政成本）作出進一步調整。

分部資產包括所有有形資產，無形資產和流動資產，但遞延稅項資產和其他公司資產除外。分部負債包括應付稅項，各個分部的製造及銷售活動應佔的所有貿易及其他應付賬款及合同負債及租賃負債，惟遞延稅項負債及其他企業負債除外。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. Segment Reporting (continued)

### 4. 分部報告(續)

#### (a) Segments results, assets and liabilities (continued)

#### (a) 分部業績、資產及負債(續)

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management is set out below:

按收入確認時間分類之源自客戶合同的收入，以及向本集團最高層行政管理人員之本集團可呈報分部資料載列如下：

		2020 二零二零年			2019 二零一九年		
		Food 食品 HK\$'000 港幣千元	Home Care 家居護理 HK\$'000 港幣千元	Segment Total 分部總計 HK\$'000 港幣千元	Food 食品 HK\$'000 港幣千元	Home Care 家居護理 HK\$'000 港幣千元	Segment Total 分部總計 HK\$'000 港幣千元
Disaggregated by timing of revenue recognition on point in time	按某個時點作為收入確認時間分類						
Revenue from external customers	對外客戶之收入	4,375,117	743,923	5,119,040	4,603,540	712,214	5,315,754
Reportable segment profit from operations	可呈報分部之經營溢利	367,632	84,451	452,083	393,892	60,268	454,160
Interest income on financial assets measured at amortised cost	按攤銷成本計量金融資產之利息收入	21,163	4,680	25,843	17,226	2,034	19,260
Finance costs	融資成本	(176)	(32)	(208)	-	-	-
Depreciation and amortisation	折舊及攤銷	(53,533)	(3,048)	(56,581)	(50,962)	(2,169)	(53,131)
Other material profit or loss items:	其他重要損益賬項目：						
- Net exchange gains/(losses)	- 匯兌淨收益/(虧損)	194	(681)	(487)	869	204	1,073
- Loss allowance recognised for trade receivables	- 貿易應收賬款之虧損撥備確認	(93)	-	(93)	(228)	-	(228)
Taxation	稅項	(47,961)	(20,880)	(68,841)	(35,264)	(14,045)	(49,309)
Reportable segment assets	可呈報分部之資產	2,496,136	289,548	2,785,684	2,380,153	262,705	2,642,858
Reportable segment liabilities	可呈報分部之負債	543,637	155,776	699,413	562,867	140,849	703,716
Additions to non-current segment assets	增加的分部非流動資產	74,566	5,182	79,748	103,225	3,951	107,176

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. Segment Reporting (continued)

### 4. 分部報告(續)

#### (b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

#### (b) 可呈報分部之收入、損益賬、資產及負債的對賬

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Revenue</b>	<b>收入</b>		
Reportable segment revenue	可呈報分部之收入	5,119,040	5,315,754
Rental income	租金收入	397	451
Consolidated revenue	綜合收入	5,119,437	5,316,205
<b>Profit</b>	<b>溢利</b>		
Reportable segment profit from operations	可呈報分部之經營溢利	452,083	454,160
Unallocated exchange losses	未分配之匯兌虧損	(2,764)	(3)
Unallocated head office and corporate expenses	未分配之總公司及企業費用	(49,449)	(56,029)
Finance costs	融資成本	(238)	-
Consolidated profit before taxation	綜合除稅前溢利	399,632	398,128
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可呈報分部之資產	2,785,684	2,642,858
Elimination of inter-segment receivables	分部間應收款項之抵銷	(4,005)	(9,196)
Deferred tax assets	遞延稅項資產	2,781,679	2,633,662
Unallocated head office and corporate assets	未分配之總公司及企業資產	26	-
		433,394	428,057
Consolidated total assets	綜合總資產	3,215,099	3,061,719
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可呈報分部之負債	699,413	703,716
Elimination of inter-segment payables	分部間應付款項之抵銷	(4,005)	(9,196)
Deferred tax liabilities	遞延稅項負債	695,408	694,520
Unallocated head office and corporate liabilities	未分配之總公司及企業負債	19,543	11,731
		23,251	20,925
Consolidated total liabilities	綜合總負債	738,202	727,176

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 4. Segment Reporting (continued)

#### (c) Geographical information

The following table sets out information about the geographical location of (i) the reportable segment's revenue from external customers and (ii) the Group's leasehold land and property, plant and equipment, intangible assets and goodwill and prepayments for property, plant and equipment ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the leasehold land and property, plant and equipment is based on the physical location of the assets, in the case of prepayments for property, plant and equipment, the location of operations and in the case of intangible assets and goodwill, the location of the operation to which they are allocated.

### 4. 分部報告(續)

#### (c) 地區資料

下表載列的地理位置資料包括 (i) 可呈報分部對外客戶之收入；及 (ii) 本集團的租賃土地及物業、廠房及設備、無形資產及商譽及物業、廠房及設備預付款項(「指定非流動資產」)。客戶的所屬地區乃根據服務提供或貨物運送之地點而釐定。租賃土地及物業、廠房及設備的所屬地區是按其所在地而定。就物業、廠房及設備預付款項的所屬地區乃根據其營運地點，而無形資產及商譽的所屬地區乃根據其被分配到的營運地點而定。

		2020 二零二零年			2019 二零一九年		
		Hong Kong and Macau 香港及澳門	Mainland China 中國大陸	Total 合計	Hong Kong and Macau 香港及澳門	Mainland China 中國大陸	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue from external customers	對外客戶之收入	744,657	4,374,383	5,119,040	746,543	4,569,211	5,315,754
Specified non-current assets	指定非流動資產	82,790	608,614	691,404	83,764	640,901	724,665

Note: The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See note 2(c).

附註：本集團於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 5. Revenue

The Company is an investment holding company and the principal activities of the principal subsidiaries are set out on pages 229 to 231.

Revenue represents the amounts receivable for the goods sold in the normal course of business, net of discounts, value added tax and other related taxes to external customers as well as rental income.

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

### 5. 收入

本公司為一間投資控股公司，其主要附屬公司的主要業務詳列於第229頁至第231頁。

收入代表在正常業務過程中售予對外客戶，扣除折扣、增值稅和其他相關稅項的應收款項，以及租金收入。

按主要產品或服務分類之源自客戶合同的收入劃分如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>	香港財務報告準則第十五號範圍內之源自客戶合同的收入		
Disaggregated by major products or service lines	按主要產品或服務劃分		
– Sales of goods	– 出售商品	5,119,040	5,315,754
<b>Revenue from other sources</b>	其他收入來源		
Rental income	租金收入	397	451
		<b>5,119,437</b>	<b>5,316,205</b>

Disaggregation of revenue from contracts with customers by the timing of revenue recognition and by geographical markets is disclosed in notes 4(a) and 4(c) respectively.

During the years ended 30 June 2020 and 2019, there was no single external customer that contributed 10% or more of the Group's total revenue from external customers.

按收入確認時間及地區市場劃分之源自客戶合同的收入分別於附註4(a)及4(c)中披露。

截至二零二零年及二零一九年六月三十日止年度，本集團無銷售金額相等於或大於集團對外客戶總收入的百分之十的單一客戶。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 6. Other Income

### 6. 其他收入

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Sales of scrapped materials	出售廢料	429	497
Income from food supply reservation	食品供應儲備收入	9,760	8,181
Net losses on disposal of property, plant and equipment (note (i))	出售物業、廠房及設備之淨虧損(附註(i))	(8,499)	(66)
Interest income on financial assets measured at amortised cost	按攤銷成本計量金融資產之利息收入	32,140	27,250
Net exchange (losses)/gains	匯兌淨(虧損)/收益	(3,251)	1,070
Net realised and unrealised gains/(losses) on derivative financial instruments (note (ii))	衍生金融工具之已變現及未變現淨收益/(虧損)(附註(ii))	4,526	(3,327)
Net unrealised loss on club membership	會籍之未變現淨虧損	(143)	(152)
Government grants income (note (i))	政府補貼收入(附註(i))	30,219	7,766
Others	其他	2,612	2,483
		<b>67,793</b>	43,702

Notes:

- (i) During the year ended 30 June 2020, expenditure relating to the plant relocation project of HK\$22,713,000 (2019: HK\$7,766,000) which mainly included fixed asset write-off of the old plant of HK\$8,325,000 (2019: Nil) and corporate income tax of HK\$11,751,000 (2019: Nil) had been incurred. A corresponding amount of government compensation was then credited to the consolidated statement of profit or loss. The remaining balance of government compensation is deducted from the carrying amount of leasehold land and property, plant and equipment (see note 18(a)(ii)).
- (ii) The Group entered into various foreign exchange forward contracts to manage its foreign currency risk exposures during the year.

附註：

- (i) 截至二零二零年六月三十日止年度，因廠房搬遷項目而產生的費用為港幣22,713,000元(二零一九年：港幣7,766,000元)，主要包括舊廠房固定資產之注銷為港幣8,325,000元(二零一九年：無)及企業所得稅為港幣11,751,000元(二零一九年：無)。相關金額之政府補貼已計入綜合損益表。餘下之政府補貼結餘於租賃土地及物業、廠房及設備之賬面值扣除(見附註18(a)(ii))。
- (ii) 本集團於年內訂立若干外幣遠期合同，以管理所面對的外匯風險。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 7. Profit Before Taxation

### 7. 除稅前溢利

Profit before taxation is arrived at after charging/(crediting):

除稅前溢利已扣除/(計入)下列各項：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Finance costs</b>	<b>融資成本</b>		
Interest on lease liabilities (note 17(b))	租賃負債之利息(附註17(b))	238	-
<b>Staff costs (including directors' emoluments – note 9)</b>	<b>職工成本(包括董事酬金 – 附註9)</b>		
Salaries, wages and other benefits	工資、薪金及其他福利	391,463	357,547
Share-based payment expenses	股權支付費用	78	362
Contribution to defined contribution retirement plans	定額供款退休計劃之供款	18,414	28,971
		<b>409,955</b>	386,880
<b>Auditors' remuneration</b>	<b>核數師酬金</b>		
Audit services	核數服務	1,745	1,755
Tax and other services	稅務及其他服務	981	253
		<b>2,726</b>	2,008
<b>Depreciation and amortisation</b>	<b>折舊及攤銷</b>		
Leasehold land and property, plant and equipment	租賃土地及物業、廠房及設備	63,738	57,187
Intangible assets	無形資產	4,643	4,599
		<b>68,381</b>	61,786
<b>Other items</b>	<b>其他項目</b>		
Net exchange losses/(gains)	匯兌淨虧損/(收益)	3,251	(1,070)
Loss allowance recognised for trade receivables	貿易應收賬款之虧損撥備確認	93	228
Total minimum lease payments for leases previously classified as operating leases under HKAS 17*	先前根據香港會計準則第十七號分類為經營租賃之最低租賃付款總額*	-	6,146
Cost of inventories (note 15(b))	存貨成本(附註15(b))	<b>3,925,837</b>	4,161,761

\* The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. The depreciated carrying amount of the finance lease assets which were previously included in leasehold land and property, plant and equipment is also identified as a right-of-use asset. After initial recognition of right-of-use assets at 1 July 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, comparative information is not restated. See note 2(c).

\* 本集團於二零一九年七月一日採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之使用權資產。先前包括在租賃土地及物業、廠房及設備之融資租賃資產之已折舊賬面值被視為使用權資產。初步確認於二零一九年七月一日之使用權資產後，本集團(作為承租人)須確認使用權資產折舊，而非根據先前政策於租期內以直線法確認經營租賃項下所產生之租金費用。根據此方法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 7. Profit Before Taxation (continued)

The Group participates in pension schemes organised by the PRC government whereby the Group is required to pay annual contributions at rates ranging from 13% to 16% (2019: 13% to 16%) of the standard wages determined by the relevant authorities in the PRC during the year ended 30 June 2020.

The Group also operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance and an Occupational Retirement Scheme Ordinance Scheme (the "ORSO Scheme") under the Hong Kong Occupational Retirement Scheme Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme and ORSO scheme are defined contribution retirement schemes administered by independent trustees. Under the MPF Scheme, the Group and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000 (2019: HK\$30,000). Under the ORSO Scheme, the Group and its employees are each required to make contributions to the scheme at 10% and 5% of the employees' relevant income respectively. Contributions to the schemes vest immediately. Save for the above schemes, the Group has no other material obligation for payment of retirement benefits beyond the contributions.

### 7. 除稅前溢利(續)

本集團參與中國政府組織的退休金計劃，據此，本集團於截至二零二零年六月三十日止年度內須按中國有關機關所釐定標準工資為基準，按13%至16%（二零一九年：13%至16%）的比例作出年度退休金供款。

本集團亦根據香港《強制性公積金條例》和《職業退休計劃條例》為根據香港《僱傭條例》司法權下僱用之僱員設立強制性公積金計劃（「強積金計劃」）和職業退休計劃。強積金計劃為一項界定供款退休金計劃，由獨立之信託人管理。根據強積金計劃，本集團及僱員各自須向該計劃作出相當於僱員有關收入5%之供款，而有關收入上限為每月港幣30,000元（二零一九年：港幣30,000元）。根據職業退休計劃，本集團及僱員分別各自需向該計劃作出相當於僱員有關收入10%和5%之供款。向計劃作出的供款均即時歸屬。除上述計劃外，本集團沒有除上述供款以外的其他重大退休福利付款責任。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 8. Taxation

(a) Taxation in the consolidated statement of profit or loss represents:

### 8. 稅項

(a) 於綜合損益表之稅項為：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Current tax – Hong Kong Profits Tax</b>	<b>本年稅項 – 香港利得稅</b>		
Provision for the year	本年度撥備	5,125	4,022
(Over)/under-provision in respect of prior years	往年度之(超額)/不足撥備	(63)	11
		<b>5,062</b>	4,033
<b>Current tax – Outside Hong Kong</b>	<b>本年稅項 – 香港以外</b>		
Provision for the year	本年度撥備	69,214	48,244
Under/(over)-provision in respect of prior years	往年度之不足/(超額)撥備	681	(1,220)
		<b>69,895</b>	47,024
<b>Deferred tax (note 20)</b>	<b>遞延稅項(附註20)</b>		
Origination and reversal of temporary differences	暫時性差異的產生及回撥	7,786	6,995
		<b>82,743</b>	58,052

Hong Kong Profits Tax has been provided for at the rate of 16.5% (2019: 16.5%) on the respective estimated assessable profits of the companies within the Group operating in Hong Kong during the year.

在香港營運的集團公司之香港利得稅撥備乃根據年內估計應課稅溢利按稅率16.5% (二零一九年：16.5%) 計提。

Taxation outside Hong Kong represents income tax charge on the estimated taxable profits of certain subsidiaries operating in Mainland China and Macau, calculated at the rates prevailing in the respective regions.

香港以外稅項指於中國大陸和澳門經營之若干附屬公司就估計應課稅溢利按該地當時之稅率計算的稅項支出。

All entities engaged in the primary processing of agricultural products in Mainland China are exempted from PRC corporate income tax ("CIT"). As a result, the profits from flour mill operations are exempted from CIT for the years ended 30 June 2020 and 2019.

