



HANG SANG (SIU PO) INTERNATIONAL HOLDING COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 3626



Annual Report 年報

2020

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr Fung Man Wai Samson
(Chairman and Chief Executive Officer)
Mr Fung Man Kam
Mr Fung Kar Chue Alexander

Independent Non-executive Directors

Dr Loke Yu
Ms Fung Po Yee
Ms Sung Ting Yee

BOARD COMMITTEES

Audit Committee

Dr Loke Yu (Chairman)
Ms Fung Po Yee
Ms Sung Ting Yee

Remuneration Committee

Ms Sung Ting Yee (Chairman)
Dr Loke Yu
Ms Fung Po Yee
Mr Fung Man Wai Samson
Mr Fung Kar Chue Alexander

Nomination Committee

Ms Fung Po Yee (Chairman)
Dr Loke Yu
Ms Sung Ting Yee
Mr Fung Man Wai Samson
Mr Fung Kar Chue Alexander

COMPLIANCE ADVISER

Gram Capital Limited

COMPANY SECRETARY

Mr Li Kit Chung (FCPA, ACIS, ACS)

AUDITOR

Grant Thornton Hong Kong Limited

PRINCIPAL BANKS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited

董事會

執行董事

馮文偉先生
(主席兼行政總裁)
馮文錦先生
馮家柱先生

獨立非執行董事

陸海林博士
馮寶儀女士
宋婷兒女士

董事委員會

審核委員會

陸海林博士 (主席)
馮寶儀女士
宋婷兒女士

薪酬委員會

宋婷兒女士 (主席)
陸海林博士
馮寶儀女士
馮文偉先生
馮家柱先生

提名委員會

馮寶儀女士 (主席)
陸海林博士
宋婷兒女士
馮文偉先生
馮家柱先生

合規顧問

嘉林資本有限公司

公司秘書

李杰聰先生 (FCPA, ACIS, ACS)

核數師

致同(香港)會計師事務所有限公司

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司
中國銀行(香港)有限公司



REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Block C, 5/F., Gee Hing Chang Industrial Building
No. 16 Cheung Yue Street
Cheung Sha Wan
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

STOCK CODE

3626

WEBSITE

www.hangsangpress.com

INVESTOR RELATIONS

For more information about the Group, please visit our company website on www.hangsangpress.com

註冊辦事處

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P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港
九龍
長沙灣
長裕街16號
志興昌工業大廈5樓C室

主要股份登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份登記及過戶分處

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
1712-1716號舖

股份代號

3626

網站

www.hangsangpress.com

投資者關係

有關本集團詳情，請瀏覽本公司網站 www.hangsangpress.com



Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Hang Sang (Siu Po) International Holding Company Limited (the "Company") and its subsidiaries (collectively the "Group"), I am pleased to present the annual report for the year ended 30 June 2020.

The principal activities of the Group are manufacturing and sale of apparel labels and packaging printing products.

For the year ended 30 June 2020, the Group recorded revenue of approximately HK\$65.1 million, representing a decrease of approximately 20.8% as compared with that of the year ended 30 June 2019. Gross profit margin was approximately 30.4% for the year ended 30 June 2020 which was approximately 4.6 percentage point lower than that for the year ended 30 June 2019. The Group recorded loss and total comprehensive expense of approximately HK\$9.7 million for the year ended 30 June 2020 as compared to profit and total comprehensive income of approximately HK\$1.7 million for the year ended 30 June 2019.

The threat of Novel Coronavirus Disease ("COVID-19") and the necessary anti-epidemic measures seriously disrupted a wide range of economic activities. Economic activities will take time to fully recover. The threat of the epidemic has not been eradicated on a global scale yet. This, together with the global economic recession, will continue to weigh on sentiment. The business environment facing the Group will remain challenging in the near term.

致各位尊敬的股東：

本人謹代表Hang Sang (Siu Po) International Holding Company Limited(「本公司」)及其附屬公司(合稱「本集團」)董事(「董事」)會(「董事會」)欣然提呈本公司截至二零二零年六月三十日止年度的年報。

本集團的主要活動為服裝標籤以及包裝印刷產品的製造及銷售。

截至二零二零年六月三十日止年度，本集團錄得收益約65,100,000港元，較截至二零一九年六月三十日止年度減少約20.8%。截至二零二零年六月三十日止年度，毛利率約為30.4%，較截至二零一九年六月三十日止年度減少約4.6個百分點。本集團錄得二零二零年六月三十日止年度虧損及全面開支約9,700,000港元，而相應二零一九年六月三十日止年度則錄得溢利及全面收益約1,700,000港元。

由於新型冠狀病毒病(「COVID-19」)的威脅以及必要的防疫抗疫措施對廣泛的經濟活動構成嚴重干擾，經濟活動仍需時完全復元。而全球COVID-19的威脅仍未消除，再加上環球經濟衰退，將繼續影響經濟情緒。集團面對的經營環境短期內仍會充滿挑戰。

Chairman's Statement 主席報告



Nevertheless, the Group will continue to making efforts to strengthen our existing printing business and also actively consider business diversification, seek for other business opportunities or partners that are beneficial to the Group, and continue to do its utmost to maximise the interests of the Group and its shareholders.

On behalf of the Group, I would like to express our sincere gratitude to our shareholders, business partners and all colleagues for their persistent support.

Fung Man Wai Samson
Chairman, Chief Executive Officer and Executive Director
Hong Kong, 25 September 2020

儘管如此，本集團將繼續竭力強化原有本業之外，亦會積極考慮將集團業務作多元化發展，尋找有利於集團的其他商機或合作夥伴，繼續盡最大的努力，為集團及股東謀取最大的利益。

在此謹代表集團感激各股東，業務夥伴及員工的一直支持。

主席、行政總裁及執行董事
馮文偉
香港，二零二零年九月二十五日



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the year, the business and operations of the Group were mainly on manufacturing and sale of apparel labels and packaging printing products to customers which comprised mainly garment manufacturers and garment related accessories trading companies. Most of the sales of the Group's products was ultimately used as labels on or packaging materials for finished garments of the garment brand companies.

The ongoing China-United States trade disputes and the COVID-19 epidemic continued to affect the global economy for the current year. In this severe operating environment, the performance of the Group has inevitably been affected. The Group recorded revenue of approximately HK\$65.1 million for the year ended 30 June 2020 ("FY 2020"), representing a decrease of approximately 20.8% as compared with that for the year ended 30 June 2019 ("FY 2019"). Gross profit margin was approximately 30.4% for FY 2020 which was approximately 4.6 percentage point lower than that for FY 2019. Loss and total comprehensive expense for the FY 2020 was approximately HK\$9.7 million (FY 2019: profit and total comprehensive income HK\$1.7 million).

業務回顧

於本年度，本集團的業務及營運主要為服裝標籤及包裝印刷產品的製造及銷售，客戶主要為成衣製造商和服裝相關配件貿易公司。本集團的銷售產品主要作成衣品牌公司完成服裝最終使用的標籤或包裝材料之用途。

正在發生的中美貿易爭端和 COVID-19 的大流行將繼續影響今年全球經濟。在嚴峻的經營環境下，本集團的業績亦無可避免受到波及。截至二零二零年六月三十日止年度（「二零二零財政年度」），本集團錄得收益約 65,100,000 港元，較截至二零一九年六月三十日止年度（「二零一九財政年度」）下降約 20.8%。二零二零財政年度之毛利率約為 30.4%，較截至二零一九年六月三十日止年度下降約 4.6 個百分點。二零二零財政年度之虧損及全面開支約為 9,700,000 港元（二零一九財政年度：溢利及全面收益 1,700,000 港元）。

Management Discussion and Analysis

管理層討論及分析



OUTLOOK

The on-going trade disputes between US-China coupled with the widespread COVID-19 pandemic have set undesirable economic environments that are affecting businesses on a global scale. These unforeseen global events have undoubtedly given the Group unexpected threats and challenges. Despite being confronted with such unexpected economic uncertainties, the Group remains vigilant in protecting its business on all operational and management fronts. The Group will continue to enhance its global sales efforts, production qualities, internal controls, and implement stringent cost controls to cope with the challenging global market conditions.

In order to diversify the Group's business foundation and maximise the interests of the Group and the shareholders, the Group will continue to explore for suitable and appropriate business opportunities.

FINANCIAL REVIEW

Revenue

Our Group generated revenue mainly from the sale of apparel labels and packaging printing products. It decreased by approximately HK\$17.1 million or 20.8% from approximately HK\$82.2 million for FY 2019 to approximately HK\$65.1 million for FY 2020. Such decrease was primarily due to the outbreak of COVID-19 and uncertainties of global economies.

展望

中美之間持續貿易的爭端和 COVID-19 疫情的大流行，使不樂觀的經濟環境影響全球企業。此等不可預見的全球事件，無疑為本集團帶來了不可預計的威脅和挑戰。儘管面對這些不可預測的經濟不確定性，本集團仍然會堅守營運和管理方針以確保業務穩固。本集團將繼續加強全球營銷、生產質量、內部控制，並實施嚴格的成本控制，以應對充滿挑戰的環球市場狀況。

為了使本集團的業務基礎更多元化，本集團將繼續尋找其他合適的商機，為集團及股東謀取最大利益。

財務回顧

收益

本集團的收益主要來自銷售服裝標籤及包裝印刷產品。收益由二零一九財政年度約 82,200,000 港元下降約 17,100,000 港元或 20.8% 至二零二零財政年度約 65,100,000 港元。該下降主要由於 COVID-19 的爆發及全球經濟不明朗。



Management Discussion and Analysis

管理層討論及分析

Cost of sales and gross profit

Cost of sales over the total revenue of the Group for FY 2020 was approximately 69.6%. While comparing with 65.0% for FY 2019, there was increase of approximately 4.6 percentage point. Such increase was mainly caused by increase in average production costs.

As a result, the gross profit margins for FY 2020 decreased by approximately 4.6 percentage point to approximately 30.4% (FY 2019: 35.0%). And the gross profit for FY 2020 decreased to approximately HK\$19.8 million (FY 2019: HK\$28.7 million).

Other income

Other income primarily comprises commission income, net exchange gain and interest income. Decrease in other income was mainly caused by decrease in net exchange gain due to the exchange rate movements between United States dollars (“USD”) and Hong Kong dollars (“HK\$”).

Selling expenses

Selling expenses primarily consist of freight charges, transportation and marketing services fees. Selling expenses decreased by approximately HK\$0.5 million to HK\$6.1 million for FY 2020. Such decrease was mainly caused by decrease of marketing expenses paid for sales and marketing purpose due to implementation of stringent cost controls.

銷售成本及毛利

本集團二零二零財政年度的銷售成本與總收益百分比約為 69.6%。與二零一九財政年度的 65.0% 相比，增長約 4.6 個百分點。該增長乃主要由於平均生產成本上升。

因此，二零二零財政年度的毛利率下降約 4.6 個百分點至約 30.4% (二零一九財政年度：35.0%)。二零二零財政年度的毛利減少至約 19,800,000 港元 (二零一九財政年度：28,700,000 港元)。

其他收入

其他收入主要包括佣金收入、淨匯兌收益及利息收入。二零二零財政年度的其他收入較二零一九財政年度同期減少主要由於來自因美元(「美元」)及港元(「港元」)匯率變動的淨匯兌收益減少所致。

銷售開支

銷售開支主要包括運費支出、運輸及市場營銷服務費。二零二零財政年度的銷售開支減少約 500,000 港元至 6,100,000 港元。該減少乃主要由於推行嚴謹的成本控制而令支付以銷售和市場營銷為目的之市場營銷開支減少。

Management Discussion and Analysis

管理層討論及分析



Administrative and other operating expenses

Administrative and other operating expenses primarily comprise salaries, office rental, utilities, professional fee, depreciation and other miscellaneous administrative expenses. There was decrease in administrative and other operating expenses by approximately HK\$0.9 million to HK\$21.3 million for FY 2020. The decrease in administrative and other operating expenses was primarily due to implementation of stringent cost controls in professional fee and staff costs.

Loss/profit and total comprehensive expense/income

The Group recorded loss and total comprehensive expense of approximately HK\$9.7 million for FY 2020 as compared to profit and total comprehensive income of approximately HK\$1.7 million for FY 2019. The major reasons for such change were primarily decrease in revenue and gross profit, increase of impairment losses on trade and other receivables and impairment loss on property, plant and equipment. Please refer to note 4 and note 13 in the notes to the consolidated financial statements of this annual report for the details of impairment losses.

Liquidity and financial information

As at 30 June 2020, the total amount of cash and cash equivalents of the Group was approximately HK\$56.5 million, representing a decrease of approximately HK\$12.5 million as compared with that as at 30 June 2019. Such decrease was mainly caused by the decrease in cash inflow from operating activities as revenue decreased. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. There was no bank and other borrowings as at 30 June 2019 and 2020.

As at 30 June 2020, the current ratio (current assets/current liabilities) was 11.34 times (2019: 10.38 times) and the quick ratio ((current assets-inventories)/current liabilities) was 10.77 times (2019: 9.94 times).

行政及其他經營開支

行政及其他經營開支主要包括薪金、辦公室的租金、公用設施費用、專業費用、折舊及其他雜項行政開支。二零二零財政年度的行政及其他經營開支減少約 900,000 港元至 21,300,000 港元。行政及其他經營開支減少主要由於二零二零財政年度對專業費用及勞工成本推行嚴謹的成本控制所致。

虧損 / 溢利及全面開支 / 收益總額

本集團錄得二零二零財政年度虧損及全面開支約 9,700,000 港元，而相應二零一九財政年度則錄得溢利及全面收益約 1,700,000 港元。主要變化原因由於收益及毛利減少及貿易及其他應收款項、物業、廠房及設備的減值虧損增加所致。有關減值虧損，請參閱本年報綜合財務報表附註 4 及附註 13。

流動資金及財務資料

於二零二零年六月三十日，本集團現金及現金等價物總額約為 56,500,000 港元，較二零一九年六月三十日減少約 12,500,000 港元。該減少乃主要由於收益下跌而令經營活動產生的現金流入減少，董事會密切監察本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可滿足其不時之資金要求。於二零一九年及二零二零年六月三十日，並無銀行及其他借款。

於二零二零年六月三十日，流動比率(流動資產 / 流動負債)為 11.34 倍(二零一九年: 10.38 倍)及速動比率((流動資產 - 存貨) / 流動負債)為 10.77 倍(二零一九年: 9.94 倍)。



Management Discussion and Analysis

管理層討論及分析

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Capital structure

The capital of the Company comprises ordinary shares and reserves. The shares of the Company were first listed on the Stock Exchange on 18 May 2016. There has been no change in the capital structure of the Company since that date.

Share option

A share option scheme was adopted on 26 April 2016, there was no share options granted during FY 2020. And there was no outstanding share options granted as at 30 June 2020.

Commitments

The contractual commitments of the Group were primarily related to the leases of its office premises and warehouses, and the purchase of office equipment and plant and machinery. Relevant commitments was shown under note 23 of this annual report.

Pledge of assets

As at 30 June 2020, the Group had not pledged any assets (2019: HK\$Nil).

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故在整個年度維持穩健的流動資金狀況。董事會緊密監察本集團的流動資金狀況以確保本集團的資產、負債及其他承擔的流動資金結構可應付其不時的資金需求。

資本架構

本公司資本包括普通股及儲備。本公司股份首次於二零一六年五月十八日在聯交所上市。本公司資本架構自該日起並無變動。

購股權

購股權計劃已於二零一六年四月二十六日獲採納，二零二零財政年度概無授予購股權，且於二零二零年六月三十日概無尚未行使的購股權。

承擔

本集團之合約承擔主要與其辦公室物業及倉庫租賃及購置辦公室設備及廠房以及機器有關。相關承擔載於本年報附註23。

抵押資產

於二零二零年六月三十日，本集團並無抵押任何資產(二零一九年：零港元)。

Management Discussion and Analysis

管理層討論及分析



Exposure to foreign exchange risk

The Group mainly carries out of its transactions in United States dollars (“USD”) and Hong Kong dollars (“HK\$”) and mainly of its bank balances, trade and other receivables and trade and other payables are denominated in USD and HK\$. As HK\$ is pegged to USD, the management does not expect any significant movements in the USD/HK\$ exchange rate and considers the Group is not exposed to significant currency risk.

The Group does not hedge its foreign currency risks with USD as the rate of exchange between HK\$ and USD is controlled within a tight range. Permanent changes in foreign exchange rates would have an impact on consolidated financial statements. The Management will closely monitor the changes of the rate of exchange and government policies from time to time.

Material contingent liabilities

The Group is not aware of any material contingent liabilities as at 30 June 2020.

USE OF PROCEEDS

The Company’s shares have been listed on the Main Board of the Stock Exchange since 18 May 2016. The receipts of proceeds, net of listing expenses (including underwriting fee), including both recognised in the consolidated statement of profit or loss and other comprehensive income and deducted from the share premium from the Company’s listing were approximately HK\$36,100,000 (the “Net Proceeds”). The details of the utilised Net Proceeds up to 30 June 2020 are summarised in Directors’ Report of this Annual Report.

外匯風險

本集團主要以美元(「美元」)及港元(「港元」)進行其交易，其銀行結餘，貿易及其他應收款項及貿易及其他應付款項亦主要以美元及港元計值。由於港元與美元掛鈎，管理層預期美元/港元匯率不會有任何重大變動，故認為本集團並無重大外匯風險。

由於港元兌美元之匯率受控制並維持於窄幅波動，本集團並無就美元對沖其外匯風險。外匯匯率之恆常變動可能對本集團之綜合財務報表構成影響。管理層將不時密切監察外匯匯率及政府政策之變動。

重大或然負債

於二零二零年六月三十日，本集團並無知悉任何重大或然負債。

所得款項用途

本公司股份自二零一六年五月十八日起在聯交所主板上市。經扣除已於綜合損益及其他全面收益表內確認及自股份溢價中扣除的上市開支(包括包銷費用)後，自本公司上市所收取之所得款項約為36,100,000港元(「所得款項淨額」)。於二零二零年六月三十日所得款項淨額用途載於本年報之董事會報告內。



Management Discussion and Analysis

管理層討論及分析

EMPLOYEES AND EMOLUMENT POLICIES

As at 30 June 2020, the Group had 80 full time management, administrative and operation staff in Hong Kong (as at 30 June 2019: 85).

There is no significant change in the Group's emolument policies. On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits, such as contributions to Mandatory Provident Fund retirement benefits scheme, medical insurance and other relevant insurance for employees who are employed by the Group.

DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 30 June 2020. (2019: HK5.00 cents per ordinary share, amounting to HK\$9,200,000).

僱員及薪酬政策

於二零二零年六月三十日，本集團於香港聘用80名全職管理、行政及營運員工(於二零一九年六月三十日：85名)。

本集團的薪酬政策並無重大變動。除基本薪金外，獎金亦會參考本集團業績及個人表現而發放。本集團亦向聘用僱員提供其他員工福利如強積金、醫療保險及其他相關保險。

股息

董事會並無建議派付截至二零二零年六月三十日止年度的末期股息。(二零一九年：每股普通股5.00港仙，共計9,200,000港元)。

Biographical Details of the Directors and Senior Executive

董事及高級行政人員的履歷詳情



Biographical details of the Directors and senior executive are set out as follows:

EXECUTIVE DIRECTORS

Mr Fung Man Wai Samson (“Mr Samson Fung”), aged 60, is one of our controlling shareholders, and our chairman, chief executive officer and executive Director. Mr Samson Fung joined the Group on 20 December 1997 and is a co-founder of our Group. Mr Samson Fung is a director of each of subsidiaries of the Group.

Mr Samson Fung was appointed as our Director on 8 October 2015 and designated as our chairman, chief executive officer and executive Director on 1 December 2015. Mr Samson Fung has had approximately 22 years of experience in the printing industry when he assisted his family’s printing business before joining our Group, and has had more than 19 years of experience in the apparel label and packaging printing industry. In December 1997, Mr Samson Fung and Mr Fung Man Kam (“Mr David Fung”) acquired A W Printing & Packaging Limited (“A W Printing”) which specialised in the trading of apparel labels and packaging printing products. Subsequently in November 1999, Mr Samson Fung and Mr David Fung established Hang Sang (Siu Po) Press Company Limited (“Hang Sang (Siu Po)”) which focused on the manufacturing and sale of apparel labels and packaging printing products. Mr Samson Fung is a director of Hang Sang (Siu Po) Holding Limited (“Hang Sang (Siu Po) Holding”), A W Printing and Hang Sang (Siu Po). He is the father of Mr Fung Kar Chue Alexander (“Mr Alex Fung”) and the elder brother of Mr David Fung.

董事及高級行政人員的履歷詳情載列如下：

執行董事

馮文偉先生(「馮文偉先生」)，60歲，為控股股東之一及董事會主席、行政總裁及執行董事。馮文偉先生於一九九七年十二月二十日加入本集團，為本集團的共同創辦人之一。馮文偉先生為本集團各附屬公司之董事。

馮文偉先生於二零一五年十月八日獲委任為董事及於二零一五年十二月一日獲委任為董事會主席、行政總裁及執行董事。馮文偉先生於加入本集團前協助打理其家族印刷業務，於印刷行業方面擁有約22年經驗，並於服裝標籤及包裝印刷行業方面擁有超過19年經驗。於一九九七年十二月，馮文偉先生及馮文錦先生(「馮文錦先生」)收購A W Printing & Packaging Limited (「A W Printing」)(其主要從事服裝標籤及包裝印刷產品的貿易業務)。隨後於一九九九年十一月，馮文偉先生及馮文錦先生成立恆生(兆保)印務有限公司(「恆生(兆保)」)，集中製造及銷售服裝標籤及包裝印刷產品。馮文偉先生為Hang Sang (Siu Po) Holding Limited (「Hang Sang (Siu Po) Holding」)、A W Printing及恆生(兆保)的董事。彼為馮家柱先生的父親及馮文錦先生的胞兄。



Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情

Mr Fung Man Kam (“Mr David Fung”), aged 53, is one of our controlling shareholders, and our senior vice president and executive Director. Mr David Fung joined the Group on 20 December 1997 and is a co-founder of our Group. Mr David Fung is a director of each of subsidiaries of the Group.

Mr David Fung was appointed as our Director on 8 October 2015 and designated as our senior vice-president and executive Director on 1 December 2015. He graduated from York University, Toronto, Canada with a bachelor of arts in mathematics for commerce in November 1990. Mr David Fung has had approximately 2 years of experience in the printing industry when he assisted his family's printing business before joining our Group, and has had more than 19 years of experience in the apparel label and packaging printing industry. In December 1997, Mr David Fung and Mr Samson Fung acquired A W Printing which specialised in the trading of apparel labels and packaging printing products. Subsequently, in November 1999, Mr David Fung and Mr Samson Fung established Hang Sang (Siu Po) which focused on the manufacturing and sale of apparel labels and packaging printing products. Mr David Fung is a director of Hang Sang (Siu Po) Holding, A W Printing and Hang Sang (Siu Po). Mr David Fung is the younger brother of Mr Samson Fung and an uncle of Mr Alex Fung.

馮文錦先生(「馮文錦先生」)，53歲，為控股股東之一，以及高級副總裁及執行董事。馮文錦先生自一九九七年十二月二十日起加入本集團，為本集團的共同創辦人之一。馮文錦先生為本集團各附屬公司之董事。

馮文錦先生於二零一五年十月八日獲委任為董事，於二零一五年十二月一日獲委任為高級副總裁及執行董事。彼於一九九零年十一月畢業於加拿大多倫多約克大學，擁有商務數學文學士學位。馮文錦先生於加入本集團前協助打理家族印刷業務，期間於印刷行業方面擁有約2年經驗，並於服裝標籤及包裝印刷行業方面擁有超過19年經驗。於一九九七年十二月，馮文錦先生及馮文偉先生收購A W Printing (其主要從事服裝標籤及包裝印刷產品的貿易業務)。隨後於一九九九年十一月，馮文錦先生及馮文偉先生成立恆生(兆保)，集中製造及銷售服裝標籤及包裝印刷產品。馮文錦先生為Hang Sang (Siu Po) Holding、A W Printing及恆生(兆保)的董事。馮文錦先生為馮文偉先生的胞弟及馮家柱先生的叔父。

Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情



Mr Fung Kar Chue Alexander (“Mr Alex Fung”), aged 34, is our vice president and executive Director. Mr Alex Fung joined the Group on 24 August 2015. Mr Alex Fung is a director of certain subsidiaries of the Group.

Mr Alex Fung was appointed as our Director on 8 October 2015 and designated as our vice president and executive Director on 1 December 2015. Mr Alex Fung obtained a master’s degree in business, entrepreneurship and technology at the University of Waterloo, Ontario, Canada in October 2010. He worked at The Hongkong and Shanghai Banking Corporation Limited between February 2012 and February 2014, with his last position being an associate portfolio manager. He was confirmed employment by J.P. Morgan Chase Bank, N.A. under private banking analyst program in February 2014. His employment with J.P. Morgan Chase Bank, N.A. was between March 2014 and August 2015 before joining our Company. Mr Alex Fung is a director of Hang Sang (Siu Po) Holding. Mr Alex Fung is the son of Mr Samson Fung and a nephew of Mr David Fung.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr Loke Yu alias Loke Hoi Lam (“Dr Loke”), aged 71, was appointed as our independent non-executive Director (“INED”) and the chairman of our Audit Committee and member of each of the Remuneration Committee and the Nomination Committee on 26 April 2016.

Dr. Loke has over 40 years of working experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds a Master of Business Administration degree from Universiti Teknologi Malaysia and a Doctor of Business Administration degree from University of South Australia. Dr. Loke is a Fellow of The Institute of Chartered Accountants in England and Wales; The Hong Kong Institute of Certified Public Accountants and The Hong Kong Institute of Chartered Secretaries. He is also a life member of Hong Kong Independent Non-executive Director Association.

馮家柱先生(「馮家柱先生」)，34歲，為本集團的副總裁及執行董事。馮家柱先生於二零一五年八月二十四日加盟本集團。馮家柱先生為本集團若干附屬公司之董事。

馮家柱先生於二零一五年十月八日獲委任為董事及於二零一五年十二月一日獲調任為副總裁及執行董事。馮家柱先生於二零一零年十月在加拿大安大略省滑鐵盧大學取得商業、企業管理及技術碩士學位。彼於二零一二年二月至二零一四年二月間任職於香港上海滙豐銀行有限公司，其最後職位為投資組合副經理。加入本集團之前彼獲確認於二零一四年二月起受僱為J.P. Morgan Chase Bank, N.A.之私人銀行部分析員，其任職期為二零一四年三月至二零一五年八月。馮家柱先生為Hang Sang (Siu Po) Holding的董事。彼為馮文偉先生的兒子及馮文錦先生的侄兒。

獨立非執行董事

陸海林博士(「陸博士」)，71歲，於二零一六年四月二十六日獲委任為本集團的獨立非執行董事及審核委員會主席。彼亦為薪酬委員會及提名委員會委員。

彼於私人及上市公司之會計及審計工作、財務顧問及企業管理等方面擁有逾40年經驗。彼持有馬來西亞科技大學工商管理碩士學位及南澳洲大學工商管理博士學位。陸博士為英格蘭與威爾斯特許會計師學會、香港會計師公會、及香港特許秘書公會之資深會員。彼亦為香港獨立非執行董事學會永久會員。



Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情

Dr. Loke serves as an independent non-executive director of Chiho Environmental Group Limited (stock code: 976), China Silver Technology Holdings Limited (formerly known as TC Orient Lighting Holdings Limited) (stock code: 515), CIMC-TianDa Holdings Company Limited (stock code: 445), Hong Kong Resources Holdings Company Limited (stock code: 2882), Matrix Holdings Limited (stock code: 1005), Tianjin Development Holdings Limited (stock code: 882), Times Universal Group Holdings Limited (stock code: 2310), TradeGo Fintech Limited (stock code: 8017), V1 Group Limited (stock code: 82), Zhenro Properties Group Limited (stock code: 6158) and Zhong An Real Estate Limited (stock code: 672). He also serves as a non-executive director of SCUD Group Limited (stock code: 1399). All of these companies are listed on the Stock Exchange.

He was an independent non-executive director of Kaisa Health Group Holdings Limited (formerly known as Mega Medical Technology Limited) (stock code: 876) from 20 June 2014 to 11 January 2017, Winfair Investment Company Limited (stock code: 287) from 2 April 2007 to 3 April 2018, Shenzhou Space Park Group Limited (formerly known as China Household Holdings Limited) (stock code: 692) from 9 August 2013 to 6 August 2018, SCUD Group Limited (stock code: 1399) from 14 May 2009 to 27 September 2018, China Beidahuang Industry Group Holdings Limited (stock code: 39) from 24 June 2005 to 1 November 2018, Lamtex Holdings Limited (stock code: 1041) from 28 July 2015 to 23 Mar 2020 and Tianhe Chemicals Group Limited from 31 May 2014 to 30 May 2020 (stock code 1619). All of these companies are listed on the main board of the Stock Exchange.

Ms Fung Po Yee (“Ms Fung”), aged 44, was appointed as our INED and the chairman of our Nomination Committee. She is also a member of each of our Remuneration Committee and Audit Committee on 26 April 2016.

彼現時為以下公司的獨立非執行董事：齊合環保集團有限公司(股份代號：976)、中華銀科技控股有限公司(前稱達進東方照明控股有限公司)(股份代號：515)、中集天達控股有限公司(股份代號：445)、申基國際控股有限公司(股份代號：2310)、香港資源控股有限公司(股份代號：2882)、美力時集團有限公司(股份代號：1005)、天津發展控股有限公司(股份代號：882)、時代環球集團控股有限公司(股份代號：2310)、捷利交易寶金融科技有限公司(股份代號：8017)、第一視頻集團有限公司(股份代號：82)、正榮地產集團有限公司(股份代號：6158)及眾安房產有限公司(股份代號：672)。彼亦為飛毛腿集團有限公司(股份代號：1399)之非執行董事。以上公司均於聯交所上市。

他曾於二零一四年六月二十日至二零一七年一月十一日擔任佳兆業健康集團控股有限公司(前稱美加醫學科技有限公司)(股份代號：876)之獨立非執行董事，二零零七年四月二日至二零一八年四月三日擔任永發置業有限公司(股份代號：287)之獨立非執行董事，二零一三年八月九日至二零一八年八月六日擔任神舟航天樂園集團有限公司(前稱中國家居控股有限公司)(股份代號：692)之獨立非執行董事，二零零九年五月十四日至二零一八年九月二十七日擔任飛毛腿集團有限公司(股份代號：1399)之獨立非執行董事，二零零五年六月二十四日至二零一八年十一月一日擔任中國北大荒產業集團控股有限公司(股份代號：39)之獨立非執行董事，二零一五年七月二十八日至二零二零年三月二十三日擔任林達控股有限公司(股份代號：1041)之獨立非執行董事，二零一四年五月三十一日至二零二零年五月三十日擔任天合化工集團有限公司(股份代號：1619)之獨立非執行董事，以上公司均於聯交所主板上市。

馮寶儀女士(「馮女士」)，44歲，於二零一六年四月二十六日獲委任為本集團的獨立非執行董事及提名委員會主席。彼亦為薪酬委員會及審核委員會委員。

Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情



Ms Fung obtained her bachelor of laws degree in December 1998 and was awarded the Postgraduate Certificate in Laws in September 1999 at The University of Hong Kong. She was also awarded the Postgraduate Diploma in International Commercial Law at The University of Nottingham of the United Kingdom in December 2003. Ms Fung was admitted as a solicitor in September 2002.

Ms Fung worked at Woo, Kwan, Lee & Lo between September 2002 and June 2007, with her last position being an assistant solicitor. She then joined Reed Smith Richards Butler (formerly known as Richards Butler) as an assistant solicitor between July 2007 and August 2009, and between April 2011 and December 2012. She joined BOC Hong Kong (Holdings) Limited (stock code: 2388), the issued shares of which are listed on the Stock Exchange, as an assistant company secretary between August 2009 and March 2011. In January 2013, Ms Fung co-founded CFN Lawyers, a law firm in association with Broad & Bright, and is currently a partner of the firm.

Ms Sung Ting Yee (“Ms Sung”), aged 46, was appointed as our INED and the chairman of our Remuneration Committee. She is also a member of each of our Nomination Committee and Audit Committee on 26 April 2016.

Ms Sung obtained a bachelor’s degree in accountancy at the Birmingham City University (formerly known as University of Central England in Birmingham), United Kingdom and a master’s degree in business administration at the University of Birmingham, United Kingdom. She is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

She has more than 22 years of experience in accounting, finance, internal and external auditing.

馮女士於一九九八年十二月及一九九九年九月在香港大學分別取得法學士學位及專業法律證書。彼於二零零三年十二月在英國諾丁漢大學取得國際商法專業文憑。馮女士於二零零二年九月成為認可律師。

彼於二零零二年九月至二零零七年六月期間在胡關李羅律師行工作，最後職位為助理律師。彼於二零零七年七月至二零零九年八月期間及二零一一年四月至二零一二年十二月期間在禮德齊伯禮律師行(原為Richards Butler)擔任助理律師。彼於二零零九年八月至二零一一年三月期間，加入中銀香港(控股)有限公司(股份代號：2388)(其已發行股份於聯交所上市)擔任助理公司秘書。於二零一三年一月，馮女士共同創辦陳馮吳律師事務所(與世澤律師事務所聯營)，目前為該事務所的合夥人。

宋婷兒女士(「宋女士」)，46歲，於二零一六年四月二十六日獲委任為本集團的獨立非執行董事及薪酬委員會主席。彼亦為提名委員會及審核委員會委員。

宋女士在英國伯明翰城市大學(原為伯明翰英格蘭中部大學)取得會計學士學位，並在英國伯明翰大學取得工商管理碩士學位。彼為香港會計師公會的會計師，並為特許公認會計師公會資深會員。

彼於會計、金融、內部及外部審計方面擁有超過22年經驗。



Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情

In April 2008, Ms Sung joined Capital Finance Holdings Limited (stock code: 8239) (formerly known as Ming Kei Energy Holdings Limited and Ming Kei Holdings Limited), the issued shares of which are listed on the Stock Exchange, as an internal audit manager, and was appointed as the chief investment officer in March 2010 and also as the chief financial officer in September 2010. In May 2012, Ms Sung resigned as the chief investment officer but remained as the chief financial officer, and was re-designated from her position as the chief financial officer to the position of the group financial controller in August 2012. She was re-designated as the chief financial officer from July 2013 to September 2015, and the company secretary from October 2014 to January 2015, respectively. Ms Sung has been re-designated to the chief investment officer of Capital Finance Holdings Limited since July 2013 and resigned from this position with effect from September 2016.

Besides, Ms Sung was appointed as an executive director of Huasheng International Holding Limited (stock code: 1323) (formerly known as Newtree Group Holdings Limited), the issued shares of which are listed on the Stock Exchange, in April 2012. In May 2012, she was appointed as a financial controller and was designated as the group finance director in November 2012 but resigned as the group finance director in January 2013. She was then appointed as the joint vice-chairman and the chief executive officer in July 2014. She retired as an executive director and ceased to be a joint vice-chairman in August 2015 and the chief executive officer on 31 March 2016.

於二零零八年四月，宋女士加入首都金融控股有限公司(股份代號：8239)(其已發行股份於聯交所上市)(原為明基能源控股有限公司及明基控股有限公司)，擔任內部審計經理，並於二零一零年三月獲委任為首席投資總監及於二零一零年九月獲委任為首席財務總監。於二零一二年五月，宋女士辭去首席投資總監一職但保留首席財務總監一職；於二零一二年八月，宋女士由首席財務總監被調任為集團財務總監。彼於二零一三年七月至二零一五年九月期間獲調任為首席財務總監，並於二零一四年十月至二零一五年一月期間獲委任為公司秘書。宋女士自二零一三年七月起獲調任為首都金融控股有限公司的首席投資總監及於二零一六年九月辭去該職務。

此外，宋女士於二零一二年四月獲委任為華盛國際控股有限公司(股份代號：1323)(其已發行股份於聯交所上市)(原為友川集團控股有限公司)(其已發行股份於聯交所上市)的執行董事。於二零一二年五月，彼獲委任為財務總監，並於二零一二年十一月獲指定為集團財務董事，但彼於二零一三年一月辭去集團財務董事一職。其後，彼於二零一四年七月獲委任為聯席副主席及行政總裁。於二零一五年八月，彼退任執行董事一職，並停止擔任聯席副主席及於二零一六年三月三十一日停止擔任行政總裁。

Biographical Details of the Directors and Senior Executive 董事及高級行政人員的履歷詳情



In addition, Ms Sung was appointed as the chairman, an executive director and the finance director of China Ocean Fishing Holdings Limited (stock code: 8047) (formerly known as Sky Forever Supply Chain Management Group Limited, Rising Power Group Holdings Limited and China Neng Xiao Technology (Group) Limited), the issued shares of which are listed on the Stock Exchange, in May 2013. She resigned as the chairman in September 2013 but remained as an executive director and the finance director. Ms Sung resigned as an executive director and the finance director on 10 January 2014 and 17 January 2014 respectively.

Ms Sung is currently the Responsible Officer of AccFin Corporate Finance Limited, which is principally engaged in advising on corporate finance (with SFC Type 6 license) and a certified public accountant (practicing) of her wholly-owned audit firm.

SENIOR EXECUTIVE

Mr Li Kit Chung (“Mr Li”), aged 38, is the chief financial officer and the company secretary (the “Company Secretary”) of the Group. Mr Li joined the Group in August 2015.

Mr Li is a Fellow of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Mr Li has more than 14 years of experience in accounting, auditing and corporate finance. Prior to joining the Group, he worked in a managerial grade position in the assurance department of an international accounting firm and chief financial officer of listed company in Hong Kong. He was awarded a bachelor’s degree of commerce (honours) in accountings at the Hong Kong Shue Yan University in 2006 and a master degree of corporate governance at the Hong Kong Polytechnic University in 2017. Mr Li oversees the overall financial, budget control, internal control, company secretarial matters and corporate finance affairs of the Group.

除此之外，宋女士於二零一三年五月獲委任為中國海洋捕撈控股有限公司(股份代號：8047)(其已發行股份於聯交所上市)(原為宇恒供應鏈集團有限公司、昇力集團控股有限公司及中國能效科技(集團)有限公司)的主席、執行董事及首席財務董事。彼於二零一三年九月辭去主席一職，但保留執行董事及首席財務董事的職務。宋女士分別於二零一四年一月十日及二零一四年一月十七日辭去執行董事及首席財務董事的職位。

宋婷兒女士目前為安里融資有限公司的持牌負責人，該公司主要從事企業融資諮詢服務(持有證監會第六類牌照)及為其全資擁有的會計師事務所之執業會計師。

高級行政人員

李杰聰(「李先生」)，38歲，為本集團的首席財務總監及公司秘書(「公司秘書」)。李先生於二零一五年八月加入本集團。

李先生為香港會計師公會資深會員、香港特許秘書公會及特許秘書及行政人員公會會員。李先生於會計、審計及企業財務方面擁有逾14年的經驗。於加入本集團前，彼在一家國際會計師事務所的審計部門擔任管理級職位及在一家香港上市的公司擔任首席財務總監。彼於二零零六年在香港樹仁大學取得會計學(榮譽)商學士學位及於二零一七年在香港理工大学取得企業管治碩士學位。李先生監督本集團的整體財務、預算控制、內部監控、公司秘書事宜及公司財政事務。



Corporate Governance Report

企業管治報告

The Company is committed to maintaining good standard and procedures of corporate governance to ensure the integrity, transparency and quality of disclosure in order to enhance the shareholder value.

CORPORATE GOVERNANCE CODE

The Board considers that good corporate governance of the Company is crucial to safeguard the interests of the shareholders of the Company and to enhance the performance of the Group. The Board and management of the Company are committed to enhancing corporate governance standard, in compliance with all relevant provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company has, through out the year ended 30 June 2020, complied with the code provisions of the CG Code (“Code Provisions”), save for the deviations disclosed under the sub-section headed “chairman and chief executive officer” below.

THE BOARD

The Directors, individually and collectively, are committed to act in good faith and in the best interests of the Company and its shareholders. As at the date of this report, the Board comprised three executive Directors and three INEDs. The profile of all Directors are set out on pages 13 to 19, where relationships among members of the Board (including financial, business, family or other material or relevant relationship(s), if any) are also disclosed.

The Board is responsible for performing the corporate governance functions of the Company in accordance with the CG Code, including determining the Group’s corporate governance policies, and reviewing and monitoring the corporate governance practices of the Group.

本公司承諾維持良好企業管治標準及程序，旨在確保披露之完整、透明度及質素，以提升股東價值。

企業管治守則

董事會認為本公司良好的企業管治對保障本公司股東權益及提高本集團表現至關重要。本公司董事會及管理層承諾提高企業管治準則，遵守聯交所證券上市規則（「上市規則」）附錄14項下企業管治守則及企業管治報告（「企業管治守則」）載列的所有相關條文。截至二零二零年六月三十日止整個年度，本公司一直遵守企業管治守則的守則條文（「守則條文」），惟下文「主席及行政總裁」分節披露的偏離除外。

董事會

董事，無論個別或集體成員均致力以誠信行事，以符合本公司及其股東之最佳利益。於本報告日期，董事會由三名執行董事及三名獨立非執行董事組成。所有董事的簡介載列於第13至第19頁，其中董事會成員之間的關係（包括財務、業務、家屬或其他重大或相關的關係（如有））亦已作出披露。

董事會負責根據企業管治守則履行本公司的企業管治職能，包括確定本集團的企業管治政策，以及檢討及監察本集團的企業管治常規。

Corporate Governance Report

企業管治報告



The Board is responsible for the management of the business and affairs of the Group with the objective of enhancing shareholders value and presenting a balanced, clear and understandable assessment of the Company's performance, position and prospects in the annual and interim reports, and of other inside information announcements and accounting policies, and reports to regulators any information required to be disclosed pursuant to the relevant statutory requirements.

The Board has fiduciary duty and statutory responsibility towards the Company and the Group. Other responsibilities include, formulation of the Group's overall strategy and policies, setting corporate and management targets and key operational initiatives, monitoring and control of operational and financial performance, and approval of budgets and major capital expenditures, major investments, material acquisitions and disposals of assets, corporate or financial restructuring, significant operational, financial and management matters.

