

大同機械企業有限公司
COSMOS MACHINERY ENTERPRISES LIMITED

Stock Code 股份代號: 118

2023

Annual Report

年報



CONTENTS

目錄

Page 頁次		
2	Corporate Information	公司資料
4	Main Operational Structure	主要業務架構
6	Chairman's Statement	主席報告
8	Management Discussion and Analysis	管理層論述及分析
20	Directors and Senior Management's Biographies	董事及高級管理人員簡歷
23	Report of the Directors	董事會報告書
43	Corporate Governance Report	企業管治報告
65	Environmental, Social and Governance Report	環境、社會及管治報告
112	Independent Auditor's Report	獨立核數師報告
121	Consolidated Income Statement	綜合收益表
122	Consolidated Statement of Comprehensive Income	綜合全面收益表
123	Consolidated Statement of Financial Position	綜合財務狀況表
125	Consolidated Statement of Changes in Equity	綜合權益變動表
127	Consolidated Statement of Cash Flows	綜合現金流量表
130	Notes to the Consolidated Financial Statements	綜合財務報表附註
249	Five Year Financial Summary	五年財務摘要
250	Glossary	詞彙

CORPORATE INFORMATION

公司資料

As at 27 March 2024

於二零二四年三月二十七日

BOARD OF DIRECTORS

Executive Directors

Tang To (*Chairman*)

Tang Yu, Freeman (*Chief Executive Officer*)

Non-executive Director

Kan Wai Wah

Independent Non-executive Directors

Yeung Shuk Fan

Lam Kwok Ming

Lee Wai Yip, Alvin

Audit Committee

Yeung Shuk Fan (*Chairman*)

Kan Wai Wah

Lam Kwok Ming

Lee Wai Yip, Alvin

Nomination Committee

Tang To (*Chairman*)

Lam Kwok Ming

Lee Wai Yip, Alvin

Tang Yu, Freeman

Yeung Shuk Fan

Remuneration Committee

Yeung Shuk Fan (*Chairman*)

Lam Kwok Ming

Lee Wai Yip, Alvin

Tang To

Committee of Executive Directors

Tang To (*Chairman*)

Tang Yu, Freeman

AUTHORISED REPRESENTATIVES

Tang To

Tang Yu, Freeman

董事會

執行董事

鄧 燾 (*主席*)

鄧 愚 (*行政總裁*)

非執行董事

簡衛華

獨立非執行董事

楊淑芬

林國明

李偉業

審核委員會

楊淑芬 (*主席*)

簡衛華

林國明

李偉業

提名委員會

鄧 燾 (*主席*)

林國明

李偉業

鄧 愚

楊淑芬

薪酬委員會

楊淑芬 (*主席*)

林國明

李偉業

鄧 燾

執行董事委員會

鄧 燾 (*主席*)

鄧 愚

授權代表

鄧 燾

鄧 愚

CORPORATE INFORMATION (CONTINUED)

公司資料(續)

As at 27 March 2024

於二零二四年三月二十七日

COMPANY SECRETARY

Wong Lai Tong

AUDITOR

Ting Ho Kwan & Chan

PRINCIPAL BANKERS

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

REGISTERED OFFICE

10th Floor, Billion Plaza 2
No. 10 Cheung Yue Street
Cheung Sha Wan
Kowloon, Hong Kong

SHARE REGISTRAR

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

COMPANY WEBSITE

<http://www.cosmel.com>

INVESTOR RELATIONS CONTACT

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E-mail: ir@cosmel.com
Telephone: (852) 2376 6188
Fax: (852) 2375 9626

STOCK CODE

118

公司秘書

王勵塘

核數師

丁何關陳會計師行

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
中國建設銀行(亞洲)股份有限公司

註冊辦事處

香港九龍
長沙灣
長裕街10號
億京廣場2期10樓

股份過戶登記處

卓佳秘書商務有限公司
香港
夏慤道16號
遠東金融中心17樓

公司網址

<http://www.cosmel.com>

投資者關係聯絡

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傳真: (852) 2375 9626

股份代號

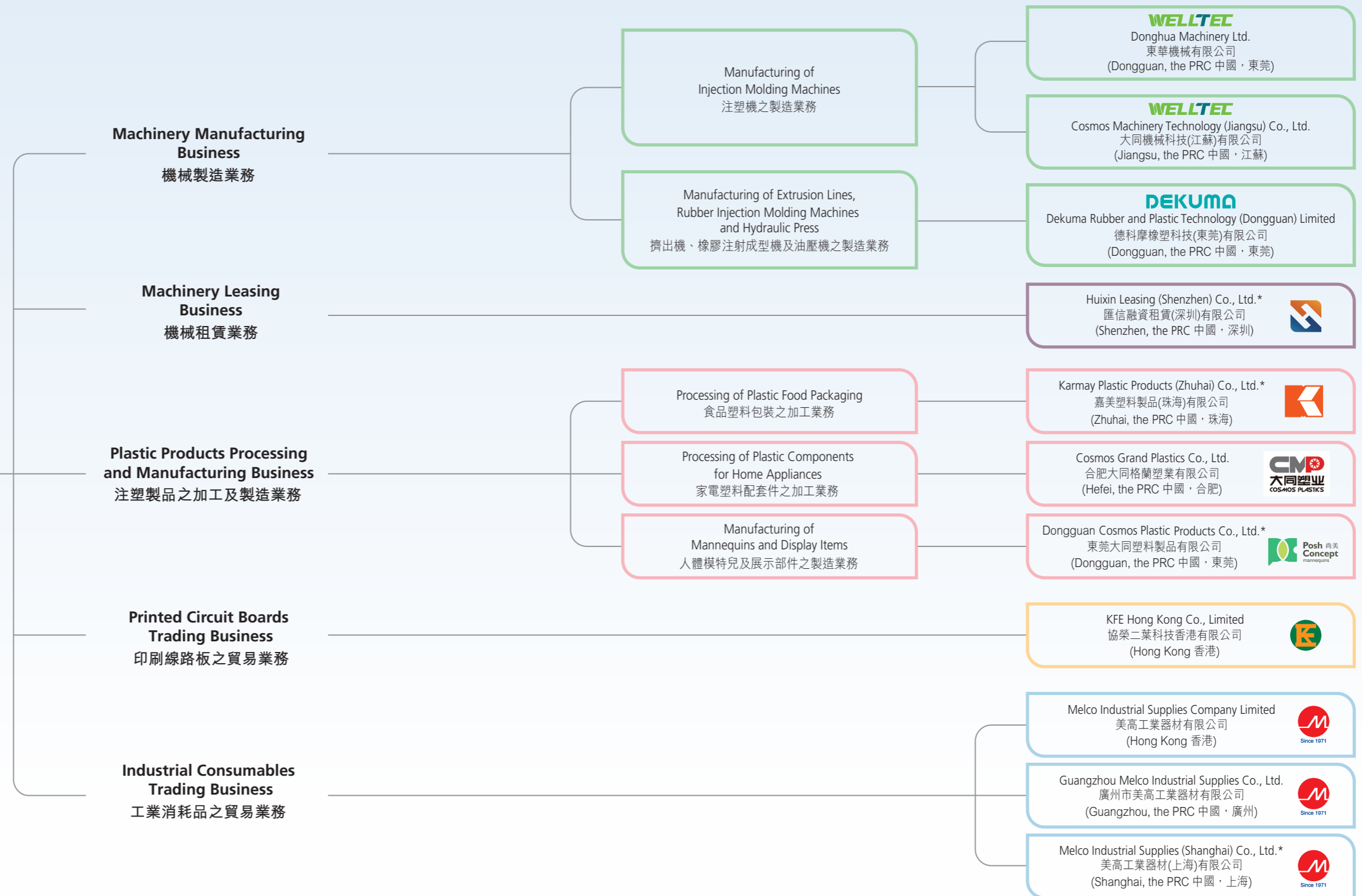
118

MAIN OPERATIONAL STRUCTURE

主要業務架構

As at 27 March 2024

於二零二四年三月二十七日



* For identification purposes only

* 僅供識別

Note: The details of the shareholding of each subsidiary held by the Company or its subsidiaries, please refer to note 42 to the consolidated financial statements.

附註: 由本公司或其附屬公司持有各附屬公司的股權詳情，請參閱綜合財務報表附註42。

CHAIRMAN'S STATEMENT

主席報告

During the year, the traditional industrial market has continued its weak posture since last year. Despite a decline in the inflation rate in the US, but the target of the Federal Reserve was not attained, thus interest rates remain high. In addition, Russia-Ukraine conflicts show no signs of easing, and Israel-Palestine conflicts ignited suddenly. The ongoing international geopolitical tensions have led to the turbulence of the global environment, severely dampened the stability of international trade and the global supply chain, thereby further hindered economic growth.

Numerous manufacturing enterprises, especially those that rely on the United States market, are under pressure from a series of the United States targeted policies toward China. They are engaging in "China + N" strategy, shifting their operations from China to ASEAN, Mexico and elsewhere. As such, this industrial relocation results in a reduction in demand in the domestic market.

After the lifting of pandemic restrictions, the China market did not significantly recover from output levels during the pandemic. The stagnant real estate market dampened its related industries. Many enterprises chased orders by dropping their selling prices. In retrospect of the year, the market competition was intense and challenging.

However, the Group did not implement staff cutbacks during the challenging time, alternatively, ramped up our investments, including upgrade in production equipment and environmental facilities, talent recruitment and ongoing staff training, research and development, innovation, as well as enhancement of our digital management and marketing systems. The Group has further focused on meeting the sophisticated needs for specific industries and offering related products and services through continuous research and development. In the intense competitive market, certain achievements that we have attained are attributable to our effort in helping customers to enhance their quality and efficiency.

The printed circuit boards processing business recorded losses in the past few years due to a combination of unfavourable scenarios and a simple processing model for this business. The Group had previously made great efforts to turnaround from loss into profit but did not achieve desired results. This business was eventually disposed of at discount, but it was still a mutually beneficial solution that allowed the Group to significantly reduce massive cash outflow arising from lawful cessation of business. Meanwhile, the Group does not hold an optimistic view of the profit prospects for the printed circuit boards trading business, an impairment loss of the carrying value of goodwill of this business was recognized in the year to reflect its actual asset value. Thus, the Group recorded a loss for the year due to the adjustment of these businesses.

在過去的一年中，傳統工業市場延續了上年的疲軟態勢，儘管通脹率有所回落，但尚未達到美聯儲的既定目標，貸款利率仍居高不下。此外，國際地緣政治局勢持續緊張，俄烏衝突未見緩和，以巴戰事突發，全球環境風高浪急，嚴重打擊國際貿易及全球供應鏈的穩定，並進一步制約了經濟增長。

在美國實施的一系列針對性政策「中國+N」的壓力下，許多依賴美國市場的生產企業被迫從中國內地遷往東盟和墨西哥等地運營，這種產業轉移削弱了國內市場的需求。

中國內地疫情緩解後，雖然解除了封控措施，但市場並未出現顯著復甦。房地產市場的下滑導致相關行業受創。許多企業更以削價爭奪訂單。回顧過去一年，市場競爭非常激烈且充滿挑戰。

然而，本集團在逆境中並未有縮減編制，反而加大了投資力度。我們提升了生產設備和環保設施、招募優秀人才並持續進行員工培訓、積極投入研發、鼓勵創新，並不斷提升管理和營銷系統的數字化水平。本集團繼續專注於滿足特定行業的獨特複雜需求，通過持續研發創新以提供相應產品與服務，協助客戶提質增效。在激烈的市場競爭中，我們也取得了一定的成績。

印刷線路板加工業務面對多種負面因素，加上只能以加工模式運營，過去幾年均錄得虧損，儘管本集團努力嘗試扭虧為盈，但仍勞而無功。該業務最終以折價轉讓的方式處理亦不失為一個上佳的方案，主要它能顯著降低因結束業務營運而產生的龐大資金消耗。同時，我們也意識到印刷線路板貿易業務的盈利前景同樣不容樂觀，因此在本年度將該項業務的商譽賬面值進行了減值處理，以真實反映其資產價值。然而，這兩項業務的調整導致本集團本年度業績出現虧損。

The global economic environment is unpredictable and unpromising. The international geopolitical situation will continue to be complex and subject to the impact of various elections. The United States' continued provocation of China and other major adversaries on certain issues, such as politics, finance, technology and military affairs, introduces more uncertainty into the global economy.

Our teams take an attitude for our betterment to navigate the challenging operating environment. The Group will maintain a stable cash flow, focus on research and development, adhere to environmental requirements, and continuously enhance operations management and product digitization. Moreover, we provide producer services and ensure customer satisfaction while advocating lean manufacturing and strictly controlling our quality. We focus on increasing the value of our products and enhancing the quality of our service rather than engaging in price competition. Meanwhile, the Group had a business expansion plan for the year.

I believe that the Group can make remarkable achievement under the challenging market condition. I am encouraged by my colleagues' continuous improvement, and firmly believe that, we will achieve even better results in the coming year. I would like to sincerely express my thankfulness to all Directors for their advice, guidance and support.

國際經濟環境依然充滿變數，前景無法樂觀。全球政治形勢將持續複雜多變，加之選舉政治的影響，美國將在政治、金融、科技、軍事等方面繼續對中國等主要對手進行一輪又一輪的挑釁，為全球經濟帶來更多的不確定性。

面對嚴峻的經營環境，我們團隊秉持積極求進的精神，絕不氣餒。本集團將繼續保持穩健的現金流，以研發創新為核心，遵循環保要求，持續提升運營管理和產品數字化水平。我們倡導精益生產，嚴格控制質量，向客戶提供生產性服務，以獲得客戶的認同和信賞為目標。我們將摒棄以降價爭市場的行為，專注於提升產品價值和服務質量。同時，本集團在本年度仍有業務擴展的新計劃。

充滿嚴峻考驗的市場環境正是磨練本集團持續進步的要素。同事們的不斷進步令人鼓舞，本人深信，在新的一年裡，我們將會取得更加優秀的成績。在此，本人對董事會各位董事的建言督導，致以誠摯感謝。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

RESULTS SUMMARY

業績摘要

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	Change 變動
Revenue	收入	2,176,900	2,339,898	-7.0%
Gross profit	毛利	369,665	372,304	-0.7%
Operating profit	經營溢利	4,743	29,758	-84.1%
(Loss)/profit for the year	年度(虧損)/溢利	(59,515)	18,837	N/A 不適用

FINANCIAL RESULTS

財務業績

Revenue

收入

The revenue of the Group for the year ended 31 December 2023 was approximately HK\$2,176,900,000 (2022: approximately HK\$2,339,898,000), a decrease of 7.0% as compared with last year, which was mainly due to the stagnant manufacturing demands in China and globally and subdued consumer confidence caused by weak global economic recovery. This led to a decrease in sales in most of the business segments of the Group.

截至二零二三年十二月三十一日止年度，本集團的收入為約2,176,900,000港元（二零二二年：約2,339,898,000港元），較去年下跌7.0%，主要由於全球經濟復甦乏力，使中國及全球製造業的需求停滯及消費者信心低迷，導致本集團大部份業務板塊的銷售下跌。

Gross profit

毛利

For the years ended 31 December 2023 and 2022, the gross profit of the Group amounted to approximately HK\$369,665,000 and HK\$372,304,000 with gross profit margin of 17.0% and 15.9%, respectively. The gross profit margin of the Group increased as compared with last year, which was caused by reducing labour costs and exploring lower-cost raw materials.

截至二零二三年及二零二二年十二月三十一日止年度，本集團的毛利分別為約369,665,000港元及372,304,000港元，毛利率分別為17.0%及15.9%。本集團透過降低勞動成本及探索較低成本的原材料，使毛利率與去年相比上升。

Loss for the year

年度虧損

The net loss of the Group for the year ended 31 December 2023 was approximately HK\$59,515,000 (2022: net profit of approximately HK\$18,837,000). The turnaround from profit to loss was primarily due to a non-recurring loss recorded on the disposals of two indirectly non-wholly-owned subsidiaries of the Company and the recognition of an impairment loss of goodwill.

截至二零二三年十二月三十一日止年度，本集團的淨虧損為約59,515,000港元（二零二二年：淨溢利為約18,837,000港元），由盈轉虧主要由於出售兩間本公司之間接非全資附屬公司錄得非經常性虧損及確認商譽減值虧損。

Other income, gain and loss

其他收入、收益及虧損

The net of other income, gain and loss of the Group for the year ended 31 December 2023 was approximately HK\$18,017,000 (2022: approximately HK\$23,161,000), a decrease of 22.2% as compared with last year. The impact of currency fluctuations during the year presented a challenge, the Group recorded a net exchange loss of approximately HK\$2,162,000 for the year ended 31 December 2023 (2022: net exchange gain of approximately HK\$5,647,000).

截至二零二三年十二月三十一日止年度，本集團的其他收入、收益及虧損淨額為約18,017,000港元（二零二二年：約23,161,000港元），較去年下跌22.2%。於年內匯率波動為本集團帶來挑戰，截至二零二三年十二月三十一日止年度，滙兌虧損淨額錄得約2,162,000港元（二零二二年：滙兌收益淨額約5,647,000港元）。

Selling and distribution costs

For the year ended 31 December 2023, the selling and distribution costs of the Group was approximately HK\$162,771,000 (2022: approximately HK\$170,462,000), and the selling and distribution costs to revenue was approximately 7.5%, which was similar to last year.

Administrative expenses

The administrative expenses of the Group for the year ended 31 December 2023 was approximately HK\$191,068,000 (2022: approximately HK\$195,245,000), which was similar to last year due to the implementation of effective cost measures by the Group.

Finance costs

The finance costs of the Group for the year ended 31 December 2023 was approximately HK\$16,549,000 (2022: approximately HK\$13,415,000), an increase of 23.4% as compared with last year. The Group bore higher effective interest rate due to the latest rate hike cycle, which led to an increase in finance costs.

BUSINESS REVIEW

Machinery Manufacturing Business

The injection molding machine (“IMM”) manufacturing business recorded a slight drop in sales for the year while competing in challenging conditions within the IMM industry. In contrast to popular beliefs at the time of reopening of pandemic restrictions in China, overall economic consumptions and manufacturing production did not significantly rebound from suppressed levels during the pandemic. A portion of export orders and related investments across a wide spectrum of industries exited China due to geopolitical pressures. The ongoing weakness in China’s real estate sector dampened demands for infrastructures, furnishings, household appliances, and other consumer products. Generally, there is consensus within China’s industrial sectors that the “excess-capacity” phenomenon will continue to pressure pricings and investment sentiments. Competition within the IMM industry continued to intensify, with market players big and small, chasing new machinery orders, mostly competing on low pricings and fast deliveries. Consequently, our sales of small and medium-sized standard machines dropped from previous levels in China. However, our export sales fared better as a slight growth was achieved, amid weak global demands hampered by low global economic growth, high energy costs, and fluctuating foreign currencies.

分銷費用

截至二零二三年十二月三十一日止年度，本集團的分銷費用為約162,771,000港元（二零二二年：約170,462,000港元）；而分銷費用佔收入約7.5%，與去年相若。

行政費用

截至二零二三年十二月三十一日止年度，本集團的行政費用為約191,068,000港元（二零二二年：約195,245,000港元）。由於本集團的成本監控行之有效，使行政費用與去年相若。

財務費用

截至二零二三年十二月三十一日止年度，本集團的財務費用為約16,549,000港元（二零二二年：約13,415,000港元），較去年上升23.4%。本集團因新一輪加息周期而承受較高的實際利率，導致財務費用增加。

業務回顧

機械製造業務

在注塑機行業競爭白熱化的環境下，我們的注塑機製造業務全年銷售額略有下降。與中國解除疫情封控措施初期的一般看法相反，整體經濟消費和製造業生產並未從疫情時的壓抑水平顯著反彈。受地緣政治緊張局勢影響，不同行業的部份出口訂單及相關投資退出中國市場，而中國房地產市場的持續不景氣窒礙了對基建、家具、家電及其他消費品的需求。總體而言，中國工業市場普遍認為「產能過剩」現象將持續對價格和投資情緒構成壓力。面對注塑機行業內日益加劇的競爭，大大小小的市場參與者爭相以低價和快速交貨為誘餌，爭奪新的機械訂單，我們在中國的中小型標準機械的銷量亦因此較之前有所下滑。然而，儘管全球需求受到世界經濟增長放緩、能源成本高企和外匯波動等多重不利因素的影響，我們的出口銷售情況仍有改善，並實現了輕微升幅。

Despite the drop in sales of our standard machines due to unfavourable market sentiments and intense competition, sales of our industry-specific customized solutions for consumer packaging continued to grow, especially our Polyethylene Terephthalate (PET) preform applications machine series. The D-series all-electric machine solution achieved our sales targets. Customers, especially those in the medical applications industry, are satisfied with its precision, stability, and much reduced energy usage. Ramping up sales of our all-electric machine series will be one of our major strategic focuses in the coming years. Furthermore, orders from household appliance and automotive customers rebounded from previous depressed levels, resulting in increased sales of large-sized two-platen machines.

Upcoming product developments will cover two main themes – reduced energy consumption and further specialized industries tailored applications. The new and upcoming standard machine series, with clamping force up to 3,000 tons, will be equipped with cost-competitive and highly energy-efficient injection units. Building on top of our stronghold of industry-specific solutions, such as PVC, PET, Sec (high-speed), D and HD series, our research and development teams will develop enhanced machine features tailored for specific industries' sophisticated needs, as well as turnkey solutions to help customers achieve specified product quality, production efficiencies, automation, and packaging solutions. These solutions will be integrated and set up by us, to speed up customers' time to market, and they can fully rely on our professional injection molding know-how.

This business will continue to leverage our self-developed smart digital platform "iSee 4.0" to help customers monitor and manage their factory workshops with reliable digital solutions. With over ten years of development, our "iSee 4.0" continues to attract and retain active users, and it provides value to our customers by offering a customized Manufacturing Execution System (MES) if they desire to engage our top-end fully customized option.

The Capex from the previous years was fully online, such as Computer Numerical Control (CNC) machining centers, fully automated welding production lines and solar panels. Investments in this business for the upcoming year will focus on "soft assets", such as talent recruitment, staff training, research and development, marketing resources, strengthening our sales network domestically and overseas, and integrating additional digital system modules, such as Customer Relationship Management (CRM), Advanced Planning and Scheduling (APS), Warehouse Management System (WMS) and Product Lifecycle Management (PLM).

儘管市場情緒低迷和競爭激烈導致我們的標準機械銷量下降，但我們在消費品包裝行業的專用定製化解決方案的銷量，特別是聚對苯二甲酸乙二醇酯 (PET) 瓶坯應用機械系列，卻持續取得了升幅。D 系列全電機解決方案成功達到了我們的銷售目標，並贏得了以醫療應用行業為主的客戶的廣泛滿意，他們對我們機械的精準度、穩定性和顯著降低能耗的特點給予高度評價。未來幾年，我們將以加強推動全電機系列的銷售作為其中一個主要的發展戰略。此外，隨著家電和汽車行業客戶訂單的反彈，大型兩板注塑機的銷量也有所增加。

我們即將開發的產品將聚焦於兩大主題 – 降低能耗和深化特定行業的定製應用。此外，我們即將推出的全新標準機械系列，其鎖模力高達三千噸，並將配備具有成本效益且高效節能的注射裝置。在當前的 PVC、PET、Sec (高速)、D 及 HD 系列等行業專用解決方案的基礎上，我們的研發團隊將進一步深化研制針對特定行業獨特複雜的需求，加以整合及策劃解決方案以滿足客戶對指定產品品質、生產效率、自動化和包裝的全方位需求。客戶依託我們的專業注塑成型技術，便能夠迅速將產品推向市場。

本業務將持續運用我們自主開發的數碼智慧平台 – 「iSee 4.0」，幫助客戶透過可靠的數字化解決方案來監控並管理他們的生產車間。經過十多年的優化和升級，我們的「iSee 4.0」已累積了大量忠實用戶。對於追求高端全定製化選項的客戶，「iSee 4.0」的定製化製造執行系統將為他們帶來無可比擬的增值服務。

過去數年，本業務在資本支出方面取得了顯著的成果，其中包括數控加工中心、全自動焊接生產線，以及太陽能電池板等已全部順利投入運作。展望未來一年，我們將把投資重點轉向「軟資產」的發展，具體包括招募人才、強化員工培訓體系、加大研發投入、優化營銷資源配置，並進一步加強國內外銷售網絡的建設。我們還會積極整合其他數字系統模組如客戶關係管理系統、先進規劃與排程系統、倉儲管理系統以及產品生命週期管理系統等。

For the extrusion and rubber injection molding machines and hydraulic presses manufacturing business, it achieved a slight growth in sales turnover and an improved profitability compared to the previous year. Despite operating in similar challenging market conditions as mentioned above, this business managed to obtain and deliver sizable orders in the second half of the year. With our continuous efforts to solve customers' pain points and achieve technical breakthroughs, sales of our unique specialty machine solutions, such as rubber track belt machines, and automotive multi-layer nylon pipes extrusion lines, recorded strong growth and profitability. After experiencing numerous delayed deliveries requested by customers due to economic uncertainties in the earlier part of the year, this business successfully completed a large portion of such orders during the second half of the year.

Export sales grew to the desired targeted level as this business invested heavily in resources and efforts in our overseas sales network, innovative marketing campaigns, and most importantly, upgrading our product quality and attention to details that differentiate us from other China-manufactured machines. This business continued to ramp up efforts to innovate, striving to enhance customer value in the areas of customized automation, reliability, and precision closer to high-end European industry peers, and user experience. The management team believes that in addition to customers being satisfied with our machines' superb technical performance, our dedication to fast response in terms of technical consultations and after-sales support can further highlight our edge compared to industry peers.

Upcoming highlights of product research and development include ultra-large-sized rubber track belt machines, high-speed rubber track belt machines, automated and highly efficient telecommunication fiber optic conduit production lines, multi-layer composite automotive corrugated pipe production lines, and others.

The Group supports this business's continuous investments in research and development, internal management excellence improvements, as well as talent development. This business will further devote resources and efforts on brand building as well as corporate culture refinement, to help drive sustainable high growth in the coming years.

縱然面對與前述相若的嚴峻市場環境，我們的擠出機、橡膠注射成型機及油壓機製造業務在今年下半年，成功接獲並完成了大批訂單；與去年相比，除銷售額實現了小幅增長外，盈利能力同時也得到了進一步的改善。我們一直致力於為客戶提供獨特且高效的專業機械解決方案，如橡膠履帶機和汽車多層尼龍管材擠出生產線，以解決客戶的關鍵問題，促使相關產品的銷售錄得強勁增長。在今年年初，本業務接獲許多客戶因經濟不確定性而提出延遲交付的要求，但我們最終成功在下半年完成了大部份這類型的訂單。

我們在海外銷售網絡的拓展以及創新營銷策略的實施上投入了大量的資源和精力。憑藉我們對產品質量的升級和細節的關注，使得我們的機械設備在眾多中國製造產品中脫穎而出，這些努力同時促使我們的出口銷售達到了預期的目標水平。我們將堅持不懈地推動創新，力求使我們的產品在定製自動化、可靠性和精準度等方面與歐洲高端看齊。這些改進不僅提升了用戶的使用體驗，更為客戶創造價值。除了我們的產品因擁有卓越的技術性能而滿足了客戶的期望外，在技術諮詢和售後支援方面，我們團隊的快速反應和高效服務更是彰顯了我們相較於同業的競爭優勢。

本業務未來的產品研發重點將涵蓋多個關鍵領域，其中包括特大型橡膠履帶機、高速橡膠履帶機、自動化高效通訊光纖管道生產線、多層複合汽車波紋管生產線等設備。

本集團對本業務在研發創新、內部卓越管理提升，以及人才培養等方面給予了堅定的支持和資源投入。本業務將進一步投入資源和精力，專注於塑造品牌形象和完善企業文化建設，為未來幾年實現持續高速的發展作出鋪墊。

Machinery Leasing Business

The machinery leasing business has been developed for several years in our machinery manufacturing business, in order to liaise and provide financing to our own customers. As the demand of finance leasing in China increased rapidly in the past few years, the Group has also expanded into the machinery finance leasing business for third-party machinery. The Group has implemented strict and comprehensive internal controls for this business. The size of this business is being carefully monitored based on management decisions. The prospects of this business in the upcoming years are cautiously optimistic.

Plastic Products Processing and Manufacturing Business

The plastic processing plant for food packaging in Zhuhai recorded a slight drop in sales compared to the previous year. Sales of our dairy packaging products to our core customer remained stable with a sizable volume. Another key customer in the health supplement industry ramped up marketing efforts and drove up sales of their products, boosted our sales in this niche market segment. However, export sales dropped slightly given that high inflation and reduced demands for confectionary affected our overseas customers' orders.

As this business focuses on packaging solutions for Chinese infant and baby formula dairy products, the demographic trend of negative population growth in China is potentially challenging. Our management team will closely cooperate with key customers to diversify into other niche market segments, such as dairy and health supplements products for adults and the elderly.

Our engineering, design, and marketing teams continued their efforts to provide innovative designs and product development services to customers. Close partnership with customers on future product development with attractive and functional designs is crucial as value-added competence that differentiates us from competitors. Innovative and multi-channels marketing initiatives are gradually bearing fruit as numerous new customers, both domestic and overseas, have placed orders with us.

For the upcoming year, in addition to launching new features on the Group developed "iSee" MES, this business would collaborate with our IMM team to launch tailor-made features on the "iSee" MES to provide a more advanced and convenient service to the users, as well as integrate a new enterprise system to further raise productivity and management effectiveness, creating greater value for our customers.

機械租賃業務

機械租賃業務在我們機械製造業務中已開展多年，致力為客戶提供協調和融資方案。近年來，隨著中國金融租賃市場需求的迅猛增長，本集團也順應市場脈動，拓展了第三方機械的融資租賃業務。為確保本業務的健康發展，本集團已為本業務實施了嚴格而全面的內部監控機制，並對本業務的規模進行了嚴格把控。展望未來幾年，我們對本業務持審慎樂觀的態度。

注塑製品之加工及製造業務

位於珠海的食品包裝塑料加工工廠的銷售較去年出現了輕微下滑；可喜的是，我們為核心客戶提供的乳製品包裝產品一直保持着穩定的銷售態勢，且銷量一直維持在令人滿意的水平。我們在保健品行業的另一個關鍵客戶也通過加大其營銷力度，成功推動其產品的市場銷售，也進一步拉動了我們在該細分市場的銷售增長。然而，受到高通脹和糖果市場需求下滑的雙重影響，我們的海外訂單數量有所減少，導致出口銷售出現了細微下滑。

由於本業務專注於中國嬰幼兒配方奶粉的包裝解決方案，因此當前中國人口出現負增長的趨勢為我們帶來了一定的挑戰。我們的管理團隊將積極與關鍵客戶緊密合作，共同探索如成人和長者的乳製品及保健品市場等細分領域的新商機。

我們的工程、設計及營銷團隊向來竭力為客戶提供創新設計和產品開發服務。憑藉與競爭對手截然不同的關鍵增值能力，我們在未來的產品研發中，將與客戶密切合作，共同開發出兼具美觀及功能性的設計。我們的多元化創新市場營銷策略正逐漸展現出其成效，吸引了許多國內外新客戶向我們訂購產品。

來年，我們將與注塑機業務團隊展開深度合作，共同推出「iSee」製造執行系統的定製化全新功能，為用戶帶來更加先進和便捷的操作體驗。與此同時，我們還將整合一套全新的企業系統，以進一步提高生產力和管理效率，為客戶創造更大的價值。

Expansion plan in Northern China is shifting into the crucial preparation stage. Much work has already begun, such as detailed factory layout planning, automated production systems planning, administration and relevant licence applications.

The plastic component processing plant for household appliances in Hefei managed to capture growth in sales despite operating in a challenging market for household appliances. The housing market in China has yet to substantially recover, thus reducing demands for household appliances. However, due to this business's long-term efforts to raise quality, reduce marginal production costs, and overall superb lean manufacturing improvements, it successfully obtained high volume orders in the second half of the year in an otherwise cutthroat competitive environment.

Our management team worked tirelessly to obtain new projects, especially those with export specifications and higher-end models. They achieved further improvements in quality and production efficiency as customers enforced strict quality assurance measures and penalties on defective items. A number of in-house designed customized automation processes reduced manual labour requirements and defect rates simultaneously.

While sales volume for the household appliance industry is forecasted to remain under pressure, higher-end export models with strict quality requirements have the potential to grow. The management team will further focus on lean manufacturing innovations to increase production efficiencies and to raise quality standards. The Group supports investments in automation equipment to further reduce direct labour costs, and additional digital systems to aid agile management responses. Meanwhile, this business will continue to focus on maintaining a healthy operating cash flow for the ongoing stable development.

The blow molded mannequins production plant in Dongguan continued to achieve steady growth in sales and profitability despite weak retail sales performance in European markets and elsewhere globally. Strict environment protection regulations on limiting spray-painted surface finishing and mandating recyclable materials be used in display mannequins, helped drive our customers to strengthening cooperation with this business. Additionally, our key customers in the sporting goods retail and fashion retail industries are highly satisfied with our top-class quality, fast "concept to production" response time, and reasonable price.

華北地區的擴展計劃目前已進入至關重要的準備階段。我們已著手進行多項關鍵工作，其中包括工廠的精細佈局規劃、自動化生產系統的規劃，以及各項行政事務的處理和相關許可證的申請。

位於合肥主力為家電塑料配套件加工的工廠，面對當前家電市場的多重挑戰，依然能迎難而上，成功提升了銷售業績。儘管中國的住房市場尚未出現顯著的復甦迹象，導致家電需求有所減少，但本業務始終堅守對品質的不懈追求，積極降低邊際生產成本，並致力於在精益生產方面取得卓越成果；正因如此，成功在下半年激烈的競爭環境中突圍而出，獲得了大批量的訂單。

我們的管理團隊堅持不懈地積極爭取兼具出口規格和高端型號的新項目努力。我們通過大幅提升產品質量和生產效率來應對客戶實施的嚴格質量保證措施和瑕疵品懲罰機制，並且成功應用多個內部設計的定製自動化流程，不僅減少了手動操作的需求，還降低了瑕疵率。

預計家電行業的銷量仍然會持續受壓，但符合嚴格品質標準的高端出口型號仍具增長潛力。為此，我們的管理團隊將更加專注於精益生產和創新，以進一步提高生產效率和品質標準。本集團將大力支持本業務投資自動化設備，以降低勞動成本，同時將引入數字化系統以加強敏捷管理和回應能力。在這個過程中，我們將繼續保持穩健的經營現金流，確保本業務的持續穩定發展。

雖然歐洲市場及全球其他地區當前的零售業表現疲弱，但我們位於東莞的吹塑人體模型製造工廠卻在銷售及盈利能力上實現了穩步增長。我們遵守嚴格的環保法規，不進行表面噴漆處理，並使用可回收材料製造人體模型展示品，這鞏固了我們與客戶之間的合作關係。此外，從事運動品牌與服飾零售行業的主要客戶，對我們的優質產品、快速的「概念到生產」反應時間以及合理價格表示了高度的認可。

This business has successfully developed new projects with a renowned global sporting goods brand, and these projects should further propel our growth in the coming years. Other engagements with potential new customers are on-going, and this business is optimistic that such efforts can further diversify our customer base.

For the upcoming year, this business will focus on reducing the carbon footprints of its production to meet customers' requirements, such as the use of recycled resins and lowering energy consumption. Moreover, ongoing continuous improvements on mold and product designs aim to further reduce mold set-up costs and minimum order quantity (MOQ) requirements, in order to help drive up sales orders.

Printed Circuit Boards ("PCB") Processing and Trading Business

The PCB processing business recorded a significant decrease in revenue and a notable operating loss in last two years due to a combination of unfavourable scenarios. Its financial performance has not improved since 2022 and the business remained sceptical of a quick turnaround. During 2023, the Group has decided against any restructuring action for the going concern issue in this business. On 16 October 2023, the Group agreed to sell the entire share capital of GB HK and the entire equity interest in GB Shenzhen to Purchaser I and Purchaser II respectively, at the respective consideration of HK\$1 and approximately RMB137,000,000, subject to the Price Adjustment. The Disposals represented an opportunity for the Group to exit this business in view of difficult and challenging circumstances, and would allow the Group to focus its resources on other business segments with more potential for positive cash flow, thereby enhancing the Group's financial position. For details of the Disposals, please refer to the circular of the Company dated 24 November 2023 (the "Circular"). Unless otherwise specified, capitalised terms used in this annual report shall have the same meanings as those defined in the Circular.

The PCB trading business recorded a stable sales turnover compared to last year, but profitability decreased as a result of an overall weak markets for office automation equipment, consumer electronics and automotive industries, as well as intense competition that impacted our pricing power. Orders from one of our major customers in the office automation equipment industry are seen to shift production to South East Asian regions, which will likely impact our sales next year. Other end customers, namely Japanese automotive and electronics brands, are likely to keep reducing sourcing from us in the coming years.

本業務已成功與全球知名的運動品牌客戶開發了新項目，這將為我們未來幾年的發展注入強勁動力。同時，我們也正在積極接觸其他潛在的新客戶，以期實現客戶群的更多元化。

在未來的一年裡，我們將會專注在降低生產過程中的碳足跡上，如積極採用再生樹脂和降低能源消耗，以滿足客戶對環保的要求。此外，我們還將持續優化模具和產品設計，以降低模具設置成本和最低訂貨量要求，從而增加銷售訂單。

印刷線路板之加工及貿易業務

印刷線路板加工業務在過去的兩年中，受到多種負面因素影響，其收入大幅下跌，並出現了顯著的經營虧損，其財務表現自二零二二年起一直未有改善，我們對快速扭虧為盈持懷疑態度。在二零二三年，本集團針對本業務的持續經營問題，積極考慮了各種重組方案。於二零二三年十月十六日，本集團同意分別以代價1港元及約人民幣137,000,000元（依據價格調整）分別出售香港邦基的全部股本及深圳邦基的全部股權予買方I及買方II。面對困難且具挑戰性的市場環境，出售事項為本集團提供退出本業務的機會，並讓本集團能將資源集中投入到更具正面現金流潛力的其他業務板塊，從而改善本集團的財務狀況。有關出售事項的詳情，請參閱本公司日期為二零二三年十一月二十四日之通函（「該通函」）。除另有說明外，本年報所用詞彙與該通函所界定者具有相同涵義。

印刷線路板貿易業務方面，今年的銷售額維持在與去年相近的水平。然而，受到辦公自動化設備、消費電子及汽車行業整體市場疲弱的影響，以及激烈的競爭環境，對我們定價能力構成了壓力，盈利能力出現了下滑。此外，我們注意到從事辦公自動化設備行業的主要客戶正在逐漸將生產基地轉移至東南亞地區，這或會對我們來年的銷售造成影響。同時，部份日本汽車及電子品牌的終端客戶在未來幾年內極有可能會減少從我們這裡採購。

In response, this business will continue to develop new customers and projects striving to maintain sales volume. Supplier management and development will be key actions next year in order to uphold high-quality standards while seeking competitive prices. Traditional market development channels, such as exhibitions, will be under review to gauge their cost and benefits to optimize resources allocation and enhance market development efficiency.

Overall, the market landscape next year for this business is expected to be challenging. The trend among large global corporations, which previously sourced components from China, are engaging in “China + N” sourcing strategy, and developing new suppliers outside China. Weak global economic growth and recovery are keeping demands for PCB low, while intensifying pricing competition with industry peers.

Industrial Consumables Trading Business

The industrial consumables trading business recorded a slight drop in sales turnover and a reduction in profitability compared to the previous year. Customers across numerous industry segments placed fewer orders as the anticipated recovery in the overall manufacturing sectors did not materialize after the lifting of pandemic restrictions. Customers anchored in industries, such as machinery, electronics and appliances, semi-conductors, elevators and infrastructure, displayed visible weakness and a less optimistic outlook for short-term recovery. Lower-than-expected economic growth in most of manufacturing sectors in China was explained by the stagnant real estate market, which in turn impacted the related industries and hampered overall consumer confidence. Export orders across most industries experienced a sharp decline caused mostly by geopolitical tensions, which shifted a large portion of global sourcing away from China to its neighbouring countries. In addition, a weak global economic recovery also served as a hindrance to growth.

Sales of our imported components, namely servo systems and specialized steel material products, suffered as customers continued to source domestically for alternatives for cost reasons and to shorten delivery lead times. The year-long depreciation of the RMB severely affected customers’ sourcing costs for imported products.

為此，我們將持續開發新客戶及新項目，努力維持穩定的銷售增長。來年，我們將會把供應商管理與開發作為重中之重，以確保產品保持高品質標準，並積極尋求具有競爭力的價格策略。同時，我們將全面評估傳統市場開發渠道（如展覽會）的成本與效益，以優化資源配置，提升市場開發效率。

整體而言，我們預計本業務在來年將面對極具挑戰性的市場環境。全球大型企業正逐漸從過往單一依賴中國採購零部件的模式轉向實施「中國+N」的採購策略，並積極開發中國以外的新供應商。此外，緩慢的全球經濟增長和復甦步伐，導致印刷線路板的需求持續低迷，這將加劇我們與同業之間的價格競爭。

工業消耗品之貿易業務

與去年相比，工業消耗品貿易業務的銷售額出現輕微下跌，盈利能力亦有所減弱。隨著疫情限制的解除，整體製造業並未迎來預期的蓬勃復甦，多個行業的客戶紛紛減少訂單。機械、電子與家電、半導體、電梯及基建等行業的客戶均呈現出明顯的疲態，並對短期的復甦前景流露出較為悲觀的情緒。中國大部份製造業的經濟增長低於預期，這背後的原因與房地產市場的停滯息息相關，進而波及相關行業並削弱了整體消費者的信心。此外，由於地緣政治局勢的緊張，使得不少全球採購的份額從中國轉移至鄰國，部份行業的出口訂單大幅下跌，再加上全球經濟復甦的乏力，共同構成了本業務增長的障礙。

客戶為追求成本效益和加速交貨周期，持續轉向在國內採購替代產品，這對我們的伺服系統和特種鋼材產品等進口零部件的銷售產生不利影響。與此同時，人民幣的連年貶值進一步加大了客戶在採購進口產品時的成本負擔。

Despite the overall challenging operating conditions, projects with customers in certain industries, such as lithium batteries, renewable energy, electric vehicles, robotics and medical devices, achieved relatively robust sales turnover and experienced growth in some specific cases. These orders for motion and drive solutions, specialized steel material products and specialized fastener assemblies, offset declines in other customer groups. Customers in the automotive and household appliance industries displayed a sales rebound from previous low levels, but it is uncertain whether this trend will sustain in the longer term. The presence of over-capacity in most of manufacturing sectors in China is a major cause for concern moving forward. Moreover, it is alarming to note that over-capacity in vibrant industries, such as lithium batteries and renewable energy, may also signal low growth, pricing competition, and longer payment terms. This business will be highly sensitive to control risks within these customer groups and adjust our strategy to respond to potential risks in a timely manner.

To counter the negative operating environment, this business segment will focus on deploying resources and efforts in the following areas. It will continue to foster closer cooperation with existing suppliers to co-develop customized solutions, as well as create new partnerships with domestic suppliers across our major product lines. The new sales office and warehouse in Vietnam are being set up and expected to become operational in the coming year, serving our customers' supply chain needs, who partially migrated their productions to South East Asia in recent years. Talent recruitment and development will continue in order to strengthen our sales network and enhance our technical integration capabilities.

Subsequent Events

There is no material event after the end of the reporting period.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2023, the Group's total outstanding bank borrowings amounted to approximately HK\$234,598,000 (31 December 2022: approximately HK\$227,595,000), which comprised mainly bank loans and trade finance facilities. The bank borrowings repayable within one year, in the first to second year and in the second to the fifth year amounted to approximately HK\$229,358,000, HK\$1,600,000 and HK\$3,640,000, respectively (31 December 2022: approximately HK\$225,127,000, HK\$2,468,000 and HK\$0, respectively).

儘管當前的營運環境非常嚴峻，但我們依然實現了在鋰電池、可再生能源、電動車、機器人和醫療器材等關鍵行業的項目中，保持著相對穩定的銷售額，並且在部份項目中錄得了令人鼓舞的增長。運行與伺服驅動組件、特種鋼材產品及專用緊固件組件帶來增量的訂單，有效地抵銷了其他客戶群體的訂單下滑。此外，汽車和家電行業的客戶銷量已從先前的低谷開始回升，但目前尚無法確切判斷這一趨勢是否將持續。然而，我們對於未來的發展仍保持著警惕，其中一個主要的關切是中國大多數製造業正面臨產能過剩的問題，尤其是鋰電池和可再生能源等當前炙手可熱的行業，產能過剩可能導致增長放緩、價格競爭加劇以及付款期限的延長。為此，我們將加強風險控制，密切關注這些客戶群的動態，並適時調整我們的戰略以應對可能出現的風險。

為了有效應對當前不利的經營環境，我們將進一步深化與現有供應商的合作，共同開發定製化解決方案，並與國內優質供應商在我們的核心產品線上建立堅實的合作夥伴關係。考慮到部份客戶近年來已將生產基地轉移至東南亞，我們正籌備在越南設立全新的銷售辦事處及倉庫，該設施預計將於明年正式投入運營，從而更好地滿足客戶在供應鏈管理方面的需求。此外，本業務將繼續堅持人才招聘與培養戰略，以進一步強化我們的銷售網絡，並提升我們在技術整合方面的能力。

結算日後事項

於報告結算日後，並無發生重大事項。

流動資金及財務資源

於二零二三年十二月三十一日，本集團的未償還銀行借款總額為約234,598,000港元（二零二二年十二月三十一日：約227,595,000港元），主要包括銀行貸款及貿易融資信貸。將於一年內到期、於第一至第二年到期及於第二至第五年到期償還的銀行借款金額分別為約229,358,000港元、1,600,000港元及3,640,000港元（二零二二年十二月三十一日：分別約225,127,000港元、2,468,000港元及0港元）。

After including lease liabilities of approximately HK\$8,923,000 (31 December 2022: approximately HK\$40,704,000) and deducting cash and bank balances and bank time deposit of approximately HK\$660,468,000 (31 December 2022: approximately HK\$560,913,000), the Group's net cash amounted to approximately HK\$416,947,000 (31 December 2022: approximately HK\$292,614,000). Total equity attributable to equity shareholders of the Company as at 31 December 2023 was approximately HK\$1,271,722,000 (31 December 2022: approximately HK\$1,322,122,000).

The gearing ratio of the Group is measured as a total of bank indebtedness and lease liabilities less cash and bank balances and bank time deposit divided by net assets. The Group had a net cash position as at 31 December 2023 and 2022. As a result, no gearing ratio was presented.

The Group's financial statements are presented in Hong Kong dollars. The Group carried out its business transactions mainly in Hong Kong dollars, Renminbi, United States dollars and Japanese Yen. As the Hong Kong dollar remained pegged to the United States dollar, there was no material exchange risk in this respect. The Group continues monitoring its foreign exchange exposure in Japanese Yen and Renminbi, and enters into forward contracts when necessary. The Group's long-term bank loans were denominated mainly in Hong Kong dollars and carried interest at floating rates. Credit risk was hedged mainly through credit insurance.

MATERIAL ACQUISITION AND DISPOSAL

Save as the Disposals disclosed in the heading of "Business Review" of this section and note 39 to the consolidated financial statements, there were no other material acquisitions and disposals by the Group during the year ended 31 December 2023.

CAPITAL STRUCTURE

There was no change in the total number of issued Shares for the year ended 31 December 2023. The total number of issued Shares remained at 861,930,692 shares as at 31 December 2023.

EMPLOYEES, REMUNERATION POLICY AND TRAINING SCHEME

As at 31 December 2023, the Group had a total of 1,717 employees (31 December 2022: 2,381) located in Hong Kong and Mainland China, the ratio of women to men in the workforce was 31:69. Notwithstanding the foregoing, gender diversity for industrial business segment in which the Group operates may be less relevant due to the nature of work.

連同租賃負債約8,923,000港元(二零二二年十二月三十一日:約40,704,000港元)並扣除現金及銀行結餘和銀行定期存款約660,468,000港元(二零二二年十二月三十一日:約560,913,000港元)後,本集團的現金淨額為約416,947,000港元(二零二二年十二月三十一日:約292,614,000港元)。於二零二三年十二月三十一日,本公司股權持有人應佔權益總額為約1,271,722,000港元(二零二二年十二月三十一日:約1,322,122,000港元)。

本集團的淨負債比率乃按銀行債務和租賃負債總額減現金及銀行結餘和銀行定期存款除以資產淨值。於二零二三年及二零二二年十二月三十一日,本集團持有淨現金結餘。因此並無呈報淨負債比率。

本集團的財務報表以港元呈列。本集團主要以港元、人民幣、美元及日圓進行業務交易。由於港元與美元掛鈎,故此方面並無重大外匯風險。本集團繼續監察來自日圓及人民幣的外匯風險,並於需要時透過訂立遠期合約加以調控。本集團的長期銀行貸款均主要以港元計值及以浮動利率計息。信貸風險主要透過信用保險對沖。

重大收購與出售

除於本章節「業務回顧」標題及綜合財務報表附註39中披露的出售事項外,截至二零二三年十二月三十一日止年度,本集團並無其他重大收購與出售。

資本結構

截至二零二三年十二月三十一日止年度,已發行股份總數保持不變。於二零二三年十二月三十一日,已發行股份總數仍為861,930,692股。

僱員、薪酬政策及培訓計劃

於二零二三年十二月三十一日,本集團於香港及中國內地共有1,717名僱員(二零二二年十二月三十一日:2,381名),女性與男性僱員的比例為31:69。由於本集團主要從事工業,此業務範疇的性別多元化相關性或較低。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層論述及分析 (續)

The Group has formulated the remuneration policy of employees. The remuneration of employees is based on their qualifications, competence and performance as well as market trends. Employees' benefits include retirement benefits, medical insurance coverage, and various leave entitlements. The Group reviews the overall remuneration packages, including an element of discretionary bonuses, annually.

The emoluments of the Directors are determined by the Board based on the recommendation of the Remuneration Committee with reference to individual performance, qualifications and experience of the Directors, the duties and responsibilities of the Directors in the Company, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

The Group had provided training programmes or courses for employees of the Group, including employees at all levels from different departments in Mainland China and Hong Kong, and also for Directors, respectively, so as to further enhance their technical skills, professional skills and knowledge in production, operation and management.

