



YUANDA CHINA HOLDINGS LIMITED 遠大中國控股有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股票代碼：2789

2022
ANNUAL REPORT
年報

Contents 目錄

Corporate Information 集團資料	2
Financial Highlights 財務摘要	5
Corporate Culture & Mission 企業文化及使命	6
Chairman's Statement 主席報告	7
Management Discussion and Analysis 管理層討論與分析	9
Directors and Senior Management 董事及高級管理人員	22
Corporate Governance Report 企業管治報告	30
Report of the Board of Directors 董事會報告	59
Independent Auditor's Report 獨立核數師報告	76
Consolidated Statement of Profit or Loss 合併損益表	87
Consolidated Statement of Profit or Loss and Other Comprehensive Income 合併損益及其他全面收益表	88
Consolidated Statement of Financial Position 合併財務狀況表	89
Consolidated Statement of Changes in Equity 合併權益變動表	91
Consolidated Cash Flow Statement 合併現金流量表	93
Notes to the Consolidated Financial Statements 合併財務報表附註	95
Five Year Financial Summary 五年財務摘要	236



Corporate Information

集團資料

DIRECTORS

Executive Directors

Kang Baohua (*Chairman*)

Liu Futao (*resigned on 4 July 2022*)

Zhao Zhongqiu

(*Chief executive officer appointed on 4 July 2022*)

Ma Minghui

Wang Hao

Zhang Lei

Independent non-executive Directors

Poon Chiu Kwok

Woo Kar Tung, Raymond

Pang Chung Fai, Benny

Yang Qianwen (*appointed on 18 April 2023*)

BOARD COMMITTEES

Audit Committee

Woo Kar Tung, Raymond (*Chairman*)

Poon Chiu Kwok

Pang Chung Fai, Benny

Yang Qianwen (*appointed on 18 April 2023*)

Nomination Committee

Kang Baohua (*Chairman*)

Poon Chiu Kwok

Pang Chung Fai, Benny

Yang Qianwen (*appointed on 18 April 2023*)

Remuneration Committee

Woo Kar Tung, Raymond (*Chairman*)

Liu Futao (*resigned on 4 July 2022*)

Zhao Zhongqiu (*appointed on 4 July 2022*)

Pang Chung Fai, Benny

Yang Qianwen (*appointed on 18 April 2023*)

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

HEADQUARTERS IN CHINA

20, Street 13

Shenyang Economic & Technological Development Area

Shenyang 110027

China

董事

執行董事

康寶華 (*主席*)

劉福濤 (*已於2022年7月4日辭任*)

趙忠秋

(*行政總裁，於2022年7月4日已獲委任*)

馬明輝

王昊

張雷

獨立非執行董事

潘昭國

胡家棟

彭中輝

楊倩雯 (*於2023年4月18日已獲委任*)

董事委員會

審核委員會

胡家棟 (*主席*)

潘昭國

彭中輝

楊倩雯 (*於2023年4月18日已獲委任*)

提名委員會

康寶華 (*主席*)

潘昭國

彭中輝

楊倩雯 (*於2023年4月18日已獲委任*)

薪酬委員會

胡家棟 (*主席*)

劉福濤 (*於2022年7月4日辭任*)

趙忠秋 (*於2022年7月4日獲委任*)

彭中輝

楊倩雯 (*於2023年4月18日已獲委任*)

註冊辦事處

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

中國總辦事處

中國

瀋陽市

瀋陽經濟技術開發區

13號街20號，郵編110027

Corporate Information

集團資料

PLACE OF BUSINESS IN HONG KONG

Office 11, 9/F
Fortune Commercial Building
362 Sha Tsui Road
Tsuen Wan, New Territories
Hong Kong

AUTHORIZED REPRESENTATIVES

Liu Futao (*resigned on 4 July 2022*)
Zhao Zhongqiu (*appointed on 4 July 2022*)
Yu Leung Fai (*HKICPA, AICPA, CPA (Aust)*)

COMPANY SECRETARY

Yu Leung Fai (*HKICPA, AICPA, CPA (Aust)*)

PRINCIPAL SHARE REGISTRAR

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG SHARE REGISTRAR

Link Market Services (Hong Kong) Pty Limited
Suite 1601, 16/F., Central Tower
28 Queen's Road Central,
Hong Kong

PLACE OF LISTING

The Main Board of The Stock Exchange of Hong Kong Limited
(the “**Stock Exchange**”)

STOCK CODE

2789

香港營業地點

香港
新界荃灣
沙咀道362號
全發商業大廈
9樓11室

授權代表

劉福濤(於2022年7月4日辭任)
趙忠秋(於2022年7月4日獲委任)
余亮暉(執業會計師(香港、美國、澳洲))

公司秘書

余亮暉(執業會計師(香港、美國、澳洲))

證券登記總處

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

香港證券登記處

Link Market Services (Hong Kong) Pty Limited
香港
中環皇后大道中28號
中匯大廈16樓1601室

上市地點

香港聯合交易所有限公司(「**聯交所**」)主板

股份代碼

2789

Corporate Information

集團資料

PRINCIPAL BANKERS

The Export-Import Bank of China, Liaoning Branch
Industrial and Commercial Bank of China Limited,
Shenyang Yu Hong Subbranch
China Development Bank, Liaoning Branch
Shengjing Bank, Shenyang Yuhong Subbranch
China Construction Bank, Shenyang Shenhe Branch
China Guangfa Bank, Shenyang Shenhe Subbranch
Shengjing Bank, Shenyang Economic and Technological
Development Zone Subbranch
Hua Xia Bank, Shenyang Changjiang Subbranch
Shenyang Rural Commercial Bank, Hunnan Subbranch
Huludao Rural Commercial Bank, Longgang Subbranch

AUDITORS

KPMG

*Public Interest Entity Auditor registered in accordance with
the Accounting and Financial Reporting Council Ordinance*

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

(resigned on 20 December 2021

and reappointed by the Board on 30 June 2022)

Moore Stephens CPAL limited

(appointed on 20 December 2021

and resigned on 17 June 2022)

LEGAL ADVISORS

As to Hong Kong law

Sidley Austin

WEBSITE

www.yuandacn.com

主要往來銀行

中國進出口銀行遼寧省分行
中國工商銀行股份有限公司
瀋陽於洪支行
國家開發銀行股份有限公司遼寧省分行
盛京銀行瀋陽市於洪支行
中國建設銀行股份有限公司瀋陽瀋河支行
廣發銀行股份有限公司瀋陽沈河支行
盛京銀行股份有限公司瀋陽市經濟技術
開發區支行
華夏銀行股份有限公司瀋陽長江支行
瀋陽農村商業銀行股份有限公司渾南支行
葫蘆島農村商業銀行股份有限公司龍港支行

核數師

畢馬威會計師事務所

於《會計及財務匯報局條例》下的註冊公眾
利益實體核數師

香港中環

遮打道10號

太子大廈8樓

(於2021年12月20日辭任

及於2022年6月30日重獲董事會委任)

大華馬施雲會計師事務所有限公司

(於2021年12月20日獲委任及

於2022年6月17日辭任)

法律顧問

香港法律

盛德律師事務所

網站

www.yuandacn.com

Financial Highlights 財務摘要

		2022 2022年 (Approximately) (概約)	2021 2021年 (Approximately) (概約)
Revenue (RMB million)	收入(人民幣百萬元)	3,263.6	3,055.3
Adjusted gross profit/(loss) margin (Note)	經調整毛利/(虧)率(附註)	11.1%	(13.8%)
Consolidated net profit/(loss) (RMB million)	合併淨利潤/(虧損) (人民幣百萬元)	72.1	(995.8)
Profit/(loss) attributable to equity shareholders of the Company (RMB million)	本公司股東應佔利潤/(虧損) (人民幣百萬元)	72.1	(995.8)
Net cash generated from operating activities (RMB million)	經營活動產生之淨現金 (人民幣百萬元)	76.8	134.1
Basic and diluted earnings/(loss) per share (RMB cents)	每股基本及攤薄盈利/(虧損) (人民幣分)	1.16	(16.04)
Proposed final dividend per share (HKD cents)	建議每股末期股息 (港仙)	NIL 無	NIL 無

Note: Adjusted gross profit/(loss) margin represents gross profit less impairment losses for trade and bills receivables and contract assets.

附註：經調整毛利/(虧)率列示毛利率經抵減貿易及票據應收款及合同資產之減值損失後之結果。

Corporate Culture & Mission

企業文化及使命

OPERATION PHILOSOPHY

Technology leads markets
Services create value

ENTERPRISE MOTTO

To do things honestly
To treat people sincerely
To understand causes and results
To unify theory and practice

CORPORATE MISSION

For the country
For the customers
For the employees
For the shareholders

MANAGEMENT CONCEPTS

Sustainable Development
Circular Improvement
Statistics Analysis
Continuous Improvement

PRODUCT CONCEPTS

Service
Quality
Cost

WEALTH CONCEPTS

Wealth means responsibility

TALENT CONCEPTS

Judging people on his performance
Talent comes first

MARKETING CONCEPTS

Identify the needs of the customers
Create value for the customers
Provide best services to the customers

CULTURE CONCEPTS

Respect
Communicate
Understand
Integrate
Pursue

DEVELOPMENT STRATEGIES

Independent Brand
Independent Intellectual Property
Independent Marketing Network

經營理念

科技引領市場
服務創造價值

企訓

真實做事
誠實待人
深明事理
知行合一

企業使命

「四為」，即「為國家、為客戶、
為員工、為股東」

管理理念

持續發展
迴圈改進
統計分析
不斷提高

產品理念

服務
品質
成本

財富理念

財富即責任

人才理念

依事看人
人才第一

市場理念

發現客戶需求
創造客戶價值
提供優質服務

文化理念

尊重
溝通
理解
融合
追求

發展戰略

自主品牌
自主知識產權
自主市場營銷網絡

Chairman's Statement

主席報告

Dear shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Yuanda China Holdings Limited (the “**Company**”), together with its subsidiaries (the “**Group**” or “**Yuanda China**”), I hereby present to you the Group's annual report for the year ended 31 December 2022 (the “**Reporting Period**”).

In 2022, the world economy was affected by multiple uncertainties, and the recovery process remained relatively slow. In view of the recurrence of the epidemic in many parts of the country, the government optimized and adjusted its epidemic prevention policies, laying a foundation for the improvement of economic activities. According to the National Bureau of Statistics, China's gross domestic product (the “GDP”) grew by 3% year-on-year for the year, and China's economy was able to make steady progress. Experiencing the market reshuffle and the impact of the pandemic for the past three years, the real estate industry has reshaped development pattern. The Group responded to the changing industry with robust operation.

During the Reporting Period, with the guidance of “product-driven, technology-leading, customer-oriented and value-creating”, the Group closely followed the changes in domestic and overseas market conditions, deeply cultivated high-quality customers and markets, improved the overall contract quality and stabilised operational risks. Meanwhile, we will further promoted the reform of internal management, implemented operation with accountability, improved quality and efficiency and reduced costs to support the steady development of our business.

BUSINESS REVIEW

For the year ended 31 December 2022, the profit attributable to equity shareholders of the Company was approximately RMB72.1 million (2021: loss of approximately RMB995.8 million). The main reason was the decrease in expected credit losses on financial and contract assets and other receivables.

尊敬的各位股東：

本人謹代表遠大中國控股有限公司（「本公司」）及其附屬公司（統稱「本集團」或「遠大中國」）董事（「董事」）會（「董事會」），向閣下呈報本集團截至2022年12月31日止年度（「報告期間」）之年度報告。

2022年，世界經濟受多重不確定性因素影響，復蘇進程仍相對緩慢。國內多地疫情反彈，政府優化調整防疫政策，為經濟活動的改善奠定了基礎。從國家統計局數據來看，全年國內生產總值「GDP」同比增長3%，中國經濟實現穩中求進。房地產行業經歷了之前約三年之久市場調整和疫情衝擊，發展模式面臨轉型。本集團以穩健經營應對行業變局。

期間內，本集團圍繞「產品驅動，技術引領，服務客戶，創造價值」的指導思想，緊跟國內外市場形勢的變化，深耕優質客戶及市場，提高整體合同質量，穩定運營風險；同時，深入推進內部管理改革，貫徹責任經營，提質增效降本，支撐業務穩健發展。

業務回顧

截至2022年12月31日，本集團的本公司股東應佔溢利約人民幣72.1百萬元（2021年：虧損約人民幣995.8百萬元）。主要是歸因於金融及合同資產及其他應收款項的預期信貸損失有所減少。

Chairman's Statement

主席報告

BUSINESS PROSPECTS

Looking ahead to 2023, the global political and economic turmoil continues, with macro policy tightening, interest rate hiking in major countries and economies, and the impact of the pandemic on the global supply chain, among other factors, all imposing multiple challenges to global economic growth. As China optimizes pandemic management and control policies, the impact of pandemic gradually subsides, and various economic stabilization policies take effect, China's real estate market is gradually stabilizing and recovering, transitioning to a new development model. In the face of constantly changing internal and external environments, the Group will consistently maintain a cautious and steady development strategy, refine on quality and customer service, continually reduce costs and increase efficiency, improve the overall and efficient use of capital, and continuously enhance operational management. We will consistently focus on the long-term strategy, overcome difficulties, and continuously improve shareholder returns and shareholder value.

Kang Baohua

Chairman

31 March 2023

業務展望

展望2023年，全球政治經濟動盪格局仍在，宏觀政策收縮、主要國家及經濟體加息幅度大以及疫情對全球供應鏈的衝擊等，使得全球經濟增長仍面臨多重挑戰。而隨著國家優化疫情管控政策，疫情的影響逐漸消退，以及各項穩經濟政策顯效發力，我國房地產市場也逐步企穩恢復，轉向新發展模式。面對不斷變化的內外部環境，本集團將始終保持審慎和穩健的發展策略，精益求精和客戶服務，持續降本增效，提高資金的統籌及運用效率，不斷提升經營管理水平。立足長遠，攻堅克難，不斷提高股東的資金回報和股東價值。

主席

康寶華

2023年3月31日

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Overall performance

In 2022, the global economy was impacted by multiple uncertainties, resulting in a relatively slow recovery. Several regions in the country experienced a resurgence in COVID-19 pandemic, prompting the government to optimize and adjust its containment policies, thereby laying the groundwork for economic improvement. According to the data from the National Bureau of Statistics of China, China's GDP grew by 3% year-on-year, showing a steady growth of China's economy. During the Reporting Period, with the guidance of “product-driven, technology-leading, customer-oriented and value-creating”, the Group closely followed the changes in domestic and overseas market conditions, deeply cultivated high-quality customers and markets, improved the overall contract quality and stabilised operational risks. Meanwhile, we further promoted the reform of internal management, implemented operation with accountability, improved quality and efficiency and reduced costs to support the steady development of our business.

For the year ended 31 December 2022, the profit attributable to equity shareholders of the Company was about RMB72.1 million (2021: a loss for the year attributable to equity shareholders of the Company of about RMB995.8 million). The main reason was the decrease in expected credit losses on financial and contract assets and other receivables.

業務回顧

概況

2022年，世界經濟受多重不確定性因素影響，復蘇進程仍相對緩慢。國內多地疫情反彈，政府優化調整防疫政策，為經濟活動的改善奠定了基礎。從國家統計局數據來看，全年國內生產總值「GDP」同比增長3%，中國經濟實現穩中求進。期間內，本集團圍繞「產品驅動，技術引領，服務客戶，創造價值」的指導思想，緊跟國內外市場形勢的變化，深耕優質客戶及市場，提高整體合同質量，穩定運營風險；同時，深入推進內部管理改革，貫徹責任經營，提質增效降本，支撐業務穩健發展。

截至2022年12月31日，年內利潤可分配予本公司股東約人民幣72.1百萬元（2021年：年內虧損可分配予本公司股東約人民幣995.8百萬元），主要原因是歸因於金融及合同資產及其他應收款項的預期信貸損失有所減少。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (continued)

Newly-awarded projects (including VAT)

During the year 2022, the aggregate amount of newly-awarded projects of the Group decreased by about RMB2,220.5 million or 51.0% as compared with last year to about RMB2,137.4 million (2021: about RMB4,357.9 million). The main reason for the decrease was the impact of the economic environment in overseas markets and that the Group adopted a more prudent business strategy to avoid credit risk arising from customers whose cash flows were affected.

業務回顧(續)

新承接工程(含增值稅)

2022年，本集團的新承接工程總值約人民幣2,137.4百萬元(2021年：約人民幣4,357.9百萬元)，較去年同期減少約人民幣2,220.5百萬元或51.0%。減少的主要由於海外市場經濟環境的影響及本集團採納更審慎的經營策略，避免部分現金流受影響的客戶所產生的信用風險。

		2022 2022年		2021 2021年	
		Number of projects 項目數量	RMB million 人民幣百萬	Number of projects 項目數量	RMB million 人民幣百萬
Domestic	國內	79	1,494.2	51	2,214.9
Overseas	海外	37	643.2	19	2,143.0
Total	合計	116	2,137.4	70	4,357.9

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW (continued)

Backlog

As at 31 December 2022, the remaining contract value of backlog of the Group decreased by about RMB1,533.0 million or 12.1% as compared with last year to about RMB11,120.5 million (31 December 2021: about RMB12,653.5 million), which could support a sustainable development of the Group for the next 2-3 years.

		2022 2022年		2021 2021年	
		Remaining value of contracts 合同餘下價值		Remaining value of contracts 合同餘下價值	
		Number of projects 項目數量	RMB million 人民幣百萬	Number of projects 項目數量	RMB million 人民幣百萬
Domestic	國內	208	4,799.4	191	4,599.0
Overseas	海外	80	6,321.1	87	8,054.5
Total	合計	288	11,120.5	278	12,653.5

Major technology achievements and awards

In 2022, the Group obtained 9 patents for utility model.

BUSINESS PROSPECTS

Looking ahead to 2023, the global political and economic turmoil continues, with macro policy tightening, interest rate hiking in major countries and economies, and the impact of the pandemic on the global supply chain, among other factors, all imposing multiple challenges to global economic growth. As China optimizes pandemic management and control policies, the impact of pandemic gradually subsides, and various economic stabilization policies take effect, China's real estate market is gradually stabilizing and recovering, transitioning to a new development model. In the face of constantly changing internal and external environments, the Group will consistently maintain a cautious and steady development strategy, refine on quality and customer service, continually reduce costs and increase efficiency, improve the overall and efficient use of capital, and continuously enhance operational management. We will consistently focus on the long-term strategy, overcome difficulties, and continuously improve shareholder returns and shareholder value.

業務回顧(續)

未完工合同

於2022年12月31日，本集團的未完工合同金額約人民幣11,120.5百萬元(2021年12月31日：約人民幣12,653.5百萬元)，較去年同期減少約人民幣1,533.0百萬元或12.1%，足以為本集團未來2-3年的發展提供有力支撐。

主要技術成果和科技獎項

2022年本集團新獲實用新型專利9項。

業務展望

展望2023年，全球政治經濟動盪格局仍在，宏觀政策收縮、主要國家及經濟體加息幅度大以及疫情對全球供應鏈的衝擊等，使得全球經濟增長仍面臨多重挑戰。而隨著國家優化疫情管控政策，疫情的影響逐漸消退，以及各項穩經濟政策顯效發力，我國房地產市場也逐步企穩恢復，轉向新發展模式。面對不斷變化的內外部環境，本集團將始終保持審慎和穩健的發展策略，精益品質和客戶服務，持續降本增效，提高資金的統籌及運用效率，不斷提升經營管理水平。立足長遠，攻堅克難，不斷提高股東的資金回報和股東價值。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2022, the revenue of the Group increased by about RMB208.3 million or 6.8% as compared with last year to about RMB3,263.6 million (2021: about RMB3,055.3 million). The rise is mainly due to the gradual recovery of construction progress. Among which:

1. the revenue from domestic market of the Group increased by about RMB11.0 million or 0.8% as compared with last year to about RMB1,471.9 million (2021: about RMB1,460.9 million), contributing approximately 45.1% of the total revenue of the Group; and
2. the revenue from overseas market of the Group increased by about RMB197.3 million or 12.4% as compared with last year to about RMB1,791.7 million (2021: about RMB1,594.4 million), contributing approximately 54.9% of the total revenue of the Group.

Cost of sales

In 2022, the cost of sales of the Group increased by about RMB246.8 million or 9.4% as compared with last year to about RMB2,876.3 million (2021: about RMB2,629.5 million). With the increase in revenue during 2022, the related costs of sales increased correspondingly.

Adjusted gross profit margin

In 2022, the adjusted gross profit margin of the Group increased by about 24.9% as compared with last year to about 11.1% (2021: about -13.8%). The increase was due to the decline in impairment loss of trade receivables and contract assets recognized by the Company. Among which:

1. the domestic adjusted gross profit margin of the Group increased by about 52.7% as compared with last year to about 16.1% (2021: about -36.6%); and
2. the overseas adjusted gross profit margin of the Group decreased by about 0.2% as compared with last year to about 6.9% (2021: about 7.1%).

財務回顧

營業收入

截至2022年12月31日，本集團的營業收入約人民幣3,263.6百萬元(2021年：約人民幣3,055.3百萬元)，較去年同期增加約人民幣208.3百萬元或6.8%。主要原因為工程進度逐步恢復。其中：

1. 本集團的國內收入約人民幣1,471.9百萬元(2021年：約人民幣1,460.9百萬元)，較去年同期增加約人民幣11.0百萬元或0.8%，佔整體收入約45.1%；及
2. 本集團的海外收入約人民幣1,791.7百萬元(2021年：約人民幣1,594.4萬元)，較去年同期增加約人民幣197.3百萬元或12.4%，佔整體收入約54.9%。

銷售成本

2022年，本集團的銷售成本約人民幣2,876.3百萬元(2021年：約人民幣2,629.5百萬元)，較去年同期增加約人民幣246.8百萬元或9.4%。隨著2022年營業收入的增加，相關銷售成本也隨之增加。

經調整毛利率

2022年，本集團經調整毛利率為約11.1%(2021年：約-13.8%)，比去年同期增加了約24.9個百分點。增加的主要原因公司確認的應收賬款及合同資產壞賬損失的金額減少。其中：

1. 本集團的國內經調整毛利率約16.1%(2021年：約-36.6%)，較去年同期增加約52.7個百分點；及
2. 本集團的海外經調整毛利率約6.9%(2021年：約7.1%)，較去年同期減少約0.2個百分點。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Other income

Other income of the Group primarily comprised of government grants, fair value gain of holding securities, rental income and net income from provision of repairs and maintenance services.

In 2022, the other income of the Group decreased by about RMB25.3 million or 49.9% as compared with last year to about RMB25.5 million (2021: about RMB50.8 million). The decrease in the Group's other income was mainly due to the decrease in government grants and the decrease in the gain on disposal of assets.

Selling expenses

In 2022, the selling expenses of the Group decreased by about RMB15.4 million or 21.5% as compared with last year to about RMB56.5 million (2021: about RMB71.9 million), accounted for approximately 1.7% of the operating revenue of the Group (2021: 2.4%). This was mainly due to the strict control of expenses.

Administrative expenses

In 2022, the administrative expenses of the Group increased by about RMB7.4 million or 2.0% as compared with last year to about RMB371.1 million (2021: about RMB363.7 million), accounted for approximately 11.4% of the operating revenue of the Group (2021: 11.9%). The decrease in such ratio was mainly due to the increase in revenue during 2022.

Expected credit losses of financial and contract assets and other receivables

In 2022, the expected credit losses of financial and contract assets and other receivables of the Group decreased by about RMB855.7 million or 97.3% as compared with last year to about RMB24.0 million (2021: about RMB879.7 million), accounted for 0.7% of the operating revenue of the Group (2021: 28.8%).

財務回顧(續)

其他收入

其他收入主要包括政府補助、持有證券資產公允價值收益、租賃收入、及提供維修及保養服務的淨收益。

2022年，本集團的其他收入約人民幣25.5百萬元(2021年：約人民幣50.8百萬元)，較去年同期減少約人民幣25.3百萬元或49.9%。本集團其他收入的減少主要由於政府補助減少及處置資產收益的減少。

銷售費用

2022年，本集團的銷售費用約人民幣56.5百萬元(2021年：約人民幣71.9百萬元)，較去年同期減少約人民幣15.4百萬元或21.5%，佔本集團營業收入的比例為約1.7%(2021年：2.4%)。減少的主要原因為嚴格的費用支出控制。

行政開支

2022年，本集團的行政開支約人民幣371.1百萬元(2021年：約人民幣363.7百萬元)，較去年同期增加約人民幣7.4百萬元或2.0%，佔本集團營業收入的比例為約11.4%(2021年：11.9%)。該等比例下降的主要原因是2022年度營業收入增加。

金融資產及合同資產以及其他應收款之預期信用損失

2022年，本集團的金融資產及合同資產以及其他應收款之預期信用損失約人民幣24.0百萬元(2021年：約人民幣879.7百萬元)，較去年同期減少約人民幣855.7百萬元或97.3%，佔營業收入的比例為0.7%(2021年：28.8%)。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Expected credit losses of financial and contract assets and other receivables (continued)

The calculation of loss allowance for trade receivables and contract assets arising from construction projects as at 31 December 2022 was carried out by an independent specialist, namely Vincorn Consulting and Appraisal Limited (the “**Valuer**”), with experience in expected credit loss calculation.

Since 2021, certain customers of the Group, in particular, some property developer customers (the “**Defaulted Customers**”), have encountered liquidity issues due to the adverse impact of the macroeconomic environment and the COVID-19 pandemic, and have defaulted on their debts. Accordingly, there was a significant increase in credit risk for financial assets and contract assets arising from contracts with these Defaulted Customers.

The Valuer adopted expected credit loss model for calculation of expected credit loss of trade receivables and contract assets. The total trade receivables and contract assets as at 31 December 2022 are divided into two risk categories by the customers as Defaulted Customers and other customers.

For the Defaulted Customers, the expected loss rates are estimated based on the weighted-average recovery rate of troubled debts derived from historical market data and have been adjusted for industry specific information and forward-looking information. The Group has identified the enterprise prosperity index and real estate industry enterprise prosperity index to be the most relevant factors, and accordingly adjusts the weighted-average recovery rate of troubled debts derived from historical market data based on expected changes in these factors.

For other customers, the expected loss rates are estimated based on the flow rate matrix, which derives historical credit loss rates across aging analysis of trade receivables and contract assets based on the flow rates across each aging grouping over time. The loss level for trade receivables and contract assets with the customers overdue over 5 years is similar with those of Defaulted Customers. The method for calculating the expected credit loss of those overdue over 5 years is assumed to be same as Defaulted Customers.

財務回顧(續)

金融資產及合同資產以及其他應收款之預期信用損失(續)

於2022年12月31日就工程合同確認的貿易應收款及合同資產的虧損撥備計算由具有預期信貸虧損計算經驗的獨立專業公司 Vincorn Consulting and Appraisal Limited (「**估值師**」)進行計算。

自2021年起，本集團某些客戶，尤其物業開發商客戶(「**違約客戶**」)遭遇因宏觀經濟環境及新冠疫情負面影響造成的流動性問題，並且該等債務違約。因此，就違約客戶合同確認的金融資產及合同資產的信用風險激增。

估值師採用預期信用損失模型計算應收賬款和合同資產的預期信用損失。截至2022年12月31日止，貿易應收款和合同資產總額依據違約客戶和其他客戶劃分為兩個風險類別。

對於違約客戶，預期損失率根據歷史市場數據得出的不良債務加權平均回收率估計，並已根據行業特定資料以及前瞻性信息予以調整。本集團將企業景氣指數及房地產行業企業景氣指數確定為最相關的因素，並根據該等因素的預期變化相應調整歷史市場數據得出的不良債務加權平均回收率。

對於其他客戶，預期虧損率是根據遷移率矩陣估算的，該矩陣根據各賬齡組隨時間變化的遷移，通過對貿易應收款和合同資產的賬齡分析得出歷史信用損失率。逾期超過5年的客戶的應收賬款和合同資產虧損水準與違約客戶類似。超過5年的客戶的預期信用損失的計算方法被假定為與違約客戶相同。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Expected credit losses of financial and contract assets and other receivables (continued)

As of 31 December 2022, the outstanding balances of trade receivables and contract assets (after the amounts written-off) is RMB5,880.8 million (31 December 2021: RMB5,765.6 million). The expected credit loss recognised for the year ended 31 December 2022 and the loss allowance as at 31 December 2022 are RMB43.8 million and RMB2,706.4 million, respectively (the expected credit loss recognised for the year and the loss allowance as at 31 December 2021 are RMB791.1million and RMB2,651.9million, respectively.).

For expected credit loss of the bills receivable from property developer customers, the Group adopted the same model as that of Defaulted Customers as these customers of bills receivables had similar risk profile with Defaulted Customers. As of 31 December 2022, the outstanding balances of bills receivable is RMB115.7 million (31 December 2021: RMB107.1 million). The loss allowance for the bills receivable as at 31 December 2022 is RMB38.8 million (31 December 2021: RMB56.7million.).

For expected credit loss of other receivables, the credit risk of certain debtors has increased significantly during the year ended 31 December 2021, thus the outstanding receivable balances due from these counterparties were considered to be fully impaired. The expected credit loss reversed for the year and the loss allowance as at 31 December 2022 are RMB1.8 million and RMB65.3 million, respectively (the expected credit loss recognised for the year and the loss allowance as at 31 December 2021 are RMB31.8million and RMB67.1million, respectively.)

Net finance costs

In 2022, the net finance costs of the Group decreased by about RMB250.3 million or 243.2% as compared with last year to about RMB-147.4 million (2021: about RMB102.9 million), accounted for -4.5% of the operating revenue of the Group (2021: 3.4%). This was mainly due to the increased foreign exchange gain.

財務回顧(續)

金融資產及合同資產以及其他應收款之預期信用損失(續)

截至2022年12月31日，貿易應收款和合同資產的未償餘額(註銷金額後)為人民幣5,880.8百萬元(2021年12月31日：人民幣5,765.6百萬元)。截至2022年12月31日止年度確認的預期信用損失及截至2022年12月31日確認的虧損撥備分別為人民幣43.8百萬元和人民幣2,706.4百萬元(截至2021年12月31日止年度及截至2021年12月31日，確認的預期信用損失和損失準備分別為人民幣791.1百萬元和人民幣2,651.9百萬元)。

對於來自物業開發商客戶的應收票據的預期信用損失，本集團採用與違約客戶相同的模型，因為這些應收票據相關客戶與違約客戶具有類似的風險狀況。截至2022年12月31日，應收票據的未償餘額為人民幣115.7百萬元(2021年12月31日：人民幣107.1百萬元)。截至2022年12月31日的應收票據虧損撥備為人民幣38.8百萬元(2021年12月31日：人民幣56.7百萬元)。

對於其他應收款的預期信用損失，截至2021年12月31日的年度內，若干債務人的信用風險顯著增加，因此，這些交易方應付的未償應收賬款餘額被視為完全減值。截至2022年12月31日止年度轉回的預期信用損失及截至2022年12月31日確認的虧損撥回分別為人民幣1.8百萬元及人民幣65.3百萬元(截至2021年12月31日止年度及截至2021年12月31日，確認的預期信用損失和損失準備分別為人民幣31.8百萬元和人民幣67.1百萬元)。

融資成本淨額

2022年，本集團的融資成本淨額約人民幣-147.4百萬元(2021年：約人民幣102.9百萬元)，較去年同期減少約人民幣250.3百萬元或243.2%，佔本集團營業收入的比例為-4.5%(2021年：3.4%)。主要原因是匯兌收益增加。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Income tax

In 2022, the net income tax benefit of the Group was about RMB36.5 million (2021: an income tax benefit of about RMB54.2 million).

Consolidated net profit/(loss)

As a result of the foregoing, in 2022, the consolidated net profit of the Group was about RMB72.1 million (2021: a consolidated net loss of about RMB995.8 million).

Profit/(loss) attributable to equity shareholders of the Company

In 2022, the profit attributable to equity shareholders of the Company was about RMB72.1 million (2021: a loss attributable to equity shareholders of the Company of about RMB995.8 million).

Net current assets and financial resources

As at 31 December 2022, the net current assets of the Group decreased by about RMB505.9 million or 62.2% as compared with last year to about RMB307.8 million (31 December 2021: about RMB813.7 million). This was mainly due to the transfer of part of the long-term loans to be paid within one year in the current year.

As at 31 December 2022, the restricted deposits of the Group decreased by about RMB693.7 million or 49.7% as compared with last year to about RMB701.1 million (31 December 2021: about RMB1,394.8 million), mainly denominated in RMB.

As at 31 December 2022, the cash and cash equivalents of the Group decreased by about RMB64.7 million or 22.8% as compared with last year to about RMB219.5 million (31 December 2021: about RMB284.2 million), mainly denominated in RMB, USD, Qatar Riyal, Euro, GBP and AUD.

財務回顧(續)

所得稅

2022年，本集團的所得稅收入約人民幣36.5百萬元(2021年：所得稅收入約人民幣54.2百萬元)。

合併淨利潤／(虧損)

綜上所述，2022年，本集團的合併淨利潤為約人民幣72.1百萬元(2021年：合併淨虧損約人民幣995.8百萬元)。

年內利潤／(虧損)可分配予本公司股東

2022年，年內利潤可分配予本公司股東為約人民幣72.1百萬元(2021年：年內虧損可分配予本公司股東約人民幣995.8百萬元)。

流動資產淨值及財務資源

於2022年12月31日，本集團的流動資產淨值約人民幣307.8百萬元(2021年12月31日：約人民幣813.7百萬元)，較去年同期減少約人民幣505.9百萬元或62.2%。主要原因是部分長期借款於本年轉為一年內支付。

截至2022年12月31日，本集團的限制性存款較去年減少約人民幣693.7百萬元或49.7%至約人民幣701.1百萬元(2021年12月31日：約人民幣1,394.8百萬元)，主要以人民幣為主。

截至2022年12月31日，本集團的現金及現金等價物較去年減少約人民幣64.7百萬元，即22.8%至約人民幣219.5百萬元(2021年12月31日：約人民幣284.2百萬元)，主要以人民幣、美元、卡塔爾里亞爾、歐元、英鎊、澳元為主。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Bank loans and gearing ratio

As at 31 December 2022, the total bank loan of the Group decreased by about RMB95 million or 10.0% as compared with last year to about RMB855.0 million (31 December 2021: about RMB950.0 million). The bank loan as at 31 December 2022 were denominated in RMB, of which approximately RMB855.0 million were repayable within one year.

The Group's gearing ratio (calculated by total liabilities divided by total assets) was 82.9% (31 December 2021: 83.0%).

Turnover days

Turnover days (day)	周轉天數(天)	2022 2022年	2021 2021年
Receivables (note 1)	應收賬款(附註1)	302	386
Trade and bills payables (note 2)	貿易應付款及應付票據(附註2)	315	383
Inventory (note 3)	存貨(附註3)	75	77

Notes:

- The calculation of the receivables turnover days is based on the average amount of trade and bills receivables and net contract assets (contract assets less contract liabilities) as at the beginning and ending of the relevant period divided by total revenue of the relevant period and multiplied by 365 days.
- The calculation of turnover days of trade and bills payables is based on the average amount of trade and bills payables as at the beginning and ending of the relevant period divided by cost of raw materials and installation cost of the relevant period and multiplied by 365 days.
- The calculation of inventory turnover days is based on the average amount of inventory as at the beginning and ending of the relevant period (net of provision) divided by cost of raw materials of the relevant period and multiplied by 365 days.

財務回顧(續)

銀行貸款及負債比率

於2022年12月31日，本集團的銀行貸款總額約人民幣855.0百萬元(2021年12月31日：約人民幣950.0百萬元)，較去年同期減少約人民幣95百萬元或10.0%。截至2022年12月31日銀行貸款總額以人民幣計值，其中約人民幣855.0百萬元須予一年內償還。

本集團之資產負債率(總負債除以總資產計算)為82.9%(2021年12月31日：83.0%)。

周轉天數

附註：

- 應收賬款周轉天數乃通過將有關期間的期初及期末經扣除撥備的貿易應收款及應收票據及應收客戶合同資產(合同資產減合同負債)的平均金額除以相應期間的收入再乘以365天計算。
- 貿易應付款及應付票據周轉天數等於貿易應付款及應付票據的期初及期末結餘平均餘額除以原材料費用及安裝費用再乘以365天計算。
- 存貨周轉天數乃將存貨的期初及期末結餘平均餘額(扣除撥備)除以原材料費用再乘以365天計算。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Turnover days (continued)

During the Reporting Period, the turnover days of receivables decreased by about 84 days or 21.8% as compared with last year to about 302 days (2021: about 386 days).

During the Reporting Period, the turnover days of trade and bill payables decreased by about 68 days or 17.8% as compared with last year to about 315 days (2021: about 383 days).

Inventories and contract costs

The Group's inventories primarily consist of materials used in fabrication of curtain wall products, including extrusions aluminum, glass, steel and sealant. Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfill a contract with a customer which are not capitalised as inventory.

As at 31 December 2022, the inventory and contract costs of the Group decreased by about RMB121.2 million or 28.0% as compared with last year to about RMB310.9 million (31 December 2021: about RMB432.1 million).

Capital expenditure

In 2022, the payment for capital expenditure of the Group decreased by about RMB8.5 million or 93.4% as compared with last year to about RMB0.6 million (2021: about RMB9.1 million), which was mainly the expenditure on the purchase of piecemeal machinery and equipment in the current year.

Foreign exchange risk

The overseas projects of the Group were mainly dominated in USD, GBP and AUD. To hedge any foreign exchange risks, the Group has entered into forward foreign exchange contracts which hedge the forecast transactions and monetary assets denominated in foreign currencies of the Group. The Group ensures that net exposure to currency risk arising from assets and liabilities will be maintained at an acceptable level.

財務回顧(續)

周轉天數(續)

報告期內，應收賬款周轉天數約302天(2021年：約386天)，較去年同期減少約84天或21.8%。

報告期內，貿易應付款及應付票據周轉天數約315天(2021年：約383天)，較去年同期減少約68天或17.8%。

存貨及合同成本

本集團的存貨主要由製造幕牆產品所用的材料組成，包括鋁材、玻璃、鋼材及密封膠等。合同成本是取得客戶合同的增量成本或履行客戶合同的成本，其並無資本化為存貨。

於2022年12月31日，本集團的存貨及合同成本結餘約人民幣310.9百萬元(2021年12月31日：約人民幣432.1百萬元)，較去年同期減少約人民幣121.2百萬元或28.0%。

資本支出

2022年，本集團的資本支出而支付的款項約人民幣0.6百萬元(2021年：約人民幣9.1百萬元)，較去年同期減少約人民幣8.5百萬元或93.4%，主要為本年購買零星機器設備的支出。

外匯風險

本集團的海外項目主要以美元、英鎊和澳元結算。為對沖我們的外匯風險，我們訂立遠期外匯合約，對沖本集團以外幣計值的預期交易及貨幣資產。本集團會確保資產和負債產生的外匯風險淨額保持在可接受的水準。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Contingent liabilities

Details of the Group's contingent liabilities as at 31 December 2022 are set out in Note 30 to the consolidated financial statements.

Charge on assets

As at 31 December 2022, the aggregate carrying value of the property, plant and equipment, land use rights pledged for the Group's bank loans is RMB358.0 million.

As at 31 December 2022, the carrying value of the time and other deposits pledged for bank bills and letter of credit issued by the Group is RMB479.4 million.

As at 31 December 2022, the carrying value of RMB56.4 million bank deposits was frozen. The carrying value of the deposits pledged to secure the performance and retentions of construction contracts of the Group is RMB162.3 million.

Save as disclosed above, the Group had no other charge on its assets as at 31 December 2022.

Material acquisitions and disposals

During the Reporting Period, the Group did not have any material acquisitions and disposals of its subsidiaries and associated companies.

Significant investment

The Group did not make any significant investments during the Reporting Period.

Future plans for significant investments or capital assets

The Group does not have any future plans for significant investments or capital assets as at the date of this announcement.

財務回顧(續)

或然負債

本集團於截至2022年12月31日的或然負債刊載於合併財務報表附註30。

資產抵押

截至2022年12月31日，本集團就銀行貸款已抵押的物業、廠房及設備及土地使用權的總賬面價值為人民幣358.0百萬元。

截至2022年12月31日，本集團為發行的銀行票據及信用證所質押的定期及其他存款的賬面價值為人民幣479.4百萬元。

截至2022年12月31日，賬面價值為人民幣56.4百萬元的銀行存款被凍結。為保證本集團施工合同的履行和質量而抵押的存款的賬面價值為人民幣162.3百萬元。

除上述披露者外，本集團於截至2022年12月31日並無其他資產抵押。

重大收購及出售

於報告期內，本集團並無任何有關附屬公司及聯營公司的重大收購及出售。

重大投資

於報告期間內，本集團並無進行任何重大投資。

重大投資或資本資產的未來計畫

於本公告日期，本集團並無任何重大投資或資本資產的未來計畫。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Global offering and use of proceeds

In May 2011, the Company conducted a global offering (the “**Global Offering**”) through which 1,708,734,000 new ordinary shares were offered at a price of HK\$1.50 per share. Net proceeds raised were approximately HK\$2,402,947,000. The ordinary shares of the Company were listed on the Main Board of the Stock Exchange on 17 May 2011.

As stated in the Company’s prospectus dated 20 April 2011 and the supplementary prospectus dated 5 May 2011 (the “**Prospectus**”), the Group intended to use the proceeds from the Global Offering for expansion of its production capacity, repayment of its existing debts, investment in research and development, expansion of its sales and marketing network.

As at 31 December 2022, an accumulated amount of approximately HK\$2,062 million of proceeds from the Global Offering (of which expansion of production capacity: HK\$619 million; repayment of bank loans (mainly comprised the bridge loan of Standard Chartered Bank): HK\$962 million; expenses in research and development: HK\$261 million; and expansion of its sales and marketing network: HK\$220 million) was utilized in accordance with the intended use as stated in the Prospectus. It is intended that the remaining proceeds of approximately HK\$341 million will be used in accordance to the proposed allocation as stated in the Prospectus in 1 to 5 years.