所有在中國大陸經營農產品初加工之企業均獲豁免中國企業所得稅(「企業所得稅」)。因此，於截至二零二零年及二零一九年六月三十日止年度經營麵粉廠所賺取之溢利可獲豁免中國大陸之企業所得稅。

Other subsidiaries operating in Mainland China are subject to CIT tax rate of 25% (2019: 25%).

於中國大陸經營之其他附屬公司，年內企業所得稅稅率為25% (二零一九年：25%)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 8. Taxation (continued)

- (a) Taxation in the consolidated statement of profit or loss represents: (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% 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. A lower withholding tax rate may be applied if there is a tax treaty between China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on any dividends distributable by its subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

- (b) Reconciliation between tax expense and accounting profit at applicable tax rates:

### 8. 稅項(續)

- (a) 於綜合損益表之稅項為：(續)

根據中國企業所得稅法，就向外資企業投資者宣派來自於中國大陸成立之外資企業的股息徵收10%預扣稅。有關規定自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所產生之盈利。倘中國大陸與外國投資者所屬司法權區之間定有稅務優惠則可按較低預扣稅率繳稅。本集團的適用比率為5%。因此，本集團須就該等於中國大陸成立的附屬公司就二零零八年一月一日起產生之盈利而分派之股息繳交預扣稅。

- (b) 稅項支出與會計溢利按適用稅率之對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before taxation	除稅前溢利	399,632	398,128
Notional tax on profit before taxation, calculated at the rates applicable to profits in the tax jurisdictions concerned	按適用於當地所得稅稅率計算除稅前溢利之名義稅項	98,568	101,867
Tax effect of non-deductible expenses	稅務上不可扣減的開支之稅務影響	3,568	2,294
Tax effect of non-taxable revenue	無需課稅收入的稅務影響	(7,373)	(5,746)
Tax effect of tax losses not recognised	未予以確認的稅務虧損之稅務影響	3,098	1,097
Tax effect of utilisation of tax losses not previously recognised	使用於以前年度不予以確認稅務虧損之稅務影響	(580)	(196)
Effect of tax concessions	稅務寬減之影響	(41,434)	(48,974)
Under/(over)-provision in respect of prior years	往年度之不足/(超額)撥備	618	(1,209)
Withholding tax on dividend and royalty received and receivable from PRC subsidiaries	中國國內之附屬公司已收及應收股息及特許權之預扣稅	13,902	9,039
Corporate income tax on cash compensation received related to relocation of a flour mill plant (note 6)	收到有關搬遷一間麵粉廠房所得現金補償之企業所得稅(附註6)	11,751	-
Others	其他	625	(120)
Actual tax expenses	實際稅項支出	82,743	58,052



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 8. Taxation (continued)

(c) Current taxation in the consolidated statement of financial position represents:

### 8. 稅項(續)

(c) 在綜合財務狀況表中的當期稅項代表：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	5,125	4,022
Balance of Hong Kong Profits Tax payable/(recoverable) relating to prior years	往年度之香港利得稅撥備/(可收回)之結餘	683	(3,973)
		<b>5,808</b>	49
Provision for profits tax outside Hong Kong	香港以外稅項撥備	<b>29,338</b>	13,587
Tax payables	應付稅款	<b>35,146</b>	13,636

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 9. Directors' and Senior Executives' Emoluments

#### (a) Directors' emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

### 9. 董事及高級行政人員酬金

#### (a) 董事酬金

根據香港《公司條例》第383(1)條及《公司(披露董事利益資料)規例》第2部披露之董事酬金如下：

		Basic salaries/ Directors' fees (note (viii))	Bonuses (note (ix))	Retirement schemes contributions	Retirement benefits	Estimated money value of other benefits (note (xi))	Share-based payment (note (xii))	2020	
		薪金/ 董事袍金 (附註(viii))	花紅 (附註(ix))	退休 計劃供款	退休福利	其他福利 的估計 金錢價值 (附註(xi))	小計 股權支付 (附註(xii))	二零二零年	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
<b>Executive director</b>	<b>執行董事</b>								
LEUNG Joseph (note (iii))	梁玄博(附註(iii))	4,267	1,500	23	1,800	140	7,730	40	7,770
<b>Non-executive directors</b>	<b>非執行董事</b>								
KWEK Leng Hai (note (i))	郭令海(附註(i))	-	-	-	-	-	-	-	-
TANG Hong Cheong (note (i))	鄧漢昌(附註(i))	-	-	-	-	-	-	-	-
WHANG Sun Tze	黃上哲	230	-	-	-	-	230	-	230
TAN Lim Heng	陳林興	230	-	-	-	-	230	-	230
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>								
LO Kai Yiu, Anthony (note (iii))	羅啟耀(附註(iii))	353	-	-	-	-	353	-	353
AU Chee Ming (note (iv))	區熾明(附註(iv))	130	-	-	-	-	130	-	130
HUANG Lester Garson, SBS, JP (note (v))	黃嘉純, 銀紫荊星章, 太平紳士(附註(v))	326	-	-	-	-	326	-	326
HO Yuk Wai, Joan (note (vi))	何玉慧(附註(vi))	201	-	-	-	-	201	-	201
Year ended 30 June 2020	截至二零二零年 六月三十日止年度	5,737	1,500	23	1,800	140	9,200	40	9,240

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 9. Directors' and Senior Executives' Emoluments (continued)

### 9. 董事及高級行政人員酬金(續)

#### (a) Directors' emoluments (continued)

#### (a) 董事酬金(續)

		Basic salaries/ Directors' fees (note (viii))	Bonuses (note (ix))	Retirement schemes contributions	Estimated money value of other benefits (note (xii)) 其他福利的估計	Sub-total	Share-based payment (note (xiii))	2019
		薪金/ 董事袍金 (附註(viii))	花紅 (附註(ix))	退休 計劃供款	金錢價值 (附註(xii))	小計	股權支付 (附註(xiii))	二零一九年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	港幣千元
<b>Executive director</b>	<b>執行董事</b>							
LEUNG Joseph	梁玄博	3,830	2,000	18	74	5,922	180	6,102
<b>Non-executive directors</b>	<b>非執行董事</b>							
KWEK Leng Hai (note (i))	郭令海(附註(i))	-	-	-	-	-	-	-
TANG Hong Cheong (note (i))	鄧漢昌(附註(i))	-	-	-	-	-	-	-
WHANG Sun Tze	黃上哲	230	-	-	-	230	-	230
TAN Lim Heng	陳林興	230	-	-	-	230	-	230
TSANG Cho Tai (note (vii))	曾祖泰(附註(vii))	112	-	-	-	112	-	112
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>							
LO Kai Yiu, Anthony	羅啟耀	340	-	-	-	340	-	340
AU Chee Ming (note (iv))	區熾明(附註(iv))	324	-	-	-	324	-	324
HUANG Lester Garson, SBS, JP	黃嘉純, 銀紫荊星章, 太平紳士	320	-	-	-	320	-	320
Year ended 30 June 2019	截至二零一九年 六月三十日止年度	5,386	2,000	18	74	7,478	180	7,658

#### Notes:

- (i) No directors' fees were paid or be payable to any salaried directors employed by group companies of Hong Leong Company (Malaysia) Berhad ("HLCM"), the Company's ultimate holding company, for the years ended 30 June 2020 and 2019.
- (ii) Mr. Leung Joseph has retired as an executive director of the Company with effect from 1 July 2020. Following the retirement of Mr. Joseph Leung, Mr. Wong Cho Fai was appointed as an executive director of the Company with effect from 1 July 2020.
- (iii) Mr. Lo Kai Yiu, Anthony was appointed as a member of the Board Remuneration Committee ("BRC") of the Company with effect from 13 November 2019 after the conclusion of the 2019 Annual General Meeting of the Company held on 13 November 2019 (the "2019 AGM").

#### 附註:

- (i) 截至二零二零年及二零一九年六月三十日止年度概無董事袍金已支付或應支付予為本公司之最終控股公司Hong Leong Company (Malaysia) Berhad (「HLCM」)集團公司所聘用的受薪董事。
- (ii) 梁玄博先生於二零二零年七月一日退任本公司執行董事一職。於梁玄博先生退任後，黃祖暉先生於二零二零年七月一日獲委任為本公司執行董事。
- (iii) 羅啟耀先生於二零一九年十一月十三日舉行之本公司二零一九年股東週年常會(「二零一九年股東週年常會」)結束後獲委任為本公司董事會薪酬委員會(「酬委會」)成員。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 9. Directors' and Senior Executives' Emoluments (continued)

#### (a) Directors' emoluments (continued)

Notes: (continued)

- (iv) Mr. Au Chee Ming was appointed as a member of the Board Audit and Risk Management Committee ("BARMC") of the Company with effect from 13 November 2018 after the conclusion of the 2018 Annual General Meeting of the Company held on 13 November 2018 (the "2018 AGM"). He retired as an independent non-executive director and ceased to be the chairman of the BRC, a member of the BARMC and a member of the Board Nomination Committee ("BNC") of the Company with effect from 13 November 2019 after the conclusion of the 2019 AGM.
- (v) Mr. Huang Lester Garson, SBS, JP was re-designated as the Chairman of the BRC with effect from 13 November 2019 after the conclusion of the 2019 AGM.
- (vi) Ms. Ho Yuk Wai, Joan was appointed as an independent non-executive director, a member of the BARMC and a member of the BNC with effect from 13 November 2019 after the conclusion of the 2019 AGM.
- (vii) Mr. Tsang Cho Tai retired as a non-executive director of the Company with effect from 13 November 2018 after the conclusion of the 2018 AGM.
- (viii) Basic salaries/directors' fees – The amounts paid and payable to non-executive directors were directors' fees. The amount paid and payable to executive director was basic salaries.
- (ix) Bonuses paid/payable for the year were performance-related.
- (x) There was no arrangement under which a director had waived or agreed to waive any emoluments.
- (xi) These represent the estimated money value of medical insurance, life insurance and employees' compensation.
- (xii) These represent the estimated money value of share options granted to the director under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(q)(ii) and, in accordance with that policy, include adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted are disclosed under note 23.

### 9. 董事及高級行政人員酬金(續)

#### (a) 董事酬金(續)

附註：(續)

- (iv) 區熾明先生於二零一八年十一月十三日舉行之本公司二零一八年股東週年常會(「二零一八年股東週年常會」)結束後獲委任為本公司董事會審核及風險管理委員會(「審委會」)成員。區熾明先生並於二零一九年十一月十三日舉行之二零一九年股東週年常會結束後退任本公司獨立非執行董事及不再擔任酬委會主席、審委會成員及董事會提名委員會(「提委會」)成員。
- (v) 黃嘉純先生，銀紫荊星章，太平紳士，於二零一九年十一月十三日舉行之二零一九年股東週年常會結束後調任為酬委會主席。
- (vi) 何玉慧女士於二零一九年十一月十三日舉行之二零一九年股東週年常會結束後獲委任為本公司獨立非執行董事、審委會成員及提委會成員。
- (vii) 曾祖泰先生於二零一八年十一月十三日舉行之二零一八年股東週年常會結束後退任本公司非執行董事。
- (viii) 已付／應付之薪金／董事袍金－非執行董事以董事袍金方式收取。執行董事以薪金方式收取。
- (ix) 本年度之已付／應付花紅乃按業績釐定。
- (x) 並無訂立董事放棄或同意放棄收取其酬金的安排。
- (xi) 這相當於醫療保險、人壽保險及僱員賠償的估計金錢價值。
- (xii) 這相當於根據本公司股份認購權計劃授予董事之股份認購權的估計金錢價值。該些股份認購權價值乃根據本集團就股權支付交易(載列於附註2(q)(ii)內)所制定的會計政策而計算，包括在歸屬前已註銷的股權工具，根據該政策而回撥以前年度計提的金額。

該等非金錢利益包括主要條款及授出股份數目之詳情於附註23內作出披露。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 9. Directors' and Senior Executives' Emoluments (continued)

#### (b) Individuals with highest emoluments

Of the five individuals with the highest emoluments, one (2019: one) is a director whose emolument is disclosed in note 9(a) above. The aggregate of the emoluments in respect of the other four (2019: four) individuals are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	9,398	9,170
Discretionary bonuses	酌情花紅	2,077	2,611
Retirement schemes contributions	退休計劃供款	123	67
		<b>11,598</b>	11,848
Share-based payment expenses	股權支付費用	29	140
		<b>11,627</b>	11,988

The numbers of individuals whose emolument falls within the following bands are:

HK\$ 港幣元	2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
2,500,001 – 3,000,000	2	1
3,000,001 – 3,500,000	2	3
	<b>4</b>	4

### 9. 董事及高級行政人員酬金(續)

#### (b) 最高收入的僱員

獲得最高薪酬五名人士中，有一名(二零一九年：一名)乃本公司之董事，其酬金已於附註9(a)中披露。其他四名(二零一九年：四名)人士之酬金如下：

酬金屬下列範圍內之人數如下：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 10. Dividends

- (a) Dividends payable to equity shareholders of the Company (excluding the amount paid to shares held by the Group under the ESOP reserve) attributable to the year:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interim dividend declared and paid of HK\$0.14 (2019: HK\$0.14) per ordinary share	中期股息宣派及已付每股普通股港幣0.14元 (二零一九年：港幣0.14元)	33,220	33,223
Final dividend proposed after the end of the reporting period of HK\$0.31 (2019: HK\$0.30) per ordinary share	期末後擬派發之末期股息每股普通股港幣0.31元 (二零一九年：港幣0.30元)	73,622	71,147
		<b>106,842</b>	104,370

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期終日後擬派發之末期股息於報告期終日尚未在賬上確認為一項負債。

- (b) Dividends payable to equity shareholders of the Company (excluding the amount paid to shares held by the Group under the ESOP reserve) attributable to the previous financial year, approved and paid during the year:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.30 (2019: HK\$0.27) per ordinary share	有關前一個財政年度獲批及已付的末期股息，每股普通股港幣0.30元 (二零一九年：港幣0.27元)	71,077	63,731

### 10. 股息

- (a) 年內應付本公司股東股息(扣除已付予本集團於行政人員股份認購權方案儲備下持有之股份的金額)：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
中期股息宣派及已付每股普通股港幣0.14元 (二零一九年：港幣0.14元)	33,220	33,223
期末後擬派發之末期股息每股普通股港幣0.31元 (二零一九年：港幣0.30元)	73,622	71,147
	<b>106,842</b>	104,370

- (b) 年內獲批及已付的前一個財政年度應付本公司股東股息(扣除已付予本集團於行政人員股份認購權方案儲備下持有之股份的金額)：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
有關前一個財政年度獲批及已付的末期股息，每股普通股港幣0.30元 (二零一九年：港幣0.27元)	71,077	63,731

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 11. Earnings per Share

#### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$316,889,000 (2019: HK\$340,076,000) and the weighted average number of 237,190,000 (2019: 236,811,000) ordinary shares in issue during the year, calculated as follows:

### 11. 每股盈利

#### (a) 每股基本盈利

每股基本盈利乃根據本公司股東應佔溢利港幣316,889,000元(二零一九年：港幣340,076,000元)及於本年度內已發行普通股之加權平均數237,190,000(二零一九年：236,811,000)股普通股計算：

		2020 二零二零年 '000 千	2019 二零一九年 '000 千
Issued ordinary shares at the beginning of year	年初已發行普通股	243,354	243,354
Effect of shares repurchased in prior years	往年度回購之普通股的影響	(10,337)	(8,849)
Effect of shares repurchased in current year	本年度回購之普通股的影響	(309)	(638)
		(10,646)	(9,487)
Effect of share options exercised in prior years	往年度行使之股份認購權的影響	4,140	2,070
Effect of share options exercised in current year	本年度行使之股份認購權的影響	342	874
		4,482	2,944
Weighted average number of ordinary shares at the end of year	年末普通股加權平均數	237,190	236,811

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 11. Earnings per Share (continued)

#### (b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$316,889,000 (2019: HK\$340,076,000) and the weighted average number of ordinary shares of 237,190,000 (2019: 237,491,000) after adjusting the effect of deemed issue of shares under the Company's share option scheme, calculated as follows:

		2020 二零二零年 '000 千	2019 二零一九年 '000 千
Weighted average number of ordinary shares at the end of year	年末普通股加權平均數	237,190	236,811
Effect of deemed issue of shares under the Company's share option scheme	假設因根據本公司之股份認購權計劃發行股份的影響	-	680
Weighted average number of ordinary shares (diluted) at the end of year	年末普通股(攤薄)加權平均數	237,190	237,491

### 11. 每股盈利(續)

#### (b) 每股攤薄盈利

每股攤薄盈利乃根據本公司股東應佔溢利港幣316,889,000元(二零一九年:港幣340,076,000元)及普通股的加權平均股數237,190,000(二零一九年:237,491,000)股已就假設因根據本公司之股份認購權計劃發行普通股股份的影響作出調整計算:



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 12. Leasehold Land and Property, Plant and Equipment

### 12. 租賃土地及物業、廠房及設備

#### (a) Reconciliation of carrying amount

#### (a) 賬面值之對賬

		Leasehold land and buildings in Hong Kong and leasehold improvements 香港租賃 土地及樓宇 及裝修 HK\$'000 港幣千元	Leasehold land and buildings outside Hong Kong 香港以外租賃 土地及樓宇 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Machineries, equipment, furniture and motor vehicles 機器、設備、 傢俬及汽車 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
<b>Cost:</b>	<b>成本：</b>					
At 1 July 2018	於二零一八年七月一日	112,558	1,031,020	43,334	899,945	2,086,857
Additions	增加	3,905	4,921	81,912	25,983	116,721
Transfer between categories	分類間轉撥	3,704	-	(11,459)	7,755	-
Disposals	出售	-	(409)	-	(13,222)	(13,631)
Exchange adjustments	匯兌調整	-	(30,462)	(2,320)	(30,597)	(63,379)
At 30 June 2019	於二零一九年六月三十日	120,167	1,005,070	111,467	889,864	2,126,568
At 30 June 2019	於二零一九年六月三十日	<b>120,167</b>	<b>1,005,070</b>	<b>111,467</b>	<b>889,864</b>	<b>2,126,568</b>
Impact on initial application of HKFRS 16 (note)	初始採用香港財務報告準則第十六號之影響(附註)	-	3,082	-	-	3,082
At 1 July 2019	於二零一九年七月一日	120,167	1,008,152	111,467	889,864	2,129,650
Additions	增加	1,013	4,688	51,792	31,291	88,784
Deduction of government grants (note 18(a)(ii))	扣除政府補助(附註18(a)(ii))	-	(20,571)	-	(15,788)	(36,359)
Transfer between categories	分類間轉撥	-	74,379	(137,003)	62,624	-
Disposals	出售	-	(17,788)	-	(40,345)	(58,133)
Exchange adjustments	匯兌調整	-	(27,727)	(3,105)	(26,622)	(57,454)
At 30 June 2020	於二零二零年六月三十日	<b>121,180</b>	<b>1,021,133</b>	<b>23,151</b>	<b>901,024</b>	<b>2,066,488</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 12. Leasehold Land and Property, Plant and Equipment (continued)

### 12. 租賃土地及物業、廠房及設備(續)

#### (a) Reconciliation of carrying amount (continued)

#### (a) 賬面值之對賬(續)

		Leasehold land and buildings in Hong Kong and leasehold improvements 香港租賃土地及樓宇及裝修 HK\$'000 港幣千元	Leasehold land and buildings outside Hong Kong 香港以外租賃土地及樓宇 HK\$'000 港幣千元	Construction in progress 在建工程 HK\$'000 港幣千元	Machineries, equipment, furniture and motor vehicles 機器、設備、傢俬及汽車 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
<b>Accumulated depreciation and amortisation:</b>	<b>累計折舊及攤銷：</b>					
At 1 July 2018	於二零一八年七月一日	38,658	548,560	-	634,453	1,221,671
Charge for the year	本年度攤銷及折舊	2,294	24,032	-	30,861	57,187
Written back on disposals	出售後撥回	-	(295)	-	(10,236)	(10,531)
Exchange adjustments	匯兌調整	-	(24,504)	-	(21,000)	(45,504)
At 30 June 2019	於二零一九年六月三十日	40,952	547,793	-	634,078	1,222,823
At 1 July 2019	於二零一九年七月一日	<b>40,952</b>	<b>547,793</b>	-	<b>634,078</b>	<b>1,222,823</b>
Charge for the year	本年度攤銷及折舊	<b>2,531</b>	<b>28,780</b>	-	<b>32,427</b>	<b>63,738</b>
Written back on disposals	出售後撥回	-	(14,696)	-	(33,899)	(48,595)
Exchange adjustments	匯兌調整	-	(21,934)	-	(17,749)	(39,683)
At 30 June 2020	於二零二零年六月三十日	<b>43,483</b>	<b>539,943</b>	-	<b>614,857</b>	<b>1,198,283</b>
<b>Impairment loss:</b>	<b>減值虧損：</b>					
At 1 July 2018	於二零一八年七月一日	34,765	165,410	-	1,602	201,777
Written back on disposals	出售後撥回	-	-	-	(1,549)	(1,549)
Exchange adjustments	匯兌調整	-	-	-	(53)	(53)
At 30 June 2019, 1 July 2019 and 30 June 2020	於二零一九年六月三十日、二零一九年七月一日及二零二零年六月三十日	<b>34,765</b>	<b>165,410</b>	-	-	<b>200,175</b>
<b>Net book value:</b>	<b>賬面淨值：</b>					
At 30 June 2020	於二零二零年六月三十日	<b>42,932</b>	<b>315,780</b>	<b>23,151</b>	<b>286,167</b>	<b>668,030</b>
At 30 June 2019	於二零一九年六月三十日	44,450	291,867	111,467	255,786	703,570

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 July 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See note 2(c).

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之使用權資產。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 12. Leasehold Land and Property, Plant and Equipment *(continued)*

#### (b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	<b>At 30 June 2020</b> 於二零二零年 六月三十日 <b>HK\$'000</b> 港幣千元	At 1 July 2019 於二零一九年 七月一日 <b>HK\$'000</b> 港幣千元
Leasehold land and buildings in Hong Kong	<b>12,898</b>	13,375
Leasehold land and buildings outside Hong Kong	<b>63,959</b>	66,782
Machineries, equipment, furniture and motor vehicles	<b>899</b>	242
	<b>77,756</b>	80,399

### 12. 租賃土地及物業、廠房及設備 *(續)*

#### (b) 使用權資產

按相關資產分類之使用權資產之賬面淨值分析如下：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 12. Leasehold Land and Property, Plant and Equipment (continued)

#### (b) Right-of-use assets (continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

		2020 二零二零年  HK\$'000 港幣千元	2019 二零一九年 (Note) (附註) HK\$'000 港幣千元
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產分類之使用權資產之折舊費用：		
Leasehold land and buildings in Hong Kong	香港租賃土地及樓宇	477	477
Leasehold land and buildings outside Hong Kong	香港以外租賃土地及樓宇	5,058	1,881
Machineries, equipment, furniture and motor vehicles	機器、設備、傢俬及汽車	198	66
		<b>5,733</b>	<b>2,424</b>
Interest on lease liabilities (note 7)	租賃負債之利息(附註7)	238	-
Expense relating to short-term leases and other leases with remaining lease term ending on or before 30 June 2020	餘下租期於二零二零年六月三十日或之前完結之有關短期租賃及其他租賃之開支	9,060	-
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	根據先前香港會計準則第十七號分類作經營租賃之租賃之最低租賃付款總額	-	6,146

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. The depreciated carrying amount of the finance lease assets which were previously included in property, plant and equipment is also identified as a right-of-use asset. After initial recognition of right-of-use assets at 1 July 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See note 2(c).

### 12. 租賃土地及物業、廠房及設備(續)

#### (b) 使用權資產(續)

與於損益賬確認之租賃相關之開支項目分析如下：

	2020 二零二零年  HK\$'000 港幣千元	2019 二零一九年 (Note) (附註) HK\$'000 港幣千元
Depreciation charge of right-of-use assets by class of underlying asset:		
Leasehold land and buildings in Hong Kong	477	477
Leasehold land and buildings outside Hong Kong	5,058	1,881
Machineries, equipment, furniture and motor vehicles	198	66
	<b>5,733</b>	<b>2,424</b>
Interest on lease liabilities (note 7)	238	-
Expense relating to short-term leases and other leases with remaining lease term ending on or before 30 June 2020	9,060	-
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	-	6,146

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之使用權資產。先前包括在租賃土地及物業、廠房及設備之融資租賃資產之已折舊賬面值被視為使用權資產。初步確認於二零一九年七月一日之使用權資產後，本集團(作為承租人)須確認使用權資產折舊，而非根據先前政策於租期內以直線法確認經營租賃項下所產生之租金費用。根據此方法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 12. Leasehold Land and Property, Plant and Equipment (continued)

#### (b) Right-of-use assets (continued)

During the year ended 30 June 2020, additions to right-of-use assets were HK\$5,555,000. This amount included machineries and equipment of HK\$855,000, and the remainder primarily related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 17(c) and 19, respectively.

### 12. 租賃土地及物業、廠房及設備(續)

#### (b) 使用權資產(續)

於截至二零二零年六月三十日止年度，添置至使用權資產為港幣5,555,000元。該款項包含港幣855,000元為購買機器及設備，餘下的主要是與新租賃協議項下資本化租賃付款有關。

有關租賃之現金流出總額及租賃負債之到期分析分別載列於附註17(c)及19。

### 13. Intangible Assets and Goodwill

### 13. 無形資產及商譽

		Goodwill 商譽 HK\$'000 港幣千元	Trademarks 商標 HK\$'000 港幣千元	ERP 企業資源 計劃系統 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
<b>Cost:</b>	<b>成本：</b>				
At 1 July 2018, 30 June 2019 and 1 July 2019	於二零一八年七月一日、 二零一九年六月三十日及 二零一九年七月一日	14,714	39,970	22,992	77,676
Additions	增加	-	-	1,908	1,908
At 30 June 2020	於二零二零年六月三十日	14,714	39,970	24,900	79,584
<b>Accumulated amortisation:</b>	<b>累計攤銷：</b>				
At 1 July 2018	於二零一八年七月一日	-	39,970	10,971	50,941
Charge for the year	本年度攤銷	-	-	4,599	4,599
At 30 June 2019	於二零一九年六月三十日	-	39,970	15,570	55,540
At 1 July 2019	於二零一九年七月一日	-	39,970	15,570	55,540
Charge for the year	本年度攤銷	-	-	4,643	4,643
At 30 June 2020	於二零二零年六月三十日	-	39,970	20,213	60,183

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 13. Intangible Assets and Goodwill

(continued)

### 13. 無形資產及商譽(續)

		Goodwill	Trademarks	ERP	Total
		商譽	商標	企業資源 計劃系統	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>Impairment loss:</b>	<b>減值虧損：</b>				
At 1 July 2018, 30 June 2019, 1 July 2019 and 30 June 2020	於二零一八年七月一日、 二零一九年六月三十日、 二零一九年七月一日及 二零二零年六月三十日	12,539	-	-	12,539
<b>Net book value:</b>	<b>賬面淨值：</b>				
At 30 June 2020	於二零二零年六月三十日	2,175	-	4,687	6,862
At 30 June 2019	於二零一九年六月三十日	2,175	-	7,422	9,597

The amortisation charge for the year is included in "administrative expenses" in the consolidated statement of profit or loss.

#### Impairment test for cash-generating units containing goodwill

The carrying amount of goodwill is allocated to edible oil operations. The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering the financial year ending 30 June 2021. The key assumption of the cash flow projections are the estimated weighted average growth rate and the discount rate used. Cash flows for the periods thereafter are extrapolated using an estimated weighted average growth rate of 3% (2019: 3%) which does not significantly exceed the long-term average growth rate for the business in which the CGU operates. The cash flows are discounted using a pre-tax discount rate of 14.0% (2019: 14.3%) which reflects specific risks relating to the relevant CGU.

The results of the tests undertaken as at 30 June 2020 and 30 June 2019 indicated no further recognition of impairment loss was necessary.

本年度之攤銷費用已計入於綜合損益表「行政費用」內。

#### 包含商譽之現金產生單位之減值測試

商譽之賬面金額撥歸食用油分部。相應現金產生單位的可回收金額是根據使用價值計算。該運算使用之現金流量預測是按照管理層批核截至二零二一年六月三十日止財政年度的預算計算。其所用的主要假設為預計加權平均增長率及折現率。於該期間的現金流量所使用的預計加權平均增長率3%(二零一九年:3%)不超過現金產生單位經營業務的長期平均增長率。現金流量使用除稅前折現率14.0%(二零一九年:14.3%)折現,並反映有關現金產生單位的特有風險。

於二零二零年六月三十日及二零一九年六月三十日進行之測試結果顯示毋須作出進一步減值虧損之確認。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 14. Other Non-Current Assets

### 14. 其他非流動資產

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Prepayments for property, plant and equipment	物業、廠房及設備之預付款	16,512	10,583
Club membership, measured at FVPL	會籍，按公平價值計入損益計量	772	915
		<b>17,284</b>	<b>11,498</b>

### 15. Inventories

### 15. 存貨

(a) Inventories in the consolidated statement of financial position comprise:

(a) 於綜合財務狀況表之存貨包含：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Raw materials	原材料	396,772	394,372
Work in progress	半成品	36,880	41,150
Finished goods	製成品	183,139	165,415
Inventories in transit	在途貨品	5,472	1,212
Packing materials	包裝料	23,810	23,694
		<b>646,073</b>	<b>625,843</b>

(b) The analysis of amount of inventories recognised as an expense and included in the consolidated statement of profit or loss is as follows:

(b) 於綜合損益表確認為支出之存貨金額分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount of inventories sold	已售存貨之賬面值	3,923,404	4,157,998
Write-down of inventories	存貨減值	2,433	3,763
		<b>3,925,837</b>	<b>4,161,761</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 16. Trade and Other Receivables

### 16. 貿易及其他應收賬款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade receivables, net of loss allowance	扣除虧損撥備之貿易應收賬款	310,159	349,530
Derivative financial instruments:	衍生金融工具：		
– Foreign exchange forward contracts	– 外幣遠期合同	584	47
Other receivables, deposits and prepayments	其他應收款、按金及預付款項	36,473	43,707
		<b>347,216</b>	393,284

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

所有貿易及其他應收賬款均預期在一年內收回或確認為支出。

#### Aging Analysis

#### 賬齡分析

As of the end of the reporting period, the aging analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

於報告期終日，根據發票日期及扣除虧損撥備後之貿易應收賬款之賬齡分析(已計入貿易及其他應收賬款)如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 3 months	三個月內	307,465	346,398
3 to 6 months	三至六個月	2,398	2,751
Over 6 months	六個月以上	296	381
		<b>310,159</b>	349,530

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 24(a).