OUTLOOK AND PROSPECTS

The Group anticipates continued challenges and uncertainties in our main markets in China. Traditional manufacturing sectors, such as automotive, household appliances, electronics, infrastructures and consumer products, are likely to remain weak, given that cautious consumer spending would hinder their recovery. Over-capacity in numerous manufacturing sectors in China will continue to dampen new equipment investment sentiments, as well as intensify pricing competition among industry peers. The ongoing stagnant housing market in China not only hurts consumer confidence, but more importantly, negatively impacts demands for its related industries such as raw materials, elevators, furnishings, household appliances, and others. In addition, geopolitical tension between the US and China is the new normal for years to come. It stems from the US desperately trying to maintain its global hegemony and limiting China's economic and political rise. The key impact on enterprises is the ongoing pressure from Western governments on their companies to reduce sourcing from China, and gradually shift production to other regions. This trend directly affects our customers and potential customers who previously directly exported to the US and Western Europe regions.

本集團已制定僱員薪酬政策，僱員的薪酬乃按其資歷、能力及表現，亦以市場趨勢而釐定；僱員福利包括退休福利、醫療保險，以及各類休假。本集團每年均會檢討僱員的整體薪酬待遇，包括酌情發放的花紅。

董事的酬金乃由董事會基於薪酬委員會經參考董事的個人表現、資格及經驗、董事於本公司的職責及責任、本集團的業績表現及盈利狀況、業界薪酬指標及當時市場環境的建議而釐定。

本集團分別向本集團僱員，包括中國內地及香港各部門各級僱員，以及董事提供培訓計劃或課程，從而進一步提升他們在生產、營運和管理上的技能、專業技巧和知識。

展望及前景

本集團預計，我們在中國內地的主要市場將持續面對重重挑戰和不確定性。由於消費者支出保持謹慎態度，阻礙了尤其是汽車、家電、電子、基建及消費品等傳統製造業的復甦，表現可能持續疲弱。中國部份製造業的產能過剩將會繼續遏制對新設備的投資意欲，並加劇同業間的價格競爭。此外，中國住房市場的持續低迷不單打擊了消費者信心，更對原材料、電梯、家具及家電等相關行業的需求造成了負面影響。與此同時，隨著美國為維持其全球霸權地位而打壓中國的經濟和政治崛起，中美之間的地緣政治緊張局勢預期將在未來數年成為新常態。西方國家政府不斷向西方企業施壓，要求他們減少從中國採購並將生產基地轉移至其他地區，這一趨勢將對以往直接出口至美國及西歐地區的現有及潛在客戶造成直接影響。

However, the Group believes that, despite a lower economic growth rate compared to its previous stellar growth, China remains as a dynamic market with vibrant industries providing opportunities. Industries, such as electric vehicles, renewable energy and storage, medical devices and applications, would likely maintain their relatively higher growth rates. Products and services provided by our machinery manufacturing and industrial consumables trading businesses have the potential to further penetrate these markets. Our customized industry specialty machine solutions, injection molding machines, rubber track belt injection molding machines, multi-layer extrusion lines, fully automated brake-plate hydraulic presses and other products will be our focus to attract sophisticated customers in the coming year. Integrated solutions for servo drives, motors and controls will be the focus of our industrial consumables trading business, to provide cost-effective integrated technical solutions. Our machinery manufacturing business will also deploy more resources to grow our export businesses, as the Group sees ample opportunities globally. As certain companies shift production and final assembly away from China, demands for technically advanced machinery produced in China are still high. Regions such as South East Asia, South America, Middle East, and North Africa, have been developing their manufacturing capabilities in recent years, and have increased demands for Chinese equipment.

For our plastic products processing business, the Group expects stable growth going forward. These businesses have strong long-term customers with a steady demand forecast. Our key tasks are to optimize production efficiencies and quality, through upgrading our digital management platforms as well as automation equipment. The plastic processing plant for food packaging in Zhuhai will focus resources and efforts on setting up new production facilities in Northern China.

In order to develop and maintain the Group's overall competitiveness, we will continue to invest in research and development, attract new and young talents, and make capital expenditures related to the new factory set up in Northern China. Group-wide strict financial prudence will be our ongoing focus in order to maintain a healthy cash flow. Quality of accounts receivables is our priority, as well as maintaining conservative yet practical banking facilities with our banking partners.

然而，本集團相信，儘管當前的經濟增長速度相比之前的高速增長有所放緩，但中國市場依然充滿活力，為眾多炙手可熱的行業提供了機遇。特別是在電動汽車、可再生能源及儲能、醫療設備及應用等行業普遍被認為能維持相對較高的增長率。我們的機械製造業務及工業消耗品貿易業務所推出的產品和服務，具備進一步拓展這些市場的巨大潛力。我們的定製化行業專用機械解決方案、注塑機、橡膠履帶機、多層管道擠出機以及全自動化汽車剎車組件油壓機等產品，將成為來年吸引高端客戶的關鍵亮點。此外，工業消耗品貿易業務將重點推出伺服驅動器、馬達和控制器等具有成本效益的綜合技術解決方案。鑑於全球各地商機遍佈，本集團將進一步加大對機械製造業務的投入，以擴大出口業務規模。雖然若干公司已將部份產能轉移至中國以外的地方，但對中國製造的先進技術機械的需求依然龐大，部份地區如東南亞、南美、中東及北非等近年來積極發展製造業，並不斷增加對中國製造設備的需求。

本集團預期注塑製品加工業務將持續其穩健增長的態勢，這主要得益於我們忠實的長期客戶的穩定需求。為進一步提升生產效率和產品品質，我們未來將專注數字化管理平台的升級以及自動化設備的應用。與此同時，位於珠海的食品包裝塑料加工工廠將會優化資源配置，並將重點投入於華北新生產廠房的設立與運營。

為強化並維持本集團在市場中的整體競爭優勢，我們將持續投資於研發創新、吸引青年人才的加入，以及投放有關建設華北新廠房必要的資本支出。在財務管理方面，本集團將秉持整體財務穩健的原則，維持健康的現金流。此外，我們的首要任務是密切監控應收賬款的質量，並與合作銀行保持緊密的溝通與合作，維持既謹慎又可行的融資信貸策略。

DIRECTORS AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

Mr. Tang To, aged 75, was appointed as an executive Director and the chairman of the Board on 14 July 1988 and 18 September 1997, respectively. He is the chairman of each of the Nomination Committee and the Committee of Executive Directors, and a member of the Remuneration Committee. He also acts as a director of certain subsidiaries of the Company. On 28 May 2010, he was appointed as the director of Suzhou Sanguang Science & Technology Co., Ltd., a company listed on the National Equities Exchange and Quotations and an associate of the Company. Mr. Tang has over 50 years of experience in manufacturing and trading businesses. Mr. Tang is the father of Mr. Tang Yu, Freeman. As at the date of this annual report, Mr. Tang is a director of certain substantial Shareholders within the meaning of Part XV of the SFO.

Mr. Tang Yu, Freeman, aged 46, joined the Group in 2006 and was appointed as an executive Director and chief executive officer of the Company on 18 March 2011 and 1 July 2013, respectively. He is a member of each of the Nomination Committee and the Committee of Executive Directors. He also acts as a director of certain subsidiaries of the Company. Prior to joining the Group, Mr. Tang had worked in various commercial banks. Mr. Tang graduated from The University of Western Ontario in Canada and holds a Bachelor of Arts degree in Economics and a Diploma in Financial Planning. Mr. Tang is the son of Mr. Tang To. As at the date of this annual report, Mr. Tang is a director of certain substantial Shareholders within the meaning of Part XV of the SFO.

NON-EXECUTIVE DIRECTOR

Mr. Kan Wai Wah, aged 66, was appointed as a non-executive Director on 22 May 1998. He is a member of the Audit Committee. Mr. Kan holds a High Diploma in Accountancy. Mr. Kan has over 40 years of experience in corporate strategy and corporate management. Mr. Kan is the son of Ms. Law Kit Fong, a substantial Shareholder (as defined under the SFO). As at the date of this annual report, Mr. Kan is a director of certain substantial Shareholders within the meaning of Part XV of the SFO.

執行董事

鄧燾先生，75歲，分別於一九八八年七月十四日及一九九七年九月十八日獲委任為執行董事及董事會主席。彼為提名委員會及執行董事委員會之主席，以及薪酬委員會之成員。彼亦擔任本公司若干附屬公司之董事。於二零一零年五月二十八日，彼獲委任為蘇州三光科技股份有限公司之董事，一間於全國中小企業股份轉讓系統上市之公司及本公司聯營公司。鄧先生擁有逾五十年製造及貿易業務之經驗。鄧先生是鄧愚先生的父親。於本年報日期，鄧先生為若干主要股東（按《證券及期貨條例》第XV部所述）之董事。

鄧愚先生，46歲，於二零零六年加入本集團，並分別於二零一一年三月十八日及二零一三年七月一日獲委任為執行董事及本公司行政總裁。彼為提名委員會及執行董事委員會之成員。彼亦擔任本公司若干附屬公司之董事。加入本集團前，鄧先生曾任職於數間商業銀行。鄧先生畢業於加拿大西安大略大學，持有經濟學學士學位及財務策劃文憑。鄧先生為鄧燾先生的兒子。於本年報日期，鄧先生為若干主要股東（按《證券及期貨條例》第XV部所述）之董事。

非執行董事

簡衛華先生，66歲，於一九九八年五月二十二日獲委任為非執行董事。彼為審核委員會成員。簡先生持有高級會計文憑。簡先生擁有逾四十年企業策劃及企業管理之經驗。簡先生為羅潔芳女士（一名根據《證券及期貨條例》定義之主要股東）之兒子。於本年報日期，簡先生為若干主要股東（按《證券及期貨條例》第XV部涵義）之董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Yeung Shuk Fan, aged 58, was appointed as an independent non-executive Director on 18 June 2004. She is a chairman of each of the Audit Committee and Remuneration Committee, and a member of the Nomination Committee. Ms. Yeung holds a Master degree in Business Administration. She is a member of the American Institute of Certified Public Accountants (AICPA), and an associate member of each of The Chartered Governance Institute (CGI) and The Hong Kong Chartered Governance Institute (HKCGI). Ms. Yeung held senior financial positions in several companies. She has over 30 years of experience in the finance sector.

Mr. Lam Kwok Ming, aged 60, was appointed as an independent non-executive Director on 24 November 2022. He is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Lam holds a Master of Science in E-commerce for Executives from the Hong Kong Polytechnic University. He is a member of The Hong Kong Institute of Certified Public Accountants (HKICPA) and a fellow of the Institute of Chartered Accountants in England and Wales (ICAEW). He has over 30 years of experience in finance, business and management in different sectors. He is currently the managing director of a plastics and chemicals trading and own branded personal care products company, Jacobson van den Berg (Hong Kong) Limited, which is a subsidiary of Chinney Alliance Group Limited, a company whose shares are listed in the Main Board of the Stock Exchange (stock code: 385).

Mr. Lee Wai Yip, Alvin, aged 45, was appointed as an independent non-executive Director on 24 November 2022. He is the members of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Lee obtained a Degree of Bachelor of Science in Business Administration (Management) from San Jose State University in the United States of America in 2001. He has over 20 years of experience in the information technology industry. He serves as the chief executive officer of Armitage Technologies Limited since 2011. He is currently the chairman of the Information and Software Industry Association and the chairman of Hong Kong Electronics & Technologies Association.

獨立非執行董事

楊淑芬女士，58歲，於二零零四年六月十八日獲委任為獨立非執行董事。彼為審核委員會及薪酬委員會之主席，以及提名委員會之成員。楊女士持有工商管理碩士學位。彼為美國註冊會計師協會(AICPA)之會員，以及英國特許公司治理公會(CGI)及香港公司治理公會(HKCGI)之會士。楊女士曾於數家公司擔任高級財務職位。彼擁有逾三十年於財務範疇之經驗。

林國明先生，60歲，於二零二二年十一月二十四日獲委任為獨立非執行董事。彼為審核委員會成員、薪酬委員會成員及提名委員會成員。林先生持有香港理工大學行政人員電子商貿理學碩士學位。彼為香港會計師公會(HKICPA)會員及英格蘭及威爾斯特許會計師公會(ICAEW)資深會員。彼擁有逾三十年在不同行業的財務、經營及管理經驗。彼目前為一間從事塑膠及化工原料產品貿易和自家品牌個人護理產品公司，雅各臣(香港)有限公司之董事總經理，該公司為建聯集團有限公司(其股份於聯交所主板上市(股份代號:385))之附屬公司。

李偉業先生，45歲，於二零二二年十一月二十四日獲委任為獨立非執行董事。彼為審核委員會成員、薪酬委員會成員及提名委員會成員。李先生於二零零一年取得美國聖荷西大學工商管理(管理)理學學士學位。彼擁有逾二十年資訊科技行業之經驗。彼自二零一一年出任萬迅科技有限公司之首席執行官。彼目前為資訊及軟件業商會主席及香港電子科技商會主席。

SENIOR MANAGEMENT

Mr. Ching Wang Ho, aged 38, joined the Group in 2018. He is currently the financial controller of the Company. Mr. Ching also acts as a director and a supervisor of several subsidiaries of the Company. Mr. Ching has over 10 years of experience in financial management gained from listed company and international audit firm. Mr. Ching is a member of the Hong Kong Institute of Certified Public Accountants (HKICPA). He holds a bachelor's degree of Integrated Business Administration from The Chinese University of Hong Kong.

Mr. Man Chi Fai, Bruno, aged 62, joined the Group in 2013. He is currently the general manager of certain subsidiaries of the Company which are engaged in the plastic products processing and manufacturing business. He also holds directorship in certain subsidiaries of the Company. Mr. Man holds a Bachelor of Science (Mechanical) from The University of London and a Master Science in Engineering (Industrial Management and Manufacturing) from The University of Hong Kong. He is a member of each of The Hong Kong Institution of Engineers (HKIE) and The Institution of Electrical Engineers in the United Kingdom (IEE). He had worked in various sizeable corporations. He has over 30 years of experience in plastic injection molding, metals manufacturing, molds design and manufacturing, manufacturing assembly process management and project management.

Mr. Ye Yueran, aged 50, joined the Group in 2002. He is currently the general manager of various subsidiaries of the Company which are engaged in the extrusion lines, rubber injection molding machines and hydraulic presses manufacturing business. He also holds directorship in certain subsidiaries of the Company. Mr. Ye has over 20 years of experience in manufacturing of machinery.

Mr. Yip Kar Shun, aged 76, joined the Group in 1994. He is the managing director of certain subsidiaries of the Company which are engaged in the printed circuit boards processing and trading business. He also holds directorship in certain subsidiaries of the Company. Mr. Yip has over 40 years of experience in electronic production and management.

高級管理人員

程宏灝先生，38歲，於二零一八年加入本集團，現為本公司財務總監。程先生亦擔任本公司部份附屬公司之董事及監事。程先生於上市公司和國際審計事務所獲取的財務管理方面擁有逾十年經驗。程先生為香港會計師公會會員。彼持有香港中文大學（綜合）工商管理學士學位。

萬志輝先生，62歲，於二零一三年加入本集團。彼現為本公司從事注塑製品之加工及製造業務的若干附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事。萬先生持有英國倫敦大學機械工程學士學位及香港大學工程學（工業管理與製造）碩士學位。彼為香港工程師學會（HKIE）及英國特許工程師學會（IEE）之會員。彼曾任職多間大型企業。彼在塑料注射成型、五金製造、模具設計與製造、流水線生產製程管理及項目管理有逾三十年經驗。

葉月然先生，50歲，於二零零二年加入本集團。彼現為本公司從事擠出機、橡膠注射成型機及油壓機製造業務的附屬公司之總經理。彼亦擔任本公司若干附屬公司之董事職位。葉先生擁有逾二十年機械製造之經驗。

葉嘉信先生，76歲，於一九九四年加入本集團。彼為本公司從事印刷線路板加工及貿易業務的若干附屬公司之董事總經理。彼亦擔任本公司若干附屬公司之董事。葉先生擁有逾四十年電子生產及管理之經驗。

REPORT OF THE DIRECTORS

董事會報告書

The Board is pleased to submit its report together with the audited consolidated financial statements for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries of the Group are set out in note 42 to the consolidated financial statements. Save as the Disposals and an addition of machinery leasing business disclosed in the heading of “Business Review” of the section of “Management Discussion and Analysis” of this annual report and note 39 to the consolidated financial statements, there were no other significant changes in the nature of the Group’s principal activities during the year.

RESULTS

The results of the Group for the year ended 31 December 2023 and the financial position of the Group at that date are set out in the audited consolidated financial statements on pages 121 to 248.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2023 (31 December 2022: Nil).

BUSINESS REVIEW

The Group recorded net loss of approximately HK\$59,515,000 for the year (2022: net profit of approximately HK\$18,837,000). Further details in respect of the fair review of the Group’s businesses, please refer to the sections of “Chairman’s Statement” and “Management Discussion and Analysis” of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The operational complexities inherent in the Group’s businesses together with the competitive business environment exposed to certain notable risks which may affect the Group’s financial position and business operations. The Group believes that an effective risk management is critical to achieve our long-term strategic objectives and enhance the sustainability of value creation and business growth. The Board has overall responsibility for the Group’s risk management and internal control systems and reviewing their effectiveness. The Group recognizes that adopting a proactive approach and establishing a robust business management system for risk mitigation must be balanced with a degree of flexibility. This allows us to safeguard the interests of Shareholders, customers, employees, and other stakeholders.

董事會欣然提呈其報告連同截至二零二三年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。本集團旗下主要附屬公司之主要業務的詳情載列於綜合財務報表附註42。除於本年報「管理層論述及分析」章節內「業務回顧」標題及綜合財務報表附註39中披露的出售事項及新增機械租賃業務外，本集團的主要業務性質於本年度內並無其他重大改變。

業績

本集團截至二零二三年十二月三十一日止年度之業績及於該日之財務狀況載列於第121至248頁之經審核綜合財務報表。

末期股息

董事會不建議派發截至二零二三年十二月三十一日止年度之末期股息（二零二二年十二月三十一日：無）。

業務回顧

本集團於本年度錄得淨虧損約59,515,000港元（二零二二年：淨溢利約18,837,000港元）。有關本集團業務的中肯審視之進一步詳情，請參閱本年報「主席報告」及「管理層論述及分析」章節。

主要風險及不確定因素

本集團業務固有的運營複雜性及在競爭激烈的商業環境中，本集團承受若干可能影響財務狀況和業務運營的重大風險。本集團相信，有效的風險管理對實現我們的長期戰略目標及加強創造價值和業務增長的可持續性至關重要。董事會對本集團的風險管理及內部監控系統及檢討該等制度的成效負有全面責任。本集團考量到採用積極主動的方法和建立穩健的業務管理體系來緩解風險，必須在一定程度上與靈活性互相平衡，從而保障股東、客戶、僱員及其他持份者的權益。

During the year, the principal risks and uncertainties of the Group are known as set out below:

Market Risks

Weak Global Economic Recovery and Concentration Risk

The Group's businesses are sensitive to the weak global economic recovery. Deterioration in global economic outlook may have a material impact on our financial position.

During the year, due to ongoing uncertainties such as inflation and geopolitical risks, major economies are experiencing insufficient growth momentum, and the progress of the global economic recovery remains uncertain. The Group has continually implemented penetration strategies on customers and product portfolios through internal development and business model adjustment to improve businesses' competitiveness and agility from slow economic recovery and to reduce the dependency on specific customer segments.

Keen market competition market and pricing pressure

The Group must compete on both selling price and product know-how as multinational, regional and niche competitors attempt to increase their market share. Intensive competitive pressure may impede the profitability of the Group. Additionally, customers were also affected by the competitive pressure and their sales will fluctuate. The Group owns comparative resilience and then strives for agility by implementing cost-effective solutions through digitalization of production process and refined techniques to enhance our productivity and efficiency.

Supply Chain Risks

Rising trade protectionism and geopolitical risk are disrupting global supply chains. The Group may face difficulties due to sudden material shortage resulting in delays in delivery and inability to procure substitutes at reasonable prices temporarily. These challenges have led to loss of sales opportunities and non-fulfillment of customers' expectations. The Group minimizes these occurrences with flexible supply chain management including strictly selecting suppliers with quality assurance, good reputation and high credibility who are honest in co-operation, extending sourcing channels and strengthening inventory control management. The Group continues to monitor raw materials price movements efficiently by implementing detailed cost tracking and examining various scenario of hedging opportunities.

於本年度內，本集團已知的主要風險和不確定因素載列如下：

市場風險

全球經濟復甦緩慢和風險集中

本集團業務對全球經濟復甦緩慢敏感。全球經濟前景惡化或對我們的財務狀況產生重大影響。

於本年度內，由於通脹及地緣政治風險等多重不確定性持續，主要經濟體正面對增長動能不足，並且全球經濟復甦的進程仍不明朗。本集團通過內部發展和調整業務模式，對客戶和產品組合持續實行滲透策略，使業務在經濟復甦緩慢下提升其競爭力和靈活性，並降低對特定客戶群的依賴。

激烈的市場競爭和定價壓力

由於跨國企業、地區和利基競爭對手謀求增加市場份額，本集團要在銷售價格及產品專有技術上競爭，而激烈的競爭壓力可能會削弱本集團的盈利能力。另外，本集團客戶同受競爭壓力，以致其銷量較為波動。本集團憑藉相對彈性方法，並實施具成本效益的解決方案，包括數碼化生產流程和精細化技術，以提高我們的生產力和效率從而實現靈活性。

供應鏈風險

貿易保護主義抬頭和地緣政治危機對供應鏈造成衝擊。當本集團遇到突發原材料短缺時，致使交付延遲並無法於短期以合理價格採購替代原材料，繼而錯失銷售機會及無法滿足客戶的期望。本集團通過彈性的供應鏈管理，包括嚴選具質量保證、具良好信譽、高信用能力及以誠合作的供應商合作，拓寬採購渠道和加強庫存管控來緩解上述風險。本集團通過實施仔細的成本追蹤和審查各種對沖方法，持續有效地監察原材料價格走勢。

Environmental, Social and Governance (ESG) Risks

ESG risks are environmental, social and governance variables that affect the Group's financial and operation performance. Environment-, climate- and weather-related risks arise in different ways both outside and inside the Group's control. The Group adopts a proactive ESG strategies and manages ESG-related risks through appropriate response and control measures.

The Group faces environmental risks in production process and business operations including carbon footprint, sewage, waste treatment, greenhouse gas (GHG) emission and climate change, etc.. To ensure the Group's compliance with applicable laws and regulations on environmental protection, we have implemented a set of internal monitoring procedures involving innovation in technology, process and equipment, use of new materials and investment of green facilities, etc.. Meanwhile, we conduct training courses in environmental protection and energy conservation to enhance employees' awareness in these areas, while maintaining rigorous internal monitor and assessment.

Social risks include pay equality, workplace safety, supplier practice, diversity, equity and community contributions. The Group advocates "people-oriented, foothold in industrial, value pragmatism, continuous learning, innovation", maintains a highly efficient workforce with caring interpersonal relationships and provides safe and pleasant working environment, all of which are indispensable to support our sustainable development.

Legal and Regulatory Compliance Risks

The Group has various production plants and offices across Mainland China and Hong Kong. Any failure to comply with the laws and regulations in those jurisdictions may result in penalties and even temporary production suspension and could even have an adverse effect on the Group's reputation and brings about potential risks impacting on our operations and profitability. To maintain legal and regulatory compliance is the core value of the Group. We monitor the changes in legislation with the engagement of legal consultation services from time to time and has internal control procedures to ensure compliance with regulatory provisions and implementation of internal policies.

Financial Risks

The Group is exposed to financial risks arising in the normal course of its business and the commitment of its financial instruments, including foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. Details of such risks are set out in note 40 to the consolidated financial statements.

環境、社會和管治風險

環境、社會和管治風險是影響本集團財務和運營績效的環境、社會和管治變數；而環境、氣候和天氣相關風險以不同方式出現在本集團控制範圍內外。本集團採取積極的環境、社會和管治策略，並以適當的應對和控制措施管理環境、社會和管治相關風險。

本集團在生產過程和業務運營中面臨環境風險，包括碳足跡、污水、廢物處理、溫室氣體排放和氣候變化等。為確保遵守適用環保的法律和規例，本集團實施一套內部監控程序，涵蓋技術、工藝及設備創新、新材料運用和環保設備投入等。我們同時開展環保及節能等方面的培訓，旨在提升僱員在這些範疇的意識，並進行嚴格內部監督及考核。

社會風險包括平等薪酬、工作場所安全、供應商慣例、多元化、公平和社區貢獻。本集團宣導「以人為本、立足工業、務實進取、持續學習、開拓創新」，維持高效的員工團隊和保持僱員之間互相關懷的人際關係，以及提供安全和愉快的工作環境，這與我們對可持續發展的支持是密不可分的。

法律及監管合規性的風險

本集團在中國內地和香港設有多個生產廠房和辦公室。如未能遵守該等司法管轄區的法律及規例，則可能導致罰款甚至短暫停產，更對本集團聲譽造成不利影響，並對我們的運營和盈利能力帶來潛在風險。維護法律及監管合規性是本集團的核心價值。我們不時聘用法律諮詢服務以關注法律變更，並設立內部監控流程，以確保遵守監管規定和執行內部政策。

財務風險

本集團在日常業務過程和運用金融工具時承受的財務風險，包括外匯風險、利率風險、價格風險、信貸風險和流動資產風險。該等風險詳情載列於綜合財務報表附註40。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告書（續）

Certain measures to manage the impacts of these potential risks and uncertainties are described in the heading of “Business Review” of the section of “Management Discussion and Analysis” of this annual report.

管理此等潛在風險和不確定因素帶來的影響之若干措施已在本年報「管理層論述及分析」章節內的「業務回顧」標題中描述。

FINANCIAL KEY PERFORMANCE INDICATORS

The financial key performance indicators of the Group for the years ended 31 December 2023 and 2022 are summarized as follows:

財務關鍵表現指標

本集團截至二零二三年和二零二二年十二月三十一日止年度的財務關鍵表現指標概述如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	Change 變動
Operating Performance	經營表現			
Revenue	收入	2,176,900	2,339,898	-7.0%
Operating profit	經營溢利	4,743	29,758	-84.1%
(Loss)/profit before tax	除稅前（虧損）／溢利	(42,458)	33,071	N/A 不適用
(Loss)/profit for the year	年度（虧損）／溢利	(59,515)	18,837	N/A 不適用
Basic (loss)/earnings per share (HK cents)	每股基本（虧損）／ 盈利（港仙）	(5.08)	2.83	N/A 不適用
Key Financial Information	關鍵財務資料			
Cash and bank balances	現金及銀行結餘	660,468	560,913	+17.7%
Total assets	資產總值	2,462,080	2,625,450	-6.2%
Total liabilities	負債總值	1,033,216	1,087,054	-5.0%
Total equity attributable to equity shareholders of the Company	本公司股權持有人 應佔權益總值	1,271,722	1,322,122	-3.8%
Financial Ratios	財務比率			
Current ratio	流動比率	1.8	1.8	0.0%
Gross profit margin	毛利率	17.0%	15.9%	+1.1 pp 百分點
Earnings before interests, taxes, depreciation and amortization (EBITDA) margin (note)	未計利息、稅項、折舊及 攤銷前的盈利率 (附註)	1.9%	5.3%	-3.4 pp 百分點
Net (loss)/profit margin	淨（虧損）／盈利率	(2.7%)	0.8%	-3.5 pp 百分點

Note:

EBITDA margin is calculated as EBITDA divided by revenue. The following table sets forth the calculation of EBITDA:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss)/profit before tax	除稅前(虧損)/溢利	(42,458)	33,071
Add:	加:		
Finance costs	財務費用	16,549	13,415
Depreciation and amortisation on:	折舊及攤銷:		
– Ownership interest in leasehold land and buildings held for own use	– 自用租賃土地及樓宇的所有權權益	16,296	16,275
– Other owned assets	– 其他自置資產	36,406	43,423
– Intangible assets	– 無形資產	922	1,383
– Right-of-use assets	– 使用權資產	13,557	16,041
EBITDA	未計利息、稅項、折舊及攤銷前的盈利	41,272	123,608

附註:

未計利息、稅項、折舊及攤銷前的盈利率以未計利息、稅項、折舊及攤銷前的盈利除以收入計算。下表載列未計利息、稅項、折舊及攤銷前的盈利之計算:

FUTURE DEVELOPMENT OF THE GROUP'S BUSINESSES

After the lifting of pandemic restrictions, the anticipated recovery in the overall manufacturing sectors did not materialize in 2023, and global demand was affected by a series of unfavourable factors. The Group anticipates that the challenging operating environment mentioned above will persist in the coming year. However, we will strive to improve through continued investment in research and development, with the purpose of offering machinery and integrated solutions to help customers achieve higher precision and production efficiencies, while reducing direct labour and energy costs. We will also upgrade our digital management platforms and automation equipment, in order to maintain long-term competitiveness. In addition, we will remain highly alert and adapt in an agile manner in the event of global major incidents to protect the interests of the Group and its stakeholders. Details of future development of the Group's businesses, please refer to the sections of "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

本集團業務未來發展

隨著疫情限制的解除，二零二三年的整體製造業並未迎來預期的顯著復甦，加上全球需求受種種不利因素影響。本集團預計明年將持續處於上述嚴峻的經營環境中，但是我們仍然會積極求進，持續投資於機械及綜合解決方案的研發創新，以幫助客戶實現更高的精準度及生產效率，同時減低直接勞動及能源成本。我們也會升級數字化管理平台及應用自動化設備，從而保持長期競爭力，並會時刻保持高度警覺，在全球發生任何重大事件時作出靈活應對，以維護本集團和持份者的利益。關於本集團業務未來發展的詳情，請參閱本年報「主席報告」及「管理層論述及分析」章節。

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to complying with the applicable environmental laws, rules and regulations of China and Hong Kong on the prevention and control of waste generation, waste gas emissions and sewage discharges during the production process. The Group has implemented various measures to save energy and reduce emissions, including improvements on plant equipment to reduce air, greenhouse gas and other emissions, measures on effective energy conservation to reduce the use of energy and water, and waste reduction management. Detailed discussion on the environmental policies and performance of the Group is set out in the section of “Environmental, Social and Governance Report” of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year, there was no material breach of or non-compliance with the laws and regulations applicable to the Group. Apart from complying with Hong Kong laws such as the Companies Ordinance, Listing Rules, SFO, Employment Ordinance (Chapter 57 of the Laws of Hong Kong) and Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong), we have also complied with the laws of the PRC, including the Company Law of the PRC, Labour Law of the PRC, Labour Contract Law of the PRC, Measures on Enterprise Annuities and the relevant laws, rules and regulations in relation to child and forced labour including the Regulations on Forbidding the Employment of Child Labour and the Law of the PRC on the Protection of Minors. Moreover, we have complied with environmental laws and relevant ordinances, rules and regulations on the prevention and control of wastes, waste gases and sewage emission, including but not limited to the Environmental Protection Law of the PRC, Environmental Protection Tax Law of the PRC, Law of the PRC on the Prevention and Control of Atmospheric Pollution, Law of the PRC on Prevention and Control of Water Pollution, Law of the PRC on Promotion of Cleaner Production, Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), Product Eco-responsibility Ordinance (Chapter 603 of the Laws of Hong Kong), Environmental Quality Standards for Surface Water, Wastewater Quality Standards for Discharge to Municipal Sewers, Measures for the Administration of Permit for Operation of Hazardous Wastes and Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste. These environmental laws will have impact on the Group's operation if we do not dispose of all wastes, discharge sewage and emit waste gases properly, we might have to bear heavy environmental protection tax and so increase the cost of disposal of wastes.

環保政策及表現

本集團致力在生產過程中遵守中國及香港有關防控廢物產生、廢氣排放和污水排放的適用環保法律、規則及規例。本集團已實施多項節能減排的措施，包括改善廠房設備來減少廢氣、溫室氣體及其他排放、採取有效的節能措施來減少使用能源和水，以及減廢管理等措施。有關本集團環保政策及表現的詳細討論已載於本年報「環境、社會及管治報告」章節內。

遵守法律及規例

於本年度內，本集團並無重大違反或不遵守適用的法律及規例。除了遵守香港法例，如《公司條例》、《上市規則》、《證券及期貨條例》、《僱傭條例》（香港法例第57章）及《打擊洗錢及恐怖分子資金籌集條例》（香港法例第615章），我們也遵守中國法律，包括《中國公司法》、《中國勞動法》、《中國勞動合同法》、《企業年金辦法》，以及有關童工和強制勞工的法律、規則及規例，包括《禁止使用童工規定》和《中國未成年人保護法》。此外，我們亦遵守環保法律及與防控廢物、廢氣和污水排放有關的條例、規則及規例，包括但不限於《中國環境保護法》、《中國環境保護稅法》、《中國大氣污染防治法》、《中國水污染防治法》、《中國清潔生產促進法》、《廢物處置條例》（香港法例第354章）、《產品環保責任條例》（香港法例第603章）、《地表水環境質量標準》、《污水排入城鎮下水道水質標準》、《危險廢物經營許可證管理辦法》及《中國固體廢物污染環境防治法》。若本集團不妥善處置所有廢物及排放污水和廢氣，便可能須承擔沉重的環境保護稅並增加處置廢物的成本，該等環保法律將對我們的營運造成影響。

RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group's success depends on the support from key stakeholders which comprise of employees, customers, suppliers, Shareholders, government and regulators, as well as banks.

Employees

Employees are regarded as the most important and valuable assets of the Group. Most of the management have been serving the Group for a long period of time. The Group offers competitive salaries and benefits and also provides training programmes or courses for employees of the Group, including those at all levels from different departments in Mainland China and Hong Kong, and Directors, respectively, so as to further enhance their technical skills, professional skills and knowledge in production, operation and management, and meanwhile, make continual contribution to the Group. Throughout the year, various business units of the Group occasionally organized different activities, such as annual dinners and ball games, for both the general staffs and the management to participate in together, in order to strengthen their partnership and communication. Moreover, the Group celebrates various festive seasons with our employees, and distributed gifts to them as a token of appreciation for their hard work over the year.

Customers

The major customers of machinery manufacturing business, plastic products processing and manufacturing business, printed circuit boards trading business, and industrial consumables trading business are the plastic pipe manufacturer, washing machine manufacturer, supplier of printed circuit boards for home appliances and automotive and industrial equipment manufacturer, respectively. Most of them have been our customers for more than three years and we provide high quality products and after-sale services in return for their loyalty.

與主要持份者的關係

本集團的成功有賴主要持份者的支持，包括僱員、客戶、供應商、股東、政府及監管機構，以及銀行。

僱員

僱員被視為本集團最重要及具價值的資產。大部份管理層已為本集團服務了很長時間。本集團提供具競爭力的薪酬及福利，亦分別向本集團僱員，包括中國內地及香港各部門各級僱員，以及董事提供培訓計劃或課程，從而進一步提升他們在生產、營運和管理上的技能、專業技巧和知識，並同時向本集團作出持續貢獻。本集團不同業務單位於本年度不時組織不同活動，如年度晚宴及球類比賽等，讓一般僱員連同管理層一起參與，旨在加強彼此的合作關係及溝通。此外，本集團與僱員慶祝各個節日，並贈送禮物以感謝他們一年來的辛勤工作。

客戶

機械製造業務、注塑製品之加工及製造業務、印刷線路板貿易業務及工業消耗品之貿易業務的主要客戶分別為塑料管道製造商、洗衣機製造商、家電及車用的印刷線路板供應商及工業設備製造商。我們與大部份的客戶已合作超過三年，我們提供優質產品和售後服務以回報他們的忠誠。

Suppliers

The major suppliers of machinery manufacturing business, plastic products processing and manufacturing business, printed circuit boards trading business, and industrial consumables trading business are supplying the injection molding machine castings, plastic raw material particles, printed circuit boards, and stepping motor and servo motor, respectively. Most of them have been our suppliers for more than three years and have maintained good relationship with us in order to achieve cost effectiveness and obtain long-term commercial benefits.

Shareholders

The major Shareholders are Cosmos Holdings and its controlled corporations, China Resources (Holdings) Company Limited and minority Shareholders. It is grateful to have Shareholders who have been supportive of the Group for a long period of time.

Government and Regulators

It is important for us to pay close attention to the regulatory trends of local governments and regulators to anticipate legal or regulatory changes or community developments that may affect our business.

Banks

Banks serve as the lenders of the Group in providing finance in our businesses operation and development, include trade finance and fixed assets purchasing. We maintain stable relationship with them through regular meetings and visits.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out in the section of "Five Year Financial Summary" of this annual report.

供應商

機械製造業務、注塑製品之加工及製造業務、印刷線路板貿易業務及工業消耗品之貿易業務的主要供應商分別供應注塑機鑄件、塑料原材料粒子、印刷線路板，以及步進馬達和伺服電機。我們與大部份供應商已合作了超過三年，並保持良好關係，以達致成本效益及促進長遠商業利益。

股東

本集團的主要股東為大同控股與其受控法團、華潤(集團)有限公司及少數股東。我們感激各位股東長期支持本集團。

政府及監管機構

我們必須密切關注地方政府和監管機構的監管趨勢，來預計法律或監管變更或社區發展對我們的業務可能產生的影響。

銀行

銀行作為本集團的貸款人，為我們的業務營運及發展提供融資，包括貿易融資及購買固定資產。我們透過定期會面和拜訪保持雙方的關係穩定。

五年財務摘要

本集團於過去五個財政年度之業績及資產與負債摘要載列於本年報「五年財務摘要」章節內。

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

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

RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the “Consolidated Statement of Changes in Equity” of and in notes 31 and 32 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company’s distributable reserves, as calculated in accordance with Sections 291, 297 and 299 of the Companies Ordinance, amounted to approximately HK\$381,611,000.

DONATIONS

During the year, the Group made HK\$12,000 of donation.

BIOGRAPHICAL DETAILS OF DIRECTORS

The biographical details of the Directors are set out in the section of “Directors and Senior Management’s Biographies” on pages 20 to 21 of this annual report.

DIRECTORS’ EMOLUMENTS

Details of the Directors’ emoluments are set out in note 10A to the consolidated financial statements.

物業、廠房及設備

於本年度內，本集團之物業、廠房及設備變動詳情載列於綜合財務報表附註15。

股本

於本年度內，本公司之股本變動詳情載列於綜合財務報表附註30。

儲備

於本年度內，本集團及本公司之儲備變動詳情載列於綜合財務報表「綜合權益變動表」及附註31及32。

可供分派儲備

於二零二三年十二月三十一日，按《公司條例》第291、297及299條之規定計算，本公司可供分派儲備為約381,611,000港元。

捐款

於本年度內，本集團已作出12,000港元捐款。

董事簡歷

董事簡歷載於本年報第20至21頁之「董事及高級管理人員簡歷」章節內。

董事酬金

董事酬金之詳情載於綜合財務報表附註10A。

DIRECTORS

The Directors during the year and up to the date of this annual report are as follows:

Executive Directors

Mr. Tang To (*Chairman*)
Mr. Tang Yu, Freeman (*Chief Executive Officer*)

Non-executive Directors

Mr. Kan Wai Wah
Mr. Qu Jinping
(*Resigned with effect from 25 September 2023*)

Independent Non-executive Directors

Ms. Yeung Shuk Fan
Mr. Huang Zhi Wei
(*Resigned with effect from 25 September 2023*)
Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin

All Directors (including independent non-executive Directors) should be subject to retirement by rotation and eligible for re-election at least once every three years at the annual general meeting of the Company in accordance with Article 102 of the Articles and the CG Code. Messrs. Tang To and Tang Yu, Freeman will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

董事

於本年度內及截至本年報日期之董事如下：

執行董事

鄧燾先生（主席）
鄧愚先生（行政總裁）

非執行董事

簡衛華先生
瞿金平先生
(於二零二三年九月二十五日起辭任)

獨立非執行董事

楊淑芬女士
黃志煒先生
(於二零二三年九月二十五日起辭任)
林國明先生
李偉業先生

根據《章程細則》第102條及《企業管治守則》規定，所有董事（包括獨立非執行董事）須至少每三年一次於本公司股東周年大會上輪值退任，並可膺選連任。鄧燾先生及鄧愚先生將在本公司即將舉行之股東周年大會上輪值退任及合資格且願意膺選連任。

CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the Directors are set out below:

- (1) Mr. Qu Jinping has resigned as a non-executive Director to focus on his other work arrangement with effect from 25 September 2023;
- (2) Mr. Huang Zhi Wei has resigned as an independent non-executive Director due to his age, and accordingly he has ceased to be a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee, with effect from 25 September 2023;
- (3) Messer. Lam Kwok Ming and Lee Wai Yip, Alvin, both independent non-executive Directors, have been appointed as the members of each of the Audit Committee and the Remuneration Committee with effect from 25 September 2023; and
- (4) The monthly salary of Mr. Tang Yu, Freeman, an executive Director and the chief executive officer of the Company, has been revised to HK\$190,000 with effect from 1 January 2024.

For details of the above items (1) to (3), please refer to the announcement of the Company dated 25 September 2023.

Save for the above, there is no other information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事資料變動

根據《上市規則》第13.51B(1)條，董事資料之變動載列如下：

- (1) 瞿金平先生為專注於其他工作安排，已辭任非執行董事，自二零二三年九月二十五日起生效；
- (2) 黃志煒先生因年事已高，已辭任獨立非執行董事，並因此不再擔任本公司審核委員會成員、薪酬委員會成員及提名委員會成員，自二零二三年九月二十五日起生效；
- (3) 獨立非執行董事林國明先生及李偉業先生已獲委任為審核委員會成員及薪酬委員會成員，自二零二三年九月二十五日起生效；及
- (4) 執行董事及本公司行政總裁鄧愚先生的月薪調整至190,000港元，自二零二四年一月一日起生效。

關於上述第(1)至(3)項的詳情，請參閱本公司日期為二零二三年九月二十五日的公告。

除上述變動外，概無其他董事資料須根據《上市規則》第13.51B(1)條予以披露。

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a service contract with the Company or any of its subsidiaries that is not determinable by the Company or such subsidiaries within one year without payment of compensation (other than statutory compensation).

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the headings of "Directors' Interests and Short Positions in Shares, Underlying Shares or Debentures under the SFO", "Shareholders' Interests or Short Positions in Shares and Underlying Shares under the SFO" and "Related Party Transactions" of this report, at no time during or at the end of the year has been/was the Company, its holding company, or any of its subsidiaries a party to any arrangements to enable the Directors or their respective spouse or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the non-executive Directors (including independent non-executive Directors) has entered into a letter of appointment setting out the key terms and conditions of his/her appointment as Director with the Company for a term of three years. They are all subject to retirement by rotation and re-election at least every three years at annual general meeting in accordance with the Articles.

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. Although Ms. Yeung Shuk Fan, one of the independent non-executive Directors, has been serving the Board for more than nine years, she has not engaged in any executive management of the Group. Her familiarity and extensive experience with the Group's businesses place her in a better position to contribute independent views to the Company. Taking into consideration of her independent scope of works when performing duties as an independent non-executive Director over the past years, there is no evidence that length of service is having an adverse impact on her independence. Therefore, the Company considered all independent non-executive Directors (including Ms. Yeung) are independent throughout the year.

董事之服務合約

擬在本公司即將舉行之股東周年大會上重選連任之董事概無與本公司或其任何附屬公司訂立不可由本公司或該等附屬公司於一年內可在不予賠償（法定賠償除外）的情況下終止之服務合約。

董事購買股份及債券的權利

除於本報告「根據《證券及期貨條例》董事於股份、相關股份或債權證之權益及淡倉」、「根據《證券及期貨條例》股東於股份及相關股份之權益或淡倉」及「關聯方交易」標題中披露外，於本年度任何時間內或年終時，本公司、其控股公司或其任何附屬公司未曾／概無參與任何安排，致使董事或彼等各自之配偶或十八歲以下子女能藉購入本公司或任何其他法人團體的股份或債權證而獲取利益。

獨立非執行董事

每名非執行董事（包括獨立非執行董事）已與本公司訂立委任書，訂明其任期為三年和其委任的主要條款及條件。根據《章程細則》規定，彼等均須至少每三年一次在股東周年大會上輪席退任及膺選連任。

根據《上市規則》第3.13條規定，本公司已收到每名獨立非執行董事有關其獨立性之年度確認書。雖然其中一名獨立非執行董事楊淑芬女士服務董事會至今已超過九年，但彼概無參與本集團任何行政管理工作，而對本集團業務之熟悉及資深經驗有助向本公司提供較佳之獨立意見。經考慮彼於過往年度工作之獨立範疇及所履行的獨立非執行董事職責後，並無任何證據顯示服務年資對其獨立性產生負面影響。因此，本公司認為全體獨立非執行董事（包括楊女士）於本年度內均為獨立人士。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Saved as the related party transactions as disclosed in note 41 to the consolidated financial statements and in the heading of "Related Party Transactions" of this report, no transaction, arrangement or contract that is significant in relation to the Group's businesses to which the Company, its holding company or any of its subsidiaries was a party and in which a Director or his/her connected entity had, directly or indirectly, a material interest was entered into or subsisted at any time during the year or at the end of the year.

DIRECTORS OF SUBSIDIARIES

During the year and up to the date of this report, the persons who served as directors of the subsidiaries of the Company are as follows:

Messrs. Cao Xiaowei, Ching Wang Ho, Diao Junde, Dinh Thanh Phuong, Du Jiang, Fang Xirong, Ho Kwong Sang, Hu Ping, Hui Oi Chun, Jiang Shufeng, Liu Dangwei, Li Haihua, Lu Hank, Man Chi Fai, Bruno, Mei Zheqi, Miao Hongliang, Tang To, Tang Yu, Freeman, Tsutsumi Keiji, Wong Yiu Ming, Xie Jie, Yatsugi Atsushi, Ye Qingzhong, Ye Yueran, Yip Kar Shun, Yip Kin Keung and Zhu Wenguang, and Mses. Ching Shuk Kwan, Yu Hong and Yu Yaqing.

PERMITTED INDEMNITY PROVISION

As permitted by the Articles, every Director or other officer or auditor of the Company shall be entitled to be indemnified out of the assets of the Company against any losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

The permitted indemnity provision is in force for the benefit of the Directors as required by Section 470 of the Companies Ordinance when this report is approved in accordance with Section 391 of the Companies Ordinance and at any time during the year ended 31 December 2023.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

董事在交易、安排或合約中之權益

除於綜合財務報表附註41及本報告內「關聯方交易」標題中披露的關聯方交易外，在年內任何時間或年終時，本公司、其控股公司或其任何附屬公司概無訂立或存在就本集團的業務而言屬重大且董事或其有關連實體擁有直接或間接的具相當分量的利害關係的交易、安排或合約。

附屬公司董事

於本年度內及截至本報告日期，於本公司附屬公司擔任董事的人士如下：

曹小偉先生、程宏灝先生、刁俊德先生、Dinh Thanh Phuong先生、杜江先生、方熙榮先生、何廣生先生、胡平先生、許凱駿先生、姜樹峰先生、劉黨委先生、李海華先生、盧煥先生、萬志輝先生、梅哲騏先生、繆虹亮先生、鄧燾先生、鄧愚先生、堤惠司先生、黃耀明先生、謝杰先生、八木篤先生、葉慶忠先生、葉月然先生、葉嘉信先生、葉建強先生及朱文光先生，以及程淑群女士、余紅女士及于雅清女士。

獲准許的彌償條文

《章程細則》允許各董事或本公司其他高級人員或核數師有權就履行其職務或在其他有關方面蒙受或產生之所有虧損或負債自本公司之資產中獲得彌償。

根據《公司條例》第470條的規定，惠及董事的獲准許彌償條文在本報告按照《公司條例》第391條獲批准時及在截至二零二三年十二月三十一日止年度內的任何時間有效。

於年內，本公司已為董事及本集團高級管理人員安排適當的董事及高級管理人員責任保險。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES UNDER THE SFO

As at 31 December 2023, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered into the register referred to therein; or were required pursuant to the Model Code to be notified to the Company and the Stock Exchange are set out below:

Long Positions in the Shares or Underlying Shares:

根據《證券及期貨條例》董事於股份、相關股份或債權證之權益及淡倉

於二零二三年十二月三十一日，董事於本公司或其任何相聯法團（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，擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據《證券及期貨條例》相關條文被視為或當作擁有之權益及淡倉）；或根據《證券及期貨條例》第352條須予備存的登記冊所記錄之權益及淡倉；或根據《標準守則》須知會本公司及聯交所之權益及淡倉載列如下：

於股份或相關股份之好倉：

Name of Director 董事姓名	Number of Shares Held 持有股份數目			Total 總數	Approximate % of the Total Number of Issued Shares 佔已發行股份 總數之概約百分比
	Personal Interests 個人權益	Family Interests 家族權益	Corporate Interests 企業權益		
Tang To 鄧燾	4,970,005	226,000 ⁽¹⁾	445,617,458 ⁽²⁾	450,813,463	52.30
Tang Yu, Freeman 鄧愚	–	–	442,157,052 ⁽³⁾	442,157,052	51.30
Kan Wai Wah 簡衛華	136,400	–	–	136,400	0.02

Notes:

- (1) 226,000 Shares were held by Mr. Tang To and his spouse jointly.
- (2) Mr. Tang To was deemed to be interested in 445,617,458 Shares under the SFO, comprising (i) 3,460,406 Shares held by Ginta Company Limited (incorporated in Hong Kong) which is owned as to approximately 99.999% by Fullwin Limited (incorporated in the Republic of Liberia), which in turn is owned as to 50% by Mr. Tang To and 50% by his spouse respectively; (ii) 405,907,052 Shares held by Codo through its wholly-owned subsidiaries, Tai Shing, Hung Cheong and Cosmos Holdings; and (iii) 36,250,000 Shares held by Saniwell (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang To and certain of his family members) which in turn is owned as to approximately 57.14% by Mr. Tang To.
- (3) Mr. Tang Yu, Freeman was deemed to be interested in 442,157,052 Shares under the SFO, comprising (i) 405,907,052 Shares held by Codo through its wholly-owned subsidiaries, Tai Shing, Hung Cheong and Cosmos Holdings; and (ii) 36,250,000 Shares held by Saniwell (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang To and certain of his family members) which in turn is owned as to approximately 42.86% by Mr. Tang Yu, Freeman.