財務回顧(續)

全球發售及所得款項用途

於2011年5月，本公司進行全球發售(「**全球發售**」)，發售共1,708,734,000股新普通股，發售價為每股1.50港元，籌集的所得款項淨額約為2,402,947,000港元。本公司普通股於2011年5月17日在聯交所主板上市。

誠如本公司在日期為2011年4月20日的招股章程及2011年5月5日的補充招股章程(「**招股章程**」)所述，本集團擬將所得款項用作擴充產能、償還現有債務、投資於研究和開發、及擴充銷售和營銷網路。

截至2022年12月31日，本集團已按照招股章程所述的預期用途累計使用約全球發售所得款2,062百萬港元(其中產能擴充：619百萬港元；償還銀行貸款(主要是渣打銀行過橋貸款)：962百萬港元；研發支出：261百萬港元；及擴充營銷網路：220百萬港元)。餘下所得款項約341百萬港元將按照本集團招股章程所載於未來1到5年內使用。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW (continued)

Global offering and use of proceeds (continued)

As at 31 December 2022, the detail of the net proceeds stated as follows:

Use of Proceeds	Amount of net proceeds	Utilized amount	Accumulated	Unutilized	Future plans	
		for the year ended	utilized amount as at	amount as at	for remaining	
		31 December 2022	31 December 2022	31 December 2022	proceeds in 1 to 5 years	
		截至2022年12月31日止年度	截至2022年12月31日	截至2022年12月31日	剩餘所得款未來1至5年的用途計劃	
所得款項用途	所得款項淨額	動用金額	累計使用金額	未動用金額	用途計劃	
	HKD (million)	HKD (million)	HKD (million)	HKD (million)	HKD (million)	
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	
Expansion of production capacity	產能擴充	960	11	619	341	341
Repayment of bank loans	償還銀行貸款	962	-	962	-	-
Expenses in research and development	研發支出	261	-	261	-	-
Expansion of its sales and marketing network	擴充營銷網路	220	-	220	-	-
TOTAL	總計	2,403	11	2,062	341	341

Employees and remuneration policies

As at 31 December 2022, the Group had 2,511 full-time employees in total (31 December 2021: 2,769). The decrease in number of full-time employees was a result of the Group's headcount optimization. The Group has sound policies of management incentives and competitive remuneration, which align with the interests of management, employees and shareholders alike. The Group sets its remuneration policy with reference to the prevailing market conditions and the performance of the individuals concerned, subject to review from time to time. The components of the remuneration package consist of basic salary, allowances, fringe benefits including medical insurance and contributions to pension funds, as well as incentives like discretionary bonus and share options.

財務回顧(續)

全球發售及所得款項用途(續)

截至2022年12月31日止，所得款項淨額詳情如下：

僱員及薪酬政策

截至2022年12月31日，本集團僱用合共2,511名(2021年12月31日：2,769名)全職員工。全職員工人數的下跌乃由於本集團優化員工數量所致。本集團訂有具成效的管理層獎勵制度及具競爭力的薪酬，務求令管理層、僱員及股東的利益達成一致。本集團在訂立其薪酬政策時會參考當時市況及有關個別員工的工作表現，須不時作出檢討。薪酬待遇包括基本薪金、津貼、附帶福利(包括醫療保險及退休金供款)，以及酌情花紅及發放認股權等獎勵。

Directors and Senior Management

董事及高級管理人員

DIRECTORS

Executive Directors

Mr. Kang Baohua (康寶華), aged 69, is the founder and Chairman of the Group, and was appointed as an Executive Director on 26 February 2010. Mr. Kang is the vice president of the Liaoning Chamber of Commerce (遼寧省商會). Graduated from Liaoning University (遼寧大學) with a diploma in politics in 1984, Mr. Kang has over 29 years of experience in the curtain wall industry and has been responsible for the overall management and strategic development of the Group since 1992. Prior to founding the Group, Mr. Kang was an executive director of Shenyang Strong Wind Group Company (瀋陽強風集團公司). Since the establishment of the Company, Mr. Kang has been involved in the management of the Company, including business development, finance and corporate strategy formulation. Mr. Kang is also a director of various other subsidiaries of the Group.

Mr. Zhao Zhongqiu (趙忠秋), aged 57, chief executive officer of the Group and an Executive Director of the Company, obtained his bachelor's degree in Engineering from Hunan University (湖南大學) in 1987 with a major in internal combustion engineering. Mr. Zhao joined the Group in 1996 and has more than 27 years in manufacturing and project management. From 1996 to 1998, Mr. Zhao managed production and technology works in Shenyang subsidiary of the Group. From 1999 to 2004, Mr. Zhao served as the deputy general manager and general manager, responsible for the production and project management work in China. In 2005, Mr. Zhao was assigned new duty to conduct the projects operations in America and Africa as a general manager. In 2017, Mr. Zhao was promoted to the president of global operations of the Group, responsible for onshore and offshore businesses. On 4 July 2022 Mr. Zhao was appointed as a member of the remuneration committee, the CEO and one of the authorised representatives of the Company. Since 2006 Mr. Zhao has managed more than 100 overseas landmark projects.

董事

執行董事

康寶華先生，69歲，本集團的創辦人兼主席，並於2010年2月26日獲委任為執行董事。康先生為遼寧省商會的副主席。康先生於1984年畢業於遼寧大學，取得政治學文憑，於幕牆行業具有逾29年經驗，自1992年起一直負責本集團的整體管理及戰略發展。於創辦本集團前，康先生為瀋陽強風集團公司的執行董事。自本公司成立以來，康先生一直涉足於本公司的管理，包括業務發展、財務及企業策略制訂。康先生亦為本集團多間其他附屬公司的董事。

趙忠秋先生，57歲，本集團行政總裁及本公司執行董事，於1987年獲得湖南大學工程學士學位，主修內燃機專業。趙先生於1996年加入本集團於製造及專案管理方面擁有逾27年經驗。於1996年至1998年，趙先生負責管理本集團瀋陽附屬公司生產及技術工作。於1999年至2004年在國內任生產副總經理、總經理職務，負責生產及公司管理工作。於2005年，趙先生調任國際區域美非總經理，開始負責美非專案的管理。於2017年，趙先生晉升為本集團全球運營系統總裁，負責國內及國際的業務。於2022年7月4日趙先生獲委任為薪酬委員會成員、行政總裁及其中一名授權代表。2006年至今趙先生已累計參與管理海外重點專案超過100個。

Directors and Senior Management 董事及高級管理人員

DIRECTORS (continued)

Executive Directors (continued)

Mr. Ma Minghui (馬明輝), aged 42, an Executive Director of the Company, obtained his bachelor's degree in Management from Shenyang Institute of Aeronautical Engineering (瀋陽航空工業學院) in 2003 with a major in public administration. Mr. Ma joined the Group in 2007 and has accumulated more than 15 years of experience in human resources management and budget management. Since 2011, Mr. Ma has been the secretary to the president of the Group. In 2015, Mr. Ma was promoted to the director of human resources of the Group.

Mr. Wang Hao (王昊), aged 42, an Executive Director of the Company, obtained his bachelor's degree in Management from Jilin University (吉林大學) in 2002 with a major in accounting. Mr. Wang Hao joined the Group in 2007 and has accumulated more than 15 years of experience in financial management.

董事(續)

執行董事(續)

馬明輝先生，42歲，公司的執行董事，於二零零三年獲得瀋陽航空工業學院管理學學士學位，主修公共管理學。馬先生於2007年加入本集團及於人力資源管理及預算管理方面累積逾15年經驗。自2011年起，馬先生為本集團總裁之秘書。於2015年，馬先生晉升為本集團人力資源總監。

王昊先生，42歲，本公司執行董事，於2002年獲得吉林大學管理學學士學位，主修會計。王昊先生於2007年加入本集團及於財務管理方面累積逾15年經驗。

Directors and Senior Management 董事及高級管理人員

DIRECTORS (continued)

Executive Directors (continued)

Mr. Zhang Lei (張雷), aged 50, since February 2013, acted as vice President of Shenyang Yuanda Aluminium Industry Engineering Co., Ltd (瀋陽遠大鋁業工程有限公司) (“**Shenyang Yuanda**”), one of the subsidiaries of the Company. Mr. Zhang joined the Group in July 2002 and had over 20 years of experience in curtain wall industry. Before joining the Group, from 1994 to 2000, Mr. Zhang held various managerial positions in Northeast Refractory Plant, including vice director in charge of production and equipment and director of equipment department in No.4 branch of Northeast Refractory Plant. From 2001 to 2002, Mr. Zhang acted as a management intern in Japanese YKK company. From 2002 to 2005, Mr. Zhang held various key positions including quality control and technology minister in Northeast Branch of Shenyang Yuanda. He acted as a designer in Middle East Branch of Shenyang Yuanda from 2005 to 2006. From 2006 to 2008, he acted as chief designer in Dubai Branch of Shenyang Yuanda, responsible for the Group's ACC44 residential buildings, imperial buildings and commercial bay administration building and other projects. From 2008 to 2012, Mr. Zhang held various positions in Shenyang Yuanda, including assistant to chief engineer in International Operation of Shenyang Yuanda, deputy director of International Curtain Wall Manufacturer under Shenyang Yuanda, factory controller and factory president of Shenyang Yuanda. Mr. Zhang graduated from Shenyang Electrical Industrial School with a diploma in electrical and mechanical engineering in 1994.

董事(續)

執行董事(續)

張雷先生，50歲，自2013年2月起出任本公司附屬公司瀋陽遠大鋁業工程有限公司(「瀋陽遠大」)副總裁。張先生於2002年7月加入本集團，於幕牆業擁有逾20年經驗。加入本集團前，張先生於1994年至2000年在東北耐火材料廠分別擔任多個管理職位，包括東北耐火材料廠四分廠生產設備副廠長及設備處處長。自2001年至2002年，張先生於日本YKK公司出任管理實習生。張先生於2002年至2005年在瀋陽遠大東北分公司擔任多個要職，包括質檢及工藝部長。彼於2005年至2006年在瀋陽遠大中東分公司出任設計員，於2006年至2008年擔任瀋陽遠大迪拜分公司首席設計員，負責本集團ACC44住宅大廈、帝王大廈及商業灣行政樓等專案。自2008年至2012年，張先生出任瀋陽遠大多個職位，包括瀋陽遠大國際業務管理部總工程師助理、瀋陽遠大國際幕牆製造廠技術副廠長、瀋陽遠大工廠總監、瀋陽遠大工廠總裁。張先生於1994年在瀋陽機電工業學校獲機電工程文憑。

Directors and Senior Management

董事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors

Mr. Poon Chiu Kwok (潘昭國), aged 60, was appointed as an independent non-executive Director on 12 April 2011. Mr. Poon obtained a Master's degree in international accounting, a Bachelor's degree in laws and a Bachelor's degree in business studies. He was awarded a postgraduate diploma in laws by the University of London. He is a fellow member of CPA Australia Ltd, the Hong Kong Securities and Investment Institute, the Hong Kong Chartered Governance Institute ("HKCGI") and The Chartered Governance Institute in UK respectively. He is also a member of the Technical Consultation Panel and Mainland China Focus Group of HKCGI.

Mr. Poon has years of experience in listed company regulatory affairs and governance. He now serves as an executive director and company secretary of Huabao International Holdings Limited (Hong Kong stock code: 336). Currently, he is also an independent non-executive director of the following companies: Sunac China Holdings Limited (Hong Kong stock code: 1918), Changan Minsheng APLL Logistics Co., Ltd. (Hong Kong stock code: 1292), AUX International Holdings Limited (Hong Kong stock code: 2080), Sany Heavy Equipment International Holdings Company Limited (Hong Kong stock code: 631), Greentown Service Group Co. Ltd. (Hong Kong stock code: 2869), Jinchuan Group International Resources Co. Ltd. (Hong Kong stock code: 2362) and Yankuang Energy Group Company Limited (Hong Kong stock code: 1171). Mr. Poon has ceased to be an independent non-executive director of Titan Invo Technology Limited (formally known as TUS International Limited (Hong Kong stock code: 872)) on 17 July 2020, Tonly Electronics Holdings Limited (Hong Kong stock code: 1249, withdrawn listing) on 8 March 2021 and Honghua Group Limited (Hong Kong stock code: 196) on 1 December 2021.

董事(續)

獨立非執行董事

潘昭國先生，60歲，於2011年4月12日獲委任為獨立非執行董事。潘先生獲英國倫敦大學授予法學深造文憑；擁有法學學士學位、商業學學士學位和國際會計學碩士學位，為澳洲會計師公會、香港證券及投資學會、香港公司治理公會(「香港公司治理公會」)及英國特許公司治理公會。他也是香港公司治理公會技術諮詢小組及中國內地關注組及成員。

潘先生於企業融資及上市公司監管和治理方面擁有多年經驗。潘先生目前為華寶國際控股有限公司(香港股份代號：336)的執行董事及公司秘書，亦擔任下列在聯交所主板上市公司的獨立非執行董事：融創中國控股有限公司(香港股份代號：1918)；重慶長安民生物流股份有限公司(香港股份代號：1292)；奧克斯國際控股有限公司(香港股份代號：2080)；三一重裝國際控股有限公司(香港股份代號：631)；綠城服務集團有限公司(香港股份代號：2869)；金川集團國際資源有限公司(香港股份代號：2362)及兗礦能源集團股份有限公司(香港股份代號：1171)。潘先生曾辭任以下公司之獨立非執行董事：於2020年7月17日的泰坦智華科技有限公司(前稱啟迪國際有限公司，香港股份代號：872)；2021年3月8日的通力電子控股有限公司(香港股份代號：1249，已撤銷上市地位)及於2021年12月1日的宏華集團有限公司香港股份代號：196。

Directors and Senior Management 董事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mr. Woo Kar Tung, Raymond (胡家棟), aged 53 was appointed as an independent non-executive Director on 12 April 2011. Mr. Woo has over 29 years of experience in the accounting and financial services industry. He began his career as a certified accountant at Arthur Andersen & Co where he qualified. Subsequently, he was employed in senior positions as an investment banker at ING, CITIC Securities and Credit Suisse. Mr. Woo holds a Bachelor of Commerce degree. He is a member of the Australian Society of Certified Practising Accountants and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Woo is an independent non-executive director of SMIT Holdings Limited (Hong Kong stock code:2239). Mr. Woo was an independent non-executive director of Huaneng Renewables Corporation Limited (Hong Kong stock code: 958, subsequently withdrawn listing voluntarily with effect from 24 February 2020) from 28 June 2019 to 22 April 2020.

Mr. Woo resigned as an independent non-executive director of IRC Limited (Hong Kong stock code: 1029) on 25 May 2022.

董事 (續)

獨立非執行董事 (續)

胡家棟先生，53歲，於2011年4月12日獲委任為獨立非執行董事。胡先生於會計及金融服務行業擁有逾29年經驗。胡先生於香港安達信會計師事務所任職執業會計師，開展其事業，並於該會計師事務所獲取專業資格。其後，彼曾於荷蘭商業銀行(ING)、中信證券及瑞士信貸的投資銀行部任職。胡先生持有商業學士學位。彼現為澳洲會計師公會會員，並為香港會計師公會資深會員。胡先生現亦擔任國微技術控股有限公司(香港股份代號：2239)的獨立非執行董事。胡先生在2019年6月28日至2020年4月22日期間曾為華能新能源股份有限公司(香港股份代號：958隨後於2020年2月24日自願撤銷上市地位)之獨立非執行董事。

胡先生已於2022年5月25日辭任為鐵江現貨有限公司(香港股份代號：1029)獨立非執行董事之職務。

Directors and Senior Management

董事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors (continued)

Mr. Pang Chung Fai, Benny (彭中輝), aged 50, was appointed as an independent non-executive Director on 12 April 2011. Mr. Pang is a member of each of the audit committee, nomination committee and remuneration committee of the Company. Mr. Pang is the managing partner of Benny Pang & Co. who specializes in capital markets and general corporate and commercial work. Between 1997 and 2009, Mr. Pang practiced as a lawyer with several international law firms in Hong Kong and Sydney. Mr. Pang received his bachelor's degree in laws (honors) from Bond University, Australia, in 1996. In 1997, Mr. Pang obtained his Graduate Diploma in Legal Practice and master's degree in laws from The College of Law, Sydney and the University of New South Wales, Australia, respectively. He has been admitted as a legal practitioner of the Supreme Court of New South Wales, Australia since 1997 and as a solicitor of the High Court of Hong Kong since 2009. He is a member of both the Law Society of New South Wales, Australia and the Law Society of Hong Kong. Mr. Pang was a non-executive director of Huabang Technology Holdings Limited (Hong Kong stock code: 3638) from 12 April 2018 to 30 October 2021, Janco Holdings Limited (Hong Kong stock code: 8035) from 27 September 2019 to 5 May 2021 and Sanbase Corporation Limited (Hong Kong stock code: 8501) from 8 December 2017 to 30 July 2021 respectively.

Ms. Yang Qianwen (楊倩雯), aged 30, was appointed as an independent non-executive Director on 18 April 2023. Ms. Yang has over 8 years of experience in finance, audit and accounting in the PRC. Ms. Yang graduated from the School of Accounting, Dongbei University of Finance and Economics and is a certified public accountant, a registered tax adviser and a registered asset valuer in the PRC. Ms. Yang worked previously as a senior audit manager at Zhongzhun Certified Public Accountants (Special General Partnership), as a senior investment manager at the Liaoning branch of Huatai Securities Co., Ltd., and as the assistant to chairman of 遼寧向日葵教育科技有限公司 (Liaoning Sunflower Education Technology Co., Ltd.). Ms. Yang is currently a senior investment manager at the Liaoning branch of China International Capital Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3908). She has rich experience in financial management, taxation, capital operation and auditing experience.

董事(續)

獨立非執行董事(續)

彭中輝先生，50歲，於2011年4月12日獲委任為獨立非執行董事。彭先生擔任本公司審核委員會、提名委員會及薪酬委員會成員。彭先生現為BennyPang&Co.的主理合夥人，致力資本市場和公司及商業相關工作。1997年至2009年，彭先生於香港及悉尼多間國際律師行擔任律師。彭先生於1996年獲得邦德大學法律學士學位。於1997年，彭先生分別於英國法學院及新南威爾士大學獲得法律實踐研究文憑及碩士學位。彼於1997年獲得新南威爾士高級法院的認可成為執業律師，並於2009年獲得香港高等法院認可成為事務律師。彼為新南威爾士律師協會會員及香港律師會會員。彭先生曾經分別擔任以下公司之獨立非執行董事：自2018年4月12日至2021年10月30日期間的華邦科技控股有限公司(香港股份代號：3638)；自2019年9月27日至2021年5月5日期間的駿高控股有限公司(香港股份代號：8035)以及自2017年12月8日至2021年7月30日期間的莊皇集團公司(香港股份代號：8501)。

楊倩雯女士，30歲，於2023年4月18日獲委任為獨立非執行董事。於中國擁有逾8年的金融、審計及會計方面經驗。楊女士畢業於東北財經大學會計學院，為中國註冊會計師、註冊稅務顧問及註冊資產評估師。楊女士先前擔任中准會計師事務所(特殊普通合伙)高級審計經理，擔任華泰證券股份有限公司遼寧分公司高級投資經理，並擔任遼寧向日葵教育科技有限公司董事長助理。楊女士現為中國國際金融股份有限公司(一間於聯交所主板上市之公司，股份代號：3908)遼寧分公司資深投資經理。彼於財務管理、稅務、資本運作及審計方面擁有豐富經驗。

Directors and Senior Management

董事及高級管理人員

DIRECTORS (continued)

Independent Non-executive Directors (continued)

Save as otherwise disclosed, there was no change to any information required to be disclosed in relation to any Director pursuant to Rule 13.51(2)(a) to (e) and (g) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the year ended 31 December 2022. All Directors are not involved in any matters concerning Rule 13.51(2)(h) to (v) of the Listing Rules.

COMPANY SECRETARY

Mr. Yu Leung Fai, Philip (余亮暉), aged 46, was appointed as the company secretary and authorized representative of the Company in June 2012 and has over 22 years of experience in corporate services field. He was an auditor of Deloitte Touche Tohmatsu from 2000 to 2001. Since 2001, Mr. Yu joined Fung, Yu & Co. CPA Limited and is currently the company's managing partner. Mr. Yu has also been the company secretary of Beijing Media Corporation Ltd. (Hong Kong stock code:1000), and Sany Heavy Equipment International Holdings Company Limited (Hong Kong stock code: 631) and independent non-executive director of Realord Group Holdings Limited (Hong Kong stock code: 1196), Dowway Holding Limited (Hong Kong stock code: 8403), The Sincere Company, Limited (Hong Kong stock code: 244) and CSMall Group Limited (Hong Kong stock code:1815), all of which are listed companies in Hong Kong, since March 2010, February 2017, June 2014, October 2019, June 2021 and November 2021, respectively. Mr. Yu graduated from the University of Toronto with a Bachelor's degree (Honour) in Commerce in 2000 and from the University of London with a Bachelor's degree in Law in 2005. He is a member of the American Institute of Certified Public Accountants, Certified Practicing Accountants of Australia, the Hong Kong Institute of Certified Public Accountants and a Certified Trust Practitioner of the Hong Kong Trustee Association.

董事 (續)

獨立非執行董事 (續)

除另有披露外，於截至2022年12月31日止年度概無任何須根據香港聯合交易所有限公司證券上市規則(「上市規則」)第13.51(2)(a)條至(e)條及(g)條予以披露有關董事的資料的變動。各董事並無涉及上市規則第13.51(2)(h)至(v)條所述的任何事件。

公司秘書

余亮暉先生，46歲，於2012年6月獲委任為本公司的公司秘書以及授權代表，於企業服務領域具有逾22年經驗。彼於2000年至2001年擔任德勤•關黃陳方會計師行審計師。自2001年起，余先生加入馮兆林余錫光會計師事務所有限公司，現為該公司執行合夥人。自2010年3月、2017年2月、2014年6月、2019年10月、2021年6月及2021年11月起，余先生亦分別擔任北青傳媒股份有限公司(香港股票代號：1000)及三一重裝國際控股有限公司(香港股票代號：631)兩家香港上市公司的公司秘書，及偉祿集團控股有限公司(香港股票代號：1196)、天平道合控股有限公司(香港股票代號：8403)、先施有限公司(香港股票代號：244)及金貓銀貓集團有限公司(香港股票代號：1815)之獨立非執行董事。余先生於2000年畢業於多倫多大學，取得商業榮譽學士學位，並於2005年畢業於倫敦大學，取得法律學士學位。彼為美國註冊會計師公會、澳洲會計師公會、香港會計師公會會員及香港信托協會香港信托人公會註冊信托從業認可信託專業人員。

Directors and Senior Management

董事及高級管理人員

SENIOR MANAGEMENT

Mr. Zhao Zhongqiu (趙忠秋), Chief Executive Officer of the Company – see the paragraph under “**Executive Directors**” above.

Mr. Tian Wei (田威), the chief financial officer of the Company, aged 48, obtained his bachelor’s degree from Shenyang University (瀋陽大學) in 1999 with a major in accounting. Mr. Tian joined the Group in 2001 and has over 22 years extensive experience in financial management and accounting work. In 2005, Mr. Tian was promoted as the head of the financial accounting department in Shanghai subsidiary of the Group. In 2008, Mr. Tian was appointed as the financial manager of international subsidiary of the Group. Since June 2020, Mr. Tian has worked for the financial department of the Group as the general manager, responsible for planning and management of financial accounting, taxation matters, costing and corporate finance of the Group.

高級管理人員

趙忠秋先生，首席執行官 – 請參閱上文「**執行董事**」一段。

田威先生，首席財務官，48歲，於1999年畢業於瀋陽大學，本科學位，會計專業。田先生於2001年加入本集團及於財務管理和會計方面累積逾22年經驗。於2005年，田先生被提升為本集團上海附屬公司的財務部門主管。於2008年，田先生晉升為本集團國際附屬公司財務經理。自2020年6月起，田先生擔任本集團財務部總經理，負責本集團財務會計、稅務、成本及企業融資工作。

Corporate Governance Report

企業管治報告

The board of directors (the “**Board**”) of the Company is pleased to present this Corporate Governance Report in the Group’s Annual Report for the year ended 31 December 2022.

CORPORATE GOVERNANCE PRACTICES

The Group strives to maintain high standards of corporate governance to enhance shareholder value and safeguard shareholder interests. The Group’s corporate governance principles emphasize the importance of a quality Board, effective internal controls and accountability to shareholders of the Company.

For the year ended 31 December 2022, the Company has adopted and complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules as its own code to govern its corporate governance practices.

The Company reviews its corporate governance practices regularly to ensure compliance with the CG Code. For the year ended 31 December 2022, the Company has complied with all code provisions of the CG Code.

THE BOARD OF DIRECTORS

Responsibilities

The Board is responsible for leadership and control of the Company and oversees the Group’s businesses, strategic decisions and performance with the objective of enhancing shareholders’ value including setting and approving the Company’s strategic implementation, considering substantial investments, reviewing the Group’s financial performance and developing and reviewing the Group’s policies and practices on corporate governance and over all performance in environmental, social and governance (the “**ESG**”). The Board has delegated to the chief executive officer, of whom the directors also undertake, and through him, to the senior management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

本公司董事會(「**董事會**」)欣然提呈此載於本集團截至2022年12月31日止年度年報的企業管治報告。

企業管治常規

本集團致力維持高水準的企業管治，以提升股東價值及保障股東權益。本集團的企業管治原則側重優質董事會、有效內部監控及對本公司股東負責的重要性。

於截至2022年12月31日止年度，本公司一直採納並遵守了上市規則附錄14所載之企業管治守則(「**企業管治守則**」)之守則條文為其管治其企業管治常規之守則。

本公司定期檢討其企業管治常規，以確保常規符合企業管治守則。截止2022年12月31日止年度，本公司已遵守企業管治常規守則的所有守則條文。

董事會

職責

董事會負責領導及控制本公司，並監督本集團的業務、戰略決定及表現，以提升股東價值，包括制訂及批准本公司落實策略、考慮重大投資、檢討本集團財務表現以及發展及審閱本集團企業管治的政策及常規及環境、社會及管治(「**ESG**」)整體表現。董事會已向行政總裁授權而董事亦承擔，並透過行政總裁向高級管理層轉授權力及職責，負責本集團日常管理及運作。此外，董事會亦已成立董事委員會，並向該等董事委員會授予多項職責，有關職責載於其各自的職權範圍內。

THE BOARD OF DIRECTORS *(continued)*

Responsibilities *(continued)*

All directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and its shareholders at all times.

The Company has arranged for appropriate insurance cover for directors' and officers' liabilities in respect of legal actions against its directors and senior management arising out of corporate activities.

BOARD COMPOSITION

As at the date of this report, membership of the Board is made up of nine members in total, with five executive Directors and four independent non-executive Directors. During the year ended 31 December 2022 and up to the date of this report, the composition of the Board is set out below:

Executive Directors

Mr. Kang Baohua	Chairman
Mr. Liu Futao	Chief executive officer <i>(resigned on 4 July 2022)</i>
Mr. Ma Minghui	
Mr. Wang Hao	
Mr. Zhao Zhongqiu	Chief executive officer <i>(appointed on 4 July 2022)</i>
Mr. Zhang Lei	

Independent Non-Executive Directors

Mr. Poon Chiu Kwok
Mr. Woo Kar Tung, Raymond
Mr. Pang Chung Fai, Benny
Ms. Yang Qianwen <i>(appointed on 18 April 2023)</i>

董事會 *(續)*

職責 *(續)*

全體董事須確保本著真誠並遵守適用法律及法規以及於任何時候按本公司及其股東的利益履行職責。

本公司已應公司業務就針對董事及高級管理層提出的法律訴訟所產生的董事及高級職員責任購買適當的保險。

董事會組成

於本報告日期，董事會共由9名成員組成，其中包括5名執行董事及四名獨立非執行董事。於截至2022年12月31日止年度及直至本報告日期，董事會組成載列如下：

執行董事

康寶華先生	主席
劉福濤先生	行政總裁 <i>(於2022年7月4日辭任)</i>
馬明輝先生	
王昊先生	
趙忠秋先生	行政總裁 <i>(於2022年7月4日獲委任)</i>
張雷先生	

獨立非執行董事

潘昭國先生
胡家棟先生
彭中輝先生
楊倩雯女士 <i>(於2023年4月18日獲委任)</i>

Corporate Governance Report

企業管治報告

BOARD COMPOSITION (continued)

董事會組成(續)

獨立非執行董事 Independent Non-executive Directors



4

執行董事 Executive Directors



5

年齡組別/Age Group	30-40	41-50	51-60	>60
	1名董事 1 Director	4名董事 4 Directors	3名董事 3 Directors	1名董事 1 Director
擔任董事的經驗年數/ Years of Directorships Experience	0-5	6-11	>11	
	2名董事 2 Directors	3名董事 3 Directors	4名董事 4 Directors	
兼任董事的上市公司數量/ Number of Other Listed Companies Serving as Directors	0-1			>1
	8名董事 8 Directors			1名董事 1 Director

董事會成員專業背景及技能 Board Expertise and Skills

預算管理及領導技能/Budget management and leadership skills

幕牆產品的製造與營銷經驗/Experience in manufacturing and marketing of curtain wall products

內地市場專業知識/Mainland market expertise

財務彙報及風險監控經驗/Financial reporting and risk oversight experience

政府、法律及公共政策經驗/Government, legal and public policy experience

人力管理專業知識/Human resources management expertise

良好的判斷及對管理層作有效的監督及指導
Sound judgement and effective oversight of and guidance to management

Corporate Governance Report

企業管治報告

BOARD COMPOSITION (continued)

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The biographical details of the members of the Board are disclosed under the section headed “**Directors and Senior Management**” in this report. None of the members of the Board is related to one another.

During the year ended 31 December 2022, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to the requirements of Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines as set out in the Listing Rules.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the audit committee (“**Audit Committee**”), remuneration committee (the “**Remuneration Committee**”) and nomination committee (the “**Nomination Committee**”) of the Company.

Save as otherwise disclosed, there is no relationship (including financial, business, family or other material relationship) between members of the Board.

董事會組成(續)

董事名單(按類別劃分)亦已根據上市規則於本公司不時刊發的所有公司通訊中披露。所有公司通訊均已遵照上市規則明確說明獨立非執行董事身份。

董事會各成員之個人履歷於本報告「**董事及高級管理人員**」一節內披露。董事會各成員間並無任何關連。

截至2022年12月31日止年度，董事會一直遵照上市規則要求必須委任最少3名獨立非執行董事，而其中至少1名獨立非執行董事須擁有適當的專業資格或會計或相關財務管理專業知識的規定。

本公司已接獲各獨立非執行董事根據上市規則3.13條之規定有關其獨立性的年度確認書。本公司認為，根據上市規則所載的獨立指引，全體獨立非執行董事均為獨立人士。

全體董事(包括獨立非執行董事)為董事會帶來廣泛的寶貴商業經驗、知識及專長，令其能有效運作。獨立非執行董事已獲邀請在本公司審核委員會(「**審核委員會**」)、薪酬委員會(「**薪酬委員會**」)及提名委員會(「**提名委員會**」)任職。

除另有披露外，董事會任何成員之間概無關係(包括財務、業務、家族或其他重大關係)。

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 selection criteria and procedures to nominate candidate as a Director. Pursuant to the Nomination Policy, the Nomination Committee shall identify suitable board candidates and make recommendation to the Board on the selection of individuals nominated for directorships, after assessing a number of factors of a candidate, including, but not limited to, reputation for integrity, accomplishment and experience, commitment in respect of available time and attention on relevant matters, independence of proposed independent non-executive Directors and diversity in all aspects. The Board shall have the final decision in relation to the nomination of any candidates to stand for election at general meetings of the Company. The Nomination Committee will review the Nomination Policy, as appropriate, and recommend revision to the Board for consideration and approval.

BOARD DIVERSITY POLICY

The Board has considered a board diversity policy setting out the approach to achieve diversity on the Board. The Company considered diversity of Board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments are based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates is based on a range of diversified perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits of the selected candidates and their contribution to the Board.

The Nomination Committee will monitor the implementation of the Board Diversity Policy by conducting review of the Board’s composition at least once annually, and adhering to the Board Diversity Policy when making recommendation on any Board appointments.

提名政策

公司採用了提名政策（「**提名政策**」），規定了提名董事候選人的選擇標準和程序。根據提名政策，提名委員會應在評估候選人的若干因素，包括但不限於：正直聲譽、成就和經驗、相關事宜投入的時間和精力、獨立非執行董事的獨立性和各方面的多樣性。董事會對於其推薦候選人在股東大會上參選的事宜有最後決定權。提名委員會將酌情檢討提名政策，並提出修訂建議以供董事會審議及批准。

董事會成員多元化政策

董事會仔細考慮成員多元化政策，載明實現董事會成員多元化的方針。本公司制訂董事會成員多元化已從多個方面作出考慮，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終將按人選的長處及可為董事會作出的貢獻而作決定。

提名委員會對董事會的組成至少每年檢討一次，並於就任何董事會委任提出建議時遵守董事會多元化政策，以監察董事會多元化政策的實施。

BOARD DIVERSITY POLICY (continued)

At present, the Nomination Committee considered that: 1) the gender diversity at Board level can be improved; 2) this is taken into consideration about any Board appointments; and 3) the Board has in place a diverse mix of skills, knowledge and experience, and will increase gender diversity with the appointment of one or two female members on the Board in two years. Ms. Yang Qianwen was appointed as an independent non-executive Director of the Company on 18 April 2023 and will be eligible for re-election at the forthcoming annual general meeting in accordance with the articles of association of the Company. Following the appointment of Ms. Yang, the Board has achieved gender diversity and thus fulfilled the requirement under Rule 13.92 of the Listing Rules.

As at 31 December 2022, there were 2,121 male employees and 390 female employees, representing approximately 84.5% and 15.5% of the workforce (including senior management) respectively. The Group targets to achieve at least 18.0% of female employees by 2030 and expects a gradual reduction in the number of the dimission of female employees.

BOARD INDEPENDENCE

The Group has established mechanisms to ensure independent views and input are available to the Board and such mechanisms will be reviewed annually by the Board:

- At least one-third of the Board are independent non-executive Directors in compliance with the Listing Rules requirements, and the Company will assess the independence of the independent non-executive Directors on at least an annual basis.
- The Nomination Committee will assess the independence of a candidate who is nominated to be a new independent non-executive Director before appointment and the continued independence of the current long-serving independent non-executive Directors on an annual basis. All independent non-executive Directors are required to submit a written confirmation to the Company annually to confirm their independence in accordance with Rule 3.13 of the Listing Rules.

董事會成員多元化政策(續)

現時，提名委員會認為：1) 悉董事會成員的性別多元化存有改善空間；2) 已於聘任時加以考量；及3) 董事會已經涵蓋多元化的技能、知識及經驗，在未來2年內，隨著隨著委任1-2名女性董事，董事會的成員在性別層面上將更趨多元化。楊倩雯女士已於2023年4月18日獲委任為本公司獨立非執行董事，並將根據本公司的組織章程細則於應屆股東週年大會上膺選連任，自楊女士獲委任後，董事會已實現性別多元化，並因此遵守上市規則第13.92條所載規定。

截至2022年12月31日，本集團有2,121名男性員工及390名女性員工，分別佔員工總數(包括高級管理人員)的約84.5%及15.5%。本集團的目標是於2030年前實現女性員工佔比至少18.0%，並預計女性員工的離職人數將逐步減少。

董事會獨立性

本集團已設立機制，以確保向董事會提供獨立意見及建議，而董事會將於每年檢討有關機制：

- 董事會至少三分之一為獨立非執行董事，符合上市規則規定，且本公司將至少每年評估獨立非執行董事的獨立性。
- 提名委員會將於每年評估獲提名為新獨立非執行董事之候選人於獲委任前之獨立性以及現時長期服務之獨立非執行董事之持續獨立性。所有獨立非執行董事均須每年向本公司提交書面確認，以確認其獨立性是否符合上市規則第3.13條。

Corporate Governance Report

企業管治報告

- All Directors are entitled to retain independent professional advisors as and when it is required.
- All Directors are encouraged to express their views in an open and candid manner during the Board/Board committee meetings.
- The chairman of the Board will meet with the independent non-executive Directors at least annually without the presence of the executive Directors.
- A Director (including independent non-executive Director) who has material interest in any contract or arrangement shall abstain from voting and not be counted in the quorum on any Board resolution approving the same.
- 所有董事均有權於需要時聘請獨立專業顧問。
- 所有董事均獲鼓勵在董事會／董事委員會會議上以公開坦誠之方式表達彼等之意見。
- 董事會主席將在執行董事缺席之情況下至少每年與獨立非執行董事進行一次會面。
- 於任何合約或安排中擁有重大權益之董事(包括獨立非執行董事)應於批准有關合約或安排之任何董事會決議案時放棄投票，且不應計入法定人數。

The Board would review the implementation and effectiveness of the above mechanisms on an annual basis.

董事會將每年檢討上述機制的實施情況及成效。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

主席及行政總裁

The roles and duties of the Chairman (the “**Chairman**”) and the chief executive officer (the “**Chief Executive Officer**”) of the Company are carried out by different individuals and have been clearly defined in writing.

本公司主席(「**主席**」)及行政總裁(「**行政總裁**」)的職位及職責由不同人士擔任及以書面清晰界定。

The Chairman of the Board is Mr. Kang Baohua, and the chief executive officer is Mr. Zhao Zhongqiu. The positions of Chairman and Chief Executive Officer are held by separate persons in order to preserve independence and a balance of views and judgments. With the support of the senior management, the Chairman is responsible for ensuring that the Directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings. The chief executive officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. The Chief Executive Officer is in charge of the Company’s day-to-day management and operations. The Chief Executive Officer is also responsible for developing strategic plans and formulating the organizational structure, control systems and internal procedures and processes for the Board’s approval.

董事會主席為康寶華先生，而行政總裁為趙忠秋先生。主席及行政總裁的職位由不同人士擔任，以便保持獨立性及作出判斷時有平衡意見。在高級管理層協助下，主席的責任是確保董事能適時收到充分、完整及可靠數據並適時及適當簡介董事會會議上提出之事宜。行政總裁主要負責實行董事會批准及授權的目標、政策及策略。行政總裁須承擔本公司日常管理及運作的執行責任。行政總裁亦負責發展策略計劃及制訂組織架構、監控系統及內部程序及過程供董事會批准。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors is engaged on a service contract for a term of three years, and the appointment may be terminated by not less than three month's written notice. Each of the independent non-executive Directors has been appointed for a term of 1-3 years and the appointment may be terminated by not less than one month's written notice.

In accordance with the Company's Articles of Association, all Directors are subject to retirement by rotation at least once every three years and any new Director appointed by the Board to fill a causal vacancy or as an addition to the Board shall submit himself/herself for reelection by shareholders of the Company at the first general meeting after appointment.

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Articles of Association. The Nomination Committee established on 12 April 2011 is to be responsible for reviewing the Board composition, making recommendations to the Board on the appointment and succession planning of directors and assessing the independence of independent non-executive Directors.

In accordance with articles 83 and 84 of the Company's Articles of Association, Mr. Wang Hao, Mr. Zhang Lei, Mr. Poon Chiu Kwok, Mr. Woo Kar Tung, Raymond, Mr. Pang Chung Fai, Benny and Ms. Yang Qianwen shall retire by rotation and being eligible, will offer themselves for reelection at the forthcoming annual general meeting to be held on 6 June 2023 (the "**2022 AGM**").

BOARD MEETINGS

Board practices and conduct of Board meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to the Directors in advance.

Notices of regular Board meetings are served to all directors at least 14 days before the meeting. For other Board and committee meetings, reasonable notice is generally given.

董事委任及重選

本公司各執行董事均訂立為期3年的服務合約，而委任可透過發出不少於3個月書面通告的方式終止。本公司各獨立非執行董事則獲為期1-3年之委任，而委任可透過發出不少於1個月書面通告的方式終止。

根據本公司的組織章程細則，本公司全體董事須至少每3年輪值告退1次及任何經董事會新委任以填補臨時空缺的董事須於委任後首次股東大會上接受公司股東重選。

董事委任、重選及罷免程序及過程已載於本公司的組織章程細則。於2011年4月12日成立的提名委員會負責檢討董事會組合、向董事會推薦董事委任及繼任規劃，以及評估獨立非執行董事的獨立性。

根據本公司章程細則第83及84條，王昊先生、張雷先生、潘昭國先生、胡家棟先生、彭中輝先生及楊倩雯女士須於2023年6月6日舉行的股東週年大會（「**2022年股東週年大會**」）輪值告退，彼等具有資格並願膺選連任。

董事會會議

董事會會議常規及操守

各會議的年度會議程序及議程一般須事先向董事提供。

定期舉行的董事會會議通告須於會議舉行前至少14天送交全體董事。至於其他董事會及委員會會議，則一般須給予合理時間通知。

Corporate Governance Report

企業管治報告

BOARD MEETINGS *(continued)*

Board practices and conduct of Board meetings *(continued)*

Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 days before each Board meeting or committee meeting to keep Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management where necessary.

The Company's senior management, including the Chief Executive Officer, chief financial officer and company secretary, attend all regular Board meetings and where necessary, other Board and committee meetings, to advise on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company.

The company secretary of the Company is responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to the Directors for comment within a reasonable time after each meeting and final versions are open for the Directors' inspection.

