

The logo consists of the letters 'NHH' in a bold, white, sans-serif font, centered within a red rectangular background.

Ngai Hing Hong Company Limited
毅興行有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 1047)



Interim Report

中期報告

21/22 ::::



目錄

CONTENTS

Condensed Consolidated Income Statement 簡明綜合收益表	2-3
Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表	4
Condensed Consolidated Balance Sheet 簡明綜合資產負債表	5-7
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	8-9
Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表	10
Notes to the Condensed Consolidated Interim Financial Information 簡明綜合中期財務資料附註	11-37
Interim Dividend 中期股息	38
Closure of Register of Members 暫停辦理股份過戶登記手續	38
Management Discussion and Analysis 管理層討論及分析	38-42
Liquidity and Financial Resources 流動資金及財務資源	43
Foreign Exchange Risk 外匯風險	43
Employee Information 僱員資料	44
Purchase, Sale and Redemption of the Company's Listed Securities 購買、出售及贖回本公司之上市證券	44
Share Options 購股權	44
Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation 董事及最高行政人員於本公司或其任何相聯法團股份、 相關股份及債券之權益及淡倉	45-48
Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company 主要股東於本公司股份及相關股份之權益及淡倉	48
Compliance with the Model Code for Securities Transactions by Directors 遵守董事進行證券交易之標準守則	49
Corporate Governance Practice 企業管治常規	49-50
Nomination Committee 提名委員會	50
Audit Committee 審核委員會	51
Remuneration Committee 薪酬委員會	51
Corporate Governance Committee 企業管治委員會	52

The Board of Directors (the “Board”) of Ngai Hing Hong Company Limited (the “Company”) presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (the “Group”) for the six months ended 31st December 2021 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

毅興行有限公司(「本公司」)之董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零二一年十二月三十一日止六個月之未經審核簡明綜合中期財務資料如下：

簡明綜合收益表

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核		
		Six months ended 31st December 截至十二月三十一日止六個月		
			2021	2020
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Revenue from contracts with customers	客戶合約之收入	6	931,125	951,987
Cost of sales	銷售成本		(770,502)	(801,112)
Gross profit	毛利		160,623	150,875
Rental income	租金收入		3,848	3,676
Other losses, net	其他虧損－淨額	7	(193)	(1,249)
Distribution costs	分銷成本		(45,872)	(40,272)
Administrative expenses	行政支出		(65,961)	(57,571)
Operating profit	經營溢利	8	52,445	55,459
Finance income	財務收益	9	507	441
Finance costs	財務費用	9	(3,691)	(4,195)
Finance costs, net	財務費用－淨額		(3,184)	(3,754)
Profit before income tax	除稅前溢利		49,261	51,705
Income tax expense	稅項支出	10	(10,881)	(11,103)
Profit for the period	本期溢利		38,380	40,602

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

簡明綜合收益表(續)

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Attributable to:	以下人士應佔：		
Equity holders of the Company	公司股東	33,979	37,114
Non-controlling interests	非控制權益	4,401	3,488
		38,380	40,602
Earnings per share for profit attributable to the equity holders of the Company during the period (expressed in HK cent per share)	本期公司股東應佔溢利之每股盈利(以每股港仙計)		
– Basic	– 基本	12	9.20
– Diluted	– 攤薄	12	9.20

The above condensed consolidated income statement should be read in conjunction with the accompanying notes.

上述簡明綜合收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

簡明綜合全面收益表

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Profit for the period	本期溢利	38,380	40,602
Other comprehensive income:	其他全面收益：		
<u>Item that will not be reclassified subsequently to income statement:</u>	<u>期後不會被重新分類至 收益表之項目：</u>		
Fair value gain of financial asset at fair value through other comprehensive income ("FVOCI")	按公允價值計入其他全面收益的 財務資產之公允價值收益	188	—
<u>Item that may be reclassified subsequently to income statement:</u>	<u>期後可被重新分類至 收益表之項目：</u>		
Currency translation differences	匯兌差額	14,820	43,745
Other comprehensive income for the period	本期其他全面收益	15,008	43,745
Total comprehensive income for the period	本期全面收益總額	53,388	84,347
Total comprehensive income attributable to:	全面收益總額歸屬於：		
Equity holders of the Company	公司股東	48,558	79,862
Non-controlling interests	非控制權益	4,830	4,485
		53,388	84,347

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合全面收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 31ST DECEMBER 2021

簡明綜合資產負債表

於二零二一年十二月三十一日

			Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日	Audited 經審核 30th June 2021 於二零二一年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	115,384	113,126
Right-of-use assets	使用權資產	13	24,528	27,107
Investment properties	投資物業	13	155,644	155,013
Financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益的財務資產		2,414	2,226
Deferred income tax assets	遞延稅項資產		11,353	8,132
Prepayments	預付款		4,785	3,458
			314,108	309,062
Current assets	流動資產			
Inventories	存貨		271,411	238,324
Trade and bills receivables	貿易應收款及應收票據	14	234,274	276,823
Other receivables, prepayments and deposits	其他應收款、預付款及按金		46,631	32,240
Income tax recoverable	可收回稅項		560	784
Restricted bank deposits	受限制的銀行存款		39,466	38,344
Cash and bank balances	現金及銀行結餘		248,014	206,579
			840,356	793,094
Total assets	資產總額		1,154,464	1,102,156

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2021

簡明綜合資產負債表(續)

於二零二一年十二月三十一日

			Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日	Audited 經審核 30th June 2021 於二零二一年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	公司股東 應佔股本及儲備			
Share capital	股本	17	36,920	36,920
Share premium	股本溢價		62,466	62,466
Other reserves	其他儲備		75,310	60,731
Retained earnings	保留溢利		447,511	428,300
			622,207	588,417
Non-controlling interests	非控制權益		28,560	31,727
Total equity	權益總額		650,767	620,144

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2021

簡明綜合資產負債表(續)

於二零二一年十二月三十一日

			Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日	Audited 經審核 30th June 2021 於二零二一年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延稅項負債		4,676	4,496
Lease liabilities	租賃負債		3,125	4,014
Provision for reinstatement costs	修復成本撥備		23	23
			7,824	8,533
Current liabilities	流動負債			
Trade payables	貿易應付款	15	69,072	78,252
Other payables, deposits received and accruals	其他應付款及預提費用		61,796	57,655
Lease liabilities	租賃負債		3,021	4,784
Bank borrowings	借貸	16	347,271	319,708
Derivative financial instruments	衍生金融工具		—	23
Income tax payable	應付稅項		14,713	13,057
			495,873	473,479
Total liabilities	負債總額		503,697	482,012
Total equity and liabilities	權益及負債總額		1,154,464	1,102,156
Net current assets	淨流動資產		344,483	319,615
Total assets less current liabilities	資產總額減流動負債		658,591	628,677

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

上述簡明綜合資產負債表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

簡明綜合權益變動表

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核 Attributable to equity holders of the Company 公司股東應佔部分								
		Other reserves 其他儲備								
		Share capital 股本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Financial asset at fair value through other comprehensive income reserve 按公允價值計入其他全面收益的財務資產儲備	Exchange fluctuation 匯兌波動儲備	Retained earnings 保留溢利	Non-controlling interests 非控制權益	Total 總額
						HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st July 2021	於二零二一年七月一日	36,920	62,466	(3,119)	9,640	1,472	52,738	428,300	31,727	620,144
Comprehensive income	全面收益									
Profit for the period	本期溢利	—	—	—	—	—	—	33,979	4,401	38,380
Other comprehensive income	其他全面收益									
Currency translation differences	匯兌差額	—	—	—	—	—	14,444	—	376	14,820
Fair value gain of financial asset at FVOCI	按公允價值計入其他全面收益的財務資產之公允價值收益	—	—	—	—	135	—	—	53	188
Total comprehensive income	全面收益總額	—	—	—	—	135	14,444	33,979	4,830	53,388
Transactions with owners	與所有者之交易									
2020/2021 final dividend and special dividend paid	支付二零二零/二零二一年度末期股息及特別股息	—	—	—	—	—	—	(14,768)	—	(14,768)
Dividends paid to non-controlling interests	支付予非控制權益之股息	—	—	—	—	—	—	—	(7,997)	(7,997)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—	—	(14,768)	(7,997)	(22,765)
At 31st December 2021	於二零二一年十二月三十一日	36,920	62,466	(3,119)	9,640	1,607	67,182	447,511	28,560	650,767

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN
EQUITY (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

簡明綜合權益變動表(續)

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核									
		Attributable to equity holders of the Company 公司股東應佔部分									
		Other reserves 其他儲備									
						Financial asset at fair value through other comprehensive income reserve 按公允價值 計入其他 全面收益的 財務資產儲備		Exchange fluctuation reserve 匯兌 波動儲備	Retained earnings 保留溢利	Non- controlling interests 非控制權益	Total 總額
		Share capital 股本	Share premium 股本溢價	Capital reserve 資本儲備	Revaluation reserve 重估儲備	計入其他 全面收益的 財務資產儲備		匯兌 波動儲備	保留溢利	非控制權益	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st July 2020	於二零二零年七月一日	36,920	62,466	(3,119)	9,640	1,211		12,385	345,819	25,199	490,521
Comprehensive income	全面收益										
Profit for the period	本期溢利	—	—	—	—	—		—	37,114	3,488	40,602
Other comprehensive income	其他全面收益										
Currency translation differences	匯兌差額	—	—	—	—	—		42,748	—	997	43,745
Total comprehensive income	全面收益總額	—	—	—	—	—		42,748	37,114	4,485	84,347
Transactions with owners	與所有者之交易										
Dividends paid to non-controlling interests	支付予非控制權益之股息	—	—	—	—	—		—	—	(3,712)	(3,712)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—		—	—	(3,712)	(3,712)
At 31st December 2020	於二零二零年十二月三十一日	36,920	62,466	(3,119)	9,640	1,211		55,133	382,933	25,972	571,156