The Board delegates day-to-day management of the business of the Group to the management of the relevant principal subsidiaries and certain specific responsibilities to the Audit Committee, Remuneration Committee and Nomination Committee (collectively, "Committees"). These Committees have specific functions and the authority to examine issues and report to the Board with their recommendations (if appropriate). Final decisions rest with the Board, unless otherwise provided for in the terms of reference of the relevant Committee.

The Company has arranged appropriate liability insurance cover for liabilities in respect of legal actions against Directors arising out of corporate activities. The coverage of such insurance is reviewed regularly.

董事會負責管理本集團之業務及事務，力求提升股東價值，並在年報與中期報告、其他內部資料公告及會計政策中，以平衡、清晰及深入淺出的方式評估本公司之表現、狀況及前景，以及向監管機構報告有關法例規定須予披露之任何資料。

董事會須對本公司及本集團承擔受信責任及法定責任。其他責任包括制訂本集團整體策略及政策、設定公司及管理目標及主要營運行動、監察及監控營運及財務表現，以及審批財政預算與主要資本開支、主要投資、重大資產收購及出售資產、企業或財務重組、重大營運、財務及管理事宜。

董事會已授權有關主要附屬公司之管理層負責本集團之日常管理事務，另授權審核委員會、薪酬委員會及提名委員會(統稱「委員會」)負責若干特定工作。各委員會具有特定的職能及權限以查核各項事項，並須向董事會作出匯報及提供建議(如需要)。最終決定由董事會作出，但如有關委員會之職權範圍另有規定則除外。

本公司已就董事因企業經營活動遭受之法律行動所產生之責任安排適當責任保險。有關保險覆蓋範圍會進行定期檢討。



Corporate Governance Report

企業管治報告

The Company Secretary provides the Directors with updates on developments regarding the Listing Rules and other applicable regulatory requirements. Any Director may request the Company Secretary to arrange for independent professional advice at the expense of the Company to assist the Directors to effectively discharge their duties to the Company.

All INEDs, whose designations as INEDs are identified in all corporate communications of the Company, bring a variety of experience and expertise to the Group. The INEDs serve the important function of ensuring and monitoring the basis for an effective corporate governance framework. The INEDs participate in Board meetings to bring an independent judgment on the issues arising in the meetings and monitor the Group's performance in achieving the corporate goals and objectives. Each of the INEDs has to provide an annual confirmation of his/her independence to the Company. The Board considers that each of the INEDs is independent in character and judgment and that they all meet the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

All Directors are regularly updated on governance and regulatory matters. There is an established procedure for Directors to obtain independent advice where necessary at the expense of the Company in discharging of their duties to the Company.

Board Meetings

The Board meets at least four times each year to review the overall strategy and to monitor the operation as well as the financial performance of the Group. During the year ended 30 June 2020, the Board held 4 regular meetings.

公司秘書為董事提供上市規則及其他適用規管規定之最新發展資料。各董事均可要求公司秘書代為安排獨立專業意見服務，以協助彼等有效執行其於本公司之職務，有關費用由本公司支付。

全體獨立非執行董事(其職銜已標註於本公司所有企業通訊)均為本集團帶來豐富經驗及不同的專業知識。獨立非執行董事之主要責任為確保企業管治架構行之有效，並進行監察。獨立非執行董事參與董事會會議就所提出會議議題提供獨立判斷，並監察本集團在達致企業方針及目標方面之表現。各獨立非執行董事須向本公司提交有關其獨立身份之年度確認函。董事會認為，各獨立非執行董事均具有獨立性格及判斷力，並符合上市規則第3.13條所載之特定獨立性指引。

全體董事均定期獲得有關管治及監管事宜之更新資訊。董事可按照既定程序，尋求獨立意見(如需要)，以協助履行其於本公司之責任，有關費用由本公司支付。

董事會會議

董事會每年至少召開四次會議，以審閱本集團的整體策略，並監控本集團的營運及財務表現。於截至二零二零年六月三十日止年度，董事會舉行了4次例行會議。



The attendances of the respective Directors at the meetings are set out below:

各董事出席會議的情況載於下文：

| Name of director 董事姓名 | | Meeting attended/held 出席/舉行的會議 | | | |
|---|----------------------|-----------------------------------|-----------------------------|------------------------------------|----------------------------------|
| | | Board 董事會 | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 |
| Executive Directors 執行董事 | | | | | |
| Mr Samson Fung ⁽¹⁾ | 馮文偉先生 ⁽¹⁾ | 4/4 | N/A不適用 | 2/2 | 2/2 |
| Mr David Fung ⁽²⁾ | 馮文錦先生 ⁽²⁾ | 4/4 | N/A不適用 | N/A不適用 | N/A不適用 |
| Mr Alex Fung ⁽³⁾ | 馮家柱先生 ⁽³⁾ | 4/4 | N/A不適用 | 2/2 | 2/2 |
| Independent Non-executive Directors 獨立非執行董事 | | | | | |
| Dr Loke Yu | 陸海林博士 | 4/4 | 3/3 | 2/2 | 2/2 |
| Ms Fung Po Yee | 馮寶儀女士 | 4/4 | 3/3 | 2/2 | 2/2 |
| Ms Sung Ting Yee | 宋婷兒女士 | 4/4 | 3/3 | 2/2 | 2/2 |

Notes:

- (1) Mr Samson Fung is the father of Mr Alex Fung and the elder brother of Mr David Fung.
- (2) Mr David Fung is the younger brother of Mr Samson Fung and an uncle of Mr Alex Fung.
- (3) Mr Alex Fung is son of Mr Samson Fung and a nephew of Mr David Fung.

附註：

- (1) 馮文偉先生為馮家柱先生的父親及馮文錦先生的胞兄。
- (2) 馮文錦先生為馮文偉先生的胞弟及馮家柱先生的叔父。
- (3) 馮家柱先生為馮文偉先生的兒子及馮文錦先生的侄兒。

Notice of at least 14 days is served for regular board meetings. Reasonable notice would be given for all other special board meetings which are not held regularly. The chairman of the Board is primarily responsible for drawing up and approving the agenda for each board meetings in consultation with all Directors and ensure that all Directors are properly briefed on issues arising at board meetings. Agenda and accompanying board papers in respect of board meetings are sent out in full to all Directors within a reasonable time before the date of every board meetings to allow them to review these documents in advance. Minutes of all board meetings, and meetings of the Remuneration Committee, the Nomination Committee and the Audit Committee are kept by the Company Secretary and the Directors may inspect these minutes at any time during office hours upon giving reasonable notice. Minutes of all board meetings, and meetings of the Remuneration Committee, the Nomination Committee and the

就董事會定期會議而言，全體董事將獲發最少14日通知，而就所有其他非定期舉行之董事會特別會議而言，將會發出合理通知。董事會主席主要負責在諮詢全體董事後，草擬及批准每次董事會會議之議程，以及確保董事會會議上所有董事均適當知悉當前的事項。董事會會議之議程及隨附之董事會文件之全部內容在每次董事會會議舉行日期前一段合理時間內派發予所有董事，使彼等得以事先審閱有關文件。所有董事會會議記錄、薪酬委員會、提名委員會及審核委員會之會議記錄均由公司秘書保存，董事可在給予合理通知後，於辦公時間內隨時查閱有關記錄。所有董事會會議記錄以及薪酬委員會、提名委員會及審核委員會之會議記錄，已對董事會及董事會轄下的委員會曾考慮事項作足夠詳細的記



Corporate Governance Report

企業管治報告

Audit Committee, have recorded in sufficient detail the matters considered by the Board and the board committees, including any concerns raised by Directors or dissenting view expressed. Draft and final versions of these minutes were sent to all Directors for their comment and records respectively, normally within 10 days after the relevant meeting was held.

General Meeting

The attendances of the respective Directors at the general meetings of the Company are set out below:

| Name of director 董事姓名 | Attendance of general meeting 出席股東大會之情況 |
|--|--|
| Executive Directors | 執行董事 |
| Mr Samson Fung | 馮文偉先生 1/1 |
| Mr David Fung | 馮文錦先生 1/1 |
| Mr Alex Fung | 馮家柱先生 1/1 |
| Independent Non-executive Directors | 獨立非執行董事 |
| Dr Loke Yu | 陸海林博士 1/1 |
| Ms Fung Po Yee | 馮寶儀女士 1/1 |
| Ms Sung Ting Yee | 宋婷兒女士 1/1 |

The Board is responsible for maintaining an on-going dialogue with shareholders and in particular, uses annual general meetings or other general meetings to communicate with them and encourage their participation. The Board notes that the chairman of the Board and the chairmen or, in their absence, the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company should attend annual general meetings to answer questions and collect views of shareholders.

錄，其中包括董事提出之任何疑慮或表達之反對意見。本公司一般於上述會議舉行後10日內，先後將會議記錄的初稿及最終定稿發送全體董事，初稿供董事表達意見，最後定稿則作記錄之用。

股東大會

各董事出席本公司股東大會的情況載於下文：

董事會負責與股東保持持續對話，尤其是利用股東週年大會或其他股東大會與股東溝通及鼓勵股東參與。董事會知悉，董事會主席及本公司審核委員會、提名委員會及薪酬委員會的主席或倘彼等缺席，則各委員會的其他成員須出席股東週年大會以回答股東問題及收集其意見。



Directors' Training

According to code provision A.6.5 of the CG Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Directors have been given relevant guideline materials to ensure that they are apprised of the latest changes in the commercial, legal and regulatory requirements in relation to the Company's businesses, and to refresh their knowledge and skills on the roles, functions and duties of a listed company director.

The Company also continuously updates Directors on the latest developments regarding listing rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. Circulars or guidance notes are also issued to Directors where appropriate to ensure their awareness of best corporate governance practices.

This is to ensure that their contribution to the Board remains informed and relevant. Directors are required to provide a record of the training they received to the Company annually. The participation by Directors in the continuous professional development with appropriate emphasis on duties of a Director of a listed company and corporate governance matters during the year ended 30 June 2020 is as follows:

董事培訓

根據企業管治守則的守則條文第A.6.5條，全體董事必須參與持續專業學習，以學習並重溫彼等之知識及技能。董事已獲發有關指引材料，確保彼等知悉與本公司業務相關之最新商業、法律和監管要求變動，並增進彼等對上市公司董事之職位、職能和職責之知識和技能。

本公司亦持續向董事提供有關上市規則及其他適用監管規定的最新資料，以確保董事遵守該等規則及提高董事對良好企業管治常規的認識，並向董事(倘適合)發出通函或指引，以確保其了解最佳企業管治常規。

這確保彼等繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。董事須每年向本公司提供彼等接受培訓的記錄。截至二零二零年六月三十日止年度，董事曾參與下列著重上市公司董事職責及企業管治事宜之持續專業發展：

| Name of director 董事姓名 | | Reading regulatory updates, newspapers and journals 閱讀有關規管之最新資料、 報紙及期刊 | Attending seminars/ conferences/forums* 參加研討會/ 會議/論壇* |
|--|---|---|--|
| Executive Directors Mr Samson Fung Mr David Fung Mr Alex Fung | 執行董事 馮文偉先生 馮文錦先生 馮家柱先生 | √ √ √ | √ √ √ |
| Independent Non-executive Directors Dr Loke Yu Ms Fung Po Yee Ms Sung Ting Yee | 獨立非執行董事 陸海林博士 馮寶儀女士 宋婷兒女士 | √ √ √ | √ √ √ |

* including physical attendance or by webcast
* 包括出席或收看網上廣播



Corporate Governance Report

企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code provides that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not at present separate roles of the chairman and chief executive officer. Mr Samson Fung is both the chairman and chief executive officer of the Company. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board further believes that the balance of power and authority will not be impaired by the present arrangement, and is adequately ensured by the current Board, which comprises experienced and high calibre individuals and a sufficient number of INEDs.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The number of INEDs throughout the year ended 30 June 2020 has met the minimum requirement of the Listing Rules and represented at least one-third of the total Board members. Further, at least one of the INEDs possesses the appropriate professional qualifications or accounting or related financial management expertise as required under the Listing Rules.

The Company has received from each of the INEDs an annual written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Board has reviewed their independence based on such confirmation and considers that all of them remain independent.

All INEDs have been appointed for a term of 2 years commencing from 26 April 2020 and are subject to retirement by rotation in accordance with the Articles of Association of the Company (the "Articles").

主席及行政總裁

企業管治守則的守則條文第A.2.1條規定，主席及行政總裁之職責應予區分，且不應由同一人履行。本公司現時並無將主席及行政總裁的角色獨立分開。馮文偉先生為本公司主席兼行政總裁。董事會相信由一名人士兼任主席及行政總裁之角色可確保本集團內之貫徹領導及可令本集團之整體策略規劃更有效及具效率。董事會進一步相信，權力及授權平衡將不受目前安排影響，且現時之董事會由經驗豐富及具才幹之人士組成，且有充足人數之獨立非執行董事，足以確保權力及授權均衡。

獨立非執行董事

截至二零二零年六月三十日止整個年度獨立非執行董事人數達致上市規則的最低要求，並至少佔董事會成員總人數的三分之一。此外，根據上市規則規定，至少一名獨立非執行董事具備合適專業資格或會計或相關財務管理專業知識。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的獨立身份年度書面確認書，而董事會已根據該等確認書審閱彼等的獨立性，並認為彼等仍為獨立人士。

全體獨立非執行董事均獲委任，任期為自二零二零年四月二十六日起計的2年，並根據本公司的組織章程細則（「細則」）須輪值退任。



BOARD COMPOSITION

The Board currently comprises the following three executive Directors and three INEDs:

Executive Directors

Mr Fung Man Wai Samson (*Chairman*)
Mr Fung Man Kam
Mr Fung Kar Chue Alexander

Independent Non-executive Directors

Dr Loke Yu
Ms Fung Po Yee
Ms Sung Ting Yee

All INEDs are expressly identified as such in all of the Company's corporate communications that disclose the names of Directors.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy (the "Board Diversity Policy") from 18 May 2016 up to the date of this corporate governance report. A summary of this Board Diversity Policy, together with the measurable objectives set for implementing this Board Diversity Policy, and the progress made towards achieving those objectives are disclosed as below.

The Company recognised the benefits of having a diverse Board to enhance the quality of its performance. The Board Diversity Policy aimed to set out the approach to achieve diversity on the Board. In designing the Board's composition, Board diversity has been considered from a number of measurable aspects including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of services, all of which the Company considers to be important to enhance the quality of its performance. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Board.

董事會組成

董事會現時由以下三名執行董事及三名獨立非執行董事組成：

執行董事

馮文偉先生 (*主席*)
馮文錦先生
馮家柱先生

獨立非執行董事

陸海林博士
馮寶儀女士
宋婷兒女士

本公司所有載有董事姓名之公司通訊中，已明確列明所有獨立非執行董事身份。

董事會多元化政策

本公司自二零一六年五月十八日起直至本企業管治報告日期採納董事會多元化政策（「董事會多元化政策」）。董事會多元化政策的概要連同為執行董事會多元化政策而制定的可計量目標及達標進度於下文披露。

本公司明白董事會多元化對提升公司的表現質素裨益良多。董事會多元化政策旨在列載為達致董事會多元化而採取的方針。本公司在設定董事會成員組合時，會從多個可計量方面考慮董事會多元化，包括但不限於性別、年齡、文化和教育背景、專業經驗、技能、知識和服務年期，本公司認為以上各方面對提升董事會之表現質素至關重要。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會多元化之裨益。



Corporate Governance Report

企業管治報告

The Nomination Committee will monitor the implementation of the Board Diversity Policy and recommend any proposed changes to the Board for approval. The Nomination Committee will from time to time review the Board Diversity Policy as appropriate to ensure its effectiveness.

The Nomination Committee of the Board has reviewed the Board Diversity Policy to ensure its effectiveness and considered that the Group achieved the Board Diversity Policy for the year ended 30 June 2020.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Article 84(1) of the Articles, any new Director appointed by the Board, whether to fill a casual vacancy or as an addition to the existing Board, is subject to retirement and re-election by shareholders at the next following general meeting of the Company following his/her appointment. At every annual general meeting of the Company, one-third of the Directors for the time being (or, if the number of Directors is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office and being eligible for re-election.

All Directors are subject to retirement by rotation and re-election by shareholders at annual general meetings of the Company at least once every three years.

BOARD COMMITTEES

As an integral part of good corporate governance, the Board has established the following Committees with defined terms of reference.

Audit Committee

The Company has established an Audit Committee in compliance with the Rule 3.21 of the Listing Rules. As at 30 June 2020, the Company's Audit Committee comprised a total of three members, all being INEDs, namely, Dr Loke Yu (chairman), Ms Fung Po Yee and Ms Sung Ting Yee.

提名委員會負責監察董事會多元化政策之執行，並將任何擬議更改的建議提交董事會審批。提名委員會將在適當時候不時檢討董事會多元化政策，以確保其行之有效。

董事會轄下提名委員會已檢討董事會多元化政策，以確保其行之有效，委員會認為本集團於截至二零二零年六月三十日已達到董事會多元化政策的目標。

董事之委任及重選

按照細則第84(1)條，任何獲董事會委任之新董事(不論為填補臨時空缺或增補加入現有董事會)須於其獲委任後本公司下一屆股東大會上退任及由股東重選連任。於每屆本公司股東週年大會上，當時董事的三分之一(或，倘董事人數並非三之整數倍，則為最接近三分之一但不高於三分之一之數目)須退任並合資格重選連任。

所有董事均須至少每三年於本公司股東週年大會上輪值退任一次及由股東重選連任。

董事委員會

作為良好企業管治不可分割的一部分，董事會設立了下列委員會，並訂有明確的職權範圍。

審核委員會

本公司根據上市規則第3.21條成立本公司審核委員會。於二零二零年六月三十日，審核委員會由總共三名獨立非執行董事成員陸海林博士(主席)、馮寶儀女士及宋婷兒女士組成。



The Audit Committee oversees the financial reporting process, risk management and internal control system of the Company. The management of the Company is responsible for the preparation of the Group's financial statements while the external auditor is responsible for auditing the Group's financial statements. Members of the Audit Committee assist the Board in fulfilling its responsibilities by providing an independent review of the financial statements, and supervising the Company's system of financial reporting and internal control. The Audit Committee presents a report to the Board on its findings after each Audit Committee meeting.

The Audit Committee also provides an important link between the Board and the Company's auditors in matters coming within the scope of its terms of reference and keeps the independence and objectivity of the auditor's under review.

The written terms of reference, which describe the authority and duties of the Audit Committee, are regularly reviewed and were updated by the Board to comply with Code Provision C.3.3 of the Code in 2020. The Audit Committee held three meetings during the year ended 30 June 2020.

Subsequent to the year ended 30 June 2020 and up to the date of this annual report, the Audit Committee reviewed and discussed the 2020 consolidated financial statements included in this report with management and the external auditor. In this regard, the Audit Committee held discussions with management with regard to new accounting policies or changes in accounting policies that had been applied, and significant judgements of the management which affected the Group's financial statements. The Audit Committee received reports and met with the external auditor to discuss the general scope of their audit work, including the impact of new or changes in accounting policies that had been applied and their assessment of the Group's internal controls. Based on these reviews and discussions, and the report of the external auditor, the Audit Committee recommended the Board to approve the consolidated financial statements for the year ended 30 June 2020 and the independent auditor's report.

審核委員會監督本公司之財務申報程序，風險管理及內部監控系統。本公司管理層負責編製本集團之財務報表而外聘核數師則負責審核本集團之財務報表。審核委員會成員為協助董事會履行其責任而獨立審閱財務報表及監察本公司之財務申報及內部監控系統。審核委員會於每次舉行審核委員會會議後就其發現向董事會提交報告。

審核委員會亦就其職權範圍內的事項擔任董事會與本公司核數師之間的重要連繫，並持續檢討核數師之獨立性及客觀性。

於二零二零年，描述審核委員會的職權範圍的文件由董事會定期審核及更新，以符合守則條文第C.3.3條。審核委員會於截至二零二零年六月三十日止年度舉行了三次會議。

截至二零二零年六月三十日止年度後及直至本年報日期，審核委員會檢討及與管理層及外聘核數師商討本報告載列的二零二零年綜合財務報表。就此審核委員會與管理層就已應用之新訂會計政策或經修訂會計政策以及管理層所作對本集團財務報表構成影響之重大判斷進行討論。審核委員會在接獲核數師報告後與外聘核數師會面，討論其核數工作之大致範圍，包括已應用之新訂或經修訂會計政策之影響及彼等對本集團內部監控之評估。基於上述檢討及討論，以及按照外聘核數師之報告，審核委員會建議董事會批准通過截至二零二零年六月三十日止年度之綜合財務報表及獨立核數師報告。



Corporate Governance Report

企業管治報告

During the year, the Audit Committee also reviewed the unaudited condensed consolidated financial statements for the six months ended 31 December 2019 and recommended the Board to approve the unaudited condensed consolidated financial statements.

The members of the Audit Committee considered the appointment of external auditor, their audit fees and recommended the Board to seek shareholders' approval for the re-appointment of Grant Thornton Hong Kong Limited as the Group's external auditor for the year ending 30 June 2021.

Nomination Committee

The Company has established a Nomination Committee with terms consistent with the CG Code Provisions A.5.1 to A.5.6. The written terms of reference of the Nomination Committee have included the duties as set out in the relevant CG Code Provisions. As at 30 June 2020, the Nomination Committee comprises a total of five members, being two Executive Directors, namely, Mr Samson Fung and Mr Alex Fung, and three INEDs, namely, Ms Fung Po Yee (Chairman), Dr Loke Yu and Ms Sung Ting Yee. Accordingly, a majority of the members are INEDs.

The primary responsibilities of the Nomination Committee include (i) making recommendations to the Board regarding candidates to fill vacancies on the Board; (ii) reviewing the Board Diversity Policy for the Board's consideration, and monitoring the progress on achieving the objectives of the Board Diversity Policy to ensure effective implementation, and (iii) reviewing the structure, size and composition (including the skills, knowledge, experience) of the Board on a regular basis at least annually and make recommendations to the Board regarding any proposed change to complement the Company's corporate strategy.

The Nomination Committee held two meetings during the year ended 30 June 2020 to review the structure, size, composition and diversity of the Board.

於年內，審核委員會亦審閱截至二零一九年十二月三十一日止六個月的未經審核簡明綜合財務報表，並建議董事會批准通過有關未經審核簡明綜合財務報表。

審核委員會之成員已考慮外聘核數師之委聘事宜及其核數費用，並建議董事會尋求股東批准續聘致同(香港)會計師事務所有限公司為本集團截至二零二一年六月三十日止年度之外聘核數師。

提名委員會

本公司根據企業管治守則條文第A.5.1至A.5.6條成立提名委員會。提名委員會的書面職權範圍已包括相關企業管治守則所載之職責。於二零二零年六月三十日，提名委員會由總共五名成員組成，即兩名執行董事馮文偉先生及馮家柱先生以及三名獨立非執行董事馮寶儀女士(主席)、陸海林博士及宋婷兒女士。因此，大多數成員為獨立非執行董事。

提名委員會的主要責任包括(i)就填補董事會空缺的候選人向董事會作出推薦意見；(ii)檢討董事會多元化政策以供董事會考慮，並監察達致董事會多元化政策目標之進度以確保有效執行；及(iii)定期及至少每年一次檢討董事會之結構、規模及組成(包括技能、知識及經驗)，並就任何建議變動向董事會提供建議，以補充本公司之企業策略。

提名委員會於截至二零二零年六月三十日止年度舉行了兩次會議，檢討董事會的架構、規模、組成及多元化。



Remuneration Committee

The Company has established a Remuneration Committee to deal with matters of remuneration and compensation arrangement of Directors and senior management. The written terms of reference of the remuneration committee have included the duties as set out in the relevant CG Provisions. As at 30 June 2020, the Remuneration Committee comprises a total of five members, being two Executive Directors, namely, Mr Samson Fung and Mr Alex Fung, and three INEDs, namely, Ms Sung Ting Yee (Chairman), Dr Loke Yu and Ms Fung Po Yee. Accordingly, a majority of the members are INEDs.

The primary responsibilities of the Remuneration Committee include, among others, (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a set of formal and transparent procedures for developing policies on such remuneration; (ii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of executive Directors and members of senior management. The Remuneration Committee shall meet at least once a year.

The Remuneration Committee held two meetings during the year ended 30 June 2020 to review the remuneration package of the individual Executive Directors and senior management for submission to the Board for approval.

Corporate Governance Functions

The Company's corporate governance functions are carried out by the Board pursuant to the code provisions as set out in the CG code.

薪酬委員會

本公司已成立薪酬委員會，以處理董事及高級管理層有關薪酬及賠償事宜。薪酬委員會的書面職權範圍已包括相關企業管治守則所載之職責。於二零二零年六月三十日，薪酬委員會由總共五名成員組成，即兩名執行董事馮文偉先生及馮家柱先生以及三名獨立非執行董事即宋婷兒女士(主席)、陸海林博士及馮寶儀女士。因此，大多數成員為獨立非執行董事。

薪酬委員會的主要責任包括(其中包括)(i)就董事及高級管理層之所有薪酬政策及結構以及確立一套完善該等薪酬政策之正式及透明程序向董事提供推薦意見；(ii)經參考董事會的公司宗旨及目標檢討及批准管理層的薪酬計劃；及(iii)就執行董事及高級管理層成員的薪酬組合向董事會提供推薦意見。薪酬委員會須每年至少舉行一次會議。

薪酬委員會於截至二零二零年六月三十日止年度舉行了兩次會議，檢討個別執行董事及高級管理層的薪酬組合以提交董事會批准。

企業管治職能

本公司的企業管治職能由董事會根據企業管治守則載列的守則條文履行。



Corporate Governance Report

企業管治報告

The corporate governance functions currently performed by the Board are (i) to develop and review the Company's policies and practices on corporate governance to ensure compliance with the CG Code and other legal or regulatory requirements; (ii) to oversee the Company's orientation program for new Directors; (iii) to review and monitor the training and continuous professional development of Directors and senior management; (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) to review the Company's disclosure in this Corporate Governance Report.

During the year ended 30 June 2020, the Board has reviewed the Company's policies and practices on corporate governance.

COMPANY SECRETARY

The position of Company Secretary is held by Mr Li, a Fellow of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators, who is an employee of the Company. The Company Secretary reported to the Board from time to time. All Directors have access to the advice and services of the Company Secretary to ensure that Board procedures, and all applicable laws, rules and regulations are followed.

Pursuant to Rule 3.29 of the Listing Rules, the Company Secretary must take no less than 15 hours of relevant professional training in each financial year. The Company Secretary provided his training records to the Company indicating he took more than 15 hours of relevant professional development by means of attending inhouse briefings, attending seminars and reading relevant guideline materials.

DIVIDEND POLICY

In considering the payment of dividends, there shall be a balance between retaining adequate reserves for the Group's future growth and rewarding the shareholders of the Company.

董事會現時履行之企業管治職能為：(i) 制訂及檢討本公司企業管治政策及常規，以確保符合企業管治守則及其他法律或監管規定；(ii) 監督本公司之新董事入職指引計劃；(iii) 檢討及監督董事及高級管理層人員培訓及持續專業發展；(iv) 制訂、檢討及監督僱員及董事適用之操守守則及合規手冊(如有)；及(v) 檢討本公司於本企業管治報告中之披露事項。

於截至二零二零年六月三十日止年度內，董事會已審閱本公司的企業管治政策及常規。

公司秘書

公司秘書職位由本公司僱員李先生擔任，彼為香港會計師公會資深會員、香港特許秘書公會及特許秘書及行政人員公會會員。公司秘書不時向董事會匯報。全體董事均獲得公司秘書的意見及服務以確保遵守董事會程序及所有適用法律、法規及規例。

根據上市規則第3.29條，公司秘書須於各財政年度接受不少於15小時的相關專業培訓。公司秘書須向本公司提供其出席培訓的記錄，列明其出席不少於15小時有關專業發展的內部會議、研討會及閱讀相關指引材料的記錄。

股息政策

於考慮派付股息時，需要取得維持足夠資金以達致本集團未來業務增長與回饋本公司股東之間之平衡。



The Board shall also take into account, among other things, the following factors when considering the declaration and payment of dividends:

- the Group's overall results of operation, financial condition, expected working capital requirements and capital expenditure requirements, liquidity position and future expansions plans;
- the amount of retained profits and distributable reserves of the Company;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Board deems relevant.

The declaration and payment of dividends by the Company is subject to any restrictions under the Companies Law of the Cayman Islands, the Company's memorandum and articles of association, the Listing Rules and any other applicable laws and regulations.

The Company does not have any pre-determined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and modify the Dividend Policy at any time.

於考慮宣派及派付股息時，董事會亦將計及(其中包括)以下因素：

- 本集團之整體營運業績、財務狀況、預期的營運資金需求及資本開支需求、流動資金狀況及未來擴展計劃；
- 本公司的保留溢利及可供分派儲備之金額；
- 整體經濟狀況、本集團業務的業務週期及可能影響本集團業務或財務表現及狀況的其他內在或外在因素；及
- 董事會認為相關的其他因素。

本公司宣派及派付股息受開曼群島公司法、本公司組織章程大綱及細則、上市規則以及任何其他適用法律及法規之任何限制。

本公司並無任何預定股息分派比率。本公司之過往股息分派記錄不可用作釐定本公司於未來可能宣派或派付之股息水平之參考或基準。

股息政策於任何情況下均不會構成本集團有關其未來股息之具法律約束力之承擔及/或於任何情況下均不會使本集團有責任於任何時間或不時宣派股息。

董事會將持續檢討股息政策，並保留權利全權及絕對酌情於任何時間更新、修訂及修改股息政策。



Corporate Governance Report

企業管治報告

PERFORMANCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS' DUTIES

The Company has adopted the rules and procedures on INEDs' work. The Company has three INEDs, representing more than one-third of the total number of the Directors as required under the Listing Rules. The INEDs are professionals with extensive experience in the fields of accounting, finance and business management. Dr. Loke Yu has appropriate accounting and financial experience. The INEDs do not hold other positions in the Company other than being members of the board committees.

During the year ended 30 June 2020, the INEDs had no objections to the resolutions made by the Board.

During the year, the INEDs earnestly and diligently performed their duties in accordance with the relevant laws and regulations and the Articles of the Company. The INEDs actively attended board meetings during the year ended 30 June 2020, and reviewed documents presented by the Company. They also provided professional and constructive advice on the Company's major decisions.

The Company has received confirmation from each of the INEDs about their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that the INEDs are completely independent of the Company, its substantial shareholders and its affiliates and comply fully with the requirements concerning the INEDs under the Listing Rules.

AUDITOR'S REMUNERATION

It is the external auditor's responsibility to form an independent opinion, based on their audit, on the consolidated financial statements and to report their opinion solely to the shareholders of the Company, as a body, and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the content of the auditor's report. For the year ended 30 June 2020, the Board has accepted the recommendation from the Audit Committee on re-appointing Grant Thornton Hong Kong Limited as the external auditor of the Group.

履行獨立非執行董事職責

本公司採納了有關獨立非執行董事工作的規則及程序。本公司有三名獨立非執行董事，佔上市規則規定的董事總人數三分之一以上。獨立非執行董事為在會計、財務及業務管理領域具有豐富經驗之專業人士。陸海林博士擁有適當之會計及財務經驗。獨立非執行董事並無在本公司擔任其他職務(董事委員會成員除外)。

於截至二零二零年六月三十日止年度，獨立非執行董事並無對董事會作出之決議提出異議。

於本年度，獨立非執行董事按照有關法律、法規及本公司之細則認真勤勉地履行彼等之職責。於截至二零二零年六月三十日止年度內，獨立非執行董事積極出席董事會會議，審閱本公司提交之文件。彼等亦對本公司之重大決策提供專業及建設性意見。

本公司已收到各位獨立非執行董事根據上市規則第3.13條就其獨立性發出之確認。本公司認為，獨立非執行董事完全獨立於本公司、其主要股東及其聯屬公司，並已完全遵守上市規則下有關獨立非執行董事之規定。

核數師薪酬

外聘核數師之責任是根據其審核工作之結果，對綜合財務報表作出獨立意見，並向本公司全體股東報告，除此以外，外聘核數師之報告書別無其他目的。外聘核數師不會就其報告書之內容向任何其他人士負上或承擔任何責任。於截至二零二零年六月三十日止年度，董事會接納審核委員會有關續聘致同(香港)會計師事務所有限公司為本集團之外聘核數師之建議。

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For the years ended 30 June 2020 and 2019, the remuneration paid and payable to the Company's external auditor for the provision of services are as follows:

截至二零二零年及二零一九年六月三十日止年度，已付及應付予本公司外聘核數師作其提供服務的薪酬如下：

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|---------------------|----------------------------------|----------------------------------|
| Statutory audit services | 法定審核服務 | 550 | 540 |
| Non-statutory audit services – for interim review | 非法定審核服務 – 中期審閱服務 | 300 | 360 |
| | | 850 | 900 |

DIRECTORS' RESPONSIBILITIES STATEMENTS

The Directors acknowledge their responsibility for preparing the Group's financial statements in accordance with statutory requirements and applicable accounting standards. The responsibilities of the Directors are to prepare the financial accounts for each financial period which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The Directors also acknowledge that the publication of the financial statements should be distributed to the shareholders of the Company in a timely manner. In preparing the accounts for the year ended 30 June 2020, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards; made adjustments and estimates that are prudent, fair and reasonable and prepared accounts on a going concern basis. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company.

董事責任聲明

董事知悉其須負責按法定規定及適用會計準則編製本集團財務報表之責任。董事之責任為編製每一財政期間真實而公平地反映本集團狀況及該期間業績和現金流之財務賬目。董事亦知悉財務報表須準時分發予本公司之股東。在編製截至二零二零年六月三十日止年度之賬目時，董事已選擇合適之會計政策及貫徹一致地採用該等政策；採用合適之香港財務報告準則及香港會計準則；作出審慎、公平和合理之調整及估計，以及按持續經營基準編製賬目。董事亦須負責保存妥當之會計記錄，當中須合理準確地披露本公司當時之財務狀況。



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RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for the effectiveness of the Group's risk management and internal control systems.

The risk management process includes risk identification, risk evaluation, risk management and risk control and review.

The management is entrusted with duties to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority.

The Group has conducted a review of the implemented system and procedures, including areas covering financial, operational, compliance and risk management functions. The systems are implemented to minimise the risk to which the Group is exposed and is used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against misstatement or losses.

The Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control system of the Company and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

The Group has engaged an external professional consultant to conduct an independent internal control review for the year ended 30 June 2020.

For the year ended 30 June 2020, the Board considered the Group's risk management and internal control system as adequate and effective and that the Company has complied with the code provisions on internal control of the CG Code.

風險管理及內部監控

董事會確認其有責任確保本集團風險管理及內部監控系統的功效。

風險管理程序包括風險識別、風險評估、風險管理以及風險控制及審查。

管理層獲委派於其責任及權力範圍內識別、分析、評估、應對、監控及傳達與任何活動、職務或程序有關之風險。

本集團已就已實施的系統及程序進行評估，範圍包括財務、營運、合規及風險管理職能。實施系統旨在將本集團面臨的風險降至最低，並用作日常業務營運的管理工具。該系統僅提供合理而非絕對保證可避免出現錯誤陳述或損失。

本集團並無內部審核功能。董事會已檢討本公司內部監控系統之效用，目前認為根據本集團業務的規模、性質及複雜性，認為毋須即時於本集團內設立內部審核功能。本集團將不時進行檢討該情況。

本集團已委聘外聘專業顧問於截至二零二零年六月三十日止年度進行獨立內部監控檢討。

截至二零二零年六月三十日止年度，董事會認為本集團的風險管理及內部監控系統適當及有效，且本公司已遵守企業管治守則中有關內部監控的守則條文。



ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Group established its enterprise risk management framework. While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, management is responsible for designing and implementing an internal control system to manage all kinds of risks faced by the Group.

Through the risk identification and assessment processes, risks are identified, assessed, prioritised and allocated treatments. The Group's risk management framework follows the COSO Enterprise Risk Management – Integrated Framework, which allows the Board and management to manage the risks of the Group effectively. The Board receives regular reports through the Audit Committee that oversees risk management and internal audit functions.

Principal Risks

For the year ended 30 June 2020, the following principal risks of the Group were identified and classified into Market Rate Risk, Liquidity Risk, Operational Risk, Legal and Compliance Risk and Listing Risk.

企業風險管理框架

本集團已建立其企業風險管理框架。董事會的整體職責是確保維持良好和有效之內部監控，而管理層負責設計及實施內部監控系統以管理本集團所面臨的各種風險。

透過風險識別及評估程序，各種風險已被識別、評估、排序及作出應對的措施。本集團的風險管理框架遵循COSO企業風險管理－整合框架，讓董事會及管理層能夠有效管理本集團的風險。董事會透過審核委員會定期收取報告，以監督風險管理及內部審核職能。

主要風險

截至二零二零年六月三十日止年度，本集團已識別以下主要風險並分類為市場利率風險、流動性風險、營運風險、法律和合規風險及上市風險。

| Risk Areas 風險領域 | Principal Risks 主要風險 |
|--------------------------------------|---|
| Market Rate Risk 市場利率風險 | No significant risk identified 未發現重大風險 |
| Liquidity Risk 流動性風險 | No significant risk identified 未發現重大風險 |
| Operational Risk 營運風險 | No significant risk identified 未發現重大風險 |
| Legal and Compliance Risk 法律和合規風險 | No significant risk identified 未發現重大風險 |
| Listing Risk 上市風險 | No significant risk identified 未發現重大風險 |



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RISK CONTROL MECHANISM

The Group adopts a “three-layer” corporate governance structure with operational management and controls performed by operations management, coupled with risk management monitoring carried out by the finance team and independent internal audit outsourced to and conducted by external professional consultant. The Group maintains a form of enterprise risk to keep track of all identified major risks of the Group. The form of enterprise risk provides the Board, the Audit Committee, and management with a profile of its major risks and records management’s actions taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The form of enterprise risk is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk owners have access to the form of enterprise risk and are aware of and alert to those risks in their area of responsibility so that they can take follow up actions in an efficient manner.

The Group’s risk management activities are performed by management on an ongoing process. The Company has adopted risk management policy and procedures. The effectiveness of the Group’s risk management framework will be evaluated at least annually, and periodic management meeting is held to update the progress of risk monitoring efforts. Management is committed to ensure that risk management forms part of the daily business operation processes in order to align risk management with corporate goals in an effective manner.

The Company will continue to engage external independent professionals to review the Group’s system of internal controls and risk management annually to further enhance the Group’s internal control and risk management systems as appropriate.

風險監控機制

本集團採納「三層」企業管治架構，由營運管理層進行營運管理及監控，連同財務團隊開展的風險管理監控及外聘專業顧問進行獨立的內部審核。本集團設立企業風險表格以記錄本集團所有已識別的主要風險。企業風險表格為董事會、審核委員會及管理層提供其主要風險情況，並記錄管理層為降低相關風險所採取的行動。每種風險乃根據其發生的可能性及對本集團的潛在影響至少每年進行評估。企業風險表格由管理層作為風險擁有人於進行年度風險評估後至少每年更新額外新風險及/或去除現有風險（倘適用）。此檢討程序可確保本集團主動地管理其所面臨的風險，從某種意義上講，所有風險擁有人可查閱企業風險表格並知悉及警覺於彼等責任領域內的該等風險，以使彼等可採取有效的跟進行動。

本集團的風險管理舉措由管理層持續進行。本集團已採納風險管理政策及程序。本集團風險管理框架的成效將至少每年予以評估，並舉行定期的管理層會議以更新風險監控工作進度。管理層致力於確保風險管理為日常業務營運程序的一部份，以高效協調風險管理與企業目標一致。

本公司會繼續每年委任外聘獨立專業人士對本集團內部監控及風險管理系統進行檢討，以於適當時進一步加強本集團的內部監控及風險管理系統。



HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company regulates the handling and dissemination of inside information according to the “Guidelines on Disclosure of Inside Information” published by the Securities and Future Commission in June 2012 to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made. The Company regularly reminds the Directors and employees about due compliance with all policies regarding the inside information. Also, the Company keeps Directors, senior management and employees apprised of the latest regulatory updates. The Company shall prepare or update appropriate guidelines or policies to ensure the compliance with regulatory requirements.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “Securities Code”) on terms no less exacting than the required standard set out by the Stock Exchange in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. Having made specific enquiries, all Directors have confirmed that they have met the required standards of dealings as set out in the Model Code and the Securities Code during the financial year under review. Directors’ interests as at 30 June 2020 in the shares in the Company and its associated corporations (within the meaning of Part XV of the SFO) are set out on pages 87 to 88 of this annual report.

內幕消息的處理及發佈

本公司根據證券及期貨事務監察委員會於二零一二年六月頒佈的「內幕消息披露指引」規管內幕資料的處理及發佈，以確保內幕資料於獲適當批准予以披露之前維持保密，有關資料並以有效及一致的方式發佈。本公司定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。此外，本公司讓董事、高級管理人員及僱員掌握有關監管之最新資料。本公司將編製或更新合適的指引或政策以確保遵守監管規定。

董事進行證券交易之標準守則

本公司就董事進行證券交易採納了一套條款不遜於聯交所在上市規則附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）所訂標準之操守準則（「證券守則」）。在向所有董事作出特定查詢後得悉，全體董事確認，彼等於回顧財政年度內已遵守標準守則及證券守則所載進行交易的規定準則。董事於二零二零年六月三十日在本公司及其相聯法團股份中擁有的權益（定義見證券及期貨條例第XV部）載於本年報第87至88頁。



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SHAREHOLDERS' RIGHTS

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

Shareholders to convene an extraordinary general meeting

According to the Articles, extraordinary general meetings shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right to vote at general meetings. Such requisition shall be made in writing to the Board or the Company Secretary at the address set out in the sub-section headed "Putting enquiries by Shareholders to the Board" for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. The requisition must state clearly the name(s) of the requisitioner(s) concerned, its/his/her/their shareholding in the Company as at the date of the of the requisition, the reason for convening an extraordinary general meeting, the agenda proposed to be included and the details of the businesses proposed to be transacted at the extraordinary general meeting, signed by all the requisitioner(s) concerned. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitioner(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

股東權利

本公司的股東大會為股東及董事會提供溝通機會。本公司的股東週年大會應每年舉行，地點由董事會釐定。股東週年大會以外的股東大會應稱為股東特別大會。

股東召開股東特別大會

根據細則，股東特別大會須應一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票之繳足股本十分之一的股東要求時召開。該項要求須以書面形式向董事會或公司秘書於「股東向董事會查詢」分節所列的地址提呈以要求董事會就該項要求所指定之任何業務事項召開股東特別大會。要求必須清晰列明有關要求人士之名稱，彼於作出要求當日於本公司之股權、召開股東特別大會之理由、建議議程及建議於股東特別大會處理之事務詳情，並由全體要求人士簽署。該大會須於該項要求遞呈後兩個月內舉行，倘於有關遞呈後21日內，董事會未有召開該大會，則遞呈要求人士可以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事會未能召開大會而產生之所有合理開支。



Putting Enquiries by shareholders to the Board

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong. The relevant address is as follows:

Block C, 5/F., Gee Hing Chang Industrial Building
No. 16 Cheung Yue Street
Cheung Sha Wan
Kowloon
Hong Kong

Procedures for putting forward proposals by shareholders at shareholders' meetings

Shareholders should follow the procedures set out in the sub-section headed "Shareholders to convene an extraordinary general meeting" above for putting forward proposals for discussion at general meetings.