The Company's Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

董事會會議 *(續)*

董事會會議常規及操守 *(續)*

於各董事會會議或委員會會議舉行前至少3天，向全體董事寄發董事會議程連同所有正確、完整及可靠數據，供董事知悉本公司的最新發展及財務狀況，從而令彼等可作出知情決定。董事會及各董事亦可於必要時個別獨立接觸高級管理層。

本公司的高級管理層，包括行政總裁、財務總監及公司秘書，出席全部定期舉行的董事會會議，並於必要時出席其他董事會及委員會會議，就本公司的業務發展、財務及會計事宜、法定及監管規定、企業管治及其他重大事務提供意見。

本公司的公司秘書負責所有董事會會議及委員會會議記錄，並保存有關記錄。每次舉行董事會會議及委員會會議後一段合理時間內，一般會向董事傳閱會議記錄初稿供其審閱，而定稿將可供董事查閱。

本公司的組織章程細則載有條文要求董事須在就批准董事或任何彼等的連繫人士於其中擁有重大權益的交易而召開的會議上放棄投票，及不會計入法定人數。

Corporate Governance Report

企業管治報告

BOARD MEETINGS (continued)

Directors' attendance records

The attendance records of each director at the Board meetings and committee meetings being held during the year ended 31 December 2022 and the annual general meeting for the financial year of 2021 held on 18 November 2022 (the "2021 AGM") are set out below:

Name of Director	Attendance/Number of Meetings					Annual General Meeting	Chairman's Annual meetings with INEDs 主席與獨立非執行董事的年度會議
	Board	Nomination Committee	Remuneration Committee	Audit Committee			
董事姓名	董事會	提名委員會	薪酬委員會	審核委員會	股東周年大會		
Kang Baohua 康寶華	7/7	2/2				1/1	1/1
Liu Futao (resigned on 4 July 2022) 劉福濤 (於2022年7月4日辭任)	1/7		2/2				
Ma Minghui 馬明輝	7/7					1/1	
Wang Hao 王昊	7/7					1/1	
Zhang Lei 張雷	7/7					1/1	
Zhao Zhongqiu 趙忠秋	7/7					1/1	
Poon Chiu Kwok 潘昭國	7/7	2/2		7/7		1/1	1/1
Woo Kar Tung, Raymond 胡家棟	7/7		2/2	7/7		1/1	1/1
Pang Chung Fai, Benny 彭中輝	7/7	2/2	2/2	7/7		1/1	1/1

董事會會議(續)

董事出席會議記錄

截至2022年12月31日止年度，各董事出席董事會會議及委員會會議以及出席於2022年11月18日召開的2021年財政年度股東周年大會(「2021年股東周年大會」)的記錄載列如下：

Corporate Governance Report

企業管治報告

DIRECTORS' TRAINING

Directors must keep abreast of their collective responsibilities and are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company would provide to each newly appointed Director or alternative Director an induction package covering the summary of the responsibilities and liabilities of a director of a Hong Kong listed company, the Group's businesses and the statutory regulatory obligations of a director of a listed company as well as the Company's constitutional documents to ensure that he/she is sufficiently aware of his/her responsibilities and obligations under the Listing Rules and other regulatory requirements. The Group also provided briefings and other training to develop and refresh the Directors' knowledge and skills from time to time. Further, the Company continuously updates Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

Details regarding the trainings attended by the Directors during the year ended 31 December 2022 are as follow:

董事培訓

董事須知悉彼等共同責任，本公司鼓勵董事參與持續專業發展，以發展及改善彼等知識及技能。本公司將向每名新委任董事或替任董事提供入職簡介，簡介涵蓋香港上市公司董事的職責及責任、本集團業務及上市公司董事的法定規管責任以及本公司憲制檔，以確保其充分瞭解其於上市規則及其他規管要求下的職責及責任。本集團亦舉行簡介會及其他培訓課程，以不時發展及改善董事知識及技能。此外，本公司不斷向董事就上市規則及其他適用規管要求匯報最新發展，以確保遵守規定，並加強彼等對良好企業管治守則的認知。

董事於截至2022年12月31日止年度出席培訓的詳情如下：

Directors	董事	Types of training 培訓種類
Executive Directors	執行董事	
Kang Baohua	康寶華	A,B,C,D,E
Liu Futao (resigned on 4 July 2022)	劉福濤 (於2022年7月4日辭任)	B,C,D,E
Ma Minghui	馬明輝	B,D,E
Wang Hao	王昊	B,C,D,E
Zhao Zhongqiu	趙忠秋	B,C,D,E
Zhang Lei	張雷	B,D,E
Independent Non-Executive Directors	獨立非執行董事	
Poon Chiu Kwok	潘昭國	A,B,C,E
Woo Kar Tung, Raymond	胡家棟	A,B,C,E
Pang Chung Fai, Benny	彭中輝	A,B,C,E

DIRECTORS' TRAINING (continued)

Note:

- A. Attending seminar(s)/forum(s)
- B. Reading materials relating to general business, real estate development, directors' duties and responsibilities and so on
- C. Giving talks to external seminar(s)/forum(s)
- D. Attending corporate event(s)/visit(s)
- E. Directors E-Trainings in HKEx
- F. Induction Training

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules (the “**Appendix 10**”) and devised its own code of conduct regarding directors' dealings in the Company's securities (the “**Company Code**”) on terms no less exacting than the Model Code as set out in Appendix 10.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code and the Company Code throughout the year ended 31 December 2022.

The Company has also established written guidelines on no less exacting terms than the Model Code (the “**Employees Written Guidelines**”) for securities transactions by employees who are likely to be in possession of unpublished inside information of the Company.

No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company for the year ended 31 December 2022.

董事培訓(續)

附註：

- A. 出席研討會／論壇
- B. 閱讀有關業務、地產發展、董事職責及責任等之資料
- C. 出席外部研討會／論壇致辭
- D. 出席公司活動、造訪行程
- E. 香港聯交所網上董事培訓
- F. 任職培訓

證券交易標準守則

本公司已採納上市規則附錄10(「**附錄10**」)所載上市發行人董事進行證券交易的標準守則(「**標準守則**」)及修訂了其條款不遜於附錄10所載標準守則的其本身有關董事買賣本公司證券的行為守則(「**公司守則**」)。

本公司已向全體董事作出具體查詢，而董事已確認，截至2022年12月31日止年度，彼等一直遵守標準守則及公司守則。

本公司已就可能擁有未公開的本公司內幕消息的僱員進行證券交易確立條款不遜於標準守則的書面指引(「**僱員書面指引**」)。

截至2022年12月31日止年度，本公司並未察覺僱員違反僱員書面指引的事故。

Corporate Governance Report

企業管治報告

DELEGATION BY THE BOARD

The Board undertakes responsibility for decision making in major Company matters, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable laws and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered in to by the aforesaid officers. The Board also has the full support of the Chief Executive Officer and the senior management for the discharge of its responsibilities.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established a formal and transparent procedure for formulating policies on remuneration of senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 December 2022 are set out in Note 8 to the consolidated financial statements. Such director's remuneration was determined with reference to the experience and duties of the Directors as well as the Company's remuneration policy and will be subject to review by the Remuneration Committee of the Board from time to time.

董事會授權

董事會負責對本公司重大事宜作出決策，包括批准及監督所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（尤其是可能涉及利益衝突的交易）、財務數據、委任董事及其他重大財務及運作事宜。

全體董事可及時取得所有相關數據以及公司秘書的意見及服務，以確保符合董事會議事程序以及遵守所有適用規則及規例。向董事會提出要求後，各董事一般可於適當情況下徵詢獨立專業意見，費用由本公司承擔。

本公司日常管理、行政及運作均由行政總裁及高級管理層負責。本公司會定期檢討獲分派職務及工作。上述高級職員於訂立任何重大交易前，必須事先獲董事會批准。董事會亦獲行政總裁及高級管理層全力支持履行其職責。

董事及高級管理層薪酬

本公司已制定本集團高級管理層薪酬政策的正式及具透明度的程序。各董事於截至2022年12月31日止年度的薪酬詳情載列於合併財務報表附註8。該等董事的薪酬是根據董事的經驗和職責以及公司的薪酬政策確定的，並不時由薪酬委員會檢討。

RETIREMENT BENEFIT SCHEMES

The Group participated in various retirement benefit schemes in accordance with the relevant rules and regulations in the PRC. The employees of overseas subsidiaries of the Group participate in defined contribution retirement benefit schemes managed by the respective local government authorities. In addition, certain qualified employees of overseas subsidiaries also participate in defined benefit retirement plan. Details of the Group's retirement benefit schemes are set out in note 6(b) to the consolidated financial statements.

According to the retirement benefit schemes of the Group, there is no applicable circumstance of forfeited contributions

BOARD COMMITTEES

As an integral part of sound corporate governance practices, the Board has established three committees, namely, the Nomination Committee, Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference which are available on the Company's website. Each of the Nomination Committee, Remuneration Committee and Audit Committee 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 expenses.

Nomination Committee

The Nomination Committee comprises four members, namely Mr. Kang Baohua (Chairman), Mr. Poon Chiu Kwok, Mr. Pang Chung Fai, Benny and Ms. Yang Qianwen, the majority of which are independent non-executive Directors.

The principal duties of the Nomination Committee include reviewing the Board composition, making recommendations to the Board on the appointment and succession planning of directors, and assessing the independence of the independent non-executive Directors.

退休福利計劃

本集團根據中華人民共和國的有關規則及規例，參與各項退休福利計劃。本集團海外的附屬公司的僱員參與其各自地方政府機關管理的界定供款退休福利計劃。除此之外，符合條件的海外附屬公司僱員亦參加設定收益退休福利計劃。本集團退休福利計劃的詳細情況載列於合併財務報表附註6(b)內。

根據本集團的退休福利計劃，不存在沒收供款的適用情況。

董事委員會

為符合良好企業管治常規，董事會已成立3個委員會，分別是提名委員會、薪酬委員會及審核委員會，以監管本公司特定範疇的事宜。本公司所有董事委員會乃根據已界定書面職權範圍成立，有關職權範圍資料已載於本公司網站供股東省覽。提名委員會、薪酬委員會及審核委員會均獲提供足夠資源，以履行其職務，倘提出合理要求後，可於適當情況下尋求獨立專業意見，費用由本公司承擔。

提名委員會

提名委員會由4名成員組成，分別是康寶華先生(主席)、潘昭國先生、彭中輝先生及楊倩雯女士，大部分成員為獨立非執行董事。

提名委員會的主要職責包括檢討董事會組成、就委任及董事繼任計劃向董事會提出建議及評估獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (continued)

Nomination Committee (continued)

During the year ended 31 December 2022, the Nomination Committee:

- reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board annually and made recommendations on any proposed changes to the Board to implement the Company's corporate strategy;
- made recommendations to the Board to ensure that the independent non-executive Directors comprise at least one-third of the Board;
- assessed the independence of independent non-executive Directors;
- made recommendations to the Board on the reappointment of Directors; and
- made recommendations to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, ethnicity, professional experience, knowledge and length of service.

The Nomination Committee will meet at least once per year according to its terms of reference. Two Nomination Committee meetings was held during the year under review.

董事委員會(續)

提名委員會(續)

截至2022年12月31日止年度，提名委員會：

- 對董事會的架構、人數及組成(包括技能、知識及經驗方面)進行了年度審閱，並就任何為配合本公司的策略而擬對董事會作出的變動提出建議；
- 向董事會提供意見，確保獨立非執行董事必須佔董事會成員人數至少三分之一；
- 評核獨立非執行董事的獨立性；
- 就董事重新委任向董事會提出建議；及
- 提議董事會應該在諸多方面(但不限於)(如性別、年齡、民族、職業經歷、學歷及服務任期)實現董事會的多元化。

提名委員會將根據其職權範圍每年至少舉行1次會議。於回顧年度，提名委員會舉行了2次會議。

BOARD COMMITTEES (continued)

Remuneration Committee

The Remuneration Committee comprises four members, namely Mr. Woo Kar Tung, Raymond (Chairman), Mr. Zhao Zhongqiu, Mr. Pang Chung Fai, Benny and Ms. Yang Qianwen, the majority of which are independent non-executive Directors.

The Remuneration Committee is responsible for making recommendations to the Directors' remuneration and other benefits. The remuneration of all Directors is subject to regular monitoring by the Remuneration Committee to ensure that level of their remuneration and compensation are reasonable. Their written terms of reference are in compliance with the provisions of the CG Code. Pursuant to code provision E.1.3 of the CG Code, the Remuneration Committee would make available its terms of reference, explaining its role and the authority delegated to it by the Board.

During the year ended 31 December 2022, the Remuneration Committee:

- made recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- reviewed and approved the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- conduct an annual review with reference to companies with comparable business or scale and recommend remuneration adjustments, if appropriate;
- reviewed and approved the disclosure details of any remuneration payable to members of senior management by band in the annual reports; and
- conducted regular evaluations of the Board on its performance as it may consider appropriate.

董事委員會(續)

薪酬委員會

薪酬委員會由4名成員組成，分別是胡家棟先生(主席)、趙忠秋先生、彭中輝先生及楊倩雯女士，大部分成員為獨立非執行董事。

薪酬委員會負責就董事薪酬及其他福利提供建議。全體董事薪酬均受薪酬委員會定期監管，以確保彼等薪酬水準及補償屬合理。彼等職權範圍乃遵照企業管治守則的條文。根據企業管治守則條文E.1.3守則條文，薪酬委員會將制訂職權範圍，解釋其職能及獲董事會所授予的權力。

截至2022年12月31日止年度，薪酬委員會主要負責：

- 就本公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；
- 每年參考類似業務或規模的公司進行酬金檢討，並於適當時建議作出酬金調整；
- 檢討及批准於年報內按薪酬等級披露應付高級管理人員的任何酬金詳情；及
- 委員會按需要定期評核董事會的表現。

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

Pursuant to code provision E.1.5 of the CG code, the remuneration of the members of the senior management by band for the year ended 31 December 2022 is set out below:

In the band of	所屬範圍	Number of individuals 人數
Nil to HK\$1,000,000	零至 1,000,000 港元	11
HK\$1,000,001 to HK\$2,000,000	1,000,001 港元至 2,000,000 港元	0

The Remuneration Committee held two meetings during the year ended 31 December 2022.

Audit Committee

The Audit Committee comprises four members, namely Mr. Woo Kar Tung, Raymond (Chairman), Mr. Poon Chiu Kwok, Mr. Pang Chung Fai, Benny and Ms. Yang Qianwen, all of which are independent non-executive Directors.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and risk management and internal control system and to provide advice and comments to the Board.

During the year ended 31 December 2022, the Audit Committee:

- made recommendations to the Board on the appointment, re-appointment and removal of the external auditor, and approved the remuneration and terms of engagement of the external auditor;
- reviewed and monitored the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

董事委員會(續)

薪酬委員會(續)

根據企業管治守則之守則條文第E.1.5條，高級管理層成員於截至2022年12月31日止年度之薪酬範圍載列如下：

In the band of	所屬範圍	Number of individuals 人數
Nil to HK\$1,000,000	零至 1,000,000 港元	11
HK\$1,000,001 to HK\$2,000,000	1,000,001 港元至 2,000,000 港元	0

薪酬委員會於截至2022年12月31日止年度舉行了2次會議。

審核委員會

審核委員會由4名成員組成，分別為胡家棟先生(主席)、潘昭國先生、彭中輝先生及楊倩雯女士，全部均為獨立非執行董事。

審核委員會的主要職務為檢討及監察財務申報程序及風險管理內部監控制度，以及向董事會提供建議及意見。

截至2022年12月31日止年度，審核委員會：

- 就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (continued)

Audit Committee (continued)

- reviewed the annual results in respect of the year ended 31 December 2021 and the interim results for the six months ended 30 June 2022 as well as significant issues on financial control, internal control and risk management systems;
- reviewed and approved the internal audit work plan for 2022, and received periodic updates on the status of internal audit activities;
- reviewed connected transactions entered into by the Group or subsisting during the year;
- discussed the risk management and internal control system with management to ensure that management has performed its duty to have an effective internal control system. This discussion included the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting functions; and
- developed and reviewed the Company's policies and practices on corporate governance and made recommendations to the Board.

The Audit Committee held seven meetings during the year ended 31 December 2022.

The Audit Committee also met the external auditors of the Company seven times without the presence of the executive Directors.

董事委員會(續)

審核委員會(續)

- 檢討公司截至2021年12月31日止年度之年度業績，截至2022年6月30日止6個月中期業績及有關財務監控、內部監控及風險管理制度的重大事項；
- 審閱及通過2022年度中期審計計劃及定期收到關於內部審計活動狀況的最新資料；
- 審閱於本年度由本集團訂立或存續之關連交易；
- 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的內部監控系統，討論內容應包括公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足；及
- 制定及檢討本公司政策及企業管治常規，並向董事會提出建議。

截至2022年12月31日止年度，審核委員會曾舉行7次會議。

審核委員會亦在執行董事缺席之情況下與本公司外部核數師進行7次會面。

Corporate Governance Report

企業管治報告

MANAGEMENT OF INSIDE INFORMATION

The Group has also adopted an information disclosure policy which has set out guidelines in respect of handling and dissemination of inside information. The Board is entrusted with the responsibility for monitoring and implementing the procedural requirements in the information disclosure policy. Release of inside information shall be approved by the Board. Unless duly authorized, all staff members of the Company shall not disseminate inside information relating to the Group to any external parties and shall not respond to media report or market speculation which may materially affect the trading price or volume of the shares of the Company.

CORPORATE GOVERNANCE FUNCTIONS

During the period under review, the Board is responsible for determining the policy for the corporate governance of the Company performing the corporate governance duties as below:

- to develop and review the Group's policies and practices on corporate governance and make recommendations;
- to review and monitor the training and continuous professional development of the directors and senior management;
- to review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements (where applicable);
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors of the Group; and
- to review the Group's compliance with the CG Code and disclosure requirements in the Corporate Governance Report.

內幕消息管理

本集團亦已採納資訊披露政策，當中載列有關處理及發佈內幕消息的指引。董事會受託負責監控及實施資訊披露政策中的程序規定。內幕資料須由董事會批准。除非獲正式授權，否則本公司所有員工不得向任何外部人士傳播有關本集團的內幕消息，亦不得回應可能對本公司股份成交價或成交量造成重大影響的媒體報道或市場揣測。

企業管治職能

於回顧期內，董事會負責釐定本公司的企業管治政策，以履行企業管治職務如下：

- 制定及檢討本集團的企業管治政策及常規，並作出建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本集團遵守所有法律及規管規定(如適用)的政策及常規；
- 制定、檢討及監察本集團僱員及董事適用的行為守則及合規指引(如有)；及
- 檢討本集團遵守企業管治守則及企業管治報告所載披露規定的情況。

ACCOUNTABILITY AND AUDIT

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2022.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements of inside information and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management of the Company has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval.

RISK MANAGEMENT AND INTERNAL CONTROLS

During the year under review, the Board, through the Audit Committee, conducted a review of the effectiveness of the internal control system of the Company including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget. An internal audit department has been established to perform regular financial and operational reviews and conduct audit of the Company and its subsidiaries. The work carried out by the internal audit department ensures the internal controls are in place and functioning properly as intended.

Risk management framework

The Board is responsible for maintaining an adequate risk management and internal control system to safeguard shareholder investments and Company assets and with the support of the Audit Committee, and reviewing the effectiveness of such system on an annual basis.

責任性及審核

董事就財務報表的財務報告職責

董事確認彼等知悉編製本公司截至2022年12月31日止年度財務報表的責任。

董事會負責根據上市規則及其他法定及監管規定，對年報及中期報告、內幕消息公告及其他披露事宜提供內容持平、清晰及易明的評估。

本公司管理層已向董事會提供必要的解釋及數據，以使董事會對獲提呈待審批的本公司財務報表作出知情評估。

風險管理及內部監控

於回顧年度，董事會透過審核委員會已檢討本公司內部監控制度的有效性，其中包括資源充足性、本公司會計及財務報告人員的資格及經驗以及其培訓計劃及預算。已設立內部審核部門執行定期財務及營運檢討，及為本公司及其附屬公司進行審核。內部審核部門的工作確保內部監控系統按計劃運作及妥善執行。

風險管理框架

董事會負責維持適當的風險管理及內部監控制度，以保障股東投資及本公司資產，並審核委員會每年對其有效性進行檢討。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

Risk management framework (continued)

The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group. The internal auditor and senior management review and evaluate the control process, monitors any risk factors on a regular basis, and reports to the Audit Committee on any findings and measures to address the variances and identified risks.

The risk management and internal control systems of the Company 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.

Significant risks and control measures

Business risk

As most of the Group's customers are property developers or main contractors of public infrastructure and commercial buildings, the business and prospects of the Group heavily depend on the performance of the construction and real estate industries, which are cyclical and could be significantly affected by fluctuations in economic conditions.

The time and costs involved in completing construction can be adversely affected by many factors, including shortage of materials, equipment and labour, adverse weather conditions, natural disasters, labour disputes with contractors and subcontractors, accidents, changes in government priorities, and other unforeseen problems or circumstances. The occurrence of any of these factors could give rise to delays in the completion of a project, which may result in cost overruns and potential disputes and claims from service recipients. This may also result in the profit derived from the design, procurement, production, sale and installation of curtain wall system not being recognised in the year in which it was originally anticipated to be recognised.

風險管理及內部監控 (續)

風險管理框架 (續)

本集團的內部監控制度乃設計為協助有效及高效的運作，從而確保財務報告的可靠性及遵守適用法律及法規、識別及管理潛在風險，以及保障本集團資產。內部核數師及高級管理層須定期檢討及評估監控程序，並監察任何風險因素，以及就任何調查結果、應付各種變量及已識別風險的措施向審核委員會報告。

本公司的風險管理和內部控制制度旨在管理而非消除未能實現經營目標的風險，只能對重大錯報損失提供合理而非絕對的保證。

重大風險及監控措施

業務風險

本集團大部份客戶為物業發展商或公共基建及商業大廈的主要承包商，本集團的業務及前景很大程度上依賴建築及房地產行業的表現，其表現屬週期性，且很受經濟狀況的波動影響。

建築項目所涉及的時間及成本可能受多項不利因素影響，這些因素包括材料、設備及勞動力短缺、不利的天氣狀況、自然災害、與總包商及分包商的勞資糾紛、意外事故、政府工作重點的變動及其他不可預見的問題或情況。發生任何前述因素，均可能導致項目竣工延後，繼而或導致成本超支以及服務接受方的潛在糾紛及索償，且於原本預期年度內確認的來自設計、採購、生產、銷售及安裝幕牆系統的合同利潤亦可能因此而無法予以確認。

RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

Significant risks and control measures (continued)

Business risk (continued)

In order to better respond to the opportunities and challenges from the changes in economy environment and policies, the Company carries out in-depth study on the macro-economy and policies all over the world to implement its strategies to develop and strengthen penetration of different regional markets thereby reducing its dependence on specific markets.

Industrial risk

The industry will remain polarized and extremely competitive; leading towards the Matthew Effect of “the strong becomes stronger” as the sector centralises and segregates. As the market becomes more concentrated, market share will quickly gravitate towards leading companies.

The Company has effectively coped with the impact of the industrial risk, reduced variable costs and integrated fixed assets. Meanwhile, the Company adhered to technological innovation and obtained 9 utility models in 2022 which empowered high-quality development of the Group in the future.

風險管理及內部監控 (續)

重大風險及監控措施 (續)

業務風險 (續)

為了更好應對經濟環境變化和政策變化帶來的機遇與挑戰，本公司深入研究全球各地宏觀經濟走勢和政策動態，實施策略，以發展和加強不同的地區市場的滲透，從而減少對特定市場的依賴。

產業風險

行業的分化格局仍將延續，行業洗牌加劇，馬太效應之「強者愈強、弱者愈弱」的現象突顯，行業集中度將大大提升，市場份額加速向龍頭企業集中。

公司仍積極應對產業風險帶來的影響，壓縮可變成本、整合固定資產，同時緊抓創新科研，於2022年取得了9項實用新型專利，為可持續發展儲備內在優勢。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

Significant risks and control measures (continued)

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Responsibility for managing operational risks basically rests with every function at divisional and departmental levels. Delay in supply of construction materials, unskilled construction workers, safety accidents, natural disasters, adverse weather and other factors may bring risks such as construction progress, project cost, construction quality and customers satisfaction, and thus affecting the results of operation and reputation of the Company.

The Company has established various systems for management of quality, progress, safety, material and cost of project development to strengthen the overall management of construction schedule, quality and safety, reduced construction risks and emphasize safe development.

Compliance risk

The Company's operation is subject to a wide range of policies and regulations, including the company ordinance of the region where it locates, financial and taxation regulations and regulations in relation to construction and listing rules of Hong Kong and mainland China etc., and the requirements and changes of laws, regulations and policies may also affect the Company. Due to the complexity of the construction projects, the capability for claiming indemnity may directly affect the profitability of a project. If the project team's experience in claims and counter claims is inadequate to meet the requirements of the undertaken project, especially for the overseas projects, if the Company fails to properly deal with claims and counter claims in some construction projects where the conditions are complex and the demand is high, especially for the overseas projects, these will cause a negative impact on the effectiveness and profitability of such projects.

風險管理及內部監控 (續)

重大風險及監控措施 (續)

營運風險

營運風險指因內部程序、人員或制度不足或缺失，或因外部事件導致之損失風險。管理營運風險之責任基本上由各個功能之分部及部門肩負。建築材料供應不及時、施工人員勞動熟練度不足、安全意外事故、自然災害、惡劣氣候等因素，均可能帶來工程進度、項目成本、建築質量和客戶滿意度等風險，對公司經營業績和品牌聲譽造成影響。

本公司建立了項目開發過程中的質量、進度、安全、材料、成本管理等體系，加強對施工進度、質量、安全的全面管理，減少施工風險，強調安全發展。

合規風險

本公司的業務受到廣泛的法規及政策監管，其中包括所處地區的公司條例、財務及稅務法規及建築法規，以及中國大陸及香港的上市規則等，其要求或變動對公司亦會產生影響。由於本集團所承建工程項目的複雜性，索賠能力的強弱往往直接影響項目的效益，本集團項目團隊的索賠和反索賠經驗如果不能滿足現行項目執行的需要，在部分施工條件複雜、要求較高的工程項目，尤其是海外項目，一旦對索賠和反索賠應對不利將可能導致項目效益受損。

RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

Significant risks and control measures (continued)

Compliance risk (continued)

The Company has designated special personnel to study new regulations and policies and make relevant arrangements, and reflected the requirements of relevant laws and regulations in its business activities and operation management in a timely manner. The Company also consults external experts for handling compliance matters in order to comply with various relevant regulations, policies and guidelines.

Credit risk

The Group is serving a large customer base with different credit status, and its business development will inevitably be affected by the varied credit profiles of these customers. Due to the impact of the macroeconomic policy environment and the COVID-19 epidemic, certain customers may suffer tight cash flow leading to delays in payment or the increase of the expected credit loss allowances recognised for financial and contract assets. The Group seeks to reduce the aforesaid impact by identifying and managing credit risks through internal credit management measures, such as credit search, credit rating, credit limit management, overall credit risk assessment and stringent credit control against customers with faulty payment records, as well as by transferring credit risks through the purchase of credit insurance. The credit risk management of the Group are set out in note 28(a) to the consolidated financial statements.

Financial risk

The financial risk management of the Group are set out in note 28 to the consolidated financial statements.

The Audit Committee reviewed the findings of investigations on material internal control and the management's feedback thereof.

風險管理及內部監控 (續)

重大風險及監控措施(續)

合規風險(續)

本公司設立了專門人員對法規和政策的變化進行研究，並將相關要求及時落實到業務活動和運營管理中。公司還結合諮詢外部專家，確保管理運營遵守各項相關法規、政策及指引。

客戶信用風險

由於本集團客戶群體龐大，各類客戶的資信存在一定差異，不同的資信狀況對本集團的業務發展帶來一定的影響。受宏觀經濟政策環境及疫情影響，部分客戶可能現金流吃緊導致付款延後或金融及合同資產預期的信用損失的虧損的增加。本集團主要通過客戶資信調查、客戶資信評級與授信、客戶信用額度管理及風險總量控制、對付款記錄不良客戶實施信用管控等內部信用管理措施識別和管理信用風險，及通過購買信用保險轉移信用風險，以減少上述影響。本集團之信貸風險管理載列於合併財務報表附註28(a)內。

財務風險

本集團之財務風險管理載列於合併財務報表附註28內。

審核委員會審閱了重大內控調查結果及管理層的回應進行檢討。

Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

(continued)

Significant risks and control measures (continued)

Financial risk (continued)

Based on the assessments made by the management and taking into account the audit works of the independent auditor, the Board and the Audit Committee considered that no significant areas of concern in respect of the Group's risk management and internal control systems were identified during the year of 2022.

Based on the review of the effectiveness of the risk management and internal control systems performed during the year, the Board considers such systems effective and adequate.

Material risks relating to ESG

Please see the section headed "**Impact of climate change**" in the ESG report dated 28 April 2023.

COMPANY SECRETARY

Mr. Yu Leung Fai of Yu & Co. CPA Limited, the external company secretary service provider of the Company, has been engaged by the Company as its company secretary since 30 June 2012. The primary corporate contact person at the Company is Wang Xiao, the secretary of the Finance and Securities Department of the Company.

The company secretary's biography is set out in the section headed "**Directors and Senior Management**" of this report. During the year ended 31 December 2022, the company secretary undertook over 15 hours of professional training to update his skills and knowledge.

風險管理及內部監控 (續)

重大風險及監控措施 (續)

財務風險 (續)

根據管理層之評估，以及經考慮獨立核數師的審計工作結果，董事會及審核委員會認為於2022年內，並無與風險管理及內部監控有關的重大事宜需予關注。

根據年內對風險管理及內部監控系統表現有效性的檢討，董事會認為該等系統有效及正確。

環境、社會及管治有關的重大風險

請參閱2023年4月28日的環境、社會及管治報告中的「氣候變化影響」。

公司秘書

馮兆林余錫光會計師事務所有限公司(向本公司提供外部公司秘書服務之公司)之余亮暉先生已自2012年6月30日起受本公司聘任為其公司秘書。本公司主要公司聯絡人為本公司金融及證券部秘書王曉。

公司秘書履歷載於本報告「**董事及高級管理人員**」一節。截至2022年12月31日止年度，公司秘書獲授15小時以上之專業培訓，以提升彼等技能及知識。

EXTERNAL AUDITORS AND AUDITORS' REMUNERATION

The statement of the external auditors of the Company about their reporting responsibilities for the financial statements of the Company is set out in the "Independent Auditor's Report" on pages 76 to 86.

The audit fee incurred during the year ended 31 December 2022 was approximately RMB14.9 million. The external auditors of the Company provided non-audit services with contract-value of about RMB0.6 million to the Company for the year ended 31 December 2022.

SHAREHOLDERS' RIGHTS

Procedures for shareholders of the Company to convene an extraordinary general meeting (including making proposals/moving a resolution at the extraordinary general meeting):

- Any 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 carrying the right of voting at general meetings of the Company (the "**Eligible Shareholder(s)**") shall at all times have the right, by written requisition to the Board or the company secretary of the Company (the "**Company Secretary**"), to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition, including making proposals or moving a resolution at an extraordinary general meeting.
- Eligible Shareholders who wish to convene an extraordinary general meeting for the purpose of making proposals or moving a resolution at an extraordinary general meeting must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned to the principal place of business of the Company in Hong Kong at Office 11, 9/F, Fortune Commercial Building, 362 Sha Tsui Road, Tsuen Wan, New Territories Hong Kong, for the attention of the Company Secretary.

外聘核數師及核數師薪酬

本公司外聘核數師就其對本公司的財務報表的申報職責的聲明載列於第76頁至第86頁的「獨立核數師報告」。

截至2022年12月31日止年度產生的審計費用約為人民幣14.9百萬元。截至2022年12月31日止年度，本公司的外部審計師向本公司提供了合同價值約為人民幣0.6百萬元的非審計服務。

股東權利

本公司股東召開股東特別大會(包括股東特別大會上提出提案/決議案)的程序：

- 任何一個或多個本公司股東在遞交該申請書當日須持有本公司不少於1/10附帶投票權可於本集團股東大會上投票的已繳足資本(「**適格股東**」)有權隨時向本公司董事會或公司秘書(「**公司秘書**」)遞交書面申請，要求董事會為該書面申請中所述的任何業務交易召開股東特別大會(包括股東特別大會上提出提案/決議案)。
- 希望召開股東特別大會以於股東特別大會上提出提案或決議案的適格股東必須將經相關適格股東簽署的書面申請(「**申請書**」)交存本公司在香港的主要營業地點，地址為香港新界荃灣沙咀道362號全發商業大廈9樓11室(致公司秘書)。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (continued)

- The Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene an extraordinary general meeting, the agenda proposed to be included the details of the business(es) proposed to be transacted in the extraordinary general meeting, signed by the Eligible Shareholder(s) concerned.
- If within 21 days of the deposit of the Requisition, the Board has not advised the Eligible Shareholders of any outcome to the contrary and fails to proceed to convene an extraordinary general meeting, the Eligible Shareholder(s) himself/herself/themselves may do so in accordance with the memorandum and articles of associations of the Company, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

Disclaimer

The contents of this sub-section headed “**Shareholders’ Rights**” are for reference and disclosure compliance purposes only. The information does not represent and should not be regarded as legal or other professional advice from the Company to the shareholders. Shareholders should seek their own independent legal or other professional advice as to their rights as shareholders of the Company. The Company disclaims all liabilities for losses incurred by its shareholders in reliance on any contents of this sub-section headed “**Shareholders’ Rights**”.

股東權利(續)

- 申請書必須載明相關適格股東的姓名、彼等持有的本公司股份、召開股東特別大會的理由、擬議的議程、在股東特別大會上擬議的交易詳情，並由相關適格股東簽署。
- 倘董事會未能在申請書遞交後21天內向股東報告任何進展或未能召開股東特別大會，適格股東有權根據本公司組織章程大綱及細則的相關規定自行召開股東特別大會；對於適格股東因董事會未能召開大會而產生的所有合理費用，本公司應當向相關適格股東進行補償。

免責聲明

本「**股東權利**」分節所載內容僅供參考及遵守披露規定。有關資料並不代表亦不應視作本公司給予股東的法律或其他專業意見。股東應就彼等作為本公司股東的權利，自行尋求獨立法律或其他專業意見。本公司不會就股東因依賴本「**股東權利**」分節所載內容而產生的損失承擔任何責任。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (continued)

Making enquires to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong by post through the following means:

Telephone number: (86) 24 25273288
By post: 20, Street 13 Shenyang Economic & Technological Development Area, Shenyang, 110027, China
Attention: Investor Relations Department
By email: investors@yuandacn.com

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company has adopted shareholders communication policy with the objective of ensuring that the shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company.

The Company has established several channels to communicate with the shareholders as follows:

- (i). Corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.yuandacn.com;
- (ii). Periodic announcements are made through the Stock Exchange and published on the respective websites of the Stock Exchange and the Company;
- (iii). Corporate information is made available on the Company's website;

股東權利(續)

向董事會作出查詢

股東可藉郵寄至本公司於香港的主要營業地點或通過以下方式向董事會發送其查詢及關注：

電話號碼：(86) 24 25273288
郵遞：中國瀋陽市瀋陽經濟技術開發區13號街20號郵編110027
致：投資者關係部
電郵：investors@yuandacn.com

與股東的溝通及投資者關係

本公司已採納股東溝通政策，目標乃確保股東及有意投資者可方便、平等和及時地獲得本公司無任何偏見及可理解的資料。

本公司已設立以下多個途徑與股東溝通：

- (i). 企業通訊如年報、中期報告及通函均以印刷形式刊發，同時於聯交所網站www.hkexnews.hk及本公司網站www.yuandacn.com可供瀏覽；
- (ii). 定期透過聯交所作出公佈，並將公佈分別刊載於聯交所及本公司的網站；
- (iii). 於本公司網站提供企業資料；

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS *(continued)*

- (iv). Annual and extraordinary general meetings provide a forum for the shareholders to make comments and exchange views with the Directors and senior management; and
- (v). The Hong Kong branch share registrar of the Company serves the shareholders in respect of share registration, dividend payment and related matters.

The Board considers that its existing communication channels with its shareholders and investors are effective in facilitating ongoing communication and dialogue between shareholders and the Company.

The Company continues to promote investor relations and enhance communication with the existing shareholders and potential investors. The Company welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

The annual general meeting regarding the financial results for the year ended 31 December 2022 will be held on 6 June 2023. The notice of 2022 AGM will be sent to shareholders of the Company at least 21 clear business days before the 2022 AGM.

During the year, there was no change to the Company's memorandum and articles of association.

DIVIDEND POLICY

Any declaration of dividends will depend upon a number of factors including earnings and financial conditions, operation requirements, capital requirements and any other conditions that any other Directors may deem or are relevant and will be subject to the approval of our shareholders of the Company. There can be no assurance that dividends of any amount will be declared or distributed in any given year.

與股東的溝通及投資者關係 *(續)*

- (iv). 股東週年大會及股東特別大會為股東提供平台，向董事及高級管理層反映意見及交流觀點；及
- (v). 本公司的香港股份過戶登記分處可為股東提供股份過戶登記、股息派付及相關事宜的服務。

董事會認為，其與股東及投資者的現有溝通渠道可有效促進股東與本公司之間的持續溝通及對話。

本公司繼續促進與投資者的關係，並加強與現有股東及有意投資者的溝通。本公司歡迎投資者、持份者及公眾人士提供意見。向董事會或本公司作出的查詢可郵寄至本公司於香港的主要營業地點。

本公司將就截至2022年12月31日止年度的財務業績於2023年6月6日舉行2022年股東周年大會。2022年股東周年大會通告將於2022年股東周年大會日期前至少21個完整營業日寄往予本公司股東。

年內，本公司的組織章程大綱及細則並無變動。

股息政策

任何股息之派付及金額將視多項因素而定，包括收益和財務狀況、運營需求、資金需求以及董事會視為相應之任何其他因素並且需要公司股東的同意。無任何保證在指定的任何年份派付任何金額的股息。

Report of the Board of Directors

董事會報告

The Directors of the Company are pleased to present their report and the audited financial statements for the year ended 31 December 2022 of the Group.

BUSINESS REVIEW AND PERFORMANCE

A review of the business of the Group and a discussion and analysis of the Group's performance during the year under review and a discussion on the Group's future business development and outlook of the Company's business, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2022 are provided in the section headed **"Management Discussion and Analysis"** on pages 9 to 21 of this annual report. An account of the Company's relationships with its key stakeholders is included in the paragraph headed **"Relationships with Employees, Suppliers and Customers"** of the Report of the Board of Directors on page 63 of this annual report.

An analysis of the Group's performance during the year ended 31 December 2022 using financial performance indicators is provided in the section headed **"Management Discussion and Analysis"** on pages 9 to 21 of this annual report and the Group's **"Five Year Financial Summary"** on page 236 of this annual report.

In addition, more details regarding the Group's performance by reference to environmental and social-related key performance indicators and policies, as well as compliance with relevant laws and regulations which have a significant impact on the Company are provided in the ESG report dated 28 April 2023.

本公司董事欣然提呈彼等的報告以及本集團截至2022年12月31日止年度的經審核財務報表。

業務回顧及表現

截止2022年12月31日止本集團的業務回顧、本集團回顧年度內表現的討論及分析、本集團未來業務發展的討論、本公司業務前景、本集團或會遇到的潛在風險及不明朗因素，以及影響本公司的重要事項列載於第9頁至第21頁的本年度報告的「**管理層討論及分析**」一段內。本公司與利益相關者的關係載列於董事會報告內第63頁「**與僱員、供應商及客戶之間的關係**」一段內。

本集團截至2022年12月31日止年度財務業績指標所作出的業績分析載列於本年度報告第9頁至第21頁的「**管理層討論及分析**」一段內及第236頁本集團的「**五年財務摘要**」一段內。

此外，有關本集團參考對本公司產生重要影響的環境及社會相關主要表現指標及政策，以及遵守相關法律及法規的表現，更多詳情載列於2023年4月28日登載的環境、社會及管治報告。

Report of the Board of Directors

董事會報告

ENVIRONMENTAL PROTECTION

Environmental conservation remains a key focus for the Group. The conscientious use of resources and adoption of best practices across the Group's businesses underlie its commitment to safeguarding the environment. The Group encourages environmental protection and complies with environmental legislation and promotes awareness towards environmental protection to the employees.

The PRC government has imposed strict requirements of the laws of production safety and environmental protection for enterprises. Since the PRC government is adopting laws on strengthening environmental protection from time to time and implementing stricter environmental protection standards, it is expected that the Group will have to comply with more regulations in the future. In addition, the Group predicts this trend will continue and additional expenses may be incurred for complying with new regulations, thus increasing the Group's operating costs.

To cope with the risk, not only are we certified with ISO 14001 Environmental Management System, but we have also set up an Environmental Division to monitor and manage the environmental performance of our plants and maintain communication with the Ministry of Environmental Protection. In addition, the Group has been optimising its management system for safety and environmental protection, regularly keeping abreast of the relevant laws and regulations of environmental protection in order to ensure full compliance with local laws of environmental protection. Further details are set forth in the ESG report dated 28 April 2023.

MAJOR BUSINESS

The Company is principally engaged in the provision of one stop integrated curtain wall solutions for its customers to meet the technical specifications and performance requirements of their projects. The analysis of the revenue of the Group for the year is set out in Note 4 to the consolidated financial statements.

環境保護

環境保護仍是本集團關注的重點。貫穿於本集團的業務之中，資源的審慎利用和最佳行為標準的採用成為保護環境的保證。本集團鼓勵環境保護並遵守環境立法，提升員工對環境保護意識。

國家關於生產安全及環境保護的法規對企業提出了嚴格的要求，由於中國政府不斷增加對環保措施的法律，以及更為嚴謹的環保標準，故本集團預期日後將須遵守更多規定。此外，本集團預期這種趨勢將持續，而為遵守新的法規將可能需要額外開支，從而增加本集團的營運成本。

為應對此風險，本集團不僅取得ISO14001環境管理體系認證，還成立環保科監督及管理工廠的環境表現，並與政府環境保護部門保持聯繫。此外，本集團不斷完善安全環保管理制度，定期查閱相關的環境法規和條例，確保業務完全符合當地環境法律。進一步的細節載列於2023年4月28日的環境、社會和管治報告中。

主要業務

本公司的主要業務為向客戶提供一站式綜合幕牆解決方案，以滿足彼等的項目技術規格及性能要求。年內，本集團的收入分析載於合併財務報表附註4。

Report of the Board of Directors

董事會報告

FINANCIAL STATEMENTS

The loss of the Group for the year ended 31 December 2022 and financial condition of the Company and the Group as at that date are set out in the Financial Statements on pages 87 to 90.

SHARE CAPITAL

The changes in the share capital of Company during the year ended 31 December 2022 are set out in Note 26 to the consolidated financial statements.

FINAL DIVIDENDS

The Board has resolved not to declare any annual dividend for the year ended 31 December 2022.

There is no arrangement that a shareholder of the Company has waived or agreed to waive any dividend.

BOOK CLOSURE PERIOD AND RECORD DATE

For the purpose in determining who will be eligible to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 1 June 2023 to Tuesday, 6 June 2023 (both days inclusive), during which time no transfer of shares will be registered. To ensure that the shareholders of the Company are entitled to attend and vote at the Annual General Meeting, the shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Group's share registrar in Hong Kong, Link Market Services (Hong Kong) Pty Limited, at Suite 1601, 16/F., Central Tower 28 Queen's Road Central, Hong Kong by no later than 4:30 p.m. on Wednesday, 31 May 2023 for registration of the relevant transfer.

RESERVE

Details of movements in reserve of the Group during the year ended 31 December 2022 are set out in the Consolidated Statement of Changes in Equity of the Financial Statements. Details of movements in the reserves of the Company during the year are set out in Note 26 to the consolidated financial statements.

財務報表

本集團截至2022年12月31日止年度的損失以及本公司及本集團截至該日止的財務狀況載列於第87頁至第90的財務報表。

股本

截至2022年12月31日止年度，本公司股本變動載於合併財務報表附註26。

末期股息

董事會決定不派付截至2022年12月31日止年度的年度股息。

概無任何安排股東放棄或同意放棄任何股息。

暫停辦理股東登記期間及紀錄日期

為確定參加股東周年大會及於股東周年大會投票資格，本公司的股份登記將於2023年6月1日(星期四)至2023年6月6日(星期二)(包括首尾兩天)暫停辦理本公司股份過戶登記手續。為確保本公司股東有權出席股東周年大會並於會上投票，股東須於2023年5月31日(星期三)下午4時30分前，將彼等妥為蓋印的過戶檔連同有關股票送交本集團的LinkMarket Services(HongKong) PtyLimited，地址為香港中環皇后大道中28號中滙大廈16樓1601室，辦理有關過戶登記手續。

儲備

本集團於截至2022年12月31日止年度的儲備變動詳情載於財務報表的合併權益變動表內。年內，本公司的儲備變動詳情載於合併財務報表附註26。

Report of the Board of Directors

董事會報告

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for distribution of dividends to the shareholders subject to the provisions of the Company's Articles of Associations, and with the sanction of an ordinary resolution, dividend may be declared and paid out of share premium account or any other fund or account which can be authorized for this propose. As at 31 December 2022, the distributable reserves from share premium of the Company were RMB574.0 million (31 December 2021: RMB574.0 million).