本集團之信貸政策及貿易應收賬款產生的信貸風險詳列於附註24(a)。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 17. Cash and Short Term Funds and Other Cash Flow Information

### 17. 現金及短期資金及其他現金流量資料

(a) Cash and short term funds comprise:

(a) 現金及短期資金包括：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deposits with banks	銀行定期存款	1,231,791	1,050,192
Cash at bank and on hand	銀行存款及現金	297,817	267,735
Cash and short term funds in the consolidated statement of financial position	綜合財務狀況表之現金及短期資金	1,529,608	1,317,927
Fixed deposits held at banks with original maturity over three months	所持有原到期日為三個月以上的銀行定期存款	(192,272)	-
Cash and cash equivalents in the consolidated statement of cash flows	綜合現金流量表之現金及現金等額	1,337,336	1,317,927

Cash at bank carries interest at floating rates based on daily bank deposits rates. Deposits with banks include time deposits which are matured within three months and earn interest at the respective short term deposit rates, and fixed deposits with original maturity over three months.

銀行存款是根據每日銀行存款之浮動利率計算而賺取利息。銀行定期存款包括定期存款乃於三個月內到期，以及按各自之短期存款利率及三個月以上的定期存款賺取利息。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 17. Cash and Short Term Funds and Other Cash Flow Information

(continued)

#### (b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 17. 現金及短期資金及其他現金流量資料(續)

#### (b) 融資活動所產生之負債對賬

下表詳列本集團融資活動所產生之負債變動，當中包括現金及非現金變動。融資活動所產生之負債指其現金流量曾於或未來現金流量將於本集團綜合現金流量表內分類為融資活動之現金流量。

		Lease liabilities (note 19) 租賃負債(附註19)	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>At 30 June</b>	於六月三十日	<b>514</b>	669
Impact on initial application of HKFRS 16 (note 2(c))	初始採用香港財務報告準則第十六號之影響(附註2(c))	<b>3,082</b>	-
<b>At 1 July</b>	於七月一日	<b>3,596</b>	669
<b>Changes from financing cash flows:</b>	<b>融資現金流量變動：</b>		
Capital element of lease rentals paid	已付租賃租金之資本部份	<b>(3,642)</b>	(346)
Interest element of lease rentals paid	已付租賃租金之利息部份	<b>(238)</b>	-
Total changes from financing cash flows	融資現金流量變動總額	<b>(3,880)</b>	(346)
<b>Exchange adjustments</b>	<b>匯兌調整</b>	<b>(123)</b>	(11)
<b>Other changes:</b>	<b>其他變動：</b>		
Increase in lease liabilities from entering into new leases during the year	年內來自訂立新租賃之租賃負債增加	<b>4,520</b>	202
Interest expenses (note 7)	利息費用(附註7)	<b>238</b>	-
Total other changes	其他變動總額	<b>4,758</b>	202
<b>At 30 June</b>	於六月三十日	<b>4,351</b>	514

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. See notes 2(c) and 19.

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第17號分類為經營租賃之租賃相關之租賃負債。詳情載於附註2(c)及19。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 17. Cash and Short Term Funds and Other Cash Flow Information

(continued)

#### (c) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

		2020 二零二零年 <i>HK\$'000</i> 港幣千元	2019 二零一九年 (Note) (附註) <i>HK\$'000</i> 港幣千元
Within operating cash flows	經營現金流量內	9,060	6,146
Within financing cash flows	融資現金流量內	3,880	346
		<b>12,940</b>	6,492

Note: As explained in note 2(c), the adoption of HKFRS 16 introduces a change in classification of cash flows of certain rentals paid on leases. The comparative amounts have not been restated.

These amounts relate to the following:

		2020 二零二零年 <i>HK\$'000</i> 港幣千元	2019 二零一九年 <i>HK\$'000</i> 港幣千元
Lease rentals paid	已付租賃租金	12,940	6,492

### 17. 現金及短期資金及其他現金流量資料(續)

#### (c) 租賃現金流出總額

就租賃計入綜合現金流量表之款項包括以下項目：

		2020 二零二零年 <i>HK\$'000</i> 港幣千元	2019 二零一九年 (Note) (附註) <i>HK\$'000</i> 港幣千元
Within operating cash flows	經營現金流量內	9,060	6,146
Within financing cash flows	融資現金流量內	3,880	346
		<b>12,940</b>	6,492

附註：誠如附註2(c)之解釋，採用香港財務報告準則第十六號引入有關若干租賃已付租金之現金流量分類變動。該等比較資料不會重列。

該等款項與以下相關：

		2020 二零二零年 <i>HK\$'000</i> 港幣千元	2019 二零一九年 <i>HK\$'000</i> 港幣千元
Lease rentals paid	已付租賃租金	12,940	6,492

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 18. Trade and Other Payables and Contract Liabilities

#### (a) Trade and other payables

As of the end of the reporting period, the aging analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

		Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 3 months	三個月內		306,865	356,051
More than 3 months	三個月以上		6,529	7,611
Trade payables	貿易應付賬款		313,394	363,662
Deposits received	已收按金		10,259	8,909
Other payables and accruals	其他應付賬款及 應計費用		311,554	285,547
Deferred income	遞延收入	(ii)	4,472	14,945
Derivative financial instruments: – Foreign exchange forward contracts	衍生金融工具： – 外幣遠期合同		114	–
			639,793	673,063

Notes:

- (i) All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

### 18. 貿易及其他應付賬款及合同負債

#### (a) 貿易及其他應付賬款

於報告期終日，根據發票日期之貿易應付賬款之賬齡分析(已計入貿易及其他應付賬款)如下：

附註：

- (i) 所有貿易及其他應付賬款均預計在一年內結付或確認為收入或於要求時償還。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 18. Trade and Other Payables and Contract Liabilities (continued)

#### (a) Trade and other payables (continued)

Notes: (continued)

- (ii) Pursuant to the relocation agreement executed on 16 November 2016 between the Grain Bureau of YiXing City and Jiangsu Lam Soon Flour Mills Company Limited ("JLSLF"), a wholly-owned subsidiary of the Company, government compensation will be paid to JLSLF to compensate the relocation of a flour mill plant in connection with the construction of the new plant on the relocated land, including among others, acquisition of property, plant and equipment and associated costs relating to the relocation. The full amount of cash relocation compensation has been received during the year ended 30 June 2020.

As at 30 June 2020, government compensation of HK\$68,108,000 (2019: HK\$21,419,000) in relation to the relocation was received. During the year, expenditure relating to the plant relocation project of HK\$22,713,000 (2019: HK\$7,766,000) had been incurred. A corresponding amount of government compensation was then credited to the consolidated statement of profit or loss (see note 6).

After offsetting the total estimated costs and expenses relating to the relocation, the remaining balance of HK\$36,359,000 is deducted from the carrying amount of leasehold land and property, plant and equipment and consequently is effectively recognised in profit or loss over useful life of the assets by way of reduced depreciation expense in accordance with the accounting policy set out in note 2(t)(iv).

- (iii) As at 30 June 2020, trade payables included an amount due to a fellow subsidiary of HK\$1,586,000 (2019: HK\$2,076,000) in relation to purchase of goods from the fellow subsidiary, which is unsecured, interest-free and to be settled according to the contract terms.

As at 30 June 2020, other payables and accruals included the amounts due to fellow subsidiaries of HK\$11,989,000 (2019: HK\$11,944,000) in relation to management fee expenses payable to the fellow subsidiaries, which are unsecured, interest-free and repayable on demand.

### 18. 貿易及其他應付賬款及合同負債(續)

#### (a) 貿易及其他應付賬款(續)

附註：(續)

- (ii) 根據宜興市糧食局與本公司全資附屬公司江蘇南順麵粉有限公司（「江蘇南順麵粉」）於二零一六年十一月十六日簽訂的搬遷協議，政府補償將支付予江蘇南順麵粉以補償在重新安置的搬遷土地上建造新工廠，包括購置物業、廠房及設備以及與搬遷有關的相關費用。全數現金搬遷補償金額已於截至二零二零年六月三十日止年度收到。

於二零二零年六月三十日，因搬遷而收到政府補償為港幣68,108,000元（二零一九年：港幣21,419,000元）。年內，已產生與搬遷項目有關的支出為港幣22,713,000元（二零一九年：港幣7,766,000元），相關金額之政府補償已計入綜合損益表（見附註6）。

抵銷有關搬遷補償所估計之總成本及開支後，餘額為港幣36,359,000元於租賃土地及物業、廠房及設備之賬面值中扣除，根據資產可使用年限平均地在損益賬中確認，並按照附註2(t)(iv)所載之會計政策而減少折舊費用。

- (iii) 於二零二零年六月三十日，貿易應付款項包括應付同系附屬公司港幣1,586,000元（二零一九年：港幣2,076,000元），這是有關自同系附屬公司採購貨款，該款項為無抵押、免息及根據合同條款作結算。

於二零二零年六月三十日，其他應付賬款及應計費用包括應付同系附屬公司港幣11,989,000元（二零一九年：港幣11,944,000元），這是有關應付予同系附屬公司的管理費開支，該款項為無抵押、免息及按要求償還。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 18. Trade and Other Payables and Contract Liabilities (continued)

#### (b) Contract liabilities

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Advances received for goods to be sold 待出售商品預收貨款	<b>39,369</b>	28,232

Contract liabilities represent receipts in advances for sales of goods, giving rise to contract liabilities until revenue is recognised.

Included in the contract liabilities as at 30 June 2019, a balance of HK\$27,293,000 (1 July 2018: HK\$28,383,000) was recognised as revenue in the current year.

### 18. 貿易及其他應付賬款及合同負債(續)

#### (b) 合同負債

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Advances received for goods to be sold 待出售商品預收貨款	<b>39,369</b>	28,232

合同負債是指出售商品預收貨款在確認收入之前而產生之合同負債。

於二零一九年六月三十日的合同負債當中，已於本年度確認為收入為港幣27,293,000元(二零一八年七月一日：港幣28,383,000元)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 19. Lease Liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods and at the date of transition to HKFRS 16:

### 19. 租賃負債

下表呈列本集團之租賃負債於當前及過往報告日及於過渡至香港財務報告準則第十六號當日之餘下合約期限：

		At 30 June 2020 於二零二零年六月三十日		At 1 July 2019 (Note) 於二零一九年七月一日(附註)		At 30 June 2019 (Note) 於二零一九年六月三十日(附註)	
		Present value of the minimum lease payments 最低租賃付款之現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃付款總額 HK\$'000 港幣千元	Present value of the minimum lease payments 最低租賃付款之現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃付款總額 HK\$'000 港幣千元	Present value of the minimum lease payments 最低租賃付款之現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃付款總額 HK\$'000 港幣千元
Within 1 year	一年內	2,767	2,920	2,366	2,474	160	160
After 1 year but within 2 years	一年後但兩年內	899	940	1,002	1,016	126	126
After 2 years but within 5 years	兩年後但五年內	685	707	228	228	228	228
Total	合計	1,584	1,647	1,230	1,244	354	354
		4,351	4,567	3,596	3,718	514	514
Less: total future interest expenses	減：未來利息費用總額		(216)		(122)		-
Present value of lease liabilities	租賃負債之現值		4,351		3,596		514

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. These liabilities have been aggregated with the brought forward balances relating to leases previously classified as finance leases. Comparative information as at 30 June 2019 has not been restated and relates solely to leases previously classified as finance leases. Further details on the impact of the transition to HKFRS 16 are set out in note 2(c).

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之租賃負債。該等負債與先前分類為融資租賃之承前結餘合併結算。於二零一九年六月三十日之比較資料並不會重列，且僅與先前分類為融資租賃之租賃相關。有關過渡至香港財務報告準則第十六號之影響之進一步詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 20. Deferred Taxation

#### (a) Deferred tax assets and liabilities recognised:

##### (i) Movement of each component of deferred tax assets and liabilities

The components of deferred tax liabilities/ (assets) recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:	遞延稅項產生自：	Depreciation allowances in excess of the related depreciation 折舊免稅額超出有關折舊	Provisions 撥備	Tax losses 稅務虧損	Undistributed profits 未分配利潤	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 July 2018	於二零一八年七月一日	7,471	(38)	(4,027)	1,330	4,736
Charged/(credited) to consolidated statement of profit or loss (note 8(a))	於綜合損益表扣除/(計入) (附註8(a))	1,096	(19)	(735)	6,653	6,995
At 30 June 2019	於二零一九年六月三十日	8,567	(57)	(4,762)	7,983	11,731
At 1 July 2019	於二零一九年七月一日	8,567	(57)	(4,762)	7,983	11,731
Charged/(credited) to consolidated statement of profit or loss (note 8(a))	於綜合損益表扣除/(計入) (附註8(a))	502	(44)	(437)	7,765	7,786
At 30 June 2020	於二零二零年六月三十日	9,069	(101)	(5,199)	15,748	19,517

### 20. 遞延稅項

#### (a) 已確認遞延稅項資產及負債：

##### (i) 遞延稅項資產及負債項目變動

於綜合財務狀況表已確認之遞延稅項負債/(資產)項目及年內之變動如下：



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 20. Deferred Taxation (continued)

#### (a) Deferred tax assets and liabilities recognised: (continued)

#### (ii) Reconciliation to the consolidated statement of financial position:

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net deferred tax assets recognised in the consolidated statement of financial position 於綜合財務狀況表已確認之遞延稅項淨資產	(26)	-
Net deferred tax liabilities recognised in the consolidated statement of financial position 於綜合財務狀況表已確認之遞延稅項淨負債	19,543	11,731
	<b>19,517</b>	11,731

#### (b) Deferred tax liabilities not recognised

At 30 June 2020, temporary differences relating to the undistributed profits of the Group's subsidiaries in the Mainland China amounted to HK\$763,541,000 (2019: HK\$643,151,000). A deferred tax liability has been recognised in respect of undistributed profits of HK\$314,960,000 (2019: HK\$159,660,000) where there are planned distributions from subsidiaries in the foreseeable future. No deferred tax liabilities have been recognised in respect of the remaining HK\$448,581,000 (2019: HK\$483,491,000) as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed by these subsidiaries in the foreseeable future.