Voting by Poll

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, all the resolutions to be set out in the notice of 2020 Annual General Meeting ("AGM") will be voted by poll.

INVESTOR RELATIONS AND COMMUNICATION

The Company is responsible for ensuring that shareholders' rights are protected. In order to fulfill this responsibility, the Company endeavours to maintain a high level of transparency in communicating with shareholders and the investment community at large. The Company is committed to continue to maintain an open and effective investor communication policy and to update investors with the relevant information on its business in a timely and accurate manner, subject to the relevant regulatory requirements. In

股東向董事會查詢

股東可將對本公司的書面查詢寄發至本公司的香港主要營業地點，收件人請註名為公司秘書。相關地址如下：

香港
九龍
長沙灣
長裕街16號
志興昌工業大廈5樓C室

股東於股東大會上提呈建議的程序

股東須根據上文「股東召開股東特別大會」分節所載的程序，於股東大會上提呈建議作討論。

投票表決

根據上市規則第13.39(4)條，股東於股東大會上的任何表決必須以投票表決進行，除非主席真誠決定允許純粹與程序或行政事宜有關的決議以舉手表決進行表決。因此，二零二零年股東週年大會（「股東週年大會」）通告所載的全部決議案將以投票表決。

投資者關係及溝通

本公司有責任確保股東之權益得到保障。為了履行此責任，在與股東及投資界溝通時，本公司一直盡量保持高透明度。本公司致力按照有關監管規定，繼續維持公開及有效之投資者溝通政策，並及時及準確地向投資者提供最新的業務資料。為確保與投資者維持有效、清晰而準確之溝通，所有企業傳訊



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order to ensure effective, clear and accurate communication with investors, all corporate communications are arranged and handled by the executive Directors and designated senior executives according to established practices and procedures of the Company.

The Board uses annual general meetings and other general meetings as the principal channel to meet and communicate with the shareholders. Registered shareholders are notified by post for these general meetings, and the notice of meeting contains the agenda and the proposed resolutions. Any registered shareholder is entitled to attend the annual and special general meetings, provided that their shares have been recorded in the register of shareholders. The Board also encourages shareholders to participate in these general meetings to maintain an on-going dialogue with the shareholders.

Extensive information about the Company's activities is provided in its interim and annual reports, which are sent to shareholders, analysts and other interested parties. The Company's publication of announcements on the annual and interim results, issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules are circulated on the Stock Exchange's website in a timely and accurate manner.

Separate resolutions will be proposed by the chairman of the meeting in respect of each substantially separate issue at the Company's forthcoming AGM. The chairman of the AGM, audit committee, the nomination committee and remuneration committee will attend the forthcoming annual general meeting to answer questions of shareholders.

CONSTITUTIONAL DOCUMENTS OF THE COMPANY

During the year under review, there were no changes in the constitutional documents of the Company. A copy of the latest version of the Memorandum and Articles of Association are available on the Company's website and the website of the Stock Exchange.

事宜均按照本公司的既定慣例及程序，由執行董事及專責高級行政人員處理。

董事會利用股東週年大會及其他股東大會作為與股東會面及溝通之主要渠道。登記股東以郵遞方式收取上述股東大會通告。大會通告載有議程及獲提呈之決議案。任何登記股東均有權出席股東週年大會及股東特別大會，惟彼等之股份必須已經登記於股東名冊內。此外，董事會亦鼓勵股東參與上述股東大會，從而一直保持彼此之溝通。

寄發予股東、分析員及其他有關人士之中期報告及年報，載有大量本公司活動的資料。本公司根據上市規則的持續披露責任刊發的全年及中期業績公告、其他公告及股東通函均適時及準確地於聯交所網站發放。

在本公司應屆股東週年大會上，會議主席將會就每項實際獨立之事宜個別提出決議案。股東週年大會、審核委員會、提名委員會及薪酬委員會的各位主席將出席應屆股東週年大會，並於會上回答股東提問。

本公司組織章程文件

於回顧年度，本公司組織章程文件並無變動。組織章程大綱及細則最新版本於本公司網站及聯交所網站可供查閱。

Environmental, Social and Governance Report

環境、社會及管治報告



ABOUT THE REPORT

This is the fourth Environment, Social and Governance (“ESG”) report of Hang Sang (Siu Po) International Holding Company Limited (the “Company”), presenting the Company’s management approach and performance on environmental and social aspects. The Board confirms that it has reviewed and approved the report which, to the best of its knowledge, addresses material issues and fairly presents the ESG management approach and performance of the Company.

The reporting principles of Materiality, Quantitative, Balance, and Consistency underpin the development of this ESG report. Data in this report are analysed to account for year-on-year changes and presented in a way that allows for comparison.

REPORTING GUIDELINE

The report is prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited. It aims to improve stakeholders’ understanding and to introduce ongoing sustainability initiatives directed towards fulfillment of our obligations to the community and the environment at locations where we have operations.

In respect of governance, the Company has met Code Provisions of the Corporate Governance Report as set out in Appendix 14 of the Listing Rules; please refer to pages 20 to 42 of this annual report for the Corporate Governance Report.

關於本報告

本報告為Hang Sang (Siu Po) International Holding Company Limited (「本公司」) 第四份環境、社會及管治 (「ESG」) 報告，披露本公司於環境及社會方面的管理方法及相關表現。董事會已審閱及批准本報告，確認本報告在其知悉範圍內描述實質性議題，並公正地呈現本公司的ESG管理方法及相關表現。

本ESG報告建基於重要性、定量、平衡性和一致性的報告原則。報告中展示數據按年的變化，以便作出一致比較。

報告指引

本報告遵照香港聯合交易所有限公司主板證券上市規則附錄二十七《環境、社會及管治報告指引》編製而成，旨在提高持份者的了解，並介紹針對本公司所需承擔的社會責任，以及於業務範圍內履行的環境責任而持續實行的可持續發展舉措。

企業管治方面，本公司一直遵守上市規則附錄十四的守則條文，制定企業管治報告。有關企業管治報告，請參閱本年報第20至42頁。



Environmental, Social and Governance Report

環境、社會及管治報告

REPORTING PERIOD & SCOPE

This report presents the ESG management approach and performance of Hang Sang (Siu Po) International Holding Company Limited and its subsidiaries (the “Group”) for the period from 1 July 2019 to 30 June 2020. The report boundary includes the Group’s core business of investment holdings and manufacturing and sale of apparel and packaging and printing products.

FEEDBACK

Your comments and ideas are appreciated and will help us improve contents of the report as well as our performance. You may contact us by email: IR@HANGSANGPRESS.COM.

ESG MANAGEMENT APPROACH

To prosper while striving for sustainable development in the modern era, the Group has integrated sustainability elements in the business decision-making process. ESG elements are weighed in the business strategy and daily operations, making it an essential foundation of our business model. Through the holistic approach, risks and opportunities are identified and hence long-term viability is safeguarded.

Our ESG management is led by a task force comprising the Chief Financial Officer, General Manager and Administrative Manager. The task force reports to the board of directors which oversees the strategy.

報告期及範圍

本報告呈現Hang Sang (Siu Po) International Holding Company Limited及其子公司(「本集團」)於二零一九年七月一日至二零二零年六月三十日年度期間之ESG管理方法及相關表現，其包括本集團的核心投資控股、服裝標籤和包裝印刷產品的製造及銷售業務。

意見反饋

您的意見和想法有助完善本報告的內容，以及我們的表現。歡迎通過電郵IR@HANGSANGPRESS.COM聯繫我們。

ESG管理方法

為推動公司業務發展，同時實踐可持續發展，集團致力於業務決策過程中結合相關元素。通過識別ESG風險和機遇，我們權衡ESG於業務策略和日常運營的優先秩序，使其成為商業模式的重要基礎，保障我們業務的長期發展。

我們的環境、社會及管治(ESG)管理由首席財務總監、總經理及行政經理組成的工作組領導，並向監督整體策略的董事會匯報。

Environmental, Social and Governance Report

環境、社會及管治報告

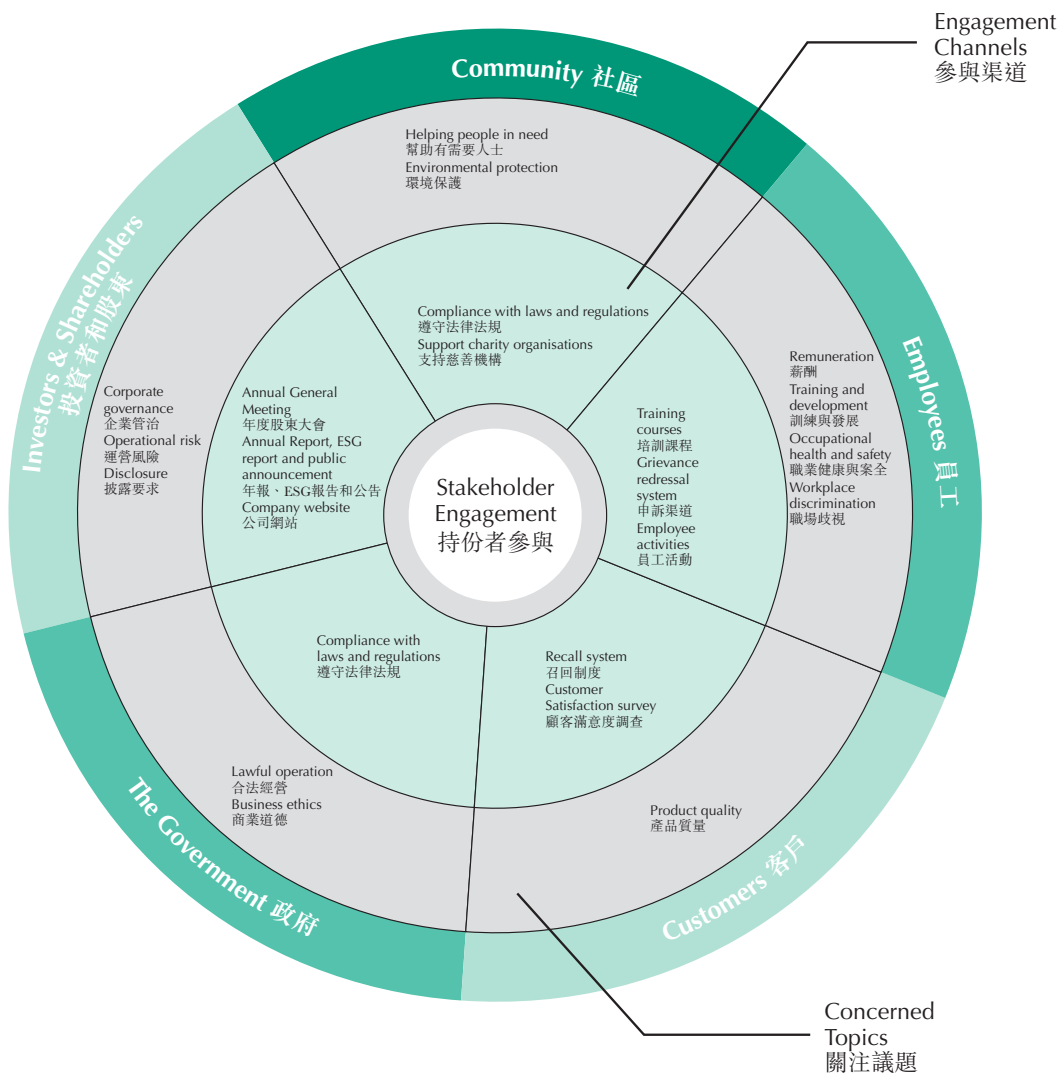


STAKEHOLDER ENGAGEMENT

The Group acknowledges the need for and importance of building strong relationships with its stakeholders, and hence comprehends and aligns the concerned topics with its business operations. The Group has been engaging its key stakeholder groups, including employees, customers, government, community and investors and shareholders, to keep abreast with their concerns through various channels. Results from both external and internal stakeholder survey were incorporated to assess materiality of sustainability topics.

持份者參與

集團深明與持份者建立牢固關係的必要性和重要性，致力使關注議題與其業務運營保持一致。本集團一直與包括僱員、客戶、政府、社區、投資者和股東在內的主要持份者團體保持聯繫，以通過各種渠道及時了解他們的關注點。外部和內部持份者調查的結果用於評估可持續發展議題的重要性。





Environmental, Social and Governance Report

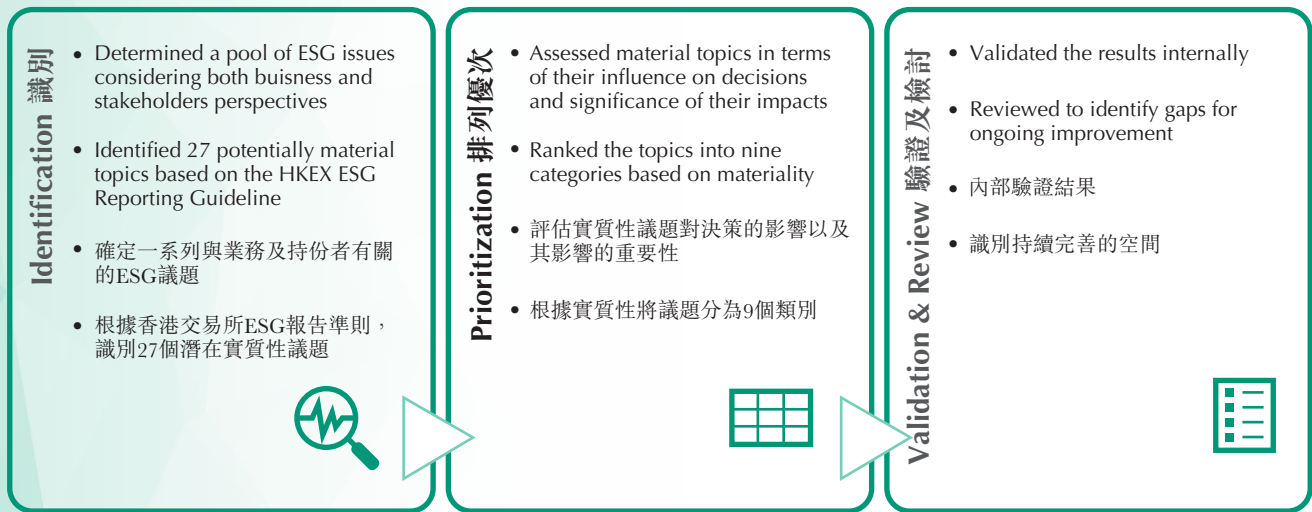
環境、社會及管治報告

MATERIALITY ASSESSMENT

The identification of material topics was based on results of the materiality assessment. Such assessments enable us to discern the crucial topics and prioritise our actions to address their needs.

實質性議題評估

我們根據實質性議題評估的結果，確定實質性議題。此評估使我們能夠辨別關鍵議題，並優先考慮採取行動滿足有關需求。



Materiality Assessment Process
實質性評估過程

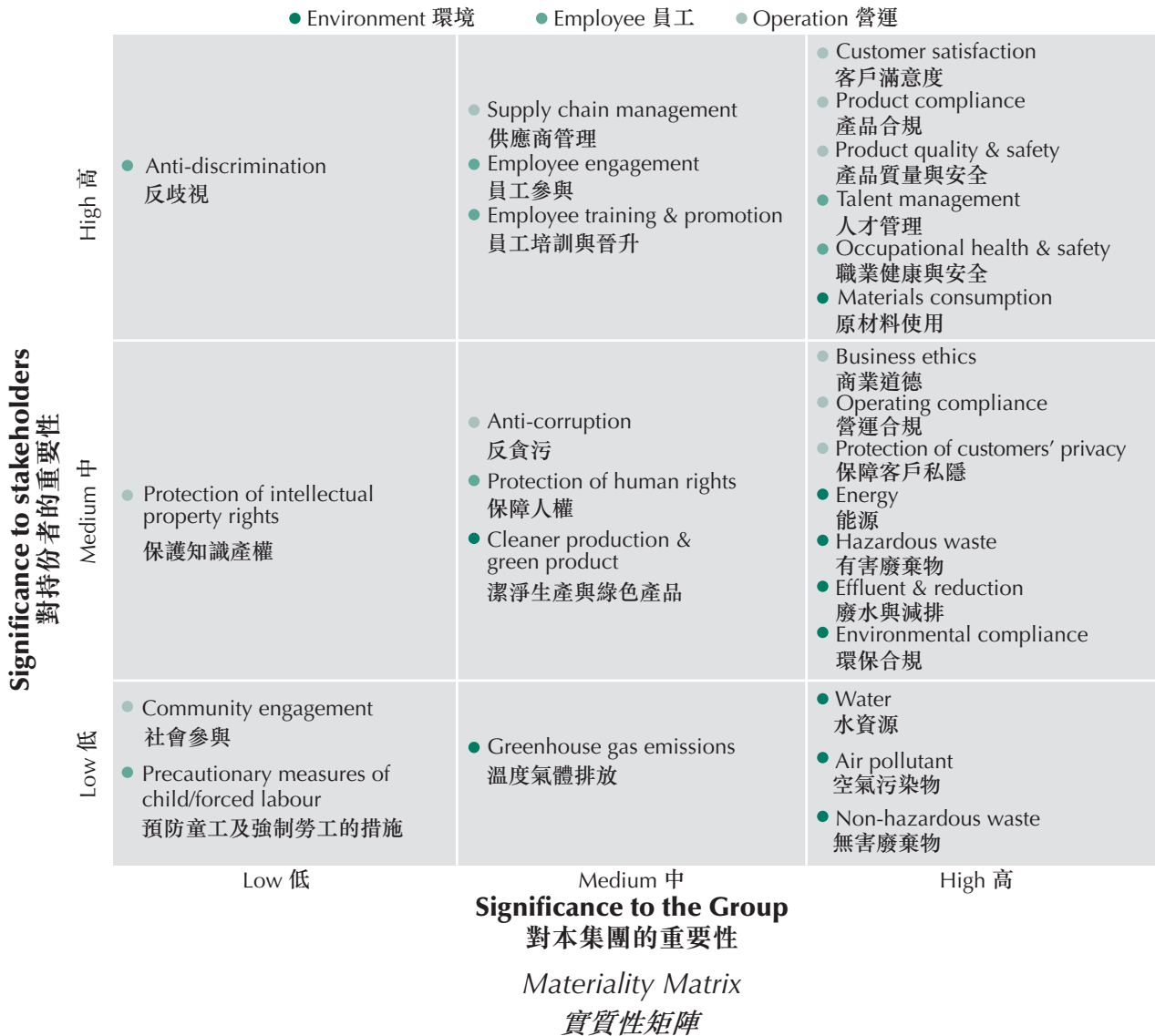
Environmental, Social and Governance Report

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The results after they were approved by senior management were mapped and are showcased in the following matrix.

經高級管理層審視後，有關結果在以下矩陣中展示。



Further to the materiality assessment conducted, the management validated six material topics identified as significant to our business and stakeholders during the year. The Group's response to the identified material topics is summarized in the table below and is reflected in the corresponding sections of the report.

結合實質性評估結果，管理層確認六個已識別的實質性議題於本年度對我們的業務和持份者仍為重要。集團對已確定的實質性議題的回應和行動概述如下表，並已反映在報告的相應章節中。



Environmental, Social and Governance Report

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| | Identified Material Topics 已識別的實質性議題 | Our Actions 我們的行動 |
|--------------------------------|--|--|
| Operational Excellence 卓越運營 |  Customer Satisfaction 客戶滿意度 | <ul style="list-style-type: none"> Conduct Customer Satisfaction Survey and act on customer feedback 進行客戶滿意度調查及回應客戶反饋 Closely monitor complaints handling 密切監控投訴處理 |
| |  Product Quality and Safety 產品質量與安全 | <ul style="list-style-type: none"> Conduct three steps of quality control 分三個步驟進行質量控制 Measures to prevent mix-up of Forest Stewardship Council® (“FSC™”) and non-FSC™ products 實施防止混雜FSC™認證及非FSC™認證產品的措施 Establish product recall procedures 建立產品召回程序 Provide training to employees on quality control 為員工提供有關質量控制的培訓 Check the correct usage of FSC™ labels 檢查FSC™標籤是否正確使用 |
| |  Product Compliance 產品合規 | <ul style="list-style-type: none"> Keep abreast with the latest laws and regulations 了解最新的法律及法規 Conduct product testing 進行產品化驗 <ul style="list-style-type: none"> Evaluate finished products 成品評估 Recall and dispose unqualified products 召回並處置不合格產品 Assign product testing to a third party 安排第三方進行產品化驗 |
| Our People 我們的員工 |  Occupational Health and Safety 職業健康及安全 | <ul style="list-style-type: none"> Adopt precautionary measures against pandemic 對流行疾病採取預防措施 Conduct noise evaluation and annual safety review 進行噪音評估和年度安全審查 Make improvements to meet any higher standards stipulated by the Occupational Safety and Health Council 持續改進以符合職業安全健康局規定的更高標準 Provide safety training and personal protective equipment 提供安全培訓和個人防護設備 The Occupational Safety and Health Council conducts annual safety review 職業安全健康局進行年度安全檢查 |
| |  Talent Management 人才管理 | <ul style="list-style-type: none"> Establish a reward system to encourage employees to conceive constructive ideas 建立獎勵制度，鼓勵員工構思建設性的想法 Provide training and discretionary bonus to employees 為員工提供培訓和酌情花紅 |
| Our Environment 我們的環境 |  Materials Consumption 原材料使用 | <ul style="list-style-type: none"> Offer FSC™ certified paper to clients as an option 提供森林管理委員會認證的紙張供客戶選擇 Use vegetable-based printing inks 使用菜油加工油墨 Adopt new Computer to Plate imaging technology and digital printing 採用新的脫機直接製版及數碼印刷技術 Develop an in-house ERP system 設立內部ERP系統 |

Environmental, Social and Governance Report

環境、社會及管治報告



OUR ENVIRONMENT

The Group has made environmental management a major focus of its operation, striving to enhance performance on an ongoing basis. With the incorporation of environmental considerations in business and operation models, we continue to adopt mitigation strategies and embrace cleaner technologies.

During the year, the Group was not aware of any violation of relevant laws and regulations¹ that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

To ensure compliance, the Group has implemented a set of environmental management policies and mitigation measures. The ecological footprint of the entire production process is stringently tracked to regulate resource consumption and pollutant discharge.

我們的環境

本集團將環境管理定為營運的重點工作，不斷尋求進步。我們透過融合環境考量於經營模式，持續實施緩解策略及使用更潔淨的技術。

年內，本集團並不知悉任何違反有關廢棄及溫室氣體排放、水或土地的排污及產生有害及無害廢棄物，且對本集團造成重大影響的法律法規¹事宜。

為確保合規，我們制訂一系列有關環境保護的管理政策和措施，嚴格追蹤整個生產過程的生態足跡，以調節資源消耗和污染物排放。年內，本集團並不知悉任何違反有關廢棄及溫室氣體排放、水或土地的排污及產生有害及無害廢棄物，且對本集團造成重大影響的法律法規事宜。

¹ Please refer to the section headed Laws and Regulations for environmental-related laws and regulations

¹ 環境相關法律法規請參見法律及法規章節



Environmental, Social and Governance Report

環境、社會及管治報告

RESOURCES CONSUMPTION

Energy

During the year, the majority of the Group's energy consumption attributed to purchased electricity. It consumed approximately 948,074 kWh, a drop of 10% than that of previous year due to the adoption of energy conservation initiatives. For instance switch-off the idling machines and promotion of energy conservation culture by posting energy-saving reminders.

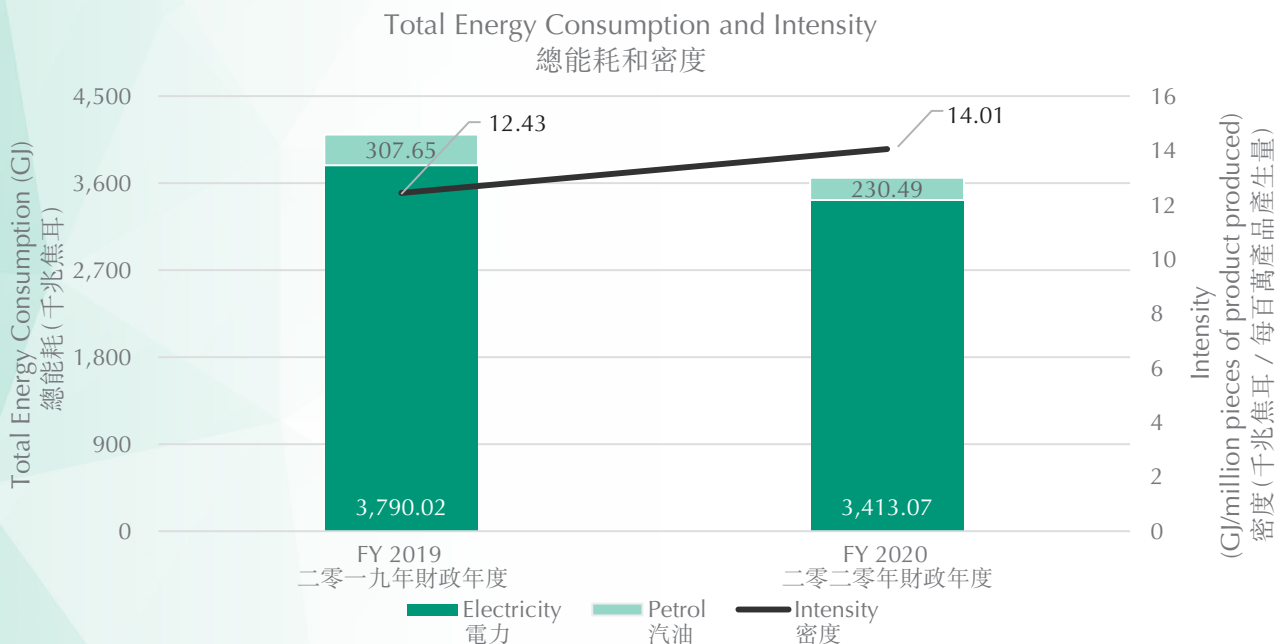
The Group also maintained vehicles for daily commuting purposes which consumed approximately 7,231.82 liters of petrol during the year. The total energy consumption and the energy intensity was approximately 3,643.56 Gigajoules ("GJ") and 14.01 GJ per million pieces of products produced respectively.

資源耗用

能源

年內，本集團的主要能源消耗源為外購電力，耗用948,074千瓦時。透過實踐不同的節能措施，如關閉閑置機器、於辦公室張貼節能提示以促進節能文化等，用電量較去年下降約10%。

本集團通勤使用的車輛於年內消耗7,321.82公升汽油。總耗能及密度分別為3,643.56千兆焦耳及每百萬件產品消耗14.01千兆焦耳。



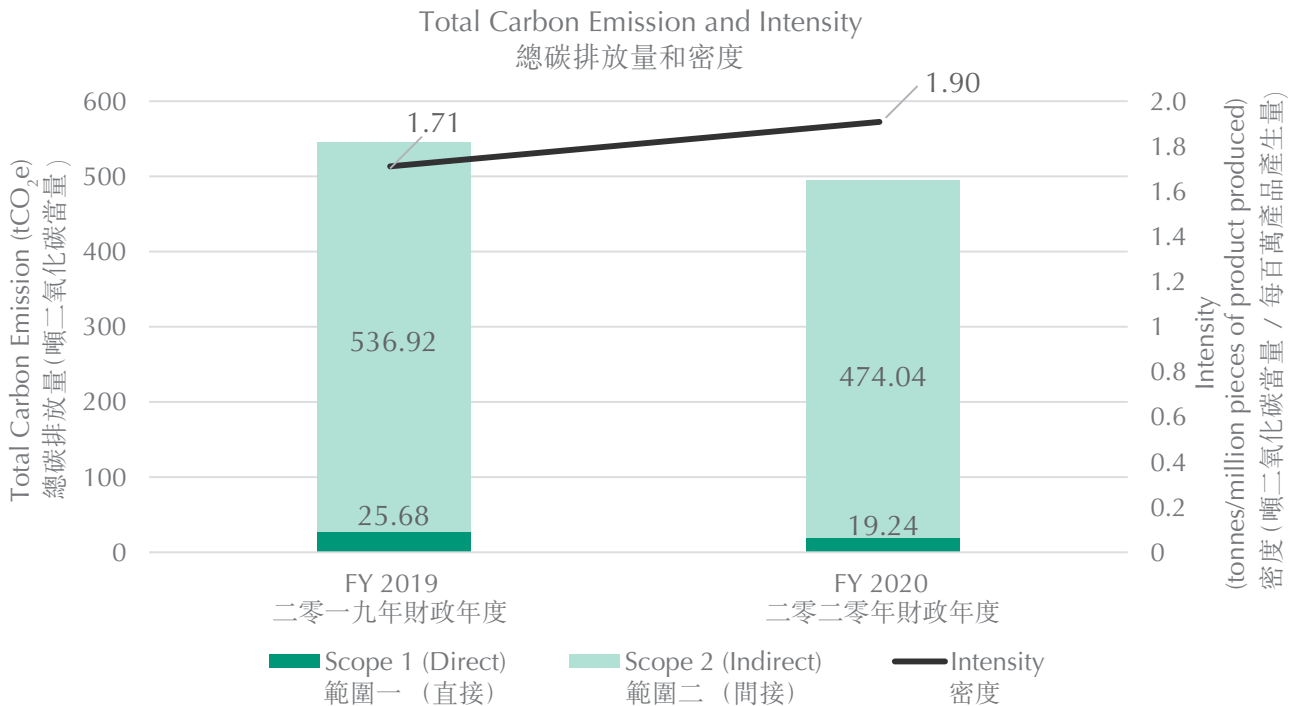
Environmental, Social and Governance Report

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Our operations generate carbon emissions directly from petrol consumption by vehicles (Scope 1) and indirectly from purchased electricity consumption (Scope 2). The total amount of GHG emissions during the year was approximately 493.28 tonnes of carbon dioxide equivalent (tCO₂e), a decline of 12% compared to that of previous year. Scope 1 and Scope 2 carbon emissions were approximately 19.24 tCO₂e and 474.04 tCO₂e respectively. The total GHG emissions intensity was 1.90 tCO₂e per million pieces of products produced.

我們的營運因汽車消耗汽油而產生直接碳排放（範圍一），以及因外購電力而產生間接碳排放（範圍二）。總碳排放量於年內約為493.28噸二氧化碳當量，較去年減少約12%。範圍一及範圍二的碳排放分別為19.24噸二氧化碳當量及474.04噸二氧化碳當量。總二氧化碳排放密度為每百萬件產品產生1.90噸二氧化碳當量。





Environmental, Social and Governance Report

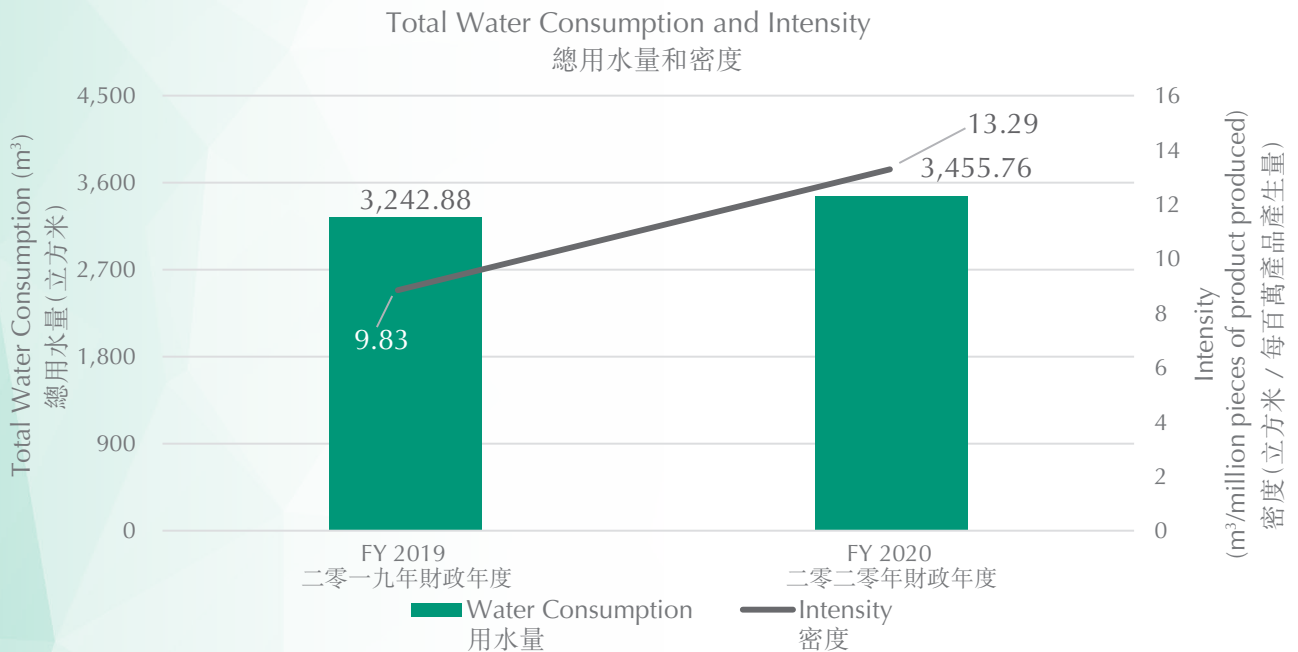
環境、社會及管治報告

Water

Water is mainly used for the purpose of washing machinery. We consumed approximately 3,455 m³ of municipal water for domestic and industrial uses. The total water consumption intensity was approximately 13.29 m³ per million pieces of products produced. There were no issues with sourcing of water fit for the purpose reported during the year.

水

水主要用於清洗機器。我們消耗約3,455立方米城市用水作生活及生產之用，總用水密度約為每百萬件產品消耗13.29立方米。年內並沒有因求取適用水源上的問題。



Environmental, Social and Governance Report

環境、社會及管治報告



Packaging Materials

Our operations consume packaging materials including paper boxes, transparent wrap and rubber bands. To conserve natural resources, we encourage clients to use big carton boxes instead of several small boxes for packaging.

包裝物料

我們營運消耗的包裝材料包括紙盒、透明膠膜和橡皮筋。為節省自然資源，我們鼓勵客戶使用大型紙箱代替多個小型紙箱作包裝。



Paper boxes
紙箱



Transparent wrap
透明膠膜



Rubber bands
橡皮圈

25,419 pieces個

660 rolls卷

405,000 pieces條

97.77 pieces / million pieces of products produced
97.77個/每百萬產品產生量

2.54 rolls / million pieces of products produced
2.54卷/每百萬產品產生量

1,577.69 pieces / million pieces of products produced
1,577.69條/每百萬產品產生量

-38.70%

-37.50%

-7.69%

AIR EMISSIONS

For business commute, the Group recorded approximately 2.78 kg NO_x, 0.11kg SO_x, and 0.20 kg PM during the year due to consumption of petrol.

空氣排放

集團年內因通勤耗用的汽油，經換算後分別產生約2.78公斤氮氧化物、0.11公斤氮氧化物和0.20公斤懸浮顆粒。



NO_x

Nitrogen oxides
氮氧化物



SO_x

Sulphur oxides
硫氧化物



PM

Particulate matter
懸浮顆粒

2.78 kg emitted 公斤排放量

0.11 kg emitted 公斤排放量

0.20 kg emitted 公斤排放量

-22.35%

-21.43%

-23.08%

We are aware of the intensive volatile organic compounds (VOCs) emissions during the production process, and thus replace the conventional chemical solvent with vegetable soy-based ink. Such placement is plausible to reduce emissions of chemical compounds with rapid evaporation rate and reaction to sunlight that causing air pollution.

我們了解生產過程中會釋放揮發性有機化合物 (VOCs)，因而以大豆加工油墨取代傳統的化學溶劑，此舉能夠降低高蒸發比率和與陽光反應速率的化合物排放減少造成空氣污染。



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EFFLUENT & WASTE

Adherence to the principle “reduce, reuse and recycle”, waste reduction and proper management of disposal of wastes are vitally important to the Group. Segregation of all waste into non-hazardous and hazardous waste is carried out meticulously. Licensed waste contractors are appointed to collect all waste, including the recyclables. During the Reporting Period, the Group generated approximately 53.55 tonnes of waste, among which non-hazardous waste including industrial and office waste accounted for a large proportion, about 66.21% were recyclables such as scrap paper and used zinc plates. Scrap paper is reused for quality checking and upcycled as memo-pads for internal use. To reduce the amount of discarded zinc plates, we reuse the same printing plates if the content of the printing products is identical.

The remaining 4.44 tonnes was hazardous waste, mainly chemical wastewater. Chemical wastewater consists of sewage generated in washing procedures which involves usage of chemical solution. Wastewater is reused and filtered through a liquid waste treatment system before being discharged to ensure no sewage is discharged into the sewer.

The total hazardous and non-hazardous waste intensities were approximately 0.02 tonnes and 0.19 tonnes per million pieces of products produced respectively.

廢水及廢棄物

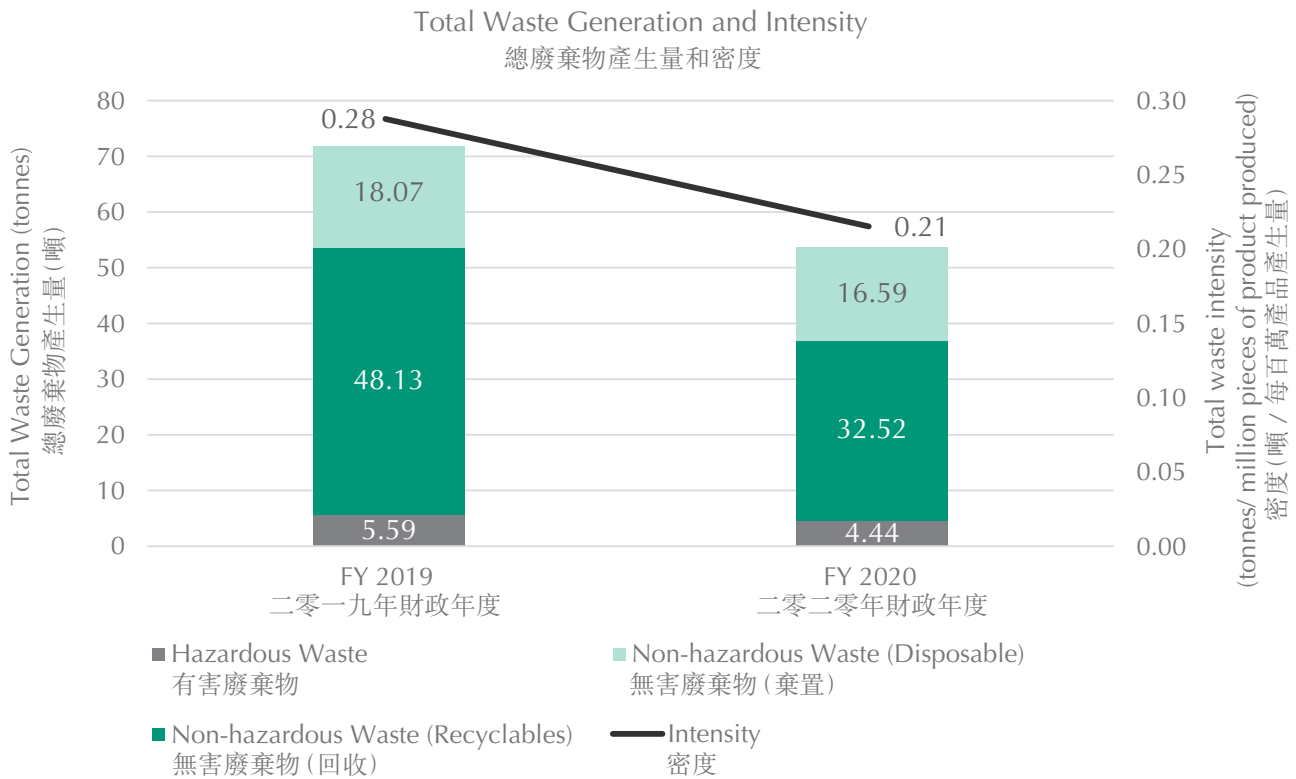
集團奉行「減少使用、物盡其用及循環再用」的原則，妥善管理廢物棄置。我們謹慎地將有害及無害廢棄物進行分類，並聘請認可的持牌承辦商收集所有廢棄物，包括回收物。於報告年內，本集團產生約53.55噸廢物，大部分的廢棄物為無害廢棄物，包括工業及辦公室廢物，約66.21%是可回收的廢紙和鋅板。廢紙重用於質量檢測，及製作成便條紙供內部使用。為減少鋅板的棄置量，我們在印刷內容不變時會重覆使用鋅版。

其餘的4.44噸為有害廢棄物，主要是化學廢水。化學廢水是由生產過程中排放的污水及化學液體組成。為確保沒有未經處理的污水排至下水道，廢水經重用及液體廢料處理系統過濾後排放。

有害及無害廢棄物的密度分別約為每百萬件產品0.02噸及0.19噸。

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RESOURCES CONSERVATION

The Group strives to address environmental and climate issues by undertaking initiatives for resource conservation and impact mitigation. We devote efforts to plan the production schedule such that it helps reduce production time and material consumption. The usage of electricity, water and packaging materials in the offices and printing rooms are monitored and reported to ensure our carbon footprint declines on a timely basis.