PROPERTY, PLANT AND EQUIPMENTS

The changes in property, plant and equipments of the Group during the year ended 31 December 2022 are set out in Note 11 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

During the year under review, the percentage of purchases attributable the Group's five largest suppliers in aggregate to the Group's total purchase and the percentage of revenue attributable to the Group's five largest customers in aggregate to the Group's total revenue are less than 30%, respectively.

Save as disclosed herein, so far as is known to the Directors, none of the Directors or his/her close associates and none of the shareholders possessing over 5% of the interest in the share capital of the Company possessed any interest in the abovementioned suppliers and customers.

可供分派儲備

根據開曼群島公司法，本公司的股份溢價可用作為分派予股東的股息，惟須符合本公司的組織章程細則規定，且通過普通決議案批准後，可自股份溢價賬或任何獲准作此用途的其他資金或賬戶中宣派或派付股息。於2022年12月31日，本公司的可自股份溢價分派儲備為人民幣574.0百萬元（於2021年12月31日：人民幣574.0百萬元）。

物業、廠房及設備

截至2022年12月31日止年度，本集團的物業、廠房及設備變動載於合併財務報表附註11。

主要客戶及供應商

於回顧年內，本集團五大供應商的採購總額佔本集團採購總額的百分比和歸屬於本集團五大客戶的營業額佔本集團總營業額的百分比均低於30%。

除本報告披露者外，就董事所知，概無董事或彼等的緊密連絡人士及擁有本公司股本超過5%權益的股東於上述供貨商及客戶中擁有任何權益。

Report of the Board of Directors

董事會報告

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group understands that employees are valuable assets. The Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

The Group's business is built on a customer-oriented culture. The Group also understands that it is important to maintain good relationship with its suppliers and customers to fulfil its immediate and long-term goals. To maintain its market competitiveness within the industry, the Group aims at delivering constantly high standards and high quality products to its customers. During the year under review, there was no material and significant dispute between the Group and its most suppliers and/or customers.

DIRECTORS

The Directors in office during the year and as of the date of this report are as follows:

Executive Directors

Kang Baohua (*Chairman*)

Liu Futao (*resigned on 4 July 2022*)

Zhao Zhongqiu

(*Chief executive officer appointed on 4 July 2022*)

Ma Minghu

Wang Hao

Zhao Zhongqiu

Zhang Lei

Independent non-executive Directors

Poon Chiu Kwok

Woo Kar Tung, Raymond

Pang Chung Fai, Benny

Yang Qianwen (*appointed on 18 April 2023*)

Biographical details of the directors and senior management are set forth in the section “**Directors and Senior Management**” of this report.

與僱員、供應商及客戶之間的關係

本集團明白，僱員是我們的寶貴資產。本集團提供具競爭力的薪酬待遇，以吸引並激勵僱員。本集團定期檢查僱員的薪酬待遇，並會因應市場標準而作出必要的調整。

本集團業務乃建基於以客戶為本的文化。本集團亦明白，與供應商及客戶保持良好商業關係，對我們達成即期及長遠目標很重要。為維持行業內的市場競爭力，本集團以持續帶給客戶高水準及高質量的產品為目標。於回顧年度內，本集團與大部分供應商及／或客戶之間並沒有重大而明顯的糾紛。

董事

年內及截至本報告日期止的在任董事如下：

執行董事

康寶華 (*主席*)

劉福濤 (*於2022年7月4日辭任*)

趙忠秋

(*行政總裁於2022年7月4日獲委任*)

馬明輝

王昊

趙忠秋

張雷

獨立非執行董事

潘昭國

胡家棟

彭中輝

楊倩雯 (*於2023年4月18日獲委任*)

董事及高層管理人員的履歷詳情載於本報告「**董事及高層管理人員**」一節中。

Report of the Board of Directors

董事會報告

SERVICE CONTRACTS OF DIRECTORS

Details of service contracts for our executive Directors and non-executive Directors of the Company are set out under the section headed “**Appointment and Re-election of Directors**” of the Corporate Governance Report. There was no service contract entered by the Company and any Directors to be reelected in the coming annual general meeting stipulating that the Company may not terminate the appointment within one year without compensation payment (other than the statutory compensation).

DIRECTORS’ INTERESTS IN CONTRACTS

Other than those transactions disclosed in Note 27 to the consolidated financial statements, there was no other transaction, arrangement or contract of significance with any member of the Group as the contracting party and in which the Directors of the Company possessed direct or indirect material interests, and which was still valid on the year end date or any time during the year and related to the business of the Group.

CONTROLLING SHAREHOLDERS’ INTERESTS IN CONTRACTS OF SIGNIFICANCE

There was no other contract of significance in relation to the Group’s business to which the Company, any of its subsidiaries or its holding company was a party and in which a controlling shareholder had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2022.

董事服務合約

有關本公司各執行董事及非執行董事的服務合約詳細載於企業管治報告中「**董事委任及重選**」一節。本公司概無與擬於應屆股東周年大會重選的董事訂立本公司不可於1年內終止而免付賠償(法定賠償除外)的服務合約。

董事於合約的權益

除合併財務報表附註27披露的交易外，並無本集團成員公司為訂約方而本公司董事於當中擁有直接或間接重大權益，且於年結日或年內任何時間仍然生效及與本集團業務有關的其他重大交易、安排及合約。

控股股東於重大合約之權益

於截至2022年12月31日止年度或於年內任何時間內，本公司、其任何其附屬公司或其控股公司並無參與訂立控股股東直接或間接於其中享有重大利益與本集團業務相關的重大合約。

Report of the Board of Directors

董事會報告

FINANCIAL ASSISTANCE PROVIDED BY THE CONTROLLING SHAREHOLDER

Pursuant to the facility frame agreement on 2 January 2018 between the Company and the ultimate controlling shareholder of the Company, Mr. Kang Baohua, Mr. Kang Baohua agreed to provide financial assistance to the Company in a total amount of not more than RMB700 million. Such advances had no fixed term, unsecured, and bear interests at 4.28% for the year ended 31 December 2022. As at 31 December 2022, the total outstanding amount under such advances amounted to RMB216.0 million. As such financial assistance were being carried out on normal commercial terms or better and were not secured by the assets of the Group, such financial assistances constitute exempt connected transactions under Rule 14A.90 of the Listing Rules.

RELATED PARTY TRANSACTIONS

Details of the material related party transactions entered into by the Group during the year are set out in Note 27 to the consolidated financial statements; and none of these related party transactions constituted a connected transaction or continuing connected transaction as defined under the Listing Rules during the year ended 31 December 2022.

控股股東提供的財務資助

根據本公司與公司最終控股股東康寶華先生於2018年1月2日簽訂的貸款框架協議，康寶華先生同意向本公司提供總額不超過7億元人民幣的財務資助。截至2022年12月31日止年度，該等款項無固定期限、無擔保且利息為4.28%。截至2022年12月31日，該等款項下的未償總金額為人民幣216.0百萬元。由於此類財務資助是按照正常商業條款或更佳的條款進行的，並且不是由本集團的資產進行擔保的，因此根據上市規則14A.90，此類財務資助構成豁免關聯交易。

關聯交易

本集團於年內進行的重大關聯方交易詳情載於綜合財務報表附註27；而截至二零二二年十二月三十一日止年度，該等關聯方交易並不構成上市規則所界定的關連交易或持續關連交易。

Report of the Board of Directors

董事會報告

DIRECTORS' INTERESTS IN COMPETITIVE BUSINESS

Our Chairman, Mr. Kang Baohua, owns and through Best Outlook Limited (“**Best Outlook**”) and Neo Pioneer Limited (“**Neo Pioneer**”) owns in aggregate approximately 61.25% of the issued share capital in the Company as at 31 December 2022. Mr. Kang Baohua, Best Outlook and Neo Pioneer are the controlling shareholders of the Company. Mr. Kang Baohua also owns 100% interest in Yuanda Aluminium Industry Engineering (Singapore) Pte. Ltd. (“**Yuanda Singapore**”) through Yuanda Group, which is owned by Mr. Kang Baohua. Yuanda Singapore is primarily engaged in curtain wall works and trading as well as investment holding. Although the Company has established a wholly owned subsidiary in Singapore to carry out curtain wall contracting projects, the ability to contract for large scale public curtain wall projects in Singapore is dependent on local contracting experience. Given the lack of direct local contracting experience, the Group has been cooperating with Yuanda Singapore on the contracting of large scale public curtain wall projects in Singapore during the last five years and will continue to supply curtain wall products to Yuanda Singapore until the Company's wholly owned subsidiary will be able to undertake such projects in Singapore on its own. Please see the section headed “Connected Transactions” in the prospectus of the Company dated 20 April 2011 (the “**Prospectus**”) for details. For the aforesaid purpose, Yuanda Singapore has been excluded from the deed of non-competition (“**Deed of Non-competition**”) provided by the controlling shareholders to the Company on 21 April 2011.

董事於競爭性業務的權益

我們的主席康寶華先生於2022年12月31日擁有及通過佳境有限公司(「佳境」)及新創有限公司(「新創」)擁有本公司已發行股本共約61.25%。康寶華先生、佳境及新創為本公司的控股股東。康寶華先生透過由其擁有的遠大集團，亦擁有YuandaAluminiumIndustryEngineering(Singapore) Pte.Ltd. (「新加坡遠大」)之100%權益。新加坡遠大主要從事幕牆工程及貿易以及投資控股業務。儘管本公司已於新加坡成立全資附屬公司以承接幕牆承包項目，惟在新加坡外包大型公共幕牆項目的能力仍取決於地方外包經驗，鑒於本公司缺乏直接的地方外包經驗，因此在過去5年，本集團一直與新加坡遠大就於新加坡承接的大型公共幕牆項目合作，並將繼續向新加坡遠大供應幕牆產品，直至本公司之全資附屬公司能夠自行在新加坡承接該等項目。詳情請參閱本公司日期為2011年4月20日的招股章程(「招股章程」)「關連交易」一節。就上述而言，新加坡遠大不包括於控股股東於2011年4月21日向本公司提供的不競爭契據(「不競爭契據」)之中。

Report of the Board of Directors

董事會報告

DIRECTORS' INTERESTS IN COMPETITIVE BUSINESS

(continued)

The Company has received an annual written confirmation from each of the Company's controlling shareholders in respect of the compliance by them and their associates with the Deed of Non-competition. Each of the controlling shareholders of the Company have also confirmed that all of them have abided by the Deed of Non-competition during the year ended 31 December 2022.

The independent non-executive Directors confirmed that they had determined that the controlling shareholders have not been in breach of the Deed of Non-competition during the year ended 31 December 2022.

Save as disclosed, no Directors nor their respective connected persons possessed any interests in any business that competed or might compete with the business that the Group conducted.

PERMITTED INDEMNITY PROVISION

Each Director or other officer of the Company shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which he or she may incur or sustain in or about the execution of the duties of his or her office or otherwise in relation thereto in accordance with the Company's articles of association.

董事於競爭性業務的權益(續)

本公司已收到本公司各控股股東就本身及彼等之連絡人士遵守不競爭契據而發出的年度確認函。本公司各控股股東亦確認，彼等於截至2022年12月31日止年度間均遵守不競爭契據。

獨立非執行董事確認，彼等確定控股股東於截至2022年12月31日止年度並無違反不競爭契據。

除所披露者外，概無董事或彼等各自的關連人士於與本集團所從事業務構成競爭或可能構成競爭的任何業務中擁有任何權益。

獲准許的彌償條文

根據本公司組織章程細則，本公司各位董事或其他高級人員均有權從本公司之資產及利潤獲得彌償，以補償履行其職務時因進行或未進行而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支或有關其他情況，確保免於就此受損。

Report of the Board of Directors

董事會報告

SHARE OPTION SCHEME

On 12 April 2011, the Company adopted a share option scheme (“**Share Option Scheme**”) whereby the Board of Directors can grant options for the subscription of the Company’s shares to the employees, managerial staff and senior employees of the Group and those other persons that the Board of Directors considers that they will contribute or have contributed to the Group (the “**Participants**”) as described in the Share Option Scheme in order to serve as compliment and to reciprocate their contribution to the Group. The maximum number of shares that may be issued under the Share Option Scheme was 600,000,000 shares which is equivalent to 10% of the issued capital of the Company after completion of the Global Offering (as defined in the Prospectus). The number of shares that may be granted pursuant to the terms of the Share Option Scheme shall not exceed 10% of the issued shares of the Company immediately after the completion of the Global Offering. Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to the Participants under the Share Option Scheme shall not exceed 1% within any 12-month period (other than those granted to the substantial shareholders (as defined in the Listing Rules)), or the total number of shares that may be granted under the options to the independent non-executive Directors or any of their respective connected persons shall not exceed 0.1% of the shares in issue of the Company from time to time. There is no minimum period that the options must be held before they become exercisable, and the options granted shall be exercised within the period decided by the Board of Directors, and however no options shall be exercised 10 years after they have been granted. The exercise price of the option shall be the highest of:

- (a) the closing price of the Shares on the daily quotation sheet of the Stock Exchange on the date of grant;
- (b) the average closing price of the Shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and
- (c) nominal value of the Share.

購股權計劃

於2011年4月12日，本公司採納一項購股權計劃（「**購股權計劃**」），據此，董事會可向本集團僱員、行政人員及高級職員以及購股權計劃所述董事會認為將會對或曾經對本集團作出貢獻的該等其他人士（「**參與人士**」）授出購股權，以認購本公司股份，藉此向彼等給予獎勵及回報彼等對本集團作出的貢獻。根據購股權計劃可發行的最高股份數目為600,000,000股股份，相當於全球發售（定義見招股章程）完成後本公司已發行股本的10%。可根據購股權計劃條款授出的股份數目不得超過緊隨全球發售完成後本公司已發行股份10%。除非本公司股東於股東大會另行批准，否則可根據購股權計劃授予參與人士的股份數目於任何12個月內不得超過1%（向主要股東（定義見上市規則）授出者除外），或可根據購股權授予獨立非執行董事或任何彼等各自的關連人士授出的股份總數不得超過本公司不時已發行股份的0.1%。概無規定購股權可行使前須持有的最短期間，而授出的購股權須於董事會決定的期間內行使，但並無購股權可於授出後超過10年行使。購股權行使價須為以下三者之較高者：

- (a) 股份於授出日期聯交所每日報價表的收市價；
- (b) 股份於緊接授出日期前五個營業日聯交所每日報價表的平均收市價；及
- (c) 股份的面值之較高者。

Report of the Board of Directors

董事會報告

SHARE OPTION SCHEME

Each grantee shall pay a consideration of HK\$1.00 at the time the option is granted.

The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

Since the Share Option Scheme was adopted, no options have been granted. The Share Option Scheme had expired on 11 April 2021.

DEBENTURE

For the year ended 31 December 2022, the Company, its holding company or its subsidiaries were not the contracting parties of any arrangements from which the Directors could make a profit by purchasing the shares or debentures of the Company or any other companies.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme disclosed above, the Company has not entered into any equity-linked agreements during the year ended 31 December 2022.

INTEREST AND SHORT POSITIONS OF DIRECTORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2022, the interest or short position of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange, pursuant to Model Code, are as follows:

購股權計劃

各承授人須於獲授購股權之時支付1.00港元之代價。

購股權計劃於獲採納當日生效，直至該日起10年內期間仍然有效。

自採納購股權計劃以來並未授出任何購股權。購股權計劃已於2021年4月11日到期。

債券

截至2022年12月31日止年度，本公司、其控股公司或其附屬公司並非屬任何安排的訂約方，致使董事可藉購入本公司或任何其他公司的股份或債券而獲利。

股權關聯協議

除上述披露的購股權計劃外，截至2022年12月31日止年度，本公司尚未簽訂任何股權相關協議。

董事於股份、相關股份及債券的權益及淡倉

於2022年12月31日，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中，根據證券及期貨條例第352條須記入該條所指的登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉如下：

Report of the Board of Directors

董事會報告

INTEREST AND SHORT POSITIONS OF DIRECTORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

董事於股份、相關股份及債券的權益及淡倉(續)

(i). Interest in the Company

(i). 於本公司的權益

Name of Director 董事姓名	Nature of Interest 權益性質	Number of Shares 股份數據	Approximate Percentage of Shareholding 股權概約百分比
Kang Baohua 康寶華	Beneficial owner 實益擁有人	228,636,000(L)	3.68%
	Interest of controlled corporation 受控法團的權益	3,646,763,768(L)	58.74%
Liu Futao (resigned on 4 July 2022) 劉福濤 (於2022年7月4日辭任)	Beneficial owner 實益擁有人	3,603,333(L)	0.06%
Ma Minghui 馬明輝	Beneficial owner 實益擁有人	0	0
Wang Hao 王昊	Beneficial owner 實益擁有人	150,000(L)	0.01%
Zhao Zhongqiu 趙忠秋	Beneficial owner 實益擁有人	0	0
Zhang Lei 張雷	Beneficial owner 實益擁有人	3,000,000(L)	0.05%

Notes:

附註：

- (1) The letter "L" denotes long position in such securities.
- (2) Of the shares held by Mr. Kang Baohua, 2,597,531,923 Shares were held by Best Outlook Limited and 1,049,231,845 Shares were held by Neo Pioneer Limited, both companies of which are wholly-owned by Mr. Kang Baohua.

- (1) 字母「L」代表於該等證券的好倉。
- (2) 於康寶華先生所持有的股份當中，佳境有限公司持有2,597,531,923股股份，而新創有限公司則持有1,049,231,845股股份，兩家公司均為康寶華先生全資擁有。

Report of the Board of Directors

董事會報告

INTEREST AND SHORT POSITIONS OF DIRECTORS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

董事於股份、相關股份及債券的權益及
淡倉(續)

(ii) Interest in associated corporations

(ii) 於相關法團的權益

Name of Director 董事姓名	Name of Associated Corporation 相關法團名稱	Number of Shares 股份數目	Percentage of Shareholding 股權百分比
Kang Baohua 康寶華	Best Outlook Limited 佳境有限公司	1(L)	100%
Kang Baohua 康寶華	Neo Pioneer Limited 新創有限公司	1(L)	100%

(1) The letter "L" denotes long position in such securities.

(1) 字母「L」代表於該等證券的好倉。

Save as disclosed above, as at 31 December 2022, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations which were required to be recorded in the register kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2022年12月31日，董事及本公司主要行政人員概無於本公司或其任何相聯法團的股份、相關股份及債券中，擁有根據證券及期貨條例第352條須記錄於本公司存置的登記冊內或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

Report of the Board of Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at the date 31 December 2022, the following persons (other than the Directors and chief executives of the Company) had an interest and/or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of SFO:

Interest in the company

Name 名稱	Capacity 身份	Number of Shares 股份數目	Approximate Percentage of Shareholding 股權概約百分比
Best Outlook Limited ⁽¹⁾ 佳境有限公司 ⁽¹⁾	Beneficial owner 實益擁有人	2,597,531,923(L)	41.84%
Neo Pioneer Limited ⁽²⁾ 新創有限公司 ⁽²⁾	Beneficial owner 實益擁有人	1,049,231,845 (L)	16.90%

Notes:

(1) Best Outlook Limited and Neo Pioneer Limited are companies incorporated in the BVI and are wholly-owned by Mr. Kang Baohua.

(2) The letter "L" denotes long position in such securities.

Save as disclosed above, as at 31 December 2022, the Directors are not aware of any persons, other than a Director or chief executives of the Company, had any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SUBSIDIARIES

Details of the major subsidiaries of the Company as of 31 December 2022 are set out in Note 14 to the consolidated financial statements.

主要股東的權益及淡倉

於2022年12月31日，按記錄於本公司根據證券及期貨條例第336條須存置的登記冊，下列人士（董事及本公司最高行政人員除外）於股份或相關股份中須予披露的權益及／或淡倉：

於本公司的權益

Number of Shares 股份數目	Approximate Percentage of Shareholding 股權概約百分比
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附註：

(1) 佳境有限公司及新創有限公司為於英屬維京群島註冊成立的公司，並由康寶華先生全資擁有。

(2) 字母「L」代表於該等證券的好倉。

除上文所披露者外，於2022年12月31日，概無任何其他人士，除董事及本公司主要行政人員外，於本公司股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊內的權益或淡倉。

附屬公司

本公司於2022年12月31日的主要附屬公司詳情載於合併財務報表附註14。

Report of the Board of Directors

董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year under review.

CONFIRMATION OF INDEPENDENT STATUS

The Company received the letters of confirmation of independence issued by all the independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules.

The Board has noted that as at 31 December 2022, Mr. Poon Chiu Kwok held directorships in eight listed companies (including the Company). However, the Board is of the view that Mr. Poon would still be able to devote sufficient time to the Board. Mr. Poon as a FCPA (Aust.), Chartered Secretary, and an experienced trainer to the securities participants and listed company management keeping himself abreast of the latest governance trends of the listed companies by attending seminar and self-studying of related articles with over 100 hours in 2022 and has strong experience in corporate governance and is familiar with management of Hong Kong listed companies. During the year 2022, based on the attendance record in the meetings of the Company, Mr. Poon has participated in all Board meetings and has good communication with the Board and other independent Directors and performs his obligations and responsibility and gives impartial advice and suggestion as an independent Director.

The Board of Directors was satisfied with the independent status of all the independent non-executive Directors.

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The details are disclosed in the paragraph “**Global offering and use of proceeds**” under the section “**Management Discussion and Analysis**”.

管理合約

於回顧年內，概無訂立或存在任何有關本公司全部或任何重大部分業務管理及行政的合約。

確認獨立身份

本公司已接獲全體獨立非執行董事根據上市規則第3.13條發出的獨立確認函。

於2022年12月31日，董事會瞭解到潘昭國先生已出任8家(或包括本公司)上市公司董事。但是，董事會認為潘先生仍能向董事會投入足夠的時間。潘先生作為澳洲資深會計師、特許秘書、證券從業人員及上市公司高管的資深培訓導師，在2022年通過參加研討會及自學相關文章(超過100小時)保持自己瞭解掌握上市公司治理方面的最新動態，在企業管治方面擁有豐富經驗，且熟悉香港上市公司的管理。根據2022年本公司參會記錄，潘先生參加了所有董事會會議並且與董事會及其他獨立董事都有很好的交流，並給出公平的意見和建議來履行其獨立董事的責任和義務。

董事會信納全體獨立非執行董事的獨立身份。

首次公開發售所得款項用途

詳情參見「**全球發售及所得款項用途**」於本報告「**管理層討論及分析**」一節內披露。

Report of the Board of Directors

董事會報告

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report in this report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

DISCLOSURE UNDER RULE 13.20 OF THE LISTING RULES

The Directors are not aware of any circumstances resulting in the responsibility of disclosure under Rule 13.20 of the Listing Rules regarding the provision of advances by the Company to an entity.

FIVE YEAR FINANCIAL SUMMARY

The summary of the results, assets and liabilities of the Group in the past five years is set out on page 236 of this report.

PRE-EMPTIVE RIGHTS

There is no provision regarding pre-emptive rights in the Articles of Association of the Company or the ordinance of Cayman Islands, stipulating that any new shares shall be offered according to the respective shareholding of the existing shareholders of the Company when new shares are issued by the Company.

TAX RELIEF

The Directors are not aware of any tax relief to which shareholders of the Company are entitled by reason of their holdings of the Company's securities.

企業管治

本公司採納之主要企業管治常規載於本報告內企業管治報告。

購買、出售或贖回本集團上市證券

本公司或其任何附屬公司概無購買、出售或贖回本集團任何上市證券。

根據上市規則第 13.20 條作出披露

據董事所知悉，並無任何情況導致出現須根據上市規則第 13.20 條有關本公司向實體提供墊款作出披露的責任。

五年財務概要

本集團於過去五年的業績、資產及負債概要載於本報告第 236 頁。

優先購買權

本公司的組織章程細則或開曼群島法例並無任何有關優先購買權的條文，規定本公司須於發行新股份時，按本公司現有股東各自的持股比例提呈新股份。

稅收減免

董事未獲悉本公司股東因持有公司證券而享有的任何稅收減免。

Report of the Board of Directors

董事會報告

SUFFICIENT PUBLIC FLOAT

Based on the information that is publicly available to the Group and within the knowledge of the Directors as at the date of this report, the Group maintained adequate public float throughout the year ended 31 December 2022.

AUDITORS

KPMG has resigned as the auditor of the Company with effect from 20 December 2021 as KPMG and the Company could not reach a consensus on the audit service fee regarding the annual audit for the financial year ended 31 December 2021.

The Board, with the recommendation from the Audit Committee, has resolved to appoint Moore Stephens CPA Limited (“**Moore Hong Kong**”) as the new auditor of the Company with effect for the financial year ended 31 December 2021.

Afterwards Moore Hong Kong has resigned with effect from 17 June 2022 for the impact of the prevention and control policies in response to the recent resurgence of COVID-19 epidemic in both Hong Kong and mainland China on the Company's financial reporting and auditing procedures. The Company then has approved the appointment of KPMG as the new auditor of the Company for the financial year ended 31 December 2021 with effect from 30 June 2022 and completed the renewal at the Annual General Meeting held on 18 November 2022.

KPMG will retire and, being eligible offer themselves for reappointment, for the financial year ended 31 December 2022. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Save as disclosed above, there is no other change of the Company's auditors in any of the preceding three years.

By order of the Board

Kang Baohua
Chairman

28 April 2023

充足公眾持股量

根據於本報告日期本集團獲得的公開數據及就董事所知，本集團於截至2022年12月31日止年度一直保持足夠公眾持股量。

核數師

畢馬威會計師事務所已辭任本公司核數師，自2021年12月20日起生效，原因為畢馬威會計師事務所與本公司未能就截至2021年12月31日止財政年度之年度審計的審計服務費達成共識。

根據審核委員會的推薦建議，董事會決議委任大華馬施雲會計師事務所有限公司（「**大華香港**」）為本公司之新任核數師，自於截至2021年12月31日止財政年度生效。

而後大華香港因香港及大陸的新一輪新冠肺炎疫情防控政策對本公司報告以及審核程序的影響辭任，自2022年6月17日生效。截至2021年12月31日止財政年度，本公司同意委任畢馬威為本公司新任核數師，自2022年6月30日生效，並已於2022年11月18日的股東週年大會完成續聘。

截至2022年12月31日止財政年度，畢馬威將任滿告退，惟符合資格連選連任。本公司將於應屆股東週年大會上提呈重選畢馬威為本公司核數師的決議案。

除上文所披露者外，過去三年內並無有關本公司核數師之其他變動。

承董事會命

主席
康寶華

2023年4月28日

Independent Auditor's Report

獨立核數師報告



Independent auditor's report to the shareholders of Yuanda China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Yuanda China Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 87 to 235, which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement 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 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致遠大中國有限公司股東的獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

吾等已審計列載於第87頁至第235頁的遠大中國有限公司(以下簡稱「**貴公司**」)及其附屬公司(以下統稱「**貴集團**」)的合併財務報表，此財務報表包括於2022年12月31日的合併財務狀況表與截至該日止年度的合併損益表、合併損益及其他全面收益表、合併權益變動表和合併現金流量表，以及合併財務報表附註，包括主要會計政策概要。

吾等認為，該等合併財務報表已根據國際會計準則理事會(「**國際會計準則理事會**」)頒佈的《國際財務報告準則》(「**國際財務報告準則**」)真實而中肯地反映貴集團於2022年12月31日的合併財務狀況及截至該日止年度的合併財務表現及合併現金流量，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 Hong Kong Institute of Certified Public Accountants (“**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**”) together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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

吾等已根據香港會計師公會（「**香港會計師公會**」）頒佈的《香港審計準則》（「**香港審計準則**」）進行審計。吾等在該等準則下承擔的責任已在本報告「核數師就審計合併財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「**守則**」）以及與吾等對開曼群島合併財務報表的審計相關的道德要求，吾等獨立於貴集團，並已履行這些道德要求以及守則中的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期合併財務報表的審計最為重要的事項。這些事項是在吾等審計整體合併財務報表及出具意見時進行處理的。吾等不會對這些事項提供單獨的意見。

Independent Auditor's Report (continued)

獨立核數師報告 (續)

KEY AUDIT MATTERS (continued)

Recognition of construction contract revenue

Refer to Note 4 to the consolidated financial statements and the accounting policies in Note 2(t)(i).

The Key Audit Matter	How the matter was addressed in our audit	關鍵審計事項	吾等的審計如何處理關鍵審計事項
<p>The Group is primarily engaged in the design, production and installation of curtain wall systems for commercial buildings and high-end residential buildings. The Group normally enters into construction contracts with main contractors or real estate developers.</p> <p>The Group recognises construction contract revenue progressively overtime using input method based on the proportion of total contract costs incurred at the end of reporting period compared to the estimated total budgeted contract costs to complete the contract when control of the goods or service is transferred to the customer.</p> <p>The measurement of the revenue therefore relies on estimations of total budgeted contract costs. Changes to estimated total budgeted contract costs could give rise to material variances in the amount of revenue recognised.</p>	<p>Our audit procedures to assess the recognition of construction contract revenue included the following:</p> <ul style="list-style-type: none"> assessing the design, implementation and operating effectiveness of key internal controls over the budgeting process for construction contracts; scrutinising the key clauses of construction contracts on a sample basis, and assessing whether these key clauses had been appropriately reflected in the estimation of total budgeted contract costs applied in revenue recognition; challenging the Group's estimates of budgeted costs to complete the contract on a sample basis by considering the Group's historical records of gross profit margins for similar contracts; assessing whether costs incurred were accounted for in the appropriate period and comparing costs incurred during the current period to purchase invoices and other relevant underlying documentation on a sample basis; 	<p>貴集團主要從事為商業大廈及高端住宅大廈設計、生產及安裝幕牆系統。貴集團一般與主要承包商或房地產開發商訂立建築合同。</p> <p>貴集團使用投入法通過報告期末商品及勞務控制權已轉移至客戶時的總成本佔預算總成本的比例隨著時間逐步確認建築合同收入。</p> <p>因此，收入的計量依賴對總預算的估計。估計總預算的變動或會引起收入確認的金額產生重大差異。</p>	<p>吾等就確認建築合同收入的審計程序包括如下：</p> <ul style="list-style-type: none"> 評估有關建築合同預算編製過程的關鍵內部控制的設計、執行及運行有效性； 以抽樣方式核對建築合同的關鍵條款，並評估該等關鍵條款是否已在估計總預算中適當反映，並於收入確認中應用； 透過考慮貴集團類似合同的毛利率的歷史記錄，以抽樣方式評價貴集團對項目總預算的估計是否合理； 評估合同發生的成本是否於合適期間入賬，並以抽樣方式對當前期間發生的成本與採購發票及其他相關文件相比較；

Independent Auditor's Report (continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (continued)

Recognition of construction contract revenue (continued)

Refer to Note 4 to the consolidated financial statements and the accounting policies in Note 2(t)(i). (continued)

The Key Audit Matter	How the matter was addressed in our audit
We identified the recognition of construction contract revenue as a key audit matter because there is a high degree of risk and associated management judgement in estimating total budgeted contract costs and the amount of revenue to be recognised by the Group.	<ul style="list-style-type: none"> performing a re-calculation of revenue recognised for individual contracts based on the estimated total budgeted contract costs, the costs incurred to date and the agreed contract price; performing site visits for the selected major contracts in progress, physically observing the stage of completion of the contract and discussing the status of the contract with the site supervisor; and assessing the related disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

關鍵審計事項(續)

建築合同收入確認(續)

參閱合併財務報表附註4及附註2(t)(i)的會計政策。(續)

關鍵審計事項	吾等的審計如何處理關鍵審計事項
吾等將確認建築合同收入確定為關鍵審計事項，乃由於在估計總預算及貴集團確認的收入金額時存在高風險且高度依賴管理層判斷。	<ul style="list-style-type: none"> 根據估計總預算合同成本、累計已發生成本及協定合同價格，對各合同確認的收入進行重新計量； 對選定進行中的主要合同進行實地視察，實地觀察合同完成階段，並與現場監事討論合同狀況；及 參考現行會計準則的規定，評估合併財務報表中相關披露。

Independent Auditor's Report (continued)

獨立核數師報告 (續)

KEY AUDIT MATTERS (continued)

Expected credit loss allowances for contract assets and trade receivables

Refer to Notes 16(a), 17 and 28(a) to the consolidated financial statements and the accounting policies in Note 2(j)(i).

The Key Audit Matter	How the matter was addressed in our audit
<p>The Group's contract assets and trade receivables are mainly arising from the Group's construction contract business. As at 31 December 2022, the aggregate amount of contract assets and trade receivables totalled RMB3.2 billion.</p> <p>The Group measures loss allowances on contract assets and trade receivables for different group of customers, with the assistance of external specialist, at amounts equal to lifetime expected credit losses (the "ECL") using provision matrix which involved significant management judgement, including the determination of provision rate for each age group/category of contract assets and trade receivables and an assessment of both the current and forecast general economic conditions at the reporting date.</p>	<p>Our audit procedures to assess the ECL allowances for contract assets and trade receivables included the following:</p> <ul style="list-style-type: none"> assessing the design and implementation of key internal controls over the credit control and estimation of the ECL allowances; evaluating the Group's policy for estimating the ECL allowances with reference to the requirements of the prevailing accounting standard; assessing the appropriateness of management's loss allowances by examining the information used by management to derive such provision rates, and evaluating whether the provision rates are appropriately applied in the ECL model; assessing whether items in the ageing report were categorised appropriately for contract assets and trade receivables by comparing a sample of individual items with the underlying documentation;

關鍵審計事項 (續)

合同資產及貿易應收款的預期信用損失

參閱合併財務報表附註16(a), 17及28(a)及附註2(j)(i)的會計政策。

關鍵審計事項	吾等的審計如何處理關鍵審計事項
<p>貴集團的合同資產及貿易應收款主要來自貴集團的建築合同業務。於2022年12月31日，貴集團合同資產及貿易應收款總額為人民幣32億元。</p> <p>貴集團在外部專家的協助下採用撥備矩陣，以等同於整個存續期預期信用損失（「預期信用損失」）的金額計量不同分組的客戶的合同資產及貿易應收款的損失撥備。該矩陣包含重大管理層判斷，包括確定每個合同資產及貿易應收款賬齡組合／類別的撥備比率，於報告日期評估當前及預期一般經濟狀況。</p>	<p>吾等評估合同資產及貿易應收款的預期信用損失的審計程序包括如下：</p> <ul style="list-style-type: none"> 評估預期信用損失撥備相關關鍵內部控制的設計及實施； 參照現行會計準則的規定評估貴集團的預期信用損失撥備估計政策； 透過檢查管理層形成有關撥備率所使用的資料及評估撥備率是否於預期信用損失模式中妥善應用，以評估管理層損失撥備的適當性； 通過抽樣比較單個項目樣本與相關文件。評估合同資產及貿易應收款賬齡報告中的項目是否適當分類；

Independent Auditor's Report (continued)

獨立核數師報告(續)

KEY AUDIT MATTERS (continued)

Expected credit loss allowances for contract assets and trade receivables (continued)

Refer to Notes 16(a), 17 and 28(a) to the consolidated financial statements and the accounting policies in Note 2(j)(i). (continued)

The Key Audit Matter	How the matter was addressed in our audit
<p>We identified the ECL allowances for contract assets and trade receivables as a key audit matter because of the significant balances at the end of the reporting period and because the recognition of ECL allowances is inherently subjective and requires the exercise of significant management judgement.</p>	<ul style="list-style-type: none"> • evaluating the independence, competence and experience of the external specialist engaged by management; • involving our internal specialists to evaluate the appropriateness of model used by the external specialist to estimate the ECL allowances with references to the prevailing accounting standards and challenging the key assumptions adopted; and • assessing the related disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

關鍵審計事項(續)

合同資產及貿易應收款的預期信用損失(續)

參閱合併財務報表附註16(a), 17及28(a)及附註2(j)(i)的會計政策。(續)

關鍵審計事項	吾等的審計如何處理關鍵審計事項
<p>吾等將合同資產及貿易應收款的預期信用損失撥備確定為一項關鍵審計事項，原因為合同資產及貿易應收款的結餘對貴集團而言屬重大，及虧損撥備的釐定存在固有的主觀性且管理層須運用重大判斷。</p>	<ul style="list-style-type: none"> • 評估管理層聘用的外部專家的獨立性、能力和經驗； • 引入我們的內部專家評估外部專家用於估計預期信用損失撥備的模型是否適當，參考現行會計準則，評價其所採用的關鍵假設；及 • 參考現行會計準則的規定，評估合併財務報表中相關披露。

Independent Auditor's Report (continued)

獨立核數師報告(續)

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

合併財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括合併財務報表及吾等的核數師報告。

吾等對合併財務報表的意見並不涵蓋其他信息，吾等亦不對該等其他信息發表任何形式的鑒證結論。

結合吾等對合併財務報表的審計，吾等的責任是閱讀其他信息，在此過程中，考慮其他信息是否與合併財務報表或吾等在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於吾等已執行的工作，如果吾等認為其他信息存在重大錯誤陳述，吾等需要報告該事實。在這方面，吾等沒有任何報告。

董事就合併財務報表須承擔的責任

董事須負責根據國際會計準則理事會頒佈的《國際財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的合併財務報表，並對其認為為使合併財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

Independent Auditor's Report (continued)

獨立核數師報告(續)

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

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

董事就合併財務報表須承擔的責任(續)

在擬備合併財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

核數師就審計合併財務報表承擔的責任

吾等的目標，是對合併財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。吾等是僅向整體股東報告。除此以外，吾等的報告不可用作其他用途。吾等概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響合併財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report (continued) 獨立核數師報告 (續)

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

(continued)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計合併財務報表承擔的責任 (續)

在根據《香港審計準則》進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致合併財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意合併財務報表中的相關披露。假若有關的披露不足，則吾等應當發表非無保留意見。吾等的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

Independent Auditor's Report (continued)

獨立核數師報告(續)

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

(continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the 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.

核數師就審計合併財務報表承擔的責任(續)

- 評價合併財務報表的整體列報方式、結構和內容，包括披露，以及合併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信息獲取充足、適當的審計憑證，以便對合併財務報表發表意見。吾等負責貴集團審計的方向、監督和執行。吾等為審計意見承擔全部責任。

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

吾等還向審計委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響吾等獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施。

從與審計委員會溝通的事項中，吾等確定哪些事項對本期合併財務報表的審計最為重要，因而構成關鍵審計事項。吾等在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，吾等決定不應在報告中溝通該事項。

Independent Auditor's Report (continued)

獨立核數師報告 (續)

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

(continued)

The engagement partner on the audit resulting in this independent auditor's report is Yeung Ka Chun.

核數師就審計合併財務報表承擔的責任 (續)

出具本獨立核數師報告的審計項目合夥人是楊家俊。

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

31 March 2023

畢馬威會計師事務所

執業會計師

香港中環

渣打道十號

太子大廈八樓

2023年3月31日

Consolidated Statement of Profit or Loss

合併損益表

(Expressed in Renminbi (“RMB”)) For the year ended 31 December 2022
(以人民幣(「人民幣」)為單位 截至2022年12月31日止年度)

			2022	2021
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Revenue	收入	4	3,263,601	3,055,262
Cost of sales	銷售成本		(2,876,265)	(2,629,465)
Gross profit	毛利		387,336	425,797
Other income	其他收入	5	25,467	50,788
Selling expenses	銷售費用		(56,474)	(71,949)
Administrative expenses	行政開支		(371,116)	(363,706)
Expected credit losses of financial and contract assets and other receivables	金融及合同資產及其他應收款之預期信用損失		(23,962)	(879,704)
Loss from operations	經營虧損		(38,749)	(838,774)
Net finance costs	融資成本淨額	6(a)	147,354	(102,860)
Profit/(loss) before taxation	稅前利潤／(虧損)	6	108,605	(941,634)
Income tax	所得稅	7	(36,476)	(54,195)
Profit/(loss) for the year attributable to equity shareholders of the Company	年內利潤／(虧損)可分配予本公司股東		72,129	(995,829)
Earnings/(loss) per share (RMB cents)	每股盈利／(虧損)(人民幣分)			
— Basic and diluted	— 基本及攤薄	10	1.16	(16.04)

The notes on pages 95 to 235 form part of these financial statements. Details of dividends payable to equity shareholders of the Company for the year are set out in Note 26(b).

第95至235頁之附註為此等財務報表之一部分。應付本公司股東年內股息詳情載於附註26(b)。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

合併損益及其他全面收益表

(Expressed in RMB) For the year ended 31 December 2022
(以人民幣為單位) 截至2022年12月31日止年度

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit/(loss) for the year	年內利潤／(虧損)	72,129	(995,829)
Other comprehensive income for the year (after tax and reclassification adjustments):	年內其他全面收益(除稅及重新分類調整後):		
Item that may be reclassified subsequently to profit or loss:	其後可重新分類至損益的項目:		
— Exchange differences on translation of financial statements	— 財務報表換算的匯兌差額	(212,664)	47,075
Other comprehensive income for the year	年內其他全面收益	(212,664)	47,075
Total comprehensive income for the year attributable to equity shareholders of the Company	年內全面收益總額可分配予本公司股東	(140,535)	(948,754)

The notes on pages 95 to 235 form part of these financial statements.

第95至235頁之附註為此等財務報表之一部分。

Consolidated Statement of Financial Position

合併財務狀況表

(Expressed in RMB) At 31 December 2022
(以人民幣為單位) 於2022年12月31日

			2022	2021
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	320,174	313,176
Right-of-use assets	使用權資產	12	212,914	221,034
Investment properties	投資物業	13	31,906	33,106
Deferred tax assets	遞延稅項資產	24(b)	327,192	349,623
			892,186	916,939
Current assets	流動資產			
Inventories and other contract costs	存貨及其他合同資產	15	310,865	432,070
Contract assets	合同資產	16(a)	1,616,958	1,580,502
Trade and bills receivables	貿易應收款及應收票據	17	1,634,433	1,583,507
Deposits, prepayments and other receivables	按金、預付款及其他應收款	18	523,990	588,329
Restricted deposits	受限制存款	19(a)	701,144	1,394,784
Cash and cash equivalents	現金及現金等價物	19(a)	219,455	284,219
			5,006,845	5,863,411
Current liabilities	流動負債			
Trade and bills payables	貿易應付款及應付票據	20	1,839,774	1,824,425
Contract liabilities	合同負債	16(b)	495,830	514,899
Accrued expenses and other payables	應計開支及其他應付款	21	1,203,520	1,870,021
Bank loans	銀行貸款	22(a)	855,000	560,000
Income tax payable	應付所得稅	24(a)	254,427	241,356
Provision for warranties	保修撥備	25	50,458	38,973
			4,699,009	5,049,674
Net current assets	流動資產淨值		307,836	813,737
Total assets less current liabilities	總資產減流動負債		1,200,022	1,730,676

Consolidated Statement of Financial Position (continued)

合併財務狀況表 (續)

(Expressed in RMB) At 31 December 2022
(以人民幣為單位) 於2022年12月31日

			2022	2021
		<i>Note</i>	RMB'000	RMB'000
		<i>附註</i>	人民幣千元	人民幣千元
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	22(b)	—	390,000
Lease liabilities	租賃負債	23	1,932	2,553
Provision for warranties	保修撥備	25	186,627	186,125
			188,559	578,678
NET ASSETS	淨資產		1,011,463	1,151,998
CAPITAL AND RESERVES	資本及儲備	26		
Share capital	股本		519,723	519,723
Reserves	儲備		491,740	632,275
TOTAL EQUITY	總權益		1,011,463	1,151,998

Approved and authorised for issue by the board of directors on 31 March 2023.