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2021

簡明綜合現金流量表

截至二零二一年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營業務之現金流		
Cash generated from operations	經營業務所產生之現金	62,145	92,682
Hong Kong profits tax paid	已繳香港利得稅	(1,364)	(1,941)
Mainland China income tax paid	已繳中國內地所得稅	(11,165)	(6,890)
Interest received	已收利息	507	441
Net cash generated from operating activities	經營業務所產生之淨現金	50,123	84,292
Cash flows from investing activities	投資業務之現金流		
Purchase of property, plant and equipment	購買物業、廠房及設備	(8,533)	(6,289)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	165	—
Prepayments for property, plant and equipment and renovation costs	物業、廠房及設備與裝修預付款	(2,859)	(1,490)
Net cash used in investing activities	投資業務所使用之淨現金	(11,227)	(7,779)
Cash flows from financing activities	融資業務之現金流		
Proceeds from bank loans	新增銀行貸款	13,331	26,998
Repayment of bank loans	償還銀行貸款	(41,378)	(62,572)
Increase/(decrease) in trust receipt loans	信託收據貸款增加/(減少)	55,481	(11,856)
Repayment of lease liabilities	租賃負債之還款	(2,998)	(1,834)
Dividends paid to non-controlling interests	支付予非控制權益之股息	(7,997)	(3,712)
Dividends paid	支付股息	(14,768)	—
Interest paid	借貸利息	(3,518)	(4,054)
Net cash used in financing activities	融資業務所使用之淨現金	(1,847)	(57,030)
Net increase in cash and cash equivalents	現金及現金等額之淨額增加	37,049	19,483
Cash and cash equivalents at 1st July	於七月一日之現金及現金等額	206,579	126,094
Effect of foreign exchange rate changes	外幣匯率變動影響	4,386	10,062
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等額	248,014	155,639

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述簡明綜合現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

I GENERAL INFORMATION

Ngai Hing Hong Company Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated, and has been approved for issue by the Board of Directors on 24th February 2022.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 31st December 2021 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. This condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30th June 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

簡明綜合中期財務資料附註

I 一般資料

毅興行有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事塑膠原料、色粉、着色劑、混料及工程塑料之製造及買賣。

本公司是於百慕達註冊之一間有限責任公司。公司註冊地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

本公司之股票於香港聯合交易所有限公司之主版上市。

除非已另外列明，本簡明綜合中期財務資料乃以港幣列示。本簡明綜合中期財務資料已於二零二二年二月二十四日被董事局批准。

2 編製基準

截至二零二一年十二月三十一日止六個月的簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編製。本簡明綜合中期財務資料並不包括所有一般需於年度財務報表包含之附註種類。因此，簡明綜合中期財務資料應與截至二零二一年六月三十日止年度的年度財務報表一併閱讀，該財務報表已根據香港財務報告準則編製。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30th June 2021, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3.1 Amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period and the Group had to change its accounting policies and make retrospective adjustments as a result of adopting the following standards:

Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16
對香港會計準則第39號、
香港財務報告準則第4號、
香港財務報告準則第7號、
香港財務報告準則第9號及
香港財務報告準則第16號的修訂

Amendments to HKFRS 16
對香港財務報告準則第16號的修訂

3.2 Impact of standards issued but not yet applied by the Group

The following new and amended HKFRSs have been issued, but are not effective for the Group's accounting period beginning on 1st July 2021 and have not been early adopted:

簡明綜合中期財務資料附註(續)

3 會計政策

除下文所述者外，所採用之會計政策與截至二零二一年六月三十日止年度的年度財務報表所採用的會計政策(如該等年度財務報表所述)一致。

本中期期間的所得稅按照預期年度總盈利適用的稅率累計。

3.1 本集團所採納經修訂準則

若干經修訂準則適用於本報告期，本集團須就採納以下準則更改其會計政策及作出追溯調整：

Interest Rate Benchmark Reform - Phase 2

利率基準改革－第二階段

COVID-19 Related Rent Concessions beyond 30th June 2021

二零二一年六月三十日後2019新型冠狀病毒疫情相關租金減讓

3.2 已頒佈但本集團未採納的準則之影響

下列新訂及經修訂之香港財務報告準則已頒佈，惟尚未於本集團於二零二一年七月一日開始之會計期間生效及並無提早採納：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

3 ACCOUNTING POLICIES (Continued)

3.2 Impact of standards issued but not yet applied by the Group (Continued)

Amendments to HKFRS 3 對香港財務報告準則第3號的修訂	Reference to the Conceptual Framework ¹ 對概念框架的引述 ¹
Annual improvements to HKFRSs 2018-2020 cycle 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	Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41 ¹ 對香港財務報告準則第1號、香港財務報告準則第9號、 香港財務報告準則第16號及香港會計準則第41號的修訂 ¹
Amendments to HKAS 16 對香港會計準則第16號的修訂	Property, Plant and Equipment - Proceeds before Intended Use ¹ 物業、機器及設備—作擬定用途前之所得款項 ¹
Amendments to HKAS 37 對香港會計準則第37號的修訂	Onerous Contracts - Cost of Fulfilling a Contract ¹ 虧損性合約—履行合約之成本 ¹
Amendments to Accounting Guideline 5 對會計指引第5號的修訂	Merger Accounting for Common Control Combination ¹ 共同控制合併之合併會計法 ¹
Amendments to HKAS 1 and HKFRS Practice Statement 2 對香港會計準則第1號及香港財務報告 準則實務公告第2號的修訂	Disclosure of Accounting Policies ² 會計政策的披露 ²
HKFRS 17 and Amendments to HKFRS 17 香港財務報告準則第17號及對香港財務報告 準則第17號的修訂	Insurance Contracts ² 保險合同 ²
Amendments to HKAS 1 對香港會計準則第1號的修訂	Classification of Liabilities as Current or Non-current ² 將負債分類為流動或非流動 ²
Amendments to HKAS 8 對香港會計準則第8號的修訂	Definition of Accounting Estimates ² 會計估計定義 ²
Amendments to HKAS 12 對香港會計準則第12號的修訂	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction ² 單一交易產生之資產及負債相關遞延稅項 ²
Amendments to Hong Kong Interpretation 5 對香港詮釋第5號的修訂	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ² 財務報表之呈列—借款人對含有按要求償還條款之定期貸款之分類 ²
Amendments to HKFRS 10 and HKAS 28 對香港財務報告準則第10號及香港會計準則第28號的修訂	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ 投資者與其聯營公司或合營公司之間之資產出售或注資 ³

(1) Effective for annual periods beginning on or after 1st January 2022

(2) Effective for annual periods beginning on or after 1st January 2023

(3) To be determined

3 會計政策(續)

3.2 已頒佈但本集團未採納的準則之影響(續)

Reference to the Conceptual Framework ¹ 對概念框架的引述 ¹	Reference to the Conceptual Framework ¹ 對概念框架的引述 ¹
Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41 ¹ 對香港財務報告準則第1號、香港財務報告準則第9號、 香港財務報告準則第16號及香港會計準則第41號的修訂 ¹	Amendments to HKFRS 1, HKFRS 9, HKFRS 16 and HKAS 41 ¹ 對香港財務報告準則第1號、香港財務報告準則第9號、 香港財務報告準則第16號及香港會計準則第41號的修訂 ¹
Property, Plant and Equipment - Proceeds before Intended Use ¹ 物業、機器及設備—作擬定用途前之所得款項 ¹	Property, Plant and Equipment - Proceeds before Intended Use ¹ 物業、機器及設備—作擬定用途前之所得款項 ¹
Onerous Contracts - Cost of Fulfilling a Contract ¹ 虧損性合約—履行合約之成本 ¹	Onerous Contracts - Cost of Fulfilling a Contract ¹ 虧損性合約—履行合約之成本 ¹
Merger Accounting for Common Control Combination ¹ 共同控制合併之合併會計法 ¹	Merger Accounting for Common Control Combination ¹ 共同控制合併之合併會計法 ¹
Disclosure of Accounting Policies ² 會計政策的披露 ²	Disclosure of Accounting Policies ² 會計政策的披露 ²
Insurance Contracts ² 保險合同 ²	Insurance Contracts ² 保險合同 ²
Classification of Liabilities as Current or Non-current ² 將負債分類為流動或非流動 ²	Classification of Liabilities as Current or Non-current ² 將負債分類為流動或非流動 ²
Definition of Accounting Estimates ² 會計估計定義 ²	Definition of Accounting Estimates ² 會計估計定義 ²
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction ² 單一交易產生之資產及負債相關遞延稅項 ²	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction ² 單一交易產生之資產及負債相關遞延稅項 ²
Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ² 財務報表之呈列—借款人對含有按要求償還條款之定期貸款之分類 ²	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ² 財務報表之呈列—借款人對含有按要求償還條款之定期貸款之分類 ²
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ 投資者與其聯營公司或合營公司之間之資產出售或注資 ³	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ 投資者與其聯營公司或合營公司之間之資產出售或注資 ³

(1) 自二零二二年一月一日起的年報期間生效

(2) 自二零二三年一月一日起的年報期間生效

(3) 仍未確定

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.2 Impact of standards issued but not yet applied by the Group (Continued)

The Group has commenced, but not yet completed, an assessment of the impact of the new standards and amendments to standards on its results of operations and financial position. However, none of the above new standards and amendments to standards is expected to have a significant effect on the Group's financial performance and position.

4 ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 30th June 2021.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30th June 2021.

There have been no changes in the risk management department since year end or in any risk management policies since the year end.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.2 已頒佈但本集團未採納的準則之影響(續)

本集團已開始(但並未完成)就此等新準則及對準則的修訂對本集團之業績及財務狀況的影響進行評估。此等新準則及對準則的修訂預期不會對本集團的綜合財務報表造成重大影響。

4 估計及判斷

編製中期財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等簡明綜合中期財務資料時，管理層應用本集團會計政策時作出的重大判斷和估計不確定性的關鍵來源，與截至二零二一年六月三十日止年度財務報表所應用的相同。

5 財務風險管理及金融工具

5.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險(包括匯率風險、現金流量及公允價值利率風險及價格風險)、信用風險及流動性風險。

簡明綜合中期財務資料並未包括年度財務報表規定的所有財務風險管理資訊和披露，此中期財務資料應與本集團截至二零二一年六月三十日止年度的年度財務報表一併閱讀。

自年底以來風險管理部或風險管理政策並無任何變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.2 Liquidity risk

Compared to year end, there have been no material changes to the policies and practices for the Group's liquidity and funding risk management as described in the annual financial statements for the year ended 30th June 2021.

