



TIAN CHANG GROUP HOLDINGS LTD. 天長集團控股有限公司

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

Stock Code 股份代號 : 2182

INTERIM
REPORT
中期報告
2023



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Tsan Lam (*Chairman*)
Ms. Poon Po Han Lisa
Ms. Chan Yin Yan

Independent Non-Executive Directors

Mr. Ng Chi Wai
Mr. Hung Chun Leung
Mr. Chan Bing Kai

COMPANY SECRETARY

Ms. Poon Po Han Lisa

AUTHORISED REPRESENTATIVES

Mr. Chan Tsan Lam
Ms. Poon Po Han Lisa

AUDIT COMMITTEE

Mr. Ng Chi Wai (*Chairman*)
Mr. Hung Chun Leung
Mr. Chan Bing Kai

REMUNERATION COMMITTEE

Mr. Chan Bing Kai (*Chairman*)
Mr. Chan Tsan Lam
Mr. Ng Chi Wai

NOMINATION COMMITTEE

Mr. Chan Tsan Lam (*Chairman*)
Mr. Hung Chun Leung
Mr. Ng Chi Wai

REGISTERED OFFICE

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

WEBSITE OF THE COMPANY

www.hktcgroup.com

PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA ("PRC")

2 XingDe East Road
Dongjiang High New Technology
Industrial Park, Zhongkai Hi-Tech District
Huizhou City, Guangdong Province
China

董事會

執行董事

陳燦林先生(*主席*)
潘寶嫻女士
陳燕欣女士

獨立非執行董事

吳志偉先生
洪俊良先生
陳秉階先生

公司秘書

潘寶嫻女士

授權代表

陳燦林先生
潘寶嫻女士

審核委員會

吳志偉先生(*主席*)
洪俊良先生
陳秉階先生

薪酬委員會

陳秉階先生(*主席*)
陳燦林先生
吳志偉先生

提名委員會

陳燦林先生(*主席*)
洪俊良先生
吳志偉先生

註冊辦事處

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

公司網站

www.hktcgroup.com

中華人民共和國(「中國」) 主要營業地點

中國
廣東省惠州市
仲愷高新區東江高科技產業園
興德東路2號

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Workshop Unit 6
13th Floor, Block B
Hoi Luen Industrial Centre
55 Hoi Yuen Road
Kwun Tong
Hong Kong

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Mazars CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
42nd Floor, Central Plaza
18 Harbour Road
Wanchai, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

Adrian Lau & Yim Lawyers
Units 610-611, 6/F, Tower 2,
Lippo Centre, 89 Queensway,
Admiralty, Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
Dah Sing Bank Limited
Bank of Communications Co., Ltd.

STOCK CODE

2182

香港總部及主要營業地點

香港
觀塘
開源道 55 號
開聯工業中心
B 座 13 樓
6 室

香港股份過戶登記處

卓佳證券登記有限公司
香港
夏慤道 16 號
遠東金融中心 17 樓

開曼群島股份過戶登記總處

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

核數師

中審眾環(香港)會計師事務所有限公司
執業會計師
註冊公眾利益實體核數師
香港灣仔
港灣道 18 號
中環廣場 42 樓

香港法律的法律顧問

劉永雄・嚴穎欣律師事務所
香港金鐘
金鐘道 89 號力寶中心
二座 6 樓 610-611 室

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
大新銀行有限公司
交通銀行股份有限公司

股份代號

2182

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group operates its business through three segments, namely integrated plastic solutions segment, electronic cigarette (the “e-cigarettes”) products segment and medical consumable products segment. The integrated plastic solutions segment engages in mould design and fabrication services as well as plastic component design and manufacturing services. The e-cigarettes products segment engages in the manufacturing and sales of e-cigarettes products. The Group’s medical consumable products segment engages in the manufacturing and sales of disposable face masks products under our own brand name of “CAREWE”. The Group distributes our products within the domestic market and to overseas markets, including Europe, Asia and the United States (the “U.S.”).

During the first half of 2023, there were a series of challenges affecting the macroeconomy and consumer confidence, including the escalation of Russia-Ukraine war, the continuing of high inflation rate for necessities, the trend of rising interest rates and the fall of certain banks in the U.S. and Europe. In addition, as disclosed on the announcement dated 14 March 2022 and 14 June 2023, the exclusivity term between the major customer of e-cigarette products was removed (“**Exclusivity**”). Therefore, the number of sales orders for e-cigarettes products was affected. The Group recorded a decrease in both revenue and profit after tax during the six months ended 30 June 2023.

During the six months ended 30 June 2023, the Group’s total revenue amounted to approximately HK\$400.9 million, representing a decrease of approximately 29.8% compared to the same period last year (30 June 2022: HK\$571.4 million). The Group recorded a gross profit of approximately HK\$80.0 million (30 June 2022: HK\$119.3 million) with a gross profit margin of approximately 20.0% (30 June 2022: 20.9%).

The Group recorded a profit for the six months ended 30 June 2023 attributable to equity holders of the Company of approximately HK\$20.6 million (30 June 2022: HK\$48.6 million). Basic earnings per share attributable to equity holders of the Company were approximately 3.33 HK cents (30 June 2022: 7.84 HK cents).

Integrated Plastic Solutions

Revenue from the integrated plastic solutions business division was mainly derived from (i) the design and fabrication of plastic injection moulds; and (ii) design and manufacturing of plastic components employing the plastic injection moulds fabricated internally or by our subcontractors.

業務回顧

本集團通過三個分部經營業務，即一體化注塑解決方案分部、電子煙(「電子煙」)產品分部及醫療消耗品分部。一體化注塑解決方案分部從事模具設計及製作服務以及注塑組件設計及製造服務。電子煙產品分部從事製造及銷售電子煙產品。本集團的醫療消耗品分部以我們的自有品牌「CAREWE」從事製造及銷售即棄口罩產品。本集團將我們的產品分銷至國內市場及海外市場，包括歐洲、亞洲及美國(「美國」)。

於2023年上半年，宏觀經濟及消費者信心受到一系列挑戰影響，包括俄烏戰爭升級、必需品通脹率居高不下、持續加息及歐美的若干銀行倒閉。此外，如日期為2022年3月14日及2023年6月14日的公告所披露，電子煙產品主要客戶之間的獨家權(「獨家權」)條款已被取消。因此，電子煙產品的銷售訂單數量受到了影響。截至2023年6月30日止六個月，本集團錄得收益及除稅後溢利減少。

截至2023年6月30日止六個月，本集團的總收益約為400.9百萬港元，較去年同期減少約29.8%(2022年6月30日：571.4百萬港元)。本集團錄得毛利約80.0百萬港元(2022年6月30日：119.3百萬港元)，毛利率約20.0%(2022年6月30日：20.9%)。

本集團錄得本公司權益持有人應佔截至2023年6月30日止六個月溢利約20.6百萬港元(2022年6月30日：48.6百萬港元)。本公司權益持有人應佔每股基本溢利約為3.33港仙(2022年6月30日：7.84港仙)。

一體化注塑解決方案

一體化注塑解決方案業務分部的收益主要來自(i)注塑模具的設計及製作；及(ii)藉助內部或分包商製作的注塑模具進行注塑組件的設計及製造。

The Group is able to specifically engineer and fabricate, with cavities plastic injection moulds, to shape the plastic components in accordance with the desired and customised design, features and specifications. The Group has the technical capabilities to fabricate moulds that meet the MT1 precision level as defined by the "National Standard of the People's Republic of China GB/T14486- 2008-Dimensional Tolerances for Moulded Plastic Parts" (中華人民共和國國家標準GB/T14486-2008-塑料模塑件尺寸公差) which is the highest precision level under the national guidelines. By utilising the plastic injection process and applying the plastic injection moulds fabricated by the Group or, in limited cases, external subcontractors, the Group manufactures plastic components for office furniture, office electronic products, home appliances, communication products, automobiles, solar system and pool cleaners.

Manufacturing of e-cigarette products

The Group manufactures e-cigarettes products as an original equipment manufacturer ("OEM") and sells to overseas and the People's Republic of China (the "PRC"). Such e-cigarette products include disposable e-cigarettes, refillable e-cigarettes, battery rods, clearomisers, liquidpods and heated tobacco device. As disclosed on the announcement dated 14 March 2022, the restrictive clause for accepting the order from other customer in manufacturing the products which is similar or competing to the products manufacturing for the well-known tobacco group customer had been cancelled. The Group obtained the Tobacco Monopoly Production Enterprise License issued by the State Tobacco Monopoly Administration of the People's Republic of China in respect of OEM with validity period from 28 June 2022 to 30 June 2023. In 2023, the Group has further extended the license for two years.

Manufacturing of medical consumable products

The Group manufactures disposable face masks by utilising the cleanroom facilities in the Group's production plant in Huizhou and acquiring disposable face mask production machines since 2020, as disclosed in the announcement of the Company dated 7 July 2020.

The cleanroom facility in Huizhou has been certified in compliance with the cleanroom standard of ISO14644-1:2015 Class 8, as recognised by the U.S. National Environmental Balancing Bureau. The manufacturing quality system has also fulfilled the standard of EN ISO13485:2016 Medical Devices-Quality Management Systems as certified by the Société Générale de Surveillance S.A. ("SGS"). In addition, the Group has been granted Medical Device Manufacturing Enterprise License (醫療器械生產許可證) on medical device production issued by the National Medical Products Administration in the PRC.

本集團能根據所需成型或定制注塑組件的設計、特點及規格特別設計及製作注塑模具及其型腔。本集團有相關技術能力，所製作的模具能達到《中華人民共和國國家標準GB/T14486-2008—塑料模塑件尺寸公差》所界定的國家指引項下最高級精密等級MT1精密等級。本集團藉助注塑工序及應用由本集團或(在少數情況下)外部分包商所製作的注塑模具製造辦公傢俱、辦公電子產品、家用電器、通訊產品、汽車、太陽能系統及泳池清潔器所需的注塑組件。

電子煙產品的製造

本集團作為原始設備製造商("OEM")從事製造電子煙產品並銷往海外及中華人民共和國("中國")。有關電子煙產品包括一次性電子煙、可注油電子煙、電池桿、霧化器、蒸汽煙及加熱煙裝置。如日期為2022年3月14日的公告所披露，有關從其他客戶承接與知名煙草集團客戶之產品相似或構成競爭產品的訂單限制條款已被取消。本集團已取得由中華人民共和國國家煙草專賣局就OEM頒發的煙草專賣生產企業許可證，有效期自2022年6月28日至2023年6月30日。於2023年，本集團已將有關許可證再延長兩年。

醫療消耗品的製造

如本公司日期為2020年7月7日的公告所披露，本集團自2020年起透過使用本集團於惠州製造廠的潔淨廠房設施及購入即棄口罩生產機器生產即棄口罩。

位於惠州的潔淨廠房設施已取得獲美國國家環境平衡局認可的潔淨廠房標準ISO14644-1:2015 Class 8認證。製造質量體系亦符合經Société Générale de Surveillance S.A. ("SGS") 認證的EN ISO13485:2016醫療器械—質量管理系統規範。此外，本集團已獲中國國家藥品監督管理局就醫療器械生產頒發醫療器械生產許可證。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The procedure face masks have been tested and proved to be meeting up to the standard of ASTM F2100 Level 3 in the U.S. and the standard of EN14683 Type IIR in Europe. Apart from the procedure face masks, the Group also developed face masks with higher level of protection, such as particulate face masks – KN95 and FFP2. The particulate face masks – KN95, has passed the requirements of GB2626-2016 standard in the PRC and NIOSH N95 – Pre-Certification Test issued by the ICS Laboratories in the U.S. In addition, the particulate face masks – FFP2, has also passed the requirements of EN 149:2001+A1:2009 standard, credited as FFP2 NR protective respirator, and certified with CE Mark (through SGS Fimko Oy, Notified Body #0598) granted by the SGS. Furthermore, the Group has obtained the Section 510(k) premarket notification (“PMN”) clearance from the United States Food and Drug Administration (“FDA”) in August 2022 on our surgical particulate face masks – N95 and FFP2, indicating that our particulate face mask products are safe and effective to be used in medical and surgical situation. And they can be legally sold and marketed in the U.S..

FINANCIAL REVIEW

Revenue

Revenue for the six months ended 30 June 2023 was approximately HK\$400.9 million, representing a decrease of approximately HK\$170.5 million, or approximately 29.8%, from approximately HK\$571.4 million for the same period in 2022.

The integrated plastic solutions segment revenue for the six months ended 30 June 2023 was approximately HK\$318.6 million, accounting for approximately 79.5% of our total revenue and representing an increase of approximately HK\$56.3 million, or approximately 21.5%, from segment revenue of approximately HK\$262.3 million for the same period in 2022. This was primarily because sales orders from the Group’s major customers increased during the period.

The e-cigarettes products segment revenue for the six months ended 30 June 2023 was approximately HK\$81.9 million, accounting for approximately 20.4% of our total revenue and representing a decrease of approximately HK\$223.8 million, or approximately 73.2%, from segment revenue of approximately HK\$305.7 million for the same period in 2022. This decrease was mainly due to the removal of the Exclusivity, orders for e-cigarettes products decreased during the period.

醫用口罩已經過測試，結果符合美國的ASTM F2100 Level 3標準及歐洲的EN14683 Type IIR標準。除醫用口罩外，本集團亦開發了更多防護等級更高的口罩，如防顆粒摺疊口罩—KN95和FFP2。防顆粒摺疊口罩—KN95已通過中國GB2626-2016標準規定及美國ICS實驗室頒發的NIOSH N95—認證前測試。此外，防顆粒摺疊口罩—FFP2亦已通過EN 149:2001+A1:2009標準規定，獲認證為FFP2 NR防護呼吸器，並獲得SGS授予的CE標誌(通過SGS Fimko Oy，公告機構號#0598)。再者，本集團的醫用防顆粒摺疊口罩—N95及FFP2於2022年8月取得美國食品藥品管理局(「FDA」)的510(k)上市前通知審核批准(「PMN」)，表明我們的防顆粒摺疊口罩產品可安全有效地用作醫療及外科手術用途。並且，它們可在美國合法出售及銷售。

財務回顧

收益

截至2023年6月30日止六個月的收益約為400.9百萬港元，較2022年同期約571.4百萬港元減少約170.5百萬港元或約29.8%。

截至2023年6月30日止六個月，一體化注塑解決方案的分部收益約為318.6百萬港元，佔總收益約79.5%，較2022年同期的分部收益約262.3百萬港元增加約56.3百萬港元或約21.5%。此乃主要由於期內來自本集團主要客戶的銷售訂單增加。

截至2023年6月30日止六個月，電子煙產品分部收益約為81.9百萬港元，佔總收益約20.4%，較2022年同期的分部收益約305.7百萬港元減少約223.8百萬港元或約73.2%。該減少主要是由於期內取消獨家權，電子煙產品訂單減少。

The medical consumable products segment revenue for the six months ended 30 June 2023 was approximately HK\$0.4 million, accounting for approximately 0.1% of our total revenue and representing a decrease of approximately HK\$3.0 million, or approximately 88.2%, from segment revenue of approximately HK\$3.4 million for the same period in 2022. The decrease was resulted from the cancellation of the mandatory mask-wearing requirements in Hong Kong during the period, which affected the number of orders for medical consumable products sold.