### 20. 遞延稅項(續)

#### (a) 已確認遞延稅項資產及負債：(續)

#### (ii) 綜合財務狀況表之對賬：

#### (b) 未確認遞延稅項負債

於二零二零年六月三十日，有關本集團於中國大陸之附屬公司未分配利潤的暫時性差異為港幣763,541,000元(二零一九年：港幣643,151,000元)。附屬公司的未分配利潤為港幣314,960,000元(二零一九年：港幣159,660,000元)，並計劃於可見未來分派股利，因此一項遞延稅項負債已被確認。由於本公司可控制該等附屬公司的股息政策，並已決定於可見未來該等附屬公司很可能將不會分派股利，所以並未就餘下的港幣448,581,000元(二零一九年：港幣483,491,000元)未分配利潤就其確認為遞延稅項負債。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 20. Deferred Taxation (continued)

#### (c) Deferred tax assets not recognised

At 30 June 2020, the Group had unused tax losses of HK\$280,774,000 (2019: HK\$285,042,000) available for offset against future taxable profits. A deferred tax asset has been recognised in respect of tax losses of HK\$31,511,000 (2019: HK\$28,861,000). No deferred tax assets have been recognised in respect of the remaining HK\$249,263,000 (2019: HK\$256,181,000) due to the unpredictability of future taxable profit streams. Included in unrecognised tax losses are losses of HK\$28,509,000 (2019: HK\$38,543,000) that will expire within five years. Other losses can be carried forward indefinitely.

At 30 June 2020, the Group had temporary differences of HK\$79,705,000 (2019: HK\$103,322,000) arising from impairment losses of certain leasehold land and property, plant and equipment provided in prior years. No deferred tax assets have been recognised in respect of these temporary differences due to the unpredictability of taxable profits streams against which the deductible temporary differences can be utilised in the foreseeable future.

### 20. 遞延稅項(續)

#### (c) 未確認遞延稅項資產

於二零二零年六月三十日，本集團有港幣280,774,000元(二零一九年：港幣285,042,000元)可用於抵扣未來應課稅溢利的稅務虧損。當中就該稅務虧損確認了港幣31,511,000元(二零一九年：港幣28,861,000元)的遞延稅項資產。剩餘的港幣249,263,000元(二零一九年：港幣256,181,000元)可抵扣的虧損，因為未來溢利的不可預見性，所以並未就其確認為遞延稅項資產。另外，未確認的稅務虧損中有港幣28,509,000元(二零一九年：港幣38,543,000元)的虧損將於五年內到期。其他虧損可以無限期地結轉後期。

本集團於以前年度為若干租賃土地及物業、廠房及設備作減值撥備，該等撥備於二零二零年六月三十日為本集團產生港幣79,705,000元(二零一九年：港幣103,322,000元)的暫時性差異。因為未來溢利的不可預見性，並在可預見的未來用作扣減暫時性差異，所以並無就該差異確認遞延稅項資產。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 21. Share Capital

### 21. 股本

#### (a) Issued share capital

#### (a) 已發行股本

		2020 二零二零年		2019 二零一九年	
		Number of shares 股份數量		Number of shares 股份數量	
		'000 千	HK\$'000 港幣千元	'000 千	HK\$'000 港幣千元
<b>Ordinary shares, issued and fully paid:</b>	<b>已發行及已繳足普通股：</b>				
At 1 July and 30 June	於七月一日及六月三十日	<b>243,354</b>	<b>672,777</b>	243,354	672,777

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

根據香港《公司條例》第135條，本公司普通股不再具有面值。

During the year, the Group purchased its own ordinary shares on The Stock Exchange of Hong Kong Limited for the purpose of satisfying the exercise of share options granted under the Group's share option scheme as follows:

本年度為滿足已授予股份認購權可被行使的條件，本集團按股份認購權計劃購入其香港聯合交易所有限公司掛牌的普通股如下：

For the year ended 30 June 2020:

截至二零二零年六月三十日止年度：

Month/year	年／月份	Number of shares purchased 購入股份 數量 '000 千	Highest price paid per share 已繳付 每股最高 價值 HK\$ 港幣元	Lowest price paid per share 已繳付 每股最低 價值 HK\$ 港幣元	Aggregate price paid 已繳付 總價格 HK\$'000 港幣千元
September 2019	二零一九年九月	130	13.68	12.70	1,735
October 2019	二零一九年十月	75	13.80	13.08	1,003
November 2019	二零一九年十一月	47	14.40	13.90	666
December 2019	二零一九年十二月	71	14.60	14.30	1,027
January 2020	二零二零年一月	50	15.28	14.60	749
March 2020	二零二零年三月	150	13.30	11.10	1,848
April 2020	二零二零年四月	55	12.50	12.00	675
May 2020	二零二零年五月	41	13.00	12.50	521
June 2020	二零二零年六月	83	13.10	12.80	1,078
		<b>702</b>			<b>9,302</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 21. Share Capital (continued)

### 21. 股本(續)

#### (a) Issued share capital (continued)

#### (a) 已發行股本(續)

For the year ended 30 June 2019:

截至二零一九年六月三十日止年度：

Month/year	年/月份	Number of shares purchased	Highest price paid per share	Lowest price paid per share	Aggregate price paid
		購入股份數量	每股最高價值	每股最低價值	已繳付總價格
		'000	HK\$	HK\$	HK\$'000
		千	港幣元	港幣元	港幣千元
August 2018	二零一八年八月	38	12.90	12.70	487
September 2018	二零一八年九月	260	12.90	12.54	3,304
October 2018	二零一八年十月	158	12.80	12.50	2,002
November 2018	二零一八年十一月	99	13.80	12.60	1,287
December 2018	二零一八年十二月	130	14.28	13.66	1,822
January 2019	二零一九年一月	72	14.60	14.18	1,032
February 2019	二零一九年二月	35	15.20	14.58	521
March 2019	二零一九年三月	92	15.26	14.78	1,377
April 2019	二零一九年四月	209	16.00	15.10	3,291
May 2019	二零一九年五月	107	16.06	15.50	1,690
June 2019	二零一九年六月	288	15.94	15.46	4,513
		1,488			21,326

The considerations of the purchased shares for the year ended 30 June 2020 of HK\$9,302,000 (2019: HK\$21,326,000) were charged to ESOP reserve.

截至二零二零年六月三十日止年度購入股份的價值為港幣9,302,000元(二零一九年：港幣21,326,000元)並已在行政人員股份認購權方案儲備扣除。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股之持有人可收取不時宣派之股息，並可於本公司之大會上就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

As at 30 June 2020, there were 5,864,000 (2019: 6,197,000) ordinary shares acquired and held by the Group under the ESOP reserve for the purpose of satisfying the exercise of share options granted to a director and eligible employees.

於二零二零年六月三十日，為滿足已授予一名董事及合資格員工股份認購權可被行使的條件，本集團於行政人員股份認購權方案儲備中持有普通股5,864,000股(二零一九年：6,197,000股)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 21. Share Capital (continued)

#### (b) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure by reviewing its equity-debt ratio and cashflow requirements, taking into account of its future financial obligations and commitments. For this purpose, the Group defines equity-debt ratio as the ratio of the total equity attributable to equity shareholders of the Company to net debt. Net debt represents lease liabilities less cash and short term funds.

### 21. 股本(續)

#### (b) 資本管理

本集團管理資本的主要目標是要保障集團能夠持續經營，透過為產品及服務制定與風險水平相稱的定價，以及透過用合理成本獲得融資，從而繼續為股東提供回報及為其他利益相關者帶來好處。

本集團積極及定期對資本架構展開檢討及管理，以在較高股東回報情況下可能伴隨之較高借貸水平與良好的資本狀況帶來的優勢及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團以權益債務比率及現金流需求考慮將來的財務負債及承擔項目來監察資本架構。有見及此，本集團將權益債務比率界定為本公司股東應佔總權益與淨債務的比率。淨債務包括租賃負債減現金及短期資金。

		At 30 June 2020 於二零二零年 六月三十日	At 1 July 2019 於二零一九年 七月一日 (Note) (附註)	At 30 June 2019 於二零一九年 六月三十日 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Lease liabilities	租賃負債	4,351	3,596	514
Less: Cash and short term funds	減：現金及短期資金	(1,529,608)	(1,317,927)	(1,317,927)
Net liquid funds	淨流動資金	(1,525,257)	(1,314,331)	(1,317,413)
Total equity attributable to equity shareholders of the Company	本公司股東應佔總權益	2,476,897	2,323,830	2,323,830
Equity-debt ratio	權益債務比率	100:0	100:0	100:0

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之租賃負債。根據此方法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

## 22. Reserves

### The Company

## 22. 儲備

### 本公司

		Share capital	Share option reserve	Revenue reserve	Total
		股本	股份認購權儲備	收益儲備	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
At 1 July 2018	於二零一八年七月一日	672,777	2,870	1,421,086	2,096,733
Profit for the year	本年度溢利	–	–	27,859	27,859
Exercise of share options	行使之股份認購權	–	(2,160)	(17,776)	(19,936)
Equity settled share-based transactions	按權益結算之以股份為基礎交易	–	362	–	362
Final dividend paid in respect of prior year	就往年度已付末期股息	–	–	(65,705)	(65,705)
Interim dividend paid in respect of current year	就本年度已付中期股息	–	–	(34,070)	(34,070)
At 30 June 2019	於二零一九年六月三十日	672,777	1,072	1,331,394	2,005,243
At 1 July 2019	於二零一九年七月一日	<b>672,777</b>	<b>1,072</b>	<b>1,331,394</b>	<b>2,005,243</b>
Profit for the year	本年度溢利	–	–	145,305	145,305
Exercise of share options	行使之股份認購權	–	(1,150)	(7,770)	(8,920)
Equity settled share-based transactions	按權益結算之以股份為基礎交易	–	78	–	78
Final dividend paid in respect of prior year	就往年度已付末期股息	–	–	(73,006)	(73,006)
Interim dividend paid in respect of current year	就本年度已付中期股息	–	–	(34,070)	(34,070)
At 30 June 2020	於二零二零年六月三十日	<b>672,777</b>	–	<b>1,361,853</b>	<b>2,034,630</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 22. Reserves (continued)

Nature and purpose of reserves of the Group:

#### (i) Surplus reserves

Surplus reserves include statutory surplus reserve and discretionary surplus reserve.

In accordance with Accounting Regulations for Business Enterprises, foreign investment enterprises in Mainland China are required to transfer at least 10% of their profit after taxation, as determined under accounting principles generally accepted in the PRC ("PRC GAAP") to the statutory surplus reserve until the balance of the reserve is equal to 50% of their registered capital.

#### (ii) ESOP reserve

The ESOP reserve comprises the purchase consideration for issued shares of the Company acquired for the purpose of satisfying the exercise of share options granted to a director and eligible employees under the Company's Share Option Scheme.

#### (iii) Share option reserve

Share option reserve comprises the cumulative fair value of employee services received for the issue of share options at respective grant date and is dealt with in accordance with the accounting policies in note 2(q)(ii).

#### (iv) Exchange reserve

The exchange reserve comprises: (a) the foreign exchange differences arising from the translation of the financial statements of subsidiaries outside Hong Kong whose functional currencies are different from the functional currency of the Company; and (b) the exchange differences on monetary items which form part of the Group's net investment in the subsidiaries outside Hong Kong. The reserve is dealt with in accordance with the accounting policies set out in note 2(u).

### 22. 儲備(續)

集團儲備之性質及用途：

#### (i) 盈餘儲備

盈餘儲備包括法定盈餘儲備及酌情盈餘儲備。

根據《企業會計制度》，在中國大陸的外商投資企業均須將不少於10%的按《中華人民共和國會計準則》計算的除稅後溢利撥入法定盈餘儲備，直至該儲備的結餘相等於其註冊資本的50%為止。

#### (ii) 行政人員股份認購權方案儲備

行政人員股份認購權方案儲備包括為滿足一名董事及合資格員工行使按本公司股份認購權方案所授予的股份認購權所購入之本公司已發行股份的購買代價。

#### (iii) 股份認購權儲備

股份認購權儲備包括於各授出日期授予股份認購權之員工服務之累計公平價值，該儲備根據附註2(q)(ii)所載之會計政策而處理。

#### (iv) 匯兌儲備

匯兌儲備包括：(a)換算香港以外之附屬公司(其功能貨幣有別於本公司之功能貨幣)之財務報表所產生之外匯差額；(b)組成本集團香港以外之附屬公司投資淨額一部份之貨幣性項目之匯兌差額。該儲備根據附註2(u)所載之會計政策而處理。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 22. Reserves (continued)

Nature and purpose of reserves of the Group: (continued)

#### (v) Revenue reserve

The distributable reserves of the Company at 30 June 2020 amounted to HK\$1,361,853,000 (2019: HK\$1,331,394,000).

### 23. Equity Settled Share-Based Transactions

Executive Share Option Scheme 2013 (the "ESOS 2013") was approved by the shareholders of the Company at the extraordinary general meeting held on 23 April 2013 and took effect on 25 April 2013 to, among other, allow grant of options over newly issued shares and/or transfer of existing shares by a trust of the ESOS 2013 (the "Trust") which was established between the Company and a trustee of the Trust, a wholly owned subsidiary of the Group.

Options granted under the ESOS 2013 are subject to achievement of performance-based vesting condition. The option shall lapse on the date the grantee ceased to be an employee of the Group or the performance-based condition is not satisfied. Each option gives the holder the right to subscribe for one ordinary share in the Company and is settled gross in shares.

As at 1 July 2019, there were 1,035,000 (1 July 2018: 3,105,000) outstanding options pursuant to the ESOS 2013. During the years ended 30 June 2020 and 2019, no share options were vested to the grantees under the ESOS 2013. No share options granted to the grantees were lapsed or cancelled during the years ended 30 June 2020 and 2019 and 1,035,000 (2019: 2,070,000) share options were exercised by the grantees during the year ended 30 June 2020.