Save as disclosed above, as at 31 December 2023, none of the Directors, chief executives of the Company and their respective associates had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO); or were required pursuant to Section 352 of the SFO to be entered into the register referred to therein; or were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

附註:

- (1) 鄧燾先生及其配偶共同持有226,000股股份。
- (2) 根據《證券及期貨條例》，鄧燾先生被當作擁有445,617,458股股份的權益，包括(i)堅達有限公司(於香港註冊成立)持有的3,460,406股股份，堅達有限公司由Fullwin Limited(於利比里亞共和國註冊成立)擁有約99.999%權益，而Fullwin Limited由鄧燾先生及其配偶各自擁有50%權益；(ii)高度透過其全資附屬公司Tai Shing·Hung Cheong及大同控股持有的405,907,052股股份；及(iii)Saniwell(作為The Saniwell Trust的受託人，其受益人包括鄧燾先生及其若干家族成員)持有的36,250,000股股份，而Saniwell由鄧燾先生擁有約57.14%權益。
- (3) 根據《證券及期貨條例》，鄧愚先生被當作擁有442,157,052股股份的權益，包括(i)高度透過其全資附屬公司Tai Shing·Hung Cheong及大同控股持有的405,907,052股股份；及(ii)Saniwell(作為The Saniwell Trust的受託人，其受益人包括鄧燾先生及其若干家族成員)持有的36,250,000股股份，而Saniwell由鄧愚先生擁有約42.86%權益。

除上文披露外，於二零二三年十二月三十一日，概無董事、本公司最高行政人員及其各自的聯繫人於本公司或其任何相聯法團(定義見《證券及期貨條例》第XV部)的任何股份、相關股份或債權證中擁有或被當作擁有根據《證券及期貨條例》第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉(包括根據《證券及期貨條例》相關條文被視為或當作擁有之權益及淡倉)；或根據《證券及期貨條例》第352條須予備存的登記冊所記錄之任何權益或淡倉；或根據《標準守則》須知會本公司及聯交所之任何權益或淡倉。

SHAREHOLDERS' INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES UNDER THE SFO

As at 31 December 2023, so far as was known to the Directors and chief executives of the Company, the following persons (other than a Director or chief executive of the Company) had, or were deemed to have, an interest or a short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept under Section 336 of the SFO:

Long Positions in Shares or Underlying Shares:

根據《證券及期貨條例》股東於股份及相關股份之權益或淡倉

於二零二三年十二月三十一日，就董事及本公司最高行政人員所知，下列人士（董事或本公司最高行政人員除外）於股份及本公司相關股份中擁有或被當作擁有根據《證券及期貨條例》第XV部第2及3分部條文須向本公司披露或根據《證券及期貨條例》第336條須予備存的登記冊所記錄之權益或淡倉：

於股份或相關股份之好倉：

Name of Substantial Shareholder	Capacity	Number of Shares Held 持有股份數目			Approximate % of the Total Number of Issued Shares 佔已發行股份 總數之概約百分比
		Direct Interests 直接權益	Deemed Interests 被當作擁有 之權益	Total 總數	
主要股東名稱	身份				
Tai Shing	Beneficial owner 實益擁有人	170,104,452	–	170,104,452	19.74
Cosmos Holdings 大同控股	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	235,802,600	170,104,452 ⁽¹⁾	405,907,052	47.09
Codo 高度	Interest of controlled corporations 受控法團之權益	–	405,907,052 ⁽²⁾	405,907,052	47.09
Law Kit Fong 羅潔芳	Interest of controlled corporations 受控法團之權益	–	405,907,052 ⁽³⁾	405,907,052	47.09
Saniwell	Beneficial owner and interest of controlled corporations 實益擁有人及受控法團之權益	36,250,000	405,907,052 ⁽⁴⁾	442,157,052	51.30
China Resources (Holdings) Company Limited 華潤(集團)有限公司	Beneficial owner 實益擁有人	169,649,046	–	169,649,046	19.68
CRC Bluesky Limited	Interest of controlled corporations 受控法團之權益	–	169,649,046 ⁽⁵⁾	169,649,046	19.68
China Resources Co., Limited 華潤股份有限公司	Interest of controlled corporations 受控法團之權益	–	169,649,046 ⁽⁶⁾	169,649,046	19.68

Notes:

- (1) Tai Shing was wholly-owned by Hung Cheong, which is a wholly-owned subsidiary of Cosmos Holdings. By virtue of the SFO, Cosmos Holdings was deemed to be interested in 170,104,452 Shares held by Tai Shing.
- (2) Cosmos Holdings was owned as to approximately (i) 99.999% by Codo; and (ii) 0.001% by Glad Season Investments Limited (incorporated in Hong Kong), which was owned as to 50% by Codo and 50% by Cosmos Holdings (as trustee for Codo). By virtue of the SFO, Codo was deemed to be interested in 405,907,052 Shares held by Cosmos Holdings.
- (3) Codo was owned as to approximately (i) 8.37% by Elegant Power Enterprises Limited (incorporated in Hong Kong, "Elegant Power"); and (ii) 30.25% by Friendchain Investments Limited (incorporated in Hong Kong, "Friendchain"), which was owned as to 40% by Elegant Power. Elegant Power was owned as to approximately 0.002% by Mr. Kan Wai Wah, a non-executive Director (as trustee for Ms. Law Kit Fong), and approximately 99.998% by Ms. Law Kit Fong. By virtue of the SFO, Ms. Law Kit Fong was deemed to be interested in 405,907,052 Shares held by Codo.
- (4) Codo was owned as to approximately (i) 25.06% by Keepsound Investments Limited (incorporated in Hong Kong), which was owned as to 94% by Saniwell; and (ii) 30.25% by Friendchain, which was owned as to approximately 57.42% by Saniwell. By virtue of the SFO, Saniwell was deemed to be interested in 405,907,052 Shares held by Codo.
- (5) China Resources (Holdings) Company Limited (incorporated in Hong Kong) was a wholly-owned subsidiary of CRC Bluesky Limited (incorporated in the British Virgin Islands). By virtue of the SFO, CRC Bluesky Limited was deemed to be interested in 169,649,046 Shares held by China Resources (Holdings) Company Limited.
- (6) CRC Bluesky Limited was a wholly-owned subsidiary of China Resources Co., Limited (incorporated in the PRC). By virtue of the SFO, China Resources Co., Limited was deemed to be interested in 169,649,046 Shares held by CRC Bluesky Limited.

Save as disclosed above, as at 31 December 2023, so far as were known to the Directors and chief executives of the Company, there was no other person (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept under Section 336 of the SFO.

附註：

- (1) Tai Shing由Hung Cheong全資擁有，而Hung Cheong為大同控股的全資附屬公司。根據《證券及期貨條例》，大同控股被當作擁有Tai Shing所持有的170,104,452股股份的權益。
- (2) 大同控股由(i)高度擁有約99.999%權益；及(ii)佳時投資有限公司(於香港註冊成立)擁有約0.001%權益，而其由高度及大同控股(作為高度的受託人)各自擁有50%權益。根據《證券及期貨條例》，高度被當作擁有大同控股所持有的405,907,052股股份的權益。
- (3) 高度由(i)豪力企業有限公司(於香港註冊成立，「豪力」)擁有約8.37%權益；及(ii)友昌投資有限公司(於香港註冊成立，「友昌」)擁有約30.25%權益，而其由豪力擁有40%權益。豪力由非執行董事簡衛華先生(作為羅潔芳女士的受託人)及羅潔芳女士分別擁有約0.002%及約99.998%權益。根據《證券及期貨條例》，羅潔芳女士被當作擁有高度所持有的405,907,052股股份的權益。
- (4) 高度由(i)協生投資有限公司(於香港註冊成立)擁有約25.06%權益，而其由Saniwell擁有94%權益；及(ii)友昌擁有約30.25%權益，而其由Saniwell擁有約57.42%權益。根據《證券及期貨條例》，Saniwell被當作擁有高度所持有的405,907,052股股份的權益。
- (5) 華潤(集團)有限公司(於香港註冊成立)為CRC Bluesky Limited(於英屬處女群島註冊成立)的全資附屬公司。根據《證券及期貨條例》，CRC Bluesky Limited被當作擁有華潤(集團)有限公司所持有的169,649,046股股份的權益。
- (6) CRC Bluesky Limited為華潤股份有限公司(於中國註冊成立)的全資附屬公司。根據《證券及期貨條例》，華潤股份有限公司被當作擁有CRC Bluesky Limited所持有的169,649,046股股份的權益。

除上文披露外，於二零二三年十二月三十一日，就董事及本公司最高行政人員所知，概無其他人士(董事或本公司最高行政人員除外)於股份及本公司相關股份中擁有根據《證券及期貨條例》第XV部第2及3分部條文須向本公司披露或根據《證券及期貨條例》第336條須予備存的登記冊所記錄之權益或淡倉。

RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with those regarded as “Related Parties” under applicable accounting standards. These transactions mainly relate to the contracts entered into by the Group in the ordinary and usual course of business which were negotiated on normal commercial terms and on an arm’s length basis. Further details are set out in note 41 to the consolidated financial statements.

The Directors confirmed that the related party transactions do not fall under connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

SUBSEQUENT EVENTS

Details of subsequent event occurring from the end of the reporting period to the date of this annual report, please refer to the heading of “Subsequent Events” of the section of “Management Discussion and Analysis” of this annual report.

MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of business of the Company were entered into or existed during the year.

EQUITY-LINKED AGREEMENTS

No equity-linked agreement that will or may result in the Company issuing shares or that requires the Company to enter into any agreements that will or may result in the Company issuing shares was entered into by the Company during the year or subsisted at the end of the year.

關聯方交易

本集團與根據適用會計準則被視為「關聯方」訂立若干交易。此等交易主要涉及本集團於一般及日常業務過程中按正常商業條款和經公平原則磋商而訂立之合約。進一步詳情載列於綜合財務報表附註41。

董事確認關聯方交易並不符合《上市規則》第十四A章所定義的關連交易或持續關連交易。

結算日後事項

由報告結算日後至本年報日期止之結算日後事項詳情，請參閱本年報「管理層論述及分析」章節內「結算日後事項」標題。

管理合約

於本年度內，除僱傭合約外，概無訂立或存有與本公司的全部或任何重大部份業務的管理及行政合約。

股票掛鈎協議

於年內或年終時，本公司概無訂立或存在將會或可導致本公司發行股份或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year, none of the Directors was considered to have interests in any businesses which are considered to compete or likely to compete, either directly or indirectly, with businesses of the Group pursuant to Rule 8.10 of the Listing Rules.

CORPORATE GOVERNANCE

The Group's corporate governance practices and procedures are set out in the section of "Corporate Governance Report" of this annual report.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

REMUNERATION POLICY

Details of the remuneration policy of employees and the basis of determining the emoluments payable to the Directors, please refer to the heading of "Employees, Remuneration Policy and Training Scheme" of the section of "Management Discussion and Analysis" of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

董事於競爭業務之權益

於本年度內，根據《上市規則》第8.10條，概無董事被視為佔有任何直接或間接與本集團業務構成競爭或可能構成競爭之權益。

企業管治

本集團的企業管治常規和程序列載於本年報「企業管治報告」章節內。

購買、出售或贖回本公司上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

薪酬政策

僱員薪酬政策及釐定支付予董事之酬金準則的詳情，請參閱本年報「管理層論述及分析」章節內「僱員、薪酬政策及培訓計劃」標題。

足夠公眾持股量

根據本公司得悉之公開資料及就董事所知悉，於本年報日期，本公司已維持《上市規則》項下規定之公眾持股量。

MAJOR SUPPLIERS AND CUSTOMERS

During the year ended 31 December 2023, the respective percentages of purchases attributable to the Group's five largest suppliers and revenue attributable to the Group's five largest customers, on a combined basis, were less than 30% of the total value of the Group's purchases and revenue.

None of the Directors, their close associates or Shareholders (who to the knowledge of the Directors own more than 5% of the total number of issued Shares) had any interest in the Group's major suppliers or customers noted above.

REVIEW BY AUDIT COMMITTEE

This annual report has been reviewed by the Audit Committee. Information on the main works of Audit Committee and its composition are set out in the heading of "Audit Committee" of the section of "Corporate Governance Report" of this annual report.

AUDITOR

The Group's consolidated financial statements for the year ended 31 December 2023 have been audited by Ting Ho Kwan & Chan, which will retire from office at the forthcoming annual general meeting of the Company.

By order of the Board

TANG To
Chairman

Hong Kong, 27 March 2024

主要供應商及客戶

截至二零二三年十二月三十一日止年度，本集團之五個最大供應商合計所佔之購貨額百分比及五個最大客戶合計所佔之收入百分比乃分別佔本集團之購貨額及收入總值少於30%。

概無董事、其緊密聯繫人或股東（據董事會所知擁有5%以上的已發行股份總數）擁有上述本集團主要供應商或客戶之任何權益。

審核委員會的審閱

本年報已由審核委員會審閱。有關審核委員會主要工作及組成之資料詳列於本年報「企業管治報告」章節內「審核委員會」標題。

核數師

本集團截至二零二三年十二月三十一日止年度之綜合財務報表經由丁何關陳會計師行審核，其將於本公司即將舉行之股東周年大會任滿告退。

承董事會命

主席
鄧燾

香港，二零二四年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE CODE

The Board is committed to practicing and maintaining a high standard of corporate governance for the enhancement of Shareholders' value and safeguarding interests of Shareholders and other stakeholders, and reviews corporate governance practices and procedures of the Group from time to time.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with all the applicable code provisions of the CG Code during the year, except for the following deviation:

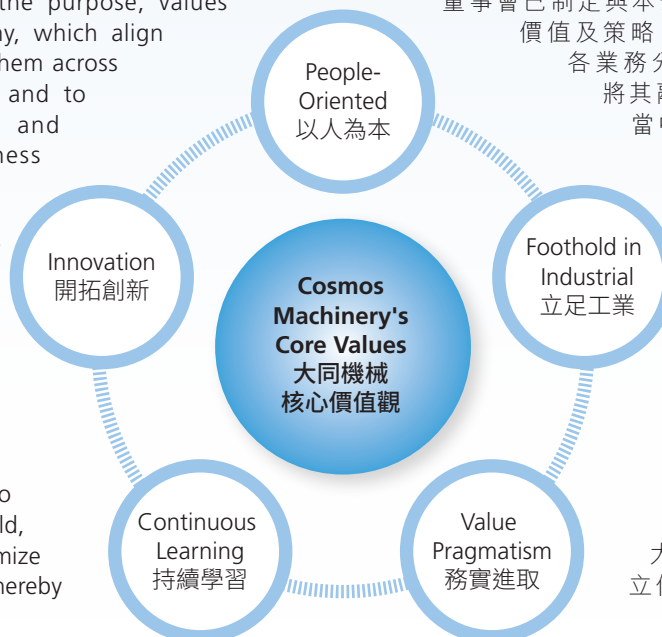
Deviation from Code Provision C.1.6 of the CG Code

Code provision C.1.6 of the CG Code stipulates that independent non-executive directors and non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Mr. Qu Jinping, the then non-executive Director, due to other business engagements, was unable to attend the annual general meeting of the Company held on 21 June 2023. However, the Company considered that the presence of the chairman of each of Nomination Committee, Remuneration Committee and Audit Committee, and other Directors at the said meeting, which were sufficient for addressing the queries from the attending Shareholders.

CORPORATE CULTURE

The Board has established the purpose, values and strategy of the Company, which align with its culture. It promotes them across different business segments and to all employees at all levels, and embeds the same in business decisions and operations.

Moving forward, the Company will keep upholding the core values, continue to create new competitive advantages and development momentum to enhance our core businesses rooted in Mainland China, provide high-quality products and services to our customers around the world, and aim to realise and maximize value for the stakeholders, thereby building a strong reputation.



企業管治守則

董事會致力實行及維持高水準之企業管治，以提升股東價值及維護股東和其他持份者的權益，以及不時檢討本集團企業管治常規和程序。

企業管治常規

根據董事會之意見，本公司於本年度內已遵守《企業管治守則》中所有適用之守則條文，惟有以下偏離：

偏離《企業管治守則》守則條文第C.1.6條

《企業管治守則》守則條文第C.1.6條規定獨立非執行董事及非執行董事應出席股東大會，以對股東的意見有全面、公正的了解。時任非執行董事瞿金平先生因有其他公務，而未能出席本公司於二零二三年六月二十一日舉行的股東周年大會。然而，本公司認為提名委員會主席、薪酬委員會主席和審核委員會主席，以及其他董事已出席該會議，足以回答與會股東的提問。

企業文化

董事會已制定與本公司文化一致的目的、價值及策略，並致力推廣及傳遞予各業務分部及全體各級僱員，將其融入到業務決策及營運當中。

面向未來，本公司將秉持核心價值觀，不斷創造新的競爭優勢和發展動力，致力提升我們植根於中國內地的核心業務，為世界各地的客戶提供優質產品和服務，以為持份者體現及創造最大價值為目標，從而建立信譽優良的集團形象。

THE BOARD

Composition

The Board currently consists of six members who are:

Executive Directors

Mr. Tang To (*Chairman*)
Mr. Tang Yu, Freeman (*Chief Executive Officer*)

Non-executive Director

Mr. Kan Wai Wah

Independent Non-executive Directors

Ms. Yeung Shuk Fan
Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin

Save as the Directors' biographical details and the relationships among the Board members (if any) disclosed in the section of "Directors and Senior Management's Biographies" on pages 20 to 21 of this annual report, to the best knowledge of the Directors, there is no any financial, business, family or other material/relevant relationship among Board members.

Board Diversity

A board diversity policy of the Company has been adopted. The Company maintains that the Board appointments will take into account gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and term of office of the selected candidates, and any other factors that the Board may consider relevant and appropriate from time to time to achieving Board diversity. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee reviews the said policy annually to ensure its effectiveness and discusses any revisions that may be required and recommends any such revisions to the Board for consideration and approval.

The Board is currently composed of Directors who are diverse in gender, age and length of service, and from diverse backgrounds and have diverse academic expertise and professional experience. Presently, the proportion of female member at Board level is 16.7%. The Board is of the view that the current diversity of the Board is appropriate and targets to maintain at least the current level of female member. The Board will continue to seek opportunities to increase the proportion of female members over time as and when suitable candidates are identified.

董事會

組成

董事會現由六名成員組成：

執行董事

鄧燾先生 (*主席*)
鄧愚先生 (*行政總裁*)

非執行董事

簡衛華先生

獨立非執行董事

楊淑芬女士
林國明先生
李偉業先生

除於本年報第20至21頁之「董事及高級管理人員簡歷」章節內披露的董事簡歷及董事會成員之間的關係(如有)外,就董事所知,董事會成員之間概無任何財務、業務、家屬或其他重大/相關的關係。

董事會成員多元化

本公司已採納董事會成員多元化政策。本公司委任董事時,會考慮有關候選者的性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期,以及董事會不時認為相關及適當達致董事會成員多元化之任何其他因素。最終決定將根據候選者的長處及可為董事會提供的貢獻而作出。提名委員會每年檢討上述政策以確保行之有效,以及討論或需作出的任何修訂並向董事會建議任何該等修訂以供考慮及批准。

董事會現時由不同性別、年齡及服務年資之董事組成,彼等來自不同背景,並具多元的學術專長和專業經驗。目前,董事會女性成員的比例為16.7%。董事會認為現時董事會已達致多元化,且目標至少維持其女性成員的比例在現時水平。日後如有合適的候選者,董事會將繼續尋求機會增加女性成員的比例。

An analysis of the Board's current composition is set out as follows: 現時董事會成員組成分析如下：



Employee Diversity

At workforce level (including senior management), our approach to diversity concentrates on talent acquisition, progression and retention. We have formulated talent development plan in delivering a more diverse representation and endeavor to provide equal opportunity in recruitment, career development, promotion, reward and training to all employees.

As at 31 December 2023, the ratio of female to male in the workforce of the Group (excluding Directors) was 31:69. Notwithstanding the foregoing, gender diversity for industrial business segment in which the Group operates may be less relevant due to the nature of work. However, the Group still managed to promote appropriate gender balance.

僱員多元化

於僱員層面（包括高級管理人員），我們的多元化舉措集中於人才招募、發展及留任。我們制訂了人才發展計劃，以組成更多元化的僱員團隊，並矢志在招聘、職業發展、晉升、獎勵及培訓等方面提供平等機會予全體僱員。

於二零二三年十二月三十一日，本集團僱員（不包括董事）的女性與男性比例為31:69。惟由於本集團主要從事工業，此業務範疇的性別多元化相關性或較低，但仍會促進適當的性別平衡。

Nomination Policy

The Company has adopted the nomination policy (the "Nomination Policy"). In considering the nomination of new Directors, the Nomination Committee puts forward the recommendation, based on the Nomination Policy and the elements of board diversity, to the Board for consideration.

The Nomination Policy is summarized as follows:

- state the objectives of the Nomination Policy, including ensuring the Board members have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's businesses;
- set out the nomination procedures, including selection, appointment and re-appointment of Directors;
- set out selection criteria, including but not limited to qualification, skill and experience of a proposed candidate, the requirements set out in the Listing Rules regarding appointment of the independent non-executive Directors and whether the proposed candidates for independent non-executive Directors would be considered independence with reference to the independence criteria or guidelines set out in the Listing Rules; and
- list out the applicable laws and procedures regarding appointment of Directors.

During the year, the Nomination Committee made recommendations on re-election of Directors and assessed the independence of all the independent non-executive Directors, all of which were approved by the Board. The Board considered all independent non-executive Directors are independent throughout the year.

On 27 March 2024, after taking into account the Board's composition and in accordance with the Nomination Policy, the Board considered and proposed the nomination of Messrs. Tang To and Tang Yu, Freeman, who shall retire from office by rotation at the forthcoming annual general meeting of the Company. They will be eligible and willing to offer themselves for re-election. Each of the above Directors has abstained from voting on his own nomination when it was being considered.

提名政策

本公司已採納提名政策(「提名政策」)。在考慮提名新董事時，提名委員會根據提名政策和董事會多元化的元素，提出建議予董事會考慮。

提名政策概述如下：

- 列明提名政策的目標，包括確保董事會成員具備切合本集團業務所需的技巧、經驗及多樣的觀點與角度；
- 載列包括甄選、委任及重新委任董事的提名程序；
- 附有甄選準則，包括但不限於考慮建議候選者的資歷、技巧及經驗、《上市規則》所載之關於委任獨立非執行董事，以及參考《上市規則》所載關於建議獨立非執行董事候選者是否被視為獨立人士之獨立因素或指引；及
- 列出關於董事委任適用的法律和程序。

於本年度內，提名委員會就董事之膺選連任提供建議，亦評估所有獨立非執行董事之獨立性，全部均已經董事會批准。董事會認為全體獨立非執行董事於本年度內確屬獨立人士。

於二零二四年三月二十七日，董事會經檢討其組成後及根據提名政策，考慮及建議提名鄧燾先生及鄧愚先生在本公司即將舉行之股東周年大會上輪值退任。彼等符合資格且願意膺選連任。上述各董事於董事會考慮其提名事宜時，並無參與表決。

Mechanisms for ensuring independent views and input

The Company recognises that the Board independence is pivotal in good corporate governance and Board effectiveness, and thus it has established mechanisms to ensure independent views and input are available to the Board, and reviews the implementation and effectiveness of such mechanisms annually.

Such mechanisms are set out as follows:

- The Board shall include at least three independent non-executive Directors, representing at least one-third of the Board;
- The Nomination Committee assesses the independence, cross-directorships, any material relationships with other Directors, qualification and time commitment of a candidate who is nominated to be an independent non-executive Director before appointment, and also the continued independence and time commitment of existing independent non-executive Directors annually;
- The Company shall confirm that the annual confirmation of independence have been received from each of the independent non-executive Directors, pursuant to Rule 3.13 of the Listing Rules;
- All Directors are encouraged to express freely their independent, constructive and informed comments in the meetings of the Board and Board committees;
- The chairman of the Board holds at least one meeting a year with the independent non-executive Directors without the presence of other Directors;
- The individual Directors and/or the Board committees, upon reasonable request, seek external independent professional advice in appropriate circumstances, the Company should assist them to perform their duties;
- No equity-based remuneration with performance-related elements is granted to independent non-executive Directors; and
- Any Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he/she or any of his/her close associates has a material interest nor shall he/she be counted in the quorum present at the meeting.

確保獨立觀點和意見的機制

本公司深知董事會獨立性對良好企業管治及董事會效能至關重要，因此已設立機制來確保董事會可獲得獨立觀點和意見，並每年檢討該機制的實施及有效性。

該機制概述如下：

- 董事會必須包括至少三名獨立非執行董事，並佔董事會成員人數至少三分之一；
- 在候選者獲提名委任為獨立非執行董事前，提名委員會評估候選者的獨立性、出任多間公司董事的情況、與其他董事的任何重大關係、資格及可付出的時間；另外，亦會每年評估現任獨立非執行董事的持續獨立性及可付出的時間；
- 根據《上市規則》第3.13條，本公司須確認收到每名獨立非執行董事就其獨立性而作出的年度確認函；
- 鼓勵所有董事在董事會及董事會轄下的委員會會議上自由表達其獨立、富建設性及有根據的意見；
- 董事會主席每年與獨立非執行董事舉行至少一次沒有其他董事出席的會議；
- 如個別董事及／或董事會轄下的委員會按合理要求，在適當的情況下尋求外部獨立專業意見，本公司應協助彼等履行責任；
- 概不給予獨立非執行董事帶有績效相關元素的股本權益酬金；及
- 任何董事或其任何緊密聯繫人於任何合約、安排或任何其他建議中佔有重大利益，有關董事皆不得就批准該等事項的任何董事會決議案進行表決，亦不得計入該次會議上出席的法定人數。

Proceedings

The Board holds at least four meetings a year. A notice is given to all Directors at least 14 days before the date of all regular Board meetings. All Directors can include matters in the agenda for the regular Board meetings. The company secretary of the Company assists the chairman of the Board in preparing the agenda for Board meetings and ensures that all relevant rules and regulations are followed. The agenda and the accompanying Board papers (if any) are sent to all Directors at least 3 days before the date of Board meeting, enabling them to review and make informed decisions in the meeting. Queries raised by Directors will receive a prompt and full response, if possible.

A Director is required to abstain from deliberations and decisions of the Board on matters where he/she is the interested party, and he/she does not put pressure on the Board in respect of the matters. In the event a corporate proposal is required to be approved by Shareholders, interested Directors are required to abstain from voting on their Shares on the relevant Shareholders' resolutions, and will further undertake to ensure that persons connected to them similarly abstain from voting on the relevant Shareholders' resolutions.

Minutes of each meeting of the Board and the Board committees record in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views expressed. Draft of minutes is circulated to all Directors for their comment within a reasonable time after such meeting is held. Final version of minutes is signed by the attending Directors as a correct record of the proceedings of the meeting and kept by the company secretary of the Company, and are open for inspection by Directors.

Every Board member is entitled to have access to Board papers and related materials and has unrestricted access to the advice and services of the company secretary of the Company to enable them to make informed decisions and ensure that board procedures, and all applicable law, rules and regulations, are followed.

During the year, four regular Board meetings and one annual general meeting were held.

議事程序

董事會每年舉行至少四次會議。所有董事會定期會議的通告均於會議舉行至少十四天前向全體董事發出。全體董事可在董事會定期會議議程中加入商討事項。本公司公司秘書協助董事會主席釐定董事會會議議程，並確保遵從所有有關規則及規例。董事會會議的議程及相關會議文件(如有)，至少在董事會會議日期的三天前送交全體董事，讓彼等有充足時間審閱，並在會上作出知情有根據的決定。董事提出的問題將盡可能獲得迅速及全面的回應。

董事須在與彼有利害關係的事項上放棄參與董事會的審議及決定，並不得就該等事項對董事會施加壓力。倘公司建議須經股東批准，則有利害關係的董事須就相關股東決議案放棄彼等所持股份附帶的表決權，並將進一步承諾確保與彼等有關連的人士亦放棄就相關股東決議案表決。

每次董事會及其轄下委員會會議的會議記錄詳細記錄所考慮事項及所達致的決定，包括董事提出的任何疑慮或表達的異議。會議記錄的初稿會於合理時段內供全體董事表達意見。會議記錄的最終定稿由與會董事簽署，作為會議議事程序的正確記錄，並由本公司公司秘書保存及供董事查閱。

每名董事會成員均有權查閱董事會文件及相關資料，並可不受限制地取得本公司公司秘書的意見和服務，足以讓彼等作出知情有根據的決定，並確保董事會程序及所有適用法律、規則及規例均獲得遵守。

於本年度內，本公司舉行了四次定期董事會會議及一次股東周年大會。

Attendance Record of Directors at Meetings Held During the Year

Details of the Directors' attendance at the meetings (including the Board meetings, Audit Committee meetings, Nomination Committee meetings, Remuneration Committee meetings and annual general meeting) held during the year are set out in the following table:

董事於本年度內舉行的會議出席記錄

下表列示董事於本年度內舉行的會議(包括董事會會議、審核委員會會議、提名委員會會議、薪酬委員會會議及股東周年大會)之出席詳細情況:

Name of Director 董事姓名	Attendance/Number of Meetings Entitled to Attend 出席次數/有權出席的會議次數				
	Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Nomination Committee Meetings 提名委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Annual General Meeting 股東周年大會
Executive Directors 執行董事					
Tang To 鄧燾	4/4	N/A 不適用	2/2	2/2	1/1
Tang Yu, Freeman 鄧愚	4/4	N/A 不適用	2/2	N/A 不適用	1/1
Non-executive Directors 非執行董事					
Kan Wai Wah 簡衛華	4/4	4/4	N/A 不適用	N/A 不適用	1/1
Qu Jinping ⁽¹⁾ 瞿金平 ⁽¹⁾	0/2	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Independent Non-executive Directors 獨立非執行董事					
Yeung Shuk Fan 楊淑芬	4/4	4/4	2/2	2/2	1/1
Huang Zhi Wei ⁽²⁾ 黃志煒 ⁽²⁾	2/2	2/2	1/1	1/1	1/1
Lam Kwok Ming ⁽³⁾ 林國明 ⁽³⁾	3/4	0/2	1/2	0/1	1/1
Lee Wai Yip, Alvin ⁽⁴⁾ 李偉業 ⁽⁴⁾	4/4	2/2	2/2	1/1	1/1

Notes:

- Mr. Qu Jinping has resigned as a non-executive Director with effect from 25 September 2023.
- Mr. Huang Zhi Wei has resigned as an independent non-executive Director, and accordingly he has ceased to be a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee, with effect from 25 September 2023.

附註:

- 瞿金平先生自二零二三年九月二十五日起辭任非執行董事。
- 黃志煒先生自二零二三年九月二十五日起辭任獨立非執行董事，並因此不再擔任審核委員會成員、薪酬委員會成員及提名委員會成員。

- (3) Mr. Lam Kwok Ming has been appointed as a member of each of the Audit Committee and the Remuneration Committee with effect from 25 September 2023.
- (4) Mr. Lee Wai Yip, Alvin has been appointed as a member of each of the Audit Committee and the Remuneration Committee with effect from 25 September 2023.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the CMEL Code on terms no less exacting than the required standard set out in the Model Code as the Company's code of conduct and rules governing dealing by all Directors and relevant employees in the securities of the Company. The Board will revise the CMEL Code from time to time in order to keep it in line with the changes brought upon by the relevant amendments to the applicable laws, rules and regulations.

All Directors have confirmed, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code and CMEL Code during the year.

DIRECTORS' TRAINING AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Every newly appointed Director (if any) receives a comprehensive, formal and tailored induction package to ensure that he/she is sufficiently aware of his/her duties, responsibilities and obligations as a Director under the Companies Ordinance, Listing Rules and other regulatory requirement, and the Company's policies and ensure he/she has a proper understanding of the Company's operations and business.

The Company provides all Directors relevant reading materials from time to time on the latest updates on the industry, legal and regulatory in which the Group operates its business to ensure their contribution to the Board remains informed and relevant. In addition, all Directors are encouraged to attend external seminar or training on topics relevant to their duties, responsibilities and obligations and the Company's business. Certain Directors have attended external trainings and seminars during the year.

- (3) 林國明先生自二零二三年九月二十五日起獲委任為審核委員會成員及薪酬委員會成員。
- (4) 李偉業先生自二零二三年九月二十五日起獲委任為審核委員會成員及薪酬委員會成員。

董事證券交易

本公司已採納《大同企業守則》，作為本公司監管全體董事及有關僱員進行本公司證券交易的行為準則和規則，而《大同企業守則》不比《標準守則》所訂明的標準寬鬆。董事會將不時修改《大同企業守則》，以反映適用法律、規則及規例的相關修訂。

經本公司特定查詢後，全體董事已確認彼等於本年度內一直遵守《標準守則》及《大同企業守則》所訂的標準。

董事培訓及持續專業發展

每名新委任的董事(如有)均會接受全面、正式及為其而設的入職培訓，以確保彼等充分知悉《公司條例》、《上市規則》及其他法規及本公司政策規定下的董事職責、責任及義務，並確保彼等對本公司的營運和業務均有適當的了解。

本公司不時向全體董事提供相關閱讀文件，讓彼等知悉本集團經營的業務在行業、法律及監管之最新資訊，以確保彼等繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。此外，我們鼓勵全體董事出席與彼等的職責、責任及義務及本公司業務相關之外部研討會或培訓。若干董事於本年度內有參加外部培訓及研討會。

The individual training record of each Director who held office during the year is set out below: 每名董事於本年度內之個人培訓記錄載列如下：

Name of Director 董事姓名	Reading Legal, Regulatory and Corporate Governance Updates 閱讀法律、法規及 企業管治的最新資訊	Attending Seminars/ Training in relation to Businesses, Directors' Duties or Professional Qualifications 出席有關業務、董事職責 或專業資格的研討會／培訓
Executive Directors 執行董事		
Tang To 鄧燾	✓	✓
Tang Yu, Freeman 鄧愚	✓	✓
Non-executive Directors 非執行董事		
Kan Wai Wah 簡衛華	✓	✓
Qu Jinping ⁽¹⁾ 瞿金平 ⁽¹⁾	✓	
Independent Non-executive Directors 獨立非執行董事		
Yeung Shuk Fan 楊淑芬	✓	✓
Huang Zhi Wei ⁽²⁾ 黃志煒 ⁽²⁾	✓	
Lam Kwok Ming 林國明	✓	✓
Lee Wai Yip, Alvin 李偉業	✓	✓

Notes:

附註：

- | | |
|---|----------------------------------|
| (1) Mr. Qu Jinping has resigned as a non-executive Director with effect from 25 September 2023. | (1) 瞿金平先生自二零二三年九月二十五日起辭任非執行董事。 |
| (2) Mr. Huang Zhi Wei has resigned as an independent non-executive Director with effect from 25 September 2023. | (2) 黃志煒先生自二零二三年九月二十五日起辭任獨立非執行董事。 |

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of chairman and chief executive officer are separate and performed by different individuals to reinforce their independence and accountability. Mr. Tang To is the chairman and Mr. Tang Yu, Freeman serves as the chief executive officer. Mr. Tang To is responsible for providing leadership to and overseeing the functioning of the Board to ensure that it acts in the best interest of the Group; while Mr. Tang Yu, Freeman, who is the chief operating decision maker, is responsible for managing the business of the Group, attending to the formulation and implementation of the Group's policies and strategic operating plans, and assuming full accountability to the Board for the overall operations of the Group.

NON-EXECUTIVE DIRECTORS

Non-executive Directors (including independent non-executive Directors) are appointed for a term of three years. Their terms of office are (i) Mr. Kan Wai Wah (non-executive Director) and Ms. Yeung Shuk Fan (independent non-executive Director), who were appointed for a term commencing from 1 January 2023 and expiring on 31 December 2025; and (ii) Messrs. Lam Kwok Ming and Lee Wai Yip, Alvin (both independent non-executive Directors), who were appointed for a term commencing from 24 November 2022 and expiring on 23 November 2025. All of them are subject to retirement by rotation and re-election at least every three years at annual general meeting in accordance with the Articles.

RESPONSIBILITIES OF THE BOARD AND MANAGEMENT

The Board is responsible for establishing the overall strategies, setting objectives and business development plans, overseeing the Group's risk management and internal control systems, and discharges its duties in the best interests of the Company and the Shareholders.

The Board has delegated its power to the Committee of Executive Directors for the management of day-to-day business operation of the Group. The management is responsible for implementing the strategies and plans established by the Board, and performing the risk management and internal controls systems, under the leadership of the executive Directors.

主席及行政總裁

為加強主席與行政總裁的獨立性及問責性，主席與行政總裁之角色已區分，並由不同人士擔任。鄧燾先生為主席，而鄧愚先生擔任行政總裁。鄧燾先生負責領導董事會的運作，確保董事會以符合本集團最佳的利益方式行事；而鄧愚先生是主要營運決策者，負責管理本集團的業務，以及制訂和實施本集團的政策及策略性營運計劃，並就本集團整體營運向董事會負有全責。

非執行董事

非執行董事（包括獨立非執行董事）以為期三年任期委任，彼等之任期為(i)簡衛華先生（非執行董事）及楊淑芬女士（獨立非執行董事），彼等的指定任期為由二零二三年一月一日起至二零二五年十二月三十一日止；及(ii)林國明先生及李偉業先生（兩名獨立非執行董事），其指定任期為由二零二二年十一月二十四日起至二零二五年十一月二十三日止。彼等均須根據《章程細則》規定至少每三年一次在股東周年大會上輪席退任及膺選連任。

董事會及管理層的職責

董事會負責制訂本集團的整體策略、設定目標及業務發展計劃、監督本集團風險管理及內部監控系統，並以本公司及股東的最佳利益履行職責。

董事會授權執行董事委員會管理本集團的日常業務運作；管理層在執行董事的領導下，負責實施董事會制訂的策略及計劃，以及執行風險管理及內部監控系統。

In addition, the Board has also delegated its power to the Audit Committee, the Nomination Committee and the Remuneration Committee to manage particular aspects of the Company's affairs and aid in sharing the responsibilities of the Board. Details of these committees are set out in the relevant paragraphs below.

BOARD COMMITTEES

The Board has established four committees, namely the Committee of Executive Directors, Audit Committee, Nomination Committee and Remuneration Committee. Except the Committee of Executive Directors, all committees have their specific written terms of reference in accordance with the requirements of the CG Code, and each of the terms of reference were published on the websites of the Company and the Stock Exchange, respectively. All resolutions passed by the committees will be reported to the Board at the forthcoming Board meeting.

No corporate governance committee has been established but respective committees (as disclosed below) are responsible for performing corporate governance functions set out in code provision A.2.1 of the CG Code.

Committee of Executive Directors

The Committee of Executive Directors was established on 15 August 1997 which comprises all executive Directors. They meet frequently and are responsible for the management of day-to-day business operation of the Group.

Audit Committee

The Audit Committee was established on 30 October 1998 and consists of four members with a majority of independent non-executive Directors. They are:

Independent Non-executive Directors

Ms. Yeung Shuk Fan (*Chairman*)
Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin

Non-executive Director

Mr. Kan Wai Wah

另外，董事會亦授權審核委員會、提名委員會及薪酬委員會處理本公司特定範疇的事務及協助分擔董事會之職責。該等委員會之詳情載於下文相關段落。

董事會轄下委員會

董事會已成立四個委員會，分別為執行董事委員會、審核委員會、提名委員會及薪酬委員會。除執行董事委員會外，所有委員會已根據《企業管治守則》規定設有其特定職權範圍，各職權範圍已分別刊載於本公司及聯交所網站。委員會通過的所有決議案均須於下次董事會會議上向董事會匯報。

本公司並無成立企業管治委員會，但個別委員會（如下文披露）已負責履行根據《企業管治守則》之守則條文第A.2.1條所列載的企業管治職能。

執行董事委員會

執行董事委員會於一九九七年八月十五日成立，由全體執行董事組成，彼等經常會面，負責管理本集團的日常業務運作。

審核委員會

審核委員會於一九九八年十月三十日成立，並由四名成員組成，而其中大部份為獨立非執行董事，彼等為：

獨立非執行董事

楊淑芬女士 (*主席*)
林國明先生
李偉業先生

非執行董事

簡衛華先生

During the year, the Audit Committee held four meetings and performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code, its main works are stated below: (i) review of the final results of the Group for the year ended 31 December 2022; (ii) review of the interim results of the Group for the six months ended 30 June 2023; (iii) amendments to the internal audit charter; (iv) review of the internal audit report for 2023 and the internal audit plan for 2024; (v) review of audit plan for 2023; (vi) recommendation to the Board on re-appointment of external auditor for Shareholders' approval and review the audit fees; and (vii) review of terms of reference of the Audit Committee.

The Audit Committee meets with the financial controller and external auditor of the Company, where applicable to discuss their respective audit findings, the accounting principles and practices adopted by the Group, legal and regulatory compliance, internal control and risk management systems, and financial reporting matters (including annual financial statements before recommending them to the Board for approval). The Audit Committee also meets with the manager of Compliance Department separately without the presence of management. The Audit Committee assists the Board in meeting its responsibilities for maintaining effective risk management and internal control systems. It reviews the Group's annual internal audit plan together with the necessary resources and considers the report submitted by the manager of Compliance Department to the Audit Committee on the results of risk assessment and effectiveness of internal controls in the business operations of the Group.

The attendance record of the Audit Committee members is set out in the heading of "Attendance Record of Directors at Meetings Held During the Year" of this report.

於本年度內，審核委員會舉行了四次會議，並已執行職權範圍內的職務及責任，以及《企業管治守則》所規定的其他職務，其主要工作如下：(i) 審議本集團截至二零二二年十二月三十一日止年度的末期業績；(ii) 審議本集團截至二零二三年六月三十日止六個月的中期業績；(iii) 修訂內部審核章程；(iv) 審閱二零二三年的內部審核報告及二零二四年的內部審核計劃；(v) 審閱二零二三年審計計劃；(vi) 向董事會提出續聘外聘核數師之建議供股東批准及審閱審計費用；及(vii) 審閱審核委員會職權範圍。

審核委員會與本公司財務總監及外聘核數師會面，討論各自的審核發現、本集團採納的會計原則及實務、法例及規例的遵守、風險管理和內部監控系統，以及財務報告事項（包括提呈予董事會批核前的年度財務報表）。審核委員會亦會在管理層避席的情況下與合規部經理會面。審核委員會協助董事會達到維持有效的風險管理和內部監控機制之責任。審核委員會審閱本集團的年度內部審核計劃和所需的資源，並審議由合規部經理就本集團業務營運的風險管理和內部監控成效向審核委員會所提交的報告。

審核委員會成員之出席會議記錄已列載於本報告之「董事於本年度內舉行的會議出席記錄」標題內。

Nomination Committee

The Nomination Committee was established on 29 March 2012 and consists of five members with a majority of independent non-executive Directors. They are:

Executive Directors

Mr. Tang To (*Chairman*)
Mr. Tang Yu, Freeman

Independent Non-executive Directors

Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin
Ms. Yeung Shuk Fan

During the year, the Nomination Committee held two meetings and performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code, its main works are stated below: (i) review of current structure, size and diversity of the Board; (ii) assessment of the independence of independent non-executive Directors; (iii) review of Board diversity policy; (iv) recommendation on the nomination of three Directors to retire and re-elect at the forthcoming annual general meeting of the Company; and (v) review of terms of reference of the Nomination Committee.

The attendance record of the Nomination Committee members is set out in the heading of "Attendance Record of Directors at Meetings Held During the Year" of this report.

提名委員會

提名委員會於二零一二年三月二十九日成立，並由五名成員組成，而其中大部份為獨立非執行董事，彼等為：

執行董事

鄧燾先生 (主席)
鄧愚先生

獨立非執行董事

林國明先生
李偉業先生
楊淑芬女士

於本年度內，提名委員會舉行了兩次會議，並已執行職權範圍內的職務及責任，以及《企業管治守則》所規定的其他職務，其主要工作如下：(i) 檢討現時董事會的結構、人數及成員多元化；(ii) 評核獨立非執行董事的獨立性；(iii) 檢討董事會成員多元化政策；(iv) 建議提名三名董事退任及在本公司即將舉行之股東周年大會上膺選連任；及(v) 檢討提名委員會職權範圍。

提名委員會成員之出席會議記錄已列載於本報告之「董事於本年度內舉行的會議出席記錄」標題內。

Remuneration Committee

The Remuneration Committee was established on 27 June 2005 and consists of four members with a majority of independent non-executive Directors. They are:

Independent Non-executive Directors

Ms. Yeung Shuk Fan (*Chairman*)
Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin

Executive Director

Mr. Tang To

During the year, the Remuneration Committee held two meetings and performed the duties and responsibilities under the terms of reference and other duties as required under the CG Code, its main works are stated below: (i) consideration and review of the remuneration package of executive Directors; (ii) review of directors' fees of non-executive Directors (including independent non-executive Directors); and (iii) recommendation on amendments to terms of reference of the Remuneration Committee.

The emoluments of the Directors are determined by the Board based on the recommendation of the Remuneration Committee with reference to individual performance, qualifications and experience of the Directors, the duties and responsibilities of the Directors in the Company, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition. The Directors do not participate in the determination of their own remuneration. Details of Directors' emoluments for the year are set out in note 10A to the consolidated financial statements.

The attendance record of the Remuneration Committee members is set out in the heading of "Attendance Record of Directors at Meetings Held During the Year" of this report.

薪酬委員會

薪酬委員會於二零零五年六月二十七日成立，並由四名成員組成，而其中大部份為獨立非執行董事，彼等為：

獨立非執行董事

楊淑芬女士 (*主席*)
林國明先生
李偉業先生

執行董事

鄧燾先生

於本年度內，薪酬委員會舉行了兩次會議，並已執行職權範圍內的職務及責任，以及《企業管治守則》所規定的其他職務，其主要工作如下：(i) 考慮及檢討執行董事之薪酬待遇；(ii) 檢討非執行董事（包括獨立非執行董事）的董事袍金；及 (iii) 建議修訂薪酬委員會職權範圍。

董事之酬金乃由董事會基於薪酬委員會經參考董事之個人表現、資格及經驗、董事於本公司的職責及責任、本集團的業績表現及盈利狀況、業界薪酬指標及當時市場環境的建議而釐定。董事並不參與釐定其個人薪酬。本年度的董事酬金詳情列載於綜合財務報表附註10A。

薪酬委員會成員之出席會議記錄已列載於本報告之「董事於本年度內舉行的會議出席記錄」標題內。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems on an ongoing basis, and the Audit Committee reviews their effectiveness at least annually with the assistance of the Compliance Department. The Group's risk management and internal control systems, are systems of process performed by the Board and management to provide reasonable and not absolute assurance on the effectiveness and efficiency of operations in achieving the established corporate objectives, safeguarding assets of the Group, providing reliable financial reporting, and complying with applicable laws and regulations. The purpose of the risk management and internal control systems is to identify and manage various risks of the Group, which are categorised as strategic, operational, compliance, financial and environmental, social and governance risks, so as to reduce, mitigate, transfer or avoid them. However, these systems are designed to manage rather than eliminating risk of failure in operational system, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Internal Audit

To comply with the CG Code in relation to the requirements of the establishment of internal audit function and appropriate and effective risk management and internal control systems, the Compliance Department is responsible for preparing an annual internal audit plan with use of appropriate risk-based methodology, evaluating the effectiveness of risk management and internal control processes through a systematic and disciplined approach, reviewing financial, operational and compliance controls and risk management functions, and reporting the findings with recommendations to the Audit Committee. The Audit Committee takes the responsibility to review the effectiveness of risk management and internal control systems, and ensure the internal audit function and its duties are in compliance with the CG Code.

The internal audit function is carried out by the Compliance Department and its purpose, authority, roles and responsibilities were formalized under internal audit charter adopted by the Audit Committee.

風險管理及內部監控

董事會確認有責任持續監督本集團風險管理及內部監控系統，而審核委員會在合規部的協助下至少每年一次檢討其成效。本集團風險管理及內部監控系統由董事會及管理層負責執行，藉以合理而非絕對的保證營運有效及具效率地達致已確立的企業目標、保護本集團資產、提供可靠的財務報告，以及遵守適用的法例及規例。風險管理及內部監控系統的目的是為了辨認及管理本集團各類型風險，包括策略、營運、合規、財務及環境、社會及管治風險，從而減少、減輕、轉移或避免上述風險。然而，該等系統旨在管理而非消除未能維持營運制度之風險，並僅可就重大錯誤陳述或損失提供合理而非絕對保證。

內部審核

為符合《企業管治守則》有關建立內部審核功能和合適及有效的風險管理及內部監控系統之要求，合規部負責使用適當的風險評估法來制定年度內部審核計劃，通過具系統性及規範性的方法評估風險管理和內部監控流程的有效性，檢討財務、運營及合規監控以及風險管理功能，並將檢討結果及建議提交至審核委員會。審核委員會負責審查風險管理及內部監控系統的有效性，以及確定內部審核功能及其職責遵守《企業管治守則》。

內部審核功能由合規部負責，其目的、權限、角色及責任已確立於由審核委員會通過的內部審核章程內。

The Compliance Department prepares an annual internal audit plan based on a risk assessment methodology, and upon the Audit Committee's approval, carries out audit works pursuant to the approved plan. During the year, Compliance Department issued reports covering operational, financial and environmental, social and governance reviews of the Company and also special reviews of areas of concern identified by Management, to senior management. Internal audit reports with audit findings and recommendations are prepared for the Audit Committee's review and discussion from time to time.

Risk Management

Our risk management process is embedded in our daily operations, financial activities, compliance, strategy development and business planning, investment decision and external factors. The risk management process includes:

Risk Identification

- identifying the risks through department heads and general manager of each business;
- identifying the risks that may have a potential to negatively affect the business strategic plan of the Group;
- considering the materiality of the impact of the risk; and
- accessing the relevancy to the business strategic plan and the level of potential impact of the delivery of the business strategic plan.

Risk Analysis

- conducting a quantity measurement to evaluate the risk level;
- assessing the risk severity according to its level of consequence and the likelihood of the risk event becoming actual event; and
- determining the risk severity with reference to the historical data, industry norms and own judgment.

Risk Evaluation

- identifying the risks and assess the options available to accept, mitigate, transfer or avoid the risks; and
- deciding the appropriate response in terms of its effectiveness and establishing the priorities.

