

# Sprocomm Intelligence Limited

(Incorporated in the Cayman Islands with limited liability | 於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1401)

**2020**  
**Annual Report**  
**年報**





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# CORPORATE INFORMATION

## 公司資料

### Board of Directors

#### Executive Directors

Mr. Li Chengjun  
(Chairman and Chief executive officer)  
Mr. Xiong Bin (Vice chairman)  
Mr. Li Hongxing  
Mr. Guo Qinglin

#### Independent Non-executive Directors

Mr. Hung Wai Man  
Mr. Wong Kwan Kit  
Mr. Lu Brian Yong Chen  
Ms. Tseng Chin I

### Committees of the Board

#### Audit Committee

Mr. Wong Kwan Kit (Chairman)  
Mr. Lu Brian Yong Chen  
Mr. Hung Wai Man

#### Remuneration Committee

Mr. Hung Wai Man (Chairman)  
Mr. Wong Kwan Kit  
Mr. Lu Brian Yong Chen  
Ms. Tseng Chin I

#### Nomination Committee

Mr. Li Chengjun (Chairman)  
Mr. Wong Kwan Kit  
Mr. Lu Brian Yong Chen  
Ms. Tseng Chin I

### Company Secretary

Ms. Jian Xuegen

### Authorised Representatives

Mr. Xiong Bin  
Ms. Jian Xuegen

### 董事會

#### 執行董事

李承軍先生  
(主席兼行政總裁)  
熊彬先生(副主席)  
李紅星先生  
郭慶林先生

#### 獨立非執行董事

洪為民先生  
黃昆杰先生  
呂永琛先生  
曾靜漪女士

### 董事會委員會

#### 審核委員會

黃昆杰先生(主席)  
呂永琛先生  
洪為民先生

#### 薪酬委員會

洪為民先生(主席)  
黃昆杰先生  
呂永琛先生  
曾靜漪女士

#### 提名委員會

李承軍先生(主席)  
黃昆杰先生  
呂永琛先生  
曾靜漪女士

### 公司秘書

簡雪艮女士

### 授權代表

熊彬先生  
簡雪艮女士

## CORPORATE INFORMATION

### 公司資料

#### Compliance Adviser

Dakin Capital Limited  
Suites 4505-06, 45/F  
Tower 1, Lippo Centre  
89 Queensway  
Hong Kong

#### Auditor

SHINEWING (HK) CPA Limited  
Certified Public Accountants  
43/F, Lee Garden One  
33 Hysan Avenue, Causeway Bay  
Hong Kong

#### Registered Office in Cayman Islands

P.O. BOX 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1-1205  
Cayman Islands

#### Principal Place of Business and Headquarters in the PRC

5D-506 F1.6 Block  
Tianfa Building  
Tianan Chegongmiao Industrial Park  
Futian District  
Shenzhen, China

#### Place of Business In Hong Kong

Room A, 12/F  
Granville House  
41C Granville Road  
Tsim Sha Tsui  
Kowloon, Hong Kong

#### Principal Banks

Citibank  
ICICI Bank Limited

#### 合規顧問

德健融資有限公司  
香港  
金鐘道89號  
力寶中心第一座  
45樓4505-06室

#### 核數師

信永中和(香港)會計師事務所有限公司  
執業會計師  
香港  
銅鑼灣希慎道33號  
利園一期43樓

#### 開曼群島註冊辦事處

P.O. BOX 31119  
Grand Pavilion  
Hibiscus Way  
802 West Bay Road  
Grand Cayman  
KY1-1205  
Cayman Islands

#### 中國主要營業地點及總部

中國深圳市  
福田區  
天安車公廟工業區  
天發大廈  
F1.6棟5D-506室

#### 香港營業地點

香港九龍  
尖沙咀  
加連威老道41C號  
嘉威大廈  
12樓A室

#### 主要銀行

花旗銀行  
ICICI Bank Limited



## CORPORATE INFORMATION

### 公司資料

#### Share Registrars and Transfer Offices

##### Hong Kong

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

##### Cayman Islands

Tricor Services (Cayman Islands) Limited  
2nd Floor, Century Yard  
Cricket Square, P.O. Box 902  
Grand Cayman, KY1-1103  
Cayman Islands

#### Stock Name

SPROCOMM INTEL

#### Stock Code

1401

#### Company's Website

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

#### 股份過戶登記處

##### 香港

卓佳證券登記有限公司  
香港  
皇后大道東 183 號  
合和中心 54 樓

##### 開曼群島

Tricor Services (Cayman Islands) Limited  
2nd Floor, Century Yard  
Cricket Square, P.O. Box 902  
Grand Cayman, KY1-1103  
Cayman Islands

#### 股份名稱

SPROCOMM INTEL

#### 股份代號

1401

#### 本公司網站

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

# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務概要

### RESULTS

### 業績

		Year ended 31 December 截至十二月三十一日止年度				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益	2,182,038	3,117,648	2,943,724	2,889,658	2,171,867
Cost of sales	銷售成本	(1,988,615)	(2,890,495)	(2,680,527)	(2,648,995)	(2,006,230)
Gross profit	毛利	193,423	227,153	263,197	240,663	165,637
Profit before tax	除稅前溢利	33,651	44,414	54,658	32,144	44,451
Profit for the year	年內溢利	30,684	37,763	43,951	32,079	42,695
Profit (loss) attributable to:	以下各方應佔溢利 (虧損):					
- Owners of the Company	- 本公司擁有人	30,879	38,998	45,393	32,674	42,729
- Non-controlling interests	- 非控股權益	(195)	(1,235)	(1,442)	(595)	(34)
		30,684	37,763	43,951	32,079	42,695

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31 December 十二月三十一日				
		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	1,207,484	1,625,965	1,190,417	942,502	676,988
Total liabilities	負債總額	(872,337)	(1,322,972)	(1,026,555)	(829,559)	(610,347)
		335,147	302,993	163,862	112,943	66,641
Equity (deficit) attributable to:	以下各方應佔權益 (虧絀):					
- Owners of the Company	- 本公司擁有人	333,336	300,987	160,305	107,947	66,676
- Non-controlling interests	- 非控股權益	1,811	2,006	3,557	4,996	(35)
		335,147	302,993	163,862	112,943	66,641

#### Notes:

- (a) The financial figures for each of the two years ended 31 December 2020/ as at the respective year-end were extracted from the consolidated financial statements in this annual report.
- (b) The financial figures for each of the three years ended 31 December 2018/ as at the respective year-end were extracted from the prospectus dated 30 October 2019 (the "Prospectus").

#### 附註:

- (a) 截至二零二零年十二月三十一日止兩個年度各年/於該等相關年度末的財務數據乃摘錄自本年報的綜合財務報表。
- (b) 截至二零一八年十二月三十一日止三個年度各年/於該等相關年度末的財務數據乃摘錄自二零一九年十月三十日的招股章程(「招股章程」)。

The summary above does not form part of the audited consolidated financial statements.

以上概要不屬於經審核綜合財務報表的一部分。

# CHAIRMAN'S STATEMENT

## 主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Sprocomm Intelligence Limited (the “**Company**”), I present the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2020 to the shareholders of the Company.

### Business Review

During the year ended 31 December 2020, the outbreak of the novel coronavirus (the “**COVID-19**”) caused significant adverse impact on the global economy and consumer confidence. The worldwide smartphone market was also affected as the production capacities and schedules of the mobile phone manufacturers were interrupted by lockdown measures and consumers were more conscious on their spending.

The Group, as one of the leading ODM mobile phone suppliers based in China, continues to focus on the research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets. Since the outbreak of COVID-19, a number of provinces and municipalities in China have taken emergency public health measures and various actions to prevent the spread of the COVID-19, including imposing restriction on resumption date of production after the Chinese New Year Holidays. Under these public health measures, the Group experienced delays in the supply of raw materials from its suppliers and certain workers had difficulties to return to work as usual. The Group halted production at its production plants in Shenzhen and Luzhou for a few weeks and production was gradually resumed by end of February. As a result of the aforesaid, the Group's original production plans and production capacity were significantly affected, leading to late delivery of products in the first half of 2020. The Group has taken corresponding actions to mitigate the adverse impact arising from COVID-19, including prioritisation of sales orders, regular communications with customers to secure the sales orders, close monitoring and follow up on the delivery schedule of raw materials and rescheduling production plans to speed up the production process and meet the customer demand. Amid the outbreak of COVID-19, the Group's revenue for the year ended 31 December 2020 decreased by 30.0% to RMB2,182.0 million from RMB3,117.6 million for the year ended 31 December 2019, primarily attributed to the decrease in sales of mobile phones. The Group's net profit for the year ended 31 December 2020 also decreased by 18.8% to RMB30.7 million from RMB37.8 million for the year ended 31 December 2019.

本人謹代表 Sprocomm Intelligence Limited (「**本公司**」) 董事(「**董事**」) 會(「**董事會**」) 向本公司股東提呈本公司及其附屬公司(統稱「**本集團**」) 截至二零二零年十二月三十一日止年度的經審核綜合業績。

### 業務回顧

截至二零二零年十二月三十一日止年度，新型冠狀病毒(「**COVID-19**」) 爆發對全球經濟及消費者信心有顯著負面影響。由於手機生產商的產能以及計劃受到封鎖措施影響，而消費者在消費時更為謹慎，因此全球智能手機市場亦受到影響。

本集團作為中國領先的ODM手機供應商之一，一直致力於研發、設計、生產以及銷售手機、手機的印刷電路板組裝以及物聯網相關產品，著力開拓新興市場。自爆發COVID-19疫情以來，中國多個省市採取緊急公共衛生措施及多項行動(包括對農曆新年假期後復產日期作出限制)，防止COVID-19散播。因採取有關公共衛生措施，本集團供應商延遲供應原材料，而若干員工難以如常返回崗位。本集團於深圳及瀘州的生產工廠停產數週，直至二月下旬方逐漸恢復正常。基於上述原因，本集團原有生產計劃及產能大受影響，導致二零二零年上半年延遲交付產品。本集團已採取相應行動減低COVID-19引起的負面影響，包括訂單排序、與客戶保持溝通以保障訂單、密切監察及跟進原材料交付時間表，以及重新編排生產安排以加快生產程序及滿足客戶需求。COVID-19疫情爆發後，本集團的收益由截至二零一九年十二月三十一日止年度的人民幣3,117.6百萬元下降30.0%至截至二零二零年十二月三十一日止年度的人民幣2,182.0百萬元，主要是由於手機銷售減少所致。本集團的純利亦由截至二零一九年十二月三十一日止年度的人民幣37.8百萬元下降18.8%至截至二零二零年十二月三十一日止年度的人民幣30.7百萬元。



## CHAIRMAN'S STATEMENT 主席報告

Highlights of the audited results of the Group for the year ended 31 December 2020, as compared to 2019, are shown in the following table:

本集團截至二零二零年十二月三十一日止年度的經審核業績摘要(與二零一九相比)載於下表：

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 (Audited) (經審核)	2019 二零一九年 (Audited) (經審核)
Revenue (RMB'000)	收益(人民幣千元)	2,182,038	3,117,648
Net profit for the year (RMB'000)	年內純利(人民幣千元)	30,684	37,763
Earnings per share	每股盈利		
– Basic (RMB cents)	– 基本(人民幣分)	3.09	4.98
– Diluted (RMB cents)	– 攤薄(人民幣分)	3.09	4.98

### Outlook and Strategy

Going forward, China's ODM mobile phone market will be filled with challenges and opportunities. While the global economy still requires some time to recover, the Group will take this opportunity to solidify its leading market position. Further, the Directors consider that the rapid roll-out of 5G telecommunication network in different parts of the world will drive the demand for smartphones and IoT products.

Leveraging on strong research and development ability, the Group successfully entered into framework sales agreement with Ant Financial (Hainan) Digital Technology Limited Company\* (螞蟻金服(海南)數字技術有限公司, "Ant Financial") for product validation and supply of Ali-POS (point of sales) devices supported with facial recognition feature (face ID) in 2019. The cooperation with Ant Financial stimulated the Group's revenue from IoT related products for the year ended 31 December 2020, which significantly increased by 2.8 times to RMB481.0 million from RMB127.7 million for the year ended 31 December 2019.

In order to capture the potential market opportunities and maximise the interests of the Company and its shareholders, the Group will continue to strengthen its cooperation with Ant Financial and it will adopt a prudent approach to develop its business and gradually expand its production capacity, enhance its research and development capability, enrich its product portfolio and increase its sales and marketing effort to diversify its geographical locations.

\* For identification purpose only

### 前景與策略

展望未來，中國的ODM手機市場將會充滿挑戰及機遇。全球經濟回復需時，本集團將把握機會鞏固於市場的領先地位。此外，董事認為全球各地迅速推出5G電訊網絡，將帶動智能手機以及物聯網產品的需求。

憑著強勁研發實力，本集團已於二零一九年成功與螞蟻金服(海南)數字技術有限公司(「螞蟻金服」)就產品認證及具人臉識別功能的阿里銷售終端(POS)供應訂立框架銷售協議。截至二零二零年十二月三十一日止年度，與螞蟻金服的合作刺激本集團的物聯網相關產品收益增長，由截至二零一九年十二月三十一日止年度的人民幣127.7百萬元大幅增加2.8倍至人民幣481.0百萬元。

為把握潛在市場機遇及使本公司及其股東的利益最大化，本集團會繼續加強與螞蟻金服的合作，並會審慎發展業務以及逐步增加產能，提升研發能力，豐富產品組合及加大銷售及營銷力度，達致地域多元化。





## CHAIRMAN'S STATEMENT 主席報告

### Gratitude

On behalf of the Company, I would like to express my sincere gratitude to our valued shareholders, customers, suppliers, banks and to our management and employees for their continuous trust and support to the Group. The coming year will be full of opportunities and challenges and we will strive our best to create greater value for our shareholders and investors.

By order of the Board  
**Mr. Li Chengjun**  
*Chairman*

Hong Kong, 26 March 2021

### 致謝

本人謹代表本公司感謝尊貴股東、客戶、供應商和銀行以及管理層和僱員對本集團一直以來的信任及支持。未來一年將會充滿機遇及挑戰，我們會致力為股東及投資者創造更多價值。

承董事會命  
主席  
李承軍先生

香港，二零二一年三月二十六日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Business Overview

The Group is an ODM mobile phone supplier based in the People's Republic of China (the "PRC"), primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets.

The Group's products are sold worldwide with strategic focus on emerging markets which have high population and growing demands on mobile phones. Revenue generated from PRC and other emerging markets accounted for 98.9% of the Group's total revenue for the year ended 31 December 2020. The Group's customers include various top local branded mobile phone suppliers, telecommunication operators and trading companies in the PRC, India, other Asian countries and other parts of the world.

Amid the outbreak of COVID-19, the Group's revenue for the year ended 31 December 2020 decreased by 30.0% to RMB2,182.0 million from RMB3,117.6 million for the year ended 31 December 2019, primarily attributed to the decrease in sales of mobile phones. On the other hand, leveraging on strong research and development ability and the cooperation with Ant Financial, the Group's revenue from IoT related products for the year ended 31 December 2020 significantly increased by 2.8 times to RMB481.0 million from RMB127.7 million for the year ended 31 December 2019. The Group's net profit for the year ended 31 December 2020 also decreased by 18.8% to RMB30.7 million from RMB37.8 million for the year ended 31 December 2019.

### 業務概覽

本集團為一間位於中華人民共和國（「中國」）並專注於新興市場的ODM手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品。

本集團向全世界銷售產品，並將人口眾多且手機需求不斷增長的新興市場作為策略重點。截至二零二零年十二月三十一日止年度，本集團來自中國及其他新興市場的收入佔總收入的98.9%。本集團的客戶包括中國、印度、其他亞洲國家及全球其他地方的多家頂尖的本土品牌手機供應商、電信運營商及貿易公司。

COVID-19疫情爆發後，本集團的收入由截至二零一九年十二月三十一日止年度的人民幣3,117.6百萬元下降30.0%至截至二零二零年十二月三十一日止年度的人民幣2,182.0百萬元，主要是由於手機銷售減少所致。另一方面，憑著強勁研發能力及與螞蟻金服合作，本集團來自物聯網相關產品的收入由截至二零一九年十二月三十一日止年度的人民幣127.7百萬元大幅增加2.8倍，至截至二零二零年十二月三十一日止年度的人民幣481.0百萬元。本集團的純利亦由截至二零一九年十二月三十一日止年度的人民幣37.8百萬元下降18.8%至截至二零二零年十二月三十一日止年度的人民幣30.7百萬元。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Financial Review

##### Revenue

##### Revenue by product categories

The Group's product portfolio includes smartphones, feature phones, PCBAs for mobile phones and IoT related products. The Group mainly derives its revenue from the sales of smartphones and IoT products. Set out below is a breakdown of the Group's total revenue by product categories and the revenue generated from each product category as a percentage of total revenue for the year ended 31 December 2020 and 2019:

#### 財務回顧

##### 收益

##### 按產品類別劃分的收益

本集團的產品組合包括智能手機、功能型手機、手機的印刷電路板組裝及物聯網相關產品。本集團的收益主要來自銷售智能手機及物聯網產品。下表載列截至二零二零年及二零一九年十二月三十一日止年度按產品類別劃分的總收益及各產品類別產生的收益佔本集團總收益的百分比：

		Year ended 31 December 截至十二月三十一日止年度			
		2020 二零二零年		2019 二零一九年	
		RMB'000 人民幣千元	% of total revenue 佔總收益的%	RMB'000 人民幣千元	% of total revenue 佔總收益的%
Mobile phones	手機				
– Smartphones	– 智能手機	1,186,640	54.4	2,053,460	65.9
– Feature phones	– 功能型手機	296,746	13.6	357,123	11.4
Sub-total:	小計：	1,483,386	68.0	2,410,583	77.3
PCBAs	印刷電路板組裝	103,532	4.7	471,862	15.1
IoT related products	物聯網相關產品	480,950	22.0	127,697	4.1
Others (Note)	其他(附註)	114,170	5.3	107,506	3.5
Total		2,182,038	100.0	3,117,648	100.0

Note: Others mainly include revenue from the sales of mobile device components used for after sales-services and the provision of research and development and technical services for mobile phones, PCBAs and cloud related products.

附註：其他主要包括銷售用於售後服務的移動設備組件的收益以及提供手機、印刷電路板組裝及雲相關產品的研發及技術服務。

The Group's total revenue decreased by 30.0% to RMB2,182.0 million for the year ended 31 December 2020 from RMB3,117.6 million for the year ended 31 December 2019, primarily attributed to the decreased sales of mobile phones amid the outbreak of COVID-19, but partially offset by the increased sales of IoT related products.

本集團的總收益由截至二零一九年十二月三十一日止年度的人民幣3,117.6百萬元減少30.0%至截至二零二零年十二月三十一日止年度的人民幣2,182.0百萬元，主要是由於COVID-19疫情爆發期間手機銷售額下降，惟部分被物聯網相關產品銷售額增加所抵銷。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Revenue from mobiles phones decreased by 38.5% to RMB 1,483.4 million for the year ended 31 December 2020 from RMB2,410.6 million for the year ended 31 December 2019, primarily attributed to the decrease in sales of smartphones to India, Algeria and PRC amid the outbreak of the COVID-19.

Revenue from PCBAs decreased by 78.1% to RMB103.5 million for the year ended 31 December 2020 from RMB471.9 million for the year ended 31 December 2019, primarily attributed to the decrease in demand on PCBAs for mobile phones.

Revenue from IoT related products increased by 2.8 times to RMB481.0 million for the year ended 31 December 2020 from RMB127.7 million for the year ended 31 December 2019, primarily attributed to the increase in sales of (i) Ali-POS (point of sales) devices supported with facial recognition feature (face ID); and (ii) smart locks.

手機的收益由截至二零一九年十二月三十一日止年度的人民幣2,410.6百萬元減少38.5%至截至二零二零年十二月三十一日止年度的人民幣1,483.4百萬元，主要是由於爆發COVID-19疫情導致印度、阿爾及利亞及中國的智能手機銷售下降所致。

印刷電路板組裝的收益由截至二零一九年十二月三十一日止年度的人民幣471.9百萬元減少78.1%至截至二零二零年十二月三十一日止年度的人民幣103.5百萬元，主要是由於手機的印刷電路板組裝的需求減少所致。

物聯網相關產品的收益由截至二零一九年十二月三十一日止年度的人民幣127.7百萬元增加2.8倍至截至二零二零年十二月三十一日止年度的人民幣481.0百萬元，主要是由於(i) 具人臉識別功能的阿里銷售終端(POS)；及(ii) 智能門鎖的銷售增加所致。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Revenue by geographical regions

The Group's products are sold worldwide with strategic focus on emerging markets which have high population and growing demands on mobile phones. Set out below is a breakdown of the Group's total revenue by geographical region and the revenue generated from each region as a percentage of total revenue for the year ended 31 December 2020 and 2019:

#### 按地理位置劃分的收益

本集團向全世界銷售產品，並將人口眾多且手機需求不斷增長的新興市場作為策略重點。下表列載截至二零二零年及二零一九年十二月三十一日止年度按地區劃分的總收益及各地區產生的收益佔本集團總收益的百分比：

		Year ended 31 December 截至十二月三十一日止年度			
		2020 二零二零年		2019 二零一九年	
		RMB'000 人民幣千元	% of total 佔總收益的%	RMB'000 人民幣千元	% of total 佔總收益的%
<b>Emerging Asia</b>	<b>亞洲新興國家</b>				
India	印度	1,011,279	46.3	1,392,492	44.7
Pakistan	巴基斯坦	56,749	2.6	67,889	2.2
Bangladesh	孟加拉國	170,764	7.8	111,789	3.6
The PRC	中國	919,927	42.2	1,167,572	37.4
Sub-total:	小計：	2,158,719	98.9	2,739,742	87.9
<b>Other regions</b>	<b>其他地區</b>				
Algeria	阿爾及利亞	22,935	1.0	275,305	8.8
Others	其他	384	0.1	102,601	3.3
Sub-total:	小計：	23,319	1.1	377,906	12.1
Total	合計	2,182,038	100.0	3,117,648	100.0

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Revenue from India decreased by 27.4% to RMB1,011.3 million for the year ended 31 December 2020 from RMB1,392.5 million for the year ended 31 December 2019 as the outbreak of COVID-19 caused delays in the Group's production schedules and delivery of products to customers. Revenue from India in the second half of 2020 significantly improved as compared with the first half of 2020.

Revenue from Bangladesh increased by 52.8% to RMB170.8 million for the year ended 31 December 2020 from RMB111.8 million for the year ended 31 December 2019, primarily attributed to increase in demand for smartphones.

Revenue from the PRC decreased by 21.2% to RMB919.9 million for the year ended 31 December 2020 from RMB1,167.6 million for the year ended 31 December 2019, primarily attributed to decrease in sales of mobile phones, but partially offset by the increase in sales of IoT-related products.

Revenue from Algeria decreased by 91.7% to RMB22.9 million for the year ended 31 December 2020 from RMB275.3 million for the year ended 31 December 2019, primarily attributed to the decrease in purchase orders for smartphones from one of the Group's major customers.

#### Gross profit and gross profit margin

Gross profit decreased by 14.9% to RMB193.4 million for the year ended 31 December 2020 from RMB227.2 million for the year ended 31 December 2019, primarily due to the decreased sales of mobile phones. Gross profit margin improved to 8.9% for the year ended 31 December 2020 from 7.3% for the year ended 31 December 2019. The increase in gross profit margin was primarily attributed to the increase in proportion of sales of IoT related products which had a higher gross profit margin than other products.

來自印度的收益由截至二零一九年十二月三十一日止年度的人民幣1,392.5百萬元減少27.4%至截至二零二零年十二月三十一日止年度的人民幣1,011.3百萬元，是由於爆發COVID-19疫情導致本集團生產時間表及向客戶交付產品延誤所致。二零二零年下半年來自印度的收益較二零二零年上半年顯著改善。

來自孟加拉國的收入由截至二零一九年十二月三十一日止年度的人民幣111.8百萬元增加52.8%至截至二零二零年十二月三十一日止年度的人民幣170.8百萬元，主要是由於智能手機的需求增加所致。

來自中國的收入由截至二零一九年十二月三十一日止年度的人民幣1,167.6百萬元減少21.2%至截至二零二零年十二月三十一日止年度的人民幣919.9百萬元，主要是由於手機銷售額下降所致，惟部分被物聯網相關產品的銷售增加抵銷。

來自阿爾及利亞的收入由截至二零一九年十二月三十一日止年度的人民幣275.3百萬元減少91.7%至截至二零二零年十二月三十一日止年度的人民幣22.9百萬元，主要是由於本集團其中一名主要客戶的智能手機訂單減少所致。

#### 毛利及毛利率

毛利由截至二零一九年十二月三十一日止年度的人民幣227.2百萬元減少14.9%至截至二零二零年十二月三十一日止年度的人民幣193.4百萬元，主要是由於手機銷售減少所致。毛利率由截至二零一九年十二月三十一日止年度的7.3%增至截至二零二零年十二月三十一日止年度的8.9%。毛利率增加主要是由於較其他產品有較高毛利率的物聯網相關產品的銷售比例增加所致。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Other gains and income

Other gains and income mainly include comprises government subsidies and amortisation of government subsidies, net exchange gain, reversal of provision for social insurance, gain arising from change in fair value of financial assets at fair value through profit and loss, bank interest income and sundry income. The Group's other gains and income slightly decreased to RMB59.0 million for the year ended 31 December 2020 from RMB59.1 million for the year ended 31 December 2019.

#### Selling expenses

Selling expenses mainly represent transportation and custom declaration expenses, salaries and employee benefits of our sales and marketing staff, business-related travelling and entertainment expenses. Selling expenses for the year ended 31 December 2020 decreased by 8.9% to RMB38.1 million from RMB41.8 million for the year ended 31 December 2019 because the higher proportion of sales to the PRC for the year ended 31 December 2020 reduced the transportation and custom declaration expenses incurred by the Group.

#### Administrative and other expenses

Administrative and other expenses mainly represent salaries and benefits of our administrative and management staff, depreciation, amortisation of intangible assets, general office expenses, legal and professional fees, rental expenses, insurance expenses, bank charges, exchange losses, listing expenses and other miscellaneous administrative expenses. Administrative expenses for the year ended 31 December 2020 decreased by 18.1% to RMB62.4 million from RMB76.2 million for the year ended 31 December 2019. The significant decrease in administrative expenses for the year ended 31 December 2020 was primarily attributed to the recognition of a one-off listing expenses of RMB18.1 million for the year ended 31 December 2019.

#### 其他收益及收入

其他收益及收入主要包括政府補貼及政府補助攤銷、匯兌收益淨額、撥回社保撥備、按公平值計入損益的金融資產的公平值變動產生的收益、銀行利息收入及雜項收入。本集團的其他收益及收入由截至二零一九年十二月三十一日止年度的人民幣59.1百萬元微跌至截至二零二零年十二月三十一日止年度的人民幣59.0百萬元。

#### 銷售開支

銷售開支主要為運輸及清關費用、我們銷售及市場營銷員工的薪金及僱員福利以及業務相關差旅及酬酢開支。銷售開支由截至二零一九年十二月三十一日止年度的人民幣41.8百萬元減少8.9%至截至二零二零年十二月三十一日止年度的人民幣38.1百萬元，是由於截至二零二零年十二月三十一日止年度來自中國的銷售佔比較高導致本集團產生的運輸及清關費用減少。

#### 行政及其他開支

行政及其他開支主要為我們行政及管理員工的薪金及福利、折舊、無形資產攤銷、一般辦公室開支、法律及專業費用、租金開支、保險開支、銀行費用、匯兌虧損、上市開支及其他雜項行政開支。行政開支由截至二零一九年十二月三十一日止年度的人民幣76.2百萬元減少18.1%至截至二零二零年十二月三十一日止年度的人民幣62.4百萬元。截至二零二零年十二月三十一日止年度的行政開支大幅減少主要是由於截至二零一九年十二月三十一日止年度確認一次性上市開支人民幣18.1百萬元。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Research and development expenses

Research and development expenses for the year ended 31 December 2020 were maintained stable at RMB112.8 million as compared with RMB111.9 million for the year ended 31 December 2019.

#### Finance costs

Finance costs mainly represent interests on discounted bills, interest portion of lease liabilities, bank borrowings and factoring loans. The Group's finance costs for the year ended 31 December 2020 decreased by 54.2% to RMB5.5 million from RMB12.0 million for the year ended 31 December 2019 as the Group recorded a decrease in finance costs on discounted bills financing and factoring loans resulting from the decrease in sales to countries outside the PRC.

#### Income tax expenses

For the year ended 31 December 2020, the Group's income tax expenses amounted to RMB3.0 million as compared with RMB6.7 million for the year ended 31 December 2019. The decrease in income tax expenses was primarily attributed to the decrease in assessable profits for the year ended 31 December 2020. The Group's effective income tax rate for the year ended 31 December 2020 decreased to 8.8% from 15.0% for the year ended 31 December 2019 as the Group had a one-off listing expenses of RMB18.1 million that were non-deductible for tax purpose.

#### Net profit

As a result of the above factors, the Group's net profit for the year ended 31 December 2020 was RMB 30.7 million, representing a decrease of 18.8% as compared with the year ended 31 December 2019. Net profit margin for the year ended 31 December 2020 slightly increased to 1.4% from 1.2% for the year ended 31 December 2019.

#### Dividend

The Board does not recommend the payment of dividend for the year ended 31 December 2020 (2019: nil).

#### 研發開支

截至二零二零年十二月三十一日止年度的研發開支維持穩定於人民幣112.8百萬元，而截至二零一九年十二月三十一日止年度為人民幣111.9百萬元。

#### 融資成本

融資成本主要為貼現票據、租賃負債的利息部分、銀行借貸及保理貸款利息。本集團截至二零二零年十二月三十一日止年度的融資成本由截至二零一九年十二月三十一日止年度的人民幣12.0百萬元減少54.2%至人民幣5.5百萬元，是由於向中國境外國家作出的銷售減少，導致本集團錄得票據融資貼現及保理貸款之融資成本減少。

#### 所得稅開支

本集團截至二零二零年十二月三十一日止年度的所得稅開支為人民幣3.0百萬元，而截至二零一九年十二月三十一日止年度的所得稅開支則為人民幣6.7百萬元。所得稅開支減少主要是由於截至二零二零年十二月三十一日止年度的應課稅溢利減少。本集團的實際所得稅率由截至二零一九年十二月三十一日止年度的15.0%降至截至二零二零年十二月三十一日止年度的8.8%，是由於本集團有不可扣稅的一次性上市開支人民幣18.1百萬元所致。

#### 純利

由於上述各項因素，本集團截至二零二零年十二月三十一日止年度的純利為人民幣30.7百萬元，較截至二零一九年十二月三十一日止年度減少18.8%。純利率由截至二零一九年十二月三十一日止年度的1.2%輕微增加至截至二零二零年十二月三十一日止年度的1.4%。

#### 股息

董事會不建議派付截至二零二零年十二月三十一日止年度的股息（二零一九年：零）。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Trade and bills receivables

As at 31 December 2020, the Group's trade and bills receivables amounted to RMB339.2 million (31 December 2019: RMB622.2 million). The Group generally grants credit period ranging from 30 to 90 days to its customers and allows its PRC customers to settle their purchases by way of bills with maturity period ranging from three to six months.

In order to minimise credit risk, the Group carefully assesses the background information and credit worthiness of its customers before it decides to grant them credit periods. Further, the Group also closely monitors the payment record of its customers and regularly reviews the credit terms granted to them. The Group's credit assessment is based on various factors, including but not limited to the financial strength, size of the business and payment history of customers and length of their business relationship with the Group.

The Group's average trade and bills receivables turnover days for the year ended 31 December 2020 were 80.4 days (2019: 60.8 days), which were within the range of credit periods normally offered by the Group to its customers. The decrease in the Group's trade and bills receivables as at 31 December 2020 and the lengthened average trade and bills receivables turnover days for the respective year were primarily attributed to the decreased sales for the year ended 31 December 2020. Based on the dates of the relevant sales invoices, 5.5% of the Group's trade and bills receivables aged within 90 days and the Group did not notice any substantial long outstanding balances.

#### 貿易應收款項及應收票據

於二零二零年十二月三十一日，本集團的貿易應收款項及應收票據為人民幣339.2百萬元（二零一九年十二月三十一日：人民幣622.2百萬元）。本集團通常向客戶授出介乎30至90天的信貸期，並容許中國客戶以到期期限介乎三至六個月的票據結付彼等之採購款。

為盡量降低我們的信貸風險，本集團於決定向客戶授出信貸期前謹慎評估其背景資料及信譽。此外，本集團亦密切監測客戶的支付紀錄，定期審閱我們向彼等授出的信貸期。本集團的信貸評估乃基於多項因素，包括但不限於客戶的財務實力、業務規模及支付紀錄以及彼等與本集團業務關係的年期。

截至二零二零年十二月三十一日止年度，本集團的貿易應收款項及應收票據平均週轉天數為80.4天（二零一九年：60.8天），處於本集團通常向客戶提供的信貸期範圍內。本集團於二零二零年十二月三十一日的貿易應收款項及應收票據減少以及貿易應收款項及應收票據平均週轉天數按年延長主要是由於截至二零二零年十二月三十一日止年度的銷售減少。根據相關銷售發票日期，本集團5.5%的貿易應收款項及應收票據於90日內到期，本集團並未發現任何重大長期未付結餘。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Trade and bills payables

As at 31 December 2020, the Group's trade and bills payables amounted to RMB592.0 million (31 December 2019: RMB876.7 million). Suppliers generally grant the Group credit period ranging from 30 to 60 days, with certain suppliers require the Group to make advance payment before product delivery. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Certain suppliers allow the Group to settle its purchases by way of bank acceptance bills and the Group may also endorse certain bills receivables to its suppliers in order to settle the trade payable due to them.

The Group's average trade and bills payables turnover days for the year ended 31 December 2020 were 134.8 days (2019: 96.2 days). The decrease in the Group's trade and bills payables as at 31 December 2020 and the lengthened average trade and bills payables turnover days for the respective year were primarily attributed to the decreased purchases for the year ended 31 December 2020.

#### 貿易應付款項及應付票據

於二零二零年十二月三十一日，本集團的貿易應付款項及應付票據為人民幣592.0百萬元（二零一九年十二月三十一日：人民幣876.7百萬元）。供應商通常授予本集團介乎30至60日的信貸期，其中若干供應商要求本集團於交付產品前提前付款。本集團訂有金融風險管理政策以確保所有應付款項於信貸期限內結清。若干供應商允許本集團以銀行承兌票據的方式結算採購款。本集團亦向若干供應商背書若干應收票據，以償付結欠彼等之貿易應付款項。

截至二零二零年十二月三十一日止年度，本集團貿易應付款項及應付票據的平均週轉天數分別為134.8天（二零一九年：96.2天）。本集團於二零二零年十二月三十一日的貿易應付款項及應付票據減少以及貿易應付款項及應付票據平均週轉天數按年延長主要是由於截至二零二零年十二月三十一日止年度的購買額減少。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### Capital structure, liquidity, financial resources and gearing

The Company's shares were successfully listed on the Main Board of the Stock Exchange on 13 November 2019 (the "Listing Date"). There has been no change in the capital structure of the Group since then. The Group mainly funds its business and working capital requirements by using a balanced mix of internal resources, borrowings and funds from the global offering.

The funding mix will be adjusted depending on the costs of funding and the actual needs of the Group. For the year ended 31 December 2020, the Group recorded a positive operating cash flow before working capital changes of RMB25.6 million (Year ended 31 December 2019: RMB36.2 million).

As at 31 December 2020, the Group had net current assets of RMB232.1 million (31 December 2019: RMB211.4 million), cash and cash equivalents amounted to RMB26.3 million (31 December 2019: RMB126.7 million), pledged bank deposits of RMB251.1 million (31 December 2019: RMB81.2 million) and borrowings amounted to RMB53.5 million (31 December 2019: RMB206.3 million). The Group's cash and cash equivalents and bank borrowings as at 31 December 2020 were mainly denominated in RMB.

As at 31 December 2020, the Group had borrowings of RMB31.4 million (31 December 2019: RMB181.1 million) subject to fixed interest rates and borrowings of RMB22.1 million (31 December 2019: RMB25.2 million) subject to variable interest rates. As at 31 December 2020, the Group had a current ratio of 1.3 times (31 December 2019: 1.2 times) and gearing ratio of 0.2 (calculated by dividing total debt by total equity) (31 December 2019: 0.7).

As at 31 December 2020, the Group's unutilised borrowing facilities amounted to RMB148.7 million. As at 31 December 2019, the Group's borrowing facilities were fully utilised.

### 資本架構、流動資金、財務資源及資本負債

本公司股份於二零一九年十一月十三日（「上市日期」）成功於聯交所主板上市。本集團的資本架構自此並無變動。本集團主要透過平衡地動用內部資源、借款及全球發售所得資金撥付業務及營運資金需求。

資金組合將根據資金成本及本集團實際需求進行調整。截至二零二零年十二月三十一日止年度，本集團錄得正營運資金變動前經營現金流量人民幣25.6百萬元（截至二零一九年十二月三十一日止年度：人民幣36.2百萬元）。

於二零二零年十二月三十一日，本集團的流動資產淨值為人民幣232.1百萬元（二零一九年十二月三十一日：人民幣211.4百萬元），現金及現金等價物為人民幣26.3百萬元（二零一九年十二月三十一日：人民幣126.7百萬元），已抵押銀行存款為人民幣251.1百萬元（二零一九年十二月三十一日：人民幣81.2百萬元），而借款為人民幣53.5百萬元（二零一九年十二月三十一日：人民幣206.3百萬元）。本集團於二零二零年十二月三十一日的現金及現金等價物和銀行借款主要以人民幣計值。

於二零二零年十二月三十一日，本集團有固定利率的借款人民幣31.4百萬元（二零一九年十二月三十一日：人民幣181.1百萬元），另有浮動利率的借款人民幣22.1百萬元（二零一九年十二月三十一日：人民幣25.2百萬元）。於二零二零年十二月三十一日，本集團流動比率為1.3倍（二零一九年十二月三十一日：1.2倍），而資本負債比率（按總債務除以總權益計算得出）為0.2（二零一九年十二月三十一日：0.7）。

於二零二零年十二月三十一日，本集團的未動用借款融資金額為人民幣148.7百萬元。於二零一九年十二月三十一日，本集團已悉數動用借款融資。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Capital commitments

As at 31 December 2020, the Group did not have capital commitments in relation to the purchase of property, plant and equipment (31 December 2019: nil).

#### Contingent liabilities

As at 31 December 2020, the Group did not have any material contingent liabilities or guarantees (31 December 2019: nil).

#### Pledge of assets and restricted deposit

As at 31 December 2020, the Group pledged trade and bills receivables with carrying amount of RMB9.7 million (31 December 2019: RMB30 million), bank deposits with carrying amount of RMB251.1 million (31 December 2019: RMB81.2 million) and land and building with carrying amount of RMB56.8 million (31 December 2019: RMB59.9 million) to secure its borrowings and banking facilities.

As at 31 December 2020, the Group's financial assets at fair value through profit or loss ("**financial assets at FVTPL**") amounted to nil (31 December 2019: RMB285.7 million). The Group's financial assets at FVTPL as at 31 December 2019 have been pledged to certain banks for the issuance of bank acceptance bills to the Group's suppliers for the settlement of purchases of raw materials and components.

As at 31 December 2020, the Group had restricted deposit of RMB16.2 million (31 December 2019: nil), representing bank balances frozen by banks that had received notice from court with regard to the litigation claim detailed in note 41 of consolidated financial statements.

#### 資本承擔

於二零二零年十二月三十一日，本集團並無有關購置物業、廠房及設備的資本承擔(二零一九年十二月三十一日：零)。

#### 或然負債

於二零二零年十二月三十一日，本集團並無任何重大或然負債或擔保(二零一九年十二月三十一日：零)。

#### 資產抵押及受限制存款

於二零二零年十二月三十一日，為取得借款及銀行融資，本集團已抵押賬面值為人民幣9.7百萬元(二零一九年十二月三十一日：人民幣30百萬元)的貿易應收款項及應收票據、賬面值為人民幣251.1百萬元(二零一九年十二月三十一日：人民幣81.2百萬元)的銀行存款及賬面值為人民幣56.8百萬元(二零一九年十二月三十一日：人民幣59.9百萬元)的土地及樓宇。

於二零二零年十二月三十一日，本集團按公平值計入損益的金融資產(「**按公平值計入損益的金融資產**」)為零(二零一九年十二月三十一日：人民幣285.7百萬元)。本集團於二零一九年十二月三十一日按公平值計入損益的金融資產已就發行銀行承兌票據予本集團供應商以償付採購原材料及元件的款項質押予若干銀行。

於二零二零年十二月三十一日，本集團的受限制存款為人民幣16.2百萬元(二零一九年十二月三十一日：零)，屬於已收到法院關於訴訟請求的通知(詳述於本公告附註41)的銀行所凍結的銀行結餘。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the year ended 31 December 2020 and 2019, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

#### Significant investments held by the Group

During the year ended 31 December 2020, the Group invested some of its funds in the structured deposits of PRC licensed commercial banks, which were principal guaranteed and carried interest at a variable rate per annum with reference to the performance of foreign currency or interest rate during the investment period. These structured deposits were classified as financial assets at FVTPL in the Group's consolidated financial statements. As at 31 December 2020, the Group's financial assets at FVTPL amounted to nil as they have been fully redeemed upon maturity (31 December 2019: RMB285.7 million). The Group's financial assets at FVTPL as at 31 December 2019 represented 17.6% of the Group's total assets, and they have been pledged to certain banks for the issuance of bank acceptance bills to the Group's suppliers for the settlement of purchases of raw materials and components. During the year ended 31 December 2020, the realised gain arising from change in fair value of financial assets at FVTPL amounted to RMB7.3 million (2019: RMB10.1 million) and no interest income and dividend (2019: nil) were derived from these financial assets.

The following sets forth the fair value of the Group's financial assets at FVTPL by the respective issuing bank as at 31 December 2020 and 2019:

Issuing Bank 發行銀行		As at 31 December 十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
The Bank of East Asia (China) Limited	東亞銀行(中國)有限公司	-	245,460
Bank of Ningbo	寧波銀行	-	24,790
China Merchants Bank	招商銀行	-	15,400
		-	285,650

#### 重大收購及出售附屬公司、聯營公司及合資企業

截至二零二零年及二零一九年十二月三十一日止年度，本集團並無任何重大收購及出售附屬公司、聯營公司或合資企業。

#### 本集團持有的重大投資

截至二零二零年十二月三十一日止年度，本集團將若干基金投資於中國持牌商業銀行發行的結構性存款，該等存款為保本型且參考投資期間的外幣表現或利率按浮動年利率計息。該等結構性存款於本集團綜合財務報表分類為按公平值計入損益的金融資產。於二零二零年十二月三十一日，本集團按公平值計入損益的金融資產為零，因為已於到期間悉數贖回（二零一九年十二月三十一日：人民幣285.7百萬元）。本集團於二零一九年十二月三十一日的按公平值計入損益的金融資產佔本集團總資產17.6%，已就發行銀行承兌票據予本集團供應商以償付採購原材料及元件的款項質押予若干銀行。截至二零二零年十二月三十一日止年度，按公平值計入損益的金融資產的公平值變動產生的收益為人民幣7.3百萬元（二零一九年：人民幣10.1百萬元），並無就該等金融資產收取利息及股息（二零一九年：零）。

下表載列於二零二零年及二零一九年十二月三十一日按各發行銀行劃分的本集團按公平值計入損益的金融資產之公平值：

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

The Group adopts prudent and pragmatic investment strategies. The Group purchases principal guaranteed financial assets at FVTPL from sizable PRC licensed commercial banks with good credit ratings. Further, the Group has implemented the following internal controls to minimise the potential risks for investing in financial assets:

- all the existing financial assets shall be closely monitored by the Group's finance controller;
- no new investments can be made unless it is principal guaranteed;
- all investments shall be assessed by the Group's finance controller after taking into account the maturity term, expected rate of return and features of proposed investments and analysis on impact on working capital and cashflow, identification of any legal risks from reviewing the terms with the assistance of any external legal advisers as the Group's finance controller considers appropriate;
- the Group's finance controller shall prepare an assessment report stating the factors considered as stated above to be submitted to the Group's chief executive officer for approval shall he considers appropriate; and
- single investment with principal amount exceeding RMB50 million or any new investments which would result in the outstanding principal sum of the financial assets exceeding RMB100 million which are endorsed by the Group's chief executive officer shall be further approved by the audit committee who would re-assess the risks involved.

Saved as disclosed herein, the Group did not make any other significant investments during the year ended 31 December 2020.

本集團採取審慎務實的投資策略。本集團向信貸評級良好的大型中國持牌商業銀行購買按公平值計入損益的保本型金融資產。此外，本集團已實施以下內控措施盡量減少投資金融資產的潛在風險：

- 本集團財務總監將密切監控所有現有金融資產；
- 不會作出新投資，惟保本型除外；
- 所有投資須由本集團財務總監進行評估，當中考慮因素包括建議投資的屆滿期、預期回報率及特徵、對營運資金及現金流量影響的分析以及於本集團財務總監認為適當時藉助任何外聘法律顧問透過檢討相關條款識別的任何法律風險；
- 本集團財務總監須編製載有上述考慮因素之評估報告以提呈予本集團行政總裁，供其酌情批准；及
- 本金額超過人民幣50百萬元之單項投資或任何可能導致金融資產在外本金超過人民幣100百萬元的新投資（已獲本集團行政總裁批准）須進一步取得審核委員會的批准，而審核委員會將重新評估當中風險。

除本文所披露者外，截至二零二零年十二月三十一日止年度，本集團並無任何其他重大投資。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### Future plans for material investments and capital assets

The Group set out its future plans in its prospectus dated 30 October 2019 (the “**Prospectus**”). As part of its future plans, the Group will acquire new SMT lines to expand its SMT production capacity. The Group will also devote more resources into research and development to enrich its product offering on both mobile phone related products and IoT related products. These future plans will be funded by a balanced mix of internal resources, borrowings and proceeds from the global offering. To further enhance the value the Group and its shareholders, the Group will also consider potential investment opportunities when they arise.

On 26 November 2020, Sprocomm Intelligence Limited (“**Sprocomm Intelligence**”), an indirect wholly-owned subsidiary of the Company, entered into an investment agreement with the Management Committee of New Lingang Area of PRC (Shanghai) Pilot Free Trade Zone\* (中國(上海)自由貿易試驗區臨港新片區管理委員會) (the “**Lingang Committee**”), pursuant to which, among others, (i) Sprocomm Intelligence agreed to set up a smart device R&D headquarters at New Lingang Area with an investment of fixed assets of not less than RMB120 million (equivalent to approximately HK\$142 million); and (ii) Lingang Committee agreed to provide various kinds of support and subsidy to Sprocomm Intelligence. As at 31 December 2020, the aforesaid investment was still in a preliminary planning stage. For the investment amount and schedule and other details of this investment agreement, please refer to the Company’s announcement dated 26 November 2020.