Gross Profit

Gross profit for the six months ended 30 June 2023 was approximately HK\$80.0 million (30 June 2022: HK\$119.3 million), representing a gross profit margin of 20.0% (30 June 2022: 20.9%).

Gross profit for integrated plastic solutions for the six months ended 30 June 2023 was approximately HK\$69.9 million (30 June 2022: HK\$61.7 million), representing a gross profit margin of 21.9% (30 June 2022: 23.5%). The decrease in gross profit margin was primarily contributed by the change of product mix of which the products are of lower profit margin.

Gross profit for e-cigarettes products for the six months ended 30 June 2023 was approximately HK\$10.1 million (30 June 2022: HK\$57.4 million), representing a gross profit margin of 12.3% (30 June 2022: 18.8%). During the period, sales volume decreased. The fixed overhead per unit sold is thus higher and lowered the gross profit margin. In addition, there was a change of product mix of which the products are of lower profit margin.

Gross profit for medical consumable products for the six months ended 30 June 2023 was approximately HK\$19,000 (30 June 2022: HK\$195,000), representing a gross profit margin of 4.8% (30 June 2022: 5.7%).

Other Income

Other income for the six months ended 30 June 2023 were approximately HK\$3.8 million, which was similar to that for the six months ended 30 June 2022 of approximately HK\$4.2 million.

Selling and Distribution Costs

Selling and distribution costs for the six months ended 30 June 2023 were approximately HK\$2.4 million, representing a decrease of approximately HK\$0.7 million or approximately 22.6% from that for the same period in 2022 of HK\$3.1 million. The decrease was primarily due to the decrease in sales volume during the period.

截至2023年6月30日止六個月，醫療消耗品分部收益約為0.4百萬港元，佔總收益約0.1%，較2022年同期的分部收益約3.4百萬港元減少約3.0百萬港元或約88.2%。該減少乃由於期內香港取消了強制佩戴口罩的規定，從而影響了醫療消耗品的銷售訂單數量。

毛利

截至2023年6月30日止六個月，毛利約為80.0百萬港元(2022年6月30日：119.3百萬港元)，毛利率為20.0%(2022年6月30日：20.9%)。

截至2023年6月30日止六個月，一體化注塑解決方案的毛利約為69.9百萬港元(2022年6月30日：61.7百萬港元)，毛利率為21.9%(2022年6月30日：23.5%)。毛利率下降主要是由於產品組合的變化，該組合中的產品利潤率較低。

截至2023年6月30日止六個月，電子煙產品的毛利約為10.1百萬港元(2022年6月30日：57.4百萬港元)，毛利率為12.3%(2022年6月30日：18.8%)。期內銷量下跌。所出售每單位固定間接費用較高，並降低了毛利率。此外，產品組合發生變化，該組合中的產品利潤率較低。

截至2023年6月30日止六個月，醫療消耗品的毛利約為19,000港元(2022年6月30日：195,000港元)，毛利率為4.8%(2022年6月30日：5.7%)。

其他收入

截至2023年6月30日止六個月，其他收入約為3.8百萬港元，與截至2022年6月30日止六個月的約4.2百萬港元相若。

銷售及分銷成本

截至2023年6月30日止六個月，銷售及分銷成本約為2.4百萬港元，較2022年同期的約3.1百萬港元減少約0.7百萬港元或約22.6%。有關減少主要是由於期內銷量下跌。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Administrative and Other Operating Expenses

Administrative and other operating expenses for the six months ended 30 June 2023 were approximately HK\$55.0 million, representing a decrease of approximately HK\$4.6 million, or approximately 7.7%, from approximately HK\$59.6 million for the same period in 2022. The decrease was mainly resulted from a decrease in headcount.

Finance Costs

Finance costs for the six months ended 30 June 2023 were approximately HK\$3.1 million, which was similar to that for the six months ended 30 June 2022 of HK\$3.3 million.

Income Tax Expenses

Income tax expenses for the six months ended 30 June 2023 were approximately HK\$1.6 million, representing a decrease of approximately HK\$5.4 million or approximately 77.1% from that for the same period in 2022 of HK\$7.0 million. Such decrease was attributable to the approval of the "High and New Technology Enterprises" status for the PRC subsidiary since late 2022, which enjoys a preferential tax rate of 15%.

Profit Attributable to Equity Holders of the Company

As a result of the foregoing, profit for the six months ended 30 June 2023 was approximately HK\$20.6 million, representing a decrease of approximately HK\$28.0 million, or approximately 57.6%, from approximately HK\$48.6 million for the same period in 2022.

FUTURE PLAN AND PROSPECTS

Due to the rise in interest rate, complicated geopolitical crises and the increasing concerns about the global banking system, the risk of a downturn in the global economy is rising. Apart from this, the consumption confidence of consumers shows signs of uncertainty. In view of this challenging business environment, we will continue our effort in prospecting new customers who are sourcing for high quality e-cigarettes and plastic products. In addition, the Group will continue to expand our products range for all segments and provide high quality products at a lower cost. We believe this is the only sustainable way for competitiveness and success.

行政及其他經營開支

截至2023年6月30日止六個月，行政及其他經營開支約為55.0百萬港元，較2022年同期的約59.6百萬港元減少約4.6百萬港元或約7.7%。該減少乃主要由於員工人數減少。

財務成本

截至2023年6月30日止六個月，財務成本約為3.1百萬港元，與截至2022年6月30日止六個月的3.3百萬港元相若。

所得稅開支

截至2023年6月30日止六個月，所得稅開支約為1.6百萬港元，較截至2022年同期的7.0百萬港元減少約5.4百萬港元或約77.1%。該減少主要是由於中國附屬公司的「高新技術企業」地位於2022年末獲批准，其享受15%優惠稅率。

本公司權益持有人應佔溢利

因上述原因，截至2023年6月30日止六個月，溢利約為20.6百萬港元，較2022年同期的約48.6百萬港元減少約28.0百萬港元或約57.6%。

未來計劃及前景

由於持續的加息、複雜的地緣政治危機及對全球銀行體系日益擔憂，全球經濟衰退的風險正在上升。此外，消費者的消費信心亦出現了不確定的跡象。鑑於這個充滿挑戰的商業環境，我們將繼續努力尋找對高質量電子煙產品及塑料產品有採購需求的新客戶。另外，本集團將繼續擴大我們所有分部的產品範圍，提供低成本高質量的產品。我們相信，這是競爭力及成功唯一可持續之道。

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers. As at 30 June 2023, the Group had cash and cash equivalents of approximately HK\$160.9 million (31 December 2022: HK\$128.4 million). Interest-bearing borrowings as at 30 June 2023 amounted to HK\$112.7 million (31 December 2022: HK\$128.8 million) with weighted average effective interest rate of approximately 4.59% per annum (31 December 2022: 4.19% per annum). The Group's gearing ratio as at 30 June 2023, calculated based on the total borrowings to the equity attributable to owners of the Company, was 16.4% (31 December 2022: 18.9%).

FOREIGN EXCHANGE RISK

The monetary assets and liabilities and business transaction of the Group are mainly carried out and conducted in Hong Kong dollars, U.S. dollars and Renminbi. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and to mitigate the impact on exchange rate fluctuations by entering into currency forward contracts, if necessary. During the six months ended 30 June 2023, the Group did not have any outstanding foreign currency forward contracts. The Group will continue to evaluate the Group's foreign currency exposure and take actions as appropriate.

MATERIAL ACQUISITIONS AND DISPOSALS

For the six months ended 30 June 2023, the Group has made no material acquisitions or disposals of subsidiaries and associated companies.

CONTINGENT LIABILITIES

As at 30 June 2023, the Group did not have any significant contingent liabilities.

CHARGE ON GROUP ASSETS

As at 30 June 2023, certain buildings, machineries and equipment and right-of-use assets in respect of the prepaid land lease payments with aggregate net carrying amount of approximately HK\$399.2 million (31 December 2022: HK\$431.1 million) and key management insurance contracts with fair value of approximately HK\$32.3 million (31 December 2022: HK\$31.6 million) were pledged as security for bank facilities.

流動資金及財務資源

本集團通常以內部產生的現金流量及其主要往來銀行提供的銀行融資為業務營運提供資金。於2023年6月30日，本集團擁有現金及現金等價物約160.9百萬港元(2022年12月31日：128.4百萬港元)。於2023年6月30日，計息借款為112.7百萬港元(2022年12月31日：128.8百萬港元)，加權平均實際年利率約4.59%(2022年12月31日：年利率為4.19%)。本集團於2023年6月30日的資產負債率按借款總額與本公司擁有人應佔權益之比率計算為16.4%(2022年12月31日：18.9%)。

外匯風險

本集團的貨幣資產及負債以及業務交易主要以港元、美元及人民幣計值。本集團通過定期審核其外匯風險淨額來管理外匯風險，並於必要時通過訂立貨幣遠期合約以降低匯率波動的影響。於截至2023年6月30日止六個月，本集團概無任何未結清外匯遠期合約。本集團將繼續評估本集團的外匯風險並適時採取措施。

重大收購及出售事項

截至2023年6月30日止六個月，本集團並無關於附屬公司及聯營公司的重大收購或出售事項。

或然負債

於2023年6月30日，本集團並無任何重大或然負債。

集團資產押記

於2023年6月30日，賬面淨值合共約399.2百萬港元(2022年12月31日：431.1百萬港元)的若干樓宇、機器及設備以及有關預付土地租賃款的使用權資產及公允值約32.3百萬港元(2022年12月31日：31.6百萬港元)的主要管理層保險合約抵押為銀行融資的擔保。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

SUBSEQUENT EVENT

No material events occurred subsequent to 30 June 2023 which may have a significant effect on the assets and liabilities or future operations of the Group.

EMPLOYEE AND REMUNERATION POLICY

The Group has 1,069 employees as at 30 June 2023. The Group's remuneration policy is to compensate its employees based on their performance, qualifications and the Group's operational results. The total remuneration of employees includes basic salaries, performance bonus and share options. Directors and senior management of the Group receive compensation in the form of fees, salaries, allowances, discretionary bonus, share options, defined contribution plans and other benefits in kind with reference to those paid by comparable companies, time commitment and the performance of the Group. The Group also reimburses its Directors and senior management for expenses which are necessarily and reasonably incurred for the provision of services to the Group or executing their functions in relation to the operations of the Group. The Group regularly reviews and determines the remuneration and compensation packages (including incentive plans) of its Directors and senior management, by reference to, among other things, market level of remuneration and compensation paid by comparable companies, the respective responsibilities of its Directors and senior management and the performance of the Group.

SIGNIFICANT INVESTMENTS HELD

During the six months ended 30 June 2023, the Group did not hold any significant investment in equity interest in any other company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group has no plan to make material investments or increase its capital assets.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company and any of its subsidiaries have not purchased, redeemed or sold any of its listed securities during the six months ended 30 June 2023.

期後事件

於2023年6月30日之後並無發生可能對本集團的資產及負債或未來營運有重大影響的重大事件。

僱員及薪酬政策

於2023年6月30日，本集團擁有1,069名僱員。本集團的薪酬政策是根據僱員的表現、資歷及本集團的經營業績向僱員發放薪酬。僱員薪酬總額包括基本薪資、績效獎金及購股權。本集團的董事及高級管理層以袍金、薪金、津貼、酌情花紅、購股權、定額供款計劃及其他實物利益(經參考可資比較公司所支付的情況、時間投入及本集團表現)收取報酬。本集團亦就董事及高級管理層為本集團提供服務或就本集團的營運履行彼等職能所產生的必要及合理開支作出償付。本集團參考(其中包括)可資比較公司所支付薪酬及報酬的市場水平、董事及高級管理層各自的職責以及本集團的表現，定期檢討及釐定董事及高級管理層的薪酬及報酬待遇(包括獎勵計劃)。

所持重大投資

截至2023年6月30日止六個月，本集團並無持有任何其他公司股權的任何重大投資。

有關重大投資及資本資產的未來計劃

本集團並無計劃進行重大投資或增加資本資產。

購買、贖回或出售本公司上市證券

截至2023年6月30日止六個月，本公司及其任何附屬公司並無購買、贖回或出售其任何上市證券。

CORPORATE GOVERNANCE MEASURES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Board has adopted the principles and the code provisions of the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) to ensure that the Company’s business activities and decision making processes are regulated in a proper and prudent manner.

Mr. Chan Tsan Lam (“**Mr. Chan**”) is the chairman of the Board and chief executive officer of the Company. Although this deviates from the practice under code provision C.2.1 of the CG Code, where it provides that the two positions should be held by two different individuals, as Mr. Chan has considerable experience in the enterprise operation and management of the Company, the Board believes that it is in the best interests of the Company and its shareholders as a whole to continue to have Mr. Chan as chairman of the Board and as chief executive officer so that it can benefit from his experience and capability in leading the Board in the long-term development of the Company. From a corporate governance point of view, the decisions of the Board are made collectively by way of voting and therefore the chairman should not be able to monopolise the decision-making of the Board. The Board considers that the balance of power between the Board and management can still be maintained under the current structure. The Board shall review its management structure from time to time to ensure appropriate action be taken should the need arise.

Save as disclosed above, during the six months ended 30 June 2023, the Company has complied with the CG Code.

AUDIT COMMITTEE

Our audit committee consists of three members, being Mr. Ng Chi Wai, Mr. Hung Chun Leung and Mr. Chan Bing Kai. Mr. Ng Chi Wai currently serves as the chairman of our audit committee.

The audit committee has reviewed with the management this interim report and the Group’s unaudited condensed consolidated financial statements for the six months ended 30 June 2023, the accounting principles and practices adopted and has discussed auditing, financial reporting system, risk management and internal control system matters, the effectiveness of the Company’s internal audit function, and its other duties under the CG Code.