合規部以風險評估法編製年度內部審核計劃，並於審核委員會批准後，根據此計劃開展審計工作。於本年度內，合規部向高級管理人員呈交報告，內容涵蓋本公司的運營、財務和環境、社會及管治審查，以及對管理層所關注的範疇的特別審查。載有審核結果及建議的內部審核報告將不時呈交至審核委員會審閱及討論。

風險管理

我們之風險管理過程融入我們日常營運、財務活動、合規、策略發展及業務規劃、投資活動及外部因素。風險管理過程包括：

識別風險

- 由部門主管和各業務總經理識別風險；
- 識別可能對本集團業務策略計劃有不利影響之風險；
- 考慮風險所產生之影響是否重大；及
- 評估對業務策略計劃之相關程度及對執行業務策略計劃之潛在影響幅度。

分析風險

- 對風險程度進行量化分析；
- 根據風險後果及風險事件成為真實事件之可能性來評估風險的嚴重程度；及
- 參考過往數據、行業常態及自身判斷，釐定風險的嚴重程度。

評估風險

- 識別風險及評估可供選取之做法，以接受、減輕、轉移或避免風險；及
- 決定適當之回應，以效率為準則，然後設立回應風險之次序。

Risk Treatment

- selecting the risk treatment options; and
- preparing and implementing risk treatment plans and reporting to the Audit Committee regularly.

Internal Control

The internal control system consists of a set of rules, policies and procedures and organizational structures, which aims to:

- ensure the corporate strategies are properly implemented;
- achieve the effective and efficient corporate processes;
- safeguard the value of corporate assets;
- ensure the reliability and integrity of accounting and management data; and
- ensure the business operations comply with laws, rules, policies and regulations.

Review of Risk Management and Internal Control, and Corporate Governance Compliance

The Board, through the Audit Committee, has concluded a review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2023, covering all material financial, operational, compliance controls and risk management functions, and therefore considered that such systems were effective and adequate. In addition, the Audit Committee also reviewed the adequacy of resources, staff qualifications and experience of staff and the training programs and budget of the Company's accounting and financial reporting function, as well as those relating to the Company's environmental, social and governance performance and reporting. During the year, the Audit Committee was not informed of any audit findings that indicated material weaknesses in the internal control system or the risk management system.

處理風險

- 挑選處理風險的選擇；及
- 編製及實施處理風險計劃，並定期向審核委員會匯報。

內部監控

內部監控系統包含一套規則、政策和程序及組織架構，旨在：

- 確保企業策略妥當執行；
- 達致有效及高效的企業程序；
- 保障企業資產的價值；
- 確保會計及管理數據的可靠性和完整性；及
- 確保業務營運符合法律、規則、政策及規例。

檢討風險管理及內部監控，以及遵守企業管治

董事會已透過審核委員會檢討截至二零二三年十二月三十一日止年度本集團風險管理及內部監控成效，包括所有重大財務、營運、合規監控及風險管理職能，並確認該等系統有效及足夠。此外，審核委員會已檢討本集團在會計及財務匯報職能，以及本公司環境、社會及管治表現和匯報方面是否有充足的資源、僱員資歷及經驗，以及僱員所接受充足的培訓課程及有關預算。於本年度內，審核委員會並未獲悉在內部控制系統或風險管理系統中存在任何重大缺陷的審計結果。

PROCEDURES FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

With a view to identifying, handling and disseminating inside information in compliance with the Listing Rules, SFO and other regulatory requirements, the Company has adopted a policy on disclosure of inside information (the "Inside Information Disclosure Policy") to regulate procedures and internal controls in handling of inside information. The Directors and senior management of the Company are obliged to take all reasonable measures stipulated in the said policy to ensure that proper safeguards exist to prevent the Company from breaching the statutory disclosure requirement. The Inside Information Disclosure Policy covers the following:

- setting out the processes for identifying and assessing potential inside information, and convening a Board meeting to consider and discuss potential inside information;
- setting out the responsibilities of officers in preserving the confidentiality of inside information; and
- identifying who the Company's authorized spokespersons are and their responsibilities for communications with the stakeholders of the Company.

The Board considers that the Company's existing measures and compliance mechanisms are effective and appropriate to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

Whistleblowing Policy

A whistleblowing policy of the Company has been adopted for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the Audit Committee about the possible improprieties in any matters related to the Company.

Anti-corruption and Bribery Policy

An anti-corruption and bribery policy of the Company has been adopted in order to provide information and guidance to all employees of the Group on how to recognize and deal with corruption and bribery, and prevent corruption and bribery in any business dealings.

處理及披露內幕消息的程序

為遵守《上市規則》、《證券及期貨條例》及其他監管規定識別、處理及發佈內幕消息，本公司已採納一套內幕消息披露政策（「內幕消息披露政策」），以規管程序及內部監控處理內幕消息。董事及本公司高級管理人員有責任按該政策採取一切合理措施，以確保有妥善的預防措施，防止本公司違反法定披露之規定。內幕消息披露政策涵蓋以下內容：

- 說明識別和評估潛在的內幕消息，以及召開董事會會議以考慮及商討潛在的內幕消息之程序；
- 說明高級職員保密內幕消息的責任；及
- 識別本公司授權的發言人及其與本公司持份者溝通的責任。

董事會認為本公司現有措施及合規機制屬有效，並足以保障本公司及其高級職員履行內幕消息的披露責任。

舉報政策

本公司已採納舉報政策，讓僱員及其他與本公司有往來者（如客戶及供應商）可暗中向審核委員會提出其對任何可能關於本公司的不當事宜的關注。

反貪污及賄賂政策

本公司已採納反貪污及賄賂政策，向本集團全體僱員提供有關如何識別及處理貪污及賄賂的資訊及指引，以及防止在任何業務往來中出現貪污及賄賂的情況。

EXTERNAL AUDITOR'S REMUNERATION

An analysis of remuneration in respect of audit and non-audit services provided by the external auditor to the Group during the year is as follows:

		Fee paid/payable 已付/ 應付費用 HK\$'000 千港元
Services rendered	所提供服務	
Audit services	核數服務	3,068
Non-audit services	非核數服務	-
Total	合計	3,068

外聘核數師酬金

有關外聘核數師於本年度內向本集團提供核數及非核數服務所得酬金的分析如下：

RESPONSIBILITY FOR PREPARATION AND REPORTING OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group in accordance with statutory requirements and applicable accounting and financial reporting standards to enable the presentation of these financial statements that are free from material misstatement, whether due to fraud or error. The Directors will subject to statutory requirements and applicable accounting standards, select suitable accounting policies and apply them consistently, make prudent, fair and reasonable judgments and estimates and prepare the financial statements on a going concern basis.

COMPANY SECRETARY

Ms. Wong Lai Tong acts as the sole company secretary of the Company. She is a full-time employee of the Company and reports to the chairman and/or chief executive officer. During the year, she has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

編製及呈報財務報表之責任

董事知悉彼等有責任根據法定要求及適用會計及財務報告準則編製本集團綜合財務報表，以確保此等財務報表不會因欺詐或錯誤而出現重大錯誤陳述。董事將受制於法定要求及適用之會計準則下，選擇並貫徹運用合適的會計政策，作出審慎、公平及合理之判斷及估算，並按持續經營基準編製財務報表。

公司秘書

王勵瑋女士擔任本公司唯一公司秘書。彼為本公司之全職僱員及需向主席及／或行政總裁匯報。於本年度內，彼已遵守《上市規則》第3.29條有關專業培訓之規定。

SHAREHOLDERS' RIGHTS

The Company has opportunities to directly communicate with Shareholders at annual general meeting and other general meetings where they are encouraged to actively attend. In addition, the chairman of the Board and the chairman of each of the Nomination Committee, Remuneration Committee and Audit Committee were present to answer any attending Shareholder's questions at the annual general meeting. The auditor had also attended the said meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor's independence.

Furthermore, the Company provides information in its annual reports, interim reports, and announcements. All Shareholders' communications are also available on the Company's website at <http://www.cosmel.com>.

Convening of a General Meeting

Pursuant to Section 566 of the Companies Ordinance, Shareholder(s) representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings can request the Directors to call a general meeting. The request must state the general nature of the business to be dealt with at the general meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the person(s) making it and sent to the Company at its registered office in hard copy form or in electronic form to ir@cosmel.com for the attention of the company secretary.

Shareholders' Power to Request Circulation of Statement

Pursuant to Section 580 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders or at least 50 Shareholders who have a relevant right to vote at a general meeting, may request the Company to circulate to the Shareholders entitled to receive notice of a general meeting, a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting. The request (i) must identify the statement to be circulated; (ii) must be authenticated by the person(s) making it; and (iii) must be sent to the Company at its registered office in hard copy form or in electronic form to ir@cosmel.com for the attention of the company secretary at least 7 days before the meeting to which it relates.

股東權利

本公司鼓勵股東積極參與股東周年大會及其他股東大會，藉此與他們直接溝通。另外，於股東周年大會上，董事會主席，以及提名委員會主席、薪酬委員會主席及審核委員會主席，均有出席解答任何與會股東之提問，而核數師亦有出席該大會以回答有關審計工作、編製核數師報告及其內容、會計政策，以及核數師的獨立性問題。

此外，本公司在其年報、中期報告，以及公告中提供資料。所有股東通訊亦載列於本公司網站 <http://www.cosmel.com>。

舉行股東大會

根據《公司條例》第566條，佔全體有權在股東大會上表決的股東總表決權的最少5%的股東，可要求董事召開股東大會。該要求須述明有待在有關股東大會上處理的事務的一般性質及可包含可在該股東大會上恰當地動議並擬在股東大會上動議的決議的文本。該要求須經提出要求的人士認證及以印本形式送交本公司註冊辦事處，或以電子形式發送至 ir@cosmel.com，列明收件人為公司秘書。

股東有權力傳閱陳述書

根據《公司條例》第580條，佔全體在股東大會上表決的股東總表決權的最少2.5%的股東或最少50名在股東大會上有相關表決權利的股東，可要求本公司向股東傳閱有待在該股東大會上處理的、某被提出的決議所述的事宜；或其他有待在該股東大會上處理的事務，而字數不多於1,000字的陳述書。該要求(i)須指出將予傳閱的陳述書；(ii)須經所有提出該要求的人認證；及(iii)須在該要求所關乎的股東大會前最少七天以印本形式送交本公司註冊辦事處，或以電子形式發送至 ir@cosmel.com，列明收件人為公司秘書。

Procedures for Shareholders to Put Forward Proposals at an Annual General Meeting

Pursuant to Section 615 of the Companies Ordinance, Shareholder(s) representing at least 2.5% of the total voting rights of all Shareholders of the total voting rights of all Shareholders who have a right to vote on the resolution at annual general meeting or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting to which the request relate, may request the Company to give to the Shareholders notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request (i) must identify the resolution of which notice is to be given; (ii) must be authenticated by the person(s) making it; and (iii) must be sent to the registered office of the Company in hard copy form or in electronic form to ir@cosmel.com for the attention of the company secretary no later than 6 weeks before the annual general meeting; or if later, the time at which notice of the meeting is given.

Procedure for Shareholders and Other Stakeholders to Send Enquiries and Concerns to the Board

Shareholders and other stakeholders are invited to access the Company's website at <http://www.cosmel.com> for up-to-date information of the Company. They are advised to send enquires and concerns to the Board:

- (i) by post at the registered office of the Company; or
- (ii) by email to ir@cosmel.com; and

for the attention of the company secretary.

Shareholders' Communication Policy

A shareholders' communication policy of the Company has been adopted, which sets out the provisions with the objective of ensuring that the Shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company. The Board reviews the implementation and effectiveness of the said policy annually and is of the view that the implementation of the said policy is satisfactory and effective during the year. Shareholders and other stakeholders can read the said policy at the Company's website for details.

股東在股東周年大會提呈動議的程序

根據《公司條例》第615條，佔全體有權在該求所關乎的股東周年大會上表決的股東總表決權的最少2.5%的股東，或最少50名有權在該股東周年大會就決議表決的股東可要求本公司向股東發出關於可在股東周年大會上恰當地動議並在該大會上動議的決議的通知。該要求(i)須指出有待發出通知所關乎的決議；(ii)須經所有提出該要求的人認證；及(iii)須在提呈該要求所關乎的股東周年大會舉行前六個星期之前或（如在前述時間之後送抵本公司的話）有關會議通知發出之時以印本形式送交本公司註冊辦事處，或以電子形式發送至ir@cosmel.com，列明收件人為公司秘書。

股東及其他持份者向董事會提出查詢與關注的程序

誠邀股東和其他持份者瀏覽本公司網站<http://www.cosmel.com>，獲取本公司的最新資料。建議股東和其他持份者可將有關對董事會的查詢與關注：

- (i) 郵寄至本公司註冊辦事處；或
- (ii) 電郵至ir@cosmel.com；並

列明收件人為公司秘書。

股東通訊政策

本公司已採納股東通訊政策，當中所載條文旨在確保股東均可適時取得全面、相同及容易理解的本公司資料。董事會檢討該政策的實施和成效，並認為於本年度內實施該政策的成效令人滿意且有效。股東及其他持份者可在本公司網站上查閱該政策了解詳情。

DIVIDEND POLICY

A dividend policy of the Company (the "Dividend Policy") has been adopted, which sets out the factors in determination of dividend payment of the Company, the frequency and form of dividend payments. The Dividend Policy would be subject to revision and amendment from time to time under the Articles and the Hong Kong law, including the Companies Ordinance and the Listing Rules.

The Board may declare interim dividends at its absolute discretion in line with the Dividend Policy and may recommend final dividend payable to the Shareholders who are qualified to attend the annual general meeting in line with the Dividend Policy, subject to the approval of the Shareholders in the annual general meeting. The Company may recommend a special dividend in special circumstances.

When considering the decision on dividend declaration, the Board will take into account, among other things, the following factors:

- (i) financial performance and financial conditions of the Group;
- (ii) cash flows position of the Group;
- (iii) capital requirements for business plans of the Company;
- (iv) investment opportunities available with the Company;
- (v) borrowing capacity of the Company so as to capture any growth opportunities;
- (vi) expected commitment of the research and development on new products and technology; and
- (vii) future outlook of the macro economic environment that have an impact on the business or financial performance and position of the Group.

The dividend shall be paid in the form of (i) cash; or (ii) a scrip dividend; or (iii) a combination of partly in (i) and partly in (ii) above.

CONSTITUTIONAL DOCUMENTS

During the year, there is no significant change in the Company's constitutional documents.

股息政策

本公司已採納股息政策(「股息政策」)，當中載明釐定本公司派付股息的因素、股息支付的次數及形式。股息政策可根據《章程細則》及香港法律(包括《公司條例》及《上市規則》)不時修改及修訂。

董事會可根據股息政策行使絕對酌情權派發中期股息；及可根據股息政策建議向合資格出席股東周年大會的股東派發末期股息，須待股東於股東周年大會上批准。本公司亦可能會在特殊情況下建議派發特別股息。

在決定宣派股息時，董事會會考慮以下(其中包括)因素：

- (i) 本集團之財務業績及財務狀況；
- (ii) 本集團之現金流狀況；
- (iii) 本公司業務計劃的資本要求；
- (iv) 本公司的投資機會；
- (v) 本公司的借貸能力以抓住其他增長機會；
- (vi) 預期研發新產品及技術的承諾；及
- (vii) 展望未來宏觀經濟環境對本集團的業務或財務業績及狀況產生之影響。

股息應以(i)現金；或(ii)以股代息；或(iii)部份按上列(i)項與部份按上列(ii)項之組合。

組織章程文件

於本年度內，本公司的組織章程文件並無重大變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Cosmos Machinery Enterprises Limited (the “Company” or “Cosmos Machinery”; together with its subsidiaries collectively the “Group”) publishes its environmental, social and governance (the “ESG”) report (the “Report”) for the year ended 31 December 2023. The Report expounds the Group’s ESG management strategies and performance in 2023.

Reporting Scope

The Report sets out the ESG information and data for the year ended 31 December 2023. The Group is principally engaged in the manufacturing of machinery. Hence, the Report covers the Group’s segment/subsidiaries below:

- (i) headquarters in Hong Kong (“Hong Kong Headquarters”);
- (ii) injection molding machine manufacturing business (the “IMM Business”), including Donghua Machinery Ltd. (“Donghua Machinery”) in Dongguan and Cosmos Machinery Technology (Jiangsu) Co., Ltd. (“Jiangsu Machinery”) in Wuxi; and
- (iii) extrusion lines, rubber injection molding machines and hydraulic press manufacturing business (the “Extrusion Machine Business”), including Dekuma Rubber and Plastic Technology (Dongguan) Ltd. (“Dekuma”) in Dongguan.

In light of the plastic products processing and manufacturing business, machinery leasing business, printed circuit boards trading business and industrial consumables trading business separately attributing a relatively small proportion to the Group’s total revenue, and the printed circuit boards processing business disposed during the year, the Report does not cover those businesses.

Reporting Standards

The Report has been prepared in accordance with all the mandatory disclosure requirements and “comply or explain” provisions as set out in the ESG Reporting Guide (the “ESG Reporting Guide”) of Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the purpose of providing our investors and stakeholders with comprehensive and comparative non-financial information. The figures of 2023 and 2022 have not been assured by any independent third party.

關於本報告

大同機械企業有限公司(「本公司」或「大同機械」; 連同其附屬公司統稱「本集團」) 刊發截至二零二三年十二月三十一日止年度的環境、社會及管治報告(「本報告」)。本報告闡述本集團於二零二三年度的環境、社會及管治管理策略及表現。

報告範疇

本報告載列截至二零二三年十二月三十一日止年度的環境、社會及管治資料及數據。本集團主要從事機械製造，因此，本報告涵蓋本集團以下分部／附屬公司：

- (i) 位於香港的總部(「香港總部」)；
- (ii) 位於東莞的東華機械有限公司(「東華機械」)和位於無錫的大同機械科技(江蘇)有限公司(「江蘇機械」)之注塑機製造業務(「注塑機業務」)；及
- (iii) 位於東莞的德科摩橡塑科技(東莞)有限公司(「德科摩」)之擠出機、橡膠注射成型機及油壓機製造業務(「擠出機業務」)。

鑑於注塑製品之加工及製造業務、機械租賃業務、印刷線路板之貿易業務，以及工業消耗品之貿易業務分別佔本集團總收入的比重較輕，以及印刷線路板之加工業務已於本年度出售，因此本報告並無涵蓋該等業務。

報告準則

本報告按照香港聯合交易所有限公司(「聯交所」)《證券上市規則》附錄C2的《環境、社會及管治報告指引》(「《環境、社會及管治報告指引》」)所載的所有強制披露規定及「不遵守就解釋」條文編製，旨在向投資者及持份者提供全面及可比較的非財務資料。二零二三年和二零二二年的數字並無經過任何獨立第三方驗證。

The below four reporting principles outlined in the ESG Reporting Guide formed the backbone of the Report:

Materiality

To determine the focus of the Report, materiality assessment was conducted through stakeholder engagement to identify the material issues of our core business units.

Quantitative

Environmental and social responsibility data were collected from core business units to evaluate and validate the effectiveness of our environmental and social responsibility initiatives and management systems.

Balance

The board (the “Board”) of directors (the “Directors”) of the Company reviewed the Report and confirmed there were no omissions of any information related to material ESG topics. The Report was prepared without bias.

Consistency

The Report adopted consistent methodologies to allow a fair comparison of our performance over time. Where applicable, we disclosed the changes in the methods or key performance indicators (“KPIs”) used.

In addition, reference has been made to international standards or guidelines in preparation of the Report. The scopes of emissions and their emission factors are defined in accordance with the Hong Kong and international reporting framework published as shown below and retrieved from relevant websites:

- the Hong Kong Environmental Protection Department’s (the “EPD”) Vehicle Emission Calculation model;
- Guidelines to Account for and Report on Greenhouse Gas (“GHG”) Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition) published by the EPD and the Hong Kong Electrical and Mechanical Services Department (the “EMSD”);
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories and Fifth Synthesis Report (2014) published by the Intergovernmental Panel on Climate Change (“IPCC”);

本報告採用了《環境、社會及管治報告指引》中所列明的以下四大匯報原則作為骨幹：

重要性

為界定本報告的重點，我們通過諮詢持份者進行重要性評估以釐定核心業務單位的重要議題。

量化

本集團蒐集核心業務單位的環境及社會責任數據，藉以評估及驗證環境及社會責任措施及管理系統的效益。

平衡

本公司董事（「董事」）會（「董事會」）已審閱本報告並確認無遺漏任何關於重大環境、社會及管治議題的資料。本報告的內容並無偏頗。

一致性

本報告採納一致的方法，以便公平地比較我們歷來的表現。在適用的情況下，我們披露所採用的方法或關鍵績效指標的變化。

此外，我們亦會參考國際標準或指引以編製本報告。排放範圍及其排放系數乃根據以下香港及國際報告框架發表的定義，並取自相關網站：

- 香港環境保護署（「環保署」）汽車排放計算模型；
- 環保署及香港機電工程署（「機電署」）發表的《香港建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引（二零一零年版本）》；
- 政府間氣候變化專門委員會發表的《二零零六年政府間氣候變化專門委員會國家溫室氣體清單指南》和第五次評估報告（二零一四年）；

- 2023 Sustainability Report of CLP Holdings Limited;
- 2021/22 Annual Report of Hong Kong Water Supplies Department;
- the national grid average emission factor in 2022 provided by the Ministry of Ecology and Environment of the People's Republic of China (the "PRC") in the Notice on the Management of Greenhouse Gas Emissions Reporting in the Power Generation Industry from 2023 to 2025(《關於做好2023-2025年發電行業企業溫室氣體排放報告管理有關工作的通知》) and the Guide to Calculating and Reporting Greenhouse Gas Emission in Industry and Other Sectors (Trial) issued by the National Development and Reform Commission of the PRC;
- The International Civil Aviation Organization (the "ICAO") Carbon Emissions Calculators;
- Energy Statistics Manual issued by the International Energy Agency; and
- How to prepare an ESG report, Appendix 2: Reporting Guidance on Environmental KPIs, published by the Stock Exchange on 25 March 2022.
- 中電控股有限公司《2023可持續發展報告》;
- 香港水務署《二零二一至二二年年報》;
- 中華人民共和國(「中國」)生態環境部在《關於做好2023-2025年發電行業企業溫室氣體排放報告管理有關工作的通知》中提供的二零二二年全國電網平均排放因數及中國國家發展和改革委員會發佈的《工業其他行業企業溫室氣體排放核算方法與報告指南(試行)》;
- 國際民航組織碳排放計算器;
- 國際能源署發布的《能源數據手冊》;
- 及
- 聯交所於二零二二年三月二十五日發出的《如何編備環境、社會及管治報告之附錄二：環境關鍵績效指標匯報指引》。

Contact Us

If there are any comments or suggestions relating to the Report, please share by post or email at the addresses as below:

Postal address: 10th Floor, Billion Plaza 2
No. 10 Cheung Yue Street
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The Report can be downloaded from the websites of the Company at <http://www.cosmel.com> and the Stock Exchange at <https://www.hkexnews.hk>.

聯繫我們

如對本報告有任何意見或建議，請透過郵寄或電郵到以下地址：

郵寄地址：香港九龍
長沙灣
長裕街10號
億京廣場2期10樓

電郵地址：ir@cosmel.com

本報告可在本公司網站 <http://www.cosmel.com> 和聯交所網站 <https://www.hkexnews.hk> 下載。

ESG Reporting Structure and Responsibilities

環境、社會及管治報告架構和職責

Parties 參與方	Responsibilities 職責
The Board 董事會	<ul style="list-style-type: none"> Monitor corporate governance practices and procedures 監察企業管治常規及程序 Maintain appropriate and effective risk management and internal control systems of the Group to ensure compliance with applicable rules and regulations 維持本集團的風險管理及內部監控系統適當及有效，以確保遵守適用的規則及規例 Review and approve the ESG report 審閱並批准環境、社會及管治報告
Company Secretarial Department and Human Resources and Administration Department 公司秘書部及人力資源及行政部	<ul style="list-style-type: none"> Review the principles regarding ESG 審閱有關環境、社會及管治的原則 Monitor the progress on ESG and community engagement programs 監察環境、社會及管治和社區參與計劃進展 Ensure good corporate governance standards and practices are maintained 確保維持良好的企業管治標準和常規 Prepare the ESG report 擬備環境、社會及管治報告
ESG Working Group 環境、社會及管治工作組	<ul style="list-style-type: none"> Prepare a list of key internal and external stakeholders, and identify their main concerns and expectations 編製一份主要的內部和外部持份者名單，並識別他們的主要關注和期望 Input, collect and analyse data, and compute all relevant KPIs 輸入、收集和分析數據，以及計算所有相關關鍵績效指標 Organize and implement community engagement programs 組織和實施社區參與計劃
Principal business units/subsidiaries 主要業務單位／附屬公司	<ul style="list-style-type: none"> Collect ESG related data and input data 收集環境、社會及管治相關數據和輸入數據 Formulate, improve and implement ESG related aspects policies/guidelines/procedures 制訂、完善和實施有關環境、社會及管治方面的政策／指引／程序

Statement of the Board

The Company attaches great importance to sustainable development. The Board has established an effective ESG management mechanism to form an ESG governance structure with clear hierarchy.

The Group is committed to protecting environment, contributing to society and maintaining a high standard of corporate governance proactively and complying with relevant laws, rules and regulations in Hong Kong and Mainland China in which it mainly operates its businesses. The Board is accountable for formulating our ESG strategies (including evaluate, prioritise and managing our material ESG-related issues) and approving the ESG report, as well as overseeing and managing our ESG-related performance and risks, all of which are with assistance of the ESG Working Group, in order to ensure the Group's operations in compliance with the relevant ESG policies as well as applicable laws, rules and regulations.

As climate change continues to intensify, and global warming and extreme weather occur frequently, we take active actions to address global environmental challenges. Since last year, we have installed solar photovoltaic systems on the roofs of two plants to achieve self-consumption of electricity. In the meantime, we have been gradually replacing diesel forklifts with electric ones to reduce the use of diesel fuel, thereby reducing carbon emissions significantly.

Following the lifting of pandemic restrictions, we shifted our focus from employees' health to improving their mental and physical health. To promote our employee interaction, we have resumed organising a number of employee engagement activities to let them relax and unwind, and provide them a sense of cohesion and belonging.

In 2023, the Board has reviewed and assessed the material ESG-related issues, and has discussed, reviewed and confirmed the ESG work of this year. The Report has been reviewed and approved by the Board.

STAKEHOLDER ENGAGEMENT

We truly believe that feedback from our stakeholders could help to navigate towards sustainable development and we are dedicated to build up long-term relationships of mutual trust with our stakeholders through various internal and external communication channels to ensure our business has agile response to their suggestions.

董事會聲明

本公司向來高度重視可持續發展。董事會已建立有效的環境、社會及管治管理機制，明確了環境、社會及管治治理結構。

本集團承諾主動地保護環境、回饋社會及維持高水準之企業管治，以及遵守香港及中國內地（即其主要經營業務所在地）的相關法律、規則及規例。董事會在環境、社會及管治工作組的協助下負責制定本公司的環境、社會及管治策略（包括評估、優次排列及管理重要的環境、社會及管治相關事宜）和批准環境、社會及管治報告，並監督和管理本公司的環境、社會及管治相關表現和風險，以確保本集團的運營符合相關的環境、社會及管治政策以及適用的法律、規則和規例。

隨著氣候變化影響日趨嚴峻，全球變暖和極端天氣頻發，我們積極採取行動應對全球環境挑戰。自去年起，我們在兩間廠房屋頂安裝光伏電能設施實現電力自發自用，同時逐步更換電動叉車以取代柴油叉車，減少使用柴油燃料，從而大大減少了碳排放。

在解除疫情的封控措施後，我們的關注重點由僱員的健康轉移至改善他們的身心健康。為促進我們的僱員相互聯繫，我們恢復舉辦多項員工活動，讓他們放鬆身心，並提升他們的凝聚力和歸屬感。

於二零二三年，董事會已完成審閱與評估環境、社會及管治相關事宜，並已討論、審閱及確認本年度的環境、社會及管治工作成果。本報告已由董事會審閱及批准。

持份者參與

我們深明持份者的意見能有助本集團推動可持續發展，同時致力透過多種內部及外部溝通渠道與持份者建立長遠的互信關係，確保我們的業務能迅速回應各界建議。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告（續）

We identify any individuals or entities having significant interests in principal activities of the Group as our stakeholders. These stakeholders are classified as shareholders, employees, customers, suppliers, governments and regulators, banks and financial institutions, and communities. We engage with stakeholders through communication channels categorised as follows:

我們視所有與本集團主要業務有重大利益的個人或實體為我們的持份者，此等持份者組別歸類為股東、僱員、客戶、供應商、政府及監管機構、銀行及金融機構，以及社區。我們與各持份者的溝通渠道如下：

Stakeholder category 持份者類別	Communication channels 溝通渠道
Shareholders 股東	<ul style="list-style-type: none"> • Emails, telephone calls and postal correspondence 電郵、電話及信件 • Company website 公司網站 • Annual general meeting and general meetings 股東周年大會及股東大會 • Annual and interim reports 年報及中期報告 • Circulars, announcements, notices and publications 通函、公告、通告及刊物 • Investor relations enquiries 投資者關係查詢
Employees 僱員	<ul style="list-style-type: none"> • Annual appraisals 年度評核 • Trainings 培訓 • Department heads communicating with their subordinates 部門主管與其下屬溝通 • Company internal notices and communications 公司內部通告及通訊 • Team building activities 團隊建設活動
Customers 客戶	<ul style="list-style-type: none"> • Face-to-face and virtual meetings and visits 直接及虛擬會面及探訪 • Day-to-day communications via frontline staff 通過前線僱員的日常溝通 • Industry exhibitions 業界展覽 • Customer service hotlines and emails 客戶服務熱線及電郵 • Feedbacks on product quality and service from time to time 不時關於產品質量和服務的反饋
Suppliers 供應商	<ul style="list-style-type: none"> • Emails, telephone calls and postal correspondence 電郵、電話及信件 • Face-to-face and virtual meetings and visits 直接及虛擬會面及探訪 • Assessment of their product quality, delivery date and price provided 考核其提供的產品質量、交貨期及價格
Government and regulators 政府及監管機構	<ul style="list-style-type: none"> • Emails, telephone calls and postal correspondence 電郵、電話及信件 • Face-to-face and virtual meetings and visits 直接及虛擬會面及探訪 • Reports and submissions pursuant to regulatory requirements 按照監管規定發表報告及提交資料
Banks and financial institutions 銀行及金融機構	<ul style="list-style-type: none"> • Emails, telephone calls and postal correspondence 電郵、電話及信件 • Face-to-face and virtual meetings and visits 直接及虛擬會面及探訪
Communities 社區	<ul style="list-style-type: none"> • Community activities, charity works, voluntary services and social media 社區活動、公益活動、義工服務及社交媒體

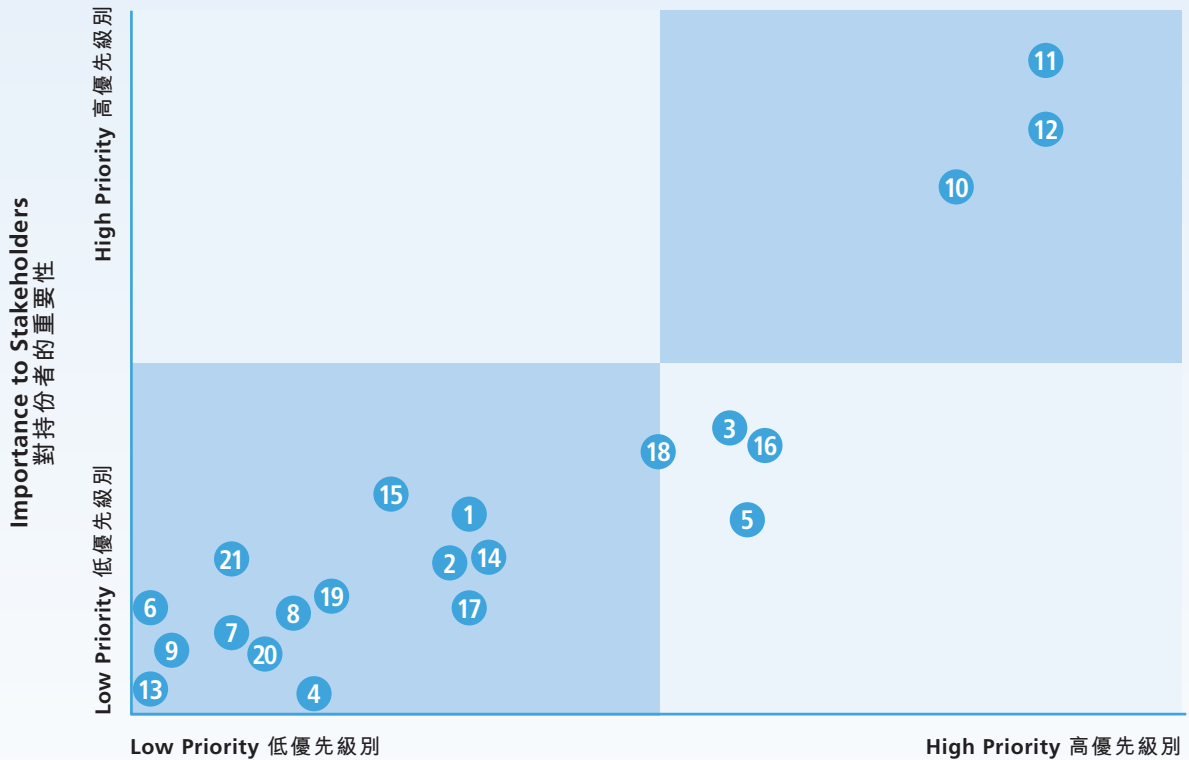
Materiality Assessment

The Group has carried out a number of stakeholder engagement plans and updated the materiality assessment in 2023 to determine the importance of issues and prioritise them.

重要性評估

本集團於二零二三年推行多項持份者參與計劃並且更新重要性評估，從而界定各議題的重要程度並相應地排列優先次序。

Cosmos Machinery – Materiality Matrix
 大同機械 – 重要性矩陣



Importance to Cosmos Machinery
 對大同機械的重要性

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

環境、社會及管治報告（續）

The Group reviews the material issues regularly and a stakeholder survey has been conducted to seek stakeholders' feedback on the level of materiality of the issues. The materiality assessment was updated in 2023 and a materiality matrix was created based on the results of stakeholder survey. Material issues related to the Group's businesses and daily operations have been prioritised. Their materiality to stakeholders and the Group is shown below:

本集團定期檢討重要議題，並會進行持份者問卷調查，蒐集持份者對各議題重要性程度的意見。於二零二三年，我們更新了重要性評估，根據持份者問卷調查結果繪畫成重要性矩陣圖，並排列與本集團業務及日常營運相關各重要議題的優先次序。此等議題對持份者及本集團的重要性列述如下：

Aspect	範疇	Level of Materiality 重要性程度	Impact within the Group 對本集團內的影響	Impact outside the Group 對本集團外的影響
Environmental		環境		
1. Air pollutants emission	廢氣排放	!!		★
2. Greenhouse gas emission	溫室氣體排放	!		
3. Hazardous waste	有害廢物	!!!	★	★
4. Non-hazardous waste	非有害廢物	!		
5. Energy consumption	能源消耗	!!	★	
6. Water consumption	耗水	!		
7. Packaging consumption	包裝耗材	!		
8. Other impacts on environment	對環境之其他影響	!		
9. Climate change	氣候變化	!		
Social		社會		
10. Employment	僱傭	!!!	★	★
11. Occupational health and safety	職業健康及安全	!!!	★	★
12. Vocational training	職業培訓	!!!	★	★
13. Child labour and forced labour	童工及強制勞工	!		
Operating practices		營運慣例		
14. Supply chain management	供應鏈管理	!		
15. Product safety	產品安全	!!		★
16. Customer satisfaction	客戶滿意度	!!!	★	★
17. Intellectual property	知識產權	!		
18. Quality of products	產品質量	!!!	★	★
19. Data protection and privacy	資料保護和私隱	!		
20. Anti-corruption practices and whistleblowing procedures	反貪污慣例及舉報程序	!		
Community		社區		
21. Community investment	社區投資	!		

! Low 低 !! Medium 中 !!! High 高

ENVIRONMENT

The Group is committed to protecting environment proactively and complying with relevant environmental laws, rules and regulations in Hong Kong and Mainland China in which it mainly operates its businesses. We have implemented proper measures to reduce wastes and GHG emissions in our plants in Mainland China and office in Hong Kong so as to use energy and resources wisely. Employees have been nurtured and encouraged to have energy and environmental awareness.

EMISSIONS

We consistently and strictly monitor and control the wastes, GHG and sewage generated from the production process and ensure all of them are disposed of, emitted and discharged within the environmental laws, ordinances and rules and regulations applicable to the areas in which our plants and offices are located. These laws, ordinances and rules and regulations include but not limited to the Environmental Protection Law of the PRC, Environmental Protection Tax Law of the PRC, Law of the PRC on the Prevention and Control of Atmospheric Pollution, Law of the PRC on Prevention and Control of Water Pollution, Law of the PRC on Promotion of Cleaner Production, Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong), Product Eco-responsibility Ordinance (Chapter 603 of the Laws of Hong Kong), Environmental Quality Standards for Surface Water, Wastewater Quality Standards for Discharge to Municipal Sewers, Measures for the Administration of Permit for Operation of Hazardous Wastes and Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste. These environmental laws will have impact on the Group's operation if we do not dispose of all wastes, discharge sewage and emit waste gases properly, we might have to bear heavy environmental protection tax and so increase the cost of disposal of wastes.

環境

本集團承諾主動地保護環境，以及遵守香港及中國內地（即其主要經營業務所在地）的相關環保法律、規則及規例。我們已在中國內地廠房及香港辦公室採取適當措施以減少廢物和溫室氣體排放，從而精明使用能源和資源，以及培養和鼓勵僱員具備節能和環保意識。

排放物

我們一直嚴格監控生產過程中產生的廢物、溫室氣體及污水，以及確保處理及排放它們均符合我們廠房及辦公室所在地適用的環保法律、條例以及規則和規例，包括但不限於《中國環境保護法》、《中國環境保護稅法》、《中國大氣污染防治法》、《中國水污染防治法》、《中國清潔生產促進法》、《廢物處置條例》（香港法例第354章）、《產品環保責任條例》（香港法例第603章）、《地表水環境質量標準》、《污水排入城鎮下水道水質標準》、《危險廢物經營許可證管理辦法》及《中國固體廢物污染環境防治法》。若本集團不妥善處置所有廢物及排放污水和廢氣，便可能須承擔沉重的環境保護稅並增加處置廢物的成本，該等環保法律將對我們的營運造成影響。

Climate Change, and GHG and Other Pollutants Emissions

The whole world is frequently experiencing extreme weather and other impacts of climate change, governments around the world have set targets to reduce the environmental impact of climate change. Climate change affects our business operations significantly. The rising temperature may lead to higher electricity consumption for cooling and extreme weather such as storms and floods may result in financial loss and cause physical damage to infrastructure of our plants.

To respond to the continuous increase in GHG emissions intensifying global warming and climate change, we have deployed resources in installation of a solar photovoltaic system on the roof of the plants of both Jiangsu Machinery and Donghua Machinery in last year and this year, respectively, which reduced the demand for purchased electricity and indirect emissions and protects the environment as well as achieving sustainable development. Nevertheless, in view of Donghua Machinery installed some new projects and facilities such as automatic welding lines, painting workshop and exhaust gas treatment facilities, the electricity consumption was then increased. However, since on-site generation of power in Jiangsu Machinery, its purchased electricity consumption in 2023 decreased significantly by 39.81% as compared to last year.

In 2023, Donghua Machinery built a painting workshop in plant no. 2 to ensure that all emissions discharged from the workshop were in compliance with the standard requirements as set out by the PRC environmental regulatory authority.

Because of continued global warming, the summer of 2023 was the hottest ever recorded. Donghua Machinery increased the frequency of spraying water on roofs for cooling. In addition, Donghua Machinery and Jiangsu Machinery use waterborne paint, which requires to be diluted with a large amount of water before use. Therefore, the total water consumption in 2023 sharply increased by 24.99% as compared to last year.

Both Donghua Machinery and Jiangsu Machinery fully use waterborne paint for replacement of oil-based paint to reduce the emission of Volatile Organic Compounds (VOCs). However, in order to comply with the emission requirement of the Dongguan Environmental Protection Bureau that spraying paint must be done in a confined space throughout the spraying process, Donghua Machinery and Dekuma have thus changed from air drying to natural gas for paint drying since 2022. Moreover, Dekuma commenced the operation of a new painting workshop with the use of natural gas for drying. Therefore, the natural gas consumption in 2023 increased by 23.62% as compared to last year. Details of the air emissions data and GHG emissions are set out in the headings of "Air Emissions" and "GHG Emissions" of the Report, respectively.

氣候變化和溫室氣體及其他污染物排放

全球各地正頻繁遭受極端天氣及其他氣候變化的影響，各國政府均制定目標以拖慢氣候變化帶來的環境影響。氣候變化會明顯影響我們的業務營運，氣溫上升或會導致用於降溫的耗電量增加，風暴和洪水等極端天氣亦可能導致財務上的損失，並且會對我們廠房的基建設施造成實質損壞。

我們投放了資源來應對因溫室氣體排放不斷增加而加劇的全球暖化及氣候變化。江蘇機械及東華機械分別於去年及今年在廠房屋頂安裝了太陽能光伏系統，這不但能降低外購電力的需求，又可減少間接排放，保護環境及達至可持續發展。儘管如此，鑑於東華機械加設了一些項目及設施，例如自動焊接線、噴漆車間及廢氣處理設施等，用電量隨之增加。惟自從江蘇機械實現電力自發自用後，其二零二三年外購用電量比去年大幅下跌39.81%。

於二零二三年，東華機械在二號廠房新增了噴漆車間，以確保車間排放的所有排放物符合中國環境監管機構的標準規定。

隨著全球氣候持續變暖，二零二三年的夏天更是有記錄以來最熱的夏天，因此東華機械增加了向廠房屋頂噴水降溫的頻率。此外，東華機械及江蘇機械採用水性油漆，需要大量用水稀釋，因此，二零二三年的總耗水量比去年大幅增加24.99%。

儘管東華機械及江蘇機械均全面採用水性油漆代替油性油漆來降低揮發性有機化合物的排放，但自二零二二年起，東華機械及德科摩為響應東莞環保局廢氣排放的生產要求，整個噴漆過程必須在密閉空間作業，因此原來的油漆自然風乾過程改為使用天然氣烘乾。再者，德科摩啟用了須使用天然氣烘乾的新噴漆車間，因此二零二三年的天然氣總耗量比去年上升23.62%。廢氣排放數據及溫室氣體排放量的詳情分別載於本報告的「廢氣排放」及「溫室氣體排放」標題內。

Sewage Discharge Management

The Group rigorously complies with the Environmental Quality Standards for Surface Water and Wastewater Quality Standards for Discharge to Municipal Sewers of the PRC to discharge sewage to sewer. To reduce water consumption, a sewage recycling and treatment system was installed in the painting workshop at both Donghua Machinery and Jiangsu Machinery. During the spraying process, we use water for paint stains removal, the system then separates water from those paint stains. Water will be replaced upon recycling and reuse several times to keep the tanks and pumps of the paint booths clean. Furthermore, Jiangsu Machinery installed a sewage treatment equipment in the sewage recycling system for removal of foaming substances during sewage treatment, so to reduce sewage generation. In summary, industrial sewage substantial in 2023 decreased by 47.37% as compared to last year. Details are illustrated in the heading of “Hazardous and Non-hazardous Wastes” of the Report.

We engaged qualified wastewater treatment enterprises to treat industrial sewage properly and regular engage local certification bodies which detect the pH value, chemical oxygen demand (COD), ammonia nitrogen, total phosphorus, total nitrogen, etc. of industrial sewage discharges to ensure all of them are in compliance with the standards set out by the PRC environmental regulatory authority.

Waste Management

We have formulated a waste treatment procedure to collect, store and dispose of hazardous and non-hazardous wastes generated in production lines. We report information on the generation, storage, transfer, utilisation and disposal of hazardous wastes to the hazardous wastes monitoring and control system established by the government in a timely manner and engaged qualified waste disposal enterprises, in accordance with the Measures for the Management of Transfer of Hazardous Waste (《危險廢物轉移管理辦法》) and the Law of the PRC on Prevention and Control of Environmental Pollution by Solid Waste, to dispose of hazardous wastes properly. Most of the non-hazardous wastes, including kitchen wastes, were handled by recycling enterprises for recycling and reuse. Further details in respect of the disposal of hazardous and non-hazardous wastes are illustrated in the heading of “Hazardous and Non-hazardous Wastes” of the Report.

污水排放管理

本集團嚴格按照中國《地表水環境質量標準》及《污水排入城鎮下水道水質標準》排出污水至排放口。東華機械及江蘇機械均已在噴漆車間安裝污水處理循環系統，藉以減少用水。在噴漆工序中，我們利用清水去除油漆污垢，系統則分開水和油漆污垢，而淨化後的水會多次循環使用才更換，以保持水缸及水泵清潔。此外，江蘇機械在污水循環系統加建污水處理設備，用以去除污水循環中的泡沫物質，減少污水產生。總括而言，二零二三年的工業污水與去年相比大幅下跌了47.37%。詳情於本報告的「有害及非有害廢物」標題內闡述。

我們已聘用合資格的廢水處理企業妥善處理工業污水，以及定期委託當地環保認證機構檢測在排放口排出的工業污水酸鹼值、化學需氧量、氨氮、總磷及總氮等指標，以確保所有排放符合中國環境監管機構的標準規定。

廢物管理

我們已建立一套廢物處理程序，以收集、貯存和處置在生產線上產生的有害及非有害廢物。根據《危險廢物轉移管理辦法》及《中國固體廢物污染環境防治法》，我們及時申報有害廢物的產生、貯存、轉移、利用和處置等信息至由政府建立的與危險廢物相關的監控系統，以及我們已聘用合資格的廢物處置企業妥善處理有害廢物。大部份非有害廢物，包括廚餘，則已交由回收企業進行回收和重用。有關處置有害及非有害廢物的進一步詳情於本報告的「有害及非有害廢物」標題內闡述。

Air Emissions

The air emissions data⁽¹⁾ for Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is as follows:

Unit: kg 單位: 千克		2023	2022
Sulphur oxides (SO _x)	硫氧化物(二氧化硫)	0.69	0.64
Nitrogen oxides (NO _x)	氮氧化物	231.67	200.78
Respiratory suspended particles (RSP)	懸浮顆粒	19.61	16.20
Total air pollutants	空氣污染物總量	251.96	217.62
Total air pollutants intensity (kg/HK\$ million sales)	空氣污染物總量密度 (千克/每百萬港元銷售額)	0.34	0.27

廢氣排放

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務的廢氣排放數據⁽¹⁾如下：

- (1) The air emissions data was generated from petrol and diesel fuel combustion in vehicles and forklifts, and calculated with emission factors as provided in "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.
- (2) Even though Jiangsu Machinery gradually replaced diesel forklifts with electric forklifts, the total diesel consumption used by the diesel forklifts in 2023 decreased by 14.03% as compared to last year. However, following the easing of pandemic restrictions, business trips and customer visits were more often, resulting in an increasing usage of cars and fuel consumption, the total air emissions in 2023 has hence increased 15.78% as compared to last year.
- (1) 廢氣排放數據乃由汽車和叉車消耗汽油及柴油所產生，並按照聯交所發佈《如何準備環境、社會及管治報告—附錄二：環境關鍵績效指標匯報指引》之排放系數計算。
- (2) 縱使江蘇機械逐步更換了電動叉車以取代柴油叉車，二零二三年柴油叉車的柴油總用量比去年有所下跌14.03%，但隨著放寬疫情限制措施，商務出行和客戶拜訪變得頻繁，車輛使用量及耗油量因而增加，故二零二三年的廢氣排放總量比去年上升15.78%。

GHG Emissions

The GHG emissions⁽¹⁾ for Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 are as follows:

Unit: tonnes CO ₂ e 單位：噸二氧化碳當量		2023	2022
Scope 1 Direct GHG emissions ⁽²⁾	範圍一 直接溫室氣體排放量 ⁽²⁾	273.10	223.88
Scope 2 Energy indirect GHG emissions ⁽³⁾	範圍二 能源間接溫室氣體排放量 ⁽³⁾	3,837.59	4,644.93
Scope 3 Other indirect GHG emissions ⁽⁴⁾	範圍三 其他間接溫室氣體排放量 ⁽⁴⁾	156.97	84.50
Total GHG emissions (Scopes 1+2+3)	溫室氣體排放總量 (範圍一+二+三)	4,267.66	4,953.31
Total GHG emissions intensity (tonnes CO ₂ e/HK\$ million sales)	溫室氣體排放總量密度 (噸二氧化碳當量/每百萬港元銷售額)	5.75	6.05

溫室氣體排放

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務的溫室氣體排放量⁽¹⁾如下：

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| <p>(1) GHG emissions were calculated based on Guidelines to Account for and Report on GHG Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition) published by the EPD and EMSD, unless otherwise stated.</p> <p>(2) Scope 1 emissions comprise vehicle fleet that runs on petrol and diesel, forklifts that runs on diesel, natural gas, as well as HFC and PFC refrigerants, and were calculated with reference to emission factors as stated in the 2006 IPCC Guidelines for National GHG Inventories and Fifth Synthesis Report (2014) published by IPCC.</p> <p>(3) Scope 2 emissions were generated from the purchased electricity consumption and calculated with reference to emission factors as stated in 2023 Sustainability Report of CLP Holdings Limited, and the average emission factor of the national grid in 2022 as provided by the Ministry of Ecology and Environment of the PRC in the Notice on the Management of Greenhouse Gas Emissions Accounting and Reporting – in the Power Generation Facilities Industry from 2023 to 2025 (《關於做好2023–2025年發電行業企業溫室氣體排放報告管理有關工作的通知》)。</p> | <p>(1) 除非另有註明，溫室氣體排放量是根據環保署及機電署編製的《香港建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引（二零一零年版本）》計算。</p> <p>(2) 範圍一排放量涵蓋由車隊使用汽油和柴油、叉車使用柴油、天然氣及HFC和PFC製冷劑的排放，並按照政府間氣候變化專門委員會發表的《二零零六年政府間氣候變化專門委員會國家溫室氣體清單指南》和第五次評估報告（二零一四年）載列的排放系數計算。</p> <p>(3) 範圍二排放量是由外購電力消耗所產生的排放，並參照了中電控股有限公司《2023可持續發展報告》載列的排放系數，以及中國生態環境部在《關於做好2023–2025年發電行業企業溫室氣體排放核算方法與報告指南發電設施管理有關工作的通知》中提供的二零二二年全國電網平均排放因子計算。</p> |
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- (4) Scope 3 emissions covered paper consumption, water consumption and carbons emissions from business travel by air, and were calculated with reference to emission factors as stated in 2021/22 Annual Report of Hong Kong Water Supplies Department and 2023 Sustainability Report of CLP Holdings Limited, and the average emission factor of the national grid in 2022 as provided by the Ministry of Ecology and Environment of the PRC in the Notice on the Management of Greenhouse Gas Emissions Accounting and Reporting – in the Power Generation Facilities Industry from 2023 to 2025 (《關於做好2023–2025年發電行業企業溫室氣體排放報告管理有關工作的通知》), and ICAO.
- (4) 範圍三排放量涵蓋由耗紙量、耗水量及商務出行乘坐的航班所產生的碳排放。我們亦參照了香港水務署《二零二一至二二年年報》及中電控股有限公司《2023可持續發展報告》載列的排放系數，以及中國生態環境部在《企業溫室氣體排放核算方法與報告指南發電設施關於做好2023–2025年發電行業企業溫室氣體排放核算方法與報告指南發電設施管理有關工作的通知》中提供的二零二二年全國電網平均排放因子，以及國際民航組織載列的排放系數計算排放量。
- (5) Emissions from our fleet only include employees and customers transportation as we do not have our own fleet to transport/deliver our products to customers of IMM Business and Extrusion Machine Business.
- (5) 由於注塑機業務及擠出機業務均無自己的車隊向客戶運輸／交付產品，故此車用汽油的排放量計算只包括僱員及客戶接載。
- (6) GHG emissions from electricity purchased were calculated with reference to the average emission factor of the national grid in 2022 as provided by the Ministry of Ecology and Environment of the PRC in the Notice on the Management of Greenhouse Gas Emissions Accounting and Reporting – in the Power Generation Facilities Industry from 2023 to 2025 (《關於做好2023–2025年發電行業企業溫室氣體排放報告管理有關工作的通知》) .
- (6) 購買電力的溫室氣體排放則根據中國生態環境部在《關於做好2023–2025年發電行業企業溫室氣體排放核算方法與報告指南發電設施管理有關工作的通知》中提供的二零二二年全國電網平均排放因子計算。
- (7) Total GHG emissions in 2023 decreased by 13.84% as compared to last year. The reason of the decrease was primary attributable to the purchased electricity consumption in 2023 of Jiangsu Machinery decreased significantly by 39.81% as compared to last year, details of which are set out in the heading of “Climate Change, and GHG and Other Pollutants Emissions” of the Report.
- (7) 二零二三年溫室氣體排放總量較去年下跌13.84%。下跌之主要原因是江蘇機械二零二三年的外購用電量比去年大幅下跌39.81%，詳情載於本報告的「氣候變化和溫室氣體及其他污染物排放」標題內。

Measures have been taken to Mitigate Emissions and Energy Use and Increase Water Efficiency Initiatives, and Results Achieved

為減少排放和能源使用及提升用水效益而採取的措施和取得的成果

We have implemented a number of energy saving measures, such as using energy efficient equipment to reduce electricity consumption in offices and plants and water saving tips were placed in our plants' kitchens and lavatories, in order to achieve energy saving and emission reduction. We have taken the following actions for the efficient use of resources in the production lines:

為實現節能減排，我們已在辦公室及廠房實施多項節能措施，例如使用節能設備以減少辦公室和廠房的電力消耗，以及在廠房廚房及洗手間張貼節約用水的溫馨提示。我們在生產線上採取以下行動以有效使用資源：

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| (1) Using waterborne paint for replacement of oil-based paint to reduce production of activated charcoal and release of VOCs in the production lines of IMM Business; | (1) 於注塑機業務的生產線上全面使用水性油漆代替油性油漆，以減少產生生活性碳和釋放揮發性有機化合物； |
| (2) Replacing high volume low pressure ("HVL") spray gun to improve the paint transmission efficiency; | (2) 更換高容量低壓噴槍，提高油漆上漆率； |
| (3) Installing VOC monitoring and treatment facilities at our plants; | (3) 於廠房安裝揮發性有機化合物監測及處理設施； |
| (4) Using Enterprise Resource Planning ("ERP") system to achieve paperless office; | (4) 使用企業資源規劃系統，實現無紙化辦公室； |
| (5) Using solar photovoltaic system for on-site generation of power to reduce carbon emission; | (5) 使用光伏電能設施自發自用以減少碳排放； |
| (6) Delivering products with minimal packaging; | (6) 用最少的包裝交付產品； |
| (7) Replacing diesel forklifts by electric forklifts gradually; and | (7) 逐步更換了電動叉車以取代柴油叉車；及 |
| (8) Launching more energy-efficient injection molding machines. | (8) 推出更節能的注塑機。 |

The Group has also implemented energy saving measures in offices as stated in the heading of "The Environment and Natural Resources" of the Report. The total water consumption of Hong Kong Headquarters has decreased for five consecutive years contributing by our colleagues' hard work and dedication. We actively implement energy-saving and use energy efficient equipment, and aim to reduce 2% of our energy intensity by 2024, compared with 2019 baseline.