### 22. 儲備(續)

集團儲備之性質及用途：(續)

#### (v) 收益儲備

本公司於二零二零年六月三十日之可分配儲備為港幣1,361,853,000元(二零一九年：港幣1,331,394,000元)。

### 23. 按權益結算之以股份為基礎交易

2013行政人員股份認購權計劃(「2013股份認購權計劃」)於二零一三年四月二十三日於本公司股東特別大會上獲股東批准，並於二零一三年四月二十五日生效，其中包括准許授出涉及新發行股份及或透過2013股份認購權計劃中的信託(「信託」)(信託乃本公司與作為該信託之受託人所成立，而受託人為本集團之全資附屬公司)。

根據2013股份認購權計劃所授出之認購權之歸屬乃根據績效條件為標準。股份認購權於承授人停止為本集團之員工之日或未能達到表現指標時失效。每份股份認購權賦予持有人認購本公司一股普通股的權利及以股份總額結算。

於二零一九年七月一日，根據2013股份認購權計劃，共有1,035,000(二零一八年七月一日：3,105,000)股尚未行使之認購權。於截至二零二零年及二零一九年六月三十日止年度，根據2013股份認購權計劃並沒有向獲授人歸屬認購權。於截至二零二零年及二零一九年六月三十日止年度，沒有授予獲授人之認購權失效或取消以及於截至二零二零年六月三十日止年度，獲授人行使共1,035,000(二零一九年：2,070,000)股認購權。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 23. Equity Settled Share-Based Transactions (continued)

### 23. 按權益結算之以股份為基礎交易(續)

(a) The terms and conditions of the grants are as follows:

(a) 授出之條款和條件如下：

ESOS 2013:

2013股份認購權計劃：

	Number of instruments at grant date 授出日期認購權數目	Exercisable period 可行使期間	Contractual life of options 認購權合約期
Options granted to a director: 認購權授予一名董事：			
- 28 June 2013 (Batch 1) - 於二零一三年六月二十八日(批號1)	1,250,000	From the date of notification of entitlement ("Vesting Date") up to 6 months from the Vesting Date 於自經知會所得認購權日期(「歸屬日期」)起至歸屬日期後六個月內行使	4 years 四年
		From the 13th month up to the 18th month from the Vesting Date 於歸屬日期起第十三個月至第十八個月期間行使	5 years 五年
		From the 25th month up to the 30th month from the Vesting Date 於歸屬日期起第二十五個月至第三十個月期間行使	6 years 六年
- 28 June 2013 (Batch 2) - 於二零一三年六月二十八日(批號2)	3,750,000	From the Vesting Date up to 6 months from the Vesting Date 於歸屬日期起六個月內行使	4 years 四年
		From the 13th month up to the 18th month from the Vesting Date 於歸屬日期起第十三個月至第十八個月期間行使	5 years 五年
		From the 25th month up to the 30th month from the Vesting Date 於歸屬日期起第二十五個月至第三十個月期間行使	6 years 六年

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 23. Equity Settled Share-Based Transactions (continued)

### 23. 按權益結算之以股份為基礎交易 (續)

(a) The terms and conditions of the grants are as follows: (continued)

(a) 授出之條款和條件如下：(續)

ESOS 2013: (continued)

2013股份認購權計劃：(續)

	Number of instruments at grant date 授出日期認購權數目	Exercisable period 可行使期間	Contractual life of options 認購權合約期
Options granted to eligible executives: 認購權授予合資格行政人員：			
- 28 June 2013 (Batch 1) - 於二零一三年六月二十八日(批號1)	2,400,000	From the Vesting Date up to 6 months from the Vesting Date 於歸屬日期起六個月內行使	4 years 四年
		From the 13th month up to the 18th month from the Vesting Date 於歸屬日期起第十三個月至第十八個月期間行使	5 years 五年
		From the 25th month up to the 30th month from the Vesting Date 於歸屬日期起第二十五個月至第三十個月期間行使	6 years 六年
- 28 June 2013 (Batch 2) - 於二零一三年六月二十八日(批號2)	7,200,000	From the Vesting Date up to 6 months from the Vesting Date 於歸屬日期起六個月內行使	4 years 四年
		From the 13th month up to the 18th month from the Vesting Date 於歸屬日期起第十三個月至第十八個月期間行使	5 years 五年
		From the 25th month up to the 30th month from the Vesting Date 於歸屬日期起第二十五個月至第三十個月期間行使	6 years 六年
- 26 November 2014 - 於二零一四年十一月二十六日	900,000	From the Vesting Date up to 6 months from the Vesting Date 於歸屬日期起六個月內行使	3 years 三年
		From the 13th month up to the 18th month from the Vesting Date 於歸屬日期起第十三個月至第十八個月期間行使	4 years 四年
		From the 25th month up to the 30th month from the Vesting Date 於歸屬日期起第二十五個月至第三十個月期間行使	5 years 五年
Total share options granted 股份認購權授予合計	15,500,000		

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 23. Equity Settled Share-Based Transactions (continued)

(b) The number and weighted average exercise prices of share options are as follows:

ESOS 2013:

		2020 二零二零年		2019 二零一九年	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價	認購權數目	加權平均行使價	認購權數目
		HK\$	'000	HK\$	'000
		港幣元	千	港幣元	千
Outstanding at the beginning of the year	於年初尚未被行使	4.79	1,035	4.90	3,105
Exercised during the year	於年內行使	4.79	(1,035)	4.79	(2,070)
Outstanding at the end of the year	於年末尚未被行使	-	-	4.79	1,035
Exercisable at the end of the year	於年末可行使	-	-	-	-

The options outstanding at 30 June 2019 under the ESOS 2013 had weighted average exercise price of HK\$4.79 and weighted average remaining contractual life of 0.9 year.

### 23. 按權益結算之以股份為基礎交易(續)

(b) 股份認購權的數目及加權平均行使價如下：

2013股份認購權計劃：

於二零一九年六月三十日，在2013股份認購權計劃中，尚未行使的股份認購權加權平均行使價為港幣4.79元以及加權平均剩餘合約期為0.9年。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 23. Equity Settled Share-Based Transactions (continued)

#### (c) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on Black-Scholes model. The contractual life of the share option is used as an input into this model.

Fair value of share options and assumptions of ESOS 2013:

Grant date	授出日期	26 November 2014 二零一四年十一月二十六日	20 November 2013 二零一三年十一月二十日	28 June 2013 二零一三年六月二十八日
Fair value at measurement date	於計量日之公平價值	HK\$0.883 - HK\$1.083 港幣0.883元-港幣1.083元	HK\$1.090 - HK\$1.739 港幣1.090元-港幣1.739元	HK\$0.456 - HK\$1.060 港幣0.456元-港幣1.060元
Share price	股價	HK\$6.75 港幣6.75元	HK\$5.75 港幣5.75元	HK\$4.58 港幣4.58元
Exercise price	行使價	HK\$6.80 港幣6.80元	HK\$4.62 港幣4.62元	HK\$4.62 港幣4.62元
Expected volatility	預期波幅	26.46% - 27.81%	23.33% - 35.04%	27.20% - 35.99%
Option life	認購權年期	2.6 years - 4.6 years 2.6年-4.6年	0.6 year - 5.6 years 0.6年-5.6年	1 year - 6 years 1年-6年
Expected dividend yield	預期股息率	3.1%	3.1%	3.5%
Risk-free rate	無風險利率	0.49% - 1.07%	0.20% - 1.25%	0.24% - 1.37%
	(based on Exchange Fund Note)	(根據外匯基金票據)		

The expected volatility is based on the historic volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

### 23. 按權益結算之以股份為基礎交易(續)

#### (c) 股份認購權的公平價值和假設

透過授予股份認購權獲提供服務的公平價值是參考所授予認購權的公平價值計量。已授出股份認購權公平價值是根據「柏力克-舒爾斯」模型估算。股份認購權的合約期限是該模型的輸入值。

股份認購權公平價值及2013股份認購權計劃假設：

預期波幅乃根據過往波幅而釐定(計算乃根據股份認購權的加權平均剩餘期)，並根據公開提供的資料對未來波幅的預期變更作出調整。預期股息乃根據過往股息而釐定。更改輸入項目假設可對公平價值估計造成重大影響。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

#### (a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables. The Group's exposure to credit risk arising from cash and short term funds and derivative financial assets is limited because the counterparties are banks and financial institutions with a good credit rating, for which the Group considers to have low credit risk. The Group does not provide any other guarantees which would expose the Group to credit risk.

##### *Trade receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 37% (2019: 37%) of the total trade receivables was due from the Group's five largest customers.

### 24. 財務風險管理及公平價值

本集團在正常營運過程中面對信貸、流動資金、利率及貨幣風險。本集團面對之此等風險及本集團採取之金融管理政策和措施來限制此等風險載列如下。

#### (a) 信貸風險

信貸風險指交易方違反其合約責任而導致本集團財務虧損之風險。本集團之信貸風險主要來自貿易應收賬款。本集團所面對現金及短期資金及衍生金融資產之信貸風險乃有限，原因是交易方為具有良好信貸評級之銀行及金融機構，管理層因此認為本集團面臨之信貸風險較低。本集團並無提供任何使本集團面臨信貸風險之擔保。

##### *貿易應收賬款*

本集團面臨之信貸風險主要受各客戶之個別情況而非客戶經營業務所在之行業或國家影響，因此，重大集中信貸風險主要於本集團面臨個別客戶之重大風險時出現。於報告期終日，貿易應收賬款總額之37%（二零一九年：37%）為應收本集團五大客戶之欠款。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (a) Credit risk (continued)

##### *Trade receivables (continued)*

Individual credit evaluations are performed on all customers requiring credit. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Credits are offered to customers following financial assessments and established payment records where applicable. Credit limits are set for all customers and these are exceeded only with the approval of senior company officers. Customers considered to be with credit risk are traded on a cash basis. General credit terms are payment within 30 to 60 days following the sales took place. Regular review and follow up actions are carried out on overdue amounts to minimise the Group's exposure to credit risk. Collaterals over properties are obtained from certain customers. An ageing analysis of the debtors is prepared on a regular basis and is closely monitored to minimise any credit risk associated with these debtors.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicates different loss patterns for different customer segments, the loss allowance based on past due status is further distinguished between the Group's different customer bases.

### 24. 財務風險管理及公平價值(續)

#### (a) 信貸風險(續)

##### *貿易應收賬款(續)*

集團均會對所有信貸客戶進行個別信貸評估。此等評估主要針對客戶過往到期時的還款記錄及現時還款的能力，並考慮客戶的特定資料，以及與客戶經營業務的經濟環境相關的資料。客戶信貸乃於進行財務評估後及基於已建立的付款記錄(如適用)而釐定。所有客戶均設有信貸限額，且在公司高級人員批准後方可超出有關限額。若認為客戶有信貸風險，則以現金進行交易。一般信貸於銷售發生後30至60日內到期。為了儘量減少信貸風險，本集團定期檢討逾期未付金額並採取跟進行動。本集團會從若干客戶取得物業抵押。本集團定期編製應收款項賬齡分析以密切監察並盡量減少與此等應收款項有關的信貸風險。

本集團貿易應收賬款之虧損撥備一般按整個存續期之預期信貸虧損(採用撥備矩陣計算)之金額計量。由於本集團過往信貸虧損經驗顯示不同客戶分部之虧損模式存在差異，故根據逾期狀況計算虧損撥備時對本集團不同客戶群體作進一步區分。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (a) Credit risk (continued)

##### Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables:

		2020 二零二零年		2019 二零一九年	
		Gross carrying amount	Loss allowance	Gross carrying amount	Loss allowance
		賬面總值 HK\$'000 港幣千元	虧損撥備 HK\$'000 港幣千元	賬面總值 HK\$'000 港幣千元	虧損撥備 HK\$'000 港幣千元
Current (not past due)	即期(未逾期)	285,109	–	312,392	–
Less than 3 months past due	逾期少於三個月	24,182	–	31,185	–
More than 3 months past due	逾期超過三個月	1,278	(410)	6,509	(556)
		<b>310,569</b>	<b>(410)</b>	350,086	(556)

The calculation reflects the probability-weighted outcome of expected credit losses and is adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and also forward-looking information including the Group's view of economic conditions over the expected lives of the receivables.

### 24. 財務風險管理及公平價值(續)

#### (a) 信貸風險(續)

##### 貿易應收賬款(續)

下表提供有關本集團就貿易應收賬款所面臨之信貸風險及預期信貸虧損之資料：

該計算反映預期信貸虧損之概率加權結果，並進行調整，以反映期內收集之歷史數據之經濟狀況、當前及前瞻性資料之間之差異，包括本集團對貿易應收賬款之存續期之經濟狀況的看法。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (a) Credit risk (continued)

##### Trade receivables (continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	556	483
Amounts written off during the year	本年度撇銷金額	(224)	(137)
Loss allowance recognised during the year	本年度虧損撥備確認	93	228
		(131)	91
Exchange adjustments	匯兌調整	(15)	(18)
At end of year	年末	410	556

#### (b) Liquidity risk

The Group closely monitors its liquidity and financial resources to ensure that a healthy financial position is maintained such that cash inflows from operating activities together with un-drawn banking facilities are sufficient to meet the requirements for loan repayments, daily operational needs, capital expenditure, as well as potential business expansion and development.

The Group reviews its strategy from time to time to ensure that cost-efficient funding is available to cater for the unique operating environment of each subsidiary.

### 24. 財務風險管理及公平價值(續)

#### (a) 信貸風險(續)

##### 貿易應收賬款(續)

本年度貿易應收賬款之虧損撥備組成部份之變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	年初	556	483
Amounts written off during the year	本年度撇銷金額	(224)	(137)
Loss allowance recognised during the year	本年度虧損撥備確認	93	228
		(131)	91
Exchange adjustments	匯兌調整	(15)	(18)
At end of year	年末	410	556

#### (b) 流動資金風險

本集團密切監察其流動資金和財政資源，以確保維持穩健的財務狀況，使來自經營業務的所得現金，連同尚未動用的銀行備用信貸，足以應付償還貸款、日常營運、資本開支，以及擴展業務及發展的潛在資金需要。

本集團不時檢討其財務政策，目的是作出具有成本效益的融資安排，切合各附屬公司獨特的經營環境。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (b) Liquidity risk (continued)

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates prevailing at the end of the reporting period) and the earliest date the Group can be required to pay:

		2020 二零二零年				
		Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	
		合約未折現金流量總額	一年內或即時	一年以上但兩年以內	兩年以上但五年以內	
		賬面值	賬面值	賬面值	賬面值	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Trade payables	貿易應付賬款	313,394	313,394	313,394	-	-
Other payables and accruals	其他應付賬款及應計費用	311,554	311,554	311,554	-	-
Lease liabilities (note)	租賃負債(附註)	4,351	4,567	2,920	940	707
		629,299	629,515	627,868	940	707

### 24. 財務風險管理及公平價值(續)

#### (b) 流動資金風險(續)

下表載列本集團金融負債於報告期終日之餘下合約到期日，餘下合約到期日乃按合約未折現金流量(包括利用約定利率或(倘浮息)在報告期終日適用的利率計算之利息付款)以及本集團可被要求付款之最早日期計算：

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (b) Liquidity risk (continued)

		2019 二零一九年				
		Total contractual carrying amount	Within 1 year or on demand	More than 1 year but within 2 years	More than 2 years but within 5 years	
		合約未折現賬面值	一年內或即時	一年以上但兩年以內	兩年以上五年以內	
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Trade payables	貿易應付賬款	363,662	363,662	363,662	-	-
Other payables and accruals	其他應付賬款及應計費用	285,547	285,547	285,547	-	-
Lease liabilities relating to leases previously classified under HKAS 17 as finance leases	就先前根據香港會計準則第十七號分類為融資租賃之租賃相關之租賃負債	514	514	160	126	228
		649,723	649,723	649,369	126	228

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Other lease liabilities include amounts recognised at the date of transition to HKFRS 16 in respect of leases previously classified as operating leases under HKAS 17 and amounts relating to new leases entered into during the year. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之租賃負債。根據此方法，比較資料並不會重列。詳情載於附註2(c)。

### 24. 財務風險管理及公平價值(續)

#### (b) 流動資金風險(續)

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

### 24. 財務風險管理及公平價值(續)

#### (c) Interest rate risk

#### (c) 利率風險

##### (i) Interest rate profile

##### (i) 利率概況

The following table details the interest rate profile of the Group's interest earning financial assets and interest bearing financial liabilities at the end of the reporting period:

下表詳列於報告期終日，本集團之附息金融資產及計息金融負債之利率資料：

		2020 二零二零年		2019 二零一九年	
		Effective interest rate p.a. 實際年利率 %	Carrying amount 賬面值 HK\$'000 港幣千元	Effective interest rate p.a. 實際年利率 %	Carrying amount 賬面值 HK\$'000 港幣千元
<b>Fixed rate financial assets/ (liabilities):</b>	<b>定息金融資產/(負債)：</b>				
Deposits with banks	銀行定期存款	2.36	1,231,791	2.96	1,050,192
Lease liabilities (note)	租賃負債(附註)	4.77	(4,351)	-	(514)
			1,227,440		1,049,678
<b>Variable rate financial assets:</b>	<b>浮息金融資產：</b>				
Cash at bank	銀行存款	1.27	258,929	1.32	233,648
<b>Total</b>	<b>合計</b>		<b>1,486,369</b>		<b>1,283,326</b>

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Under this approach, the comparative information is not restated. See note 2(c).