### 重大投資及資本資產的未來計劃

本集團的未來計劃載於本集團日期為二零一九年十月三十日的招股章程(「招股章程」)。根據未來計劃，本集團將購買新貼片線以擴充貼片的產能。本集團亦將會投入更多資源進行研發，以豐富手機相關產品及物聯網相關產品的產品供應。本集團將透過平衡地動用內部資源、借款及全球發售所得資金撥付該等未來計劃。為進一步提高本集團及其股東的價值，本集團亦將會在潛在的投資機會出現時考慮有關投資機會。

本公司間接全資附屬公司禾苗智能科技有限公司(「禾苗智能」)於二零二零年十一月二十六日與中國(上海)自由貿易試驗區臨港新片區管理委員會(「臨港管理委員會」)訂立投資協議，其中包括(i)禾苗智能同意於臨港新片區設立智能設備研發總部，固定資產投資額不少於人民幣120百萬元(相當於約142百萬港元)；及(ii)臨港管理委員會同意向禾苗智能提供多方面支援及補貼。於二零二零年十二月三十一日，上述投資正處於初步規劃階段。有關投資金額及時間表以及本投資協議的其他詳情，請參閱本公司日期為二零二零年十一月二十六日之公告。

\* For identification purposes only

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Foreign exchange risks

For the year ended 31 December 2020, the Group derived 57.8% (2019: 55.5%) of its total revenue from export sales and these export sales were principally denominated in USD. As at 31 December 2020, the Group had USD-denominated monetary assets with carrying amount of RMB201.4 million (31 December 2019: RMB269.4 million) and USD-denominated monetary liabilities of RMB19.1 million (31 December 2019: RMB188.0 million). The Group is exposed to foreign exchange risk arising from its export sales, monetary assets and liabilities denominated in foreign currencies. Any appreciation of RMB against USD will have a negative impact on the Group's profit margin. Management of the Group regularly reviews the impact of exchange risk exposure on the Group's financial performance and may use foreign exchange hedging instruments to reduce the Group's exchange risk exposure if appropriate.

#### Employees, remuneration policy and training

As at 31 December 2020, the Group had 1,836 employees (31 December 2019: 1,400 employees), whose remunerations and benefits are determined based on market rates, government policies and individual performance. For the year ended 31 December 2020, the Group's total staff costs amounted to RMB143.9 million (2019: RMB145.2 million). The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which are identified annually by individual departments.

#### 外匯風險

截至二零二零年十二月三十一日止年度，本集團總收益的57.8%（二零一九年：55.5%）乃來自出口銷售，而該等出口銷售主要以美元計值。於二零二零年十二月三十一日，本集團有賬面值為人民幣201.4百萬元的貨幣資產以美元計值（二零一九年十二月三十一日：人民幣269.4百萬元）及賬面值為人民幣19.1百萬元的貨幣負債以美元計值（二零一九年十二月三十一日：人民幣188.0百萬元）。本集團因出口銷售以及以外幣計值的貨幣資產及負債而面臨外匯風險。人民幣兌美元的任何升值將對本集團的利潤率產生負面影響。本集團管理層定期檢討外匯風險敞口對本集團財務表現的影響，並在適當的情況下使用外匯對沖工具降低本集團的外匯風險敞口。

#### 僱員及薪酬政策

於二零二零年十二月三十一日，本集團有1,836名僱員（二零一九年十二月三十一日：1,400名僱員）。僱員的薪酬及福利乃按市場水平、政府政策及個人表現釐定。截至二零二零年十二月三十一日止年度，本集團的總員工成本為人民幣143.9百萬元（二零一九年：人民幣145.2百萬元）。本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### Use of proceeds from initial public offering

Shares of the Company were listed on the Main Board of the Stock Exchange on 13 November 2019. The net proceeds from the initial public offering (the "IPO"), net of underwriting commissions and other relevant expenses, amounted to approximately HK\$84.4 million. The Group will apply such proceeds in accordance with the section headed "Future plans and use of proceeds" set out in the Prospectus.

The use of the net proceeds from the Listing Date up to 31 December 2020 had been applied as follows:

#### 首次公開發售所得款項用途

本公司股份於二零一九年十一月十三日於聯交所主板上市。經扣除包銷佣金及其他相關開支，首次公開發售（「首次公開發售」）所得款項淨額約為84.4百萬港元。本集團將按招股章程「未來計劃及所得款項用途」一節所述動用該等所得款項。

自上市日期至二零二零年十二月三十一日，所得款項淨額的使用情況如下：

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at 31 December 2020 (approximately)	Unutilised net proceeds from IPO as at 31 December 2020 (approximately)	Expected timeline for unutilised net proceeds from IPO
	計劃使用所得款項淨額 (概約)	截至二零二零年十二月三十一日已動用之首次公開發售所得款項淨額 (概約)	截至二零二零年十二月三十一日未動用之首次公開發售所得款項淨額 (概約)	動用首次公開發售未動用所得款項淨額的預期時間
Enhance SMT production capacity	HK\$38.8 million	HK\$33.8 million	HK\$5.0 million	By 31 December 2021
提升貼片產能	38.8百萬港元	33.8百萬港元	5.0百萬港元	二零二一年十二月三十一日前

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at 31 December 2020 (approximately)	Unutilised net proceeds from IPO as at 31 December 2020 (approximately)	Expected timeline for unutilised net proceeds from IPO
	計劃使用所得款項淨額 (概約)	截至二零二零年十二月三十一日已動用之首次公開發售所得款項淨額 (概約)	截至二零二零年十二月三十一日未動用之首次公開發售所得款項淨額 (概約)	動用首次公開發售未動用所得款項淨額的預期時間
Enhance research and development capabilities	HK\$14.2 million	HK\$9.5 million	HK\$4.7 million	By 31 December 2021
增強研發能力	14.2百萬港元	9.5百萬港元	4.7百萬港元	二零二一年十二月三十一日前
Enhance sales and marketing force to diversify customer base	HK\$8.6 million	HK\$6.6 million	HK\$2.0 million	By 31 December 2021
加大銷售及市場推廣力度以多樣化客戶基礎	8.6百萬港元	6.6百萬港元	2.0百萬港元	二零二一年十二月三十一日前

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

	Planned use of net proceeds (approximately)	Utilised net proceeds from IPO as at 31 December 2020 (approximately)	Unutilised net proceeds from IPO as at 31 December 2020 (approximately)	Expected timeline for unutilised net proceeds from IPO
	計劃使用所得款項淨額 (概約)	截至二零二零年十二月三十一日已動用之首次公開發售所得款項淨額 (概約)	截至二零二零年十二月三十一日未動用之首次公開發售所得款項淨額 (概約)	動用首次公開發售未動用所得款項淨額的預期時間
Upgrade enterprise planning resource system	HK\$5.7 million	HK\$3.2 million	HK\$2.5 million	By 30 June 2021
升級企業計劃資源系統	5.7 百萬港元	3.2 百萬港元	2.5 百萬港元	二零二一年六月三十日前
Repayment of bank loans	HK\$8.8 million	HK\$6.6 million	HK\$2.2 million	By 30 June 2021
償還銀行貸款	8.8 百萬港元	6.6 百萬港元	2.2 百萬港元	二零二一年六月三十日前
General working capital	HK\$8.3 million	HK\$8.3 million	–	N/A
一般營運資金	8.3 百萬港元	8.3 百萬港元	–	不適用
<b>Total</b>	<b>HK\$84.4 million</b>	<b>HK\$68.0 million</b>	<b>HK\$16.4 million</b>	
<b>總計</b>	<b>84.4 百萬港元</b>	<b>68.0 百萬港元</b>	<b>16.4 百萬港元</b>	

### Event after the reporting period

Saved as disclosed herein, the Group does not have any important events after the year ended 31 December 2020 and up to the date of this annual report.

### 報告期後事項

除本節所披露者外，於截至二零二零年十二月三十一日止年度後及截至本年報日期，本集團並無任何重大事件。

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員簡介

### Executive Directors

**Mr. LI Chengjun (李承軍)**, aged 48, is an executive Director, the chief executive officer and the chairman of the Board and is mainly responsible for corporate strategic planning, overseeing the overall operations, day-to-day management and business development of the Group. Mr. Li established Shenzhen Sprocomm Telecommunication Technology Co., Ltd.\* (深圳禾苗通信科技有限公司) (“**Shenzhen Sprocomm**”), the main operating subsidiary of the Group, with Mr. Xiong Bin on 16 September 2009. He is also currently the director of the Company’s subsidiaries, namely Shenzhen Sprocomm, Sprocomm Intelligence (HK) Holdings Limited (禾苗智能控股有限公司), Sprocomm Technologies Co., Ltd. (禾苗通信科技有限公司), Guizhou Sprocomm Telecommunication Technology Co., Ltd.\* (貴州禾苗通信科技有限公司), Chengdu Sprocomm Cloud Technology Co., Ltd.\* (成都禾苗雲科技有限公司), Guizhou Mars Exploration Technology Co., Ltd.\* (貴州火星探索科技有限公司), Grace Kirin Limited (俊麟有限公司) and Sprocomm Intelligence Technology Limited (禾苗智能科技有限公司). Mr. Li is a director of Leap Elite Limited, a controlling Shareholder of the Company.

Mr. Li has more than 20 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Li held a senior management position in the wireless network department and terminal department of Shenzhen Huawei Technologies Co., Ltd\* (深圳華為技術有限公司), a company principally engaged in the telecommunication equipment business from April 1997 to February 2007, where he was mainly responsible for the research and development of communication terminal and sales and marketing. From August 2007 to June 2009, Mr. Li served as the chief executive officer of the business operation headquarters of SIM Technology Group Limited (晨訊科技集團有限公司) (stock code of Stock Exchange: 02000) (“**SIM Technology**”), a company whose shares are listed on the Stock Exchange and is principally engaged in the manufacturing, design and development and sale of liquid crystal display modules, mobile handset solutions, and wireless communication module solutions, where he was mainly responsible for overseeing its PRC operation and management.

Mr. Li graduated from Beihang University (北京航空航天大學) in July 1994 with a bachelor degree majoring in electrical technology, and then, graduated with a master degree of engineering in March 1997.

\* For identification purpose only

### 執行董事

**李承軍先生**，48歲，為執行董事、行政總裁及董事會主席，主要負責本集團的公司策略規劃、監管整體營運、日常管理及業務發展。李先生於二零零九年九月十六日與熊彬先生共同成立本集團主要營運附屬公司深圳禾苗通信科技有限公司(「**深圳禾苗**」)。彼現亦為本公司附屬公司深圳禾苗、禾苗智能控股有限公司、禾苗通信科技有限公司、貴州禾苗通信科技有限公司、成都禾苗雲科技有限公司、貴州火星探索科技有限公司及俊麟有限公司及禾苗智能科技有限公司的董事。李先生為本公司控股股東立堅有限公司的董事。

李先生擁有逾20年的移動通訊行業相關經驗。於加入本集團之前，李先生於一九九七年四月至二零零七年二月曾擔任深圳華為技術有限公司(一間主要從事電訊設備業務的公司)無線網絡部及終端部的高級管理職位，主要負責通訊終端的研發及銷售與營銷。於二零零七年八月至二零零九年六月，李先生曾擔任晨訊科技集團有限公司(聯交所股份代號：02000)(「**晨訊科技**」，其股份於聯交所上市並主要從事液晶顯示模塊、手機解決方案及無線通訊模塊解決方案的製造、設計與開發及銷售)業務營運總部的行政總裁，主要負責監督其中國的營運及管理。

李先生於一九九四年七月畢業於北京航空航天大學，獲得電子技術專業學士學位，其後於一九九七年三月獲得工程碩士學位。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

**Mr. XIONG Bin (熊彬)**, aged 43, is an executive Director and vice chairman of the Board and is mainly responsible for overseeing the sales and marketing of the Group. Mr. Xiong is one of the founders of Shenzhen Sprocomm on 16 September 2009. He is also currently the director and vice general manager of Shenzhen Sprocomm and the supervisor of Shanghai Sprocomm Telecommunication Technology Co., Ltd.\* (上海禾苗通信科技有限公司), Guizhou Sprocomm Telecommunication Technology Co., Ltd.\* (貴州禾苗通信科技有限公司), Guizhou Mars Exploration Technology Co., Ltd.\* (貴州火星探索科技有限公司) and Luzhou Sipukang Technology Co., Ltd.\* (瀘州思普康科技有限公司). Mr. Xiong is a director of Beyond Innovation Limited, a controlling Shareholder of the Company.

Mr. Xiong has over 15 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Xiong served in Amoi Electronics Co., Ltd. (夏新電子股份有限公司) (“**Amoi Electronics**”) from July 1999 to May 2008, where he first served as the vice general manager of finance department responsible for handling the export business and finance work of the overseas subsidiaries and later as the vice general manager of the overseas sales department responsible for overseas sales of smartphone products. Amoi Electronics is principally engaged in research, manufacturing and sales of smartphone and other electronic products. From May 2008 to August 2009, Mr. Xiong served as the general manager of the overseas sales department of SIM Technology, where he was mainly responsible for marketing and sales of the overseas smartphone ODM business.

Mr. Xiong graduated from Huazhong University of Science and Technology (華中理工大學) in June 1999 and obtained a bachelor degree of economics majoring in taxation. Mr. Xiong also obtained the qualification of Certified Public Accountant (non-practising) in the PRC in December 2004.

熊彬先生，43歲，為執行董事及董事會副主席，主要負責監管本集團的銷售及市場推廣。熊先生於二零零九年九月十六日成為深圳禾苗創辦人之一。彼現亦為深圳禾苗的董事兼副總經理和上海禾苗通信科技有限公司、貴州禾苗通信科技有限公司、貴州火星探索科技有限公司及瀘州思普康科技有限公司的監事。熊先生為本公司控股股東超新有限公司的董事。

熊先生擁有逾15年的移動通訊行業相關經驗。於加入本集團之前，自一九九九年七月至二零零八年五月，熊先生曾任職於夏新電子股份有限公司（「夏新電子」），首先擔任財務部副總經理，負責處理出口業務及海外附屬公司的財務工作，其後擔任海外銷售部副總經理，負責智能手機產品的海外銷售。夏新電子主要從事智能手機及其他電子產品的研究、製造及銷售。於二零零八年五月至二零零九年八月，熊先生曾擔任晨訊科技的海外銷售部總經理，主要負責海外智能手機ODM業務的營銷與銷售。

熊先生於一九九九年六月畢業於華中理工大學，獲得稅務專業經濟學學士學位。此外，熊先生於二零零四年十二月取得中國註冊會計師（非執業）資格。

\* For identification purpose only

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

**Mr. Li Hongxing (李紅星)**, aged 41, is an executive Director and is mainly responsible for overseeing the research and development of the Group's products. He is also currently the vice president, the director of the product research and development department and the director of Shenzhen Sprocomm and the director of Shanghai Sprocomm Telecommunication Technology Co., Ltd.\* (上海禾苗通信科技有限公司).

Mr. Li Hongxing has over 10 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Li Hongxing served as a technician of Shanghai Hongyue Communication Technology Company Limited\* (上海泓越通訊技術有限公司) from July 2002 to October 2003, a company principally engaged in research and development of digital radio communication terminal equipment and transmission equipment, where he was mainly responsible for research and development of the communication products. From January 2006 to March 2007, Mr. Li Hongxing served as the research and development manager of Sailong Shenke Communication Technology (Shanghai) Company Limited\* (賽龍申科通信技術(上海)有限公司), a company principally engaged in technology development of communication products and system engineering, where he was mainly responsible for research and development of the electronic communication products. From November 2007 to June 2009, Mr. Li Hongxing had been a research and development director of Jiandao Communication Products Company Limited\* (簡道通信產品有限公司), a company principally engaged in manufacturing and sales of communication equipment and the relevant products and the electronic products, where he was mainly responsible for research and development of the products. Mr. Li Hongxing served as the research and development director of Shanghai Feiyang Electronic Technology Company Limited\* (上海菲陽電子科技有限公司) from July 2009 to November 2009, a company principally engaged in manufacturing and sales of electronic products, where he was mainly responsible for research and development of the products and management of the research and development team.

Mr. Li Hongxing graduated from East China Normal University (華東師範大學) in July 2002 and obtained a bachelor degree of science majoring in electronics and information systems.

李紅星先生，41歲，為執行董事，主要負責監管本集團產品的研發。彼現亦為深圳禾苗的副總裁、產品研發部總監及董事以及上海禾苗通信科技有限公司的董事。

李紅星先生擁有逾10年的移動通訊行業相關經驗。於加入本集團之前，李紅星先生於二零零二年七月至二零零三年十月曾擔任上海泓越通訊技術有限公司(一間主要從事數字無線電通訊終端設備及傳輸設備研發的公司)的技術員，主要負責通訊產品的研發。於二零零六年一月至二零零七年三月，李紅星先生曾擔任賽龍申科通信技術(上海)有限公司(一間主要從事通訊產品及系統工程技術開發的公司)的研發經理，主要負責電子通訊產品的研發。於二零零七年十一月至二零零九年六月，李紅星先生曾擔任簡道通信產品有限公司(一間主要從事製造及銷售通訊設備和相關產品以及電子產品的公司)的研發總監，主要負責產品研發。於二零零九年七月至二零零九年十一月，李紅星先生曾擔任上海菲陽電子科技有限公司(一間主要從事製造及銷售電子產品的公司)的研發總監，主要負責產品研發及研發團隊管理。

李紅星先生於二零零二年七月畢業於華東師範大學，獲得電子信息系統專業理學學士學位。

\* For identification purpose only

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

**Mr. GUO Qinglin (郭慶林)**, aged 37, is an executive Director and is mainly responsible for managing the operation of supply chain and sales activities of the Group. He is also currently the director of the supply chain operation centre of Shenzhen Sprocomm.

Mr. Guo has approximately 13 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Guo served as a manager in the overseas sales department of Amoi Electronics from September 2005 to December 2008, where he was mainly responsible for developing overseas customers, maintaining the customer relationship and sales of the company's main products. From April 2009 to December 2009, Mr. Guo served as sales director in the overseas sales department of Nanjing Wanlida Technology Co., Ltd.\* (南靖萬利達科技有限公司), a company principally engaged in the production of computers, mobile phones and projectors, where he was mainly responsible for developing overseas customers, maintaining the customer relationship and sales of the company's main products.

Mr. Guo graduated from Jimei University\* (集美大學) in July 2005 and obtained a bachelor degree of economics majoring in international economy and trading.

### Independent Non-Executive Directors

**Mr. HUNG Wai Man JP (洪為民)**, aged 52, was appointed as an independent non-executive Director on 18 October 2019. Mr. Hung is the Principal Liaison Officer for Hong Kong, Shenzhen Qianhai Authority, Executive Chairman of Chinese Big Data Society, and Adjunct Professor of the Belt and Road Research Institute of Hainan University.

Mr. Hung is a seasoned ICT professional and angel investor. He has worked in the computer industry for almost 30 years. A well-known figure in the industry, Mr. Hung has extensive experience in management consulting, project management and outsourcing services. Mr. Hung is a Chartered Information Technology Professional and a fellow of the British Computer Society, the Hong Kong Institute of Directors, the Hong Kong Computer Society and the Internet Professional Association. He has been appointed as the Global Council by the World Summit Awards.

\* For identification purpose only

郭慶林先生，37歲，為執行董事，主要負責管理本集團的供應鏈運作及銷售活動。彼現亦為深圳禾苗供應鏈營運中心總監。

郭先生擁有約13年的移動通訊行業相關經驗。於加入本集團之前，郭先生於二零零五年九月至二零零八年十二月曾擔任夏新電子之海外銷售部經理，主要負責發展海外客戶、維持客戶關係及公司主要產品的銷售。於二零零九年四月至二零零九年十二月，郭先生曾擔任南靖萬利達科技有限公司（一間主要從事計算機、手機及投影儀生產的公司）之海外銷售部銷售總監，主要負責開發海外客戶、維護客戶關係及公司主要產品的銷售。

郭先生於二零零五年七月畢業於集美大學，獲得國際經濟與貿易專業經濟學學士學位。

### 獨立非執行董事

洪為民先生，太平紳士，52歲，於二零一九年十月十八日獲委任為獨立非執行董事。洪先生為深圳市前海管理局香港事務首席聯絡官、華人大數據學會執行主席及海南大學「一帶一路」研究院特聘教授。

洪先生為擁有豐富經驗的資訊通訊科技專家及天使投資者。彼從事電腦行業近30年。洪先生於業內享負盛名，於管理顧問、項目管理及外判服務方面擁有豐富經驗。洪先生為特許資訊科技專業人士，亦是英國電腦學會、香港董事學會、香港電腦學會及互聯網專業協會資深會員。彼獲世界信息峰會大獎(World Summit Awards)委任為全球委員。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

Mr. Hung is currently the Member of the Shenzhen Chinese People's Political Consultative Conference, Member of the Chinese Association of Hong Kong and Macau Studies, Vice President of Guangdong's Association For Promotion of Cooperation between Guangdong, Hong Kong and Macao, Commissioner of Hong Kong Road Safety Patrol, Chairman Emeritus of the Y.Elites Association, President Emeritus of Internet Professional Association, Vice Chairman of the Monte Jade Science and Technology Association of Hong Kong, Secretary General of Hong Kong-ASEAN Economic Cooperation Foundation and Council Member of Hong Kong Professionals and Senior Executives Association etc. In 2012 to 2014, he had served as an associate member of the Central Policy Unit of the HKSAR Government. In 2008, Mr. Hung was selected as one of the Ten Outstanding Young Persons of Hong Kong. He was the 11th Standing Member of the All China Youth Federation. In 2015, he was appointed as a Justice of the Peace by the Hong Kong SAR Government. In 2016, he was given the Asia Social Innovation Leadership Award by CMO Asia. Mr. Hung graduated from the Hong Kong Polytechnic University with a Higher Diploma in Mathematics, Statistics and Computing. He then obtained a Bachelor of Arts Degree in Business Administration (Hons) from the University of Bolton, MBA from the University of Hull and a Master Degree of Business Administration in Public and Comparative History from the Chinese University of Hong Kong. He also obtained a LLM from the Renmin University of China and PhD in Business Administration from Bulacan State University, the Philippines and is currently pursuing his LLD study with the Renmin University of China.

Mr. Hung is currently an independent non-executive director of LH Group Limited (stock code: 01978), Sino Hotels (Holdings) Limited (stock code: 01221) and VSTECS Holdings Limited (stock code: 00856), the shares of which are listed on the Stock Exchange. He was formerly an independent non-executive director of Hsin Chong Group Holdings Limited (stock code: 00404), the shares of which are listed on the Stock Exchange.

洪先生現為中國人民政治協商會議深圳市委員、全國港澳研究會會員、廣東省粵港澳合作促進會副會長、香港交通安全隊總監、香港菁英會榮譽主席、互聯網專業協會榮譽會長、香港玉山科技協會副理事長、香港—東盟經濟合作基金會秘書長及香港專業及資深行政人員協會理事等。於二零一二年至二零一四年，彼為香港特區政府中央政策組特邀會員。於二零零八年，洪先生獲選為香港十大傑出青年。彼曾任中華全國青年聯合會第十一屆常務委員。於二零一五年，彼獲香港特區政府委任為太平紳士。於二零一六年，彼獲CMO Asia頒發亞洲社企創新獎。洪先生畢業於香港理工大學，取得數學、統計及電子計算學高級文憑。彼其後取得英國柏爾頓大學商業管理(榮譽)文學士、英國赫爾大學商管碩士及香港中文大學比較和公共史學文學碩士。彼亦取得中國人民大學法學碩士及菲律賓比立勤國立大學工商管理博士。洪先生現為中國人民大學法學博士研究生。

洪先生現任叙福樓集團有限公司(股份代號：01978)、信和酒店(集團)有限公司(股份代號：01221)及偉仕佳杰控股有限公司(股份代號：00856)的獨立非執行董事，上述所有公司的股份均在聯交所上市。彼曾任新昌集團控股有限公司(股份代號：00404)的前獨立非執行董事，該公司股份於聯交所上市。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

**Mr. WONG Kwan Kit (黃昆杰)**, aged 48, was appointed as an independent non-executive Director on 18 October 2019.

Mr. Wong has over 19 years of experience in accounting and financial management, mergers and acquisitions gained from certain finance related positions of companies listed in Hong Kong. Mr. Wong is currently an independent non-executive director of Man Sang International Limited (stock code: 00938) and Culturecom Holdings Limited (stock code: 00343), both of companies are listed on the Stock Exchange. Mr. Wong holds a Master of Business Administration degree from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants.

**Mr. LU Brian Yong Chen (呂永琛)**, aged 56, was appointed as an independent non-executive Director on 18 October 2019. Mr. Lu has been serving as an independent non-executive Director of InvesTech Holdings Limited (stock code: 1087), a company whose shares are listed on the Stock Exchange and is principally engaged in designs, development and provision of communication system and manufacture and sale of signal transmission and connectivity products since June 2015.

Mr. Lu has over 22 years of management experience in Fortune 100 companies in Australia, Hong Kong and the PRC, assisting in their business transformation and growth. Prior to joining the Group, Mr. Lu served as a manager, design/architecture of IBM Australia Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services from May 1995 to April 2001, where he was responsible for managing network architecture. From April 2001 to June 2012, Mr. Lu then served as a client unit executive in the IBM global technology services department of IBM China/Hong Kong Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services, where he was responsible for the department's strategic planning and execution.

Mr. Lu was an industry consultant of IBM (China) Company Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services from June 2012 to June 2015.

**黃昆杰先生**，48歲，於二零一九年十月十八日獲委任為獨立非執行董事。

黃先生曾於香港上市公司擔任若干財務相關職位，累積了逾19年的會計及財務管理、併購經驗。黃先生現任民生國際有限公司(股份代號：00938)及文化傳信集團有限公司(股份代號：00343)的獨立非執行董事，兩間公司均於聯交所上市。黃先生持有香港中文大學工商管理碩士學位。彼為香港會計師公會資深會員。

**呂永琛先生**，56歲，於二零一九年十月十八日獲委任為獨立非執行董事。呂先生自二零一五年六月起至今擔任威訊控股有限公司(股份代號：1087)的獨立非執行董事，該公司於聯交所上市，主要從事設計、開發及提供通訊系統以及製造及銷售信號傳輸及連接產品。

呂先生於澳洲、香港及中國的財富100強公司累積了逾22年的管理經驗，曾協助該等公司實現業務轉型及增長。加入本集團之前，呂先生於一九九五年五月至二零零一年四月擔任IBM Australia Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的設計/架構經理，負責管理網絡架構。其後於二零零一年四月至二零一二年六月，呂先生擔任IBM China/Hong Kong Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的IBM全球技術服務部客戶單位主管，負責部門的策略規劃及執行。

於二零一二年六月至二零一五年六月，呂先生擔任IBM (China) Company Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的行業顧問。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

Mr. Lu graduated from South China University of Technology (華南理工大學) with a bachelor degree majoring in engineering in Computer Science in July 1986 and from the University of New South Wales, Australia with a master degree of information science in October 1994.

**Ms. TSENG Chin I (曾瀟漪)**, aged 52, was appointed as an independent non-executive Director on 18 October 2019.

Ms. Tseng is a media veteran with over 25 years of experience in Hong Kong, including hosting, presenting and moderating television programmes and forums in relation to the PRC and international economy and finance. Ms. Tseng has been serving as a presenter in Phoenix Satellite Television Company Limited (鳳凰衛視有限公司), which is an indirectly wholly-owned subsidiary of Phoenix Satellite Television Holdings Limited (currently known as Phoenix Media Investment (Holdings) Limited (stock code: 2008), a company listed on the Main Board of the Stock Exchange, where she is responsible for hosting and presenting television programmes and broadcasts relating to the PRC and international economy and finance. She has also been a standing committee member of Ifeng Finance Institute (鳳凰網財經研究院), a non-profit making research institute focusing on providing financial information via expert interview, conference reports, research reports, financial and wealth management forums since November 2016. She has been a life associate member of the Hong Kong Independent Non-Executive Director Association since January 2017.

Ms. Tseng graduated from Fu Jen Catholic University (天主教輔仁大學, formerly known as 私立輔仁大學) with a bachelor degree of arts majoring in mass communication in June 1991.

呂先生於一九八六年七月畢業於華南理工大學，獲計算機科學工程學學士學位及於一九九四年十月獲澳洲新南威爾士大學信息科學碩士學位。

**曾瀟漪女士**，52歲，於二零一九年十月十八日獲委任為獨立非執行董事。

曾女士為香港資深媒體人士，擁有逾25年經驗，包括製作、主持及協調中國及國際財經相關電視節目及論壇。曾女士現擔任鳳凰衛視有限公司的主持人，該公司為鳳凰衛視控股有限公司（現稱鳳凰衛視投資（控股）有限公司，一間於聯交所主板上市之公司）（股份代號：2008）之間接全資附屬公司，曾女士於該公司主要負責製作及主持中國及國際財經相關電視節目廣播。自二零一六年十一月起，彼亦為鳳凰網財經研究院（一間非營利性研究機構，專注透過專家專訪、會議報道、研究報告、財經及財富管理論壇提供財經資訊）的常務委員會成員。彼自二零一七年一月起成為香港獨立非執行董事協會的終身會員。

曾女士於一九九一年六月畢業於天主教輔仁大學（前稱私立輔仁大學）並獲得大眾傳媒學文學學士學位。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### 董事及高級管理人員簡介

#### Senior Management

**Mr. LIU Shangheng (劉尚恆)**, aged 37, has been serving as the financial controller of Shenzhen Sprocomm since December 2011.

Mr. Liu has over 10 years of experience in financial work and management. Prior to joining the Group, Mr. Liu held office relating to cost accounting in Qingdao Haixin Communication Technology Company Limited\* (青島海信通信技術有限公司), a company principally engaged in research, development, manufacturing and sales of mobile communication terminal products from August 2006 to October 2008, where he was mainly responsible for production cost accounting, cost analysis and control related work. Mr. Liu then served as a director of finance in Shenzhen Xiongtao Power Supply Technology Company Limited\* (深圳市雄韜電源科技股份有限公司), a company principally engaged in research, manufacturing and sales of battery from November 2008 to October 2011, where he was mainly responsible for cost accounting and preparing the financial statements and analysis.

Mr. Liu graduated from the Zhongnan University of Economics and Law (中南財經政法大學) in June 2006 and obtained two bachelor degrees majoring in accounting and economics.

**Mr. WEN Chuanchuan (溫川川)**, aged 35, vice president and general manager of the Group's production centre, is currently responsible for managing and supervising the operation of the Group's production centre.

Prior to joining our Group, Mr. Wen worked as an assistant engineer of Huawei Machine Company Limited\* (華為機器有限公司), a company principally engaged in research, development, manufacturing and sales of communication products from July 2011 to October 2014, where he was mainly responsible for reviewing the manufacturing plan and leading trial verification for new smartphone products. Mr. Wen served as a director of the assembly plant of Shenzhen Andao Yunke Company Limited\* (深圳安道雲科股份有限公司), a company principally engaged in development and manufacturing of smart terminals, capacitive touch screens, machine assembly, metal and glass components and mobile phone accessories from November 2014 to September 2016, where he was responsible for the establishment of machine assembly department and assisting in the operation of the company's departments and subsidiaries.

Mr. Wen graduated from the Northwest A&F University (西北農林科技大學) with a bachelor degree of management majoring in electronic commerce in the PRC in July 2008, and also, graduated from the Xi'an Jiaotong University\* (西安交通大學管理學院) in June 2011 and obtained a master degree of engineering majoring in industrial engineering.

\* For identification purpose only

#### 高級管理層

**劉尚恆先生**，37歲，自二零一一年十二月至今一直擔任深圳禾苗財務總監。

劉先生擁有逾10年的財務工作及管理經驗。加入本集團之前，劉先生於二零零六年八月至二零零八年十月在青島海信通信技術有限公司(一間主要從事移動通訊終端產品的研究、開發、製造及銷售的公司)擔任成本會計相關職位，主要負責生產成本核算、成本分析及控制相關工作。劉先生其後於二零零八年十一月至二零一一年十月擔任深圳市雄韜電源科技股份有限公司(一間主要從事電池的研究、製造及銷售的公司)的財務主管，主要負責成本核算以及編製財務報表及分析。

劉先生於二零零六年六月畢業於中南財經政法大學，獲得會計及經濟學專業雙學士學位。

**溫川川先生**，35歲，擔任本集團生產中心副總裁及總經理，目前負責管理監督本集團生產中心的營運。

加入本集團之前，溫先生於二零一一年七月至二零一四年十月為華為機器有限公司(一間主要從事通訊產品的研究、開發、製造及銷售的公司)的一名助理工程師，主要負責審閱生產計劃及領導新智能手機產品的測試驗證。溫先生於二零一四年十一月至二零一六年九月擔任深圳安道雲科股份有限公司(一間主要從事開發及製造智能終端、電容式觸摸屏、機器組裝、金屬和玻璃組件以及手機配件的公司)的裝配廠廠長，負責組建機器裝配部以及協助公司各部門及附屬公司的運作。

溫先生於二零零八年七月自西北農林科技大學畢業，獲電子商務專業管理學學士學位，並於二零一一年六月自西安交通大學管理學院畢業，獲工業工程專業工程碩士學位。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the shareholders of the Company. The Board strives to adhere to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all shareholders of the Company to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for the shareholders of the Company. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return.

### Adoption and compliance of corporate governance practices

The Company has adopted a set of corporate governance practices which aligns with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) since the Listing Date. Except for code provision A.2.1, the Company has complied with the code provisions set out in the CG Code for the year ended 31 December 2020.

Code provision A.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organisation structure of the Company, Mr. Li Chengjun is the Group’s chief executive officer, and he also performs as the chairman of the Board as he has considerable experience in the mobile communication industry. The Board believes that vesting the roles of both the chairman of our Board and the 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 of the Group.

本公司致力建立良好企業管治常規及程序，以成為具透明度且盡責的企業，對本公司股東公開問責。董事會致力秉持企業管治原則，並已採取有效的企業管治常規以符合法律及商業標準，專注內部控制、公平披露及向本公司所有股東負責等範疇，以確保本公司所有營運具透明度及問責性。本公司認為，有效企業管治是為本公司股東創造更多價值的重要因素。董事會將繼續不時檢討及改善本集團的企業管治常規，以確保本集團由有效的董事會帶領，提高回報。

### 採用及遵守企業管治常規

自上市日期，本公司已採納一套企業管治常規，符合聯交所證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）的守則條文。除守則條文第A.2.1條外，本公司於截至二零二零年十二月三十一日止年度已遵守企業管治守則所載的守則條文。

企業管治守則條文第A.2.1條列明，主席與行政總裁的角色應予區分，不應由同一人兼任。根據本公司目前組織架構，李承軍先生為本集團行政總裁兼董事會主席，彼於移動通信行業擁有大量經驗。董事會相信，由同一人擔任董事會主席和行政總裁的角色，有利於確保本集團內部領導貫徹一致，並為本集團提供更有效及高效的整體戰略規劃。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Although Mr. Li Chengjun performs both the roles of chairman of the board and chief executive officer, the division of responsibilities between the chairman of the board and chief executive officer is clearly established. In general, the chairman of the board is responsible for supervising the functions and performance of the Board, while the chief executive officer is responsible for the management of the Group's businesses. The two roles are performed by Mr. Li Chengjun distinctly. Further, the current structure does not impair the balance of power and authority between the Board and management of the Company given the appropriate delegation of the power of the Board and the effective functions of the independent non-executive Directors.

### Model code for securities transactions by directors of listed issuers (the "Model Code")

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions. All Directors have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the year ended 31 December 2020 and up to the date of this annual report.

### Chairman and chief executive officer

CG Code provisions A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not segregate the roles of chairman and chief executive officer and Mr. Li Chengjun currently holds both of the chairman and chief executive officer positions, as explained in the paragraph headed "Adoption and compliance of corporate governance practices" above in this Corporate Governance Report.

儘管李承軍先生同時擔任董事會主席兼行政總裁，但董事會主席及行政總裁職責的分工已清楚界定。總體而言，董事會主席負責監察董事會職能及表現，而行政總裁則負責管理本集團業務，兩個職位均由李承軍先生分別擔任。再者，由於董事會已有適當的權力分配，且獨立非執行董事亦能有效發揮職能，故目前的架構不會削弱董事會與本公司管理層之間的權力及權限制衡。

### 上市發行人董事進行證券交易的標準守則（「標準守則」）

本公司已採納上市規則附錄十所載的標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有董事確認彼等於截至二零二零年十二月三十一日止年度及直至本年報日期一直遵守標準守則所載之規定標準。

### 主席及行政總裁

企業管治守則條文第A.2.1條訂明，主席與行政總裁的角色應予區分，不應由同一人兼任。本公司並無區分主席與行政總裁的角色，且如本企業管治報告上文「採用及遵守企業管治常規」一段所解釋，李承軍先生目前擔任主席與行政總裁職務。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Independent non-executive directors

The independent non-executive Directors are highly skilled professionals with a broad range of expertise and experience in the fields of accounting, finance, business and corporate governance. Their skills, expertise and number in the Board ensure that strong independent views and judgement are brought in the Board's deliberations and that such views and judgement carry weight in the Board's decision-making process. Their presence and participation also enable the Board to maintain high standards of compliance in financial and other mandatory reporting requirements, and provide adequate checks and balances to safeguard the interests of the Company and its shareholders. The Company annually assesses the independence of each independent non-executive Director during their terms of appointment. During the year ended 31 December 2020, the Company received from each of the independent non-executive Directors a written confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent from 1 January 2020 to the date of this report.

#### 獨立非執行董事

獨立非執行董事均為在會計、金融、商業及企業管治領域中具備廣泛專業知識及經驗的技巧嫻熟專業人士。彼等之技能、專業知識及於董事會的人數確保為董事會審議帶來有力之獨立觀點及判斷，且有關觀點及判斷在董事會的決策過程中具有影響力。彼等的出席及參與亦使董事會能維持嚴格遵守財務及其他強制報告規定，並提供足夠權力制衡，保障本公司及其股東的利益。本公司每年於各獨立非執行董事的任期內對其獨立性作出評估。截至二零二零年十二月三十一日止年度，本公司已根據上市規則第3.13條從各獨立非執行董事接獲有關其獨立性之書面確認。本公司認為，於二零二零年一月一日起至本報告日期，所有獨立非執行董事均為獨立人士。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### The Board

The Board currently comprises four executive Directors and four independent non-executive Directors. The Board's composition as at 31 December 2020 is set out as follows:

#### Executive Directors

Name 姓名	Age 年齡	Gender 性別	Date of joining the Group 加入本集團的日期	Roles and responsibilities 職務及職責
Mr. Li Chengjun 李承軍先生	48	Male 男	16 September 2009 二零零九年九月十六日	Corporate strategic planning, overseeing the overall operations, day-to-day management and business development of the Group 本集團的公司策略規劃、監督整體營運、日常管理及業務發展
Mr. Xiong Bin 熊彬先生	43	Male 男	16 September 2009 二零零九年九月十六日	Overseeing the sales and marketing of the Group 監管本集團的銷售及市場推廣
Mr. Li Hongxing 李紅星先生	41	Male 男	24 November 2009 二零零九年十一月二十四日	Overseeing the research and development of the Group's products 監管本集團產品的研發
Mr. Guo Qinglin 郭慶林先生	37	Male 男	18 January 2010 二零一零年一月十八日	Managing the operation of supply chain and sales activities of the Group 管理本集團的供應鏈運作及銷售活動

### 董事會

董事會現由四名執行董事及四名獨立非執行董事組成。於二零二零年十二月三十一日，董事會的組成載列如下：

#### 執行董事

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Independent Non-executive Directors

#### 獨立非執行董事

Name 姓名	Age 年齡	Gender 性別	Date of joining the Group 加入本集團的日期	Roles and responsibilities 職務及職責
Mr. Hung Wai Man 洪為民先生	52	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Mr. Wong Kwan Kit 黃昆杰先生	48	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Mr. Lu Brian Yong Chen 呂永琛先生	56	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Ms. Tseng Chin I 曾瀨漪女士	52	Female 女	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷

For the biographical details of and relationships among the members of the Board, please refer to the section headed “Biographical Details of Directors and Senior Management” in this annual report.

有關董事會成員的履歷詳情及關係，請參閱本年報「董事及高級管理人員簡介」一節。

The Directors believe that the composition of the Board reflects the necessary balance of skills and experience appropriate for the requirements of the business development of the Group and for effective leadership as the executive Directors possess extensive experience in managing the Group’s business operations; and professional knowledge in the telecommunication and internet industry, while the four independent non-executive Directors possess professional knowledge and broad experience in accounting, finance, business and corporate governance. The Directors are of the opinion that the current Board structure can ensure the independence and objectivity of the Board and provide a system of checks and balances to safeguard the interests of the Company and its shareholders.

董事相信，由於執行董事對管理本集團業務營運有豐富經驗，且具備電訊與互聯網行業的專業知識，而四名獨立非執行董事則具備會計、金融、商業及企業管治方面的專業知識及廣泛經驗，故董事會的組成反映本集團業務發展所需及有效領導所適用的技能及經驗之間的必要平衡。董事認為，目前的董事會架構能確保董事會的獨立性及客觀性，並為保障本公司及其股東的利益提供制衡體系。

The Board is responsible for the leadership and control of the Company. It also oversees the Group’s business, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board shall take decisions objectively in the interests of the Company and its shareholders.

董事會負責領導及監控本公司，亦監督本集團業務、策略決定及表現，並共同負責指導及監督本公司事務以推動其成功運作。董事會董事須作出符合本公司及其股東利益的客觀決定。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### Appointment, re-election and removal of directors

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing on the Listing Date, until terminated by either party giving not less than three months' notice in writing to the other. Each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years commencing on Listing Date, until terminated by either party giving not less than three months' notice in writing to the other.

According to article 109(a) of the articles of association of the Company (the "Articles"), at each annual general meeting one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

According to article 113 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

According to 109(a) of the Articles, Mr. Guo Qinglin, Mr. Wong Kwan Kit and Mr. Lu Brian Yong Chen will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

### 董事之委任、重選及罷免

各執行董事已與本公司訂立服務合約，自上市日期起為期三年，直至任何一方向對方發出不少於三個月的書面通知予以終止。各獨立非執行董事已與本公司訂立委任函件，自上市日期起計為期三年，直至任何一方向對方發出不少於三個月的書面通知予以終止。

根據本公司組織章程細則（「細則」）第109(a)條，在每屆股東週年大會上，當時三分之一董事（若人數並非三或三的倍數，則須為最接近但不少於三分之一的人數）將輪值告退，惟各董事（包括該等有特定任期的董事）須至少每三年告退一次。退任董事將有資格重選連任。本公司可在董事於股東週年大會退任時填補空缺。

根據細則第113條，董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或新增董事，惟不得超過股東於股東大會不時釐定的董事人數上限。任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止，並於該大會上重選連任。任何獲董事會委任加入現有董事會的董事任期應僅至本公司下屆股東週年大會為止，屆時將符合資格重選連任。任何根據本條細則獲委任的董事在釐定將於股東週年大會上輪值退任的董事或董事人數時不應被計入。

根據細則第109(a)條，郭慶林先生、黃昆杰先生及呂永琛先生將於本公司應屆股東週年大會上輪值退任，且合資格膺選連任。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Board diversity policy

The Company adopted a board diversity policy (the “**Board Diversity Policy**”) on 12 November 2019, which sets out the objective and approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Board Diversity Policy provides that the Company should endeavor to ensure that the Board members have the appropriate balance of skills, experience, and diversity of perspectives that are required to support the execution of its business strategy.

All Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria and the attributes that they will bring to the Board to complement and enrich the competencies, experience and diversity of the Board. Pursuant to the Board Diversity Policy, a number of factors will be taken into account in determining the board composition to achieve board diversity, including but not limited to professional experience, skills, knowledge, age, gender, education, cultural background and length of service.

The Nomination Committee reviews the Board Diversity Policy from time to time to ensure its continued effectiveness, such as assessing annually on the board’s diversity profile and gender balance. The Nomination Committee would discuss any revisions to the Board Diversity Policy that may be required and recommend any such revisions and the appointment of suitable candidates to the Board for consideration and approval.

#### 董事會成員多元化政策

本公司於二零一九年十一月十二日已採納董事會多元化政策(「**董事會多元化政策**」)，當中載有實現及維持董事會多元化的目標及方針，以提高董事會的有效性。董事會多元化政策規定，本公司應致力確保董事會成員在支持其業務策略執行所需的技能、經驗及多元化視角方面達到適當平衡。

董事會所有委任均以用人唯才為原則，以適當標準考慮人選，並為董事會補充及豐富董事會的能力，經驗和多元化。根據董事會多元化政策，我們在釐定董事會組成時會考慮多項因素(包括但不限於專業經驗、技能、知識、年齡、性別、教育、文化背景及服務年限)以實現董事會多元化。

提名委員會不時審閱董事會多元化政策以確保其持續有效，包括每年評估董事會多元化組合以及在性別平衡方面的表現。提名委員會亦會討論須就董事會多元化政策作出的任何修訂，並就任何相關修訂及合適人選的委任提出建議以供董事會審批。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Nomination policy

The Company has adopted a nomination policy (the “**Nomination Policy**”) which sets out the criteria, process and procedures for the Nomination Committee to recommend suitable candidates for directorship with a view to ensuring that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

### Selection criteria

The Nomination Committee will propose a candidate for nomination or a Director for re-election based on the followings:

- the Board Diversity Policy and the requirements under the Listing Rules;
- the expected contribution the candidate would add to the Board and to ensure the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business;
- the candidate or the re-elected Director is able to commit and devote sufficient time and attention to the Company’s affairs;
- the level of independence from the Company, and potential or actual conflicts of interest of the candidate or the re-elected Director; and
- other relevant factors considered by Nomination Committee on a case-by-case basis.

The aforesaid factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person as it considers appropriate.

### 提名政策

本公司已採納提名政策（「**提名政策**」），當中載有提名委員會推薦合適董事人選的標準、過程及程序，以確保董事會可平衡本公司業務所需的合適技能、經驗及多元化。

### 甄選標準

提名委員會將根據以下內容提名一名候選人或重選一名董事：

- 董事會多元化政策及上市規則的規定；
- 候選人預計對董事會作出的貢獻以及確保董事會可平衡本公司業務所需的合適技能、經驗及多元化；
- 候選人或重選連任的董事可致力為本公司事務投入足夠時間及精力；
- 本公司獨立程度，以及候選人或重選連任的董事潛在或實際利益衝突；及
- 提名委員會按個別情況考慮的其他相關因素。

上述因素僅供參考，並不旨在涵蓋所有因素，也不具決定性作用。提名委員會可酌情提名其認為合適的任何人士。

## CORPORATE GOVERNANCE REPORT

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#### Nomination process

The Nomination Committee is responsible for ensuring that the selection criteria are being applied consistently and fairly in the nomination process and confirming the same to the Board when making its recommendation on appointment.

##### A. Procedures for appointment of new Director

Subject to the provisions in the Articles, if the Board recognises the need to appoint a new Director, the following procedures should be adopted:

- the Nomination Committee identifies candidates in accordance with the selection criteria set out in the Nomination Policy and with the assistance from the Group's human resources department and external agencies (if necessary);
- the Nomination Committee evaluates the candidates and recommends to the Board the appointment of the appropriate candidate for directorship; and
- the Board decides the appointment based upon the recommendation of the Nomination Committee.