董事會於2023年3月31日批准及授權刊發。

Kang Baohua
康寶華
Director (Chairman)
董事(主席)

Wang Hao
王昊
Director
董事

The notes on pages 95 to 235 form part of these financial statements.

第95至235頁之附註為此等財務報表之一部分。

Consolidated Statement of Changes in Equity

合併權益變動表

(Expressed in RMB) For the year ended 31 December 2022
(以人民幣為單位) 截至2022年12月31日止年度

		Share capital	Share premium	Other reserve	PRC statutory reserves	Exchange reserve	Retained profits/ losses (accumulated)	Total
		股本	股份溢價	其他儲備	中國法定儲備	匯兌儲備	保留利潤/ (累計虧損)	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
		(Note 26(c))	(Note 26(d)(i))	(Note 26(d)(iii))	(Note 26(d)(iv))	(Note 26(d)(v))		
		(附註26(c))	(附註26(d)(i))	(附註26(d)(iii))	(附註26(d)(iv))	(附註26(d)(v))		
Balance at 1 January 2021	於2021年1月1日							
	之結餘	519,723	574,047	55,786	435,901	(24,139)	539,434	2,100,752
<hr/>								
Changes in equity for 2021:	2021年之權益變動:							
Loss for the year	年內虧損	—	—	—	—	—	(995,829)	(995,829)
Other comprehensive income	其他全面收益	—	—	—	—	47,075	—	47,075
<hr/>								
Total comprehensive income	全面收益總額	—	—	—	—	47,075	(995,829)	(948,754)
<hr/>								
Balance at 31 December 2021	於2021年12月31日							
	之結餘	519,723	574,047	55,786	435,901	22,936	(456,395)	1,151,998

Consolidated Statement of Changes in Equity (continued)

合併權益變動表 (續)

(Expressed in RMB) For the year ended 31 December 2022
(以人民幣為單位) 截至2022年12月31日止年度

		Share capital	Share premium	Other reserve	PRC statutory reserves	Exchange reserve	Accumulated losses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		股本	股份溢價	其他儲備	中國法定儲備	匯兌儲備	累計虧損	總計
		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 26(c))	(Note 26(d)(i))	(Note 26(d)(iii))	(Note 26(d)(iv))	(Note 26(d)(v))		
		(附註26(c))	(附註26(d)(i))	(附註26(d)(iii))	(附註26(d)(iv))	(附註26(d)(v))		
Balance at 1 January 2022	於2022年1月1日							
	之結餘	519,723	574,047	55,786	435,901	22,936	(456,395)	1,151,998
<hr/>								
Changes in equity for 2022:	2022年之權益變動:							
Profit for the year	年內利潤	-	-	-	-	-	72,129	72,129
Other comprehensive income	其他全面收益	-	-	-	-	(212,664)	-	(212,664)
<hr/>								
Total comprehensive income	全面收益總額	-	-	-	-	(212,664)	72,129	(140,535)
<hr/>								
Balance at 31 December 2022	於2022年12月31日							
	之結餘	519,723	574,047	55,786	435,901	(189,728)	(384,266)	1,011,463

The notes on pages 95 to 235 form part of these financial statements.

第95至235頁之附註為此等財務報表之一部分。

Consolidated Cash Flow Statement

合併現金流量表

(Expressed in RMB) For the year ended 31 December 2022
(以人民幣為單位) 截至2022年12月31日止年度

			2022	2021
		Note	RMB'000	RMB'000
		附註	人民幣千元	人民幣千元
Operating activities	經營活動			
Profit/(loss) before taxation	稅前利潤／(虧損)		108,605	(941,634)
Adjustments for:	調整項目：			
Depreciation and amortisation	折舊及攤銷	6(c)	53,817	69,089
Interest income	利息收入	6(a)	(21,634)	(22,966)
Borrowing costs	借貸成本	6(a)	107,682	131,164
Net foreign exchange (gain)/loss	外匯(收益)／虧損淨額		(187,074)	95,148
Net loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備的虧損／(收益)淨額	5	34	(16,358)
Changes in working capital:	營運資金變動：			
Decrease/(increase) in inventories and other contract costs	存貨及其他合同成本減少／(增加)		122,573	(59,175)
(Increase)/decrease in contract assets	合同資產(增加)／減少		(32,165)	260,778
(Increase)/decrease in trade and bills receivables	貿易應收款及應收票據(增加)／減少		(41,656)	999,049
Decrease in deposits, prepayments and other receivables	按金、預付款及其他應收款減少		31,164	107,711
Decrease in trade and bills payables	貿易應付款及應付票據減少		(74,222)	(347,608)
Decrease in contract liabilities	合同負債減少		(19,069)	(51,616)
Increase/(decrease) in accrued expenses and other payables	應計開支及其他應付款增加／(減少)		19,296	(88,757)
Increase/(decrease) in provision for warranties	保修撥備增加／(減少)		13,173	(580)
Cash generated from operations	經營所得現金		80,524	134,245
Income tax paid	已付所得稅	24(a)	(4,788)	(4,509)
Income tax refunded	所得稅退款	24(a)	1,022	4,385
Net cash generated from operating activities	經營活動所得現金淨額		76,758	134,121

Consolidated Cash Flow Statement (continued)

合併現金流量表 (續)

(Expressed in RMB) For the year ended 31 December 2022
(以人民幣為單位) 截至2022年12月31日止年度

		Note 附註	2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Investing activities	投資活動			
Payments for purchase of property, plant and equipment	購買物業、廠房及設備付款		(617)	(9,104)
Proceeds from disposal of property, plant and equipment and land use rights	出售物業、廠房及設備及土地使用權之所得款		19,658	46,461
Net payments for other time deposits	其他定期存款淨支出		—	(3,000)
Interest received	已收利息		33,961	21,062
Net cash generated from investing activities	投資活動所得現金淨額		53,002	55,419
Financing activities	融資活動			
Proceeds from new bank loans and other borrowings	新增銀行及其他借款所得款	19(b)	2,364,198	2,404,824
Repayment of bank loans and other borrowings	償還銀行貸款及其他借款	19(b)	(3,162,805)	(2,696,082)
Net proceeds for restricted deposits to secure bank loans and other borrowings	為銀行貸款及其他借款抵押的限制性存款淨所得款		715,625	34,962
Capital element of lease rentals paid	已付租賃租金之資本部份	19(b)	(21,570)	(28,951)
Interest element of lease rentals paid	已付租賃租金之利息部份	19(b)	(455)	(597)
Borrowing costs paid	已付借貸成本	19(b)	(98,842)	(120,800)
Net cash used in financing activities	融資活動所用現金淨額		(203,849)	(406,644)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(74,089)	(217,104)
Cash and cash equivalents at 1 January	於1月1日的現金及現金等價物	19(a)	284,219	508,565
Effect of foreign exchange rate changes	外幣匯率變動的影響		9,325	(7,242)
Cash and cash equivalents at 31 December	於12月31日的現金及現金等價物	19(a)	219,455	284,219

The notes on pages 95 to 235 form part of these financial statements.

第95至235頁之附註為此等財務報表之一部分。

Notes to the Consolidated Financial Statements

合併財務報表附註

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

1 CORPORATE INFORMATION

Yuanda China Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 26 February 2010 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 17 May 2011. The consolidated financial statements of the Company comprise the Company and its subsidiaries (collectively referred to as the “**Group**”). The principal activities of the Group are the design, procurement, production, sale and installation of curtain wall systems.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“**IFRSs**”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and related Interpretations issued by the International Accounting Standards Board (the “**IASB**”). These financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). Significant accounting policies adopted by the Group are disclosed below.

The IASB has issued certain amendments to IFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these financial statements.

1 公司資料

遠大中國控股有限公司(「**本公司**」)於2010年2月26日根據開曼群島公司法第22章(1961年第3號法律，經綜合及修訂)在開曼群島註冊成立為一家獲豁免有限責任公司。本公司股份於2011年5月17日於香港聯合交易所有限公司(「**聯交所**」)上市。本公司合併財務報表包括本公司及其附屬公司(統稱「**本集團**」)的資料。本集團的主要業務為設計、採購、生產、銷售及安裝幕牆系統。

2 重大會計政策

(a) 合規聲明

此等財務報表乃根據所有適用的國際財務報告準則(「**國際財務報告準則**」)，其集合條款包括國際會計準則理事會(「**國際會計準則理事會**」)頒佈的所有適用個別國際財務報告準則、國際會計準則(「**國際會計準則**」)及相關詮釋而編製。此等財務報表亦符合香港公司條例披露規定及聯交所證券上市規則(「**上市規則**」)的適用披露條文。本集團採用重大會計政策，如下所述。

國際會計準則理事會已頒佈若干國際財務報告準則的修訂，此等準則將於本集團當前會計期間首次生效或可提早採納。首次應用該等與本集團有關的國際財務報告準則所引致當前會計期間的任何會計政策變動已反映於此等財務報表，有關資料載列於附註2(c)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except for derivative financial instruments and equity investment which are stated at their fair values (see Note 2(e)).

The Company has its functional currency in Hong Kong dollar (“**HK\$**”). As majority of the Group’s operation are conducted by the subsidiaries of the Group in mainland China in Renminbi (“**RMB**”), the consolidated financial statements are presented in Renminbi.

As at 31 December 2022, the Group had cash and cash equivalents of RMB248,759,000, while the Group had current liabilities of RMB4,699,009,000 including bank loans within one year or on demand of RMB855,000,000.

In this regard, the directors of the Company have identified various initiatives to address the Group’s liquidity needs, which include the following:

- The Group continues to improve its operating cash flows by accelerating the progress billings and collection of trade receivables, actively participating in bidding, negotiating with suppliers on payment terms, and reduction of operation expenses;

2 重大會計政策(續)

(b) 財務報表的編製基準

編製財務報表以歷史成本為計量基準，惟衍生金融工具及股權投資乃按其公允價值列賬(參閱附註2(e))。

本公司功能貨幣為港元(「**港元**」)。由於本集團大部分業務由本集團中國內地附屬公司進行，故合併財務報表乃以人民幣(「**人民幣**」)呈列。

於2022年12月31日，本集團擁有現金及現金等價物人民幣248,759,000元，流動負債為人民幣4,699,009,000元，包括一年內銀行貸款或按需求貸款人民幣855,000,000元。

本公司董事就此確定了解決本集團流動性需求的多項措施，包括如下：

- 通過加快進度開票及貿易應收款回收，積極參與投標，與供貨商就付款條件進行談判，以及減少運營費用以持續改善其經營現金流；

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation of the financial statements
(continued)

- The Group continues the negotiations with various banks to:
 - (i) renew the short-term bank loans upon maturity (see Note 22(a)); and/or
 - (ii) provide additional bank facilities to the Group.
- Mr. Kang Baohua (the “**Controlling Shareholder**”) and a company under his control have committed to provide the necessary financial support, including but not limited to: renewal of the borrowings from Controlling shareholder and a company under his control upon maturity (see Note 21).

Based on a cash flow forecast of the Group prepared by the management and assuming success of the above measures, the directors of the Company are of the opinion that the Group would have adequate funds to meet its liabilities as and when they fall due for at least twelve months from the end of the reporting period. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

2 重大會計政策(續)

(b) 財務報表的編製基準(續)

- 本集團繼續與各銀行進行協商：
 - (i) 短期銀行貸款到期後的重續(附註22(a))；及/或
 - (ii) 向本集團提供額外的銀行融資。
- 康寶華先生(「**控股股東**」)及其控制的一家公司已承諾提供必要的財務支持，包括但不限於：於到期時重續控股股東及其控制的一間公司的借款(見附註21)。

根據管理層編製的本集團現金流量預測及假設上述措施取得成功，本公司董事認為，本集團將擁有充足資金應付其到期負債，至少可用於自報告期末起計十二個月。因此，本公司董事認為按持續經營基準編製合併財務報表乃屬適當。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

- (b) Basis of preparation of the financial statements
(continued)

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

2 重大會計政策(續)

- (b) 財務報表的編製基準(續)

財務報表乃與國際財務報告準則一致編製，其規定管理層作出影響政策應用及資產、負債、收入及開支的申報金額的判斷、估計及假設。此等估計及相關假設乃按過往經驗及多項其他相信按情況下屬於合理的因素得出，其結果組成作出有關不可自其他來源即時得出的資產及負債賬面值的判斷的基準。實際結果可能與此等估計有所不同。

此等估計及相關假設乃按持續基準審閱。會計估計的修訂乃於對估計作出修訂期間確認(倘該修訂僅影響該期間)或於修訂期間及未來期間確認(倘該修訂影響當前及未來期間)。

管理層於應用國際財務報告準則時所作出對財務報表及估計不明朗性主要來源有重大影響的判斷乃於附註3內討論。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies

The IASB has issued the following amendments to IFRSs that are first effective for the current accounting period of the Group:

- Annual Improvements to IFRS Standards 2018-2020
- Amendments to IFRS 3, *Reference to the Conceptual Framework*
- Amendments to IAS 16, *Property, plant and equipment: Proceeds before intended use*
- Amendments to IAS 37, *Provisions, contingent liabilities and contingent assets: Onerous contracts — cost of fulfilling a contract*

None of these developments have had a material effect on how the Group's results and financial position for the current accounting period have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2 重大會計政策(續)

(c) 會計政策變動

國際會計準則理事會已頒佈以下於本集團當期會計期間首次生效的國際財務報告準則的修訂：

- 國際財務報告準則 2018 年至 2020 年之年度改進
- 國際財務報告準則第 3 號(修訂本)，*概念框架的提述*
- 國際會計準則第 16 號(修訂本)，*物業、廠房及設備：作擬定用途前的所得款項*
- 國際會計準則第 37 號(修訂本)，*撥備、或然負債及或然資產：虧損合約 — 履行合約的成本*

有關變動對本集團於當前會計期間的業績及財務狀況的編製或呈報方式並無構成重大影響。本集團並無採用任何在當前會計期間尚未生效的新準則或詮釋。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Changes in the Group's equity interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative equity interests, but no adjustments are made to goodwill and no gain or loss is recognised.

2 重大會計政策(續)

(d) 附屬公司及非控股權益

附屬公司為本集團控制的實體。本集團對該實體具有承擔或享有參與有關實體所得之可變回報的風險或權利，並能透過其在該實體的權力影響該等回報，即本集團對該實體具有控制權。當評估本集團是否具有該權力時，只會考慮由本集團或其他人士擁有之實質權。

於附屬公司的投資乃自控制權開始當日起合併入賬至合併財務報表，直至控制權終止當日為止。集團內公司間結餘、交易及現金流及自集團內公司間交易產生的任何未變現利潤乃於編製合併財務報表時全數對銷。集團內公司間交易產生的未變現虧損乃以與未變現收益相同的方式予以對銷，惟僅以無減值證據者為限。

本集團於一家附屬公司的股權變動，倘不會引致喪失控制權，則以權益交易入賬，並對合併權益中控股及非控股權益的金額作調整，以反映相關的股權變動，惟概無對商譽作調整，且無確認收益或虧損。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Subsidiaries and non-controlling interests
(continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire equity interests in that subsidiary, with a resulting gain or loss being recognised in the consolidated statement of profit or loss. Any equity interests retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(j)(ii)), unless the investment is classified as held-for-sale.

(e) Derivative financial instruments and equity investment

(i) *Derivative financial instruments*

Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

2 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

當本集團喪失其對一家附屬公司的控制權時，則入賬列為出售於該附屬公司的全部股權，所得的收益或虧損於合併損表中確認。於喪失控制權日期保留於該前附屬公司的任何權益按公允價值確認，而此金額被視為初步確認金融資產的公允價值，或(倘適用)初步確認於聯營公司或合營企業的投資的成本。

於本公司的財務狀況表內，於附屬公司的投資乃按成本減減值虧損列賬(見附註2(j)(ii))，惟投資被分類為持作銷售則屬例外。

(e) 衍生金融工具及股權投資

(i) *衍生金融工具*

衍生金融工具按公允價值確認。公允價值會於各報告期末重新計量。重新計量公允價值的收益或虧損會即時於損益表內確認。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Derivative financial instruments and equity investment (continued)

(ii) *Equity investment*

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income.

2 重大會計政策(續)

(e) 衍生金融工具及股權投資
(續)

(ii) *股權投資*

於股本證券的投資分類為按公允價值計入損益，除非股權投資並非持作買賣用途，且於初步確認投資時，本集團不可撤回地選擇指定按公允價值計入其他全面收益的投資(不可撥回)其後公允價值變動於其他全面收益確認。有關選擇乃按個別工具基準作出，惟僅當發行人認為投資符合股權定義時方可作出。作出該選擇後，於其他全面收益累計的金額仍將保留在公允價值儲備(不可劃轉)中，直至投資被出售為止。於出售時，於公允價值儲備(不可劃轉)累計的金額轉撥至保留盈利。其不會透過損益撥回。來自股本證券投資的股息(不論分類為按公允價值計入損益或按公允價值計入其他全面收益)於損益確認為其他收入。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see Note 2(i)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at cost less accumulated depreciation and impairment losses (see Note 2(j)(ii)). The depreciation policy is the same as that of property, plant and equipment (see Note 2(g)). Rental income from investment properties is accounted for as described in Note 2(t)(iv).

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(j)(ii)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see Note 2(v)).

2 重大會計政策(續)

(f) 投資物業

投資物業是指根據租賃權益(見附註2(i))擁有或持有以賺取租金收入和/或資本增值的土地和/或建築物。其中包括為目前尚未確定的未來用途而持有的土地，以及為將來用作投資物業而正在建造或開發的物業。

投資物業按成本減去累計折舊和減值損失列示(見附註2(j)(ii))。折舊政策與物業、廠房及設備的折舊政策相同(見附註2(g))。投資物業的租金收入按附註2(t)(iv)所述入賬。

(g) 物業、廠房及設備

物業、廠房及設備按成本減去累計折舊及減值虧損列賬(見附註2(j)(ii))。

自行興建的物業、廠房及設備項目的成本包括材料成本、直接勞工成本，(如適用)初步估計拆卸及搬遷項目以及恢復項目所在地原貌的成本，以及生產經常開支及借貸成本的適當比例(見附註2(v))。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment (continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write-off the cost of items of property, plant and equipment, less their estimated residual values, if any, using the straight-line method over their estimated useful lives as follows:

Estimated useful lives

Plant and buildings	30 years
Machinery and equipment	15 years
Motor vehicles and other equipment	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the estimated useful life of an asset and its residual value are reviewed annually. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

2 重大會計政策(續)

(g) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目產生的收益或虧損釐定為出售所得款項淨額與項目賬面值之間的差額，並於報廢或出售日期在損益中確認。

折舊乃使用直線法按下列估計可使用年期計算以撇銷物業、廠房及設備項目的成本減其估計剩餘價值(如有)：

估計可使用年期

廠房及樓宇	30年
機器及設備	15年
汽車及其他設備	5年

倘物業、廠房及設備項目各部分的可使用年期不同，則該項目的成本會按合理基準分配至各部分，而每部分須分開折舊。資產的估計可使用年期及其剩餘價值均須每年檢討。在建工程在完工及可作擬定用途前，並不計提折舊。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策(續)

(h) Research and development expenditure

Expenditure on research and development activities is recognised as an expense in the period in which it is incurred.

(h) 研發開支

研發活動的開支乃於其產生期間確認為開支。

(i) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) 租賃資產

在合同開始時，本集團評估合同是否是或包含租賃。如果合同轉讓了在一段時間內控制已確認資產使用的權利以換取對價，則合同就是或包含租賃。倘客戶同時有權指導已識別資產的用途並自有關用途獲得絕大部分經濟效益，則擁有控制權。

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

(i) 作為承租人

當合約包含租賃部分及非租賃部分，本集團選擇不區分非租賃部分及將各租賃部分及任何關聯非租賃部分入賬列為所有租賃的單一租賃部分。

在租賃開始日，本集團確認使用權資產和租賃負債。當本集團就一項低價值資產簽訂租賃協議時，本集團決定是否按逐項租賃基準對該租賃進行資本化。與該等並無資本化的租賃有關的租賃付款於租期內按系統基準確認為開支。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leased assets (continued)

(i) As a lessee (continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(g) and 2(j)(ii)).

2 重大會計政策(續)

(i) 租賃資產(續)

(i) 作為承租人(續)

當租賃已資本化，租賃負債初步按租期應付租賃付款現值確認，並按租賃中所隱含的利率貼現，或倘該利率不能輕易釐定，則以相關遞增借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計量。租賃負債的計量並不包括不依賴指數或利率的可變租賃付款，因此可變租賃付款於其產生的會計期間在損益中扣除。

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款以及任何所產生的初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。使用權資產按成本減累計折舊和減值損失列示(見附註2(g)及2(j)(ii))。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leased assets (continued)

(j) As a lessee (continued)

The initial fair value of refundable rental deposits is accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in debt securities carried at amortised cost (see Notes 2(j)(i) and 2(t)(v)). Any difference between the initial fair value and the nominal value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2 重大會計政策(續)

(i) 租賃資產(續)

(j) 作為承租人(續)

根據適用於按攤銷成本(見附註2(j)(i)及2(t)(v))列賬的債務證券投資的會計政策，可退還租金按金的初始公平值與使用權資產分開入賬。按金的初始公平值與面值之間的任何差額入賬列作已付額外租賃付款，並計入使用權資產成本。

倘指數或利率變化引致未來租賃付款出現變動，或本集團預期根據剩餘價值擔保應付的估計金額產生變化，或就本集團是否合理確定將行使購買、續租或終止選擇權的有關重新評估產生變化，則租賃負債將重新計量。倘以這種方式重新計量租賃負債，則應當對使用權資產的賬面值進行相應調整，而倘使用權資產的賬面值已調減至零，則應於損益列賬。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leased assets (continued)

(i) As a lessee (continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“**lease modification**”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

2 重大會計政策(續)

(i) 租賃資產(續)

(i) 作為承租人(續)

當租賃範疇發生變化或租賃合約原先並無規定的租賃代價發生變化(「**租賃修訂**」)，且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在此情況，租賃負債根據經修訂的租賃付款及租賃期限，使用經修訂的貼現率在修訂生效日重新計量。

在合併財務狀況表中，長期租賃負債的即期部分釐定為須於報告期後12個月內清償之合約付款現值。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Leased assets (continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with Note 2(t)(iv).

2 重大會計政策(續)

(i) 租賃資產(續)

(ii) 作為出租人

當本集團作為出租人時，本集團在租賃開始時確定每份租賃是融資租賃還是經營租賃。如果租賃實質上將標的資產所有權附帶的所有風險和報酬轉移給承租人，則該租賃被歸類為融資租賃。如果情況並非如此，則該租賃被歸類為經營租賃。

當合同包含租賃和非租賃組成部分時，本集團將合同中的對價按照單獨售價的基準分配給每個組成部分。經營租賃的租金收入根據附註2(t)(iv)確認。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash on hand and in bank, trade receivables and deposits and other receivables); and
- contract assets as defined in IFRS 15 (see Note 2(l)).

Derivative financial instruments measured at fair value are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

2 重大會計政策(續)

(j) 信用損失及資產減值

(i) 金融工具及合同資產信用損失

本集團就如下項目確認預期信用損失的虧損撥備：

- 按攤銷成本計量的金融資產(包括手頭現金及銀行存款、貿易應收款及按金以及其他應收款)；及
- 國際財務報告準則第15號所定義的合同資產(見附註2(l))。

按公允價值計量的衍生金融工具無須進行預期信用損失評估。

計量預期信用損失

預期信用損失為信用損失的概率加權估計。信用損失以所有預期現金短缺的現值(即根據合同應付予本集團的現金流量與本集團預計收取的現金流量之間的差額)計量。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Measurement of ECLs (continued)

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade receivables, deposits and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

計量預期信用損失
(續)

倘貼現影響重大，預期現金短缺使用如下貼現率貼現：

- 定息金融資產、貿易應收款及按金及其他應收款及合同資產：初步確認時釐定的實際利率或其近似值；及
- 浮息金融資產：即期實際利率。

估計預期信用損失時所考慮的最長期間為本集團面對信貸風險的最長合同期間。

於計量預期信用損失時，本集團會考慮在無需付出過多成本及努力下即可獲得的合理有據資料。此項包括有關過往事件、現時狀況及未來經濟狀況預測的資料。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Measurement of ECLs (continued)

ECLs are measured on either of the
following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

計量預期信用損失
(續)

預期信用損失將採用
以下基準計量：

- 12個月預期信用損失：指報告日期後12個月內可能發生的違約事件而導致的預期虧損；及
- 整個存續期的預期信用損失：指預期信用損失模型適用項目之預期可使用年期內所有可能違約事件而導致的預期虧損。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Measurement of ECLs (continued)

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

計量預期信用損失
(續)

貿易應收款及合同資產之虧損撥備一直按等同於整個存續期的預期信用損失的金額計量。於報告日期，該等金融資產的預期信用損失乃根據本集團的歷史信用損失經驗使用計提矩陣進行評估，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

就所有其他金融工具而言，本集團確認相等於12個月預期信用損失的虧損撥備，除非金融工具的信貸風險自初步確認以來大幅上升，則在此情況下，虧損撥備按相等於整個存續期的預期信用損失的金額計量。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. 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.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

信貸風險大幅上升

評估金融工具的信貸風險自初步確認以來有否大幅上升時，本集團會比較於報告日期及於初步確認日期評估的金融工具發生違約的風險。作出重新評估時，本集團認為，倘(i)借款人不大可能在本集團無追索權採取變現抵押(如持有)等行動的情況下向本集團悉數支付其信貸債務；或(ii)金融資產已逾期90日，則構成違約事件。本集團會考慮合理有據的定量及定性資料，包括過往經驗及在無需付出過多成本或努力下即可獲得的前瞻性資料。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(i) *Credit losses from financial instruments
and contract assets (continued)*

Significant increases in credit risk
(continued)

In particular, the following information
is taken into account when assessing
whether credit risk has increased
significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

信貸風險大幅上升
(續)

具體而言，評估信貸
風險自初始確認以來
有否大幅上升時會考
慮以下資料：

- 未能按合同到
期日期支付本
金或利息；
- 金融工具外部
或內部信貸測
評(如有)的實
際或預期顯著
惡化；
- 債務人經營業
績的實際或預
期顯著惡化；
及
- 科技、市場、
經濟或法律環
境的目前或預
期變動對債務
人履行其對本
集團責任的能
力有重大不利
影響。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Significant increases in credit risk
(continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

信貸風險大幅上升
(續)

取決於金融工具的性质，信貸風險大幅上升的評估乃按個別基準或共同基準進行。倘評估為按共同基準進行，金融工具則按共同的信貸風險特徵(如逾期狀況及信貸風險評級)進行分組。

預期信用損失於各報告日期進行重新計量以反映金融工具自初步確認以來的信貸風險變動。預期信用損失的任何變動均於損益確認為減值收益或虧損。本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬對彼等之賬面值作出相應調整。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策(續)

(j) Credit losses and impairment of assets
(continued)

(j) 信用損失及資產減值(續)

(i) Credit losses from financial instruments
and contract assets (continued)

(i) 金融工具及合同資產
信用損失(續)

Basis of calculation of interest income

計算利息收入的基準

Interest income recognised in accordance with Note 2(t)(v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

根據附註2(t)(v)確認的利息收入乃按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本（即總賬面值減虧損撥備）計算。

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

於各報告日期，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產則出現信貸減值。

Evidence that a financial asset is credit-impaired includes the following observable events:

金融資產出現信貸減值的證據包括以下可觀察事件：

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;

- 債務人有重大財務困難；
- 違約，例如拖欠或延遲支付利息或本金；

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Credit losses and impairment of assets
(continued)

(i) Credit losses from financial instruments
and contract assets (continued)

Basis of calculation of interest income
(continued)

- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation; or
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(i) 金融工具及合同資產
信用損失(續)

計算利息收入的基準
(續)

- 債務人可能破產或進行其他財務重組；或
- 科技、市場、經濟或法律環境出現對債務人造成不利影響的重大變化。

撇銷政策

若日後實際上不可收回款項，本集團則會撇銷(部分或全部)金融資產或合同資產的總賬面值。該情況通常出現在本集團確定債務人沒有資產或可產生足夠現金流量的收入來源來償還應撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(ii) *Impairment of other non-current assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets;
- investment property; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(ii) *其他非流動資產減值*

本集團於各報告期末審閱內部及外部資料來源，以確定以下資產是否存在減值跡象，或先前確認的減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備；
- 使用權資產；
- 投資物業；及
- 本公司財務狀況表內的附屬公司投資。

倘出現任何該等跡象，則會估計資產的可收回金額。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(j) Credit losses and impairment of assets
(continued)

(ii) Impairment of other non-current assets
(continued)

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset (for example, head office building) is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(ii) 其他非流動資產減值
(續)

— 計算可收回金額

資產的可收回金額為公允價值減銷售成本與使用價值兩者間的較高者。在評估使用價值時，會按反映當時市場對貨幣時間價值及資產特定風險評估的稅前貼現率，將估計未來現金流量貼現至其現值。倘資產並無產生大致獨立於其他資產的現金流入，則以能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。在能按合理一致的基準作出分配的情況下，企業資產(例如總部大樓)賬面值的一部分會分配至個別現金產生單位，否則分配至最小的現金產生單位組別。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(ii) Impairment of other non-current assets
(continued)

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(ii) 其他非流動資產減值
(續)

— 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會予以分配，以按比例基準減少該單位(或單位組別)內資產的賬面值，惟某資產的賬面值不會減至低於其個別公允價值減銷售成本(如能計量)或使用價值(如能釐定)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Credit losses and impairment of assets
(continued)

(ii) *Impairment of other non-current assets
(continued)*

— Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) *Interim financial reporting and impairment*

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with IAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2(j)(i) and 2(j)(ii)).

2 重大會計政策(續)

(j) 信用損失及資產減值(續)

(ii) 其他非流動資產減值
(續)

— 撥回減值虧損

倘用作釐定可收回金額的估計出現正面的變化，則會撥回減值虧損。

減值虧損撥回僅限於在過往年度並未確認減值虧損時原應釐定的資產賬面值。減值虧損撥回在確認撥回的年度計入損益。

(iii) 中期財務報告及減值

根據上市規則，本集團須遵守國際會計準則第34號中期財務報告編製有關財政年度首六個月的中期財務報表。於中期期末，本集團採用等同財政年度末之減值測試、確認及撥回標準(見附註2(j)(i)及2(j)(ii))。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策(續)

(k) Inventories and other contract costs

(k) 存貨及其他合同成本

(i) *Inventories*

(i) *存貨*

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

存貨是指日常業務過程中持有以作銷售、處在為該等銷售的生產過程中，或在生產過程中或提供服務耗用的材料或物料形式持有的資產。

Inventories are carried at the lower of cost and net realisable value.

存貨按成本及可變現淨值的較低者列賬。

Inventories include the cost of raw materials waiting to be assigned to specific construction contracts. The cost of inventories includes design costs, costs of purchase, direct labour, other direct costs and production overheads.

存貨包括待指定至特定建築合同的原材料的成本。存貨成本包括設計成本、採購成本、直接勞工、其他直接成本及生產經常開支。

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

可變現淨值為在日常業務過程中的估計售價減去完成的估計成本以及完成銷售的估計成本。

When inventories are assigned to specific construction contracts, the carrying amount of those inventories is recognised as an expense in the year in which the related revenue is recognised.

在指定存貨至特定建築合同時，該等存貨的賬面值乃於確認相關收入的年度內確認為開支。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Inventories and other contract costs (continued)

(i) Inventories (continued)

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the year the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the year in which the reversal occurs.

(ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see Note 2(k)(i)).

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

2 重大會計政策(續)

(k) 存貨及其他合同成本(續)

(i) 存貨(續)

任何撇減存貨至可變現淨值的金額及所有存貨虧損乃於作出撇減或產生損失的年度內確認為開支。任何存貨撇減的任何撥回金額乃於作出撥回的年度內確認為已確認為開支的存貨金額的扣減。

(ii) 其他合同成本

其他合同成本是取得客戶合同的增量成本或履行客戶合同的成本，其並無資本化為存貨(見附註2(k)(i))。

取得合同的增量成本為本集團就取得客戶合同而產生，倘未能取得合同則不會產生的成本(例如增量銷售佣金)。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合同的增量成本於產生時會資本化。取得合同的其他成本在產生時費用化。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Inventories and other contract costs (continued)

(ii) Other contract costs (continued)

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in Note 2(t).

2 重大會計政策(續)

(k) 存貨及其他合同成本(續)

(ii) 其他合同成本(續)

倘履行合同的成本與現有合同或可識別的預期合同直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會資本化。與現有合同或可識別的預期合同直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客人收取的成本及僅由於本集團訂立合同而產生的其他成本(例如向分包商付款)。其他履行合同的成本(其並無資本化為存貨)在產生時費用化。

資本化合同成本按成本減累計攤銷及減值虧損列賬。倘合同成本資產賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)任何直接有關提供該等產品或服務，而未確認為開支的成本的淨額，則會確認減值虧損。

當與資產有關的收入獲確認時，資本化的合同成本攤銷將自損益扣除。收入確認的會計政策載於附註2(t)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(t)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in Note 2(j)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(m)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(t)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(m)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

2 重大會計政策(續)

(l) 合同資產及合同負債

在本集團有權無條件獲取合同所載付款條款代價前確認收入(見附註2(t))時確認合同資產。合同資產按附註2(j)(i)所載政策就預期信用損失而獲評估，並在代價權利成為無條件後獲重新分類至應收款(見附註2(m))。

本集團確認相關收入前，合同負債在客戶支付不可退還代價時確認(見附註2(t))。如本集團有無條件權利在本集團確認相關收入前收取不可退還代價，則合同負債亦會獲確認。在相關情況下，相應應收款亦會獲確認(見附註2(m))。

就與客戶的單一合同而言，合同資產淨額或合同負債淨額得以呈列。就多份合同而言，非相關合同的合同資產及合同負債不按淨額基準呈列。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
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2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(l)).

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. Trade receivables that contain a significant financing component and other receivables are initially measured at fair value plus transaction costs. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see Note 2(j)(i)).

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in Note 2(j)(i).

2 重大會計政策(續)

(m) 貿易及其他應收款

應收款在本集團擁有無條件權利收取代價時確認。倘支付代價到期前只需經過一段時間，則收取該代價的權利屬無條件。倘收入在本集團擁有無條件權利收取代價前確認，則金額呈列為合同資產(見附註2(l))。

不包含重大融資成分的貿易應收款項初步按其交易價格計量。包含重大融資成分的貿易應收款項及其他應收款項初步按公平值加交易成本計量。所有應收款項隨後以實際利率法按攤銷成本列賬，並包括信貸虧損撥備(見附註2(j)(i))。

(n) 現金及現金等價物

現金及現金等價物包括銀行存款及手頭現金、於銀行及其他金融機構的活期存款及於收購時到期為三個月以內之可隨時兌換為已知金額現金且承受的價值變動風險並不重大的短期、高流動性投資。現金及現金等價物根據附註2(j)(i)所載政策作出預期信用損失評估。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see Note 2(v)).

2 重大會計政策(續)

(o) 貿易及其他應付款

貿易及其他應付款項初步按公平值確認。於初步確認後，貿易及其他應付款項按攤銷成本列賬，惟倘貼現的影響並不重大，在此情況下則按發票金額列賬。

(p) 計息借貸

計息借貸初步按公允價值減交易成本確認。於初步確認後，計息借貸按攤銷成本，使用實際利率法列賬。利息開支根據本集團借貸成本的會計政策予以確認(見附註2(v))。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

(q) Employee benefits

(i) *Short-term employee benefits and contributions to defined contribution retirement plans*

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group's contributions to defined contribution retirement plans are charged to profit or loss when incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense.

(ii) *Share-based payments*

The shares awarded under the share award scheme are acquired from open market. The net consideration paid, including any directly attributable incremental costs, is presented as "Shares held under share award scheme" and deducted from equity.

2 重大會計政策(續)

(q) 僱員福利

(i) *短期僱員福利及向界定供款退休計劃供款*

薪金、年度花紅、有薪年假、向界定供款退休計劃供款及非貨幣利益的成本乃於本集團僱員提供相關服務的年度內應計。倘延期付款或結算，而影響屬重大，則該等金額乃按其現值列賬。

本集團向界定供款退休計劃的供款乃於產生時於損益表內扣除，惟以已計入存貨成本但尚未確認為開支者為限。

(ii) *以股份付款*

股份獎勵計劃授出的股份乃購自公開市場。所支付代價淨額(包括任何直接應佔增加成本)乃呈列為「根據股份獎勵計劃持有的股份」，並於權益內扣除。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Employee benefits (continued)

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2 重大會計政策(續)

(q) 僱員福利(續)

(iii) 合約終止補償

合約終止補償在下列兩者孰早確定：本集團不再能撤回提供此等福利時及其確認涉及支付合約終止補償的重組成本時。

(r) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均於損益內確認，惟與於其他全面收益或直接於權益內確認的項目有關者除外，在此情況下，有關稅項金額分別於其他全面收益或直接於權益內確認。

即期稅項為就年內應課稅收入採用於報告期末已生效或實質已生效的稅率計算的預期應付稅項，並就過往年度的應付稅項作出任何調整。

遞延稅項資產及負債分別自可扣稅及應課稅的暫時差額產生，即資產及負債就財務報告目的而言的賬面值與其稅基之間的差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

2 重大會計政策(續)

(r) 所得稅(續)

除若干有限的例外情況外，倘可能有未來應課稅利潤用作抵扣可動用的資產，則所有遞延稅項負債及遞延稅項資產均會予以確認。能支持可確認自可扣稅暫時差額所產生遞延稅項資產的未來應課稅利潤包括因撥回現有應課稅暫時差額而產生的金額；惟此等差額必須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可向承後或承前結轉的期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損和抵免產生的遞延稅項資產時，亦會採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在可動用的稅項虧損或抵免的期間內撥回，則予以考慮。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 重大會計政策(續)

(r) 所得稅(續)

確認遞延稅項資產和負債的有限例外情況為不影響會計或應課稅利潤的資產或負債的初步確認(前提是其並不屬業務合併的一部分)，以及有關於附屬公司的投資的暫時差額(如屬應課稅差額，則只限於本集團可控制撥回的時間，而且在可見將來不大可能撥回的差額；或如屬可扣稅差額，則只限於很可能在將來撥回的差額)。

已確認的遞延稅項金額按照資產與負債賬面值的預期變現或清償方式，使用報告期末已生效或實質已生效的稅率計算。遞延稅項資產與負債均不作貼現。

本集團會在各報告期末審閱遞延稅項資產的賬面值，並在不可能再獲得足夠的應課稅利潤可抵扣相關稅項利益時予以扣減。倘日後有可能獲得足夠的應課稅利潤可作抵扣，則扣減金額予以撥回。

因分派股息而額外產生的所得稅是在支付相關股息的責任確立時確認。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 重大會計政策(續)

(r) 所得稅(續)

即期稅項結餘及遞延稅項結餘及其變動額，會各自分開呈報且不予抵銷。倘本公司或本集團有法定強制執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 倘為即期稅項資產與負債，本公司或本集團擬按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，此等實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Provisions and contingent liabilities and onerous contracts

(i) *Provisions and contingent liabilities*

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

2 重大會計政策(續)

(s) 撥備及或然負債及虧損性合同

(i) *撥備及或然負債*

撥備乃於本集團因過往事件而產生法律或推定責任，而可能需要經濟利益流出以清償責任及能作出可靠估計時確認。倘金錢的時間值屬重大時，撥備乃按預期清償責任的開支的現值列賬。

當需要經濟利益流出的可能性較低或當金額不能可靠估計時，責任會被披露為或然負債，除非經濟利益流出的可能性極微。可能的責任(其存在將僅由一項或以上未來事件的出現或不出現確認)亦作為或然負債披露，惟經濟利益流出的可能性極微者則屬例外。

倘結算撥備所需的部分或全部支出預期由另一方償還，則就幾乎確定的任何預期償還確認一項單獨的資產。就償還確認的金額以撥備的賬面值為限。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Provisions and contingent liabilities and onerous contracts (continued)

(ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of fulfilling the contract. The cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling that contract.

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

2 重大會計政策(續)

(s) 撥備及或然負債及虧損性合同(續)

(ii) 虧損性合同

當本集團為履行合同規定的義務所產生不可避免的成本超過預期因該合同可獲取的經濟效益時，便存在虧損性合同。虧損性合同的撥備按終止合同的預期成本與合同的持續成本淨額的現值較低者計算。合同履行成本既包括履行該合同的增量成本，亦包括與履行該合同直接相關的其他成本的分配。

(t) 收入及其他入

本集團將於其日常業務過程中銷售貨物、提供服務或根據租賃由其他人士使用本集團資產所產生的收入分類為收入。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue and other income (continued)

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

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

2 重大會計政策(續)

(t) 收入及其他入(續)

收入在產品或服務的控制權轉移至客戶時，或承租人有權使用資產時，按本集團預期有權收取的承諾代價金額確認，不包括代表第三方收取的款項。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

倘合同中包含為客戶提供超過12個月的重大融資利益的融資部分，則收入按應收金額的現值計量，並使用與客戶的單獨融資交易中反映的貼現率貼現，而利息收入按實際利率法單獨計量。倘合同中包含為本集團提供重大融資利益的融資部分，則根據該合同確認的收入包括按實際利率法計算的合同負債所產生的利息開支。本集團運用國際財務報告準則第15號第63段的實際權宜方法，當融資期限為12個月或以下時，則不會就重大融資部分的任何影響調整代價。

有關本集團收入及其他收入確認政策的進一步詳情如下：

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue and other income (continued)

(i) Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on curtain wall under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method. Under the cost-to-cost method, revenue is recognised based on the proportion of the actual costs incurred relative to the estimated total costs to provide a faithful depiction of the transfer of those services.

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

2 重大會計政策(續)

(t) 收入及其他入(續)

(i) 建築合同

合同與受客戶控制的幕牆工程相關時，本集團把與客戶所訂的合同列作建築合同，故本集團建築活動設置或提升受客戶控制的資產。

倘建築合同的結果能可靠估計，合同收入使用成本比例法隨著時間逐步確認。根據成本比例法，收益按已產生實際成本佔估計總成本的比例確認，以提供該等服務轉讓的真實描述。

本集團就提早完成而賺取合同獎勵或因延遲完工而遭受合同罰款的可能性於作出該等估計時加以考慮，因此，僅在已確認累計收入金額很可能不會大幅撥回時方會確認收入。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue and other income (continued)

(i) Construction contracts (continued)

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. The Group also typically agrees to a retention period for certain of the contract value which the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. To the extent that the difference in timing arises for reasons other than the provision of finance, no financing component is deemed to exist.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in Note 2(s)(ii).