5.3 Fair value estimation

According to HKFRS 7 "Financial Instruments: Disclosures", financial instruments measured in the condensed consolidated balance sheet at fair value are required to disclose the fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

There were no transfers of financial asset between categories during the period. There were no other changes in valuation technique during the period.

As at 31st December 2021, the Group's financial asset and liabilities that are measured at fair value are categorised as level 3 financial instruments. The following table presents the changes in level 3 instruments for the period ended 31st December 2021.

簡明綜合中期財務資料附註(續)

5 財務風險管理及金融工具(續)

5.2 流動性風險

本集團的流動性及資金風險管理與截至二零二一年六月三十日之年度財務報表所披露之政策及實施並無重大變動。

5.3 公允價值估計

根據香港財務報告準則第7號「金融工具：披露」，有關金融工具在簡明綜合資產負債表的公允價值計量需按下列公允價值計量架構披露：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)

本期間內分類之間並無財務資產的重大轉撥。本期間內並無任何估值技術的變動。

於二零二一年十二月三十一日，本集團以公允價值計量的財務資產和負債已全部分類作第3層金融工具。以下為於截至二零二一年十二月三十一日止期間內第3層金融工具的變動表。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL
INSTRUMENTS (Continued)

5 財務風險管理及金融工具(續)

5.3 Fair value estimation (Continued)

5.3 公允價值估計(續)

		Financial asset at fair value through other comprehensive income 按公允價值 計入其他全面 收益的財務資產 HK\$'000 千港元	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2021	於二零二一年七月一日	2,226	(23)	2,203
Settlements	結算	—	23	23
Gains recognised in other comprehensive income	在其他全面收益 確認的收益	188	—	188
At 31st December 2021	於二零二一年 十二月三十一日	2,414	—	2,414

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group performed the valuation of the financial asset at fair value through other comprehensive income by the use of discounted cash flow model based on the market conditions existed at balance sheet date and business forecast provided by management. Specific valuation technique used to value the derivative financial instruments includes using forward exchange rates at the balance sheet date to discount back to the present value. The key unobservable data includes the interbank forward exchange rate and the volatility of forward exchange rate. Changes in subjective input assumptions can materially affect the fair value estimate. There is no change in valuation technique during the period.

沒有在活躍市場買賣的金融工具的公允價值利用估值技術釐定。本集團主要根據每個報告期末當時的市場情況及管理層提供之業務預估作出假設，用貼現現金流量分析法計算按公允價值計入其他全面收益的財務資產之價值。用以估值衍生金融工具的特定估值技術包括利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。關鍵不可觀察假設包括銀行間遠期匯率及遠期匯率之波動性。此等主觀假設的變動將重大影響公允價值估算。本期間內並無任何估值技術的變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION

6 客戶合約之收入及分部資料

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Revenue from contracts with customers	客戶合約之收入		
Sales of goods	銷售貨品	931,125	951,987

The Group is principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

本集團之主要業務為塑膠原料、色粉、着色劑、混料和工程塑料之製造及買賣。

The Group derived revenue from the sales of goods at a point in time.

本集團於某一時間點錄得來自銷售貨品的收入。

The chief operating decision-maker ("CODM") has been identified as the Executive Directors of the Company. Management has determined the operating segments based on the reports reviewed by the CODM that are used to assess performance and allocate resources. The CODM considers the business from the operations nature and the type of products perspective, including the trading of plastic materials ("Trading"), manufacturing and sale of colorants, pigments and compounded plastic resins ("Colorants"), manufacturing and sale of engineering plastic products ("Engineering plastic") and other corporate and business activities ("Others").

首席經營決策者被認定為本公司之執行董事。首席經營決策者審視本集團的內部報告以評估表現和分配資源。管理層已決定根據此等報告釐定經營分部。首席經營決策者從經營性質及產品角度考慮業務，當中包括塑膠原料之買賣(「貿易」)；着色劑、色粉及混料之製造及買賣(「着色劑」)、工程塑料之製造及買賣(「工程塑料」)及其他企業及業務活動(「其他」)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

Each of the Group's operating segments represents a strategic business unit that is managed by different business unit leaders. Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Information provided to the CODM is measured in a manner consistent with that in the condensed consolidated interim financial information.

The CODM assesses the performance of the operating segments based on a measure of revenue from contracts with customers and operating profit including corporate expenses, which is in a manner consistent with that of the condensed consolidated interim financial information.

簡明綜合中期財務資料附註(續)

6 客戶合約之收入及分部資料(續)

本集團每一經營分部代表一策略性業務單位，並由不同之業務單位主管管理。分部間銷售按照公平交易原則的相對等條款進行。向首席經營決策者報告的計量方法與簡明綜合中期財務資料內方法一致。

首席經營決策者據對客戶合約之收入及經營溢利(包括企業支出)的計量評估營運分部的表現，方式與簡明綜合中期財務資料相符。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2021 is as follows:

截至二零二一年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				Group
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	634,696	188,352	142,942	—	965,990
– Inter-segment revenue	– 分部間銷售	(32,428)	(2,231)	(206)	—	(34,865)
Revenue from external customers	外部客戶收益	602,268	186,121	142,736	—	931,125
Operating profit/(loss)	經營溢利/(虧損)	29,183	1,031	23,650	(1,419)	52,445
Finance income	財務收益	221	224	62	—	507
Finance costs	財務費用	(2,918)	(351)	(422)	—	(3,691)
Profit/(loss) before income tax	除稅前溢利/(虧損)	26,486	904	23,290	(1,419)	49,261
Other information:	其他資料：					
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產增加 (除金融工具及遞延稅項資產外)	468	5,619	3,931	145	10,163
Depreciation of property, plant and equipment	物業、廠房及設備折舊	318	5,231	3,863	254	9,666
Depreciation of rights-of-use assets	使用權資產折舊	239	2,633	—	39	2,911
(Reversal of)/provision for impairment of inventories, net	存貨減值(撥回)/準備—淨額	(654)	4,306	(369)	—	3,283
(Reversal of)/provision for allowance on trade receivables, net	貿易應收款虧損(撥回)/撥備—淨額	(166)	1,064	(133)	—	765

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments as at 31st December 2021 is as follows:

於二零二一年十二月三十一日提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				Group
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment assets	分部資產	426,820	389,654	195,532	142,458	1,154,464
Segment liabilities	分部負債	(78,215)	(41,020)	(33,551)	(3,640)	(156,426)
Segment borrowings	分部借貸	(313,569)	(8,305)	(25,397)	—	(347,271)
		(391,784)	(49,325)	(58,948)	(3,640)	(503,697)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2020 is as follows:

截至二零二零年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Trading 貿易	Colorants 着色劑	Engineering plastic 工程塑料	Others 其他	Group 本集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	683,880	180,795	122,697	—	987,372
– Inter-segment revenue	– 分部間銷售	(31,494)	(3,834)	(57)	—	(35,385)
Revenue from external customers	外部客戶收益	652,386	176,961	122,640	—	951,987
Operating profit/(loss)	經營溢利/(虧損)	23,524	15,751	17,156	(972)	55,459
Finance income	財務收益	77	317	47	—	441
Finance costs	財務費用	(3,234)	(696)	(265)	—	(4,195)
Profit/(loss) before income tax	除稅前溢利/(虧損)	20,367	15,372	16,938	(972)	51,705
Other information:	其他資料：					
Additions to non-current assets (other than financial instruments and deferred income tax assets)	非流動資產增加 (除金融工具及 遞延稅項資產外)	47	7,084	1,224	—	8,355
Depreciation of property, plant and equipment	物業、廠房及設備 折舊	327	4,302	3,836	260	8,725
Depreciation of rights-of-use assets	使用權資產折舊	228	2,083	16	39	2,366
(Reversal of)/provision for impairment of inventories, net	存貨減值(撥回)/ 準備–淨額	(2,466)	2,847	515	—	896
(Reversal of)/provision for loss allowance on trade receivables, net	貿易應收款虧損 (撥回)/撥備 –淨額	(268)	(47)	203	—	(112)
Fair value gains on derivative financial instruments	衍生金融工具公允 價值收益	(958)	—	—	—	(958)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments as at 30th June 2021 is as follows:

於二零二一年六月三十日提供給首席經營決策者之可呈列報告分部資料如下：

		Audited 經審核				
		Engineering				
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	Group 本集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分部資產	396,127	367,330	196,950	141,749	1,102,156
Segment liabilities	分部負債	(88,863)	(37,487)	(32,256)	(3,698)	(162,304)
Segment borrowings	分部借貸	(272,504)	(9,524)	(37,680)	—	(319,708)
		(361,367)	(47,011)	(69,936)	(3,698)	(482,012)

The entity is domiciled in Hong Kong. The revenue from external customers from Hong Kong for the six months ended 31st December 2021 is approximately HK\$411,802,000 (six months ended 31st December 2020: HK\$436,544,000) and the total of its revenue from external customers from other locations (mainly in Mainland China) is approximately HK\$519,323,000 (six months ended 31st December 2020: HK\$515,443,000).

本實體以香港為基地。截至二零二一年十二月三十一日止六個月來自香港之外部客戶收益約為411,802,000港元(截至二零二零年十二月三十一日止六個月：436,544,000港元)，而來自其他地區(主要為中國內地)之外部客戶收益約為519,323,000港元(截至二零二零年十二月三十一日止六個月：515,443,000港元)。

At 31st December 2021, the total of non-current assets other than financial instruments and deferred income tax assets located in Hong Kong is approximately HK\$170,684,000 (as at 30th June 2021: HK\$176,983,000) and the total of these non-current assets located in other locations (mainly in Mainland China) is approximately HK\$129,657,000 (as at 30th June 2021: HK\$121,721,000).