##### B. Procedures for re-election of Director at general meeting

Procedures for re-election of Director at general meeting are set out as follows:

- the Nomination Committee reviews the overall contribution to the Company of the retiring Director;
- the Nomination Committee also reviews and determines whether the retiring Director continues to meet the selection criteria set out in the Nomination Policy; and
- the Nomination Committee shall recommend to the Board which shall then make recommendation to shareholders in respect of the proposed re-election of Director at the general meeting.

#### 提名過程

提名委員會負責確保甄選標準於提名過程中獲一致及公平應用，並於提供有關委任的推薦建議時向董事會確認已一致及公平應用。

##### A. 任命新董事程序

在不違反細則條文的情況下，倘董事會確認有需要任命新董事，應採取以下程序：

- 提名委員會根據提名政策所載甄選標準在本集團人力資源部及外來機構(如有)的協助下物色候選人；
- 提名委員會評估候選人，並向董事會推薦委任合適的董事候選人；及
- 董事會根據提名委員會的推薦建議決定委任。

##### B. 於股東大會重選董事程序

於股東大會重選董事程序載列如下：

- 提名委員會檢討退任董事對本公司的整體貢獻；
- 提名委員會亦檢討及考慮退任董事是否仍然符合提名政策列明的甄選標準；及
- 提名委員會須向董事會提出推薦建議，並由董事會於股東大會上就建議重選董事向股東提出推薦建議。



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#### C. Procedures for nomination by shareholders

Procedures for nomination by shareholders are set out as follows:

- the Company's website sets out the procedures for shareholders to propose a person for election as a Director; and
- for any person that is nominated by a shareholder for election as a Director at the general meeting of the Company, the Nomination Committee shall evaluate such candidate based on the selection criteria set out in the Nomination Policy and to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee shall recommend to the Board which shall then make recommendation to shareholders in respect of the proposed election of Director at the general meeting.

#### Monitoring and reporting

The Nomination Committee will report annually, in the Corporate Governance section of the Company's Annual Report, how the Policy is being applied in recommending candidates for directorship and retiring Directors for re-election during the year.

#### Review of the Nomination Policy

The Nomination Committee will review the Nomination Policy periodically in line with the Company's strategy and recommend any proposed changes to the Board for approval.

#### C. 股東提名程序

股東提名程序載列如下：

- 本公司網站載有股東提名董事人選的程序；及
- 對於獲股東在本公司股東大會上提名出任董事的人士，提名委員會須就提名政策所載的甄選標準評估該候選人，並確定該候選人是否合資格擔任董事，且（如適用）提名委員會須向董事會提出推薦建議，並由董事會於股東大會上就建議選舉董事向股東提出推薦建議。

#### 監察及匯報

提名委員會每年會於本公司年報的企業管治一節匯報政策於年內應用於推薦董事候選人及退任董事重選連任的情況。

#### 檢討提名政策

提名委員會定期檢討提名政策是否符合本公司的策略，並提出建議變動供董事會審批。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

For the year ended 31 December 2020, the Nomination Committee conducted the followings:

- reviewed and confirmed the structure, size and composition of the Board and the split between number of executive Directors and independent non-executive Directors remained appropriate for the Board to perform its duties;
- reviewed and confirmed the Board has a diverse mix of skills, knowledge, experience and gender;
- reviewed the Board Diversity Policy; and
- formulated the Nomination Policy and made a recommendation to the Board for adoption.

### Proceedings of board meetings and board committee meetings

The Board may meet for the dispatch of business, adjourn and otherwise regulate its meeting and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. An annual general meeting of the Company (the "AGM") shall be called by at least 21 days' (and not less than 20 clear business days') notice in writing, and a general meeting of the Company, other than an AGM, shall be called by at least 14 days' (and not less than 10 clear business days') notice in writing. A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his close associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution).

截至二零二零年十二月三十一日止年度，提名委員會已進行以下事項：

- 檢討及確認董事會的架構、規模及組成，以及執行董事與獨立非執行董事人數的分配是否仍然適合董事會執行其職務；
- 檢討及確認董事會的組成符合技術、知識、經驗及性別多元化；
- 檢討董事會多元化政策；及
- 制訂提名政策並提出推薦建議供董事會採納。

### 董事會會議及董事會委員會會議的議事程序

董事會可按其認為合適的方式召開會議處理事務、延會及以其他方式規管其會議及議事程序，並可釐定處理事務所需的法定人數。本公司召開股東週年大會（「股東週年大會」），須有為期最少21日（至少足20個工作日）的書面通知，而除股東週年大會外，本公司的其他股東大會亦須有為期最少14日（至少足10個工作日）的書面通知，方可召開。董事會或董事會轄下任何委員會可透過電話、電子或其他通訊設備（必須讓全體與會人士互相聆聽）舉行會議。

董事不得就有關其或其任何緊密聯繫人擁有重大權益的任何合約或安排或建議的任何董事會決議案投票或計入法定人數內，而倘董事就任何上述決議案投票，彼就該項決議案的投票將不計算在內，且該董事將不計入法定人數。

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Set out below are details of the attendance record of each Director at the Board, committee and general meetings of the Company held during the year ended 31 December 2020:

以下載列各董事出席截至二零二零年十二月三十一日止年度所舉行的本公司董事會會議、委員會會議及股東大會的詳細紀錄：

Name of Directors	董事姓名	Attendance/Number of Meetings Held				
		Regular Board Meeting	Audit Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	General Meeting
		常規董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	股東大會
<b>Executive Directors</b>						
Mr. Li Chengjun	李承軍先生	5/5	-	1/1	-	1/1
Mr. Xiong Bin	熊彬先生	5/5	-	-	-	1/1
Mr. Li Hongxing	李紅星先生	5/5	-	-	-	1/1
Mr. Guo Qinglin	郭慶林先生	5/5	-	-	-	1/1
<b>Independent Non-Executive Directors</b>						
Mr. Hung Wai Man	洪為民先生	5/5	2/2	-	2/2	0/1
Mr. Wong Kwan Kit	黃昆杰先生	5/5	2/2	1/1	2/2	1/1
Mr. Lu Brian Yong Chen	呂永琛先生	5/5	2/2	1/1	2/2	1/1
Ms. Tseng Chin I	曾瀾漪女士	5/5	-	1/1	2/2	1/1

The Board will make arrangements for holding at least four regular Board Meetings in each financial year.

董事會將於各財政年度安排舉行至少四次常規董事會會議。

The Board has established three committees: (i) the audit committee (“**Audit Committee**”); (ii) the remuneration committee (“**Remuneration Committee**”); and (iii) the nomination committee (“**Nomination Committee**”), for overseeing particular aspects of the Company’s affairs. All committees have been established with defined written terms of reference, which were posted on the websites of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company ([www.sprocomm.com](http://www.sprocomm.com)). All committees should report to the Board on their decisions or recommendations made. All committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

董事會已成立三個委員會：(i) 審核委員會（「**審核委員會**」）；(ii) 薪酬委員會（「**薪酬委員會**」）；及(iii) 提名委員會（「**提名委員會**」），以監察本公司事務的特定方面。所有委員會均設有特定書面職權範圍，分別刊載於聯交所網站([www.hkex.com.hk](http://www.hkex.com.hk))及本公司網站([www.sprocomm.com](http://www.sprocomm.com))。所有委員會須向董事會匯報其作出的決定或推薦意見。所有委員會均獲提供充足資源以履行其職責，並可於適當情況下提出合理要求以尋求獨立專業意見，費用由本公司支付。



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#### Audit committee

The Company has established the Audit Committee on 18 October 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Mr. Hung Wan Man. Mr. Wong Kwan Kit is the chairman of the Audit Committee.

The primary duties of the Audit Committee include ensuring that an effective financial reporting, internal control and risk management systems are in place and compliance of the Listing Rules, reviewing the financial statements, making recommendations to the Board on the appointment and removal of external auditors and assessing their independence and qualifications, and ensuring the effective communication with external auditors.

During the year ended 31 December 2020, the Audit Committee held two meetings and the work performed by the Audit Committee was summarised as follows:

1. reviewed the Company's interim results for the six months ended 30 June 2020 and annual results for the year ended 31 December 2020;
2. reviewed the Company's interim report for the six months ended 30 June 2020 and annual report for the year ended 31 December 2020, which set out the Group's accounting policies, financial performance and position;
3. reviewed the findings and recommendations from external auditors and the independent internal control reviewer;

#### 審核委員會

本公司已遵照上市規則第3.21條及企業管治守則，於二零一九年十月十八日成立審核委員會，並訂明書面職權範圍。審核委員會的職權範圍可於聯交所及本公司網站查閱。

審核委員會由三名獨立非執行董事組成，即黃昆杰先生、呂永琛先生及洪為民先生。黃昆杰先生為審核委員會主席。

審核委員會的主要職責包括確保設有有效的財務申報、內部控制及風險管理系統及遵守上市規則，審閱財務報表，就外聘核數師的任免向董事會提出推薦建議及評估其獨立性與資歷，以及確保與外聘核數師之間的有效溝通。

截至二零二零年十二月三十一日止年度，審核委員會已舉行兩次會議，審核委員會的工作概述如下：

1. 審閱本公司截至二零二零年六月三十日止六個月的中期業績及截至二零二零年十二月三十一日止年度的年度業績；
2. 審閱本公司截至二零二零年六月三十日止六個月的中期業績及截至二零二零年十二月三十一日止年度的年度報告，當中載有本集團的會計政策、財務表現及狀況；
3. 檢討外聘核數師及獨立內控審查員的調查結果及推薦建議；

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4. reviewed the independence of the external auditors and engagement of external auditors;
5. reviewed the audit plan, internal control plan, the development in accounting standards and their effects on the Group, financial reporting and risk management matters;
6. reviewed the adequacy of resources, qualifications and experience of staff in the Group's accounting and financial reporting functions; and
7. reviewed the effectiveness of the Group's risk management and internal control systems.

#### Remuneration committee

The Company has established the Remuneration Committee on 18 October 2019 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee consists of four independent non-executive Directors, namely Mr. Hung Wai Man, Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Ms. Tseng Chin I. Mr. Hung Wai Man is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include making recommendations to the Board in determining the remuneration policy for and remuneration packages of the Directors and senior management, reviewing incentive schemes and service contracts of the Directors and senior management, and evaluating the performance of the Directors and senior management.

During the year ended 31 December 2020, the Remuneration Committee held two meetings to review and the work performed by the Remuneration Committee was summarised as follows:

1. made recommendations to the Board on the remuneration packages of Directors, senior management and employees of the Group;
2. reviewed the appropriateness of the remuneration policy; and
3. evaluated the performance of Directors and senior management of the Group.

4. 檢討外聘核數師的獨立性及聘用；
5. 檢討審計計劃、內部控制計劃、會計準則的變化及對本集團、財務報告及風險管理事項的影響；
6. 檢討本集團會計和財務報告職能的資源、員工資歷及經驗是否充足；及
7. 評審本集團風險管理及內部控制系統的成效。

#### 薪酬委員會

本公司已遵照上市規則第3.25條及企業管治守則，於二零一九年十月十八日成立薪酬委員會，並訂明書面職權範圍。薪酬委員會的職權範圍可於聯交所及本公司網站查閱。

薪酬委員會由四名獨立非執行董事組成，即洪為民先生、黃昆杰先生、呂永琛先生及曾靜漪女士。洪為民先生為薪酬委員會主席。

薪酬委員會的主要職責包括就釐定董事及高級管理層的薪酬政策及薪酬待遇向董事會提出推薦建議，檢討獎勵計劃及董事和高級管理層服務合約，以及評估董事及高級管理層的表现。

截至二零二零年十二月三十一日止年度，薪酬委員會已舉行兩次會議，薪酬委員會的工作概述如下：

1. 就本集團董事、高級管理層及僱員的薪酬向董事會提出推薦建議；
2. 檢討薪酬政策是否合適；及
3. 評估本集團董事及高級管理層的表现。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Nomination committee

The Company has established a Nomination Committee on 18 October 2019 with written terms of reference in compliance with CG Code provision A.5.1. The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

The Nomination Committee consists of four Directors, namely Mr. Li Chengjun, Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Ms. Tseng Chin I. Mr. Li Chengjun is the chairman of the Nomination Committee.

The primary duties of the Nomination Committee include assisting the Board in identifying suitable candidates for the Directors and making recommendations to the Board, assessing the structure and composition of the Board, preparing, making recommendations to and supervising the execution of the board diversity policy and nomination policy of the Company.

During the year ended 31 December 2020, the Nomination Committee held one meeting and the work performed by the Nomination Committee was summarised in the paragraph headed “Nomination policy” of this corporate governance report.

#### Dividend policy

The Company has adopted a dividend policy (the “**Dividend Policy**”) which aims to ensure sustainable development of its business operations and to provide a favorable return to its shareholders.

Declaration of dividend will be made at the discretion of the Board and will be based upon the Group’s earnings, cash flows, financial conditions, capital requirements, statutory fund reserve requirements and any other conditions that our Directors consider relevant. The declaration, payment and amount of dividend will also be subject to the Company’s constitutional documents including, where necessary, the approval of the shareholders.

#### 提名委員會

本公司已遵照企業管治守則第A.5.1條，於二零一九年十月十八日成立提名委員會，並訂明書面職權範圍。提名委員會的職權範圍可於聯交所及本公司網站查閱。

提名委員會由四名董事組成，即李承軍先生、黃昆杰先生、呂永琛先生及曾瀾漪女士。李承軍先生為提名委員會主席。

提名委員會的主要職責包括協助董事會物色合適的董事人選並向其提出推薦建議，評估董事會的架構及組成，制定、建議及監督實行本公司的董事會多元化政策及提名政策。

截至二零二零年十二月三十一日止年度，提名委員會已舉行一次會議，提名委員會的工作概述於本企業管治報告「提名政策」一段。

#### 股息政策

本公司已採納股息政策（「**股息政策**」），旨在確保其業務營運可持續發展，並為其股東提供可觀回報。

宣派股息將由董事會酌情決定，並將以本集團盈利、現金流量、財務狀況、資金需求、法定基金儲備要求及董事認為相關的任何其他狀況為依據。股息的宣派、派付及數額亦須受公司章程文件規限，其中包括（如有需要）股東批准。

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The Board will review the Dividend Policy from time to time and may exercise its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time as the Board thinks fit and necessary. There is no assurance that dividends will be paid in any particular amount for any given period. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that any dividend will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

### Corporate governance function

The Board does not have a Corporate Governance Committee. The functions that would be carried out by a Corporate Governance Committee are performed by the Board as a whole and are as follows:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of directors and senior management;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
5. to review the Company's compliance with the CG code and disclosure in the Corporate Governance Report.

The corporate governance policy is formulated with an emphasis on the Board's quality, effective internal control, stringent disclosure practices and transparency and accountability to all shareholders of the Company. The Board strives to comply with the code provisions and reviews its corporate governance policy regularly in order to maintain high standards of business ethics and corporate governance, and to ensure the full compliance of the Group's operations with applicable laws and regulations.

董事會將不時檢討股息政策，倘董事會認為合適或必要，可行使其唯一及絕對酌情權隨時更新、修訂及／或修改股息政策。概不保證會在任何指定期間派付任何特定金額的股息。股息政策並非本公司就派付任何特定金額股息的具有法律約束力承諾及／或不會規定本公司於任何時間或不時宣派股息。

### 企業管治職能

董事會並無成立企業管治委員會。由企業管治委員會履行的職能將由董事會整體履行並列示如下：

1. 制訂及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及高級管理層的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制訂、檢討及監察適用於僱員及董事的行為守則及合規手冊(如有)；及
5. 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

企業管治政策的制定重點在於董事會質素、有效內部控制、嚴格披露慣例，以及對本公司所有股東的透明度及問責性。董事會致力遵守守則條文，並定期檢討其企業管治政策以維持高水平商業操守及企業管治，確保本集團營運全面符合適用法律及法規。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Continuous professional development

Pursuant to the CG Code provision A.6.5, all Directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the Directors. During the year ended 31 December 2020, the Company had arranged to provide trainings to all the Directors. During the year ended 31 December 2020, the Directors participated in the following continuous professional development:

### 持續專業發展

根據企業管治守則條文第A.6.5條，全體董事應參與持續專業發展項目以發展及更新彼等之知識及技能，確保彼等對董事會作出明智及相關之貢獻。本公司須負責安排及資助培訓，並適當強調董事之角色、職能及職責。截至二零二零年十二月三十一日止年度，本公司已安排向所有董事提供培訓。截至二零二零年十二月三十一日止年度，董事參與下列持續專業發展：

Name of Directors	董事姓名	Training on corporate governance, director's duties, environment, social and governance, and/or regulatory update (Note 1) 企業管治、董事職責、環境、社會及管治的培訓及／或最新規章 (附註1)	Reading materials updating on new rules and regulations 閱覽有關最新規例及規章的資料
<b>Executive Directors</b>			
Mr. Li Chengjun	李承軍先生	✓	✓
Mr. Xiong Bin	熊彬先生	✓	✓
Mr. Li Hongxing	李紅星先生	✓	✓
Mr. Guo Qinglin	郭慶林先生	✓	✓
<b>Independent Non-Executive Directors</b>			
Mr. Hung Wai Man	洪為民先生	✓	✓
Mr. Wong Kwan Kit	黃昆杰先生	✓	✓
Mr. Lu Brian Yong Chen	呂永琛先生	✓	✓
Ms. Tseng Chin I	曾瀾漪女士	✓	✓

Notes:

- Professional training was arranged by the Company to update the Directors' knowledge.
- The Company received from each of the Directors the confirmations on taking continuous professional training.

附註：

- 本公司安排專業培訓以更新董事知識。
- 本公司已接獲各董事參與持續專業培訓的確認。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditor's remuneration

The Company engaged SHINEWING (HK) CPA Limited as its auditor for the year ended 31 December 2020. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the auditor.

During the year ended 31 December 2020, the remuneration paid/payable to SHINEWING (HK) CPA Limited is set out as follows:

#### Services rendered 提供的服務

Audit services  
Non-audit services

Total

### 核數師薪酬

截至二零二零年十二月三十一日止年度，本公司委聘信永中和(香港)會計師事務所有限公司為其核數師。董事會與審核委員會對甄選、委任、辭任或解僱核數師並無意見分歧。

截至二零二零年十二月三十一日止年度，信永中和(香港)會計師事務所有限公司的已付／應付薪酬載列如下：

#### Remuneration paid/payable 已付／應付薪酬 RMB'000 人民幣千元

Audit services	審核服務	929
Non-audit services	非審核服務	71
Total	總計	1,000

### Acknowledgement of responsibility for consolidated financial statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the year ended 31 December 2020. In preparing the consolidated financial statements for the year ended 31 December 2020, the Directors:

- assessed the reasonableness of preparing the consolidated financial statements taking into consideration the Group's financial performance, position, cashflows and liquidity ratios;
- selected suitable accounting policies and applied them consistently; and
- made judgements and estimates in a prudent, fair and reasonable manner.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the section headed "Independent Auditor's Report" from page 115 to page 122 of this annual report.

### 綜合財務報表的責任確認

董事確認彼等編製本公司截至二零二零年十二月三十一日止年度財務報表的責任。編製截至二零二零年十二月三十一日止年度的綜合財務報表時，董事已：

- 根據本集團的財務表現、狀況、現金流量及流動資金比率，評估編製綜合財務報表的合理性；
- 挑選適當會計政策及貫徹應用該等政策；及
- 作出審慎、公平及合理的判斷及估計。

就董事所知，並無任何重大不明朗事件或情況可能會嚴重影響本公司持續經營能力。本公司獨立核數師就其對綜合財務報表的申報責任聲明載於本年報第115頁至122頁「獨立核數師報告」一節。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Internal control

##### Risk management and internal control

The Board emphasises on the importance of risk management and internal controls on the Group's business operations and development and acknowledges its overall responsibility for the risk management and internal control systems and the review of their effectiveness.

The Board evaluates and determines the nature and extent of risks it is willing to accept, while achieving the Group's strategic business objectives. The Board also ensures implementation and maintenance of effective risk management and internal control systems; and oversees management in the design, implementation and monitoring of the risk management and internal control systems.

The Board has delegated the responsibility to physically implement and maintain the risk management and internal control systems to the management of the Company. The management, under the supervision of the Board, has implemented and maintained appropriate and effective risk management and internal control system, which aims to manage and reduce (i) risks associated with the Group's daily operations; (ii) risks of failing to achieve business objectives; (iii) risks of asset misappropriation; and (iv) risks of making potential material misstatements or losses. However, the risk management and internal control system can only provide reasonable and not absolute assurance against material misstatements or losses.

The Group does not have an internal audit function. Taking into account the size, nature and complexity of the Group's business, the Board have sufficient capacity to oversee the design and implementation of the risk management and internal control system and to assess its effectiveness, and accordingly there is no immediate need to set up an internal audit function within the Group.

#### 內部控制

##### 風險管理及內部控制

董事會強調風險管理及內部控制對本集團業務營運及發展的重要性，並確認其對風險管理及內部控制系統以及檢討其成效的整體責任。

董事會評估及釐定於達致本集團策略性業務目標時可承擔風險的性質及程度。董事會亦確保實施及維持有效的風險管理及內部控制系統；以及監督風險管理及內部控制系統設計、實施和監控的管理。

董事會已委派本公司管理層負責具體實施及維持風險管理及內部控制系統，受董事會監察的管理層已實施及維持適當及有效的風險管理及內部控制系統，目的是管理及減少(i)與本集團日常業務有關的風險；(ii)未能達成業務目標的風險；(iii)資產挪用的風險；及(iv)潛在重大錯誤陳述或損失的風險。然而，風險管理及內部控制系統只可就重大錯誤陳述或損失提供合理而非絕對的保障。

本集團並無內部審核職能。經考慮本集團業務的規模、性質及複雜程度，董事會擁有充足的能力監督風險管理及內部控制系統的設計及實施，並可評估其有效性，因此毋須即時於本集團建立內部審核職能。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The process to identify, evaluate and manage risks are carried out on a regular and on-going basis. These processes are summarised as follows:

#### Risk identification

- Identify risks that may potentially affect the Group's business and operations.

#### Risk assessment

- Assess the impact and consequence of the identified risks on the business and the likelihood of their occurrence.

#### Response to findings of risk assessment

- Prioritise the risks by comparing the results of the risk assessment; and
- Determine the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

#### Risk monitoring and reporting

- Perform ongoing and regular monitoring of the risk and ensure that appropriate internal control processes are in place;
- Enhance the risk management strategies and internal control processes in case of any significant change of situation; and
- Report the results and effectiveness of risk management and internal control to the Board regularly.

In relation to the handling and dissemination of inside information, the Group has implemented an information disclosure policy to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The policy is summarised as follows:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and

識別、評估及管理風險的程序乃按定期及持續基準進行。該等程序概述如下：

#### 風險識別

- 識別可能對本集團業務及營運有潛在影響的風險。

#### 風險評估

- 評估已識別風險對業務的影響及後果及其發生的可能性。

#### 應對風險評估結果

- 透過比較風險評估的結果對風險按優先順序進行處理；及
- 確定風險管理策略及內部控制程序，以預防、避免或減輕風險。

#### 風險監察及匯報

- 持續及定期監察風險，確保有適當的內部控制程序；
- 出現任何重大變動時，加強風險管理策略及內部控制程序；及
- 向董事會定期匯報風險管理及內部控制結果和成效。

本集團已就處理及發放內幕消息的方式訂立資料披露政策，確保在保密的情況下存取潛在內幕消息，直至按上市規則作出貫徹和及時的披露為止。該政策概述如下：

- 特設匯報渠道，讓不同營運單位向指定部門匯報潛在內幕消息；
- 指定人士及部門按需要決定匯報及披露方式；及

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- Designated persons authorised to act as spokespersons and respond to external enquiries.

During the year ended 31 December 2020, the Group engaged an independent internal control reviewer to review the effectiveness of its risk management and internal control system. The scope of review was determined by the Board. The independent internal control reviewer submitted a report of findings and areas for improvement to the management. The management presented these findings and areas for improvements to the Board and Audit Committee. Having considered (i) the existence of the risk management and internal control system; (ii) the findings of the independent internal control reviewer; (iii) management will take into account the areas for improvement suggested by the independent internal control reviewer and further enhance the risk management and internal control system, the Board and Audit Committee were of the view that the Group had no material internal control deficiencies and its risk management and internal control systems were effective and adequate.

### Company secretary

Ms. Jian Xuegen (“**Ms. Jian**”) was appointed as the company secretary of the Company on 21 September 2019 and is responsible for overseeing all the company secretarial matters of the Group. In the opinion of the Board, Ms. Jian possesses the necessary qualification and experience, and is capable of performing the functions of a company secretary. During the year ended 31 December 2020, Ms. Jian confirmed that she has taken no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules.

### Shareholders’ rights

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

- 指定授權人士擔任發言人，回應外界查詢。

截至二零二零年十二月三十一日止年度，本集團聘請獨立內控審查員檢討其風險管理及內部控制系統的成效。檢討範圍由董事會釐定。獨立內控審查員向管理層提交調查結果及需要改善範疇報告，管理層則向董事會及審核委員會呈交該等調查結果及需要改善範疇。經考慮(i)現有的風險管理及內部控制系統；(ii)獨立內控審查員調查結果；(iii)管理層將考慮獨立內控審查員提出需要改善範疇，進一步提升風險管理及內部控制系統，董事會及審核委員會認為本集團概無重大內部控制缺陷，且其風險管理及內部控制系統有效和足夠。

### 公司秘書

簡雪良女士（「**簡女士**」）於二零一九年九月二十一日獲委任為本公司之公司秘書，並負責監察本集團之一切公司秘書事宜。董事會認為，簡女士具備必要資格及經驗，有能力履行公司秘書職務。截至二零二零年十二月三十一日止年度，簡女士確認彼已根據上市規則第3.29條的規定參與不少於15小時的相關專業培訓。

### 股東權利

本公司的股東大會為股東與董事會提供溝通機會。本公司每年舉行股東週年大會，地點由董事會釐定。股東週年大會以外的各股東大會均稱為股東特別大會。

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### 企業管治報告

#### Shareholders to convene an extraordinary general meeting

Pursuant to article 64 of the Articles, extraordinary general meeting shall be convened on the requisition of one or more shareholders of the Company 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 of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company 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. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

#### Putting 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.

#### Procedures for putting forward proposals by shareholders at shareholders' meetings

Shareholders of the Company are requested to follow article 64 of the Articles for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "Shareholders to convene an extraordinary general meeting".

Pursuant to article 114 of the Articles, no person (other than a retiring Director) shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office of the Company or at the Hong Kong branch share registrar and transfer office of the Company. The period for lodgement of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

#### 股東召開股東特別大會

根據細則第64條，本公司一名或以上股東（於遞呈要求當日持有有權於股東大會上投票的本公司繳足股本不少於十分之一者）應有權以書面方式向董事會或本公司之公司秘書遞呈要求的方式，述明要求董事會召開股東特別大會以處理要求內訂明的任何事項。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的合理開支。

#### 股東向董事會提問

股東可透過本公司的香港主要營業地點向本公司發出書面查詢，並註明收件人為公司秘書。

#### 股東於股東大會提呈議案的程序

本公司股東向股東特別大會提呈決議案時須遵守細則第64條。規定及程序載於上文「股東召開股東特別大會」一段。

根據細則第114條，除退任董事外，任何人士如未獲董事推薦參選，均無資格在任何股東大會上獲選出任董事，除非本公司總辦事處或本公司香港股份過戶登記分處已收到一份書面通知，其內表明彼擬提議推薦該人士參選董事之職，以及一份該獲提議推薦人士表示候選意願的通知。根據細則規定提交通知的期間須由不早於寄發指定進行選舉的股東大會通知的翌日開始，並在不遲於有關股東大會日期前七日完結，而向本公司發出有關通知的最短期間須至少為七日。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The procedures for shareholders of the Company to propose a person for election as a Director is posted on the website of the Company. Shareholders or the Company may refer to the above procedures for putting forward any other proposals at general meetings.

### Investors relations

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its shareholders. Information of the Company is disseminated to the shareholders in the following manner:

- Delivery of annual and interim results and reports to all shareholders;
- Publication of announcements on the annual and interim results on the website of the Company and the website of the Stock Exchange, and issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- The general meeting of the Company is also an effective communication channel between the Board and shareholders.

The Company has in place a shareholder communication policy to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's head office. The Company also maintains a website at [www.sprocomm.com](http://www.sprocomm.com) where up-to-date information and updates of the Company's operations, performances and strategies are available to public access.

### Constitutional Documents

On 18 October 2019, the Company adopted an amended and restated memorandum and articles of association which had been uploaded to the websites of the Company and the Stock Exchange. Save as disclosed above, there had been no changes in the constitutional documents of the Company during the year ended 31 December 2020.

本公司股東提名某一人士參選董事的程序刊載於本公司網站。股東或本公司可參閱上述於股東大會提呈任何其他議案的程序。

### 投資者關係

本公司致力實行公開、定期溝通及向其股東合理披露資料的政策。本公司透過下列方式向股東傳達資料：

- 向所有股東送呈年度及中期業績及報告；
- 根據上市規則的持續披露責任，於本公司網站及聯交所網站刊登年度及中期業績公告，以及刊發其他公告及股東通函；及
- 本公司股東大會亦為董事會與股東的有效溝通橋樑。

本公司已訂立股東溝通政策以確保股東的意見及關注得到適當解決。該政策定期檢討以確保其有效性。

本公司持續促進投資者關係，加強與現有股東及潛在投資者的溝通，同時歡迎各位投資者、持份者及公眾的建議。如對董事會或本公司有任何詢問，可郵寄至本公司總辦事處。本公司亦設有網站（網址為 [www.sprocomm.com](http://www.sprocomm.com)），刊載最新資料及更新本公司營運、表現及策略，以供公眾查閱。

### 組織章程文件

於二零一九年十月十八日，本公司採取經修訂及重列之組織章程大綱及細則，並已上載於本公司及聯交所網站。除上文所披露者外，本公司的組織章程文件於截至二零二零年十二月三十一日止年度概無變動。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Scope and reporting period

The Group presents its Environmental, Social and Governance (“ESG”) report, which highlights its ESG performance from 1 January 2020 to 31 December 2020.

This ESG report was prepared with reference to the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as described in Appendix 27 of the Listing Rules and Guidance set out by the Stock Exchange.

The Group is an ODM mobile phone supplier based in the PRC, primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets. The Group operates two production bases in the PRC, including one in Shenzhen that is responsible for the mobile phone assembly and the other one in Luzhou that is equipped with SMT lines for the production of PCBAs.

The Group applied the principles of materiality, measurability and consistency in the preparation of this ESG report. The scope of this ESG report concentrates on the Group’s business in the PRC, where the Group carries out its principal business operations and most of its employees and assets are located. The Group’s operations outside the PRC were not included in the scope as they do not have significant environmental and social impacts. The effectiveness of the Group’s ESG policies was assessed by comparing the Group’s performance for the year ended 31 December 2020 with prior year comparative figures. Further, the information in this ESG was presented in a consistent manner. In the event there are any changes in methods or key performance indicators used or other factors affecting a meaningful comparison, these changes would be disclosed in this ESG report.

### 範圍及報告期

本集團提呈首份環境、社會及管治（「環境、社會及管治」）報告，報告反映本集團二零二零年一月一日至二零二零年十二月三十一日的環境、社會及管治表現。

本環境、社會及管治報告乃參考聯交所上市規則及指引附錄二十七環境、社會及管治報告指引（「環境、社會及管治報告指引」）而編製。

本集團為一間位於中國的ODM手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品。本集團於中國經營兩個生產基地，包括負責手機組裝的深圳廠房及配備生產印刷電路板組裝的貼片線的瀘州廠房。

本集團在編制本環境、社會及管治報告時，應用重要性、可衡量性及一致性的原則。本環境、社會及管治報告範圍集中於本集團中國業務，本集團在中國經營主要業務，大部分僱員及資產亦位於中國。由於本集團中國境外業務的環境及社會影響並不重大，故不在報告範圍。通過比較本集團截至二零二零年十二月三十一日止年度的業績與上個年度的比較數字，來評估本集團環境、社會及管治政策的有效性。此外，本環境、社會及管治中的資料以一致的方式呈列。如果所使用的方法或關鍵績效指標或其他影響有意義的比較的因素出現任何變化，這些變化將在本環境、社會及管治報告內披露。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ESG governance

The board of directors (the “**Board**”) holds the overall responsibility for the Group’s ESG strategy and reporting by overseeing the overall governance and progress of the Group’s ESG management system, policies, commitments, strategies and objectives.

Management of the Group is responsible for the collection and analysis of ESG data, implementation of appropriate measures to improve the Group’s ESG performance, assessment of whether current ESG policies and improvement measures are effective, compliance with relevant ESG laws and regulations and the reporting of major issues to the Board. To assess the effectiveness of the Group’s ESG policies, management sets key performance indicators and compares the indicators of current year with those of prior year.

The data and information in this ESG report are sourced from the relevant documents, reports, statistical data, management and operation information collected by the Group. The Board has reviewed the contents of this ESG report.

### 環境、社會及管治

董事會（「**董事會**」）透過監督本集團的環境、社會及管治管理系統、政策、承諾、策略及目標的全面管治及進度，全面責任本集團的環境、社會及管治策略及報告。

本集團管理層負責收集分析環境、社會及管治數據，執行適當措施以改善本集團的環境、社會及管治績效，評估當前環境、社會及管治政策及改善措施是否有效，遵守相關環境、社會及管治法律及法規以及向董事會報告重大問題。為評估本集團的環境、社會和公司治理政策的有效性，管理層定立關鍵績效指標，並將本年度的指標與上年度的指標作比較。

本環境、社會及管治報告的數據及資料均來自本集團收集的相關文件、報告、統計數據、管理和營運資料。董事會已審閱本環境、社會及管治報告的內容。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Stakeholder engagement

The Group values the contributions from its stakeholders as they can bring potential impacts to the Group's business. The Group maintains regular communications with its stakeholders from time to time to collect their views on the ESG aspects that they regard as relevant and important. Its key stakeholders include governments and regulatory bodies, shareholders, employees, customers, suppliers and the public society. The Group maintains an open and transparent dialogue with its stakeholders through various channels including meetings, trade exhibitions, surveys, seminars and workshops.

The following table summarises the main expectations and concerns of the key stakeholders identified by the Group, and the corresponding management responses.

### 持份者參與

本集團十分重視對業務有潛在影響的持份者意見。本集團定期與持份者溝通，不時收集彼等認為與環境、社會及管治相關的重要意見。本集團的主要持份者包括政府及監管機構、股東、僱員、客戶、供應商及社會公眾。本集團透過會議、商貿展覽、調查、研討會及工作坊等多種渠道，與持份者公開透明交流。

下表概述本集團所識別主要持份者的主要預期和關注以及管理層相應的回應。

Stakeholders 持份者	Expectations 預期	Management responses/ Communication channels 管理層回應／溝通渠道
Governments and regulatory bodies 政府及監管機構	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>遵守法律法規</li> <li>Tax payment in accordance with laws</li> <li>依法納稅</li> </ul>	<ul style="list-style-type: none"> <li>Compliance operation</li> <li>合規營運</li> <li>Tax payment in full and on time</li> <li>按時全額納稅</li> </ul>
Shareholders 股東	<ul style="list-style-type: none"> <li>Financial results</li> <li>財務業績</li> <li>Corporate transparency</li> <li>企業透明</li> <li>Sound risk control</li> <li>穩健風險管理</li> </ul>	<ul style="list-style-type: none"> <li>To improve profitability</li> <li>提升盈利能力</li> <li>Regular information disclosure</li> <li>定期信息披露</li> <li>To optimise risk management and internal control</li> <li>優化風險管理及內部控制</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>Career development platform</li> <li>職業發展平台</li> <li>Salary and benefits</li> <li>薪金及福利</li> <li>Safe working environment</li> <li>安全工作環境</li> </ul>	<ul style="list-style-type: none"> <li>Promotion mechanism</li> <li>晉升機制</li> <li>Competitive salary and employee benefits</li> <li>有競爭力的薪金及僱員福利</li> <li>To provide trainings for employees and strengthen their safety awareness</li> <li>提供僱員培訓，加強安全意識</li> </ul>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Stakeholders 持份者	Expectations 預期	Management responses/ Communication channels 管理層回應／溝通渠道
Customers 客戶	<ul style="list-style-type: none"> <li>Logistics and delivery service standards</li> <li>物流及配送服務標準</li> <li>Customer information security</li> <li>客戶信息安全</li> <li>Customer rights and interests protection</li> <li>客戶權益保障</li> </ul>	<ul style="list-style-type: none"> <li>To get delivery status through product tracking system</li> <li>通過產品追蹤系統獲得配送狀態</li> <li>Customer privacy protection</li> <li>客戶私隱保障</li> <li>Compliance marketing</li> <li>合規營銷</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>Integrity cooperation</li> <li>誠信合作</li> <li>Business ethics and credibility</li> <li>商業道德及信譽</li> </ul>	<ul style="list-style-type: none"> <li>To build a responsible supply chain</li> <li>建立負責的供應鏈</li> <li>To perform the contract according to law</li> <li>依法履行合約</li> </ul>
Society and the public 社會公眾	<ul style="list-style-type: none"> <li>Environmental protection</li> <li>環境保護</li> <li>Employment opportunities</li> <li>僱傭機會</li> </ul>	<ul style="list-style-type: none"> <li>To reduce environmental pollutions</li> <li>減少環境污染</li> <li>To put into use environmental protection and energy saving equipment</li> <li>使用環保節能設備</li> <li>To provide equal employment opportunities</li> <li>提供平等僱傭機會</li> </ul>



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Materiality assessment

With reference to the scopes as required under the ESG Reporting Guide and taking into consideration of the Group's business operations, the Group identified the following environmental, social and operating issues that are material and relevant to the Group's business operations during the year ended 31 December 2020. If the Group does not implement effective strategies to monitor and solve these issues, these issues may affect the Group's financial condition or operating performance. Further, the Group made a materiality assessment on these environmental, social and operating issues by conducting interviews with its stakeholders.

### 重要性評估

本集團參考環境、社會及管治報告指引規定的範圍和考慮業務營運，識別以下與本集團截至二零二零年十二月三十一日止年度業務相關的重大環境、社會及營運事項。倘本集團不採取有效策略以監察及解決該等事項，則本集團財務狀況或經營表現或會受到影響。本集團透過訪問持份者，進一步對該等環境、社會及營運事項進行了重要性評估。

Environmental issues 環境事項	Social issues 社會事項	Operating issues 營運事項
1. Greenhouse gas emissions 溫室氣體排放	8. Local community engagement 參與地方社區	15. Economic value generated 產生的經濟價值
2. Energy consumption 能源消耗	9. Community investment 社區投資	16. Corporate governance 企業管治
3. Water consumption 水源消耗	10. Occupational health and safety 職業健康及安全	17. Anti-corruption 反貪腐
4. Waste 廢物	11. Labour standards in supply chain 供應鏈勞工標準	18. Supply chain management 供應鏈管理
5. Saving energy measures 節能措施	12. Training and development 培訓與發展	19. Customer satisfaction 客戶滿意度
6. Use of raw materials and packaging materials 原材料及包裝材料使用	13. Employee welfare 僱員福利	20. Customer privacy 客戶私隱
7. Compliance with laws and regulations relating to environmental protection 遵守環保相關法律法規	14. Inclusion and equal opportunities 共融與平等機會	

The Group prioritised the above-mentioned environmental, social and operating issues in terms of their importance to the Group's stakeholders and business operations.

本集團按對持份者及業務營運的重要程度對上述環境、社會及營運事項劃分優先等級。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

**Importance to the Group’s stakeholders and business operations**  
**對本集團持份者及業務營運的重要程度**

**ESG issues**  
**環境、社會及管治事項**

High 高	1, 2, 3, 5, 6, 7, 14, 15, 16, 17, 18, 19, 20
Medium 中	4, 10, 11, 12, 13
Low 低	8, 9

Based on the results of the Group’s materiality assessment, the Group would formulate and implement appropriate strategies to monitor and solve the identified issues and to achieve sustainable business development. During the year ended 31 December 2020, the Group’s first priority was to ensure the health and safety of its employees amid the outbreak of novel coronavirus (the “COVID-19”). Please refer to the section headed “(iii) Employee health and safety” in this ESG report for details of the strategies implemented by the Group to ensure the health and safety of its employees.

本集團將根據重要性評估結果制定及實施適當策略以監察和解決上述事項，達致業務可持續發展。截至二零二零年十二月三十一日止年度，本集團首要工作為在新型冠狀病毒（「COVID-19」）爆發的情況下，確保旗下僱員的健康和安全。有關本集團確保員工健康與安全而實行的策略詳情，請參閱本環境、社會及管治報告「(iii) 僱員健康和 safety」一節。





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### A. Environment

The Group acknowledges its responsibility to protect the environment and it has implemented policies to reduce emissions and improve the efficiency in the use of resources.

The Group's business operations are subject to certain environmental requirements pursuant to the laws in the PRC such as Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), Evaluation of Environmental Effects Law of the PRC (《中華人民共和國環境影響評價法》), Prevention and Control of Water Pollution Law of the PRC (《中華人民共和國水污染防治法》), Prevention and Control of Atmospheric Pollution Law of the PRC (《中華人民共和國大氣污染防治法》), Prevention and Control of Environmental Noise Pollution Law of the PRC (《中華人民共和國環境噪聲污染防治法》), Prevention and Control of Solid Waste Pollution Law of the PRC (《中華人民共和國固體廢物污染環境防治法》), and Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》), and Promotion of Cleaner Production Law of the PRC (《中華人民共和國清潔生產促進法》).

During the year ended 31 December 2020, the Group complied with all applicable PRC environmental laws and regulations in all material respects and had not been subject to any material penalty in relation to environmental protection.

#### A. 環境

本集團深明其環保責任，已實施政策減少排放和提高資源使用效率。

本集團業務營運須遵守中國法律若干環境要求，該等法律包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《建設項目環境保護管理條例》及《中華人民共和國清潔生產促進法》。

截至二零二零年十二月三十一日止年度，本集團於所有重大方面遵守所有適用中國環境法律法規，且並無受到任何環保相關重大處罰。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### A.1 Emissions

During the Group's production process, there are certain wastage generated (sources of emissions) including solid waste, water, noise and polluted air. The Group has in place standard procedures to manage, treat and reduce the pollution and wastage in accordance with national and local requirements. The Group also has in place facilities for air filtration to ensure that the level of wastage or pollutants generated during its production process is within statutory limits. In addition, the Group has engaged a professional waste disposal service company for the disposal of hazardous wastes. To ensure compliance with the latest environmental laws and regulations, the Group has internal compliance manuals setting out its goals and policies in relation to environmental matters. The Group has been accredited with the ISO 14001 certification of environmental management system.

##### (i) Air pollutant emissions

During the year ended 31 December 2020, air pollutant emissions were mainly related to petrol consumption for the use of the Group's self-owned vehicles, which contributed to the emission of 11.03 kg (2019: 14.39 kg) of nitrogen oxides (NO<sub>x</sub>), 0.22 kg (2019: 0.29 kg) of sulphur oxides (SO<sub>x</sub>) and 0.81 kg (2019: 1.06 kg) of respiratory suspended particles (PM).

#### A.1 排放

本集團於生產過程中產生若干廢物（排放源），包括固體廢物、廢水、噪音及空氣污染。本集團已根據國家及地方要求設立標準程序，以管理、處理及減少污染及廢物。本集團設有空氣過濾設施，確保生產過程中產生的廢物或污染物不超過法定範圍，亦聘請專業廢物處理服務公司處理有害廢物。為確保遵守最新環境法律法規，本集團設有內部合規手冊，列明環境相關的目標及政策。本集團亦獲得ISO 14001環境管理系統認證。

##### (i) 空氣污染物排放

截至二零二零年十二月三十一日止年度，空氣污染物排放主要與本集團使用自有汽車而消耗汽油有關，包括11.03千克氮氧化物(NO<sub>x</sub>)（二零一九年：14.39千克）、0.22千克硫氧化物(SO<sub>x</sub>)（二零一九年：0.29千克）及0.81千克可吸入懸浮粒子(PM)（二零一九年：1.06千克）。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### (ii) Greenhouse gas emissions

### (ii) 溫室氣體排放

Scope of greenhouse gas emissions	溫室氣體排放範圍	For the year ended 31 December 2020 截至二零二零年 十二月三十一日止年度		For the year ended 31 December 2019 截至二零一九年 十二月三十一日止年度	
		Emission (in tCO <sub>2</sub> e) 排放量(噸量 二氧化碳當量)	Percentage to total emission 佔總排放量 百分比	Emission (in tCO <sub>2</sub> e) 排放量(噸量 二氧化碳當量)	Percentage to total emission 佔總排放量 百分比
<b>Scope 1 Direct emission</b>	<b>範圍1 直接排放</b>				
Combustion of petrol for mobile vehicles	汽車汽油燃燒	34.57	2.5%	46.46	2.6%
Consumption of refrigerant	製冷劑消耗量	92.31		90.50	
<b>Scope 2 Indirect emission</b>	<b>範圍2 間接排放</b>				
Purchased electricity	購買電力	4,707.32	92.9%	4,652.76	89.1%
<b>Scope 3 Other indirect emission</b>	<b>範圍3 其他間接排放</b>				
Paper waste disposal	廢紙處理	0.01	4.6%	0.01	8.3%
Water consumption	耗水	37.51		28.76	
Business air travel	商務飛行	195.96		404.40	
<b>Total</b>	<b>總計</b>	<b>5,067.68</b>	<b>100%</b>	<b>5,222.89</b>	<b>100%</b>

Notes:

- (1) Emission factors were made by reference to Appendix 27 of the Main Board Listing Rules and their referred documentation as set out by the Stock Exchange, unless stated otherwise.
- (2) The above emission data does not include the removal of CO<sub>2</sub> contributed by recycling of paper.

During the year ended 31 December 2020, the Group's activities contributed to 5,067.68 tonnes (2019: 5,222.89 tonnes) or 0.1 tCO<sub>2</sub>/m<sup>2</sup> (2019: 0.1 tCO<sub>2</sub>/m<sup>2</sup>) of carbon dioxide equivalent (carbon dioxide, methane, nitrous oxide and hydrofluorocarbons) emission. Details of the Group's measures to reduce the consumption of resources and the related emissions are set out below. As a result of these measures, the employees' awareness of reducing the consumption of resources and the related emissions has been increased. Same as the previous two years, the Group did not receive any complaints or warnings on greenhouse gas emissions during the year ended 31 December 2020, and targets to achieve the same performance in 2021.

附註：

- (1) 除非另有說明，否則排放系數均參考主板上市規則附錄二十七及由聯交所規定參考文件釐定。
- (2) 上述排放數據不包括回收紙張產生的二氧化碳。

截至二零二零年十二月三十一日止年度，本集團的活動排放5,067.68噸(二零一九年：5,222.89噸)或0.1噸二氧化碳當量/平方米(二零一九年：0.1噸二氧化碳當量/平方米)二氧化碳當量(二氧化碳、甲烷、一氧化二氮和氫氟碳化合物)。本集團減少資源消耗及相關排放的措施詳情載列如下。由於該等措施，僱員減少資源消耗及相關排放的意識有所增強。與過去兩年一樣，本集團截至二零二零年十二月三十一日止年度並無接獲任何溫室氣體排放的投訴或警告，並目標於二零二一年達致同樣表現。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### *Petrol consumption*

During the year ended 31 December 2020, the Group's motor vehicles travelled 147,591 km (2019: 192,647 km), which consumed 14,650 litres (2019: 19,688 litres) of petrol (9.2 litres (2019: 13.8 litres) of petrol per employee) and contributed to 34.57 tonnes (2019: 46.46 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from petrol consumption, the Group encourages its employees to use public transport when they attend business activities. For business activities that take place within walking distance, the Group encourages its employees to walk or cycle to the destination. The Group targets that its petrol consumption in 2021 will not exceed the level consumed during the year ended 31 December 2020.