資源節約

集團致力透過資源節約和減緩影響的舉措以管理環境及碳排放問題。我們藉由計劃生產日程，以減少生產時間和材料消耗。辦公室和印刷室的電力、水和包裝材料耗用亦獲得監測和報告，以降低我們的碳足跡。



Environmental, Social and Governance Report

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Electricity 電力

- Support the "Indoor Temperature Saving Charter" program to maintain the average indoor temperature from 24 to 26 degrees Celsius
支持「室內溫度節能照章」，維持 24 至 26 度攝氏度範圍的平均室內溫度
- Deploy natural light, use energy saving T5 fluorescent tubes and LED lights
可行時利用自然光、T5 節能光管及 LED 燈
- Ensure that all lights, air conditioners and electrical appliances that are not in use are turned off properly when the last colleague leaves the office/production plant
最後離開辦公室或生產廠房的員工應確保所有照明、空調及電器關掉
- Post reminders in offices and facilities for promoting energy conservation culture
在辦公室和設備張貼備忘錄，推動節能文化
- Switch off idling machines
關掉閒置機器
- Regularly maintain equipment and replace the obsolete ones
定期維修和更換舊設備



Water 水

- Report matters related to water leakages to the Administration Department for follow up
向行政部門報告漏水問題以作跟進
- Turn off the water source after use, even though there is no difficulty in sourcing water
即使在取水沒有困難的情況下，使用後關閉水源
- Use recycled water instead of running water for rinsing zinc plates
利用循環水沖洗鋅板，代替使用自來水
- Install dual flush toilets
安裝雙沖水式馬桶



Packaging Materials 包裝物料

- Minimise the use of tape and strapping for sealing
盡量減少使用膠帶和捆綁帶密封
- Reuse plastic and timber pallets received from suppliers
重用從供應商收到的膠卡板和木卡板

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RAW MATERIALS MANAGEMENT

The Group is committed to adopting sustainable measures along the entire production process commencing from raw materials selection. With the attainment of Forest Stewardship Council® Chain of Custody Certification (“FSC™”), we continuously provide credible assurance of raw materials having been produced from well-managed forest or recycled from used materials. Our customers can opt for FSC™ certified paper to embrace environment-friendly, socially responsible and economically viable raw materials.

Digital printing machines, Computer to Plate and ERP system are the three major technologies in place to minimise depletion of raw materials and generation of unwanted by-products. During the production process, we have replaced the traditional printing method with digital printing machines. Such advancement avoids using setups and reduce ink consumption, and hence facilitate further reduction of generation of scrap materials such as chemical solutions, printing inks, wastewater and paper, and zinc plates. Also, as an initiative to cut ink consumption, we regularly clean the contaminated parts of the production machine to control cases that need reprinting.

As for the printing process, Computer to Plate, an advanced imaging technology, has been adopted to substitute the traditional Computer to Film process. The technology retrieves a finalised file from a computer and outputs to a plate directly, thus saving photographic plates and associated chemicals. Thus, the generation of hazardous waste is eliminated.

Regarding the business operations, we have developed an in-house ERP System for minimising paper consumption by generating electronic notes, including packaging lists, sales invoices, and sales orders. The system supports the entire business operation ranging from the Customer Service Representatives to the Production Team.

原材料管理

本集團承諾從原材料選擇開始，於整個生產過程中採取可持續發展的措施。我們持續地提供可靠、來源於管理良好的森林或從二手物料中回收的原材料，並獲得森林管理委員會（「FSC™」）產銷監管鏈認證標準。我們的客戶可選用FSC™認證的紙張，促使採用環保、具社會責任且更經濟的原材料。

數碼印刷機、脫機直接製版及ERP系統為3項現行的技術，旨在最大限度地減少原材料的耗竭和產生不必要的副產品。我們於生產過程中，以數碼印刷機取替傳統印刷技術。該進展有助避免設置並減少油墨消耗，從而進一步減少化學溶液、印刷油墨、廢水、紙張以及鋅板等廢料的生成。此外，我們定期清潔生產機器受污染的零件，作為減少油墨消耗的舉措，以避免重印的情況。

印刷方面，我們採用先進的成像技術－脫機直接製版(Computer to Plate)，以取代傳統電腦製片技術(Computer to Film)。該技術使用電腦的最終檔案直接輸出製版，以致節省照相板和相關化學的耗用，同時遏止有害廢棄物的產生。

業務運營方面，我們開發內部ERP系統，通過發出電子票據(包括銷售訂單、裝箱單和銷售發票)將紙張消耗最少化。該系統從客戶服務代表到生產團隊，支援整個團隊的業務運營。



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ENVIRONMENTAL PERFORMANCE DATA SUMMARY

環境績效數據摘要

| Environmental (Unit) 環境(單位) | FY 2020 二零二零年 財政年度 | FY 2019 二零一九年 財政年度 | Change (%) 變化(%) |
|---|--------------------------|--------------------------|---------------------|
| Total Resources Consumption 總資源消耗量 | | | |
| Electricity (kWh) 電力(千瓦時) | 948,074 | 1,052,784 | -9.95% |
| Petrol (litres) 汽油(公升) | 7,231.82 | 9,652.77 | -25.08% |
| Total energy intensity (GJ/million pieces of product produced) 總能耗密度(千兆焦耳/每百萬產品產生量) | 14.01 | 12.43 | 12.71% |
| Water (m ³) 水(立方米) | 3,455.76 ¹ | 3,242.88 ² | 6.56% |
| Water intensity (m ³ /million pieces of product produced) 耗水密度(立方米/每百萬產品產生量) | 13.29 | 9.83 ² | 35.20% |
| Greenhouse Gases Emissions and Intensity 空氣污染物排放 | | | |
| GHG emissions (tCO ₂ e) 溫室氣體排放量(噸二氧化碳當量) | 493.28 | 562.60 | -12.32% |
| GHG intensity (tCO ₂ e/million pieces of product produced) 溫室氣體排放密度(噸二氧化碳當量/每百萬產品產生量) | 1.90 | 1.71 | 11.11% |
| Scope I (tCO ₂ e) 範圍一(噸二氧化碳當量) | 19.24 | 25.68 | -25.08% |
| Scope II (tCO ₂ e) 範圍二(噸二氧化碳當量) | 474.04 | 536.92 | -11.71% |
| Air Emissions 空氣污染物排放 | | | |
| Nitrogen oxides (NO _x) (kg) 氮氧化物(公斤) | 2.78 | 3.58 | -22.35% |
| Sulphur oxides (SO _x) (kg) 硫氧化物(公斤) | 0.11 | 0.14 | -21.43% |

¹ The FY 2020 water consumption of Q2 – 4 was calculated on a pro-rata basis, due to fee waiver on water charges by the Hong Kong government, in which water bills are not available for data record.

由於香港政府實施減免水費措施，導致未能收到水費單作數據記錄，因此2020財政年度第二至第四季度的用水量均按比例計算。

² Water consumption and water intensity in FY 2019 are restated.
2019 財政年度的用水量和耗水密度均被重述。

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| Environmental (Unit) 環境(單位) | FY 2020 二零二零年 財政年度 | FY 2019 二零一九年 財政年度 | Change (%) 變化(%) |
|--|--------------------------|--------------------------|---------------------|
| Particulate matter (PM) (kg) 懸浮顆粒(公斤) | 0.20 | 0.26 | -23.08% |
| Waste 廢棄物 | | | |
| Total waste generation (tonnes) 總廢棄物產生量(噸) | 53.55 | 71.86 | -25.48% |
| Hazardous waste (tonnes) 有害廢棄物(噸) | 4.44 | 5.59 | -20.57% |
| Hazardous waste intensity (tonnes/million pieces of product produced) 有害廢棄物密度(噸/每百萬產品產生量) | 0.02 | 0.02 | – |
| Non-hazardous waste (tonnes) 無害廢棄物(噸) | 49.11 | 66.27 | -25.89% |
| Non-hazardous waste intensity (tonnes/million pieces of product produced) 無害廢棄物密度(噸/每百萬產品產生量) | 0.19 | 0.20 | -5% |
| Recyclables (tonnes) 回收物(噸) | 32.52 | 48.20 | -32.53% |
| Sent to landfill (tonnes) 送往堆填區(噸) | 16.59 | 18.07 | -8.18% |
| Usage of Packaging Materials 包裝材料使用 | | | |
| Paper boxes (pieces) 紙箱(個) | 25,419 | 41,463 | -38.69% |
| Paper boxes intensity (pieces/million pieces of product produced) 紙箱密度(個/每百萬產品產生量) | 97.77 | 125.77 | -22.26% |
| Transparent wrap (rolls) 透明膠膜密度(卷) | 660 | 1,056 | -37.50% |
| Transparent wrap intensity (rolls/million pieces of product produced) 透明膠膜密度(卷/每百萬產品產生量) | 2.54 | 3.20 | -20.63% |
| Rubber band (pieces) 橡皮圈(條) | 405,000 | 438,750 | -7.69% |
| Rubber band intensity (pieces/million pieces of product produced) 橡皮圈密度(條/每百萬產品產生量) | 1,557.69 | 1,330.83 | -17.05% |



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OPERATIONAL EXCELLENCE

We continue to upgrade the entire production process, ensuring our product quality meets not only the requirements of legal stipulations and industry standards, but also the ever-increasing customer expectations.

UPHOLDING THE HIGHEST QUALITY STANDARD

The quality of our products directly affects the well-being and satisfaction of our customers. We are, thus, determined to safeguard the quality of our printing products by strictly following the quality management system specified in our Quality Manual as well as other internal policies. In this regard, we further provide quality control refreshing training to staffs and a training effectiveness evaluation form is documented to record their feedback.

卓越營運

我們將繼續提升整個生產過程，以確保產品質量不僅滿足法律規定和行業標準的要求，並且滿足不斷增長的客戶期望。

維持最高標準

我們產品的質量直接影響客戶的福祉和滿意度。因此，我們決心嚴格遵守質量手冊中規定的質量管理體系以及其他內部政策，以維護我們印刷產品的質量。我們進一步為員工提供質量控制更新培訓，並收錄培訓效果評估表，以記錄他們的反饋。

Laws and Regulations Compliance 遵守法律及法規

- The Sales of Goods Ordinance of Hong Kong 《貨品售賣條例》
- The Consumer Product Safety Improvement Act (CPSIA) of the US 美國消費品安全改進法案(「CPSIA」)
- Relevant trading, custom and excise ordinances in respective countries 各國相關貿易、海關及消費稅的條例

International Qualifications 國際認證

- Quality management: ISO 9001:2015 Quality Management System 品質管理：ISO 9001:2015 品質管理系統
- The requirement of the apparel industry: Achievement Award of the Trim Supplier Qualification Programme 服裝行業要求：設施獲得 Trim Supplier Qualification Program 的成就獎
- Printing proficiency: G7 Master Facility Qualification 印刷水平：G7 認可企業認證水平

Quality Compliance 品質合規

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Quality Control

The Group implements multiple steps of quality control throughout the printing processes. First, we review orders in accordance with customers' demands and regulatory requirements. Then, we exercise extreme caution to review any updates on the relevant laws and international conventions to make sure we are in full compliance.

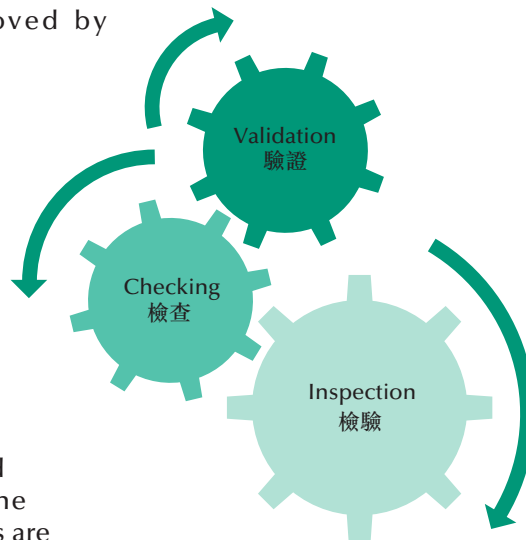
Stringent measures are implemented in our product testing process. We have rigorous controls and monitoring procedures in place to avoid mixing up FSC™ and non-FSC™ products and to ensure the colour of ink matches with the samples approved by customers.

Samples of new inks and papers are kept for testing. To maintain the quality of samples, we stipulate the appropriate temperature, humidity and storage period of these materials. If the testing results of products and materials do not meet standards, we investigate the cause and make rectification until the standards required by clients are met. All unqualified products are labelled, recorded and separated. We also assign product testing to a third party in order to maintain our products quality at the highest level.

品質管理

本集團在整個印刷過程中執行多個質量控制步驟。首先，我們根據客戶的需求和規管規定檢查訂單，然後謹慎審查有關法律和國際公約的任何更新，以確保完全合規。

我們在產品測試過程中採取嚴格的措施，執行嚴格的控制和監測程序，避免混雜FSC™認證及非FSC™認證的產品，以及確保油墨顏色符合客戶的樣板要求。



新墨水和紙張的樣本會被保留以進行測試。為保持樣本質量，我們規定材料的適當儲存溫度、濕度和保存期限。如果產品和材料的測試結果不符合標準，我們將調查原因並進行糾正，直至達到客戶要求的標準。所有不合格的產品都要貼標籤、記錄和分開。我們亦委託第三方進行產品測試，以將產品質量保持在最高水平。



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Our Non-conforming Product Procedure stipulates the methods and processes that prevent unintended delivery of products that do not conform to FSC™ requirements. The Production Department makes decisions on further actions once non-conforming products are identified. In cases of non-conformity FSC™ products are detected after the delivery of the products, customers and certification body are notified in writing within three business days. Further analysis of the cause of non-conforming products is carried out to prevent reoccurrence.

Detailed guidelines are established for all procedures, including the person responsible, use of various printing machines, product development, standards for inspection, storage, packing and delivery. Internal assessment is conducted regularly to improve the quality management system. Each area is evaluated, from quality control, internal and external communication, to procurement and training etc. to decide whether the related guidelines need to be modified. This is to make sure the management system remains effective and up to the ISO standard.

Labelling

Product labelling is essential for protecting the Group's integrity, especially for FSC™ products. Practices have been established for checking the usage of FSC™ labels. FSC™ labels can only be used after approval by an external certification body, and it can only be used on products that satisfy FSC™ requirements. To prevent the selling of unqualified FSC™ products with false labels, guidelines are in place for suspending the transaction and recalling the products if nonconformity is discovered.

我們的不合格產品程序規定防止意外交付不符合FSC™要求的產品的方法和過程。一旦發現不合格的產品，生產部將決定相關跟進措施。如果在交付產品後發現FSC™產品不合格，則會在三個工作日內以書面形式通知客戶和認證機構。我們對不合格產品的原因進行進一步分析，以防事件再度發生。

我們針對各項程序建立詳盡的指引，內容包括負責人員、各種印刷機使用、產品開發、檢驗、儲存、包裝及交付等標準。我們定期進行內部評估以提升品質管理系統。透過評估由質量控制、內部和外部溝通、採購至培訓等各個領域，恰當地修改相關指引，確保管理體系保持有效並符合ISO標準。

標籤

產品標籤對於維持本集團的誠信相當重要，特別針對FSC™產品。我們已建立一套檢查方法管理FSC™標籤的使用，FSC™標籤僅限於符合FSC™要求及通過外部認證機構認可的產品。為防止出售不合格的FSC™產品或錯誤標籤的產品，我們制定暫停交易的指引，於發現不合格情況時召回產品。

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Our business does not involve advertising activities and they do not have significant impact on our operations. During the year, there were no reported incidents of infringement of laws and regulations regarding product health safety, labelling and privacy matters relating to products and services. There were no cases of product recalls due to product or health and safety issues.

Customer Satisfaction

We strive to maintain good relationships with our valued customers. To this end, we conduct a Customer Satisfaction Survey regularly to gather their feedback in order to continuously improve our products and services. The survey covers a wide range of aspects, including product quality, communication, delivery and handling. Carried out in accordance with internal customer complaint procedures, we address the concerns of customers by investigating the root cause of the problem and taking corrective actions whenever necessary. The Customer Service Department communicates with customers regarding complaints in a timely manner and monitors effectiveness of the complaint handling process. Handling of all cases of complaints and products returned is documented.

Intellectual Property Rights and Customer Privacy

With strict adherence to the relevant laws and regulations concerning intellectual property rights², we use trademarks for products only under the approval of customers, ensuring our printed products do not infringe intellectual property rights by deploying appropriate control measures.

Appropriate document and data control procedures are in place to govern protection of intellectual property rights and customer privacy. All confidential documents are centrally managed by the document control center. During the year, the Group was not aware of any non-compliance of laws and regulations regarding intellectual property rights and customer privacy.

² Please refer to the section headed Laws and Regulations for product responsibility-related laws and regulations.

由於我們的業務並不涉及廣告活動，這方面對我們的營運並無重大影響。年內，本集團並無接獲任何違反有關提供產品和服務的健康與安全、標籤及私隱事宜法律及法規的報告，亦無因產品健康與安全導致產品召回的個案。

客戶滿意度

我們努力與客戶保持良好的關係，定期進行顧客滿意度調查，收集反饋意見，以不斷改進產品和服務。該調查涵蓋廣泛指標，包括產品質量、溝通、交付和處理。我們根據內部顧客投訴程序，透過調查問題的根本原因及採取糾正措施，以滿足客戶的要求。客戶服務部及時與客戶就投訴進行溝通，監測投訴處理流程的有效性，並記錄所有投訴和退回產品的案件的處理情況。

知識產權與客戶隱私

我們嚴格遵守有關知識產權的相關法律法規²，僅在獲得客戶批准的情況下才將商標用於產品，並通過採取適當的控制措施，確保我們的印刷品不侵犯知識產權。

通過制定適當的文件和數據控制程序，我們謹慎保護知識產權和客戶隱私。所有機密文件均由文件控制中心集中管理。年內，本集團並不發現任何有關知識產權及客戶隱私的違法及違規事宜。

² 產品責任相關法律法規請參見法律及法規章節。



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SUPPLY CHAIN MANAGEMENT

The Group understands the vital role its suppliers play in ensuring the quality of services and products. We strictly follow a vigorous set of selection and assessment standards in accordance with the ISO 9001:2015 quality management system and other relevant laws and regulations² when engaging with suppliers. By conducting regular reviews and inspection, we ensure that all procurement activities comply with established procedures. Suppliers' qualification certificates are also examined to minimise the risks associated with the quality of raw materials.

CITES compliance

It is of utmost importance to ensure that our operations abide by the relevant laws and regulations. Suppliers must therefore ensure that they obtain relevant permits for all imported materials listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora CITES ("CITES"). To this end, we regularly carry out checks and suppliers are required to provide valid customs clearance documents when necessary.

FSC™ certified products

FSC™ certified products including FSC™ certified paper are managed separately in our supply chain. All procurement records and invoices must be kept for at least 5 years for audit purpose. We implement stringent procurement control procedures including providing FSC™ training to all staffs of procurement department. We strive to ensure that our products are up to standards and meet the requirements of our customers.

² Please refer to the section headed Laws and Regulations for product responsibility-related laws and regulations.

供應鏈管理

本集團明白供應商在確保服務和產品質量方面所起的關鍵作用。與供應商接觸時，我們嚴格遵循ISO 9001：2015質量管理體系的評估標準和其他相關法律法規²。通過定期審查和檢查，我們確保所有採購活動均符合既定程序。此外，通過檢查供應商的資格證書，我們致力最大程度地降低與原材料質量相關的風險。

CITES合規

我們的營運遵守相關法律法規至關重要。供應商必須確保對《瀕臨絕種野生動植物國際貿易公約》（「CITES」）所列的所有進口材料均取得相關許可證。為確保合規，我們定期進行檢查，並要求供應商在必要時提供有效的清關文件。

FSC™ 認證產品

FSC™認證產品（包括FSC™認證紙張）在我們的供應鏈中進行單獨管理。所有採購記錄和發票必須保存至少5年作審計之用。我們執行嚴格的採購控制程序，包括為採購部門的所有員工提供FSC™培訓，努力確保產品符合標準及滿足客戶要求。

² 產品責任相關法律法規請參見法律及法規章節。

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ANTI-CORRUPTION

Integrity and honesty are essential components of the success of the Group. We spare no effort in upholding high ethical standards among our staffs and are determined to prevent all kinds of corruption including but not limited to bribery, fraud and money laundering. This is achieved through actively engaging in comprehensive anti-corruption measures and strict compliance with the relevant laws and regulations. Other internal policies which staffs are required to comply with include Internal Control and Operations Manual.

In this regard, we invited Independent Commission Against Corruption (“ICAC”) to provide training for our senior management staff. For instance, corporate governance training materials incorporate a comprehensive and detailed guide for listed companies on ways of preventing corruption, specifying all the proper policies, procedures, practices, codes of conduct and responsibilities of all levels of employees.

A whistleblowing mechanism has been set with communication channels to allow employees and other stakeholders to report any misconduct, malpractices or irregularities of any sort related to the Group. Any staff member who becomes aware of any suspected misconduct is encouraged to report the same to the designated department via a written report, formal meeting with protected reporting coordinator, reporting line or complaint mailbox.

反貪污

誠信和誠實是集團成功的重要元素。我們不遺餘力地維護員工的高道德標準，員工需要遵守的其他內部政策包括《內部控制和操作手冊》，通過積極參與全面的反腐敗措施並嚴格遵守相關法律法規，決心防止各種腐敗，包括但不限於賄賂、欺詐和洗黑錢。

我們邀請廉政公署（「ICAC」）為高級管理人員提供培訓。例如，企業管治培訓內容包含了針對上市公司的全面而詳細的指南，內容涉及預防貪污的方法，規定為各級僱員而設的所有適當政策、程序、做法、行為守則和責任。

我們已建立設有溝通渠道的舉報機制，讓員工和其他持份者報告與本集團有關的任何不當行為，瀆職行為或違規行為，鼓勵任何發現可疑不當行為的員工可通過書面報告、由報告協調員保護下進行正式會議、報告熱線或投訴郵箱等形式向指定部門報告。



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The Group has implemented a confidentiality mechanism to protect whistleblowers from fear of threats and any disadvantage to the informant's employment and relationships. Any cases or matters suggested to be related to criminal offence, corruption or bribery are subject to disciplinary actions including termination of employment and are reported to the ICAC. During the year, the Group was not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.³ The Group was not involved in any corruption cases during the year.

本集團透過實行保密機制保護舉報人免受威脅和對僱傭關係產生任何不利。任何有關刑事罪行、貪污或賄賂的案件或事項均受到紀律處分，包括解僱，並向廉政公署報告³。年內，本集團並無發現任何有關賄賂、勒索、欺詐及洗黑錢且對本集團造成重大影響的違法及違規事宜。

Senior Management 高級管理層

- Actively attending anti corruption training conducted by the Independent Commission Against Corruption
- Keep abreast of changes of anti corruption laws and regulations, anti corruption programmes and policies
- 積極參加廉政公署組織的反貪污培訓
- 留意最新的反貪法例法規、反貪計劃及政策等資料

Managers and Supervisors 經理和主管

- Overseeing subordinates' business conduct
- Supervising proper execution of daily operations and business processes to ensure lawful compliance
- Raising suggestions to the management or relevant departments to improve procedures and practices
- 監督下屬的商業行為
- 監督日常運營和業務流程的執行以確保合規
- 向管理層或相關部門提出建議以改善程序和措施

General Staff 普通員工

- Complying with the Internal Control and Operational Manual and other anti-corruption policies
- Reporting suspicious misbehavior to the Group
- 遵守內部控制及操作手冊及其他反貪污政策
- 向本集團報告可疑的不當行為

³ Please refer to the section headed Laws and Regulations for Anti-Corruption-related laws and regulations.

³ 反貪污相關法律法規請參見法律及法規章節。

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GIVING BACK TO COMMUNITY

We are committed to giving back to community, dedicating to support the needs of communities where we operate. Through donation and actively engaging in various events, we focus our efforts on environmental protection, poverty alleviation, healthcare and other areas.

Striving for Environmental Wellbeing

During the year, we participated in the 10th No Air Con Night 2019 and the WWF Earth Hour 2020 organised by Green Sense and World Wide Fund for Nature respectively, aiming to advocate low carbon living and elimination of unnecessary energy consumption. We also supported the call for formulating a new agreement to improve the natural environment before 2030.

Healthcare

The Group spares no effort in supporting medical needs of the community. During the year, we donated HK\$230,000 to a Cancer Fund for purchase of a Lymphedema Assessment Machine. The Group also participated in the Love Teeth Day jointly organised by the Community Chest of Hong Kong, the Hong Kong Dental Association and Oral Health Education Unit of the Department of Health. Our staff successfully raised more than HK\$3,000, which was used for enhancing oral health services for the needy provided by the Chest's member social welfare agencies without any administrative cost deduction.

Community Cohesion

To enhance interaction and cohesiveness between children and their parents, the Group donated HK\$50,000 to "Dream Reading Scheme" organised by Hong Kong Creative Learning Association Limited. Targeting underprivileged children, this programme allows them to take part in role playing and become the main characters while reading. The personalised story books enable children to submerge themselves into the story setting, fostering dream catching and sowing hope and love among families.

回饋社會

我們致力於回饋社會，積極支持本地的社區需要。我們通過捐款和積極參與各種活動，將工作重點放在環境保護、扶貧、醫療保健和其他領域。

致力推動環境健康

年內，我們分別參加由環保觸覺和與世界自然基金會組織的「第十屆無冷氣夜2019」及「地球一小時2020」，旨在倡導低碳生活和消除不必要的能源消耗。我們亦支持制定在2030年前改善自然環境的新協議的呼籲。

衛生保健

本集團不遺餘力支持社區的醫療需求。年內，我們向癌症基金捐款港幣23萬元，用以購買淋巴水腫評估儀。本集團亦參加由香港公益金、香港牙醫學會及衛生署口腔健康教育組合辦的「愛牙日」。我們的員工成功籌集超過3,000港元的善款，給公益金會員的社會福利機構為有需要人士提供口腔保健服務。該善款沒有扣除任何行政費用。

社區凝聚力

為加強兒童與父母之間的互動和凝聚力，本集團向香港創意學習讀書有限公司舉辦的「夢想閱讀計劃」捐款50,000港元。該計劃針對貧困兒童，讓他們參與角色扮演並成為閱讀時的主要角色。個性化的故事書使孩子們沉浸在故事情境中，促進追夢和在家庭中播撒希望和愛。



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Poverty Alleviation

We strive to relieve the burden of the underprivileged and donated HK\$5,000 to the Sowers Action Challenging 12 Hours Charity Marathon 2020. The Children's Home of Sowers Action aims to encourage participants to experience the harshness faced by children who live in the village when attending schools. The fund raised is spent as multipurpose educational aid targeting orphans and the underprivileged in China, including school construction, student sponsorship, children's home, teacher training and special education provision.

OUR PEOPLE

The Group values its employees and embraces the people-oriented approach. We forge a safe, healthy and open workplace environment to unleash their potential. To safeguard fairness and equality in the workplace, equal opportunity and anti-discrimination policies are implemented to ensure no one is discriminated against due to gender, disability, family status and race. Employment policies in respect of salary, compensation, working hours, overtime, statutory holidays, maternity leave, performance evaluation, code of conduct, and safety measures are listed transparently in the Employee Handbook, which is distributed to all employees.

OCCUPATIONAL HEALTH & SAFETY

The Group prioritises occupational health and safety of all employees and facilitates good working conditions. We are devoted to integrating operational health and safety into all business domains and pursue a "zero-accident" and "zero-injury" workplace, where employees are not risking their health and welfare. Safety policy and important measures are highlighted and communicated to employees regularly.

扶貧

我們努力減輕弱勢群體的負擔，並向「苗圃行動挑戰12小時慈善越野馬拉松2020」捐款5,000港元。「苗圃行動小童之家」旨在鼓勵參與者體驗住在村里的孩子上學時所面臨的嚴酷環境。所籌集的資金會用於針對中國孤兒和弱勢群體的多功能教育援助，包括學校建設、學生資助、兒童之家、教師培訓和特殊教育的提供。

我們的員工

本集團重視員工並採取以人為本的方針，致力營造一個安全、健康及開放的工作環境給員工發揮潛力。為維護公正和平等的工作環境，本集團實施平等機會及反歧視政策，確保沒有人因性別、殘障、家庭背景及種族而受到歧視。僱用政策列出薪酬、補償、工作時間、加班、法定假日、侍產假、績效評估、操守守則及安全措施，以寫入員工手冊，並派發給所有員工。

職業健康及安全

本集團相當重視員工的職業健康及安全，以達致良好的工作環境。我們投入於融合職業健康及安全在所有業務範疇，追求「零事故」及「零受傷」的工作環境，使員工在無健康安全風險的環境下工作。集團定時向員工匯報安全政策及重要措施。

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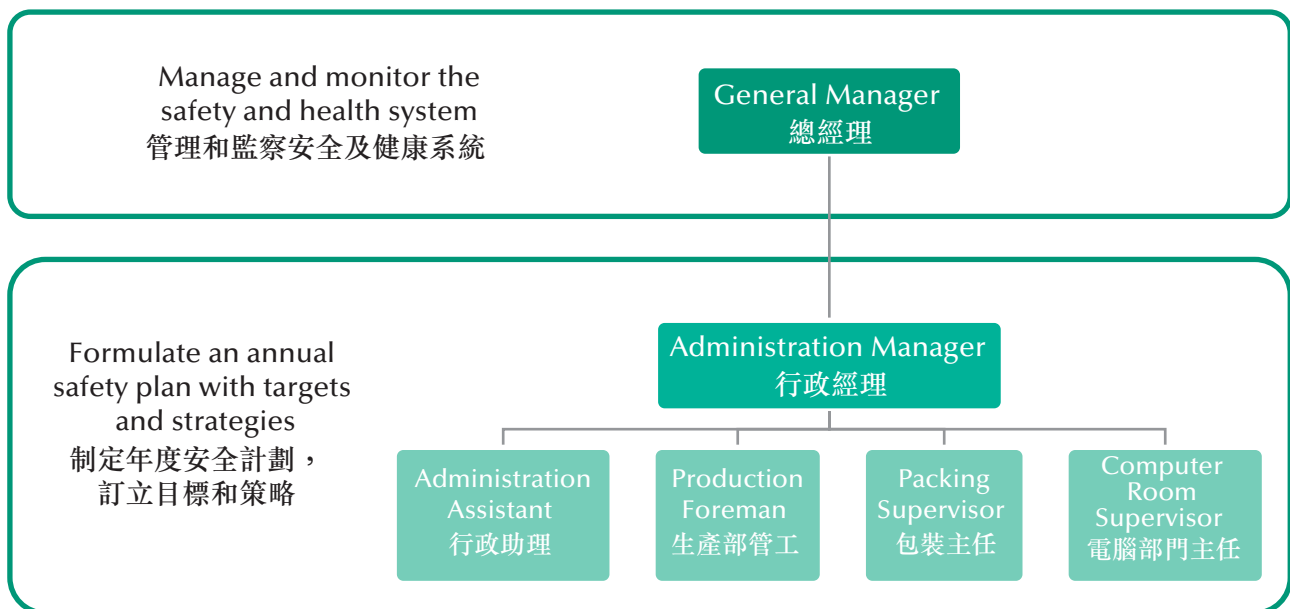


In light of the outbreak of COVID-19 pandemic, we take extra care of our employees' health and safety through initiating additional infection prevention measures. All public areas are disinfected regularly, face masks and disinfection materials are distributed and the health status of each employee is recorded every day under supervision.

A Safety Committee comprising the General Manager, the Administration Manager, and representatives from different departments, is established to work collectively on the safety management system covering eight elements. To ensure our safety policy is implemented in an appropriate manner, the line manager is responsible for supporting the development and execution of the safety plan. During the reporting period, the committee reviewed the safety policy thoroughly and established Key Performance Indicators such as the non-conformity target. In the safety plan, we showcased the comprehensive procedures for accident or incident investigation. Employees are required to strictly abide by internal policies.

在新型冠狀病毒爆發下，本集團特別關注員工的健康及安全，啟動額外的防止感染措施。所有公用地方均會定時消毒，以及派發口罩和消毒用品，而每位員工需記錄每天的健康狀況。

本集團成立安全委員會，由總經理、行政經理及各部門的代表所組成，在涵蓋八個方面的安全管理系統上共同合作。為確保安全政策能夠適當地實施，部門主管有責任支援安全計劃的進展及執行狀況。在報告期內，委員會詳細審視安全政策，並訂立表現指標，例如不合規情況的目標。在安全計劃中，我們確立意外或事故的調查程序。員工必須嚴格遵守內部政策。



Safety Committee Structure and its Responsibility 安全委員會架構及其職責



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To uphold the standards, we conduct internal and external safety evaluations on a regular basis. The Administration Manager regularly identifies safety risks, provides adequate protective equipment and investigates the accident cases and implements safety measures. We also conduct an annual safety review by the Occupational Safety and Health Council with cooperation of and assistance from the Safety Committee. The review officers evaluate the effectiveness, efficiency and reliability of our safety management system under the requirements of the Continual Improvement Safety Programme Recognition of System (“CISPROS”) Level Two.

The feedback from the Occupational Safety and Health Council forms the basis for an action plan for improvement. The committee takes on-site measures promptly, including but not limited to provision of labels, signages and instructions for handling containers of chemical substances and first aid boxes.

為維持安全標準，我們定期進行內部及外部安全評估。行政經理定期識別安全風險，提供充足保護裝備，調查事故案例及實行安全措施。透過與安全委員會的合作及在他們的協助下，本集團經職安局進行了年度安全評估。審查主任根據持續進步安全管理確認計劃第二級水平的要求，分析本集團安全管理系統的有效性，效能及可靠程度。

職安局的回饋促進本集團成立行動計劃，改善職業安全。委員會迅速推行實地措施，包括但不限於提供標籤、標示牌及指示去處理載有化學物質的容器及急救箱。



Safety Measures 安全措施

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To the best of our knowledge, the Group did not contravene any law or regulations⁴ that have a significant impact on the Group relating to providing a safe working environment and protect employees from occupational hazards.

SAFETY TRAINING

To sustain an accident-free working environment, comprehensive safety training is mandatory to raise awareness among the employees.

The Safety Committee first coordinates the training needs analysis and prepares the training plan accordingly at the beginning of the year. Training needs are then defined and competent personnel are appointed to provide in-house training. Training topics for all employees range from manual handling to PPE and use of fire extinguishers. A fire drill is conducted annually which includes the usage of fire extinguishers.

Supplementary training for handling and use of dangerous materials is provided by responsible departments. For instance, Production Department establishes guidelines on the use of chemicals and organizes PPE training, the Office provides training on risk assessment, and the Warehouse provides safety guidelines and trainings for fork-lift truck. Our in-house forklift truck operators and first aider are required to be trained and certified by external trainer before they carry out duties. After training, questionnaire for evaluating the effectiveness of safety training session are filled by attended staff for quality management.

據我們所知，本集團並沒有違反任何有關提供安全工作環境及保障員工免受職業危害且對本集團造成重大影響的法律法規⁴事宜。

安全培訓

為維持一個零事故的工作環境，全面的安全培訓以提高員工的意識實屬關鍵。

安全委員會首先協調及分析培訓需求，於年初預備訓練大綱。在識別培訓需求後委任合資格的人員提供內部培訓。培訓主題涵蓋所有員工，包括個人防護裝備使用手冊及滅火筒的使用。每年舉行一次火警演習並教授滅火筒的使用方法。

有關的責任部門提供處理及使用危險物品的額外培訓。例如生產部教授化學品的使用指引及開辦個人防護裝備使用的訓練，辦公室提供風險評估的訓練，而貨倉部則提供安全指引及使用叉式起重車的訓練。集團內部的叉式起重車操作員及急救員必須受過相關訓練，並在執行工作前得到外部訓練員的認證。在完成訓練後我們會向出席員工進行問卷調查，以分析安全訓練的有效程度，管理培訓質素。

⁴ Please refer to the section headed Laws and Regulations for Health and safety-related laws and regulations.

⁴ 健康與安全相關法律法規請參見法律及法規章節。



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EMPLOYEE COMMUNICATION

Employees are annually assessed on the basis of their attendance and work performance by their supervisors. In the assessment, communication competencies with colleagues and supervisors, and provision of feedback on production efficiency are evaluated. The Human Resources (“HR”) Department formulates strategic plans for the Company’s talent management approach as per appraisal results. Besides, talents who proposed constructive initiatives to the Company are rewarded or offered promotion opportunities under the reward system.

The presence of a grievance redressal system facilitates internal communication and reports on any suspicious behaviours or practices. Once employees are aware of an instance of misconduct, they are expected to report it to the supervisor or the related department. Employees can also report the issue to the Board through various means such as letters, emails and hotlines, etc.

To cultivate a sense of belongingness and promote work-life balance, we organised a Christmas Party for employees as a year-end engagement event. It aimed to appreciate the hard work colleagues did over the past year and serve as a motivator in the coming year. We strive to enhance team spirit and promote an inclusive workplace through bonding activities.

員工溝通

管理層每年為員工根據其出勤率及工作表現作出評估。評估項目包括員工與同事及上司的溝通效率，及有否主動提出意見以改善生產流程的效率等。人力資源部參考評估結果，擬定本公司人才管理的計劃。此外，向公司提出具建設性的意見的員工會於按獎勵制度獲得獎勵或晉升機會。

本集團設立申訴制度，以促進內部溝通及報告任何可疑的行為或程序。當員工發現任何不當行為，可向主管或相關部門報告。員工亦可以透過多重渠道，包括書信、電子郵件及電話熱線向董事會報告。

為建立員工對集團的歸屬感及推動工作與生活的平衡，我們於2019年年末為員工舉辦聖誕聯歡會，旨在嘉許員工過去一年的付出，並且為來年的工作帶來推動力。我們透過聯誼活動，致力提升團隊精神及推動互相包容的工作環境。

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TRAINING & DEVELOPMENT

The quality and skills of our employees are crucial to the operations and management. Hence, new employees are required to participate in a week's worth of induction training with designated training objectives, content and learning outcome depending on the job nature. All employees in the production area are required to receive annual training for safe operations, practices, relevant laws and regulations.

Specialised training workshops are designed and held for employees regardless of their job functions, mainly covering production and professional skills for further academic qualifications. For instance, G7 colour management for the Production Department and QC refreshment training for the Quality Control department. The HR Department prepares the annual training plan of the Group on the basis of needs of different departments. A training effectiveness evaluation form is completed after each session to ensure delivery of the intended learning outcomes.

LABOUR PRACTICES

Child or forced labour is strictly prohibited in the Group. The HR Department scrutinises candidates' educational qualifications and personal backgrounds for verification and assurance. To the best of our knowledge, the Group did not contravene any law or regulations⁵ 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, nor were there any reported cases regarding child or forced labour.

培訓與發展

員工的質素及技能對於本公司的營運及管理相當重要。因此，新員工必須參與為期一週的入職培訓，根據自身的職業性質設立指定培訓目標、內容及學習成果。所有於生產區域的員工均須接受年度培訓，範疇包括安全操作、程序及相關法律和法規。

不論工作崗位，本集團為員工設計及提供專門的培訓課程，主要涵蓋生產及專業技能以進一步取得學歷資格。例如G7印刷色彩管理以及品質部的QC運作重溫訓練。人力資源部根據不同部門的需要，準備本集團的年度培訓計劃。每節培訓完結後均會派發針對該環節有效程度的評估表，確保學習目標得以傳達。

僱傭慣例

本集團嚴禁僱用童工或強制勞工。人力資源部詳細審視應徵者的教育資歷和個人背景作驗證及檢定。據我們所知，本集團並沒有於補償及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利方面違反任何法律或法規⁵且對本集團造成重大影響，亦沒有任何關於童工或強制勞工的舉報。

⁵ Please refer to the section headed Laws and Regulations for labour-related laws and regulations.