於二零二一年十二月三十一日，除金融工具及遞延稅項資產外位於香港之非流動資產約為170,684,000港元(於二零二一年六月三十日：176,983,000港元)，而位於其他地區(主要為中國內地)之此等非流動資產約為129,657,000港元(於二零二一年六月三十日：121,721,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

7 OTHER LOSSES, NET

7 其他虧損－淨額

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Net exchange loss	外匯虧損	(1,395)	(3,286)
Fair value gains from derivative financial instruments	衍生金融工具公允價值收益	—	958
Others	其他	1,202	1,079
		(193)	(1,249)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

8 OPERATING PROFIT

Operating profit is stated after charging/(crediting) the following:

8 經營溢利

經營溢利乃經扣除/(計入)下列各項後列賬：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Cost of inventories recognised as expenses included in cost of sales	確認作開支並包括於銷售成本之 出售存貨成本	723,785	755,021
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,666	8,725
Depreciation of rights-of-use assets	使用權資產折舊	2,911	2,366
Short-term lease rentals in respect of land and buildings	土地及樓宇之短期租賃租金	3,030	3,356
Employee benefit expenses, including Directors' emoluments (Note i)	僱員福利支出(包括董事酬金) (附註i)	69,081	67,670
Provision for/(reversal of) loss allowance on trade receivables, net	貿易應收款虧損準備撥備/ (撥回)－淨額	765	(112)
Provision for impairment of inventories, net	存貨減值準備－淨額	3,283	896
Provision for claim related to a legal case (Note ii)	有關一法律訴訟的申索撥備(附註ii)	—	3,802
Fair value gains on derivative financial instruments	衍生金融工具公允價值收益	—	(958)

Notes:

- (i) During the six months ended 31st December 2020, the Hong Kong Special Administrative Region Government has launched the "Employment Support Scheme" ("ESS") providing wage subsidies to eligible subsidiary of the Group. Government grants amounted to HK\$4,043,000 are deducted in the employee benefit expenses. There are no unfulfilled conditions or other contingents attached to the grants.
- (ii) In accordance with a judgement dated 29th January 2021 from Wenling City People's Court of Zhejiang Province, the Group was held liable to pay a customer compensation amounted to RMB3,193,000 (equivalent to approximately HK\$3,802,000). Full provision against such amount has been made.

附註：

- (i) 截至二零二零年十二月三十一日止六個月，香港特別行政區政府推出「保就業」計劃提供工資補貼予本集團之合資格附屬公司。政府補助共4,043,000港元用於扣減僱員福利支出，並無任何補助附帶的未達成條件或其他或然事項。
- (ii) 根據浙江省溫嶺市人民法院於二零二一年一月二十九日的判決，裁定本集團需就客戶賠償支付共3,193,000人民幣(等值約3,802,000港元)。本集團已就此賠償作出全額撥備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

9 FINANCE INCOME AND COSTS

9 財務收益及費用

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Finance income:	財務收益：		
– Interest income from bank deposits	– 銀行存款利息收入	507	441
Finance costs:	財務費用：		
– Interests on bank borrowings wholly repayable within five years	– 需於五年內全數償還之銀行借貸之利息	(3,514)	(5,290)
– Interests on lease liabilities	– 租賃負債之利息	(173)	(141)
– Net exchange (losses)/gains on financing activities	– 融資業務之外匯(虧損)/收益淨額	(4)	1,236
		(3,691)	(4,195)
Finance costs, net	財務費用－淨額	(3,184)	(3,754)

10 INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (six months ended 31st December 2020: 16.5%) on the estimated assessable profit for the period. Income tax on the Group's subsidiaries established and operate in Mainland China has been calculated on the estimated assessable profit for the period at the rates of taxation as applicable to the relevant subsidiaries.

10 稅項支出

香港利得稅乃根據本集團於本期間內之估計應課稅溢利按稅率百分之十六點五(截至二零二零年十二月三十一日止六個月：百分之十六點五)計算。中國所得稅乃根據於中國內地經營之附屬公司於本期間內之估計應課稅溢利按該等附屬公司所在地之適用稅率計算撥備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

10 INCOME TAX EXPENSE (Continued)

The amount of income tax charged to the interim consolidated income statement represents:

10 稅項支出(續)

中期簡明綜合收益表之稅項支出為：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Current income tax	本期稅項		
– Hong Kong profits tax	– 香港利得稅	1,985	2,097
– Mainland China corporate income tax	– 中國內地企業所得稅	11,813	7,967
		13,798	10,064
Deferred income tax	遞延稅項	(2,917)	1,039
		10,881	11,103

Deferred income tax assets are recognised for tax losses carry forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. At 31st December 2021, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$321,214,000 (as at 30th June 2021: HK\$317,186,000). Aside from tax losses generated from certain subsidiaries incorporated in Mainland China amounted to HK\$15,362,000 (as at 30th June 2021: HK\$11,222,000) with expiry dates from 2022 to 2026, the remaining tax losses have no expiry date. The potential deferred income tax assets in respect of these tax losses which have not been recognised amounted to approximately HK\$54,306,000 (as at 30th June 2021: HK\$53,290,000).

就結轉的稅務虧損而確認的遞延所得稅資產僅限於有關之稅務利益有可能透過未來應課稅盈利實現的部分。於二零二一年十二月三十一日，本集團並無就可結轉以抵銷未來應課稅收益的稅務虧損約321,214,000港元(於二零二一年六月三十日：317,186,000港元)確認遞延所得稅資產約54,306,000港元(於二零二一年六月三十日：53,290,000港元)。於中國內地成立的附屬公司所產生由二零二一年至二零二六年到期的稅務虧損約為15,362,000港元(於二零二一年六月三十日：11,222,000港元)，其餘稅務虧損並無到期日。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

II DIVIDENDS

On 25th February 2021, the Directors declared an interim dividend of HK1.0 cent per share, totalling HK\$3,692,000 for the six months ended 31st December 2020.

On 25th February 2021, the Directors declared a special dividend of HK1.0 cent per share, totalling HK\$3,692,000 for the six months ended 31st December 2020.

On 28th September 2021, the Directors proposed a final dividend of HK1.0 cent per share, totalling HK\$3,692,000 for the year ended 30th June 2021, which was paid during the period ended 31st December 2021.

On 28th September 2021, the Directors proposed a special dividend of HK3.0 cents per share, totalling HK\$11,076,000 for the year ended 30th June 2021, which was paid during the period ended 31st December 2021.

On 24th February 2022, the Directors declared an interim dividend of HK1.5 cents per share, totalling HK\$5,538,000 for the six months ended 31st December 2021.

簡明綜合中期財務資料附註(續)

II 股息

於二零二一年二月二十五日，董事宣佈就截至二零二零年十二月三十一日止期間派發中期股息每股1.0港仙，共3,692,000港元。

於二零二一年二月二十五日，董事宣佈就截至二零二零年十二月三十一日止期間派發特別股息每股1.0港仙，共3,692,000港元。

於二零二一年九月二十八日，董事建議就截至二零二一年六月三十日止年度派發末期股息每股1.0港仙，共3,692,000港元。此項股息已於截至二零二一年十二月三十一日止期間內支付。

於二零二一年九月二十八日，董事建議就截至二零二一年六月三十日止年度派發特別股息每股3.0港仙，共11,076,000港元。此項股息已於截至二零二一年十二月三十一日止期間內支付。

於二零二二年二月二十四日，董事宣佈就截至二零二一年十二月三十一日止期間派發中期股息每股1.5港仙，共5,538,000港元。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

12 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company for the period of HK\$33,979,000 (six months ended 31st December 2020: HK\$37,114,000) and 369,200,000 (six months ended 31st December 2020: 369,200,000) ordinary shares in issue during the period.

Dilutive earnings per share for the period ended 31st December 2021 and 2020 equal basic earnings per share as there was no dilutive potential ordinary share as at the period ended 31st December 2021 and 2020.

簡明綜合中期財務資料附註(續)

12 每股盈利

每股基本盈利乃根據本期公司股東應佔溢利33,979,000港元(截至二零二零年十二月三十一日止六個月：37,114,000港元)及期內已發行普通股369,200,000股(截至二零二零年十二月三十一日止六個月：369,200,000股)計算。

於二零二一年十二月三十一日及二零二零年十二月三十一日，本公司並無具攤薄潛力之普通股，因此，於截至二零二一年十二月三十一日及二零二零年十二月三十一日兩個期間，每股攤薄盈利相等於每股基本盈利。



NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

13 PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE
ASSETS AND INVESTMENT PROPERTIES13 物業、廠房及設備、使用權資產和
投資物業

		Unaudited 未經審核		
		Property, plant and equipment 物業、廠房及 設備 HK\$'000 千港元	Right-of-use assets 使用權資產 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元
Net book value as at 1st July 2021	於二零二一年七月一日之 賬面淨額	113,126	27,107	155,013
Currency translation differences	匯兌差額	1,926	332	631
Additions	增加	10,163	—	—
Disposal	出售	(165)	—	—
Depreciation (Note 8)	折舊(附註8)	(9,666)	(2,911)	—
Net book value as at 31st December 2021	於二零二一年十二月三十一日 之賬面淨額	115,384	24,528	155,644
Net book value as at 1st July 2020	於二零二零年七月一日之 賬面淨額	105,307	25,167	155,292
Currency translation differences	匯兌差額	6,142	1,414	2,398
Additions	增加	8,355	—	—
Depreciation (Note 8)	折舊(附註8)	(8,725)	(2,366)	—
Net book value as at 31st December 2020	於二零二零年十二月三十一日 之賬面淨額	111,079	24,215	157,690

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

14 TRADE AND BILLS RECEIVABLES

14 貿易應收款及應收票據

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Trade receivables	貿易應收款	220,829	248,141
Less: loss allowance	減：虧損撥備	(5,644)	(4,770)
		215,185	243,371
Bills receivables	應收票據	19,089	33,452
		234,274	276,823

At 31st December 2021, the aging analysis of trade receivables, based on invoice date, is as follows:

於二零二一年十二月三十一日貿易應收款根據發票日期之賬齡分析如下：

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	202,871	242,905
91-180 days	91—180日	10,927	791
Over 180 days	超過180日	7,031	4,445
		220,829	248,141

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

14 TRADE AND BILLS RECEIVABLES (Continued)

The majority of the Group's sales are with credit terms of 30 to 90 days. The remaining amounts are on letter of credit or documents against payment.