#### *Refrigerant consumption*

During the year ended 31 December 2020, the Group consumed 51 kg (2019: 50 kg) of refrigerant (0.03 kg (2019: 0.04 kg) per employee) in connection with the use of air conditioning during its daily production and office operations, which contributed to 92.31 tonnes (2019: 90.50 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from refrigerant consumption, the Group encourages its employees to switch off the air conditioning when they leave the office and production premises. The Group targets that its refrigerant consumption in 2021 will not exceed the level consumed during the year ended 31 December 2020.

#### *汽油消耗*

截至二零二零年十二月三十一日止年度，本集團汽車行駛147,591公里（二零一九年：192,647公里），消耗14,650升汽油（二零一九年：19,688升汽油）（每名僱員消耗9.2升汽油（二零一九年：13.8升汽油）及排放34.57噸（二零一九年：46.46噸）二氧化碳當量。為減少汽油消耗產生的排放，本集團鼓勵僱員使用公共交通工具前往業務活動。就步行距離之內的業務活動而言，本集團鼓勵員工步行或騎單車前往目的地。本集團的目標為二零二一年汽油的消耗不會超逾截至二零二零年十二月三十一日止年度所消耗的水平。

#### *製冷劑消耗*

截至二零二零年十二月三十一日止年度，本集團在日常生產及辦公室運營過程中因使用空調消耗51千克（二零一九年：50千克）製冷劑（每名僱員0.03千克（二零一九年：0.04千克）），導致92.31噸（二零一九年：90.50噸）二氧化碳當量排放。為減少因消耗製冷劑而產生的排放，本集團鼓勵僱員離開辦公室及生產場所時關閉空調。本集團的目標為二零二一年消耗製冷劑不會超逾截至二零二零年十二月三十一日止年度所消耗的水平。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### *Electricity consumption*

During the year ended 31 December 2020, the Group consumed 5,230,352 kWh (2019: 5,169,737 kWh) of electricity (3,279 kWh (2019: 3,620 kWh) per employee) in connection with its daily production and office operations, which contributed to 4,707.32 tonnes (2019: 4,652.76 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from electricity consumption, the Group encourages its employees to switch off the lights and other electricity appliances when they leave the office and production premises. The Group targets that its electricity consumption in 2021 will not exceed the level consumed during the year ended 31 December 2020.

#### *Paper consumption*

During the year ended 31 December 2020, the Group consumed 1.3 tonnes (2019: 1.8 tonnes) of paper (0.001 tonnes (2019: 0.001 tonnes) per employee) in connection with its daily business operations, which contributed to 0.01 tonnes (2019: 0.01 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from paper usage, the Group encourages its employees to conserve paper, review documents on computers, send messages to customers via emails, use recycled paper and adopt double-sided printing. The Group targets that its paper consumption in 2021 will not exceed the level consumed during the year ended 31 December 2020.

#### *電力消耗*

截至二零二零年十二月三十一日止年度，本集團在日常生產和辦公中消耗5,230,352千瓦時（二零一九年：5,169,737千瓦時）電力（每名僱員3,279千瓦時（二零一九年：3,620千瓦時），排放4,707.32噸（二零一九年：4,652.76噸）二氧化碳當量。為減少用電產生的排放，本集團鼓勵僱員在離開辦公室和生產場所時關掉電燈和其他電器。本集團的目標為二零二一年的電力消耗不會超逾截至二零二零年十二月三十一日止年度所消耗的水平。

#### *用紙*

截至二零二零年十二月三十一日止年度，本集團因日常業務而使用1.3噸（二零一九年：1.8噸）紙張（每名僱員0.001噸（二零一九年：0.001噸），產生0.01噸（二零一九年：0.01噸）二氧化碳當量排放。為減少紙張使用產生的排放，本集團鼓勵員工節約紙張，用電腦審閱文檔，通過電子郵件向客戶發送消息，使用再生紙並採用雙面打印。本集團的目標為二零二一年的用紙不會超逾截至二零二零年十二月三十一日止年度所消耗的水平。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### *Water consumption*

During the year ended 31 December 2020, the Group consumed 41,865 cubic metres (2019: 32,105 cubic metres) of water (26.2 cubic metres (2019: 22.5 cubic metres) per employee) in connection with its daily business operations, which contributed to 37.50 tonnes (2019: 28.76 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from water usage, the Group encourages its employees to conserve water and remember to turn off the water tap after use. As a result, the employees have increased their awareness to reduce water consumption. During the year ended 31 December 2020, the Group did not encounter any problems in sourcing water that is fit for purpose. Further, the Group did not consume a significant amount of water that was and disproportional to the scale of its business operations. The Group targets that its water consumption in 2021 will not exceed the level consumed during the year ended 31 December 2020.

#### *Business air travel*

The Group's business nature requires employees to travel by air to other countries for meetings with customers and suppliers. They would only travel by air when necessary and the Group keeps track of their business air travels. During the year ended 31 December 2020, business air travels of the Group's employees had contributed a total of 195.96 tonnes (2019: 404.40 tonnes) of carbon dioxide equivalent emission.

#### *用水*

截至二零二零年十二月三十一日止年度，本集團日常業務消耗41,865立方米(二零一九年：32,105立方米)水(每名僱員26.2立方米(二零一九年：22.5立方米))，排放37.50噸(二零一九年：28.76噸)二氧化碳當量。為減少用水引起的排放，本集團鼓勵僱員節約用水和用後關水。因此，僱員的節水意識得以提高。截至二零二零年十二月三十一日止年度，本集團在獲取適用水源上並無遭遇任何困難。此外，本集團的用水量與其業務運營規模相符。本集團的目標為二零二一年的用水不會超逾截至二零二零年十二月三十一日止年度所消耗的水平。

#### *商務飛行*

本集團的業務性質要求僱員乘飛機前往其他國家與客戶和供應商會面。彼等僅在必要時乘飛機旅行，旅程由本集團記錄。截至二零二零年十二月三十一日止年度，本集團僱員商務飛行合共排放195.96噸(二零一九年：404.40噸)二氧化碳當量。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### (iii) Hazardous waste

During the year ended 31 December 2020, the Group generated minimal amount of hazardous waste. The major hazardous waste generated by the Group was waste light tube. To minimise the impact on environment, the Group has engaged a professional waste disposal service company for the disposal of hazardous wastes. The Group will strive to reduce generation of hazardous waste through upgrading technologies whenever possible. Same as the previous two years, the Group did not receive any complaints or warnings on disposal of its hazardous waste during the year ended 31 December 2020, and targets to achieve the same performance in 2021.

#### (iv) Non-hazardous waste

During the year ended 31 December 2020, the Group generated a total of 1565 tonnes (2019: 1,440 tonnes) of non-hazardous waste (0.98 tonnes (2019: 1.01 tonnes) per employee). The non-hazardous waste generated by the Group were packaging materials generated from the Group's production process. The Group regularly reminds its employees to use resources efficiently and try to avoid the generation of waste. As a result, the employees' awareness of waste management has been increased. Same as the previous two years, the Group did not receive any complaints or warnings on disposal of its non-hazardous waste during the year ended 31 December 2020, and targets to achieve the same performance in 2021.

#### (iii) 有害廢物

截至二零二零年十二月三十一日止年度，本集團產生微量有害廢物。本集團產生的主要有害廢物為廢光管。為盡量減少對環境的影響，本集團已聘請專業廢物處理服務公司處理有害廢物。本集團將盡力通過升級技術減少產生有害廢物。與過去兩年一樣，本集團截至二零二零年十二月三十一日止年度並無接獲任何有害廢物的投訴或警告，並目標於二零二一年達致同樣表現。

#### (iv) 無害廢物

截至二零二零年十二月三十一日止年度，本集團合共產生1565噸（二零一九年：1,440噸）無害廢物（每名僱員0.98噸（二零一九年：1.01噸））。本集團產生的主要無害廢物為本集團在生產過程中產生的包裝材料。本集團定期提醒僱員有效利用資源，盡量避免浪費，提高了僱員對廢物管理的認識。與過去兩年一樣，本集團截至二零二零年十二月三十一日止年度並無接獲任何處理無害廢物的投訴或警告，並目標於二零二一年達致同樣表現。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A.2 Use of resources

Reducing consumption of resources and enhancing utilisation efficiency are the Group's principles in minimising adverse impact on the environment and natural resources that may be caused by its business operations. The Group has adopted a set of guidelines to achieve efficient use of energy, water and other resources for long-term sustainability.

The Group's total consumption of resources during the year ended 31 December 2020 together with the relevant conservation measures adopted by the Group are detailed in the section headed "A.1 Emissions" above.

### A.3 The environment and natural resources

During the year ended 31 December 2020, the Group's business activities did not cause significant adverse impact on the environment and natural resources.

To further improve the use of resources, the Group takes the following actions on an ongoing basis:

- keep track of its consumption level of resources;
- review the effectiveness of its conservation measures; and
- design improvement measures.

As a result, the Group's employees are more aware of the importance of using resources efficiently.

### A.2 資源使用

本集團盡量減輕業務運營可能對環境及自然資源造成的不利影響的原則是減少資源消耗和提高利用率。本集團已採取一系列指引，以實現能源、水和其他資源的長期可持續有效利用。

截至二零二零年十二月三十一日止年度，本集團的資源總消耗量以及本集團採取的相關節約措施詳述於上文「A.1 排放」一節。

### A.3. 環境及自然資源

截至二零二零年十二月三十一日止年度，本集團的業務活動並無對環境及自然資源造成重大不利影響。

為進一步優化資源使用，本集團持續採取以下措施：

- 記錄資源消耗水平；
- 檢討節約措施成效；及
- 設計改進措施。

因此，本集團僱員深知有效利用資源的重要性。





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### A.4 Climate change

Management of the Group regularly monitors and identifies climate change risk that is relevant to the Group's business operations.

Climate change is mainly caused by the release of carbon dioxide into the atmosphere, resulting from the use of fossil fuels for electricity generation and for transportation. As mentioned above, the Group has implemented appropriate strategies to use resources more efficiently and reduce emissions to combat climate change and reduce potential costs in the future.

During the year ended 31 December 2020, management was not aware of any significant climate-related issues that had/might have significant adverse impact on the Group's business operations.

Going forward, if there are any significant climate related issues and transitional risks posed from climate change that will have significant adverse impact on the Group's business operations, management will implement appropriate strategies to mitigate such issues or risks in a timely manner.

#### A.4 氣候變化

本集團管理層定期注視及識別與本集團業務經營有關的氣候變化風險。

氣候變化主要是由於使用化石燃料發電和運輸，而向大氣層釋放二氧化碳所致。如上文所述，本集團已實施適當的策略，以更有效地利用資源和減少排放，以應對氣候變化並降低未來的潛在成本。

截至二零二零年十二月三十一日止年度，管理層並未知悉任何已／可能對本集團業務經營產生重大不利影響的重大氣候相關事宜。

展望未來，如氣候變化帶來的任何重大氣候相關事宜和過渡性風險對本集團的業務經營產生重大不利影響，管理層將及時實施適當的策略，減輕該等問題或風險。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B. Social

#### B.1 Employment and labour practices

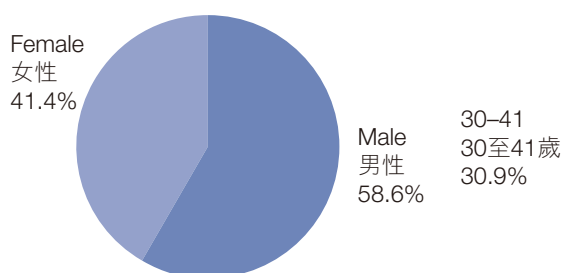
##### (i) Employment

###### *Total employees*

The Group had a total number of 1,836 full-time employees in the PRC as at 31 December 2020. The Group did not have any part-time employees as at 31 December 2020. During the year ended 31 December 2020, the Group adjusted the number of staff according to its actual business needs and staff turnover rate was within an acceptable level.

Set forth below are the distribution of the Group's employees as at 31 December 2020 by gender and age group:

**DISTRIBUTION OF EMPLOYEES BY GENDER**  
按性別劃分的僱員分佈



###### *Employee benefits and welfare*

The Group enters into employment contracts with its employees and the employment contract terms were stipulated under the principles of fairness, voluntarism, mutual consent, integrity and credibility. The remuneration package offered to employees includes salary, bonuses and other subsidies. In general, the remuneration package is based on each employee's qualifications, position, seniority and work performance. The Group carries out an annual review system to assess the performance of its employees, which forms the basis of decisions with respect to salary raises, bonuses and promotions.

### B. 社會

#### B.1 僱傭及勞工常規

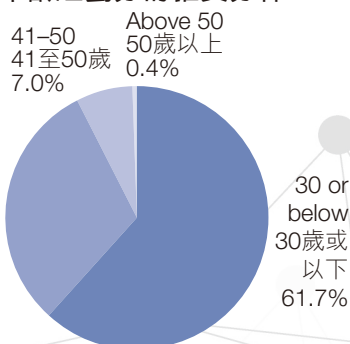
##### (i) 僱傭

###### *僱員總數*

於二零二零年十二月三十一日，本集團在中國共有1,836名全職僱員。於二零二零年十二月三十一日，本集團並無任何兼職員工。截至二零二零年十二月三十一日止年度，本集團根據實際業務需求調整員工人數，而員工流失率處於可接受範圍內。

以下是二零二零年十二月三十一日按性別和年齡組劃分的本集團僱員分佈：

**DISTRIBUTION OF EMPLOYEES BY AGE GROUP**  
按年齡組劃分的僱員分佈



###### *僱員福利*

本集團與僱員簽訂僱傭合約，僱傭合約的條款基於公平、自願、雙方同意、誠信及信譽原則制定。僱員薪酬包括薪金、花紅和其他補貼。薪酬待遇一般根據僱員資格、職位、資歷和工作表現釐定。本集團實行年度檢討制度以評估僱員的表現，作為加薪、花紅和晉升的決策基礎。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

During the year ended 31 December 2020, the Group maintains social insurance for its employees pursuant to the applicable PRC laws and regulations by making contributions to the mandatory social insurance and housing provident funds which provide basic retirement, medical, work-related injury, maternity and unemployment benefits.

During the year ended 31 December 2020, the Group complies with the Labour Law of the PRC and did not experience any significant disputes with its employees or any disruption to business operations due to labour disputes. In addition, the Group did not experience any difficulties in the recruitment and retention of experienced core staff or skilled personnel.

#### *Labour standards*

During the year ended 31 December 2020, there was no child labour nor forced labour working in the Group. The job application requirement specifies that job applicants must be at least 18 years old. To ensure that job applicants can meet the age requirement, identities of job applicants are verified against their valid identity documents, relevant permits and certificates.

The human resources department is required to carry out background checks to authenticate information provided by job applicants and is required to fill in forms that confirm hired employees have met the age requirement. If child labour or forced labour is discovered, such matter will be reported to the human resources department and the senior management and the Group will enhance the internal controls immediately. No material non-compliance in relation to laws and regulations regarding prevention of child and forced labour was recorded during the year ended 31 December 2020.

截至二零二零年十二月三十一日止年度，本集團根據適用中國法律法規為僱員繳納社會保險，包括向強制社保及住房公積金供款，提供基本退休、醫療、工傷、生育及失業保險。

截至二零二零年十二月三十一日止年度，本集團一直遵守中華人民共和國勞動法，並無與僱員發生重大糾紛或因勞資糾紛導致經營活動中斷。此外，本集團在聘任和留任經驗豐富的核心員工或熟練人員方面並無任何困難。

#### *勞工標準*

截至二零二零年十二月三十一日止年度，本集團概無童工或強制勞工。招聘要求規定求職者必須年滿18歲。為確保求職者符合年齡要求，本集團根據有效身份證明文件、相關許可證及證書核實求職者身份。

人力資源部須進行背景調查以驗證求職者提供的資料，並須填寫表格以確認僱傭的僱員已達到年齡要求。倘發現童工或強迫勞工，有關事宜將滙報至人力資源部及高級管理層，而本集團將即時加強內部控制。截至二零二零年十二月三十一日止年度，未發生任何重大違反防止童工和強迫勞工相關法律法規的行為。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### *Equal opportunity*

The Group provides equal opportunities for employees in respect of recruitment, job advancement, training and development, etc. Employees are not discriminated against or deprived of such opportunities on the basis of race, nationality, religion, physical condition, disability, gender, pregnancy, sexual orientation, political status, age and any other discrimination prohibited by applicable law. Employees shall not act in discriminatory manner or they can be subject to disciplinary actions.

#### (ii) Employee relations

The Directors consider that it is important to maintain good relationship with employees. The Group maintains regular communications with its employees by arranging gatherings, celebration activities and trainings. Through these activities, the Group would collect feedback from its employees on job satisfactions and their expectations on the Group and would implement appropriate strategies to improve the work environment and its relationship with the employees.

#### (iii) Employee health and safety

The Group places emphasis on occupational health and work safety. It provides a safe working environment and training sessions for its employees to ensure that they can work safely. It has also implemented a system of recording and handling accidents. Further, the Group also has dedicated personnel responsible for administering the internal worker safety policies, providing relevant training and education, and conducting regular inspections. During the year ended 31 December 2020, the Group had not experienced any material safety accidents or been penalised for any non-compliance relating to work safety laws and regulations.

#### 平等機會

本集團在招聘、晉升、培訓及發展等方面為僱員提供平等機會。僱員不會因種族、國籍、宗教、身體狀況、殘疾、性別、懷孕、性取向、政治取向、年齡或適用法例禁止的任何其他歧視而遭歧視或剝奪有關機會。僱員不得歧視他人，否則可能會受到紀律處分。

#### (ii) 僱員關係

董事認為，與僱員維持良好關係十分重要。本集團通過安排聚會、慶祝活動及培訓定期與僱員溝通。藉助該等活動，本集團可聽取僱員有關工作滿意度及對本集團期望的意見，實施適當策略改善工作環境及與僱員的關係。

#### (iii) 僱員健康與安全

本集團注重職業健康及工作安全，為僱員提供安全的工作環境及培訓課程，以確保彼等能安全工作。本集團亦實行記錄及處理事故的制度。此外，本集團還有專職人員負責管理內部員工安全政策，提供相關培訓及教育，進行定期檢查。截至二零二零年十二月三十一日止年度，本集團並無發生任何重大安全事故，亦無因不遵守工作安全法律及法規而受到處罰。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Occupational health and safety data for the three years ended 31 December 2020

截至二零二零年十二月三十一日止三個年度的職業健康與安全數據

Work related fatality  
Work injury cases >3 days  
Work injury cases <=3 days  
Lost days due to work injury

因工死亡	-
3天以上的工傷事故	-
3天及以內的工傷事故	-
工傷停工天數	-

Amid the outbreak of COVID-19, the Group followed the guidelines of the relevant government authorities and implemented the following strategies to ensure the health and safety of its employees:

在 COVID-19 爆發之際，本集團遵循政府相關部門的指引，實施了以下策略，確保員工的健康和安全：

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Implement flexible work practices</li> <li>• Make sure employees follow cleaning protocol at work</li> <li>• Provide protective masks to employees</li> <li>• Measure the body temperatures of employees to monitor their health condition</li> <li>• Attend virtual meetings instead of face-to-face meetings as far as practicable</li> </ul> | <ul style="list-style-type: none"> <li>• 實施彈性工作方式</li> <li>• 確保員工在工作上遵守清潔協議</li> <li>• 向員工提供防護口罩</li> <li>• 測量員工體溫，監測其健康狀況</li> <li>• 盡可能參加虛擬會議，而非面對面會談</li> </ul> |
|--|--|

#### (iv) Development and training

The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which were identified annually by individual departments:

- Orientation training – To familiarise employees with the Group’s objectives, culture, rules and regulations, safety and product-related knowledge on the first day of work;

#### (iv) 發展及培訓

本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定：

- 入職培訓— 在入職當天培訓僱員熟悉本集團的目標、文化、規則制度、安全及產品相關知識；



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

- b. Pre-job training – To familiarise new employees or transferred employees with their new duties; and
- c. On-the-job training – To ensure that the employees are familiar with the Group's products, to sharpen the sales technique and customer service standard of sales and marketing personnel and to ensure the production and quality control personnel perform proper quality control procedures.

- b. 崗前培訓－培訓新僱員或轉崗僱員熟悉新崗職責；及
- c. 在職培訓－確保僱員熟悉本集團的產品，提升銷售及營銷人員的銷售技巧及客戶服務標準，確保生產及質控人員妥善履行質控程序。

Set forth below is the number and percentage of training hours completed by the Group's employees by gender and employee category for the year ended 31 December 2020:

以下為截至二零二零年十二月三十一日止年度，本集團僱員按性別及僱員類別所完成的培訓時數及百分比：

For the year ended 31 December 2020  
截至二零二零年十二月三十一日止年度

Employee category 僱員類別	Male 男性	Female 女性	Total 合計	% of training hours by employee category 按僱員類別劃分的受訓時數的百分比
	Training hours 受訓時數	Training hours 受訓時數	Training hours 受訓時數	
Senior management 高級管理層	288	–	288	0.1%
Middle management 中級管理層	17,561	5,699	23,260	6.9%
Other employees 其他僱員	170,780	143,791	314,571	93.0%
<b>Total 總計</b>	<b>188,629</b>	<b>149,490</b>	<b>338,119</b>	<b>100.0%</b>
<b>% of training hours by gender 按性別劃分的受訓時數的百分比</b>	<b>55.8%</b>	<b>44.2%</b>	<b>100.0%</b>	

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B.2 Operating practices

#### (i) Supply chain management

The Group purchases raw materials and equipment based on its own needs, specifications, quality and safety performance of equipment, reputation, after-sales service and delivery time of the supplier. The Group compares different suppliers to select qualified suppliers (based on their product specifications, product compliances, production management, quality management and also ESG performances) before the Group enters into contract with the qualified suppliers.

When selecting equipment, the Group would also consider whether they are energy efficient and environmental friendly. During the year ended 31 December 2020, the Group principally sourced its major raw materials (including PCBAs, display modules, camera modules and mobile chips) and equipment from PRC suppliers.

During the year ended 31 December 2020, the geographical locations of the Group's suppliers of raw materials and equipment were as follows:

#### Geographical locations of the Group's suppliers

本集團供應商的地理位置	Number of suppliers 供應商數目
The PRC	545
Hong Kong	25
<b>Total</b>	<b>570</b>

### B.2 經營常規

#### (i) 供應鏈管理

本集團基於自身需求以及供應商的設備規格、質量及安全表現、聲譽、售後服務及交付時間採購原材料及設備。與合資格供應商訂立合約前，本集團會比較不同供應商以甄選合資格供應商（基於產品規格、產品合規、生產管理、質量管理以環境、社會及管治表現）。

在選擇設備時，本集團亦會考慮設備是否節能及環保。截至二零二零年十二月三十一日止年度，本集團的主要原材料（包括印刷電路板、顯示屏模件、攝像頭模件及移動芯片）及設備主要採購自中國供應商。

截至二零二零年十二月三十一日止年度，本集團原材料及設備的供應商之地理位置如下：

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

The Group expects its suppliers to uphold the environmental, social and governance principles that the Group has adopted into the management of its business operations. In order to ensure that the components and raw materials meet the requisite safety and quality standards, the Group adopts stringent criteria in supplier selection (including but not limited to whether they provide high quality raw materials, whether they maintain a high standard on environmental protection and comply with relevant laws on environmental issues, whether price is comparable to market rate and location of their factories) and continuously monitors existing suppliers on an annual basis, based on criteria such as product quality, product defect ratio, delivery punctuality ratio and responsiveness.

Whether the supplier will continue to be included in the Group's list of approved suppliers depends on the marks it achieved under annual evaluation. The awareness of environmental protection is one of the key criteria for the Group to evaluate the suppliers.

本集團預期供應商在管理其業務營運時，恪守本集團所採納的環境、社會及管治原則。為確保零部件及原材料符合所需的安全及品質標準，本集團在甄選供應商時採用嚴格標準（包括但不限於彼等是否提供的原材料是否上乘、是否在環保方面維持高標準，並遵守有關環境問題的法例、價格是否與市價相若及廠房位置），並每年根據產品品質、產品不良比率、準時交貨率及回應等標準持續監察現有供應商。

供應商是否繼續納入本集團的認可供應商名單，取決於其在年度評估中達到的分數。環保意識是本集團評估供應商的重要標準之一。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### (ii) Product responsibility

##### *Product assurance and recall*

Product quality is crucial to the Group's continued success. The Group places strong emphasis on achieving a consistently high quality for its products. To achieve such purpose, stringent quality control measures throughout the production process were implemented to ensure the quality and safety of our products. The Group's quality control department performs regular inspections to evaluate the effectiveness of the quality control measures and further enhance these measures when necessary.

The Group's quality management system has complied with the standard of GB/T 19001-2016/ISO9001: 2015 Quality Management Systems Requirements and awarded a certificate for the design, development, production and services of communication products, including exportable mobile phone, on 18 January 2019, which remains valid until 17 January 2022. During the year ended 31 December 2020, the Group did not experience any claims, litigations and arbitrations or material adverse findings in inspection by government authorities with respect to product quality.

The Group only accepts product returns if there is manufacture or design defect or the product specification deviates from customers' specifications. During the year ended 31 December 2020, the Group did not experience any product recall, material non-compliance with laws and regulations in relation to product safety nor receive any material complaints from consumers.

#### (ii) 產品責任

##### *產品保證及召回*

產品質量對本集團取得持續成功至關重要。本集團極之注重維持產品的一貫優質表現。為達致此目的，本集團對全生產過程實施嚴格的質控措施，以確保我們產品的質量及安全。本集團的質控部門會定期檢查，以評估質控措施的成效和在必要時進一步強化該等措施。

我們的質量管理系統符合GB/T 19001-2016/ISO9001：2015質量管理系統要求的標準，並於二零一九年一月十八日獲得通信產品（包括出口手機）的設計、開發、生產及服務證書，有效期至二零二二年一月十七日止。截至二零二零年十二月三十一日止年度，本集團並無面臨與產品質量有關的任何索賠、訴訟及仲裁或政府機關發出的重大不利檢查結果。

本集團僅於出現生產或設計瑕疵或產品規格偏離客戶規格的情況下會接受退貨。截至二零二零年十二月三十一日止年度，本集團並無進行任何產品召回，亦無嚴重違反產品安全相關法律法規的情況或收到任何重大客戶投訴。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

#### *Intellectual property rights and information security*

As a mobile phone supplier with strong design capability, the Group registers patents to safeguard the technologies and mobile phone applications developed by the research and development department time to time. The Group relies on the relevant laws and regulations to protect its brand names, trademarks and other intellectual property rights.

During the year ended 31 December 2020, the Group was not aware of any material infringement (i) by the Group of any intellectual property rights owned by any third parties ; or (ii) by any third party of any intellectual property rights owned by the Group. Further, there were no pending or threatened material claims made against the Group, nor had there been any material claims made by the Group against third parties, with respect to the infringement of intellectual property rights owned by the Group.

#### (iii) Anti-corruption

According to the Group's anti-corruption policy, all employees shall abide by the laws and regulations of the PRC and shall not engage in any illegal activities. Employees shall uphold the code of ethics, advocate fair competition and act against bribery. Any bribery, fraud, money laundering and embezzlement are prohibited.

Employees must not accept or request any improper benefits including banquets, gifts, securities, valuables and high-expenditure entertainment activities from business partners, suppliers and merchants, etc. When there is any alleged case in violation of laws, regulations, code of conduct or Group's policies, the Group will investigate and impose disciplinary actions upon offenders after verification. The Group also provides trainings to directors and employees from time to time to ensure that they comply and familiar with the anti-corruption guides, policies and procedures of the Group.

#### 知識產權及信息安全

作為擁有雄厚設計能力的手機供應商，本集團已註冊專利以保障研發部門不時開發的技術及手機應用程式。本集團依賴相關法律及法規保護品牌、商標及其他知識產權。

截至二零二零年十二月三十一日止年度，就本集團所知，(i)本集團並無嚴重侵犯任何第三方擁有的任何知識產權；或(ii)任何第三方並無嚴重侵犯本集團擁有的任何知識產權。此外，本集團並無任何未決或可能遭提起的重大索賠，本集團亦無因本集團所擁有知識產權遭侵犯而向第三方提起的任何重大索賠。

#### (iii) 反貪腐

根據本集團的反貪腐政策，所有僱員均須遵守中國的法律及法規，不得從事任何非法活動。僱員應恪守職業道德，倡導公平競爭和防止賄賂。本集團禁止任何賄賂、欺詐、洗錢及侵吞公款行為。

僱員不得接受來自業務夥伴、供應商及商戶等方的任何不正當利益或要求提供任何不正當利益，包括宴請、禮物、證券、貴重物品及高消費招待活動。若有疑似違反法律、法規、操守守則或本集團政策的情況，本集團將調查違者，核實後紀律處分。本集團亦不時向董事及僱員提供培訓，確保彼等遵守及熟悉本集團的反貪污指引、政策及程序。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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During the year ended 31 December 2020, the Group complied with all applicable laws on prohibiting corruption and bribery of the PRC and there was no concluded legal case regarding corrupt practices brought against the Group or its employees.

#### (iv) Data protection and privacy policy

The Group is committed to protecting the privacy of its customers, employees, business partners and suppliers by maintaining a safe and secure data environment. The Group has implemented appropriate policies to ensure that all personal and business data collected during the Group's business activities are organised and secured properly. Computers and servers are protected from access passwords, Employees are instructed of their responsibility to follow the confidentiality code on the access to information and to ensure the safekeeping of all personal, customer and business data, trade secrets and proprietary information. Employees are prohibited from disclosing the information to unauthorised parties.

### B.3 Community investment

The Group acknowledges corporate social responsibility and allocates resources to satisfy the needs of the community. During the year ended 31 December 2020, the Group spent reasonable amount of time and resources on environmental protection as well as cultural and sport promotion. The Group encouraged its employees to participate charitable events. Going forward, the Group will continue to focus on community needs and increase its investment in community.

截至二零二零年十二月三十一日止年度，本集團已遵守中國有關禁止貪污受賄的所有適用法律，且並無針對本集團或僱員提出的已審結貪污法律案件。

#### (iv) 資料保護及私穩政策

本集團致力透過維持安全及有保障的資料環境來保護其客戶、員工、業務夥伴及供應商的私隱。本集團已實施適當的政策，以確保在本集團的業務活動中收集的所有個人及業務資料均安排有序及安全穩妥。電腦及伺服器的存取受到密碼保護，員工獲指示其有責任遵循資料存取的保密守則，並確保所有個人、客戶及業務資料、商業秘密及專有資訊獲安全保管。員工被禁止向未經授權人士透露資料。

### B.3 社區投資

本集團深知企業社會責任，分配資源滿足社區需求。截至二零二零年十二月三十一日止年度，本集團專注花費合理的時間和資源在環保與文化及體育推廣。本集團鼓勵僱員參與公益活動。日後，本集團將繼續專注於社區需求和加大社區投資。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### The ESG Reporting Guide content index of The Stock Exchange of Hong Kong Limited

### 香港聯合交易所有限公司的環境、 社會及管治報告指引內容索引表

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及 關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關 章節／聲明
<b>Aspect A1: Emissions</b> <b>層面 A1：排放物</b>		
General Disclosure 一般披露	Information on: 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) the policies; and 政策；及  (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 nonhazardous waste. 遵守對發行人有重大影響的相關法律 及規例的資料。	A. ENVIRONMENT A. 環境
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	A.1 Emissions A.1 排放
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and intensity. 溫室氣體總排放量（以噸計算）及密度。	A.1 Emissions – (ii) Greenhouse gas emissions A.1 排放 – (ii) 溫室氣體排放
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量（以噸計算）及密度。	A.1 Emissions – (iii) Hazardous waste (Not applicable – Explained) A.1 排放 – (iii) 有害廢物 （不適用 – 已解釋）
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量（以噸計算）及密度。	A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 無害廢物
KPI A1.5 關鍵績效指標 A1.5	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	A.1 Emissions A.1 排放
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。	A.1 Emissions – (iii) Hazardous waste A.1 排放 – (iii) 有害廢物 A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 無害廢物

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect A2: Use of Resources</b> 層面 A2：資源使用 General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	A.2 Use of resources A.2 資源使用
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	A.1 Emissions A.1 排放
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity. 總耗水量及密度。	A.1 Emissions – (ii) Greenhouse gas emissions – Water consumption A.1 排放 – (ii) 溫室氣體排放 – 用水
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。	A.1 Emissions A.1 排放
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 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。	A.1 Emissions – (ii) Greenhouse gas emissions – Water consumption A.1 排放 – (ii) 溫室氣體排放 – 用水
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes). 製成品所用包裝材料的總量(以噸計算)。	A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 無害廢物

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
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### Aspect A3: The Environment and Natural Resources

#### 層面 A3：環境及天然資源

General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	A.3 The environment and natural resources A.3 環境及自然資源
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KPI A3.1 關鍵績效指標 A3.1	Description of the 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。	A.3 The environment and natural resources A.3 環境及自然資源
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### Aspect A4: Climate Change

#### 層面 A4：氣候變化

General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	A.4 Climate change A.4 氣候變化
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KPI A4.1 關鍵績效指標 A4.1	Description of significant climate-related issues which have impacted and/or may impact the issuer and the actions taken to manage them. 說明已影響和／或可能影響發行人的重大氣候相關問題，以及為解決這些問題而採取的行動。	A.4 Climate change A.4 氣候變化
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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B1: Employment</b> <b>層面 B1：僱傭</b> General Disclosure 一般披露	Information on: 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： <ul style="list-style-type: none"> <li>(a) the policies; and 政策；及</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul>	B.1 Employment and labour practices B.1 僱傭及勞工常規
KPI B1.1 關鍵績效指標 B1.1	Total workforce by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員總數。	B.1 Employment and labour practices – (i) Employment – Total employees B.1 僱傭及勞工常規 – (i) 僱傭 – 僱員總數
KPI B1.2 關鍵績效指標 B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	B.1 Employment and labour practices – (i) Employment – Total employees B.1 僱傭及勞工常規 – (i) 僱傭 – 僱員總數
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 工傷誤工天數。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康和安安全
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 員工健康及安全措施，以及如何執行及監督此等措施的描述。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康和安安全



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B2: Health and Safety</b> <b>層面 B2：健康與安全</b>		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的：  (a) the policies; and 政策；及  (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 遵守對發行人有重大影響的相關法律及規例的資料。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康與安全
KPI B2.1 關鍵績效指標 B2.1 (建議披露)	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康與安全
<b>Aspect B3: Development and Training</b> <b>層面 B3：發展及培訓</b>		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 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。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓
KPI B3.1 關鍵績效指標 B3.1	Percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓
KPI B3.2 關鍵績效指標 B3.2	Average training hours completed by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B4: Labour Standards</b> 層面 B4：勞工準則 General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： <ul style="list-style-type: none"> <li>(a) the policies; and 政策；及</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul>	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討僱傭慣例的措施以避免童工及強制勞工。	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭
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。	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B5: Supply Chain Management</b> <b>層面 B5：供應鏈管理</b>		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.1 關鍵績效指標 B5.1	Geographical locations of major suppliers. 主要供應商的地理位置。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers. 描述有關聘用供應商的慣例。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.3 關鍵績效指標 B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.4 關鍵績效指標 B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B6: Product Responsibility</b> 層面 B6：產品責任 General Disclosure 一般披露	Information on: 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) the policies; and 政策；及  (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. 遵守對發行人有重大影響的相關法律及規例的資料。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而回收的百分比。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
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。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
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。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, and 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。	B.2 Operating practices – (iv) Data protection and privacy policy B.2 經營常規 – (iv) 資料保護及私穩政策

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B7: Anti-corruption</b>		
<b>層面 B7：反貪污</b>		
General Disclosure 一般披露	<p>Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 遵守對發行人有重大影響的相關法律及規例的資料。</p>	B.2 Operating practices – (iii) Anti-corruption B.2 經營常規 – (iii) 反貪腐
KPI B7.1 關鍵績效指標 B7.1	<p>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. 於報告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。</p>	B.2 Operating practices – (iii) Anti-corruption B.2 經營常規 – (iii) 反貪腐
KPI B7.2 關鍵績效指標 B7.2	<p>Description of preventive measures and 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。</p>	B.2 Operating practices – (iii) Anti-corruption B.2 經營常規 – (iii) 反貪腐
KPI B7.3 關鍵績效指標 B7.3	<p>Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。</p>	B.2 Operating practices – (iii) Anti-corruption B.2 經營常規 – (iii) 反貪腐



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
<b>Aspect B8: Community Investment</b> 層面 B8：社區投資 General Disclosure 一般披露	<p>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.</p> <p>有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。</p>	B.3 Community investment B.3 社區投資
KPI B8.1 關鍵績效指標 B8.1	<p>Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p> <p>專注貢獻範疇(例如教育、環境問題、勞工需求、健康、文化、體育)。</p>	B.3 Community investment B.3 社區投資
KPI B8.2 關鍵績效指標 B8.2	<p>Resources contributed (e.g. money or time) to the focus area.</p> <p>在專注範疇所動用資源(如金錢或時間)。</p>	B.3 Community investment B.3 社區投資

# DIRECTORS' REPORT

## 董事會報告書

The directors present to the shareholders the annual report and the audited consolidated financial statements for the year ended 31 December 2020.

### Principal activities

The Group is an ODM mobile phone supplier based in the PRC, primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets. Particulars of the Company's principal subsidiaries are set out in note 39 to the consolidated financial statements.

### Business review

The business review of the Group for the year ended 31 December 2020 is set out in the sections headed "Chairman's Statement", "Management and Discussion and Analysis", "Corporate Governance Report", "Environmental, Social and Governance Report" and "Financial Summary" of this annual report.

### Principal risk factors and uncertainties

The following sets out the principal risks and uncertainties encountered by the Group in its business operations:

#### Rapid technological changes

The Group operates in the mobile phone industry characterised by rapid technological changes with short product life cycle, and the Group may not be able to maintain its revenue growth and any delay by us in rolling out new and competitive mobile phones will adversely affect its financial performance.

#### Thin net profit margin

The Group has a relatively thin net profit margin and hence are highly sensitive to any unfavorable change in the cost of sales, selling price and sales volume.

#### Concentration of customers

The Group has a concentration of customers and any decrease or loss of business from these major customers could adversely and substantially affect its business operations and financial conditions.

董事向股東提呈截至二零二零年十二月三十一日止年度的年報及經審核綜合財務報表。

### 主要業務

本集團為一間位於中國的ODM手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品，主要面向新興市場。本公司主要附屬公司的詳情載於綜合財務報表附註39。

### 業務回顧

本集團截至二零二零年十二月三十一日止年度的業務回顧載於本年報「主席報告」、「管理層討論及分析」、「企業管治報告」、「環境、社會及管治報告」及「財務概要」各節。

### 主要風險因素及不確定因素

下文載列本集團業務營運面臨的主要風險及不確定因素：

#### 技術轉變快速

本集團於手機業營運，行業特點是技術轉變快速、產品生命週期短。本集團可能無法維持收益增長且我們於推出全新及具競爭力的手機時出現任何延誤將會對財務表現造成不利影響。

#### 純利率稀薄

本集團的純利率相對稀薄，因此對銷售成本、銷售價格及銷售量的任何不利變化都非常敏感。

#### 客戶集中

本集團存在客戶集中的情況及來自該等主要客戶的業務減少或流失可能對我們的業務經營及財務狀況產生重大不利影響。



## DIRECTORS' REPORT 董事會報告書

### Fluctuations in the prices of raw materials

Fluctuations in the prices of raw materials may affect the Group's cost of sales and adversely affect its business operations and profitability.

### Future prospect and development

The Group's business growth is expected to be driven by (i) the huge population and the increasing disposable income of the Group's target sales locations; (ii) increasing demand for IoT products; and (iii) the roll-out of 5G telecommunication network. In order to capture the potential market opportunities, the Group will continue to expand its production capacity, enhance its research and development capability, enrich its product portfolio and increase its sales and marketing effort to diversify its geographical locations.

### Major suppliers and customers

During the year ended 31 December 2020, sales to the Group's largest customer and five largest customers accounted for 23.4% and 49.2% (2019: 18.4% and 70.8%) of the total revenue, respectively.

On the other hand, purchases from the Group's largest supplier and the five largest suppliers during the year ended 31 December 2020 accounted for approximately 15.2% and 48.5% (2019: 13.5% and 49.9%) of the total purchases, respectively.

None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers for the year ended 31 December 2020.

### Key relationships with employees, customers and suppliers

Maintaining good relationships with employees, customers and suppliers is critical to the Group's business success. The Group creates a decent working environment for its employees, where they can work comfortably and achieve a work life balance. The Group rewards its employees based on their performance and also provides training to enhance their skills and knowledge. No strikes and cases of fatality due to workplace accidents are found in the reporting period under review.

### 原材料價格波動

原材料價格波動可能會影響本集團銷售成本並對業務經營及盈利能力造成不利影響。

### 未來前景及發展

本集團業務增長預期由以下因素帶動：(i) 本集團目標銷售地點人口龐大及可支配收入增加；(ii) 物聯網產品需求上升；及(iii) 推出5G通訊網絡。為把握潛在市場機遇，本集團將繼續擴大產能，提升研發能力，豐富產品組合，加強銷售及營銷以開拓多元化地區覆蓋。

### 主要供應商及客戶

截至二零二零年十二月三十一日止年度，本集團最大客戶及五大客戶的銷售額分別佔總收益的23.4%及49.2%（二零一九年：18.4%及70.8%）。

另一方面，截至二零二零年十二月三十一日止年度，本集團最大供應商及五大供應商的採購額分別佔總採購額的約15.2%及48.5%（二零一九年：13.5%及49.9%）。

本公司董事或彼等任何緊密聯繫人或就董事所知擁有本公司已發行股本5%以上的任何股東，概無於截至二零二零年十二月三十一日止年度擁有本集團五大客戶或供應商任何實益權益。

### 與僱員、客戶及供應商的關係

與僱員、客戶及供應商維持良好關係對本集團業務成功至關重要。本集團為僱員營造良好工作環境，讓僱員能舒適工作，平衡工作與生活。本集團根據表現獎勵僱員，亦提供培訓提升僱員的技能及知識。回顧報告期內，概無出現罷工及因工作場所意外而導致死亡的個案。

## DIRECTORS' REPORT

### 董事會報告書

The Group believes that it is important to listen to customers' needs and feedbacks on its products in order to maintain sustainable relationship with customers. The Group collects such information from various channels and performs detailed analysis on how to improve existing products and develop new products that would satisfy its customers.

The Group encompasses working relationships with suppliers to meet our customers' needs in an effective and efficient manner. The departments work closely to make sure the tendering and procurement process is conducted in an open, fair and just manner.

### Compliance with laws and regulations

During the year ended 31 December 2020, to the best knowledge of the Directors, the Group has complied with all the relevant laws and regulations that have a significant impact on the Group. The Group also complied with (i) the requirements under the Hong Kong Companies Ordinance, the Listing Rules and the Securities and Futures Ordinance (the "SFO") for the disclosure of information and corporate governance; and (ii) the ordinances relating to occupational safety for the interest of its employees.

### Business activities in countries subject to international sanctions

During the year ended 31 December 2020 and 2019, the Group did not sell any products to countries that are subject to international sanctions. The Group would not enter into any transactions to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, the countries subject to international sanctions or sanctioned persons where this would be in breach of the international sanctions.

The Directors believe that the Group has a reasonably adequate and effective internal control framework to continue to assist the Group in identifying and monitoring any material risk relating to international sanctions laws so as to protect the interests of the Company and the Shareholders.

本集團認為，聆聽客戶對產品的需求及意見以維持與客戶的長久關係相當重要。本集團從各種渠道收集資料，仔細分析如何改善現有產品和開發滿足客戶的新產品。

本集團與供應商建立工作關係，以有效且高效滿足客戶需求。各部門緊密合作，確保招標及採購過程公開、公平及公正。

### 遵守法律及法規

截至二零二零年十二月三十一日止年度，就董事所知，本集團已遵守對本集團有重大影響的一切相關法律及法規。本集團亦已遵守(i)香港公司條例、上市規則和證券及期貨條例(「證券及期貨條例」)有關披露資料及企業管治的規定；及(ii)有關職業安全的條例，以保障僱員權益。

### 於受國際制裁的國家開展的業務活動

截至二零二零年及二零一九年十二月三十一日止年度，本集團概無向受國際制裁的國家出售任何產品。本集團不會訂立任何會違反國際制裁的交易，以直接或間接資助或促成受國際制裁國家或受制裁人士開展的活動或業務或為受國際制裁國家或受制裁人士的利益開展的活動或業務。

董事認為，本集團設有合理充足且有效的內部控制框架，可持續協助本集團識別及監控與國際制裁法有關的重大風險，保障本公司及股東的權益。



## DIRECTORS' REPORT 董事會報告書

### Environmental policy and social responsibility

The Group understands the importance of environmental sustainability and protection and has adopted policies on pollution prevention, preservation of natural resources and adherence to environmental laws and regulations. Please refer to the ESG Report on pages 58 to 92 for details of the Group's ESG performance.

### Results and dividends

The results of the Group for the year ended 31 December 2020 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on page 123. The directors do not recommend the payment of dividend for the year ended 31 December 2020 (2019: nil).

### Subsidiaries

Details of the Company's subsidiaries as at 31 December 2020 are set out in note 39 to the consolidated financial statements.

### Property, plant and equipment

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2020 are set out in note 15 to the consolidated financial statements.

### Share capital

Details of the movements in share capital of the Company during the year ended 31 December 2020 are set out in note 30 to the consolidated financial statements.

### 環境政策及社會責任

本集團明白環境可持續發展及保護的重要，已採納有關預防污染、保護自然資源及遵守環境法律及法規的政策。有關本集團環境、社會及管治表現的詳情，請參閱第58頁至92頁的環境、社會及管治報告。

### 業績及股息

本集團截至二零二零年十二月三十一日止年度的業績及本公司與本集團於該日的事務狀況載於第123頁的財務報表。董事建議不派付截至二零二零年十二月三十一日止年度的股息(二零一九年：零)。

### 附屬公司

本公司於二零二零年十二月三十一日的附屬公司詳情載於綜合財務報表附註39。

### 物業、廠房及設備

本集團截至二零二零年十二月三十一日止年度的物業、廠房及設備變動詳情載於綜合財務報表附註15。

### 股本

本公司截至二零二零年十二月三十一日止年度的股本變動詳情載於綜合財務報表附註30。



## DIRECTORS' REPORT

### 董事會報告書

#### Closure of the register of members

For the purposes of determining the shareholders' eligibility to attend and vote at the forthcoming annual general meeting to be held on 28 May 2021 (Friday), the register of members of the Company will be closed from 25 May 2021 (Tuesday) to 28 May 2021 (Friday), both days inclusive. The latest time to lodge transfer documents for registration will be at 4:30 p.m. on 24 May 2021 (Monday). During the above closure period, no transfer of shares will be registered. To be eligible to attend and vote at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. on 24 May 2021 (Monday).