企業管治措施

本公司承諾奉行高標準的企業管治，以保障股東利益並提升企業價值及問責制度。董事會已採納香港聯合交易所有限公司證券上市規則（「**上市規則**」）附錄14所載企業管治守則（「**企業管治守則**」）的原則及守則條文，以確保以適當及審慎的方式規範本公司的業務活動及決策流程。

陳燦林先生（「**陳先生**」）為本公司董事會主席兼首席執行官。儘管此情況與企業管治守則C.2.1條守則條文所規定的該兩項職務不應由同一人士兼任相違背，但是，由於陳先生於本公司的企業經營及管理方面擁有豐富的經驗，故董事會認為繼續由陳先生擔任董事會主席兼首席執行官符合本公司及股東的整體最佳利益，而彼於領導董事會方面的經驗及能力將能夠令本公司在長期的發展中受益。從企業管治的角度看，董事會的決策是通過共同表決的方式作出，故主席無法控制董事會的決策。董事會認為，現行安排仍能保持董事會與管理層之間權力的平衡。董事會應不時檢討其管理結構，以確保可在有需要時採取恰當的措施。

除上文所披露者外，截至2023年6月30日止六個月，本公司已遵守企業管治守則。

審核委員會

我們的審核委員會由三名成員組成，即吳志偉先生、洪俊良先生及陳秉階先生。吳志偉先生現時擔任審核委員會主席。

審核委員會已與管理層審閱本中期報告及本集團截至2023年6月30日止六個月的未經審核簡明綜合財務報表及採用的會計原則及慣例，並討論審計、財務申報制度、風險管理及內部監控系統事宜、本公司內部審核職能的有效性及其在企業管治守則項下的其他職責。

OTHER INFORMATION

其他資料

NOMINATION POLICY

The Board has a policy concerning diversity of board members, the policy takes into consideration the gender, age, cultural and educational background, or professional experience of board members.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “**Model Code**”) as its code of conduct regarding dealings in the securities of the Company by the Directors and the Company’s senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company’s securities.

Upon specific enquiry, all Directors have confirmed that they have complied with the Model Code during the six months ended 30 June 2023. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Company during the six months ended 30 June 2023.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2023 (30 June 2022: Nil).

DIRECTORS’ INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2023, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “**SFO**”), as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

提名政策

董事會設有有關董事會成員多元化之政策，而該政策將考量董事會成員的性別、年齡、文化及教育背景或專業經驗。

董事進行證券交易的標準守則

本公司已採納上市規則附錄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**」）作為董事及本公司高級管理層買賣本公司證券的操守守則，原因是有關董事及高級管理層因其職位或僱傭關係而可能持有關於本公司證券的內幕消息。

在作出特定查詢後，全體董事均已確認彼等於截至2023年6月30日止六個月已遵守標準守則。此外，本公司並不知悉本公司高級管理層於截至2023年6月30日止六個月內存在任何違反標準守則的情況。

中期股息

董事會不建議派付截至2023年6月30日止六個月的中期股息（2022年6月30日：無）。

董事於股份、相關股份及債權證的權益

於2023年6月30日，本公司董事及主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「**證券及期貨條例**」）第XV部）股份、相關股份及債權證中擁有記錄於根據證券及期貨條例第352條須存置的登記冊內，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

董事於股份、相關股份及債權證的權益 (續)

Long position in issued ordinary shares of the Company

於本公司已發行普通股的好倉

Name of Director 董事姓名	Capacity 身份	Number of shares of the Company 本公司股份數目	Number of underlying shares of the Company 本公司相關股份數目 (Note 2) (附註2)	Total interests 總權益	Approximate percentage of shareholding 股權概約百分比
Mr. Chan Tsan Lam 陳燦林先生	Interest in controlled corporation (Note 1) 受控制法團權益(附註1)	373,395,000	–	396,771,000	64.0%
	Beneficial interest 實益權益	22,756,000	620,000		
Chan Yin Yan 陳燕欣	Beneficial interest 實益權益	–	6,200,000	6,200,000	1%
Poon Po Han Lisa 潘寶嫻	Beneficial interest 實益權益	–	6,200,000	6,200,000	1%
Hung Chun Leung 洪俊良	Beneficial interest 實益權益	–	500,000	500,000	0.08%
Chan Bing Kai 陳秉階	Beneficial interest 實益權益	–	500,000	500,000	0.08%

Note 1: These shares are held by Oceanic Green Group Limited ("Oceanic Green"), New Strength Ventures Limited ("New Strength"), Gold Alliance Ventures Limited ("Gold Alliance") and Treasure Line Holdings Limited ("Treasure Line"), all of which are wholly owned by Mr. Chan Tsan Lam. By virtue of the SFO, Mr. Chan Tsan Lam is deemed to be interested in the shares held by Oceanic Green, New Strength, Gold Alliance and Treasure Line.

附註1：該等股份乃由海翠集團有限公司(「海翠」)、新力創投有限公司(「新力」)、金協創投有限公司(「金協」)及Treasure Line Holdings Limited (「Treasure Line」)持有，該等公司均由陳燦林先生全資擁有。根據證券及期貨條例，陳燦林先生被視為於海翠、新力、金協及Treasure Line持有的股份中擁有權益。

Note 2: These represent the Shares to be issued and allotted by the Company upon exercise of the options granted under the Option Scheme (as defined herein below).

附註2：該等股份乃指本公司於根據購股權計劃(定義見下文)授出之購股權獲行使時將予發行及配發之股份。

Save as disclosed above, as at 30 June 2023, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於2023年6月30日，概無本公司董事或主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有記錄於根據證券及期貨條例第352條須存置的登記冊內，或根據標準守則須知會本公司及聯交所的權益或淡倉。

OTHER INFORMATION

其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2023, the following persons (other than the Directors and chief executive of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position in issued ordinary shares of the Company

Name of shareholder(s) 股東名稱／姓名	Capacity 身份	Number of ordinary shares of the Company held 所持本公司普通股數目	Number of underlying shares of the Company held ⁽³⁾ 所持本公司相關股份數目 ⁽³⁾	Total 總計	Approximate percentage of shareholding 股權概約百分比
Oceanic Green ⁽¹⁾ 海翠 ⁽¹⁾	Beneficial Owner 實益擁有人	127,100,000 shares 127,100,000股股份	–	127,100,000 shares 127,100,000股股份	20.5%
New Strength ⁽¹⁾ 新力 ⁽¹⁾	Beneficial Owner 實益擁有人	127,100,000 shares 127,100,000股股份	–	127,100,000 shares 127,100,000股股份	20.5%
Gold Alliance ⁽¹⁾ 金協 ⁽¹⁾	Beneficial Owner 實益擁有人	94,395,000 shares 94,395,000股股份	–	94,395,000 shares 94,395,000股股份	15.2%
Treasure Line ⁽¹⁾ Treasure Line ⁽¹⁾	Beneficial Owner 實益擁有人	24,800,000 shares 24,800,000股股份	–	24,800,000 shares 24,800,000股股份	4.0%
Ms. Fung Suk Yee May ⁽²⁾ 馮淑儀女士 ⁽²⁾	Interest of Spouse 配偶權益	396,771,000 shares 396,771,000股股份	–	396,771,000 shares 396,771,000股股份	64.0%

Notes:

- (1) Each of Oceanic Green, New Strength, Gold Alliance and Treasure Line is wholly-owned by Mr. Chan, who is therefore deemed to be interested in all the Shares held by each of Oceanic Green, New Strength, Gold Alliance, and Treasure Line.
- (2) Ms. Fung Suk Yee May is the spouse of Mr. Chan Tsan Lam. Therefore, she is deemed to be interested in the shares of the Company in which Mr. Chan Tsan Lam is interested for the purpose of the SFO.
- (3) These represent the Shares to be issued and allotted by the Company upon exercise of the options granted under the Option Scheme (as defined herein below).

Save as disclosed above, as at 30 June 2023, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO.

主要股東於股份及相關股份的權益

於2023年6月30日，以下人士(本公司董事及主要行政人員除外)於本公司股份及相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置的登記冊內的權益：

於本公司已發行普通股的好倉

附註：

- (1) 海翠、新力、金協及Treasure Line均由陳先生全資擁有，因此陳先生被視為於海翠、新力、金協及Treasure Line各自所持有的所有股份中擁有權益。
- (2) 馮淑儀女士為陳燦林先生的配偶。因此，根據證券及期貨條例，其被視為於陳燦林先生擁有權益的本公司股份中擁有權益。
- (3) 該等股份乃指本公司於根據購股權計劃(定義見下文)授出之購股權獲行使時將予發行及配發之股份。

除上文所披露者外，於2023年6月30日，董事並不知悉有任何其他人士(本公司董事及主要行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須披露予本公司的權益或淡倉，或直接或間接在附有權利可在所有情況下在本集團任何其他成員公司的股東大會上進行投票的任何類別股本面值5%或以上擁有權益，或有任何其他主要股東擁有記錄於本公司根據證券及期貨條例第336條須存置的登記冊內的權益或淡倉。

SHARE OPTION SCHEME

On 28 May 2019, the Company adopted a share option scheme (the "Option Scheme") for the purpose of providing reward to selected participants for their contribution to the Group. Eligible participants of the Option Scheme include, without limitation, employees, executive directors, non-executive directors, shareholders, advisers and consultants.

For the six months ended 30 June 2023, the Company has the following share options granted to the eligible participants under the Option Scheme:

購股權計劃

於2019年5月28日，本公司採納一項購股權計劃（「購股權計劃」），旨在獎勵對本集團作出貢獻的經選定參與者。購股權計劃的合資格參與者包括（但不限於）僱員、執行董事、非執行董事、股東、顧問及諮詢者。

截至2023年6月30日止六個月，本公司已根據購股權計劃向合資格參與者授出以下購股權：

Grantees 承授人	Date of grant 授出日期	Exercise price 行使價 (HK\$) (港元)	Options	Options	Options	Options	Options	Exercisable at 30 June 2023 於2023年 6月30日 於2023年 6月30日 可予行使
			outstanding at 1 January 2023 於2023年 1月1日尚未 行使的購股權	Options granted during the period 期內授出 的購股權	exercised during the period 期內獲 行使的購股權	cancelled/ lapsed/ forfeited during the period 期內註銷/ 失效/沒收的 購股權	outstanding at 30 June 2023 於2023年 6月30日 尚未行使的 購股權	
Directors, chief executives and substantial shareholders 董事、主要行政人員及主要股東								
Chan Tsan Lam 陳燦林	13 May 2020 2020年5月13日	0.355	620,000	-	-	-	620,000	620,000
Chan Yin Yan 陳燕欣	13 May 2020 2020年5月13日	0.355	6,200,000	-	-	-	6,200,000	6,200,000
Poon Po Han Lisa 潘寶嫻	13 May 2020 2020年5月13日	0.355	6,200,000	-	-	-	6,200,000	6,200,000
Hung Chun Leung 洪俊良	13 May 2020 2020年5月13日	0.355	500,000	-	-	-	500,000	500,000
Chan Bing Kai 陳秉階	13 May 2020 2020年5月13日	0.355	500,000	-	-	-	500,000	500,000
Employees and senior management 僱員及高級管理層	13 May 2020 2020年5月13日	0.355	17,850,000	-	-	-	17,850,000	17,850,000
Service providers 服務供應商	13 May 2020 2020年5月13日	0.355	3,920,000	-	-	-	3,920,000	3,920,000
			35,790,000	-	-	-	35,790,000	35,790,000

The maximum number of shares which may be allotted and issued under the Option Scheme and/or any other share option scheme of the Company is 62,000,000 Shares, representing 10% of the issued shares of the Company as at the date of adoption of the Option Scheme and 10% of the issued shares of the Company as at the date of this report.

根據購股權計劃及／或本公司任何其他購股權計劃，可配發及發行的股份數目上限為62,000,000股，佔本公司於採納購股權計劃當日已發行股份的10%及本公司於本報告日期已發行股份的10%。

OTHER INFORMATION

其他資料

SHARE OPTION SCHEME (CONTINUED)

None of the options granted to any employee participants would result in the shares issued and to be issued in respect of all options granted to such person (excluding any options lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant to represent in aggregate over 1% of the shares in issue.

None of the options granted to any service provider would result in the shares issued and to be issued in respect of all options granted to such person (excluding any options lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant to represent in aggregate over 0.1% of the shares in issue.

As at 30 June 2023, the total number of shares which may fall to be issued upon exercise of the share options granted and remained outstanding under the Option Scheme was 35,790,000, representing approximately 5.77% of the issued shares of the Company. The number of options available for grant under the Scheme Mandate Limit (i.e. the total number of Shares which may be issued in respect of all options to be granted under the Option Scheme) as of 1 January 2023 and 30 June 2023 are both 26,210,000 respectively, representing approximately 4.23% and 4.23% of the issued shares of the Company, respectively.

There is no sublimit on the total number of shares that may be issued in respect of options to be granted to service providers under the existing Option Scheme.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURE

Save as disclosed in the section headed "Share Option Scheme" in this interim report, at no time during the six months ended 30 June 2023 was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of acquisition of shares, or debt securities, including debentures, of the Company or any other body corporate.