Bill receivables are mainly with maturity period of within 180 days.

At 31st December 2021, there are bills of exchange of HK\$9,627,000 (as at 30th June 2021: HK\$11,031,000) transferred to banks with recourse in exchange for cash. The transactions had been accounted for as collateralised bank advances (Note 16).

15 TRADE PAYABLES

At 31st December 2021, the aging analysis of trade payables, based on invoice date, is as follows:

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	67,561	76,975
91-180 days	91—180日	59	367
Over 180 days	超過180日	1,452	910
		69,072	78,252

簡明綜合中期財務資料附註(續)

14 貿易應收款及應收票據(續)

本集團大部份銷售的信貸期為三十至九十日，其餘以信用狀或付款交單方式進行。

應收票據之到期日主要為一百八十日內。

於二零二一年十二月三十一日，並無任何附追索權之貼現票據轉讓予若干銀行以換取現金9,627,000港元(於二零二一年六月三十日：11,031,000港元)。有關交易已列為抵押化的銀行墊款(附註16)。

15 貿易應付款

於二零二一年十二月三十一日貿易應付款根據發票日期之賬齡分析如下：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 BORROWINGS

16 借貸

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Bank loans due for repayment within one year - secured	需於一年內償還之銀行貸款 — 有抵押	42,260	68,774
Trust receipt loans due for repayment within one year - secured	需於一年內償還之信託收據貸款 — 有抵押	295,384	239,903
Bank advances for discounted bills (Note 14)	銀行貼現票據墊款(附註14)	9,627	11,031
Total borrowings	總借貸	347,271	319,708

Movements in borrowings are analysed as follows:

借貸變動分析如下：

		Unaudited 未經審核 six months ended 31 December 截至十二月三十一日止六個月 2021 HK\$'000 千港元	2020 HK\$'000 千港元
Opening amount as at 1st July	於七月一日之期初金額	319,708	365,377
Currency translation differences	匯兌差額	129	3,815
Repayment of borrowings	償還借貸	(41,378)	(62,572)
Drawdown of new borrowings	新借貸款	13,331	26,998
Increase/(decrease) in trust receipt loans	信託收據貸款增加/(減少)	55,481	(11,856)
Closing amount as at 31st December	於十二月三十一日之期末金額	347,271	321,762

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 BORROWINGS (Continued)

The Group has the following undrawn borrowing facilities:

16 借貸(續)

本集團有以下未使用之借貸額度：

	Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Floating rate – expiring beyond one year	180,821	241,407
浮動利率 – 一年以上到期		

Note:

Bank borrowings of the Group are secured by certain property, plant and equipment, rights-of-use assets, investment properties and restricted cash with carrying amounts of HK\$33,674,000 (as at 30th June 2021: HK\$34,776,000), HK\$2,754,000 (as at 30th June 2021: HK\$2,812,000), HK\$39,385,000 (as at 30th June 2021: HK\$39,385,000) and HK\$39,466,000 (as at 30th June 2021: HK\$38,344,000), respectively.

附註：

本集團之銀行貸款以部分物業、廠房及設備、使用權資產、投資物業及受限制的銀行存款為抵押，其賬面值分別為33,674,000港元(於二零二一年六月三十日：34,776,000港元)、2,754,000港元(於二零二一年六月三十日：2,812,000港元)、39,385,000港元(於二零二一年六月三十日：39,385,000港元)及39,466,000港元(於二零二一年六月三十日：38,344,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

17 SHARE CAPITAL

17 股本

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Authorised:	法定股本：		
800,000,000 (30th June 2021: 800,000,000) ordinary shares of HK\$0.10 each	800,000,000 (於二零二一年 六月三十日：800,000,000) 每股面值0.10港元之普通股	80,000	80,000
Issued and fully paid:	已發行及繳足股本：		
369,200,000 (30th June 2021: 369,200,000) ordinary shares of HK\$0.10 each	369,200,000 (於二零二一年 六月三十日：369,200,000) 每股面值0.10港元之普通股	36,920	36,920

18 COMMITMENTS

Capital commitments

18 承擔

資本承擔

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Property, plant and equipment: Contracted but not provided for	物業、廠房及設備： 已授權但未簽約	1,386	4,392

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

19 RELATED PARTY TRANSACTIONS

The Group is controlled by Good Benefit Limited, a company incorporated in the British Virgin Islands, which owns 53.3% of the Company's shares. The remaining 46.7% of the shares were widely held. Substantially all of the shares of Good Benefit Limited are beneficially owned by certain Directors of the Company.

Details of compensation paid to key management of the Group (all being Directors of the Company) are as follows:

簡明綜合中期財務資料附註(續)

19 關連人士交易

本集團由 Good Benefit Limited (在英屬處女群島註冊成立之公司) 控制，其擁有本公司百分之五十三點三股權，其餘之百分之四十六點七股權為廣泛持有。Good Benefit Limited 實質上大部分股權由本公司之部分董事實益持有。

支付予本集團主要管理人員(均為本公司之執行董事)之酬金詳情如下：

		Unaudited 未經審核	
		six months ended 31st December 截至十二月三十一日止六個月	
		2021	2020
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, allowances and other benefits in kind	基本薪酬、津貼及其他實物利益	6,330	8,893
Pensions - defined contribution plans	退休金－界定供款計劃	54	54
		6,384	8,947

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

19 RELATED PARTY TRANSACTIONS (Continued)

In addition to key management compensation disclosed above, the following transactions were carried out with related parties:

19 關連人士交易(續)

除主要管理人員之酬金外，與關連人士進行的交易如下：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2021 HK\$'000 千港元	2020 HK\$'000 千港元
Lease payment to related parties:	交付予關連人士之應付租賃款項：		
– Build Fair Limited (Note i)	– 景聰有限公司(附註i)	512	522
– Shine Systems Plastic Material Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註ii)	477	502
– Mr. Hui Sai Chung (Note iii)	– 許世聰先生(附註iii)	158	157
		1,147	1,181
Interest expense to related parties:	予關連人士之利息支出：		
– Build Fair Limited (Note i)	– 景聰有限公司(附註i)	10	25
– Shine Systems Plastic Material Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註ii)	12	14
– Mr. Hui Sai Chung (Note iii)	– 許世聰先生(附註iii)	11	18
		33	57

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

19 RELATED PARTY TRANSACTIONS (Continued)

19 關連人士交易(續)

		Unaudited 未經審核 31st December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2021 於二零二一年 六月三十日 HK\$'000 千港元
Lease liabilities to related parties:	予關聯人士之租賃負債：		
– Build Fair Limited (Note i)	– 景聰有限公司(附註i)	346	843
– Shine Systems Plastic Material Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註ii)	794	1,271
– Mr. Hui Sai Chung (Note iii)	– 許世聰先生(附註iii)	300	447
		1,440	2,561

Notes:

- (i) Build Fair Limited is a company wholly owned by Mr. HUI Sai Chung, a Director of the Company.
- (ii) Shine Systems Plastic Material Company Limited is a company wholly owned by Mr. HUI Kwok Kwong, a Director of the Company.
- (iii) Mr. HUI Sai Chung is a Director of the Company.

Lease payments made to related parties are on mutually agreed basis.

附註：

- (i) 景聰有限公司由本公司董事許世聰先生全資擁有。
- (ii) 百亮塑膠原料有限公司由本公司董事許國光先生全資擁有。
- (iii) 許世聰先生為本公司董事。

支付予有關連人士的應付租賃款項根據一般商業條款及條件訂立。

INTERIM DIVIDEND

The Directors are pleased to declare an interim dividend of Hong Kong 1.5 cents per share for the six months ended 31st December 2021 to members whose names appear on the Register of Members on 25th March 2022. The interim dividend will be paid on or before 11th April 2022.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Wednesday, 23rd March 2022 to Friday, 25th March 2022 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Tuesday, 22nd March 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the second half of 2021, the COVID-19 pandemic prevailed worldwide and the Covid variants Delta and Omicron emerged and impeded economic recovery. At the same time, international shipping had yet to return to normal because of the pandemic. That coupled with high international crude oil price caused plastic material prices to also hover high. Given the uncertain economic outlook, overall sales volume of the Group declined year-on-year. For the six months ended 31st December 2021, the Group's total turnover was HK\$931,125,000 (2020: HK\$951,987,000), a slight 2.2% less than that of the same period last year.

中期股息

董事會欣然宣佈派發截至二零二一年十二月三十一日止六個月之中期股息每股1.5港仙予於二零二二年三月二十五日名列股東名冊之股東。中期股息將於二零二二年四月十一日或之前支付。

暫停辦理股份過戶登記手續

本公司將由二零二二年三月二十三日(星期三)至二零二二年三月二十五日(星期五)，首尾兩天包括在內，暫停辦理股票過戶登記手續。為確保享有中期股息，所有填妥之股份過戶文件連同有關股票，須於二零二二年三月二十二日(星期二)下午四時正前送達本公司之香港股份過戶登記分處，聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室，辦理登記。

管理層討論及分析

業務回顧

回顧二零二一年下半年，環球各地的新型冠狀病毒病(COVID-19)疫情仍未見盡頭，更爆發Delta及Omicron變種病毒，窒礙經濟復甦。同時，國際航運受疫情影響未能完全回復正常，加上國際原油價格處於高位，刺激塑膠原料價格於高位徘徊。由於經濟前景不明朗，令本集團整體銷量按年下跌。截至二零二一年十二月三十一日止六個月，本集團之總營業額為931,125,000港元(二零二零年：951,987,000港元)，較去年同期微降百分之二點二。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

During the period, the Group adjusted the prices of certain products and continued to optimise its product mix plus strengthened the cost control. At those efforts, overall gross profit of the Group climbed 6.5% to HK\$160,623,000 (2020: HK\$150,875,000) and gross profit margin rose by 1.4 percentage points year-on-year to 17.3%.