#### Pre-emptive rights

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

#### Purchase, redemption or sale of listed securities of the Company

For the year ended 31 December 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

#### Reserves and distributable reserves

The movements in the reserves of the Group during the year ended 31 December 2020 are set out in the consolidated statement of changes in equity of this annual report. The distributable reserves of the Company are set out in note 31 to the consolidated financial statements.

#### Tax relief and exemption

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

#### 暫停辦理股份過戶登記

為釐定股東出席將於二零二一年五月二十八日(星期五)舉行的應屆股東週年大會並於會上投票的資格，本公司將於二零二一年五月二十五日(星期二)至二零二一年五月二十八日(星期五)(包括首尾兩天)暫停辦理股份過戶登記。遞交過戶文件登記的截止時間將為二零二一年五月二十四日(星期一)下午四時三十分。上述暫停期間不會辦理股份過戶登記。為合資格出席應屆股東週年大會並於會上投票，所有過戶文件連同相關股票及過戶表格須於二零二一年五月二十四日(星期一)下午四時三十分前遞交至本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

#### 優先購買權

本公司組織章程細則或開曼群島法律概無有關優先購買權的條文，致使本公司有責任按比例向現有股東發售新股份。

#### 購買、贖回或出售本公司上市證券

截至二零二零年十二月三十一日年度，本公司或任何附屬公司概無購買、出售或贖回本公司任何上市證券。

#### 儲備及可供分派儲備

本公司截至二零二零年十二月三十一日止年度的儲備變動載於本年報綜合權益變動表。本公司可供分派儲備載於綜合財務報表附註31。

#### 稅務減免及豁免

就董事所知，概無股東因持有本公司證券而享有任何稅務減免或豁免。

## DIRECTORS' REPORT

### 董事會報告書

#### Charitable donations

The Group did not make any donation during the year ended 31 December 2020 (2019: RMB nil).

#### Management contracts

During the year ended 31 December 2020, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed.

#### Directors

The directors of the Company during the year ended 31 December 2020 and up to the date of this report were:

##### Executive Directors

Mr. Li Chengjun (*Chairman and Chief Executive Officer*)

Mr. Xiong Bin (*Vice-chairman*)

Mr. Li Hongxing

Mr. Guo Qinglin

##### Independent Non-Executive Directors

Mr. Hung Wai Man

Mr. Wong Kwan Kit

Mr. Lu Brian Yong Chen

Ms. Tseng Chin I

In accordance with article 109(a) of the Company's articles of association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

#### 慈善捐贈

截至二零二零年十二月三十一日止年度，本集團並無作出任何捐贈（二零一九年：人民幣零元）。

#### 管理合約

截至二零二零年十二月三十一日止年度，概無訂立或存在有關管理和經營本公司或附屬公司全部或任何重大部分業務的合約。

#### 董事

截至二零二零年十二月三十一日止年度及直至本報告日期的本公司董事為：

##### 執行董事

李承軍先生 (*主席兼行政總裁*)

熊彬先生 (*副主席*)

李紅星先生

郭慶林先生

##### 獨立非執行董事

洪為民先生

黃昆杰先生

呂永琛先生

曾瀨漪女士

根據本公司組織章程細則第109(a)條，於每屆股東週年大會上，當時三分之一的董事（或倘董事人數並非三或三的倍數，則以最接近但不少於三分之一的人數為準）須輪值退任，惟每位董事（包括有特定任期的董事）須至少每三年輪值退任一次。退任董事可重選連任。本公司可於股東大會就董事退任填補空缺。

## DIRECTORS' REPORT

### 董事會報告書

In accordance with article 113 of the Company's articles of association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

All Directors are subject to retirement by rotation as required by the Company's articles of association, and the code provisions of CG Code.

In accordance with 109(a) of the Company's articles of association, Mr. Guo Qinglin, Mr. Wong Kwan Kit and Mr. Lu Brian Yong Chen will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

### Biographical details of directors and senior management

Biographical details of the Directors and senior management of the Group are set out on pages 27 to 34 of this annual report.

None of the members of the Board is related to one another.

根據本公司組織章程細則第113條，董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或新增董事，惟不得超過股東於股東大會不時釐定的董事人數上限。獲董事會委任以填補臨時空缺的任何董事的任期僅至獲委任後的本公司首次股東大會為止，可於該大會上膺選連任。獲董事會委任以增加現有董事會成員的董事的任期僅至獲委任後的本公司下屆股東週年大會為止，可於該大會上膺選連任。任何根據本條細則獲委任的董事在釐定將於股東週年大會上輪值退任的董事或董事人數時不應被計入。

根據本公司組織章程細則及企業管治守則的守則條文，所有董事均須輪值退任。

根據本公司組織章程細則第109(a)條，郭慶林先生、黃昆杰先生及呂永琛先生將於本公司應屆股東週年大會上輪值退任，且合資格膺選連任。

### 董事及高級管理人員簡介

本集團董事及高級管理人員簡介載於本年報第27頁至34頁。

董事會成員之間概無關連。

## DIRECTORS' REPORT 董事會報告書

### Emoluments of directors and senior management and five highest paid individuals

Details of the emoluments of the Directors and senior management and the five highest paid individuals of the Group are set out in note 12 to the consolidated financial statements of this annual report. The remuneration of the senior management of the Group for the reporting period falls within the following band:

#### Remuneration band

#### 酬金範圍

Up to RMB1,000,000

不多於人民幣1,000,000元

#### Number of senior management

#### 高級管理人員數目

3

### Directors' service contracts

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing on the Listing Date, until terminated by either party giving not less than three months' notice in writing to the other.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years commencing on Listing Date, until terminated by either party giving not less than three months' notice in writing to the other.

Apart from the foregoing, no Directors proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment or compensation, other than statutory compensation.

### 董事、高級管理人員及五名最高薪人士的酬金

本集團董事、高級管理人員及五名最高薪人士的酬金詳情載於本年報綜合財務報表附註12。報告期內，本集團高級管理人員的酬金介乎以下範圍：

### 董事服務合約

各執行董事已與本公司訂立服務合約，自上市日期起為期三年，直至任何一方向對方發出不少於三個月的書面通知予以終止。

各獨立非執行董事已與本公司訂立委任函件，自上市日期起計為期三年，直至任何一方向對方發出不少於三個月的書面通知予以終止。

除上述者外，概無建議於股東週年大會重選的董事與本公司訂立不得由本公司於一年內終止而毋須支付款項或賠償（法定賠償除外）的服務合約。

## DIRECTORS' REPORT

### 董事會報告書

#### Permitted indemnity provision

Pursuant to the articles of association of the Company, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Laws of the Cayman Islands) which he/she may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group. As of the date of this annual report, such insurance coverage is currently in force for the benefit of the Directors.

#### Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 31 December 2020, interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

#### Interest in the Company

Name of Director 董事姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 持股數目 (Note 1) (附註1)	Percentage of shareholding in the Company 於本公司持股百分比 (Approximate) (概約)
Mr. Li Chengjun ("Mr. Li") (Note 2) 李承軍先生(「李先生」)(附註2)	Founder of a discretionary trust 全權信託創辦人	369,967,204 (L)	37.0%
Mr. Xiong Bin ("Mr. Xiong") (Note 3) 熊彬先生(「熊先生」)(附註3)	Founder of a discretionary trust 全權信託創辦人	305,032,256 (L)	30.5%
Mr. Li Hongxing (Note 4) 李紅星先生(附註4)	Share option 購股權	9,000,000 (L)	0.90%
Mr. Guo Qinglin (Note 5) 郭慶林先生(附註5)	Share option 購股權	3,500,000 (L)	0.35%

#### 獲准許的彌償條文

根據本公司組織章程細則，各董事可(在開曼群島公司法准許下盡可能)就於或有關執行其職責或其他與此有關而蒙受或招致的所有損失或責任獲得以本公司資產作出的彌償。本公司亦為本集團董事及高級職員投保合適的董事及高級職員責任保險。於本年報日期，為董事利益投購的保險有效。

#### 董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零二零年十二月三十一日，董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉)或根據證券及期貨條例第352條須載入本公司存置的登記冊的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

#### 於本公司之權益



## DIRECTORS' REPORT 董事會報告書

### Notes:

1. The letter "L" denotes long position of the shares.
2. Leap Elite Limited is legally owned as to 100% by Mr. Li for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Li is deemed to be interested in the Shares held by Leap Elite Limited pursuant to the SFO.
3. Beyond Innovation Limited is legally owned as to 100% by Mr. Xiong for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Xiong is deemed to be interested in the Shares held by Beyond Innovation Limited pursuant to the SFO.
4. The personal interest of Mr. Li Hongxing represents the interest in 9,000,000 underlying shares in respect of the share options granted by the Company, the details of which are stated in the section headed "Share option scheme" below.
5. The personal interest of Mr. Guo Qinglin represents the interest in 3,500,000 underlying shares in respect of the share options granted by the Company, the details of which are stated in the section headed "Share option scheme" below.

Save as disclosed above, none of the Directors or chief executive of the Company had registered any interests or short positions in any shares and underlying shares in, and debentures of, the Company or any associated corporations as at 31 December 2020, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

### 附註：

1. 字母「L」代表於股份中的好倉。
2. 立堅有限公司由李先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，李先生被視為於立堅有限公司所持股份中擁有權益。
3. 超新有限公司由熊先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，熊先生被視為於超新有限公司所持股份中擁有權益。
4. 李紅星先生的個人權益為本公司所授出購股權所涉的9,000,000股相關股份，詳情載於下文「購股權計劃」一節。
5. 郭慶林先生的個人權益為本公司所授出購股權所涉的3,500,000股相關股份，詳情載於下文「購股權計劃」一節。

除上文所披露者外，於二零二零年十二月三十一日，概無本公司董事或最高行政人員於本公司或任何相聯法團的任何股份、相關股份及債券中，擁有記入本公司根據證券及期貨條例第352條須存置的登記冊或根據證券及期貨條例第XV部或標準守則須另行知會本公司及聯交所的任何權益或淡倉。

## DIRECTORS' REPORT

### 董事會報告書

#### Arrangement for directors to purchase shares or debentures

Saved as disclosed in this report, at no time during the year ended 31 December 2020 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

#### Substantial shareholders' and others' interests and short positions in shares and underlying shares of the company

So far as is known to the Directors, as at 31 December 2020, the following corporation/persons (other than the interests of the Directors or chief executives of the Company as disclosed above) had interests of 5% or more in the issued shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

#### 董事購買股份或債券的安排

除本報告所披露者外，於截至二零二零年十二月三十一日止年度的任何時間，概無向本公司任何董事或彼等各自之配偶或未成年子女授出任何可藉收購本公司股份或債券而獲得利益之權利，彼等亦無行使任何該等權利，且本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法團股份或債務證券（包括債券）而獲得利益。

#### 主要股東及其他人士於本公司股份及相關股份中擁有的權益及淡倉

就董事所知，於二零二零年十二月三十一日，下列法團／人士（上文所披露之本公司董事或最高行政人員權益除外）擁有本公司已發行股份中5%或以上的權益且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及聯交所披露或須記入本公司根據證券及期貨條例第336條須存置的登記冊：

## DIRECTORS' REPORT 董事會報告書

Name 名稱	Capacity/nature of interest 身份／權益性質	Number of shares held 持股數目 (Note 1) (附註1)	Percentage of shareholding in the Company 於本公司持股百分比 (Approximate) (概約)
Leap Elite Limited 立堅有限公司	Beneficial owner 實益權益	369,967,204 (L)	37.0%
Beyond Innovation Limited 超新有限公司	Beneficial owner 實益權益	305,032,256 (L)	30.5%
Ms. Sui Rongmei (Note 2) 隋榮梅女士(附註2)	Interest of spouse 配偶權益	369,967,204 (L)	37.0%
Ms. Yan Xue (Note 3) 鄢雪女士(附註3)	Interest of spouse 配偶權益	305,032,256 (L)	30.5%
JZ Capital Limited (Note 4) JZ Capital Limited (附註4)	Beneficial owner 實益權益	75,000,540 (L)	7.5%
Mr. Ko Hin Ting, James (Note 4) 高軒庭先生(附註4)	Interest in a controlled corporation 受控法團權益	75,000,540 (L)	7.5%
Ms. Chu Wing Yee, Vaneese (Note 5) 朱詠儀女士(附註5)	Interest of spouse 配偶權益	75,000,540 (L)	7.5%

### Notes:

- The letter "L" denotes long position of the shares.
- Ms. Sui Rongmei is the spouse of Mr. Li Chengjun. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Li Chengjun.
- Ms. Yan Xue is the spouse of Mr. Xiong Bin. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Xiong Bin.
- JZ Capital is owned as to 99% by Mr. Ko Hin Ting, James. As such, Mr. Ko Hin Ting, James is deemed to be interested in the Shares held by JZ Capital Limited pursuant to the SFO.
- Ms. Chu Wing Yee, Vaneese is the spouse of Mr. Ko Hin Ting, James. As such, Ms. Chu Wing Yee, Vaneese is deemed or taken to be interested in the Shares in which Ko Hin Ting, James is interested pursuant to the SFO.

### 附註：

- 字母「L」代表於股份中的好倉。
- 隋榮梅女士為李承軍先生之配偶。根據證券及期貨條例，彼被視為於李承軍先生所持相同數目股份中擁有權益。
- 鄢雪女士為熊彬先生之配偶。根據證券及期貨條例，彼被視為於熊彬先生所持相同數目股份中擁有權益。
- JZ Capital由高軒庭先生擁有99%權益。因此，根據證券及期貨條例，高軒庭先生被視為於JZ Capital Limited所持股份中擁有權益。
- 朱詠儀女士為高軒庭先生之配偶。因此，根據證券及期貨條例，朱詠儀女士被視為或當作於高軒庭所持有的股份中擁有權益。

## DIRECTORS' REPORT

### 董事會報告書

Save as disclosed above, as at 31 December 2020, the Company has not been notified of any other relevant interests or short positions in the issued share capital 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 by the Company under Section 336 of the SFO.

### Directors' interests in transactions, arrangements or contracts

No Director or his/her connected entity has or had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries, fellow subsidiaries or its parent company was a party subsisting during or at the end of the year ended 31 December 2020.

### Directors' and controlling shareholders' interest in competing business

Apart from the Group's business, none of the Directors, the Controlling Shareholders (including Mr. Li, Leap Elite Limited, Mr. Xiong and Beyond Innovation Limited) or any of their respective close associates was engaged in or had any interest in any business that competes or may compete with the principal business of the Group, which would require disclosure under Rule 8.10 of the Listing Rules, or has any other conflict of interest with the Group during the year ended 31 December 2020 and up to the date of this report.

### Share option scheme

The Company conditionally adopted a share option scheme (the "Share Option Scheme") on 18 October 2019 (the "Adoption Date"), which become effective on the Listing Date. The purpose of which is to motivate the eligible participants to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

除上文所披露者外，於二零二零年十二月三十一日，本公司概無獲悉本公司已發行股本中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之任何相關權益或淡倉，或須記入本公司根據證券及期貨條例第336條須存置的登記冊之任何相關權益或淡倉。

### 董事於交易、安排或合約的權益

概無董事或其關連實體於截至二零二零年十二月三十一日止年度內或年末時仍存續且由本公司或其任何附屬公司、同系附屬公司或其母公司所訂立並對本公司業務而言屬重要的任何交易、安排或合約中直接或間接擁有或曾擁有重大權益。

### 董事及控股股東於競爭業務的權益

除本集團業務外，截至二零二零年十二月三十一日止年度內及截至本報告日期，概無董事、控股股東（包括李先生、立堅有限公司、熊先生及超新有限公司）或任何彼等各自緊密聯繫人從事根據上市規則第8.10條須予披露與本集團主要業務競爭或可能競爭的任何業務或於其中擁有利益，或與本集團有任何其他利益衝突。

### 購股權計劃

本公司已於二零一九年十月十八日（「採納日期」）有條件採納購股權計劃（「購股權計劃」），於上市日期生效。購股權計劃的目的為激勵合資格參與者，令其竭力提升對本集團的未來貢獻及／或獎勵彼等過往的貢獻，以吸引及挽留對本集團的表現、成長或成功而言極為重要及／或其貢獻對該等方面有利或將會有利的參與者或與彼等維持持續關係。



## DIRECTORS' REPORT 董事會報告書

The eligible participants include any full-time or part-time employees, executives or officers, directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries; and such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group.

Subject to the terms and conditions of the Share Option Scheme, the maximum numbers of shares in respect of which options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the Company's shares in issue as at the Listing Date (i.e. 100,000,000 shares) unless approved by the shareholders of the Company. Such limit also represented 10% of the of the total issued shares of the Company as at the date of this annual report.

Unless approved by shareholders of the Company in general meeting in the manner stipulated in the Listing Rules, the maximum entitlement for each eligible participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the total number of shares in issue.

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The minimum period for which an option must be held before it can be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

合資格參與者包括本公司或其任何附屬公司任何全職或兼職僱員、行政人員或高級職員、董事、顧問、諮詢人、供應商、客戶及代理，及董事會全權認為將會或已對本集團作出貢獻的其他人士。

根據購股權計劃的條款及條件，除非經本公司股東批准，否則根據購股權計劃及任何其他計劃可能授出的購股權所涉的股份數目上限合共不得超過上市日期本公司已發行股份的10%（即100,000,000股股份）。於本年報日期，有關上限亦佔本公司已發行股份總數的10%。

除非經本公司股東在股東大會按上市規則規定的方式批准，於任何12個月期間直至授出日期，各合資格參與者根據本公司購股權計劃或任何其他購股權計劃獲授的配額上限（包括已行使及尚未行使的購股權）不得超過已發行股份總數的1%。

本公司於有關接納日期或之前一經收到經承授人正式簽署構成接納購股權的要約文件副本，連同付予本公司1.00港元的款項作為授出購股權的代價後，購股權即被視為已授出及獲承授人接納並已生效。

購股權可根據購股權計劃的條款於購股權被視為已授出並獲接納當日之後及自該日起計十年屆滿前隨時行使。購股權可行使前必須持有的最短期限將由董事會全權酌情釐定，惟於授出購股權起計十年後，不得行使購股權。



## DIRECTORS' REPORT

### 董事會報告書

The exercise price of share option granted under the Share Option Scheme shall be a price solely determined by the Board and shall be at least highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of a share.

Subject to earlier termination by the Company in general meeting or by the Directors, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date. As at 31 December 2020, the remaining life of the Share Option Scheme was approximately 8 years and 9.5 months.

For further details on the principal terms of the Share Option Scheme, please refer to the paragraph headed "Statutory and General Information – Other Information – 1. Share Option Scheme" in Appendix IV to the Prospectus.

根據購股權計劃授出的購股權行使價須由董事會全權酌情釐定，且須至少為下列各項當中的最高者：(a) 股份於授出購股權日期於聯交所每日報價表所報的收市價；(b) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的平均收市價；及(c) 股份面值。

除非本公司經由股東大會或經由董事提前終止，否則購股權計劃自採納日期起10年期間內合法及有效。於二零二零年十二月三十一日，購股權計劃的剩餘年期約為8年零9.5個月。

有關購股權計劃主要條款的詳情，請參閱招股章程附錄四「法定及一般資料—其他資料—1. 購股權計劃」一段。

## DIRECTORS' REPORT 董事會報告書

### (i) Outstanding options

During the year ended 31 December 2020, the Company granted 69,100,000 share options and no share options were exercised and 3,300,000 share options lapsed. Details of the Company's share options from 1 January 2020 to 31 December 2020 are as follows:

### (i) 尚未行使的購股權

截至二零二零年十二月三十一日止年度，本公司已授出69,100,000份購股權，概無購股權獲行使，而3,300,000份購股權已失效。二零二零年一月一日至二零二零年十二月三十一日的本公司購股權的詳情載列如下：

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2020	Number of share options granted	Number of share options exercised	Number of share options lapsed	Outstanding as at 31 December 2020
	授出日期	行使價	歸屬期	行使期	於二零二零年一月一日尚未行使	已授出購股權數目	已行使購股權數目	已失效購股權數目	於二零二零年十二月三十一日尚未行使
<b>Category 1: Directors</b>									
<b>類別1：董事</b>									
Mr. Li Hongxing 李紅星先生									
Tranche 1	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2021	1 July 2021 to 13 April 2025	-	2,700,000	-	-	2,700,000
第一期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二一年六月三十日	二零二一年七月一日至二零二五年四月十三日					
Tranche 2	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2022	1 July 2022 to 13 April 2025	-	2,700,000	-	-	2,700,000
第二期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二二年六月三十日	二零二二年七月一日至二零二五年四月十三日					
Tranche 3	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2023	1 July 2023 to 13 April 2025	-	3,600,000	-	-	3,600,000
第三期	二零二零年四月十四日	0.51港元	二零二零年四月十四日至二零二三年六月三十日	二零二三年七月一日至二零二五年四月十三日					
Subtotal 小計					-	9,000,000	-	-	9,000,000

## DIRECTORS' REPORT

### 董事會報告書

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2020	Number of share options granted	Number of share options exercised	Number of share options lapsed	Outstanding as at 31 December 2020
	授出日期	行使價	歸屬期	行使期	於二零二零年一月一日尚未行使	已授出購股權數目	已行使購股權數目	已失效購股權數目	於二零二零年十二月三十一日尚未行使
Mr. Guo Qinglin 郭慶林先生									
Tranche 1	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2021	1 July 2021 to 13 April 2025	-	1,050,000	-	-	1,050,000
第一期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二一年六月三十日	二零二一年七月一日至二零二五年四月十三日					
Tranche 2	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2022	1 July 2022 to 13 April 2025	-	1,050,000	-	-	1,050,000
第二期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二二年六月三十日	二零二二年七月一日至二零二五年四月十三日					
Tranche 3	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2023	1 July 2023 to 13 April 2025	-	1,400,000	-	-	1,400,000
第三期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二三年六月三十日	二零二三年七月一日至二零二五年四月十三日					
Subtotal 小計					-	3,500,000	-	-	3,500,000

## DIRECTORS' REPORT 董事會報告書

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2020	Number of share options granted	Number of share options exercised	Number of share options lapsed	Outstanding as at 31 December 2020
	授出日期	行使價	歸屬期	行使期	於二零二零年一月一日尚未行使	已授出購股權數目	已行使購股權數目	已失效購股權數目	於二零二零年十二月三十一日尚未行使
<b>Category 2: Employees</b>									
<b>類別2：僱員</b>									
Tranche 1	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2021	1 July 2021 to 13 April 2025	-	16,980,000	-	(990,000)	15,990,000
第一期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二一年六月三十日	二零二一年七月一日至二零二五年四月十三日					
Tranche 2	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2022	1 July 2022 to 13 April 2025	-	16,980,000	-	(990,000)	15,990,000
第二期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二二年六月三十日	二零二二年七月一日至二零二五年四月十三日					
Tranche 3	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2023	1 July 2023 to 13 April 2025	-	22,640,000	-	(1,320,000)	21,320,000
第三期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二三年六月三十日	二零二三年七月一日至二零二五年四月十三日					
Subtotal 小計					-	56,600,000	-	(3,300,000)	53,300,000
<b>Total 總計</b>					65,800,000	69,100,000	-	(3,300,000)	65,800,000

As at the date of this annual report, the number of shares of the Company available for issue under the Share Option Scheme upon the exercise of all above outstanding share options was 65,800,000, representing 6.58% of the total issued shares of the Company.

於本年報日期，根據購股權計劃，本公司於上述所有尚未行使之購股權獲行使時可供發行之股份數目為65,800,000股，佔本公司已發行股份總數6.58%。

## DIRECTORS' REPORT

### 董事會報告書

#### (ii) Valuation of share options

- (1) The following significant assumptions were used to derive the fair value of the share options using the Binominal Options pricing model:

#### (ii) 購股權的估值

- (1) 該購股權之公平值乃採用二項式期權定價模式，並使用下列主要假設得出：

	Tranche 1 第一期	Tranche 2 第二期	Tranche 3 第三期
Date of grant 授出日期	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日
Fair value at grant date 於授出日期公平值	HK\$0.211 0.211 港元	HK\$0.220 0.220 港元	HK\$0.227 0.227 港元
Share price 股價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Exercise price 行使價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Expected volatility 預期波幅	53.00%	53.00%	53.00%
Expected life 預計年期	5 years 5 年	5 years 5 年	5 years 5 年
Exercise period 行使期	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日
Risk-free rate 無風險息率	0.58%	0.58%	0.60%
Expected dividend yield 預計股息率	-	-	-



## DIRECTORS' REPORT 董事會報告書

- (2) Expected volatility was determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.
- (3) No share-based payment expense was recognised for the year ended 31 December 2020 (2019: nil) in relation to share options granted by the Company as the performance condition was not satisfied.

### Connected transactions

During the year ended 31 December 2020, the Company has not entered into or conducted any connected transactions, which were subject to the reporting, announcement or independent shareholders' approval requirements as required under the Listing Rules.

### Related party transactions

Details of the Group's related party transactions during the year ended 31 December 2020 are set out in note 37 to the consolidated financial statements. None of these related party transactions are connected transactions which are subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

### Purchase, sale or redemption of the company's listed securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2020.

### Corporate governance practices

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

### Equity-linked agreements

Other than the Share Option Scheme, no equity-linked agreements were entered into by the Company during the year ended 31 December 2020.

- (2) 預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。

- (3) 就本公司授出之購股權，於截至二零二零年十二月三十一日止年度並無確認股份支付開支（二零一九年：無），乃由於履約條件尚未達成。

### 關連交易

截至二零二零年十二月三十一日止年度，本公司概無訂立或進行任何須遵守上市規則有關申報、公告或獨立股東批准規定的關連交易。

### 關聯方交易

本集團截至二零二零年十二月三十一日止年度的關聯方交易詳情載於綜合財務報表附註37。概無關聯方交易為須遵守上市規則有關申報、公告及股東批准規定的關連交易。

### 購買、出售或贖回本公司上市證券

截至二零二零年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

### 企業管治常規

本公司的企業管治常規詳情載於本年報「企業管治報告」一節。

### 股權掛鈎協議

除購股權計劃外，本公司於截至二零二零年十二月三十一日止年度概無訂立股權掛鈎協議。

## DIRECTORS' REPORT

### 董事會報告書

#### Sufficiency of public float

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares for the year ended 31 December 2020 and up to the date of this report.

#### Interest of compliance adviser

In accordance with Rule 3A.19 of the Listing Rules, the Company has appointed Dakin Capital Limited (“**Dakin Capital**”) to be the compliance adviser. Dakin Capital, being the sponsor of the Company in relation to the Listing, has declared its independence pursuant to Rule 3A.07 of the Listing Rules. Save as provided for in relation to the share offer and/or disclosed in the Prospectus, neither Dakin Capital nor any of its associates and none of the directors or employees of Dakin Capital who have been involved in providing advice to the Company as the sponsor, has or may, as a result of the share offer, have any interest in any securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities).

#### Review of audited annual results

The Company's audited annual results for the year ended 31 December 2020 have been reviewed by the Audit Committee.

#### Model code for securities transactions by directors of listed issuers

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors of the Company have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the year ended 31 December 2020 and up to the date of the report.

#### Use of proceeds from the listing

Details of the use of the proceeds from the Listing are set out on pages 24 to 26 of this annual report.

#### 足夠公眾持股量

根據本公司經公開可得資料及就董事所知，截至二零二零年十二月三十一日止年度，本公司已維持不少於已發行股份25%的公眾持股量。

#### 合規顧問的權益

本公司已根據上市規則第3A.19條委任德健融資有限公司（「**德健融資**」）為合規顧問。德健融資（作為本公司上市保薦人）已根據上市規則第3A.07條就其獨立性作出聲明。除就股份發售及／或於招股章程披露者外，德健融資或其任何聯繫人及德健融資之董事或僱員（涉及作為保薦人而向本公司提供建議）概無已或可能因股份發售而於本公司或本集團任何其他公司之任何證券中擁有任何權益（包括購股權或認購該等證券之權利）。

#### 審閱經審核年度業績

審核委員會已審閱本公司截至二零二零年十二月三十一日止年度的經審核年度業績。

#### 上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有本公司董事確認彼等截至二零二零年十二月三十一日止年度至本報告日期一直遵守標準守則所載之規定準則。

#### 上市所得款項用途

上市所得款項用途詳情載於本年報第24至26頁。



## DIRECTORS' REPORT

### 董事會報告書

#### Auditor

SHINEWING (HK) CPA Limited, the auditor of the Company, will retire at the conclusion of the forthcoming AGM of the Company and be eligible to offer themselves for re-appointment. A resolution will be submitted to the AGM to be held on 28 May 2021 to seek Shareholders' approval on the appointment of SHINEWING (HK) CPA Limited as the Company's auditor until the conclusion of the next AGM and to authorise the Board to fix their remuneration.

By order of the Board

**Sprocomm Intelligence Limited**

**Mr. Li Chengjun**

*Chairman and Executive Director*

Hong Kong, 26 March 2021

#### 核數師

本公司核數師信永中和(香港)會計師事務所有限公司將於本公司應屆股東週年大會結束時退任，並合資格膺選連任。有關決議案將於二零二一年五月二十八日舉行的股東週年大會上提呈，以尋求股東批准委任信永中和(香港)會計師事務所有限公司為本公司核數師，直至下一屆股東週年大會結束止，並授權董事會釐定其薪酬。

承董事會命

**Sprocomm Intelligence Limited**

*主席兼執行董事*

**李承軍先生**

香港，二零二一年三月二十六日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



SHINEWING (HK) CPA Limited  
43/F., Lee Garden One  
33 Hysan Avenue  
Causeway Bay, Hong Kong

信永中和(香港)  
會計師事務所有限公司  
香港銅鑼灣  
希慎道33號  
利園一期43樓

### TO THE SHAREHOLDERS OF SPROCOMM INTELLIGENCE LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

### Opinion

We have audited the consolidated financial statements of Sprocomm Intelligence Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) set out on pages 123 to 220, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### 致 SPROCOMM INTELLIGENCE LIMITED 股東

*(於開曼群島註冊成立之有限公司)*

### 意見

吾等已審核列載於第123至220頁Sprocomm Intelligence Limited (「**貴公司**」) 及其附屬公司 (以下合稱「**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十二月三十一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、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，該等綜合財務報表已根據香港會計師公會 (「**香港會計師公會**」) 頒佈的香港財務報告準則 (「**香港財務報告準則**」) 真實而中肯地反映了 貴集團於二零二零年十二月三十一日的綜合財務狀況以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要求妥為擬備。



## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

#### Basis for Opinion

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

#### Key Audit Matters

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

#### 意見的基礎

吾等根據香港會計師公會頒佈的香港審計準則（「**香港審計準則**」）進行審核。吾等根據該等準則的責任詳述於本報告核數師就審核綜合財務報表須承擔的責任一節。根據香港會計師公會的專業會計師道德守則（「**守則**」），吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲取的憑證充分恰當地為吾等的意見提供基礎。

#### 關鍵審計事項

根據吾等的專業判斷，關鍵審計事項為吾等於審核本期綜合財務報表中最重要的事項。吾等在審核綜合財務報表整體及就此出具意見時處理此等事項，而不會就此等事項單獨發表意見。



## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

#### Expected credit loss (“ECL”) of trade and bills receivables

Refer to Note 19 to the consolidated financial statements and the accounting policies in Note 3.

##### The key audit matter

##### 關鍵審計事項

As at 31 December 2020, the Group had trade and bills receivables of RMB339,218,000, representing 32% of the Group's total current assets.

Loss allowance for trade and bills receivables is estimated based on lifetime expected credit losses (“ECL”) model, which is estimated based on historical credit loss experience and forward-looking information at the end of the reporting period.

We have identified impairment of trade and bills receivables as a key audit matter because the impairment assessment of trade receivables involved a significant degree of management estimation and may be subject to management bias.

於二零二零年十二月三十一日，貴集團的貿易應收款項及應收票據為人民幣339,218,000元，佔貴集團流動資產總值的32%。

貿易應收款項及應收票據根據全期預期信貸虧損（「預期信貸虧損」）模式估計虧損撥備，而預期信貸虧損乃基於報告期末的過往信貸虧損經驗及前瞻性資料估算得出。

由於貿易應收款項減值評估涉及重大管理估計及管理層可能出現偏頗，吾等已將貿易應收款項及應收票據的減值識別為一項關鍵審計事項。

#### 貿易應收款項及應收票據之預期信貸虧損（「預期信貸虧損」）

請參閱綜合財務報表附註19及附註3的會計政策。

##### How the matter was addressed in our audit

##### 吾等於審計中如何處理相關事項

Our procedures were designed to review the management's judgement and estimates used in assessment process and challenge the reasonableness of inputs and assumptions used in estimating the ECL of trade and bills receivables.

We obtained an understanding of how the ECL of trade and bills receivables were assessed by the management.

We have challenged management's assumption and judgement in determining ECL on trade and bills receivables as at 31 December 2020, the reasonableness of management's grouping of the trade debtors in the provision matrix, and the basis of expected credit loss rates applied.

We have tested, on sample basis, payment history, past due status of the trade and bills receivables, and the settlements subsequent to the end of the reporting period.

吾等的程序旨在審閱管理層於評估過程所採用的判斷及估計，並質疑於估計貿易應收款項及應收票據之預期信貸虧損中所採用輸入數據及假設的合理性。

吾等已了解管理層對貿易應收款項及應收票據之預期信貸虧損的評估方式。

吾等已質疑管理層釐定二零二零年十二月三十一日的貿易應收款項及應收票據之預期信貸虧損的假設及判斷、管理層對撥備矩陣內貿易應收賬款的分類之合理性以及所應用的預期信貸虧損率基準。

吾等抽樣測試貿易應收款項及應收票據的付款歷史、過往逾期狀況及報告期末後結算情況。

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

### Valuation on inventories

Refer to Note 18 to the consolidated financial statements and the accounting policies in Note 3.

#### The key audit matter 關鍵審計事項

As at 31 December 2020, the Group had inventories of approximately RMB319,386,000, which was significant to the Group's total current assets.

We identified the valuation of inventories as a key audit matter due to the use of judgements in identifying obsolete and slow moving inventories and determining the net realisable value which are based on conditions and the marketability of the inventories.

於二零二零年十二月三十一日，貴集團的存貨約人民幣319,386,000元，對貴集團的流動資產總值至關重要。

吾等將存貨估計視為關鍵審計事項，是由於識別陳舊和滯銷存貨，以及根據存貨條件及適銷性釐定可變現淨值時會運用判斷。

### 存貨估值

請參閱綜合財務報表附註18及附註3的會計政策。

#### How the matter was addressed in our audit 吾等於審計中如何處理相關事項

Our audit procedures were designed to evaluate management's assessment of the conditions and the marketability of the obsolete and slow moving inventories and identify any valuation risk of inventories.

We have assessed the net realisable value and utilisation of inventories subsequent to the end of the reporting period and discussed with the management in respect of the adequacy of the allowance made by the management based on subsequent usage and sales, ageing analysis and current market conditions. We have challenged the assumptions and judgements used by the management by assessing the reliability of the management's past estimates.

吾等的審計程序旨在評估管理層對陳舊和滯銷存貨狀況及適銷性的估計，並確定存貨的任何估值風險。

吾等已評估報告期末後的可變現淨值及存貨的使用情況，並與管理層討論基於後續使用及銷售、賬齡分析及當前市況作出的撥備是否充足。吾等透過評估管理層過往估計的可靠性，對管理層所採用的假設及判斷提出質疑。

## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

#### Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Directors of the Company and the Audit Committee for the Consolidated Financial Statements

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

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

The audit committee is responsible for overseeing the Group's financial reporting process.

#### 其他資料

貴公司董事對其他資料承擔責任。其他資料包括年報所載的全部資料，惟不包括當中的綜合財務報表及核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，且不會對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任為閱讀其他資料，考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。吾等並無就此作出報告。

#### 貴公司董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會發佈的香港財務報告準則及香港公司條例的披露要求編製真實公平的綜合財務報表，亦須負責 貴公司董事釐定對編製綜合財務報表屬必要的內部控制，以使該等綜合財務報表不存在因欺詐或錯誤引致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估 貴集團持續經營能力，並披露與持續經營有關的事項（如適用），除非 貴公司董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行辦法，否則須採用以持續經營為基礎的會計法。

審核委員會負責監督 貴集團的財務報告流程。

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with HKSAAs, 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 of the Company.

### 核數師就審核綜合財務報表須承擔的責任

吾等的目標為根據約定的委聘條款合理確定綜合財務報表整體不會存在由於欺詐或錯誤而導致的重大失實陳述，並發出載有吾等意見的核數師報告。本報告僅向全體股東報告，除此之外別無其他目的。吾等不會就本報告的內容對任何其他人士負責或承擔責任。合理確定屬高層次的確定，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大失實陳述。失實陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大失實陳述。

在根據香港審計準則進行審計的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大失實陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制的情況，因此未能發現因欺詐而導致的重大失實陳述的風險高於未能發現因錯誤而導致的重大失實陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，惟並非旨在對貴集團內部控制的有效性發表意見。
- 評估貴公司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)

- Conclude on the appropriateness of the Company's 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 audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

### 核數師就審核綜合財務報表須承 擔的責任(續)

- 對 貴公司董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與可能令 貴集團的持續經營能力產生重大疑問的事項或情況有關的重大不確定性。倘吾等認為存在重大不確定性，則須在核數師報告中提請使用者注意綜合財務報表的相關披露，倘有關披露不足，則發表非無保留意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與審核委員會就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中識別的內部控制的任何重大缺失。

吾等亦向審核委員會作出聲明，吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響獨立性的所有關係及其他事項，以及相關防範措施(如適用)。





## INDEPENDENT AUDITOR'S REPORT

### 獨立核數師報告

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Wong Chuen Fai.

#### SHINEWING (HK) CPA Limited

*Certified Public Accountants*

Wong Chuen Fai

Practising Certificate Number: P05589

Hong Kong

26 March 2021

#### 核數師就審核綜合財務報表須承擔的責任(續)

從與審核委員會溝通的事項中，吾等釐定對本期綜合財務報表的審計最為重要的事項，即關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中傳達該事項。

出具本獨立核數師報告的審計項目合夥人為黃銓輝先生。

#### 信永中和(香港)會計師事務所有限公司

*執業會計師*

黃銓輝

執業證書編號：P05589

香港

二零二一年三月二十六日

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收益	5	2,182,038	3,117,648
Cost of sales	銷售成本		(1,988,615)	(2,890,495)
Gross profit	毛利		193,423	227,153
Other gains and income	其他收益及收入	7	58,977	59,103
Selling expenses	銷售開支		(38,108)	(41,756)
Administrative and other expenses	行政及其他開支		(62,355)	(76,203)
Research and development expenses	研發開支		(112,803)	(111,923)
Finance costs	財務費用	8	(5,483)	(11,960)
<b>Profit before tax</b>	<b>除稅前溢利</b>		<b>33,651</b>	<b>44,414</b>
Income tax expenses	所得稅開支	9	(2,967)	(6,651)
<b>Profit for the year</b>	<b>年內溢利</b>	10	<b>30,684</b>	<b>37,763</b>
Other comprehensive income for the year:	年內其他全面收益：			
<i>Item that may be reclassified subsequently to profit or loss</i>	<i>其後可能重新分類至損益的項目</i>			
Exchange difference arising on translating foreign operations	換算海外業務產生的匯兌差額		1,470	3,614
Total comprehensive income for the year	年內全面收益總額		32,154	41,377
Profit (loss) attributable to:	以下各方應佔溢利(虧損)：			
Owners of the Company	本公司擁有人		30,879	38,998
Non-controlling interests	非控股權益		(195)	(1,235)
			30,684	37,763
Total comprehensive income attributable to:	以下各方應佔全面收益總額：			
Owners of the Company	本公司擁有人		32,349	42,610
Non-controlling interests	非控股權益		(195)	(1,233)
			32,154	41,377
Earnings per share	每股盈利			
Basic and diluted (RMB cents)	基本及攤薄(人民幣分)	14	3.09	4.98

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Non-current Assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	139,564	127,913
Right-of-use assets	使用權資產	16	7,007	17,345
Intangible assets	無形資產	17	6,233	6,391
Deferred tax asset	遞延稅項資產	29	795	707
			<b>153,599</b>	152,356
<b>Current Assets</b>	<b>流動資產</b>			
Inventories	存貨	18	319,386	283,956
Trade and bills receivables	貿易應收款項及應收票據	19	339,218	622,161
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	21	–	285,650
Prepayments and other receivables	預付款項及其他應收款項	20	101,673	73,995
Pledged bank deposits	已質押銀行存款	22	251,071	81,165
Restricted deposits	受限制存款	23	16,210	–
Bank balances and cash	銀行結餘及現金	24	26,327	126,682
			<b>1,053,885</b>	1,473,609
<b>Current Liabilities</b>	<b>流動負債</b>			
Trade and bills payables	貿易應付款項及應付票據	25	591,972	876,707
Accruals and other payables	應計費用及其他應付款項	26	84,585	115,641
Contract liabilities	合約負債	26	93,317	63,331
Borrowings	借款	27	34,463	184,153
Lease liabilities	租賃負債	16	6,484	11,962
Deferred income	遞延收入	28	6,012	5,228
Income tax payable	應付所得稅		4,907	5,151
			<b>821,740</b>	1,262,173
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>232,145</b>	211,436
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>385,744</b>	363,792

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	30	8,945	8,945
Reserves	儲備	31	324,391	292,042
Equity attributable to owners of the Company	本公司擁有人應佔權益		333,336	300,987
Non-controlling interests	非控股權益		1,811	2,006
<b>Total Equity</b>	<b>權益總額</b>		<b>335,147</b>	<b>302,993</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred income	遞延收入	28	16,777	22,167
Deferred tax liability	遞延稅項負債	29	14,596	10,846
Lease liabilities	租賃負債	16	169	5,682
Borrowings	借款	27	19,055	22,104
			50,597	60,799
			<b>385,744</b>	<b>363,792</b>

The consolidated financial statements on pages 123 to 220 were approved and authorised for issue by the board of directors on 26 March 2021 and are signed on its behalf by:

第123至220頁的綜合財務報表已於二零二一年三月二十六日獲董事會批准及授權刊發，並由下列董事代表簽署：

**Li Chengjun**  
李承軍  
Director  
董事

**Xiong Bin**  
熊彬  
Director  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔							Non-		
		Share capital	Share premium	Statutory reserve	Translation reserve	Merger reserve	Other reserves	Retained profits	Sub-total	controlling interests	Total
		股本	股份溢價	法定儲備	換算儲備	合併儲備	其他儲備	保留溢利	小計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 30)		(Note 31(i))		(Note 31(ii))	(Note 31(iii))				
		(附註30)		(附註31(i))		(附註31(ii))	(附註31(iii))				
At 1 January 2019	於二零一九年一月一日	5	-	10,921	(8,239)	(26,744)	86,445	97,917	160,305	3,557	163,862
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	-	38,998	38,998	(1,235)	37,763
Other comprehensive income for the year	年內其他全面收益										
Exchange difference arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	3,612	-	-	-	3,612	2	3,614
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	-	-	-	3,612	-	-	38,998	42,610	(1,233)	41,377
Issuance of shares upon global offering	全球發售時發行股份	2,237	109,577	-	-	-	-	-	111,814	-	111,814
Transaction cost attributable to issue of new shares	發行新股份應佔交易成本	-	(13,435)	-	-	-	-	-	(13,435)	-	(13,435)
Capitalisation issue	資本化發行	6,703	(6,703)	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	(307)	-	(307)	(318)	(625)
Appropriation to statutory reserve	轉撥至法定儲備	-	-	5,305	-	-	-	(5,305)	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	8,945	89,439	16,226	(4,627)	(26,744)	86,138	131,610	300,987	2,006	302,993



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-		
		Share capital 股本	Share premium 股份溢價	Statutory Reserve 法定儲備	Translation reserve 換算儲備	Merger reserve 合併儲備	Other reserves 其他儲備	Retained profits 保留溢利	Sub-total 小計	controlling interests 非控股權益	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Note 30) (附註30)		(Note 31(i)) (附註31(i))		(Note 31(ii)) (附註31(ii))	(Note 31(iii)) (附註31(iii))				
At 1 January 2020	於二零二零年一月一日	8,945	89,439	16,226	(4,627)	(26,744)	86,138	131,610	300,987	2,006	302,993
Profit (loss) for the year	年內溢利(虧損)	-	-	-	-	-	-	30,879	30,879	(195)	30,684
Other comprehensive income for the year	年內其他全面收益										
Exchange difference arising on translating foreign operations	換算海外業務產生的 匯兌差額	-	-	-	1,470	-	-	-	1,470	-	1,470
Total comprehensive income (expense) for the year	年內全面收益(開支) 總額	-	-	-	1,470	-	-	30,879	32,349	(195)	32,154
Appropriation to statutory reserve	轉撥至法定儲備	-	-	6,312	-	-	-	(6,312)	-	-	-
At 31 December 2020	於二零二零年 十二月三十一日	8,945	89,439	22,538	(3,157)	(26,744)	86,138	156,177	333,336	1,811	335,147

# CONSOLIDATED STATEMENTS OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit before tax	除稅前溢利	33,651	44,414
Adjustments for:	就以下各項作出調整：		
Finance costs	財務費用	5,483	11,960
Government subsidies received	已收政府補貼	(29,209)	(30,945)
Amortisation of government grant	政府補助攤銷	(6,010)	(5,920)
Bank interest income	銀行利息收入	(4,229)	(853)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	(59)
Written off of property, plant and equipment	撇銷物業、廠房及設備	95	-
Amortisation of intangible assets	無形資產攤銷	932	728
Loss allowance recognised in respect of trade and bills receivables	就貿易應收款項及應收票據確認的虧損撥備	2,170	1,733
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,778	16,745
Depreciation of right-of-use assets	使用權資產折舊	11,259	8,498
Gain arising from change in fair value of financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益(「按公平值計入損益」)的金融資產公平值變動收益	(7,305)	(10,099)
Operating cash flows before working capital changes	營運資金變動前經營現金流量	25,615	36,202
Increase in inventories	存貨增加	(35,430)	(99,664)
Decrease (increase) in trade and bills receivables	貿易應收款項及應收票據(減少)增加	267,755	(203,681)
Increase in prepayment and other receivables	預付款項及其他應收款項增加	(27,708)	(4,988)
(Decrease) increase in trade and bill payables	貿易應付款項及應付票據(減少)增加	(270,086)	230,102
(Decrease) increase in accruals and other payables	應計費用及其他應付款項(減少)增加	(31,037)	8,199
Increase (decrease) in contract liabilities	合約負債增加(減少)	30,288	(45,998)
Cash used in operations	營運所用現金	(40,603)	(79,828)
Income tax refund (paid)	已退(付)所得稅	457	(1,017)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	<b>經營活動所用現金淨額</b>	<b>(40,146)</b>	<b>(80,845)</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

### 綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Payments for property, plant and equipment	就物業、廠房及設備付款	(30,524)	(13,325)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	-	77
Payments for intangible assets	就無形資產付款	(774)	(1,933)
Purchase of financial assets at FVTPL	購買按公平值計入損益的金融資產	(7,020)	(1,003,131)
Proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益的金融資產所得款項	299,975	1,023,060
Increase in restricted deposit	受限制存款增加	(16,210)	-
Placement in pledged bank deposits	存入已質押銀行存款	(170,353)	(57,806)
Withdrawal of pledged bank deposits	提取已質押銀行存款	-	1,363
Repayment from a shareholder	股東還款	-	1,076
Repayment from a former related company (note 37(c))	一間前關聯公司還款 (附註37(c))	-	5,774
Interest received	已收利息	4,229	853
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>投資活動所得(所用)現金淨額</b>	<b>79,323</b>	<b>(43,992)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Government subsidies received	已收政府補貼	30,613	30,945
Proceeds from issue of shares	發行股份所得款項	-	111,814
New borrowings raised	新籌集借款	32,905	343,421
Repayment of borrowings	償還借款	(184,153)	(258,625)
Payments for capital element of lease liabilities	租賃負債資本部分的付款	(11,912)	(8,199)
Interest paid	已付利息	(5,483)	(11,960)
Expenses directly attributable to issue of shares	發行股份直接應佔開支	-	(13,435)
<b>NET CASH (USED IN) FROM FINANCING ACTIVITIES</b>	<b>融資活動(所用)所得現金淨額</b>	<b>(138,030)</b>	<b>193,961</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)增加淨額</b>	<b>(98,853)</b>	<b>69,124</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>年初現金及現金等價物</b>	<b>126,682</b>	<b>56,118</b>
Effect of foreign exchange rate changes	匯率變動的影響	(1,502)	1,440
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>年末現金及現金等價物</b>	<b>26,327</b>	<b>126,682</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands as an exempted company with limited liability on 15 August 2018 and its shares have been listed on Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 13 November 2019 (the “**Listing**”). The ultimate controlling parties are Mr. Li Chengjun and Mr. Xiong Bin (the “**Controlling Shareholders**”).