附註：本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號及調整於二零一九年七月一日之期初結餘，以確認與先前根據香港會計準則第十七號分類為經營租賃之租賃相關之租賃負債。根據此方法，比較資料並不會重列。詳情載於附註2(c)。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values *(continued)*

#### (c) Interest rate risk *(continued)*

##### (ii) Sensitivity analysis

At 30 June 2020, it is estimated that general increase/decrease of 0 to 7 basis points (2019: 0 to 50 basis points) in interest rates for the Group's interest earning financial assets and interest bearing financial liabilities denominated in various currencies, mainly Hong Kong dollars, Renminbi and United States dollars, with all other variables held constant, would have increased/decreased the Group's profit for the year and revenue reserve by approximately HK\$157,000 (2019: decreased/increased of HK\$348,000).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax (and revenue reserve) that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and revenue reserve) is estimated as an annualised impact on interest income of such a change in interest rates. The analysis is performed on the same basis as for 2019.

### 24. 財務風險管理及公平價值 *(續)*

#### (c) 利率風險 *(續)*

##### (ii) 敏感度分析

於二零二零年六月三十日，估計若本集團帶息金融資產及計息金融負債中各外幣（主要為港幣、人民幣及美元）利率全面上升／下調0至7點子（二零一九年：0至50點子），在其他所有變數維持不變的情況下，本集團之本年度溢利及收益儲備將增加／減少約港幣157,000元（二零一九年：減少／增加港幣348,000元）。

以上之敏感度分析表示假設利率於報告期產生轉變對本集團本年度溢利（和收益儲備）會出現之即時變動，並適用於重新計量本集團於報告期終日持有面對公平價值利率風險之金融工具。就本集團於報告期終日持有浮動利率非衍生金融工具產生之現金流量利率風險，本集團本年度溢利（和收益儲備）之影響以利率轉變所得收入作為年度化影響予以估計。分析是以與二零一九年相同之基準進行。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (d) Currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("US\$"), Renminbi ("RMB"), Hong Kong dollars ("HK\$"), Macau Patacas ("MOP"), New Zealand dollars ("NZ\$") and Euro ("EUR").

#### (i) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of operations outside Hong Kong into the Group's presentation currency and exposure arising from inter-company balances which are considered to be in the nature of interest in subsidiaries are excluded.

### 24. 財務風險管理及公平價值(續)

#### (d) 貨幣風險

本集團面對的貨幣風險，主要來自因買賣而產生之應收賬款、應付賬款及現金結餘，該等項目乃按外幣，即交易所涉及業務之功能貨幣以外之貨幣計值。外匯風險主要來自美元、人民幣、港幣、澳門幣、紐西蘭幣及歐元。

#### (i) 承受之外匯風險

下表就本集團於報告期終日，以相關公司功能貨幣以外貨幣計值的已確認資產或負債所承受之外匯風險作出詳細分析。由換算香港以外業務之財務報表至本集團之呈列貨幣以及視為附屬公司權益性質之集團公司間之結餘之差額，並不包括在內。

Exposure to foreign currencies (Expressed in original currency)  
承受之外匯風險(以原貨幣計算)

	2020 二零二零年						2019 二零一九年				
	HK\$'000 港幣千元	RMB'000 人民幣千元	US\$'000 美元千元	MOP'000 澳門幣千元	NZ\$'000 紐西蘭幣千元	EUR'000 歐元千元	HK\$'000 港幣千元	RMB'000 人民幣千元	US\$'000 美元千元	MOP'000 澳門幣千元	NZ\$'000 紐西蘭幣千元
Trade and other receivables 貿易及其他應收賬款	-	-	112	-	-	-	-	-	96	-	-
Other non-current assets 其他非流動資產	-	-	-	-	-	1,184	-	-	-	-	-
Cash and short term funds 現金及短期資金	510	13,875	12,980	-	49	-	594	12,917	5,344	-	-
Trade and other payables 貿易及其他應付賬款	(62)	-	(2,044)	-	(320)	-	-	-	(4,144)	-	(407)
Amounts due(to) from group companies 應收/(應付)集團公司款項	26,151	(22)	-	5,336	-	-	31,099	-	-	2,077	-
Gross exposure arising from recognised assets and liabilities 已確認資產及負債產生的風險承擔總額	26,599	13,853	11,048	5,336	(271)	1,184	31,693	12,917	1,296	2,077	(407)
Notional amounts of foreign exchange forward contracts at fair value through profit or loss 按公平價值計入損益之外匯遠期合約的名義數額	-	-	7,726	-	-	1,964	-	-	-	-	772
Net exposure arising from recognised assets and liabilities 金融資產及負債產生之風險淨額	26,599	13,853	18,774	5,336	(271)	3,148	31,693	12,917	1,296	2,077	365

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (d) Currency risk (continued)

##### (ii) Sensitivity analysis

The following table indicates the instantaneous changes in the Group's profit after tax (and revenue reserve) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

### 24. 財務風險管理及公平價值(續)

#### (d) 貨幣風險(續)

##### (ii) 敏感度分析

下表載列出若本集團於報告期終日所面對重大風險之外幣匯率，於該日期的假設轉變對本集團除稅後溢利(和收益儲備)之即時變動，並假設所有其他風險變數保持不變。

		2020 二零二零年		2019 二零一九年	
		Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit after tax and revenue reserve	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in profit after tax and revenue reserve
		外匯匯率 上升/(下跌) %	除稅後溢利及 收益儲備 增加/(減少) HK\$'000 港幣千元	外匯匯率 上升/(下跌) %	除稅後溢利及 收益儲備 增加/(減少) HK\$'000 港幣千元
RMB	人民幣	1.31	166	0.40	49
HK\$	港幣	(1.31)	(153)	(0.40)	(40)
US\$	美元	0.28	495	0.63	56
MOP	澳門幣	(1.31)	(51)	(0.40)	(6)
NZ\$	紐西蘭幣	0.33	(3)	0.06	1
EUR	歐元	2.80	691	-	-

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (d) Currency risk (continued)

##### (ii) Sensitivity analysis (continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit or loss after tax and revenue reserve measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis as for 2019.

#### (e) Fair value measurement

##### (i) Financial assets and liabilities measured at fair value

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

### 24. 財務風險管理及公平價值(續)

#### (d) 貨幣風險(續)

##### (ii) 敏感度分析(續)

上表呈述之分析結果顯示本集團各實體以各自功能貨幣計算之除稅後溢利或虧損及收益儲備，按報告期終日通行之匯率換算為港幣以作呈報之總額即時影響。

敏感度分析乃假設匯率變動適用於重新計量本集團於報告期終日持有及使本集團面對貨幣風險之有關金融工具。分析是以與二零一九年相同之基準進行。

#### (e) 公平價值計量

##### (i) 以公平價值計量之金融資產及負債

下表載列根據香港財務報告準則第十三號「公平價值計量」，定期於報告期終日計量集團金融工具之公平價值分類為三個公平價值級別。參考按估值方法所輸入數據的可觀察性及重要性作以下級別釐定：

- 第一級別估值：僅使用第一級別輸入數據(即計量日期當日相同資產及負債活躍市場上的未經調整報價)計量的公平價值。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values (continued)

#### (e) Fair value measurement (continued)

##### (i) Financial assets and liabilities measured at fair value (continued)

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

### 24. 財務風險管理及公平價值(續)

#### (e) 公平價值計量(續)

##### (i) 以公平價值計量之金融資產及負債(續)

- 第二級別估值：使用第二級別輸入數據(即不符合第一級別標準的可觀察數據)計量的公平價值，且不會使用重大不可觀察輸入數據。不可觀察輸入數據為未能取得市場數據的輸入數據。
- 第三級別估值：使用重大不可觀察輸入數據計量的公平價值。

		2020 二零二零年				2019 二零一九年			
		Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	Total 合計	Level 1 第一級別	Level 2 第二級別	Level 3 第三級別	Total 合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>Recurring fair value measurements</b>	<b>經常性公平價值計量</b>								
<b>Assets</b>	<b>資產</b>								
Other non-current assets:	其他非流動資產：								
- Club membership	- 會籍	-	772	-	772	-	915	-	915
Derivative financial instruments:	衍生金融工具：								
- Foreign exchange forward contracts	- 外幣遠期合同	-	584	-	584	-	47	-	47
		-	1,356	-	1,356	-	962	-	962
<b>Liability</b>	<b>負債</b>								
Derivative financial instruments:	衍生金融工具：								
- Foreign exchange forward contracts	- 外幣遠期合同	-	114	-	114	-	-	-	-

- During the years ended 30 June 2020 and 2019, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

- 截至二零二零年六月三十日及二零一九年六月三十日止年度，第一級別與第二級別之間沒有轉移，也沒有轉入或轉出第三級別。本集團政策為於級別轉移發生之報告期終日確認公平價值級別轉移。



# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 24. Financial Risk Management and Fair Values *(continued)*

#### (e) Fair value measurement *(continued)*

##### (ii) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of club membership in Level 2 is determined using market comparison approach by reference to quoted prices in an active market of financial assets similar to the instrument being valued, adjusted for factors unique to the instrument being valued.

The fair value of foreign exchange forward contracts in Level 2 is determined based on quotes from market makers or alternative participants supported by observable inputs including spot and forward exchange rates.

##### (iii) Fair value of financial assets and liabilities carried at other than fair value

Apart from non-trade balances with subsidiaries, all other significant financial assets and liabilities are carried at amounts not materially different from their fair values as at 30 June 2020 and 2019. It is not meaningful to disclose the fair value of non-trade balances with subsidiaries because there is no fixed term of repayment.

### 24. 財務風險管理及公平價值 *(續)*

#### (e) 公平價值計量 *(續)*

##### (ii) 採用於第二級別公平價值計量的估值技術及輸入數據

列作第二級別之會籍之公平價值是參考和工具相近之金融資產按市場比較法在活躍市場之市場報價，再以有關工具之獨有因素予以調整。

列作第二級別之外幣遠期合同之公平價值是以莊家或其他市場參與者以可觀察輸入數據所支持的報價來釐定，其中包括即期及遠期匯率。

##### (iii) 非以公平價值列賬的金融資產及負債之公平價值

除與附屬公司之非貿易結餘外，於二零二零年及二零一九年六月三十日，所有其他重大金融資產及負債的賬面價值與公平價值並無重大差異。由於與附屬公司之非貿易結餘並無固定還款期，故披露其公平價值並無意義。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 25. Commitments

- (a) Capital commitments outstanding at the end of the reporting period not provided for in the financial statements were as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Capital expenditure authorised and contracted for	已授權並已訂約之資本開支	52,760	29,013
Capital expenditure authorised but not contracted for	已授權但未訂約之資本開支	157,845	135,260

- (b) At 30 June 2019, the total future minimum lease payments under non-cancellable operating leases were payable as follows:

		Properties 物業 HK\$'000 港幣千元
Within 1 year	一年內	2,712
After 1 year but within 5 years	一年後但五年內	711
		3,423

The Group is the lessee in respect of a number of properties held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the Group adjusted the opening balances at 1 July 2019 to recognise lease liabilities relating to these leases (see note 2(c)). From 1 July 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in note 2(j), and the details regarding the Group's future lease payments are disclosed in note 19.

- (c) At 30 June 2020, the Group had several non-cancellable purchase orders for raw materials with its suppliers with an amount of HK\$754,566,000 (2019: HK\$768,624,000).

### 25. 承擔

- (a) 本集團於報告期終日有以下資本承擔未在財務報表中作出撥備：

- (b) 於二零一九年六月三十日，根據不可解除之經營租賃在日後應付之最低租賃付款總額如下：

本集團為多項根據先前香港會計準則第十七號分類為經營租賃而持有物業之承租人。本集團採用經修訂的追溯法初始應用香港財務報告準則第十六號，根據採用經修訂的追溯法，本集團已於二零一九年七月一日調整期初結餘，以確認有關該等租賃之租賃負債（詳情載於附註2(c)）。自二零一九年七月一日起，根據附註2(j)所載之政策，未來租賃付款已於財務狀況表內確認為租賃負債，而有關本集團未來租賃付款之詳情於附註19中披露。

- (c) 於二零二零年六月三十日，本集團與其供應商訂立數張不可取消的原材料採購訂單，金額為港幣754,566,000元（二零一九年：港幣768,624,000元）。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 26. Related Party Transactions

### 26. 有關連人士之交易

#### (a) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors and certain of the highest paid employees is disclosed in note 9 to the consolidated financial statements. Total remuneration is included in "staff costs" (note 7).

#### (a) 主要管理人員薪酬

主要管理人員之薪酬，包括支付予本公司董事及若干酬金最高的僱員於綜合財務報表附註9披露載列。薪酬總額已計入「職工成本」內(見附註7)。

#### (b) Material transactions with related parties

#### (b) 關連人士重大交易

Nature of transactions	交易性質	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Management fee expenses to fellow subsidiaries (note (i))	管理費支出予同系附屬公司(附註(i))	13,189	12,844
Purchase of goods from a fellow subsidiary (note (ii))	向同系附屬公司採購貨款(附註(ii))	11,849	2,102

Notes:

- (i) On 7 July 2017, two master services agreements (collectively, the "Master Services Agreements") were entered into by the Company with GuoLine Group Management Co. Limited ("GGMC") and GOMC Limited ("GOMC") respectively, both are subsidiaries of Hong Leong Company (Malaysia) Berhad ("HLCM"), the Company's ultimate holding company, for provision by i) GGMC of management services to the Company's subsidiaries excluding, at any time, the subsidiaries incorporated, resident or with operation in Hong Kong ("Hong Kong Subsidiaries") and; ii) GOMC of management services to the Company and the Hong Kong Subsidiaries.

The Master Services Agreements are for a term of three years from 1 July 2017 to 30 June 2020.