Plastic prices started trending up in the fourth quarter of 2020 till mid-2021 and remained relatively high in the second half of 2021. In 2020, the Chinese Government provided corporate social security expense concessions amid the pandemic, and rental for leased factories was also partially waived. However, as such moves ended in the period under review, costs of the Group mounted. Facing also risen salary costs and some production lines not operating in full due to the pandemic, the Group's operating costs surged notably year-on-year in the second half of 2021. Profit attributable to the Company's equity holders decreased by 8.4% to approximately HK\$33,979,000 (2020: HK\$37,114,000). Basic earnings per share were HK9.20 cents (2020: HK10.05 cents).

To reward shareholders for their unwavering support, the Board of Directors ("the Board") has recommended payment of an interim dividend of HK1.5 cents per share (2020: an interim dividend of HK1.0 cent per share and a special dividend of HK1.0 cent per share).

管理層討論及分析(續)

業務回顧(續)

期內，本集團調整部分產品價格，加上持續優化產品組合，並加大成本控制力度，令回顧期內本集團的整體毛利增加百分之六點五至160,623,000港元(二零二零年：150,875,000港元)，毛利率較去年同期增加一點四個百分點至百分之十七點三。

塑料價格由二零二零年第四季度開始上揚至翌年年中；而價格於二零二一年下半年仍處於較高位置。於二零二零年，中國內地政府因應疫情而提供企業社會保障開支寬免，租賃廠房之租金亦獲得部分寬免。然而，有關措施在回顧期內已結束，導致期內成本增加，加上員工薪酬成本上升，及有部分生產線受疫情影響而未能全面投產，令本集團於二零二一年下半年的經營成本按年顯著上升，期內公司股東應佔溢利按年下跌百分之八點四，至約33,979,000港元(二零二零年：37,114,000港元)。每股基本盈利為9.20港仙(二零二零年：10.05港仙)。

為回饋股東對本集團不懈支持，董事會建議派發中期股息每股1.5港仙(二零二零年：中期股息每股1.0港仙及特別股息每股1.0港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

During the period under review, there were international shipping delays every now and then, affecting stability of the global supply chain. Sales volume of the Group's plastic material trading business was also affected, with turnover was down by 7.7% to HK\$602,268,000 (2020: HK\$652,386,000) for the period under review. However, prompted by the pandemic outbreak, public health and hygiene awareness has increased and, as such, demand for post-pandemic products such as medical devices and air filter systems remained stable. At the same time, the Group moderately adjusted product prices and managed to transfer part of the costs, and its sales team also succeeded in expanding the Group's clientele. Thus, in the second half of 2021, orders came in for new projects involving such as next generation new energy vehicles and high-end small personal care appliances. With operating costs relatively stable, the gross profit margin of plastic material trading business increased by 2.7 percentage points year-on-year. Profit before taxation of the business also increased, by 30% year-on-year, to HK\$26,486,000 (2020: HK\$20,367,000).

As for engineering plastic product business, driven by orders from new customers, saw turnover increased by 16.4% year-on-year to HK\$142,736,000 (2020: HK\$122,640,000). However, with raw material prices lingering high, gross profit margin of the business dropped by a slight 0.8 percentage point. Nonetheless, at the Group's stringent cost control measures, profit before tax of the business increased by 37.5% year-on-year to HK\$23,290,000 (2020: HK\$16,938,000), which was satisfactory. With various countries implementing different pandemic prevention measures, many companies have adopted flexible work-from-home arrangements, which has greatly increased the time consumers spend at home and that in turn has stimulated demand for general household electrical appliances such as kitchenware. Spotting the trend, the Group started in the previous financial year, to tap the high-end kitchenware market the promises higher gross profit. In the second half of 2021, the Group continued to enrich its product portfolio and increased R&D investment and efforts at the Dongguan base to develop more product formulas for high-end kitchenware, so as to meet the orders of customers with more diverse demands.

管理層討論及分析(續)

業務回顧(續)

回顧期內，國際航運時有延誤，影響全球供應鏈穩定性。本集團之塑膠原料貿易業務銷量亦受拖累，營業額於回顧期內下跌百分之七點七，至602,268,000港元(二零二零年：652,386,000港元)。不過，由於疫情提高市民保健及衛生意識，醫療器材、空氣過濾系統等後疫情產品需求穩定。同時，本集團適度調整產品價格，將部分成本成功轉移，而銷售團隊亦成功開拓客源，於二零二一年下半年接獲新一代新能源汽車和高級個人護理小家電的新項目訂單。塑膠原料貿易業務經營成本相對穩定，令本分部業務的毛利率按年增加二點七個百分點，而除稅前盈利亦按年上升百分之三十，至26,486,000港元(二零二零年：20,367,000港元)。

工程塑料業務方面，在新客戶訂單的帶動下，營業額按年上升百分之十六點四，至142,736,000港元(二零二零年：122,640,000港元)。然而，原材料價格持續高企，令毛利率微跌零點八個百分點；但本集團憑藉嚴謹的成本控制措施，令此業務於回顧期內除稅前盈利按年上升三十七點五至23,290,000港元(二零二零年：16,938,000港元)，業績表現理想。延續各國因應疫情推出的各種防疫措施，不少企業相繼推出彈性在家工作安排，大大提高一般消費者留家時間，刺激一般家庭電器如廚具用品等需求；有見及此，本集團早於上一個財政年度進軍毛利較高的高端廚具用品市場，二零二一年下半年繼續豐富現有產品組合，並加大對東莞基地的研發投入和力度，開發更多適用於高端廚具用品的產品配方，以滿足客戶更多元的訂單需求。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

BUSINESS REVIEW (Continued)

On the contrary, the colorant, pigment and compounded plastic resin business was affected by cost hike in the period under review. Although its turnover increased by 5.2% year-on-year to HK\$186,121,000 (2020: HK\$176,961,000), gross profit margin was down by 4.5 percentage points and profit before tax also fell, by 94.1%, to HK\$904,000 (2020: HK\$15,372,000). The notable increase in costs was mainly due to the five factories serving the business needed more human resources, and the absence of the corporate social security expense concession from the Mainland China Government and the rental concession for leased factories during the period. Also, as some factories had to temporarily suspend work due to COVID-19 and employees had to work overtime subsequently to catch up with production schedule, additional expenses were incurred. All of the above led to higher costs. During the period under review, the Group continued to focus on increasing production of high-end sanitary products and electronic products, and expanding the production capacity of various factories so that it might secure high-gross-profit-margin orders and maintain stable business development.

PROSPECTS

International oil prices are still high, and with the pandemic prevailing and uncertain, international shipping schedules have not returned to normal and raw material market supply has remained tense. The Group expects "internal circulation" to continue to be the mainstream tactic in the mainland market and sees the world overall to still be overshadowed by the pandemic with the Delta and Omicron variants spreading. At the same time, as the interest rate hike cycle in Europe and the US is about to begin, the Group expects overseas customers to adopt a more prudent ordering strategy in coping with the current economic environment.

管理層討論及分析(續)

業務回顧(續)

相對而言，着色劑、色粉及混料業務於回顧期內的受成本上升所影響，雖然營業額按年上升百分之五點二，至186,121,000港元(二零二零年：176,961,000港元)，但毛利率下降四點五個百分點，除稅前盈利亦下跌百分之九十四點一至904,000港元(二零二零年：15,372,000港元)。成本上升主要由於本業務分部共有五家廠房，需要投入較多人力資源，加上中國內地政府提供的企業社會保障開支寬免及業主提供的租賃廠房租金寬免已於期內結束，令成本顯著增加，加上疫情一度令個別廠房短暫停工，員工加班追趕生產進度，因而產生額外開支，以上種種都令成本有所上升。回顧期內，本集團繼續集中增加生產高端衛浴產品及電子產品等，並持續提升各廠房產能，爭取高毛利率的訂單，以保持業務穩定發展。

展望

國際油價仍處於高位，加上由於疫情發展仍未明朗，國際航運班次暫未能回復正常，原材料市場供應仍見緊張。本集團預期，國內市場繼續以內循環為發展主調，而全球各地不斷出現Delta及Omicron變種病毒個案，環球至今仍未走出疫情陰霾。同時，歐美加息周期即將展開，本集團預期海外客戶會採取更審慎的下單策略應對當前經濟環境。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS (Continued)

Although high international oil prices have caused prices of plastic raw materials to stay high, the Group is prepared to ward off and manage related risks, including controlling inventory level and maintaining a strong capital position to greet challenges as well as opportunities in 2022. In the past two years, the Group secured more new customers, involving such as higher added-value and high margin products like high-end kitchenware and smart devices. In the future, the Group will explore opportunities of connecting directly with end-customers and actively look for business opportunities in related areas.

Moreover, the Group will step up research and development efforts. On top of enhancing product quality, it will actively match the needs of different customers and develop advanced high-end production technologies, to the ends of optimising its product portfolio and bolstering overall gross profit margin. As for cost control, it will actively improve overall administrative and operational efficiency, continuously implement stringent cost control measures, including reducing administrative and distribution fees and production costs. Furthermore, it is also preparing for the upcoming interest rate hike cycle, with plans to discuss with more banks on options to reduce interest expenses, such as participating in green finance.