購股權計劃 (續)

概無授予任何僱員參與者的購股權將導致於截至授出日期(包括該日)的12個月期間就所有授予該人士的購股權(不包括根據計劃條款失效的任何購股權)已發行及將發行的股份合計超過已發行股份的1%。

概無授予任何服務供應商的購股權將導致於截至授出日期(包括該日)的12個月期間就所有授予該人士的購股權(不包括根據計劃條款失效的任何購股權)已發行及將發行的股份合計超過已發行股份的0.1%。

於2023年6月30日，於根據購股權計劃授出及發行在外的購股權獲行使後可能將予發行的股份總數為35,790,000股，佔本公司已發行股份約5.77%。截至2023年1月1日及2023年6月30日，根據計劃授權限額可供授出的購股權數目(即根據購股權計劃授出的所有購股權而可能發行的股份總數)各自均為26,210,000股，分別佔本公司已發行股份約4.23%及4.23%。

根據現有購股權計劃將授予服務供應商的購股權而可能發行的股份總數並無限制。

董事收購股份或債權證的權利

除於本中期報告「購股權計劃」一節所披露者外，截至2023年6月30日止六個月任何時間，本公司或其任何附屬公司概無訂立任何安排致令本公司董事可藉收購本公司或任何其他法人團體的股份或債務證券(包括債權證)而獲益。

CONDENSED CONSOLIDATED INCOME STATEMENT

簡明綜合收益表

Six months ended 30 June 2023 截至2023年6月30日止六個月

Six months ended 30 June
截至6月30日止六個月

		Notes 附註	2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Revenue	收益	3	400,901	571,412
Cost of goods sold	商品銷售成本		(320,927)	(452,093)
Gross profit	毛利		79,974	119,319
Other income	其他收入	4	3,845	4,180
Other gains and losses, net	其他收益及虧損淨額	5	(977)	(1,786)
Provision for loss allowance on trade receivables	貿易應收款項虧損撥備		(114)	(101)
Selling and distribution costs	銷售及分銷成本		(2,413)	(3,099)
Administrative and other operating expenses	行政及其他經營開支		(54,955)	(59,602)
Finance costs	財務成本	6	(3,123)	(3,298)
Profit before tax	除稅前溢利	6	22,237	55,613
Income tax expenses	所得稅開支	7	(1,590)	(7,026)
Profit for the period, attributable to equity holders of the Company	本公司權益持有人應佔期內溢利		20,647	48,587
Earnings per share attributable to equity holders of the Company (expressed in Hong Kong cents)	本公司權益持有人應佔每股盈利 (以港仙列示)			
Basic	基本	9	3.33	7.84
Diluted	攤薄	9	3.29	7.79

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收益表

Six months ended 30 June 2023 截至2023年6月30日止六個月

Six months ended 30 June
截至6月30日止六個月

		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Profit for the period	期內溢利	20,647	48,587
Other comprehensive loss: <i>Item that may be reclassified subsequently to profit or loss:</i>	其他全面虧損： <i>日後或會重新列入損益之項目：</i>		
Exchange differences arising on translation of foreign operations	換算境外經營產生的匯兌差額	(25,087)	(36,902)
Total comprehensive (loss) income for the period, attributable to equity holders of the Company	本公司權益持有人應佔期內全面 (虧損)收益總額	(4,440)	11,685

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2023 於2023年6月30日

			At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	10	物業、廠房及設備	625,002	664,999
Financial assets at fair value through profit or loss ("FVPL")	11	按公允值計入損益(「按公允值計入損益」)的金融資產	32,266	31,633
Rental deposits		租金按金	588	393
Deferred tax assets	19	遞延稅項資產	3,889	3,999
			661,745	701,024
Current assets		流動資產		
Inventories		存貨	112,684	128,542
Finance lease receivables	12	應收融資租賃款項	404	1,617
Trade and other receivables	13	貿易及其他應收款項	139,660	237,368
Income tax recoverable		可退回所得稅	2,024	542
Restricted bank balance		受限制銀行結餘	–	7,152
Cash and cash equivalents		現金及現金等價物	160,910	128,368
			415,682	503,589
Current liabilities		流動負債		
Trade and other payables	14	貿易及其他應付款項	167,157	252,383
Payables for construction in progress	15	應付在建工程款項	5,555	9,020
Interest-bearing borrowings	16	計息借款	107,612	121,491
Deferred income	17	遞延收益	1,419	1,455
Lease liabilities	18	租賃負債	2,617	2,027
Income tax payables		應付所得稅	3,196	4,855
			287,556	391,231
Net current assets		流動資產淨值	128,126	112,358
Total assets less current liabilities		總資產減流動負債	789,871	813,382

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 June 2023 於2023年6月30日

			At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Payables for construction in progress	應付在建工程款項	15	2,262	6,238
Interest-bearing borrowings	計息借款	16	5,070	7,322
Deferred income	遞延收益	17	9,100	10,021
Lease liabilities	租賃負債	18	2,347	1,686
Deferred tax liabilities	遞延稅項負債	19	6,206	6,389
			24,985	31,656
NET ASSETS	資產淨值		764,886	781,726
Capital and reserves	資本及儲備			
Share capital	股本	20	62,000	62,000
Reserves	儲備	21	702,886	719,726
TOTAL EQUITY	權益總額		764,886	781,726

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

Six months ended 30 June 2023 截至2023年6月30日止六個月

		Attributable to equity holders of the Company 本公司權益持有人應佔							Total
		Share capital	Share premium	Capital reserve	Statutory reserve	Translation reserve	Share option reserve	Accumulated profits	Total
		股本	股份溢價	資本儲備	法定儲備	換算儲備	購股權儲備	累計溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note 20)	(Note 21(a))	(Note 21(b))	(Note 21(c))	(Note 21(d))	(Note 21(e))		
		(附註20)	(附註21(a))	(附註21(b))	(附註21(c))	(附註21(d))	(附註21(e))		
At 1 January 2022 (audited)	於2022年1月1日 (經審核)	62,000	34,203	77,810	34,221	47,352	2,505	496,697	754,788
Profit for the period	期內溢利	-	-	-	-	-	-	48,587	48,587
Other comprehensive loss:	其他全面虧損：								
<i>Item that may be reclassified subsequently to profit or loss</i>	<i>日後或會重新列入損益之項目</i>								
Exchange differences arising on translation of foreign operations	換算境外經營產生的匯兌差額	-	-	-	-	(36,902)	-	-	(36,902)
Total comprehensive (loss) income for the period	期內全面(虧損)收益總額	-	-	-	-	(36,902)	-	48,587	11,685
Transactions with equity holders:	與權益持有人的交易：								
Appropriation of statutory reserve	提取法定儲備	-	-	-	791	-	-	(791)	-
Forfeit of share options (Note 22)	沒收購股權(附註22)	-	-	-	-	-	(56)	56	-
Dividends (Note 8)	股息(附註8)	-	-	-	-	-	-	(12,400)	(12,400)
Total transactions with equity holders for the period	期內與權益持有人的交易總額	-	-	-	791	-	(56)	(13,135)	(12,400)
At 30 June 2022 (unaudited)	於2022年6月30日 (未經審核)	62,000	34,203	77,810	35,012	10,450	2,449	532,149	754,073

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

Six months ended 30 June 2023 截至 2023 年 6 月 30 日止六個月

		Attributable to equity holders of the Company 本公司權益持有人應佔							Total 總計 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元 (Note 20) (附註 20)	Share premium 股份溢價 HK\$'000 千港元 (Note 21(a)) (附註 21(a))	Capital reserve 資本儲備 HK\$'000 千港元 (Note 21(b)) (附註 21(b))	Statutory reserve 法定儲備 HK\$'000 千港元 (Note 21(c)) (附註 21(c))	Translation reserve 換算儲備 HK\$'000 千港元 (Note 21(d)) (附註 21(d))	Share option reserve 購股權儲備 HK\$'000 千港元 (Note 21(e)) (附註 21(e))	Accumulated profits 累計溢利 HK\$'000 千港元	
At 1 January 2023 (audited)	於 2023 年 1 月 1 日 (經審核)	62,000	34,203	77,810	35,074	(19,255)	2,435	589,459	781,726
Profit for the period	期內溢利	-	-	-	-	-	-	20,647	20,647
Other comprehensive loss:	其他全面虧損：								
<i>Item that may be reclassified subsequently to profit or loss</i>	<i>日後或會重新列入損益 之項目</i>								
Exchange differences arising on translation of foreign operations	換算境外經營產生的 匯兌差額	-	-	-	-	(25,087)	-	-	(25,087)
Total comprehensive loss for the period	期內全面虧損總額	-	-	-	-	(25,087)	-	20,647	(4,440)
Transaction with equity holders:	與權益持有人的交易：								
Dividends (Note 8)	股息(附註 8)	-	-	-	-	-	-	(12,400)	(12,400)
At 30 June 2023 (unaudited)	於 2023 年 6 月 30 日 (未經審核)	62,000	34,203	77,810	35,074	(44,342)	2,435	597,706	764,886

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

Six months ended 30 June 2023 截至2023年6月30日止六個月

Six months ended 30 June
截至6月30日止六個月

			2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
OPERATING ACTIVITIES	經營活動			
Cash generated from operations	經營所得現金	24	66,988	56,427
Income tax paid	已付所得稅		(4,344)	(11,080)
Net cash from operating activities	經營活動所得現金淨額		62,644	45,347
INVESTING ACTIVITIES	投資活動			
Acquisition of a subsidiary	收購一間附屬公司	23	70	–
Receipt of government grants in relation to acquisitions of property, plant and equipment	收取有關收購物業、廠房及設備的政府補貼		138	217
Interest received	已收利息		1,584	418
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		29	114
Receipt of finance lease receivables	收取應收融資租賃款項		1,213	1,223
Purchase of property, plant and equipment	購買物業、廠房及設備		(3,612)	(208)
Net cash (used in) from investing activities	投資活動(所用)所得現金淨額		(578)	1,764
FINANCING ACTIVITIES	融資活動			
Dividends paid	已付股息		(12,400)	(12,400)
Inception of interest-bearing borrowings	新增計息借款		14,646	129,905
Repayment of interest-bearing borrowings	償還計息借款		(28,367)	(167,138)
Repayment of payables for construction in progress	償還應付在建工程款項		(1,142)	(11,391)
Repayment of lease liabilities	償還租賃負債		(1,323)	(6,286)
Interest paid	已付利息		(2,981)	(3,077)
Net cash used in financing activities	融資活動所用現金淨額		(31,567)	(70,387)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額		30,499	(23,276)
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物		128,368	114,667
Effect on exchange rate changes	匯率變動的影響		2,043	1,985
Cash and cash equivalents at the end of the period	期末現金及現金等價物		160,910	93,376

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

Tian Chang Group Holdings Ltd. (the “**Company**”) was incorporated as an exempted company with limited liability in the Cayman Islands on 26 April 2017 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 March 2018. The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company’s principal place of business is situated at Unit 6, 13/F, Block B, Hoi Luen Industrial Centre, 55 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The Company together with its subsidiaries (hereinafter collectively referred to as the “**Group**”) is principally engaged in manufacturing and sales of electronic cigarettes products (“**e-cigarettes products**”) and medical consumable products, and providing integrated plastic solutions in Hong Kong and the People’s Republic of China (the “**PRC**”).

The unaudited condensed consolidated financial statements for the six months ended 30 June 2023 (the “**Interim Financial Statements**”) have been prepared in accordance with the Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of the Interim Financial Statements in conformity with HKAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 31 December 2022, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standard (“**HKASs**”) and Interpretations issued by the HKICPA. They shall be read in conjunction with the Group’s audited financial statements for the year ended 31 December 2022 (the “**2022 Financial Statements**”).

1. 一般資料及呈列基準

天長集團控股有限公司(「**本公司**」)於2017年4月26日在開曼群島註冊成立為獲豁免有限責任公司，其股份於2018年3月8日在香港聯合交易所有限公司(「**聯交所**」)主板上市。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司的主要營業地點位於香港九龍觀塘開源道55號開聯工業中心B座13樓6室。

本公司的主營業務為投資控股。本公司及其附屬公司(以下統稱為「**本集團**」)主要於香港及中華人民共和國(「**中國**」)從事電子煙產品(「**電子煙產品**」)及醫療消耗品的製造及銷售以及提供一體化注塑解決方案。

截至2023年6月30日止六個月的未經審核簡明綜合財務報表(「**中期財務報表**」)乃根據香港會計師公會(「**香港會計師公會**」)所頒佈的香港會計準則第34號「中期財務報告」(「**香港會計準則第34號**」)及聯交所證券上市規則的適用披露條文而編製。

編製符合香港會計準則第34號的中期財務報表要求管理層按年初至今基準作出可影響政策應用以及資產及負債、收入及開支呈報金額的判斷、估計及假設。實際結果或會有別於該等估計。

中期財務報表包括對了解本集團自2022年12月31日以來的財務狀況及表現變動而言屬重大的事項及交易的闡釋，因此並不包括根據香港財務報告準則(「**香港財務報告準則**」)，包括香港會計師公會頒佈的所有適用的個別香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋的統稱)編製全套財務報表要求的所有資料。該等資料應與本集團截至2022年12月31日止年度的經審核財務報表(「**2022年財務報表**」)一併閱讀。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

1. GENERAL INFORMATION AND BASIS OF PRESENTATION (CONTINUED)

The Interim Financial Statements have been prepared on the historical costs basis except for financial assets at fair value through profit or loss ("FVPL") which are measured at fair value, and presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company, and rounded to the nearest thousands unless otherwise indicated.

The accounting policies and methods of computation applied in the preparation of these Interim Financial Statements are consistent with those applied in preparing the 2022 Financial Statements, except for the adoption of the new/revised HKFRSs that are effective from the current period as set out below:

Amendments to HKAS 1	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The adoption of these new/revised HKFRSs did not result in material changes to the Group's accounting policies and/or amounts reported for the current and prior periods.

The Group has not early adopted any new/revised HKFRSs that have been issued but are not yet effective. The management does not anticipate that the adoption of these new/revised HKFRSs in future periods will result in substantial changes to the Group's accounting policies and material impact on the financial position, financial performance and cash flow of the Group.

1. 一般資料及呈列基準(續)

中期財務報表已按歷史成本法編製(惟按公允值計入損益(「按公允值計入損益」)的金融資產按公允值計量除外),並以港元(「港元」)呈列。除另有指明者外,港元乃本公司的功能貨幣,並調整至最接近的千位數。

編製該等中期財務報表所應用的會計政策及計算方法與編製2022年財務報表所用者一致,惟採納自本期間起生效的下列新訂/經修訂香港財務報告準則除外:

香港會計準則第1號之修訂	會計政策披露
香港會計準則第8號之修訂	會計估計之定義
香港會計準則第12號之修訂	與單一交易產生的資產及負債相關的遞延稅項

採納該等新訂/經修訂香港財務報告準則並無導致本集團的會計政策及/或本期間及過往期間所呈報的金額出現重大變動。

本集團並無提早採納任何已頒佈但未生效的新訂/經修訂香港財務報告準則。管理層預期於未來期間採納該等新訂/經修訂香港財務報告準則不會導致本集團會計政策發生重大變更並對本集團之財務狀況、財務表現及現金流量造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至 2023 年 6 月 30 日止六個月

2. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being identified as the chief operating decision makers (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segments are as follows:

- 1) E-cigarettes products segment: manufacture and sales of e-cigarettes products.
- 2) Integrated plastic solutions segment: manufacture and sales of moulds and plastic products.
- 3) Medical consumable products segment: manufacture and sales of medical consumable products.

Segment revenue and results

Segment revenue represents revenue derived from manufacturing and sales of e-cigarettes products, moulds and plastic products and medical consumable products.