(ii) Service income

Service income from the rendering of services is recognised when the related services are rendered.

2 重大會計政策(續)

(t) 收入及其他入(續)

(i) 建築合同(續)

本集團建築合同包括建築期間要求分階段付款的付款日程(一旦進程達標)。本集團通常亦同意某些合同價值的保留期，本集團獲得該最終付款的權利取決於本集團的工作是否通過檢查。倘由於提供融資以外的原因而造成時間差異，則認為不存在融資成分。

倘合同的結果無法合理計量，則收入僅以預期可收回的已產生合同成本為限予以確認。

倘於任何時間估計完成合同的成本超過合同項下代價的餘額，則根據附註2(s)(ii)所載政策確認撥備。

(ii) 服務收入

來自提供服務的服務收入於提供相關服務後確認。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策(續)

(t) Revenue and other income (continued)

(t) 收入及其他入(續)

(iii) Sale of materials

(iii) 銷售材料

Sale of materials is recognised when the materials are delivered to the location designated by the customer and the control of the materials transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue from sale of materials excludes value added tax or other sales taxes and is after deduction of any sales discounts.

銷售材料於材料運抵客戶指定地點及材料控制權轉移至客戶時，按預期本集團有權收取的承諾代價金額確認，不包括代表第三方收取的任何款項。銷售材料的收入不包括增值稅或其他銷售稅項，並已扣除任何貿易折扣。

(iv) Rental income from operating leases

(iv) 經營租賃的租金收入

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

經營租賃項下應收租金收入乃於租賃年期按等額分期於損益表內確認，惟倘有更代表使用租賃資產帶來的收入模式的其他基準除外。已授出的租賃優惠乃於損益表內確認為應收淨租金總額的一部分。不依賴指數或利率的可變租賃付款於產生的會計期間確認為收入。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Revenue and other income (continued)

(v) *Interest income*

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

(vi) *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

2 重大會計政策(續)

(t) 收入及其他入(續)

(v) *利息收入*

利息收入於產生時使用實際利率法確認，即金融資產預計生命期間內實際折現預計未來現金收入至金融資產的總賬面價值的準確利率。

(vi) *政府補貼*

倘可合理確定能夠收取政府補貼，而本集團將符合政府補貼所附帶條件，則政府補貼將初步在財務狀況表中確認。補償本集團所產生開支的補貼於產生開支同一期間有系統地於損益表中確認為收入。補償本集團資產成本的補貼，在相關資產賬面值中扣除，其後於該資產的可使用年期內以減少折舊開支方式於損益內確認。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(u) Translation of foreign currencies

Foreign currency transactions are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities.

The results of operations which have a functional currency other than RMB, the Group's presentation currency, are translated into RMB at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into RMB at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

2 重大會計政策(續)

(u) 換算外幣

外幣交易乃按於交易日期適用的外幣匯率換算為其有關的實體的功能貨幣。以外幣計值的貨幣資產及負債乃按於報告期末適用的外幣匯率換算為其有關的實體的功能貨幣。外匯收益及虧損乃於損益內確認。

以外幣的歷史成本計量的非貨幣資產及負債乃使用於交易日期適用的外幣匯率換算。交易日為本公司初步確認有關非貨幣資產或負債的日期。

具有人民幣(本集團之列賬貨幣)以外的功能貨幣的經營業績乃按與於交易日期適用的外幣匯率相若的匯率換算為人民幣。財務狀況表項目乃按於報告期末的收市外幣匯率換算為人民幣。所產生的匯兌差額乃於其他全面收益內確認，並單獨於權益的匯兌儲備內累計。

在出售外國業務時，與該外國業務有關的匯兌差額的累計金額在確認處置損益時從權益重分類為損益。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(w) Non-current assets held for sale

A non-current asset is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset is available for sale in its present condition.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets are recognised at the lower of their carrying amount and fair value less costs to sell.

2 重大會計政策(續)

(v) 借貸成本

收購、興建或生產需長時間方可達致其擬定用途或出售的資產的直接借貸成本乃作為該資產的成本一部分予以資本化。其他借貸成本乃於其產生期間支銷。

資本化借貸成本作為合資格資產的成本的一部分於資產產生開支、產生借貸成本及進行使資產達致其擬定用途或出售的必須準備工作期間開始。借貸成本的資本化於進行使合資格資產達致其擬定用途或出售的絕大部分活動中止或完成時暫停或不再進行。

(w) 持有待售的非流動資產

如果非流動資產的賬面價值很可能通過出售交易而不是繼續使用收回，並且該資產在其當前狀況下可供出售，則該資產被歸類為持有待售資產。

在分類為持有待售之前，非流動資產的計量根據分類之前的會計政策進行更新。然後，在初始分類為持有待售和處置之前，非流動資產按其賬面價值和公允價值減去出售成本的較低者確認。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重大會計政策(續)

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|--|--|
| <p>(x) Related parties</p> <p>(a) A person, or a close member of that person's family, is related to the Group if that person:</p> <ul style="list-style-type: none">(i) has control or joint control over the Group;(ii) has significant influence over the Group; or(iii) is a member of the key management personnel of the Group or the Group's parent. <p>(b) An entity is related to the Group if any of the following conditions applies:</p> <ul style="list-style-type: none">(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member). | <p>(x) 關聯方</p> <p>(a) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：</p> <ul style="list-style-type: none">(i) 控制或共同控制本集團；(ii) 對本集團有重大影響；或(iii) 為本集團或本集團母公司的主要管理層成員。 <p>(b) 倘符合下列任何條件，即實體與本集團有關聯：</p> <ul style="list-style-type: none">(i) 該實體與本集團屬同一集團之成員公司(即各自的母公司、附屬公司及同系附屬公司相互關聯)。(ii) 一家實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。 |
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Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

- (x) Related parties (continued)
- (b) (continued)
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

2 重大會計政策(續)

- (x) 關聯方(續)
- (b) (續)
- (iii) 兩間實體均為同一第三方的合營企業。
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關聯之實體就僱員利益設立的離職福利計劃。
- (vi) 該實體受(a)所識別人士控制或受共同控制。
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 實體或任何作為集團一部分的成員公司向本集團或本集團的母公司提供主要管理人員服務。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(x) Related parties (continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 重大會計政策(續)

(x) 關聯方(續)

個別人士的近親為在與實體交易時預期會影響該名人士或受到該名人士影響的近親。

(y) 分部報告

經營分部及於財務報表內所申報的各分部項目的金額乃從定期提供予本集團最高級行政管理人員以就本集團多項業務及多個地理區域進行資源分配及表現評估的財務資料中識別。

個別重大的經營分部並不就財務申報目的而予以合併，除非該等分部具有相似經濟特性，以及就產品及服務性質、生產過程性質、客戶類別或種類、用以分銷產品或提供服務的方式及監管環境的性質方面相似。並非個別重大的經營分部如享有大部分有關條件，則可予以合併。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

The significant sources of estimation uncertainty are as follows:

(i) Revenue recognition

As explained in accounting policy Note 2(t), revenue from construction contracts is recognised over time. Such revenue and profit recognition on incomplete projects is dependent on estimating the total budgeted contract costs of the contract, as well as the contract costs incurred to date. The actual outcomes in the terms of total cost may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in the future years as an adjustment to the amounts recorded to date.

(ii) Impairment of receivables and contract assets

Trade receivables and contract assets are reviewed by management at the end of each reporting period to determine the expected credit losses. The management bases the estimates on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessments of both current and forecast general economic conditions. Credit risk assessments focus on the customers' past history of making payments when due and current ability and willingness to pay, taking into account the financial position of the customers and the macroeconomic environment in which the customers operate. The credit assessments also consider the status of the construction project, i.e. whether there is any delay, any unresolved lawsuits or contentious matters with customers. If the financial conditions of the customers and/or the macroeconomic environment of the Group were to deteriorate, resulting in an impairment of their ability to pay, additional impairment provision would be required.

3 會計判斷及估計

估計不明朗因素的主要來源如下：

(i) 收入確認

如附註2(t)中的會計政策所述，建築合同的收入隨著時間確認。就未完工項目的有關收入及利潤確認視乎估計合同總預算合同成本，以及迄今產生的合同成本而定。有關總成本的實際結果可能高於或低於報告期末的估計，其將會影響於未來年度作為迄今所入賬的金額的調整確認的收入及利潤。

(ii) 應收款及合同資產減值

管理層於各報告期末審閱貿易應收款及合同資產，以釐定預期信用損失。管理層的估計以歷史信用損失經驗為基礎，並就債務人特定因素及當前及預期整體經濟狀況的評估作出調整。信貸風險評估集中於客戶於到期時作出付款的過往歷史、目前的實力以及支付意願，並考慮客戶的財務狀況及客戶經營業務所處的宏觀經濟環境。信貸評估亦考慮建築項目的狀況，即是否存在任何延誤、任何未解決的訴訟或與客戶的爭議事項。倘客戶財務狀況及／或本集團宏觀經濟環境惡化，導致彼等支付能力減值，則須再次加入額外減值撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(iii) Warranty provisions

As explained in Note 25, the Group makes provisions under the warranties it gives on construction of curtain wall systems contracts, taking into account the Group's recent claim experience. As the curtain wall systems required by customers become more complex, the actual payment incurred for warranties provided may be different from that estimated at the end of the reporting period, which would affect profit or loss in future years.

(iv) Taxation

Determining tax provision involves judgement on tax treatment of certain transactions. The Group evaluates tax implication of transactions and tax provision are set up accordingly. Where the final tax outcome of these transactions is different from the amounts that were initially recorded, such differences will impact the tax provision in the year in which such determination is made.

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised. In determining the amount of deferred tax assets to be recognised, significant judgement is required relating to the timing and level of future taxable profits, after taking into account future tax planning strategies. The amount of deferred tax assets recognised at future dates are adjusted if there are significant changes from these estimates.

3 會計判斷及估計(續)

(iii) 保修撥備

誠如附註25闡述，本集團經考慮本集團近期的申索經驗，根據其就幕牆系統建築合同作出的保修計提撥備。由於客戶所要求的幕牆系統日趨複雜，提供保修的實際支付可能與報告期結束後時估計存在的差異將影響未來年度的損益。

(iv) 稅項

釐定稅項撥備涉及對若干交易的稅務處理的判斷。本集團評估各項交易的稅務影響，並計提相應的稅項撥備。當該等交易的最終稅項結果與初始記錄的數額有出入時，有關差額將影響有關釐定年度稅項撥備。

在很有可能能利用遞延稅項資產來抵扣的未來應課稅利潤的限度內，應就所有未利用的稅務虧損及可抵扣暫時差異確認遞延稅項資產。需要運用大量的判斷來估計未來應課稅利潤的時間和水平，結合未來納稅籌劃策略，才能決定應確認的遞延稅項資產的金額。如此等估計有重大改變，則會對在未來確認的遞延稅項資產金額作出調整。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

- (v) Impairment of property, plant and equipment and land use rights

If circumstances indicate that the carrying amount of the Group's property, plant and equipment and land use rights may not be fully recoverable, these assets are tested for impairment in accordance with accounting policy for impairment of non-current assets and the recoverable amount of the Group's property, plant and equipment and land use rights was calculated.

The recoverable amount is the greater of the fair value less costs of disposal and the value in use. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions related to fair value assessment of the property, plant and equipment and land use rights. Changes in these estimates could have a significant impact on the recoverable amount of the assets and could result in additional impairment charge or reversal of impairment in future periods.

3 會計判斷及估計(續)

- (v) 物業、廠房及設備及土地使用權減值

倘有跡象顯示本集團物業、廠房及設備以及土地使用權可能無法完全收回，有關資產將根據非流動資產減值會計政策進行減值測試以及計算本集團物業、廠房及設備以及土地使用權的可回收金額。

可收回值是以公允價值減出售成本與使用價值兩者中的較大者計算。本集團使用所有現成的信息來確定可收回金額的合理近似值，包括基於合理和可支持的假設和對物業、廠房及設備以及土地使用權相關公允價值的評估。這些估計的變化可能對資產的可收回值產生重大影響，並可能導致額外的減值費用或在未來期間的減值轉回。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the design, procurement, production, sale and installation of curtain wall systems. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(i) Disaggregation of revenue

Revenue represents contract revenue derived from the design, procurement, production, sale and installation of curtain wall systems. Disaggregation of revenue from contracts with customers within the scope of IFRS 15 by timing of revenue recognition is as follows:

Over time	於一段時間內
Point in time	於某個時間點

Disaggregation of revenue by geographic markets is disclosed in Note 4(b)(iii).

The Group's customer base is diversified. There was no customer with transactions that exceeded 10% of the Group's revenue for the years ended 31 December 2022 and 2021.

4 收入及分部報告

(a) 收入

本集團的主要業務為設計、採購、生產、銷售及安裝幕牆系統。有關本集團主要業務的進一步詳情於附註4(b)中討論。

(i) 收入分析

收入是指幕牆系統的設計、採購、生產、銷售和安裝產生的合同收入。根據收入確認時間對國際財務報告準則第15號範圍內的來自客戶合同之收入分析載列如下：

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元

	3,195,104	3,001,947
	68,497	53,315

	3,263,601	3,055,262
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按地理市場的收入分析於附註4(b)(iii)披露。

本集團客戶基礎多元化。截至2022年及2021年12月31日止年度，概無與客戶之交易超過本集團收入的10%。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

(a) Revenue (continued)

- (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.

As at 31 December 2022, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB6,133.9 million (2021: RMB7,448.2 million). This amount represents revenue expected to be recognised in the future from construction contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur over the next 48 months (2021: 48 months).

As at 31 December 2022, the aggregated amount of the expected transaction price of the potential contracts (including tax) of which the Group has won the bidding is RMB4,986.6 million (2021: RMB5,205.3 million).

The above amounts do not include any amounts of completion bonuses that the Group may earn in the future by meeting the conditions set out in the Group's construction contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those bonuses.

4 收入及分部報告(續)

(a) 收入(續)

- (ii) 預期未來將就於報告日期存續的客戶合同確認的收入。

於2022年12月31日，分配至本集團現有合同項下餘下履約責任的交易價總額為人民幣6,133.9百萬元(2021年：人民幣7,448.2百萬元)。該金額指預期日後將就客戶與本集團訂立的建築合同確認的收入。本集團將於日後工程完成時確認預期收入，預期於未來48個月內發生(2021年：48個月)。

於2022年12月31日，本集團中標的潛在合同的預期交易價總額(包括稅項)為人民幣4,986.6百萬元(2021年：人民幣5,205.3百萬元)。

上述金額不包括本集團日後通過符合本集團與客戶建築合同當中所載條件而可能賺取的完工獎勵的任何金額，除非於報告日期本集團將很可能滿足賺取該等獎勵的條件。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting

The Group manages its businesses by geographical locations of the construction contracts in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. The Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Domestic: comprises construction contracts carried out in the mainland China.
- Overseas: comprises construction contracts carried out outside of the mainland China.

(i) Segment results

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

The measure used for reporting segment result is "adjusted gross profit" (i.e. gross profit after impairment losses for financial assets and contract assets).

4 收入及分部報告(續)

(b) 分部報告

本集團按建築合同的地理位置劃分管理其業務，其方式與就資源分配及績效考核向本集團最高行政管理人員內部呈報資料的方式一致。本集團呈列以下兩個可呈報分部。並無合併經營分部以組成以下可呈報經營分部。

- 國內：由在中國內地進行的建築合同組成。
- 海外：由在中國內地以外地區進行的建築合同組成。

(i) 分部業績

就評估分部表現及於各分部間分配資源而言，本集團最高行政管理人員按以下基準監控各可申報分部應佔的業績：

呈報分部業績的方法為「經調整毛利」（即扣除金融資產及合同資產的減值虧損後之毛利）。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(i) Segment results (continued)

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. No significant inter-segment sales have occurred for the years ended 31 December 2022 and 2021. The Group's other operating expenses, such as selling and administrative expenses, expected credit losses for other receivables and net finance costs, are not measured under individual segments.

The Group's most senior executive management monitor the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities information is presented.

4 收入及分部報告(續)

(b) 分部報告(續)

(i) 分部業績(續)

收入及開支乃參考可申報分部產生的收入及其產生的開支而分配至該等分部。截至2022年及2021年12月31日止年度，並未錄得任何重大的分部間銷售。本集團的其他營運開支如銷售及行政開支，其他應收款項的預期信用損失及融資成本淨額，並未於獨立分部下計算。

本集團最高行政管理人員監管本集團的整體資產及負債，因此，並無呈列分部資產及負債資料。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(i) Segment results (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2022 and 2021 is set out below.

4 收入及分部報告(續)

(b) 分部報告(續)

(i) 分部業績(續)

截至2022年及2021年12月31日止年度，有關提供予本集團最高行政管理人員以分配資源及評估分部表現的本集團可申報分部資料載列如下。

		2022		
		Domestic	Overseas	Total
		國內	海外	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Revenue from external customers and reportable segment revenue	來自外部客戶的收入及可申報分部收入	1,471,880	1,791,721	3,263,601
Reportable segment adjusted gross profit	可申報分部經調整毛利	237,412	124,178	361,590
		2021		
		Domestic	Overseas	Total
		國內	海外	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Revenue from external customers and reportable segment revenue	來自外部客戶的收入及可申報分部收入	1,460,851	1,594,411	3,055,262
Reportable segment adjusted gross (loss)/profit	可申報分部經調整(毛虧)/毛利	(534,779)	112,736	(422,043)

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

(ii) Reconciliation of reportable segment profit or loss

4 收入及分部報告(續)

(b) 分部報告(續)

(ii) 可呈報分部損益之對賬

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Reportable segment adjusted gross profit/(loss)	可申報分部經調整毛利/(毛虧)	361,590	(422,043)
Other income	其他收入	25,467	50,788
Selling expenses	銷售費用	(56,474)	(71,949)
Administrative expenses	行政開支	(371,116)	(363,706)
Reversal/(provision) of expected credit losses of other and other receivables	其他及其他應收款的預期信用損失撥回/(撥備)	1,784	(31,864)
Net finance costs	融資成本淨額	147,354	(102,860)
Profit/(loss) before taxation	稅前利潤/(虧損)	108,605	(941,634)

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

4 REVENUE AND SEGMENT REPORTING (continued)

4 收入及分部報告(續)

(b) Segment reporting (continued)

(b) 分部報告(續)

(iii) Geographic information

(iii) 地理資料

The following tables set out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the construction contracts are carried out.

下表載列有關本集團來自外部客戶的收入。客戶的地理位置乃根據進行建築合同的地點劃分。

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Disaggregated by geographical location of customers	按客戶地理位置劃分		
Mainland China	中國內地	1,471,880	1,460,851
United Kingdom	英國	781,332	621,740
Australia	澳洲	408,892	151,001
United States of America	美利堅合眾國	118,462	224,047
Others	其他	483,035	597,623
		1,791,721	1,594,411
		3,263,601	3,055,262

Vast majority of the Group's non-current assets are located in the mainland China. As such, geographical analysis of the Group's non-current assets is not presented.

本集團大部分非流動資產位於中國境內。因此，集團非流動資產的地理分析未呈列。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

5 OTHER INCOME

5 其他收入

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government grants	政府補助	10,842	21,455
Rental income from investment property	投資物業之租金收入	8,201	9,266
Rental income from operating leases, other than those relating to investment property	投資物業除外的經營租賃 之租金收入	187	265
Fair value gain of investment in securities	證券投資的公允價值收益	3,587	—
Net income from provision of repairs and maintenance services	提供維修及保養服務的淨收入	1,582	2,791
Net gain from sale of scrap materials	銷售廢棄材料的淨收益	1,102	653
Net (loss)/gain on disposal of property, plant and equipment and land use rights	出售物業、廠房及設備 及土地使用權的 淨(虧損)/收益	(34)	16,358
		25,467	50,788

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

6 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/
(crediting):

(a) Net finance costs:

6 稅前利潤／(虧損)

稅前利潤／(虧損)乃經扣除／(計入)以下各項後得出：

a) 融資成本淨額：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Interest on borrowings	借款利息	95,481	116,387
Interest on lease liabilities (Note 19(b))	租賃負債利息(附註 19(b))	455	597
Bank charges and other finance costs	銀行手續費及其他融資成本	11,746	14,180
		107,682	131,164
Total borrowing costs	總借貸成本	107,682	131,164
Interest income	利息收入	(21,634)	(22,966)
Net foreign exchange (gain)/loss	外匯(收益)／虧損淨額	(234,446)	61,697
Net loss/(gain) on forward foreign exchange contracts	遠期外匯合約 虧損／(收益)淨額	1,044	(67,035)
		(147,354)	102,860

No borrowing costs have been capitalised for the years ended 31 December 2022 and 2021.

於截至2022年及2021年12月31日止年度並無借貸成本被資本化。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

6 PROFIT/(LOSS) BEFORE TAXATION (continued)

(b) Staff costs#:

Salaries, wages and other benefits	薪金、工資及其他福利
Contributions to defined contribution retirement plans	向界定供款退休計劃供款

The employees of the subsidiaries of the Group established in the PRC participate in defined contribution retirement benefit schemes managed by the local government authorities, whereby these subsidiaries are required to contribute to the schemes at rates ranging from 14% to 16% (2021: from 13% to 16%) of the employees' basic salaries. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC, from the abovementioned retirement schemes at their normal retirement age.

The employees of overseas subsidiaries of the Group participate in defined contribution retirement benefit schemes managed by the respective local government authorities, whereby these subsidiaries are required to contribute to the respective schemes at rates stipulated by the relevant rules and regulations of the respective jurisdictions.

In addition, certain qualified employees of overseas subsidiaries also participate in defined benefit retirement plan. The subsidiary's payment obligation in the future under such plan are discounted and recognised as liabilities, deducted by the related plan assets, presented in other payables in the statement of financial position.

6 稅前利潤／(虧損)(續)

(b) 員工成本#：

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

406,223 422,222

33,609 27,564

439,832 449,786

本集團於中國成立的附屬公司的僱員參與地方政府機關管理的界定供款退休福利計劃，據此，中國附屬公司須按僱員基本薪金14%至16%（2021年：13%至16%）向該等計劃供款。中國附屬公司僱員於達致正常退休年齡時有權按上述退休計劃享有按中國平均薪金水平百分比計算的退休福利。

本集團海外的附屬公司的僱員參與其各自地方政府機關管理的界定供款退休福利計劃，據此，海外附屬公司須按各司法權區的相關規則及法規所訂明的比率向各計劃供款。

除此之外，符合條件的海外附屬公司僱員亦參加設定收益退休福利計劃。附屬公司在該計劃下的未來付款義務被貼現並確認為負債，減去相關計劃資產，在財務狀況表的其他應付款項中呈列。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

6 PROFIT/(LOSS) BEFORE TAXATION (continued)

6 稅前利潤/(虧損)(續)

(b) Staff costs#: (continued)

(b) 員工成本#: (續)

Contributions to these retirement plans vest immediately. There are no forfeited contributions that may be used by the Group to reduce the existing level of distribution. The Group does not have any further material obligations for payments of other retirement benefits beyond the above annual contributions.

該等退休計劃的供款立即兌現。集團沒有可能用於降低現有分派水準的沒收供款。本集團毋須承擔支付上述年度供款以外的任何其他重大退休福利責任。

(c) Other items:

(c) 其他項目：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Depreciation and amortisation#	折舊及攤銷#		
— owned property, plant and equipment (Note 11)	— 自有物業、廠房及設備 (附註 11)	25,729	27,905
— right-of-use assets (Note 12)	— 使用權資產(附註 12)	26,888	39,336
— investment properties (Note 13)	— 投資物業(附註 13)	1,200	1,848
Auditors' remuneration	核數師薪酬	14,948	10,576
Research and development costs#	研發成本#	72,867	89,171
Increase in provision for warranties# (Note 25)	保修撥備增加# (附註 25)	59,486	52,217
Cost of inventories# (Note 15(a))	存貨成本# (附註 15(a))	2,876,265	2,629,465

Cost of inventories includes RMB274.7 million for the year ended 31 December 2022 (2021: RMB301.8 million), relating to staff costs, depreciation and amortisation expenses, research and development costs and provision for warranties, which amount is also included in the respective total amounts disclosed separately above or in Note 6(b) for each of these types of expenses.

截至2022年12月31日止年度，存貨成本包括員工成本、折舊及攤銷開支、研發成本及保修撥備有關的成本人民幣274.7百萬元(2021年：人民幣301.8百萬元)，而上述或於附註6(b)的金額亦計入單獨披露的各類開支中。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

7 INCOME TAX

7 所得稅

(a) Income tax in the consolidated statement of profit or loss represents:

(a) 合併損益表內的所得稅指：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current tax (Note 24(a)):	即期稅項(附註24(a))：		
— provision for corporate income tax in respective jurisdictions	— 按各司法權區計提企業所得稅撥備	13,012	34,345
Deferred tax (Note 24(b)):	遞延稅項(附註24(b))：		
— origination and reversal of temporary differences	— 暫時差額的產生及撥回	23,464	19,850
		36,476	54,195

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

7 INCOME TAX (continued)

(b) Reconciliation between tax expense and accounting profit/(loss) at applicable tax rates:

7 所得稅(續)

(b) 稅項開支與按適用稅率計算的會計利潤/(虧損)的對賬：

			2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Profit/(loss) before taxation	稅前利潤/(虧損)		108,605	(941,634)
Expected tax on profit/(loss) before taxation, calculated at the rates applicable in the jurisdictions concerned (Notes (i), (ii), (iii) and (iv))	按相關司法權區適用稅率計算的稅前利潤/(虧損)預期稅項(附註(i), (ii), (iii)及(iv))		21,072	(233,538)
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響		3,383	20,678
Tax effect of non-taxable income	非應課稅收入的稅務影響		(18,345)	—
Tax effect of utilisation of prior years' unused tax losses previously not recognised	動用先前未確認過往年度未動用稅項虧損的稅務影響		(30,647)	(29,053)
Tax effect of unused tax losses and deductible temporary differences not recognised	未確認未動用稅項虧損及可扣減暫時差額的稅務影響		61,292	302,253
Tax effect of reversal of recognised deferred tax	確認遞延稅項資產撥回的稅務影響		10,609	7,179
Tax concessions and effect of changes of tax rate (Note (v))	稅項減免及稅率變動之影響(附註(v))		(10,888)	(13,324)
Income tax	所得稅		36,476	54,195

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

7 INCOME TAX (continued)

- (b) Reconciliation between tax expense and accounting profit/(loss) at applicable tax rates:
(continued)

Notes:

- (i) The Company and the subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the year ended 31 December 2022 (2021: 16.5%). No provision for Hong Kong Profits Tax has been made as the Company and the subsidiaries of the Group incorporated in Hong Kong did not have assessable profits subject to Hong Kong Profits Tax for the year ended 31 December 2022 (2021: RMBNil).
- (ii) The Company and a subsidiary of the Group incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.
- (iii) The subsidiaries of the Group established in the PRC are subject to PRC Corporate Income Tax rate of 25% for the year ended 31 December 2022 (2021: 25%).
- (iv) The subsidiaries of the Group incorporated in jurisdictions other than the PRC (including Hong Kong), the Cayman Islands and the British Virgin Islands, are subject to income tax rates ranging from 8.5% to 30% for the year ended 31 December 2022 pursuant to the rules and regulations of their respective countries of incorporation (2021: 8.5% to 30%).

7 所得稅(續)

- (b) 稅項開支與按適用稅率計算的會計利潤／(虧損)的對賬：(續)

附註：

- (i) 本公司及本集團於香港註冊成立的附屬公司於截至2022年12月31日止年度須按16.5%(2021年：16.5%)的稅率繳納香港利得稅。由於本公司及本集團於香港註冊成立的附屬公司於截至2022年12月31日止年度概無須繳納香港利得稅的應課稅利潤，故並無計提香港利得稅撥備(2021年：人民幣零元)。
- (ii) 根據各自註冊成立國家的規則及法規，分別於開曼群島及英屬處女群島註冊成立的本公司及本集團一家附屬公司毋須繳納任何所得稅。
- (iii) 本集團於中國成立的附屬公司於截至2022年12月31日止年度須按25%(2021年：25%)的稅率繳納中國企業所得稅。
- (iv) 根據各自註冊成立司法權區的規則及法規，本集團於中國(包括香港)、開曼群島及英屬處女群島以外國家註冊成立的附屬公司須於截至2022年12月31日止年度內按8.5%至30%不等的所得稅率繳納所得稅(2021年：8.5%至30%)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

7 INCOME TAX (continued)

- (b) Reconciliation between tax expense and accounting profit/(loss) at applicable tax rates:
(continued)

Notes: (continued)

- (v) One of the subsidiaries of the Group established in the PRC has obtained approval from the tax bureau to be taxed as an enterprise with advanced and new technologies for the period from the calendar years from 2020 to 2022 and therefore enjoys a preferential PRC Corporate Income Tax rate of 15% for the year ended 31 December 2022 (2021: 15%). In addition, this subsidiary is entitled to an additional 100% tax deduction to its assessable profits (2021: 100%) in respect of the qualified research and development costs incurred in the PRC.
- (vi) Determining tax provision involves judgement on tax treatment of certain transactions. The Group evaluates tax implication of transactions and tax provision are set up accordingly. Where the final tax outcome of these transactions is different from the amounts that were initially recorded, such differences will impact the tax provision in the year in which such determination is made.

7 所得稅(續)

- (b) 稅項開支與按適用稅率計算的會計利潤/(虧損)的對賬：(續)

附註：

- (v) 本集團其中一家於中國成立的附屬公司已獲得稅務局批准自2020年至2022年止的曆年起作為高新技術企業繳納稅項，故截至2022年12月31日止年度享有15%（2021年：15%）的中國企業所得稅優惠稅率。此外，該附屬公司有資格享受於中國產生的合資格研發成本的100%（2021年：100%）應課稅利潤加計扣除金額。
- (vi) 釐定稅項撥備涉及對若干交易的稅務處理作出判斷。本集團評估交易的稅務影響，並相應計提稅項撥備。倘該等交易的最終稅務結果與初步記錄的金額不同，有關差額將影響作出有關釐定年度的稅項撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

8 DIRECTORS' REMUNERATION

Directors' remuneration disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事酬金

根據香港公司條例第383(1)章及公司(披露董事利益資料)規例第二部分披露的董事酬金詳情如下：

		2022			
		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		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
		董事袍金	薪金、津貼及實物福利	退休計劃供款	總計
Executive directors	執行董事				
Mr. Kang Baohua	康寶華先生	—	—	—	—
Mr. Liu Futao (resigned on 4 July 2022)	劉福濤先生 (於2022年 7月4日辭任)	—	358	15	373
Mr. Zhao Zhongqiu	趙忠秋先生	—	582	37	619
Mr. Ma Minghui	馬明輝先生	—	463	37	500
Mr. Wang Hao	王昊先生	—	186	18	204
Mr. Zhang Lei	張雷先生	—	421	37	458
Independent non-executive directors	獨立非執行董事				
Mr. Poon Chiu Kwok	潘昭國先生	215	—	—	215
Mr. Woo Kar Tung, Raymond	胡家棟先生	215	—	—	215
Mr. Pang Chung Fai, Benny	彭中輝先生	215	—	—	215
		645	2,010	144	2,799

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

8 DIRECTORS' REMUNERATION (continued)

8 董事酬金(續)

		2021			
		Salaries, allowances and benefits in kind	Retirement scheme contributions	Total	
		Directors' fees	薪金、津貼 及實物福利	退休計劃 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
Executive directors	執行董事				
Mr. Kang Baohua	康寶華先生	—	—	—	—
Mr. Liu Futao	劉福濤先生	—	853	33	886
Mr. Zhao Zhongqiu	趙忠秋先生	—	719	33	752
Mr. Ma Minghui	馬明輝先生	—	536	33	569
Mr. Wang Hao	王昊先生	—	346	33	379
Mr. Zhang Lei	張雷先生	—	950	33	983
Independent non-executive directors	獨立非執行董事				
Mr. Poon Chiu Kwok	潘昭國先生	208	—	—	208
Mr. Woo Kar Tung, Raymond	胡家棟先生	208	—	—	208
Mr. Pang Chung Fai, Benny	彭中輝先生	208	—	—	208
		624	3,404	165	4,193

The emoluments of Mr. Kang Baohua were borne by companies under the control of the Controlling Shareholder during the year ended 31 December 2022 and 2021.

截至2022年及2021年12月31日止年度，康寶華先生的薪酬由控股股東控制的公司承擔。

The emoluments of Mr. Wang Hao were borne by companies under the control of the Controlling Shareholder during the six months ended 1 July 2022 to 31 December 2022.

截至2022年7月1日至2022年12月31日止六個月期間，王昊先生的薪酬由控股股東控制的公司承擔。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, none (2021: none) of them are directors of the Company. The aggregate of the emoluments in respect of the other five (2021: five) individuals are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Discretionary bonuses	酌情花紅
Retirement scheme contributions	退休計劃供款

The emoluments of the five (2021: five) individuals with the highest emoluments are within the following bands:

(In HK\$)	(港元)
1,500,001 – 2,000,000	1,500,001 至 2,000,000
2,000,001 – 2,500,000	2,000,001 至 2,500,000
2,500,001 – 3,000,000	2,500,001 至 3,000,000

9 最高薪酬人士

五名最高薪酬人士中，無人(2021年：無)為本公司董事。其他五名人士(2021年：五名)的薪酬總額如下：

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	5,981	5,447
	2,272	3,339
	853	1,433
	9,106	10,219

五名(2021年：五名)最高薪酬人士的薪酬介乎以下範圍：

	2022	2021
	1	1
	3	1
	1	3

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

10 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The basic earnings per share for the year ended 31 December 2022 is calculated based on the profit attributable to equity shareholders of the Company of RMB72.1 million (2021: loss of RMB995.8 million) and the weighted average of 6,208,734,000 ordinary shares (2021: 6,208,734,000 ordinary shares) in issue during the year ended 31 December 2022, calculated as follows:

Weighted average number of ordinary shares

Weighted average number of ordinary shares at 31 December	於12月31日普通股加權平均數
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(b) Diluted earnings/(loss) per share

There were no dilutive potential shares outstanding during the years ended 31 December 2022 and 2021. Hence, the diluted earnings/(loss) per share is the same as basic earnings/(loss) per share.

10 每股盈利/(虧損)

(a) 每股基本盈利/(虧損)

截至2022年12月31日止年度每股基本盈利根據本公司股東應佔利潤人民幣72.1百萬元(2021年：虧損人民幣995.8百萬元)及於截至2022年12月31日止年度已發行加權平均數6,208,734,000股普通股(2021年：6,208,734,000股普通股)計算如下：

普通股加權平均數

2022	2021
No. of shares	No. of shares
'000	'000
千股	千股

6,208,734	6,208,734
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(b) 每股攤薄盈利/(虧損)

於截至2022年及2021年12月31日止年度概無具潛在攤薄效應的股份發行在外。因此，每股攤薄盈利/(虧損)與每股基本盈利/(虧損)相同。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

11 PROPERTY, PLANT AND EQUIPMENT

11 物業、廠房及設備

		Plant and buildings	Machinery and equipment	Motor vehicles and other equipment	Total
		廠房及樓宇 RMB'000 人民幣千元	機器及設備 RMB'000 人民幣千元	汽車及 其他設備 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost:	成本：				
At 1 January 2021	於2021年1月1日	410,247	382,762	163,493	956,502
Exchange adjustments	匯兌調整	276	(184)	(1,795)	(1,703)
Additions	添置	9,585	85	551	10,221
Disposals	出售	(31,611)	(1,979)	(6,453)	(40,043)
At 31 December 2021 and 1 January 2022	於2021年12月31日 及2022年1月1日	388,497	380,684	155,796	924,977
Exchange adjustments	匯兌調整	414	80	1,349	1,843
Additions	添置	51,379	274	486	52,139
Disposals	出售	(20,894)	(3,451)	(4,627)	(28,972)
At 31 December 2022	於2022年12月31日	419,396	377,587	153,004	949,987
Accumulated depreciation:	累計折舊：				
At 1 January 2021	於2021年1月1日	(163,042)	(289,863)	(146,886)	(599,791)
Exchange adjustments	匯兌調整	263	121	1,731	2,115
Charge for the year	年內折舊	(10,126)	(16,032)	(1,747)	(27,905)
Written back on disposals	出售撥回	7,533	1,401	4,846	13,780
At 31 December 2021 and 1 January 2022	於2021年12月31日 及2022年1月1日	(165,372)	(304,373)	(142,056)	(611,801)
Exchange adjustments	匯兌調整	(139)	(69)	(1,355)	(1,563)
Charge for the year	年內折舊	(9,074)	(14,344)	(2,311)	(25,729)
Written back on disposals	出售撥回	2,133	2,957	4,190	9,280
At 31 December 2022	於2022年12月31日	(172,452)	(315,829)	(141,532)	(629,813)
Net book value:	賬面淨值：				
At 31 December 2022	於2022年12月31日	246,944	61,758	11,472	320,174
At 31 December 2021	於2021年12月31日	223,125	76,311	13,740	313,176

At 31 December 2022, property certificates of certain properties with an aggregate net book value of RMB55.5 million (31 December 2021: RMB56.7 million) are yet to be obtained.

於2022年12月31日，若干總賬面淨值為人民幣55.5百萬元(2021年12月31日：人民幣56.7百萬元)的物業尚未取得物業證書。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

12 RIGHT-OF-USE ASSETS

The analysis of the net book value of the Group's right-of-use assets, carried at depreciated cost, by class of underlying asset is as follows:

12 使用權資產

本集團按標的資產類別使用權資產的賬面淨值(折舊成本列示)分析如下：

		Prepayment for land use right for own use 自用土地 使用權預付款 RMB'000 人民幣千元 Note (i) 附註(i)	Properties leased for own use 自用租賃物業 RMB'000 人民幣千元 Note (ii) 附註(ii)	Motor vehicles and equipment leased for own use 自用租賃 車輛及設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:	成本：				
At 1 January 2021	於2021年1月1日	289,002	31,795	713	321,510
Exchange adjustments	匯兌調整	—	(1,510)	—	(1,510)
Additions	添置	—	27,431	—	27,431
Expiration of lease terms	租賃期滿	—	(39,246)	(713)	(39,959)
Disposals	出售	(5,917)	—	—	(5,917)
At 31 December 2021 and 1 January 2022	於2021年12月31日 及2022年1月1日	283,085	18,470	—	301,555
Exchange adjustments	匯兌調整	—	724	—	724
Additions	添置	—	18,730	—	18,730
Expiration of lease terms	租賃期滿	—	(20,758)	—	(20,758)
At 31 December 2022	於2022年12月31日	283,085	17,166	—	300,251
Accumulated amortisation:	累計攤銷：				
At 1 January 2021	於2021年1月1日	(65,298)	(17,839)	(635)	(83,772)
Exchange adjustments	匯兌調整	—	551	—	551
Charge for the year	年內折舊	(5,833)	(33,425)	(78)	(39,336)
Expiration of lease terms	租賃期滿	—	39,246	713	39,959
Written back on disposals	出售撥回	2,077	—	—	2,077
At 31 December 2021 and 1 January 2022	於2021年12月31日 及2022年1月1日	(69,054)	(11,467)	—	(80,521)
Exchange adjustments	匯兌調整	—	(686)	—	(686)
Charge for the year	年內折舊	(5,836)	(21,052)	—	(26,888)
Expiration of lease terms	租賃期滿	—	20,758	—	20,758
At 31 December 2022	於2022年12月31日	(74,890)	(12,447)	—	(87,337)
Net book value:	賬面淨值：				
At 31 December 2022	於2022年12月31日	208,195	4,719	—	212,914
At 31 December 2021	於2021年12月31日	214,031	7,003	—	221,034

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

12 RIGHT-OF-USE ASSETS (continued)

Notes:

- (i) Prepayment for land use right for own use represented land use right premiums paid by the Group for land situated in the PRC. The remaining lease terms falls within the ranges of 35 years to 44 years. Lump sum payments were made upfront to acquire these land use rights, and there are no ongoing payments to be made under the terms of the land lease.
- (ii) The Group has obtained the right to use the properties as its production plant or offices or dormitory for staff through tenancy agreements. The leases typically run for an initial period of 1 to 8 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. For existing leases as 31 December 2021 and 31 December 2022, the Group is not reasonably certain to exercise any extension options therefore did not include future lease payments during the extension periods in the measurement of lease liabilities.

The Group do not have leases which contains variable lease payment.

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

12 使用權資產(續)

附註：

- (i) 自用土地使用權預付款是指本集團為位於中國的土地支付的土地使用權溢價。剩餘租賃期限在35年至44年之間。一次性預付款是為獲得這些土地使用權前支付的，而且根據土地租賃條款，沒有進行中的付款。
- (ii) 本集團已通過租賃協議獲得物業使用權，作為其生產工廠或辦公室或職工宿舍。租賃期一般為1至8年。

有些租賃包括在合同期結束後將租約延長一段時間的選擇權。在可行的情況下，本集團力求納入本集團可行使的延展期權，以提供經營靈活性。本集團於租賃開始日期評估是否有合理把握行使延期選擇權。如果本集團不能合理確定是否行使延期選擇權，則延期期間的未來租賃付款不包括在租賃負債的計量中。對於截至2021年12月31日和2022年12月31日的現有租賃，本集團無法合理確定是否行使任何延期選擇權，因此在租賃負債計量中未將延期期間的未來租賃付款包括在內。

本集團沒有包含可變租賃付款的租賃。

與計入損益的租賃相關的費用項目分析如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Depreciation charge of right-of-use assets	使用權資產折舊	26,888	39,336
Interest on lease liabilities (Note 6(a))	租賃負債利息(附註6(a))	455	597

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

12 RIGHT-OF-USE ASSETS (continued)

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 19(c) and 23, respectively. There is no lease that is not yet commenced as at 31 December 2022.

12 使用權資產(續)

租賃現金流出總額及租賃負債的到期分析詳情分別列載於附註19(c)及23。截至2021年12月31日，沒有尚未開始的租賃。

13 INVESTMENT PROPERTIES

13 投資物業

RMB'000
人民幣千元

Cost:

At 1 January 2021, 31 December 2021,
1 January 2022 and 31 December 2022

成本：

於2021年1月1日、2021年12月31日、
2022年1月1日及2022年12月31日

47,926

Accumulated amortisation:

At 1 January 2021
Charge for the year

累計攤銷：

於2021年1月1日
年內攤銷

(12,972)

(1,848)

At 31 December 2021 and 1 January 2022
Charge for the year

於2021年12月31日及2022年1月1日
年內攤銷

(14,820)

(1,200)

At 31 December 2022

於2022年12月31日

(16,020)

Net book value:

At 31 December 2022

賬面淨值：

於2022年12月31日

31,906

At 31 December 2021

於2021年12月31日

33,106

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

13 INVESTMENT PROPERTIES (continued)

Note:

- (i) The Group leases out investment properties under operating leases. The leases typically run for an initial period of 6 to 8 years, with an option to renew the lease after that date at which time all terms are renegotiated. Lease payments are usually increased annually to reflect market rentals. None of the leases includes variable lease payments.