The address of the registered office is located in P.O. BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands and the principal place of business of the Company is located in 5D-506, F1.6 Block, Tianfa Building, Tianan Chegongmiao Industrial Park, Futian District, Shenzhen, China.

The Company is an investment holding company. The principal activities of its subsidiaries are designing, manufacturing and sales of mobile phones and printed circuit board assembly (“**PCBA**”) and Internet of things (“**IoT**”) related products and investment holding. Particulars of the subsidiaries have been set out in note 39.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for the financial assets at fair value through profit or loss which have been measured at fair value.

The consolidated financial statements are presented in RMB which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

### 1. 一般資料

本公司於二零一八年八月十五日根據開曼群島法律第22章公司法(一九六一年法例三,經合併及修訂)在開曼群島註冊成立為獲豁免有限公司,其股份於二零一九年十一月十三日在香港聯合交易所有限公司(「**聯交所**」)主板上市(「**上市**」)。最終控股方為李承軍先生及熊彬先生(「**控股股東**」)。

本公司註冊辦事處地址為P.O. BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands及主要營業地點為中國深圳市福田區天安車公廟工業區天發大廈F1.6棟5D-506室。

本公司為一間投資控股公司。其附屬公司的主要業務活動為設計、製造及銷售手機、印刷電路板組裝(「**印刷電路板組裝**」)及物聯網(「**物聯網**」)相關產品以及投資控股。有關附屬公司的詳情載於附註39。

綜合財務報表乃根據香港會計師公會(「**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**」)(包括所有香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)、香港普遍採納之會計原則及香港公司條例之披露規定編製。

除按公平值計入損益的金融資產已按公平值計量外,綜合財務報表已按歷史成本基準編製。

除另有註明者外,綜合財務報表乃以本公司功能貨幣呈列及所有數值均調整至最接近的千元人民幣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, the Amendments to References to the Conceptual Framework in HKFRSs and the following amendments to HKFRSs issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2020:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the Amendments to References to the Conceptual Framework in HKFRSs and the amendments to HKFRSs in the current year has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

#### 2. 應用新訂及經修訂香港財務報告準則

於本年度，本集團首次應用香港會計師公會頒佈的香港財務報告準則中對概念框架之提述(修訂本)及下列香港財務報告準則之修訂，自本集團二零二零年一月一日開始的財政年度生效：

香港財務報告準則第3號(修訂本)	業務之定義
香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號(修訂本)	利率基準改革

於本年度應用香港財務報告準則中對概念框架之提述(修訂本)及香港財務報告準則之修訂對本集團本期間及過往期間之財務表現及狀況及／或披露資料並無重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

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

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

The Group has not early applied the following new and amendment to HKFRSs that have been issued but are not yet effective.

HKFRS 17 Amendments to HKFRS 3	Insurance Contracts and related Amendments <sup>5</sup> Reference to Conceptual Framework <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between in Investor and its Associate or Joint Venture <sup>2</sup>
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current related amendments to Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>5</sup>
Amendments to HKAS 16	Property, plant and Equipment: Proceeds before Intended Use <sup>3</sup>
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract <sup>3</sup>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 <sup>1</sup>
Amendments to HKFRS 16	COVID-19-Related Rent Concessions <sup>4</sup>
Amendment to HKFRSs	Annual Improvements to HKFRSs 2018–2020 cycle <sup>1</sup>

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

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2022.

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

<sup>5</sup> Effective for annual periods beginning on or after 1 January 2023.

The directors of the Company anticipate that the application of the new and amendments to HKFRSs will have no material impact on the results and the financial position of the Group.

### 2. 應用新訂及經修訂香港財務報告準則 (續)

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並未提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第17號 香港財務報告準則第3號 (修訂本)	保險合約及相關修訂 <sup>5</sup> 對概念框架之提述 <sup>3</sup>
香港財務報告準則第10號 及香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營 企業之間的資產出售或 注資 <sup>2</sup>
香港會計準則第1號 (修訂本)	將負債分類為流動或非流動 以及香港詮釋第5號 (二零二零年)財務報表 的呈列—借款人對包含 按要求償還條款的定期 貸款的分類之相關修訂 <sup>5</sup>
香港會計準則第16號 (修訂本)	物業、廠房及設備—擬定 用途前之所得款項 <sup>3</sup>
香港會計準則第37號 (修訂本)	虧損性合約—履行合約之 成本 <sup>3</sup>
香港財務報告準則第9號、 香港會計準則第39號、 香港財務報告準則第7 號、香港財務報告準則 第4號及香港財務報告 準則第16號(修訂本)	利率基準改革—第二階段 <sup>1</sup>
香港財務報告準則第16號 (修訂本)	COVID-19相關租金寬減 <sup>4</sup>
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 <sup>1</sup>

<sup>1</sup> 於二零二一年一月一日或之後開始的年度期間生效。

<sup>2</sup> 於待定日期或之後開始的年度期間生效。

<sup>3</sup> 於二零二二年一月一日或之後開始的年度期間生效。

<sup>4</sup> 於二零二零年六月一日或之後開始的年度期間生效。

<sup>5</sup> 於二零二三年一月一日或之後開始的年度期間生效。

本公司董事預期應用新訂及經修訂香港財務報告準則將不會對本集團之業績及財務狀況產生重大影響。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Details of fair value measurement are explained in the accounting policies set out below.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statement of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

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

### 3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所主板證券上市規則及香港公司條例規定之適用披露。

按下文會計政策所述，綜合財務報表乃於各報告期末按歷史成本基準編製，惟若干按公平值計量之金融工具除外。

歷史成本一般基於用作交換貨品及服務之代價之公平值計算。

公平值指市場參與者之間在計量日於主要（或最有利的）市場進行的有序交易中根據現時市場條件（即平倉價）出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格是直接可觀察或採用另一估值技術估計而得出。

公平值計量的詳情於下文所載之會計政策闡釋。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司及由本公司與其附屬公司所控制的實體的財務報表。

倘本集團：(i) 對投資對象擁有權力；(ii) 自參與投資對象業務而取得或有權取得浮動回報；及(iii) 有能力以其對投資對象的權力影響本集團回報金額，則取得控制權。

如有事實及情況顯示，上述該等控制權元素有一項或以上出現變動，本集團將重新評估其對被投資方的控制權。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and non-controlling interest.

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

Where necessary, adjustments are made to the financial statements of subsidiaries in preparing the consolidated financial statements to bring their accounting policies in line with the Group's accounting policies.

#### Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporates the financial statements items of the combining entities or businesses in which the common control combination occurs as if the combination had occurred from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

### 3. 主要會計政策(續)

#### 綜合基準(續)

倘有事實及情況顯示上文列出的三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對投資對象擁有控制權。

附屬公司收入及開支自本集團取得控制權當日起，計入綜合損益及其他全面收入表，並直至本集團不再控制附屬公司。

附屬公司損益及其他全面收益的各組成部分乃歸屬於本公司擁有人及非控股權益。

集團內公司間交易涉及之所有資產、負債、權益、收入、開支及現金流量於綜合入賬時悉數對銷。

編製綜合財務報表於必要時會調整附屬公司財務報表以使其會計政策與本集團會計政策一致。

#### 涉及受共同控制實體業務合併的合併會計處理

綜合財務報表包括發生共同控制合併的合併實體或業務的財務報表項目，猶如自該等合併實體或業務首次受控制方控制日期起已進行合併。

合併實體或業務的資產淨值乃按控制方認為的現有賬面值綜合入賬。在控制方持續擁有權益的情況下，於共同控制合併時並無就商譽或收購方於被收購方可識別資產、負債及或然負債的淨公平值中的權益超出成本的部分確認任何金額。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Merger accounting for business combination involving entities under common control

(Continued)

The consolidated statement of profit or loss and other comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is earlier.

#### Revenue recognition

Revenue is recognised to depict the transfer of promised goods and services to customers at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services to a customer. Specifically, the Group uses a five-step approach to recognise revenue:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

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

### 3. 主要會計政策 (續)

#### 涉及受共同控制實體業務合併的 合併會計處理 (續)

綜合損益及其他全面收益表包括自最早呈列日期起或自該等合併實體或業務首次受共同控制之日起(以較短期間為準而不論共同控制合併的日期)各合併實體或業務的業績。

綜合財務報表中的比較金額以假設實體或業務於過往報告期間結算日合併的方式或於彼等首次受到共同控制時(以較早者為準)呈列。

#### 收益確認

收益按可描述向客戶轉讓承諾貨品及服務的金額確認，該金額反映實體預期就向客戶交換該等貨品或服務而有權獲得的代價。具體而言，本集團使用五步法確認收益：

- 步驟1：識別與一名客戶訂立的合約
- 步驟2：識別合約的履約責任
- 步驟3：釐定交易價格
- 步驟4：將交易價格分配至合約的履約責任
- 步驟5：於本集團完成一項履約責任時(或就此)確認收益

本集團於完成一項履約責任時(或就此)確認收益，即當與特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

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

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

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

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service. Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

#### Sales of goods

The Group produces and sells mobile phones, PCBAs for mobile phone, IoT related products, and other products related to mobile phones. Revenue from the sale of goods is recognised when control of the product has transferred to the customer. Control of the product is considered transferred to the customer generally on delivery of goods to the customer's specified location and when customer acceptance has been obtained which is the point of time the customer has the ability to direct the use of these products and obtain substantially all of the remaining benefits of these products.

### 3. 主要會計政策 (續)

#### 收益確認 (續)

一項履約責任指一件明確貨品 (或一批貨品) 或一系列大致相同的明確貨品。

若符合下列其中一項條件，控制權隨時間轉移及收益參照履行相關履約責任的完成進度隨時間確認：

- 客戶於本集團履約時同時取得及消耗由本集團履約所帶來的利益；
- 本集團的履約創建或增強一項資產，而該資產於創建或增強時由客戶控制；或
- 本集團的履約並無創建對本集團有替代用途的資產，且本集團有權就迄今已完成的履約部分收取款項。

否則，收益於客戶獲得明確商品或服務控制權的時間點確認。收益乃根據與客戶所訂合約指定的代價進行計量，不包括代表第三方收取的金額、折扣及銷售相關稅款。

#### 銷售貨品

本集團生產及銷售手機，手機用印刷電路板組裝，物聯網產品及其他與手機相關的產品。銷售貨品的收益於產品控制權已轉移予客戶時確認。產品控制權一般於產品交付至客戶指定地點及客戶確認收貨 (即為客戶有能力直接使用該等產品並獲得該等產品之幾乎所有剩餘好處的時間點) 時被視為轉移予客戶。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

##### Sales of goods (Continued)

A receivable is recognised when the products are delivered and accepted by customers 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. Payment of the transaction price is usually due within 30–90 days of the date when control of the products is transferred to the customer.

The Group normally received range from 5% to 30% of the contract value as deposit from customers when they signed the sale and purchase agreement for sales of products. For certain sale order received from customer relating to IOT related products, the Group received 80% of the contract value as upfront deposit when they signed the sale agreement. These deposits are recognised as contract liabilities until the goods have been delivered to the customers.

The Group provides warranties for general repairs of defects to ensure that the products comply with agreed upon specification and they are therefore assurance-type warranties and the Group accounts for the warranty in accordance which HKAS 37 Provisions, Contingent Liabilities and Contingent Assets.

### 3. 主要會計政策(續)

#### 收益確認(續)

##### 銷售貨品(續)

應收款項於產品交付及獲客戶接受時確認，因為付款需要時間的推移方會到期應付，故此為代價為無條件的時間點。支付交易價格通常於產品控制權轉移予客戶之日起30–90天內到期。

本集團在簽訂產品銷售買賣協議時，通常收取合約價值的5%至30%作為客戶押金。對於若干物聯網相關產品相關客戶的訂單，本集團在簽訂銷售協議時收到80%的合約價值作為預付款。有關按金在貨物交付客戶之前確認為合約負債。

本集團提供一般產品缺陷保修，以確保產品符合協定規格，因此，擔保屬保證型擔保，本集團根據香港會計準則第37號撥備、或然負債及或然資產對該等擔保進行會計處理。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leasing

##### Definition of a lease

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

##### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

### 3. 主要會計政策(續)

#### 租賃

##### 租賃的定義

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

##### 本集團作為承租人

本集團於合約開始時評估合約是否為或包括租賃。本集團就其作為承租人的所有租賃安排(除短期租賃(界定為自開始日期起計租期為十二個月或更短且不包含購買選擇權的租賃)及低值資產租賃外)確認使用權資產及相關租賃負債。就該等租賃而言，本集團於租期內以直線法確認租賃付款為經營開支，惟倘有另一系統化基準更能代表耗用租賃資產經濟利益的時間模式則除外。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability represents the fixed lease payments (including in-substance fixed payments).

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

#### Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Impairment losses on tangible assets and intangible assets" policy as stated below.

### 3. 主要會計政策(續)

#### 租賃負債

於開始日期，本集團以該日未支付租賃付款之現值計量租賃負債。租賃付款使用租賃中的內含利率進行貼現。倘上述利率不易確定，則本集團會使用增量借款利率。

計入租賃負債計量之租賃付款指固定租賃付款(包括實質固定付款)。

租賃負債於綜合財務狀況表中單獨呈示。

租賃負債其後透過增加賬面值以反映租賃負債利息(使用實際利息法)及減少賬面值以反映所作出的租賃付款加以計量。

#### 使用權資產

使用權資產包括相應租賃負債之初始計量、於開始日期或之前作出的租賃付款及任何初始直接成本，減收取的租賃優惠。

使用權資產其後按成本減累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產於相關資產的租期及使用年期(以較短者為準)內折舊。折舊於租賃開始日期開始。

誠如下文「有形及無形資產減值虧損」政策所述，本集團使用香港會計準則第36號釐定使用權資產是否減值及入賬任何已識別減值虧損。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Allocation of consideration to components of a contract

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

As a practical expedient, HKFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient for all leases.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

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

### 3. 主要會計政策(續)

#### 分配代價至合約組成部分

對於包含一項租賃及一項或以上額外租賃或非租賃部分之合約，本集團基於租賃組成部分的相對獨立價格及非租賃部分的獨立價格總和分配合約代價至各租賃組成部分。

作為實際權宜法，香港財務報告準則第16號准許承租人不分離出非租賃部分，而將任何租賃及相關非租賃部分作為單項安排入賬。本集團已就所有租賃使用本實際權宜法。

#### 外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)所進行之交易乃按交易當日之現行匯率以各自的功能貨幣(即實體經營所在的主要經濟環境的貨幣)入賬。於報告期末，以外幣列值之貨幣項目乃按該日之當時匯率重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間在損益內確認。

就呈列綜合財務報表而言，本集團之海外業務的資產及負債按報告期末之現行匯率換算為本集團之呈列貨幣(即人民幣)。收入及開支按年內平均匯率換算。所產生之匯兌差額(如有)於其他全面收益確認並於權益下以匯兌儲備累計。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Borrowing costs

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

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

#### Government subsidies

Government subsidies are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the subsidies will be received.

Government subsidies are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related cost for which the subsidies are intended to compensate. Specifically, government subsidies whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government subsidies that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefits cost

Payments to the People's Republic of China (the "PRC") state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

### 3. 主要會計政策(續)

#### 借款成本

收購、建造或生產合資格資產(即需要一段長時間才可作擬定用途或出售)直接應佔之借款成本,加入該等資產的成本,直至資產大致上可作擬定用途或出售之時為止。

所有其他借款成本均在產生期間之損益內確認。

#### 政府補貼

在合理保證本集團會遵守政府補貼的附帶條件以及將會得到補助後,政府補貼方會予以確認。

政府補貼乃於本集團將開支確認為預期補助可予抵銷的相關成本期間按系統化的基準於損益中確認。具體而言,以要求本集團購買、建造或收購非流動資產為主要條件的政府補貼乃於綜合財務狀況表確認為遞延收入,並於相關資產的可用年期內基於系統合理基準轉撥至損益中。

政府補貼於成為抵銷已產生開支或虧損或旨在為本集團提供即時財務支援(而無未來相關成本)之應收款項的期間在損益中確認。

#### 退休福利成本

於員工提供服務且有權獲得供款時,向中華人民共和國(「中國」)國家管理的退休福利計劃及強制性公積金計劃(「強積金計劃」)之付款被確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策(續)

#### 短期僱員福利

負債乃就僱員於該期間(按預期將就換取該服務而支付的未貼現福利金額所提供服務的期間)按工資及薪金、年假及病假應計的福利予以確認。

就短期僱員福利確認的負債乃按預期將就換取相關服務而支付的未貼現福利金額計量。

#### 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報「除稅前溢利」不同，乃由於前者不包括在其他年度應課稅或可扣稅之收入或開支，亦不包括永不課稅或扣稅之項目。本集團乃按報告期末已實行或實際已實行之稅率計算即期稅項負債。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之間的暫時差額而確認。遞延稅項負債基本上就所有應課稅暫時差額確認。遞延稅項資產則須就應課稅溢利很可能用作扣減該等可運用的可扣減暫時差額才作確認。若暫時差額因首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易中的資產及負債而產生，則不予確認遞延稅項資產及負債。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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

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

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

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

Current tax and deferred tax are recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項負債乃按投資附屬公司而引致之應課稅暫時差額而確認，惟若本集團可控制暫時差額之撥回及暫時性差額很可能於可見將來無法撥回之情況除外。與該等投資相關的可扣稅暫時性差額所產生的遞延稅項資產，僅於很可能有足夠應課稅溢利可以使用暫時差額的利益且預計於可見將來可以撥回時確認。

遞延稅項資產之賬面值會於各報告期末作出檢討，倘不再可能有足夠應課稅溢利可用於收回全部或部分資產則會予以扣減。

遞延稅項資產及負債，以報告期末已頒佈或實質上已頒佈的稅率（及稅法）為基礎，按預期適用於清償該負債或變現該資產的期間的稅率計量。

遞延稅項負債及資產的計量反映本集團於報告期末預期收回或清償其資產及負債賬面值的方式所導致的稅務後果。

即期稅項及遞延稅項於損益內確認。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

#### Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

### 3. 主要會計政策(續)

#### 物業、廠房及設備

物業、廠房及設備於綜合財務狀況表內按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

物業、廠房及設備項目折舊乃於其估計可使用年期內採用直線法確認以分配成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，任何估計變動的影響按未來基準入賬。

物業、廠房及設備項目於出售時或預期日後持續使用資產將不會產生經濟利益時不再確認入賬。出售或報廢物業、廠房及設備項目的任何盈虧乃按銷售所得款項與該資產的賬面值的差額釐定，並於損益內確認。

#### 於租賃土地及樓宇的所有權權益

當本集團就物業擁有權權益(包括租賃土地及樓宇部分)作出付款，則代價按於首次確認時之相對公平值比例，於租賃土地及樓宇部分之間悉數分配。倘相關付款能可靠計量時，入賬列為經營租賃的租賃土地權益於綜合財務狀況表呈列為「使用權資產」。當代價無法在相關租賃土地的非租賃樓宇部分及為分配權益之間可靠分配時，則整項物業分類為物業、機器及設備。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Intangible assets

##### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash as defined above.

#### Interests in subsidiaries

Interests in subsidiaries are stated on the statement of financial position of the Company at cost less any identified impairment loss.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 主要會計政策(續)

#### 無形資產

##### 分開購入之無形資產

分開購入且具有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有限可使用年期之無形資產攤銷則以直線法按其估計可使用年期確認。估計可使用年期及攤銷方法會於各報告期末檢討，任何估計變動的影響按未來基準入賬。

#### 現金及現金等價物

綜合財務狀況表內的銀行結餘及現金包括銀行現金及手頭現金。

就綜合現金流量表而言，現金及現金等價物包括上述界定之現金。

#### 於附屬公司之權益

於附屬公司之權益於本公司之財務狀況表內按成本減任何已識別減值虧損列賬。

#### 存貨

存貨按成本與可變現淨值兩者之較低者列賬。存貨成本使用加權平均法計算。可變現淨值指存貨的估計售價減所有估計完工成本及必要銷售成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

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

#### Financial assets

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the assets.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Group's financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

### 3. 主要會計政策(續)

#### 金融工具

當集團實體訂立工具合約條文時，於綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量，惟與客戶合約產生的貿易應收款項按香港財務報告準則第15號進行初始計量除外。收購或發行金融資產及金融負債(按公平值計入損益的金融資產或金融負債除外)的直接相關交易成本於初始確認時計入或扣除自金融資產或金融負債的公平值(視適用情況而定)。收購按公平值計入損益的金融資產或金融負債直接相關交易成本即時於損益確認。

#### 金融資產

須於市場規則或慣例所設定的時間範圍內交付資產的金融資產購置或出售(定期交易)於交易日(即本集團承諾購買或出售資產的日期)確認。

所有已確認的金融資產，視乎金融資產的分類而定，其後全面按攤銷成本或公平值計量。本集團的金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計入損益。

金融資產於初始確認時的分類取決於金融資產的合約現金流量特徵及本集團管理該等資產的業務模式。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

##### Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產之分類

符合以下條件的債務工具其後按攤銷成本計量：

- 於目標為持有資產以收取合約現金流量的業務模式持有的金融資產；及
- 金融資產的合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償的本金利息之付款。

按攤銷成本計量的金融資產其後使用實際利率法計量，或會減值。

##### 攤銷成本及實際利息法

實際利息法是計算債務工具的攤銷成本及在相關期間分配利息收入的方式。

就購入或原本已信貸減值之金融資產以外之金融工具而言，實際利率為將債務工具於預計年期或較短期間（如適用）的估計未來現金收款（包括組成實際利率整體部分的全部已付或已收費用及貼息、交易成本及其他溢價或折讓，不包括預期信貸虧損）準確折現至債務工具於初始確認時的賬面總值的利率。

金融資產之攤銷成本相當於該金融資產於初始確認時計量之金額減本金還款，加使用實際利息法就上述初始金額與到期金額之間的任何差額計算之累計攤銷額，再經任何虧損撥備予以調整後之金額。另一方面，金融資產之賬面總值為經任何虧損撥備予以調整前之金融資產攤銷成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

Financial assets (Continued)

*Amortised cost and effective interest method*  
(Continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the “other gains and income” line item.

#### *Financial assets at FVTPL*

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income (“**FVTOCI**”) are measured at FVTPL.

Financial assets at FVTPL are measured at fair value, with any gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss and is included in the “other gains and income” line item. Fair value is determined in the manner described in Note 36(c).

### 3. 主要會計政策 (續)

#### 金融工具 (續)

金融資產 (續)

*攤銷成本及實際利息法 (續)*

就其後按攤銷成本計量之債務工具而言，利息收入乃使用實際利息法確認。就購入或原本已信貸減值之金融資產以外之金融工具而言，利息收入乃透過對金融資產之賬面總值應用實際利率計算，惟其後出現信貸減值之金融資產除外。

利息收入於損益內確認，並計入「其他收益及收入」項目。

#### *按公平值計入損益的金融資產*

不符合按攤銷成本或按公平值計入其他全面收益（「**按公平值計入其他全面收益**」）計量標準的金融資產按公平值計入損益計量。

按公平值計入損益的金融資產按公平值計量，任何收益或虧損於損益內確認。於損益確認的收益或虧損淨額計入「其他收益及收入」項目。公平值的釐定方式於附註36(c)詳述。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and bills receivables, pledged bank deposits, restricted deposits, other receivables and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“**12m ECL**”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

Assessment are done based on the Group’s historical credit loss experience and forward looking information including both current and forecast general economic conditions at the reporting date.

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9 for trade and bills receivables.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 金融資產減值

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易應收款項及應收票據、已抵押銀行存款、受限制存款、其他應收款項以及銀行結餘及現金)確認預期信貸虧損的虧損撥備。預期信貸虧損的金額於各報告日期更新，以反映各金融工具自初始確認後信貸風險的變化。

全期預期信貸虧損指將相關工具的預期使用期內所有可能的違約事件產生之預期信貸虧損。相反，12個月預期信貸虧損(「**12個月預期信貸虧損**」)為預期於報告日期後12個月內可能發生的違約事件導致之全期預期信貸虧損部分。

評估乃根據本集團的歷史信貸虧損經驗以及報告日期當前及預測整體經濟狀況等前瞻性資料進行。

本集團就貿易應收款項及應收票據應用香港財務報告準則第9號規定為預期信貸虧損計提撥備的簡化方法。

對於所有其他工具，本集團計量的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信貸風險顯著增加，本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加。



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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular debtors, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- 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;
- significant increases in credit risk on other financial instruments of the same debtor; and
- 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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 信貸風險顯著增加

於評估金融工具自初始確認後信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較。在進行該評估時，本集團會考慮合理且可支持的定量和定性資料，包括無需付出不必要的成本或努力而可得之歷史經驗及前瞻性資料。

特別是，在評估信貸風險自初始確認以來是否顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 特定債務人外部市場信貸風險指標的顯著惡化，如信貸利差大幅增加，債務人的信貸違約掉期價格，或金融資產公平值低於攤銷成本的時長或幅度顯著增加；
- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 同一債務人的其他金融工具的信貸風險顯著增加；及
- 導致債務人償還債務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的重大不利變化。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

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

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

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 reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) 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. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 信貸風險顯著增加 (續)

不論上述評估之結果如何，本集團認為，當合約付款逾期超過30天，則金融資產自初始確認以來信貸風險已顯著增加，除非本集團有合理且可支持之資料證明。

儘管上文所述，本集團假設倘債務工具釐定為於報告日期具有低信貸風險，則債務工具的信貸風險自初始確認以來並無顯著增加。倘屬以下情況，債務工具釐定為具有低信貸風險：i) 金融工具具有低違約風險，ii) 借款人於短期內具備雄厚實力履行其合約現金流量責任及iii) 長期經濟及業務狀況的不利變動可能但不一定削減借款人履行其合約現金流量責任的能力。當金融資產有符合全球通用定義的「投資級」內部或外部信貸評級，或當未獲得外部評級，資產內部評級為「正常」時，則本集團認為金融資產具有較低信貸風險。正常指對手方財務狀況良好且無過往逾期金額。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

##### Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade and bills receivables, when the amounts are over 24 months past due, whichever occur sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 違約的定義

本集團認為以下各項為內部信貸風險管理時被視為構成違約事件的標準，因為過往經驗顯示符合以下標準的應收款項通常不可收回。

- 當對手方違反財務契諾；或
- 內部產生或外部獲取的資料顯示債務人可能無法向其債權人（包括本集團）悉數付款（其中並無計及本集團所持有的任何抵押品）。

本集團認為，當金融資產逾期超過90天，則金融資產已出現違約，除非本集團有合理且可支持之資料證明較寬鬆之違約標準更為適用則當別論。

##### 撇銷政策

當有資料顯示交易對手陷入嚴重財務困難，且並無實際收回的可能之時（例如交易對手已清算或進入破產程序，或貿易應收款項及應收票據逾期超過24個月（以較早發生者為準）），本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

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### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

##### Financial assets (Continued)

##### *Credit-impaired financial assets*

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

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

##### *Measurement and recognition of expected credit losses*

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

### 3. 主要會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

##### *信貸減值之金融資產*

當一項或多項對金融資產估計未來現金流量造成負面影響的事件發生時，即代表金融資產已出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- 發行人或借款人遇到嚴重財務困難；
- 違反合約，如拖欠或逾期事件；
- 向借款人作出貸款之貸款人出於與借款人財務困難有關的經濟或合約考慮，給予借款人在其他情況下不會作出的讓步；
- 借款人有可能破產或進行其他財務重組；或
- 由於財務困難致使金融資產之活躍市場消失。

##### *計量及確認預期信貸虧損*

預期信貸虧損之計量可計算出違約概率、違約損失率(即違約時的虧損大小)及違約風險敞口。違約概率及違約損失率之評估乃基於上述經前瞻性資料調整的過往數據。至於違約風險敞口，就金融資產而言，其於資產於報告日期的賬面總值中反映。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

Financial assets (Continued)

*Measurement and recognition of expected credit losses(Continued)*

For the financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

#### *Derecognition of financial assets*

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

### 3. 主要會計政策(續)

#### 金融工具(續)

金融資產(續)

*計量及確認預期信貸虧損(續)*

金融資產之預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預期可收取的所有現金流量(按原定實際利率貼現)之間的差額估算。

倘本集團已按相等於前一個報告期間之全期預期信貸虧損金額計量一項金融工具之虧損撥備，惟倘於當前報告日期確定不再符合全期預期信貸虧損之條件，則本集團於當前報告日期將計量虧損撥備為相等於12個月預期信貸虧損金額(已採用簡化方法的資產除外)。

本集團於損益中確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面值進行調整。

#### *終止確認金融資產*

僅當自資產所得現金流量的合同權利屆滿或於其將金融資產以及資產擁有權的絕大部分風險及回報轉讓予另一方時終止確認金融資產。倘本集團既無轉撥亦無保留資產擁有權的所有風險及回報，並繼續控制已轉移資產，則本集團於資產確認保留利益及就可能須付的金額確認相關負債。倘本集團保留轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產並亦就應收所得款項確認抵押借款。

於終止確認按攤銷成本計量的金融資產時，資產的賬面值與已收及應收代價的總和之間的差額會於損益內確認。

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### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (Continued)

#### Financial liabilities and equity instruments

##### Classification as debt or equity

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

##### Equity instruments

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

##### Financial liabilities

The Group's financial liabilities including trade and bills payables, accruals and other payables, borrowings are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition of financial liabilities

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

#### Provisions

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

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

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及股本工具

##### 分類為債務或權益

由集團實體發行之債務及股本工具按合約安排之實質，以及金融負債及股本工具之定義分類為金融負債或權益。

##### 股本工具

股本工具為證明實體資產於扣除其所有負債後的剩餘權益的任何合同。集團實體所發行的股本工具乃按已收所得款項扣除直接發行成本確認。

##### 金融負債

本集團金融負債(包括貿易應付款項及應付票據、應計費用及其他應付款項、借款)其後使用實際利息法按攤銷成本計量。

##### 終止確認金融負債

當且僅當本集團責任獲免除、取消或已屆滿時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間差額會於損益確認。

#### 撥備

倘本集團因過往事件須承擔現有責任(法定或推定)，而本集團可能須履行該責任且能夠對責任金額作出可靠估計，則會確認撥備。

經計及責任所附帶的風險及不明朗因素後，撥備按於報告期末對履行現有責任所需代價的最佳估計計量。倘撥備採用估計履行現有責任所需的現金流量計算，則其賬面值為該等現金流量之現值(倘貨幣時間值之影響重大)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Equity-settled share based payment transactions

##### Share options granted to employees

The fair value of services received determined by reference to the fair value of equity instruments granted at the date of grant is expensed on a straight line basis over the vesting period with a corresponding increase in equity (share options reserve).

Service and non-market performance conditions are not taken into account when determining the grant date fair value of equity instruments, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an equity instrument, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of the equity instrument and lead to an immediate expensing of an equity instrument unless there are also service and/or performance conditions.

At the end of the reporting period, the Group revises its estimates of the number of equity instruments that are expected to ultimately vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

### 3. 主要會計政策(續)

#### 以權益結算之股份基礎支付交易

##### 向僱員授出的購股權

所獲服務之公允價值乃參考權益工具於授出當日之公允價值釐定，並於歸屬期間以直線法攤銷，而權益(購股權儲備)亦作相應增加。

釐定權益工具的授出日期公允價值並不計及服務及非市場表現條件，惟能達成該等條件的可能性則被評定為將最終將歸屬為本集團權益工具數目的最佳估計的一部分。市場表現條件反映於授出日期公允價值內。附帶於權益工具中但並無相關服務要求的任何其他條件視為非歸屬條件。除非有另外的服務及/或表現條件，否則非歸屬條件將反映於權益工具的公允價值內並將即時予以支銷。

於報告期末，本集團根據對所有相關非市場歸屬條件的評估修訂對預期最終可歸屬權益工具數目的估計，並將於歸屬期間原始估計修訂之影響(如有)於損益確認，致使累計開支反映經修訂估計，以股份支付購股權儲備亦作相應之調整。

購股權獲行使時，過往於以股份支付購股權儲備中確認之金額將轉撥至股份溢價。當購股權於歸屬期後被沒收或於屆滿日仍未獲行使，過往於以股份支付購股權儲備中確認之金額將轉撥至保留溢利。



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment losses on tangible assets and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generation units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

### 3. 主要會計政策(續)

#### 有形及無形資產減值虧損

於報告期末，本集團審閱其有形資產及無形資產之賬面值，以確定有否任何跡象顯示該等資產蒙受減值虧損。倘存在任何有關跡象，則會估計資產之可收回金額，以確定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團將估計資產所屬現金產生單位之可收回金額。倘可識別合理一致之分配基準，公司資產亦會被分配至個別現金產生單位，否則會被分配至可識別合理一致之分配基準之最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量按稅前貼現率貼現至其現值。該貼現率反映現時市場對貨幣時間價值及未調整未來現金流量估計之資產特定風險之評估。

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則資產(或現金產生單位)賬面值扣減至其可收回金額。減值虧損即時於損益確認。

倘某項減值虧損其後撥回，則資產(或現金產生單位)賬面值增至其可回收金額經修訂後之估值，惟增加後之賬面值不得超過該項資產(或現金產生單位)於過往年度未有確認減值虧損而會釐定之賬面值。減值虧損撥回即時於損益確認為收入。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Fair value measurement

When measuring fair value, except for the Group's share-based payment transactions, leasing transactions and the value in use of assets for the purpose of impairment assessment, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follow:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 3. 主要會計政策(續)

#### 公平值計量

就減值評估目的計量公平值(本集團股份支付交易, 租賃交易及資產的使用價值除外)時, 本集團考慮市場參與者於計量日對資產或負債定價時所考慮之資產或負債之特點。

本集團採納適用於不同情況且具備充分數據以供計量公平值的估值技術, 以最大限度使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。具體而言, 本集團根據輸入數據之特點, 將公平值計量分為以下三個層級:

第一級—相同資產或負債於活躍市場的市場報價(未經調整)。

第二級—對公平值計量而言屬重大的最低層輸入數據可直接或間接觀察的估值技術。

第三級—對公平值計量而言屬重大的最低層輸入數據不可觀察的估值技術。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### Fair value measurement (Continued)

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

#### 3. 主要會計政策(續)

##### 公平值計量(續)

於報告期末，本集團透過檢討資產及負債各自之公平值計量，確定按公平值計量之資產及負債之公平值層級之間是否存在經常性轉移。

#### 4. 估計不確定因素的主要來源

在應用附註3所述的本集團會計政策時，本公司董事須就綜合財務報表所呈報的資產、負債、收益及開支金額以及所作出的披露作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘會計估計之修訂僅對作出修訂之期間構成影響，則有關修訂只會在該期間內確認；倘會計估計之修訂對現時及未來期間均構成影響，則會在作出該修訂期間及未來期間內確認。

以下為有關日後之主要假設及於報告期末估計不確定因素之其他主要來源，乃具有對下個財政年度之資產及負債之賬面值造成重大調整之重大風險。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Estimated useful lives of property, plant and equipment (including right-of-use assets) and intangible assets

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The estimated useful lives reflect the Company's directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment, based on various factors. The Group's replacement policy for property, plant and equipment is mainly based on repairs and useful lives duration of assets. The estimation of useful lives impacts the level of annual depreciation expenses recorded. Property, plant and equipment are evaluated for possible impairment and the process requires management's estimate of future cash flows generated by the assets. For any instance where this evaluation process indicates impairment, the relevant asset's carrying amount is written down to the recoverable amount and the amount of the write-down is charged against the consolidated statement of profit or loss and other comprehensive income. As at 31 December 2020 the carrying amounts of property, plant and equipment were approximately RMB139,564,000 (2019: RMB127,913,000). No impairment loss has been recognised during the years.

### 4. 估計不確定因素的主要來源(續)

#### 物業、廠房及設備(包括使用權資產)及無形資產的估計可使用年期

物業、廠房及設備按成本減其後累計折舊以及其後累計減值虧損(如有)於綜合財務狀況表列賬。估計使用年期反映本公司董事基於多個因素，對本集團計劃透過使用本集團物業、廠房及設備產生未來經濟利益期間之估計。本集團主要基於資產的維修及可使用年期制定物業、廠房及設備的更換政策。估計可使用年期會對記錄之年度折舊開支水平造成影響。物業、廠房及設備評估可能出現之減值，管理層須於此過程中評估資產所產生之未來現金流量之估計。倘此評估過程顯示出現減值，則有關資產之賬面值會撇減至可收回金額，而撇減金額會自綜合損益及其他全面收益表內扣除。於二零二零年十二月三十一日，物業、廠房及設備之賬面值為約人民幣139,564,000元(二零一九年：人民幣127,913,000元)。年內並無確認減值虧損。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Impairment losses recognised in respect of trade and bills receivables

The impairment for trade and bills receivables is based on assumptions about ECL. The Group used judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the number of days that trade and bills receivables are outstanding as well as the Group's historical experience and forward-looking information at the end of the reporting period. Due to the unprecedented nature of the COVID-19 pandemic, its effect on the Group's customer and the ability to meet their financial obligations to the Group is difficult to predict. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2020, the carrying values of trade and bills receivables is approximately RMB339,218,000 (31 December 2019: RMB622,161,000) net of allowance for doubtful debt of approximately RMB4,999,000 (31 December 2019: RMB2,829,000).

##### Allowances recognised in respect of inventories

The management of the Group reviews an ageing analysis at the end of each reporting period and makes allowance for obsolete and slow-moving items identified that are no longer suitable for sale or use. The Group makes allowance for inventories based on the assessment of the net realisable value. The management estimates the net realisable value for inventories based on subsequent usage and sales, ageing analysis and current market conditions. As at 31 December 2020, the carrying amounts of inventories were approximately RMB319,386,000 (2019: RMB 283,956,000) and no impairment loss has been recognised for the years ended 31 December 2020 and 2019.

#### 4. 估計不確定因素的主要來源(續)

##### 就貿易應收款項及應收票據確認之減值虧損

貿易應收款項及應收票據的減值乃基於對預期信貸虧損的假設。於報告期末，本集團基於貿易應收款項及應收票據的未償還天數以及本集團的過往經驗及前瞻性資料，於作出該等假設時採用判斷及於計算減值時選擇輸入數據。鑒於COVID-19疫情帶來空前挑戰，其對本集團的客戶及其向本集團履行財務責任的能力之影響難以預測。該等假設及估計之變動可能對評估結果構成重大影響，並可能需要就綜合損益及其他全面收益表作出額外減值開支。

於二零二零年十二月三十一日，貿易應收款項及應收票據的賬面值扣除呆賬撥備約人民幣4,999,000元(二零一九年十二月三十一日：人民幣2,829,000元)後約為人民幣339,218,000元(二零一九年十二月三十一日：人民幣622,161,000元)。

##### 就存貨確認之撥備

本集團管理層於各報告期末審閱賬齡分析並就所識別的不再適合於銷售或使用的陳舊或滯銷項目作出撥備，本集團根據對可變現淨值的評估對存貨作出撥備。管理層根據其後的用途及銷售額、賬齡分析及當前市況對存貨的可變現淨值作出估計。於二零二零年十二月三十一日，存貨的賬面值為約人民幣319,386,000元(二零一九年：人民幣283,956,000元)，並無就截至二零二零年及二零一九年十二月三十一日止年度確認減值虧損。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Provision for litigation

During the year, the Group has been involved in certain litigations and claims (see Note 41). The management determines the provision for claims based on their best estimates according to their understanding of legal advice. Where the final outcome of the claim and negotiation with the respective party is different from the estimation made by the management, such difference will result in a decrease or an increase in profit in the year in which such determination is finalised. As at 31 December 2020, the Group had provision for litigation of approximately RMB2,093,000 (2019: RMB1,767,000).

### 5. REVENUE

Revenue represents revenue arising on sales of goods in the normal course of business, net of discounts and sales related taxes. The Group's revenue for the year is recognised at a point in time.

An analysis of revenue from contracts with customer disaggregated by major product types is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mobile phone	手機	1,483,386	2,410,583
PCBAs	印刷電路板組裝	103,532	471,862
IOT related products	物聯網相關產品	480,950	127,697
Others	其他	114,170	107,506
		2,182,038	3,117,648

#### Transaction price allocated to the remaining performance obligations

The sales contracts are with an original expected duration of less than one year. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price for the performance obligation that is unsatisfied as of the end of respective reporting period.

### 4. 估計不確定因素的主要來源(續)

#### 訴訟撥備

年內，本集團涉及數宗訴訟及索償(見附註41)。管理層根據其對法律意見的理解並基於其最佳估計釐定索償撥備。倘索償及與相關方進行協商的最後結果與管理層所作估計不同，則有關差額將於最終確定有關結果的年度內導致溢利減少或增加。於二零二零年十二月三十一日，本集團訴訟撥備約人民幣2,093,000元(二零一九年：人民幣1,767,000元)。

### 5. 收益

收益指於一般業務過程中銷售貨品產生之收益(經扣除折讓及銷售相關稅項)。本集團年內之收益於某一時間點確認。

按主要產品類型分列的客戶合約收益分析如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Mobile phone	1,483,386	2,410,583
PCBAs	103,532	471,862
IOT related products	480,950	127,697
Others	114,170	107,506
	2,182,038	3,117,648

#### 分配予餘下履約責任的交易價格

銷售合約的原預期期限少於一年。因此，本集團選擇了實際的權宜的方式，並無披露各報告期末尚未達成的履約責任的交易價格金額。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, review the Group's internal reporting in order to assess performance and allocate resource. The Group is principally engaged in designing, manufacturing and sales of mobile phones and PCBA and IOT related products. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Company as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

#### Geographical information

The Group's operations are mainly located in the PRC (the place of domicile of the Group's operation).

Information about the Group's revenue from external customers presented based on the location of customers is as follows.

#### 6. 分部資料

本公司執行董事(即主要營運決策者)收到所呈報的資料,檢討本集團內部報告以評估表現及分配資源。本集團主要從事設計、製造及銷售手機、印刷電路板組裝及物聯網相關產品。向主要營運決策者呈報以供資源分配及表現評估之資料專注於本公司整體經營業績,因為本集團之資源已作整合,並無獨立之經營分部財務資料。因此,並無呈列經營分部資料。

#### 地域資料

本集團的經營主要於中國(本集團業務所在地)進行。

按客戶位置呈列的本集團外部客戶收益資料如下。

		Revenue from external customers	
		外部客戶收益	
		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
India	印度	1,011,279	1,392,492
Algeria	阿爾及利亞	22,935	275,305
The PRC	中國	919,927	1,167,572
Pakistan	巴基斯坦	56,749	67,889
People's Republic of Bangladesh	孟加拉人民共和國	170,764	111,789
Other regions	其他地區	384	102,601
		<b>2,182,038</b>	<b>3,117,648</b>

The Group's non-current assets are all located in the PRC.

本集團非流動資產均位於中國。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 6. SEGMENT INFORMATION (Continued)

##### Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶 A	511,520	581,357
Customer B	客戶 B	N/A 不適用*	395,416

\* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

#### 6. 分部資料(續)

##### 有關主要客戶之資料

貢獻收益佔本集團總收益10%以上之客戶如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶 A	511,520	581,357
Customer B	客戶 B	N/A 不適用*	395,416

\* 相應收益並無佔本集團總收益10%以上。

#### 7. OTHER GAINS AND INCOME

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	4,229	853
Exchange gain, net	匯兌收益淨額	-	8,532
Reversal of provision for social insurance	撥回社會保險撥備	8,384	-
Gain arising from change in fair value of financial assets at FVTPL	按公平值計入損益的金融資產的公平值變動產生的收益	7,305	10,099
Government subsidies (Note)	政府補貼(附註)	29,209	30,945
Amortisation of government grant (Note 28)	政府補助攤銷(附註28)	6,010	5,920
Sundry income	雜項收入	3,840	2,754
		<b>58,977</b>	<b>59,103</b>

Note: The government subsidies represent the one-off government grants that were received from local government authorities of which the entitlements were unconditional and were therefore immediately recognised as other income.