本集團亦在辦公室實施節能措施，有關措施載列於本報告的「環境及天然資源」標題內。香港總部的總耗水量連續五年下跌，有賴同事的努力和付出。我們積極實施節能措施及使用節能設備，並期望在二零二四年前將能源密度減少2%（以二零一九年數據作比較）。

Hazardous and Non-hazardous Wastes

For the years ended 31 December 2023 and 2022, no hazardous waste was produced in Hong Kong Headquarters, while the amount of hazardous waste produced by IMM Business and Extrusion Machine Business are as follows:

IMM Business and Extrusion Machine Business

Unit: tonne 單位：噸		2023	2022
Solid wastes	固體廢物		
Waste oil containers and oil paint containers	廢油桶及油漆桶	8.14	10.61
Others (e.g. waste filter, activated charcoal, waste paint residue and waste rag)	其他 (如廢過濾棉、活性碳、廢油漆渣及廢抹布)	7.33	4.05
Total solid wastes	固體廢物總量	15.48	14.66
Total solid wastes intensity (tonne/HK\$ million sales)	固體廢物總量密度 (噸/每百萬港元銷售額)	0.02	0.02
Liquid wastes	液體廢物		
Waste oil	廢油	2.40	14.68
Waste oil paint	廢油漆	0.00	0.52
Waste cutting fluid	廢切屑液	0.00	8.00
Industrial sewage	工業污水	200.00	380.00
Total liquid wastes	液體廢物總量	202.40	403.20
Total liquid wastes per intensity (tonne/HK\$ million sales)	液體廢物總量密度 (噸/每百萬港元銷售額)	0.27	0.49

有害及非有害廢物

截至二零二三年及二零二二年十二月三十一日止年度，香港總部並無產生任何有害廢物，而注塑機業務及擠出機業務產生的有害廢物如下：

注塑機業務及擠出機業務

- | | |
|---|---|
| <p>(1) The above hazardous wastes are defined in accordance with the National Catalogue of Hazardous Wastes formulated by the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste. All the hazardous wastes generated were disposed of properly by those qualified disposal contractors to mitigate the impact on the environment.</p> <p>(2) The waste oil generated by Donghua Machinery was reused after purification. Therefore, the overall amount of waste oil in 2023 decreased significantly as compared to last year.</p> <p>(3) Both Donghua Machinery and Jiangsu Machinery installed a sewage recycling and treatment system in the painting workshop. Most of the sewage have been reused, so the total amount of industrial sewage in 2023 decreased substantially as compared to last year, details of which are set out in the heading of "Sewage Discharge Management" of the Report.</p> | <p>(1) 上述的有害廢物乃根據《中國固體廢物污染環境防治法》制定的《國家危險廢物名錄》定義。所有產生的有害廢物會交由合資格處置承辦商妥善處置，以減少對環境的影響。</p> <p>(2) 由於東華機械產生的廢油通過淨化後循環使用，因此，二零二三年整體廢油量比去年大幅下跌。</p> <p>(3) 東華機械及江蘇機械均在噴漆車間安裝污水處理循環系統，使大部份污水均可循環使用，所以二零二三年工業污水總量比去年大幅下跌，詳情載於本報告的「污水排放管理」標題內。</p> |
|---|---|

The non-hazardous wastes generated by Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 are as follows:

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務產生的非有害廢物如下：

Hong Kong Headquarters

香港總部

<i>Unit: kg</i> 單位：千克		2023	2022
Paper wastes for recycling	回收廢紙	623	1,105

Paper wastes for recycling included shredded paper and old newspapers.

回收廢紙包括紙碎及舊報紙。

IMM Business and Extrusion Machine Business

注塑機業務及擠出機業務

<i>Unit: tonne</i> 單位：噸		2023	2022
Paper wastes	廢紙	12.21	14.11
Plastics	塑膠	0.00	2.54
Metallic wastes	金屬廢物	627.60	683.77
Others wastes	其他廢物	201.83	213.74
Kitchen wastes	廚餘	24.00	22.60
Total non-hazardous wastes	非有害廢物總量	865.64	936.76
Total non-hazardous wastes intensity (tonne/HK\$ million sales)	非有害廢物總量密度 (噸/每百萬港元銷售額)	1.17	1.14

- (1) The above non-hazardous wastes are defined in accordance with the National Catalogue of Hazardous Wastes formulated by the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste.
- (2) Since the production volume in 2023 was decreased as compared to last year, except kitchen wastes, other non-hazardous wastes were reduced as compared to last year. Most of the non-hazardous wastes generated were properly disposed of by those qualified contractors to mitigate the impact on the environment.

- (1) 上述的非有害廢物乃根據《中國固體廢物污染環境防治法》制定的《國家危險廢物名錄》定義。
- (2) 由於二零二三年產量比去年下跌，因此除了廚餘外，其他非有害廢物數量較去年有所減少。大部份的非有害廢物會交由合資格承辦商妥善處理，以減少對環境的影響。

Disposal and Reduction Initiatives of Hazardous and Non-hazardous Wastes, and Results Achieved

The Group has entered into contracts with qualified disposal enterprises in respect of the disposal of the waste oil, industrial sewage, waste paint residue, waste oil containers, waste paint containers and activated charcoal. These hazardous wastes generated in production lines of the IMM Business and Extrusion Machine Business were reported to the hazardous wastes monitoring and control system established by the government in a timely manner and disposed of properly by those qualified disposal enterprises in accordance to the Standard for Pollution Control on Hazardous Waste Storage regulated in the PRC. The Group also has entered into contracts with recycling enterprises in respect of the handling of the non-hazardous wastes, such as scrapped iron, scrapped cast iron, metal scrap, scrapped iron and steel, scrapped aluminum sheets, waste wires, waste plastics and waste wood for recycling or reusing. Hong Kong Headquarters have arranged the disposal of paper waste to recycling enterprises for recycling and also disposed of some computer equipment to the GREEN@COMMUNITY for recycling, details of which are set out in the heading of "Caring for the Environment" of the Report. We set a target to reduce office paper consumption by 5% by 2024, as compared to the 2019 baseline.

USE OF RESOURCES

The Group has implemented various measures to reduce the use of papers, water and electricity consumption in our plants and office and has been encouraging employees to have practices for energy and resources conservation. Details of the green measures are set out in the heading of "The Environment and Natural Resources" of the Report.

處置及減少有害和非有害廢物的行動和取得的成果

本集團與合資格的處置企業訂立合約處置廢油、工業污水、廢油漆渣、廢油桶、廢油漆桶及活性炭。由注塑機業務及擠出機業務生產線所產生的有害廢物已根據中國《危險廢物貯存污染控制標準》的規定及時申報至由政府建立的與危險廢物相關的監控系統，並交由合資格的處置企業妥善處理。本集團亦有與回收企業訂立合約處置非有害廢物，例如廢鑄鐵、鑄鐵屑、邊角料、廢鋼鐵屑、廢鋁板、廢電線、廢塑料及廢木材。香港總部把產生的廢紙交由回收企業回收，亦有把部份電腦設備送至綠在區區回收，詳情載於本報告的「愛護環境」標題內。我們的目標是在二零二四年前將辦公室用紙量減少5%（以二零一九年數據作比較）。

資源使用

本集團在廠房及辦公室實施各項措施，以減少用紙、耗水和耗電，以及鼓勵僱員養成節約能源和資源的習慣。節能措施之詳情載於本報告的「環境及天然資源」標題內。

Direct and Indirect Energy Consumption

The direct and indirect energy consumption⁽¹⁾ of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is as follows:

直接及間接能源耗量

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務的直接和間接能源耗量⁽¹⁾列示如下：

Unit: GJ 單位：千兆焦耳		2023	2022
Direct energy consumption	直接能源耗量		
Petrol fuel – vehicle fleet	汽油燃料－車隊	823.60	660.42
Diesel fuel – vehicle fleet	柴油燃料－車隊	53.83	66.66
Diesel fuel – forklift	柴油燃料－叉車	757.80	799.30
Natural gas	天然氣	1,750.34	1,415.88
Indirect energy consumption	間接能源耗量		
Electricity ⁽²⁾	電力 ⁽²⁾	24,423.58	27,637.43
Total energy consumption	能源總耗量	27,809.15	30,579.70
Total energy consumption intensity (GJ/HK\$ million sales)	能源總耗量密度 (千兆焦耳/每百萬港元銷售額)	37.46	37.33

- (1) Energy consumption was measured based on the data of consumption of electricity, fuels and gas, and energy conversion factors had taken reference from Energy Statistics Manual issued by the International Energy Agency.
- (2) The office of Hong Kong Headquarters is co-used with a wholly-owned subsidiary which engages in industrial consumables trading business. We consider sub-meter for individual office is not feasible. Hence, the data of electricity consumption of Hong Kong Headquarters included that business.
- (3) Total direct and indirect energy consumption in 2023 decreased by 9.06% as compared to last year. The reason for such a decrease is illustrated in the heading of “Climate Change, and GHG and Other Pollutants Emissions” of the Report.

- (1) 能源耗量乃依據電力、燃料及氣體耗用數據計算，而能源轉換系數是參考國際能源署發佈的《能源數據手冊》。
- (2) 香港總部與一間從事工業消耗品之貿易業務的全資附屬公司共用辦公室。我們認為為個別辦公室分錶並不可行，因此香港總部的耗電量的數據包括了該業務。
- (3) 二零二三年直接及間接能源耗量排放總量較去年下跌9.06%。下跌之原因於本報告的「氣候變化和溫室氣體及其他污染物排放」標題內闡述。

Water Consumption

The water consumption⁽¹⁾ of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is set out as follows:

耗水量

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務的耗水量⁽¹⁾列示如下：

Unit: m ³ 單位：立方米		2023	2022
Total water consumption	總耗水量	91,497.00	73,202.00
Total water consumption intensity (m ³ /HK\$ million sales)	總耗水量密度 (立方米/每百萬港元銷售額)	123.26	89.36

- (1) The data of water consumption is quoted by the water consumed as stated in the bills received. (1) 耗水量數據乃根據收到的帳單所列的耗水量計算。
- (2) The office of Hong Kong Headquarters is co-used with a wholly-owned subsidiary which engages in Industrial Consumables Trading Business. We consider sub-meter for individual office is not feasible. Hence, the data of water consumption of Hong Kong Headquarters included that business. Also, only the data regarding drinking water was collected given that the property management office is responsible for water supply and discharge of in that office. (2) 香港總部與一間從事工業消耗品之貿易業務的全資附屬公司共用辦公室。我們認為為個別辦公室分錶並不可行，因此香港總部的耗水量數據包括了該業務。另外，由於物業管理處負責該辦公室的供水和排水，因此只能收集飲用水之數據。
- (3) Total water consumption in 2023 increased by 24.99% as compared to last year. The reason for such an increase is illustrated in the heading "Climate Change, and GHG and Other Pollutants Emissions" of the Report. (3) 二零二三年總耗水量較去年上升24.99%。上升之原因於本報告的「氣候變化和溫室氣體及其他污染物排放」標題內闡述。

Packaging Materials for Finished Products

The finished products of IMM Business and Extrusion Machine Business would be packed by stretch films properly, and the finished products of Extrusion Machine Business would also be secured with pallets, so as to avoid any damage during transportation. The data of packaging materials for respective IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 are as follows:

IMM Business

Unit: tonne 單位：噸		2023	2022
Stretch films	拉伸膜	7.55	7.58
Total stretch films intensity (tonne/HK\$ million sales)	拉伸膜總數量密度 (噸/每百萬港元銷售額)	0.01	0.01

製成品所用包裝材料

注塑機業務及擠出機業務的製成品會用拉伸膜妥善包裝，而擠出機業務的製成品亦會用托盤架固定，以避免在運輸過程中出現任何損壞。截至二零二三年及二零二二年十二月三十一日止年度，注塑機業務和擠出機業務的包裝材料數據分別列示如下：

注塑機業務

Extrusion Machine Business

Unit: tonne 單位：噸		2023	2022
Carton box	紙箱	2.00	0.00
Total carton box intensity (tonne/HK\$ million sales)	紙箱總數量密度 (噸/每百萬港元銷售額)	0.01	0.00
Stretch films	拉伸膜	2.00	3.00
Total stretch films intensity (tonne/HK\$ million sales)	拉伸膜總數量密度 (噸/每百萬港元銷售額)	0.01	0.02
Metallic pallets	金屬托盤架	35.00	30.00
Wooden box and wooden pallets	木箱和木托盤架	10.00	8.00
Total metallic pallets, wooden box and wooden pallets intensity (tonne/HK\$ million sales)	金屬托盤架、木箱和 木托盤架總數量密度 (噸/每百萬港元銷售額)	0.25	0.20

擠出機業務

THE ENVIRONMENT AND NATURAL RESOURCES

環境及天然資源

We aware that our business would have an impact on the environmental and natural resources. Hence, we must implement various measures in our plants and offices to reduce carbon footprint and environmental impact. Continuing to the idea of “go green” in our offices, we encourage all employees to implement the following green measures:

我們明白到我們的業務會對環境和天然資源帶來影響，因此我們必須在廠房和辦公室實施各項措施，以減少碳足跡及減低對環境的影響。我們持續在辦公室推廣環保信息，我們鼓勵全體僱員採取下列環保措施：

Electricity 電力	<ul style="list-style-type: none"> Energy saving labels are placed on all electrical appliances and light switches to remind employees to conserve energy. 在所有電器及電燈開關上貼上節約能源標籤，提醒僱員節約能源。 All computers are set to auto energy-saving mode. 將電腦設定為自動節能模式。 Employees are reminded to switch off all lighting, air conditioning and electrical appliances before leaving the workplace. 提醒僱員離開工作間前關掉所有電燈、空調及電器。 Lighting would be switched off during non-business hours, unless for safety and security purposes. 除因安全及保安理由外，否則在非辦公時間內將關掉照明。
Water 水	<ul style="list-style-type: none"> Water saving labels are in place to remind employees not to leave the tap running in the pantry. 張貼節約用水標籤，提醒僱員不要讓茶水間的水龍頭長期開著。 Strengthen the daily maintenance of water supply equipment. Employees should inform Human Resources and Administration Department for arranging repairing work promptly once water supply equipment is damaged. 加強供水設備的日常維護。僱員一旦發現供水設備損壞，應盡快通知人力資源及行政部安排維修工程。
Waste 廢物	<ul style="list-style-type: none"> Recycling bins are placed at the office to encourage employees to separate recyclables, such as paper, plastic and metal. 於辦公室擺放回收箱，鼓勵僱員分類回收，如紙張、塑膠及金屬。 Used envelopes, folders, papers, packaging materials and eco-friendly reusable bags are collected in recycling bins for reuse. 設置回收箱收集舊信封、文件夾、紙張、包裝物及環保袋供重用。
Office Equipment 辦公室設備	<ul style="list-style-type: none"> Employees are encouraged to purchase environment-friendly stationery and office equipment as a priority. Stop purchasing those with potential adverse environmental impact. 鼓勵僱員優先採購環保文具及辦公室設備，不再購買具潛在環境損害的文具及辦公室設備。 Affix “Save Energy” stickers near the main switches as a reminder to our employees. 在主要電源開關附近貼上「節約能源」的標籤，以向僱員作出提示。
Air-conditioning 空調	<ul style="list-style-type: none"> Individual air-conditioner can be adjusted manually to suitable temperature, and recommended to adjust the temperature to 24.5° C or above. 獨立空調能手動調節至合適的溫度，並建議調節溫度至24.5°C或以上。 The last-man-out should switch off the air-conditioning of all areas of the office. Individual office users should ensure that the air-conditioner is turned off before leaving. 最後離開辦公室的僱員應關掉辦公室所有區域的空調。獨立辦公室使用者應在離開前確保空調已關掉。
Others 其他	<ul style="list-style-type: none"> To reduce paper consumption, employees are encouraged to adjust document margins and font size before printing, use double-sided copying, and reduce colour printing. 鼓勵僱員打印前調校文件邊界和字型大小及採用雙面影印以減少用紙量，以及減少彩色打印。 The Group’s annual and interim reports are printed with environment-friendly (FSC-certified) paper. 採用環保(森林管理委員會認證)紙品印製本集團年報及中期報告。 Employees should reuse stationeries, e.g. paper clips, folders, binders and envelopes. 僱員會重用文具，例如紙夾、文件夾、活頁夾及信封。 Use reusable utensils and refuse to use disposable cups, plates, forks and other utensils. 使用可重用的器具，並拒絕使用即棄杯子、盤子、叉子和其他器具。

Through implementing the aforesaid measures, we believe that we can manage the negative impact on the environment and use resources effectively and efficiently to the greatest extent. We also continue to improve our environmental performance in our production lines by the installation of more environmental friendly equipment.

EMPLOYMENT

Our People and Safety

Guided by our corporate philosophy of “being people-oriented and pragmatic, and continuous learning”, the Group maintains a highly-efficient workforce with caring interpersonal relationships. Provision of safe and pleasant working environment to our staff and attracting talents are integral in supporting our sustainable development. As a responsible manufacturer, we actively manage our supply chain to ensure that our suppliers adhere strictly to the Group’s sustainable business practices and make every effort to maintain product quality. Apart from minimising environmental impacts, discharging social responsibility is also one of our commitments. In 2023, the Company continued to be awarded the 15 Years Plus Caring Company Logo under the Hong Kong Council of Social Service’s Caring Company Scheme, in recognition of our having demonstrated good corporate citizenship, and “Happy Company” by Promoting Happiness Index Foundation.

In addition to presenting the Long Service Award to employees who have served for more than ten years, the Group organizes the Annual Best Staff Award to recognise and commend employees who have excellent performance with a positive and enthusiastic working attitude and are loyal and dedicated to their work, as well as to promote employee initiative and stimulate a working atmosphere that strives for improvement, so as to enhance the belongingness to the company.

Besides, following the easing of pandemic restrictions in early 2023, we resumed to held employee engagement activities, such as annual dinners, outreach activities, basketball and badminton competitions etc. to provide employees with a colourful and positive beside work and to build up a sense of belonging.



通過實施以上措施，我們相信可以最大程度地控制對環境的負面影響，以及高效益地使用資源。我們亦會繼續在生產線上安裝更多環保設備，致力改善我們的環境績效。

僱傭

我們的僱員及安全

本集團恪守「以人為本，務實進取，持續學習」的企業價值觀，我們本著這套理念培育高效團隊，倡導同事之間互相關懷扶持。我們致力為僱員提供安全及愉快的工作環境，並廣泛吸納人才，為本集團的可持續發展穩建磐基。作為負責任的製造商，本集團積極管理我們的供應鏈，確保供應商嚴格遵守本集團的可持續發展業務守則，並盡力維持產品質量。我們在減少對環境的影響同時，也積極履行社會責任。於二零二三年，本公司繼續獲頒香港社會服務聯會「商界展關懷」計劃的15年Plus標誌，以表彰我們已實踐良好企業公民精神，我們亦同時獲香港提升快樂指數基金授予「開心企業」殊榮。

本集團除了會向任職超過十年的僱員頒發長期服務獎外，亦會舉辦年度優秀員工選舉，以表揚及嘉許工作表現卓越、擁有積極與熱誠的工作態度、忠誠及敬業樂業的僱員，以及推動僱員的主動性和營造精益求精的工作氛圍，以提高對公司的歸屬感。

此外，隨著二零二三年年初放寬疫情防控措施，我們恢復舉辦了多項員工活動，例如年度晚宴、戶外拓展活動、籃球和羽毛球比賽，使僱員在工作之餘能體驗多彩的活動以加深僱員的歸屬感。



Celebrating Festive Seasons with Our Employees

We celebrate festive seasons such as Christmas, Mother's Day and Father's Day with our employees every year. Apart from gifts presented to employees as a token of appreciation for their hard work throughout the year, a leisurely walk for International Women's Day was arranged following the easing of pandemic restriction, to provide them with an opportunity to enjoy a relaxing time and encourage communication among each other.



與僱員一起慶祝節日

我們每年會與僱員一起慶祝不同的節日，如聖誕節、母親節及父親節。除了向僱員贈送禮物以表示對他們一年來的辛勤工作的感謝外，我們也自疫情限制放寬後恢復舉辦「三八婦女節」郊遊活動，讓同事外出放鬆心情，並促進同事間的交流，感受公司的溫暖與關懷。



Management Systems for the Employees of the Group

The Group has prepared human resources policies, which are stipulated in employees' handbooks, notices, and codes of conduct, in its business units. The said policies cover the area of relevant rules and regulations in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods, and other benefits and welfare. Rules and regulations set out in those publications are in line with the applicable laws and regulations in Hong Kong and the PRC, including the anti-discrimination ordinances (e.g. Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong)), Employment Ordinance (Chapter 57 of the Laws of Hong Kong), Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), Company Law of the PRC, Labour Law of the PRC, Labour Contract Law of the PRC, etc.. In 2023, there was no material breach of or non-compliance with those applicable laws and regulations by the Group.

本集團僱員管理制度

本集團已於其業務單位之僱員手冊、通告及行為守則內制定人力資源政策。上述政策的範圍涵蓋補償及解僱、招聘及晉升、工作時數、休息時間及其他待遇及福利的相關規則及規例。該等刊物所載的規則及規例乃根據香港及中國適用法律及規例，包括反歧視條例（例如《性別歧視條例》（香港法例第480章））、《僱傭條例》（香港法例第57章）、《僱員補償條例》（香港法例第282章）、《職業安全及健康條例》（香港法例第509章）、《中國公司法》、《中國勞動法》、《中國勞動合同法》等而編製。於二零二三年，本集團並無重大違反或不遵守該等適用的法律及規例。

Compensation and Dismissal

We have formulated procedures in the employees' handbooks to deal with those violate any regulations set out by the Group. An oral warning or written warning notice will be given or immediate dismissal will be imposed to those employees according to the level of severity of each case. Any of the subsidiaries of the Company should consult with Human Resources and Administration Department prior to the proposed dismissal of any employee so as to ensure the compliance with the legal requirements. We will pay sufficient compensation to those employees subject to the aforesaid laws and regulations.

Working Hours and Rest Periods

The employees' handbooks and employment contracts have stated the working hours of employees. Employees who require to work on irregular hours or public holidays are offered overtime pay and additional compensation as defined in their job description. The Group has complied with the relevant employment laws and regulations in respect of working hours and rest periods in Hong Kong and Mainland China, respectively.

Remuneration Policy

The emoluments of the Directors are determined by the Board based on the recommendation of the remuneration committee of the Company with reference to individual performance, qualifications and experience of the Directors, the duties and responsibilities of the Directors in the Company, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition. The Group has formulated remuneration policy of employees. The remuneration of employees is based on their qualifications, competence and performance as well as market trends. The overall remuneration packages, which include an element of discretionary bonuses, are reviewed annually. In addition to salary payments, other employee benefits including medical insurance, in-patient hospitalization scheme and a defined contribution provident fund stipulated by State Regulators of the PRC, Mandatory Provident Fund Scheme stipulated by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and other retirement scheme or other similar defined contribution provident fund have been provided as retirement benefits to employees in Hong Kong and Mainland China. There are other holiday benefits provided to the employees in Mainland China subject to the Labour Law of the PRC. The Group also offers employees various leave entitlements, including annual leave, marriage leave, maternity and paternity leave, bereavement leave, examination leave, sick leave and injury leave.

補償及解僱

我們已在僱員手冊訂明了僱員違反本集團任何規例的處理程序。我們會視乎每宗個案的嚴重程度，向違規僱員發出口頭或書面警告，甚至即時解僱。本公司的任何附屬公司擬解僱任何僱員之前會諮詢人力資源及行政部，確保符合法律規定。我們將依前述法律及規例規定向被解僱僱員支付應有的補償。

工作及休假時間

僱員手冊及僱傭合約均已列明僱員的工作時間。僱員需在非正常辦公時間或公眾假期上班可按工種獲得超時補薪及額外補償。本集團已分別遵守香港和中國內地相關僱傭法律及規例內有關工作時間及休假的規定。

薪酬政策

董事的酬金由董事會基於本公司薪酬委員會經參考董事之個人表現、資格及經驗、董事於本公司的職責及責任、本集團的業績表現及盈利狀況、業界薪酬指標及當時市場環境的建議而釐定。本集團已制定僱員薪酬政策，僱員的薪酬乃基於其資歷、能力及表現，亦以市場趨勢而釐定。本公司每年均會檢討僱員的整體薪酬待遇，包括酌情發放的花紅。除薪金支付外，其他僱員福利包括醫療保險、住院津貼計劃及中國國家監管部門監管規定的定額供款公積金計劃、《強制性公積金計劃條例》(香港法例第485章)規定的強制性強積金計劃，及其他退休計劃或其他類似定額供款公積金計劃分別為香港及中國內地僱員提供退休福利。根據《中國勞動法》，在中國內地的僱員亦享有其他假期福利待遇。本集團亦為所有僱員提供各類休假，包括年假、婚假、產假及待產假、喪假、考試休假、病假和工傷假。

Equal Opportunity, Abuse and Harassment, and Recruitment and Promotion

The Group fosters a diverse and inclusive working environment and strictly prohibits any discrimination, harassment, victimisation or vilification in terms of age, gender, marital status, pregnancy, disability, family status or race, nationality or religion for protection of human rights. Hence, procedures regarding recruitment, promotion and retention of talents are implemented, according to the equal opportunity principles under the Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong), Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong) and Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong), Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong), Law of the PRC on the Protection of Rights and Interests of Women and Law of the PRC on Protection of Disabled Persons.

Moreover, a nomination policy of the Company has been adopted, which sets out the procedures for the selection, appointment and re-appointment of Directors containing the selection criteria, including but not limited to considering the potential contributions a candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.

Personal Data Privacy

The Group respects personal data privacy and is committed to implement and comply with the data protection principles, all relevant provisions of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), and codes of practice and guidelines issued by the Office of the Privacy Commissioner for Personal Data, Hong Kong for collection of employees' personal data for the purpose of provision of welfare and compensation, salary payments, performance assessment, promotion, etc..

Diversity and Gender Mainstreaming

The Board has adopted a Board diversity policy to attract and retain talented people as Board members, mainly increasing diversity at the Board level, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and term of office, as an essential element in supporting the attainment of the Company's objectives and its sustainable development. A summary regarding the Board diversity policy and measurable objectives can refer to the heading of "The Board" of the section of "Corporate Governance Report" on pages 44 to 50 of this annual report.

平等機會、虐待與騷擾及招聘與晉升

本集團用心營造多元共融的工作環境，並且嚴禁進行任何基於年齡、性別、婚姻狀況、懷孕、殘疾、家庭崗位或種族、國籍或宗教的歧視、騷擾、傷害或誹謗行為以保障人權。因此，我們按照《性別歧視條例》(香港法例第480章)、《殘疾歧視條例》(香港法例第487章)、《種族歧視條例》(香港法例第602章)、《家庭崗位歧視條例》(香港法例第527章)、《中國婦女權益保障法》及《中國殘疾人保障法》訂明的平等機會原則，實施招聘、晉升及挽留人才的程序。

此外，本公司已採納提名政策，當中訂明了甄選、委任和重新委任董事的程序及甄選準則，包括但不限於考慮候選者的資格、技能、經驗、獨立性和性別多元化對董事會的貢獻。

個人資料私隱

本集團尊重個人資料私隱，並承諾實施和遵守保障資料原則、《個人資料(私隱)條例》(香港法例第486章)所有相關條文，以及香港個人資料私隱專員公署發出的實務守則及指引，以收集僱員的個人資料，用於向他們提供福利及補償、薪酬支付、績效評估和晉升等範疇上。

多元化及性別主流化

董事會採納一套董事會成員多元化政策，用以吸引和保留優秀人才成為董事會成員，主要是提高董事會層面的多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及任期，作為實現本公司目標和可持續發展的重要因素。有關董事會成員多元化政策及可計量目標的概要可參閱本年報第44至50頁「企業管治報告」章節中「董事會」標題。

Total Workforce

Total workforce by gender, employment type, age group and work location of Hong Kong Headquarters, IMM Business and Extrusion Machine Business as at 31 December 2023 and 2022 is as follows:

<i>Unit: Number of persons</i> 單位：人數		2023	2022
Total number of employees	僱員總數	704	692
By gender	按性別劃分		
Male	男	604	586
Female	女	100	106
By employment type	按僱傭類型劃分		
Full time	全職	704	692
Part-time	兼職	0	0
By age group	按年齡組別劃分		
30 or below	三十歲或以下	122	116
31 to 50	三十一歲至五十歲	419	433
Over 50	五十歲以上	163	143
By work location	按工作地點劃分		
Hong Kong	香港	23	28
Mainland China	中國內地	681	664

僱員總數

於二零二三年及二零二二年十二月三十一日，香港總部、注塑機業務及擠出機業務按性別、僱傭類型、年齡組別及工作地點劃分的僱員總數如下：

Employee Turnover Rate

The turnover rate of employee by gender, age group and work location of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is as follows:

<i>Unit: %</i> 單位：百分比		2023	2022
Total turnover of employee	僱員總流失	13.49%	13.01%
By gender	按性別劃分		
Male	男	14.90%	13.82%
Female	女	5.00%	8.49%
By age group	按年齡組別劃分		
30 or below	三十歲或以下	40.98%	37.07%
31 to 50	三十一歲至五十歲	8.59%	9.93%
Over 50	五十歲以上	5.52%	2.80%
By work location	按工作地點劃分		
Hong Kong	香港	26.09%	14.29%
Mainland China	中國內地	13.07%	12.95%

僱員流失比率

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務按性別、年齡組別及工作地點劃分的僱員流失比率如下：

HEALTH AND SAFETY

Safe workplace and occupational health are priority issue and we are committed to maintain a safe, healthy and productive workplace for its employees. We provide orientation training and ongoing safety trainings to our employees, in particular to those work at workshops and production lines of the plants to raise their awareness of occupational safety and help mitigate the risk of accidents.

Both IMM Business and Extrusion Machine Business have formulated various production safety regulations, which provide clear guidelines on handling personal work injuries and operating equipment accidents in case of occurrence, handling dangerous chemicals and operating machines in accordance with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), Law of the PRC on Prevention and Control of Occupational Diseases, and Law of the PRC on Work Safety. A safety production committee comprising of safety officers has been put in charge of monitoring and managing safety initiatives and preventing work accidents to estimate and reduce the risk of occupational diseases.

The Group always prioritizes the safety and health of our employees and continues to focus on providing production safety training for them to raise their awareness of occupational safety. We have regulated that all new employees in Mainland China must receive production safety trainings before taking up their duties. Employees who have special job duties, such as electricians, crane operators, welders, forklift operators, etc., must follow the operation safety rules.

In addition to production safety training, the Group organizes numerous drills every year, such as hazardous waste management, lifting operation safety, forklift operation safety, general industrial solid waste system and bench fitting skills, etc., in order to reinforce employees' crisis awareness. In 2023, three production plants conducted various drills, while Donghua Machinery and Dekuma jointly conducted, and all painting workshop workers participated in, an emergency drill for limited operation space. The participating personnel had to initiate emergence procedures and perform cardiopulmonary resuscitation, etc. in this drill which simulated a staff suffering shock and coma suddenly during work. Jiangsu Machinery conducted, and employees from assembly department and contingency working group participated in, a drill based on contingency plan. The participating personnel organized evacuation, tackled naked flame with foam fire extinguisher, prevented polluted waters discharging into stormwater drains and medical rescue group was on standby. These drills greatly improved the ability of workers to deal with these emergencies, and prevented the occurrence of production accidents. Furthermore, Dekuma held a fire drill and fire safety training to ensure employees are equipped with respective knowledge and skills.

健康與安全

保障工作場所安全與職業健康是我們優先關注的任務，我們承諾為僱員提供一個安全、健康及高效的工作場所。我們為廠房，特別是於車間和生產線上工作的僱員提供入職培訓及持續的安全訓練，以提高僱員的職業安全意識，有助於降低發生事故的風險。

注塑機業務及擠出機業務均已遵照《職業安全及健康條例》(香港法例第509章)、《中國職業病防治法》及《中國安全生產法》來制訂各種安全生產規章制度，提供清晰的指引以處理工傷及操作設備時發生的事故、處理危險化學品及操作機器等。我們設有由安全管理人員組成的安全生產委員會，專責監察及管理安全措施和預防工傷事故，以評估和降低罹患職業病的風險。

本集團始終將僱員的安全與健康放在首位，繼續以僱員的安全生產培訓作為重點工作，提高僱員的職業安全意識。本集團已規定所有在中國內地的新入職僱員在上崗前必須先接受安全生產培訓。任職特殊工種的僱員，如電工、起重機操作員、焊工、叉車操作員等，則必須遵守安全操作規則。

除了安全生產培訓外，本集團每年都會舉辦不同的演練，例如危險廢物管理、吊裝作業安全、叉車安全作業、一般工業固廢系統、鉗工技能等，從而加強僱員的危機意識。於二零二三年，三間生產廠房也進行了不同的演練。東華機械和德科摩合辦了有限空間作業應急處置演練，由全體噴漆車間工作人員參與。該演練模擬一名員工在工作期間於噴漆車間突發休克昏迷症狀，演練人員需啟動緊急應變程序和即場為傷者進行心肺復甦等措施。江蘇機械則舉辦了應急預案演練，由裝配部及應急小組人員參與。該演練模擬裝配調試車間因電線損壞引起火星點燃地面未及時清理的油污而發生燃燒，演練人員需啟動應急預案，組織人員疏散、利用泡沫滅火器撲滅明火、防止污水由雨水管道外泄，以及醫療救援組待命等程序。通過各種演練，大大提高了工作人員應對處置突發事件的能力，以及預防發生生產事故。此外，德科摩進行了防火演習及消防安全培訓，確保僱員具備相應的知識及技巧。

Moreover, the Group requires employees to take and/or wear full set personal protective equipment provided by the Group when handling dangerous chemicals or operating machines to protect their health and safety, and they should check if the machines or equipment operate properly and safely before use. All the machines and equipment have been inspected regularly to ensure safety.

In addition to our concern for the safety of production plants' workers, the Group also attaches great importance to safety awareness of our office workers. We provide trainings to Hong Kong and the PRC employees, aiming to deliver a message of the importance of occupational health and safety in offices. Hong Kong Headquarters actively participated in the fire drill which was conducted by the building management office, so to increase employees' awareness on fire escape and familiarize with escape routes. Apart from providing intensive trainings to employees, we have also arranged complimentary annual physical body check for all employees at production plants to ensure their health and well-being.

Number and Rate of Work-related Fatalities and Lost Days due to Work Injury

Pursuant to Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), the Group should take out a policy of employees' compensation insurance for employees to cover its legal liabilities for work injuries in Hong Kong under both the Ordinance and common law. All employees working in the PRC are protected from work injury and work-related disease under China's social security system. If an employee has suffered from work-related injury, disease or fatalities in his/her course of employment, we must report in writing to the Labour Department of Hong Kong or Ministry of Human Resources and Social Security of the PRC within the period stipulated by the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong), Regulations on Work-Related Injury Insurance of the PRC and The State Council of the PRC.

Reportable work injuries refer to work-related accidents of employees resulting in incapacity for a period exceeding three days in Hong Kong under the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong) and the number of days as defined under the Regulation on Work-Related Injury Insurance of the PRC.

此外，本集團規定僱員處理危險化學品或操作機器時必須佩戴及／或穿著本集團提供的整套個人防護裝備，以保障他們的健康和 safety，並且在使用機器或設備前需檢查該等機器或設備是否操作正常及安全。所有的機器和設備均已通過定時檢查來確保安全。

本集團不僅關注生產廠房員工的安全，我們也重視辦公室僱員的安全意識。我們向香港及中國內地的僱員提供培訓，旨在向他們傳達辦公室職業健康和安全性的重要性。香港總部今年亦積極參與由大廈管理處安排的火警演習，讓僱員提升對火警逃生的意識和熟習逃生路線。除為僱員提供深造培訓外，我們每年亦為生產廠房的全體僱員提供免費身體檢查，確保他們身心健康。

與工作有關的死亡的人數及比率以及因工傷而損失的工作日數

根據《僱員補償條例》(香港法例第282章)，本集團必須為僱員投購僱員補償保險，以承擔在該條例及普通法下對在香港發生的工傷的法律責任。所有中國內地的僱員均受到根據中國社會保障系統涵蓋工傷和與工作有關的疾病的保護。如僱員在工作期間遭遇與工作有關的受傷、疾病或死亡，我們必須按《職業安全及健康條例》(香港法例第509章)或中國《工傷保險條例》及中國國務院規定的期限內，以書面形式向香港勞工處或中國人力資源和社會保障部報告。

須予報告的工傷是指僱員因工作相關意外，按《僱員補償條例》(香港法例第282章)導致無法工作超過三天及按中國《工傷保險條例》所界定的天數。

The number and rate of work-related fatalities, number of work injury incidents and number of lost days due to work injury of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023, 2022 and 2021 are as follows:

		2023	2022	2021
Number (rate) of work-related fatalities	與工作相關的致命意外宗數(比率)	- (0%)	- (0%)	- (0%)
Number of work injury incidents	工傷事故宗數	8	6	9
Number of working days lost due to work injury incidents	因工傷損失工作日數	265.5	379.5	275.0

截至二零二三年、二零二二年及二零二一年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務因工亡故的人數及比率，工傷事故數目及因工傷損失工作日數如下：

Compensation for Work Injuries

The Group complies with the laws, rules and regulations in relation to compensation for work injuries or occupational diseases in Hong Kong and Mainland China, which include the Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong), Regulations on Work-Related Injury Insurance, Social Insurance Law of the PRC, Regulations of Guangdong Province on Work-Related Injury Insurance (《廣東省工傷保險條例》), Regulations of Jiangsu Province on Work-Related Injury Insurance (《江蘇省工傷保險條例》) and Compensation Standard for Work Injury, to pay compensation to employee who has suffered from work injuries or work-related diseases.

工傷賠償

本集團遵守香港及中國內地與工傷或職業病賠償有關的法律、規則和規例，包括《僱員補償條例》(香港法例第282章)、《工傷保險條例》、《中國社會保險法》、《廣東省工傷保險條例》、《江蘇省工傷保險條例》及工傷賠償標準，提供補償予遭受工傷或患有與工作相關的疾病的僱員。

DEVELOPMENT AND TRAINING

The Group provides all Directors and employees with continuous development training programmes/courses which are designed to further enhance their technical skills, professional skills and knowledge in production, operation and management. Moreover, the Group has implemented a refined talent development plan, which sets out training structures to provide internal and external training programmes/courses to all levels of employees of the Group, including managerial staff, general staff and frontline production workers. These training programmes/courses include orientation training, on-the-job training, safety education, on-site training, simulation training, vocational training.

發展及培訓

本集團致力向全體董事及僱員提供持續發展培訓計劃／課程以提升他們在生產、營運和管理上的技能、專業技巧和知識。再者，本集團已制定完善的人才發展計劃，為本集團各級僱員，包括管理人員、一般僱員和 frontline 生產人員提供內部及外部培訓計劃／課程，該等培訓計劃／課程包括入職培訓、在職培訓、安全教育、現場培訓、模擬訓練、職能培訓等。

In 2023, the training hours completed by employees provided by Donghua Machinery and Dekuma had increased significantly as compared to last year. After the relaxation of pandemic restrictions, Donghua Machinery resumed participating in various exhibitions, so relevant trainings and team trainings for new employees were held accordingly. Dekuma organized a series of on-the-job training for management to strengthen their management capabilities and we nurture them to be an all-rounder well equipped with knowledge and management skills.

於二零二三年，東華機械和德科摩的僱員完成培訓時數比去年大幅上升。在放寬疫情防控政策後，東華機械恢復參加各類展覽會，因而舉行了相關展覽的培訓，並且新增了新僱員團隊培訓。德科摩舉辦了一系列管理層在職培訓，加強他們管理能力，培養他們成為具備良好知識和管理技巧的全方位人才。

Percentage of Employees Trained

The percentage of employees trained by gender and employee category of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is as follows:

<i>Unit: %</i> 單位：百分比		2023	2022
Total percentage of employees who took part in training	受訓僱員佔僱員總數百分比	99.43%	97.54%
By gender		按性別劃分	
Male	男	100.00%	98.98%
Female	女	94.00%	89.62%
By employee category		按僱員類別劃分	
Senior level	高級人員	100.00%	91.67%
Middle level	中級人員	100.00%	87.32%
General staff	一般職級僱員	98.53%	98.99%

受訓僱員百分比

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務按性別及僱員類別劃分的受訓僱員百分比如下：

Average Training Hours Completed per Employee

In 2023, the total training hours completed by employees were 30,158.20 hours (2022: 29,160.20 hours). The average training hours completed per employee by gender and employee category of Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 are as follows:

<i>Unit: Hours</i> 單位：小時		2023	2022
Average training hours per employee	每名僱員平均培訓時數	42.84	42.14
By gender		按性別劃分	
Male	男	39.06	45.83
Female	女	65.64	21.72
By employee category		按僱員類別劃分	
Senior level	高級人員	62.18	31.49
Middle level	中級人員	79.69	59.47
General staff	一般職級僱員	38.12	40.51

每名僱員完成培訓的平均時數

於二零二三年，僱員完成培訓總時數為30,158.20小時（二零二二年：29,160.20小時）。截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務按性別及僱員類別劃分的每名僱員完成受訓的平均時數如下：

LABOUR STANDARDS

We have formulated a comprehensive set of human resources policies, including but not limited to stipulating rules on recruitment, and a strict recruitment policy to prevent employment of child and forced labour.

Management Systems for Recruitment

We ensure that applicants and employees are treated equally in respect of recruitment, assignment, development, evaluation and reward. The Group has taken all practical measures to ensure that applicant is lawfully employable subject to the relevant laws and regulations in Hong Kong and Mainland China and request new employee truthfully fill in their personal information in the personal data form, and provide identification documents and/or working visa (if any) to Human Resources and Administration Department in a fair and equitable manner and also under legitimate procedures. The procedures include but not limited to verification of identity to prevent the Group from employing illegal workers.

Prevention of Child Labour and Forced Labour

In accordance with the Provisions on Prohibition of Child Labour of the PRC and the Law of the PRC on the Protection of Minors, the Group prohibits to recruit persons under the age of 16 and forced labour. In 2023, the Group was not aware of any breach of or non-compliance with applicable laws and regulations in relation to child labour and forced labour.

勞工準則

本集團制定了一套全面的人力資源政策，包括但不限於招聘規則，並制定了嚴格的招聘政策，以防止聘用童工及強制勞工。

招聘管理系統

我們確保求職者和僱員均在招聘、工作分配、發展、評估和獎勵各方面受到平等對待。本集團根據香港及中國內地相關法律及規例採取所有切實可行的措施，確保求職者為合法受僱，並按公平及公正的方式及合法的程序，要求新入職僱員填寫真實的個人資料在個人資料表格上，以及提供身份證明文件及／或工作簽證（如有）予人力資源及行政部。該等程序包括但不限於核實身份以防止本集團招聘非法勞工。

嚴禁強制勞工及童工

根據中國《禁止使用童工規定》及《中國未成年人保護法》，本集團禁止招聘十六歲以下的人士及強制勞工。於二零二三年，本集團並不知悉任何違反或不遵守任何關於童工及強制勞工適用的法律及規例。

SUPPLY CHAIN MANAGEMENT

The Group maintains good and long-term business relationship with suppliers and conveys our concern on environmental issues to them to guarantee better procurement and suit our production requirement, as well as cooperating with us to fulfill our social responsibilities. We aim to choose suitable suppliers with high quality raw materials and good services, and we are committed to deliver fine quality injection molding machines, and extrusion lines, rubber injection molding machines and hydraulic press to our customers. Both IMM Business and Extrusion Machine Business have implemented a series of procedures on supplier management, which manage the verification of suppliers and purchased products. An evaluation procedure is in place for the selection of new suppliers and regular rating on those existing suppliers, to strictly monitor the quality of raw materials, such as castings and steel, and to ensure the suppliers and supplies quality fit our production requirement. We rate supplier's qualification based on a number of factors, including price, quality, convenience in transportation, reputation, financial condition, philosophy of environmental protection and social responsibility, etc. to select suppliers. Besides, we mainly procure locally or in nearby places rather than overseas so as to reduce carbon emissions from transport and the risk of delay in shipment.

Moreover, we constantly evaluate the performance of the existing suppliers based on quality, on-time delivery, price, service, etc.. All approved suppliers are incorporated into our qualified supplier list. If any unsatisfactory practices are identified, we will communicate with those suppliers and encourage them to improve their practices. Unqualified suppliers will be excluded from our qualified supplier list to ensure the quality of products and services provided by the suppliers up to our requirements and standards.