⁵ 勞工相關法律法規請參見法規及法規章節。



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LAWS AND REGULATIONS

In respect of each ESG aspect, the Group and its subsidiaries and affiliates have established and implemented the required management approach, for example, policies and initiatives to ensure compliance with all applicable laws and regulations. The list of applicable laws and regulations is as follows:

法律及法規

關於各個ESG範疇，本集團及其子公司和附屬公司均成立並實行規範的管理方式，如政策及舉措以確保遵守所有相關法律及規例。有關的法律及規例詳列如下：

| Aspect 層面 | Applicable Laws and Regulations 相關法律及規例 | Section/Remarks 章節/備註 |
|--|--|---|
| Emissions 排放 | <ul style="list-style-type: none"> Air Pollution Control Ordinance Air Pollution Control Ordinance (Volatile Organic Compounds Regulations) Water Pollution Control Ordinance Waste Disposal Ordinance 空氣污染管制條例 空氣污染管制(揮發性有機化合物)規例 水污染管制條例 廢物處置條例 | ENVIRONMENTAL COMPLIANCE 環保合規 |
| Employment and Labour Standards 僱傭及勞工準則 | <ul style="list-style-type: none"> Employees' Compensation Ordinance Employment Ordinance Mandatory Provident Fund Schemes Ordinance Minimum Wage Ordinance 僱員補償條例 僱傭條例 強制性公積金計劃條例 最低工資條例 | LABOUR PRACTICES 僱傭慣例 |
| Health and Safety 健康及安全 | <ul style="list-style-type: none"> Factories and Industrial Undertakings Ordinance Fire Safety Ordinance Occupational Safety & Health Ordinance 工廠及工業經營條例 消防安全條例 職業安全及健康條例 | OCCUPATIONAL HEALTH & SAFETY 職業健康與安全 |
| Product Responsibility 產品責任 | <ul style="list-style-type: none"> Copyright Ordinance 版權條例 Trade Marks Ordinance 商標條例 Sale of Goods Ordinance of Hong Kong The Consumer Product Safety Improvement Act ("CPSIA") of the US Relevant trading, custom and excise ordinances in respective countries 香港《貨品售賣條例》 美國消費品安全改進法案 各國相關貿易，海關及消費稅的條例 Convention on International Trade in Endangered Species of Wild Fauna and Flora CITES 瀕臨絕種野生動植物國際貿易公約 | INTELLECTUAL PROPERTY RIGHTS 知識產權 AND CUSTOMER PRIVACY 客戶隱私 UPHOLDING THE HIGHEST STANDARDS 維持最高標準 |
| Anti-corruption 反貪污 | <ul style="list-style-type: none"> Prevention of Bribery Ordinance of Hong Kong 香港《防止賄賂條例》 | ANTI-CORRUPTION 反貪污 |

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HKEX ESG CONTENT INDEX

香港交易所環境、社會及管治內容索引

| KPIs 關鍵績效指標 | HKEX ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》要求 | Section/Remarks 章節/備註 |
|--|---|-------------------------------------|
| A. Environmental A. 環境 | | |
| Aspect A1: Emissions 層面A1： 排放 | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 一般披露 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | ENVIRONMENTAL COMPLIANCE 環境合規 |
| KPI A1.1 關鍵績效 指標A1.1 | The types of emissions and the respective emissions data. 排放物種類及相關排放數據。 | AIR EMISSIONS 空氣排放 |
| KPI A1.2 關鍵績效 指標A1.2 | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量及,如適用,密度。 | AIR EMISSIONS 空氣排放 |
| KPI A1.3 關鍵績效 指標A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量及,如適用,密度。 | EFFLUENT & WASTE 廢水與廢棄物 |
| KPI A1.4 關鍵績效 指標A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量及,如適用,密度。 | EFFLUENT & WASTE 廢水與廢棄物 |
| KPI A1.5 關鍵績效 指標A1.5 | Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。 | RESOURCES CONSERVATION 資源節約 |
| KPI A1.6 關鍵績效 指標A1.6 | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。 | EFFLUENT & WASTE 廢水與廢棄物 |



Environmental, Social and Governance Report

環境、社會及管治報告

| KPIs 關鍵績效指標 | HKEX ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》要求 | Section/Remarks 章節/備註 | |
|--|--|--|---|
| Aspect A2: Use of Resources 層面A2：資源使用 | General Disclosure Policies on efficient use of resources, including energy, water and other raw materials. 一般披露 有效使用資源(包括能源、水及其他原材料)的政策。 | RESOURCES CONSUMPTION 資源耗用 | |
| | KPI A2.1 關鍵績效指標A2.1 | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源總耗量及密度。 | RESOURCES CONSUMPTION – ENERGY 能源 |
| | KPI A2.2 關鍵績效指標A2.2 | Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度。 | RESOURCES CONSUMPTION – WATER 水 |
| | KPI A2.3 關鍵績效指標A2.3 | Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。 | RESOURCES CONSERVATION 資源節約 |
| | KPI A2.4 關鍵績效指標A2.4 | Description of whether there is any issue in sourcing water that is fit for the purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題以及提升用水效益計劃及所得成果。 | RESOURCES CONSUMPTION – WATER 水 |
| | KPI A2.5 關鍵績效指標A2.5 | Total packaging materials used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量及,如適用每生產單位估量。 | RESOURCES CONSUMPTION – PACKAGING MATERIALS 資源耗用 |
| Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源 | General Disclosure Policies on minimising the issuers' significant impact on the environment and natural resources. 一般披露 減低發行人對環境及天然資源造成重大影響的政策。 | RESOURCES CONSERVATION; RAW MATERIALS MANAGEMENT 資源節約； 原材料管理 | |
| | KPI A3.1 關鍵績效指標A3.1 | Description of significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 | RESOURCES CONSERVATION; RAW MATERIALS MANAGEMENT 資源節約； 原材料管理 |

Environmental, Social and Governance Report

環境、社會及管治報告



| KPIs 關鍵績效指標 | HKEX ESG Reporting Guide Requirements 香港交易所《環境、社會及管治報告指引》要求 | Section/Remarks 章節/備註 |
|--|--|--|
| B. Social B. 社會 | | |
| Aspect B1: Employment 層面B1： 僱傭 | <p>General Disclosure Information on:</p> <p>(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare</p> <p>一般披露 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> | LABOUR PRACTICES; EMPLOYEE COMMUNICATIONS 僱傭慣例； 員工溝通 |
| Aspect B2: Health and Safety 層面B2： 健康與安全 | <p>General Disclosure Information on:</p> <p>(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to providing a safe working environment and protecting employees from occupational hazards.</p> <p>一般披露 有關提供安全工作環境及保障僱員避免職業性危害的：</p> <p>(a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。</p> | OCCUPATIONAL HEALTH & SAFETY 職業健康及安全 |
| | <p>KPI B2.3 關鍵績效 指標B2.3</p> <p>Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。</p> | OCCUPATIONAL HEALTH & SAFETY 職業健康及安全 |
| Aspect B3: Development and Training 層面B3： 發展及培訓 | <p>General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>一般披露 有關提升僱員履行工作職責的知識及技能的政策。 描述培訓活動。</p> | TRAINING & DEVELOPMENT 培訓與發展 |



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|--|---|--|-------------------------------------|
| Aspect B4: Labour Standards 層面B4： 勞工準則 | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to prevention of child and forced labour. 一般披露 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | LABOUR PRACTICES 僱傭慣例 | |
| | KPI B4.1 關鍵績效 指標B4.1 | Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。 | LABOUR PRACTICES 僱傭慣例 |
| | KPI B4.2 關鍵績效 指標B4.2 | Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。 | LABOUR PRACTICES 僱傭慣例 |
| Aspect B5: Supply Chain Management 層面B5： 供應鏈管理 | General Disclosure Policies on managing environmental and social risks of the supply chain 一般披露 管理供應鏈的環境及社會風險政策。 | SUPPLY CHAIN MANAGEMENT 供應鏈管理 | |
| | KPI B5.2 關鍵績效 指標B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。 | SUPPLY CHAIN MANAGEMENT 供應鏈管理 |

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|---|--|---|---|
| Aspect B6: Product Responsibility 層面B6： 產品責任 | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress 一般披露 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | UPHOLDING THE HIGHEST STANDARDS 維持最高標準 | |
| | KPI B6.3 關鍵績效 指標B6.3 | Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。 | INTELLECTUAL PROPERTY RIGHTS 知識產權與客戶私隱 |
| | KPI B6.4 關鍵績效 指標B6.4 | Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。 | UPHOLDING THE HIGHEST STANDARDS; CUSTOMER SATISFACTION 維持最高標準； 客戶滿意度 |
| | KPI B6.5 關鍵績效 指標B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。 | INTELLECTUAL PROPERTY RIGHTS 知識產權與客戶私隱 |
| Aspect B7: Anti-corruption 層面B7： 反貪污 | General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | ANTI-CORRUPTION 反貪污 | |
| | KPI B7.1 關鍵績效 指標B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。 | ANTI-CORRUPTION 反貪污 |
| | KPI B7.2 關鍵績效 指標B7.2 | Description of preventive measures and whistleblowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。 | ANTI-CORRUPTION 反貪污 |



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|---|---|--|-------------------------------------|
| Aspect B8: Community Investment 層面B8： 社區投資 | General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 一般披露 有關以社區參與來了解發行人營運所在社區的需要和確保其業務活動會考慮社區利益的政策。 | GIVING BACK TO COMMUNITY 回饋社會 | |
| | KPI B8.1 關鍵績效 指標B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇。 | GIVING BACK TO COMMUNITY 回饋社會 |
| | KPI B8.2 關鍵績效 指標B8.2 | Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源。 | GIVING BACK TO COMMUNITY 回饋社會 |



The Board is pleased to present their annual report and the audited financial statements of the Group for the year ended 30 June 2020.

PRINCIPAL ACTIVITIES

The Company is an investment holding company, the principal activities of its principal subsidiaries are set out in note 14 to the consolidated financial statements.

BUSINESS REVIEW

A discussion and review in the business activities of the Group, including a description of the principal risks and uncertainties faced by the Group and an indication of the likely future development of the Group's business, are set out in the sections headed "Chairman's statement" and "Management Discussion and Analysis" on pages 4 to 5 and pages 6 to 12 of this annual report, respectively. Certain key performance indicators, a discussion on the Group's environment policies and performance and its compliance with the relevant laws and regulations, and an account of the Group's relationship with its key stakeholders are included in the "Management Discussion and Analysis" and "Environmental, Social and Governance Report" on pages 6 to 12 and pages 43 to 80 of this annual report, respectively. These discussions form part of this "Directors' Report".

In addition, the financial risk management objectives and policies of the Group are shown in note 26 to the financial statements.

董事會欣然提呈其年報連同本集團截至二零二零年六月三十日止年度的經審核財務報表。

主要業務

本公司乃投資控股公司，其主要附屬公司的主要業務載於綜合財務報表附註14。

業務回顧

有關本集團業務活動之討論及回顧(包括本集團面對之主要風險及不明朗因素之概述及本集團業務之可能未來發展情況說明)分別載於本年報第4至5頁及第6至12頁之「主席報告」及「管理層討論及分析」章節。若干關鍵表現指標、本集團環保政策及表現與其遵守相關法例及法規情況之討論以及本集團與主要利益相關者之關係分別載於本年報第6至12頁及第43至80頁之「管理層討論及分析」及「環境、社會及管治報告」章節內。該等討論構成本「董事會報告」之一部分。

此外，本集團的財務風險管理目標及政策載於財務報表附註26。



Directors' Report

董事會報告

USE OF PROCEEDS

The Company's shares have been listed on the Main Board of the Stock Exchange since 18 May 2016. The receipts of proceeds, net of listing expenses (including underwriting fee), including both recognised in the consolidated statement of profit or loss and other comprehensive income and deducted from the share premium from the Company's listing were approximately HK\$36,100,000 (the "Net Proceeds"). The Net Proceeds from the Company's listing have been and will be utilised in accordance with the intended uses as disclosed in the prospectus dated 30 April 2016 (the "Prospectus") of the Company and subsequent change in use of proceeds announcement issued by the Company dated 20 September 2019 (the "Announcement"). The table below sets out the intended uses and actual application of the net proceeds as at 30 June 2020:

所得款項用途

本公司股份自二零一六年五月十八日起在聯交所主板上市。經扣除已於綜合損益及其他全面收益表內確認及自股份溢價中扣除的上市開支(包括包銷費用)後，自本公司上市所收取之所得款項約為36,100,000港元(「所得款項淨額」)。所得款項淨額經已及將會根據本公司日期為二零一六年四月三十日的招股章程(「招股章程」)及本公司於二零一九年九月二十日刊發的隨後更改所得款項用途公告(「公告」)所披露的計劃用途運用。下表載列所得款項淨額的計劃使用及截至二零二零年六月三十日止的實際使用情況：

| Use of Net Proceeds 所得款項淨額用途 | | Intended use of proceeds 擬定所得款項 HK\$ million 百萬港元 | Actual use of proceeds up to 30 June 2020 於二零二零年 六月三十日或 之前已動用所得 款項淨額 HK\$ million 百萬港元 | Unused Amount 未動用所得款項 HK\$ million 百萬港元 | Expected time for utilisation 預期動用時間 |
|--|---------------|---|--|--|---|
| Continuous upgrading of our ERP system | 持續升級ERP系統 | 0.1 | 0.1 | - | N/A 不適用 |
| Working capital and general corporate purpose | 為營運資金及一般公司用途 | 5.3 | 5.3 | - | N/A 不適用 |
| Development of potential projects through acquisition or cooperation | 透過收購或合作發展潛在項目 | 13.9 | - | 13.9 | On or before 30 June 2021 二零二一年 六月三十日 或之前 |
| Total | 總計 | 19.3 | 5.4 | 13.9 | |



KEY RELATIONSHIPS WITH EMPLOYEES AND CUSTOMERS

The key relationships with the Group's employees and customers is discussed under section headed "Environmental, Social and Governance Report" on pages 43 to 80 of this annual report.

KEY RELATIONSHIPS WITH SUPPLIERS

The Group understands that the sustainable supply of quality products is indispensable for long-term business development. In view of this, the Group has adopted a supplier management policy to ensure quality and sustainability of product supply. The Group selects its suppliers prudently. The suppliers need to fulfill certain assessment criteria of the Group, including meeting the Group's standards for the quality of raw materials, reputation, environmental friendliness, production capacity, financial capability and experience. We view our suppliers as partners who make important contributions to the success of our business.

RESULTS

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on page 106 of this annual report.

與僱員及客戶的主要關係

本集團與僱員及顧客的主要關係於本年報第43至第80頁「環境、社會及管治報告」一節下討論。

與供應商的主要關係

本集團了解到可持續地供應優質產品對長期業務發展必不可少。有鑑於此，本集團採納供應商管理政策，確保產品質素及可持續供應。本集團審慎地甄選供應商。供應商需要達致本集團的若干評估標準，包括滿足本集團有關原材料質素、聲譽、環境友好、生產力、財務能力及經驗的標準。我們視供應商為我們業務成功作出重大貢獻的夥伴。

業績

本集團於本年度的業績載於本年報第106頁的綜合損益及其他全面收益表。



Directors' Report

董事會報告

DISTRIBUTABLE RESERVES

As at 30 June 2020, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$63,043,000 (2019: HK\$70,683,000).

DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 30 June 2020. (2019: HK5.00 cents per ordinary share).

PROPERTY, PLANT AND EQUIPMENT

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

RESERVES

Details of movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 109 and set out in note 22 to the consolidated financial statements respectively.

DONATIONS

During the year ended 30 June 2020, charitable and other donations made by the Group amounted to HK\$285,000 (2019: HK\$10,000).

ANNUAL GENERAL MEETING

The 2020 AGM will be held on Friday, 4 December 2020.

可供分派儲備

於二零二零年六月三十日，根據開曼群島公司法第22章(一九六一年法例三，經綜合及修訂)條文計算之本公司可供分派儲備約為63,043,000港元(二零一九年：70,683,000港元)。

股息

董事會並無建議派付截至二零二零年六月三十日止年度的末期股息。(二零一九年：每股普通股5.00港仙)。

物業、廠房及設備

有關本年度本集團的物業、廠房及設備變動之詳情載於綜合財務報表附註13。

儲備

有關本年度本集團及本公司的儲備變動之詳情分別載於第109頁的綜合權益變動表及綜合財務報表附註22。

捐贈

截至二零二零年六月三十日止年度，本集團作出慈善及其他捐贈285,000港元(二零一九年：10,000港元)。

股東週年大會

二零二零年股東週年大會將於二零二零年十二月四日(星期五)舉行。



CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the shareholders entitled to attend and vote at the 2020 AGM, the register of members will be closed from Tuesday, 1 December 2020 to Friday, 4 December 2020, both days inclusive, during which period no transfer of shares will be registered. All transfers of shares accompanied by the relevant certificates must be lodged with the Company's transfer office and share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 30 November 2020.

SHARE CAPITAL

Details of movements in the Company's share capital for the year ended 30 June 2020 are set out in note 21(a) to the consolidated financial statements.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the reporting period.

PERMITTED INDEMNITY PROVISION

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

暫停辦理股份過戶登記手續

為釐定有權出席二零二零年股東週年大會及於會上投票的股東身份，於二零二零年十二月一日(星期二)至二零二零年十二月四日(星期五)(包括首尾兩日)將暫停辦理股份過戶登記，期間將不會進行任何股份過戶登記手續。所有股份過戶文件連同有關股票須於二零二零年十一月三十日(星期一)下午四時三十分前送抵本公司的香港股份登記及過戶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1712-1716號舖，以作登記。

股本

本公司截至二零二零年六月三十日止年度的股本變動詳情載於綜合財務報表附註21(a)。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司概無於報告期間購買、贖回或出售本公司的上市證券。

獲准許彌償條文

本公司已就公司活動所引致其董事及高級管理層人員面臨之法律行動，為董事及高級人員之責任安排適當之保險。基於董事利益的獲准許彌償條文根據香港法例第622章公司條例(「香港公司條例」)第470條的規定於董事編製之董事會報告根據香港公司條例第391(1)(a)條獲通過時有效。



Directors' Report

董事會報告

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 180.

DIRECTORS

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

Executive Directors:

Mr Fung Man Wai Samson
Mr Fung Man Kam
Mr Fung Kar Chue Alexander

Independent Non-executive Directors:

Dr Loke Yu
Ms Fung Po Yee
Ms Sung Ting Yee

In accordance with, amongst others, Articles 83(3) and 84(1) of the Articles, Ms Fung Po Yee and Ms Sung Ting Yee will retire and, being eligible, offer themselves for re-election at the forthcoming 2020 AGM.

INDEPENDENCE CONFIRMATION

The Company has received from each of the INEDs a confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

EMOLUMENT POLICY

The remuneration policy in respect of the employees of the Group is formulated on the basis of merit, qualifications and competence.

Emoluments of the Directors are decided, based on factors such as their duties, responsibilities and contribution to the Company, the prevailing market conditions, time commitment and the desirability of performance-based remuneration.

五年財務概要

本集團於過往五個財政年度的業績、資產及負債概要載於第180頁。

董事

本公司於本年度及直至本報告日期的董事如下：

執行董事：

馮文偉先生
馮文錦先生
馮家柱先生

獨立非執行董事：

陸海林博士
馮寶儀女士
宋婷兒女士

根據(其中包括)細則第83(3)及84(1)條，馮寶儀女士及宋婷兒女士將於即將舉行的二零二零年股東週年大會上退任及合資格膺選連任。

獨立確認書

本公司已收到各獨立非執行董事根據上市規則第3.13條發出的獨立確認書。本公司認為，全體獨立非執行董事均為獨立人士。

薪酬政策

本集團僱員的薪酬政策根據其功績、資格及勝任能力制定。

董事酬金乃基於其職責、責任及對本公司的貢獻、現行市況、付出的時間及按表現釐定薪酬的適宜性等因素而釐定。



The remuneration of the Directors and the details of the five highest-paid individuals of the Company are set out in notes 8 and 9 to the consolidated financial statements.

董事薪酬及本公司五名最高薪酬人士之詳情載於綜合財務報表附註8及9。

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

董事及行政總裁於股份、相關股份及債權證的權益

As at 30 June 2020, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company, its holding company, any of its subsidiaries and other associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, are set out below:

於二零二零年六月三十日，董事於本公司、其控股公司或其任何附屬公司及其他相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須向本公司及聯交所披露的權益或淡倉(包括根據證券及期貨條例的該等條文被當作或視為擁有的權益或淡倉)，或根據證券及期貨條例第352部須存置於當中所述的登記冊的權益或淡倉，或根據標準守則規定的權益或淡倉載於下文：

(i) The Company

(i) 本公司

| Name of Director 董事姓名 | Nature of interest 權益性質 | Long position /short position 好倉/淡倉 | Number of ordinary shares/underlying shares held 所持普通股/相關 股份的數目 | Approximate percentage of shareholding in the Company 佔本公司股權的 概約百分比 |
|--------------------------|--|---|---|--|
| Mr Samson Fung 馮文偉先生 | Interest of controlled corporation (Note 1) 於受控制公司的權益(附註1) | Long position 好倉 | 138,000,000 | 75% |
| Mr David Fung 馮文錦先生 | Interest of controlled corporation (Note 1) 於受控制公司的權益(附註1) | Long position 好倉 | 138,000,000 | 75% |

Note 1: Mr Samson Fung and Mr David Fung are the beneficial owners of 62% and 38%, respectively, of the issued share capital of HSSP Limited ("HSSP") and are deemed to be interested in the shares in the Company held by HSSP by virtue of Mr Samson Fung and Mr David Fung being entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of HSSP.

附註1：馮文偉先生及馮文錦先生分別為HSSP Limited(「HSSP」)已發行股本62%及38%的實益擁有人及彼等有權行使或控制行使HSSP股東大會表決權三分之一或以上，其被視為擁有HSSP持有的本公司股份權益。



Directors' Report

董事會報告

(ii) Associated corporation

(ii) 相聯法團

| Name of Director 董事姓名 | Name of associated corporation 相聯法團的名稱 | Capacity/nature 身份/性質 | Number of shares held/ interested 所持/擁有權益的 股份數目 | Percentage of shareholding 所佔股權百分比 |
|---------------------------------------|---|-----------------------------|--|---------------------------------------|
| Mr Samson Fung (Note 1) 馮文偉先生(附註1) | HSSP HSSP | Beneficial interest 實益權益 | 62 | 62% |
| Mr David Fung (Note 1) 馮文錦先生(附註1) | HSSP HSSP | Beneficial interest 實益權益 | 38 | 38% |

Note 1: Mr Samson Fung and Mr David Fung are the beneficial owners of 62% and 38%, respectively, of the issued share capital of HSSP and are deemed to be interested in the shares in the Company held by HSSP by virtue of Mr Samson Fung and Mr David Fung being entitled to exercise or control the exercise of one-third or more of the voting power at general meetings of HSSP.

附註1：馮文偉先生及馮文錦先生分別為HSSP已發行股本62%及38%的實益擁有人及彼等有權行使或控制行使HSSP股東大會表決權三分之一或以上，其被視為擁有HSSP持有的本公司股份權益。

Save as disclosed above, none of the Directors of the Company and/or any of their spouses or children under eighteen years of age had any interests or short positions in any shares, underlying shares and debentures of the Company, or its holding company, any of its subsidiaries and other associated corporations as at 30 June 2020 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.

除上文所披露外，於二零二零年六月三十日，本公司董事及/或他們的配偶或18歲以下子女於本公司、或其控股公司或其任何附屬公司及其他相聯法團的任何股份、相關股份及債權證中概無擁有根據證券及期貨條例第352條須存置的登記冊所記錄或根據標準守則另行知會本公司及聯交所的任何權益或淡倉。

EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed "Share Option Scheme", no equity-linked agreements were entered into during the year or subsisted at the end of the year ended 30 June 2020.

股權掛鈎協議

除「購股權計劃」一節所披露者外，年內並無訂立或截至二零二零年六月三十日止年度末並不存在任何股權掛鈎協議。

Share Option Scheme

The Company adopted the Share Option Scheme pursuant to the written resolutions of the shareholders passed on 26 April 2016. Pursuant to the Share Option Scheme, the Board may, at its discretion, offer to grant an option to subscribe new shares in aggregate not exceeding 30% of the shares in issue from time to time.

購股權計劃

本公司根據於二零一六年四月二十六日通過的股東書面決議案採納一份購股權計劃。根據購股權計劃，董事會可按其酌情提呈授出一份購股權以認購合計不超過不時已發行的股份30%的新股份。



The principal terms of the Share Option Scheme are summarised as follows:

(1) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide an incentive for the participants (defined below) to work with commitment towards enhancing the value of the Company and the shares in the Company for the benefit of our shareholders and to attract and retain persons whose contribution is or may be beneficial to the growth and development of the Group.

(2) Participants of the Share Option Scheme and the basis of determining the eligibility of the Participants

The Board may at its discretion grant options to (i) any executive Director, or employees (whether full time or part time) of the Company, any member of the Group or any entity in which any member of the Group holds an equity interest ("Invested Entity"); (ii) any non-executive Directors (including INEDs) of the Company, any member of the Group or any Invested Entity; (iii) any supplier of goods or services of the Company, any member of the Group or any Invested Entity; (iv) any customer of the Company, any member of the Group or any Invested Entity; and (v) any such persons (including but not limited to consultants, advisers, contractors, business partners or service providers of the Company or any member of the Group or any Invested Entity) who in the absolute discretion of the Board has contributed or will contribute to the Group (individually, the "Participant", or collectively, the "Participants").

購股權計劃的主要條款概述如下：

(1) 購股權計劃之目的

購股權計劃旨在鼓勵合資格參與者(定義見下文)對提升本公司及本公司股份的價值而為股東帶來利益作出努力，並藉以吸引及挽留可為本集團增長及發展作出貢獻或有利的人士。

(2) 購股權計劃的參與者及釐定參與者是否合資格的基準

董事會可酌情向以下人士授出購股權：(i)本公司、本集團任何成員公司或本集團任何成員公司持有任何股權的任何實體(「被投資實體」)的任何執行董事或僱員(不論是全職或兼職)；(ii)本公司、本集團任何成員公司或任何被投資實體的任何非執行董事(包括獨立非執行董事)；(iii)本公司、本集團任何成員公司或任何被投資實體的任何貨品或服務供應商；(iv)本公司、本集團任何成員公司或任何被投資實體的任何客戶；及(v)董事會全權認為對或將對本集團作出貢獻的任何人士(包括但不限於本公司、本集團任何成員公司或任何被投資實體的專家顧問、顧問、承包商、業務夥伴或服務供應商)(個別及統稱「參與者」)。



Directors' Report

董事會報告

(3) Total number of shares available for issue under the Share Option Scheme

The limit on the total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other scheme(s) of any member of the Group must not exceed 10% of the nominal amount of all the issued share capital of the Company as at the Listing Date (which shall be 18,400,000 shares) unless approval of the shareholders of the Company has been obtained, and which must not in aggregate exceed 30% of the shares in issue from time to time.

As at the date of this report, the total number of shares available for issue under the Share Option Scheme is 18,400,000 shares, which represents 10% of the issued shares as at the date of this report.

(4) Maximum entitlement of each Participant

The total number of shares issued and which may be issued upon exercise of all options (whether exercised, cancelled or outstanding) granted to any Participant in any 12-month period up to the date of grant shall not exceed 1% of the issued shares as at the date of grant.

(5) Basis for determining the subscription price

The subscription price for the shares under the options to be granted under the Share Option Scheme will be a price determined by the Board at the time of grant of the options, and will be not less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share.

(3) 購股權計劃項下可供發行股份總數

除非已取得本公司股東的批准，對因所授出的所有未行使購股權獲行使及根據購股權及本集團任何成員公司的任何其他計劃尚未獲行使而可能發行的本公司股份總數不得超過於上市日期本公司全部已發行股本面值10%（應為18,400,000股股份）及合計不得超過不時已發行股份30%的限制。

於本報告日期，可根據購股權計劃發行的股份總數為18,400,000股，佔於本報告日期已發行股份的10%。

(4) 各參與者可享有之最高股份數目

已發行及因直至授出日期的任何12個月期間授予任何參與者的所有購股權（不論獲行使、註銷或未獲行使）及獲行使而可能發行的股份總數不得超過授出日期已發行股份的1%。

(5) 釐定認購價之基準

根據購股權計劃予以授出的購股權項下的股份認購價將由董事會於授出購股權時釐定，且將不會低於下列者的最高者(i)於授出日期（必須為營業日）聯交所每日報價表所述的股份收市價；(ii)緊接授出日期前的五個營業日聯交所每日報價表所述的股份平均收市價；及(iii)股份面值。



(6) Time of exercise of options

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be notified by the Board to each Participant who accepts the grant of any options, which must not be more than 10 years from the date of the grant (subject to acceptance) of the option.

(7) Payment on acceptance of option

HK\$1.00 is payable by the Participant who accepts the grant of an option in accordance with the terms of the Share Option Scheme on acceptance of the grant of an option.

(8) Remaining life of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of ten years commencing on the Listing Date, i.e. 18 May 2016.

Other details of the Share Option Scheme are set out in the Prospectus dated 30 April 2016.

No share option under the Share Option Scheme has been granted by the Company since its adoption and up to the date of this annual report.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, so far as is known to the Directors, the following persons (other than the Directors of the Company) had interests or short positions in the shares and underlying shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.

(6) 購股權之行使時間

購股權可於董事會知會接納授出任何購股權的各參與者的期間內隨時根據購股權計劃的條款獲行使，而有關期間不得超過自該購股權授出(可予接納)當日起的10年。

(7) 接納購股權的付款

根據購股權計劃的條款接納授出購股權時由參與者支付1.00港元。

(8) 購股權計劃的餘下年期

購股權計劃於上市日期(即二零一六年五月十八日)起計的十年期限內有效及生效。

購股權計劃的其他詳情載於二零一六年四月三十日的招股章程。

本公司購股權計劃下的購股權自其獲採納起及直至本年報日期概無授出。

主要股東及其他人士於股份及相關股份的權益

於二零二零年六月三十日，就董事所知，下列人士(本公司董事除外)於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部知會本公司或根據證券及期貨條例第336條須存置於登記冊所記錄的權益或淡倉。



Directors' Report

董事會報告

| Name 名稱 | Nature of interest 權益性質 | Long position/ short position 好倉/淡倉 | Number of ordinary shares/ underlying shares held 所持普通股數目/ 相關股份數目 | Approximate percentage of shareholding in the Company 佔本公司股權的 概約百分比 |
|--|-----------------------------|---|--|--|
| HSSP ¹ (Note) HSSP ¹ (附註) | Beneficial interest 實益權益 | Long position 好倉 | 138,000,000 | 75% |

Note: It is directly wholly-owned by Mr Samson Fung and Mr David Fung. They are controlling shareholders holding 138,000,000 shares of the Company.

附註：該公司由馮文偉先生及馮文錦先生直接全資擁有，彼等為持有本公司138,000,000股股份的控股股東。

1 HSSP, a company incorporated in the British Virgin Islands with limited liability on 8 October 2015.

1 HSSP，於二零一五年十月八日在英屬處女群島註冊成立的有限公司。

Save as disclosed above, the Directors are not aware of any other persons who have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under section 336 of the SFO.

除上文所披露外，董事並不知悉任何其他人士於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露或根據證券及期貨條例第336條須存置於登記冊所記錄的權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the section headed "Share Option Scheme" disclosed above, the Company, its holding company or any of its subsidiaries or fellow subsidiaries was at no time during the year a party to any arrangements which would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. Save as disclosed in this annual report, none of the Directors or any of their spouses or children under the age of 18 was granted any right to subscribe for the shares or debentures of the Company or any other body corporate, or had exercised any such right during the year.

董事收購股份或債權證的權利

除上文「購股權計劃」一節所披露者外，本公司、其控股公司、或其任何附屬公司或同系附屬公司概無於年內任何時間訂立任何安排，使董事得以透過收購本公司或任何其他法人團體的股份或債權證獲利。除本年報所披露者外，董事或其任何彼等的配偶或18歲以下的子女概無於年內獲授任何權利以認購本公司或任何其他法人團體股份或債權證或已行使任何該等權利。



DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement dated 25 November 2015 with the Company. Each of the executive Directors may receive a discretionary bonus, the amount of which will be determined by reference to the comments of the Remuneration Committee of the Company.

Each of the independent non-executive Directors have signed a letter of appointment dated 26 April 2016 with the Company commencing from the Listing Date.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Saved as disclosed in notes 8 and 24(i) to the consolidated financial statements, no transactions, arrangements or contracts of significance to which the Company, its holding company or any of its subsidiaries or fellow subsidiaries was a party and in which a director of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

董事的服務合約

各執行董事已於二零一五年十一月二十五日與本公司訂立服務協議，初始固定期限為自二零一五年十二月一日起生效。各執行董事可收取酌情花紅，其金額將經參考本公司薪酬委員會的意見而釐定。

各獨立非執行董事已於二零一六年四月二十六日與本公司簽署委任函，初始固定期限為自上市日期起生效。

於即將舉行的股東週年大會上擬重選連任的董事概無與本公司訂立若無支付賠償(法定賠償除外)，則不可於一年內終止的服務合約。

董事於交易、安排或合約的權益

除綜合財務報表附註8及24(i)所披露外，於年終或年內任何時間本公司、其控股公司或其任何附屬公司或同系附屬公司概無進行涉及業務的重要交易、安排或簽訂相關合約，而本公司董事及其相關人士於該等交易、安排或合約中直接或間接擁有重大權益。



Directors' Report

董事會報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code.

CONTINUING CONNECTED TRANSACTIONS

The Group has entered into a number of transactions with parties who, upon the listing of the Company's shares on the Stock Exchange, became connected persons of the Company under the Listing Rules. Details of such transactions are set out below.

Connected Persons

(1) Karwin Corporation Limited ("Karwin")

Karwin is principally engaged in the business of property investment and is wholly-owned by Mr Samson Fung.

(2) Super Champion Limited ("Super Champion")

Super Champion is principally engaged in the business of property investment and is wholly-owned by Mr David Fung.

Fully exempt continuing connected transactions

The following connected transactions constitute fully exempt continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

董事進行證券交易的標準守則

本公司已採納標準守則作為有關董事進行證券交易的操守守則。經向全體董事作出特定查詢後，本公司確認全體董事均遵守標準守則載列的準則規定。

持續關連交易

本集團已與於本公司股份於聯交所上市時成為本公司於上市規則項下的關連人士的有關方訂立若干交易。該等交易的詳情載於下文。

關連人士

(1) 嘉韻有限公司(「嘉韻」)

嘉韻主要從事物業投資業務及由馮文偉先生全資擁有。

(2) 偉冠有限公司(「偉冠」)

偉冠主要從事物業投資業務及由馮文錦先生全資擁有。

全面豁免持續關連交易

下列關連交易構成本公司於上市規則第14A章項下的全面豁免持續關連交易。



TENANCY AGREEMENTS

Background

(a) Tenancy agreement relating to Karwin

On 10 December 2018, Hang Sang (Siu Po) entered into a tenancy agreement with Karwin for the leasing of the property at House 24 (comprising the ground, first and second floors and the terrace thereof, parking area, yard, garden area and slope), The Riviera, 10 Pik Sha Road, Silverstrand, Sai Kung, New Territories, Hong Kong with a saleable area of approximately 2,208.8 sq.ft. to the Group for a current monthly rental of HK\$80,000 (inclusive of rates, service charges and other outgoings) commencing from 1 January 2019 to 31 December 2020. The leased property is used as a director's quarter of the Group. The aggregate rental payments payable to Karwin for the years ended 30 June 2019 and 2020 approximately HK\$900,000 and HK\$960,000 respectively.

(b) Tenancy agreement relating to Super Champion

On 10 December 2018, Hang Sang (Siu Po) entered into a tenancy agreement with Super Champion for the leasing of the property at Flat A, Ground Floor, Content Lodge (duplex apartment A on G/F and 1/F and the garden adjoining to the apartment), 140 Waterloo Road, Kowloon Tong, Kowloon, Hong Kong with a saleable area of approximately 2,869.7 sq.ft. to the Group for a current monthly rental of HK\$80,000 (inclusive of rates, service charges and other outgoings) commencing from 1 January 2019 to 31 December 2020. The leased property is used as a director's quarter of the Group. The aggregate rental payments payable to Super Champion for the years ended 30 June 2019 and 2020 approximately HK\$900,000 and HK\$960,000 respectively.

租賃協議

背景

(a) 有關嘉韻的租賃協議

於二零一八年十二月十日，恆生(兆保)與嘉韻訂立租賃協議，向本集團出租香港新界西貢銀線灣碧沙路10號滿湖花園第24號屋的一個物業(包括地下、一樓及二樓及露台、泊車位、庭院、花園及斜坡)，實用面積約2,208.8平方呎，現時每月租金為80,000港元(包括差餉、服務收費及其他支出)，有效期由二零一九年一月一日起至二零二零年十二月三十一日止。租賃物業作本集團董事宿舍之用途。截至二零一九年及二零二零年六月三十日止年度應向嘉韻支付的租金總額分別約為900,000港元及960,000港元。

(b) 有關偉冠的租賃協議

於二零一八年十二月十日，恆生(兆保)與偉冠訂立租賃協議，向本集團出租香港九龍九龍塘窩打老道140號康定舍地下A室的一個物業(包括地下及一樓的複式單位A，以及單位鄰近的花園)，實用面積約2,869.7平方呎，現時每月租金為80,000港元(包括差餉、服務收費及其他支出)，有效期由二零一九年一月一日起至二零二零年十二月三十一日止。租賃物業作本集團董事宿舍之用途。截至二零一九年及二零二零年六月三十日止年度應向嘉韻支付的租金總額分別約為900,000港元及960,000港元。



Directors' Report

董事會報告

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to shareholders by reason of their holding of the Company's securities.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the percentage of sales attributable to the largest customer and the five largest customers of the Group is 4.6% and 20.3% respectively.

During the year, the largest supplier and the five largest suppliers of the Group accounted for approximately 14.8% and 43.9% of the total purchases of the Group respectively.

None of the Directors, their associates or any substantial shareholder (which to the knowledge of the Directors owns 5% or more of the number of issued shares of the Company) had an interest in the major suppliers or customers set out above.

SUBSIDIARIES

Details of the subsidiaries of the Company are set out in note 14 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors, the Directors confirm that the Company has maintained sufficient public float as required under the Listing Rules during the year and up to the date of this report.

COMPETITION AND CONFLICT OF INTERESTS

During the year, save as disclosed in this annual report, none of the Directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group.

稅項減免

董事並無知悉因股東持有本公司證券而可獲得任何稅項減免。

主要客戶及供應商

於本年度，本集團最大客戶及五大客戶應佔的銷售百分比分別為4.6%及20.3%。

於本年度，本集團最大供應商及五大供應商分別佔本集團採購總額約14.8%及43.9%。

概無董事、其聯繫人或任何主要股東(就董事所知擁有本公司已發行股本的5%或以上的股東)於上述主要供應商或客戶中擁有權益。

附屬公司

本公司之附屬公司的詳情載於綜合財務報表附註14。

足夠之公眾持股量

基於本公司可公開獲得的資料及據董事所知，董事確認，本公司於年內直至本報告日期一直維持上市規則規定的足夠公眾持股量。

權益競爭及衝突

於本年度，除本年報所披露外，概無本公司董事或主要股東或任何其各自的聯繫人已從事與本集團業務競爭或可能競爭的任何業務。



CORPORATE GOVERNANCE

A report on the corporate governance practices adopted by the Company is set out on pages 20 to 42 of this annual report.

AUDITOR

At the conclusion of the 2020 AGM, Grant Thornton Hong Kong Limited shall retire as auditor of the Company and a resolution will be submitted in the 2020 AGM to re-appoint Grant Thornton Hong Kong Limited as the auditor of the Company.

On behalf of the Board

Fung Man Wai Samson
Chairman, Chief Executive Officer and Executive Director
Hong Kong, 25 September 2020

企業管治

本公司採納的企業管治常規報告載於本年報的第20至42頁。

核數師

於二零二零年股東週年大會結束時，致同(香港)會計師事務所有限公司將退任本公司核數師及本公司將於二零二零年股東週年大會上提呈一項決議案以續聘致同(香港)會計師事務所有限公司為本公司的核數師。

代表董事會

主席、行政總裁及執行董事
馮文偉
香港，二零二零年九月二十五日



Independent Auditor's Report

獨立核數師報告



Grant Thornton

致同

To the members of Hang Sang (Siu Po) International Holding Company Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Hang Sang (Siu Po) International Holding Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 106 to 179, which comprise the consolidated statement of financial position as at 30 June 2020, 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 disclosure requirements of 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.

致Hang Sang (Siu Po) International Holding Company Limited全體股東
(於開曼群島註冊成立的有限公司)

意見

我們已審核列載於第106至179頁Hang Sang (Siu Po) International Holding Company Limited(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合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，及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零二零年六月三十日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。我們根據該等準則承擔之責任於本報告「核數師就審計綜合財務報表承擔的責任」一節中進一步闡述。根據香港會計師公會之《專業會計師道德守則》(「守則」)，我們獨立於 貴集團，並已根據守則履行其他道德責任。我們相信，我們所獲得之審核憑證能充分及適當地為我們之意見提供基礎。

Independent Auditor's Report

獨立核數師報告



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 收益確認

The key audit matter 關鍵審計事項

Please refer to note 5 to the consolidated financial statements and the accounting policies as set out on note 2.3.

請參閱綜合財務報表附註5及載列於附註2.3之會計政策。

Revenue from customers principally comprises revenue from the sales of apparel labels and packaging printing products.

源於客戶的收益主要為服裝標籤及包裝印刷產品的銷售收益。

Sales of apparel labels and packaging printing products are recognised at a point in time when the customers obtain possession of and control of the promised goods in the contract.

服裝標籤及包裝印刷產品的銷售於客戶取得合約承諾商品的擁有權及控制權時確認。

We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Group and it is a significant audit risk area.

我們將 貴集團收益確認識別為關鍵審計事項，由於收益是 貴集團的關鍵績效指標之一及重大審計風險範疇。

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。

How the matter was addressed in our audit 在審計中如何應對該事項

Our audit procedures to assess the revenue recognition included the following:

與評估收益確認相關的審計程序中包括以下程序：

- reviewing sales orders from customers, on a sample basis, to understand the terms of the sales transactions to assess if the Group's revenue recognition criteria were in accordance with the requirements of the prevailing accounting standards;
- 以抽樣方式審閱來自客戶之銷售訂單，以了解銷售交易之條款，從而評估 貴集團的收益確認標準是否符合現行會計準則之規定；
- assessing, on a sample basis, whether specific revenue transactions around the financial year end had been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes and the terms of sale as set out in the sales invoices;
- 以抽樣方式透過比較所選交易與相關文件，包括發貨單及銷售票據所載的銷售條款，評估於財政年度末的特定收益交易是否已於適當期間確認；
- reviewing if there are any significant adjustments to revenue during the year, understanding the reasons for such adjustments and comparing the details of the adjustments with relevant underlying documentation.
- 審閱年內收益有否進行重大調整、了解調整之原因及將調整細節與相關文件進行對比。



Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Impairment assessment of non-current assets 非流動資產減值評估

The key audit matter 關鍵審計事項

Please refer to notes 4, 13 and 16 to the consolidated financial statements and the accounting policies as set out on note 2.10.

請參閱綜合財務報表附註4、13及16以及附註2.10所載會計政策。

As at 30 June 2020, the carrying amount of the Group's non-current assets (including property, plant and equipment, right-of-use assets and deposits paid for acquisition of property, plant and equipment) amounted to HK\$15,793,000, net of impairment loss of HK\$2,900,000. For the year ended 30 June 2020, the impairment loss of HK\$2,900,000 was recognised in respect of the property, plant and equipment (including right-of-use assets).

於二零二零年六月三十日，本集團的非流動資產(包括物業、廠房及設備，使用權資產及為購置物業、廠房及設備而支付的按金)的賬面值為15,793,000港元，扣除減值虧損2,900,000港元。截至二零二零年六月三十日止年度，已就物業、廠房及設備(包括使用權資產)確認減值虧損2,900,000港元。

Management performed an impairment assessment when indicators of impairment were identified. Impairment assessments prepared by management contain certain judgemental and subjective assumptions which may be inherently uncertain and could be subject to management bias.