#### 7. 其他收益及收入

附註：政府補貼指來自多個地方政府機關的一次性政府補助金，有關補貼為無條件，因此即時確認為其他收入。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 8. FINANCE COSTS

#### 8. 融資成本

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interests on:	下列各項之利息：		
Lease liabilities	租賃負債	643	860
Discounted bills financing and factoring loans	票據融資貼現及保理貸款	3,546	9,571
Borrowings	借款	1,294	1,529
		<b>5,483</b>	<b>11,960</b>

#### 9. INCOME TAX EXPENSES

#### 9. 所得稅開支

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
PRC Enterprise Income Tax ("EIT"):	中國企業所得稅		
	(「企業所得稅」):		
– Current income tax	– 即期所得稅	880	3,114
– (Overprovision) underprovision in prior year	– 過往年度(超額撥備)撥備不足	(1,576)	744
Deferred tax (Note 29):	遞延稅項(附註29):		
– Charge to current year	於本年度扣除	3,663	2,793
Income tax expense	所得稅開支	<b>2,967</b>	<b>6,651</b>

- |   |  |
|---|--|
| <p>(i) Pursuant to the rules and regulations of the British Virgin Islands and Cayman Islands, the Group is not subject to any income tax in these jurisdictions.</p>   | <p>(i) 根據英屬處女群島及開曼群島規則及規例，本集團無須在該等司法權區繳納任何所得稅。</p>                                       |
| <p>(ii) The statutory tax rate of subsidiaries in Hong Kong is 16.5%. No provision for Hong Kong Profits Tax had been provided for the years ended 31 December 2020 and 2019 as the subsidiaries in Hong Kong has no assessable profits for both years.</p> | <p>(ii) 香港附屬公司之法定稅率為16.5%。由於香港附屬公司截至二零二零年及二零一九年十二月三十一日止年度並無應課稅溢利，故於該兩年度概無就香港利得稅進行撥備。</p> |
| <p>(iii) Under the Law of the PRC on Enterprise Income Tax (the "EIT law") and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries established in the PRC is 25%.</p>  | <p>(iii) 根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於中國成立的附屬公司的稅率為25%。</p>                          |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 9. INCOME TAX EXPENSES (Continued)

- (iv) One of the Group's subsidiaries, Shenzhen Sprocomm Telecommunication Technology Co., Ltd. ("**Shenzhen Sprocomm**") is recognised as a High and New-technology Enterprise for the first time in July 2014, which has been granted tax concessions by the local tax bureau and is entitled to PRC EIT at concessionary rate of 15% during the year ended 31 December 2016 and Shenzhen Sprocomm has further obtained the renewal of its high technology qualification in October 2017 and is entitled to the concession rate of 15% from 2017 to 2019. Shenzhen Sprocomm has further obtained the renewal of its high technology qualification in December 2020 and is entitled to the concession rate of 15% from 2020 to 2023.
- (v) One of the Group's subsidiaries, Shanghai Sprocomm Telecommunication Technology Co., Ltd. ("**Shanghai Sprocomm**"), is awarded the Software Enterprise Certificate and was accredited as software enterprise under the relevant PRC laws and regulations in December 2015. Accordingly, Shanghai Sprocomm was granted a tax holiday of two years' tax exemption and a 50% reduction in the EIT rate of 25% for the next three years. The subsidiary was exempted from enterprise income tax from 2016 to 2017, and is subject to a reduced corporate income tax rate of 12.5% from 2018 to 2020.
- (vi) The India taxation was calculated based on the rates applicable in the relevant jurisdiction on the estimated assessable profits. No provision of overseas profits tax has been made, as the Group did not have any assessable profits subject to overseas profits tax for both years.

#### 9. 所得稅開支(續)

- (iv) 本集團一間附屬公司深圳禾苗通信科技有限公司(「**深圳禾苗**」)於二零一四年七月首次獲認定為高新技術企業，並獲地方稅務局授予稅項優惠，於截至二零一六年十二月三十一日止年度有權以優惠稅率15%繳交中國企業所得稅，深圳禾苗於二零一七年十月已進一步續新其高新技術企業資格並有權自二零一七年至二零一九年享受優惠稅率15%。深圳禾苗於二零二零年十二月已進一步續新其高新技術企業資格並有權自二零二零年至二零二三年享受優惠稅率15%。
- (v) 本集團一間附屬公司上海禾苗通信科技有限公司(「**上海禾苗**」)於二零一五年十二月根據相關中國法律法規獲授予軟件企業證書及獲認證為軟件企業。因此，上海禾苗獲授兩年免稅的免稅期，並於未來三年企業所得稅稅率下調50%至25%。該附屬公司於二零一六年至二零一七年期間豁免繳納企業所得稅，並於二零一八年至二零二零年期間減按12.5%的稅率繳納企業所得稅。
- (vi) 印度稅項乃就估計應課稅溢利按照相關司法管轄區所適用之稅率計算。由於本集團於兩年間並無須繳付海外利得稅之任何應課稅溢利，故並無作出海外利得稅撥備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 9. INCOME TAX EXPENSES (Continued)

The income tax expenses for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

#### 9. 所得稅開支(續)

本年度的所得稅開支與綜合損益及其他全面收益表的除稅前溢利對賬如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	33,651	44,414
Tax at the domestic income tax rate of 25%	按國內所得稅稅率 25% 計算的稅項	8,413	11,104
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	3,079	6,685
Tax effect of non taxable income	非課稅收益的稅務影響	(10)	-
Utilisation of tax loss not recognised	動用未確認的稅項虧損	(321)	(1,230)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	7,126	2,404
Additional deduction arising from research and development expenses	研發開支產生的額外扣減	(11,509)	(8,497)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司的不同稅率影響	418	(93)
(Overprovision) underprovision in prior years	過往年度(超額撥備)撥備不足	(1,576)	744
Withholding tax on undistributed earnings of a PRC subsidiary (Note 29)	一間中國附屬公司未分派盈利的預扣稅(附註 29)	1,947	2,563
Tax effect of tax exemption/deduction from tax authority (Notes 9 (iv) and (v))	稅務機關稅項豁免/扣減的稅務影響(附註 9(iv) 及 (v))	(4,600)	(7,029)
Income tax expenses	所得稅開支	2,967	6,651

Details of deferred tax are set out in Note 29.

遞延稅項的詳情載於附註 29。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 10. PROFIT FOR THE YEAR

### 10. 年內溢利

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Profit for the year has been arrived at after charging (crediting):	年內溢利經扣除(計入)下列各項後達致:		
Directors' emoluments (Note 11)	董事酬金(附註11)	1,981	1,731
Salaries, allowances and other benefits (excluding directors' emoluments)	薪金、津貼及其他福利(不包括董事酬金)	135,857	122,372
Contributions to retirement benefits scheme (excluding directors' emoluments) (Note)	退休福利計劃供款(不包括董事酬金)(附註)	6,016	21,077
<b>Total staff costs</b>	<b>員工成本總額</b>	<b>143,854</b>	145,180
Auditors' remuneration	核數師薪酬	1,000	920
Listing expenses	上市開支	-	18,073
Amortisation of intangible assets	無形資產攤銷	932	728
Amount of inventories recognised as an expense	已確認為開支的存貨金額	1,757,285	2,890,495
Net foreign exchange losses (gains)	匯兌虧損(收益)淨額	3,362	(8,532)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	18,778	16,745
Depreciation of right-of-use assets	使用權資產折舊	11,259	8,498
Gains on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	(59)
Impairment loss recognised in respect of trade and bills receivables	就貿易應收款項及應收票據確認的減值虧損	2,170	1,733
Loss on written off of property, plant and equipment	撇銷物業、廠房及設備的虧損	95	-
Provision for litigation	法律訴訟之撥備	326	742

Note: According to the policies on reduction of social insurance fees announced by the Ministry of Human Resources and Social Security of the PRC during the year ended 31 December 2020, the Company's PRC subsidiaries were entitled to waivers of the social insurance fees during February to December 2020.

附註：根據中國人力資源和社會保障部於截至二零二零年十二月三十一日止年度公佈的社會保險費減免政策，本公司的中國附屬公司可於二零二零年二月至十二月期間豁免社會保險費。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 11. DIRECTORS' EMOLUMENTS

Details of directors' emoluments are as follows:

Emoluments paid or receivable in respect of services in connection with the management of the affair of the Company or its subsidiary undertakings: 個人就管理事務相關服務的已付或應收的酬金(不論由本公司或其附屬公司承擔):

		Fees	Salaries, allowances and other benefits	Contributions to retirement benefits scheme	Total
		袍金	薪金、津貼及其他福利	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度				
<i>Executive Directors</i>	<i>執行董事</i>				
Mr. Li Chengjun (Chief Executive of the Company)	李承軍先生(本公司行政總裁)	-	492	9	501
Mr. Xiong Bin	熊彬先生	-	251	5	256
Mr. Li Hongxing	李紅星先生	-	439	52	491
Mr. Guo Qinglin	郭慶林先生	-	300	5	305
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>				
Mr. Wong Kwan Kit <sup>1</sup>	黃昆杰先生	107	-	-	107
Mr. Lu Brian Yong Chen <sup>1</sup>	呂永琛先生	107	-	-	107
Mr. Hung Wai Man <sup>1</sup>	洪為民先生	107	-	-	107
Ms. Tseng Chin I <sup>1</sup>	曾瀟漪女士	107	-	-	107
		428	1,482	71	1,981

Year ended 31 December 2019	截至二零一九年十二月三十一日止年度				
<i>Executive Directors</i>	<i>執行董事</i>				
Mr. Li Chengjun (Chief Executive of the Company)	李承軍先生(本公司行政總裁)	-	492	25	517
Mr. Xiong Bin	熊彬先生	-	251	14	265
Mr. Li Hongxing	李紅星先生	-	448	100	548
Mr. Guo Qinglin	郭慶林先生	-	307	10	317
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>				
Mr. Wong Kwan Kit <sup>1</sup>	黃昆杰先生 <sup>1</sup>	21	-	-	21
Mr. Lu Brian Yong Chen <sup>1</sup>	呂永琛先生 <sup>1</sup>	21	-	-	21
Mr. Hung Wai Man <sup>1</sup>	洪為民先生 <sup>1</sup>	21	-	-	21
Ms. Tseng Chin I <sup>1</sup>	曾瀟漪女士 <sup>1</sup>	21	-	-	21
		84	1,498	149	1,731

#### 11. 董事酬金

董事酬金詳情如下:

Salaries, allowances and other benefits 薪金、津貼及其他福利  
Contributions to retirement benefits scheme 退休福利計劃供款  
Total 總計

RMB'000 人民幣千元

RMB'000 人民幣千元

RMB'000 人民幣千元

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 11. DIRECTORS' EMOLUMENTS (Continued)

1. Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen, Mr. Hung Wai Man and Ms. Tseng Chin I were appointed as independent non-executive directors on 18 October 2019. The independent non-executive directors had not yet been appointed nor received any remuneration prior to 18 October 2019.

The amounts disclosed above represent remuneration paid or payable to the directors of the Company (including emoluments for services an employee/director of the group entities prior to becoming the directors of the Company) by entities comprising the Group.

None the chief executive nor any of the directors of the Company waived or agreed to waive any emoluments paid by the Group for the years ended 31 December 2019 and 2020. No emoluments were paid by the Group to any of the directors of the Company as an incentive payment for joining the Group or as compensation for loss of office during both years.

### 12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2019: two) were the directors (including chief executive) of the Company, whose emoluments are set out in Note 11 above. The emolument of the remaining three (2019: three) highest paid individuals were as follows:

### 11. 董事酬金 (續)

1. 黃昆杰先生、呂永琛先生、洪為民先生及曾瀟漪女士於二零一九年十月十八日獲委任為本公司獨立非執行董事。獨立非執行董事於二零一九年十月十八日尚未獲委任，亦未收取任何薪酬。

上文披露金額為本集團旗下公司已付或應付本公司董事之薪酬，包括於集團公司之僱員／董事在成為本公司董事前所提供服務的相關薪酬。

截至二零一九年及二零二零年十二月三十一日止年度，概無本公司主要行政人員或任何董事放棄或同意放棄本集團支付的任何酬金。兩年間本集團概無向本公司任何董事支付酬金作為加入本集團的激勵或作為離職補償。

### 12. 僱員酬金

本集團五名最高薪人士中，兩名(二零一九年：兩名)為本公司董事(包括主要行政人員)，其酬金載於上文附註11。餘下三名(二零一九年：三名)最高薪人士的酬金如下：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries, allowances and other benefits 薪金、津貼及其他福利	1,215	1,213
Contributions to retirement benefits scheme 退休福利計劃供款	157	301
	1,371	1,514

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 12. EMPLOYEES' EMOLUMENTS (Continued)

Their emoluments were within the following band:

		2020 二零二零年 Number of individuals 人數	2019 二零一九年 Number of individuals 人數
Nil to HK\$1,000,000 (equivalent to RMB899,000 (2019: RMB869,393))	零至1,000,000港元 (相等於人民幣 899,000元(2019 年:人民幣869,393 元))	3	3

No emoluments were paid by the Group to any of the five highest paid individuals of the Group including the directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 December 2020 and 2019.

#### 13. DIVIDENDS

No dividend was paid or proposed during the years ended 31 December 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

#### 12. 僱員酬金(續)

彼等的酬金介乎下列範圍：

截至二零二零年及二零一九年十二月三十一日止年度，本集團概無向本集團任何五名最高薪人士(包括本公司董事)支付酬金作為吸引加入或加入本集團時的激勵或作為離職補償。

#### 13. 股息

截至二零二零年及二零一九年十二月三十一日止年度，概無支付或建議宣派任何股息，自報告期末起亦無建議宣派任何股息。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 14. EARNINGS PER SHARE

The calculation of the basic earnings per share during the years is based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares in issue.

#### 14. 每股盈利

年內，每股基本盈利之計算乃基於本公司擁有人應佔溢利及已發行普通股加權平均數計算。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Earnings for the purpose of basic earnings per share (profit for the year attributable to owners of the Company)	用於計算每股基本盈利的盈利(本公司擁有人應佔年度溢利)	30,879	38,998
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利的普通股加權平均數	1,000,000 '000 千股	783,562 '000 千股

The weighted average number of ordinary shares for the year ended 31 December 2019 has been adjusted for the capitalisation issue on 13 November 2019 as detailed in note 30.

#### Diluted earnings per share

Diluted earnings per share is same as basic earnings per share for the year ended 31 December 2019 as there were no outstanding dilutive potential ordinary shares.

The Company's potentially dilutive ordinary shares comprise share options. Performance-related employee share options are treated as contingently issuable shares. Contingently issuable shares are considered outstanding and where applicable, included in the calculation of diluted earnings per share as if the conditions of the contingency are deemed to have been met, based on the information available, at the end of reporting period.

As at 31 December 2020, none of the performance conditions of the share options were met, and thus the dilutive potential ordinary shares are not included in the calculation of diluted earnings per share. As a result, diluted earnings per share is the same as basic earnings per share for the year ended 31 December 2020.

截至二零一九年十二月三十一日止年度之普通股加權平均數已就二零一九年十一月十三日之資本化發行(詳述於附註30)作出調整。

#### 每股攤薄盈利

截至二零一九年十二月三十一日止年度的每股攤薄盈利與每股基本盈利相同，因為沒有尚未發行的潛在攤薄普通股。

本公司的潛在攤薄普通股包括購股權。與業績相關的員工購股權被視為或然發行股份。或然可發行股份被視為未發行股份，並在適用的情況下，計入每股攤薄盈利的計算，猶如於報告期末，根據可得資料，或然條件被視為已達成。

於二零二零年十二月三十一日，購股權之履約條件概無達成，故攤薄潛在普通股並無納入每股攤薄盈利的計算。因此，截至二零二零年十二月三十一日止年度之每股攤薄盈利與每股基本盈利相同。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Leasehold improvement	Plant and machinery	Furniture and fixture	Motor vehicles	Office equipment	Ownership interests in land and building	Total
		租賃物業裝修	廠房及機器	傢俬及固定裝置	汽車	辦公設備	於土地及樓宇的所有權權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
<b>COST</b>	<b>成本</b>							
At 1 January 2019	於二零一九年一月一日	29,124	53,639	3,885	703	7,204	64,840	159,395
Additions	添置	1,248	11,054	12	-	1,012	-	13,326
Disposal	出售	-	(79)	-	-	-	-	(79)
At 31 December 2019	於二零一九年十二月三十一日	30,372	64,614	3,897	703	8,216	64,840	172,642
Additions	添置	1,369	25,817	54	712	2,572	-	30,524
Written off	撇銷	-	(57)	(13)	-	(830)	-	(900)
At 31 December 2020	於二零二零年十二月三十一日	31,741	90,374	3,938	1,414	9,959	64,840	202,266
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>							
At 1 January 2019	於二零一九年一月一日	10,325	8,637	2,293	358	4,544	1,888	28,045
Charge for the year	年內支出	4,054	7,406	553	295	1,357	3,080	16,745
Disposal	出售	-	(61)	-	-	-	-	(61)
At 31 December 2019	於二零一九年十二月三十一日	14,379	15,982	2,846	652	5,901	4,968	44,729
Charge for the year	年內支出	3,874	10,528	281	76	939	3,080	18,778
Written off	撇銷	-	-	(13)	-	(792)	-	(805)
At 31 December 2020	於二零二零年十二月三十一日	18,253	26,510	3,115	728	6,048	8,048	62,702
<b>CARRYING VALUES</b>	<b>賬面值</b>							
As at 31 December 2020	於二零二零年十二月三十一日	13,488	63,864	823	686	3,911	56,792	139,564
As at 31 December 2019	於二零一九年十二月三十一日	15,993	48,632	1,050	51	2,315	59,872	127,913

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (i) The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives as follow:

Leasehold improvement	5 years or over lease term whichever is shorter
Plant and machinery	3 years to 5 years
Furniture and fixture	3 years
Motor vehicles	5 years
Office equipment	3 years
Ownership interests in land and building	20 years

Note: The Group has pledged its ownership interests in land and building with a carrying value of approximately RMB56,792,000 as at 31 December 2020 (2019: RMB59,872,000) to secure the Group's mortgage loan.

### 15. 物業、廠房及設備(續)

- (i) 上述物業、廠房及設備項目於其估計可使用年期按直線法折舊如下：

租賃物業裝修	五年或租期 (以較短者為準)
廠房及機器	三年至五年
傢俬及固定裝置	三年
汽車	五年
辦公設備	三年
土地及樓宇 所有權權益	二十年

附註：於二零二零年十二月三十一日，本集團已抵押其賬面值約為人民幣56,792,000元（二零一九年：人民幣59,872,000元）的土地及樓宇所有權權益以為本集團的按揭貸款提供擔保。

### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### (i) Right-of-use assets

		31/12/2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31/12/2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Machines	機器	1,902	3,313
Buildings	樓宇	5,105	14,032
		<b>7,007</b>	<b>17,345</b>

The Group has lease arrangements for buildings and machines. The lease terms range from one to six years.

In respect of lease arrangements for machines which are under hire purchase, the ownership of the machines will be transferred to the Group by the end of the lease terms. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

### 16. 使用權資產及租賃負債

#### (i) 使用權資產

本集團就樓宇及機器訂立租賃安排。租期介乎一至六年。

對於租購機器的租賃安排，機器的所有權將於租期結束後轉移至本集團。本集團於該等租賃的責任由出租人的租賃資產業權擔保。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

##### (ii) Lease liabilities

#### 16. 使用權資產及租賃負債(續)

##### (ii) 租賃負債

		31/12/2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31/12/2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Non-current portion	非流動部分	169	5,682
Current portion	流動部分	6,484	11,962
		<b>6,653</b>	<b>17,644</b>
Amounts payable under lease liabilities:		租賃負債的應付款項：	
		31/12/2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31/12/2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
Within one year	一年內	6,484	11,962
After one year but within two years	一至兩年	169	5,682
		<b>6,653</b>	<b>17,644</b>
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期結算款項(於流動負債列示)	<b>(6,484)</b>	<b>(11,962)</b>
Amount due for settlement after 12 months	12個月後到期結算款項	<b>169</b>	<b>5,682</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

#### (ii) Lease liabilities (Continued)

As at 31 December 2020, the lease liabilities in respect of machines under hire purchase agreements amounted to approximately RMB1,827,000 (31 December 2019: RMB3,508,000) was secured by the lessors' title to the leased assets of RMB1,902,000 (31 December 2019: RMB3,313,000). During the year ended 31 December 2020, the Group entered into a number of new lease agreements in respect of renting properties and machines, and recognised right-of-use assets and lease liabilities of approximately RMB921,000 (2019: RMB9,179,000).

#### (iii) Amounts recognised in profit or loss

Depreciation expenses on right-of-use assets	使用權資產的折舊開支		
– Buildings	– 樓宇	9,848	7,579
– Machines	– 機器	1,411	919
Interest expenses on lease liabilities	租賃負債利息開支	643	860
Expenses relating to short-term leases	短期租賃相關開支	1,596	2,938

#### (iv) Others

During the year ended 31 December 2020, total cash outflow for leases amount to approximately RMB14,151,000 (2019: RMB11,997,000).

### 16. 使用權資產及租賃負債(續)

#### (ii) 租賃負債(續)

於二零二零年十二月三十一日，租購協議項下機器的租賃負債約人民幣1,827,000元(二零一九年十二月三十一日：人民幣3,508,000元)由出租人的租賃資產業權人民幣1,902,000元(二零一九年十二月三十一日：人民幣3,313,000元)擔保。截至二零二零年十二月三十一日止年度，本集團就租賃物業及機器訂立若干新租賃協議，確認使用權資產及租賃負債約人民幣921,000元(二零一九年：人民幣9,179,000元)。

#### (iii) 於損益確認的金額

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Depreciation expenses on right-of-use assets		
– Buildings	9,848	7,579
– Machines	1,411	919
Interest expenses on lease liabilities	643	860
Expenses relating to short-term leases	1,596	2,938

#### (iv) 其他

於截至二零二零年十二月三十一日止年度，租賃之現金流出總額約為人民幣14,151,000元(二零一九年：人民幣11,997,000元)。

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#### 17. INTANGIBLE ASSETS

#### 17. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>COST</b>	<b>成本</b>			
At 1 January 2019	於二零一九年一月一日	5,572	1,266	6,838
Additions	添置	1,933	–	1,933
At 31 December 2019	於二零一九年 十二月三十一日	<b>7,505</b>	<b>1,266</b>	<b>8,771</b>
Additions	添置	774	–	774
At 31 December 2020	於二零二零年 十二月三十一日	<b>8,279</b>	<b>1,266</b>	<b>9,545</b>
<b>AMORTISATION</b>	<b>攤銷</b>			
At 1 January 2019	於二零一九年一月一日	1,540	112	1,652
Charge for the year	年內支出	664	64	728
At 31 December 2019	於二零一九年 十二月三十一日	<b>2,204</b>	<b>176</b>	<b>2,380</b>
Charge for the year	年內支出	868	64	932
At 31 December 2020	於二零二零年 十二月三十一日	<b>3,072</b>	<b>240</b>	<b>3,312</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>			
As at 31 December 2020	於二零二零年 十二月三十一日	<b>5,207</b>	<b>1,026</b>	<b>6,233</b>
As at 31 December 2019	於二零一九年 十二月三十一日	5,301	1,090	6,391

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over five to ten years.

上述無形資產的可使用年期有限。該等無形資產於五年至十年內按直線法攤銷。

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### 18. INVENTORIES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Raw materials	原材料	211,366	131,373
Work in progress	在製品	59,684	15,380
Finished goods	製成品	48,336	137,203
		<b>319,386</b>	<b>283,956</b>

### 18. 存貨

### 19. TRADE AND BILLS RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	333,696	604,316
Bills receivables	應收票據	10,521	20,674
Less: Loss allowance	減：虧損撥備	(4,999)	(2,829)
Trade and bills receivables	貿易應收款項及應收票據	<b>339,218</b>	<b>622,161</b>

### 19. 貿易應收款項及應收票據

The gross amount of trade and bills receivables arising from contracts with customers amounted to approximately RMB344,217,000 as at 31 December 2020 (2019: RMB 624,990,000)

於二零二零年十二月三十一日，客戶合約產生的貿易應收款項及應收票據總額約為人民幣344,217,000元（二零一九年：人民幣624,990,000元）。

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#### 19. TRADE AND BILLS RECEIVABLES

(Continued)

The Group allows credit period of 30-90 days to its trade customers depending on creditability of the customers. The Group does not hold any collateral over its trade and bills receivables. The following is an aged analysis of trade and bills receivables, net of allowance for impairment of trade and bills receivables presented based on invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 30 days	30天以內	261,873	459,100
31 to 60 days	31至60天	34,177	91,441
61 to 90 days	61至90天	24,672	25,784
Over 90 days	90天以上	18,496	45,836
<b>Total</b>	<b>總計</b>	<b>339,218</b>	<b>622,161</b>

No interest is charged on the trade and bills receivables.

#### 19. 貿易應收款項及應收票據(續)

本集團視乎客戶的信用度向其貿易客戶授出30至90天的信貸期。本集團並無就其貿易應收款項及應收票據持有任何抵押品。下表載列於報告期末根據發票日期(與各自收益確認日期相若)呈列的貿易應收款項及應收票據(經扣除貿易應收款項及應收票據減值撥備)的賬齡分析。

概無就貿易應收款項及應收票據收取利息。

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### 19. TRADE AND BILLS RECEIVABLES

(Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The debtors are grouped under a provision matrix into three internal credit rating buckets (namely: low risk, medium risk and high risk) based on shared credit risk characteristic by reference to past due exposure of the debtor, and an analysis of the debtor's current financial position. There has been no change in the estimation techniques or significant assumptions made during the current year. The Group recognised lifetime ECL for trade and bills receivables individually and/or collectively as follows:

### 19. 貿易應收款項及應收票據(續)

作為本集團信貸風險管理的一部分，本集團對客戶進行內部信貸評級。我們按共同信貸風險特徵參考債務人過往逾期資料及債務人當前財務狀況分析，根據撥備矩陣將債務人分為三個內部信用等級組別（即：低風險、中風險和高風險）。估計技術或本年度作出的重大假設並無變更。本集團就貿易應收款項及應收票據個別及／或共同確認的全期預期信貸虧損如下：

		Average expected loss rate 平均預期 虧損率 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
As at 31 December 2020	於二零二零年 十二月三十一日			
Low risk	低風險	1.45%	344,217	4,999
As at 31 December 2019	於二零一九年 十二月三十一日			
Low risk	低風險	0.45%	624,990	2,829

The estimated loss rate are estimated based on historical default rates and adjusted for forward-looking information (for example, the current and forecasted economic growth rates in PRC, India and other countries, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to access both the current as well as the forecast direction of conditions at the reporting date. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated.

估計虧損率乃根據過往違約率估算，並就無需耗費過多成本或精力獲得的前瞻性資料進行調整（例如，反映債務人經營所處行業整體經濟狀況的中國、印度等國家當前及預期經濟增長率）。報告日期，本集團管理層使用該等前瞻性資料分析當前及未來變化趨勢。本集團管理層會定期審查有關組別，確保特定債務人的相關資料為最新。



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#### 19. TRADE AND BILLS RECEIVABLES

(Continued)

Movements of impairment loss allowances of trade and bills receivables are as follows:

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	1,096
ECL Impairment loss allowance	預期信貸虧損減值虧損撥備	1,733
As at 31 December 2019	於二零一九年十二月三十一日	<b>2,829</b>
ECL Impairment loss allowance	預期信貸虧損減值虧損撥備	<b>2,170</b>
As at 31 December 2020	於二零二零年十二月三十一日	<b>4,999</b>

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

As at 31 December 2020, the Group discounted and factored trade and bills receivables in aggregate amounts of approximately RMB29,361,000 (2019: RMB30,040,000) to banks and factoring company for short term financing.

#### Transfers of financial assets

The following were the Group's trade and bills receivables as at 31 December 2019 and 2020 that were transferred to banks and factoring company by discounting those trade and bills receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these trade and bills receivables, it continues to recognise the full carrying amount of the trade and bills receivables and has recognised the cash received on the transfer as secured borrowings (see Note 27). These trade and bills receivables are carried at amortised cost in the consolidated statement of financial position.

#### 19. 貿易應收款項及應收票據(續)

貿易應收款項及應收票據的減值虧損撥備變動如下：

		RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	1,096
ECL Impairment loss allowance	預期信貸虧損減值虧損撥備	1,733
As at 31 December 2019	於二零一九年十二月三十一日	<b>2,829</b>
ECL Impairment loss allowance	預期信貸虧損減值虧損撥備	<b>2,170</b>
As at 31 December 2020	於二零二零年十二月三十一日	<b>4,999</b>

於本報告期間，估計方法或所作重大假設並無發生變動。

於二零二零年十二月三十一日，本集團就短期融資向銀行及保理公司貼現及保理總額為約人民幣29,361,000元(二零一九年：人民幣30,040,000元)的貿易應收款項及應收票據。

#### 金融資產轉讓

下文載列本集團於二零一九年及二零二零年十二月三十一日的貿易應收款項及應收票據，而該等貿易應收款項及應收票據透過按全面追索權基準貼現已轉讓予銀行及保理公司。由於本集團並無轉讓該等貿易應收款項及應收票據相關的重大風險及回報，其繼續確認該等貿易應收款項及應收票據的賬面總值，並已將因轉讓而收到的現金確認為有抵押借貸(見附註27)。該等貿易應收款項及應收票據於綜合財務狀況表按攤銷成本列賬。

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#### 19. TRADE AND BILLS RECEIVABLES

(Continued)

##### Transfers of financial assets (Continued)

The trade and bills receivables discounted and factored to banks and a factoring company with full recourse are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Carrying amount of transferred assets	已轉讓資產的賬面值	29,361	30,040
Carrying amount of associated liabilities	相關負債的賬面值	(29,361)	(30,040)
Net position	淨頭寸	-	-

#### 19. 貿易應收款項及應收票據(續)

##### 金融資產轉讓(續)

已向銀行及保理公司貼現及保理且具全面追索權的貿易應收款項及應收票據如下：

#### 20. PREPAYMENTS AND OTHER RECEIVABLES

#### 20. 預付款項及其他應收款項

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Prepayments	預付款項	36,664	38,221
Deposits	押金	1,776	1,255
Other tax recoverable	其他可收回稅項	59,343	29,417
Others	其他	3,890	5,102
		101,673	73,995

Note: Included in prepayments and other receivables are other receivables and refundable deposits of approximately RMB5,666,000 as at 31 December 2020 (2019: RMB6,357,000). These balances have low risk of default or have not been a significant increase in credit risk since initial recognition and no impairment loss is recognised.

附註：預付款項及其他應收款項之計入款項為於二零二零年十二月三十一日之其他應收款項及可退還按金約人民幣5,666,000元(二零一九年：人民幣6,357,000元)。該等結餘違約風險低或自初始確認以來信貸風險並無顯著增加及未確認減值虧損。

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### 21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 21. 按公平值計入損益的金融資產

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Structured deposits stated at fair value 按公平值列賬的結構性存款	-	285,650

The financial assets at FVTPL as at 31 December 2019 represented contracts of principal guaranteed structured deposits with banks in the PRC which are presented as current assets since their maturities are within 12 months from the end of the reporting period based on the contract terms.

Pursuant to the relevant agreements, these structured deposits carry interest at a variable rate per annum with reference to the performance of foreign currency or interest rate during the investment period and the principal sums are denominated in RMB. The directors of the Company consider the fair values of the structured deposits, which are based on the prices provided by the counterparty banks representing the prices they would pay to redeem the deposits, approximate to their carrying values on the same day. During the year ended 31 December 2020, the Group's financial assets at FVTPL had been fully redeemed upon maturity. The Group had no outstanding financial assets at FVTPL as at 31 December 2020.

Management has assessed the credit quality of the financial institution and considered the credit risk to be not significant. Details of fair value measurement are stated in Note 36(b).

於二零一九年十二月三十一日，按公平值計入損益的金融資產指與中國之銀行訂立的保本型結構性存款合約，由於根據合約條款其於報告期末起12個月內到期，該等存款呈列為流動資產。

根據相關協議，該等結構性存款參考投資期間外幣表現或利率每年按浮動利率計息，而本金以人民幣計值。本公司董事認為，結構性存款之公平值按對手方銀行提供之價格（即彼等為贖回存款而支付的價格）釐定，與同日之賬面值相若。截至二零二零年十二月三十一日此年度，本集團按公平值計入損益的金融資產於到期時已全額贖回。於二零二零年十二月三十一日，本公司並無未償還的按公平值計入損益的金融資產。

管理層已評估金融機構的信貸質素並認為信貸風險並不重大。有關公平值計量的詳情載於附註36(b)。

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#### 22. PLEDGED BANK DEPOSITS

As at 31 December 2020, bank deposits of approximately RMB251,071,000 (2019: RMB81,165,000) were pledged by the Group for the purpose of securing discounted bills loans (Note 27) and general banking facility granted to the Group.

As at 31 December 2020, pledged bank deposits of RMB62,768,000 (2019: RMB 60,000,000) carried fixed interest at 4% per annum (2019: 4%) and RMB188,303,000 (2019: RMB21,165,000) carried floating interest rate.

#### 23. RESTRICTED DEPOSITS

As at 31 December 2020, bank deposits of approximately RMB16,210,000 (31 December 2019: Nil) in Shenzhen Sprocomm were being frozen by banks as the respective banks had received notice from court with regard to the litigation claim as disclosed in Note 41.

#### 24. BANK BALANCES AND CASH

At 31 December 2020, bank balances carry interest at floating rates based on bank deposit rates.

#### 22. 已抵押銀行存款

於二零二零年十二月三十一日，本集團已質押約人民幣251,071,000元（二零一九年：人民幣81,165,000元）的銀行存款作為本集團獲授貼現票據貸款（附註27）及一般銀行融資的抵押。

於二零二零年十二月三十一日，已質押銀行存款人民幣62,768,000元（二零一九年：人民幣60,000,000元）按固定利息年利率4%（二零一九年：4%）計息及人民幣188,303,000元（二零一九年：人民幣21,165,000元）按浮動利率計息。

#### 23. 受限制存款

於二零二零年十二月三十一日，深圳禾苗的銀行存款餘額約人民幣16,210,000元（二零一九年十二月三十一日：零）被銀行凍結，因相關銀行收到法院關於訴訟索償的通知（披露於附註41）。

#### 24. 銀行結餘及現金

於二零二零年十二月三十一日，銀行結餘基於銀行存款利率按浮動利率計息。

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### 25. TRADE AND BILLS PAYABLES

### 25. 貿易應付款項及應付票據

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade payables	貿易應付款項	333,546	446,297
Bills payables	應付票據	258,426	430,410
Trade and bills payables	貿易應付款項及應付票據	591,972	876,707

The following is an aged analysis of trade and bills payables presented based on invoice date at the end of the reporting period.

於報告期末，貿易應付款項及應付票據按發票日期呈列的賬齡分析如下。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within 30 days	30天內	286,118	496,730
31 to 60 days	31至60天	158,663	78,763
61 to 90 days	61至90天	53,480	58,727
Over 90 days	90天以上	93,711	242,487
Total	總計	591,972	876,707

The average credit period on purchases of goods is ranging from 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

採購貨品的平均信貸期介乎30至60天。本集團已制定金融風險管理政策以確保所有應付款項可於信貸期內償付。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 26. ACCRUALS AND OTHER PAYABLES AND CONTRACT LIABILITIES

### 26. 應計費用及其他應付款項以及 合約負債

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salary payable	應付薪金	52,926	64,988
Other payables (Note (i))	其他應付款項 (附註(i))	13,719	21,654
Consideration payable for acquisition of non-controlling interest	就收購非控股權益應付代價	-	625
Accrued listing expenses	應計上市開支	-	231
Government subsidies in advance (Note (ii))	預收政府補助 (附註(ii))	12,357	11,813
Other tax payables	其他應付稅項	5,583	16,330
		<b>84,585</b>	<b>115,641</b>
<b>Contract liabilities (Note (iii))</b>	<b>合約負債 (附註(iii))</b>	<b>93,317</b>	<b>63,331</b>

Notes:

- (i) As at 31 December 2020, included in other payables was provision for litigations of approximately RMB2,093,000 (2019: RMB1,767,000). Details of the litigations are set out in Note 41.
- (ii) Government subsidies in advance included in accruals and other payables are mainly related to the capital expenditure incurred for property and equipment, leasehold improvement and subsidies for recruitment of certain number of workers for factory operation, before fulfilling certain conditions under the terms of the government subsidies. The government subsidies received may need to be refunded if the subsidiary failed to fulfill the attached conditions within the stipulated time. Upon fulfillment of those conditions, government subsidies related to compensation of expenses are credited to the profit or loss in the year the Group complied with the conditions attached to the subsidies, whereas assets-related subsidies are reclassified to deferred income and credited to the profit or loss on a straight-line basis over the expected lives of the related assets.
- (iii) Contract liabilities as at 31 December 2020 amounted to approximately RMB93,317,000 (2019: RMB63,331,000), which represented receipts in advance from customers.

附註：

- (i) 於二零二零年十二月三十一日，其他應付款項包括訴訟撥備約人民幣2,093,000元(二零一九年：人民幣1,767,000元)。訴訟詳情載於附註41。
- (ii) 列入應計費用及其他應付款項的預收政府預補貼主要與在達成政府補貼的若干條款下的若干條件前物業及設備所產生的資本開支、租賃裝修及為廠房營運招募若干數量工人的補貼有關。倘補貼未能在規定時間內符合附帶條件，所取得的政府補貼可能需要退回。達成該等條件後，有關開支補償之政府補貼遵循補貼所附條件計入本集團之年度損益，而資產相關補貼重新分類至遞延收入，並按相關資產的預期年期使用直線法計入損益。
- (iii) 於二零二零年十二月三十一日，合約負債為約人民幣93,317,000元(二零一九年：人民幣63,331,000元)，指已收客戶墊款。



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### 26. ACCRUALS AND OTHER PAYABLES AND CONTRACT LIABILITIES (Continued)

Notes: (Continued)

#### Significant changes in contract liabilities

The significant increase in contract liabilities as at 31 December 2020 was mainly due to the advance from customers in relation to the sales of IoT products at the end of the year.

#### Revenue recognised in relation to contract liabilities

Revenue recognised during the year ended 31 December 2020 that was included in the contract liabilities at the beginning of the year is approximately RMB41,668,000 (2019: RMB87,475,000). There was no revenue recognised in the current year that related to performance obligations that were satisfied in prior year.

### 26. 應計費用及其他應付款項以及 合約負債(續)

附註：(續)

#### 合約負債大幅變動

於二零二零年十二月三十一日的合約負債出現大幅增加乃主要由於年末收到有關物聯網產品銷售的客戶墊款。

#### 就合約負債確認的收益

截至二零二零年十二月三十一日止年度確認的收益計入年初合約負債，約為人民幣41,668,000元(二零一九年：人民幣87,475,000元)。於本年度確認的收益概無與於過往年度完成的履約責任相關者。

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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 27. BORROWINGS

### 27. 借款

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank borrowings, secured (Note a(i))	銀行借款·有抵押(附註a(i))	36,445	189,184
Other loan, secured (Notes a(ii) & c)	其他貸款·有抵押(附註a(ii)及(c))	17,073	17,073
		<b>53,518</b>	<b>206,257</b>
Borrowings comprise:	借款包括:		
Variable-rate borrowing (Note b)	浮息借款(附註b)	22,104	25,152
Fixed-rate borrowings (Note a)	定息借款(附註a)	31,414	181,105
		<b>53,518</b>	<b>206,257</b>
Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):	應付賬面值(基於貸款協議所載 計劃還款日期):		
Within one year	一年內	34,463	184,153
More than 1 year but less than 2 years	一年以上但兩年以內	3,049	3,049
More than 2 year but less than 5 years	兩年以上但五年以內	9,146	9,146
More than 5 years	超過五年	6,860	9,909
		<b>53,518</b>	<b>206,257</b>
Carrying amount repayable on demand or within one year shown under current liabilities	流動負債下列示的按要求償還 或一年內償還的賬面值	34,463	184,153
Amount shown under non-current liabilities	非流動負債下列示的金額	19,055	22,104
		<b>53,518</b>	<b>206,257</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 27. BORROWINGS (Continued)

Notes:

- (a) As at 31 December 2020, the fixed-rate borrowings included (i) discounted bills loans and packing loans from banks of approximately RMB16,539,000 (2019: RMB164,032,000) carried interest rate ranged from 3.62% to 4.42% (2019: 3.62% to 4.35%) per annum and (ii) a receivables factoring loan of approximately RMB17,073,000 (2019: RMB17,073,000) carried interest at 4% per annum (2019: 4% per annum).
- (b) The variable rate borrowing represent a bank borrowing repayable by installments within 10 years, bears interest at 10% premium over People's Bank of China ("PBOC") benchmark lending rate per annum and subject to annual repricing based on the same benchmark. The borrowing is secured by mortgages over the Group's ownership of land and buildings as at 31 December 2020 and 2019.
- (c) In December 2017, the Group entered into a receivables factoring agreement with a factoring company and discounted certain receivables to the factoring company with recourse. As at 31 December 2020, the carrying amount of the receivables not derecognised and the borrowings were approximately RMB17,073,000 (2019: RMB17,073,000) and carry effective interest rate of 4% per annum (2019: 4% per annum). On 28 November 2018, an independent factoring company filed a joint lawsuit against a subsidiary of the Group in relation to this factoring loan. Details of the litigation are set out in Note 41.

The amounts of borrowing facilities and their utilisation at the end of the reporting period are set out as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Facility amount	融資額度	162,992	164,032
Utilisation	動用情況		
Secured bank borrowings	有抵押銀行借款	14,341	164,032

### 27. 借款(續)

附註：

- (a) 於二零二零年十二月三十一日，定息借貸包括 (i) 約為人民幣16,539,000元(二零一九年：人民幣164,032,000元)的貼現票據貸款及銀行打包貸款，按年利率3.62%至4.42%(二零一九年：3.62%至4.35%)計息；及(ii)約為人民幣17,073,000元(二零一九年：人民幣17,073,000元)的應收款項保理貸款，按年利率4%(二零一九年：每年4%)計息。
- (b) 浮息借款指須於十年內分期償還，並按中國人民銀行(「中國人民銀行」)基準貸款年利率加10%計算利息及須每年基於相同基準重新定價的銀行借款。於二零二零年及二零一九年十二月三十一日，借款由本集團的土地及樓宇所有權按揭作抵押。
- (c) 於二零一七年十二月，本集團與一間保理公司訂立應收款項保理協議，並向該保理公司折現若干具追索權應收款項。於二零二零年十二月三十一日，並無取消確認的應收款項及借款的賬面值為約人民幣17,073,000元(二零一九年：人民幣17,073,000元)及按實際利率每年4%計息(二零一九年：每年4%)。於二零一八年十一月二十八日，一間獨立保理公司就該保理貸款針對本集團一間附屬公司提起共同訴訟。訴訟詳情見附註41。

於報告期末，借款融資金額及動用情況載列如下：

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 28. DEFERRED INCOME

### 28. 遞延收入

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At the beginning of the year	於年初	27,395	33,315
Received during the year	年內已收	1,404	-
		<b>28,799</b>	33,315
Amortisation of government grant (Note 7)	政府補助攤銷 (附註7)	<b>(6,010)</b>	(5,920)
Balance as at the end of year	年末結餘	<b>22,789</b>	27,395
Analysed as:	分析為：		
Current liabilities	流動負債	<b>6,012</b>	5,228
Non-current liabilities	非流動負債	<b>16,777</b>	22,167
		<b>22,789</b>	27,395

Note: Deferred income consists of government subsidies provided by the relevant PRC government authorities for the purposes of financing the purchase of plant and machinery and the expenses related to the leasehold improvement. The amounts are recognised as income to match with related expenses and cost incurred on systematic basis over the useful lives of the relevant assets upon completing inspection by the related government authorities. During the year ended 31 December 2020, government subsidies released to the consolidated statement of profit or loss and other comprehensive income amounted to approximately RMB6,010,000 (2019: RMB5,920,000).

附註：遞延收入包括有關中國政府部門就購買廠房及機器以及租賃物業裝修有關開支撥付資金而提供的政府補助。該款項將在相關政府部門完成檢查後確認為收入以配合於相關資產的可使用年期內以系統性基準產生的有關開支或成本。於截至二零二零年十二月三十一日止年度，計入綜合損益及其他全面收益表的政府補助為約人民幣6,010,000元（二零一九年：人民幣5,920,000元）。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 29. DEFERRED TAX ASSET (LIABILITY)

The following is the analysis of the deferred tax asset (liabilities), after set off certain deferred tax assets against deferred tax liabilities of the same taxable entity, for financial reporting purposes:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Deferred tax asset	遞延稅項資產	795	707
Deferred tax liabilities	遞延稅項負債	(14,596)	(10,846)
		<b>(13,801)</b>	<b>(10,139)</b>

#### 29. 遞延稅項資產(負債)

以下為就財務呈報目的之遞延稅項資產(負債)分析，經抵銷相同課稅實體之若干遞延稅項資產與遞延稅項負債：

The followings are the major deferred tax asset (liabilities) recognised and movements thereon during the years:

下文載列於年內確認的重大遞延稅項資產(負債)及有關變動：

		Unrealised profit due to intra-group transaction	Withholding tax on undistributed profit of a PRC subsidiary	Impairment loss on receivables	Accelerated tax depreciation	Total
		由於集團內公司間交易產生的未變現溢利	就一間中國附屬公司未分派溢利繳納預扣稅	應收款項減值虧損	加速稅項折舊	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	165	(7,785)	274	-	(7,346)
(Charge) credit to profit or loss	(扣自)計入損益	(165)	(2,563)	433	(498)	(2,793)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	-	(10,348)	707	(498)	(10,139)
(Charge) credit to profit or loss	(扣自)計入損益	-	(1,947)	88	(1,803)	(3,663)
At 31 December 2020	於二零二零年十二月三十一日	-	(12,295)	795	(2,301)	(13,801)

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### 29. DEFERRED TAX ASSET (LIABILITY) (Continued)

Under the EIT Law, withholding tax of 10% is imposed on dividends declared in respect of profits earned by a PRC subsidiary from 1 January 2008 onwards. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The directors determined that the management of the Group can control the quantum and timing of distribution of profits of their PRC subsidiaries. Deferred tax liability is only provided to the extent that such profits are expected to be distributed in the foreseeable future. Deferred taxation has been provided in respect of the temporary differences associated with the undistributed profits earned by a PRC subsidiary, Shenzhen Sprocomm at the applicable withholding tax of 5%.

As at 31 December 2020, the Group has unused tax losses of approximately RMB91,204,000 (2019: RMB49,519,000) available for offset against future profits. These unused tax losses mainly arose from (i) the preferential tax treatments of the research and development expenditure which resulted in additional tax deductions related to qualified research and development costs of Shenzhen Sprocomm; or (ii) losses incurred by Chengdu Sprocomm Cloud Technology Co., Ltd. ("Chengdu Sprocomm"), Sprocomm Technologies Co., Ltd. ("HK Sprocomm"), Guizhou Sprocomm Telecommunication Technology Co., Ltd. ("Guizhou Sprocomm") and Guizhou Mars Exploration Technology Co., Ltd ("Guizhou Mars"). No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams for these subsidiaries. Included in unrecognised tax losses are losses of approximately RMB81,220,000 as at 31 December 2020 that will expire in the next five years (2019: RMB 38,535,000). Other losses may be carried forward indefinitely.

### 29. 遞延稅項資產(負債)(續)

根據企業所得稅法，由二零零八年一月一日起從中國附屬公司賺取的溢利所宣派的股息需繳納10%預扣稅。倘中國內地與外國投資者所在司法權區訂有稅務條約，則可應用較低的稅率繳付預扣稅。董事認為，本集團管理層能控制中國附屬公司分派溢利的數量及時間。僅於有關溢利預期將於可預見未來分派時方確認遞延稅項負債。遞延稅項已就中國附屬公司深圳禾苗所賺取未分派溢利相關的暫時差額按適用預扣稅率5%作出撥備。

於二零二零年十二月三十一日，本集團可用以抵銷未來溢利的未動用稅項虧損為約人民幣91,204,000元(二零一九年：人民幣49,519,000元)。該等未動用稅項虧損主要來自(i)導致深圳禾苗合資格研發成本相關額外稅項扣減的研發開支稅收優惠；或(ii)成都禾苗雲科技有限公司(「成都禾苗」)、禾苗通信科技有限公司(「香港禾苗」)、貴州禾苗通信科技有限公司(「貴州禾苗」)及貴州火星探索科技有限公司(「貴州火星」)產生的虧損。鑒於該等附屬公司的未來溢利來源不可預測，概無就未動用稅項虧損確認任何遞延稅項資產。未確認稅項虧損包括於二零二零年十二月三十一日的虧損約人民幣81,220,000元(二零一九年：人民幣38,535,000元)，有關款項將於未來五年內到期。其他虧損可無限期結轉。



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### 30. SHARE CAPITAL

Details of movements of authorised and issued share capital of the Company are as follows:

### 30. 股本

本公司的法定及已發行股本變動詳情如下：

		Number of shares		Amount	
		2020 二零二零年	2019 二零一九年	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股				
Authorised: At 31 December 2019 and 2020	法定： 於二零一九年及二零二零 年十二月三十一日	10,000,000,000	10,000,000,000	8,945	86,213
Issued and fully paid: At the beginning of the year	已發行及繳足： 於年初	1,000,000,000	555,556	8,945	5
Issue of shares by global offering (note (ii))	通過全球發售發行股份 (附註(ii))	-	250,000,000	-	2,237
Capitalisation issue of shares (note (iii))	資本化發行股份 (附註(iii))	-	749,444,444	-	6,703
At the end of the year	於年終	1,000,000,000	1,000,000,000	8,945	8,945

All new shares rank pari passu with the existing shares in all respects.