Number of Suppliers by Geographical Region

The number of suppliers by geographical region for Hong Kong Headquarters, IMM Business and Extrusion Machine Business for the years ended 31 December 2023 and 2022 is as follows:

<i>Unit: Amount</i> 單位：數目		2023	2022
Hong Kong	香港	45	46
Mainland China	中國內地	501	503
Total	總數	546	549

供應鏈管理

本集團一直與供應商保持良好和長久業務關係，並向他們傳達環保事宜及期望，以確保更穩定的採購及符合我們的生產要求，同時配合我們履行社會責任。我們的目標是挑選可提供優質原材料和良好服務之合適供應商，並致力為客戶提供優質的注塑機，以及擠出機、橡膠注射成型機及油壓機。注塑機業務及擠出機業務已實施一系列供應商管理程序，對供應商和採購產品的核查進行管理，並設有評審程序以選擇新的供應商和定時對該等現有供應商審查評分，以嚴格監控原材料（如鑄件和鋼材）的品質，確保供應商和供貨質量符合我們的生產要求。我們根據價格、質量、運輸便利性、信譽、財務狀況、環保理念及社會責任等多個因素對供應商的資質進行評級，以選擇供應商。另外，我們主要在本地或鄰近地區而非海外採購，以減少因運輸產生的碳排放和降低運輸延誤的風險。

此外，我們根據質量、交貨期、價格、服務等持續評估現有供應商的表現。所有合格的供應商會納入我們合資格的供應商名單。如發現供應商的行為未如理想，我們會與供應商密切溝通，鼓勵供應商採取措施進行改善。不合格的供應商將被排除在我們合資格的供應商名單之外，以確保供應商所提供的產品及服務質量水平達到我們的要求和標準。

按地區劃分的供應商數目

截至二零二三年及二零二二年十二月三十一日止年度，香港總部、注塑機業務及擠出機業務按地區劃分的供應商數目如下：

PRODUCT RESPONSIBILITY

The Group pays utmost importance to the provision of products with high quality and safety standard to its customers, aiming to maintain our “Welltec” and “Dekuma” brands recognition in injection molding machines, and extrusion lines, rubber injection molding machines and hydraulic press industries. We monitor the quality of different specifications of the products constantly to ensure that customers are pleased with our products and obtain their long-term support and trust and thus raise the profitability of the Group. To maintain the customers’ confidence in our product quality, the Group provides after-sale services to its customers.

In 2022, a renewal QMS Certificate of Registration was issued to Dekuma by Vouching Technical Inspection Ltd., a commercial services company specializing in third-party certification business, providing quality management systems certification to domestic and international clients, which will be valid until 28 November 2025. In 2021, the QMS Certificates of Registration were issued to Donghua Machinery and Jiangsu Machinery by Vouching Technical Inspection Ltd. and Beijing ZhongDaHuaYuan Certification Center (a third-party certification body with an independent legal status which is authorised by Certification and Accreditation Administration of the PRC (CNCA) and accredited by China National Accreditation Service for Conformity Assessment (CNAS) and ANSI National Accreditation Board (ANAB)), which will be valid until 16 December 2024 and 14 July 2024 respectively. These certificates are intended to build up or enforce the confidence of customers towards product quality control, in particular for the design, development and production of injection molding machines, extrusion lines, rubber injection molding machines and hydraulic presses.

For IMM Business, it has customers’ complaint procedures and customer complaint form for customers to make complaints. When customer complaints are received, customer service department will first communicate with our customer and arrange technical personnel to visit customer’s site for inspection. Then, we will fine tune the products to suit the requirements of customers (if necessary). Any corrective actions will then be recorded and continued to follow up. All products must be carefully tested and inspected by relevant departments before delivery to customers. Unqualified or defective products will be repaired or scrapped, and shall not be shipped to customers, and relevant departments will make analysis and take corrective actions. In addition, customers’ satisfaction surveys are conducted every year to collect comments from customers about our quality of products, efficiency on delivery and after-sale service. In 2023, IMM Business received twenty-three products and service related complaint.

產品責任

本集團高度重視為客戶提供優質及高安全性的產品，以保持「東華機械」和「德科摩」品牌在注塑機和擠出機、橡膠注射成型機及油壓機行業中的知名度和美譽。我們持續監控不同規格的產品質量，以確保客戶滿意我們的產品，並獲得他們的長期支持和信任，從而提高本集團的盈利能力。為了保持客戶對我們產品質量的信心，本集團為客戶提供售後服務。

於二零二二年，華信技術檢驗有限公司（一間專門從事第三方認證業務及為國內和國際客戶提供品質管理體系認證的商業服務公司）續發質量管理體系認證證書予德科摩，有效期至二零二五年十一月二十八日。於二零二一年，由華信技術檢驗有限公司和北京中大華遠認證中心（一間經中國國家認證認可監督管理委員會（CNCA）批准和中國合格評定國家認可委員會（CNAS）和美國國家標準學會國家認可委員會（ANAB）認可的具有獨立法人資格的權威協力廠商認證機構）分別頒授質量管理體系認證證書予東華機械和江蘇機械，有效期至二零二四年十二月十六日及二零二四年七月十四日。這些證書旨在建立或加強客戶對產品質量控制的信心，特別是注塑機、擠出機、橡膠注射成型機及油壓機的設計、開發和生產。

注塑機業務制定了客戶投訴處理程序及客戶投訴表格供客戶進行投訴。收到客戶投訴後，客戶服務部會先與客戶溝通，並安排技術人員拜訪客戶以進行檢查。然後，我們將對產品進行微調以符合客戶的要求（如需要）。任何糾正行動將會被記錄並繼續跟進。所有產品須經過相關部門仔細試驗及檢查才交付給客戶，不合格品或瑕疵品會進行返修或報廢處理，不得交付給客戶，而有關部門亦會進行分析及採取糾正措施。此外，我們每年會進行客戶滿意度調查，收集客戶對我們的產品質量、交付效率和售後服務的意見。於二零二三年，注塑機業務接獲二十三宗關於產品及服務的投訴。

For Extrusion Machine Business, it has pre-product quality control procedures and a compliant channel for customer to make complaint. All products must be inspected and approved by the relevant departments before shipment to customers. If a complaint about quality of product is received, relevant department will conduct an investigation. Follow up actions and feedback on the status will be reported to the customer to ensure that the complaints are effectively handled. In 2023, Extrusion Machine Business received one products and service related complaint.

In addition, both IMM Business and Extrusion Machine Business provide customers with a comprehensive after-sales service for the products, including repair, replacement and return within the warranty period of the machinery. We offer parts and materials for repair and maintenance at reasonable price to improve the maintainability of our products. Meanwhile, we reserve spare parts for products that have been suspended for sale to better meet the repair needs of our customers.

We attach great importance to the cultivation of employees' awareness on quality. In 2023, we conducted quality training courses to help them understand the Company's core values in quality and improve their quality awareness and quality capability.

In 2023, there were no products of the Group sold or shipped subject to recalls for safety and health reasons.

We recognise the importance of intellectual property rights protection. Intellectual properties are the critical assets of the Group, so we put effort to safeguard their rights and interests. We sign confidentiality agreements with our customers and adhere to our stringent policies to protect customers' information from unauthorized access, usage and leakage and maintain their data properly. When we develop a new product or technology, we will register a patent from the local or relevant intellectual property administration to protect our rights and interests. Meanwhile, we stand firm to withhold consistently our rights against counterfeiting, abuse and piracy of our trademarks in order to protect our brands and trademarks from infringement.

In 2023, the Group has complied with the relevant laws and regulations that have any significant impact on the Group relating to health and safety, advertising, labelling and privacy matters of our products and services.

擠出機業務設有產品前期質量監控程序和投訴渠道予客戶作出投訴。所有產品必須先經相關部門檢驗及批准後，才能向客戶發貨。如接獲涉及產品質量的投訴，相關部門將進行調查和跟進，並向客戶反饋處理情況，確保客戶投訴得到有效處理。於二零二三年，擠出機業務接獲一宗關於產品及服務的投訴。

此外，注塑機業務和擠出機業務均向客戶提供完善的產品售後服務，包括機械保修期內的維修、更換及退貨。我們以合理的價格穩定供應用於維修的零部件和材料，以提高產品的可維修性。同時，我們也儲備了已停售產品的零部件，以更好滿足客戶的維修需求。

我們高度重視培養僱員對質量的意識。於二零二三年，我們開展了質量課程培訓以幫助他們瞭解公司在質量方面的核心價值觀，提高他們質量意識和質量專業能力。

於二零二三年，本集團並無因安全與健康理由而須回收的已售或已運送產品。

我們深明保護知識產權的重要性，知識產權是本集團的重要資產，因此我們努力保護知識產權的權益。我們與客戶簽訂保密協議及堅持執行嚴格的政策，以保護客戶的資料免受未經授權的存取、使用和洩漏，並妥善保存其資料。當我們研發新產品或新技術時，我們會向營運當地或相關知識產權部門申請專利註冊，以保障自身權益。同時，我們持續並堅持打擊品牌權益被冒用、濫用和盜用的維權活動，以防止發生侵犯公司品牌和商標的行為。

於二零二三年，有關我們的產品及服務在健康與安全、廣告、標籤及私隱方面，本集團已遵守對本集團構成重大影響的相關法律與規例。

ANTI-CORRUPTION

Ethics and Integrity

We are committed to maintaining high ethical standards and integrity in our business and operations. The Group strictly regulates the behaviour of employees, and requires all employees to obey national and local laws and regulations on preventing bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and Anti-money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) in Hong Kong, the anti-corruption laws of the PRC, the Law of the PRC Against Unfair Competition and Interim Regulations on Prohibiting Commercial Bribery.

We have formulated anti-corruption and bribery policy and whistleblowing policy, which are applicable to the Directors, senior management and employees at all levels of the Group, and as appropriate, the third parties doing business with the Group, including but not limited to shareholders, customers, suppliers, etc. and have been published on the Company's website. All new-joiners receive training on anti-corruption on their orientation and must declare in compliance with both policies.

In 2023, Independent Commission Against Corruption, by invitation, provided an anti-corruption training, which the theme was "Ethics at Work", for our employees at the office of Hong Kong Headquarters. Given that most of the Directors have already undertaken such training and thus, have a good understanding of relevant matters, no such training was offered to them. We will arrange such training again as and when appropriate to ensure Directors and employees are cautious of the topic.

Whistleblowing Mechanism

The Group has zero tolerance for corruption or bribery in our operations. We have put in place preventative measures on whistleblowing policy among the Company and all our subsidiaries. This policy provides procedures to whistleblowers who have concerns about any form of suspect misconduct or malpractice identified across our operations. Various reporting channels are provided to employees who are allowed to submit information anonymously. Following a report, the investigation process will start and the Company will prepare an investigation report and then submit to the audit committee of the Company (the "Audit Committee") upon completion of the investigation. The Audit Committee is responsible for monitoring and reviewing the implementation of the whistleblowing policy and providing any recommendations attributable from the investigation of complaints.

反貪污

道德及誠信

我們致力在業務營運中秉持崇高的道德標準及誠信原則。本集團嚴格規範僱員的行為，要求所有僱員必須遵守國家及地方有關防止賄賂、勒索、欺詐及洗錢等方面的法律及規例，包括但不限於《防止賄賂條例》(香港法例第201章)和《打擊洗錢及恐怖分子資金籌集條例》(香港法例第615章)、中國的反貪腐法律、《中國反不正當競爭法》及《關於禁止商業賄賂行為的暫行規定》。

我們已制定反貪污及賄賂政策和舉報政策，適用於董事、本集團高級管理人員及各級的僱員及(如適用)與本集團有往來的第三方，包括但不限於股東、客戶、供應商等，並已刊登在本公司網站。所有新入職僱員須接受反貪污培訓及承諾遵守該等政策。

於二零二三年，香港廉政公署應邀到香港總部辦事處進行了主題為「員工誠信」的反貪污培訓。由於大部份董事曾經接受過此類培訓，並對相關事宜有充分了解，因此今年並未為他們舉行有關培訓。我們將適時再舉辦反貪污培訓，以確保董事及僱員對此議題保持警惕。

舉報機制

本集團絕對不會容忍旗下任何業務出現貪污舞弊。我們在舉報政策的框架下，於本公司和所有附屬公司推行防範措施。這項政策協助舉報人向我們通報本集團旗下業務中任何形式的可疑不當或瀆職行為。僱員可通過多種渠道且能匿名提交資料。接獲舉報後，調查過程將會展開，且將於完成後向本公司審核委員會(「審核委員會」)提供調查報告。審核委員會負責監管和審查有關舉報政策的實施情況，並對投訴的調查提供任何建議。

In 2023, the Group has complied with relevant laws and regulations with significant impact relating to bribery, extortion, fraud and money laundering, and was not informed of any litigation of corruption involving the Group or its employees, or the involvement in or occurrence of any violations related to corruption.

COMMUNITY INVESTMENT

Supporting our Local Community

The Group actively promotes and engages in community activities, aiming to contribute to a cohesive community. We encourage employees to participate in volunteer work in the community. Our staff volunteer team has participated in charitable events from time to time and gathered donations and supplies for people in need.

In 2023, Hong Kong Headquarters participated “Walk in Inclusion Green Market cum Charity Walkathon” organized by Fu Hong Society to raise funds for intellectual disability, ex-mentally ill and autistic persons. In addition to participating in charity walkathon fundraising activity, we also made monetary donations to support this meaningful activity.

Furthermore, Hong Kong Headquarters also participated in the “2023 Territory-wide Flag Day” organized by the “Principal Chan Free Tutorial World”, a non-profit charity organisation founded by Principal Chan on 17 June 2023. The proceeds of flag day were used to support free tutorial services for under-privileged students. Our colleagues from various departments enthusiastically participated in the flag-selling activities and jointly contribute to a better society.

In addition, we are part of our local community and contribute positively to the local communities we belong to. Hong Kong Headquarters donated some food and protective materials such as canned goods, spaghetti and face masks to Feeding Hong Kong, a non-profit making organisation to re-distribute those foods and protective materials for people in need.

In 2023, Donghua Machinery and Dekuma held a blood donation event called “Donate Blood, Let Cosmos’s Love Flow” to encourage employees to develop a good habit of donating blood. More than thirty donors responded enthusiastically to this blood donation event, raising a total of 9,800 ml of blood to patients in need at Dongguan City.

於二零二三年，本集團已遵守在賄賂、勒索、欺詐及洗錢方面具有重大影響的相關法律及規例，以及並無接獲任何指控本集團或其僱員貪污的訴訟案件，亦無涉及或發現任何與貪污相關的違規事件。

社區投資

支持本土社區

本集團熱心推廣及參與社區活動，推動社群關懷互愛的文化。我們鼓勵僱員在社區參與義務工作，而我們的僱員義工隊不時參與各類慈善活動，並為有需要的人士籌募善款和物資。

於二零二三年，香港總部參加了由扶康會舉辦的樂建共融「Walk·In」綠色市集暨步行籌款，我們的同事身體力行，為智障康復者、精神病康復者及自閉人士籌募經費，除了參與步行籌款外，我們亦透過捐款支持這項富有意義的活動。

另外，香港總部還參與了由陳校長創立的非牟利慈善機構－「陳校長免費補習天地」（補天）於二零二三年六月十七日舉辦的「補天全港賣旗日2023」，賣旗所籌得的善款用於為基層學生免費補習服務籌款，各部門的同事踴躍參與賣旗活動，共同為社會出一分力。

此外，我們身為社區一份子，應為社會做出積極貢獻。香港總部向一間非牟利機構樂餉社捐贈了罐頭食品、意粉和口罩等食物及防疫用品，把捐贈物資轉贈給有需要的人士。

於二零二三年，東華機械和德科摩一起舉辦了「愛心獻血·情緣大同」捐血活動，鼓勵員工養成捐血的好習慣，此次捐血活動有超過三十人踴躍響應，共募集了9,800毫升血液，為東莞市患者提供急需的血液庫存。

Caring for the Environment

Promoting internal environmental awareness is important to achieve an overall reduction of our carbon footprint. We actively promote environmental awareness among our employees through various communication channels, as well as encouraging them to participate in green activities. The Company participated in the annual Energy Saving Charter co-organized by the EPD and EMSD for three consecutive years. In 2023, the Company has also been awarded the Hong Kong Green Organisation Certification – “Energywi\$e Certificate” and “Wastewi\$e Certificate” organized by the Environmental Campaign Committee in recognition of the Company’s contribution and commitment to energy conservation and waste reduction.

愛護環境

提高內部環境意識對於實現全面減少我們的碳足跡的目標至關重要。我們積極透過各種溝通渠道向僱員推廣環保意識，並鼓勵僱員參與環保活動。本公司連續三年參加由環保署和機電署每年合辦的節能約章。於二零二三年，本公司也榮獲由環境運動委員會頒授香港綠色機構認證—「節能證書」及「減廢證書」，以表揚本公司在節能及減廢方面所作出的貢獻及承諾。



We share energy saving tips with our employees by emails to encourage behavioural change from time to time. We collect used envelopes, folders, papers, packaging materials and eco-friendly reusable bags at the office for reuse. Furthermore, we place several recycling bins at the office to highly encourage our employees and their families to adopt waste reduction and recycling practices to alleviate the burden on landfills. The Company signed up for "Re-think Plastic: Volunteer anytime anywhere to help solve excessive waste issue" to make commitments to drop off our recyclables such as paper, metals, plastics, glass bottles, certain electrical equipment, rechargeable batteries to the recycling stores run by the EPD. Furthermore, we also disposed of waste electrical and electronic equipment to GREEN@COMMUNITY for recycling.

In addition to celebrating festive seasons with our employees, we also put sustainability effort in different festivals. The Company participated in the Lai See Recycling Campaign organized by Greeners Action at every Chinese New Year and placed a box at office to collect used Lai See. During the Mid-Autumn Festival, the Company also collected mooncake boxes and sent to GREEN@COMMUNITY for recycling. Through these campaign, we were able to minimize our impact on the environment, as well as raise our employees' awareness of the importance of waste reduction.

我們不時通過電郵與僱員分享節能提示，鼓勵他們改變習慣。我們在辦公室收集舊信封、文件夾、紙張、包裝物料及環保袋，供循環再用。此外，我們在辦公室擺放回收箱，積極鼓勵僱員和其家庭養成減廢回收的習慣，從而減少堆填區的負擔。本公司簽署了「Re-think Plastic：自發參與廢物回收計劃」，承諾把紙張、金屬、塑料、玻璃樽、若干電器設備、充電電池等可回收物送到由環保署運營的回收便利點。另外，我們亦有把廢電器及電子產品送到綠在區區回收。

我們除與僱員一起慶祝節日外，亦會於不同節日期間推行可持續環保活動。在每年農曆新年期間，本公司都會參加由綠領行動舉辦的利是封回收重用大行動，在辦公室設置一個回收箱收集用過的利是封。在中秋節時，本公司亦會收集月餅盒，並送往綠在區區回收。透過這些活動，我們能夠減少對環境的影響，並提高僱員對減少廢物重要性的意識。



Caring for the Elderly

Apart from implementing green office initiatives, the Company has also contributed love and care to the communities by engaging in charitable activities.

Hong Kong headquarters participated in a volunteer activity "Eating with Health and Joy 2023" co-organized by Hong Kong Trade Development Council and Promoting Happiness Index Foundation on 19 August 2023. Our staff volunteer team went to Food Expo with the elderly to buy healthy food, participated in nutrition seminar held by the Department of Health and had a healthy lunch with them.

關懷長者

除了落實辦公室綠色措施外，本公司還通過參與慈善活動為我們的社區貢獻愛心與關懷。

香港總部於二零二三年八月十九日參與了一個由香港貿易發展局與香港提升快樂指數基金合辦「健康美食樂滿Fun 2023」義工活動，僱員義工隊陪同長者到美食博覽購買健康食品，並一起參與衛生署營養講座，以及享用健康午餐。



ESG REPORTING GUIDE CONTENT INDEX TABLE

《環境、社會及管治報告指引》內容索引表

General Disclosures and KPIs 一般披露及 關鍵績效指標	Description 說明	Page(s) 頁次
Subject Area A – Environmental 主要範疇A – 環境		
Aspect A1: Emissions 層面A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	73-75
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	76
KPI A1.2 關鍵績效指標 A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 直接（範圍1）及能源間接（範圍2）溫室氣體排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	77-78
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	80
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。	81
KPI A1.5 關鍵績效指標 A1.5	Description of emissions target(s) set and steps taken to achieve them. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。	74, 79
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。	75, 82

General Disclosures and KPIs		
一般披露及 關鍵績效指標	Description 說明	Page(s) 頁次
Aspect A2: Use of Resources		
層面 A2 : 資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源 (包括能源、水及其他原材料) 的政策。	82
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及/或間接能源 (如電、氣或油) 總耗量 (以千個千瓦時計算) 及密度 (如以每產量單位、每項設施計算)。	83
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度 (如以每產量單位、每項設施計算)。	84
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。	79
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 描述求取適用水源上可有任何問題, 以及所訂立的用水效益目標及為達到這些目標所採取的步驟。	75, 79
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量 (以噸計算) 及 (如適用) 每生產單位估量。	85
Aspect A3: The Environment and Natural Resources		
層面 A3 : 環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuer's significant impacts on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策。	86-87
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	86-87

General Disclosures and KPIs 一般披露及關鍵績效指標		
	Description 說明	Page(s) 頁次
Aspect A4: Climate Change 層面A4：氣候變化		
General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	74
KPI A4.1 關鍵績效指標A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。	74
Subject Area B – Social 主要範疇B – 社會		
Employment and Labour Practices 僱傭及勞工常規		
Aspect B1: Employment 層面B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	87-90
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. 按性別、僱傭類型（如全職或兼職）、年齡組別及地區劃分的僱員總數。	91
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	91

General Disclosures and KPIs		
一般披露及 關鍵績效指標	Description 說明	Page(s) 頁次
Aspect B2: Health and Safety		
層面 B2：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	92-94
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去三年（包括匯報年度）每年因工亡故的人數及比率。	94
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	94
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	92-94
Aspect B3: Development and Training		
層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	94
KPI B3.1 關鍵績效指標 B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層）劃分的受訓僱員百分比。	95
KPI B3.2 關鍵績效指標 B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	95

General Disclosures and KPIs 一般披露及關鍵績效指標		
	Description 說明	Page(s) 頁次
Aspect B4: Labour Standards 層面 B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	96
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	96
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	96
Operating Practices 營運慣例		
Aspect B5: Supply Chain Management 層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	97
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	97
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。	97
KPI B5.3 關鍵績效指標 B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	97
KPI B5.4 關鍵績效指標 B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	97

General Disclosures and KPIs		
一般披露及 關鍵績效指標	Description 說明	Page(s) 頁次
Aspect B6: Product Responsibility		
層面 B6 : 產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	98-99
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	99
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	98-99
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	99
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	98-99
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	99

General Disclosures and KPIs 一般披露及關鍵績效指標		
	Description 說明	Page(s) 頁次
Aspect B7: Anti-corruption 層面 B7：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	100-101
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	101
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	100
KPI B7.3 關鍵績效指標 B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	100
Community 社區		
Aspect B8: Community Investment 層面 B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	101-104
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇（如教育、環境事宜、勞工需求、健康、文化、體育）。	101-104
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源（如金錢或時間）。	101-104

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TING HO KWAN & CHAN CERTIFIED PUBLIC ACCOUNTANTS (PRACTISING)

9th Floor, Tung Ning Building
249-253 Des Voeux Road Central
Hong Kong

TO THE MEMBERS OF COSMOS MACHINERY ENTERPRISES LIMITED

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Cosmos Machinery Enterprises Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 121 to 248, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Companies Ordinance.

BASIS FOR OPINION

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



致大同機械企業有限公司股東

(於香港註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第121至248頁大同機械企業有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表。此財務報表包括於二零二三年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括重要會計政策資料及其他說明資料)。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「《香港財務報告準則》」)真實而公平地反映貴集團於二零二三年十二月三十一日的綜合財務狀況及截至該日止年度貴集團的綜合財務表現及其綜合現金流，並已遵照《公司條例》妥為編製。

意見基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表的責任」部份中作進一步闡述。根據香港會計師公會的《專業會計師道德守則》(「守則」)，我們獨立於貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證足夠及能適當地為我們的意見提供基礎。

KEY AUDIT MATTERS

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在我們審計整體綜合財務報表及出具意見時進行處理的，以及我們不會對該等事項提供單獨的意見。

Key Audit Matter 關鍵審計事項

How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項

Impairment of goodwill

Refer to note 18 to the Group's consolidated financial statements.
請參閱 貴集團綜合財務報表附註18。

As at 31 December 2023, the net carrying amount of the Group's goodwill amounted to HK\$3,896,000 relating to the acquisition of KFE Hong Kong Co., Limited in 2013 which is a subsidiary of the Company and engaged in trading of printed circuit boards.
於二零二三年十二月三十一日，貴集團就於二零一三年收購協榮二葉科技香港有限公司（一間貴公司的附屬公司及從事印刷線路板貿易），產生商譽賬面淨值金額為3,896,000港元。

As further disclosed in notes 2(6) and 18 to the consolidated financial statements, determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units ("CGU") to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU by considering the budgeted sales and gross margin which are based on past performance and management's expectations for the future change in the market and taking into account a suitable discount rate in order to calculate its present value. Key assumptions for the value in use calculation are future cash flow forecast, growth rate and discount rate, where small changes of them can result in a significant change in the value in use.

誠如綜合財務報表附註2(6)及18進一步披露，釐定商譽是否減值需對獲分配商譽的現金產生單位使用價值的估計而作出。計算使用價值時，貴集團須考慮基於過往表現及管理層對市場未來變化的預期來預測的預算銷售及毛利率，從而估計預期自現金產生單位產生的未來現金流及釐定合適的貼現率以計算現值。計算使用價值的主要假設為未來現金流預測、增長率及貼現率，若該等項目出現小變動，可對使用價值構成重大變動。

商譽減值

Our procedures in relation to management's impairment assessment included:
我們就管理層之減值評估之程序包括：

- Obtaining the cash flow forecast prepared by management, reviewing and discussing with management on the major assumptions adopted in the cash flow forecast for the CGU and checking arithmetic accuracy of the forecast calculation;
取得管理層編製的現金流預測，與管理層審閱及討論有關現金流預測就現金產生單位採用的主要假設，並檢查計算預測的運算是否準確；
- Comparing the growth rate, budgeted sales and gross margin to historical results and reference to the market information to determine their reasonableness;
將增長率、預算銷售及毛利率與過往業績作比較並參考市場信息，以確定假設是否合理；
- Assessing the discount rate used by management in the cash flow forecast by benchmarking against the required rate of return adjusted for industrial specific factors;
以行業特定因素調整的所需回報率為基準，對管理層於現金流預測中所用的貼現率作出評估；

Key Audit Matter**關鍵審計事項****Impairment of goodwill** *(Continued)*

Based on the management's assessment, impairment loss on goodwill of approximately HK\$29,100,000 was recognized in profit or loss for the year ended 31 December 2023.

根據管理層之評估，截至二零二三年十二月三十一日止年度，商譽減值虧損約29,100,000港元於損益中確認。

The impairment assessment involves significant judgments made by management and therefore is identified as a key audit matter.

減值評估涉及管理層作出的重大判斷，因此被識別為關鍵審計事項。

How our audit addressed the key audit matter**我們的審計如何處理關鍵審計事項****商譽減值 (續)**

- Reviewing the sensitivity analysis prepared by management on the significant assumptions including the growth rate and the discount rate to evaluate the extent of impact of these assumptions on the cash flow forecast; 審閱管理層就重大假設(包括增長率及貼現率)編製的敏感度分析，以評估該等假設對現金流預測的影響程度；
- Evaluating the accuracy of historical cash flow forecasts prepared by the management by comparing the historical cash flow forecasts with the actual performance; and 透過將歷史現金流預測與實際表現進行比較，以評估由管理層準備的歷史現金流預測的準確性；及
- Evaluating the sufficiency of the disclosure of impairment assessment by management in the consolidated financial statements. 評估管理層在綜合財務報表中減值評估之披露的充分性。

Key Audit Matter
關鍵審計事項

Valuation of inventories

Refer to note 23 to the Group's consolidated financial statements.

請參閱 貴集團綜合財務報表附註23。

As at 31 December 2023, the Group has inventories of approximately HK\$418,825,000 which are carried at the lower of cost and net realisable value ("NRV"). The Group carried out an inventory review at the end of the reporting period and made necessary allowance for obsolete and slow moving items so as to write off or write-down inventories to their NRV after considering the ageing analysis of inventories, historical sales patterns, post year-end sales and selling prices of inventories, market demand, technological changes, and the Group's future plan of sale.

於二零二三年十二月三十一日，貴集團的存貨約為418,825,000港元，乃按成本與可變現淨值（「可變現淨值」）中較低者列賬。貴集團於報告期末進行了存貨審查，並對陳舊和滯銷的物品計提了必要的撥備，以便在考慮存貨的賬齡分析、過往銷售記錄、年末後存貨銷售情況及售價、市場需求、技術變更，以及貴集團未來的銷售計劃後，將存貨撇銷或撇減至其可變現淨值。

The Group has written-down inventories of approximately HK\$3,376,000 to their NRV for the year ended 31 December 2023.

截至二零二三年十二月三十一日止年度，貴集團已撇減存貨約3,376,000港元至其可變現淨值。

We identified the valuation of inventories as a key audit matter due to the use of significant judgment and estimates in identifying obsolete and slow moving inventories and determining the NRV to assess the amount of allowance/write-down.

由於使用了重大判斷和估計來識別陳舊和滯銷的存貨並釐定其可變現淨值來評估撥備／撇減的金額，因此我們將存貨的估值識別為關鍵審計事項。

How our audit addressed the key audit matter
我們的審計如何處理關鍵審計事項

存貨估值

Our procedures in relation to management's assessment on inventory provision included:

我們就管理層之存貨撥備評估之程序包括：

- Inquiring and understanding from management the inventory provision policy of the Group;
向管理層查詢及了解 貴集團的存貨撥備政策；
- Assessing the reasonableness of the inventories allowance/write-down made by the Group by obtaining the aging analysis and slow-moving inventory lists from management and discussing with management on the basis of inventories allowance/write-down;
向管理層取得庫存賬齡分析及慢流存貨清單，並與管理層討論存貨撥備／撇減的基準，從而評估 貴集團所作出的存貨撥備／撇減是否合理；
- Performing testing on the inventory aging to assess the accuracy of the basic data used to determine the allowance/write-down and re-performing the allowance/write-down calculation to check arithmetic accuracy;
就存貨的庫存期進行測試，以評估用作判斷撥備／撇減的基本數據是否準確，並重新計算撥備／撇減以核實運算的準確性；
- Understanding from management the rationale for the specific adjustments and assessing the assumptions made where there are specific adjustments on the inventories allowance/write-down; and
向管理層了解特定調整的理據，評估就存貨撥備／撇減作出特定調整時所作出的假設；及
- Reviewing subsequent sales on the inventory samples selected to assess whether the inventories were able to be sold at prices above their carrying values.
審閱經選取的存貨樣本之後續銷售狀況，評估存貨是否可按高於其賬面值的價格售出。

Key Audit Matter**關鍵審計事項****Impairment of trade receivables**

Refer to note 24 to the Group's consolidated financial statements.

請參閱 貴集團綜合財務報表附註24。

As at 31 December 2023, after netting off with an aggregate impairment provision of approximately HK\$79,075,000, the net carrying amount of the Group's trade receivables was approximately HK\$460,212,000.

於二零二三年十二月三十一日，扣除累計減值撥備約79,075,000港元後，貴集團的貿易應收款項的賬面淨值約為460,212,000港元。

Management applied judgment in assessing the expected credit losses ("ECLs"). Receivables relating to customers with known financial difficulties or significant doubts on collection of receivables are assessed individually for allowance for impairment of bad and doubtful debts. ECLs are also estimated by grouping the remaining receivables based on shared credit risk characteristics and collectively assessed for likelihood of recovery, taking into account the nature of the customer and its ageing category, and applying ECLs rates to the respective gross carrying amounts of the receivables. The expected loss rates are based on historical observed default rates and are adjusted for forward-looking information that is reasonable and supportable available without undue costs or effort.

管理層於評估預期信貸虧損時運用判斷。與已知財務困難或收回應收款項嚴重存疑的客戶有關的應收款項單獨評估以計提虧損撥備。管理層亦透過根據共同信貸風險特徵對餘下應收款項進行分組估計預期信貸虧損，並共同評估收回的可能性，當中考慮客戶性質及其賬齡類別，並將預期信貸虧損率應用於應收款項各自的總賬面值中。預期虧損率乃基於債務人的過往觀察拖欠比率，並根據無需過多成本或努力而可獲取的合理及有據地對前瞻性資料進行調整。

Based on the management's assessment, allowance for impairment of bad and doubtful debts for trade receivables of approximately HK\$2,784,000 was recognized in profit or loss for the year ended 31 December 2023.

根據管理層之評估，截至二零二三年十二月三十一日止年度，呆壞賬減值撥備約2,784,000港元於損益中確認。

How our audit addressed the key audit matter**我們的審計如何處理關鍵審計事項****貿易應收款項減值**

Our procedures in relation to management's impairment assessment of trade receivables included:

我們就管理層之減值評估之程序包括：

- Obtaining an understanding of key process on how impairment is estimated by management;
理解管理層估計減值的關鍵過程；
- Assessing the measurement of ECLs of trade receivables by obtaining the understanding of approach adopted by the Group;
通過了解 貴集團所採用的方法，評估貿易應收款項的預期信貸虧損的計量；
- Testing the ageing analysis of trade receivables, on a sample basis, to the source documents;
核對來源文件，以抽樣方式測試貿易應收款項的賬齡分析；
- Reviewing the reasonableness of the use of ageing profile, historical settlement pattern, historical default rates and forward-looking information in the ECLs model;
審閱在預期信貸虧損模式中使用賬齡概要、過往付款模式、過往違約率 and 前瞻性資料的合理性；
- Checking the accuracy and the relevance of the input data used in the ECLs model; and
檢查預期信貸虧損模式中使用的輸入數據的準確性和相關性；及
- Testing the subsequent settlement of trade receivables by tracing to the related supporting documents including the bank receipts.
透過檢查了相關證明文件包括銀行收款回單以抽樣檢查貿易應收款項之財政年度末後現金收款情況。

Key Audit Matter
關鍵審計事項

How our audit addressed the key audit matter
我們的審計如何處理關鍵審計事項

Impairment of trade receivables (Continued)

We identified impairment of trade receivables as a key audit matter due to its significance to the consolidated financial statements and the use of judgment and estimates by the management of the Group in determining the allowance for credit losses.

我們將貿易應收款項減值識別為關鍵審計事項，由於其對綜合財務報表十分重要，以及貴集團管理層使用了判斷和估計來釐定貿易應收款項的信貸虧損撥備。

貿易應收款項減值(續)

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

載於年報的其他資料

貴公司董事負責其他資料。其他資料包括年報所載資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

審計綜合財務報表時，我們的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或我們於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事(「董事」)須負責根據香港會計師公會頒佈的《香港財務報告準則》及《公司條例》編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

The Directors are assisted by the audit committee of the Company ("Audit Committee") in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with Section 405 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

董事及審核委員會就綜合財務報表須承擔的責任(續)

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

貴公司審核委員會（「審核委員會」）協助董事履行負責監督貴集團財務報告過程的責任。

核數師就審計綜合財務報表的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

根據《香港審計準則》進行審核時，我們運用專業判斷，於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高；

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

(Continued)

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
 - conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
 - evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對 貴集團內部控制的有效程度發表意見；
 - 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理；
 - 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審計憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂我們的意見。我們的結論以截至核數師報告日期止所獲得的審計憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力；
 - 評估綜合財務報表（包括資料披露）的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項；及
 - 就 貴集團屬下實體或經營活動的財務資料取得足夠而恰當的審計憑證，以於綜合財務報表內發表意見。我們對 貴集團審計的指引、監察及落實負責。我們為審計意見承擔全部責任。

核數師就審計綜合財務報表的責任 (續)

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

(Continued)

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Mr. Chow Chi Tong.

TING HO KWAN & CHAN

Certified Public Accountants (practising)

Hong Kong, 27 March 2024

核數師就審計綜合財務報表的責任

(續)

我們與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現,包括我們於審計期間識別出內部監控的任何重大缺陷進行溝通。

我們亦向審核委員會提交聲明,說明我們已遵守有關獨立性的相關專業道德要求,並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項,以及為消除對獨立性的威脅所採取的行動或防範措施(若適用)。

我們從與審核委員會溝通的事項中,決定那些事項對本期綜合財務報表的審核工作最為重要,因而構成關鍵審計事項。除法律或規例不容許公開披露此等事項,或於極罕有的情況下,我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露,否則我們會於核數師報告中描述此等事項。

出具本獨立核數師報告的審計項目合夥人是周志堂先生。

丁何關陳會計師行

執業會計師

香港,二零二四年三月二十七日

CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

		Notes 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Revenue	收入	5	2,176,900	2,339,898
Cost of sales	銷售成本	23(b)	(1,807,235)	(1,967,594)
Gross profit	毛利		369,665	372,304
Other income, gain and loss, net	其他收入、收益及虧損淨額	6	18,017	23,161
Selling and distribution costs	分銷費用		(162,771)	(170,462)
Administrative expenses	行政費用		(191,068)	(195,245)
Impairment loss on goodwill	商譽減值虧損	18	(29,100)	–
Operating profit	經營溢利		4,743	29,758
Investment income	投資收入	7	11,452	11,404
Share of results of associates	應佔聯營公司業績		3,635	5,324
Gain on disposal of an associate	出售一間聯營公司之收益		412	–
Loss on disposal of subsidiaries	出售附屬公司之虧損	39	(46,151)	–
Finance costs	財務費用	8	(16,549)	(13,415)
(Loss)/profit before tax	除稅前(虧損)／溢利	9	(42,458)	33,071
Income tax expense	所得稅費用	11	(17,057)	(14,234)
(Loss)/profit for the year	年度(虧損)／溢利		(59,515)	18,837
(Loss)/profit attributable to:	應佔(虧損)／溢利:			
Equity shareholders of the Company	本公司股權持有人		(43,801)	24,414
Non-controlling interests	非控股權益		(15,714)	(5,577)
			(59,515)	18,837
(Loss)/earnings per share – Basic	每股(虧損)／盈利—基本	12	(5.08) HK cents 港仙	2.83 HK cents 港仙

The notes on pages 130 to 248 are an integral part of these consolidated financial statements.

第130至248頁之附註屬本綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Note 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss)/profit for the year	年度(虧損) / 溢利		(59,515)	18,837
Other comprehensive (expense)/ income for the year, net of tax:	年度其他全面(支出) / 收益, 扣除稅項:	13		
Items that have been reclassified or may be reclassified subsequently to profit or loss:	已重新分類或其後可重新 分類至損益之項目:			
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表 時產生之滙兌差額		(17,848)	(126,849)
Share of reserves of associates	應佔聯營公司儲備		(996)	(3,142)
Reclassification adjustments:	重新分類調整:			
Release of translation reserve upon disposal of an associate	出售一間聯營公司時 從滙兌儲備撥出		166	-
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時 從滙兌儲備撥出	39	8,568	-
Item that will not be reclassified to profit or loss: (Deficit)/surplus on revaluation of properties held for own use	不會重新分類至損益之 項目: 自用物業重估 (虧損) / 盈餘		(10,110)	(129,991)
			(4,464)	7,452
			(14,574)	(122,539)
Total comprehensive expense for the year	年度全面支出總額		(74,089)	(103,702)
Total comprehensive expense attributable to:	應佔全面支出總額:			
Equity shareholders of the Company	本公司股權持有人		(50,400)	(85,747)
Non-controlling interests	非控股權益		(23,689)	(17,955)
Total comprehensive expense for the year	年度全面支出總額		(74,089)	(103,702)

The notes on pages 130 to 248 are an integral part of these consolidated financial statements.

第130至248頁之附註屬本綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2023

於二零二三年十二月三十一日

		Notes 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	523,103	548,919
Right-of-use assets	使用權資產	17	41,286	72,171
Goodwill	商譽	18	3,896	32,996
Intangible assets	無形資產	19	–	922
Interests in associates	聯營公司權益	20	36,549	39,483
Finance lease receivables	應收融資租賃款項	21	13,625	15,011
Deferred tax assets	遞延稅項資產	22	22,048	22,998
Bank time deposit with maturity over one year	到期日為一年以上的 銀行定期存款	26(d)	–	1,120
			640,507	733,620
Current Assets	流動資產			
Inventories	存貨	23	418,825	450,811
Finance lease receivables	應收融資租賃款項	21	84,802	100,939
Trade and other receivables	貿易及其他應收款項	24	651,584	769,278
Other financial assets	其他金融資產	25	5,630	10,367
Current tax recoverable	本期可收回稅項		264	642
Cash and bank balances	現金及銀行結餘	26	660,468	559,793
			1,821,573	1,891,830
Current Liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	27	681,902	691,938
Contract liabilities	合約負債	27	72,446	94,147
Bank borrowings	銀行借款	28	234,598	225,127
Lease liabilities	租賃負債	29	4,182	15,701
Current tax payable	本期應付稅項		4,836	4,276
			997,964	1,031,189
Net Current Assets	流動資產淨值		823,609	860,641
Total Assets less Current Liabilities	資產總值減流動負債		1,464,116	1,594,261

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況表（續）

At 31 December 2023

於二零二三年十二月三十一日

		Notes 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Non-current Liabilities	非流動負債			
Bank borrowings	銀行借款	28	–	2,468
Lease liabilities	租賃負債	29	4,741	25,003
Deferred tax liabilities	遞延稅項負債	22	30,511	28,394
			35,252	55,865
Net Assets	資產淨值		1,428,864	1,538,396
Equity	權益			
Capital and reserves attributable to equity shareholders of the Company:	本公司股權持有人應佔資本及儲備：			
Share capital	股本	30	609,027	609,027
Reserves	儲備		662,695	713,095
			1,271,722	1,322,122
Non-controlling Interests	非控股權益		157,142	216,274
Total Equity	權益總值		1,428,864	1,538,396

The consolidated financial statements on pages 121 to 248 were approved and authorised for issue by the Board of Directors on 27 March 2024 and were signed on its behalf by:

第121至248頁之綜合財務報表於二零二四年三月二十七日獲董事會批准並授權刊發，並由下列董事代表簽署：

TANG TO
鄧燾
DIRECTOR
董事

TANG YU, FREEMAN
鄧愚
DIRECTOR
董事

The notes on pages 130 to 248 are an integral part of these consolidated financial statements.

第130至248頁之附註屬本綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司股權持有人應佔				Non-controlling interests	
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總值 HK\$'000 千港元
Balance at 1 January 2022	於二零二二年一月一日結餘	609,027	222,602	579,180	1,410,809	229,715	1,640,524
Profit for the year	年度溢利	-	-	24,414	24,414	(5,577)	18,837
Other comprehensive (expense)/income for the year:	年度其他全面(支出)/收益:						
Share of reserves of associates	應佔聯營公司儲備	-	(3,142)	-	(3,142)	-	(3,142)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	-	7,326	-	7,326	1,603	8,929
Deferred taxation adjustment	遞延稅項調整	-	(1,228)	-	(1,228)	(249)	(1,477)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時產生之滙兌差額	-	(113,117)	-	(113,117)	(13,732)	(126,849)
Total other comprehensive expense for the year	年度其他全面支出總額	-	(110,161)	-	(110,161)	(12,378)	(122,539)
Total comprehensive (expense)/income for the year	年度全面(支出)/收益總額	-	(110,161)	24,414	(85,747)	(17,955)	(103,702)
Dividend paid to the non-controlling shareholders of a subsidiary	已付一間附屬公司非控股股東股息	-	-	-	-	(854)	(854)
Deemed disposal of interest in a subsidiary without loss of control	視作出售一間附屬公司權益而無失去控制權	-	(2,940)	-	(2,940)	5,368	2,428
Balance at 31 December 2022	於二零二二年十二月三十一日結餘	609,027	109,501	603,594	1,322,122	216,274	1,538,396

Details of other reserves of the Group during the year are set out in note 31 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註31內。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

綜合權益變動表 (續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Attributable to equity shareholders of the Company 本公司股權持有人應佔				Non- controlling	Total equity
		Share capital 股本 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元	interests 非控股權益 HK\$'000 千港元	權益總值 HK\$'000 千港元
Balance at 1 January 2023	於二零二三年一月一日結餘	609,027	109,501	603,594	1,322,122	216,274	1,538,396
Loss for the year	年度虧損	-	-	(43,801)	(43,801)	(15,714)	(59,515)
Other comprehensive (expense)/income for the year:	年度其他全面(支出)/收益:						
Share of reserves of associates	應佔聯營公司儲備	-	(996)	-	(996)	-	(996)
(Deficit)/surplus on revaluation of properties held for own use	自用物業重估(虧損)/盈餘	-	2,029	-	2,029	(6,554)	(4,525)
Deferred taxation adjustment	遞延稅項調整	-	(926)	-	(926)	987	61
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時 產生之滙兌差額	-	(15,440)	-	(15,440)	(2,408)	(17,848)
Release of translation reserve upon disposal of an associate	出售一間聯營公司時從 滙兌儲備撥出	-	166	-	166	-	166
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時從 滙兌儲備撥出	-	8,568	-	8,568	-	8,568
Total other comprehensive expense for the year	年度其他全面支出總額	-	(6,599)	-	(6,599)	(7,975)	(14,574)
Total comprehensive expense for the year	年度全面支出總額	-	(6,599)	(43,801)	(50,400)	(23,689)	(74,089)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	(35,009)	(35,009)
Dividend paid to the non-controlling shareholders of a subsidiary	已付一間附屬公司非控股 股東股息	-	-	-	-	(439)	(439)
Capital contribution from non-controlling shareholders of a subsidiary	一間附屬公司非控股股東出資	-	-	-	-	5	5
Balance at 31 December 2023	於二零二三年十二月三十一日 結餘	609,027	102,902	559,793	1,271,722	157,142	1,428,864

Details of other reserves of the Group during the year are set out in note 31 to the consolidated financial statements.

本集團於本年度之其他儲備變動詳情載於綜合財務報表附註31內。

The notes on pages 130 to 248 are an integral part of these consolidated financial statements.

第130至248頁之附註屬本綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動			
(Loss)/profit before tax	除稅前(虧損)/溢利		(42,458)	33,071
Adjustments for:	經下列各項調整:			
Bank and other interest income	銀行及其他利息收入	7	(9,057)	(2,085)
Finance costs	財務費用	8	16,549	13,415
Impairment loss on goodwill	商譽減值虧損	18	29,100	-
Realised and unrealised gain on other financial assets	其他金融資產之已變現及未變現收益	7	(2,395)	(9,319)
Gain on disposal of an associate	出售一間聯營公司之收益		(412)	-
Loss on disposal of subsidiaries	出售附屬公司之虧損	39	46,151	-
Share of results of associates	應佔聯營公司業績	20	(3,635)	(5,324)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9	52,702	59,698
Depreciation of right-of-use assets	使用權資產折舊	9	13,557	16,041
Amortisation of intangible assets	無形資產攤銷	9	922	1,383
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	6	1,736	(610)
Allowance/(reversal of allowance) for impairment of bad and doubtful debts, net	呆壞賬減值撥備/(回撥)淨額	9	13,656	(12,134)
Written down/(written back) of inventories, net	存貨減值撥備/(回撥)淨額	23(b)	3,376	(5,459)
Gain on modification of lease term	租賃條款修訂之收益		(470)	-

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Operating cash flows before changes in working capital	營運資金變動前之經營現金流	119,322	88,677
(Increase)/decrease in inventories	存貨（增加）／減少	(14,579)	54,317
Decrease in finance lease receivables	應收融資租賃款項減少	11,782	143,120
Decrease in trade and other receivables	貿易及其他應收款項減少	7,073	68,635
Increase/(decrease) in trade and other payables and contract liabilities	貿易及其他應付款項及合約負債增加／（減少）	54,761	(79,312)
Cash generated from operations	經營活動產生之現金	178,359	275,437
Hong Kong profits tax paid	已付香港利得稅	(1,474)	(3,418)
Overseas tax paid	已付海外稅款	(11,516)	(17,726)
The PRC withholding tax on dividends paid	已付中國股息預扣稅	(600)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營活動產生之現金淨額	164,769	254,293
INVESTING ACTIVITIES	投資活動		
Decrease/(increase) in pledged bank deposits	已抵押之銀行存款減少／（增加）	14,011	(17,887)
Purchase of property, plant and equipment	購買物業、廠房及設備	(70,831)	(32,541)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之款項	180	2,575
Interest received	已收利息	9,057	2,085
Net proceeds from disposal of other financial assets	出售其他金融資產之款項淨額	7,011	49,531
Dividend received from associates	收取聯營公司股息	2,814	1,772
Repayment from associates	聯營公司之還款	355	2,980
Decrease/(increase) in bank time deposits with maturity over three months	到期日超過三個月的銀行定期存款減少／（增加）	4,664	(4,594)
Net proceeds from disposal of subsidiaries	出售附屬公司所得之款項淨額	13,555	-
Proceeds from disposal of an associate	出售聯營公司所得款項	3,337	-
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	投資活動（使用）／產生之現金淨額	(15,847)	3,921

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動			
Repayment of bank loans	償還銀行貸款	33	(161,268)	(264,625)
Interest paid	已付利息	33	(14,394)	(9,891)
Capital element of lease rentals paid	已付租賃租金的本金部份	33	(14,071)	(16,281)
Interest element of lease rentals paid	已付租賃租金的利息部份	33	(2,155)	(3,524)
New bank loans raised	新增銀行貸款	33	168,788	194,319
Dividend paid to the non-controlling shareholders of a subsidiary	已付一間附屬公司非控股股東股息		(439)	(854)
Proceeds from deemed disposal of interest in a subsidiary without loss of control	視作出售一間附屬公司權益而無失去控制權之款項		-	2,428
Capital contribution from non-controlling shareholders of a subsidiary	一間附屬公司非控股股東出資		5	-
NET CASH USED IN FINANCING ACTIVITIES	融資活動使用之現金淨額		(23,534)	(98,428)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值增加淨額		125,388	159,786
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等值		524,795	390,497
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率改變影響		(6,970)	(25,488)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終現金及現金等值	26	643,213	524,795

The notes on pages 130 to 248 are an integral part of these consolidated financial statements.

第130至248頁之附註屬本綜合財務報表之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

1. GENERAL

Cosmos Machinery Enterprises Limited is a public limited company domiciled and incorporated in Hong Kong and its shares are listed on the Stock Exchange.

The Company is an investment holding company. The address of its registered office is 10th Floor, Billion Plaza 2, No. 10 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong. The principal activities of its principal subsidiaries are set out in note 42.