Segment results represent the gross profit less selling and distribution costs, provision for loss allowance on trade receivables, write-off of property, plant and equipment and loss on disposal of property, plant and equipment incurred by each segment without allocation of other income, other gains and losses, net, administrative and other operating expenses, finance costs and income tax expenses. This is the information reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

2. 分部資料

就資源分配及分部表現評估而向本公司執行董事(被認為主要營運決策者(「主要營運決策者」))報告之資料，主要集中於所交付商品的類別。在設定本集團的可報告分部時，主要營運決策者並無將所識別之經營分部彙合。

具體而言，本集團的可報告及經營分部如下：

- 1) 電子煙產品分部：製造及銷售電子煙產品。
- 2) 一體化注塑解決方案分部：生產及銷售模具及塑膠製品。
- 3) 醫療消耗品分部：製造及銷售醫療消耗品。

分部收益及業績

分部收益指製造及銷售電子煙產品、模具及塑膠製品以及醫療消耗品所得收益。

分部業績指各分部所賺取的毛利減銷售及分銷成本、貿易應收款項虧損撥備、物業、廠房及設備撇銷及出售物業、廠房及設備虧損，而並無分配其他收入、其他收益及虧損淨額、行政及其他經營開支、財務成本及所得稅開支。此乃就資源分配及表現評估向本集團主要營運決策者報告的資料。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

The followings are analysis of the Group's revenue and results by reportable and operating segments:

2. 分部資料(續)

分部收益及業績(續)

以下為本集團可報告及經營分部的收益及業績分析：

		E-cigarettes products 電子煙產品 (unaudited) (未經審核) HK\$'000 千港元	Integrated plastic solutions 一體化注塑 解決方案 (unaudited) (未經審核) HK\$'000 千港元	Medical consumable products 醫療消耗品 (unaudited) (未經審核) HK\$'000 千港元	Total 總計 (unaudited) (未經審核) HK\$'000 千港元
Six months ended 30 June 2023 (unaudited)	截至2023年6月30日 止六個月(未經審核)				
Segment revenue	分部收益	81,868	318,622	411	400,901
Gross profit	毛利	10,016	69,939	19	79,974
Provision for loss allowance on trade receivables	貿易應收款項虧損 撥備	-	(114)	-	(114)
Write-off of property, plant and equipment	物業、廠房及設備撇銷	-	(143)	-	(143)
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備虧損	-	(27)	-	(27)
Selling and distribution costs	銷售及分銷成本	-	(2,413)	-	(2,413)
Segment results	分部業績	10,016	67,242	19	77,277
<i>Unallocated income and expenses</i>					
Other income	其他收入				3,845
Other losses, net	其他虧損淨額				(807)
Administrative and other operating expenses	行政及其他經營開支				(54,955)
Finance costs	財務成本				(3,123)
Profit before tax	除稅前溢利				22,237
Income tax expenses	所得稅開支				(1,590)
Profit for the period	期內溢利				20,647

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至 2023 年 6 月 30 日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

		E-cigarettes products	Integrated plastic solutions 一體化注塑 解決方案	Medical consumable products 醫療消耗品	Total 總計
		(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)	(unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Six months ended 30 June 2022	截至 2022 年 6 月 30 日				
(unaudited)	止六個月 (未經審核)				
Segment revenue	分部收益	305,714	262,264	3,434	571,412
Gross profit	毛利	57,384	61,740	195	119,319
Provision for loss allowance on trade receivables	貿易應收款項虧損 撥備	-	(101)	-	(101)
Write-off of property, plant and equipment	物業、廠房及設備撇銷	-	(360)	-	(360)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備 虧損	(427)	(7)	-	(434)
Selling and distribution costs	銷售及分銷成本	-	(3,099)	-	(3,099)
Segment results	分部業績	56,957	58,173	195	115,325
<i>Unallocated income and expenses</i>	<i>未分配收入及開支</i>				
Other income	其他收入				4,180
Other losses, net	其他虧損淨額				(992)
Administrative and other operating expenses	行政及其他經營開支				(59,602)
Finance costs	財務成本				(3,298)
Profit before tax	除稅前溢利				55,613
Income tax expenses	所得稅開支				(7,026)
Profit for the period	期內溢利				48,587

2. 分部資料 (續)

分部收益及業績 (續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

		E-cigarettes products	Integrated plastic solutions	Medical consumable products	Unallocated	Total
		電子煙產品 HK\$'000 千港元	一體化注塑 解決方案 HK\$'000 千港元	醫療消耗品 HK\$'000 千港元	未分配 HK\$'000 千港元	總計 HK\$'000 千港元
At 30 June 2023 (unaudited)	於2023年6月30日 (未經審核)					
Assets	資產					
Reportable segment assets	可報告分部資產	27,898	459,779	16,566	573,184	1,077,427
Liabilities	負債					
Reportable segment liabilities	可報告分部負債	10,926	116,309	-	185,306	312,541
Other information	其他資料					
Capital expenditure	資本開支	140	1,435	-	5,839	7,414
Depreciation	折舊	1,556	19,985	1,076	2,862	25,479
Inventories written-off	存貨撇銷	-	889	-	-	889
Research and development expenses	研發開支	3,500	12,299	-	-	15,799

		E-cigarettes products	Integrated plastic solutions	Medical consumable products	Unallocated	Total
		電子煙產品 HK\$'000 千港元	一體化注塑 解決方案 HK\$'000 千港元	醫療消耗品 HK\$'000 千港元	未分配 HK\$'000 千港元	總計 HK\$'000 千港元
At 31 December 2022 (audited)	於2022年12月31日 (經審核)					
Assets	資產					
Reportable segment assets	可報告分部資產	64,026	554,377	17,730	568,480	1,204,613
Liabilities	負債					
Reportable segment liabilities	可報告分部負債	77,619	100,178	-	245,090	422,887
Other information	其他資料					
Capital expenditure	資本開支	1,200	2,612	-	8,695	12,507
Depreciation	折舊	3,798	37,752	2,126	5,958	49,634
Inventories written-off	存貨撇銷	940	4,141	-	-	5,081
Research and development expenses	研發開支	16,359	16,598	-	-	32,957

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至 2023 年 6 月 30 日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- segment assets include certain property, plant and equipment, finance lease receivables, inventories and trade receivables. Other assets are not allocated to operating segments as these assets are managed on a group basis; and
- segment liabilities include trade payables and contract liabilities. Other liabilities are not allocated to operating segments as these liabilities are managed on a group basis.

Geographical information

The following table sets out information about the geographical location of the Group's property, plant and equipment ("Specified non-current assets"). The geographical location of the Specified non-current assets is based on the physical location of the assets.

Specified non-current assets

		At 30 June 2023 於 2023 年 6 月 30 日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於 2022 年 12 月 31 日 (audited) (經審核) HK\$'000 千港元
Hong Kong	香港	7,752	6,132
The PRC	中國	617,250	658,867
		625,002	664,999

2. 分部資料(續)

分部資產及負債(續)

就監控分部表現及分配分部間資源而言：

- 分部資產包括若干物業、廠房及設備、應收融資租賃款項、存貨及貿易應收款項。其他資產均未分配至經營分部，因該等資產按集團基準管理；及
- 分部負債包括貿易應付款項及合約負債。其他負債均未分配至經營分部，因該等負債按集團基準管理。

地區資料

下表載列有關本集團物業、廠房及設備(「指定非流動資產」)地理位置的資料。指定非流動資產的地理位置乃以資產的實際位置為依據。

指定非流動資產

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Geographical information (Continued)

Specified non-current assets (Continued)

Information about the Group's revenue from external customers is presented based on the location of customers.

2. 分部資料(續)

地區資料(續)

指定非流動資產(續)

有關本集團外部客戶收益的資料乃按客戶的位置呈列。

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Revenue from external customers	來自外部客戶的收益		
The United States of America	美利堅合眾國	47,548	81,619
The PRC	中國	118,185	125,090
The United Kingdom	英國	11,205	15,863
Hong Kong	香港	58,393	24,861
Netherlands	荷蘭	126,414	244,967
Japan	日本	-	13,608
India	印度	28,182	14,534
Germany	德國	7,058	48,367
Others	其他	3,916	2,503
		400,901	571,412

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至 2023 年 6 月 30 日止六個月

2. SEGMENT INFORMATION (CONTINUED)

Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total revenue of the Group are as follows:

		E-cigarettes products 電子煙產品 (unaudited) (未經審核) HK\$'000 千港元	Integrated plastic solutions 一體化注塑解決方案 (unaudited) (未經審核) HK\$'000 千港元	Medical consumable products 醫療消耗品 (unaudited) (未經審核) HK\$'000 千港元	Total 總計 (unaudited) (未經審核) HK\$'000 千港元
Six months ended 30 June 2023	截至 2023 年 6 月 30 日止六個月				
Customer A and its affiliated companies	客戶 A 及其聯屬公司	77,428	–	–	77,428
Customer B and its affiliated companies	客戶 B 及其聯屬公司	–	95,896	–	95,896
Customer C	客戶 C	–	56,302	–	56,302
		77,428	152,198	–	229,626
Six months ended 30 June 2022	截至 2022 年 6 月 30 日止六個月				
Customer A and its affiliated companies	客戶 A 及其聯屬公司	305,262	1,091	–	306,353
Customer D and its affiliated companies	客戶 D 及其聯屬公司	–	84,133	–	84,133
		305,262	85,224	–	390,486

2. 分部資料(續)

有關主要客戶的資料

於相應期間佔本集團總收益逾 10% 的客戶收益如下：

3. REVENUE

3. 收益

		2023 2023 年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022 年 (unaudited) (未經審核) HK\$'000 千港元
Revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則第 15 號 範圍內來自客戶合約的收益		
Sales of e-cigarettes products	銷售電子煙產品	81,868	305,714
Sales of moulds and plastic products	銷售模具及塑膠製品	318,622	262,264
Sales of medical consumable products	銷售醫療消耗品	411	3,434
		400,901	571,412

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

Six months ended 30 June 2023 截至2023年6月30日止六個月

3. REVENUE (CONTINUED)

The revenue from contracts with customers within the scope of HKFRS 15 is recognised at a point in time.

4. OTHER INCOME

3. 收益(續)

於某一時點確認香港財務報告準則第15號範圍內來自客戶合約的收益。

4. 其他收入

Six months ended 30 June
截至6月30日止六個月

		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Bank interest income	銀行利息收入	1,430	264
Finance lease interest income	融資租賃利息收入	154	154
Government grants (Note)	政府補貼(附註)	788	1,101
Rental and utilities recharge income	租金及水電費退費收入	91	173
Sales of scrap materials	廢料銷售	-	1,108
Sundry income	雜項收入	1,382	1,380
		3,845	4,180

Note: Included in the amount is the amortisation of deferred government grant of approximately HK\$732,000 (six months ended 30 June 2022: HK\$773,000) in relation to the acquisition of property, plant and equipment. In the opinion of the management of the Group, the remaining government grants have no unfulfilled condition or contingency relating to the government grants.

附註：所包括金額為與收購物業、廠房及設備有關的遞延政府補貼攤銷約732,000港元(截至2022年6月30日止六個月：773,000港元)。本集團管理層認為，剩餘的政府補貼並無與政府補貼有關的未達成條件或或然事項。

5. OTHER GAINS AND LOSSES, NET

5. 其他收益及虧損淨額

Six months ended 30 June
截至6月30日止六個月

		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Exchange loss, net	匯兌虧損淨額	(1,400)	(1,537)
Changes in fair value of financial assets at FVPL	按公允值計入損益的金融資產公允值變動	593	545
Write-off of property, plant and equipment	物業、廠房及設備撇銷	(143)	(360)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(27)	(434)
		(977)	(1,786)

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Six months ended 30 June 2023 截至2023年6月30日止六個月

6. PROFIT BEFORE TAX

This is stated after charging:

6. 除稅前溢利

此已扣除下列各項列賬：

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Finance costs	財務成本		
Interest on interest-bearing borrowings	計息借款利息	2,890	2,981
Interest on payables for construction in progress	應付在建工程款項的利息	142	221
Interest on lease liabilities	租賃負債利息	91	96
		3,123	3,298
Staff costs, including directors' emoluments	員工成本(包括董事酬金)		
Salaries, allowances and other benefits in kinds	薪金、津貼及其他實物福利	70,532	85,331
Contributions to defined contribution plans	定額供款計劃供款	5,394	7,329
Total staff costs (charged to "cost of goods sold", "administrative and other operating expenses" and "inventories", as appropriate)	員工成本總額(計入「商品銷售成本」、「行政及其他經營開支」及「存貨」(倘適用))	75,926	92,660
Other items	其他項目		
Cost of inventories	存貨成本	320,927	452,093
Depreciation (charged to "cost of goods sold" and "administrative and other operating expenses", as appropriate)	折舊(計入「商品銷售成本」及「行政及其他經營開支」(倘適用))	25,479	25,115
Write-down of inventories (charged to "cost of goods sold")	存貨撇銷(計入「商品銷售成本」)	889	6,842
Research and development expenses	研發開支	15,799	15,685

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Six months ended 30 June 2023 截至2023年6月30日止六個月

7. TAXATION

7. 稅項

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
		Note 附註	
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅		
Current period	本期間	–	5,433
PRC Enterprise Income Tax	中國企業所得稅		
Current period	本期間	1,453	6,284
Over provision in prior year	過往年度超額撥備	(143)	(1,556)
		1,310	10,161
Deferred tax	遞延稅項		
Changes in temporary differences	暫時性差額變動	554	(1,845)
Benefit of tax losses recognised	已確認稅項虧損之免除	(274)	(1,290)
		19	(3,135)
Total income tax expenses	所得稅開支總額	1,590	7,026

The Group's entities established in the British Virgin Islands are exempted from income tax.

For the six months ended 30 June 2023, Hong Kong Profits Tax has not been provided as the Group's entities established in Hong Kong and the Cayman Islands had no assessable profits.

For the six months ended 30 June 2022, the assessable profits of a Hong Kong incorporated subsidiary of the Group (as elected by the management of the Group) was subject to the two-tiered profits tax rates regime that the first HK\$2 million of assessable profits was taxed at 8.25%, and assessable profits above HK\$2 million was taxed at 16.5%. The Hong Kong Profits Tax of other Group's entities established in Hong Kong and the Cayman Islands was calculated at 16.5% of their respective estimated assessable profits.

於英屬處女群島成立的本集團實體獲豁免支付所得稅。

截至2023年6月30日止六個月，由於本集團在香港及開曼群島成立的實體並無應課稅溢利，因此並無計提香港利得稅。

截至2022年6月30日止六個月，本集團於香港註冊成立的附屬公司(由本集團管理層選出)的應課稅溢利須按利得稅兩級制納稅，即首2百萬港元應課稅溢利按8.25%繳稅，而2百萬港元以上的應課稅溢利將按16.5%繳稅。本集團其他於香港及開曼群島成立的實體的香港利得稅乃按其各自估計應課稅溢利的16.5%計算。

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7. TAXATION (CONTINUED)

The Group's entities established in the PRC are subject to PRC Enterprise Income Tax at a statutory rate of 25%, except for Huizhou Tian Chang Industrial Company Limited (English translation of 惠州市天長實業有限公司 for identification purpose only), which was approved to be a "New and High Technology Enterprise" since December 2022 with a valid period of 3 years. The "New and High Technology Enterprise" is subject to a preferential rate of 15% during the valid period. The State Taxation Administration of the PRC announced in March 2021 that enterprises engaging in research and development activities would be entitled to claim at maximum 200% of their research and development expenses as "Super Deduction". The directors of the Company consider the eligibility of the PRC subsidiaries and recognise the additional tax deduction for the six months ended 30 June 2023 and 2022.