附註：

- (i) 於二零一七年七月七日，本公司與其最終控股公司 Hong Leong Company (Malaysia) Berhad (「HLCM」) 之附屬公司，GuoLine Group Management Co. Limited (「GGMC」) 及 GOMC Limited (「GOMC」)，分別訂立了兩份服務主協議(統稱「該等服務主協議」)，藉以由(i) GGMC向本公司之附屬公司(不包括於任何時間在香港成立，常駐或營運之附屬公司「香港附屬公司」)提供管理服務，及(ii) GOMC向本公司及香港附屬公司提供管理服務。

該等服務主協議合約期由二零一七年七月一日至二零二零年六月三十日，為期三年。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 26. Related Party Transactions

(continued)

#### (b) Material transactions with related parties (continued)

Notes: (continued)

- (ii) On 29 August 2019, LS SynaLife Trading Company Limited ("LS SynaLife", a wholly-owned subsidiary of the Company) entered into the distribution agreement (the "Distribution Agreement") with Manuka Health New Zealand Limited ("MHNZ", an indirect subsidiary of HLCCM, the Company's ultimate holding company), pursuant to which MHNZ has agreed to appoint LS SynaLife as the distributor to distribute the full range of the products of MHNZ (the "Products") via certain online channels in the PRC for the period from 1 July 2019 to 30 June 2020.

On 27 March 2020, a master distribution agreement (the "Master Distribution Agreement") was entered into by the Company with MHNZ to extend the distributorship of the Distribution Agreement to a wider geographic and channel coverage for the distribution of the Products of any MHNZ and its subsidiaries by the Company and its subsidiaries in the PRC and such other jurisdictions as the parties may agree from time to time.

The Master Distribution Agreement is for a term from 27 March 2020 to 30 June 2022.

#### (c) Applicability of the Listing Rules relating to connected transactions

The related party transactions in respect of management fee expenses and purchase of goods above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section "Connected Transactions" of the Directors' Report.

### 26. 有關連人士之交易 (續)

#### (b) 重大關連人士交易 (續)

附註：(續)

- (ii) 於二零一九年八月二十九日，新豐鏈貿易有限公司（「新豐鏈」，屬於本公司全資附屬公司）與本公司最終控股公司 HLCCM 之間接持有的附屬公司 Manuka Health New Zealand Limited（「MHNZ」）訂立分銷協議（「分銷協議」），據此，MHNZ 同意委任新豐鏈為分銷商，於二零一九年七月一日起至二零二零年六月三十日止期間，於中國透過若干網上銷售渠道分銷 MHNZ 全線產品（「產品」）。

於二零二零年三月二十七日，本公司與 MHNZ 訂立主分銷協議（「主分銷協議」），以擴展分銷協議下之分銷權覆蓋更廣泛的地域及渠道，讓本公司及其附屬公司於中國及訂約方可能不時協定的其他司法權區分銷任何 MHNZ 的產品。

主分銷協議合約期由二零二零年三月二十七日起至二零二零年六月三十日止。

#### (c) 有關關連交易之上市規則之適用性

就上述之管理費支出及採購貨款之有關連人士交易構成上市規則第 14A 章界定之持續關連交易。上市規則第 14A 章規定之披露於董事會報告內「關連交易」一節中提供。

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 27. Company-Level Statement of Financial Position

### 27. 公司層面的財務狀況表

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	230	277
Interest in subsidiaries	附屬公司權益	885,346	883,682
Amounts due from subsidiaries	應收附屬公司款項	966,760	920,869
		<b>1,852,336</b>	1,804,828
<b>Current assets</b>	<b>流動資產</b>		
Other receivables	其他應收賬款	1,882	1,210
Cash and short term funds	現金及短期資金	346,370	347,050
		<b>348,252</b>	348,260
<b>Current liability</b>	<b>流動負債</b>		
Other payables and accruals	其他應付賬款	17,243	8,229
		<b>17,243</b>	8,229
<b>Net current assets</b>	<b>淨流動資產</b>	<b>331,009</b>	340,031
<b>Total assets less current liability</b>	<b>總資產減流動負債</b>	<b>2,183,345</b>	2,144,859
<b>Non-current liability</b>	<b>非流動負債</b>		
Amounts due to subsidiaries	應付附屬公司款項	148,715	139,616
<b>NET ASSETS</b>	<b>淨資產</b>	<b>2,034,630</b>	2,005,243
<b>CAPITAL AND RESERVES</b>	<b>資金及儲備</b>		
Share capital (note 21)	股本(附註21)	672,777	672,777
Reserves (note 22)	儲備(附註22)	1,361,853	1,332,466
<b>TOTAL EQUITY</b>	<b>總權益</b>	<b>2,034,630</b>	2,005,243

Approved and authorised for issue by the Board of Directors on 27 August 2020.

經由董事會於二零二零年八月二十七日批准及授權刊發。

**WONG Cho Fai** 黃祖暉  
DIRECTOR 董事

**TANG Hong Cheong** 鄧漢昌  
DIRECTOR 董事

# NOTES TO THE FINANCIAL STATEMENTS

## 財務報表附註

For the year ended 30 June 2020 截至二零二零年六月三十日止年度

### 28. Comparative Figures

The Group has initially applied HKFRS 16 at 1 July 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2(c).

### 29. Immediate and Ultimate Holding Company

At 30 June 2020, the directors consider the immediate holding company to be GuoLine International Limited, which is incorporated in Bermuda and the ultimate holding company to be HLCM, which is incorporated in Malaysia. These entities do not produce financial statements available for public use.

### 30. Possible Impact of Amendments, New Standards and Interpretations Issued but not yet effective for the year ended 30 June 2020

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 30 June 2020 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

### 28. 比較數字

本集團已於二零一九年七月一日初始採用香港財務報告準則第十六號。根據採用經修訂的追溯法，比較資料並不會重列。有關會計政策之變動之進一步詳情於附註2(c)中披露。

### 29. 直接及最終控股公司

董事認為於二零二零年六月三十日直接控股公司為 GuoLine International Limited，一間於百慕達註冊成立之公司，而最終控股公司為 HLCM，一間於馬來西亞註冊成立之公司。這些個體沒有財務報表可供公眾使用。

### 30. 截至二零二零年六月三十日止年度已頒佈但尚未生效之經修訂、新訂的準則及詮釋可能產生的影響

截至本財務報表刊發之日，香港會計師公會已頒佈截至二零二零年六月三十日止年度尚未生效，亦無在本財務報表採用之數項修訂及一項新訂準則，香港財務報告準則第十七號「*保險合同*」，當中發展包括下列可能與本集團相關。

**Effective for  
accounting periods  
beginning on or after**  
由下列或以後會計期間  
開始生效

Amendments to HKFRS 3, *Definition of a business*  
香港財務報告準則第三號「*業務之定義*」之修訂

1 January 2020  
二零二零年一月一日

Amendments to HKAS 1 and HKAS 8, *Definition of material*  
香港會計準則第一號及香港會計準則第八號「*重要性之定義*」之修訂

1 January 2020  
二零二零年一月一日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正評估該等修訂於初始應用期間之預期影響。直到目前為止，採用該等修訂預期不會對本集團綜合財務報表產生重大影響。

# PRINCIPAL SUBSIDIARIES

## 主要附屬公司

At 30 June 2020 於二零二零年六月三十日

The following list contains particulars of principal subsidiaries at 30 June 2020:

於二零二零年六月三十日各主要附屬公司摘要如下：

Name of company 公司名稱	Particulars of issued capital 已發行之股本摘要	Place of incorporation/ establishment and operation 註冊及經營地點	Effective percentage of equity holding 股權擁有百分比		Principal activities 主要業務	Notes 附註
			Group 本集團	Company 本公司		
Changzhou Lam Soon Edible Oils Company Limited 常州南順油脂有限公司	RMB40,000,000 人民幣40,000,000	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of specialty fats products 特種油脂產品生產及貿易	N1
Gladko Industries Limited 澤高實業有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	-	Investment holding 投資控股	
Guangzhou Lam Soon Homecare Products Limited 廣州南順清潔用品有限公司	HK\$21,000,000 港幣21,000,000元	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of home care products 家居護理產品生產及貿易	N1
Hong Kong Flour Mills Limited 香港麵粉廠有限公司	100 ordinary shares 10,000 deferred shares 100股普通股 10,000股遞延股	Hong Kong 香港	100	-	Provision of trucks rental service and investment holding 提供貨車租賃及投資控股	
Jiangsu Lam Soon Flour Mills Company Limited 江蘇南順麵粉有限公司	US\$7,000,000 7,000,000美元	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of flour products 麵粉產品生產及貿易	N1
Jiangsu Lam Soon Food Company Limited 江蘇南順食品有限公司	US\$10,000,000 10,000,000美元	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of flour products 麵粉產品生產及貿易	N1
Lam Soon (China) Holdings Company Limited	US\$1 1美元	British Virgin Islands/ Hong Kong 英屬維爾京群島/香港	100	-	Investment holding 投資控股	
Lam Soon Cleaning & Caring Laboratories (Hong Kong) Company Limited 南順清潔護理研發(香港)有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	-	Trading of home care products 家居護理產品貿易	
Lam Soon Distribution (International) Limited 南順分銷(國際)有限公司	400,000 ordinary shares 400,000股普通股	Hong Kong 香港	100	100	Trading of edible oils products 食用油產品貿易	

# PRINCIPAL SUBSIDIARIES

## 主要附屬公司

At 30 June 2020 於二零二零年六月三十日

Name of company 公司名稱	Particulars of issued capital 已發行之股本摘要	Place of incorporation/ establishment and operation 註冊及經營地點	Effective percentage of equity holding 股權擁有百分比		Principal activities 主要業務	Notes 附註
			Group 本集團	Company 本公司		
Lam Soon Food Industries (BVI) Limited	HK\$11,858,415 港幣11,858,415元	British Virgin Islands 英屬維爾京群島	100	–	Investment holding 投資控股	
Lam Soon Food Supply Company Limited 南順食品供應有限公司	1,000 ordinary shares 500,000 deferred shares 1,000股普通股 500,000股遞延股	Hong Kong 香港	100	–	Investment holding 投資控股	
Lam Soon Food Supply (Macau) Company Limited 南順食品供應(澳門)有限公司	MOP25,000 澳門幣25,000元	Macau 澳門	100	4	Trading of flour, edible oils and home care products 麵粉、食用油及家居護理產品貿易	
Lam Soon (Pan Yu) Industries Company Limited 南順(番禺)工業有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	–	Investment holding 投資控股	
Lam Soon Products Supply (Hong Kong) Company Limited 南順產品供應(香港)有限公司	1,000,000 ordinary shares 1,000,000股普通股	Hong Kong 香港	100	–	Manufacturing of edible oils and trading of flour, edible oils and agency products 食用油生產及麵粉、食用油及 代理產品貿易	
Lam Soon Realty Limited 南順地產有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	–	Property holding, the provision of warehousing and logistic services and licenses of factory canteen 物業持有、提供倉儲和物流服務及 工廠食堂執照持有	
Lam Soon (Shandong) Food Company Limited 南順(山東)食品有限公司	US\$10,113,100 10,113,100美元	The People's Republic of China 中華人民共和國	100	–	Manufacturing and trading of flour products 麵粉產品生產及貿易	N1
Lam Soon (Sichuan) Food Company Limited 南順(四川)食品有限公司	US\$7,000,000 7,000,000美元	The People's Republic of China 中華人民共和國	100	–	Manufacturing and trading of flour products 麵粉產品生產及貿易	N1
Lam Soon Silos Investments Limited 南順筒倉投資有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	–	Investment holding 投資控股	
Lam Soon Systems Limited 南順系統有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	–	Provision of information technology services 提供資訊科技服務	



# PRINCIPAL SUBSIDIARIES

## 主要附屬公司

At 30 June 2020 於二零二零年六月三十日

Name of company 公司名稱	Particulars of issued capital 已發行之股本摘要	Place of incorporation/ establishment and operation 註冊及經營地點	Effective percentage of equity holding 股權擁有百分比		Principal activities 主要業務	Notes 附註
			Group 本集團	Company 本公司		
Lam Soon Trademark Limited	US\$2 2美元	Cook Islands/ Hong Kong 科克群島/香港	100	-	Trademark holding 商標持有	
LS SynaLife Trading Company Limited 新豐鏈貿易有限公司	2 ordinary shares 2股普通股	Hong Kong 香港	100	-	Trading and distribution of products and investment holding 貿易及分銷產品及投資控股	
LS SynaLife Trading (Shanghai) Company Limited 隆浩鏈商貿(上海)有限公司	RMB7,000,000 人民幣7,000,000	The People's Republic of China 中華人民共和國	100	-	Trading and distribution of products 貿易及分銷產品	N1
Richly Choice Development (PTC) Limited	US\$1 1美元	British Virgin Islands 英屬維爾京群島	100	100	Provision of trustee services 提供信託服務	
Shekou Lam Soon Flour Mills Company Limited 蛇口南順麵粉有限公司	US\$27,500,000 27,500,000美元	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of flour products 麵粉產品生產及貿易	N1
Shekou Lam Soon Silo Company Limited 蛇口南順筒倉有限公司	US\$9,500,000 9,500,000美元	The People's Republic of China 中華人民共和國	100	-	Provision of silo facilities 提供筒倉服務	N1
Shenzhen Lam Soon Edible Oils Company, Limited 深圳南順油脂有限公司	US\$12,000,000 12,000,000美元	The People's Republic of China 中華人民共和國	100	-	Manufacturing and trading of edible oils products 食用油產品生產及貿易	N1
Note:						附註：
N1	These subsidiaries are registered as wholly-owned-foreign companies under PRC Laws.		N1		該等附屬公司按中華人民共和國法律以外商 獨資公司名義註冊。	

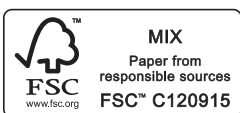
## 5-YEAR FINANCIAL SUMMARY 五年財務概要

The summaries of results, assets and liabilities of the Group and total equity attributable to equity shareholders of the Company for the last five financial years are as follows:

本集團過往五個財政年度的業績、資產及負債及本公司股東應佔總權益概要如下：

		2020 二零二零年 HK\$'M 港幣百萬元	2019 二零一九年 HK\$'M 港幣百萬元	2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元	2016 二零一六年 HK\$'M 港幣百萬元
<b>Results</b>	<b>業績</b>					
Revenue	收入	5,119	5,316	5,374	4,814	4,708
Operating profit before interest, taxation, depreciation and amortisation	未扣除利息支出、稅項、折舊及攤銷的經營溢利	436	433	428	369	324
Profit attributable to equity shareholders of the Company	本公司股東應佔溢利	317	340	326	273	202
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Non-current assets	非流動資產	692	725	684	698	727
Net current assets	淨流動資產	1,806	1,622	1,491	1,209	1,005
Non-current liabilities	非流動負債	(21)	(12)	(5)	(1)	(1)
Non-controlling interests	非控制權益	-	(11)	(11)	(11)	(11)
Total equity attributable to equity shareholders of the Company	本公司股東應佔總權益	2,477	2,324	2,159	1,895	1,720





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