Saniwell Holding Inc. (a company incorporated in Cook Islands) is the ultimate holding company of the Company.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as “the Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which also include Hong Kong Accounting Standards (“HKAS”) and Interpretations (“Int”), issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the requirements of the Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Listing Rules. A summary of the material accounting policies adopted by the Group is set out below. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of interest in leasehold land and buildings where the Group is the registered owner of the property interest and certain financial assets, which are carried at fair value.

1. 簡介

大同機械企業有限公司為一間於香港註冊成立之公眾有限公司，而其股份於聯交所上市。

本公司為一間投資控股公司。註冊辦事處地址為香港九龍長沙灣長裕街10號億京廣場2期10樓。其主要附屬公司之主要業務列載於附註42。

Saniwell Holding Inc. (於科克群島註冊成立的有限公司)為本公司最終控股公司。

2. 重大會計政策摘要

編製本綜合財務報表應用之重大會計政策載於下文。除另有說明外，此等政策在所呈報的所有年度內貫徹應用。

(1) 編製基準

本公司及其附屬公司(以下統稱「本集團」)的綜合財務報表是按香港會計師公會頒佈的《香港財務報告準則》(包括《香港會計準則》及《詮釋》)、香港公認會計原則及《公司條例》的規定編製。本綜合財務報表同時符合《上市規則》的適用披露條文。本集團採納之重大會計政策摘要載於下文。綜合財務報表已按照歷史成本法編製，並就本集團為物業權益註冊擁有人之租賃土地及樓宇的所有權權益及若干金融資產的重估按公平價值列賬而作出修訂。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(1) Basis of preparation (Continued)

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

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

Judgments made by management in the application of HKFRS that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in note 4.

(2) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2. 重大會計政策摘要(續)

(1) 編製基準(續)

根據《香港財務報告準則》要求，管理層在編製綜合財務報表時，需就會影響會計政策的應用以及資產、負債、收入及支出的呈報金額，作出判斷、估計和假設。估計和相關假設乃依據歷史經驗及多項在有關情況下認為屬合理的其他因素所作出，有關結果構成了無法即時從其他途徑獲取資產和負債的賬面值的判斷基礎。實際結果可能與該等估計不同。

估計及相關假設會持續予以檢討。如會計估計的修訂僅對修訂期間產生影響，則其影響只會在當期確認；如會計估計的修訂對修訂期間及未來期間均產生影響，相關影響則在當期和未來期間予以確認。

管理層在對綜合財務報表有重要影響的《香港財務報告準則》應用及估算不確定性之主要因素所作出的判斷將在附註4中討論。

(2) 綜合原則

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體的財務報表。當本公司符合以下各項時，即取得控制權：

- 擁有被投資方的控制權；
- 於來自參與被投資方業務的可變回報上承受風險或擁有權利；及
- 擁有使用其權力影響回報的能力。

倘事實及情況表明上述三個控制權要素的其中一項或多項出現變動，則本集團重新評估其是否控制被投資方。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2. 重大會計政策摘要(續)

(2) 綜合原則(續)

對一間附屬公司之綜合入賬於本集團獲得對該附屬公司之控制權之時開始，並於本集團失去對該附屬公司之控制權之時終止。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日止，於年內收購或出售附屬公司的收入及開支均計入綜合收益表。

損益及其他全面收益之各項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬至本公司擁有人及非控股權益，即使此舉會引致非控股權益出現虧絀結餘。

倘有需要，將對附屬公司的財務報表作出調整，以使其會計政策與本集團的會計政策一致。

本集團各成員公司間與交易有關之所有集團內公司間資產、負債、權益、收入、開支及現金流乃於綜合賬目時悉數撇銷。

本集團於現有附屬公司之擁有權權益的變動

本集團於現有附屬公司之擁有權權益的變動如並無導致本集團對其失去控制權，將作為股權交易入賬。本集團的權益與非控股權益的賬面值經調整以反映附屬公司之相關權益變動。所調整非控股權益金額與已付或已收代價的公平價值之間的任何差額直接於股本權益確認並歸屬於本公司擁有人。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(2) Basis of consolidation** (Continued)**Changes in the Group's ownership interests in existing subsidiaries** (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 (note 2(9)), when applicable, the cost on initial recognition of an investment in an associate or a joint venture (note 2(3)).

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

2. 重大會計政策摘要 (續)**(2) 綜合原則** (續)**本集團於現有附屬公司之擁有權權益的變動** (續)

當本集團失去對附屬公司的控制權時，收益或虧損於損益確認並以(i)已收代價公平價值及任何保留權益公平價值的總額與(ii)附屬公司資產(包括商譽)及負債以及任何非控股權益的原賬面值之間的差額計算。過往於其他全面收益確認與該附屬公司有關係的所有金額，採用如同本集團已直接出售該附屬公司之相關資產或負債的方法入賬(即按適用《香港財務報告準則》之規定/許可條文重新分類至損益或轉撥至另一類權益)。在前附屬公司保留的任何投資公平價值在失去控制權之時於其後的會計處理中被視為按照《香港財務報告準則》第9號(附註2(9))進行初始確認的公平價值，或(如適用)於聯營公司或合營企業(附註2(3))之投資初始確認的成本。

業務合併

業務收購乃採用收購法入賬。業務合併中轉讓的代價以公平價值計量，而計算為本集團轉讓之資產，本集團對被收購公司的前擁有人所產生之負債及本集團於交換被收購公司之控制權所發行之股權於收購日期之公平價值總和。與收購有關的成本一般會於發生時在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income taxes and HKAS 19 Employee benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current assets held for sale and discontinued operations are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

2. 重大會計政策摘要(續)

(2) 綜合原則(續)

業務合併(續)

於收購日期，被收購的可識別資產及負債應按其在收購日期的公平價值予以確認，惟下列項目除外：

- 遞延稅項資產或負債及僱員福利安排的相關資產或負債應分別根據《香港會計準則》第12號所得稅及《香港會計準則》第19號僱員福利予以確認和計量；
- 與被收購方的以股份支付之支出安排或本集團所訂立以取代被收購方的以股份支付之支出安排有關之負債或股本工具乃於收購日期(參照以下會計政策)根據《香港財務報告準則》第2號以股份支付之支出予以計量；及
- 根據《香港財務報告準則》第5號，持作出售之非流動資產及已終止經營業務劃分為持作出售之資產(或出售組合)乃根據該準則予以計量。

商譽按所轉讓之代價、於被收購方的任何非控股權益及收購公司之前持有被收購方之股權(如有)的公平價值總和超出所收購之可識別資產及承擔負債於收購日的淨額計量。倘(評估過後)所收購可識別資產及所承擔負債之收購日淨額超出所轉讓的代價、於被收購方的任何非控股權益金額以及收購方之前持有被收購方的股權(如有)的公平價值之總額，超出的部份即時於損益中確認為折價購買收益。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(2) Basis of consolidation** (Continued)**Business combinations** (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

2. 重大會計政策摘要 (續)**(2) 綜合原則** (續)**業務合併** (續)

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔實體資產淨值之非控股權益，可初步按公平價值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類之非控股權益乃按其公平價值或(倘若適用)按其他《香港財務報告準則》所規定之基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，或然代價按其收購日期公平價值計量，並視為於業務合併中所轉讓之代價一部份。或然代價之公平價值變動(證實為計量期間調整)可回顧調整，而就商譽作出相應調整。計量期間調整乃於「計量期間」(其不可超過自收購日期起計一年)內所獲得有關於收購日期存在之事實及情況的額外資料所產生之調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(2) Basis of consolidation (Continued)

Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depend on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKFRS 9, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2. 重大會計政策摘要（續）

(2) 綜合原則（續）

業務合併（續）

或然代價之公平價值變動之隨後入賬並無確認為計量期間調整，而取決於或然代價如何劃分。劃分為權益之或然代價並無於隨後報告日期重新計量，而其隨後結算於權益內入賬。劃分為資產或負債之或然代價根據《香港財務報告準則》第9號或《香港會計準則》第37號撥備、或然負債及或然資產（如適用）於隨後報告日期重新計量，而相應之收益或虧損於損益中確認。

倘業務合併之最初入賬於合併發生之報告期末尚未完成，則本集團將報告未完成列賬項目之臨時金額。該等臨時金額乃於計量期間內作出調整（見上文），而新增資產或負債則獲確認以反映關於在收購日期已存在之事實及情況的新資訊（倘已知）將對於該日期已確認的金額所產生之影響。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(3) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income.

2. 重大會計政策摘要(續)

(3) 聯營公司及合營企業

聯營公司指本集團或本公司對其管理層有重大影響力(而非控制或共同控制),包括參與財務及經營決策之實體。

合營企業為一項安排,據此,本集團或本公司與其他方訂約協定分佔此安排的控制權,並有權擁有此安排的資產淨值。

於一間聯營公司或合營企業之投資按權益法於綜合財務報表入賬,除非該投資分類為持作出售(或計入分類為持作出售之出售組別)。根據權益法,投資初步按成本記賬,並按本集團應佔被投資公司於收購日期可識別資產淨值之公平價值超出投資成本之差額(如有)作出調整。其後,投資乃就本集團應佔被投資公司收購後之資產淨值變動及與投資有關之任何減值虧損作出調整。收購日期超出成本之任何差額,本集團應佔被投資公司於收購後及除稅後業績以及年內任何減值虧損於綜合收益表內確認,然而本集團應佔被投資公司於收購後及除稅後其他全面收益項目乃於其他全面收益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(3) Associates and joint ventures (Continued)

When the Group's share of losses exceeds its interest in the associates or the joint ventures, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associates or the joint ventures.

Unrealised profits and losses resulting from transactions between the Group and its associates and the joint ventures are eliminated to the extent of the Group's interests in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost, is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (note 2(9)).

In the Company's statement of financial position, investments in associates and joint ventures are stated at cost less impairment losses, unless classified as held for sale (or included in a disposal group that is classified as held for sale).

2. 重大會計政策摘要(續)

(3) 聯營公司及合營企業(續)

當本集團應佔聯營公司或合營企業之虧損超出其權益時，本集團之權益將減至零，除非本集團已承擔法律或推定義務，或代被投資公司作出付款，否則將不再確認進一步虧損。就此而言，本集團之權益為根據權益法計算之投資賬面值，連同實質上構成本集團於聯營公司或合營企業之淨投資一部份之長期權益。

本集團與其聯營公司及合營企業間之交易所產生之未變現損益，乃以本集團於被投資公司之權益為限予以對銷，除非未變現虧損提供已轉讓資產之減值證據，在此情況下，則該等未變現虧損即時於損益中確認。

倘於聯營公司之投資變成於合營企業之投資，或是於合營企業之投資變成於聯營公司之投資，保留權益將不予重新計量。反之，該投資繼續根據權益法入賬。

在所有其他情況下，倘本集團不再對一間聯營公司有重大影響力或不再對一間合營企業擁有共同控制權時，其乃被視作出售於該被投資公司之全部權益，而其導致的收益或虧損將於損益中確認。任何在喪失重大影響力日期仍保留在該前度被投資公司之權益將按公平價值確認，而此金額被視為初始確認金融資產之公平價值(附註2(9))。

於本公司之財務狀況表內，於聯營公司及合營企業之投資乃按成本扣除減值虧損列賬，除非該投資被分類為持作出售(或計入分類為持作出售之出售組別)，則作別論。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(4) Property, plant and equipment**

Interests in leasehold land and buildings held for own use where the Group is the registered owner of the property interest is stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

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

Revaluations on properties held for own use are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from which would be determined using fair values at the end of the reporting period.

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

2. 重大會計政策摘要(續)**(4) 物業、廠房及設備**

本集團為物業權益註冊擁有人之自用租賃土地及樓宇的所有權權益乃按其重估值列賬，即重估當日之公平價值減去任何其後的累計折舊。

在估值日的任何累計折舊與資產的賬面值總額對銷，而淨額則重列至資產的重估金額。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠計量時，才包括在資產的賬面值或確認為獨立資產（如適用）。所有其他維修及保養在產生的財政期間內於損益中支銷。

自用物業之重估為定期進行，以確保其賬面值與報告期末所釐定之公平價值沒有重大差距。

因重估自用物業產生之變動一般在其他全面收益內處理並在物業重估儲備之權益中單獨累計。僅有例外情況如下：

- 倘產生重估虧絀，超出緊接重估前就有關資產於儲備內持有之金額的虧絀將在損益內扣除；及
- 倘產生重估盈餘，盈餘將計入損益，但以就同一項資產先前已於損益內支銷之重估虧絀為限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(4) Property, plant and equipment (Continued)

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost or revalued amounts to their residual values (if any) over their estimated useful lives, as follows:

Ownership interest in leasehold land held for own use	Unexpired term of the leases
Ownership interest in buildings held for own use	40 years or unexpired term of the leases, if shorter
Furniture, fixtures and equipment	3 to 10 years
Plant and machinery	5 to 10 years
Motor vehicles	3 to 10 years

The assets' residual values (if any) and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Assets under construction represent buildings, structures, plant and machinery and other fixed assets under construction or installation and are stated at cost less any accumulated impairment losses, and are not depreciated. Cost comprises direct costs of construction, installation and testing as well as capitalised borrowing costs on related borrowed funds during the period of construction or installation. Assets under construction are reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds (if any) and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

2. 重大會計政策摘要（續）

(4) 物業、廠房及設備（續）

物業、廠房及設備的折舊採用估計可使用年期將成本或重估值按直線法分攤至剩餘價值（如有）如下：

自用租賃土地的所有權權益	剩餘租賃年期
自用樓宇的所有權權益	40年或剩餘租賃年期，以較短者為準
傢俬、裝置及設備	3至10年
廠房及機器	5至10年
汽車	3至10年

資產的剩餘價值（如有）及可使用年期在每個報告期末進行檢討，及在適當時調整。物業、廠房及設備項目乃於出售後或當預期持續使用該資產將不會產生未來經濟利益時不再確認。

在建工程乃指興建或裝設之樓宇、結構、廠房及機器以及其他固定資產，以成本值扣除任何累計減值虧損而不予折舊入賬。成本值包括興建、裝設及測試之直接成本，及於興建及或裝設期間有關借入資金之資本化借貸成本。在建工程於完成及可供啟用時重新分類為物業、廠房及設備適當類別。

報廢或出售物業、廠房及設備所產生的收益或虧損以出售所得淨額（如有）與項目的賬面金額之間的差額釐定，並於報廢或出售當日在損益確認。任何相關的重估盈餘會由重估儲備轉入保留溢利及不會重新分類至損益。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(4) Property, plant and equipment** (Continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2(10)(ii)).

(5) Leases

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

(i) As a lessee

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

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

2. 重大會計政策摘要 (續)**(4) 物業、廠房及設備** (續)

若資產的賬面值高於其估計可收回價值，其賬面值即時撇減至可收回金額(附註2(10)(ii))。

(5) 租約

在合約開始時，本集團評估合約是否為租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約是租賃或包含租賃。當客戶擁有指示使用可識別資產的權利及有權從使用可識別資產獲得絕大部份經濟利益時，便傳達了控制權。

(i) 作為承租人

當合約包含租賃部份和非租賃部份，本集團選擇不將非租賃部份分開，並將所有租賃的各租賃部份和任何關聯的非租賃部份列為單個租賃部份入賬。

於租賃開始日，本集團確認使用權資產和租賃負債，但租賃期為十二個月或以下的短期租賃和低價值資產的租賃則除外。當本集團就低價值資產訂立租賃時，本集團按個別租賃基準決定是否將租賃資本化。與該等未資本化租賃相關的租賃付款於租期內按系統基準確認為開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(5) Leases (Continued)

(i) As a lessee (Continued)

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

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see note 2(10)(ii)).

2. 重大會計政策摘要(續)

(5) 租約(續)

(i) 作為承租人(續)

當租賃已資本化，租賃負債按租期應付租賃款項的現值初步確認，並按租賃中所隱含的利率貼現，或倘該利率不能即時釐定，則以相關增量借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計量。租賃負債的計量並不包括不依賴指數或利率的可變租賃款項，因此於其產生的會計期間在損益中扣除。

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日或之前作出的任何租賃付款以及任何所產生的初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產，或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。使用權資產一般按資產的可使用壽命和租賃期限中較短的期限以直線法計提折舊。使用權資產隨後按成本減累計折舊及減值虧損列賬(見附註2(10)(ii))。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(5) Leases (Continued)****(i) As a lessee (Continued)**

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

The Group presents right-of-use assets and lease liabilities separately in the consolidated statement of financial position.

(ii) As a lessor

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

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in accordance with note 2(23)(ii)(a).

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in note 2(5)(i), then the Group classifies the sub-lease as an operating lease.

2. 重大會計政策摘要(續)**(5) 租約(續)****(i) 作為承租人(續)**

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

本集團在綜合財務狀況表中分別列示使用權資產和租賃負債。

(ii) 作為出租人

當本集團作為出租人時，在租賃開始時本集團釐定每份租賃是融資租賃或經營租賃。如果租賃將相關資產所有權附帶的幾乎所有風險和回報轉移給承租人，則歸類為融資租賃。如果情況並非如此，則歸類該租賃為經營租賃。

當合約包含租賃和非租賃部份時，本集團以相對獨立的銷售價格為基礎分配合約中的代價至各部份。經營租賃的租金收入根據附註2(23)(ii)(a)確認。

當本集團為中間出租人時，轉租乃根據主租賃產生的使用權資產被分為融資租賃或經營租賃。如果主租賃是本集團應用附註2(5)(i)所述豁免的短期租賃，則本集團將該轉租歸類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(6) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses (if any).

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(7) Research and development

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (i) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (ii) management intends to complete the intangible asset and use or sell it;
- (iii) there is an ability to use or sell the intangible asset;
- (iv) it can be demonstrated how the intangible asset will generate probable future economic benefits;

2. 重大會計政策摘要（續）

(6) 商譽

就收購業務產生的商譽以收購業務當日所確立的成本減去累計減值虧損入賬（如有）。

就減值測試而言，商譽會分配至預期可於合併的協同效應獲益的本集團旗下各個現金產生單位（或現金產生單位組別）。

獲分配商譽的現金產生單位會每年進行減值測試，或於單位出現減值跡象時增加測試次數。倘現金產生單位的可收回金額少於其賬面值，則減值虧損會先分配至用作扣減任何分配至該單位的商譽的賬面值，其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。任何商譽的減值虧損直接於損益內確認，就商譽確認的減值虧損不可於往後期間撥回。

出售有關現金產生單位時，在釐定出售溢利或虧損時會計入商譽應佔金額。

(7) 研究及開發

研究支出在產生時確認為費用。開發項目（涉及新產品或改良產品的設計及測試）產生的成本若符合下列條件，則確認為無形資產：

- (i) 技術上可完成該無形資產，以供未來使用或出售；
- (ii) 管理層有意完成該無形資產並使用或出售；
- (iii) 具有使用或出售該無形資產的能力；
- (iv) 能展示該無形資產如何帶來潛在的未來經濟利益；

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(7) Research and development** (Continued)

- (v) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (vi) the expenditure attributable to the intangible asset during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use on a straight-line basis over its useful life.

(8) Intangible assets (Other than goodwill)

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation (where the estimated useful life is finite) and accumulated impairment losses (see note 2(10)(ii)), on the same basis as intangible assets that are acquired separately.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2. 重大會計政策摘要(續)**(7) 研究及開發(續)**

- (v) 具有足夠的技術、財務及其他資源完成該項開發並可供使用或出售該無形資產；及
- (vi) 能可靠計量該無形資產於其開發時產生的支出。

不符合以上條件的其他開發支出於產生時確認為費用。先前已確認為費用的開發成本不會在往後期間確認為資產。資本化的開發成本列為無形資產，並由有關資產達到可使用狀態起在其可使用年期內以直線法攤銷。

(8) 無形資產(商譽除外)

業務合併所收購及與商譽分開確認之無形資產按收購日之公平價值(視為彼等的成本)初步確認。

於初始確認後，業務合併所收購之無形資產乃按成本減累計攤銷(當估計可用年期為有限)及累計減值虧損(見附註2(10)(ii))，按個別收購之無形資產之相同基準予以呈報。

具有有限使用年期之無形資產之攤銷於損益中確認，以彼等之估計使用年期按直線法攤銷。估計使用年期及攤銷方法乃於每個報告期末檢討，估計變動之影響按前瞻基準入賬。

無形資產乃於出售時或當預期從使用或出售中不會獲得未來經濟利益時終止確認。終止確認無形資產所產生之收益及虧損(按出售所得款項淨額與資產賬面值間之差額計量)乃於資產終止確認時在損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(9) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

See note 40(a) for details of each type of financial asset.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2. 重大會計政策摘要（續）

(9) 金融資產

(i) 分類

本集團將其金融資產分類為以下計量類別：

- 隨後將按公平價值計量（其變動計入其他全面收益或計入損益）的金融資產；及
- 將按攤銷成本計量的金融資產。

該分類取決於本集團管理金融資產的業務模式及現金流的合約條款。

就按公平價值計量之資產而言，收益及虧損將計入損益或其他全面收益。就債務工具投資而言，收益及虧損的入賬將取決於持有該投資之業務模式。就非持作交易的權益工具投資而言，收益及虧損的入賬將取決於本集團是否已於初始確認時行使不可撤銷選擇權，將權益投資入賬列為以公平價值計量且其變動計入其他全面收益。

有關各類金融資產的詳情，請參閱附註40(a)。

本集團只會在管理該等資產之業務模式變動時才重新分類債務投資。

(ii) 確認及終止確認

常規購入及出售之金融資產在交易日予以確認，交易日指本集團承諾購入或出售該資產當日。當收取金融資產所得現金流之權利已到期或已轉讓，而本集團已轉讓所有權之絕大部份風險及回報時，即終止確認金融資產。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(9) Financial assets** (Continued)**(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are recorded in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement. Interest income from these financial assets is included in finance income or other income using the effective interest method.

2. 重大會計政策摘要 (續)**(9) 金融資產** (續)**(iii) 計量**

於初始確認時，本集團按其公平價值加（倘屬非以公平價值計量且其變動計入損益的金融資產）直接歸屬於購買金融資產的交易成本計量金融資產。以公平價值計量且其變動計入損益的金融資產的交易成本在損益中入賬。確定具有嵌入衍生工具的金融資產的現金流是否僅為支付本金和利息時，應整體考慮金融資產。

債務工具

債務工具的隨後計量視乎本集團管理該資產之業務模式及該資產之現金流特徵而定。本集團將其債務工具分類為三個計量類別：

攤銷成本：倘為收回合約現金流而持有之資產的現金流僅為支付本金及利息，則該等資產按攤銷成本計量。終止確認產生的任何收益或虧損直接於損益中確認，並與其他收益／（虧損）中與滙兌收益及虧損一併列示。減值虧損於綜合收益表中作為單獨項目列示。該等金融資產的利息收入按實際利息法計入財務收入或其他收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(9) Financial assets (Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

Fair value through other comprehensive income ("FVTOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other gains/(losses) – net. Interest income from these financial assets is included in finance income or other income using the effective interest method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated income statement.

Fair value through profit or loss ("FVTPL"): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the consolidated income statement within other losses/gains, net in the period in which it arises.

2. 重大會計政策摘要(續)

(9) 金融資產(續)

(iii) 計量(續)

債務工具(續)

以公平價值計量且其變動計入其他全面收益(「以公平價值計量且其變動計入其他全面收益」):倘為收回合約現金流及出售金融資產而持有之資產的現金流僅為支付本金及利息,則計量為以公平價值計量且其變動計入其他全面收益。賬面值變動計入其他全面收益,惟確認減值收益或虧損、利息收入及滙兌收益及虧損在損益中確認除外。終止確認金融資產時,先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並確認為其他收益/(虧損)一淨額。該等金融資產的利息收入乃按實際利息法計入財務收入或其他收益。滙兌收益及虧損計入其他收益/(虧損)及減值費用於綜合收益表中作為單獨項目列示。

以公平價值計量且其變動計入損益(「以公平價值計量且其變動計入損益」):未達按攤銷成本或以公平價值計量且其變動計入其他全面收益標準的資產以公平價值計量且其變動計入損益計量。隨後以公平價值計量且其變動計入損益計量且並非對沖關係一部份之債務投資的收益或虧損於損益中確認,並於產生期間在綜合收益表的其他虧損/收益淨額列示淨額。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(9) Financial assets** (Continued)**(iii) Measurement** (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) – net in the consolidated income statement. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

(10) Credit losses and impairment of assets**(i) Credit losses from financial instruments**

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

- financial assets measured at amortised cost (including cash and bank balances, trade and other receivables); and
- finance lease receivables

Financial assets measured at fair value including other financial assets are not subject to the ECLs assessment.

2. 重大會計政策摘要 (續)**(9) 金融資產** (續)**(iii) 計量** (續)

權益工具

本集團隨後按公平價值計量所有權益投資。倘本集團管理層已選擇於其他全面收益中呈列權益投資的公平價值收益及虧損，則於終止確認投資後，公平價值的收益及虧損隨後並無重新分類至損益。當本集團確立收取款項的權利時，該等投資的股息繼續於損益中確認為其他收入。以公平價值計量且其變動計入損益的金融資產之公平價值變動於綜合收益表中確認為其他收益／(虧損) – 淨額。以公平價值計量且其變動計入其他全面收益之股權投資的減值虧損(及減值虧損撥回)並無與其他公平價值變動分開呈報。

(10) 信貸虧損及資產減值**(i) 金融工具產生之信貸虧損**

本集團就以下項目的預期信貸虧損(「預期信貸虧損」)確認虧損撥備：

- 按攤銷成本計量之金融資產(包括現金及銀行結餘及貿易及其他應收款項)；及
- 應收融資租賃款項

按公平價值計量之金融資產(包括其他金融資產)毋須進行預期信貸虧損評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Measurement of ECLs

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

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

- fixed-rate financial assets and trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate;
- finance lease receivables: discount rate used in the measurement of the finance lease receivable;

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

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

2. 重大會計政策摘要（續）

(10) 信貸虧損及資產減值（續）

(i) 金融工具產生之信貸虧損（續）

預期信貸虧損的計量

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損以所有預期現金缺口的現值計量（即本集團根據合約應收的現金流與本集團預期收到的現金流之間的差額）。

倘貼現影響重大，則預期現金缺口將採用以下貼現率貼現：

- 定息金融資產及貿易及其他應收款項：於初始確認時釐定的實際利率或其近似值；
- 浮息金融資產：即期實際利率；
- 應收融資租賃款項：以貼現率計量應收融資租賃款項；

估計預期信貸虧損時所考慮的最長期間為本集團承受信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團會考慮無須花費過多成本或努力即可獲得的合理且有依據的資料，包括關於過去事件、當前狀況及未來經濟狀況預測的資料。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(10) Credit losses and impairment of assets** (Continued)**(i) Credit losses from financial instruments** (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

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

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

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

2. 重大會計政策摘要 (續)**(10) 信貸虧損及資產減值** (續)**(i) 金融工具產生之信貸虧損** (續)

預期信貸虧損的計量(續)

預期信貸虧損按以下其中一種基準計量：

- 十二個月預期信貸虧損：預計報告日期後十二個月內可能發生違約事件而導致的虧損；及
- 全期預期信貸虧損：預計應用預期信貸虧損模式的項目在整個預期期間所有可能發生的違約事件而導致的虧損。

貿易應收款項及應收融資租賃款項之虧損撥備一直按等同於全期預期信貸虧損的金額計量。於報告日，該等金融資產之預期信貸虧損乃根據本集團的過往信貸虧損經驗且利用撥備矩陣進行估計，並根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

就所有其他金融工具而言，本集團確認虧損撥備相等於十二個月預期信貸虧損，除非自初始確認以來金融工具之信貸風險大幅增加，於此情況下，虧損撥備乃按相等於全期預期信貸虧損之金額計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

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

2. 重大會計政策摘要（續）

(10) 信貸虧損及資產減值（續）

(i) 金融工具產生之信貸虧損（續）

信貸風險大幅上升

於評估金融工具的信貸風險自初始確認以來有否大幅上升時，本集團會比較於報告日及於初始確認日評估的金融工具發生違約的風險。作出重新評估時，倘(i) 借款人不大有可能在無追索權採取（如變現抵押（如持有））等行動的情況下向本集團悉數支付其信貸債務；或(ii) 金融資產已逾期90天，本集團將視為違約事件。本集團會考慮合理且可靠的定量及定性資料，包括過往經驗及無需付出過多成本或努力下即可獲得的前瞻性資料。

具體而言，於評估信貸風險自初始確認以來有否大幅上升時會考慮以下資料：

- 未能按合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級實際或預期顯著惡化（倘適用）；
- 債務人的經營業績實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的目前或預期變動對債務人履行其對本集團責任的能力有重大不利影響。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(10) Credit losses and impairment of assets (Continued)****(i) Credit losses from financial instruments (Continued)****Significant increases in credit risk (Continued)**

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

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECLs amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVTOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income

Interest income recognised in accordance with note 2(23) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

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

2. 重大會計政策摘要(續)**(10) 信貸虧損及資產減值(續)****(i) 金融工具產生之信貸虧損(續)****信貸風險大幅上升(續)**

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

預期信貸虧損於每個報告日重新計量以反映金融工具自初始確認以來的信貸風險變動。預期信貸虧損金額的任何變動均於損益中確認為減值收益或虧損。本集團就所有金融工具確認為減值收益或虧損，並透過虧損撥備賬對彼等之賬面值作出相應調整，惟於按公平價值計量且其變動計入其他全面收益（重新歸入）的債券證券投資除外，就此，虧損撥備乃於其他全面收益確認並於公平價值儲備（重新歸入）累計。

利息收入計息基準

根據附註2(23)確認之利息收入按金融資產的賬面總值計算，除非該金融資產出現信貸減值，則利息收入按金融資產的攤銷成本（即賬面總值減虧損撥備）計算。

於每個報告日，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產之估計未來現金流帶有害影響之事件時，金融資產即出現信貸減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments (Continued)

Basis of calculation of interest income (Continued)

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

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

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

2. 重大會計政策摘要（續）

(10) 信貸虧損及資產減值（續）

(i) 金融工具產生之信貸虧損（續）

利息收入計息基準（續）

金融資產信貸減值的證據包括以下可觀察事件：

- 債務人出現嚴重財務困難；
- 違反合約，如逾期或拖欠利息或本金付款；
- 借款人很有可能將告破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現重大變動，對債務人有不利影響；或
- 由於發行人出現財務困難，以致證券活躍市場消失。

撇銷政策

若無實際機會收回，金融資產或應收融資租賃款項的賬面總值會被撇銷（部份或全部）。該情況通常出現在本集團確定債務人並無資產或可產生足夠現金流的收入來源來償還需撇銷的金額。

隨後收回先前撇銷之資產於收回期間在損益內確認為減值撥回。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(10) Credit losses and impairment of assets (Continued)****(ii) Impairment of other non-current assets**

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

- property, plant and equipment, including right-of-use assets (other than ownership interest in leasehold land and buildings held for own use carried at fair value);
- investments in subsidiaries and associates (except for those classified as held for sale or included in a disposal group that is classified as held for sale) in the Company's statement of financial position;
- goodwill; and
- intangible assets.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- **Calculation of recoverable amount**

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2. 重大會計政策摘要(續)**(10) 信貸虧損及資產減值(續)****(ii) 其他非流動資產減值**

內部及外間資料來源於每個報告期末會被評估，以識別下列資產已減值，或(除商譽外)先前已確認之減值虧損已不存在或可能已減少的跡象：

- 物業、廠房及設備，包括使用權資產(除以公平價值計量的自用租賃土地及樓宇的所有權權益之外)；
- 在本公司財務狀況表中附屬公司及聯營公司的投資(除分類為持作出售或包含在持作出售組別之外)；
- 商譽；及
- 無形資產。

若出現任何此等跡象，資產之可收回金額會被估計。此外，就商譽而言，無形資產並不可供使用及不定可用年期，每年按有否跡象需減值來估計其可收回金額。

- **計算可收回金額**

資產之可收回金額為其公平價值減出售成本與使用價值兩者之較高者。於評估使用價值時，採用反映當時市場對金錢時間值及有關資產特有風險之評估之稅前貼現率貼現估計未來現金流至其現值。倘資產產生之現金流入大致上不能獨立於其他資產，可收回金額則按可獨立產生現金流入之最小資產組合(即現金產生單位)釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(10) Credit losses and impairment of assets (Continued)

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

– Recognition of impairment losses

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

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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

2. 重大會計政策摘要(續)

(10) 信貸虧損及資產減值(續)

(ii) 其他非流動資產減值(續)

– 確認減值虧損

倘某項資產或其所屬之現金產生單位之賬面值超過其可收回金額，則於損益內確認為減值虧損。就分配至現金產生單位確認之減值虧損，先減少分配至現金產生單位(或單位組別)的任何商譽的賬面值，進而按比例減少單位(或單位組別)內其他資產之賬面值，惟資產之賬面值不得減少至低於其個別公平價值減出售成本(如可計量)或使用價值(如可釐定)。

– 撥回減值虧損

就除商譽外之資產而言，倘用於釐定可收回金額之估計出現有利改變，則撥回減值虧損。而有關商譽的減值虧損則不會撥回。

減值虧損之撥回僅限於倘於過往年度未確認減值虧損而釐定之資產賬面值。減值虧損之撥回在確認撥回之年度計入損益。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(11) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Other borrowing costs are expensed in the period in which they are incurred. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

(12) Government grants

Government grants are recognised in the consolidated statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as revenue in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(13) Financial guarantees issued, provisions and contingent liabilities**(i) Financial guarantees issued**

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

2. 重大會計政策摘要(續)**(11) 借貸成本**

直接應佔收購、建設或生產合資格的資產(即必須經歷一段頗長時間才可用作擬定用途或出售的資產)的借貸成本,均撥充資產成本的一部份。其他借貸成本將在產生當期支銷。借貸成本資本化將在資產大致上可準備作擬定用途或出售時隨之中止。個別借貸在等待用於有關合資格的資產時用作短暫投資所得的投資收入於資本化的借貸成本中扣除。

(12) 政府補貼

倘可合理確定能夠收取政府補貼,而本集團將符合政府補貼所附帶的條件,則政府補貼在綜合財務狀況表中初始確認。補償本集團所產生開支的補貼於產生開支的同一期間有系統地於損益中確認為收入。補償本集團資產成本的補貼在該資產賬面值中扣除,其後於該資產的可用年期以扣減折舊開支方式於損益中實際確認。

(13) 發出財務擔保、撥備及或然負債**(i) 所發出財務擔保**

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時支付款項而蒙受的損失而向持有人支付特定款項的合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(13) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transactions for similar services, when such information is obtainable, is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(13)(iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee, i.e. the amount initially recognised, less accumulated amortisation.

2. 重大會計政策摘要(續)

(13) 發出財務擔保、撥備及或然負債(續)

(i) 所發出財務擔保(續)

倘本集團發出財務擔保，該擔保的公平價值（即交易價格，除非該公平價值能可靠地估計）初始確認為貿易及其他應付款項內的遞延收入。已發出財務擔保於發出時之公平價值在可獲得有關資料時，乃參考類似服務之公平交易所收取費用釐定，或（倘無有關資料）參考透過將貸方於提供擔保時所收取實際利率與在不獲提供擔保時原應收取之估計利率作出比較下得出的利率差距加以估計（指可就有關資料作出可靠估計之情況下）。倘在發出該擔保時收取或可收取代價，該代價則根據適用於該類資產之本集團政策而予確認。倘有關代價尚未收取或應予收取，於初始確認任何遞延收入時，即時開支於損益內確認。

初始確認為遞延收入的擔保金額，按擔保期間於損益內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能根據擔保向本集團提出索償通知時；及(ii)本集團的申索金額預期超過現時列於該擔保的貿易及其他應付款項（即初始確認的金額）減累計攤銷，便根據附註2(13)(iii)確認並作出撥備。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(13) Financial guarantees issued, provisions and contingent liabilities** (Continued)**(ii) Contingent liabilities acquired in business combinations**

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(13)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or where not present obligations at the date of acquisition are disclosed in accordance with note 2(13)(iii).

(iii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 重大會計政策摘要(續)**(13) 發出財務擔保、撥備及或然負債** (續)**(ii) 業務合併取得的或然負債**

因業務合併而承擔或然負債於收購日屬即期責任，則按公平價值初始確認，惟公平價值能可靠計量。按公平價值初始確認後，該等或然負債按初始確認金額扣除累計攤銷(如適用)後的數額，與根據附註2(13)(iii)所釐定的金額兩者的較高者確認。倘於收購日不能可靠地計量公平價值或並非為即期責任，因業務合併而承擔的或然負債則按附註2(13)(iii)所述披露。

(iii) 其他撥備及或然負債

如果本集團須就過去事件承擔法律或推定義務，而會導致經濟利益外流及在可以作出可靠估計時，則就該時間或金額不定之其他負債計提撥備。如果貨幣的時間值重大，則按預計履行義務所需開支之現值計提撥備。

如果經濟利益外流之可能性較低，或無法對有關金額作出可靠之估計，則會將該義務披露為或然負債，惟經濟利益外流之可能性極低除外。潛在義務須視乎一宗或多宗未來事件是否發生才能確定是否存在，則會披露為或然負債，除非經濟利益外流之可能性極低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(14) Inventories and other contract costs

(i) Inventories

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

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

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

(ii) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory (see note 2(14)(i)), property, plant and equipment (see note 2(4)) or intangible assets (see note 2(8)).

2. 重大會計政策摘要（續）

(14) 存貨及其他合約成本

(i) 存貨

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

存貨按成本或可變現淨值兩者中的較低者列賬。成本按加權平均法計算。製成品及在製品的成本包括原材料、直接工資、其他直接成本及相關生產開支（根據正常經營能力），惟不包括貸款成本。可變現淨值乃按正常業務過程中的估計售價，減去適用的變動銷售開支計算。

將存貨撇減至可變現淨值的任何金額及存貨的所有虧損，乃確認為於撇減或虧損產生期間的開支。撥回任何存貨撇減的金額乃確認為減少該存貨於期間確認為開支的金額。

(ii) 其他合約成本

其他合約成本是取得客戶合約的增量成本或履行客戶合約的成本，其並無撥充資本為存貨（見附註2(14)(i)），物業、廠房及設備（見附註2(4)）或無形資產（見附註2(8)）。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(14) Inventories and other contract costs** (Continued)**(ii) Other contract costs** (Continued)

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

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(23).

2. 重大會計政策摘要 (續)**(14) 存貨及其他合約成本** (續)**(ii) 其他合約成本** (續)

取得合約的增量成本為本集團就取得客戶合約而產生，倘未能取得合約則不會產生的成本(例如增量銷售佣金)。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，取得合約的增量成本於產生時會撥充資本。取得合約的其他成本在產生時支銷。

倘履行合約的成本與現有合約或特定可識別的預期合約直接有關；產生或提升將於未來用於提供產品或服務的資源；並預期可收回，則會撥充資本。與現有合約或特定可識別的預期合約直接有關的成本可能包括直接勞工、直接材料、成本分配、明確向客戶收取的成本及僅由於本集團訂立合約而產生的其他成本(例如支付分包商款項)。其他履行合約的成本(其並無撥充資本為存貨、物業、廠房及設備或無形資產)在產生時支銷。

撥充資本的合約成本按成本減累計攤銷及減值虧損列賬。倘合約成本資產的賬面值超過(i)本集團預期收取以交換有關該資產的產品或服務的餘下代價金額，減(ii)直接有關提供該等產品或服務，而未確認為開支的任何成本的淨額，則會確認減值虧損。

當與資產有關的收益獲確認時，撥充資本的合約成本攤銷將自損益扣除。收益確認的會計政策載於附錄2(23)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(15) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(23)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in note 2(10)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(16)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2(23)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(16)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

(16) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (note 2(15)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

2. 重大會計政策摘要（續）

(15) 合約資產及合約負債

倘本集團於根據合約所載之付款條款符合資格無條件收取代價之前確認收入（見附註2(23)），則確認為合約資產。合約資產根據載於附註2(10)(i)之政策評估預期信貸虧損，並於收取代價之權利成為無條件時被重新分類至應收款項（見附註2(16)）。

倘客戶於本集團確認相關收入之前支付代價，則確認為合約負債（見附註2(23)）。倘本集團擁有無條件權利可於本集團確認相關收入之前收取代價，亦將確認為合約負債。在該等情況下，亦將確認為相應的應收款項（見附註2(16)）。

就與客戶訂立的單一合約而言，以合約資產淨值或合約負債淨值呈列。就多種合約而言，不相關合約的合約資產及合約負債不以淨值基準呈列。

(16) 貿易及其他應收款項

本集團擁有無條件權利收取代價時確認應收款項。在該代價到期支付前，收取代價的權利僅需經過一段時間方為無條件。如收益在本集團有無條件權利收取代價前經已確認，則金額呈列為合約資產（見附註2(15)）。

應收款項利用實際利率法按攤銷成本減信貸虧損撥備列賬。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(17) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(10)(i).

Pledged bank deposits are not included in cash and cash equivalents.

(18) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction (net of tax) from the proceeds.

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity shareholders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity shareholders.

(19) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities (if any) measured in accordance with note 2(13)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. 重大會計政策摘要(續)

(17) 現金及現金等值

現金及現金等值包括銀行存款及現金、在銀行及其他金融機構的活期存款以及短期且流動性極高的投資。這些投資可即時轉換為已知金額的現金，而其不具重大的價值變動風險，且在購入後三個月內到期。須應要求償還並構成本集團現金管理之一部份銀行透支，就綜合現金流量表而言，列入現金及現金等值的組成部份。現金及現金等值按附註2(10)(i)所示的政策評估預計信貸虧損。

已抵押之銀行存款不包括於現金及現金等值內。

(18) 股本

普通股歸類為權益。

直接應佔發行新股份或購股權之增量成本乃於股本權益中列為所得款項(扣除稅項)之扣減。

倘任何集團公司購買本公司之權益股本(庫存股份)，所支付之代價(包括任何直接應佔增量成本(扣除所得稅))從本公司股權持有人應佔之權益中扣除，直至股份被註銷、重新發行或出售為止。倘有關股份其後被出售或重新發行，則任何所收取之代價(扣除任何直接應佔交易增量成本及有關所得稅影響)計入本公司股權持有人應佔之權益。

(19) 貿易及其他應付款項

貿易及其他應付款項按公平價值初步確認。除了按照附註2(13)(i)計算之財務擔保負債外，貿易及其他應付款項其後按攤銷成本入賬，惟倘貼現影響並不重大，則按成本入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(20) Bank and other borrowings

Bank and other borrowings are initially recognised at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Bank and other borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Bank and other borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

(21) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

2. 重大會計政策摘要（續）

(20) 銀行及其他借款

銀行及其他借款最初按扣除交易成本後的公平價值確認。交易成本為直接應佔收購、發行或出售金融資產或金融負債的增量成本，包括支付代理、顧問、經紀及交易商的費用及佣金、監管機構及證券交易所的徵費，以及轉讓的稅項及徵稅。銀行及其他借款其後按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值之間的任何差額在借款期限內以實際利息法在收益表中確認。

除非本集團有權無條件延長負債結算期限至報告期末最少十二個月，否則借款乃分類為流動負債。

(21) 所得稅

所得稅費用由本期所得稅和遞延所得稅組成。除因業務合併或直接於權益或其他全面收益中確認的項目外，所得稅費用在損益中確認。

本期稅項包括按本年度應課稅收入或虧損計算的估計應付或應收稅項，以及對以往年度應付或應收稅項作出的任何調整。本期應付或應收稅項的金額是對預期繳納或收到的稅項金額的最佳估計，反映了有關所得稅的任何不確定性。本期稅項根據已執行或於報告日實質上已執行的稅率計量。本期稅項還包括任何由股息產生的稅項。

本期所得稅資產和負債只有在滿足若干標準的情況下方可抵銷。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(21) Income tax** (Continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint venture to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development.

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

2. 重大會計政策摘要 (續)**(21) 所得稅** (續)

遞延所得稅按用作財務報告用途的資產和負債的賬面值與用作稅務用途的金額之間的暫時性差異確認。以下情況並不確認為遞延所得稅：

- 在一項不屬於業務合併的交易中初始確認為資產或負債所產生的暫時性差異既不影響會計或應課稅收入或虧損，且不產生相同的應課稅及可抵扣暫時性差異；
- 有關投資於附屬公司、聯營公司及合營企業的暫時性差異，只限於本集團可以控制撥回時間，而且在可預見的將來不大可能撥回；
- 商譽的初始確認導致的應課稅暫時性差異；及
- 有關為實施經濟合作與發展組織發佈的支柱二規則範本而執行或實質上已執行的稅法所產生的所得稅的暫時性差異。

本集團就其租賃負債及使用權資產分開確認為遞延所得稅資產及遞延所得稅負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(21) Income tax (Continued)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(22) Employee benefits

(i) Retirement benefit costs

Payments to defined contribution plans under the mandatory provident fund scheme, the ORSO scheme and state-managed retirement benefits scheme are charged as expenses as they fall due.

(ii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2. 重大會計政策摘要(續)

(21) 所得稅(續)

遞延所得稅資產乃根據未使用稅項虧損、未使用稅務抵扣和可抵扣暫時性差異確認，且只限於很可能獲得能以抵扣的未來應課稅溢利。未來應課稅溢利按相關應課稅暫時性差異的撥回而釐定。如果應課稅暫時性差異的金額不足以確認遞延所得稅資產全額，則根據本集團個別附屬公司的業務計劃，考慮未來的應課稅溢利，並調整現有暫時性差異的撥回。於每個報告日，遞延所得稅資產會被審閱。如很可能無法變現相關稅務利潤，則調低遞延所得稅資產。在相關稅務利潤很可能增加時，被調低的金額予以撥回。

遞延所得稅資產和負債只有在滿足若干標準的情況下方可抵銷。

(22) 僱員福利

(i) 退休福利計劃

對強制性公積金計劃、職業退休計劃及其他國有退休福利計劃下的定額供款作出之款項乃於到期時列作開支。

(ii) 分享溢利及花紅計劃

本集團根據一條公式，按本公司股東應佔溢利作若干調整後，確認花紅及分享溢利為負債及開支。本集團按合約規定或過往慣例產生推定義務時確認撥備。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(22) Employee benefits** (Continued)**(iii) Share-based compensation**

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the Hull White Trinomial Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged or credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is transferred to the share capital) or the option expires (when it is released directly to retained profits).

2. 重大會計政策摘要 (續)**(22) 僱員福利** (續)**(iii) 股份為本之補償**

授予員工的購股權之公平價值被確認為員工成本，並在權益內的購股權儲備作相應增加。公平價值乃採用霍爾－懷特三元模型，按授予日計算，並顧及授予購股權的細則及條款。當僱員須符合歸屬期條件才可無條件享有購股權，預計購股權的公平價值總額在歸屬期內攤分，並已考慮購股權歸屬的可能性。

估計歸屬的購股權數目在歸屬期內作出檢討。除非原本員工支出符合資產確認，任何已在往年確認的累積公平價值之調整須在檢討年度的收益表扣除或計入，並在購股權儲備作相應調整。在歸屬日，除非因未能符合有關本公司股份市價的歸屬條件而遭沒收，確認為支出之金額按歸屬購股權的實際數目作調整（並在購股權儲備作相應調整）。屬權益金額在購股權儲備確認，直到當購股權被行使時（轉入股本），或當購股權屆滿（直接轉入保留溢利時）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(22) Employee benefits (Continued)

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(23) Revenue recognition and other income

(i) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied or service performed, stated net of rebates and returns. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of returns on historical results, taking into consideration the type of customers, the nature of transactions and the specifics of each arrangement.

Sales of products

Revenue from the sale of goods directly to the customers is recognised at the point that the control of the inventory have passed to the customers, which is primarily upon the acceptance of the products by the customers. The customers have full discretion over the products, and there is no unfulfilled obligation that could affect the customers' acceptance of the products. The Group collects cash or bank acceptance notes from the customers before or upon deliveries of products through banks. Cash or bank acceptance notes collected from the customers before product delivery is recognised as contract liabilities (note 2(15)).

2. 重大會計政策摘要(續)

(22) 僱員福利(續)

(iv) 辭退福利

如果員工在正常退休日前被本集團終止僱用，或接受自願離職以換取這些福利，則應支付辭退福利。本集團於下列日期較早時確認辭退福利：(a) 本集團不能撤回該等福利的要約；及(b) 當該實體在《香港會計準則》第37號範圍內確認重組的成本，並涉及支付辭退福利。在提出鼓勵自願離職的提議下，辭退福利是根據預期接受要約的僱員人數計算的。在報告期末後超過12個月到期的福利乃按現值貼現。

(23) 收益確認及其他收入

(i) 收益確認

收入按已收或應收代價的公平價值計算，為就所供應商品或所履行的服務扣除回贈及退貨的應收款項。當收入金額能被可靠計量；未來經濟利益有可能流入實體；及本集團各項活動符合具體條件時(如下文所述)，本集團會確認收入。本集團根據其過往業績並考慮客戶類別、交易性質及各項安排的特點作出回報估計。

產品銷售

直接向客戶銷售商品所得收入於存貨的控制權已轉移予客戶時(主要於客戶接受產品後)確認。客戶對產品有充分酌情權且並無未履行可影響客戶接納該等產品的責任。本集團在產品交付之前或之後透過銀行向客戶收取現金或銀行承兌票據。在產品交付前向客戶收取的現金或銀行承兌票據確認為合約負債(附註2(15))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(23) Revenue recognition and other income (Continued)

(i) Revenue recognition (Continued)

Installation services income

Installation services income is recognised when the relevant services are provided.

The Group's obligation to repair or replace faulty products under the standard warranty terms, which cannot be purchased separately and serve as an assurance that the products sold comply with agreed-upon specifications at the time of sale.

Finance lease income

Interest income from the finance lease is recognised on a basis that reflect a constant periodic rate of return on the net investment in the finance lease.

(ii) Other income

- (a) Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.
- (b) Handling and services income are recognised when services are provided.
- (c) Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(10)(i)).