管理層在發現減值跡象時進行了減值評估。管理層準備的減值評估包含某些判斷和主觀假設，這些假設可能存在不確定性，並可能受到管理層的偏見影響。

Management determined the recoverable amounts based on the higher of fair value less costs of disposal and value-in-use. In determining the value-in-use, expected cash flows generated by the asset are discounted to their present value, which requires significant estimation relating to the growth rates and discount rate. When performing an impairment assessment, management used the value-in-use and compared the carrying values of non-current assets, to determine the impairment loss which should be recognised for the year, if any.

管理層根據公允價值減去處置成本和使用價值中的較高者確定可收回金額。在確定使用價值時，將資產產生的預期現金流量折現為其現值，這需要對增長率和折現率進行重大估計。進行減值評估時，管理層使用了使用價值並比較了非流動資產的賬面值，確定了當年應確認的減值損失(如有)。

關鍵審計事項(續)

How the matter was addressed in our audit 在審計中如何應對該事項

Our audit procedures to assess the impairment loss of non-current assets included the following:

與評估非流動資產減值相關的審計程序中包括以下程序：

- understanding management's basis, methodology and assessment in relation to the impairment assessment of non-current assets;
- 了解管理層關於非流動資產減值評估的基礎、方法和評估；
- evaluating the key assumptions used in the value-in-use calculations, including the growth rates, by comparing the approved cash flow forecasts with the historical actual performance results and forward-looking market data;
- 通過將批准的現金流量預測與歷史實際績效結果及前瞻性市場數據進行比較，評估使用價值計算中使用的關鍵假設，包括增長率；
- evaluating the reasonableness of the discount rate based on our knowledge of the industry and taking external market data into consideration;
- 根據我們對行業的了解並考慮外部市場數據，評估折現率的合理性；
- engaging an independent and qualified valuation specialist to assist us in evaluating management's impairment assessment methodology, the key assumptions applied, discount rate used and calculations contained with reference to the requirements of the prevailing accounting standards;
- 聘請獨立且合格的估值專家來協助我們評估管理層的減值評估方法、適用的主要假設、所使用的折現率以及參考現行會計準則的要求進行的計算；
- re-performing sensitivity analysis on the key inputs to evaluate the magnitude of their impacts on the recoverable amount of the non-current assets.
- 對關鍵輸入數據進行敏感性分析，以評估其對非流動資產可收回金額的影響程度。



KEY AUDIT MATTERS (CONTINUED)

關鍵審計事項(續)

Expected credit losses (“ECL”) assessment of trade and other receivables 貿易及其他應收款項預期信貸虧損(「預期信貸虧損」)評估

The key audit matter 關鍵審計事項

Please refer to notes 4 and 16 to the consolidated financial statements and the accounting policies as set out on note 2.9.

請參閱綜合財務報表附註4及16以及附註2.9所載會計政策。

As at 30 June 2020, the Group had trade and other receivables (excluding prepayments and deposit paid for acquisition of property, plant and equipment) of HK\$5,284,000, net of loss allowance of HK\$2,054,000.

於二零二零年六月三十日，貴集團有貿易及其他應收款項5,284,000港元(不包括預付款及購置物業、廠房及設備已付之按金)，扣除虧損撥備2,054,000港元。

The ECL assessment of trade and other receivables involved significant management's judgement and use of estimates to ascertain the recoverability of trade and other receivables.

貿易及其他應收款項預期信貸虧損的評估涉及管理層對貿易及其他應收款項的可收回性的估計判斷和使用。

Loss allowance for trade and other receivables are based on management's estimate of the lifetime ECL to be incurred, which is estimated by taking into account the historical credit loss experience, existing market conditions as well as forward-looking estimates, all of which involve a significant degree of management judgement.

貿易及其他應收款項的虧損撥備乃根據管理層對將予產生的終身預期信貸虧損的估計作出，此乃經考慮歷史信貸虧損經驗、現有市況及前瞻性估計而評估，均涉及較高程度的管理層判斷。

We have identified the ECL assessment of trade and other receivables as a key audit matter because of the assessment involves significant management's judgement and use of estimates.

我們將貿易及其他應收款項預期信貸虧損評估識別為關鍵審計事項，原因為該估計涉及重大管理層判斷及使用估計。

How the matter was addressed in our audit 在審計中如何應對該事項

Our audit procedures to assess the ECL allowance of trade and other receivables included the following:

與評估貿易及其他應收款項預期信貸虧損撥備相關的審計程序中包括以下程序：

- reviewing the Group's procedures on credit policy given to customers.
- 審閱 貴集團提供客戶的信貸政策的程序。
- checking the correctness of the ageing analysis by customer on a sample basis.
- 按抽樣方式核查客戶的賬齡分析的準確性。
- assessing the reasonableness of management's ECL allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowance.
- 透過評估管理層估計預期信貸虧損撥備所使用的資料來評估有關估計的合理性，包括測試歷史違約數據的準確性、評估歷史虧損率是否根據當前經濟狀況及前瞻性資料妥為調整及檢查於當前財政年度錄得的實際虧損及評估是否有跡象顯示在確認虧損撥備時存在管理層偏差。



Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information included in the 2020 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors 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 assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

其他信息

董事需對其他信息負責。其他信息包括刊載於本公司二零二零年年報內的全部信息，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。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及按照香港公司條例的披露規定編製及真實而公平地列報綜合財務報表，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，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。

董事獲審核委員會協助履行其監督貴集團的財務報告程序。

Independent Auditor's Report

獨立核數師報告



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

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

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

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

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

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。我們僅向整體股東報告。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匯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。

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。



Independent Auditor's Report 獨立核數師報告

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 skepticism throughout the audit. We also (Continued):

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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)：

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

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

Independent Auditor's Report

獨立核數師報告



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

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

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

Grant Thornton Hong Kong Limited
Certified Public Accountants
Level 12
28 Hennessy Road
Wanchai
Hong Kong

25 September 2020

Han Pui Yu
Practising Certificate No.: P07101

核數師就審計綜合財務報表承擔的責任(續)

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們討論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，討論相關的所採取消除威脅的行動或防範措施。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述有關事項，除非法律及法規不允許公開披露有關事項，或在極端罕見的情況下，如果合理預期在我們報告中討論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討論該事項。

致同(香港)會計師事務所有限公司
執業會計師
香港
灣仔
軒尼詩道28號
12樓

二零二零年九月二十五日

韓佩瑜
執業證書編號：P07101



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

| | | Note | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Note) (附註) |
|---|-------------------------------|------|------------------------------------|--|
| Revenue | 收益 | 5 | 65,093 | 82,170 |
| Cost of sales | 銷售成本 | | (45,284) | (53,430) |
| Gross profit | 毛利 | | 19,809 | 28,740 |
| Other income | 其他收入 | 6 | 1,344 | 1,525 |
| Selling expenses | 銷售開支 | | (6,083) | (6,591) |
| Administrative and other operating expenses | 行政及其他經營開支 | | (21,331) | (22,199) |
| Impairment losses on trade and other receivables | 貿易及其他應收款項的減值虧損 | 7(c) | (789) | (60) |
| Impairment loss on property, plant and equipment | 物業、廠房及設備的減值虧損 | 7(c) | (2,900) | – |
| Finance costs | 融資成本 | 7(b) | (178) | – |
| (Loss)/Profit before income tax | 除所得稅前(虧損)/溢利 | 7 | (10,128) | 1,415 |
| Income tax credit | 所得稅回撥 | 10 | 412 | 250 |
| (Loss)/Profit and total comprehensive (expense)/income for the year | 本年度(虧損)/溢利及全面(開支)/收益總額 | | (9,716) | 1,665 |
| (Loss)/Earnings per share attributable to equity owners of the Company | 本公司權益擁有人應佔每股(虧損)/盈利 | | | |
| Basic and diluted | 基本及攤薄 | 12 | (HK5.28 cents) (5.28港仙) | HK0.90 cents 0.90港仙 |

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 3.

附註：本集團於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。請參閱附註3。

The notes on pages 106 to 179 are an integral part of these consolidated financial statements.

載於第106至179頁之附註構成本綜合財務報表之重要組成部分。

Consolidated Statement of Financial Position

綜合財務狀況表



As at 30 June 2020
於二零二零年六月三十日

| | Note | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Note) (附註) |
|--|------|----------------------------------|--|
| ASSETS AND LIABILITIES | | | |
| | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13 | 13,023 | 17,062 |
| Deposits paid for acquisition of property, plant and equipment | 16 | 2,770 | 2,680 |
| | | 15,793 | 19,742 |
| Current assets | | | |
| Inventories | 15 | 3,380 | 3,555 |
| Trade and other receivables | 16 | 6,037 | 9,323 |
| Current tax recoverable | | 1,742 | 1,308 |
| Cash and cash equivalents | 17 | 56,519 | 69,062 |
| | | 67,678 | 83,248 |
| Current liabilities | | | |
| Trade and other payables | 18 | 5,367 | 8,021 |
| Lease liabilities | 19 | 602 | – |
| | | 5,969 | 8,021 |
| Net current assets | | 61,709 | 75,227 |
| Total assets less current liabilities | | 77,502 | 94,969 |
| Non-current liabilities | | | |
| Lease liabilities | 19 | 1,768 | – |
| Deferred tax liabilities | 20 | 1,224 | 1,543 |
| | | 2,992 | 1,543 |
| Net assets | | 74,510 | 93,426 |

Consolidated Statement of Financial Position

綜合財務狀況表

As at 30 June 2020
於二零二零年六月三十日

| | | Note | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Note) (附註) |
|---------------------|-------------|-------|----------------------------------|--|
| | | 附註 | | |
| EQUITY | 權益 | | | |
| Share capital | 股本 | 21(a) | 1,840 | 1,840 |
| Reserves | 儲備 | | 72,670 | 91,586 |
| Total equity | 權益總額 | | 74,510 | 93,426 |

Mr Fung Man Wai Samson
馮文偉先生
Director
董事

Mr Fung Kar Chue Alexander
馮家柱先生
Director
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 3.

附註：本集團於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。請參閱附註3。

The notes on pages 106 to 179 are an integral part of these consolidated financial statements.

載於第106至179頁之附註構成本綜合財務報表之重要組成部分。

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

| | | Equity attributable to equity owners of the Company 本公司權益擁有人應佔權益 | | | | |
|---|--|--|--|--|---|--------------------------------|
| | | Share capital 股本 HK\$'000 千港元 (note 21(a)) (附註21(a)) | Share premium 股份溢價 HK\$'000 千港元 (note 21(b)) (附註21(b)) | Capital reserve 資本儲備 HK\$'000 千港元 (note 21(c)) (附註21(c)) | Retained earnings 保留盈利 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
| As at 1 July 2018 | 於二零一八年七月一日 | 1,840 | 77,105 | (22,594) | 44,610 | 100,961 |
| Profit and total comprehensive income for the year | 本年度溢利及全面收益總額 | - | - | - | 1,665 | 1,665 |
| Transaction with owners: Final dividends in respect of previous year declared and paid (note 11) | 與擁有人之交易： 宣派及已付歸屬過往 財政年度之末期股息 (附註11) | - | - | - | (9,200) | (9,200) |
| As at 30 June 2019 (note) and 1 July 2019 | 於二零一九年六月三十日(附註) 及二零一九年七月一日 | 1,840 | 77,105 | (22,594) | 37,075 | 93,426 |
| Loss and total comprehensive expense for the year | 本年度虧損及全面開支總額 | - | - | - | (9,716) | (9,716) |
| Transaction with owners: Final dividends in respect of previous year declared and paid (note 11) | 與擁有人之交易： 宣派及已付歸屬過往 財政年度之末期股息 (附註11) | - | - | - | (9,200) | (9,200) |
| As at 30 June 2020 | 於二零二零年六月三十日 | 1,840 | 77,105 | (22,594) | 18,159 | 74,510 |

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 3.

附註：本集團於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。請參閱附註3。

The notes on pages 106 to 179 are an integral part of these consolidated financial statements.

載於第106至179頁之附註構成本綜合財務報表之重要組成部分。



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

| | Note 附註 | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Note) (附註) |
|---|------------|----------------------------------|--|
| Cash flows from operating activities | | | |
| (Loss)/Profit before income tax | | (10,128) | 1,415 |
| Adjustments for: | | | |
| Depreciation | 7(c) | 4,154 | 3,573 |
| Impairment loss on trade receivables | 7(c) | 150 | 60 |
| Impairment loss on other receivables | 7(c) | 639 | - |
| Impairment loss on property, plant and equipment | 7(c) | 2,900 | - |
| Interest expense | 7(b) | 178 | - |
| Interest income | 6 | (785) | (444) |
| Loss on disposal of property, plant and equipment | 7(c) | 1 | - |
| Prepayment written off | 7(c) | 949 | - |
| Operating (loss)/profit before working capital changes | | (1,942) | 4,604 |
| Decrease in inventories | | 175 | 547 |
| Decrease in trade and other receivables | | 1,535 | 6,094 |
| Decrease in trade and other payables | | (2,590) | (325) |
| Cash (used in)/generated from operations | | (2,822) | 10,920 |
| Hong Kong Profits Tax paid | | (341) | (656) |
| <i>Net cash (used in)/from operating activities</i> | | <i>(3,163)</i> | <i>10,264</i> |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (220) | (928) |
| Interest received | | 798 | 350 |
| <i>Net cash from/(used in) investing activities</i> | | <i>578</i> | <i>(578)</i> |
| Cash flows from financing activities | | | |
| Dividends paid | 11(b) | (9,200) | (9,200) |
| Payment of lease liabilities | 25 | (580) | - |
| Interest paid | 25 | (178) | - |
| <i>Net cash used in financing activities</i> | | <i>(9,958)</i> | <i>(9,200)</i> |
| Net (decrease)/increase in cash and cash equivalents | | (12,543) | 486 |
| Cash and cash equivalents at the beginning of the year | | 69,062 | 68,576 |
| Cash and cash equivalents at the end of the year | 17 | 56,519 | 69,062 |

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 3.

The notes on pages 106 to 179 are an integral part of these consolidated financial statements.

附註：本集團於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。請參閱附註3。

載於第106至179頁之附註構成本綜合財務報表之重要組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註



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

Hang Sang (Siu Po) International Holding Company Limited (the “Company”) was incorporated in the Cayman Islands on 8 October 2015 as an exempted company with limited liability. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is Block C, 5/F., Gee Hing Chang Industrial Building, No. 16 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 18 May 2016.

The parent and ultimate holding company of the Company is HSSP Limited, a company incorporated in the British Virgin Islands (the “BVI”) and is beneficially owned by Mr Fung Man Wai Samson (“Mr Samson Fung”) and Mr Fung Man Kam (“Mr David Fung”) (collectively referred to as the “Controlling Shareholders”). The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in manufacturing and sale of apparel labels and packaging printing products.

The consolidated financial statements are presented in thousands of Hong Kong dollars (“HK\$’000”), which is also the functional currency of the Company and its subsidiaries, unless otherwise stated.

The consolidated financial statements for the year ended 30 June 2020 were approved and authorised for issue by the board of directors on 25 September 2020.

1. 一般資料

Hang Sang (Siu Po) International Holding Company Limited (「本公司」) 於二零一五年十月八日在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司主要營業地點為香港九龍長沙灣長裕街16號志興昌工業大廈5樓C室。本公司股份於二零一六年五月十八日在香港聯合交易所有限公司 (「聯交所」) 上市。

本公司之母公司及最終控股公司為HSSP Limited，一家於英屬處女群島 (「英屬處女群島」) 註冊成立的公司，並由馮文偉先生 (「馮文偉先生」) 及馮文錦先生 (「馮文錦先生」) (統稱「控股股東」) 實益擁有。本公司乃投資控股公司。本公司及其附屬公司 (統稱「本集團」) 主要從事製造及銷售服裝標籤及包裝印刷產品。

除另有註明者外，綜合財務報表以千港元 (「千港元」) 呈列，該貨幣為本公司及其附屬公司的功能貨幣。

截至二零二零年六月三十日止年度之綜合財務報表已於二零二零年九月二十五日獲董事會批准及授權刊發。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These annual consolidated 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”) and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”).

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new and amended HKFRSs, changes in accounting policies and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared on the historical cost basis. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2. 重大會計政策概要

2.1 編製基準

年度綜合財務報表乃按所有適用的香港財務報告準則（「香港財務報告準則」）編製，香港財務報告準則包括香港會計師公會（「香港會計師公會」）頒佈的所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋以及香港公認會計原則。

綜合財務報表同時符合香港公司條例及聯交所證券上市規則（「上市規則」）的適用披露規定。

除另有說明外，編製此等綜合財務報表時採用的主要會計政策概述於下文。該等政策已貫徹應用在所呈報的所有年度。採納新訂及經修訂香港財務報告準則，會計政策變動及對本集團綜合財務報表之影響（如有）披露於附註3。

綜合財務報表已根據歷史成本基準編製。計量基準於下列會計政策中充分闡述。

應注意，編製綜合財務報表時曾使用會計估計及假設。儘管該等估計乃基於管理層對當前事件及行動的最佳認識及判斷而作出，但實際結果最終可能會與該等估計有所不同。涉及高度判斷或複雜性的範疇，或假設及估計對綜合財務報表而言屬重大的範疇，均於附註4披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 30 June each year.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group 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 over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

2. 重大會計政策概要(續)

2.2 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年六月三十日止之財務報表。

附屬公司為本集團控制的實體。當本集團因參與實體而承擔可變回報的風險或享有可變回報的權利，且有能力透過其對實體的權力影響該等回報時，即本集團控制該實體。於評估本集團是否有擁有該實體之權力時，僅會考慮有關該實體之重大權利(由本集團及其他人士持有)。

本集團自取得附屬公司控制權之日起將附屬公司的收入及開支列入綜合財務報表，直至本集團不再擁有附屬公司控制權之日為止。

於編製綜合財務報表時，本集團公司間之交易、結餘及進行交易時之未變現收益及虧損將予以抵銷。本集團內部資產銷售之未變現虧損於綜合賬目時撥回，而相關資產亦會從本集團之角度進行減值測試。附屬公司財務報表內所呈報的金額已於必要時作出調整，以確保與本集團所採納的會計政策一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (Continued)

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss (see note 2.10) unless the subsidiary is held for sale or included in a disposal group. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

2.3 Revenue recognition

Revenue arises mainly from the sales of apparel labels and packaging printing products.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

2. 重大會計政策概要(續)

2.2 綜合基準(續)

於附屬公司的投資乃按成本減去減值虧損(見附註2.10)後於本公司財務狀況表中入賬,除非該附屬公司為持有待售或包括於出售組別。成本經調整以反映修改或有代價所產生的代價變動。成本亦包括投資的直接歸屬成本。

附屬公司之業績由本公司按報告期末之已收及應收股息列賬。所有股息(無論是從被投資方收購前或收購後的溢利中獲取)均在本公司損益表確認。

2.3 收益確認

收益主要來自服裝標籤及包裝印刷產品的銷售。

為釐定是否確認收益,本集團遵循五個步驟方法:

1. 界定與客戶的合約
2. 界定合約內的履約責任
3. 釐定交易價
4. 將交易價格分攤至合約內的履約責任
5. 當(或於)實體符合履約責任時確認收益

於所有情況下,合約總交易價按各自相對獨立的售價分配至各項履約責任。合約交易價不包括代表第三方收取的金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue recognition (Continued)

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than twelve months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) and does not adjust the consideration for any effects of a significant financing component if the period of financing is twelve months or less.

2. 重大會計政策概要(續)

2.3 收益確認(續)

當(或隨著)本集團將承諾貨品或服務轉讓予客戶而履行履約責任時,收益以某一時間點確認或從某一時段確認。

倘合約包含向客戶提供超過12個月重大融資利益的融資成分,則收益按應收金額使用與客戶的個別融資交易所反映的折現率折現之現值計量,而利息收入則按實際利率法分開累計。倘合約包含向本集團提供重大融資利益的融資成分,則根據該合約確認的收益包括按實際利率法計算合約負債所產生的利息開支。

本集團利用香港財務報告準則第15號「來自客戶合約之收益」(「香港財務報告準則第15號」)第63段中的可行權宜方法及倘融資期為12個月或以下,則並無就重大融資部分的任何影響調整代價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Revenue recognition (Continued)

Further details of the Group's revenue and other income recognition policies are as follows:

Sale of apparel labels and packaging printing products

Revenue is generally recognised at a point in time when the customers obtain possession of and control of the promised goods in the contract. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. The Group recognised its contract liabilities under "Trade and other payables" as receipts in advance in the consolidated statement of financial position.

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.

Commission income

Commission income is recognised when the related services are rendered.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount.

2. 重大會計政策概要(續)

2.3 收益確認(續)

本集團收益及其他收入確認政策的進一步詳情載於下文：

銷售服裝標籤及包裝印刷產品

收益通常於客戶取得合約承諾商品的擁有權及控制權時確認。應收款項於交付貨品時確認，因為此時收回代價的權利是無條件的，僅須待時間過去即可收取付款。

合約負債在客戶支付代價時，或合約規定須支付代價且有關款項到期時予以確認，時間會早於本集團確認相關收益之時。本集團將其合約負債作為預收款項於綜合財務狀況表內「貿易及其他應付款項」下確認。

就與客戶的單一合約而言，合約資產淨值或合約負債淨額均會予以呈列。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

佣金收入

佣金收入在提供相關服務時確認。

利息收入

利息收入使用實際利率法按時間比例基準確認。就按攤銷成本計量且無信貸減值的金融資產而言，對賬面總值採用實際利率。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment

Property, plant and equipment (other than cost of right-of-use assets as described in note 2.5) are stated at historical cost less accumulated depreciation and accumulated impairment losses (see note 2.10). Historical cost includes purchase price and expenditure that is directly attributable to the acquisition of the item.

Depreciation of item of property, plant and equipment is provided to write off the cost less their residual values, if any, over their estimated useful lives using the straight-line method, at the following rates per annum:

| | |
|------------------------|--------|
| Plant and machinery | 10-30% |
| Motor vehicles | 30% |
| Furniture and fixtures | 20% |
| Office equipment | 20% |

Upon the application of HKFRS 16 “Leases” (“HKFRS 16”), accounting policy for depreciation of right-of-use assets is set out in note 2.5.

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

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other expenses, such as repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

2. 重大會計政策概要(續)

2.4 物業、廠房及設備

物業、廠房及設備(附註2.5所述的使用權資產成本除外)乃按歷史成本減累計折舊及累計減值虧損列賬(見附註2.10)。歷史成本包括收購有關項目直接應佔之購買價及開支。

物業、廠房及設備項目的折舊按估計可使用年期以直線法撇銷成本減其剩餘價值(如有)計提,所採用年率如下:

| | |
|---------|--------|
| 廠房及機器 | 10-30% |
| 汽車 | 30% |
| 傢俬及固定裝置 | 20% |
| 辦公室設備 | 20% |

在應用香港財務報告準則第16號「租賃」(「香港財務報告準則第16號」)後,使用權資產折舊會計政策載於附註2.5。

資產的剩餘價值、折舊方法及可使用年期於各報告期末檢討及調整(如適用)。

廢棄或出售產生的收益或虧損按銷售所得款項與資產賬面值間的差額釐定,並於損益確認。

其後成本僅在項目相關的未來經濟利益將會流入本集團及能夠可靠計量項目成本時,方會在適當情況下計入資產賬面值或確認為獨立資產。更換部分的賬面值終止確認。維修及保養等所有其他支出,均於產生的財政年間自損益扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Leases

Definition of a lease and the Group as a lessee (Policy applicable from 1 July 2019)

For any new contracts entered into on or after 1 July 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an identified asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition, the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

2. 重大會計政策概要(續)

2.5 租賃

租賃定義及本集團作為承租人 (自二零一九年七月一日起適用之政策)

就任何於二零一九年七月一日或之後訂立的新合約而言，本集團考慮合約是否為一項租賃或包含一項租賃。租賃被界定為「授予權利以代價為交換於一段時間內控制已識別資產(相關資產)的使用之合約(或合約的一部分)」。為應用該定義，本集團評估有關合約是否符合三個關鍵評估項，即：

- 合約中明示或資產可供本集團使用時暗示合約是否包括一項已識別資產；
- 經考慮其於合約界定範圍內的權利後，本集團是否有權於整個使用期間因使用已識別資產而獲得絕大部分經濟利益；及
- 本集團於整個使用期間是否有權指示已識別資產的使用。本集團會評估其於整個使用期間是否有權指示資產的「使用方式及用途」。

就含有租賃部分以及一項或多項額外租賃或非租賃部分的合約而言，本集團將合約代價分配至各租賃部分及非租賃部分，以相對獨立價格為基準。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Leases (Continued)

Definition of a lease and the Group as a lessee (Continued)

(Policy applicable from 1 July 2019) (Continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the underlying asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any lease incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicator exists.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable payments based on an index or rate, and amounts expected to be payable under a residual value guarantee. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payment of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

2. 重大會計政策概要(續)

2.5 租賃(續)

租賃定義及本集團作為承租人(續)

(自二零一九年七月一日起適用之政策)(續)

作為承租人計量及確認租賃

於租賃開始日期，本集團於綜合財務狀況表內確認使用權資產及租賃負債。使用權資產按成本計量，其包括租賃負債的初步計量金額；本集團產生之任何初始直接成本；於租賃結束時拆除及移除相關資產產生之任何估計成本；及於租賃開始日期前預付之任何租金(扣除任何已收租賃優惠)。

本集團於租賃開始日期起至使用權資產之可使用年期結束或租期結束(以較早者為準)止期間按直線法對使用權資產進行折舊，惟本集團合理確認可於租期結束時獲得擁有權則作別論。倘出現減值跡象，本集團亦會對使用權資產進行減值評估。

於租賃開始日期，本集團按當日未支付租金之現值計量租賃負債，並採用租賃中所隱含之利率予以折現，或倘該利率不易確定，則採用本集團之遞增借款利率予以折現。

計量租賃負債時計入的租金包括固定付款(包括實物固定付款)減去任何應收租賃優惠；取決於指數或利率之可變租金；及預期在剩餘價值擔保下支付之金額。租賃付款也包括本集團合理確定會行駛之購買選擇權的行使價；及倘租賃條款反映本集團行駛終止選擇權則終止租賃而需支付之罰款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Leases (Continued)

Definition of a lease and the Group as a lessee (Continued)

(Policy applicable from 1 July 2019) (Continued)

Measurement and recognition of leases as a lessee (Continued)

Subsequent to initial measurement, the liability will be reduced for lease payments made and increased for interest cost on the lease liability. It is remeasured to reflect any reassessment or lease modification, or if there are changes in in-substance fixed payments.

The Group remeasures lease liabilities whenever:

- there are changes in lease term or in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments changes due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

For lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of modification.

When the lease is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero.

2. 重大會計政策概要(續)

2.5 租賃(續)

租賃定義及本集團作為承租人(續)

(自二零一九年七月一日起適用之政策)(續)

作為承租人計量及確認租賃(續)

於初步計量後，負債將因已付租金而縮減，並因租賃負債之利息成本而增加。負債將予重新計量以反映任何重估或租賃修改，或於實物固定付款出現變動時予以重新計量。

本集團在以下情況對租賃負債進行重新評估：

- 租期有所變動或行使購買選擇權的評估發生變化，在這種情況下，通過在重新評估日使用經修訂折現率對經修訂後的租賃付款進行折現，重新計算相關的租賃負債。
- 租賃付款因進行市場租金審查後市場租金率的變化而發生變化，在這種情況下，使用初始折現率對經修訂後的租賃付款進行折現，重新計量相關的租賃負債。

對於未作為單獨租賃入賬的租賃變更，本集團根據已修改租約的租賃期限，在修改生效日期使用經修訂的折現率對經修訂後的租賃付款進行折現，從而重新計量租賃負債。

倘租賃予以重新計量，則相應調整於使用權資產內反映，或倘使用權資產縮減為零，則計入損益內。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Leases (Continued)

Definition of a lease and the Group as a lessee (Continued)

(Policy applicable from 1 July 2019) (Continued)

Measurement and recognition of leases as a lessee (Continued)

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these leases are recognised as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are leases with a lease term of twelve months or less.

On the consolidated statement of financial position, right-of-use assets have been included in “Property, plant and equipment”, the same line as it presents the underlying assets of the same nature that it owns.

Refundable rental deposits paid are accounted for under HKFRS 9 “Financial Instruments” (“HKFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

(Policy applicable before 1 July 2019)

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

2. 重大會計政策概要(續)

2.5 租賃(續)

租賃定義及本集團作為承租人(續)

(自二零一九年七月一日起適用之政策)(續)

作為承租人計量及確認租賃(續)

本集團選擇實際權宜方式，對短期租賃進行會計處理。與該等租賃相關之付款於租期內按直線法於損益表內確認為開支，而非確認為使用權資產及租賃負債。短期租賃為租期為12個月或以下之租賃。

於綜合財務狀況表內，使用權資產已計入「物業、廠房及設備」，與呈列與其擁有的相同性質的相關資產相同。

已付可退回租賃按金根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬，並初步按公允值計量。首次確認時之公允值的調整被視為額外租賃款項，並計入使用權資產之成本內。

(二零一九年七月一日前適用之政策)

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款，則該安排屬於或包含一項租賃。該釐定乃基於對該安排實質內容的評估而作出，不論該安排是否採用租賃的法定形式。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Leases (Continued)

Definition of a lease and the Group as a lessee (Continued)

Measurement and recognition of leases as a lessee (Continued)

(Policy applicable before 1 July 2019) (Continued)

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Operating lease charges

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to the profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

2.6 Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the end of the reporting period retranslation of monetary assets and liabilities are recognised in profit or loss.

2. 重大會計政策概要(續)

2.5 租賃(續)

租賃定義及本集團作為承租人(續)

作為承租人計量及確認租賃(續)

(自二零一九年七月一日起適用之政策)(續)

本集團根據將所有權的絕大部分風險及回報轉移至本集團的租賃持有的資產均分類為根據融資租賃持有的資產。並無將所有權的絕大部分風險及回報轉移至本集團的租賃分類為經營租賃。

經營租賃費用

倘本集團有權使用根據經營租賃持有的資產，則根據租賃作出的付款會於租賃條款所涵蓋之會計期間內等額分期計入損益表，惟倘有另一種基準可更妥當地展示自租賃資產獲得的收益的時間模式則除外。收取的租賃獎勵於損益確認，作為合共所作租賃付款淨額的組成部分。或然租金於產生的會計期間自損益扣除。

2.6 外幣換算

於綜合實體的個別財務報表中，外幣交易按交易當日匯率換算為個別實體的功能貨幣。於報告期末，以外幣計值的貨幣資產及負債乃按當日的匯率換算。此等交易結算及於報告期末重新換算貨幣資產及負債所產生的外匯盈虧於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Foreign currency translation (Continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated (i.e. only translated using the exchange rates at the transaction date).

2.7 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

2. 重大會計政策概要(續)

2.6 外幣換算(續)

按歷史成本計量以外幣為單位的非貨幣項目均不重新換算(即只在交易日使用匯率換算)。

2.7 所得稅的會計處理

所得稅包括即期稅項及遞延稅項。

即期稅項資產及/或負債包括本報告期間或過往報告期間(且於報告期末尚未支付)向財政當局繳納稅款的責任或來自有關財政當局催繳稅款的索償。所得稅乃根據有關財政期間適用的稅率及稅法按年內應課稅溢利計算。即期稅項資產或負債的所有變動於損益中確認為稅項開支的一部分。

遞延稅項乃按於報告期末綜合財務報表內資產與負債賬面值與其相應稅基的暫時差額使用負債法計算。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未動用稅務抵免確認，惟以可能有應課稅溢利(包括現有應課稅暫時差額)可抵銷可扣稅暫時差額、未動用稅項虧損及未動用稅務抵免的情況為限。

如果暫時差額來自商譽或交易中資產和負債的初始確認(業務組合中沒有合併),且既不影響應稅或會計損益,則不確認遞延稅項資產和負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Accounting for income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of the reporting period.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable profit of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (1) when the existing temporary differences will reverse and (2) the amount of future taxable income in those years.

The estimate of future taxable profit includes:

- (a) income or loss excluding reversals of temporary differences; and
- (b) reversals of existing temporary differences.

2. 重大會計政策概要(續)

2.7 所得稅的會計處理(續)

於附屬公司的投資所產生應課稅暫時差額確認為遞延稅項負債，惟倘本集團可控制暫時差額的撥回，且該暫時差額於可見將來不可能撥回者除外。

遞延稅項乃按預期於清償負債或變現資產期間適用的稅率計算(不作折現)，惟有關稅率於報告期末須為已頒佈或實際上頒佈的稅率。

遞延稅項資產或負債變動於損益中確認，或倘與其他全面收益或直接於權益扣除或計入的項目有關，則於其他全面收益或直接於權益中確認。

當不同稅率適用於不同水平的應課稅收益時，遞延稅項資產及負債按預期適用於預計暫時差額撥回期間的應課稅溢利的平均稅率計量。

釐定平均稅率須估計(1)於現有暫時差額將予撥回時及(2)該等年度未來應課稅收益金額。

未來應課稅溢利估計包括：

- (a) 不包括撥回暫時差額之損益；及
- (b) 撥回現有暫時差額。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Accounting for income taxes (Continued)

Current tax assets and current tax liabilities are presented in net if, and only if:

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.8 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

2. 重大會計政策概要(續)

2.7 所得稅的會計處理(續)

即期稅項資產與即期稅項負債僅於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及清償負債。

本集團僅於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於各未來期間(而預期在未來將結清或收回大額的遞延稅項負債或資產)以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體。

2.8 金融工具

確認及終止確認

當本集團成為工具合約條款的一方時，會在綜合財務狀況表確認金融資產及金融負債。

當自資產收取現金流量的合約權利屆滿時，或資產所有權絕大部分風險及回報已予轉讓時，則終止確認金融資產。當有關責任獲解除、取消或屆滿時，終止確認金融負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (Continued)

Financial assets

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with HKFRS 15, all financial assets are initially measured at fair value, in case of a financial asset not at fair value through profit or loss (“FVTPL”), plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets are measured at amortised cost.

The classification is determined by both:

- the entity’s business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Expected credit losses (“ECL”) of trade and other receivables are presented as a separate item in profit or loss.

Subsequent measurement of financial assets

Debt investments

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

2. 重大會計政策概要(續)

2.8 金融工具(續)

金融資產

金融資產的分類及初始計量

除不包含重大融資成分且按交易價格根據香港財務報告準則第15號計量的貿易應收款項外，所有金融資產初步按公允值計量，倘金融資產並非按公允值計入損益(「按公允值計入損益」)，則加上直接歸屬於收購該金融資產的交易成本。

金融資產乃按攤銷成本計量。

分類由以下兩者釐定：

- 實體管理金融資產的業務模式；及
- 金融資產的合約現金流特徵。

貿易及其他應收款項的預期信貸虧損(「預期信貸虧損」)以單獨項目於損益呈列。

金融資產的其後計量

債務投資

按攤銷成本計量的金融資產

倘金融資產符合以下條件(及並非指定為按公允值計入損益)，則該資產按攤銷成本計量：

- 彼等在一種商業模式中持有，其目的是持有金融資產並收取其約定的現金流量；及
- 金融資產的合同條款產生的現金流量僅為本金及未償還本金的利息。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Financial instruments (Continued)

Financial assets (Continued)

Subsequent measurement of financial assets (Continued)

Debt investments (Continued)

Financial assets at amortised cost (Continued)

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in "Other income" in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents and trade and other receivables (excluding prepayments and deposits paid for acquisition of property, plant and equipment) fall into this category of financial assets.

Financial liabilities

Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables and lease liabilities.

Financial liabilities (other than lease liabilities) are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVTPL.

Subsequently, financial liabilities (other than lease liabilities) are measured at amortised cost using the effective interest method.

All interest-related charges are included within finance costs.

Accounting policies of lease liabilities are set out in note 2.5.

Trade and other payables

Trade and other payables are recognised initially at their fair values and subsequently measured at amortised cost, using the effective interest method.

2. 重大會計政策概要(續)

2.8 金融工具(續)

金融資產(續)

金融資產的其後計量(續)

債務投資(續)

按攤銷成本計量的金融資產(續)

於初始確認後，該等資產使用實際利率法以攤銷成本法計量。該等金融資產的利息收入計入損益的「其他收入」中。倘折現的影響並不重要，則省略折現。本集團的現金及現金等價物以及貿易及其他應收款項(不包括預付款及購置物業、廠房及設備已付之按金)均屬於此類金融工具。

金融負債

金融負債的分類及計量

本集團的金融負債包括貿易及其他應付款項及租賃負債。

金融負債(租賃負債除外)最初以其公允值確認，及(如適用)除非本集團指定金融負債為按公允值計入損益，則就交易成本作出調整。

隨後，金融負債(租賃負債除外)使用實際利息法按攤銷成本計量。

所有利息相關費用計入融資成本。

租賃負債的會計政策載於附註2.5。

貿易及其他應付款項

貿易及其他應付款項最初以其公允值確認，隨後使用實際利息法按攤銷成本計量。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Impairment of financial assets

HKFRS 9's impairment requirements use more forward-looking information to recognise ECL – the “ECL model”. Instruments within the scope included loans and other debt-type financial assets measured at amortised cost and trade receivables.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial assets that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”) and
- financial assets that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”).

“Stage 3” would cover financial assets that have objective evidence of impairment at the end of the reporting period.

“12-month ECL” are recognised for the Stage 1 category while “lifetime ECL” are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial asset.

2. 重大會計政策概要(續)

2.9 金融資產減值

香港財務報告準則第9號的減值規定採用更具前瞻性的資料確認預期信貸虧損－「預期信貸虧損模式」。屬於該範疇的工具包括貸款及按攤銷成本計量的其他債務類別金融資產及貿易應收款項。

本集團在評估信貸風險及計量預期信貸虧損時考慮更廣泛的資料，包括過往事件、當前狀況、影響該工具未來現金流量預期可收回性的合理有據預測。

於應用該前瞻性方法時，須對下列各項作出區別：

- 自初步確認以來信貸質量並無顯著惡化或信貸風險低微的金融資產（「第一階段」）；及
- 自初步確認以來信貸質量顯著惡化且信貸風險不低的金融資產（「第二階段」）。

「第三階段」將涵蓋於報告期末具有客觀減值證據的金融資產。

「12個月預期信貸虧損」於第一階段內確認，而「終身預期信貸虧損」於第二階段內確認。

預期信貸虧損的計量於金融資產預計存續期內按信貸虧損的概率加權估計釐定。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Impairment of financial assets (Continued)

For trade receivables, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at the end of each reporting period. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

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

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

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

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

- an actual or expected significant deterioration in the financial asset's external (if available) or internal credit rating;

2. 重大會計政策概要(續)

2.9 金融資產減值(續)

就貿易應收款項而言，本集團應用簡化方法計算預期信貸虧損，並於各報告期末基於終身預期信貸虧損確認虧損撥備。考慮到金融資產存續期內任何時間點均可能出現違約事件，有關撥備為合約現金流量的預期差額。於計算預期信貸虧損時，本集團已根據其過往信貸虧損經驗及外部指標設立撥備矩陣，並根據債務人特定的前瞻性因素及經濟環境進行調整。

為計量預期信貸虧損，貿易應收款項根據共享信貸風險特徵及逾期日數分組。

本集團按相等於12個月預期信貸虧損金額計量其他應收款項的虧損撥備，惟倘自初步確認以來信貸風險大幅增加，則本集團確認終身預期信貸虧損。評估是否應確認終身預期信貸虧損乃基於自初步確認以來發生違約的可能性或風險大幅增加情況。

於評估信貸風險是否自初步確認以來已大幅增加時，本集團比較金融資產於報告期末出現違約的風險與該金融資產於初步確認日期出現違約的風險。作此評估時，本集團會考慮合理有據的定量及定性資料，包括過往經驗及毋須花費過度成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級實際或預期重大惡化；

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Impairment of financial assets (Continued)

- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

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

Detailed analysis of the ECL assessment of financial assets measured at amortised cost are set out in note 26.3.

2. 重大會計政策概要(續)

2.9 金融資產減值(續)

- 信貸風險的外界市場指標重大惡化，例如信貸息差、債務人的信貸違約掉期價大幅增加；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況現有或預測不利變動；
- 債務人經營業績實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

儘管如此，倘於各報告期末釐定債務工具的信貸風險低微，則本集團假設該債務工具的信貸風險自初步確認以來並無顯著增加。倘債務工具違約風險低微，借款人在短期內有充裕能力履行其合約現金流量義務以及經濟及商業環境的長期不利變動可能但未必會降低借款人履行合約現金流量義務的能力，則債務工具釐訂為信貸風險低微。

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不太可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

按攤銷成本計量的金融資產的預期信貸虧損評估的詳細分析載於附註26.3。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets

Property, plant and equipment (including right-of-use assets), deposits paid for acquisition of property, plant and equipment and investments in subsidiaries in the statement of financial position of the Company, are subject to impairment testing. They are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions 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 assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e., a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Corporate assets are allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Impairment losses recognised for cash-generating unit are charged on a pro rata basis to the assets in the cash-generating unit 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.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. 重大會計政策概要(續)

2.10 非金融資產減值

物業、廠房及設備(包括使用權資產)、購置物業、廠房及設備已付之按金,以及本公司財務狀況表內於附屬公司的投資須接受減值測試。當有跡象表明資產賬面值可能無法收回,則會進行減值測試。

減值虧損按資產賬面值超出其可收回金額的差額,即時確認為開支。可收回金額為反映市況的公允值減出售成本與使用價值兩者的較高者。評估使用價值時,估計未來現金流量採用稅前折現率折現至其現值,以反映現時市場對貨幣時間值及有關資產特有風險的評估。

為評估減值,倘資產並無產生大致上獨立於其他資產的現金流入,可收回金額則按可獨立產生現金流入的最小資產組合(即現金產生單位)釐定。因此,部分資產個別進行減值測試,另有部分按現金產生單位測試。當可識別合理及一致的分配基準時,公司資產會分配至個別的現金產生單位,否則會分配至可識別合理及一致分配基準的最小現金產生單位組別。

減值虧損會按比例基準自現金產生單位之資產扣除,惟資產之賬面值不得減至低於其個別公允值減出售成本(倘能計量)或使用價值(倘能釐定)。

倘用於釐定資產可收回金額的估計出現有利變動,則撥回減值虧損,惟以資產賬面值不得高於並無確認減值虧損時原應釐定的賬面值(扣除折舊或攤銷)為限。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Impairment of non-financial assets (Continued)

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34 “Interim Financial Reporting” in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year.