所有新股份在各方面均與現有股份享有同等權益。

- (i) Pursuant to a shareholders' written resolution dated 18 October 2019 (the "**Resolution**"), the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 shares of HK\$0.01 each to HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each by the creation of an additional 9,962,000,000 unissued shares and such shares shall rank pari passu with all existing shares upon issue.
- (ii) On 13 November 2019, 250,000,000 ordinary shares of the Company of HK\$0.01 each were issued by way of global offering at an offer price of HK\$0.50 per share with gross proceed amounting to HK\$125,000,000, resulting in a share premium of HK\$122,500,000 (equivalent to approximately RMB109,577,000) (the "**Global Offering**").
- (iii) Pursuant to the Resolution, the Company issued additional 749,444,444 shares, credited as fully paid, to the then shareholders of the Company in proportion to their then existing holdings in the Company at the close of business on the day prior to the Global Offering, by way of capitalisation of approximately HK\$7,494,000 (equivalent to approximately RMB6,703,000) crediting to the Company's share premium account.

- (i) 根據股東於二零一九年十月十八日的書面決議案（「**決議案**」），本公司增設9,962,000,000股未發行股份，法定股本由380,000港元（分拆為每股0.01港元的38,000,000股股份）增加至100,000,000港元（分拆為每股0.01港元的10,000,000,000股股份），該等股份發行後應與所有現有股份享有同等權益。
- (ii) 於二零一九年十一月十三日，本公司以全球發售的方式按發售價每股0.50港元發行250,000,000股每股0.01港元的普通股，所得款項總額為125,000,000港元，產生股份溢價122,500,000港元（相當於約人民幣109,577,000元）（「**全球發售**」）。
- (iii) 根據決議案，本公司根據全球發售前一日營業時間結束時本公司當時股東的持股比例向其額外發行749,444,444股入賬列作繳足的股份，資本化金額約為7,494,000港元（相當於約人民幣6,703,000元）計入本公司的股份溢價賬。

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### 31. RESERVES

#### (i) Statutory reserve

According to the PRC Company Law, companies in the PRC are required to transfer 10% of their respective after-tax profits, calculated in accordance with the relevant accounting principles and financial regulations applicable to entities established in the PRC, to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital of the relevant subsidiaries. The statutory surplus reserve can be utilised, upon approval of the relevant authorities, to offset accumulated losses or to increase registered capital of these companies, provided that such fund is maintained at a minimum of 25% of the registered capital of the relevant subsidiaries. The statutory reserve is not distributable as cash dividends and must be made before distribution of dividend to equity owners.

#### (ii) Merger reserve

The merger reserve represents the difference between the consideration and the carrying amounts of the assets and liabilities of the subsidiaries acquired pursuant to the group reorganisation.

#### (iii) Other reserves

The amount represents (i) the amount paid by an equity holder in excess of registered capital of Shenzhen Sprocomm, (ii) the deemed capital contribution pursuant to the reorganisation of the Group in 2018; and (iii) the difference of the consideration paid for the acquisition of the additional equity interest in Chengdu Sprocomm Cloud Technology Co., Ltd. (“**Chengdu Sprocomm**”) and the carrying value of the additional equity interests of the subsidiary acquired during the year ended 31 December 2019.

### 31. 儲備

#### (i) 法定儲備

根據中國公司法，中國境內公司必須按照適用於在中國境內成立的實體的有關會計原則和財務條例，轉入彼等各自稅後溢利的10%至法定盈餘儲備直至儲備餘額達到相關附屬公司註冊資本的50%。法定盈餘儲備在有關部門批准後可以利用，以抵銷累計虧損或增加此等公司的註冊資本，惟該資金至少維持在相關附屬公司註冊資本的25%。法定儲備不可作為現金股息分配，必須在向權益擁有人分配股息前轉入。

#### (ii) 合併儲備

合併儲備為根據集團重組收購附屬公司資產及負債的代價與賬面值之間的差額。

#### (iii) 其他儲備

該金額指(i)權益持有人支付的金額超出深圳禾苗註冊資本、(ii)根據本集團於二零一八年的重組進行的視作注資；及(iii)收購成都禾苗雲科技的已付代價與截至二零一九年十二月三十一日止年度收購的附屬公司其他股權的賬面值的差額。

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### 32. SHARE-BASED PAYMENT TRANSACTIONS

#### Share-option scheme

During the year ended 31 December 2019, the Company has adopted a share option scheme (the “**Share Option Scheme**”) upon Listing. The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that the eligible participants, including (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; (ii) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries; (iii) any advisers, consultants, suppliers, customers and agents to the Company or any of its subsidiaries; and (iv) such other persons who, in the sole opinion of the board of directors of the Company, will contribute or have contributed to the Group. The Share Option Scheme shall remain in force unless otherwise cancelled or amended.

The maximum number of unexercised share options currently permitted to be granted under the Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to Directors, chief executives, substantial shareholders or any of their respective associates are subject to approval by the independent non-executive directors (excluding the independent non-executive directors who are the grantees of the options). In addition, any grant of share options to substantial shareholders or independent non-executive directors or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue on the date of offer with an aggregate value (based on the closing price of the Company's shares quoted on the Stock Exchange at the date of grant) in excess of HK\$5 million made within any 12-month period from the date of grant (inclusive) would be subject to shareholders' approval in a general meeting.

### 32. 股份支付交易

#### 購股權計劃

截至二零一九年十二月三十一日止年度，本公司已於上市後採納購股權計劃（「**購股權計劃**」）。購股權計劃為一項股份獎勵計劃，乃為表揚及肯定將會或已經對本集團作出貢獻的合資格參與者，包括：(i) 本公司或其任何附屬公司任何全職或兼職僱員、行政人員或高級職員；(ii) 本公司或其任何附屬公司任何董事（包括非執行董事及獨立非執行董事）；(iii) 本公司或其任何附屬公司的任何顧問、諮詢人、供應商、客戶及代理；及(iv) 本公司董事會全權認定的其他人士。除非遭取消或修訂，否則購股權計劃一直有效。

現時根據購股權計劃可授出的未行使購股權數目最多相當於購股權獲行使後本公司任何時間已發行股份的10%。於任何12個月期間內就根據購股權計劃向各合資格參與者授出的購股權而發行的股份最多不超過本公司任何時間已發行股份的1%。任何進一步授出購股權若超出此限制，則須經股東於股東大會批准。

向董事、最高行政人員、主要股東或任何彼等各自的聯繫人授出購股權須經獨立非執行董事（不包括為購股權承授人的獨立非執行董事）批准。此外，自授出日期（包括當日）起計任何12個月期間向主要股東或獨立非執行董事或任何彼等各自的聯繫人授出的任何購股權若超過本公司於發售日期已發行股份0.1%且總價值（基於授出日期本公司股份於聯交所所報收市價計算）超過5百萬港元，則須經股東於股東大會批准。

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### 32. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

#### Share-option scheme (Continued)

The offer of a grant of share options under the Share Option Scheme may be accepted within on or before the relevant acceptance date, upon payment of a nominal consideration of HK\$1 in total by the grantee.

The exercise price of share options is determinable by the board of directors, but may not be less than the highest of (i) the HKSE closing price of the Company's shares on the date of grant of the share options; (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the share options; and (iii) the nominal value of shares of the Company.

Pursuant to the Share Option Scheme of the Company adopted in 2019, the Company granted share options to subscribe for an aggregate of 69,100,000 shares (the "Share Options") on 14 April 2020 to certain directors and employees. The options have a validity period of five years from the date of grant. The Group has no legal or constructive obligations to repurchase or settle the options in cash. These options vest in tranches over a period of up to 3 years.

The options are to be vested in three tranches, subject to the Group achieving its profit target and the directors and employees meeting their service conditions as well (the "Performance Conditions"). The directors and employees should remain in the Group's employment until those Performance Conditions are satisfied. Subject to the fulfillment of the certain financial performance targets by the Group, the three tranches of options are exercisable in the following manner:

- (i) 30% of the Share Options will be exercisable commencing from 1 July 2021;
- (ii) 30% of the Share Options will be exercisable commencing from 1 July 2022;
- (iii) the remaining 40% of the Share Options will be exercisable commencing from 1 July 2023.

### 32. 股份支付交易 (續)

#### 購股權計劃 (續)

根據購股權計劃授出購股權的要約可能於相關接納日期或之前獲接受，即於承授人支付名義總代價1港元後。

購股權的行使價由董事會釐定，但不得少於以下最高者：(i) 授出購股權當日本公司股份於香港聯交所的收市價；(ii) 緊接授出購股權當日前五個交易日本公司股份的平均收市價；及(iii) 本公司股份的名義價值。

根據本公司於二零一九年採納的購股權計劃，本公司已於二零二零年四月十四日向若干董事及僱員授出可認購合共69,100,000股股份的購股權（「購股權」）。購股權的有效期限自授出日期起計為期五年。本集團並無法定或推定責任以現金購回或結清購股權。該等購股權於不多於三年的期間內分期歸屬。

購股權將分三期歸屬，惟須待本集團達成溢利目標及董事與僱員達成服務條件（「表現條件」）後方可作實。董事及僱員須受僱於本集團直至該等表現條件達成。該三期購股權可以下述方式行使（惟須滿足本集團若干財務表現目標）：

- (i) 30%的購股權可自二零二一年七月一日起行使；
- (ii) 30%的購股權可自二零二二年七月一日起行使；
- (iii) 餘下的40%購股權可自二零二三年七月一日起行使。

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### 32. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

#### Share-option scheme (Continued)

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 December 2020:

Option type	購股權類型	Outstanding at 1 January 2020 於二零二零年一月一日 尚未行使	Granted during the year 年內已授出	Lapsed during the year 年內已失效	Outstanding at 31 December 2020 於二零二零年十二月三十一日 尚未行使
Directors	董事				
14 April 2020	二零二零年四月十四日	-	12,500,000		12,500,000
Employees	僱員				
14 April 2020	二零二零年四月十四日	-	56,600,000	(3,300,000)	53,300,000
		-	69,100,000	(3,300,000)	65,800,000
Exercisable at the end of the period	期末可行使	-	-		-
Exercise price	行使價	-	HK\$0.51		HK\$0.51

### 32. 股份支付交易 (續)

#### 購股權計劃 (續)

下表載列截至二零二零年十二月三十一日止年度董事及僱員持有本公司購股權的變動：

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### 32. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

#### Share-option scheme (Continued)

The total fair value, which was determined by using Binomial option price model, of the options granted under the share-option scheme as at the grant date are approximately HK\$15,209,000 (equivalent to RMB13,812,000) on 14 April 2020. The significant inputs into the Binomial Model are as follows:

### 32. 股份支付交易 (續)

#### 購股權計劃 (續)

於二零二零年四月十四日，根據購股權計劃於授出日期授出的購股權之公平值（採用二項式期權定價模型釐定）約為15,209,000港元（相當於人民幣13,812,000元）。二項式模型的主要輸入數據如下：

	Tranche 1 第一批	Tranche 2 第二批	Tranche 3 第三批
Exercisable period (subject to vesting conditions being fulfilled) 授出日期可行使期間（惟須符合歸屬條件）	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日
Share price at the grant date 授出日期股價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Exercise price per share 每股行使價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Expected volatility 預期波幅	53.00%	53.00%	53.00%
Expected life of options 購股權預計年期	5 years 5 年	5 years 5 年	5 years 5 年
Expected dividend yield 預計股息率	0%	0%	0%
Annual risk-free interest rate 無風險年利率	0.58%	0.58%	0.60%



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### 32. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

#### Share-option scheme (Continued)

The expected volatility is determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.

The Binomial Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the director's best estimate. The value of an option varies with different variables of certain subjective assumptions.

During the year ended 31 December 2020, no share-based payment expense was recognised based on the management's best available estimate of the number of share options expected to vest.

### 33. RETIREMENT BENEFITS PLAN

The Group operates a MPF Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs, capped at HK\$1,500 per month, to the MPF Scheme, in which the contribution is matched by the employees.

The subsidiary established in the PRC contributes based on certain percentage of the salaries of the employee to a defined contribution retirement benefit plan organised by relevant government authorities in the PRC on a monthly basis. The government authorities undertake to assume the retirement benefit obligations payable to all existing and further retired employees under these plans and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to these plans are expensed as incurred. Assets of the plans are held and managed by government authorities and are separate from those of the Group.

### 32. 股份支付交易 (續)

#### 購股權計劃 (續)

預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。

購股權的公平值乃使用二項式模式估計得出。計算購股權公平值所用的變量及假設乃基於董事的最佳估計。購股權的價值會因若干主觀假設的不同變量而有所不同。

於截至二零二零年十二月三十一日止年度，按管理層現時對購股權預計歸屬數目的最佳估計，並無確認股份支付開支。

### 33. 退休福利計劃

本集團為其於香港的所有合資格僱員設立強積金計劃。該計劃之資產乃與本集團之資產分開持有，並由受託人管理之基金持有。本集團按僱員之相關薪資成本的5%每月向強積金計劃作出供款，每月供款上限為1,500港元，僱員亦須按相同比例作出供款。

於中國成立的附屬公司基於僱員薪金的特定比例按月向中國相關政府部門組織的一項界定供款退休福利計劃供款。政府部門根據有關計劃承諾承擔應賦予現有或日後退休的僱員的退休福利責任及本集團除供款外並無有關退休後福利的進一步的責任。向該等計劃的供款乃於產生時支銷。計劃的資產乃由政府部門持有及管理並獨立於本集團的資產。

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#### 33. RETIREMENT BENEFITS PLAN (Continued)

The total cost charged to consolidated statement of profit or loss and other comprehensive income of approximately RMB6,608,000 (2019: RMB21,226,000), representing contributions payable to these schemes by the Group during the year ended 31 December 2020.

#### 34. PLEDGE OF ASSETS

At 31 December 2020, the Group had pledged or discounted the following assets to secure banking and borrowing facilities and factoring loan granted to the Group:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade and bills receivables	貿易應收款項及應收票據	29,361	30,040
Pledged bank deposits	已抵押銀行存款	251,071	81,165
Ownership interests in land and building	土地及樓宇所有權權益	56,792	59,872
Total	總計	337,224	171,077

#### 35. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from period year.

The capital structure of the Group consists of borrowings, net of bank balances and cash and equity attributable to owners of the Company, comprising share capital and reserves.

The directors of the Company review the capital structure of the Group periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through capital injection as well as the raise of additional borrowings as additional capital or the redemption of existing debt.

#### 33. 退休福利計劃(續)

截至二零二零年十二月三十一日止年度，本集團應向該等計劃繳納之供款為扣除自綜合損益及其他全面收益表之總成本約人民幣6,608,000元(二零一九年：人民幣21,226,000元)。

#### 34. 資產抵押

於二零二零年十二月三十一日，為取得授予本集團銀行及借款融資以及保理貸款，本集團已抵押或折現以下資產：

#### 35. 資本風險管理

本集團管理其資本以確保本集團旗下實體將能夠繼續持續經營，同時透過優化債務及股權之平衡讓股東的回報最大化。本集團的整體策略於年內保持不變。

本集團的資本架構包括借款，並已扣除銀行結餘及現金及本公司擁有人應佔權益(包括股本及儲備)。

本公司董事定期檢討本集團之資本架構。作為是項檢討的一部份，本公司董事考慮資本成本及與各類資本有關的風險。本集團將根據本公司董事之推薦建議，透過注資及籌集額外借款作為額外資金或償還現有債務以平衡其整體資本架構。

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### 36. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at FVTPL	按公平值計入損益的金融資產	-	285,650
Loans and receivables/at amortised cost (including bank balances and cash)	貸款及應收款項／按攤銷成本計量之款項(包括銀行結餘及現金)	638,492	836,365
		638,492	1,122,015
<b>Financial liabilities</b>	<b>金融負債</b>		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	730,075	1,170,462

#### (b) Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, other receivables, pledged bank deposits, restricted deposits, financial assets at FVTPL, bank balances and cash, trade and bills payables, accruals and other payables, borrowings and lease liabilities.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments included credit risk, currency risk, interest rate risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 36. 金融工具

#### (a) 金融工具之分類

#### (b) 財務風險管理目標及政策

本集團的主要金融工具包括貿易應收款項及應收票據、其他應收款項、已抵押銀行存款、受限制存款、按公平值計入損益的金融資產、銀行結餘及現金、貿易應付款項及應付票據、應計費用及其他應付款項、借款及租賃負債。

有關該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險包括信貸風險、貨幣風險、利率風險及流動資金風險。有關如何減低該等風險的政策載於下文。管理層管理及監察該等風險，以確保及時有效地實施適當措施。

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### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk

##### (i) Currency risk

The Group's major operating subsidiary has foreign currency sales, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

As the Group had no material foreign currency denominated monetary assets and liabilities at 31 December 2020 and 31 December 2019, no significant impacts on the results of the Group would arise from the changes in foreign currency rates, accordingly sensitivity analysis in this respect is not presented.

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險

##### (i) 貨幣風險

本集團主要經營附屬公司擁有外幣銷售，使本集團面臨外幣風險。本集團現時並無外幣對沖政策。然而，管理層會持續監控外匯風險並將於有需要時考慮對沖重大外幣風險。

由於本集團於二零二零年十二月三十一日和二零一九年十二月三十一日並無重大外幣計價的貨幣資產和負債，故外幣匯率的變動不會對本集團的業績產生重大影響，因此並無就此進行敏感度分析。

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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk (Continued)

##### (ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to certain fixed rate borrowings (Note 27) and certain pledged bank deposits (Note 22). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to certain variable-rate pledged bank deposits (Note 22), bank balances (Note 24) and variable-rate bank borrowings (Note 27). It is the Group's policy to keep its borrowing at floating rate of interests so as to minimise the fair value interest rate risk.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of PBOC benchmark lending rate arising from the Group's variable-rate bank borrowings which are denominated in RMB.

##### Sensitivity analysis

In the management's opinion, the Group does not have material interest rate risk exposure and hence no sensitivity analysis is presented.

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### (ii) 利率風險

本集團就若干固定利率借款(附註27)及若干已抵押銀行存款(附註22)面臨公平值利率風險。本集團現時並無利率對沖政策。然而,管理層會監控利率風險並將於預計面臨重大利率風險時採取其他必要措施。

本集團亦就若干浮息已抵押銀行存款(附註22)、銀行結餘(附註24)及浮息銀行借款(附註27)面臨現金流量利率風險。本集團的政策是以浮息借款,藉以盡量減少公平值利率風險。

本集團的金融負債利率風險詳情載於本附註流動資金風險管理一節。本集團現金流量利率風險主要集中在本集團以人民幣計值的浮息銀行借款的中國人民銀行基準貸款利率波動。

##### 敏感度分析

管理層認為,本集團並無重大利率風險,故並無呈列敏感度分析。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk

As at 31 December 2020, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

In determining the ECL for trade and bills receivables, the management of the Group has taken into account the historical default experience and forward-looking information and concluded that credit risk inherent in the Group's outstanding trade and bills receivables are insignificant.

The Group applies the simplified approach to assess the expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss for all trade and bills receivables. The Group determines the ECL on an individual basis and/or collectively by using a provision matrix, estimated based on historical credit loss experience, as well as the general economic conditions of the industry in which the debtors operate. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險

於二零二零年十二月三十一日，本集團因對手方未能履行責任(本集團已就此作出撥備)而可能面臨財務虧損的最高信貸風險，來自綜合財務狀況表所述各已確認金融資產的賬面值。

為將信貸風險降至最低，本集團管理層已委派團隊負責釐定信貸額度、信貸審批及其他監察程序，以確保採取跟進措施收回逾期債務。

就貿易應收款項及應收票據釐定預期信貸虧損時，本集團管理層已計及過往違約經驗及前瞻性資料，認為本集團未償還貿易應收款項及應收票據的固有信貸風險不重大。

本集團按香港財務報告準則第9號規定應用簡化方法評估預期信貸虧損，該準則准許就所有貿易應收款項及應收票據採用全期預期信貸虧損。本集團運用撥備矩陣(基於過往信貸虧損經驗以及債務人經營行業的整體經濟狀況估計)按個別基準及/或組合基準釐定預期信貸虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減少。



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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

In order to minimise the credit risk of other receivables, the Group's management continuously monitors the level of exposure to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is considered minimal as such amounts are placed with banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical location is mainly in China, which accounted for 12% (2019: India 23%) of the total trade and bill receivables respectively as at 31 December 2020.

The Group has concentration of credit risk as 23% (31 December 2019: 32%) of the total trade and bills receivables was due from the Group's largest trade debtor as at 31 December 2020; and 49% (31 December 2019: 67%) of the total trade and bills receivables was due from the Group's five largest trade debtors as at 31 December 2020.

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險 (續)

為盡量降低其他應收款項，本集團管理層持續監控風險水平，確保採取後續措施收回逾期債務。此外，本集團於各報告期末審閱各個別應收款項的可收回金額，以確保就不可收回金額作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減少。

流動資金的信貸風險被視為甚微，因為該等款項存放於國際信貸評級機構指派的高信貸評級銀行。

本集團按地理位置劃分的信貸風險主要集中在中國，於二零二零年十二月三十一日分別佔貿易應收款項及應收票據總額的12% (二零一九年：印度23%)。

於二零二零年十二月三十一日，貿易應收款項及應收票據總額的23% (二零一九年十二月三十一日：32%) 為應收本集團最大銷貨客戶款項，故本集團擁有集中信貸風險。於二零二零年十二月三十一日，貿易應收款項及應收票據總額的49% (二零一九年十二月三十一日：67%) 為應收本集團五大銷貨客戶款項。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 36. FINANCIAL INSTRUMENTS (Continued)

##### (b) Financial risk management objectives and policies (Continued)

###### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition, the Group relies on borrowings as a significant source of liquidity. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for non-derivative financial liabilities are prepared based on the agreed repayment dates. Specifically, borrowings with a repayment on demand clause are included in "Less than 1 year or on demand" band regardless of the probability of the financial institution choosing to exercise their rights.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end reporting period.

#### 36. 金融工具 (續)

##### (b) 財務風險管理目標及政策 (續)

###### 流動資金風險

為管理流動資金風險，本集團監控及維持管理層認為足以支付本集團營運的現金及現金等價物水平，並減輕現金流量波動的影響。此外，本集團亦將借貸視為重要的流動資金來源。管理層監督借貸的使用情況，確保遵守貸款契據。

下表詳列本集團非衍生金融負債之餘下合約到期情況。該表根據本集團須付款之最早日期之金融負債中未折現現金流量編製。非衍生金融負債之到期日期乃根據協定還款日期編製。尤其是，「少於一年或按要求」組別包括按要求償還條款之借款（不論金融機構選擇行使其權利之可能性）。

表格包括利息及主要現金流量。倘利息流量為浮息，則未貼現金額源自報告期末的利率曲線。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity table

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表格

		Less than 1 year or on demand 少於一年 或按要 求	More than 1 year but not exceeding two years 一年以上但 不超過兩 年	More than two year but not exceeding five years 兩年以上但 不超過五 年	More than five years 五年以上	Total undiscounted cash flows 未貼現 現金流量 總額	Carrying Amount 賬面值
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>At 31 December 2020</b>	<b>於二零二零年 十二月三十一日</b>						
Trade and bills payables	貿易應付款項及 應付票據	591,972	-	-	-	591,972	591,972
Accruals and other payables	應計費用及其他應付 款項	84,585	-	-	-	84,585	84,585
Lease liabilities	租賃負債	6,754	183	-	-	6,937	6,653
Borrowings	借款	35,900	3,309	10,777	7,954	57,940	53,518
		<b>719,211</b>	<b>3,492</b>	<b>10,777</b>	<b>7,954</b>	<b>741,434</b>	<b>736,728</b>
<b>At 31 December 2019</b>	<b>於二零一九年 十二月三十一日</b>						
Trade and bills payables	貿易應付款項及 應付票據	876,707	-	-	-	876,707	876,707
Accruals and other payables	應計費用及其他 應付款項	87,498	-	-	-	87,498	87,498
Lease liabilities	租賃負債	12,602	5,839	-	-	18,441	17,644
Borrowings	借款	185,491	4,179	11,550	10,071	211,291	206,257
		<b>1,162,298</b>	<b>10,018</b>	<b>11,550</b>	<b>10,071</b>	<b>1,193,937</b>	<b>1,188,106</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

Borrowings with a repayment on demand clause is included in the “less than 1 year or on demand” time band in the above maturity analysis. As at 31 December 2020, the aggregate undiscounted principal amounts of these borrowings amounted to RMB34,463,000 (2019: RMB164,032,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the financial institutions will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows will amount to approximately RMB37,076,000 (2019: RMB184,153,000). All borrowings with a “repayable on demand clause” are with scheduled repayment of less than 1 year.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of reporting period.

### 36. 金融工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

包含按要求償還條款的借款計入上述到期分析「少於一年或按要求」時間範圍內。於二零二零年十二月三十一日，該等借款的未貼現本金總額為人民幣34,463,000元（二零一九年：人民幣164,032,000元）。經考慮本集團財務狀況，本公司董事認為金融機構不會行使彼等之酌情權要求即時還款。本公司董事認為有關借款將根據貸款協議所載之計劃還款日期償還。屆時，本金及利息現金流出總額將為約人民幣37,076,000元（二零一九年：人民幣184,153,000元）。所有附帶「按要求償還條款」的借款計劃於一年內償還。

如浮息變動有別於報告期末釐定的估計利率，則上列非衍生金融負債的浮息工具金額會有所改變。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 36. FINANCIAL INSTRUMENTS (Continued)

#### (c) Fair values measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period for recurring measurement, grouped into Level 2 based on the degree to which the fair value is observable in accordance with the Group's accounting policy.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Financial assets at FVTPL</b>	<b>按公平值計入損益的金融資產</b>		
Structured deposits	結構性存款	-	285,650

The valuation method for fair value measurement of structure deposits refers to the price quotation from the issuing banks.

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair value due to their immediate or short-term maturities.

There were no transfers between levels of fair value hierarchy in the current and prior years.

### 36. 金融工具 (續)

#### (c) 於綜合財務狀況表確認之公平值計量

下表提供金融工具之分析，乃按就經常性計量於各報告期末之公平值計量，並根據本集團會計政策基於公平值可觀察之程度分類為第二級別。

結構性存款公平值計量使用的估值方法指發行銀行的報價。

本公司董事認為，按攤銷成本於綜合財務報表入賬之其他金融資產及金融負債之賬面值與彼等之公平值相若，乃由於彼等為即時或短期到期。

於本年度及過往年度，公平值層級間並無轉撥。

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 37. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in the consolidated financial statements, during the years, the Group has entered into the following transactions with related companies.

Related companies	關聯公司	Nature of transaction	交易性質	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Shenzhen Mars	深圳火星	Sales	銷售	751	–

Note: These transactions were carried out at terms determined and agreed by the Group and the relevant parties.

- (b) During the year ended 31 December 2019, a joint personal guarantee on a banking facility of approximately RMB 70,092,000 by the controlling shareholders of the Company, have been replaced by corporate guarantee from the Company upon Listing.

#### (c) Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits	短期福利	2,115	2,168
Post-employment benefits	離職後福利	81	167
		2,196	2,335

### 37. 關聯方交易

- (a) 除綜合財務報表其他章節所披露者外，於年內，本集團與關聯公司訂立以下交易：

- (b) 截至二零一九年十二月三十一日止年度，本公司控股股東就銀行融資約人民幣70,092,000元的共同個人擔保於上市後由本公司的公司擔保取代。

#### (c) 主要管理人員之薪酬

本公司董事及其他主要管理人員於本年度的薪酬如下：



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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 38. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 38. 有關本公司財務狀況表的資料

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
<b>Non-current Assets</b>	<b>非流動資產</b>		
Interests in subsidiaries (Note a)	於附屬公司的權益(附註a)	65,287	72,118
<b>Current Assets</b>	<b>流動資產</b>		
Prepayments and other receivables	預付款項及其他應收款項	145	-
Bank balances and cash	銀行結餘及現金	143	1,504
		288	1,504
<b>Current Liabilities</b>	<b>流動負債</b>		
Accruals and other payables	應計費用及其他應付款項	1,217	1,099
Amounts due to subsidiaries	應付附屬公司款項	2,884	3,070
		4,101	4,169
<b>Net current liabilities</b>	<b>流動負債淨額</b>	<b>(3,813)</b>	<b>(2,665)</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>61,474</b>	<b>69,453</b>
<b>Capital and Reserves</b>	<b>資本及儲備</b>		
Share capital	股本	8,945	8,945
Reserves (Note b)	儲備(附註b)	52,529	60,508
<b>Total Equity (Deficiency in Equity)</b>	<b>權益總額(權益虧絀)</b>	<b>61,474</b>	<b>69,453</b>

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 38. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

#### (a) Interests in subsidiaries

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Unlisted investment, at cost	非上市投資(按成本)	—*	—*
Amount due from a subsidiary	應收附屬公司款項	65,287	72,118
		<b>65,287</b>	<b>72,118</b>

\* Represent amount less than RMB1,000

\* 指金額低於人民幣1,000元。

#### (b) Reserves of the Company

		Share premium 股份溢價 RMB'000 人民幣千元	Accumulated loss 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2018 and 1 January 2019	於二零一八年十二月 三十一日及 二零一九年一月一日	—	(6,148)	(6,148)
Loss and total comprehensive expense for the year	年內虧損及全面開支 總額	—	(22,783)	(22,783)
Issue of shares by way of global offering	以全球發售的方式發行 股份	109,577	—	109,577
Transaction cost attributable to issue of new shares	發行新股份應佔交易 成本	(13,435)	—	(13,435)
Capitalisation issue	資本化發行	(6,703)	—	(6,703)
At 31 December 2019 and 1 January 2020	於二零一九年十二月 三十一日及 二零二零年一月一日	<b>89,439</b>	<b>(28,931)</b>	<b>60,508</b>
Loss and total comprehensive expense for the year	年內虧損及全面開支 總額	—	(7,979)	(7,979)
At 31 December 2020	於二零二零年 十二月三十一日	<b>89,439</b>	<b>(36,910)</b>	<b>52,529</b>

### 38. 有關本公司財務狀況表的資料 (續)

#### (a) 於附屬公司的權益

#### (b) 本公司儲備

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. PARTICULARS OF SUBSIDIARIES

#### (a) General information of subsidiaries

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本 權益及投票權		Principal activity 主要業務
			2020 二零二零年	2019 二零一九年	
<b>Directly held</b> 直接持有					
Grace Kirin <sup>1</sup>	BVI 28 June 2018	USD1	100%	100%	Investment holding
俊麟 <sup>1</sup>	英屬處女群島 二零一八年 六月二十八日	1美元	100%	100%	投資控股
<b>Indirectly held</b> 間接持有					
Sprocomm Intelligence (HK) Limited <sup>2</sup>	Hong Kong 27 August 2018	HK\$10,000	100%	100%	Investment holding
禾苗智能控股有限公司 <sup>2</sup>	香港 二零一八年 八月二十七日	10,000港元	100%	100%	投資控股
Shenzhen Sprocomm <sup>*3</sup>	PRC 16 September 2009	RMB55,556,000	100%	100%	Trading of feature phones and smart phone
深圳禾苗 <sup>3</sup>	中國 二零零九年 九月十六日	人民幣 55,556,000元	100%	100%	買賣功能型手機及 智能手機
Shanghai Sprocomm <sup>*4</sup>	PRC 24 November 2009	RMB2,000,000	100%	100%	Research and development of cloud computing and related technology
上海禾苗 <sup>4</sup>	中國 二零零九年 十一月二十四日	人民幣 2,000,000元	100%	100%	研發雲計算及 相關技術

### 39. 附屬公司之詳情

#### (a) 附屬公司的一般資料

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. PARTICULARS OF SUBSIDIARIES

(Continued)

#### (a) General information of subsidiaries (Continued)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本 權益及投票權		Principal activity 主要業務
			2020 二零二零年	2019 二零一九年	
Guizhou Sprocomm* <sup>4</sup>	PRC 8 June 2016	RMB5,000,000	100%	100%	Research and development of cloud computing and related technology
貴州禾苗 <sup>4</sup>	中國 二零一六年 六月八日	人民幣 5,000,000元	100%	100%	研發雲計算及相關技術
Chengdu Sprocomm* <sup>4</sup>	PRC 2 August 2017	RMB15,000,000	66.67%	66.67%	Research and development of cloud computing and related technology
成都禾苗 <sup>4</sup>	中國 二零一七年 八月二日	人民幣 15,000,000元	66.67%	66.67%	研發雲計算及相關技術
HK Sprocomm <sup>2</sup>	Hong Kong 15 January 2016	USD50,000	100%	100%	Trading of feature phones and smart phone
香港禾苗 <sup>2</sup>	香港 二零一六年 一月十五日	50,000美元	100%	100%	買賣功能型手機及智能手機
Sprocomm Technologies India <sup>5</sup>	India 24 August 2016	INR145,647	82.03%	82.03%	Customer service and technical support
Sprocomm Technologies India <sup>5</sup>	印度 二零一六年 八月二十四日	145,647 印度盧比	82.03%	82.03%	客戶服務及技術支持
Guizhou Mars* <sup>4</sup>	PRC 29 June 2016	RMB5,000,000	100%	100%	Research and development of cloud computing and related technology
貴州火星 <sup>4</sup>	中國 二零一六年 六月二十九日	人民幣 5,000,000元	100%	100%	研發雲計算及相關技術

### 39. 附屬公司之詳情(續)

#### (a) 附屬公司的一般資料(續)

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. PARTICULARS OF SUBSIDIARIES

(Continued)

#### (a) General information of subsidiaries (Continued)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本 權益及投票權		Principal activity 主要業務
			2020 二零二零年	2019 二零一九年	
Liuzhou Sprocomm <sup>4</sup> (former known as "Liuzhou Spiking") 柳州禾苗 <sup>4</sup> (前稱「柳州思普康」)	PRC 1 September 2017 中國 二零一七年 九月一日	RMB100,000,000 人民幣 100,000,000元	100%	100%	Manufacturing of feature phones and smart phones 製造功能型手機及 智能手機
Sprocomm Intelligence Technologies Limited	PRC 24 December 2019 中國 二零一九年 十二月二十四日	RMB20,000,000 人民幣 20,000,000元	100%	100%	Research and development of cloud computing and related technology 研發雲計算及 相關技術
Shanghai Hai Huan Ming Chong Limited Shanghai Hai Huan Ming Chong Limited	PRC 1 June 2020 中國 二零二零年 六月一日	RMB 2,100,000 人民幣 2,100,000元	70%	N/A 不適用	Software development company 軟件開發公司

\* The English name is for identification only.

<sup>1</sup> Company with limited liabilities incorporated in British Virgin Islands.

<sup>2</sup> Company with limited liabilities incorporated in Hong Kong.

<sup>3</sup> Wholly foreign owned enterprises established in the PRC.

<sup>4</sup> Company with limited liabilities established in the PRC.

<sup>5</sup> Company with limited liabilities incorporated in India.

All subsidiaries now comprising the Group are limited liability companies and have adopted 31 December as their financial year end date, except for Sprocomm Technologies India which have a year-end date of 31 March.

### 39. 附屬公司之詳情(續)

#### (a) 附屬公司的一般資料(續)

Name of subsidiaries 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本 權益及投票權		Principal activity 主要業務
			2020 二零二零年	2019 二零一九年	
Liuzhou Sprocomm <sup>4</sup> (former known as "Liuzhou Spiking") 柳州禾苗 <sup>4</sup> (前稱「柳州思普康」)	PRC 1 September 2017 中國 二零一七年 九月一日	RMB100,000,000 人民幣 100,000,000元	100%	100%	Manufacturing of feature phones and smart phones 製造功能型手機及 智能手機
Sprocomm Intelligence Technologies Limited	PRC 24 December 2019 中國 二零一九年 十二月二十四日	RMB20,000,000 人民幣 20,000,000元	100%	100%	Research and development of cloud computing and related technology 研發雲計算及 相關技術
Shanghai Hai Huan Ming Chong Limited Shanghai Hai Huan Ming Chong Limited	PRC 1 June 2020 中國 二零二零年 六月一日	RMB 2,100,000 人民幣 2,100,000元	70%	N/A 不適用	Software development company 軟件開發公司

\* 英文名稱僅供識別。

<sup>1</sup> 於英屬處女群島註冊成立的有限公司。

<sup>2</sup> 於香港註冊成立的有限公司。

<sup>3</sup> 於中國成立的外商獨資企業。

<sup>4</sup> 於中國成立的有限公司。

<sup>5</sup> 於印度成立的有限公司。

本集團現時旗下之所有附屬公司均為有限公司並採納十二月三十一日作為彼等之財政年度結算日(惟 Sprocomm Technologies India 除外，其年度結算日為三月三十一日)。

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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 39. PARTICULARS OF SUBSIDIARIES

(Continued)

#### (b) Details of non-wholly owned subsidiary that have non-controlling interest

The following table set out the summarised financial information of the non-wholly-owned subsidiaries of the Group:

		Proportion of ownership interests and voting rights held by non-controlling interests at 31 December		Loss allocated to non-controlling interests for the year ended 31 December		Accumulated non-controlling interests at 31 December	
		於十二月三十一日 由非控股權益持有的 所有權權益及投票權佔比		截至十二月三十一日止年度 分配至非控股權益的虧損		於十二月三十一日的 累計非控股權益	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Chengdu Sprocomm	成都禾苗	33.33%	33.33%	23	1,231	2,064	2,092
Individually immaterial subsidiary with non-controlling interest	擁有非控股權益之個別非重要附屬公司			172	4	(253)	(86)
Total	總計			195	1,235	1,811	2,006

The summarised financial information in respect of the Group's subsidiary that has non-controlling interest that is material to the Group, before intra-group eliminations:

擁有對本集團屬重要之非控股權益之本集團附屬公司之財務資料(於集團內公司間對銷前)概述如下:

		31/12/2020 二零二零年 十二月三十一日 RMB'000 人民幣千元	31/12/2019 二零一九年 十二月三十一日 RMB'000 人民幣千元
<b>Chengdu Sprocomm</b>	<b>成都禾苗</b>		
Current assets	流動資產	7,193	8,308
Non-current assets	非流動資產	47	79
Current liabilities	流動負債	(1,050)	(2,126)
Equity attributable to owners of the Company	本公司擁有人應佔權益	4,126	4,169
Non-controlling interests	非控股權益	2,064	2,092



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

#### 39. PARTICULARS OF SUBSIDIARIES

(Continued)

##### (b) Details of non-wholly owned subsidiary that have non-controlling interest (Continued)

#### 39. 附屬公司之詳情(續)

##### (b) 擁有非控股權益的非全資附屬公司詳情(續)

		Year ended 31/12/2020 截至二零二零年 十二月三十一日 止年度 RMB'000 人民幣千元	Year ended 31/12/2019 截至二零一九年 十二月三十一日 止年度 RMB'000 人民幣千元
Revenue	收益	164	11
Expense	開支	(234)	(3,458)
Loss for the year	年內虧損	(70)	(3,447)
Loss and total comprehensive expense attributable to owners of the Company	本公司擁有人應佔虧損及全面開支總額	(47)	(2,226)
Loss and total comprehensive expense attributable to non-controlling interest	非控股權益應佔虧損及全面開支總額	(23)	(1,231)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(70)	(3,447)
Net cash outflow from operating activities	經營活動的現金流出淨額	(281)	(2,811)
Net cash inflow from investing activities	投資活動的現金流入淨額	300	2,670
Net cash inflow from financing activities	融資活動的現金流入淨額	-	-
Net cash inflow (outflow)	現金流入(流出)淨額	19	(141)

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

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 40. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statements of cash flows as cash flows from financing activities.

### 40. 融資活動產生之負債對賬

下表詳述本集團融資活動產生的負債變動，包括現金及非現金變動。融資活動產生的負債是指現金流量或未來現金流量將在綜合現金流量表中分類為融資活動現金流量的負債。

		Borrowings 借款	Lease liabilities 租賃負債	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	120,661	16,664	137,325
Non-cash movements	非現金變動			
New lease arrangement	新租賃安排	-	9,179	9,179
Exchange realignment	匯兌調整	800	-	800
Finance costs incurred (Note 8)	已產生融資成本(附註8)	11,100	860	11,960
Financing cash inflows	融資現金流入	343,421	-	343,421
Financing cash outflows	融資現金流出	(269,725)	(9,059)	(278,784)
As at 31 December 2019	於二零一九年十二月三十一日	206,257	17,644	223,901
As at 1 January 2020	於二零二零年一月一日	206,257	17,644	223,901
Non-cash movements	非現金變動			
New lease arrangement	新租賃安排	-	921	921
Exchange realignment	匯兌調整	(1,491)	-	(1,491)
Finance costs incurred (Note 8)	已產生融資成本(附註8)	4,840	643	5,483
Financing cash inflows	融資現金流入	32,905	-	32,905
Financing cash outflows	融資現金流出	(188,993)	(12,555)	(201,548)
As at 31 December 2020	於二零二零年十二月三十一日	53,518	6,653	60,171

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For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

### 41. LITIGATIONS

During the reporting period, there were legal claims arising from the normal course of business being lodged against the Group and no specific claim amount has been specified in the applications of these claims except as detailed below. In the opinion of the directors of the Company and after consulting the legal professional advice, the ultimate liability under these claims would not have a material adverse impact on the financial position or results of the Group.

On 7 May 2019, an independent factoring company (the “**Plaintiff**”) filed a lawsuit at Beijing Haidian District People’s Court (the “**District Court**”) against Shenzhen Sprocomm Technology Co., (Sprocomm Limited) and a customer of Shenzhen Sprocomm owing the factored accounts receivable (the “**First Defendant**”) for the repayment of the outstanding accounts receivable under the factoring agreement in the amount of RMB29,200,000 (the “**Relevant Sum**”) and the relevant interests.

Based on the legal opinion from the PRC lawyer which considered the Relevant Sum and previous payments from First Defendant to the Plaintiff, the directors of the Company estimated that the outstanding liability of Shenzhen Sprocomm amounted to be RMB17,073,000 (which is included in borrowings in the consolidated statement of financial position) plus the relevant interest, legal costs and court fees of an aggregate of approximately RMB 2,093,000 (31 December 2019: RMB1,767,000).

In December 2020, Shenzhen Sprocomm has received the judgement of the first trial from the District Court ruling it to repay the factored loan amount at approximately RMB26,805,000 and the relevant interest at approximately RMB3,303,000. Subsequent to the end of the reporting period, Shenzhen Sprocomm filed an appeal to the First Intermediate People’s Court of Beijing Municipality in February 2021 and the court hearing date is not yet fixed.

### 41. 訴訟

於報告期間，本集團於一般業務過程中涉入一項法律索償，除下文詳述者外，該等索償申請中無指明具體索償金額。本公司董事經諮詢法律專業意見後認為，該等索償之最終責任將不會對本集團之財務狀況或業績造成重大不利影響。

於二零一九年五月七日，一間獨立保理公司（「原告」）於北京市海淀區人民法院（「區域法院」）就償還保理協議項下未償還應收賬款人民幣29,200,000元（「相關款項」）及相關利息針對深圳禾苗通信科技有限公司（禾苗有限公司）及一名結欠保理應收賬款的深圳禾苗客戶（「第一被告」）提起訴訟。

根據中國律師出具的法律意見，考慮到相關款項及第一被告先前向原告支付的款項，本公司董事估計深圳禾苗的未清償負債為人民幣17,073,000元（已計入綜合財務狀況表的借款），加上相關利息、法律成本及法院開支合計約人民幣2,093,000元（二零一九年十二月三十一日：人民幣1,767,000元）。

於二零二零年十二月，深圳禾苗已收到區域法院一審判決書，裁定其須償還保理貸款金額約人民幣26,805,000元及相關利息約人民幣3,303,000元。報告期結束後，深圳禾苗於二零二一年二月向北京市第一中級人民法院提起上訴，法院開庭日期尚未確定。

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### 41. LITIGATIONS (Continued)

During the year ended 31 December 2020, the legal proceeding is still in progress and additional provision of RMB326,000 was made by the directors of the Company, with reference to legal opinion obtained and available information. The provision was recognised in the administrative expenses in the consolidated statements of profit or loss and other comprehensive income and other payable in the consolidated statements of financial position.

As at 31 December 2020, the Group had provision for litigation of approximately RMB2,093,000 (31 December 2019: RMB1,767,000) included in other payables in the consolidated statement of financial position.

As at 31 December 2020, aggregate bank balances of approximately RMB16,210,000 in Shenzhen Sprocomm were being frozen by banks as the respective banks had received notice from court with regard to the litigation claim. Such bank balances were included in restricted deposits in the consolidated statement of financial position.

As at the date of this report, the legal proceeding is still in progress. The directors of the Company, with reference to the legal opinion obtained and available information, considered that the provision has adequately covered the maximum exposure including of total claims and legal cost of the case. In addition, in connection with the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited, a deed of indemnity was signed on 18 October 2019, pursuant to which the Controlling Shareholders, irrecoverably and unconditionally undertakes to jointly pay up the entire sum or the shortfall and other costs and expenses which may be made, suffered, or incurred in relation to this litigation in progress.

### 41. 訴訟(續)

截至二零二零年十二月三十一日止年度，法律程序仍在進行中，本公司董事參考已取得的法律意見及現有資料，額外計提撥備人民幣326,000元。該項撥備已在綜合損益表的行政開支及綜合財務狀況表的其他綜合收入及其他應付款項中確認。

於二零二零年十二月三十一日，本集團法律訴訟之撥備約為人民幣2,093,000元（二零一九年十二月三十一日：人民幣1,767,000元），計入綜合財務狀況表的其他應付款項內。

於二零二零年十二月三十一日，由於各銀行已收到法院有關訴訟索賠的通知，深圳禾苗的銀行結餘總額約人民幣16,210,000元已被銀行凍結。該等銀行餘額已計入綜合財務狀況表的受限制存款中。

於本報告日期，法律訴訟程序仍在推進。本公司董事經參考已獲取之法律意見及可用資料認為，撥備已足以覆蓋該案件最高風險（包括總索償及法律成本）。此外，就本公司在香港聯合交易所有限公司主板上市，一份彌償契據已於二零一九年十月十八日簽署，據此控股股東不可撤回及無條件承諾共同支付因此項仍在推進的訴訟而可能作出、遭受或產生的全部款項或差額及其他費用及開支。





**Sprocomm Intelligence Limited**