8. DIVIDENDS

As approved by the shareholders' meeting held on 30 May 2023, the Company determined to pay a cash dividend for the year ended 31 December 2022 of HK2.0 cents for every ordinary share amounting to approximately HK\$12,400,000 (31 December 2021: HK\$12,400,000) out of retained earnings of the Company. The 2022 dividend had been distributed to the Company's shareholders on 27 June 2023.

The Board of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

7. 稅項(續)

本集團於中國成立的實體須按25%的法定稅率繳納中國企業所得稅，惟惠州市天長實業有限公司，自2022年12月獲批准為「高新技術企業」，有效期3年。「高新技術企業」於有效期內按15%的優惠稅率繳納。中國國家稅務總局於2021年3月宣佈，從事研發活動的企業可按其研發費用的最高200%申請「加計扣除」。本公司董事考慮中國附屬公司的資格，並確認截至2023年及2022年6月30日止六個月的額外稅項扣除。

8. 股息

經於2023年5月30日舉行的股東大會批准，本公司決定自本公司的保留盈利中派付截至2022年12月31日止年度的現金股息每股普通股2.0港仙，合共約12,400,000港元(2021年12月31日：12,400,000港元)。2022年股息已於2023年6月27日派發予本公司股東。

本公司董事會已決議不宣派截至2023年6月30日止六個月的中期股息(截至2022年6月30日止六個月：無)。

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9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on profit attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the period:

9. 每股盈利

每股基本盈利乃基於本公司權益持有人應佔溢利及期內已發行普通股加權平均數計算：

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
<i>Earnings for the purpose of calculating basic and diluted earnings per share:</i>	就計算每股基本及攤薄溢利的溢利：		
Profit for the period attributable to equity holders of the Company	本公司權益持有人應佔期內溢利	20,647	48,587
		'000 千股	'000 千股
<i>Number of shares:</i>	股份數目：		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	就計算每股基本盈利的普通股加權平均數	620,000	620,000
Effect of dilutive potential ordinary shares:	潛在攤薄普通股影響：		
– Share options of the Company	– 本公司購股權	8,040	3,485
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	就計算每股攤薄盈利的普通股加權平均數	628,040	623,485
Basic earnings per share (HK cents)	每股基本盈利(港仙)	3.33	7.84
Diluted earnings per share (HK cents)	每股攤薄盈利(港仙)	3.29	7.79

Note: For the six months ended 30 June 2023 and 2022, the computation of diluted earnings per share assumed the exercise of the first and second tranche of share options (*Note 22*) granted by the Company because the exercise price of these share options was lower than the average market price of the Company's shares.

*附註：*截至2023年及2022年6月30日止六個月，由於本公司授出的第一批及第二批購股權(*附註22*)的行使價低於本公司股份的平均市價，故在計算每股攤薄盈利時已假設該等購股權獲行使。

10. PROPERTY, PLANT AND EQUIPMENT

10. 物業、廠房及設備

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	Right-of-use assets 使用權資產 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及固定裝置 HK\$'000 千港元	Machinery and equipment 機械及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Computer 電腦 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Unaudited								
Reconciliation of carrying amount – six months ended 30 June 2023								
未經審核賬面值之對賬 – 截至2023年6月30日止六個月								
At 1 January 2023	43,609	345,196	92,302	11,217	165,706	2,305	4,664	664,999
Additions	2,563	-	-	729	941	3,038	143	7,414
收購一間附屬公司	69	-	-	-	-	-	-	69
Disposal	-	-	-	-	(56)	-	-	(56)
Written-off	(27)	-	-	-	(115)	-	(1)	(143)
Depreciation	(1,809)	(3,723)	(3,358)	(1,754)	(13,557)	(746)	(532)	(25,479)
Exchange realignments	(1,431)	(11,392)	(2,898)	(488)	(5,434)	(22)	(137)	(21,802)
At 30 June 2023	42,974	330,081	86,046	9,704	147,485	4,575	4,137	625,002
Audited								
At 1 January 2023	56,060	381,386	128,227	29,994	436,560	15,616	12,235	1,060,078
Cost	(12,451)	(36,190)	(35,925)	(18,777)	(263,502)	(13,311)	(7,571)	(387,727)
Accumulated depreciation	-	-	-	-	(7,352)	-	-	(7,352)
Accumulated impairment losses	43,609	345,196	92,302	11,217	165,706	2,305	4,664	664,999
未經審核於2023年6月30日	56,776	368,652	124,025	29,578	424,187	18,000	12,015	1,033,233
Cost	(13,802)	(38,571)	(37,979)	(19,874)	(269,595)	(13,425)	(7,878)	(401,124)
Accumulated depreciation	-	-	-	-	(7,107)	-	-	(7,107)
Accumulated impairment losses	42,974	330,081	86,046	9,704	147,485	4,575	4,137	625,002

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11. FINANCIAL ASSETS AT FVPL

11. 按公允值計入損益的金融資產

	At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Unlisted investments - key management insurance contracts 非上市投資－主要管理層保險合約	32,266	31,633

The fair value of the key management insurance contracts is determined by reference to the respective surrender cash value of each insurance contract at the end of the reporting period, which is primarily based on the performance of the underlying investment portfolio together with the guaranteed minimum returns, ranging from 2% to 3.9% per annum (31 December 2022: ranging from 2% to 3.9% per annum) and are denominated in United States Dollar ("US\$").

The movement of the key management insurance contracts is analysed as follows:

主要管理層保險合約的公允值乃參考報告期末各保險合約的相關退保現金值釐定，該現金值乃主要基於相關投資組合的表現以及保證最低退款額，每年介乎2%至3.9%之間(2022年12月31日：每年介乎2%至3.9%之間)，及以美元(「美元」)列值。

主要管理層保險合約的變動分析如下：

	At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
At the beginning of the reporting period 於報告期初	31,633	30,454
Changes in fair value 公允值變動	593	905
Exchange realignments 匯兌調整	40	274
At the end of the reporting period 於報告期末	32,266	31,633

The key management insurance contracts are pledged as collateral for the Group's interest-bearing borrowings amounting to approximately HK\$7,568,000 (31 December 2022: HK\$9,332,000).

主要管理層保險合約已質押作為本集團約7,568,000港元(2022年12月31日：9,332,000港元)的計息借款的抵押品。

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12. FINANCE LEASE RECEIVABLES

The finance lease receivables are set out below:

		Lease payments 租賃付款		Present value of lease payments 租賃付款現值	
		At 30 June 2023 於 2023 年 6 月 30 日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於 2022 年 12 月 31 日 (audited) (經審核) HK\$'000 千港元	At 30 June 2023 於 2023 年 6 月 30 日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於 2022 年 12 月 31 日 (audited) (經審核) HK\$'000 千港元
Finance lease receivables comprise:	應收融資租賃 款項包括：				
Within one year	一年內	512	1,820	404	1,617
Less: unearned finance income	減：未賺取財務 收入	(108)	(203)	N/A 不適用	N/A 不適用
Present value of minimum lease payment receivables	應收最低租賃付 款現值	404	1,617	404	1,617
Analysed as:	分析為：				
Current	流動	404	1,617	404	1,617

Interest rates implicit in the above finance lease is 4.03% per annum (31 December 2022: 4.03%). Finance lease receivables are denominated in US\$.

During the year ended 31 December 2020, the Group entered into a lease agreement with a third party whereas the Group leased out its machineries with carrying amount of approximately HK\$7,344,000 for an initial term of three years. The sum of lease payments is fixed and approximates to the carrying values of the leased assets.

During the six months ended 30 June 2023 and year ended 31 December 2022, the Group did not enter into any new finance lease agreement.

12. 應收融資租賃款項

應收融資租賃款項載列如下：

上述融資租賃的隱含利率為每年4.03% (2022年12月31日：4.03%)。應收融資租賃款項以美元列值。

截至2020年12月31日止年度，本集團與第三方訂立租賃協議，根據該協議本集團出租其賬面值約為7,344,000港元的機械，首個租期為三年。租賃付款總數為固定金額且與租賃資產賬面值相若。

截至2023年6月30日止六個月及截至2022年12月31止年度，本集團並無訂立任何新的融資租賃協議。

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12. FINANCE LEASE RECEIVABLES (CONTINUED)

Finance lease receivables are secured over the machineries leased. The Group is not permitted to sell or repledge the collateral in the absence of default by the lessee. At the end of the lease term of these finance leases, the lessee has the option to buy the machineries at nominal consideration. Termination options are included in these machineries leases. These terms are used to maximise operational flexibility in terms of managing contracts. The termination options held are exercisable by the Group and the lessee.

13. TRADE AND OTHER RECEIVABLES

		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Trade receivables	貿易應收款項		
From third parties	應收第三方	128,694	216,137
Loss allowance	虧損撥備	(5,591)	(5,626)
		123,103	210,511
Other receivables	其他應收款項		
Deposits	按金	412	274
Prepayment for suppliers	供應商預付款項	14	3,017
Prepayment for insurance	保險預付款項	2,923	2,948
Prepayment for utilities	水電費預付款項	300	3,522
Other receivables	其他應收款項	2,127	2,188
Value-added tax receivables	應收增值稅款	8,199	11,252
Prepaid expenses	預付開支	2,582	3,656
		16,557	26,857
		139,660	237,368

The Group applies the simplified approach to provide the expected credit loss prescribed by HKFRS 9, which permits the use of lifetime expected loss provision for trade receivables. The loss allowance is approximately HK\$5,591,000 as at 30 June 2023 (31 December 2022: HK\$5,626,000).

The Group grants credit period up to 90 days to its customers upon the issuance of invoices.

12. 應收融資租賃款項(續)

融資租賃應收款項以租賃的機器作抵押。本集團不得在承租人並無違約的情況下出售或轉質抵押品。於該等融資租賃的租賃期結束時，承租人可選擇以象徵式代價購買機器。該等機器租賃中包含終止選擇權。有關條款被用來最大限度地提高管理合約方面的操作靈活性。所持終止選擇權可由本集團及承租人行使。

13. 貿易及其他應收款項

本集團應用香港財務報告準則第9號所規定的簡化方法就預期信貸虧損作出撥備，該規定允許對貿易應收款項使用整個存續期的預期虧損撥備。於2023年6月30日，虧損撥備約為5,591,000港元(2022年12月31日：5,626,000港元)。

本集團於出具發票後向其客戶授出最高90日的信貸期。

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13. TRADE AND OTHER RECEIVABLES (CONTINUED)

The aging analysis of trade receivables, net of loss allowance, by invoice date at the end of the reporting period is as follows:

		At 30 June 2023 於 2023 年 6 月 30 日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於 2022 年 12 月 31 日 (audited) (經審核) HK\$'000 千港元
Within 30 days	30 日內	87,880	119,001
31 to 60 days	31 至 60 日	18,897	53,494
61 to 90 days	61 至 90 日	10,692	28,377
Over 90 days	90 日以上	5,634	9,639
		123,103	210,511

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest bearing.

13. 貿易及其他應收款項(續)

於報告期末按發票日期劃分的貿易應收款項(扣除虧損撥備)的賬齡分析如下:

本集團並未就其貿易應收款項結餘持有任何抵押品或其他信貸增強安排。貿易應收款項為不計息。

14. TRADE AND OTHER PAYABLES

		At 30 June 2023 於 2023 年 6 月 30 日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於 2022 年 12 月 31 日 (audited) (經審核) HK\$'000 千港元
Trade payables	貿易應付款項		
To third parties (Note)	應付第三方(附註)	103,406	159,696
Other payables	其他應付款項		
Contract liabilities	合約負債	23,829	18,101
Salaries and bonus payable	應付薪金及花紅	10,432	45,998
Accruals and other creditors	應計費用及其他應付賬款	29,490	28,588
		63,751	92,687
		167,157	252,383

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14. TRADE AND OTHER PAYABLES (CONTINUED)

Note: At the end of the reporting period, the aging analysis of the trade payables based on invoice date is as follows:

		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Within 30 days	30日內	44,116	76,394
31 to 60 days	31至60日	37,218	49,374
61 to 90 days	61至90日	8,745	21,617
Over 90 days	90日以上	13,327	12,311
		103,406	159,696

The credit period on trade payables is up to 90 days.

14. 貿易及其他應付款項(續)

附註：於報告期末，基於發票日期劃分的貿易應付款項賬齡分析如下：

貿易應付款項的信貸期不超過90日。

15. PAYABLES FOR CONSTRUCTION IN PROGRESS

Payables for construction in progress represent the amounts payable to the constructors in respect of the construction of the production plants located in the PRC which the amounts due are unsecured, interest-free and repayable from one to five years since its inception. The amounts are determined based on the present value of the total payable consideration discounted using the effective interest rate of 4.75% (31 December 2022: 4.75%) per annum.

16. INTEREST-BEARING BORROWINGS

The secured bank borrowings from banks are repayable within five years since its inception. At 30 June 2023, the secured bank borrowings carried weighted average effective interest rate of approximately 4.59% (31 December 2022: 4.19%) per annum.

At 30 June 2023, the interest-bearing borrowings are secured by:

- (i) certain buildings, machineries and equipment and right-of-use assets in respect of the prepaid land lease payments with aggregate net carrying amount of approximately HK\$399,160,000 (31 December 2022: HK\$431,125,000);
- (ii) key management insurance contracts with fair value of approximately HK\$32,266,000 (31 December 2022: HK\$31,633,000), as set out in Note 11 to the Interim Financial Statements; and
- (iii) corporate guarantees provided by the Company (31 December 2022: corporate guarantees provided by the Company).