The Group was able to mitigate the pandemic's impact on its businesses and deliver stable performance for the period under review, thanks to the strong support of the management team and customers, as well as the diligence and contribution of all staff. As always, it will continue to operate and develop businesses with a prudent and active approach, and do its utmost to achieve the primary goals of assuring long-term business development and maximising returns to shareholders to reward all stakeholders for their trust and support.

管理層討論及分析(續)

展望(續)

雖然國際油價處於高位令塑膠原料價格居高不下，然而，本集團已做好防範與管理風險的各項準備，包括控制存貨水平，保持資本實力，以迎接二零二二年的挑戰和機遇。過去兩年本集團拓展至更多新客戶，例如高端廚具用品及智能設備等較高增值、高毛利的產品，本集團在未來會進一步探索其他直接與終端客戶接洽的機會，積極在相關範疇尋找商機。

此外，本集團將加強研發，在進一步強化產品質素的同時，積極配合不同客戶的需要，及同時推進高端生產技術，務求進一步優化產品組合，以提升整體毛利率。成本控制方面，本集團會積極提升整體行政效率及營運效益，並繼續嚴格執行成本控制，包括降低行政、分銷費用以及生產成本等措施。另一方面，本集團亦為即將來臨的加息周期做好準備，正計劃與更多銀行共同探討減低利息支出的方案，例如參與綠色貸款等。

本集團成功減低疫情對業務的影響，於回顧期內穩住業績，實在有賴管理團隊及客戶的支持和全體員工的辛勞貢獻。本集團將誠如以往，以穩健和積極的態度經營及發展，並將繼續竭盡所能，致力為本集團長遠發展及為股東帶來最大回報為首要目標，以回饋各持份者的信任和擁戴。

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cashflow and banking facilities provided by its principal bankers. As at 31st December 2021, the Group has available aggregate bank loan facilities of approximately HK\$556,146,000 of which HK\$375,325,000 have been utilised and were secured by corporate guarantee issued by the Group and legal charges on certain leasehold land and buildings, investment properties and machinery and equipment in Mainland China and Hong Kong owned by the Group. The Group's cash and bank balances as at 31st December 2021 amounted to approximately HK\$248,014,000. The Group's gearing ratio as at 31st December 2021 was approximately 55.8%, based on the total bank borrowings of approximately HK\$347,271,000 and the shareholders' funds of approximately HK\$622,207,000.

Details of the Group's capital commitments are disclosed in Note 18 to the condensed consolidated interim financial information.

FOREIGN EXCHANGE RISK

The Group's bank borrowings and cash and cash equivalents are primarily denominated in Hong Kong dollars, Renminbi and US dollars. The Group's purchases were principally denominated in US dollars. The Group closely monitors currency fluctuations and manages its exchange risk by entering into forward exchange contracts from time to time.

As at 31st December 2021, the Group did not have any outstanding forward foreign exchange contracts.

流動資金及財務資源

本集團一般以內部流動現金及主要銀行提供銀行貸款作為營運資金。於二零二一年十二月三十一日，本集團可動用銀行貸款約556,146,000港元，經已動用合共約375,325,000港元，該等貸款乃由本集團發出的擔保及本集團擁有之若干中國內地及香港租賃土地及樓宇、投資物業及機器及設備之法定抵押作擔保。本集團於二零二一年十二月三十一日之現金及銀行結餘約為248,014,000港元。根據銀行貸款總額約347,271,000港元及股東資金約622,207,000港元計算，本集團於二零二一年十二月三十一日之資產負債比率約為百分之五十五點八。

有關本集團之資本承擔已刊載於簡明綜合中期財務資料附註18。

外匯風險

本集團之銀行借貸及現金及現金等額主要為港元、人民幣及美元。本集團的採購主要以美元計算。本集團不時密切監察匯率波動情況及透過對沖遠期外匯合約管理匯率波動風險。

於二零二一年十二月三十一日，本集團未有任何未交收外匯遠期合約。

EMPLOYEE INFORMATION

As at 31st December 2021, the Group employed a total of approximately 623 full-time employees. The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually. The Group has an incentive scheme which is geared to the profit of the Group and the performance of its employees, as an incentive to motivate its employees to increase their contribution to the Group. The Group also provides social and medical insurance coverage, and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

SHARE OPTIONS

On 22nd November 2012, the Company has adopted a share option scheme (the "Scheme") and terminated the share option scheme adopted by the Company on 5th December 2002. Under the terms of the Scheme, the Directors may, at their discretion, invite eligible participants to take up Share Options to subscribe for the shares of the Company subject to the terms and conditions stipulated therein.

No Share Options under the Scheme were granted, exercised or cancelled during the period.

僱員資料

於二零二一年十二月三十一日，本集團有合共約623名全職僱員。本集團之酬金政策乃按個別僱員之表現而制訂，並每年定期檢討。本集團亦為其僱員提供一個獎勵計劃，以鼓勵員工增加對公司之貢獻，惟須視本集團之溢利及僱員之表現而定。本集團不同地區之僱員亦獲提供社會及醫療保險保障以及公積金計劃。

購買、出售及贖回本公司之上市證券

本公司於期內並無贖回其股票。本公司或其任何附屬公司於期內亦無購買或出售本公司之上市證券。

購股權

本公司之股東於二零一二年十一月二十二日採納了購股權計劃（「購股權計劃」），並同日取消了本公司之股東於二零零二年十二月五日接納之購股權計劃。根據購股權計劃之條款及條件，董事會可酌情邀請合資格參與者接納可認購本公司股份之購股權。

於期內概無根據購股權計劃授出、行使或取消任何購股權。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31st December 2021, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉

於二零二一年十二月三十一日，本公司各董事及最高行政人員於本公司或其任何相關法團(定義見證券及期貨條例(「證券期貨條例」)第XV部)須向本公司申報之權益或已登記於根據證券期貨條例第352條存置之名冊之股份，相關股份及債券之權益及淡倉，或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)之上市公司董事進行證券交易的標準守則(「標準守則」)已向本公司及聯交所申報者如下：

Ordinary shares of HK\$0.10 each in the Company

本公司每股面值0.10港元之普通股

Number of shares of the Company beneficially held

實益持有之本公司股份數目

Name of Directors	董事姓名		Personal interests 個人權益	Corporate interests 法團權益	Family interests 家屬權益	Other interests 其他權益
Mr. HUI Sai Chung	許世聰先生	Long Positions 好倉	19,297,600	202,721,500(a)	—	—
Mr. HUI Kwok Kwong	許國光先生	Long Positions 好倉	19,850,400	198,803,500(b)	—	—
Mr. HUI Yan Kuen	許人權先生	Long Positions 好倉	—	—	—	(c)
Mr. HUI Yan Lung Geoffrey	許人龍先生	Long Positions 好倉	—	—	—	(d)
Mr. HUI Man Wai	許文偉先生	Long Positions 好倉	250,000	—	—	(e)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes:

- (a) 196,721,500 of these shares are held by Good Benefit Limited ("Good Benefit"), a company in which Ever Win Limited ("Ever Win") holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly.

50,001 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Sai Chung. Mr. HUI Sai Chung and his spouse further own 33,957 and 5 class A non-convertible redeemable preferred shares of no par value in Ever Win respectively.

- (b) 196,721,500 of these shares are held by Good Benefit, a company in which Evergrow Company Limited ("Evergrow") holds a 45.1% interest (note (e)). In addition, 2,082,000 shares are held by Evergrow directly.

50,000 ordinary shares of one Canadian dollar each in Evergrow are held by Mr. HUI Kwok Kwong. Mr. HUI Kwok Kwong further owns 30,823 class A non-convertible redeemable preferred shares of no par value in Evergrow.

- (c) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Kuen.

- (d) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Lung Geoffrey.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：

- (a) 該等股份中之196,721,500股乃由Good Benefit Limited(「Good Benefit」)持有。Ever Win Limited(「Ever Win」)持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。

Ever Win每股面值1加元之普通股份50,001股由許世聰先生持有。許世聰先生及其配偶分別擁有Ever Win A級無面值不可兌換可贖回優先股份33,957股及5股。

- (b) 該等股份中之196,721,500股乃由Good Benefit持有。Evergrow Company Limited(「Evergrow」)持有Good Benefit百分之四十五點一權益(附註(e))。此外，2,082,000股股份由Evergrow直接持有。

Evergrow每股面值1加元之普通股份50,000股由許國光先生持有。許國光先生另擁有Evergrow A級無面值不可兌換可贖回優先股份30,823股。

- (c) 該等股份中之196,721,500股乃由Good Benefit持有。Ever Win持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。Ever Win每股面值1加元之普通股份333股由許人權先生持有。

- (d) 該等股份中之196,721,500股乃由Good Benefit持有。Ever Win持有Good Benefit百分之四十五點一權益(附註(e))。此外，6,000,000股股份由Ever Win直接持有。Ever Win每股面值1加元之普通股份333股由許人龍先生持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes: (Continued)

- (e) The beneficial interests of the Directors in the share capital of Good Benefit, which held 196,721,500 shares of the Company as at 31st December 2021 are as follows:

Name of Directors	董事姓名	Number of shares 股份數目	Percentage of holding 持股百分比
Mr. HUI Sai Chung	許世聰先生	4,510	45.1%
Mr. HUI Kwok Kwong	許國光先生	4,510	45.1%
Mr. HUI Man Wai	許文偉先生	360	3.6%
Others	其他	620	6.2%
		10,000	100.0%

At 31st December 2021, the following Directors owned interests in non-voting deferred shares in Ngai Hing Hong Plastic Materials Limited, which are subject to an option granted to Ngai Hing (International) Company Limited to acquire the said non-voting deferred shares.