2.11 Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in-first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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 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.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash at banks and on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2. 重大會計政策概要(續)

2.10 非金融資產減值(續)

根據上市規則，本集團須按照香港會計準則第34號「中期財務報告」之規定就有關財政年度首六個月編製中期財務報告。於中期期間結束時，本集團應用的減值測試、確認及撥回標準與財政年度末將會採用的相同。

2.11 存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。

成本按先進先出法計算，且包括採購成本、轉變成本及將存貨達致現有地點及狀況所產生之其他成本。

可變現淨值乃於日常業務過程中之估計售價減估計完工成本及適用銷售開支。

於出售存貨時，該等存貨之賬面值於確認有關收益之期間確認為開支。存貨撇減至可變現淨值之款額及所有存貨虧損均於撇減或虧損出現之期間列作開支。已撇減存貨之任何撥回金額於撥回產生年度列作開支並確認為所確認存貨金額減少。

2.12 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、銀行活期存款及原訂期限為三個月或以下、可隨時轉換為已知金額現金且價值變動風險小的其他短期高流動性投資。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Provision and contingent liabilities

Provisions are recognised when the Group has a present (legal or constructive) obligation arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligations 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.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

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 uncertain events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.14 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued.

Any transaction costs associated with the issuing of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

2. 重大會計政策概要(續)

2.13 撥備及或然負債

當本集團因過往事件而須承擔法定或推定責任，且可能須有經濟利益流出以結清責任及能夠可靠地估計有關責任金額時，則會確認撥備。倘貨幣時間值屬重大，則撥備按預計結清責任所需開支的現值列賬。

所有撥備均於各報告期末作出檢討並作出調整以反映現時的最佳估計。

倘經濟利益流出的可能性不大，或無法可靠估計金額時，該責任會披露為或然負債，除非經濟利益流出的可能性極低，則作別論。可能的責任(視乎日後是否發生本集團無法完全控制的一宗或多宗未確定事件而確定其是否存在)亦披露為或然負債，除非經濟利益流出的可能性極低，則作別論。

2.14 股本

普通股分類為權益。股本以已發行股份面值釐定。

與發行股份相關的任何交易成本均自股份溢價內扣減(扣除任何相關所得稅利益)，惟以權益交易直接應佔的增加成本為限。

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綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Employee benefits

Retirement benefits

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the Mandatory Provident Fund Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

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. 重大會計政策概要(續)

2.15 僱員福利

退休福利

退休福利乃通過界定供款退休計劃向僱員提供。

本集團根據《強制性公積金計劃條例》為本集團所有合資格參與強積金計劃的僱員參加界定供款退休福利計劃，供款按僱員基本薪酬的某個百分比作出。

供款於年內隨僱員提供服務於損益確認為開支。本集團根據該等計劃的責任僅限於應付固定百分比供款。

短期僱員福利

僱員應得的年假於其可享有時確認。截至報告期末，僱員因提供服務而可享有年假的估計負債已作撥備。

病假及產假等非累積補假於休假時方予確認。

辭退福利

辭退福利會在本集團不再能夠撤回所提供的辭退福利或確認涉及辭退福利付款的重組成本(以較早者為準)時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated 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.

2.17 Related parties

For the purpose of these consolidated financial statements, a party is considered to be related to the Group if:

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

2. 重大會計政策概要(續)

2.16 分部報告

經營分部及綜合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。

個別重要的經營分部不會合計以供財務報表之用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別不重要的經營分部如果符合以上大部分條件，則可以合計為一個分部報告。

2.17 關聯方

就該等綜合財務報表而言，符合以下條件的人士被視為與本集團有關聯：

- (a) 該人士為符合以下條件的人士或其緊密家族成員，且該人士：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Related parties (Continued)

- (b) the party is an entity and if any of the following conditions applies:
- (i) the entity and the Group are members of the same group.
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) the entity and the Group are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the 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.

2. 重大會計政策概要(續)

2.17 關聯方(續)

- (b) 該人士為實體且符合以下任何條件：
- (i) 該實體及本集團為同一集團的成員公司。
 - (ii) 一個實體為另一實體的聯營公司或合營企業(或為某一集團成員之聯營公司或合營企業，而該另一實體為該集團成員)。
 - (iii) 該實體及本集團為同一第三方的合營企業。
 - (iv) 一個實體為某第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體屬本集團或與本集團有關聯的實體為僱員利益設立的離職後福利計劃。
 - (vi) 該實體由一名於(a)指明的人士控制或共同控制。
 - (vii) 於(a)(i)指明的對該實體有重大影響或為該實體(或該實體的母公司)的主要管理層成員的人士。
 - (viii) 該實體或其所屬集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

個別人士的緊密家族成員指與該實體交易時預期可影響該個別人士或受該個別人士影響的家族成員。

Notes to the Consolidated Financial Statements

綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

3. ADOPTION OF NEW AND AMENDED HKFRSs AND CHANGES IN ACCOUNTING POLICIES

New and amended HKFRSs that are effective for annual periods beginning on or after 1 July 2019

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, HKFRS 16 is relevant to the Group's consolidated financial statements.

Except for HKFRS 16, 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

HKFRS 16 replaces HKAS 17 "Leases" ("HKAS 17") along with three interpretations (HK(IFRIC) – Int 4 "Determining whether an Arrangement contains a Lease" ("HK(IFRIC) – Int 4"), HK(SIC) Int – 15 "Operating Leases-Incentives" and HK(SIC) Int – 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease"). HKFRS 16 has been applied using the modified retrospective approach, with the cumulative effect of adopting HKFRS 16 being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. Comparative information has not been restated and continues to be reported under HKAS 17.

For contracts in place at the date of initial application, the Group has elected to apply the definition of a lease from HKAS 17 and HK(IFRIC) – Int 4 and has not applied HKFRS 16 to arrangements that were previously not identified as lease under HKAS 17 and HK(IFRIC) – Int 4.

3. 採納新訂及經修訂香港財務報告準則以及會計政策變動

於二零一九年七月一日或之後開始的年度期間生效之新訂及經修訂香港財務報告準則

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的新訂香港財務報告準則及香港財務報告準則之修訂。其中，香港財務報告準則第16號與本集團的綜合財務報表相關。

除香港財務報告準則第16號外，概無變動對所編製或呈列之本集團於本期間或過往期間之業績及財務狀況有重大影響。本集團並無應用任何於本會計期間尚未生效之新訂準則或詮釋。

香港財務報告準則第16號

香港財務報告準則第16號替代香港會計準則第17號「租賃」(「香港會計準則第17號」)以及三項詮釋(即香港(國際財務報告詮釋委員會) – 詮釋第4號「釐定安排是否包含租賃」(「香港(國際財務報告詮釋委員會) – 詮釋第4號」)、香港(準則詮釋委員會) – 詮釋第15號「經營租賃 – 優惠」及香港(準則詮釋委員會) – 詮釋第27號「評估涉及租賃法律形式交易之內容」)。應用香港財務報告準則第16號時已使用經修訂追溯法，採納香港財務報告準則第16號產生之累計影響於權益內確認作本期間累計溢利之期初結餘調整。比較資料並無予以重列及繼續根據香港會計準則第17號予以呈報。

就於首次應用日期已存續之合約，本集團選擇應用香港會計準則第17號及香港(國際財務報告詮釋委員會) – 詮釋第4號項下之租賃定義，且對先前並未根據香港會計準則第17號及香港(國際財務報告詮釋委員會) – 詮釋第4號定義為租賃的安排並無應用香港財務報告準則第16號。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
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3. ADOPTION OF NEW AND AMENDED HKFRSs AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 July 2019 (Continued)

HKFRS 16 (Continued)

The Group as a lessee

The Group has elected not to include initial direct costs in the measurement of the right-of-use assets for operating leases in existence at the date of initial application of HKFRS 16, being 1 July 2019. At this date, the Group has also elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition.

Instead of performing an impairment review on the right-of-use assets at the date of initial application, the Group has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of HKFRS 16.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than twelve months, the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight-line basis over the remaining lease term.

The weighted average of the incremental borrowing rate applied to lease liabilities recognised under HKFRS 16 was 7% per annum.

3. 採納新訂及經修訂香港財務報告準則以及會計政策變動(續)

於二零一九年七月一日或之後開始的年度期間生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號(續)

本集團作為承租人

就於香港財務報告準則第16號首次應用日期(即二零一九年七月一日)已存續之經營租賃,本集團選擇於計量使用權資產時不計初始直接成本。於當日,本集團亦選擇按相等於租賃負債的金額(就於過渡日期存在之任何預付或應計租金予以調整)計量使用權資產。

本集團根據其於緊接首次應用香港財務報告準則第16號日期前所作有關租賃是否繁重的過往評估,而非於首次應用日期對使用權資產進行減值審視。

於過渡期間,就先前按經營租賃入賬處理且剩餘租期低於十二個月之租賃,本集團採取選擇性豁免,不確認使用權資產,而是於剩餘租期內以直線法就租賃開支入賬處理。

根據香港財務報告準則第16號確認之租賃負債適用之加權平均遞增借款年利率為7%。

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綜合財務報表附註



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3. ADOPTION OF NEW AND AMENDED HKFRSs AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 July 2019 (Continued)

HKFRS 16 (Continued) The Group as a lessee (Continued)

The following is a reconciliation of total operating lease commitments at 30 June 2019 to the lease liabilities recognised at 1 July 2019:

3. 採納新訂及經修訂香港財務報告準則以及會計政策變動(續)

於二零一九年七月一日或之後開始的年度期間生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號(續)

本集團作為承租人(續)

下表載列於二零一九年六月三十日的經營租賃承擔與於二零一九年七月一日確認的租賃負債之對賬：

| | | HK\$'000 千港元 |
|--|-----------------------------------|-----------------|
| Operating lease commitments at 30 June 2019 (note 23(b)) | 於二零一九年六月三十日之經營租賃承擔(附註23(b)) | 8,841 |
| Less: commitments relating to leases exempt from capitalisation: | 減：與免於資本化的租賃有關的承擔： | |
| – short-term leases with remaining lease term ending on or before 30 June 2020 | – 短期租賃，剩餘租期在二零二零年六月三十日或之前結束 | (6,264) |
| | | 2,577 |
| Less: discounted using incremental borrowing rate as at 1 July 2019 | 減：按二零一九年七月一日的遞增借款利率折現 | (210) |
| Total lease liabilities recognised under HKFRS 16 at 1 July 2019 | 於二零一九年七月一日根據香港財務報告準則第16號確認之租賃負債總額 | 2,367 |
| Classified as: | 歸類為： | |
| Lease liabilities – current | 租賃負債 – 流動負債 | 633 |
| Lease liabilities – non-current | 租賃負債 – 非流動負債 | 1,734 |
| | | 2,367 |

The following table summarises the impact of transition to HKFRS 16 on the Group's consolidated statement of financial position at 1 July 2019:

下表概述過渡至香港財務報告準則第16號對本集團於二零一九年七月一日之綜合財務狀況表的影響：

| | | HK\$'000 千港元 |
|--|-------------------------------|-----------------|
| Increase in right-of-use assets presented in property, plant and equipment | 呈列於物業、廠房及設備的使用權資產增加 | 2,303 |
| Decrease in accruals related to previous operating lease presented in trade and other payables | 於貿易及其他應付款項中呈報的有關先前經營租賃的應計款項減少 | 64 |
| Increase in lease liabilities | 租賃負債增加 | (2,367) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

3. ADOPTION OF NEW AND AMENDED HKFRSs AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Issued but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

| | |
|--|--|
| HKFRS 17 | Insurance Contracts ³ |
| Amendments to HKFRS 3 | Definition of a Business ⁷ |
| Amendments to HKFRS 3 | Reference to the Conceptual Framework ⁸ |
| Amendments to HKFRS 9, HKAS 39 and HKFRS 7 | Interest Rate Benchmark Reform ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or contribution of assets between an investor and its associate or joint venture ⁶ |
| Amendments to HKFRS 16 | Covid-19-Related Rent Concessions ² |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current ⁵ |
| Amendments to HKAS 1 and HKAS 8 | Definition of Material ¹ |
| Amendments to HKAS 16 | Property, Plant and Equipment – Proceeds before Intended Use ⁴ |
| Amendments to HKAS 37 | Onerous Contracts – Cost of Fulfilling a Contract ⁴ |
| Amendments to HKFRSs | Annual Improvements to HKFRS Standards 2018-2020 ⁴ |

3. 採納新訂及經修訂香港財務報告準則以及會計政策變動(續)

已發行但尚未生效的香港財務報告準則

於該等綜合財務報表的授權日期，若干新訂及經修訂香港財務報告準則已予刊發但尚未生效，且並未獲得本集團提早採納。

| | |
|---|--|
| 香港財務報告準則第17號 | 保險合約 ³ |
| 香港財務報告準則第3號(修訂本) | 業務的定義 ⁷ |
| 香港財務報告準則第3號(修訂本) | 概念框架參考 ⁸ |
| 香港財務報告準則第9號，香港財務報告準則第39號和香港財務報告準則第7號(修訂本) | 利率基準改革 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營企業之間出售或提供資產 ⁶ |
| 香港財務報告準則第16號(修訂本) | 2019新型冠狀病毒相關租金寬減 ² |
| 香港會計準則第1號(修訂本) | 負債分類為即期或非即期 ⁵ |
| 香港會計準則第1號及香港會計準則第8號(修訂本) | 重大性的定義 ¹ |
| 香港會計準則第16號(修訂本) | 物業、廠房及設備—擬定用途前的所得款項 ⁴ |
| 香港會計準則第37號(修訂本) | 繁重合約—履行合約的成本 ⁴ |
| 香港財務報告準則(修訂本) | 對香港財務報告準則二零一八年至二零二零年週期之年度改進 ⁴ |

Notes to the Consolidated Financial Statements

綜合財務報表附註



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3. ADOPTION OF NEW AND AMENDED HKFRSs AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Issued but not yet effective HKFRSs (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2020
- 2 Effective for annual periods beginning on or after 1 June 2020
- 3 Effective for annual periods beginning on or after 1 January 2021
- 4 Effective for annual periods beginning on or after 1 January 2022
- 5 Effective for annual periods beginning on or after 1 January 2023
- 6 Effective date not yet determined
- 7 Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- 8 Effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2022

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. These new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 2, management is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year are discussed below:

3. 採納新訂及經修訂香港財務報告準則以及會計政策變動(續)

已發行但尚未生效的香港財務報告準則(續)

- 1 於二零二零年一月一日或之後開始的年度期間生效
- 2 於二零二零年六月一日或之後開始的年度期間生效
- 3 於二零二一年一月一日或之後開始的年度期間生效
- 4 於二零二二年一月一日或之後開始的年度期間生效
- 5 於二零二三年一月一日或之後開始的年度期間生效
- 6 生效日期尚未確定
- 7 對於自二零二零年一月一日或之後開始的第一個年度期間開始之日或之後的企業合併和資產收購生效
- 8 對於自二零二二年一月一日或之後開始的第一個年度期間開始之日或之後的企業合併有效

董事預期所有聲明將於本集團於該等聲明生效日期或之後開始的首個期間的會計政策中採納。預期新訂及經修訂香港財務報告準則將不會對本集團之綜合財務報表造成重大影響。

4. 主要會計估計及判斷

於附註2所述本集團的會計政策應用時，管理層須就未能從其他地方輕易得到資產及負債的賬面值作出估計及假設。估計及相關假設乃基於過往經驗及其他被視為有關的因素。實際結果可能與估計有異。

估計及相關假設按持續基準檢討。有重大可能使下個財政年度內之資產面值須作重大調整之估計及假設在下文論述：

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Depreciation charges of property, plant and equipment (including right-of-use assets)

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any.

The Group regularly reviews the condition of property, plant and equipment (i.e. whether it is available for use) as well as the estimated useful lives of the assets in order to determine the amount of depreciation expense to be recorded during each financial year. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates. Carrying amount of property, plant and equipment is set out in note 13.

Estimation of impairment of trade and other receivables (excluding prepayments and deposits paid for acquisition of property, plant and equipment)

The Group makes allowances on items subjects to ECL (including trade and other receivables (excluding prepayments and deposits paid for acquisition of property, plant and equipment)) based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's historical credit loss experience, existing market conditions as well as forward-looking estimates at the end of each reporting period as set out in note 2.9. When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade and other receivables and credit losses in the periods in which such estimate has been changed. For the year ended 30 June 2020, the impairment losses of HK\$150,000 and HK\$639,000 (2019: HK\$60,000 and HK\$Nil) were recognised on trade receivables and other receivables, respectively. Carrying amounts of trade and other receivables are set out in note 16.

4. 主要會計估計及判斷(續)

物業、廠房及設備(包括使用權資產)之折舊

物業、廠房及設備的折舊是根據預計可使用年期扣除估計剩餘價值(如有)後按直線法計算。

本集團定期審閱物業、廠房及設備之狀況(即是否可供使用)以及資產的可使用年期,以確定在各財政年度應被記錄的折舊費用的數額。可使用年期乃根據本集團以往在類似資產上的經驗而作出,並考慮到了預期發生的技術上的變化。如果原來估計發生任何重大變化,未來期間內的折舊費用將被調整。物業、廠房及設備的賬面值載於附註13。

貿易及其他應收款項(不包括預付款及購置物業、廠房及設備已付之按金)減值估計

本集團根據有關違約風險及預期虧損率的假設,對受限於預期信貸虧損的項目(包括貿易及其他應收款項(不包括預付款及購置物業、廠房及設備已付之按金))作出撥備。本集團根據過往信貸虧損經驗、現行市況及各報告期末的前瞻性估計(如附註2.9所載)使用判斷,作出該等假設及選定減值計算所用輸入數據。當實際未來現金流量有別於預期時,有關差額將影響預期信貸虧損範疇內的貿易及其他應收款項及有關估計發生變動期間的信貸虧損。截至二零二零年六月三十日止年度,就貿易應收款項及其他應收款項分別確認減值虧損150,000港元及639,000港元(二零一九年:60,000港元及零港元)。貿易及其他應收款項的賬面值載於附註16。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Write-down of inventories

The Group performs regular review of the carrying amounts of inventories with reference to aged inventories analysis, historical consumption trends and management judgement. Based on this review, write-down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Due to changes in market trends, actual consumption may be different from estimation and profit or loss could be affected by accuracy of this estimation. Carrying amount of inventories is set out in note 15.

Impairment of non-current assets

If circumstances indicate that the net book value of a property, plant and equipment (including right-of-use assets and deposits paid for acquisition of property, plant and equipment) (notes 13 and 16) may not be recoverable, the asset may be considered as “impaired” and an impairment loss may be recognised in accordance with HKAS 36 “Impairment of Assets” (“HKAS 36”). The carrying amounts of property, plant and equipment (including right-of-use assets and deposits paid for acquisition of property, plant and equipment) are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the higher of the fair value less costs of disposal and the value-in-use. It is difficult to precisely estimate selling prices because quoted market prices for the Group’s assets are not readily available. In determining the value-in-use, expected cash flows generated by the asset are discounted to their present value, which requires significant estimation relating to the growth rates and discount rate. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue growth rate and discount rate. During the year ended 30 June 2020, the impairment loss of HK\$2,900,000 (2019: HK\$Nil) was recognised on property, plant and equipment (including right-of-use assets).

4. 主要會計估計及判斷(續)

存貨撇減

本集團定期參考存貨賬齡分析、過往消費趨勢及管理層判斷審閱存貨之賬面值。根據是項審閱，倘若存貨之賬面值減至低於估計可變現淨值，則會撇減存貨。由於市場趨勢不斷轉變，實際之消費模式可能與估計有所差異，是項估計之準確性可能影響損益。存貨的賬面值載於附註15。

非流動資產減值

如果情況表明物業、廠房及設備的賬面淨值(包括使用權資產和購置物業、廠房及設備已付之按金)(附註13和16)可能無法收回，則該資產可被視為「已減值」及可根據香港會計準則第36號「資產減值」(「香港會計準則第36號」)確認減值虧損。物業、廠房及設備的賬面值(包括使用權資產以及購置物業、廠房及設備已付之按金)會定期進行審查，以評估可收回金額是否已降至賬面值以下。只要事件或情況變化表明其記錄的賬面值可能無法收回，就對這些資產進行減值測試。當發生這種下降時，賬面價值將減少至可收回金額。可收回金額為公允價值減處置成本與使用價值兩者中的較高者。由於無法即時獲得本集團資產的市場報價，因此很難準確估計售價。在確定使用價值時，將資產產生的預期現金流量折現為其現值，這需要對增長率和折現率進行重大估計。本集團使用所有容易獲得的信息來確定可收回金額的合理近似值，包括基於合理和可支持的假設進行的估計以及收入增長率和折現率的預測。截至二零二零年六月三十日止年度，已就物業、廠房及設備(包括使用權資產)確認減值虧損2,900,000港元(二零一九年：零港元)。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Deferred tax

As at 30 June 2020, the Group has recognised a deferred tax liabilities of HK\$1,224,000 (2019: HK\$1,543,000). This balance was measured using the average tax rates that are expected to apply to the taxable profit of the periods in which the temporary differences are expected to reverse. The determination of the average tax rates that are expected to apply depends, in turn, on an estimation of (1) when the existing temporary differences will reverse and (2) the amount of future taxable income in those years. These estimates and the resulting average tax rates will affect the amount of deferred tax asset/liability recognised. Where the actual timing of reversal of the temporary differences and/or the amount of future taxable income differ from what is expected, a material adjustment to the deferred tax balance may be necessary. Details of deferred taxation are set out in note 20.

Income tax

The Group is subject to income taxes in jurisdictions in which the Group operates. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made. Details of income tax are set out in note 10.

4. 主要會計估計及判斷(續)

遞延稅項

於二零二零年六月三十日，本集團已確認遞延稅項負債1,224,000港元(二零一九年：1,543,000港元)。該結餘使用按預期適用於預計暫時性差異撥回期間之應課稅溢利的平均稅率計量。而釐定預期應用的平均稅率取決於估計(1)當現有暫時性差異將撥回時及(2)該等年度的未來應課稅溢利金額。該等估計及所產生的平均稅率將影響已確認遞延稅項資產/負債的金額。當暫時性差異的實際撥回時間及/或未來應課稅收入的金額有別於預期時，可能需對遞延稅項結餘作出重大調整。遞延稅項的詳情載於附註20。

所得稅

本集團須於本集團經營所在司法權區繳納所得稅。在釐定所得稅撥備時須作出重大判斷。許多交易及最終稅項決定的計算並不確定。當該等事項的最終稅項結果有別於初始記錄的金額，則有關差異將影響作出有關決定年度的所得稅及遞延稅項撥備。所得稅詳情載於附註10。

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5. REVENUE AND SEGMENT INFORMATION

All of the Group's revenue and operating profit are generated from manufacturing and sale of apparel labels and packaging printing products, net of any trade discounts. Revenue are generally recognised at a point in time when the customers obtain control of the promised goods in the contract. The chief operating decision-maker has been identified as the board of directors of the Company. The board of directors regards the Group's business of manufacturing and sales of apparel labels and packaging printing products as a whole to make decision about resources allocation and reviews the overall results of the Group. Accordingly, no business segment analysis information is presented.

The amount of revenue recognised is as follows:

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Sale of apparel labels and packaging printing products | 65,093 | 82,170 |

Geographical information

The following table sets out information about the geographical location of the Group's revenue. The geographical location of revenue is based on the location in which the customer is located.

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|-------------------------------|----------------------------------|----------------------------------|
| Hong Kong (place of domicile) | 14,680 | 19,251 |
| South Korea | 11,336 | 13,264 |
| Vietnam | 8,632 | 12,422 |
| Taiwan | 8,100 | 9,829 |
| China | 5,395 | 5,970 |
| United States | 4,916 | 7,504 |
| Macau | 2,997 | 2,049 |
| Indonesia | 2,766 | 2,382 |
| Bangladesh | 1,787 | 2,893 |
| Others | 4,484 | 6,606 |
| | 65,093 | 82,170 |

5. 收益及分部資料

本集團所有收益及營運溢利來自製造及銷售服裝標籤及包裝印刷產品(扣除任何交易折扣)。收益一般於客戶取得合約承諾商品的控制權時確認。本公司董事會已確認為最高的營運決策者。董事會將本集團製造及銷售服裝標籤及包裝印刷產品業務視為整體經營分部，並審閱本集團整體之業績，以就資源分配作出決策。因此，並無呈報業務分部分析資料。

確認的收益款項如下：

地區資料

下表列載有關本集團收益的地理位置的資料。收益之所在地區乃以客戶所在區域為基準。

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5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Geographical information (Continued)

All property, plant and equipment and deposits paid for acquisition of property, plant and equipment of the Group (“specified non-current assets”) are physically located in Hong Kong.

Major customers

There is no single external customer contributed more than 10% of the total revenue to the Group’s revenue for the years ended 30 June 2020 and 2019.

6. OTHER INCOME

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|-------------------|-------|----------------------------------|----------------------------------|
| Interest income | 利息收入 | 785 | 444 |
| Commission income | 佣金收入 | 199 | 215 |
| Net exchange gain | 淨匯兌收益 | 248 | 802 |
| Others | 其他 | 112 | 64 |
| | | <u>1,344</u> | <u>1,525</u> |

5. 收益及分部資料(續)

地區資料(續)

本集團所有物業、廠房及設備及購置物業、廠房及設備已付之按金(「指定非流動資產」)均位於香港。

主要客戶

截至二零二零年及二零一九年六月三十日止年度，並無單一外界客戶佔本集團收益10%以上。

6. 其他收入

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截至二零二零年六月三十日止年度

7. (LOSS)/PROFIT BEFORE INCOME TAX

The Group's (loss)/profit before income tax is arrived at after charging:

7. 除所得稅前(虧損)/溢利

本集團除所得稅前(虧損)/溢利已扣除下列各項：

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Note (a)) (附註(a)) |
|---|----------------------------------|---|
| (a) Staff costs (including directors' remuneration (note 8)) (note (b)) | | |
| Salaries, allowances and other benefits | 25,341 | 27,284 |
| Contributions to defined contribution retirement plans | 881 | 939 |
| | <u>26,222</u> | <u>28,223</u> |
| (b) Finance costs | | |
| Interest on lease liabilities | 178 | - |
| (c) Other items | | |
| Lease charges (note (b)): | | |
| - plant and machinery held under operating leases | - | 862 |
| - premises held under operating leases | - | 8,132 |
| - short-term leases and leases with lease term shorter than twelve months as at initial application of HKFRS 16 | 8,151 | - |
| | <u>8,151</u> | <u>8,994</u> |
| Depreciation (note (b)): | | |
| - owned property, plant and equipment | 3,507 | 3,573 |
| - right-of-use assets | 647 | - |
| | <u>4,154</u> | <u>3,573</u> |
| Auditor's remuneration | 850 | 900 |
| Cost of inventories (note (b)) | 45,284 | 53,430 |
| Impairment loss on trade receivables (note 16(b)) | 150 | 60 |
| Impairment loss on other receivables (note 16(c)) | 639 | - |
| Impairment loss on property, plant and equipment (note 13(b)) | 2,900 | - |
| Loss on disposal of property, plant and equipment | 1 | - |
| Marketing services fee | 4,969 | 5,475 |
| Prepayment written off | 949 | - |
| | <u>949</u> | <u>-</u> |

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7. (LOSS)/PROFIT BEFORE INCOME TAX (CONTINUED)

Notes:

- (a) 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 3.
- (b) For the year ended 30 June 2020, cost of inventories includes HK\$14,637,000 (2019: HK\$15,614,000) relating to staff costs, HK\$2,521,000 (2019: HK\$2,521,000) relating to depreciation and HK\$5,324,000 (2019: HK\$5,424,000) relating to lease charges, which amounts are also included in the respective total amounts disclosed separately above for each of these types of expenses.

7. 除所得稅前(虧損)/溢利(續)

附註：

- (a) 本集團於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。請參閱附註3。
- (b) 截至二零二零年六月三十日止年度，存貨成本包括與員工成本有關的14,637,000港元(二零一九年：15,614,000港元)、與折舊有關的2,521,000港元(二零一九年：2,521,000港元)及與租賃費用有關的5,324,000港元(二零一九年：5,424,000港元)，而該等金額亦分別計入上文個別披露的相關總額內各項此類費用中。

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8. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

Remuneration of the directors and chief executive officer 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, is as follows:

8. 董事及行政總裁酬金

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部披露的董事及行政總裁酬金如下：

| | | Salaries, allowances and benefits in kind | | Discretionary bonuses | Retirement scheme contributions | Total |
|--|-----------------|---|--------------|-----------------------|---------------------------------|--------------|
| | | Fees | 薪金、津貼及實物利益 | | | |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 2020 | 二零二零年 | | | | | |
| Executive directors (note (a)): | 執行董事(附註(a)): | | | | | |
| Mr Samson Fung (<i>Chairman and Chief Executive Officer</i>) | 馮文偉先生 (主席兼行政總裁) | - | 2,148 | 50 | 18 | 2,216 |
| Mr David Fung | 馮文錦先生 | - | 2,148 | 50 | 18 | 2,216 |
| Mr Fung Kar Chue Alexander | 馮家柱先生 | - | 1,188 | 50 | 18 | 1,256 |
| Independent non-executive directors: | 獨立非執行董事: | | | | | |
| Dr Loke Yu | 陸海林博士 | 120 | - | - | - | 120 |
| Ms Fung Po Yee | 馮寶儀女士 | 120 | - | - | - | 120 |
| Ms Sung Ting Yee | 宋婷兒女士 | 120 | - | - | - | 120 |
| | | <u>360</u> | <u>5,484</u> | <u>150</u> | <u>54</u> | <u>6,048</u> |
| 2019 | 二零一九年 | | | | | |
| Executive directors (note (a)): | 執行董事(附註(a)): | | | | | |
| Mr Samson Fung (<i>Chairman and Chief Executive Officer</i>) | 馮文偉先生 (主席兼行政總裁) | - | 2,052 | 88 | 18 | 2,158 |
| Mr David Fung | 馮文錦先生 | - | 2,052 | 88 | 18 | 2,158 |
| Mr Fung Kar Chue Alexander | 馮家柱先生 | - | 1,152 | 88 | 18 | 1,258 |
| Independent non-executive directors: | 獨立非執行董事: | | | | | |
| Dr Loke Yu | 陸海林博士 | 120 | - | - | - | 120 |
| Ms Fung Po Yee | 馮寶儀女士 | 120 | - | - | - | 120 |
| Ms Sung Ting Yee | 宋婷兒女士 | 120 | - | - | - | 120 |
| | | <u>360</u> | <u>5,256</u> | <u>264</u> | <u>54</u> | <u>5,934</u> |

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8. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (CONTINUED)

Notes:

- (a) Included in the directors' remuneration were rental benefits for accommodation provided to Mr Samson Fung and Mr David Fung totalling HK\$1,920,000 (2019: HK\$1,800,000), represented by HK\$960,000 (2019: HK\$900,000) to each of the directors during the year ended 30 June 2020.
- (b) The remuneration of directors are determined by the remuneration committee with regards to the performance of individuals and market trends.

9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The five highest paid individuals of the Group include three (2019: three) directors for the year ended 30 June 2020, whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the remaining two (2019: two) individuals are as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 1,407 | 1,369 |
| Discretionary bonuses | 酌情花紅 | 121 | 215 |
| Retirement scheme contributions | 退休計劃供款 | 36 | 36 |
| | | <u>1,564</u> | <u>1,620</u> |

The above individuals' emoluments are within the following bands:

| Emolument band | 酬金範圍 | Number of individuals 人數 | |
|--------------------------|-----------------|-----------------------------|---------------|
| | | 2020 二零二零年 | 2019 二零一九年 |
| HK\$Nil to HK\$1,000,000 | 零港元至1,000,000港元 | <u>2</u> | <u>2</u> |

There was no arrangement during the years ended 30 June 2020 and 2019, under which a director or the five highest paid individuals waived or agreed to waive any remuneration, and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

8. 董事及行政總裁酬金(續)

附註：

- (a) 截至二零二零年六月三十日止年度，分別已向馮文偉先生及馮文錦先生支付住房津貼960,000港元(二零一九年：900,000港元)，合共1,920,000港元(二零一九年：1,800,000港元)有關款項已計入董事薪酬。
- (b) 董事薪酬由薪酬委員會按個人表現及市場趨勢而定。

9. 最高薪酬個別人士

截至二零二零年六月三十日止年度，本集團五名最高薪酬人士包括三名董事(二零一九年：三名)，彼等之薪酬已於附註8披露。餘下兩名(二零一九年：兩名)人士之酬金總額詳情如下：

上述人士之酬金介乎下列幅度：

於截至二零二零年及二零一九年六月三十日止年度，董事或五名最高薪酬人士概無根據任何安排放棄或同意放棄任何酬金，且本集團並無向董事或五名最高薪酬人士已付任何酬金，以作為加盟本集團或於加盟本集團時的獎金或作為離職補償。

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10. INCOME TAX CREDIT

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong Profits Tax has been made as the Hong Kong incorporated companies within the Group had no estimated assessable profits in Hong Kong for the year ended 30 June 2020.

The provision for Hong Kong Profits Tax for the year ended 30 June 2019 was calculated at 16.5% of the estimated assessable profits for the year, except for a subsidiary of the Company which was a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2,000,000 are taxed at 16.5%.

10. 所得稅回撥

本集團須就本集團成員公司所在及經營之司法權區產生或賺取的溢利，按實體基準繳納所得稅。

根據開曼群島及英屬處女群島的規則及規例，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

截至二零二零年六月三十日止年度，由於本集團內在香港成立的公司沒有估計應課稅溢利，因此未計提香港利得稅撥備。

截至二零一九年六月三十日止年度的香港利得稅撥備按該年度估計應課稅溢利的16.5%計算，惟本集團的一間附屬公司為兩級利得稅稅率制度下的合資格法團。根據兩級制利得稅稅率制度，合資格實體的首2,000,000港元溢利按8.25%的稅率徵稅，而2,000,000港元以上的溢利則按16.5%的稅率徵稅。

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10. INCOME TAX CREDIT (CONTINUED)

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Current tax-Hong Kong Profits Tax | 即期稅項－香港利得稅 | | |
| – Provision for the year | – 本年度撥備 | – | 438 |
| – Over-provision in respect of prior year | – 過往年度超額撥備 | (93) | (32) |
| | | (93) | 406 |
| Deferred tax (note 20) | 遞延稅項(附註20) | | |
| – Reversal for the year | – 本年度撥回 | (319) | (656) |
| Total income tax credit | 所得稅回撥總額 | (412) | (250) |

Reconciliation between accounting (loss)/profit and tax credit at applicable tax rate is as follows:

10. 所得稅回撥(續)

綜合損益及其他全面收益表之稅項指：

會計(虧損)/溢利與按適用稅率計算之稅項回撥之間的對賬如下：

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| (Loss)/Profit before income tax | 除所得稅前(虧損)/溢利 | (10,128) | 1,415 |
| Tax at the applicable tax rate | 按適用稅率計算之稅項 | (1,671) | 159 |
| Tax effect of non-taxable income | 毋須課稅收入之稅務影響 | (130) | (68) |
| Tax effect of non-deductible expenses | 不可扣稅開支之稅務影響 | 52 | 149 |
| Utilisation of tax losses previously not recognised | 動用先前未確認之稅務虧損 | (257) | (28) |
| Tax effect of tax losses not recognised | 未確認之稅務虧損之稅務影響 | 1,092 | – |
| Tax effect of deductible temporary differences not recognised | 未確認之可扣稅暫時差額之稅務影響 | 14 | – |
| Over-provision in respect of prior year | 過往年度超額撥備 | (93) | (32) |
| Others | 其他 | 581 | (430) |
| Income tax credit | 所得稅回撥 | (412) | (250) |

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11. DIVIDENDS

- (a) Dividends payable to equity owners of the Company attributable to the year:

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Final dividend proposed after the end of the reporting period of HK\$Nil (2019: HK5.00 cents) per ordinary share | - | 9,200 |

- (b) Dividends payable to equity owners of the Company attributable to the previous financial year, approved and paid during the year:

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Final dividend in respect of the previous financial year, approved and paid during the year of HK5.00 cents (2019: HK5.00 cents) per ordinary share | 9,200 | 9,200 |

12. (LOSS)/EARNINGS PER SHARE

The calculation of basic and diluted (loss)/earnings per share is based on the loss attributable to equity owners of the Company of HK\$9,716,000 (2019: profit attributable to equity owners of the Company of HK\$1,665,000) and the weighted average of 184,000,000 (2019: 184,000,000) ordinary shares in issue during the year.

Diluted (loss)/earnings per share for the years ended 30 June 2020 and 2019 equate the basic (loss)/earnings per share as the Group had no potential dilutive ordinary shares in issue during the years ended 30 June 2020 and 2019.

11. 股息

- (a) 歸屬本年度而應付本公司權益擁有人之股息：

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Final dividend proposed after the end of the reporting period of HK\$Nil (2019: HK5.00 cents) per ordinary share | - | 9,200 |

- (b) 歸屬過往財政年度並於本年度獲批准並支付之應付本公司權益擁有人之股息：

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|----------------------------------|----------------------------------|
| Final dividend in respect of the previous financial year, approved and paid during the year of HK5.00 cents (2019: HK5.00 cents) per ordinary share | 9,200 | 9,200 |

12. 每股(虧損)/盈利

每股基本及攤薄(虧損)/盈利是按年內本公司權益擁有人應佔虧損9,716,000港元(二零一九年本公司權益擁有人應佔溢利為1,665,000港元)及已發行的184,000,000股(二零一九年：184,000,000股)普通股的加權平均數計算。

截至二零二零年及二零一九年六月三十日止年度之每股攤薄(虧損)/盈利等於每股基本(虧損)/盈利，乃由於本集團於截至二零二零年及二零一九年六月三十日止年度內並無已發行具攤薄潛力之普通股。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

| | | Plant and machinery 廠房及機器 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Furniture and fixtures 傢俬及 固定裝置 HK\$'000 千港元 | Office equipment 辦公室設備 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|------------------------|--|--|--|---|--------------------------------|
| Cost | 成本 | | | | | |
| At 1 July 2018 | 於二零一八年七月一日 | 37,899 | 2,756 | 2,775 | 3,573 | 47,003 |
| Additions | 添置 | 411 | - | 8 | 84 | 503 |
| Disposals | 出售 | (541) | - | - | (748) | (1,289) |
| At 30 June 2019 | 於二零一九年六月三十日 | 37,769 | 2,756 | 2,783 | 2,909 | 46,217 |
| Adjustment from the adoption of HKFRS 16 (note 3) | 採納香港財務報告準則第16號的調整(附註3) | - | - | - | 2,303 | 2,303 |
| At 1 July 2019 | 於二零一九年七月一日 | 37,769 | 2,756 | 2,783 | 5,212 | 48,520 |
| Additions | 添置 | 68 | - | 3 | 59 | 130 |
| Modification of lease term (note (a)) | 修改租賃期限(附註(a)) | - | - | - | 583 | 583 |
| Disposals | 出售 | - | - | (1) | - | (1) |
| At 30 June 2020 | 於二零二零年六月三十日 | 37,837 | 2,756 | 2,785 | 5,854 | 49,232 |
| Accumulated depreciation and impairment | 累計折舊及減值 | | | | | |
| At 1 July 2018 | 於二零一八年七月一日 | 21,479 | 1,573 | 1,670 | 2,149 | 26,871 |
| Charge for the year | 本年度折舊 | 2,521 | 384 | 293 | 375 | 3,573 |
| Written back on disposals | 出售時撥回 | (541) | - | - | (748) | (1,289) |
| At 30 June 2019 and 1 July 2019 | 於二零一九年六月三十日及二零一九年七月一日 | 23,459 | 1,957 | 1,963 | 1,776 | 29,155 |
| Charge for the year | 本年度折舊 | 2,521 | 384 | 265 | 984 | 4,154 |
| Impairment loss (note (b)) | 減值虧損(附註(b)) | 2,160 | 76 | 100 | 564 | 2,900 |
| At 30 June 2020 | 於二零二零年六月三十日 | 28,140 | 2,417 | 2,328 | 3,324 | 36,209 |
| Net book value | 賬面淨值 | | | | | |
| At 30 June 2020 | 於二零二零年六月三十日 | 9,697 | 339 | 457 | 2,530 | 13,023 |
| At 1 July 2019, restated | 於二零一九年七月一日，經重列 | 14,310 | 799 | 820 | 3,436 | 19,365 |
| At 30 June 2019 | 於二零一九年六月三十日 | 14,310 | 799 | 820 | 1,133 | 17,062 |

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13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

13. 物業、廠房及設備(續)

Notes:

- (a) During the year ended 30 June 2020, the Group entered into a modified contract with a lessor to extend the lease for two years and revised the monthly rental. As the modification does not add the right to use one or more underlying assets, it is not accounted for as a separate lease. Accordingly, the Group re-measures the existing lease liabilities including the lease payments for the extended period as well as the revised monthly rental using a revised discount rate. The difference between the carrying amount of the modified lease liability and the lease liability immediately before the modification of HK\$583,000 as an adjustment to the right-of-use assets.
- (b) During the year ended 30 June 2020, the Group recorded a losses. As a result, the management assessed the recoverable amounts of the non-current assets of the Group which refer to the current market situation and estimated cash flow of the Group as basis and an impairment loss of approximately HK\$2,900,000 has been recognised. The recoverable amounts of such assets were approximately HK\$15,793,000 which were determined based on value-in-use. Key inputs to the determination of the recoverable amounts includes revenue growth rate and discount rate, the pre-tax discount rate used to determine the recoverable amounts is approximately 11.4%.