Undiscounted lease payments under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

- (ii) The investment properties owned by the Group are situated in the PRC. The fair value under income approach of the investment property at 31 December 2022 is RMB102.6 million (31 December 2021: RMB103.7 million).

13 投資物業(續)

附註：

- (i) 本集團以經營租賃方式出租投資性房地產。租賃期通常為6至8年，並附有選擇權在重新磋商所有條款時重續租賃。租賃付款通常每年增加一次，以反映市場租金。所有租賃均不包括可變租賃付款。

本集團在未來期間將收取不可撤銷經營租賃的租賃付款在報告日期下的未貼現值，如下所示：

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	10,418	10,190
	37,904	41,479
	—	6,843
	48,322	58,512

- (ii) 本集團擁有的投資物業產位於中國。該投資物業在2022年12月31日的公允價值收益法下為人民幣102.6百萬元(2021年12月31日：人民幣103.7百萬元)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

14 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

14 於附屬公司之投資

下表僅列出對本集團的業績、資產或負債有重大影響之附屬公司資料。

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation and business 成立/註冊成立 及營業地點	Particulars of registered/ issued and paid-up capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			The Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by subsidiaries 由附屬公司持有	
Shenyang Yuanda Aluminium Industry Engineering Co., Ltd. ("Shenyang Yuanda") 瀋陽遠大鋁業工程有限公司* (「瀋陽遠大」)	The PRC 中國	United States Dollar ("USD") 323,298,200 323,298,200美元(「美元」)	100%	—	100%	Design, procurement, production, sale and installation of curtain wall systems 設計、採購、生產、銷售及安裝幕牆系統
Yuanda (UK) Co., Ltd. 遠大英國有限公司	United Kingdom 英國	500,000 shares 500,000股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda Australia Pty Ltd. 遠大澳大利亞有限公司	Australia 澳洲	14,020,000 shares 14,020,000股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda USA Corporation 遠大美國有限公司	United States of America 美國	10,000 shares 10,000股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda Aluminium Engineering (India) Private Limited ("Yuanda India") 遠大鋁業工程(印度)私人有限公司 (「遠大印度」)	Republic of India ("India") 印度共和國(「印度」)	2,858,340 shares 2,858,340股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda Europe Ltd. 遠大歐洲有限公司	Swiss Confederation 瑞士聯邦	1,000,000 shares 1,000,000股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

14 INVESTMENTS IN SUBSIDIARIES (continued)

14 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation and business 成立/註冊成立 及營業地點	Particulars of registered/ issued and paid-up capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			The Group's effective interest 本集團之實際權益	Held by the Company 由本公司持有	Held by subsidiaries 由附屬公司持有	
PT. Shenyang Yuanda Aluminium Industry Engineering 遠大鋁業工程印尼有限公司	Republic of Indonesia 印度尼西亞共和國	150,000 shares 150,000股	99%	—	99%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda Queensland Pty Ltd. 遠大昆士蘭有限公司	Australia 澳洲	800,000 shares 800,000股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統
Yuanda VIC Pty Ltd. 遠大維多利亞有限公司	Australia 澳洲	1 share 1股	100%	—	100%	Design, procurement, assembly, sale and installation of curtain wall systems 設計、採購、組裝、銷售及安裝幕牆系統

* This company is a wholly foreign-owned enterprise established in the mainland China.

* 該公司為於中國內地成立的外商獨資企業。

The equity interests of certain immaterial subsidiaries were held on trust by local individuals on behalf of the Group.

若干非重大附屬公司的權益由當地的人士以信託的形式代本集團持有。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

15 INVENTORIES AND OTHER CONTRACT COSTS

15 存貨及其他合同成本

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Raw materials	原材料	295,321	252,712
Work in progress	在製品	20,450	183,736
Less: write down of inventories	減：存貨撇減	(4,906)	(4,378)
		310,865	432,070

The incremental costs of obtaining a contract are recognised in “selling expenses” in the statement of profit or loss in the period in which the amounts were incurred as the amount is not significant.

獲得合同的增量成本在金額發生期間於損益表中的「銷售費用」中確認，該金額不重要。

(a) The analysis of the amount of inventories recognised as an expense and included in the consolidated statement of profit or loss during the year is as follows:

(a) 於年內確認為開支並計入合併損益表內的存貨金額分析如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Carrying amount of inventories used in construction contracts	用於建築合同的存貨賬面值	2,875,676	2,629,465
Write-down of inventories	存貨撇減	589	—
		2,876,265	2,629,465

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

Contract assets 合同資產
Arising from performance under 建築合同下履約產生
construction contracts
Less: loss allowance 減：虧損撥備

All of the amounts are expected to be billed within one year from the end of the reporting period, except for the amounts of RMB107.5 million at 31 December 2022 (31 December 2021: RMB145.9 million) related to retentions receivable (net of loss allowance) which are expected to be recovered over one year.

Included in the contract assets are amounts of RMB0.8 million at 31 December 2022 (31 December 2021: RMB0.6 million) due from the companies under the control of the Controlling Shareholder.

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached, these payment schedules prevent the build-up of significant contract assets. The Group typically agrees to a one to five years retention period after the completion of construction contracts, depending on the market practice in the countries where construction contracts are carried out and credit assessment performed by management on an individual customer basis.

16 合同資產及合同負債

(a) 合同資產

2022 2021
RMB'000 RMB'000
人民幣千元 人民幣千元

2,445,823 2,363,737
(828,865) (783,235)

1,616,958 1,580,502

所有款項預期於報告期後一年內開出賬單，於2022年12月31日與應收質保金(扣除虧損撥備)相關的金額預計為人民幣107.5百萬元(2021年12月31日：人民幣145.9百萬元)預期於一年以後收回。

於2022年12月31日，應收控股股東控制下公司的款項人民幣0.8百萬元(2021年12月31日：人民幣0.6百萬元)計入合同資產。

本集團建築合同包括建築期間要求分階段付款的付款日程(一旦進程達標)，此等付款日程防止積聚重大合同資產。視乎開展建築合同所在國家的建築業市場慣例及管理層按單獨客戶基準進行的信貸評估，本集團通常同意於完成建築合同後為期一至五年的保留期。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

16 合同資產及合同負債(續)

(a) Contract assets (continued)

(a) 合同資產(續)

The amount of revenue recognised during the year from performance obligations satisfied (or partially satisfied) in previous periods is RMB28.0 million (2021: RMB162.1 million), mainly due to the changes in estimate of the stage of completion of certain construction contracts and approved contract modifications.

年內就於過往期間達成(或部分達成)履約保證確認的收入金額為人民幣28.0百萬元(2021年:人民幣162.1百萬元)，主要由於若干建築合同及經批准合同修訂的估計完工階段發生變動所致。

(b) Contract liabilities

(b) 合同負債

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

Contract liabilities

合同負債

Construction contracts

建築合同

— Billings in advance
of performance

— 履約前開出賬單

495,830	514,899
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Included in contract liabilities are amounts of RMB2.3 million at 31 December 2022 (31 December 2021: RMB2.3 million) due to the companies under the control of the Controlling Shareholder.

於2022年12月31日，應付控股股東控制下公司的款項人民幣2.3百萬元(2021年12月31日:人民幣2.3百萬元)計入合同負債。

All of the contract liabilities are expected to be recognised as revenue within one year.

所有合同負債預期於一年內確認為收入。

When the Group receives a deposit before the construction activity commences this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit.

倘本集團於建築活動開始前收到按金，則此將於合同開始時產生合同負債，直至就項目確認的收入超過按金金額。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

(b) Contract liabilities (continued)

Movements in contract liabilities

16 合同資產及合同負債(續)

(b) 合同負債(續)

合同負債的變動

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Balance at 1 January	於1月1日之結餘	514,899	566,515
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	年內因確認收入產生的合同負債(年初計入合同負債)減少	(244,046)	(332,511)
Increase in contract liabilities as a result of billing and receipt in advance of construction activities	建築活動開出單據及預收款項產生的合同負債增加	224,977	280,895
Balance at 31 December	於12月31日之結餘	<u>495,830</u>	<u>514,899</u>

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

17 TRADE AND BILLS RECEIVABLES

17 貿易應收款及應收票據

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables for contract work due from:	合同工程貿易應收款：		
— third parties	— 第三方	3,249,339	3,230,692
— companies under the control of the Controlling Shareholder	— 受控股股東控制的公司	179,560	164,061
		3,428,899	3,394,753
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Bills receivable for contract work	合同工程應收票據	115,715	107,103
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Trade receivables for sale of raw materials due from:	銷售材料貿易應收款：		
— third parties	— 第三方	4,446	5,405
— companies under the control of the Controlling Shareholder	— 受控股股東控制的公司	1,701	1,720
		6,147	7,125
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
		3,550,761	3,508,981
Less: loss allowance	減：虧損撥備	(1,916,328)	(1,925,474)
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>
Financial assets measured at amortised cost	按攤銷成本計量的金融資產	1,634,433	1,583,507
		<hr style="border-top: 1px solid black;"/>	<hr style="border-top: 1px solid black;"/>

At 31 December 2022, the amount of retentions receivable from customers included in trade and bills receivables (net of loss allowance) is RMB398.9 million (31 December 2021: RMB472.8 million).

於2022年12月31日，應收客戶保留金(扣除虧損撥備)為人民幣398.9百萬元(2021年12月31日：人民幣472.8百萬元)。

Except for retentions receivable (net of loss allowance) of RMB87.2 million at 31 December 2022 (31 December 2021: RMB147.3 million), all of the remaining trade and bills receivables are expected to be recovered within one year.

除於2022年12月31日人民幣87.2百萬元(2021年12月31日：人民幣147.3百萬元)的應收保留金(扣除虧損撥備)外，其餘所有貿易應收款及應收票據預期於一年內收回。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

17 TRADE AND BILLS RECEIVABLES (continued)

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade and bills receivables, based on the invoice date and net of loss allowance, is as follows:

Within 1 year	一年內
More than 1 year	超過一年

The Group generally requires customers to settle progress billings and retentions receivable in accordance with contracted terms. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in Note 28(a).

17 貿易應收款及應收票據(續)

賬齡分析

截至報告期末，貿易應收款及應收票據(扣除虧損撥備)按發票日期的賬齡分析如下：

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元
241,984	330,095
1,392,449	1,253,412
1,634,433	1,583,507

本集團通常要求客戶根據合約條款結算進度款項及應收保留金。有關本集團信貸政策以及應收賬款及應收票據產生的信貸風險的進一步詳情載於附註28(a)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

18 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

18 按金、預付款及其他應收款

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepayments for purchase of inventories (Note (i))	購買存貨預付款 (附註(i))	314,897	304,357
Prepayment for miscellaneous taxes	雜稅預付款	35,637	44,129
Deposits for construction contracts' bidding and performance (Note (ii))	建築合同投標及履約按金 (附註(ii))	130,584	144,084
Deposits for purchase of forward aluminium contracts	購買遠期鋁錠合約按金	112	1,123
Other deposits	其他按金	30,217	45,901
Interest receivable from time deposit	定期存款利息收入	7,087	19,414
Investment in securities	證券投資	9,682	—
Derivative financial instruments — other derivatives	衍生金融工具 — 其他衍生工具	9,549	54,514
Amounts due from the Controlling Shareholder and the companies under his control (Note (iii))	應收控股股東及受其控制的公司款項(附註(iii))	6,897	5,760
Government grants receivable	應收政府補貼	710	4,586
Others	其他	43,954	31,581
		589,326	655,449
Less: loss allowance	減：虧損撥備	(65,336)	(67,120)
		523,990	588,329

Notes:

- (i) Included in the balance are prepayments of RMB3.7 million at 31 December 2022 (31 December 2021: RMB3.6 million) made to the companies under the control of the Controlling Shareholder.
- (ii) The balance represented deposits placed with customers for contracts' bidding and performance of contracts in progress. The deposits will be released to the Group upon the completion of the related bidding or contract work, where applicable.
- (iii) The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

Except for the deposits for construction contracts' performance and the amounts of RMB1.7 million at 31 December 2022 (31 December 2021: RMB5.4 million), all of the remaining deposits, prepayments and other receivables are expected to be recovered or recognised as expenses within one year.

附註：

- (i) 該結餘包括於2022年12月31日人民幣3.7百萬元(2021年12月31日：人民幣3.6百萬元)的向受控股股東控制的公司作出的預付款。
- (ii) 該結餘指就在建合同的合同投標及履約向客戶支付的按金。該等按金將於相關投標及合同工程(如適用)完工後發回本集團。
- (iii) 該等款項為無抵押、免息且無固定還款期。

除於2022年12月31日的建築合同履約按金人民幣1.7百萬元(2021年12月31日：人民幣5.4百萬元)外，其餘所有按金、預付款及其他應收款預期將於一年內收回或確認為開支。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

19 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

19 限制性存款，現金及現金等價物及其他現金流資料

(a) Cash on hand and in bank comprise:

(a) 手頭現金及銀行存款包括：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Cash and cash equivalents in the consolidated cash flow statement	合併現金流量表中的現金和現金等價物	219,455	284,219
Restricted deposits with bank (Note)	受限制性銀行存款(附註)	644,699	1,375,903
Frozen bank deposits	凍結銀行存款	56,445	18,881
		701,144	1,394,784
Total cash on hand and in bank	手頭現金及銀行存款總額	920,599	1,679,003
Note:	附註：		
Restricted deposits comprise	限制性存款包括		
— restricted deposits to secure the performance and retentions of construction contracts	— 作為建築合同履約及保留金抵押的受限制存款	162,284	177,863
— restricted deposits to secure bank bills	— 為銀行票據提供擔保的限制性存款	15,365	365,040
— restricted time deposits to secure the bank bills	— 作為銀行票據提供擔保的限制性定期存款	280,000	380,000
— restricted deposits for issuance of letter of credit	— 作為開立信用證的限制性存款	174,050	350,000
— restricted time deposits for issuance of letter of credit	— 作為開立信用證的限制性定期存款	10,000	100,000
— other time deposits with original maturity of over 3 months	— 其他初始存期超過3個月的銀行定期存款	3,000	3,000
		644,699	1,375,903

The Group's business operations in mainland China are conducted in RMB. RMB is not a freely convertible currency and the remittance of funds out of mainland China is subject to the exchange restrictions imposed by the PRC government.

本集團的中國內地業務以人民幣計值。人民幣乃不可自由兌換的貨幣，匯出中國內地的資金受中國政府實施的外匯管制所規限。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

19 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

19 限制性存款，現金及現金等價物及其他現金流資料(續)

(b) Reconciliation of liabilities arising from financing activities

(b) 融資活動產生的負債之對賬

		Amounts due to the Controlling Shareholder and the companies under his control	Amounts due to third parties	Lease liabilities	Discounted bills and credit letters	Interest payable	Total	
	Bank loans	應付控股股東 及受其控制的 公司之款項	應付第三方 款項	租賃負債	貼現票據及 信用證	應付利息	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	
	(Note 22)	(Note 21)	(Note 21)	(Note 23)	(Note 21)	(Note 21)		
	(附註22)	(附註21)	(附註21)	(附註23)	(附註21)	(附註21)		
At 1 January 2022	於2022年1月1日	950,000	157,144	147,609	7,128	1,202,215	7,012	2,471,108
Changes from financing cash flows:		融資現金流量變動：						
Proceeds from new bank loans and other borrowings	新增銀行及其他借款所得款	620,000	1,139,461	196,637	-	408,100	-	2,364,198
Repayment of bank loans and other borrowings	償還銀行貸款及其他借款	(715,000)	(1,097,981)	(147,609)	-	(1,202,215)	-	(3,162,805)
Capital element of lease rentals paid	已付租賃租金之資本部分	-	-	-	(21,570)	-	-	(21,570)
Interest element of lease rentals paid	已付租賃租金之利息部分	-	-	-	(455)	-	-	(455)
Borrowing costs paid	已付借貸成本	-	-	-	-	-	(98,842)	(98,842)
Total changes from financing cash flows	融資現金流量的變動總額	(95,000)	41,480	49,028	(22,025)	(794,115)	(98,842)	(919,474)
Other changes:		其他變動：						
Increase in lease liabilities from entering into new leases during the year	本年內新簽訂租賃的租賃負債的增加	-	-	-	18,730	-	-	18,730
Exchange adjustments	匯兌調整	-	11,315	-	184	-	-	11,499
Total borrowing costs	借貸成本總額	-	7,805	-	455	-	99,422	107,682
Total other changes	其他變動總額	-	19,120	-	19,369	-	99,422	137,911
At 31 December 2022	於2022年12月31日	855,000	217,744	196,637	4,472	408,100	7,592	1,689,545

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

19 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(b) Reconciliation of liabilities arising from financing activities (continued)

19 限制性存款，現金及現金等價物及其他現金流資料(續)

(b) 融資活動產生的負債之對賬(續)

		Amounts due to the Controlling Shareholder and the companies under his control		Amounts due to third parties	Lease liabilities	Discounted bills and credit letters	Interest payable	Total
		銀行貸款	公司之款項	應付第三方款項	租賃負債	貼現票據及信用證	應付利息	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
		(Note 22)	(Note 21)	(Note 21)	(Note 23)	(Note 21)	(Note 21)	(Note 21)
		(附註22)	(附註21)	(附註21)	(附註23)	(附註21)	(附註21)	(附註21)
At 1 January 2021	於2021年1月1日	1,099,200	131,220	108,182	9,541	1,406,800	7,241	2,762,184
Changes from financing cash flows:	融資現金流量變動:							
Proceeds from new bank loans and other borrowings	新增銀行及其他借款所得款	550,000	505,000	147,609	—	1,202,215	—	2,404,824
Repayment of bank loans and other borrowings	償還銀行貸款及其他借款	(699,200)	(481,900)	(108,182)	—	(1,406,800)	—	(2,696,082)
Capital element of lease rentals paid	已付租賃租金之資本部分	—	—	—	(28,951)	—	—	(28,951)
Interest element of lease rentals paid	已付租賃租金之利息部分	—	—	—	(597)	—	—	(597)
Borrowing costs paid	已付借貸成本	—	—	—	—	—	(120,800)	(120,800)
Total changes from financing cash flows	融資現金流量的變動總額	(149,200)	23,100	39,427	(29,548)	(204,585)	(120,800)	(441,606)
Other changes:	其他變動:							
Increase in lease liabilities from entering into new leases during the year	本年內新簽訂租賃的租賃負債的增加	—	—	—	27,431	—	—	27,431
Exchange adjustments	匯兌調整	—	(7,172)	—	(893)	—	—	(8,065)
Total borrowing costs	借貸成本總額	—	9,996	—	597	—	120,571	131,164
Total other changes	其他變動總額	—	2,824	—	27,135	—	120,571	150,530
At 31 December 2021	於2021年12月31日	950,000	157,144	147,609	7,128	1,202,215	7,012	2,471,108

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

19 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(c) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following. All these amounts relate to lease rentals paid.

Within financing cash flows 於融資現金流中

19 限制性存款，現金及現金等價物及其他現金流資料(續)

(c) 租賃現金流總額

該款項於現金流量表中租賃中構成如下。所有該款項與租賃租金支付相關。

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元

	(22,025)	(29,548)
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20 TRADE AND BILLS PAYABLES

Trade payables for purchase of inventories due to:

- third parties
- companies under the control of the Controlling Shareholder

Trade payables due to sub-contractors
Bills payable

Financial liabilities measured at amortised cost

應付以下的購買存貨
貿易應付款：

- 第三方
- 受控股股東控制的公司

應付分包商貿易應付款
應付票據

按攤銷成本計量的金融負債

20 貿易應付款及應付票據

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元

	1,105,141	1,003,156
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	4,893	5,667
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	1,110,034	1,008,823
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	659,271	621,489
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	70,469	194,113
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	1,839,774	1,824,425
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All of the trade and bills payables are expected to be settled within one year or are repayable on demand.

所有貿易應付款及應付票據預期於一年內清償或須按要求償還。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

20 TRADE AND BILLS PAYABLES (continued)

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the maturity date, is as follows:

20 貿易應付款及應付票據(續)

於報告期末，貿易應付款及應付票據按到期日的賬齡分析如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Within 1 month or on demand	一個月內或按要求	1,787,216	1,711,229
More than 1 month but less than 3 months	超過一個月但少於三個月	38,353	75,733
More than 3 months	超過三個月	14,205	37,463
		1,839,774	1,824,425

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

21 ACCRUED EXPENSES AND OTHER PAYABLES

21 應計開支及其他應付款

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Payables for staff related costs	應付員工相關成本	120,097	136,034
Payables for transportation and insurance expenses	應付運輸及保險開支	33,578	33,838
Payables for interest expenses	應付利息開支	7,592	7,012
Payables for construction and purchase of property, plant and equipment	建築及購買物業、廠房及設備應付款	11,877	11,734
Deposits from sub-contractors	分包商支付的按金	42,139	38,985
Deposits from suppliers for contracts' bidding and performance	供貨商支付的合同投標及履約按金	14,516	24,792
Amounts due to third parties (Note (iii))	應付第三方款項(附註(iii))	196,637	147,609
Amounts due to the Controlling Shareholder and the companies under his control	應付控股股東及受其控制的公司款項		
— non-interest bearing (Note (i))	— 不計息(附註(i))	1,721	1,721
— interest bearing (Note (ii))	— 計息(附註(ii))	216,023	155,423
Discounted bills and credit letters	貼現票據及信用證	408,100	1,202,215
Lease liabilities (Note 23)	租賃負債(附註23)	2,540	4,575
Others	其他	39,254	40,480
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	1,094,074	1,804,418
Payables for miscellaneous taxes	應付雜稅	85,904	43,083
Derivative financial instruments:	衍生金融工具：		
— other derivatives	— 其他衍生工具	999	—
Provision for outstanding legal claims	未償付法律索償撥備	22,543	22,520
		1,203,520	1,870,021

Notes:

- (i) The amounts are unsecured, non-interest bearing and have no fixed terms of repayment.
- (ii) The amounts are unsecured, with fixed interest rate of 4.28% to 5.08% and repayable within one year.
- (iii) The amounts are with fixed interest rate and repayable within one year.

All of the accrued expenses and other payables are expected to be settled or recognised in profit or loss within one year or are repayable on demand.

附註：

- (i) 該款項屬無抵押、不計息及無固定還款期。
- (ii) 該等款項屬無抵押、按固定利率4.28%至5.08%計息及於一年內償還。
- (iii) 該等款項按固定利率計息及於一年內償還。

所有應計開支及其他應付款預期將於一年內清償或於損益表確認或按要求償還。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

22 BANK LOANS

(a) The Group's short-term bank loans are analysed as follows:

22 銀行貸款

(a) 本集團的短期銀行貸款分析如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Guaranteed by the Controlling Shareholder and a company under his control and/or pledged by securities of a company under the control of the Controlling Shareholder	以控股股東及受其控制的公司擔保及／或以由受控股股東控制的公司的證券擔保	270,000	200,000
Secured by property, plant and equipment and land use rights of the Group and pledged by securities of a company under the control of the Controlling Shareholder (Note 22(c))	以本集團的物業、廠房及設備及土地使用權作抵押及以由受控股股東控制的公司的證券擔保(附註22(c))	100,000	—
Secured by property, plant and equipment and land use rights of the Group (Note 22(c))	以本集團的物業、廠房及設備及土地使用權作抵押(附註22(c))	—	140,000
Secured by property, plant and equipment and land use rights of the Group, secured by property, plant and land use rights of and guaranteed by companies under the control of the Controlling Shareholder (Note 22(c))	以本集團的物業、廠房及設備及土地使用權作抵押及以由受控股股東控制的公司及其物業、廠房及土地使用權擔保(附註22(c))	135,000	220,000
		505,000	(560,000)
Add: current portion of long-term bank loans (Note 22(b))	加：長期銀行貸款的即期部分(附註22(b))	350,000	—
		855,000	560,000

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

22 BANK LOANS (continued)

(b) The Group's long-term bank loans are analysed as follows:

Secured by property, plant and equipment and land use rights of the Group, secured by property, plant and equipment and land use rights of and guaranteed by companies under the control of the Controlling Shareholder (Note 22(c))

以本集團的物業、廠房及設備及土地使用權作抵押及以由受控股股東控制的公司及其物業、廠房及設備及土地使用權擔保(附註22(c))

Less: current portion of long-term bank loans 減：長期銀行貸款的即期部分

The Group's long-term bank loans are repayable as follows:

Within 1 year or on demand
After 1 year but within 2 years

一年內或按需求
一年後但二年內

(c) At 31 December 2022, the aggregate carrying value of the property, plant and equipment and land use rights pledged for the Group's bank loans is RMB358.0 million (31 December 2021: RMB367.0 million).

(d) At 31 December 2022, the Group's banking facilities amounted to RMB1,210.0 million (31 December 2021: RMB1,280.0 million) were utilised to the extent of RMB861.0 million (31 December 2021: RMB555.0 million).

22 銀行貸款(續)

(b) 本集團的長期銀行貸款分析如下：

2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
--------------------------	--------------------------

	350,000	390,000
--	---------	---------

	(350,000)	—
--	-----------	---

	—	390,000
--	---	---------

本集團的長期銀行貸款的還款情況如下：

2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
--------------------------	--------------------------

	350,000	—
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	—	390,000
--	---	---------

	350,000	390,000
--	---------	---------

(c) 於2022年12月31日，就本集團的銀行貸款已抵押的物業、廠房及設備、土地使用權的總賬面值為人民幣358.0百萬元(2021年12月31日：人民幣367.0百萬元)。

(d) 於2022年12月31日，本集團的銀行融資額度為人民幣1,210.0百萬元(2021年12月31日：人民幣1,280.0百萬元)，已動用人民幣861.0百萬元(2021年12月31日：人民幣555.0百萬元)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

22 BANK LOANS (continued)

- (e) Certain of the Group's bank loans are subject to the fulfilment of covenants commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the loans would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 28(b). At 31 December 2022, none of the covenants relating to the bank loans had been breached (31 December 2021: None).

23 LEASE LIABILITIES

At 31 December 2022, the lease liabilities were repayable as follows:

Within 1 year	一年內
After 1 year but within 2 years	一年後但二年內
After 2 years but within 5 years	二年後但五年內

22 銀行貸款(續)

- (e) 本集團的若干銀行貸款一般須達成與金融機構訂立的貸款安排中的契諾後方可作實。如本集團違反契諾，則須應要求償還貸款。本集團定期監管是否遵守有關契諾。本集團管理流動資金風險的進一步詳情載於附註28(b)。於2022年12月31日，概無違反任何與銀行貸款有關的契諾(2021年12月31日：無)。

23 租賃負債

於2022年12月31日，租賃負債的償還情況如下：

	2022	2021
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	2,540	4,575
	543	624
	1,389	1,929
	1,932	2,553
	4,472	7,128

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

24 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

24 合併財務狀況表內的所得稅

(a) Movements of current taxation in the consolidated statement of financial position are as follows:

(a) 合併財務狀況表內的即期稅項變動如下：

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Income tax payable at 1 January	於1月1日的應付所得稅	241,356	212,960
Exchange adjustments	匯兌調整	3,825	(5,825)
Provision for income tax on the estimated taxable profits for the year (Note 7(a))	年內估計應課稅利潤的所得稅撥備 (附註7(a))	13,012	34,345
Income tax paid during the year	年內已付所得稅	(4,788)	(4,509)
Income tax refunded	所得稅退款	1,022	4,385
		<hr/>	<hr/>
Income tax payable at 31 December	於12月31日的應付所得稅	254,427	241,356
		<hr/>	<hr/>

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

24 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

(b) Deferred tax assets recognised:

The components of deferred tax assets recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Unused tax losses	Depreciation allowances in excess of the related depreciation and government grants and related depreciation	Write down of inventories	Loss allowance on trade and other receivables and contract assets	Provision for warranties, and legal claims	Remeasurement of the fair value of derivative financial instruments	Total
			超過有關折舊的折舊免稅額以及未動用稅項虧損	存貨撇減	貿易及其他應收款以及合同資產的虧損撥備	保修及法律索償撥備	重新計量衍生金融工具的公允價值	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
Deferred tax arising from:								
因下列各項產生的遞延稅項：								
At 1 January 2021	於2021年1月1日	63,718	10,759	954	270,833	29,251	(4,935)	370,580
Exchange adjustments (Charged)/credited to the consolidated statement of profit or loss (Note 7(a))	匯兌調整 於合併損益表中(扣除)/計入 (附註7(a))	(571)	–	–	(26)	(510)	–	(1,107)
		(19,188)	3,755	(283)	(621)	445	(3,958)	(19,850)
At 31 December 2021 and 1 January 2022	於2021年12月31日 及2022年1月1日	43,959	14,514	671	270,186	29,186	(8,893)	349,623
Exchange adjustments (Charged)/credited to the consolidated statement of profit or loss (Note 7(a))	匯兌調整 於合併損益表中(扣除)/計入 (附註7(a))	829	–	–	23	181	–	1,033
		(26,892)	144	–	3,723	(439)	–	(23,464)
At 31 December 2022	於2022年12月31日	17,896	14,658	671	273,932	28,928	(8,893)	327,192

24 合併財務狀況表內的所得稅(續)

(b) 已確認遞延稅項資產：

於合併財務狀況表確認的遞延稅項資產的組成部分及年內變動如下：

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

24 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

24 合併財務狀況表內的所得稅(續)

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(r), the Group has not recognised deferred tax assets in respect of unused tax losses and deductible temporary differences arising from certain subsidiaries of the Group of RMB2,348.1 million at 31 December 2022 (31 December 2021: RMB2,374.8 million), as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. Except for the amount of RMB730.3 million which will not expire under the relevant tax legislation, the remaining unused tax losses at 31 December 2022 will expire on or before 31 December 2026.

(c) 未確認遞延稅項資產

根據附註2(r)所載的會計政策，本集團並未就2022年12月31日自本集團若干附屬公司產生的未動用稅項虧損及可扣減暫時差額人民幣2,348.1百萬元(2021年12月31日：人民幣2,374.8百萬元)確認遞延稅項資產，原因是有關稅務司法權區及實體於未來不可能有應課稅利潤用以抵銷可動用的虧損。除人民幣730.3百萬元不會在有關稅務法律下屆滿，餘下於2022年12月31日的未動用稅務虧損將於2026年12月31日或以前屆滿。

(d) Deferred tax liabilities not recognised

At 31 December 2022, temporary differences relating to the retained profits of the Group's subsidiaries established in the PRC amounted to RMB916.1 million (31 December 2021: RMB995.4 million), of which no deferred tax liabilities in respect of the tax that would be payable on the distribution of these profits was provided as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that such profits will not be distributed in the foreseeable future.

(d) 未確認遞延稅項負債

於2022年12月31日，有關本集團於中國成立的附屬公司的保留利潤的暫時差額為人民幣916.1百萬元(2021年12月31日：人民幣995.4百萬元)，其中概無就有關分派該等利潤應付稅項的遞延稅項負債作出撥備，原因是本公司控制此等附屬公司的股息政策，而其已釐定該等利潤可能不會於可見未來作分派。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

25 PROVISION FOR WARRANTIES

25 保修撥備

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於1月1日	225,098	233,798
Exchange adjustments	匯兌調整	(1,186)	(8,120)
Additional provisions made	已計提額外撥備	59,486	52,217
Provisions utilised	已動用撥備	(46,313)	(52,797)
		<hr/>	<hr/>
At 31 December	於12月31日	237,085	225,098
Less: amounts included as current liabilities at the end of the reporting period	減：報告期末包括在流動負債內的金額	(50,458)	(38,973)
		<hr/>	<hr/>
		186,627	186,125

Under the terms of the Group's construction contracts with its customers, the Group will rectify any defects arising within one to five years from the date of completion of the construction contracts, as required by industry regulations in respective jurisdictions and depending on the terms negotiated with each customer. Provision is therefore made for the best estimate of the expected settlement under these construction contracts in respect of construction contracts completed within one to five years prior to the end of the reporting period. The amount of provision takes into account the Group's recent claim experience and is only made where a warranty claim is probable.

根據本集團與其客戶訂立的建築合同條款，本集團將會根據於各司法權區的行業規例所規定及視乎與各客戶磋商的條款，修正任何於建築合同完工的日期起一至五年內產生的缺陷。因此，撥備乃就報告期末前一至五年內完成的建築合同而根據該等建築合同的預期結算額的最佳估計而計提。撥備金額計及本集團近期的申索經驗，並僅於有可能出現保修申索時計提。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS

26 資本、儲備及股息

(a) Movements in components of equity

(a) 權益組成部分變動

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

本集團的合併權益各組成部分的期初及期終結餘的對賬載於合併權益變動表中。年初至年終期間本公司的個別權益組成部分的變動詳情載列如下：

		Share capital 股本 RMB'000 人民幣千元 (Note 26(c)) (附註26(c))	Share premium 股份溢價 RMB'000 人民幣千元 (Note 26(d)(i)) (附註26(d)(i))	Exchange reserve 匯兌儲備 RMB'000 人民幣千元 (Note 26(d)(v)) (附註26(d)(v))	Accumulated loss 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2021	於 2021 年 1 月 1 日	519,723	574,047	(15,269)	(81,269)	997,232
Changes in equity for 2021:	2021 年之權益變動：					
Loss for the year	年內虧損	—	—	—	(2,483)	(2,483)
Other comprehensive income	其他全面收益	—	—	(28,402)	—	(28,402)
Total comprehensive income	全面收益總額	—	—	(28,402)	(2,483)	(30,885)
At 31 December 2021 and 1 January 2022	於 2021 年 12 月 31 日及 2022 年 1 月 1 日	519,723	574,047	(43,671)	(83,752)	966,347
Changes in equity for 2022:	2022 年之權益變動：					
Loss for the year	年內虧損	—	—	—	(5,573)	(5,573)
Other comprehensive income	其他全面收益	—	—	50,689	—	50,689
Total comprehensive income	全面收益總額	—	—	50,689	(5,573)	45,116
At 31 December 2022	於 2022 年 12 月 31 日	519,723	574,047	7,018	(89,325)	1,011,463

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS

(b) Dividends

(i) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2022 (2021: HK\$Nil).

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

No final dividend in respect of the previous financial year has been approved during the year ended 31 December 2022 (2021: HK\$Nil).

26 資本、儲備及股息

(b) 股息

(i) 歸屬於年內的應付本公司股東股息

本公司董事建議不派付截至2022年12月31日止年度的股息(2021年：零港元)。

(ii) 歸屬於上一財政年度的應付本公司股東股息，已於本年度批准及派付

於截至2022年12月31日並無批准有關上一財政年度的末期股息(2021年：零港元)。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS (continued)

26 資本、儲備及股息(續)

(c) Share capital

(c) 股本

Authorised and issued share capital:

法定及已發行股本：

		2022		2021	
		Number of shares 股份數目	HK\$'000 港幣千元	Number of shares 股份數目	HK\$'000 港幣千元
Authorised:	法定股本：				
At 1 January and 31 December, at HK\$0.1 each	於1月1日及 12月31日， 0.1港元/每股	12,000,000,000	1,200,000	12,000,000,000	1,200,000
		2022		2021	
		Number of shares 股份數目	RMB'000 人民幣千元	Number of shares 股份數目	RMB'000 人民幣千元
Ordinary shares, issued and fully paid:	普通股、已發行 及繳足：				
At 1 January and 31 December	於1月1日及12月31日	6,208,734	519,723	6,208,734	519,723

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS (continued)

(d) Nature and purpose of reserves

(i) Share premium

The application of the share premium account is governed by Section 34 of the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

(ii) Shares held under share award scheme

The amount represents the consideration paid for shares held under the Share Award Scheme. The Share Award Scheme was terminated on 29 July 2020.

(iii) Other reserve

The other reserve represents (i) the difference between the carrying values of the subsidiaries acquired/disposed and the considerations paid/received under the Group's reorganisation; (ii) the difference between the carrying values of the non-controlling interests acquired by the Group and the considerations paid; and (iii) the difference between the carrying value of the net assets acquired and the consideration paid for the acquisition of a business under common control in 2012.

26 資本、儲備及股息(續)

(d) 儲備的性質及目的

(i) 股份溢價

動用股份溢價賬受開曼群島公司法第22章(1961年第三項法例，經綜合及修訂)第34條監管。

(ii) 根據股份獎勵計劃持有股份

該款項為根據股份獎勵計劃持有股份支付的代價。股份獎勵計劃於2020年7月29日終止。

(iii) 其他儲備

其他儲備指(i)本集團所重組收購／處置的附屬公司賬面價值與支付／收取的代價之前的差異；(ii)本集團收購非控制權益的賬面價值與支付的代價之間的差異；及(iii)於2012年收購受共同控制業務所收購淨資產賬面值與支付代價之間的差異。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS (continued)

26 資本、儲備及股息(續)

(d) Nature and purpose of reserves (continued)

(d) 儲備的性質及目的(續)

(iv) PRC statutory reserves

In accordance with the articles of association of the subsidiaries of the Group established in the PRC, these subsidiaries are required to set up certain statutory reserves, which are non-distributable. The appropriation to these reserves is at discretion of the directors of the respective subsidiaries. The PRC statutory reserves can only be utilised for predetermined means upon approval by the relevant authority.

In addition, pursuant to the relevant PRC regulations, with effect on 1 January 2012, a reserve for production safety is required to be set up and to be appropriated at a fixed rate on the revenue of the subsidiaries of the Group established in the PRC. The reserve can be utilised for expenses or capital expenditures incurred in connection with production safety.

(v) Exchange reserve

The exchange reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations into the presentation currency. The reserve is dealt with in accordance with the accounting policy set out in Note 2(u).

(iv) 中國法定儲備

根據本集團於中國成立的附屬公司的組織章程細則，該等附屬公司須設立若干不可分派的法定儲備。向該等儲備的分配由各附屬公司的董事酌情決定。中國法定儲備僅可用作經相關機關批准的預先釐定用途。

此外，根據自2012年1月1日起生效的相關中國法規，本集團於中國成立的附屬公司須撥付按營業額的固定比例設立安全生產儲備。該儲備可用作支付有關安全生產而產生的費用或資本開支。

(v) 匯兌儲備

匯兌儲備包括換算海外業務財務報表為呈列貨幣所產生的外匯差額。該儲備乃根據附註2(u)所載的會計政策處理。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS (continued)

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for equity shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher equity shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, the Group defines adjusted net debt as total debt (which includes bank loans, discounted bills and credit letters, amounts due to third parties and the Controlling Shareholder and the companies under his control (interest bearing), trade and bills payables and lease liabilities) plus unaccrued proposed dividends, less cash on hand and in bank. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

During 2022, the Group's strategy was to maintain the adjusted net debt-to-capital ratio at an acceptable level. In order to maintain or adjust the ratio, the Group may issue new shares, return capital to equity shareholders, raise new debt financing or sell assets to reduce debt.

26 資本、儲備及股息(續)

(e) 資本管理

本集團管理資本的主要目標為保障本集團繼續持續經營的能力，致使其可透過使產品及服務的定價與風險水平一致及透過按合理成本取得融資繼續為股東提供回報及為其他利益相關者提供利益。

本集團積極及定期檢討及管理其資本結構，以維持以較高借貸水平可能取得的較高股東回報與穩健資本狀況提供的優勢及保障之間取得平衡，並就經濟狀況的變動對資本結構作出調整。

本集團按經調整淨債務與資本比率為基準監督其資本結構。就此而言，本集團界定經調整淨債務為總債務(其中包括銀行貸款、貼現票據及信用證、應付第三方及控股股東及受其控制的公司的計息款項、貿易應付款及應付票據以及租賃負債)加非累計擬派股息，減手頭現金及銀行存款。經調整資本包括所有權益的組成部分減非累計擬派股息。

於2022年，本集團的政策為嘗試維持經調整淨債務與資本比率於可接受水平。為維持或調整該項比率，本集團可能會發行新股份、退回資本予股東、籌措新債務融資或出售資產以減少債務。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

26 CAPITAL, RESERVES AND DIVIDENDS (continued)

26 資本、儲備及股息(續)

The Group's adjusted net debt-to-capital ratio at 31 December 2022 and 2021 was as follows:

於2022年及2021年12月31日的本集團經調整淨債務與資本比率如下：

	31 December 2022 2021年 12月31日 RMB'000 人民幣千元	31 December 2021 2020年 12月31日 RMB'000 人民幣千元
Current liabilities:		
Trade and bills payables	1,839,774	1,824,425
Amounts due to the Controlling Shareholder and the companies under his control		
— interest bearing	216,023	155,423
Amounts due to third parties	196,637	147,609
Accrued expense and other payables-lease liabilities	2,540	4,575
Discounted bills and credit letters	408,100	1,202,215
Bank loans	855,000	560,000
	3,518,074	3,894,247
Non-current liabilities:		
Bank loans	—	390,000
Lease liabilities	1,932	2,553
Total debt	3,520,006	4,286,800
Less:		
— restricted deposits	(701,144)	(1,394,784)
— cash and cash equivalents	(219,455)	(284,219)
Adjusted net debt	2,599,407	2,607,797
Total equity and adjusted capital	1,011,463	1,151,998
Adjusted net debt-to-capital ratio	257%	226%

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

本公司或其任何附屬公司概無受外部施加的資本規定限制。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

27 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the material related party transactions entered into by the Group during the year are set out below.

- (a) Transactions with the Controlling Shareholder and the companies under his control

Purchase of materials and services	購買材料及服務		
Net increase in interest bearing advances received from related parties	從關聯方收取的計息墊款增加淨額		
Sales of raw materials	銷售原材料		
Interest expense from interest bearing advances	計息墊款的利息費用		

Further details on guarantees provided by related parties for the Group's bank loans are disclosed in Notes 22(a) and 22(b).

- (b) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the directors of the Company as disclosed in Note 8, is as follows:

Short-term employee benefits	短期僱員福利		
Retirement schemes contributions	退休計劃供款		

Total remuneration is included in "staff costs" (see Note 6(b)).

27 重大關聯方交易

除於此等財務報表其他部分披露的交易及結餘外，本集團於年內訂立的重大關聯方交易載列如下。

- (a) 與控股股東及受其控制的公司的交易

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

	98	73
	60,600	25,924
	8,796	928
	7,805	9,996

關聯方就本集團銀行貸款提供的擔保的進一步詳情於附註22(a)及22(b)披露。

- (b) 主要管理人員薪酬

本集團主要管理人員的薪酬，包括向附註8披露的本公司董事支付的款項如下：

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

	3,115	4,516
	181	198
	3,296	4,714

薪酬總額包含於「員工成本」內(見附註6(b))。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and contract assets. The Group's exposure to credit risk arising from cash and cash equivalents, restricted deposits, bills receivables and derivative financial assets is limited because the counterparties are banks and financial institutions with high credit standing, for which the Group considers to represent low credit risk. The Group's exposure to credit risk arising from refundable rental deposits is considered to be low, taking into account the remaining lease term and the period covered by the rental deposits.