15. 應付在建工程款項

應付在建工程款項指就中國建設製造廠應付施工人員的款項，應付款項乃無抵押、免息且須自開建後於一至五年內償還。該等款項乃基於按實際年利率4.75% (2022年12月31日：4.75%) 折現的應付代價總額的現值釐定。

16. 計息借款

有抵押銀行借款須自開始起計五年內全部償還。於2023年6月30日，有抵押銀行借款按加權平均實際年利率約4.59% (2022年12月31日：4.19%) 計息。

於2023年6月30日，計息借款乃由以下各項抵押：

- (i) 賬面淨值合共約399,160,000港元 (2022年12月31日：431,125,000港元) 的若干樓宇、機器及設備及有關預付土地租賃款的使用權資產；
- (ii) 公允價值約32,266,000港元 (2022年12月31日：31,633,000港元) 的主要管理層保險合約 (載於中期財務報表附註11)；及
- (iii) 本公司提供的公司擔保 (2022年12月31日：本公司提供的公司擔保)。

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17. DEFERRED INCOME

At 30 June 2023, the Group recognised deferred income on government grants amounting to approximately of HK\$10,519,000 (31 December 2022: HK\$11,476,000) which are used for acquisitions of property, plant and equipment. These grants are to be realised to income in profit or loss over the useful lives of the related assets. Included in the deferred income on government grants, approximately HK\$9,100,000 (31 December 2022: HK\$10,021,000) represented the income that is not expected to be realised to profit or loss within 12 months subsequent to the end of the reporting period and therefore is presented under non-current liabilities.

18. LEASE LIABILITIES

The Group leased various lands, machinery and equipment and properties for its daily operations with initial lease terms range from 2 to 50 years (31 December 2022: ranging from 2 to 50 years).

17. 遞延收益

於2023年6月30日，本集團確認政府補貼的遞延收益約為10,519,000港元(2022年12月31日：11,476,000港元)，用於收購物業、廠房及設備。該等補貼將於相關資產的可使用年內變現為損益的收入。於政府補貼的遞延收益中，約9,100,000港元(2022年12月31日：10,021,000港元)指預期不會於報告期末後12個月內變現為損益的收入，因此於非流動負債中呈列。

18. 租賃負債

本集團就其日常營運租入若干土地、機械及設備以及物業，初始租期介乎2至50年之間(2022年12月31日：介乎2至50年之間)。

		Lease payments 租賃付款	
		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Lease liabilities payable:	租賃負債應付款項：		
within one year	一年以內	2,617	2,027
within a period of more than one year but not exceeding two years	期限超過1年，但不超過2年	1,458	1,587
within a period of more than two years but not exceeding five years	期限超過2年，但不超過5年	889	99
Total lease liabilities	租賃負債總額	4,964	3,713
Less: Amount due for settlement within 12 months shown under current liabilities	減：於流動負債下列載的 12個月內到期結算的款項	(2,617)	(2,027)
Amount shown under non-current liabilities	於非流動負債下列載的款項	2,347	1,686

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18. LEASE LIABILITIES (CONTINUED)

The Group uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discounts rates for its leases, the Group refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

19. DEFERRED TAXATION

For the purpose of presentation in the condensed consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

18. 租賃負債(續)

由於租賃的隱含利率不易釐定，故本集團採用承租人之增量借款利率對未來租賃付款進行貼現。於釐定租賃貼現率時，本集團參考可直接觀察之利率作為起始點，其後對該可觀察利率運用判斷及調整來釐定增量借款利率。

19. 遞延稅項

就呈列簡明綜合財務狀況表而言，若干遞延稅項資產及負債已被抵銷。就財務報告目的對遞延稅項結餘的分析如下：

		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Deferred tax assets	遞延稅項資產	3,889	3,999
Deferred tax liabilities	遞延稅項負債	(6,206)	(6,389)
Net deferred tax position	遞延稅項淨額狀況	(2,317)	(2,390)

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19. DEFERRED TAXATION (CONTINUED)

The movement in net deferred tax position during the current and prior years are as follows:

		Tax losses	Timing differences on income and expenses (including depreciation) recognised	Total
		稅項虧損	已確認收入與開支的時間差額 (包括折舊)	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2022	於 2022 年 1 月 1 日	4,928	(10,612)	(5,684)
Credited (charged) to profit or loss	於損益內計入(扣除)	4,323	(2,185)	2,138
Exchange difference	匯兌差額	(526)	1,682	1,156
At 31 December 2022 (audited)	於 2022 年 12 月 31 日(經審核)	8,725	(11,115)	(2,390)
Offsetting	抵銷	(4,726)	4,726	-
Net deferred tax assets (liabilities)	遞延稅項資產(負債)淨額	3,999	(6,389)	(2,390)
At 1 January 2023	於 2023 年 1 月 1 日	8,725	(11,115)	(2,390)
Credited (charged) to profit or loss	於損益內計入(扣除)	274	(554)	(280)
Exchange difference	匯兌差額	(290)	643	353
At 30 June 2023 (unaudited)	於 2023 年 6 月 30 日(未經審核)	8,709	(11,026)	(2,317)
Offsetting	抵銷	(4,820)	4,820	-
Net deferred tax assets (liabilities)	遞延稅項資產(負債)淨額	3,889	(6,206)	(2,317)

The tax losses included in deferred tax assets arising at the end of each reporting period can be offset against future taxable profits of respective subsidiaries.

19. 遞延稅項(續)

於本年度及過往年度的遞延稅項淨額狀況變動如下：

計入遞延稅項資產的於各報告期末產生的稅項虧損，均可被相關附屬公司的未來應課稅溢利抵銷。

20. SHARE CAPITAL

20. 股本

		At 30 June 2023 (unaudited) 於2023年6月30日 (未經審核)		At 31 December 2022 (audited) 於2022年12月31日 (經審核)	
		No. of shares 股份數目 '000 千股	HK\$'000 千港元	No. of shares 股份數目 '000 千股	HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	2,000,000	200,000	2,000,000	200,000
Issued and fully paid:	已發行及繳足：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	620,000	62,000	620,000	62,000

21. RESERVES

21. 儲備

21(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its par value. Under the laws of the Cayman Islands and the Company's Articles of Association, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business.

21(a) 股份溢價

股份溢價指發行本公司股份籌集之所得款項淨額超逾其面值之差額。根據開曼群島法例及本公司組織章程細則，該等金額可分派予本公司股東，前提為本公司須有能力支付日常業務過程中到期應付之債務。

21(b) Capital reserve

The capital reserve represents the waiver of the amount due from the Group granted by the controlling shareholder in prior years and the aggregate amount of the nominal value of the issued/registered capital of the entities now comprising the Group less consideration paid to acquire the relevant interests (if any).

21(b) 資本儲備

資本儲備指於過往年度由控股股東授出的應收本集團款項豁免，及現時組成本集團之實體的已發行／註冊股本的賬面總值減收購相關權益的已付代價(如有)。

21(c) Statutory reserve

As stipulated by the relevant laws and regulations for enterprises incorporated/established in the PRC, the Group's subsidiaries in the PRC are required to maintain certain statutory reserves. The statutory reserve can be used to make up for losses, expand the existing operation and convert to additional capital.

21(c) 法定儲備

根據相關法律法規對於中國註冊成立／成立之企業的規定，本集團於中國的附屬公司須保持若干法定儲備。法定儲備可用於彌補虧損、擴大現有經營及轉化為額外股本。

21. RESERVES (CONTINUED)**21(d) Translation reserve**

The translation reserve comprises all foreign exchange differences arising from the translation of foreign operations for consolidation.

21(e) Share option reserve

Share option reserve represents the fair value of share options granted to employees and non-employees.

22. SHARE OPTION SCHEMES

The Company has adopted a share option scheme (the “**Option Scheme**”) pursuant to a resolution passed on 28 May 2019. The major terms of the Option Scheme are summarised as follows:

- (a) The purpose of the Option Scheme is to provide an incentive for eligible participants to work with commitment towards enhancing the value of the Company and the shares for the benefit of the shareholders of the Company and to retain and attract persons whose contribution are or may be beneficial to the growth and development of the Group.
- (b) The eligible participants of the Option Scheme include: (a) any executive director, or employee (whether full time or part time) of the Group or any entity in which the Group holding any equity interest (“**Invested Entity**”); (b) any non-executive director (including independent non-executive directors) of the Group or any Invested Entity; and (c) any non-employees (including but not limited to supplier, customer, consultant, adviser, contractor, business partner or service provider of the Group or any Invested Entity) in the absolute discretion of the board of directors in the determination of who has contributed or will contribute to the Group.
- (c) The maximum number of shares which may be allotted and issued upon exercise of all outstanding share options granted and yet to be exercised under the Option Scheme and any other share option scheme of the Group shall not exceed 30% of the issued share capital of the Company from time to time.

21. 儲備(續)**21(d) 換算儲備**

換算儲備包括合併時換算境外經營所產生的所有外匯差額。

21(e) 購股權儲備

購股權儲備指授予僱員及非僱員之購股權之公允值。

22. 購股權計劃

本公司已根據於2019年5月28日通過的決議案採納了一項購股權計劃(「**購股權計劃**」)。購股權計劃的主要條款概述如下：

- (a) 購股權計劃的目的是激勵合資格參與者致力於為了本公司股東利益而提升本公司及其股份的價值，以及挽留及吸引其貢獻對本集團增長及發展有利或可能有利的人士。
- (b) 購股權計劃的合資格參與者包括：(a)本集團或本集團持有其任何股本權益的任何實體(「**投資實體**」)的任何執行董事或僱員(不論全職或兼職)；(b)本集團或任何投資實體的任何非執行董事(包括獨立非執行董事)；及(c)任何非僱員(包括但不限於本集團或任何投資實體的供應商、客戶、諮詢者、顧問、承包商、業務夥伴或服務供應商)，而董事會可全權酌情釐定彼等是否曾對或將對本集團作出貢獻。
- (c) 根據購股權計劃及本集團任何其他購股權計劃授出而尚未行使及待行使的全部購股權經行使後可獲配發及發行的最高股份數目，不得超過本公司不時已發行股本的30%。

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22. SHARE OPTION SCHEMES (CONTINUED)

- (d) The total number of shares which may be allotted and issued upon exercise of all share options to be granted under the Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the total number of shares in issue as at the date of adoption of the Option Scheme.
- (e) The total number of shares issued and which may fall to be issued upon exercise of the share options granted under the Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each participant in any twelve-month period shall not exceed 1% of the issued share capital of the Company for the time being.
- (f) There is no minimum period required for the holding of a share option before it can be exercised.
- (g) A share option may be exercised at any time during a period to be determined by the directors of the Company, the period may commence on a day after the date upon which the offer for the grant of share options is made but shall not be later than ten years from the date of grant of the share option subject to any provisions for early termination thereof.
- (h) Upon acceptance, the eligible participant shall remit HK\$1.00 to the Company as consideration for the grant. The acceptance of a share option, if accepted, must be made within 21 days from the date of the offer of grant of the share option.

22. 購股權計劃(續)

- (d) 根據購股權計劃及本集團任何其他購股權計劃將予授出的全部購股權經行使後可能配發及發行的股份總數，合共不得超過採納購股權計劃當日已發行股份總數的10%。
- (e) 當行使根據購股權計劃及本集團任何其他購股權計劃而於任何12個月期間向每位參與者授出的購股權(包括已行使或尚未行使的購股權)而發行及將予發行的股份總數，不得超過本公司當時已發行股本的1%。
- (f) 並無規定在行使購股權前須持有購股權的最短期限。
- (g) 購股權可於本公司董事釐定的期限內隨時行使。該期間乃由授出購股權要約日期翌日起計，惟須受有關購股權提前終止的任何條文所規限，至不得超過自購股權授出當日起計10年。
- (h) 於接納後，合資格參與者須向本公司匯入1.00港元的授出代價。接納購股權(倘接納)須於授出購股權要約當日起計21日內作出。

22. SHARE OPTION SCHEMES (CONTINUED)

- (i) The exercise price of a share option shall not be less than the highest of:
- (i) the closing price of the share of the Company as stated in the Stock Exchange's daily quotations on the date of the offer of the grant;
 - (ii) the average closing price of the share of the Company as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of the grant; and
 - (iii) the nominal value of the share of the Company.
- (j) The Option Scheme will expire on 27 May 2029.

On 13 May 2020, options to subscribe 37,840,000 ordinary shares were granted to several eligible participants including employees and non-employees under the Option Scheme at an exercise price HK\$0.355 per share. The validity period of the share options is ten years from the date of grant (i.e. from 13 May 2020 to 12 May 2030), of which 50% of the share option was exercisable and vested on the date of grant and the remaining 50% of the share options was vested and exercisable from 13 May 2021 to 12 May 2030. Eligible participants are not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments.

During the six months ended 30 June 2022, 1,000,000 share options were forfeited. As at 30 June 2022, the number of shares in respect of which options had been granted and remained outstanding under the Option Scheme was 36,040,000.

During the six months ended 30 June 2023, no share options was forfeited. As at 30 June 2023, the number of shares in respect of which options had been granted and remained outstanding under the Option Scheme was 35,790,000.