Name of Directors	董事姓名	Number of non-voting deferred shares held 持有無投票權遞延股份數目	
		Personal interests 個人權益	Other interests 其他權益
Mr. HUI Sai Chung	許世聰先生	200,000	50,000 (i)
Mr. HUI Kwok Kwong	許國光先生	200,000	50,000 (ii)

Notes:

- (i) These shares are held by Ever Win.
(ii) These shares are held by Evergrow.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：(續)

- (e) 董事在Good Benefit(於二零二一年十二月三十一日持有本公司196,721,500股股份)股本之實益權益如下：

於二零二一年十二月三十一日，下列董事擁有毅興塑膠原料有限公司無投票權遞延股份權益，而該公司並已授予Ngai Hing (International) Company Limited可購買上述無投票權遞延股份之購股權。

附註：

- (i) 該等股份由Ever Win持有。
(ii) 該等股份由Evergrow持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Save as disclosed above and other than certain nominee shares in the subsidiaries of the Company held by certain Directors of the Company in trust for the Group as at 31st December 2021, none of the Directors and chief executives have any beneficial or non-beneficial interests in the share capital of the Company and associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed under the section headed by "Share Options" above,

- (a) at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and
- (b) none of the Directors, chief executives, their spouses or children under the age of 18 had been granted any right to subscribe for shares in or debentures of the Company, or exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31st December 2021, the register of substantial shareholders maintained under Section 336 of the SFO shows that the Company had not been notified of any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital, other than those of the Directors and chief executives as disclosed above.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

除上文所披露及本公司若干董事以信託方式代本集團持有本公司若干附屬公司代理人股份外，於二零二一年十二月三十一日，根據證券期貨條例第352條規定存置之名冊所記錄或根據標準守則而向本公司及聯交所作出的知會，各董事及最高行政人員於本公司及相關法團(具有證券期貨條例第XV部的涵義)之股本中概無擁有任何根據證券期貨條例須予披露之實益或非實益權益。

除上述「購股權」一段所列外：

- (a) 於本期間任何時間內，本公司、其控股公司或其任何附屬公司並無參與訂立任何安排，致使本公司董事或最高行政人員可藉購買本公司或任何其他法人團體之股份或債券而獲益；及
- (b) 各董事、最高行政人員、其配偶或十八歲以下之子女概無獲授予可認購本公司股份或債券之權利，或已行使此等權利。

主要股東於本公司股份及相關股份之權益及淡倉

除上文所披露有關董事之權益外，根據本公司按證券期貨條例第336條而存置之主要股東名冊所顯示，本公司概無接獲任何人士於二零二一年十二月三十一日擁有本公司已發行股本百分之五或以上權益及淡倉之通知。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transaction. The Company has made specific enquiry to all Directors and all Directors confirmed that they had complied with the required standard of dealings set out therein during the period.

CORPORATE GOVERNANCE PRACTICE

The Company is committed to the establishment of good corporate governance practices and procedures which serve as an important element of risk management throughout the growth and expansion of the Company. The Company emphasises on maintaining and carrying out sound, solid and effective corporate governance principles and structures.

The Company has complied with all the applicable code provisions as set out in Corporate Governance Code and Corporate Governance Report to the Appendix 14 of the Listing Rules (the "CG Code") throughout the six months ended 31st December 2021, except for the deviation as mentioned below.

According to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Up to the date of this interim report, the Board has not appointed any individual to be the chief executive. The roles of the chief executive have been performed collectively by all the executive directors, including the chairman, of the Company. The Board considers that this arrangement allows contributions from all executive directors with different expertise and is beneficial to the continuity of the Company's policies and strategies. Going forward, the Board will periodically review the effectiveness of this arrangement and considers appointing an individual to chief executive when it thinks appropriate.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the audit committee of the Company (the "Audit Committee") in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之標準守則作為董事進行證券交易之標準守則。本公司已向所有董事作出特定查詢，而全體董事已確認彼等於期內均有遵守當中所要求之買賣標準。

企業管治常規

本公司致力建立良好企業管治常規及程序，在擴大本公司的業務中，該常規及程序為風險管理之重要元素。本公司著重維持及執行優良、穩健及有效的良好企業管治常規及架構。

除下文所述的偏離外，截至二零二一年十二月三十一日止六個月，本公司一直遵守上市規則附錄14《企業管治守則》及《企業管治報告》(「守則」)所載列之所有適用守則條文。

根據守則條文第A.2.1條，主席及行政總裁之職能應分開，不應由一人同時兼任。直至本中期報告日期，董事會尚未委任任何人士擔任行政總裁。行政總裁之職責乃由本公司所有執行董事(包括主席)共同擔任。董事會認為，該安排讓各位擁有不同專業的執行董事共同決策，亦可貫徹執行本公司之政策及策略，故符合本集團利益。展望未來，董事會將定期檢討該安排之成效，及考慮於適當時候委任行政總裁。

就加強風險管理及內部監控系統，本公司已委聘外界顧問負責協助董事會及本公司的審核委員會(「審核委員會」)以持續監控及執行本集團之內部審核功能，並將發現內部監控設計及執行之缺失及提供改善建議。重大內部監控缺失將適時向董事會及審核委員匯報以確保儘快執行整改行動。

CORPORATE GOVERNANCE PRACTICE (Continued)

The Board has reviewed and considered the Group's risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

NOMINATION COMMITTEE

The Company has formulated written terms of reference for the nomination committee of the Company (the "Nomination Committee") in accordance with the requirements of the Stock Exchange. The Nomination Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong and an executive Director, Mr. HUI Sai Chung.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board (including the skills, knowledge and experience) on a regular basis and make recommendations to the Board regarding any proposed changes; identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; assessing the independence of independent non-executive Directors; and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee would review the Board's composition from time to time where Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of services. The Nomination Committee meets at least once a year to assess the structure, size and composition of the Board.

企業管治常規(續)

本期間內董事會已檢討本集團的風險管理及內部監控系統的有效性，並認為已足夠。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標之風險，並只合理而非絕對保證可防範重大失實陳述或損失。

提名委員會

本公司根據聯交所之規定擬定本公司的提名委員會(「提名委員會」)的職權範圍。提名委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)及一名執行董事(許世聰先生)組成。

提名委員會負責定期檢討董事會的架構、規模及組合(包括技術、知識及經驗)，並就任何建議變更向董事會提出意見；識別具合適資格成為董事會成員的個人及就獲提名成為董事的個人作出篩選或向董事會作出選擇建議；評定獨立非執行董事的獨立性；及就有關董事的委任或再委任及董事的接任計劃之相關事項向董事會提供建議。提名委員會不時檢討董事會之組成，從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識以及服務年期。提名委員會每年最少就董事會的架構、規模及組合舉行一次會議。

AUDIT COMMITTEE

The Company has formulated written terms of reference for the Audit Committee in accordance with the requirements of the Stock Exchange. The Audit Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong.

The principal duties of the Audit Committee are to ensure the objectivity and credibility of financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company. The terms of reference of the Audit Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2021 with the Directors.

REMUNERATION COMMITTEE

The Company has formulated written terms of reference for the remuneration committee of the Company (the "Remuneration Committee") in accordance with the requirements of the Stock Exchange. The Remuneration Committee consists of three independent non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong and an executive Director, Mr. HUI Sai Chung.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and making recommendations to the Board on the remuneration packages of the individual executive Director and senior management. This includes benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. It takes into consideration on factors such as salaries paid by comparable companies, time commitment and responsibilities of Directors and senior management. The Remuneration Committee meets at least once a year to assess the performance and review the annual salaries and bonus of the senior executives.

審核委員會

本公司根據聯交所之規定擬定審核委員會之職權範圍。審核委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)組成。

審核委員會主要職責為確保財務報告及內部監控程序之客觀性及可信度，以及與本公司外聘的核數師保持良好關係。審核委員會的職權範圍與香港會計師公會頒布的《審核委員會有效運作指引》及上市規則內載的建議相符。

審核委員會已經與管理層審閱本集團所採納之會計原則及方法，並與董事討論有關內部監控及財務匯報事宜，包括審閱截至二零二一年十二月三十一日止六個月之未經審核簡明綜合中期財務資料。

薪酬委員會

本公司根據聯交所之規定擬定本公司的薪酬委員會(「薪酬委員會」)之職權範圍。薪酬委員會由三位獨立非執行董事(何偉志先生、程如龍先生及余志光先生)及一位執行董事(許世聰先生)組成。

薪酬委員會負責確保正式及具透明度之薪酬政策制訂程序，及向董事會就個別執行董事及高級管理層之薪酬組合提出建議，這包括實物利益、退休金權利及補償(當中包括因失去或中止其職務或委任引致之任何應付補償)。薪酬委員會考慮之因素包括可比較公司之薪金水平、各董事及高級管理人員所投入之時間及職責等。薪酬委員會每年最少舉行一次會議以評估表現及審閱高級管理人員每年之薪酬及獎金。

CORPORATE GOVERNANCE COMMITTEE

The Company has formulated written terms of reference for the corporate governance committee of the Company (the "Corporate Governance Committee") in accordance with the CG Code. The Corporate Governance Committee consists of all independent non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong.

The Corporate Governance Committee is responsible for developing and reviewing the policies and practices on corporate governance of the Group and making recommendations to the Board; reviewing and monitoring the training and continuous professional development of Directors and senior management; reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and reviewing the Group's compliance with the CG Code and disclosure in the Corporate Governance Report of the Company. The Corporate Governance Committee meets at least once a year to review the corporate governance functions.

On behalf of the Board

HUI Sai Chung

Chairman

Hong Kong,

24th February 2022

企業管治委員會

本公司根據守則之規定擬定本公司的企業管治委員會(「企業管治委員會」)的職權範圍。企業管治委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)組成。

企業管治委員會負責發展及檢討本集團企業管治的政策及實施並向董事會提出意見；檢討及監察董事及高級管理人員的培訓及持續專業進修；檢討及監察本集團就法律及規則的合規性要求的政策及實施；發展、檢討及監察適用於員工及董事的行為準則及合規手冊(如有)；及檢討本集團就守則的合規性及本公司於企業管治報告的披露。企業管治委員會每年最少就企業管治功能舉行一次會議。

代表董事會

主席

許世聰

香港，

二零二二年二月二十四日



Ngai Hing Hong Company Limited
毅興行有限公司