Except for the guarantee letters given by the Group as set out in Note 30(a), the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in Note 30(a).

28 金融風險管理及金融工具的公允價值

本集團承受於日常業務過程中產生的信貸、流動資金、利率及貨幣風險。

下文載述本集團承受的該等風險及本集團使用以管理該等風險的財務風險管理政策及慣例。

(a) 信貸風險

信貸風險指交易方將違反其合約責任而導致本集團蒙受財務虧損之風險。本集團的信貸風險主要歸因於貿易應收款及合同資產。本集團來自現金及現金等價物、限制性存款、應收票據及衍生金融資產的信用風險敞口有限，因為交易對手為銀行和金融機構，本集團認為其信用風險較低。考慮到剩餘租賃期限和租金按金所涵蓋的期限，本集團因可退還租金按金而產生的信用風險敞口被認為較低。

除附註30(a)所載本集團作出的保函外，本集團並無就本集團會面臨的信貸風險提供任何其他擔保。於報告期末就該等財務擔保面臨的最大信貸風險於附註30(a)中披露。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(a) Credit risk (continued)

Financial assets and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At 31 December 2022 and 2021, there are no significant concentrations of credit risk through exposure to individual customers.

Individual credit evaluations are performed on all customers. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customers as well as pertaining to the economic environment in which the customers operate. The Group generally requires customers to settle progress billings and retentions receivable in accordance with contract terms and other debts in accordance with agreements. Except for retentions receivable, financial and contract assets for contract work are considered past due once billings have been made and revenue has been recognised, respectively. Retention terms of one to five years may be granted to customers for retentions receivable. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for financial assets and contract assets arising from other construction contracts at an amount equal to lifetime ECLs, which is calculated using a provision matrix.

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產

本集團的信貸風險主要受各客戶的個別情況所影響，而非受客戶經營所在行業或國家影響故本集團的重大信貸風險集中在本集團面對重大個別債務人風險時產生。於2022年及2021年12月31日，概無面臨單獨客戶的重大信貸集中風險。

本集團對所有客戶進行個別信貸評估。該等評估注重客戶過往到期付款歷史及當期之付款能力，並計及客戶特定及與客戶經營所在經濟環境有關資料。本集團通常要求客戶根據合約條款結算進度款項及應收保留金及根據協議結算其他債務。除應收保留金外，金融及合同資產分別在開出賬單及確認收入時認為逾期。客戶就應收保留金獲授一至五年的保留期限。通常，本集團不會要求客戶交出抵押品。

本集團按相等於使用撥備矩陣計算之存續期預期信用損失的金額計量就其他工程合同確認的金融資產及合同資產之虧損撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(a) Credit risk (continued)

Financial assets and contract assets

(continued)

In 2021, certain customers of the Group, in particular, some property developer customers (the “**Defaulted Customers**”), have encountered liquidity issues due to the adverse impact of the macroeconomic environment and the COVID-19 pandemic, and have defaulted on their debts. Accordingly, there was a significant increase in credit risk for financial assets and contract assets arising from contracts with these Defaulted Customers.

The calculation of loss allowance for trade receivables and contract assets arising from construction projects as at 31 December 2022 and as at 31 December 2021 were carried out by an independent specialist, namely Vincorn Consulting and Appraisal Limited, with experience in expected credit loss calculation.

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產(續)

自2021年起，本集團某些客戶，尤其物業開發商客戶（「**違約客戶**」）遭遇因宏觀經濟環境及新冠疫情負面影響造成的流動性問題，以及拖欠債務。因此，就違約客戶合同確認的金融資產及合同資產的信用風險激增。

於2022年12月31日及2021年12月31日就工程合同確認的貿易應收款及合同資產的虧損撥備計算由具有預期信貸虧損計算經驗的獨立專業公司Vincorn Consulting and Appraisal Limited進行計算。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Financial assets and contract assets (continued)

The following table gives information about the expected loss rates for financial assets and contract assets arising from construction contracts related to Defaulted Customers as at 31 December 2022 and 31 December 2021.

Financial assets and contract assets arising from contracts with arising from construction contracts related to the Defaulted Customers

有關違約客戶施工合同確認的金融資產及合同資產

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產(續)

下表列載截至2022年12月31日及2021年12月31日有關違約客戶施工合同確認的金融資產及合同資產的預期虧損率資料。

Expected loss rate 預期虧損率 %	2022	
	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元

73.3% 640,763 469,578

Expected loss rate 預期虧損率 %	2021	
	Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元

74.5% 753,154 561,175

Financial assets and contract assets arising from contracts with arising from construction contracts related to the Defaulted Customers

有關違約客戶施工合同確認的金融資產及合同資產

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(a) Credit risk (continued)

Financial assets and contract assets

(continued)

The expected loss rates are estimated based on the weighted-average recovery rate of troubled debts derived from historical market data and have been adjusted for industry specific information and forward-looking information. The Group has identified the enterprise prosperity index and real estate industry enterprise prosperity index to be the most relevant factors, and accordingly adjusts the weighted-average recovery rate of troubled debts derived from historical market data based on expected changes in these factors.

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產(續)

預期損失率根據歷史市場數據得出的不良債務加權平均回收率估計，並已根據行業特定資料以及前瞻性信息予以調整。本集團將企業景氣指數及房地產行業企業景氣指數確定為最相關的因素，並根據該等因素的預期變化相應調整歷史市場數據得出的不良債務加權平均回收率。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(a) Credit risk (continued)

Financial assets and contract assets

(continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade and bills receivables and contract assets arising from construction contracts from other customers as at 31 December 2022.

Current (not past due)	流動(未逾期)
Within 1 year past due	逾期少於一年
More than 1 year past due	逾期超過一年

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產(續)

下表列載有關本集團於2022年12月31日就源自其他客戶的工程合同的應收賬款及應收票據及合同資產所面臨之信貸風險及預期信用損失之資料。

	Expected loss rate 預期虧損率 %	2022 Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
	0.7%	281,415	1,878
	10.0%	1,348,197	134,489
	57.4%	3,726,209	2,139,248
		5,355,821	2,275,615

The following table provides information about the Group's exposure to credit risk and ECLs for trade and bills receivables and contract assets as at 31 December 2021.

Current (not past due)	流動(未逾期)
Within 1 year past due	逾期少於一年
More than 1 year past due	逾期超過一年

	Expected loss rate 預期虧損率 %	2021 Gross carrying amount 賬面總值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
	1.0%	446,625	4,275
	9.6%	1,167,359	111,522
	58.0%	3,505,580	2,031,737
		5,119,564	2,147,534

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(a) Credit risk (continued)

Financial assets and contract assets

(continued)

Movement in the loss allowance account in respect of financial assets and contract assets during the year is as follows:

28 金融風險管理及金融工具的公允價值(續)

(a) 信貸風險(續)

金融資產及合同資產(續)

年內有關金融資產及合同資產的虧損撥備賬變動如下：

		2022 RMB'000 人民幣千元	2021 RMB'000 人民幣千元
Balance at 1 January	於1月1日之結餘	2,708,709	1,973,667
Exchange adjustment	匯兌調整	47,445	(19,627)
Amounts written-off during the year	年內撇減的金額	(36,707)	(93,171)
Impairment losses recognised during the year	年內已確認減值虧損	124,001	906,799
Impairment losses written-back during the year	年內撥回減值虧損	(98,255)	(58,959)
Balance at 31 December	於12月31日之結餘	2,745,193	2,708,709

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(b) Liquidity risk

The treasury function is centrally managed by the Group, which includes the short-term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

As at 31 December 2022, the Group had cash and cash equivalents of RMB248,759,000, while the Group had current liabilities of RMB4,699,009,000 including bank loans within one year or on demand of RMB855,000,000.

In this regard, the directors of the Company have identified various initiatives to address the Group's liquidity needs, which include the following:

- The Group continues to improve its operating cash flows by accelerating the progress billings and collection of trade receivables, actively participating in bidding, negotiating with suppliers on payment terms, and reduction of operation expenses;

28 金融風險管理及金融工具的公允價值(續)

(b) 流動資金風險

本集團集中管理財務部門，包括現金盈餘的短期投資及籌措貸款滿足預期現金需求。本集團的政策為定期監察其流動資金需要及其遵守借貸契諾的情況，以確保其維持充裕現金儲備及從主要金融機構取得充裕的承諾融資額度，以滿足其短期及更長期流動資金需要。

於2022年12月31日，本集團擁有現金及現金等價物人民幣248,759,000元，流動負債為人民幣4,699,009,000元，包括一年內銀行貸款或按需求貸款人民幣855,000,000元。

本公司董事就此確了解決本集團流動性需求的多項措施，包括如下：

- 通過加快進度開票及應收賬款回收，積極參與投標，與供貨商就付款條件進行談判，以及減少運營費用以持續改善其經營現金流；

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(b) Liquidity risk (continued)

- The Group continues the negotiations with various banks, including but not limited to:
 - (i) renew the short-term bank loans upon maturity (see Note 22(a)); and/or
 - (ii) provide additional bank facilities to the Group.

- Controlling Shareholder and a company under his control have committed to provide the necessary financial support, including but not limited to:
 - (i) renewal of the loans from Controlling shareholder and a company under his control upon maturity (see Note 21); and/or
 - (ii) provision of additional loan facilities from Controlling Shareholder and a company under his control, as needed.

The following tables detail the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on current rates at the end of the reporting period) and the earliest dates the Group can be required to pay:

28 金融風險管理及金融工具的公允價值(續)

(b) 流動資金風險(續)

- 繼續與各銀行進行協商，包括但不限於：
 - (i) 短期銀行貸款到期後的重續(見附註22(a))；及／或
 - (ii) 向本集團提供額外的銀行融資。

- 控股股東及其控制的一家公司已承諾提供必要的財務支持，包括但不限於：
 - (i) 於到期時重續控股股東及其控制的一間公司的借款(見附註21)；及／或
 - (ii) 需要時提供控股股東及其控制的一間公司的額外貸款融資。

下表詳述於本集團非衍生金融負債及衍生金融負債於報告期間結算日的餘下合同到期日，乃基於合同非貼現現金流量(包括使用合同利率計算的利息款項或(倘屬浮動利率)按各報告期間結算日的現行利率)及本集團需要付款的最早日期得出：

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(b) Liquidity risk (continued)

28 金融風險管理及金融工具的公允價值(續)

(b) 流動資金風險(續)

		2022				
		Contractual undiscounted cash outflow				
		合同未貼現現金流出				
		More than	More than			Carrying
		1 year but	2 years but			amount
		less than	less than			at 31
		2 years	3 years	Total	December	
		一年內	超過一年			於12月31日
		或應要求	但少於兩年			的賬面值
		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
Non-derivative financial liabilities:	非衍生金融負債：					
Trade and bills payables	貿易應付款及應付票據	1,839,774	—	—	1,839,774	1,839,774
Accrued expenses and other payables measured at amortised cost	按攤銷成本計量的應計開支及其他應付款	1,106,809	—	—	1,106,809	1,094,074
Lease liabilities	租賃負債	—	570	1,567	2,137	1,932
Bank loans	銀行貸款	872,938	—	—	872,938	855,000
		2022				
		Contractual undiscounted cash (outflow)/inflow				
		合同未貼現現金(流出)/流入				
		Within	More than			Total
		1 year or on	1 year but			
		demand	less than			
		一年內	2 years			
		或應要求	超過一年			總計
		RMB'000	RMB'000			RMB'000
		人民幣千元	人民幣千元			人民幣千元
Derivatives settled gross:	已結算衍生工具總額：					
Other forward foreign exchange contracts:	其他遠期外匯合約：					
— outflow	— 流出		(123,417)	(10,635)		(134,052)
— inflow	— 流入		130,310	12,387		142,697

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(b) Liquidity risk (continued)

28 金融風險管理及金融工具的公允價值(續)

(b) 流動資金風險(續)

		2021				
		Contractual undiscounted cash outflow				
		合同未貼現現金流出				
		Within	More than	More than	Total	Carrying
		1 year or on	1 year but	2 years but		amount
		demand	less than	less than		at 31
		一年內	2 years	3 years		於 12 月 31 日
		或應要求	超過一年	超過兩年	總計	的賬面值
		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
Non-derivative financial liabilities:	非衍生金融負債：					
Trade and bills payables	貿易應付款及應付票據	1,824,425	—	—	1,824,425	1,824,425
Accrued expenses and other payables measured at amortised cost	按攤銷成本計量的應計開支及其他應付款	1,813,670	—	—	1,813,670	1,804,418
Lease liabilities	租賃負債	—	700	2,290	2,990	2,553
Bank loans	銀行貸款	586,744	394,289	—	981,033	950,000
<hr/>						
		2021				
		Contractual undiscounted cash (outflow)/inflow				
		合同未貼現現金(流出)/流入				
		Within	More than	More than	Total	
		1 year or on	1 year but	2 years but		
		demand	less than	less than		
		一年內	2 years	5 years		
		或應要求	超過一年	超過兩年	總計	
		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

Derivatives settled gross:	已結算衍生工具總額：					
Other forward foreign exchange contracts:	其他遠期外匯合約：					
— outflow	— 流出	(400,463)	(280,726)	(16,214)	(697,403)	
— inflow	— 流入	433,398	301,714	17,413	752,525	

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from interest bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively.

(i) Interest rate profile

The following table details the interest rate profile of the Group's bank borrowings at the end of the reporting period:

		2022		2021	
		Effective interest rate 實際利率	RMB'000 人民幣千元	Effective interest rate 實際利率	RMB'000 人民幣千元
Fixed rate borrowings:	固定利率借貸：				
Bank loans	銀行貸款	3.95%-7.80%	505,000	3.85%-7.80%	560,000
Variable rate borrowings:	浮動利率借貸：				
Bank loans	銀行貸款	4.20%-4.35%	350,000	4.35%	390,000
Total bank borrowings	銀行借貸總額		855,000		950,000
Fixed rate bank borrowings as a percentage of total bank borrowings	固定利率銀行借貸佔銀行借貸總額百分比		59%		59%

28 金融風險管理及金融工具的公允價值(續)

(c) 利率風險

利率風險指金融工具的公允價值或未來現金流將因市場利率變動而波動之風險。本集團之利率風險主要來自計息借貸。按浮動利率及固定利率發出的借貸分別令本集團承受現金流量利率風險及公允價值利率風險。

(i) 利率結構

下表詳述本集團銀行借貸於報告期末之利率結構：

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2022, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's accumulated losses of approximately RMB3.5 million (2021: approximately RMB3.9 million).

The sensitivity analysis above indicates the instantaneous change in the Group's profit/(loss) after tax and retained profits/(accumulated losses) assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to remeasure those non-derivative financial instruments held by the Group which expose the Group to cash flow interest rate risk at the end of the reporting period. The impact on the Group's profit/(loss) after tax and retained profits/(accumulated losses) is estimated as an annualised impact on interest expenses of such a change in interest rates. The sensitivity analysis is performed on the same basis for 2021.

28 金融風險管理及金融工具的公允價值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於2022年12月31日，估計倘利率整體增加／減少100個基點，而所有其他可變因素維持不變，本集團的累計虧損增加／減少約人民幣3.5百萬元（2021年：約人民幣3.9百萬元）。

上文的敏感度分析顯示本集團的稅後利潤／（虧損）及保留利潤／（累計虧損）的即時變動，假設利率的變動已於報告期末出現且已應用以重新計量本集團持有且令本集團於報告期末承受現金流量利率風險的非衍生金融工具。對本集團的稅後利潤／（虧損）及保留利潤／（累計虧損）的影響乃作為有關利率變動對利率開支的年度化影響予以估計。敏感度分析乃按與2021年相同的基準進行。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk

The Group is exposed to currency risk primarily through revenue from and costs incurred for contract work, purchases of imported materials which give rise to receivables, payables, inter-company payables and receivables within the Group, and cash balances that are denominated in a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily USD, Euro, SGD, AUD, GBP, CHF, RMB, HK\$ and Qatar riyal (“**QAR**”).

A significant portion of the Group’s business is overseas construction contracts, and these contracts are generally settled in currencies other than RMB. The Group uses forward foreign exchange contracts to minimise its exposure to currency risk arising therefrom.

(i) Hedges of foreign currency risk

The Group hedges portion of its foreign currency exposure in respect of revenue from overseas construction contracts and uses forward foreign exchange contracts to manage its currency risk until the settlement date of foreign currency receivables.

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險

本集團主要通過產生以與有關交易相關的業務之功能貨幣以外的貨幣計值的應收款、應付款、本集團內公司間應付款及應收款及現金結餘的合同工程收入、購買進口材料產生的成本承受貨幣風險。產生此項風險的貨幣主要為美元、歐元、新加坡元、澳元、英鎊、瑞士法郎、加元、人民幣、港元及卡塔爾利雅(「**卡塔爾利雅**」)。

本集團業務的重大部分為海外建築合同，而該等合同一般以人民幣以外的貨幣結算。本集團使用遠期外匯合約，藉以盡量減低其承受的貨幣風險。

(i) 對沖外幣風險

本集團對海外工程合同收入的部分外匯風險進行對沖，並使用遠期外匯合約管理其貨幣風險，直至外幣應收款項的結算日。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk (continued)

(i) Hedges of foreign currency risk

(continued)

The forward foreign exchange contracts are used to economically hedge forecast transactions, monetary assets and liabilities denominated in foreign currencies. Change in the fair value of the forward foreign exchange contracts is recognised in profit or loss (see Note 6(a)). At 31 December 2022, the net fair value of forward foreign exchange contracts was a gain of RMB8.5 million (31 December 2021: a gain of RMB54.5 million) recognised as derivative financial instruments.

In respect of the remaining receivables, payables and forecast transactions denominated in currencies other than the functional currency of the entity to which they relate, the Group ensures that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(i) 對沖外幣風險(續)

遠期外匯合約用於經濟對沖以外幣計價的預測交易、貨幣資產和負債。遠期外匯合約公允價值的變動計入損益(見附註6(a))。截至2022年12月31日，遠期外匯合約的淨公允價值為收益人民幣8.5百萬元(2021年12月31日：收益人民幣54.5百萬元)，確認為衍生金融工具。

就以相關實體功能貨幣以外的貨幣計值的其餘應收賬款、應付賬款及預期交易而言，本集團通過在必要時以即期匯率購買或出售外幣以處理短期不平衡情況，確保淨風險敞口維持於可接納水準。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk (continued)

(ii) Exposure to currency risk

The following tables detail the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rates at the end of the reporting period. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(ii) 承受的貨幣風險

下表詳述本集團於報告期末承受以與實體有關的功能貨幣以外貨幣計值的已確認資產或負債產生的貨幣風險。就呈列而言，涉及風險的金額乃以人民幣列示，使用於報告期末的現貨匯率換算，並不包括換算海外業務的財務報表為本集團的呈列貨幣產生的差額。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk (continued)

(ii) Exposure to currency risk (continued)

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(ii) 承受的貨幣風險(續)

		2022								
		USD	Euro	SGD	AUD	GBP	CHF	RMB	HK\$	QAR
		美元	歐元	新加坡元	澳元	英鎊	瑞士法郎	人民幣	港元	卡塔爾利雅
		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
Contract assets	合同資產	8,991	-	91	-	-	-	-	-	-
Trade and bills receivables	貿易應收款及應收票據	236,051	31,114	49,886	174,162	297,798	51,559	-	3,529	72,294
Deposits, prepayments and other receivables	按金、預付款及其他應收款	242,326	41,820	6,220	1,574	49,800	206,943	1,000	337,127	10,421
Cash and cash equivalents	現金及現金等價物	57,394	3,735	-	12	2,925	-	9	-	-
Trade and bills payables	貿易應付款及應付票據	(25,286)	(25,252)	(115)	-	(2,076)	(15,217)	-	-	-
Accrued expenses and other payables	應計開支及其他應付款	(234,682)	-	-	-	(13,746)	-	(1,019,734)	-	-
Gross exposure arising from recognised assets and liabilities		284,794	51,417	56,082	175,748	334,701	243,285	(1,018,725)	340,656	82,715
Notional amounts of forward foreign exchange contracts used as economic hedges	用作經濟對沖的遠期外匯合約名義金額	(44,396)	-	-	(1,657)	(62,116)	(15,841)	-	-	-
Net exposure arising from recognised assets and liabilities		240,398	51,417	56,082	174,091	272,585	227,444	(1,018,725)	340,656	82,715

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(d) Currency risk (continued)

(ii) Exposure to currency risk (continued)

		2021								
		USD	Euro	SGD	AUD	GBP	CHF	RMB	HK\$	QAR
		美元	歐元	新加坡元	澳元	英鎊	瑞士法郎	人民幣	港元	卡塔爾利雅
		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
Contract assets	合同資產	20,287	–	125	–	–	–	–	–	–
Trade and bills receivables	貿易應收款及應收票據	269,801	61,524	73,804	70,522	319,170	48,065	–	4,821	68,874
Deposits, prepayments and other receivables	按金、預付款及其他應收款	232,547	43,264	13,745	1,544	55,156	191,426	1,059	324,920	9,744
Cash and cash equivalents	現金及現金等價物	8,179	50,750	–	69	3,298	–	12	–	–
Trade and bills payables	貿易應付款及應付票據	(13,726)	(31,086)	–	–	(2,128)	(14,495)	–	–	–
Accrued expenses and other payables	應計開支及其他應付款	(223,834)	–	–	–	(14,765)	–	(1,051,315)	–	–
Gross exposure arising from recognised assets and liabilities		293,254	124,452	87,674	72,135	360,731	224,996	(1,050,244)	329,741	78,618
Notional amounts of forward foreign exchange contracts used as economic hedges		(11,476)	(32,489)	–	(46,654)	(147,455)	(20,235)	–	–	–
Net exposure arising from recognised assets and liabilities		281,778	91,963	87,674	25,481	213,276	204,761	(1,050,244)	329,741	78,618

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(ii) 承受的貨幣風險(續)

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk (continued)

(iii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's profit/(loss) after tax and retained profits/(accumulated losses) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(iii) 敏感度分析

下表顯示倘本集團於報告期末承受重大風險的外幣匯率於該日期有所變動，假設所有其他可變風險因素維持不變，本集團的稅後利潤／(虧損)及保留利潤／(累計虧損)的即時變動。

		2022		2021	
		Increase/ (decrease) in foreign exchange rates	Increase/ (decrease)/in profit after tax and decrease/ (increase) in accumulated losses 稅後利潤 增加／(減少) 及累計虧損 減少／(增加) RMB'000 人民幣千元	Increase/ (decrease) in foreign exchange rates	Decrease/ (increase)/ in loss after tax and increase/ (decrease) in retained profits 稅後虧損 減少／(增加) 及保留利潤 增加／(減少) RMB'000 人民幣千元
USD	美元	15% (15%)	34,969 (34,969)	5% (5%)	12,813 (12,813)
Euro	歐元	10% (10%)	3,892 (3,892)	15% (15%)	12,878 (12,878)
SGD	新加坡元	10% (10%)	5,608 (5,608)	10% (10%)	8,373 (8,373)
AUD	澳元	10% (10%)	17,409 (17,409)	20% (20%)	6,187 (6,187)
GBP	英鎊	15% (15%)	40,441 (40,441)	10% (10%)	23,538 (23,538)
CHF	瑞士法郎	10% (10%)	22,744 (22,744)	10% (10%)	20,780 (20,780)
RMB	人民幣	15% (15%)	152,809 (152,809)	10% (10%)	105,039 (105,039)
HK\$	港元	15% (15%)	51,098 (51,098)	5% (5%)	16,487 (16,487)
QAR	卡塔爾利雅	10% (10%)	8,115 (8,115)	5% (5%)	3,931 (3,931)

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(d) Currency risk (continued)

(iii) Sensitivity analysis (continued)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit/loss after tax and retained profits/(accumulated loss) measured in their respective functional currencies, translated into RMB at the exchange rates ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The sensitivity analysis is performed on the same basis for 2021.

28 金融風險管理及金融工具的公允價值(續)

(d) 貨幣風險(續)

(iii) 敏感度分析(續)

上表呈列的分析結果指合併本集團各實體以各自的功能貨幣計量的稅後利潤／虧損及保留利潤／(累計虧損)的即時影響，乃按報告期末適用的匯率換算為人民幣，以供呈列用途。

敏感度分析假設已應用外幣匯率的變動以重新計量本集團持有而令本集團於報告期末承受外幣風險的金融工具，包括以貸款人或借款人的功能貨幣以外的貨幣計值的本集團公司間應付款及應收款。分析不包括自換算海外業務的財務報表為本集團的呈列貨幣而產生的差額。敏感度分析乃按與2021年相同的基準進行。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(e) Fair value measurement

(i) Financial assets and liabilities measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in IFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

28 金融風險管理及金融工具的公允價值(續)

(e) 公允價值計量

(i) 按公允價值計量的金融資產及負債

公允價值層級

下表載列根據國際財務報告準則第13號公允價值計量，定期於報告期結算日計量本集團金融工具之公允價值分類為三個公允價值層級。參考按估值方法所輸入數據的可觀察性及重要性作以下級別釐定：

- 第1層估值：僅使用第1層輸入數據(即計量日期當日相同資產或負債活躍市場上的未經調整報價)計量的公允價值。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

28 金融風險管理及金融工具的公允價值(續)

(e) 公允價值計量(續)

(i) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

- 第2層估值：使用第2層輸入數據(即不符合第1層標準的可觀察數據)計量的公允價值，且不會使用重大不可觀察輸入數據。不可觀察輸入數據為未能取得市場數據的輸入數據。
- 第3層估值：使用重大不可觀察輸入數據計量的公允價值。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

28 金融風險管理及金融工具的公允價值(續)

(e) 公允價值計量(續)

(i) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

Fair value measurements as at 31 December 2022		Fair value measurements as at 31 December 2021
categorised into		categorised into
Level 1	Level 2	Level 1
第1級	第2級	第1級
RMB'000	RMB'000	RMB'000
人民幣千元	人民幣千元	人民幣千元

Recurring fair value measurements 經常性公允價值計量

Assets:	資產：			
Investment in securities	投資證券	9,682	-	-
Derivative financial instruments:	衍生金融工具			
- Forward exchange contracts	- 遠期外匯合約	-	9,549	54,514
Liabilities:	負債：			
Derivative financial instruments:	衍生金融工具			
- Forward exchange contracts	- 遠期外匯合約	-	999	-

During the year ended 31 December 2022, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於截至2022年12月31日止年度，第1層及第2層之間，或轉入或轉出第3層概無轉撥項目。本集團之政策為於其產生之報告期末確認公允價值層級之間的轉撥項目。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

28 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of forward foreign exchange contracts in Level 2 is determined by discounting the contractual forward price and deducting the current forward rate. The discount rate used is derived from Shibor Swap curve as at the end of the reporting period.

The fair values of the investment in securities are included in the Level 1 category, which have been derived from the quoted prices (unadjusted) in an active market.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values at 31 December 2022 and 2021.

28 金融風險管理及金融工具的公允價值(續)

(e) 公允價值計量(續)

(i) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

於第2層的公允價值計量所用的估值技術及輸入數據

遠期外匯合約的公允價值(第2層)是通過將遠期合約匯率扣除當前遠期匯率後貼現計算。貼現率乃自於報告期末上海銀行間同業拆借利率。

第1層級中，證券投資的公允價值是按照來自於活躍市場的報價(未調整)計量。

(ii) 並非按公允價值列賬的金融資產及負債的公允價值

於2022年及2021年12月31日，本集團按成本或攤銷成本列賬的金融工具賬面值與其公允價值並無重大差異。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

29 COMMITMENTS

(a) Capital commitments

At 31 December 2022, the outstanding capital commitments of the Group not provided for in the consolidated financial statements were as follows:

Commitments in respect of buildings, machinery and equipment	就樓宇、機器及設備的承擔
— Contracted for	— 已訂約

As at 31 December 2022, the Group has not committed to enter into any lease contract that is not yet commenced.

29 承擔

(a) 資本承擔

於2022年12月31日，於合併財務報表中並未撥備之本集團未償還資本承擔如下：

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

35,026	35,026
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截至2022年12月31日，本集團尚未簽約任何並未開始執行的租賃合同。

30 CONTINGENT LIABILITIES

(a) Guarantees issued

At 31 December 2022, the Group has issued the following guarantees:

Guarantees for construction contracts' bidding, performance and retentions	建築合同投標、履約及保留金的擔保
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As of the end of the reporting period, the directors of the Company do not consider it probable that a claim in excess of the provision for warranties provided by the Group will be made against the Group under any of the guarantees. The maximum liability of the Group as of the end of the reporting period under the guarantees issued is the amount disclosed above.

30 或然負債

(a) 已發出擔保

於2022年12月31日，本集團已發出下列擔保：

2022	2021
RMB'000	RMB'000
人民幣千元	人民幣千元

558,422	749,875
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於報告期末，本公司董事認為將不可能出現根據任何擔保對本集團提出超過本集團所提供的保修撥備的申索。本集團於報告期末根據已發出擔保的最高責任為上文所披露的金額。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

30 CONTINGENT LIABILITIES (continued)

(b) Contingent liabilities in respect of legal claims

- (i) In December 2009, Shenyang Yuanda and Yuanda India, both wholly-owned subsidiaries of the Group, jointly received a notice that they are being sued by a former sub-contractor in India in respect of Shenyang Yuanda's and Yuanda India's non-performance of the terms as stipulated in the sub-contract agreement entered into between Shenyang Yuanda and this former sub-contractor. Shenyang Yuanda has made a counterclaim against this sub-contractor for non-performance of the sub-contract agreement. On 30 September 2016, a first instance court judgement has been rendered in favour of Shenyang Yuanda and Yuanda India and pursuant to which the former sub-contractor shall pay to Shenyang Yuanda and Yuanda India damages in the amount of INR81.8 million (equivalent to approximately RMB6.9 million) plus accrued interest.

30 或然負債(續)

(b) 有關法律申索的或然負債

- (i) 於2009年12月，本集團兩家全資附屬公司瀋陽遠大及遠大印度共同接獲通知，指彼等被印度的前分包商就瀋陽遠大及遠大印度不履行瀋陽遠大與此前分包商訂立的分包協議所訂明的條款提出起訴。瀋陽遠大亦已就此分包商未有履行分包商協議提出反申索。於2016年9月30日，原訟法庭已判瀋陽遠大及遠大印度勝訴及根據該判決，此前分包商須向瀋陽遠大及遠大印度支付損失金額81.8百萬印度盧比(約等於人民幣6.9百萬元)加應計利息。

Notes to the Consolidated Financial Statements (continued) 合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

30 CONTINGENT LIABILITIES (continued)

(b) Contingent liabilities in respect of legal claims
(continued)

(i) (continued)

The former sub-contractor and Shenyang Yuanda and Yuanda India later on filed appeals and as at the date of these financial statements, the lawsuit is under reviewed before the Hon'ble High Court of Delhi. If Shenyang Yuanda and Yuanda India are found to be liable, the total expected monetary compensation may amount to approximately INR1,410.8 million (equivalent to approximately RMB118.6 million) plus accrued interest. Shenyang Yuanda and Yuanda India deny any liability in respect of the appeal filed by the former sub-contractor and, based on legal advice, the directors of the Company do not believe it is probable that the court will find against Shenyang Yuanda and/or Yuanda India. No provision has therefore been made in respect of this claim.

30 或然負債(續)

(b) 有關法律申索的或然負債
(續)

(i) (續)

此前分包商與瀋陽遠大及遠大印度其後提出上訴，而於本財務報告日期，訴訟正於德里Hon'ble高等法院審理。倘瀋陽遠大及遠大印度被裁定須負上責任，預期金錢補償總額可能約達1,410.8百萬印度盧比（約等於人民幣118.6百萬元）加應計利息。瀋陽遠大及遠大印度否認有關此前分包商的提出的上訴，而根據法律意見，本公司董事並不相信法庭會判決瀋陽遠大及／或遠大印度敗訴，故並無就此項申索計提撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

30 CONTINGENT LIABILITIES (continued)

(b) Contingent liabilities in respect of legal claims
(continued)

- (ii) In 2022, A wholly-owned subsidiary of the Group, Yuanda (UK) Co., Ltd (“**Yuanda UK**”) received a notice that Yuanda UK together with other various parties were being sued by Crest Nicholson in United Kingdom relating to defects of Admiralty Quarter development. Yuanda UK was the glazing sub-contractor for one building constructed by Ardmore Construction Limited, the main contractor. The Crest Nicholson estimated total cost for remedial works required to address all the defects amounting to GBP24.0 million (equivalent to approximately RMB201.5 million). Based on the confirmation with professional indemnity insurers of Yuanda UK, this claim falls for cover under the professional indemnity policy agreed between the insurer and Yuanda UK, but the coverage of the amount was not able to determine as the resulting loss allocated to Yuanda UK has not been determined. Thus, the directors of the Company cannot reliably estimate the remaining compensation borne by Yuanda UK. No provision in this regard has therefore been made.

30 或然負債(續)

(b) 有關法律申索的或然負債
(續)

- (ii) 於2022年，本集團的全資附屬公司遠大英國有限公司(「**遠大英國**」)接獲通知，指遠大英國連同其他各方被英國Crest Nicholson就Admiralty Quarter開發的缺陷提出起訴。遠大英國為總承包商Ardmore Construction Limited建造的一幢樓宇的玻璃分包商。Crest Nicholson估計解決所有缺陷所需的補救工程總成本為24.0百萬英鎊(約合人民幣201.5百萬元)。根據與英國遠大的專業彌償保險公司的確認，該索賠屬於保險公司與英國遠大協定的專業彌償保單下的承保範圍，但由於分配至英國遠大的損失尚未確定，故無法確定該金額的承保範圍。因此，本公司董事無法可靠估計遠大英國所承擔的餘下補償。因此，並無就此作出撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

30 CONTINGENT LIABILITIES (continued)

- (b) Contingent liabilities in respect of legal claims (continued)
- (iii) In addition to the lawsuit mentioned in Note 30(b)(i) and Note 30(b)(ii), certain subsidiaries of the Group are named defendants on other lawsuits, arbitrations or tax disputes in respect of construction work carried out by them. As at the date of these financial statements, these lawsuits, arbitrations and disputes are under reviewed before courts, arbitrators or tax bureaus. If these subsidiaries are found to be liable, the total expected monetary compensation may amount to approximately RMB285.3 million, of which RMB22.5 million has already been provided for and the Group's bank deposits and other deposits of RMB74.3 million at 31 December 2022 was frozen by courts or insurance companies for certain of these lawsuits or disputes. Based on legal advice and assessment from the directors of the Company on these lawsuits, arbitrations or tax disputes, the directors of the Company do not believe it is probable that the courts or arbitrators will find against these subsidiaries of the Group on these lawsuits, arbitrations and tax disputes.

30 或然負債(續)

- (b) 有關法律申索的或然負債(續)
- (iii) 除於附註30(b)(i)及附註30(b)(ii)所述的訴訟外，本集團若干附屬公司被指控為有關建築工程的其他訴訟，仲裁或稅務糾紛的被告人。於本財務報告日期，上述訴訟，仲裁及糾紛正由法院，仲裁員及稅務員審理。倘該等附屬公司被裁定須負上責任，預期金錢補償總額約達人民幣285.3百萬元，其中已計提人民幣22.5百萬元，於2022年12月31日集團銀行存款及其他賬戶中人民幣74.3百萬元已因法律訴訟或糾紛被法院或保險公司凍結。根據該等訴訟和仲裁法律意見及本公司董事評估，本公司董事並不相信該等法院或仲裁員會就該等訴訟、仲裁判或稅務糾紛決本集團的該等附屬公司敗訴。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

30 CONTINGENT LIABILITIES (continued)

(c) Contingent compensation payable

In July 2016, it was reported that certain construction materials supplied by the Group was found to contain asbestos in two construction projects in Australia. The Group is cooperating with relevant authorities on investigation into the reason for the reported cases. As at the date of these financial statements, asbestos was not found in other projects constructed by the Group and there was no related legal action against the Group in Australia. As the investigation is yet to be completed and claims against the Group from contractors have not been quantified, the directors of the Company cannot reliably estimate the repair cost and potential compensation for projects found with asbestos. No provision in this regard has therefore been made.

30 或然負債(續)

(c) 應付或然補償

於2016年7月，據報告，本集團供應的澳洲兩個建築項目的若干建築材料被發現含有石棉。本集團正與有關機構合作調查所報告案件的原因。於本財務報告日期，於本集團建造的其他項目中並未發現石棉且於澳洲國內並無針對本集團的相關法律行動。由於調查尚未完成及總包商對本集團提起的申索尚未量化，本公司董事不能可靠估計被發現含有石棉的項目的維修成本及潛在補償。因此，並無就此作出撥備。

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

31 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

31 公司層面的財務狀況表

		2022	2021
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		Note	
		附註	
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司的權益	2,143,574	1,998,020
Current assets	流動資產		
Prepayments and other receivables	預付款項及其他應收款	1,015	342
Cash and cash equivalents	現金及現金等價物	286	1,557
		1,301	1,899
Current liabilities	流動負債		
Accrued expenses and other payables	應計開支及其他應付款	1,133,412	1,033,572
Net current liabilities	流動負債淨額	(1,132,111)	(1,031,673)
NET ASSETS	淨資產	1,011,463	966,347
CAPITAL AND RESERVES	資本及儲備	26	
Share capital	股本	519,723	519,723
Reserves	儲備	491,740	446,624
TOTAL EQUITY	總權益	1,011,463	966,347

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2022

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, and a new standard, IFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2022 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

32 截至2022年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋可能造成的影響

截至該等財務報表刊發日期，國際會計準則委員會已頒佈於截至2022年12月31日止年度尚未生效的多項修訂及一項新準則(國際財務報告準則第17號，*保險合約*)，並無於該等財務報表內採納。該等修訂包括可能與本集團有關之以下各項。

	Effective for accounting periods beginning on or after 於以下日期或之後 開始之會計期間生效
IFRS 17, <i>Insurance contracts</i> and amendments to IFRS 17, <i>Insurance contracts</i> 國際財務報告準則第17號， <i>保險合約</i> 及國際財務報告準則第17號(修訂本)， <i>保險合約</i>	1 January 2023 2023年1月1日
Amendments to IAS 1 and IFRS Practice Statement 2, <i>Disclosure of accounting policies</i> 國際會計準則第1號(修訂本)及國際財務報告準則實務報告第2號(修訂本)， <i>會計政策披露</i>	1 January 2023 2023年1月1日
Amendments to IAS 12, <i>Deferred tax related to assets and liabilities arising from a single transaction</i> 國際會計準則第12號(修訂本)， <i>與單一交易產生的資產及負債相關的遞延稅項</i>	1 January 2023 2023年1月1日
Amendments to IAS 8, <i>Definition of accounting estimates</i> 國際會計準則第8號(修訂本)， <i>會計估計的定義</i>	1 January 2023 2023年1月1日
Amendments to IAS 1, <i>Classification of liabilities as current or non-current</i> 國際會計準則第1號(修訂本)， <i>將負債分類為流動或非流動</i>	1 January 2024 2024年1月1日
Amendments to IAS 1, <i>Non-current liabilities with covenants</i> 國際會計準則第1號(修訂本)， <i>附帶契諾的非流動負債</i>	1 January 2024 2024年1月1日
Amendments to IFRS 16, <i>Lease Liability in a sale and Leaseback</i> 國際財務報告準則第16號， <i>售後租回之租賃負債</i>	1 January 2024 2024年1月1日
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i> 國際財務報告準則第10號及國際會計準則第28號(修訂本)， <i>投資者與其聯營公司或合營企業之間的資產出售或出資</i>	To be determined 待釐定

Notes to the Consolidated Financial Statements (continued)

合併財務報表附註(續)

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

32 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2022 (continued)

Based on the assessment on the impact of these developments, so far, the Group has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

33 IMMEDIATE HOLDING COMPANY AND ULTIMATE HOLDING PARTY

The directors of the Company consider the immediate holding company of the Company as at 31 December 2022 to be Best Outlook Limited, which is incorporated in the British Virgin Islands and the ultimate holding party of the Company as at 31 December 2022 to be the Controlling Shareholder. The immediate holding entity does not produce financial statements available for public use.

32 截至2022年12月31日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋可能造成的影響(續)

基於對該等修訂影響的評估，目前，本集團對採納新準則修訂已有結論，並認為其採納不大可能對綜合財務報表帶來重大影響。

33 直接控股公司及最終控股方

截至2022年12月31日，本公司董事確定本公司的直接控股公司為佳境有限公司，該公司在英屬維爾京群島註冊成立，截至2022年12月31日止，本公司的最終控股方是控股股東。該直接控股公司不編製可供公眾使用的財務報表。

Five Year Financial Summary

五年財務摘要

(Expressed in RMB unless otherwise indicated)
(除另有指明外，以人民幣為單位)

		2022 2022年 RMB'000 人民幣千元	2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元
Results	業績					
Revenue	收入	3,263,601	3,055,262	2,735,572	4,041,253	4,615,704
(Loss)/profit from operations	經營(虧損)/利潤	(38,749)	(838,774)	(363,080)	338,541	222,929
Finances costs	融資成本	147,354	(102,860)	(227,642)	(142,523)	(68,767)
Profit/(loss) before taxation	稅前利潤/(虧損)	108,605	(941,634)	(590,722)	196,018	154,162
Income tax	所得稅	(36,476)	(54,195)	(99,903)	(106,198)	(65,991)
Profit/(loss) for the year	年內利潤/(虧損)	72,129	(995,829)	(690,625)	89,820	88,171
Attributable to:	以下人士應佔:					
Equity shareholders of the Company	本公司權益	72,129	(995,829)	(690,625)	89,820	79,119
Non-controlling interests	非控股權益	—	—	—	—	9,052
Profit/(loss) for the year	年內利潤/(虧損)	72,129	(995,829)	(690,625)	89,820	88,171
Assets and liabilities	資產及負債					
Non-current assets	非流動資產	892,186	916,939	1,000,387	1,134,011	1,355,031
Current assets	流動資產	5,006,845	5,863,411	7,376,081	8,399,134	8,706,332
Current liabilities	流動負債	4,699,009	5,049,674	5,686,072	6,624,937	7,048,236
Net current assets	流動資產淨值	307,836	813,737	1,690,009	1,774,197	1,658,096
Total assets less current liabilities	總資產減流動負債	1,200,022	1,730,676	2,690,396	2,908,208	3,013,127
Non-current liabilities	非流動負債	188,559	578,678	589,644	176,513	305,000
NET ASSETS	淨資產	1,011,463	1,151,998	2,100,752	2,731,695	2,708,127
Capital and reserves	資本及儲備					
Share capital	股本	519,723	519,723	519,723	519,723	519,723
Reserves	儲備	491,740	632,275	1,581,029	2,211,972	2,188,404
Total equity attributable to equity shareholders of the Company	本公司股東應佔權益總額	1,011,463	1,151,998	2,100,752	2,731,695	2,708,127
Non-controlling interests	非控股權益	—	—	—	—	—
TOTAL EQUITY	總權益	1,011,463	1,151,998	2,100,752	2,731,695	2,708,127



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