22. 購股權計劃(續)

- (i) 購股權的行使價不得低於以下最高者：
- (i) 授出要約當日聯交所每日報價表中所列的本公司股份收市價；
 - (ii) 緊接授出要約日期前五個交易日聯交所每日報價表中所列的本公司股份平均收市價；及
 - (iii) 本公司股份面值。
- (j) 購股權計劃將於2029年5月27日屆滿。

於2020年5月13日，根據購股權計劃向若干合資格參與者(包括僱員及非僱員)授出可認購37,840,000股普通股的購股權，行使價為每股0.355港元。購股權之有效期為自授出日期起計十年(即2020年5月13日至2030年5月12日)，其中50%的購股權於授出日期可予行使及歸屬，而餘下50%的購股權於2021年5月13日至2030年5月12日歸屬及可予行使。合資格參與者無須在無條件享有該等股本工具之前完成特定的服務期。

截至2022年6月30日止六個月，1,000,000份購股權已被沒收。於2022年6月30日，有關已授出及根據購股權計劃尚未行使的購股權的股份數目為36,040,000股。

截至2023年6月30日止六個月，無購股權已被沒收。於2023年6月30日，有關已授出及根據購股權計劃尚未行使的購股權的股份數目為35,790,000股。

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22. SHARE OPTION SCHEMES (CONTINUED)

Details of the movements of share options granted to subscribe for the shares are as follows:

For the six months ended 30 June 2023

	Date of grant of share options	Exercise price of share options	Exercise period (both dates inclusive)	Number of share options 購股權數目					
				At 1 January 2023	Granted during the period	Exercised during the period	Cancelled/ lapsed/ forfeited during the period	Outstanding at 30 June 2023	Exercisable at 30 June 2023
	授出購股權日期	購股權行使價	行使期間(包括首尾兩日)	於2023年1月1日	期內已授出	期內已行使	期內註銷/失效/沒收	於2023年6月30日尚未行使	於2023年6月30日可行使
Directors	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	14,020,000	-	-	-	14,020,000	14,020,000
董事	2020年5月13日		自2020年5月13日至2030年5月12日分兩期行使						
Employees	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	17,850,000	-	-	-	17,850,000	17,850,000
僱員	2020年5月13日		自2020年5月13日至2030年5月12日分兩期行使						
Non-employees	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	3,920,000	-	-	-	3,920,000	3,920,000
非僱員	2020年5月13日		自2020年5月13日至2030年5月12日分兩期行使						
			Total	35,790,000	-	-	-	35,790,000	35,790,000
			總計						
Weighted average exercise price (HK\$)				0.355				0.355	0.355
加權平均行使價(港元)									

22. 購股權計劃(續)

已授出認購股份之購股權之變動詳情如下：

截至2023年6月30日止六個月

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22. SHARE OPTION SCHEMES (CONTINUED)

For the six months ended 30 June 2022

22. 購股權計劃(續)

截至 2022 年 6 月 30 日止六個月

	Date of grant of share options	Exercise price of share options	Exercise period (both dates Inclusive)	At 1 January 2022	Granted during the period	Exercised during the period	Number of share options		Outstanding at 30 June 2022	Exercisable at 30 June 2022
							購股權數目	Cancelled/ lapsed/ forfeited during the period		
	授出購股權日期	購股權行使價	行使期間(包括首尾兩日)	於 2022 年 1 月 1 日	期內已授出	期內已行使	期內註銷/失效/沒收	於 2022 年 6 月 30 日尚未行使	於 2022 年 6 月 30 日可行使	
Directors	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	14,020,000	-	-	-	14,020,000	14,020,000	
董事	2020 年 5 月 13 日		自 2020 年 5 月 13 日至 2030 年 5 月 12 日分兩期行使							
Employees	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	19,100,000	-	-	(1,000,000)	18,100,000	18,100,000	
僱員	2020 年 5 月 13 日		自 2020 年 5 月 13 日至 2030 年 5 月 12 日分兩期行使							
Non-employees	13 May 2020	0.355	Exercisable in two tranches from 13 May 2020 to 12 May 2030	3,920,000	-	-	-	3,920,000	3,920,000	
非僱員	2020 年 5 月 13 日		自 2020 年 5 月 13 日至 2030 年 5 月 12 日分兩期行使							
			Total	37,040,000	-	-	(1,000,000)	36,040,000	36,040,000	
			總計							
Weighted average exercise price (HK\$)				0.355				0.355	0.355	
加權平均行使價(港元)										

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22. SHARE OPTION SCHEMES (CONTINUED)

The fair value of the share options on the date of grant is approximately HK\$2,550,000.

The fair value of share options on the date of the grant is estimated by using the Binomial Model with the following parameters:

Grant date	13 May 2020
Exercise price	HK\$0.355
Risk-free rate	1.02%
Expected volatility*	36.206%
Expected dividend yield*	5.607%

* The expected volatility is with reference to historical price volatilities of the share price of the Company and companies of the similar business nature, adjusted for any expected changes to future volatility due to publicly available information. Expected dividends are based on historical dividends. Changes in the subjective input assumptions would materially affect the fair value estimate.

23. ACQUISITION OF A SUBSIDIARY

In March 2023, Tian Chang Industrial (Shenzhen) Limited (English translation of 天長實業(深圳)有限公司 for identification purpose only), a wholly owned subsidiary of the Company, acquired 100% equity interest of Guangdong Tian Yuan Electronic Technology Limited ("Tian Yuan", English translation of 廣東天沅電子科技有限公司 for identification purpose only) from an independent party, at a cash consideration of Reminbi 1 (equivalent to approximately HK\$1). Tian Yuan is principally engaged in sales of e-cigarette products. The acquisition was completed in March 2023. Upon completion of the transaction, Tian Yuan had become a wholly owned subsidiary of the Group.

22. 購股權計劃(續)

於授予日期，購股權的公允值約為2,550,000港元。

購股權於授出日期的公允值乃通過使用以下參數的二項式模型估算得出：

授出日期	2020年5月13日
行使價	0.355港元
無風險利率	1.02%
預期波幅*	36.206%
預期股息收益率*	5.607%

* 預期波幅乃參考本公司及業務性質類似的公司股價的歷史波幅，並按任何因公開資料而導致未來波幅預期變動作出調整。預期股息以歷史股息為基礎。主觀輸入假設的變化將對公允值估計產生重大影響。

23. 收購一間附屬公司

於2023年3月，本公司全資附屬公司天長實業(深圳)有限公司從一名獨立方收購廣東天沅電子科技有限公司(「天沅」)100%股權，現金代價人民幣1元(相等於約1港元)。天沅主要從事電子煙產品的銷售。該收購於2023年3月完成。於收購完成後，天沅成為本集團全資附屬公司。

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23. ACQUISITION OF A SUBSIDIARY (CONTINUED)

The following summarises the consideration paid and the amounts of the assets acquired at the date of acquisition:

		HK\$'000 千港元
Consideration	代價	
Cash	現金	—*
Recognised amounts of identifiable assets acquired	已收購可識別資產的確認金額	
Property, plant and equipment	物業、廠房及設備	69
Other receivables	其他應收款項	19
Cash and cash equivalents	現金及現金等價物	70
Other payables	其他應付款項	(113)
Lease liabilities	租賃負債	(69)
Total identifiable net liabilities	可識別淨負債總額	(24)
Net cash inflow of acquisition of a subsidiary	收購一間附屬公司的現金流入淨額	
Net cash acquired from subsidiary	收購附屬公司，扣除所獲現金	70
Cash consideration paid	已支付現金代價	—*
Net inflow of cash and cash equivalents	現金及現金等價物流入淨額	70

* less than HK\$1,000

The subsidiary made no significant contribution to the revenue and results of the Group for the six months ended 30 June 2023 after acquisition. The contribution of revenue and results from the subsidiary was also insignificant if the above acquisition had taken place at the beginning of the reporting period.

23. 收購一間附屬公司(續)

下表概述於收購日期已支付代價及已收購資產金額：

* 少於1,000港元

截至2023年6月30日止六個月，該附屬公司於收購後並無對本集團收益及業績作出重大貢獻。假如上述收購於報告期初發生，該附屬公司的收益及業績貢獻亦微不足道。

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24. CASH GENERATED FROM OPERATIONS

24. 經營所得現金

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Profit before tax	除稅前溢利	22,237	55,613
Depreciation	折舊	25,479	25,115
Interest income	利息收入	(1,584)	(418)
Fair value gain on financial assets at FVPL	按公允值計入損益的金融資產 公允值收益	(593)	(545)
Finance costs	財務成本	3,123	3,298
Amortisation of deferred government grants	遞延政府補貼攤銷	(732)	(773)
Written-off of property, plant and equipment	物業、廠房及設備撇銷	143	360
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	27	434
Inventories written-off	存貨撇銷	889	6,842
Provision for loss allowance on trade receivables	貿易應收款項虧損撥備	114	101
Exchange differences	匯兌差額	(3,893)	(6,085)
Changes in working capital:	營運資金變動：		
Inventories	存貨	10,544	31,568
Trade and other receivables	貿易及其他應收款項	88,628	19,547
Trade and other payables	貿易及其他應付款項	(77,394)	(78,630)
Cash generated from operations	經營所得現金	66,988	56,427

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25. RELATED PARTY TRANSACTIONS

In addition to the transactions disclosed elsewhere in the Interim Financial Statements, during the six months ended 30 June 2023 and 2022, further information of the related party transactions is set out below.

(a) Transactions with related parties

The Group had entered into lease agreements with the company controlled by the ultimate controlling party of the Company, Mr. Chan Tsan Lam (the "Ultimate Controlling Party") to lease an office premises located in Hong Kong. In the opinion of the management of the Group they are under normal commercial terms that are fair and reasonable and in the best interests of the Group.

25. 關聯方交易

除中期財務報表其他地方所披露的交易外，截至2023年及2022年6月30日止六個月，有關關聯方交易的進一步資料載列如下。

(a) 與關聯方之交易

本集團與本公司最終控股方陳燦林先生(「最終控股方」)控制的公司訂立租賃協議，租賃位於香港的辦公室物業。本集團管理層認為，該等交易乃按正常商業條款進行，且屬公平合理並符合本集團的最佳利益。

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Related parties relationship 關聯方關係	Nature of transaction 交易性質		
Companies controlled by the Ultimate Controlling Party 最終控股方的控股公司	Lease payments 租賃付款	594	297
	Interest expenses on lease liabilities 租賃負債的利息開支	23	12

(b) Balances with related parties

(b) 與關聯方之結餘

		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Related parties relationship 關聯方關係	Nature of transaction 交易性質		
Companies controlled by the Ultimate Controlling Party 最終控股方的控股公司	Lease liabilities 租賃負債	1,605	2,176

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25. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Remuneration for key management personnel (including directors) of the Group:

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Salaries and allowances	薪金及貼津	9,515	9,048
Contributions to defined contribution plans	定額供款計劃供款	50	52
		9,565	9,100

26. MAJOR NON-CASH TRANSACTIONS

The followings set out the major non-cash transactions during the period:

During the six months ended 30 June 2023, the Group incurred imputed interest expenses in respect of the payables for construction in progress of approximately HK\$142,000 (*six months ended 30 June 2022: HK\$221,000*), which were not settled and were credited to the payables for construction in progress.

During the six months ended 30 June 2023, the restricted bank balances of approximately HK\$7,171,000 were released by the order of the People's Government of Huizhou City and paid to the sub-contractor for the settlement of payables for construction in progress.

During the six months ended 30 June 2023, the Group incurred additional payables of approximately HK\$1,239,000 (*six months ended 30 June 2022: HK\$752,000*) to constructors for the addition of property, plant and equipment.

25. 關聯方交易(續)

(c) 本集團主要管理人員(包括董事)的薪酬:

Six months ended 30 June
截至6月30日止六個月

		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Salaries and allowances	薪金及貼津	9,515	9,048
Contributions to defined contribution plans	定額供款計劃供款	50	52
		9,565	9,100

26. 主要非現金交易

下文載列期內的主要非現金交易:

截至2023年6月30日止六個月，本集團就在建工程的應付款項產生約142,000港元(截至2022年6月30日止六個月: 221,000港元)的應計利息開支，該等利息支出未結算及未計入在建工程的應付款項。

截至2023年6月30日止六個月，受限制銀行結餘約7,171,000港元已根據惠州市人民政府的指示釋放，支付予分包商以結清在建工程應付款項。

截至2023年6月30日止六個月，本集團就添置物業、廠房及設備而產生額外應付建築商款項約1,239,000港元(截至2022年6月30日止六個月: 752,000港元)。

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26. MAJOR NON-CASH TRANSACTIONS (CONTINUED)

During the six months ended 30 June 2023, the Group entered into lease arrangement in respect of a leased property with a total capital value at the inception of leases of approximately HK\$2,563,000 (six months ended 30 June 2022: HK\$1,725,000).

During the six months ended 30 June 2023, the Group has terminated a leased premises with the carrying amount of right-of-use assets and lease liabilities balance of approximately HK\$27,000 and HK\$27,000, respectively.

27. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in the Interim Financial Statements on a recurring basis across the three levels of the fair value hierarchy defined in HKFRS 13 "Fair Value Measurement" with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

26. 主要非現金交易(續)

截至2023年6月30日止六個月，本集團就租賃物業訂立租賃安排，租賃期初總資本價值約2,563,000港元(截至2022年6月30日止六個月：1,725,000港元)。

截至2023年6月30日止六個月，本集團已終止租賃物業，使用權資產及租賃負債的賬面值餘額分別約為27,000港元及27,000港元。

27. 公允值計量

以下乃按香港財務報告準則第13號「公允值計量」所界定之公允值三個層級呈列以公允值計量或須按重複基準於中期財務報表披露公允值之資產及負債，而公允值計量乃基於對整體計量有重大影響之最低級別輸入數據作整體分類。輸入數據層級界定如下：

- 第一層級(最高級別)：本集團在計量日可獲得的相同資產或負債在活躍市場之報價(未經調整)；
- 第二層級：除第一層級所包括之報價以外，資產或負債的直接或間接可觀察之輸入數據；
- 第三層級(最低級別)：資產或負債之無法觀察輸入數據。

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27. FAIR VALUE MEASUREMENTS (CONTINUED)

27. 公允值計量(續)

(a) Assets and liabilities measured at fair value

(a) 以公允值計量的資產及負債

		At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) Level 3 第三層級 HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) Level 3 第三層級 HK\$'000 千港元
Assets measured at fair value	以公允值計量的資產		
Financial assets at FVPL	按公允值計入損益的金融資產		
- Unlisted investments	- 非上市投資		
- key management insurance contracts (Note 11)	- 主要管理人員保險合約(附註11)	32,266	31,633

During the six months ended 30 June 2023 and year ended 31 December 2022, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

截至2023年6月30日止六個月及截至2022年12月31日止年度，第一層級、第二層級與第三層級公允值計量之間並無轉撥。

		Six months ended 30 June 截至6月30日止六個月	
		2023 2023年 (unaudited) (未經審核) HK\$'000 千港元	2022 2022年 (unaudited) (未經審核) HK\$'000 千港元
Total unrealised gain recognised in profit or loss	於損益確認的未變現收益總額	593	545

Note: The fair value of the key management insurance contracts is determined by reference to the surrender cash value, which is primarily based on the performance of the underlying investment portfolio together with the guaranteed minimum returns, reported by the bank on a regular basis.

附註: 主要管理人員保險合約的公允值乃參考退保現金值釐定，該現金值乃主要基於銀行定期報告的相關投資組合表現以及保證最低退款額。

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27. FAIR VALUE MEASUREMENTS (CONTINUED)

(b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities including finance lease receivables, rental deposits, trade and other receivables, trade and other payables, bank balances and cash, interest-bearing borrowings, payables for construction in progress and lease liabilities are carried at amounts not materially different from their fair values at the end of the reporting period.

28. COMMITMENTS

Capital expenditure commitments

	At 30 June 2023 於2023年 6月30日 (unaudited) (未經審核) HK\$'000 千港元	At 31 December 2022 於2022年 12月31日 (audited) (經審核) HK\$'000 千港元
Contracted but not provided net of deposits paid for construction in progress	260	863

29. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved by the board of directors on 28 August 2023.

27. 公允值計量(續)

(b) 披露公允值但不以公允值計量的資產及負債

所有其他金融資產及負債(包括應收融資租賃款項、租金按金、貿易及其他應收款項、貿易及其他應付款項、銀行結餘及現金、計息借款、應付在建工程款項及租賃負債)均以與報告期末公允值並無重大差異的金額計值。

28. 承擔

資本開支承擔

29. 批准中期財務報表

中期財務報表於2023年8月28日獲董事會批准。



TIAN CHANG GROUP HOLDINGS LTD.
天 長 集 團 控 股 有 限 公 司