As at 30 June 2020, included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

附註：

- (a) 截至二零二零年六月三十日，本集團與出租人簽訂了一份經修訂的合同，將租賃期延長兩年，並修訂了每月租金。由於變更的條款中沒有添加使用一個或多個資產的權利，因此不將其作為單獨的租賃入賬。從而，本集團根據經修訂折現率，重新計量了現有的租賃負債，包括延長期的租賃付款以及經修訂的每月租金。變更後的租賃負債與變更前的租賃負債的賬面價值之差為583,000港元，作為對使用權資產的調整。
- (b) 截至二零二零年六月三十日止年度，本集團錄得虧損。因此管理層以現時市場情況和本集團的預計現金流量為基礎評估了非流動資產的可收回金額且確認減值虧損約2,900,000港元。該資產的可收回金額約為15,793,000港元，是根據使用價值確定的。確定可收回金額的關鍵輸入包括收入增長率和折現率，用於確定可收回金額的稅前折現率約為11.4%。

於二零二零年六月三十日包括在物業、廠房及設備的使用權資產的賬面淨值如下：

| | Carrying amount 賬面值 | | Depreciation 折舊 | Impairment 減值 |
|------------------|------------------------|----------------------|---------------------------------------|---------------------------------------|
| | As at 30 June 2020 | As at 1 July 2019 | For the year ended 30 June 2020 | For the year ended 30 June 2020 |
| | 於二零二零年 六月三十日 | 於二零一九年 七月一日 | 截至二零二零年 六月三十日 止年度 | 截至二零二零年 六月三十日 止年度 |
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Office equipment | 1,831 | 2,303 | 647 | 408 |
| 辦公室設備 | | | | |

The Group has obtained the right-of-use in relation to the machinery through the tenancy agreements. The leases typically run on an initial period of five years. The Group makes fixed payments during the contract period.

本集團已透過租賃協定取得有關機器的使用權。租約的初始期限為五年。本集團在合同期內支付固定款項。

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14. INVESTMENTS IN SUBSIDIARIES

Particulars of the principal subsidiaries at 30 June 2020 and 2019 are as follows:

| Name of company 公司名稱 | Place and date of incorporation and operations 註冊成立及營運地點及日期 | Paid up capital 繳足股本 | Equity interest attributable to the Group 本集團應佔權益 | | Principal activities 主要業務 |
|---|--|---------------------------|--|---------------|--|
| | | | 2020 二零二零年 | 2019 二零一九年 | |
| Directly held | | | | | |
| Hang Sang (Siu Po) Holding Limited | | | | | |
| | 直接持有 The BVI 8 October 2015 英屬處女群島 二零一五年十月八日 | HK\$10 10港元 | 100% | 100% | Investment holding 投資控股 |
| Indirectly held | | | | | |
| Hang Sang (Siu Po) Press Company Limited ("Hang Sang (Siu Po)") 恆生(兆保)印務有限公司 (「恆生(兆保)」) | | | | | |
| | 間接持有 Hong Kong 12 November 1999 香港 一九九九年十一月十二日 | HK\$100,000, 100,000港元 | 100% | 100% | Manufacturing and sale of apparel labels and packaging printing products 製造及銷售服裝標籤及包裝印刷 產品 |
| A W Printing & Packaging Limited ("A W Printing") | | | | | |
| | Hong Kong 29 November 1994 香港 一九九四年十一月二十九日 | HK\$300,000, 300,000港元 | 100% | 100% | Sale of apparel labels and packaging printing products 銷售服裝標籤及包裝印刷產品 |

14. 於附屬公司的投資

於二零二零年及二零一九年六月三十日，主要附屬公司詳情如下：

15. INVENTORIES

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|------------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原材料 | 1,533 | 1,848 |
| Work in progress | 在製品 | 74 | 107 |
| Finished goods | 製成品 | 1,773 | 1,600 |
| | | 3,380 | 3,555 |

15. 存貨

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16. TRADE AND OTHER RECEIVABLES

16. 貿易及其他應收款項

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| Trade receivables (note (a)) | 貿易應收款項(附註(a)) | 4,297 | 5,739 |
| Less: loss allowance (note (b)) | 減：虧損撥備(附註(b)) | <u>(1,229)</u> | <u>(1,079)</u> |
| | | 3,068 | 4,660 |
| Deposits, prepayments and other receivables | 按金、預付款及其他應收款項 | | |
| Other receivables | 其他應收款項 | 931 | 741 |
| Less: loss allowance (note (c)) | 減：虧損撥備(附註(c)) | <u>(825)</u> | <u>(186)</u> |
| | | 106 | 555 |
| Deposits | 按金 | 4,880 | 5,000 |
| Prepayments | 預付款 | <u>753</u> | <u>1,788</u> |
| | | 5,739 | 7,343 |
| Less: non-current portion | 減：非即期部分 | | |
| Deposits paid for acquisition of property, plant and equipment | 購置物業、廠房及設備已付之按金 | <u>(2,770)</u> | <u>(2,680)</u> |
| Current portion | 即期部分 | <u>6,037</u> | <u>9,323</u> |

(a) Trade receivables

The Group's credit terms granted to customers generally ranged from 0 to 2 months. Further details on the Group's credit policy are set out in note 26.3. The Group usually reaches an agreement on the term of each payment with the customer by taking into account of factors such as, among other things, the credit history of the customer, its liquidity position and the Group's working capital needs, which varies on a case-by-case basis that requires the judgement and experience of the management.

(a) 貿易應收款項

本集團通常向客戶提供0至2個月信用期。有關本集團信貸政策之進一步詳情載於附註26.3。本集團一般與客戶就各項付款期達成協議，方法為計及(其中包括)客戶的信貸記錄、其流動資金狀況及本集團的營運資金需求等因素，其按個別情況而有所不同，並須依靠管理層的判斷及經驗。

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16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

The ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|-----------------------------------|------------|----------------------------------|----------------------------------|
| Within 3 months | 3個月內 | 1,877 | 4,020 |
| Over 3 months but within 6 months | 超過3個月至6個月內 | 1,018 | 556 |
| Over 6 months but within 1 year | 超過6個月至1年內 | 173 | 65 |
| Over 1 year | 超過1年 | - | 19 |
| | | <u>3,068</u> | <u>4,660</u> |

(b) Loss allowance of trade receivables

The movement in the loss allowance of trade receivables is as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|-----------|----------------------------------|----------------------------------|
| Balance at 1 July | 於七月一日的結餘 | 1,079 | 1,019 |
| Loss allowance recognised during the year | 本年已確認虧損撥備 | <u>150</u> | <u>60</u> |
| Balance at 30 June | 於六月三十日的結餘 | <u>1,229</u> | <u>1,079</u> |

16. 貿易及其他應收款項(續)

(a) 貿易應收款項(續)

按發票日期呈列及扣除虧損撥備的貿易應收款項的賬齡分析如下：

(b) 貿易應收款項虧損撥備

貿易應收款項虧損撥備之變動如下：

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16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Loss allowance of other receivables

The movement in the loss allowance of other receivables is as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|-----------|----------------------------------|----------------------------------|
| Balance at 1 July | 於七月一日的結餘 | 186 | 186 |
| Loss allowance recognised during the year | 本年已確認虧損撥備 | 639 | - |
| Balance at 30 June | 於六月三十日的結餘 | <u>825</u> | <u>186</u> |

17. CASH AND CASH EQUIVALENTS

Cash at banks
Short-term fixed deposits

銀行現金
短期定期存款

16. 貿易及其他應收款項(續)

(c) 其他應收款項虧損撥備

其他應收款項虧損撥備之變動如下：

17. 現金及現金等價物

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---------------------------|--------|----------------------------------|----------------------------------|
| Cash at banks | 銀行現金 | 15,732 | 29,062 |
| Short-term fixed deposits | 短期定期存款 | 40,787 | 40,000 |
| | | <u>56,519</u> | <u>69,062</u> |

The short-term fixed deposits earn interest rate of 1% (2019: 2%) per annum and have a maturity of two months (2019: three months).

短期定期存款的利率為1%(二零一九年：2%)，到期日為兩個月(二零一九年：三個月)。

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18. TRADE AND OTHER PAYABLES

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---------------------------------|---------------|----------------------------------|----------------------------------|
| Trade payables (note (a)) | 貿易應付款項(附註(a)) | 917 | 2,858 |
| Marketing services fee payables | 應付市場營銷服務費 | 284 | 373 |
| Receipts in advance (note (b)) | 預收款項(附註(b)) | 380 | 634 |
| Accruals and other payables | 應計費用及其他應付款項 | 3,786 | 4,156 |
| | | <u>5,367</u> | <u>8,021</u> |

(a) Trade payables

Payment terms granted by suppliers ranged from 1 to 3 months from the invoice date of the relevant purchases.

The following is an ageing analysis of trade payables, based on invoice date, at the end of the reporting period:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|-----------------------------------|------------|----------------------------------|----------------------------------|
| Within 3 months | 3個月內 | 917 | 2,788 |
| Over 3 months but within 6 months | 超過3個月至6個月內 | – | 70 |
| | | <u>917</u> | <u>2,858</u> |

18. 貿易及其他應付款項

(a) 貿易應付款項

供應商授予的付款期限為自有關購買發票日期起1至3個月。

以下為貿易應付款項於報告期末按發票日期呈列的賬齡分析：

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18. TRADE AND OTHER PAYABLES (CONTINUED)

(b) Receipts in advance

The amount represents the advanced payments from customers for goods, which revenue will be recognised when the performance obligation was satisfied through the goods were transferred to the customers.

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Revenue recognised during the year that was included in the receipts in advance at the beginning of the year | (445) | (334) |

The Group's contracts with customers are for period of one year or less. The entire receipts in advance balance at the year end would be recognised into revenue in the next financial year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts which have an original expected duration of one year or less is not disclosed.

18. 貿易及其他應付款項(續)

(b) 預收款項

該款項指有關貨品之預收客戶款項，其收益將於通過轉移貨品予客戶，完成履約責任時確認。

本集團與客戶的合同為期一年或以下。於年末之預收款項將於下一財政年度全數確認為收益。在香港財務報告準則第15號允許之情況下，並無披露分配至該等未履行且原定預計年期為一年或以下之合約之交易價。

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19. LEASE LIABILITIES

The remaining contractual maturities of the Group's lease liabilities at the end of the reporting period are as follows:

| | | 2020 二零二零年 | |
|---------------------------------------|--------------|---|--|
| | | Present value of the minimum lease payments 最低租賃 付款的現值 HK\$'000 千港元 | Total minimum lease payments 最低租賃 付款總額 HK\$'000 千港元 |
| Within 1 year | 1 年內 | 602 | 752 |
| After 1 year but within 2 years | 1 年後及 2 年內 | 644 | 752 |
| After 2 years but within 5 years | 2 年後及 5 年內 | 1,124 | 1,220 |
| | | 1,768 | 1,972 |
| | | 2,370 | 2,724 |
| Less : total future interest expenses | 減 : 未來利息支出總額 | | (354) |
| Present value of lease liabilities | 租賃負債現值 | | 2,370 |

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. Comparative information as at 30 June 2019 has not been restated. Details for transitions to HKFRS 16 are set out in note 3.

During the year ended 30 June 2020, the total cash outflows for the leases are HK\$8,909,000.

19. 租賃負債

本集團在報告期末的租賃負債的剩餘合同期限如下：

附註

本集團已首次應用香港財務報告準則第16號的經修訂追溯法，並調整二零一九年七月一日期初餘額以確認與先前根據香港會計準則第17號歸類為經營租賃的租賃有關的租賃負債。於二零一九年六月三十日的比較資料並無予以重列。過渡至香港財務報告準則第16號的詳情載於附註3。

截至二零二零年六月三十日止年度，租賃的現金流出總額為8,909,000港元。

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20. DEFERRED TAX LIABILITIES

The movement in the deferred tax liabilities is as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|---------------|----------------------------------|----------------------------------|
| Accelerated tax depreciation | 加速稅項折舊 | | |
| At the beginning of the reporting period | 報告期初 | 1,543 | 2,199 |
| Recognised in profit or loss (note 10) | 已於損益確認(附註10) | (319) | (656) |
| | | <u>1,224</u> | <u>1,543</u> |
| At the end of the reporting period | 報告期末 | | |

At the end of the reporting period, the Group has unused tax losses and deductible temporary differences of approximately HK\$9,880,000 (2019: HK\$4,816,000) and HK\$1,165,000 (2019: HK\$1,081,000), respectively, available for offset against future profits. The unrecognised tax losses have no expiry dates. No deferred tax asset has been recognised in respect of those tax losses due to the unpredictability of future profit streams.

20. 遞延稅項負債

遞延稅項負債之變動如下：

於報告期末，本集團分別有未動用稅項虧損及可扣稅暫時差額約9,880,000港元(二零一九年：4,816,000港元)及1,165,000港元(二零一九年：1,081,000港元)可用以抵銷未來溢利。未確認的稅務虧損沒有到期日。由於未來溢利來源的不可預測性，未就該等稅項虧損確認遞延稅項資產。

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21. CAPITAL AND RESERVES

(a) Share capital

| | 2020 二零二零年 | | 2019 二零一九年 | |
|--|---------------------------------|--------------------|-----------------------|-----------------|
| | No. of shares 股份數目 | HK\$'000 千港元 | No. of shares 股份數目 | HK\$'000 千港元 |
| Authorised: At beginning and at end of the year, at HK\$0.01 per ordinary share | 法定： 年初及年末每股普通股 0.01港元 | <u>760,000,000</u> | <u>760,000,000</u> | <u>7,600</u> |
| Issued and fully paid: At beginning and at end of the year, at HK\$0.01 per ordinary share | 已發行及繳足： 年初及年末每股普通股 0.01港元 | <u>184,000,000</u> | <u>184,000,000</u> | <u>1,840</u> |

All shares rank pari passu with the existing shares in all respects.

(b) Share premium

The share premium represents the difference between the par value of the Company and proceeds received from the issuance of the shares of the Company, net of shares issuance costs and the difference between the nominal value of the share capital issued by the Company and the aggregate of the net assets value of Hang Sang (Siu Po) and A W Printing acquired by the Company pursuant to the group reorganisation (the "Reorganisation") completed on 13 November 2015 in connection with the listing of the Company's shares on the Main Board of the Stock Exchange.

(c) Capital reserve

Capital reserve of the Group represents the share capital of entities comprising the Group prior to the Reorganisation and the reserves arising from the Reorganisation.

21. 資本及儲備

(a) 股本

| | 2020 二零二零年 | | 2019 二零一九年 | |
|--|---------------------------------|--------------------|-----------------------|-----------------|
| | No. of shares 股份數目 | HK\$'000 千港元 | No. of shares 股份數目 | HK\$'000 千港元 |
| Authorised: At beginning and at end of the year, at HK\$0.01 per ordinary share | 法定： 年初及年末每股普通股 0.01港元 | <u>760,000,000</u> | <u>760,000,000</u> | <u>7,600</u> |
| Issued and fully paid: At beginning and at end of the year, at HK\$0.01 per ordinary share | 已發行及繳足： 年初及年末每股普通股 0.01港元 | <u>184,000,000</u> | <u>184,000,000</u> | <u>1,840</u> |

所有發行的股份在各方面均與已發行股份享有同等權益。

(b) 股份溢價

股份溢價指本公司的股份面值與發行本公司股份所收取所得款項之間的差額，已扣除股份發行成本及本公司已發行股本面值與本公司根據本集團於二零一五年十一月十三日完成有關本公司股份於聯交所主板上市之重組（「重組」）收購的恆生（兆保）及A W Printing之資產總淨值之間的差額。

(c) 資本儲備

本集團的資本儲備指重組前組成本集團的實體之股本及重組產生的儲備。

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22. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

22. 本公司之財務狀況表

| | | Note | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|-----------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| ASSETS AND LIABILITIES | 資產及負債 | | | |
| Non-current asset | 非流動資產 | | | |
| Investments in subsidiaries | 於附屬公司的投資 | | <u>22,994</u> | <u>22,994</u> |
| Current assets | 流動資產 | | | |
| Other receivables | 其他應收款項 | | 222 | 221 |
| Amounts due from subsidiaries | 應收附屬公司款項 | | 39,439 | 45,139 |
| Cash and cash equivalents | 現金及現金等價物 | | <u>2,290</u> | <u>4,611</u> |
| | | | <u>41,951</u> | <u>49,971</u> |
| Current liabilities | 流動負債 | | | |
| Other payables | 其他應付款項 | | <u>62</u> | <u>442</u> |
| Net current assets | 流動資產淨值 | | <u>41,889</u> | <u>49,529</u> |
| Total assets less current liabilities | 總資產減流動負債 | | <u>64,883</u> | <u>72,523</u> |
| Net assets | 資產淨值 | | <u>64,883</u> | <u>72,523</u> |
| EQUITY | 權益 | | | |
| Share capital | 股本 | 21(a) | 1,840 | 1,840 |
| Reserves (note) | 儲備(附註) | | <u>63,043</u> | <u>70,683</u> |
| Total equity | 權益總額 | | <u>64,883</u> | <u>72,523</u> |

Approved and authorised for issue by the board of directors on 25 September 2020.

董事會於二零二零年九月二十五日批准及授權刊發。

Mr Fung Man Wai Samson
馮文偉先生
Director
董事

Mr Fung Kar Chue Alexander
馮家柱先生
Director
董事

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22. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Note:

The movement in the Company's reserves is as follows:

| | | Share premium 股份溢價 HK\$'000 千港元 | Accumulated loss 累計虧損 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|--------------------------------------|--|---|--------------------------------|
| At 1 July 2018 | 於二零一八年七月一日 | 77,105 | (25,702) | 51,403 |
| Profit and total comprehensive income for the year | 本年度溢利及全面收益總額 | - | 28,480 | 28,480 |
| Transaction with owners : Final dividends in respect of previous year declared and paid (note 11) | 與持有人之交易： 宣派及已付歸屬過往財政年度之末期股息(附註11) | - | (9,200) | (9,200) |
| At 30 June 2019 and 1 July 2019 | 於二零一九年六月三十日及二零一九年七月一日 | 77,105 | (6,422) | 70,683 |
| Profit and total comprehensive income for the year | 本年度溢利及全面收益總額 | - | 1,560 | 1,560 |
| Transaction with owners : Final dividends in respect of previous year declared and paid (note 11) | 與持有人之交易： 宣派及已付歸屬過往財政年度之末期股息(附註11) | - | (9,200) | (9,200) |
| At 30 June 2020 | 於二零二零年六月三十日 | 77,105 | (14,062) | 63,043 |

As at 30 June 2020, the aggregate amount of reserves available for distribution to the equity owners of the Company was HK\$63,043,000 (2019 : HK\$70,683,000).

22. 本公司之財務狀況表(續)

附註：

本公司儲備變動如下：

於二零二零年六月三十日，可供分派予本公司權益持有人的儲備總額為63,043,000港元(二零一九年：70,683,000港元)。

23. COMMITMENTS

(a) Capital commitments

Capital commitments of the Group outstanding as at 30 June 2020 not provided for are as follows:

| | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Contracted for office equipment 已簽約辦公室設備 | 211 | 301 |

23. 承擔

(a) 資本承擔

於二零二零年六月三十日，本集團未計提之資本承擔如下：

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23. COMMITMENTS (CONTINUED)

(a) Capital commitments (Continued)

In November 2018, the Group has signed a purchase agreement for an office equipment amounted to HK\$320,000. As at 30 June 2020, a deposit of HK\$250,000 was paid.

In March 2017, the Group has signed a purchase agreement for an office equipment amounted to HK\$1,500,000. As at 30 June 2020, a deposit of HK\$1,359,000 was paid.

(b) Lease commitments

At the end of the reporting period, the lease commitments for short-term leases (2019: total future minimum lease payments payable by the Group under non-cancellable operating leases) are as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---------------------------------|---------|----------------------------------|----------------------------------|
| Within 1 year | 1年內 | 5,645 | 7,039 |
| After 1 year but within 5 years | 1年後及5年內 | - | 1,802 |
| | | <u>5,645</u> | <u>8,841</u> |

As at 30 June 2020, the Group leases a number of properties which are qualified to be accounted for under short-term lease exemption under HKFRS 16.

As at 30 June 2019, the Group leases a number of properties, and items of plant and machinery under operating lease arrangements which run for an initial period of 1 to 5 years, with an option to renew the lease and renegotiate the terms at the expiry date or at dates as mutually agreed between the Group and respective lessors. None of the leases include contingent rentals.

23. 承擔(續)

(a) 資本承擔(續)

於二零一八年十一月，本集團簽訂購買320,000港元的辦公室設備的協議。截至二零二零年六月三十日，本集團已支付按金250,000港元。

於二零一七年三月，本集團簽訂購買1,500,000港元的辦公室設備的協議。截至二零二零年六月三十日，本集團已支付按金1,359,000港元。

(b) 租賃承擔

於報告期末，短期租賃的租賃承擔(二零一九年：本集團根據不可撤銷的經營租賃應付的未來最低租賃付款總額)如下：

於二零二零年六月三十日，本集團租賃了若干物業，而這些物業符合香港財務報告準則第16號的短期租賃資格豁免入賬。

於二零一九年六月三十日，本集團根據經營租賃安排租賃若干物業、廠房及機器，租約的初始期限為1至5年，可選擇於到期日或本集團與有關出租方相互協定的日期重續租賃年期及重新談判條款。該等租約概無包括或然租金。

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24. MATERIAL RELATED PARTY TRANSACTIONS

(i) Transactions with related companies

Save as disclosed elsewhere in the consolidated financial statements, during the year, the Group entered into the following material related party transactions with related companies:

| Name of company 公司名稱 | Relationship 關係 | Nature of transaction 交易性質 | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--------------------------------------|--|--|----------------------------------|----------------------------------|
| Karwin Corporation Limited 嘉韻有限公司 | Controlled by Mr Samson Fung, a controlling shareholder who is also a director of the Company 由控股股東馮文偉先生 (亦為本公司董事)控制 | Lease payment (2019: Rental expense) paid for director's quarter (note) 支付董事宿舍的租賃付款(二零 一九年：租賃費用)(附註) | 960 | 900 |
| Super Champion Limited 偉冠有限公司 | Controlled by Mr David Fung, a controlling shareholder who is also a director of the Company 由控股股東馮文錦先生 (亦為本公司董事)控制 | Lease payment (2019: Rental expense) paid for director's quarter (note) 支付董事宿舍的租賃付款(二零 一九年：租賃費用)(附註) | 960 | 900 |

Note:

The lease payment (2019: rental expenses) paid and/or payable for directors' quarters were made at the prices mutually agreed between the Group and the respective related companies.

For the years ended 30 June 2020 and 2019, the related party transactions above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. However those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold under Rule 14A.76(1).

24. 重大關聯方交易

(i) 與關聯公司之交易

除綜合財務報表其他地方所披露者外，於年內，本集團與關聯公司訂立下列重大關聯方交易：

附註：

支付及/或應付董事宿舍的租賃付款(二零一九年：租賃費用)均以本集團與各別關聯公司互相協定的價格支付。

截至二零二零年及二零一九年六月三十日止年度，上述關聯方交易構成上市規則第14A章所界定的關連交易或持續關連交易。然而，該等交易獲豁免遵守上市規則第14A章之披露規定，乃由於其低於第14A.76(1)條項下之最低豁免水平。

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24. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(ii) Key management personnel remuneration

Key management personnel of the Group, including amounts paid to the directors as disclosed in note 8, and senior management, is as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| Salaries, allowances and other benefits | 薪金、津貼及其他福利 | 9,121 | 8,784 |
| Discretionary bonuses | 酌情花紅 | 429 | 777 |
| Retirement benefit costs – defined contribution plan | 退休福利成本 – 界定供款計劃 | 178 | 178 |
| | | 9,728 | 9,739 |

Total remuneration above is included in 'staff costs' (see note 7(a)).

Other than the related party transactions disclosed above, no other transaction, arrangement or contract of significance to which the Company was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

24. 重大關聯方交易(續)

(ii) 主要管理人員酬金

本集團主要管理人員酬金，包括支付予董事(於附註8披露)及高級管理層之款項如下：

上述酬金總額包括於「員工成本」(見附註7(a))。

除上文所披露之關聯方交易外，概無本公司為其中一方或本公司董事或與本公司董事有關連的任何實體直接或間接擁有重大權益且於本年度末或年內任何時間存續之其他重大交易、安排或合約。

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25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

25. 融資活動所產生負債的對賬

本集團融資活動所產生負債的變動分類如下：

| | | Lease liabilities 租賃負債 HK\$'000 千港元 | Dividend payables 應付股息 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------------|--|--|--------------------------------|
| At 1 July 2018 | 於二零一八年七月一日 | – | – | – |
| Change from financing cash flows: | 融資現金流量的變動： | | | |
| Dividends paid | 已付股息 | – | (9,200) | (9,200) |
| Other change: | 其它變動： | | | |
| Dividends declared | 宣派股息 | – | 9,200 | 9,200 |
| At 30 June 2019 | 於二零一九年六月三十日 | – | – | – |
| Impact on initial application of HKFRS 16 (note 3) | 首次應用香港財務報告準則第16號的影響 (附註3) | 2,367 | – | 2,367 |
| At 1 July 2019 | 於二零一九年七月一日 | 2,367 | – | 2,367 |
| Changes from financing cash flows: | 融資現金流量的變動： | | | |
| Dividends paid | 已付股息 | – | (9,200) | (9,200) |
| Payment of lease liabilities | 租賃負債的付款 | (580) | – | (580) |
| Interest paid | 已付利息 | (178) | – | (178) |
| Total changes from financing cash flows | 融資現金流量的變動總額 | (758) | (9,200) | (9,958) |
| Other changes: | 其它變動： | | | |
| Dividends declared | 宣派股息 | – | 9,200 | 9,200 |
| Modification of lease term | 修改租賃期限 | 583 | – | 583 |
| Interest expenses | 利息支出 | 178 | – | 178 |
| Total other changes | 其他變動總額 | 761 | 9,200 | 9,961 |
| At 30 June 2020 | 於二零二零年六月三十日 | 2,370 | – | 2,370 |

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include foreign currency risk, credit risk, interest rate risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The most significant financial risk to which the Group is exposed as discussed below.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

26.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

26. 財務風險管理及公允值計量

本集團於日常業務過程中使用金融工具而承擔財務風險。財務風險包括外匯風險、信貸風險、利率風險及流動資金風險。管理層管理及監察該等風險，以確保及時而有效實施適當措施。本集團面對最主要的財務風險於下文討論。

本集團金融工具面對之風險類型或其管理及計量風險之方式並無改變。

26.1 金融資產及負債分類

綜合財務狀況表所列賬面值與下列金融資產與金融負債分類有關：

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|---------------------|----------------------------------|----------------------------------|
| Financial assets | 金融資產 | | |
| <i>Financial assets at amortised cost</i> | <i>按攤銷成本計量的金融資產</i> | | |
| – Trade and other receivables | – 貿易及其他應收款項 | 5,284 | 7,535 |
| – Cash and cash equivalents | – 現金及現金等價物 | 56,519 | 69,062 |
| | | <u>61,803</u> | <u>76,597</u> |
| Financial liabilities | 金融負債 | | |
| <i>Financial liabilities measured at amortised cost</i> | <i>按攤銷成本計量的金融負債</i> | | |
| – Trade and other payables | – 貿易及其他應付款項 | 4,987 | 7,387 |
| – Lease liabilities | – 租賃負債 | 2,370 | – |
| | | <u>7,357</u> | <u>7,387</u> |

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.2 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Group's exposures to foreign currency risk arise from its cash and cash equivalents, trade and other receivables and trade and other payables, which are primarily denominated in United States dollars ("USD"). USD is not the functional currency of the companies comprising the Group to which these transactions relate.

Foreign currency denominated financial assets and liabilities, translated into Hong Kong dollars ("HK\$") at the closing rates, are as follows:

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Cash and cash equivalents | 現金及現金等價物 | 10,594 | 23,084 |
| Trade and other receivables | 貿易及其他應收款項 | 2,930 | 5,630 |
| Trade and other payables | 貿易及其他應付款項 | (356) | (494) |
| Net exposure arising from recognised assets and liabilities | 已確認資產及負債產生之淨風險 | 13,168 | 28,220 |

As HK\$ is pegged to USD, the management does not expect any significant movements in the USD/HK\$ exchange rate and considers the Group does not expose to significant currency risk.

26. 財務風險管理及公允值計量(續)

26.2 外匯風險

外匯風險指金融工具之公允值或未來現金流量因外幣匯率變動而波動之風險。本集團承受之外匯風險來自其現金及現金等價物、貿易及其他應收款項以及貿易及其他應付款項，主要以美元(「美元」)計值。美元並非涉及此等交易之組成本集團之公司之功能貨幣。

以外幣為單位按收市匯率換算為港元(「港元」)的金融資產及負債如下：

由於港元與美元掛鈎，管理層預期美元/港元匯率不會有任何重大變動，故認為本集團並無重大外匯風險。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.2 Foreign currency risk (Continued)

The Group does not hedge its foreign currency risks with USD as the foreign exchange rate between HK\$ and USD is controlled within a tight range and the Group is not exposed to material foreign currency risk, therefore, no sensitivity analysis is presented. Permanent changes in foreign exchange rates would have an impact on consolidated financial statements.

26.3 Credit risk

Credit risk relates to the risk that the counterparty to a financial instrument would fail to discharge its obligations under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and from its investing activities.

The Group does not provide any guarantees which would expose the Group to credit risk. The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position as at 30 June 2020 and 2019 is the carrying amounts as disclosed in note 26.1.

As at 30 June 2020, 44.8% (2019: 35.1%) of the total trade receivables was due from the Group's five largest customers.

The Group's policy is to deal only with credit worthy counterparties. Credit terms are granted to new customers after a credit worthiness assessment by the credit control department. When considered appropriate, customers may be requested to provide proof as to their financial position. Where available at reasonable cost, external credit ratings and/or reports on customers are obtained and used. Customers who are not considered creditworthy are required to pay in advance or on delivery of goods. Payment record of customers is closely monitored. It is not the Group's policy to request collateral from its customers.

26. 財務風險管理及公允值計量(續)

26.2 外匯風險(續)

由於港元兌美元之匯率受控制並維持於窄幅波動且本集團並無重大外匯風險，本集團並無就美元對沖其外幣風險，因此亦無呈列敏感度分析。外幣匯率之恆常變動可能對綜合財務報表構成影響。

26.3 信貸風險

信貸風險指金融工具的交易對手方未能按金融工具的條款履行其責任，並導致本集團錄得財務虧損的風險。本集團面臨的信貸風險主要產生自其正常經營過程中授予客戶的信貸及其投資活動。

本集團並未就本集團面臨的信貸風險提供任何擔保。於二零二零年及二零一九年六月三十日，本集團就綜合財務狀況表組成部分面臨的最高信貸風險為附註26.1所披露的賬面值。

於二零二零年六月三十日，貿易應收款項總額的44.8%(二零一九年：35.1%)為應收本集團五大客戶款項。

本集團的政策為僅與信用良好的交易對手方交易。授予新客戶的信貸期經信貸監控部門信用評估後授出。於適當情況下，客戶或會被要求提供其財務狀況的證明文件。在合理成本下，本集團會取用客戶的外部信貸評級及/或報告。被認為信用不佳的客戶須預付款項或於交付貨品時付款。客戶的付款記錄獲密切監控。本集團的政策不要求客戶提供抵押品。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.3 Credit risk (Continued)

In addition, as set out in note 2.9, the Group assesses ECL under HKFRS 9 on trade receivables based on provision matrix, the expected loss rates are based on the payment profile for sales in the past 24 months as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. At the end of each reporting period, the historical default rates are updated and changes in the forward-looking estimates are analysed. However given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

As at 30 June 2020, the Group has adopted expected loss rate of 2% to 6% (2019: 0.3% to 5.2%) for trade receivables that are current or past due for within 1 year and 100% (2019: 100%) for trade receivables that are past due for more than 1 year.

Other financial assets at amortised cost include other receivables and deposits (excluding deposits paid for acquisition of property, plant and equipment) and cash and cash equivalents. In order to minimise the credit risk, the management makes periodic collective and individual assessment on their recoverability based on historical settlement records, past experience and available forward-looking information. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

26. 財務風險管理及公允值計量(續)

26.3 信貸風險(續)

此外，如附註2.9所載，本集團根據香港財務報告準則第9號基於撥備矩陣對貿易應收款項評估預期信貸虧損，預期虧損率乃基於於過往24個月的銷售的付款情況以及於該期間的相應歷史信貸虧損。歷史比率已予調整以反映影響客戶結算未償還款項能力之當前及前瞻性宏觀經濟因素。於各報告期末，歷史違約率已予更新及前瞻性估計的變動已獲分析。然而，鑑於面臨信貸風險的期限較短，期內該等宏觀經濟因素的影響被認為並不重大。

貿易應收款項在無合理收回預期時撇銷(終止確認)，無合理收回預期的因素包括(其中包括)債務人未能與本集團訂立還款計劃。

於二零二零年六月三十日，本集團已就即期或逾期少於一年之貿易應收款項採納2%至6%的預期虧損率(二零一九年：0.3%至5.2%)及就逾期超過一年之貿易應收款項採納100%的預期虧損率(二零一九年：100%)。

按攤銷成本計量的其他金融資產包括其他應收款項及按金(不包括購置物業、廠房及設備已付之按金)及現金及現金等價物。為使信貸風險最小化，管理層根據歷史結算記錄、過往經驗及可獲得的前瞻性資料對彼等的可收回性作出共同及個別評估。已制定其他監控程序，以確保可採取後續行動收回逾期債務。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.3 Credit risk (Continued)

ECL allowance on other receivables and deposit (excluding deposits paid for acquisition of property, plant and equipment) are assessed individually and measured as either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. As at 30 June 2020, lifetime ECL allowance of HK\$825,000 (2019: HK\$186,000) was made against the gross amount of other receivables (note 16), taking into account of the debtors' creditworthiness, financial strength and past collection records, etc. No 12-month ECL was provided on other receivables (2019: HK\$Nil).

The credit risks on cash and cash equivalents are considered to be insignificant because the counterparties are major banks located in Hong Kong with high credit ratings.

26.4 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's interest rate risk arises primarily from lease liabilities and bank balances. The exposure to interest rates for the Group's short-term fixed deposits and lease liabilities are considered immaterial. The Group therefore does not have significant exposure to interest rate risk for the years ended 30 June 2020 and 2019.

26. 財務風險管理及公允值計量(續)

26.3 信貸風險(續)

於其他應收款項和按金(不包括購置物業、廠房及設備已付之按金)的預期信貸虧損撥備是單獨評估,以12個月預期信貸虧損或終身預期信貸虧損計量,具體取決於自初始確認以來信貸風險是否顯著增加。本集團在整個報告期內會考慮初始確認資產時發生違約的可能性以及持續存在的信用風險是否大幅增加。於二零二零年六月三十日,已計及其他應收款項總額(附註16)的終身預期信貸虧損撥備為825,000港元(二零一九年:186,000港元),並已考慮到債務人的信譽、財務實力及過往收款記錄等。其他應收款項並無計提12個月預期信貸虧損(二零一九年:零港元)。

現金及現金等價物的信貸風險被認為並不重大,因為交易對手方為位於香港具有高信貸評級的主要銀行。

26.4 利率風險

利率風險與金融工具的公允值或現金流量將會因市場利率的變動而波動的風險有關。本集團的利率風險主要來自租賃負債與銀行結餘。本集團短期定期存款及租賃負債之利率風險並不重大。本集團因此於截至二零二零年及二零一九年六月三十日止年度並無重大利率風險。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.5 Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade and other payables and lease liabilities, and also in respect of its cash flow management.

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserve of cash to meet its liquidity requirements in the short and longer term.

Analysed below is the Group's remaining contractual maturities for its financial liabilities at the end of the reporting date. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date on when the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

26. 財務風險管理及公允值計量(續)

26.5 流動資金風險

流動資金風險涉及本集團無法履行與其通過交付現金或其他金融資產結算的金融負債相關的風險。本集團面臨有關結算貿易及其他應付款項及租賃負債的流動資金風險亦涉及其現金流量管理。

本集團之政策是按時監控其流動資金需要以確保本集團能維持充足現金儲備以應付其於短期及長期之流動資金需要。

以下分析是本集團在報告日結束時金融負債的剩餘合同到期日。當債權人有選擇何時清償債務時，則以最早可要求本集團付款的日期為基礎計入負債。如果分期清償負債，則每期均分配至本集團承諾支付的最早期間。

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26. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (CONTINUED)

26.5 Liquidity risk (Continued)

The contractual maturity analysis below is based on the undiscounted cash flows of the financial liabilities.

| | | Within 1 year or on demand 一年內 或按要求 HK\$'000 千港元 | Over 1 year but within 5 years 一年以上及 五年內 HK\$'000 千港元 | Total undiscounted amount 未折現總額 HK\$'000 千港元 | Carrying amount 賬面值 HK\$'000 千港元 |
|---------------------------|--------------------|--|---|---|--|
| As at 30 June 2020 | 於二零二零年六月三十日 | | | | |
| Trade and other payables | 貿易及其他應付款項 | 4,987 | – | 4,987 | 4,987 |
| Lease liabilities | 租賃負債 | 752 | 1,972 | 2,724 | 2,370 |
| | | <u>5,739</u> | <u>1,972</u> | <u>7,711</u> | <u>7,357</u> |
| As at 30 June 2019 | 於二零一九年六月三十日 | | | | |
| Trade and other payables | 貿易及其他應付款項 | 7,387 | – | 7,387 | 7,387 |

26.6 Fair value estimation

All financial instruments are carried at amount not materially different from their fair values as at 30 June 2020 and 2019 due to the short-term maturities.

26. 財務風險管理及公允值計量(續)

26.5 流動資金風險(續)

根據未折現金融負債現金流量的合約到期日分析如下。

26.6 公允值計量

由於短期內到期，列賬之金融工具與其於二零二零年及二零一九年六月三十日的公允值無重大差異。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 30 June 2020
截至二零二零年六月三十日止年度

27. CAPITAL MANAGEMENT

The Group's primary objectives when managing capital are to (i) safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for its stakeholders, (ii) support the Group's stability and growth, and (iii) provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy. The Group's capital management objectives, policies or processes were unchanged during the year ended 30 June 2020.

The Group is not subject to any externally imposed capital requirements.

27. 資本管理

本集團資本管理的首要目的是(i)保障本集團有能力持續經營，使能繼續為其持份者提供回報及利益，(ii)支持本集團之穩定及發展及(iii)提供資本加強本集團之風險管理能力。

本集團積極定期檢討及管理資本架構，力求達到最理想的資本架構及股東回報；過程中，本集團考慮的因素計有：本集團日後的資本需求與資本效率、當前及預期之盈利能力、預期之營運現金流量、預期資本開支及預期策略投資機會等。本集團現時尚未採納任何正式股息政策。本集團的資金管理目標、政策或程序於截至二零二零年六月三十日止年度均無改變。

本集團不受外部實施的資本規定所限。

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綜合財務報表附註



For the year ended 30 June 2020
截至二零二零年六月三十日止年度

28. EVENTS AFTER THE END OF THE REPORTING PERIOD

- (a) The outbreak of Coronavirus Disease 2019 (“COVID-19”) epidemic in early 2020 has led to a series of precautionary and control measures implemented across the globe and caused disruptions to global supply chains and international trade. It may have certain impacts on the Group’s business operations. The Group will pay close attention to the development of the outbreak of COVID-19 and evaluate its impact on the financial position and operating results of the Group. It is expected that the effect of the outbreak of COVID-19 would be reflected in the financial year ending 30 June 2021.
- (b) The Group applied for the first tranche of the Employment Support Scheme provided by the Hong Kong Special Administrative Region Government. In July 2020, the Group received the subsidy amounted to HK\$2,133,000 as compensation to the Group’s staff costs for June to August 2020.

29. COMPARATIVE FIGURES

Certain comparative figures in the consolidated financial statements have been reclassified to conform with the current year’s presentation. Also, 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 3.

28. 報告期後事項

- (a) 二零二零年初新型冠狀病毒病(「COVID-19」)疫情的爆發導致全球採取了一系列預防和控制措施，並擾亂了全球供應鏈和國際貿易。這可能會對本集團的業務運營產生某些影響。本集團將密切關注COVID-19疫情的發展，並評估其對本集團財務狀況和經營業績的影響。預計COVID-19疫情的影響將反映在二零二一年六月三十日結束的財政年度之中。
- (b) 本集團已申請由香港特別行政區政府提供之第一期保就業計劃。於二零二零年七月，本集團已收取補貼2,133,000 港元，作為本集團二零二零年六月至八月員工成本之補償。

29. 比較數字

綜合財務報表中的部份比較數字已經過重新分類，以符合本年的財務報表。此外，本集團已於二零一九年七月一日首次應用香港財務報告準則第16號的經修訂追溯法。在這種方法下，比較資料並無予以重列。會計政策變動的進一步詳情在附註3中披露。



Financial Summary

財務摘要

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
|------------------------------------|-------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Results | 業績 | | | | | |
| Year ended 30 June | 截至六月三十日止年度 | | | | | |
| Revenue | 收益 | <u>65,093</u> | <u>82,170</u> | <u>106,864</u> | <u>105,223</u> | <u>118,194</u> |
| (Loss)/Profit before income tax | 除所得稅前 (虧損)/溢利 | <u>(10,128)</u> | <u>1,415</u> | <u>15,071</u> | <u>13,389</u> | <u>7,850</u> |
| Income tax credit/ (expense) | 所得稅回撥/開支 | <u>412</u> | <u>250</u> | <u>(2,359)</u> | <u>(2,719)</u> | <u>(4,692)</u> |
| (Loss)/Profit for the year | 本年度(虧損)/溢利 | <u>(9,716)</u> | <u>1,665</u> | <u>12,712</u> | <u>10,670</u> | <u>3,158</u> |
| Assets and liabilities | 資產及負債 | | | | | |
| As at 30 June | 於六月三十日 | | | | | |
| Total assets | 資產總值 | <u>83,471</u> | <u>102,990</u> | <u>111,506</u> | <u>100,561</u> | <u>95,538</u> |
| Total liabilities | 負債總額 | <u>(8,961)</u> | <u>(9,564)</u> | <u>(10,545)</u> | <u>(12,312)</u> | <u>(17,959)</u> |
| Net assets | 資產淨值 | <u>74,510</u> | <u>93,426</u> | <u>100,961</u> | <u>88,249</u> | <u>77,579</u> |

HANG SANG (SIU PO) INTERNATIONAL HOLDING COMPANY LIMITED