2. 重大會計政策摘要(續)

(23) 收益確認及其他收入(續)

(i) 收益確認(續)

安裝服務收入

安裝服務收入乃按已提供有關服務後確認。

本集團有責任根據標準質保條款修理或更換缺陷產品(該等質保條款不可分開購買且用作所出售產品在銷售時符合協定規格的保證)。

融資租賃收入

融資租賃利息收入的確認基礎是反映融資租賃的淨投資回報之恆常週期性回報率。

(ii) 其他收入

- (a) 經營租賃下的應收租金收入款項乃按覆蓋租約年期的期間以直線法於損益中確認，除非按其他基準更能反映使用租賃資產所產生利益的模式。所給予之租賃獎勵按其作為組成應收租賃淨付款總額之部份於損益中確認。或然租金乃不依賴指數或比率在賺取之會計期間內確認為收入。
- (b) 加工及服務收入乃按已提供服務後確認。
- (c) 利息收入乃採用實際利息法確認。對於以攤銷成本計量或以公平價值計量且其變動計入其他全面收益(重新歸入)並無信貸減值的金融資產，實際利率乃應用於資產的總帳面值。對於以信用減值的金融資產，實際利率乃應用於資產的攤銷成本(即帳面總值扣除虧損撥備)(見附註2(10)(i))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(23) Revenue recognition and other income (Continued)

(ii) Other income (Continued)

- (d) Dividend income is recognised when the shareholder's right to receive payment is established prior to the end of the reporting period.

(24) Dividend distribution

Distribution of final dividends proposed by the Board is classified as a separate allocation of retained profits within the equity section of the statement of financial position, until it has been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Articles grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

(25) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's top management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria. A discontinued segment is separately presented from continuing segments.

2. 重大會計政策摘要(續)

(23) 收益確認及其他收入(續)

(ii) 其他收入(續)

- (d) 股息收入於報告期末前，收取股息的股東權利已確立時確認。

(24) 股息分派

由董事會建議派發的末期股息在財務狀況表的權益內作為對保留溢利的分配單獨列示，直至股東於股東大會上批准派發。這些股息獲股東批准和宣派後，確認為負債。

由於《章程細則》授予董事權力以宣派中期股息，故中期股息會同時建議及宣派。因此，當建議及宣派中期股息時，中期股息即時確認為負債。

(25) 分部報告

營運分部及本財務報表所呈報之各分部項目之金額，由定期向本集團高級管理層提供之綜合財務報告中識別，管理層依據該等報告分配資源予本集團不同業務及地域以及評估該等業務及地域之表現。

個別重大營運分部不會出於財務報告目的而彙總，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法以及監管環境性質方面相類似則除外，倘並非個別重大之經營分部符合大部份此等準則，則該等營運分部可能會被累積計算。終止營運分部與持續營運分部會分別呈列。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)**(26) Foreign currency translation****(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and the Group's presentation currency. All values are rounded to the nearest thousand except when otherwise indicated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except those arising from qualifying cash flow hedges or qualifying net investment hedges which are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equity instruments held at FVTPL, are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as financial assets at FVTOCI, are recognised in other comprehensive income and accumulated separately in equity in the fair value reserve.

2. 重大會計政策摘要(續)**(26) 外幣換算****(i) 功能及呈報貨幣**

本集團各實體之財務報表所列之項目，乃按該實體經營所在地之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表乃以本公司之功能貨幣及本集團之呈報貨幣港元呈列。除非另有說明，所有數值都會四捨五入到最接近的千位數。

(ii) 交易及結餘

外幣交易均按交易當日之匯率換算為功能貨幣。因結算該等交易及因按年結匯率換算以外幣為主之貨幣資產及負債而產生之滙兌收益及虧損，乃於損益中確認，惟由合資格現金流量對沖或合資格投資淨額對沖所產生的，則於其他全面收益中確認。

非貨幣金融資產及負債之換算差額，如按公平價值計量且其變動計入損益中之持有股本工具，均於損益內確認為公平價值收益或虧損之一部份。非貨幣金融資產之換算差額，如分類為公平價值計量且其變動計入其他全面收益之金融資產的證券，均於其他全面收益確認並分別累計於權益中的公平價值儲備內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(26) Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated separately in equity in the translation reserve. When a foreign operation is sold, such exchange differences are reclassified from equity to profit or loss when gain or loss on disposal is recognised.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the year-end closing rate.

2. 重大會計政策摘要（續）

(26) 外幣換算（續）

(iii) 集團公司

集團旗下所有實體（全部均非採用高通脹經濟體系之貨幣）之功能貨幣倘有別於呈報貨幣，其業績及財務狀況須按如下方式換算為呈報貨幣：

- (i) 各財務狀況表所列資產及負債按其財務狀況表報告日之收市匯率換算；
- (ii) 各收益表所列收入及開支按平均匯率換算（除非此平均匯率不足以合理地概括反映於交易當日適用匯率之累計影響，則在此情況下，收入及開支則按交易日之匯率換算）；及
- (iii) 一切因此而產生之滙兌差額均於其他全面收益確認並分別累計於權益中的滙兌儲備內。

在編製綜合賬時，換算海外實體投資淨額和換算借貸及被指定為此等投資之對沖工具的其他貨幣工具而產生的滙兌差異，均於其他全面收益確認並分別累計於權益中的滙兌儲備內。當出售海外業務時，此等滙兌差異將於出售收益或虧損確認時由權益重新分類至損益。

因收購海外實體而產生之商譽及公平價值調整，均視作該海外實體之資產及負債處理，並按年結日的收市匯率換算。

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(27) Related parties

- (i) A person, or a close member of that person's family, is related to the Group if that person:
- (1) has control or joint control of the Group;
 - (2) has significant influence over the Group; or
 - (3) is a member of the key management personnel of the Group or of a parent of the Group.
- (ii) An entity is related to the Group if any of the following conditions applies:
- (1) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (3) Both entities are joint ventures of the same third party.
 - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (6) The entity is controlled or jointly controlled by a person identified in note 2(27)(i).

2. 重大會計政策摘要(續)

(27) 關聯方

- (i) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
- (1) 控制或共同控制本集團；
 - (2) 對本集團有重大影響；或
 - (3) 為本集團或本集團母公司的主要管理人員的成員。
- (ii) 倘符合下列任何條件，即實體與本集團有關聯：
- (1) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關聯）。
 - (2) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (3) 兩間實體均為同一第三方的合營企業。
 - (4) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (5) 該實體為本集團或與本集團有關聯之實體就僱員利益設立的離職福利計劃。
 - (6) 該實體受附註2(27)(i)所識別人士控制或共同控制。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(27) Related parties (Continued)

(ii) (Continued)

- (7) A person identified in note 2(27)(i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (8) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. CHANGES IN ACCOUNTING POLICIES

(i) There have been a number of amendments to standards effective in 2023. Amendments which are applicable to the Group include:

- Amendments to HKAS 1 and HKFRS Practice Statement 2, 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; and
- Amendments to HKAS 12, International Tax Reform – Pillar Two Model Rules.

The application of the above amendments in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 重大會計政策摘要（續）

(27) 關聯方（續）

(ii) （續）

- (7) 於附註2(27)(i)(1)所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）的主要管理人員的成員。
- (8) 該實體或屬該實體其中一部份的集團旗下任何成員公司為向本集團或本集團母公司提供主要管理人員服務。

任何人士之近親為與該實體交易時預期可影響該人士或受該人士影響的家庭成員。

3. 會計政策變更

(i) 多項準則修訂於二零二三年內生效，其中適用於本集團的修訂包括：

- 《香港會計準則》第1號及《香港財務報告準則》實務聲明第2號之修訂，會計政策披露；
- 《香港會計準則》第8號之修訂，會計估計的定義；
- 《香港會計準則》第12號之修訂，有關單一交易產生的資產及負債的遞延所得稅；及
- 《香港會計準則》第12號之修訂，國際稅收改革－支柱二規則範本。

於本年度應用上述修訂對本集團於本年度及過往年度的財務狀況及表現及／或本綜合財務報表所載之披露並無重大影響。

3. CHANGES IN ACCOUNTING POLICIES*(Continued)***(ii) New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism**

In June 2022, the Hong Kong Special Administrative Region Government gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "Amendment Ordinance"), which will come into effect from 1 May 2025 (the "Transition Date"). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund ("MPF") scheme to reduce the long service payment ("LSP") in respect of an employee's service from the Transition Date (the abolition of the "offsetting mechanism"). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" that provides accounting guidance relating to the offsetting mechanism and the abolition of the offsetting mechanism. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP. However, applying this approach, upon the enactment of the Amendment Ordinance in June 2022, is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 that previously allowed such deemed contributions to be recognised as reduction of service cost (negative service cost) in the period the contributions were made; instead these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit.

The adoption of this new guidance does not have a material impact on the Group.

3. 會計政策變更(續)**(ii) 香港會計師公會就取消強積金—長期服務金對沖機制之會計影響之新指引**

於二零二二年六月，香港特別行政區政府將《2022年僱傭及退休計劃法例(抵銷安排)(修訂)條例》(「《修訂條例》」)刊憲，其將自二零二五年五月一日(「轉制日」)起生效。《修訂條例》生效後，僱主自轉制日起不得再使用其強制性公積金(「強積金」)計劃強制性供款產生的任何應計利益，以削減僱員服務的長期服務金(「長期服務金」)(取消「對沖機制」)。此外，於轉制日前有關服務的長期服務金將根據緊接轉制日前僱員的月薪及直至該日的服務年期計算。

於二零二三年七月，香港會計師公會頒佈「取消香港強積金—長期服務金對沖機制的會計影響」，提供有關對沖機制及取消對沖機制的會計指引。具體而言，指引表明實體將預期用作減少應付僱員長期服務金的強制性強積金供款產生的應計利益入賬，作為該僱員對長期服務金的視作供款。然而，於二零二二年六月頒佈《修訂條例》後，應用此方法不再允許應用《香港會計準則》第19號第93(b)段的實際權宜方法，即先前允許有關視作供款於作出供款期間確認為服務成本削減(負服務成本)；反之，該等視作供款應以與總長期服務金福利相同的方式歸屬於服務期間。

採納該項新指引不會對本集團產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The assumptions, estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2(10). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates and assumptions. Where the expectation is different from the original estimate, such difference will impact the carrying amount of goodwill and the impairment (if any) in the period in which such estimate has been changed.

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate and growth rate in order to calculate the present value of those cash flows. The net carrying amount of goodwill as at 31 December 2023 was approximately HK\$3,896,000 (2022: HK\$32,996,000).

More details of the impairment assessment are given in note 18.

4. 重要會計估計及判斷

假設、估計及判斷會不斷按照歷史經驗及其他因素，包括在各情況下相信是合理之未來事件預測，進行評估。

(i) 商譽減值估計

本集團每年按照附註2(10)所述之會計政策測試商譽是否有任何減值。現金產生單位之可收回金額按使用價值計算而釐定，該等計算須採用若干估計及假設。倘預期與原定估計有差異時，則該差額將會影響該估計出現變動期間內商譽及減值(如有)之賬面值。

本集團至少每年釐定商譽是否減值，對已獲分配商譽之現金產生單位之使用價值作出估計。估計使用價值要求本集團估計來自現金產生單位之預期未來現金流，亦要選擇合適折現率及增長率計算該等現金流之現值。於二零二三年十二月三十一日，商譽之賬面淨值為約3,896,000港元(二零二二年：32,996,000港元)。

減值評估之詳情載列於附註18。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)**(ii) Allowance for impairment of trade receivables and finance lease receivables**

For trade receivables and finance lease receivables, the Group applies the simplified approach to provide for ECLs as prescribed by HKFRS 9, which requires the use of the lifetime expected loss allowance for all trade receivables and finance lease receivables. The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. A considerable level of judgment is exercised by the Directors when assessing the financial condition and credit worthiness of each customer.

(iii) Provision for inventories

The Group reviews the carrying amounts of inventories at the end of each reporting period to determine whether the inventories are carried at lower of cost and net realisable value in accordance with the accounting policy set out in note 2(14). The Directors estimate the net realisable value based on the current market situation and historical experience on similar inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's net asset value.

4. 重要會計估計及判斷(續)**(ii) 貿易應收款項及應收融資租賃款項減值撥備**

就貿易應收款項及應收融資租賃款項而言，本集團應用《香港財務報告準則》第9號規定的簡化方法就預期信貸虧損計提撥備，該準則允許採用所有貿易應收款項及應收融資租賃款項的存續期預期虧損撥備。金融資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於每個報告期末，本集團作出該等假設及選擇減值計算之輸入數據時，根據其過往歷史、現時市況及前瞻性估計而判斷。董事於評估各客戶的財務狀況及信譽時需作出一定程度的判斷。

(iii) 存貨撥備

本集團在每個報告期末均審閱存貨之賬面值，以確定存貨是否按照附註2(14)所述的會計政策以成本及可變現價值兩者中較低數額入賬。董事根據類似存貨之現行市況及過往經驗估計可變現價值淨額。任何假設之改變將增加或減少存貨撇減或撇減之相應回撥，並因此影響本集團之資產淨值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(a) Revenue

Revenue, which is also the Group's turnover, represents the amounts received and receivable for goods sold to external customers, less returns and discounts and interest income from finance lease receivables during the year. An analysis of revenue is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Revenue	收入		
Sales of goods	產品銷售	2,161,526	2,319,064
Installation services for machinery	機械安裝服務	5,174	4,221
Revenue from contracts with customers	來自客戶合約之收入	2,166,700	2,323,285
Finance lease income	融資租賃收入	10,200	16,613
Total revenue	總收入	2,176,900	2,339,898

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trading of industrial consumables	工業消耗品貿易	388,339	431,729
Sales of plastic products	注塑製品銷售	525,873	445,895
Sales of machinery	機械銷售	794,161	863,480
Sales of printed circuit boards	印刷線路板銷售	453,153	577,960
Installation services for machinery	機械安裝服務	5,174	4,221
		2,166,700	2,323,285

The timing of revenue recognition of all revenue from contracts with customers is at a point in time when customers obtain control of goods or services.

5. 收入及分部報告

(a) 收入

收入，亦即本集團之營業額，指年內本集團向外部客戶銷售貨品減退貨及折扣後之已收及應收款項及來自應收融資租賃款項之利息收入。收入分析如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Revenue	收入		
Sales of goods	產品銷售	2,161,526	2,319,064
Installation services for machinery	機械安裝服務	5,174	4,221
Revenue from contracts with customers	來自客戶合約之收入	2,166,700	2,323,285
Finance lease income	融資租賃收入	10,200	16,613
Total revenue	總收入	2,176,900	2,339,898

收入分類

按主要產品類別分類的來自客戶合約之收入如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trading of industrial consumables	工業消耗品貿易	388,339	431,729
Sales of plastic products	注塑製品銷售	525,873	445,895
Sales of machinery	機械銷售	794,161	863,480
Sales of printed circuit boards	印刷線路板銷售	453,153	577,960
Installation services for machinery	機械安裝服務	5,174	4,221
		2,166,700	2,323,285

所有來自客戶合約之收入均於客戶取得貨品或服務控制權的時間點確認。

5. REVENUE AND SEGMENT REPORTING*(Continued)***(b) Segment Reporting**

The Group manages its business by a mixture of both business lines and geographical locations. In a manner consistent with the way in which information is reported internally to the Group's top management for the purposes of assessing segment performance and allocating resources between segments, the Group has identified, on a product basis, the following five reportable segments.

- (1) trading of industrial consumables;
- (2) processing and manufacturing of plastic products;
- (3) manufacturing of machinery;
- (4) processing and trading of printed circuit boards; and
- (5) machinery leasing.

During the year ended 31 December 2023, a new reportable segment named "machinery leasing" has been separated from "other operations". This new reportable segment is used by management to analyse its business performance, and corresponding figures for the prior year have been restated on the same basis.

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's top executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. For example, segment assets may include inventories, trade receivables, right-of-use assets and property, plant and equipment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

5. 收入及分部報告(續)**(b) 分部報告**

本集團按其業務範疇及地理位置來管理業務。為使分部資料之呈報方式與提供予本集團高級管理層供其評估分部之表現及分配部門資源內部報告更一致，本集團根據產品基準，已識別以下五項呈報分部。

- (1) 工業消耗品貿易；
- (2) 注塑製品加工及製造；
- (3) 機械製造；
- (4) 印刷線路板加工及貿易；及
- (5) 機械租賃。

截至二零二三年十二月三十一日止年度，名為「機械租賃」的新呈報分部已從「其他營運」分部中分離。該新呈報分部由管理層用來分析其業務表現，並已按相同基準重列上年度之相應數據。

分部業績、資產及負債

在評估分部表現及分配部門資源時，本集團的高級行政管理層根據以下基準監控每一呈報分部應佔業績、資產及負債：

分部收入、支出、業績、資產及負債包括一個分部直接應佔項目，以及可按合理基準向有關分部分配之項目。例如，分部資產可包括存貨、貿易應收款項、使用權資產及物業、廠房及設備。分部收入、支出、資產及負債在集團內公司間結餘及集團內部交易互相抵銷（此乃綜合賬目過程之一部份）前釐定，惟倘此等集團內部結餘及交易乃在集團間某單一分部內產生者，則作別論。分部間之定價乃以類似向其他外部人士提供之條款為基礎。

分部資本開支乃在期內購入預期可使用一個期間以上之分部資產所產生之總成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

Unallocated items mainly comprise financial and corporate assets and corporate expenses.

The segment results for the year ended 31 December 2023 are as follows:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic products 注塑製品 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Machinery leasing 機械租賃 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Eliminations 抵銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入								
External sales	對外銷售	388,339	525,873	799,335	453,153	10,200	-	-	2,176,900
Inter-segment sales (Note)	分部間銷售(附註)	28,623	61	1,573	-	6	-	(30,263)	-
Total revenue	總收入	416,962	525,934	800,908	453,153	10,206	-	(30,263)	2,176,900
Segment results	分部業績	18,210	33,331	1,007	(31,310)	1,412	3,264	-	25,914
Unallocated corporate expenses	未可分配之企業費用								(21,171)
Operating profit	經營溢利								4,743
Investment income	投資收入								11,452
Share of results of associates	應佔聯營公司業績								3,635
Gain on disposal of an associate	出售一間聯營公司之收益								412
Loss on disposal of subsidiaries	出售附屬公司之虧損								(46,151)
Finance costs	財務費用								(16,549)
Loss before tax	除稅前虧損								(42,458)
Income tax expense	所得稅費用								(17,057)
Loss for the year	年度虧損								(59,515)

Note:

Inter-segment sales are determined at prevailing market rates.

5. 收入及分部報告（續）

(b) 分部報告（續）

分部業績、資產及負債（續）

未可分配項目主要包括金融及企業資產及企業費用。

截至二零二三年十二月三十一日止年度之分部業績如下：

附註：

分部間銷售按現行市場價格釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING
(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment assets and liabilities as at 31 December 2023 are as follows:

5. 收入及分部報告(續)

(b) 分部報告(續)

分部業績、資產及負債(續)

於二零二三年十二月三十一日之
分部資產及負債如下:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic products 注塑製品 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Machinery leasing 機械租賃 HK\$'000 千港元	Other operations 其他營運 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產							
Segment assets	分部資產	316,582	372,179	927,785	278,363	295,004	54,266	2,244,179
Interests in associates	聯營公司權益							36,549
Unallocated corporate assets	未可分配之企業資產							181,352
Consolidated total assets	綜合資產總值							2,462,080
LIABILITIES	負債							
Segment liabilities	分部負債	75,389	117,079	417,099	101,327	49,277	143	760,314
Current tax payable	本期應付稅項							4,836
Borrowings	借款							234,598
Unallocated corporate liabilities	未可分配之企業負債							33,468
Consolidated total liabilities	綜合負債總值							1,033,216

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment information as at 31 December 2023 is as follows:

OTHER INFORMATION

Capital additions	資本增加	593	17,692	53,871	1,400	363	-	9	73,928
Depreciation and amortisation	折舊及攤銷	5,016	14,918	23,693	17,682	362	195	5,315	67,181
Allowance/(reversal of allowance) for impairment of bad and doubtful debts	呆壞賬減值撥備／(回撥)	2,178	445	(355)	-	4,175	7,213	-	13,656
Share of results of associates	應佔聯營公司業績	-	-	3,635	-	-	-	-	3,635
Interest income	利息收入	567	1,774	921	994	920	2,204	1,677	9,057
Finance costs	財務費用	661	372	9,609	1,627	42	42	4,196	16,549
Income tax expense/(credit)	所得稅費用／(抵免)	4,982	2,402	4,497	3,119	1,377	(1,320)	2,000	17,057
Other non-cash item:	其他非現金項目：								
(Reversal of write down)/ written down of inventories	存貨(撇減回撥)／撇賬	(758)	39	4,095	-	-	-	-	3,376
Impairment loss on goodwill	商譽減值虧損	-	-	-	29,100	-	-	-	29,100

5. 收入及分部報告（續）

(b) 分部報告（續）

分部業績、資產及負債（續）

於二零二三年十二月三十一日之分部資料如下：

Industrial consumables	Plastic products	Machinery	Printed circuit boards	Machinery leasing	Other operations	Unallocated	Consolidated
工業消耗品	注塑製品	機械	印刷線路板	機械租賃	其他營運	未分配	綜合
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
593	17,692	53,871	1,400	363	-	9	73,928
5,016	14,918	23,693	17,682	362	195	5,315	67,181
2,178	445	(355)	-	4,175	7,213	-	13,656
-	-	3,635	-	-	-	-	3,635
567	1,774	921	994	920	2,204	1,677	9,057
661	372	9,609	1,627	42	42	4,196	16,549
4,982	2,402	4,497	3,119	1,377	(1,320)	2,000	17,057
(758)	39	4,095	-	-	-	-	3,376
-	-	-	29,100	-	-	-	29,100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment results for the year ended 31 December 2022 are as follows:

		Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic products 注塑製品 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Machinery leasing 機械租賃 HK\$'000 千港元 (Restated) (重列)	Other operations 其他營運 HK\$'000 千港元 (Restated) (重列)	Eliminations 抵銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
REVENUE	收入								
External sales	對外銷售	431,729	445,895	867,701	577,960	16,613	-	-	2,339,898
Inter-segment sales (Note)	分部間銷售(附註)	23,998	116	3,081	-	8	-	(27,203)	-
Total revenue	總收入	455,727	446,011	870,782	577,960	16,621	-	(27,203)	2,339,898
Segment results	分部業績	32,687	29,211	799	(14,759)	2,806	2,137	-	52,881
Unallocated corporate expenses	未可分配之企業費用								(23,123)
Operating profit	經營溢利								29,758
Investment income	投資收入								11,404
Share of results of associates	應佔聯營公司業績								5,324
Finance costs	財務費用								(13,415)
Profit before tax	除稅前溢利								33,071
Income tax expense	所得稅費用								(14,234)
Profit for the year	年度溢利								18,837

Note:

Inter-segment sales are determined at prevailing market rates.

5. 收入及分部報告(續)

(b) 分部報告(續)

分部業績·資產及負債(續)

截至二零二二年十二月三十一日止年度之分部業績如下:

附註:

分部間銷售按現行市場價格釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Segment results, assets and liabilities (Continued)

The segment assets and liabilities as at 31 December 2022 are as follows:

	Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic products 注塑製品 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Machinery leasing 機械租賃 HK\$'000 千港元 (Restated) (重列)	Other operations 其他營運 HK\$'000 千港元 (Restated) (重列)	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產						
Segment assets	318,251	337,080	1,033,017	425,009	194,282	69,898	2,377,537
Interests in associates							39,483
Unallocated corporate assets							208,430
Consolidated total assets							<u>2,625,450</u>
LIABILITIES	負債						
Segment liabilities	84,766	116,221	436,415	142,453	41,560	2,779	824,194
Current tax payable							4,276
Borrowings							227,595
Unallocated corporate liabilities							30,989
Consolidated total liabilities							<u>1,087,054</u>

5. 收入及分部報告（續）

(b) 分部報告（續）

分部業績、資產及負債（續）

於二零二二年十二月三十一日之
分部資產及負債如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

The segment information as at 31 December 2022 is as follows:

	Industrial consumables 工業消耗品 HK\$'000 千港元	Plastic products 注塑製品 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Printed circuit boards 印刷線路板 HK\$'000 千港元	Machinery leasing 機械租賃 HK\$'000 千港元 (Restated) (重列)	Other operations 其他營運 HK\$'000 千港元 (Restated) (重列)	Unallocated 未分配 HK\$'000 千港元 (Restated) (重列)	Consolidated 綜合 HK\$'000 千港元
OTHER INFORMATION	其他資料							
Capital additions	6,483	13,226	16,347	4,189	793	793	48	41,879
Depreciation and amortisation	5,475	16,931	24,246	24,626	454	515	4,875	77,122
Allowance/(reversal of allowance) for impairment of bad and doubtful debts	2	-	(11,457)	-	(679)	-	-	(12,134)
Share of results of associates	-	-	5,324	-	-	-	-	5,324
Interest income	125	280	677	542	3	-	458	2,085
Finance costs	406	734	6,475	3,114	46	46	2,594	13,415
Income tax expense/(credit)	7,852	1,854	(1,062)	933	7,346	(2,689)	-	14,234
<u>Other non-cash item:</u> (Reversal of write down)/ written down of inventories	<u>其他非現金項目:</u> 存貨(撇減回撥)/ 撇賬							
	(398)	2	(5,063)	-	-	-	-	(5,459)

5. 收入及分部報告(續)

(b) 分部報告(續)

於二零二二年十二月三十一日之
分部資料如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND SEGMENT REPORTING

(Continued)

(b) Segment Reporting (Continued)

Geographical information

The Group's operations are located in Hong Kong, Mainland China, other Asia-Pacific countries, North America and Europe. The Group's trading of industrial consumables division is located in Hong Kong and Mainland China. The manufacturing of plastic products, machinery and printed circuit boards divisions are located in Mainland China.

An analysis of revenue by geographical market is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong	香港	211,280	313,799
Mainland China	中國內地	1,582,118	1,644,553
Other Asia-Pacific countries	其他亞太國家	307,311	294,037
North America	北美洲	7,256	4,625
Europe	歐洲	68,935	82,884
		2,176,900	2,339,898

An analysis of the Group's property, plant and equipment, right-of-use assets, goodwill and intangible assets ("specified non-current assets"), and additions to specified non-current assets, by the geographical area in which the assets are located is as follows:

		Specified non-current assets 指定非流動資產		Additions to specified non-current assets 指定非流動資產之增添	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong	香港	127,694	162,529	109	1,010
Mainland China	中國內地	440,591	492,479	73,819	40,869
		568,285	655,008	73,928	41,879

Information about major customers

No customer of the Group has individually accounted for over 10% of the Group's total revenue during the year (2022: Nil) and no information about major customers is presented accordingly.

5. 收入及分部報告（續）

(b) 分部報告（續）

地區資料

本集團的業務位於香港、中國內地、其他亞太國家、北美洲及歐洲。本集團之工業消耗品貿易類別位於香港及中國內地。注塑製品、機械及印刷線路板等製造業類別均位於中國內地。

按地區市場劃分之收入分析如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong	211,280	313,799
Mainland China	1,582,118	1,644,553
Other Asia-Pacific countries	307,311	294,037
North America	7,256	4,625
Europe	68,935	82,884
	2,176,900	2,339,898

本集團的物業、廠房及設備、使用權資產、商譽及無形資產（「指定非流動資產」）及指定非流動資產之增添按資產所在地區劃分之分析如下：

		Specified non-current assets 指定非流動資產		Additions to specified non-current assets 指定非流動資產之增添	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong	香港	127,694	162,529	109	1,010
Mainland China	中國內地	440,591	492,479	73,819	40,869
		568,285	655,008	73,928	41,879

主要客戶的資料

本集團概無個別客戶佔本集團年內收入總額超過10%（二零二二年：無），故並無呈列主要客戶資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

6. OTHER INCOME, GAIN AND LOSS, NET

6. 其他收入、收益及虧損淨額

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Other income	其他收入		
Gross rental income from properties and equipment	物業及設備之租金收益總額	2,131	2,827
Handling, tooling and sales of scrapped materials	處理、工裝及銷售廢料	1,351	2,116
Government grants	政府補貼	7,371	6,841
Sundry income	其他收入	11,062	5,120
		21,915	16,904
Gain and loss, net	收益及虧損淨額		
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	(1,736)	610
Exchange (loss)/gain, net	匯兌(虧損)/收益淨額	(2,162)	5,647
		(3,898)	6,257
		18,017	23,161

7. INVESTMENT INCOME

7. 投資收入

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Bank and other interest income	銀行及其他利息收入	9,057	2,085
Total interest income on financial assets not at FVTPL	並非按公平價值計量且其變動計入損益之金融資產之利息收入總額	9,057	2,085
Realised and unrealised gain on other financial assets	其他金融資產之已變現及未變現收益	2,395	9,319
		11,452	11,404

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

8. FINANCE COSTS

8. 財務費用

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Interest on:	由下列借貸產生的利息：		
Bank borrowings wholly repayable within 5 years	須於五年內悉數償還之銀行借款	14,394	9,891
Lease liabilities	租賃負債	2,155	3,524
Total interest expense on financial liabilities not at FVTPL	並非按公平價值計量且其變動計入損益之金融負債之利息支出總額	16,549	13,415

9. (LOSS)/PROFIT BEFORE TAX

9. 除稅前(虧損)/溢利

(Loss)/profit before tax is arrived at after charging/(crediting) the following:

除稅前(虧損)/溢利已扣除/(計入)下列各項：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Staff costs (including Directors' emoluments)	員工成本(包括董事酬金)		
– Salaries and other benefits	– 薪金及其他福利	314,173	329,966
– Retirement benefits scheme contributions	– 退休福利計劃供款	46,693	45,592
Total staff costs	總員工成本	360,866	375,558
Allowance/(reversal of allowance) for impairment of bad and doubtful debts, net	呆壞賬減值撥備/(回撥)淨額	13,656	(12,134)
Auditors' remuneration	核數師酬金		
– Group auditor	– 集團核數師	3,068	2,848
Depreciation and amortisation on:	折舊及攤銷：		
– Property, plant and equipment	– 物業、廠房及設備		
– Ownership interest in leasehold land and buildings held for own use	– 自用租賃土地及樓宇的所有權權益	16,296	16,275
– Other owned assets	– 其他自置資產	36,406	43,423
– Intangible assets	– 無形資產	922	1,383
– Right-of-use assets	– 使用權資產	13,557	16,041
Research and development expenditure	研發費用	69,660	65,810
Short-term lease payments	短期租賃租金	1,629	2,085

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

10A.BENEFITS AND INTERESTS OF DIRECTORS

(i) Directors' emoluments

The emoluments of each Director are set out as below:

For the year ended 31 December 2023:

10A.董事福利及權益

(i) 董事酬金

每名董事之酬金載列如下：

截至二零二三年十二月三十一日止年度：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事職務(不論為本公司或其附屬公司業務)已付或應收酬金					
		Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	Total
		袍金	薪金	酌情花紅	津貼及實物福利	退休福利計劃的僱主供款	合計
		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
Executive Directors	執行董事						
Mr. Tang To	鄧焯先生	-	1,560	304	-	108	1,972
Mr. Tang Yu, Freeman	鄧愚先生	-	2,080	607	-	18	2,705
Non-executive Directors	非執行董事						
Mr. Kan Wai Wah	簡衛華先生	100	-	-	-	-	100
Mr. Qu Jinping (Note)	瞿金平先生(附註)	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Ms. Yeung Shuk Fan	楊淑芬女士	168	-	-	-	-	168
Mr. Huang Zhi Wei (Note)	黃志偉先生(附註)	-	-	-	-	-	-
Mr. Lam Kwok Ming	林國明先生	100	-	-	-	-	100
Mr. Lee Wai Yip, Alvin	李偉業先生	100	-	-	-	-	100
		468	3,640	911	-	126	5,145

Note: During the year, Messrs. Qu Jinping and Huang Zhi Wei waived their directors' fees under their letters of appointment and resigned as a non-executive Director and an independent non-executive Director, respectively, on 25 September 2023.

None of the Directors received or will receive any emoluments in respect of a person accepting office as a director during the year.

附註：根據瞿金平先生及黃志偉先生的委任書，彼等於年內放棄收取董事酬金，並已於二零二三年九月二十五日分別辭任非執行董事及獨立非執行董事。

年內，概無董事以個人接納董事職位而已收取或將收取任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

10A. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(i) Directors' emoluments (Continued)

For the year ended 31 December 2022:

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事職務（不論為本公司或其附屬公司業務）已付或應收酬金					Total
		Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	
		袍金	薪金	酌情花紅	津貼及實物福利	退休福利計劃的僱主供款	合計
		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
Executive Directors	執行董事						
Mr. Tang To	鄧燾先生	-	1,560	316	-	108	1,984
Mr. Tang Yu, Freeman	鄧愚先生	-	2,080	631	-	18	2,729
Non-executive Directors	非執行董事						
Mr. Kan Wai Wah	簡衛華先生	60	-	-	-	-	60
Mr. Qu Jinping (Note a)	瞿金平先生(附註a)	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Ms. Yeung Shuk Fan	楊淑芬女士	168	-	-	-	-	168
Mr. Cheng Tak Yin (Note b)	鄭達賢先生(附註b)	54	-	-	-	-	54
Mr. Huang Zhi Wei (Note a)	黃志煒先生(附註a)	-	-	-	-	-	-
Mr. Lam Kwok Ming (Note c)	林國明先生(附註c)	10	-	-	-	-	10
Mr. Lee Wai Yip, Alvin (Note c)	李偉業先生(附註c)	10	-	-	-	-	10
		302	3,640	947	-	126	5,015

Notes:

- (a) During the year, Messrs. Qu Jinping and Huang Zhi Wei waived their directors' fees under their letters of appointment.
- (b) Mr. Cheng Tak Yin resigned as an independent non-executive Director with effect from 24 November 2022.
- (c) Messrs. Lam Kwok Ming and Lee Wai Yip, Alvin were appointed as independent non-executive Directors with effect from 24 November 2022.

None of the Directors received or will receive any emoluments in respect of a person accepting office as a director during the year.

10A. 董事福利及權益（續）

(i) 董事酬金（續）

截至二零二二年十二月三十一日止年度：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking 就個人擔任董事職務（不論為本公司或其附屬公司業務）已付或應收酬金					Total
		Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Employer's contribution to a retirement benefit scheme	
		袍金	薪金	酌情花紅	津貼及實物福利	退休福利計劃的僱主供款	合計
		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
Executive Directors	執行董事						
Mr. Tang To	鄧燾先生	-	1,560	316	-	108	1,984
Mr. Tang Yu, Freeman	鄧愚先生	-	2,080	631	-	18	2,729
Non-executive Directors	非執行董事						
Mr. Kan Wai Wah	簡衛華先生	60	-	-	-	-	60
Mr. Qu Jinping (Note a)	瞿金平先生(附註a)	-	-	-	-	-	-
Independent Non-executive Directors	獨立非執行董事						
Ms. Yeung Shuk Fan	楊淑芬女士	168	-	-	-	-	168
Mr. Cheng Tak Yin (Note b)	鄭達賢先生(附註b)	54	-	-	-	-	54
Mr. Huang Zhi Wei (Note a)	黃志煒先生(附註a)	-	-	-	-	-	-
Mr. Lam Kwok Ming (Note c)	林國明先生(附註c)	10	-	-	-	-	10
Mr. Lee Wai Yip, Alvin (Note c)	李偉業先生(附註c)	10	-	-	-	-	10
		302	3,640	947	-	126	5,015

附註：

- (a) 根據瞿金平先生及黃志煒先生的委任書，彼等於年內放棄收取董事酬金。
- (b) 鄭達賢先生由二零二二年十一月二十四日起辭任獨立非執行董事。
- (c) 林國明先生及李偉業先生由二零二二年十一月二十四日起獲委任為獨立非執行董事。

年內，概無董事以個人接納董事職位而已收取或將收取任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

10A. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(ii) Directors' retirement benefits and termination benefits

None of the Directors received or will receive any retirement benefits or termination benefits during the year (2022: same).

(iii) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2023, the Company did not pay consideration to any third parties for making available directors' services (2022: same).

(iv) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2023, there were no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and connected entities with such directors (2022: same).

(v) Directors' material interests in transactions, arrangements or contracts

Save as the related party transactions as disclosed in note 41 to the consolidated financial statements and in the heading of "Related Party Transactions" of the section of "Report of the Directors" of this annual report, no transaction, arrangement or contract that is significant in relation to the Group's businesses to which the Company, its holding company or any of its subsidiaries was a party and in which a Director or his/her connected entity had, directly or indirectly, a material interest was entered into or subsisted at any time during the year or at the end of the year (2022: same).

10A. 董事福利及權益 (續)

(ii) 董事退休福利及離職福利

年內，概無董事已收取或將會收取任何退休福利或離職福利(二零二二年：相同)。

(iii) 就獲取董事服務向第三方支付之代價

於截至二零二三年十二月三十一日止年度，本公司並無就獲取董事服務而向任何第三方支付代價(二零二二年：相同)。

(iv) 有關以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

於截至二零二三年十二月三十一日止年度，概無以董事、該等董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易安排(二零二二年：相同)。

(v) 董事於交易、安排或合約之重大權益

除於綜合財務報表附註41及本年報「董事會報告書」章節中「關聯方交易」標題內披露的關聯方交易外，在年內任何時間或年終時，本公司、其控股公司或其任何附屬公司概無訂立或存在就本集團的業務而言屬重大且董事或其有關連實體擁有直接或間接的具相當分量的利害關係的交易、安排或合約(二零二二年：相同)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

10B. EMPLOYEE BENEFIT EXPENSE

10B. 僱員福利開支

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Wages, salaries, allowances and other benefits	薪金、工資、津貼及其他福利	314,173	329,966
Pension costs – defined contribution plans	退休金成本 – 定額供款計劃	1,533	1,779
Pension costs – social securities in the PRC	退休金成本 – 中國社會保障金	45,160	43,813
		360,866	375,558

Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2022: two) were the Directors, details of whose emoluments are included in note 10A to the consolidated financial statements. The emoluments of all of the five individuals with the highest emoluments for the years ended 31 December 2023 and 2022 were as follows:

五位最高薪酬之僱員

本集團五位最高酬金僱員之中，兩位（二零二二年：兩位）乃董事，其酬金已詳列於綜合財務報表附註10A。截至二零二三年及二零二二年十二月三十一日止年度五位最高酬金的僱員的酬金詳列如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Fees	袍金	–	–
Salaries, allowances and other benefits	薪金、津貼及其他福利	7,801	7,927
Discretionary bonuses	酌情花紅	5,935	5,325
Pension fund	退休金	–	–
Pension costs – defined contribution plans	退休金成本 – 定額供款計劃	357	343
		14,093	13,595

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

10B. EMPLOYEE BENEFIT EXPENSE (Continued)

Five highest paid individuals (Continued)

Their emoluments are within the following bands:

		Number of individuals 僱員數目	
		2023 二零二三年	2022 二零二二年
Emolument bands	酬金範圍		
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	–	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	1	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至 3,500,000港元	1	2
HK\$4,000,001 to HK\$4,500,000	4,000,001港元至 4,500,000港元	1	–
		5	5

For the years ended 31 December 2023 and 2022, no emoluments were paid by the Group to any of the Directors or other members of the five highest paid individuals as an inducement to join, upon joining the Group or to leave the Group or as compensation for loss of office.

截至二零二三年及二零二二年十二月三十一日止年度，本集團概無向任何董事或五位最高薪酬之其他成員支付酬金，以作為吸引彼等加入、於加入本集團或離開本集團時之獎金或作為離職補償。

11. INCOME TAX EXPENSE

Hong Kong profits tax

The provision for Hong Kong profits tax for 2023 is calculated at 16.5% (2022: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the Two-tiered Profits Tax Rates Regime. For this subsidiary, the first HK\$2,000,000 of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

The PRC enterprise income tax

(i) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Regulation on the Implementation of the EIT Law, the rate of the PRC companies is 25%. The Group's subsidiaries in the PRC are subject to the PRC income tax at 25% unless otherwise specified.

11. 所得稅費用

香港利得稅

計提二零二三年香港利得稅乃就年內估計應課稅溢利按稅率16.5% (二零二二年：16.5%) 計算，除了本集團一間附屬公司是利得稅兩級制下的合資格公司外。該附屬公司的首2,000,000港元應課稅溢利將以8.25%的稅率徵稅，而餘下之應課稅溢利將以16.5%的稅率徵稅。

中國企業所得稅

(i) 根據《中國企業所得稅法》(「《企業所得稅法》」)及《企業所得稅法實施條例》，中國公司的稅率均為25%。除另有規定者外，本集團位於中國的附屬公司須按25%的稅率繳納中國所得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

11. INCOME TAX EXPENSE (Continued)

The PRC enterprise income tax (Continued)

(ii) High and New Technology Enterprise (“HNTE”)

According to the EIT Law and its relevant regulations, entities that qualified as HNTE are entitled to a preferential income tax rate of 15%. Certain of the Group’s subsidiaries are qualified as HNTE and are subject to the PRC income tax at 15% for 2023.

The 15% preferential tax rate applicable to HNTE is subject to renewal approval jointly by the relevant authorities, upon expiry of the three-year grant period, according to the prevailing income tax regulations.

11. 所得稅費用（續）

中國企業所得稅（續）

(ii) 高新技術企業

根據《企業所得稅法》及其相關條例，符合高新技術企業資格的實體有權享受15%的優惠所得稅稅率。本集團的若干附屬公司符合高新技術企業資格，於二零二三年須按15%的稅率繳納中國所得稅。

適用於高新技術企業的15%優惠稅率在三年授予期到期時須經相關機構根據現行的所得稅條例共同進行續新審批。

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Tax charge comprises:	稅項支出包括：		
Current tax	本期稅項		
Hong Kong profits tax	香港利得稅		
Current year	本年度	1,655	1,918
Under-provision/(over-provision) in prior years	往年度少提/(多提)	115	(12)
		1,770	1,906
The PRC enterprise income tax	中國企業所得稅		
Current year	本年度	12,906	15,169
Over-provision in prior years	往年度多提	(714)	(1,659)
		12,192	13,510
The PRC withholding tax on dividends	中國股息預扣稅	600	-
Deferred tax (note 22)	遞延稅項（附註22）		
Deferred taxation relating to the origination and (reversal) of temporary differences	因暫時性差異產生及（逆轉）之遞延稅項	2,495	(1,182)
Income tax expense for the year	年度之所得稅費用	17,057	14,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

11. INCOME TAX EXPENSE (Continued)

The taxation on the Group's (loss)/profit before taxation differs from the theoretical amount that would arise using the domestic taxation rates applicable to profits of the consolidated companies as follows:

11. 所得稅費用(續)

本集團除稅前(虧損)／溢利與以適用於綜合公司溢利之本地稅率所產生之理論性金額差異如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss)/profit before tax	除稅前(虧損)／溢利	(42,458)	33,071
Tax calculated at the domestic income tax rate of 16.5% (2022: 16.5%)	以本地所得稅率16.5% (二零二二年: 16.5%)計算	(7,006)	5,456
Tax effect of share of results of associates	應佔聯營公司業績的稅務影響	(600)	(878)
Tax effect of expenses that are not deductible in determining taxable profit	評定應課稅溢利時不可扣減開支的稅務影響	16,783	2,857
Tax effect of income that is not taxable in determining taxable profit	評定應課稅溢利時無須繳稅收入的稅務影響	(3,568)	(613)
Over-provision of current tax in current year, net	本年度本期稅項撥備多提淨額	122	194
Over-provision of current tax in prior years, net	過往年度本期稅項撥備多提淨額	(599)	(1,671)
Tax effect of temporary differences/tax losses not recognised	未確認之暫時性差異／稅項虧損的稅務影響	16,505	15,708
Tax effect of utilisation of tax losses previously not recognised	使用過往未確認之稅項虧損的稅務影響	(2,172)	(915)
Additional deductible allowance for research and development expense	研發費用的額外稅務扣減	(5,824)	(8,687)
Deferred tax liability on withholding tax	預扣稅產生的遞延稅項負債	2,000	-
The PRC withholding tax on dividends	中國股息預扣稅	600	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營之附屬公司稅率差異之影響	816	2,783
		17,057	14,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

12. (LOSS)/EARNINGS PER SHARE – BASIC

The calculation of basic (loss)/earnings per ordinary share attributable to equity shareholders of the Company is based on the Group's loss for the year ended 31 December 2023 attributable to equity shareholders of the Company approximately HK\$43,801,000 (2022: profit of approximately HK\$24,414,000) and on 861,930,692 (2022: 861,930,692) ordinary shares in issue during the year ended 31 December 2023.

No diluted earnings per share is presented as there were no potential ordinary shares in issue for both years.

12. 每股（虧損）／盈利－基本

本公司股權持有人應佔每股普通股的基本（虧損）／盈利乃按本公司股權持有人應佔本集團截至二零二三年十二月三十一日止年度之虧損為約43,801,000港元（二零二二年：溢利約24,414,000港元）及截至二零二三年十二月三十一日止年度內已發行普通股861,930,692股（二零二二年：861,930,692股）計算。

由於兩個年度內並無潛在已發行之普通股，因此並無呈列每股攤薄後之盈利。

13. OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR, NET OF TAX

Tax effects relating to each component of other comprehensive (expense)/income are as follows:

13. 本年度扣除稅項後之其他全面（支出）／收益

有關其他全面（支出）／收益各組成部份之稅務影響如下：

	2023 二零二三年			2022 二零二二年		
	Before tax amount 除稅前金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項金額 HK\$'000 千港元	Before tax amount 除稅前金額 HK\$'000 千港元	Tax expenses 稅項費用 HK\$'000 千港元	Net-of-tax amount 扣除稅項金額 HK\$'000 千港元
Share of other comprehensive income of associates 應佔聯營公司其他全面收益	(996)	-	(996)	(3,142)	-	(3,142)
(Deficit)/surplus on revaluation of properties held for own use 自用物業重估（虧損）／盈餘	(4,525)	61	(4,464)	8,929	(1,477)	7,452
Exchange differences arising from translation of financial statements of foreign operations 換算海外業務財務報表時產生之滙兌差額	(17,848)	-	(17,848)	(126,849)	-	(126,849)
Reclassification adjustments: 重新分類調整：						
Release of translation reserve upon disposal of an associate 出售一間聯營公司時從滙兌儲備撥出	166	-	166	-	-	-
Release of translation reserve upon disposal of subsidiaries 出售附屬公司時從滙兌儲備撥出	8,568	-	8,568	-	-	-
	(14,635)	61	(14,574)	(121,062)	(1,477)	(122,539)

14. DIVIDEND

The Board did not recommend the payment of a final dividend for the year ended 31 December 2023 (31 December 2022: Nil).

14. 股息

董事會不建議派發截至二零二三年十二月三十一日止年度末期股息（二零二二年十二月三十一日：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Ownership interest in leasehold land and buildings held for own use 自用租賃 土地及樓宇的 所有權權益 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及 設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
COST OR VALUATION	成本或估值						
At 1 January 2022	於二零二二年一月一日	449,613	202,393	655,427	31,399	17,553	1,356,385
Exchange realignment	滙兌調整	(26,783)	(15,334)	(42,777)	(1,799)	(1,488)	(88,181)
Reclassification	重新分類	-	-	16,065	-	(16,065)	-
Additions	添置	-	8,716	21,913	1,912	-	32,541
Disposals	出售	-	(1,491)	(11,873)	(1,184)	-	(14,548)
Adjustment on revaluation	重估調整	(6,731)	-	-	-	-	(6,731)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及 二零二三年一月一日	416,099	194,284	638,755	30,328	-	1,279,466
Exchange realignment	滙兌調整	(3,969)	(3,906)	(10,044)	(304)	(69)	(18,292)
Transfer from right-of-use assets upon exercise of purchase option (note 17)	於行使購買權時從使用權資產 轉移(附註17)	-	-	4,914	608	-	5,522
Reclassification	重新分類	-	-	8,462	-	(8,462)	-
Additions	添置	-	13,038	44,344	2,249	11,200	70,831
Disposals	出售	-	(12,707)	(110,109)	(5,724)	-	(128,540)
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	(64,293)	(235,539)	(1,087)	-	(300,919)
Adjustment on revaluation	重估調整	(20,760)	-	-	-	-	(20,760)
At 31 December 2023	於二零二三年十二月三十一日	391,370	126,416	340,783	26,070	2,669	887,308
Analysis of cost or valuation:	成本或估值之分析:						
At 31 December 2023	於二零二三年十二月三十一日						
At cost	按成本價	-	126,416	340,783	26,070	2,669	495,938
At valuation	按估值	391,370	-	-	-	-	391,370
		391,370	126,416	340,783	26,070	2,669	887,308
At 31 December 2022	於二零二二年十二月三十一日						
At cost	按成本價	-	194,284	638,755	30,328	-	863,367
At valuation	按估值	416,099	-	-	-	-	416,099
		416,099	194,284	638,755	30,328	-	1,279,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

15. 物業、廠房及設備(續)

		Ownership interest in leasehold land and buildings held for own use 自用租賃 土地及樓宇的 所有權權益 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置及 設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Assets under construction 在建工程 HK\$'000 千港元	Total 總值 HK\$'000 千港元
ACCUMULATED DEPRECIATION AND AMORTISATION	累計折舊及攤銷						
At 1 January 2022	於二零二二年一月一日	-	178,268	542,749	25,172	-	746,189
Exchange realignment	滙兌調整	(615)	(13,155)	(32,020)	(1,307)	-	(47,097)
Depreciation provided for the year	年度折舊撥備	16,275	9,090	31,842	2,491	-	59,698
Written back on disposals	出售後撥回	-	(1,311)	(10,164)	(1,108)	-	(12,583)
Eliminated on revaluation	重估撇銷	(15,660)	-	-	-	-	(15,660)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及 二零二三年一月一日	-	172,892	532,407	25,248	-	730,547
Exchange realignment	滙兌調整	(61)	(2,920)	(7,063)	(222)	-	(10,266)
Transfer from right-of-use assets upon exercise of purchase option (note 17)	於行使購買權時從使用權資產 轉移(附註17)	-	-	1,845	466	-	2,311
Depreciation provided for the year	年度折舊撥備	16,296	6,670	27,734	2,002	-	52,702
Written back on disposals	出售後撥回	-	(12,578)	(108,340)	(5,706)	-	(126,624)
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	(62,175)	(205,281)	(774)	-	(268,230)
Eliminated on revaluation	重估撇銷	(16,235)	-	-	-	-	(16,235)
At 31 December 2023	於二零二三年十二月三十一日	-	101,889	241,302	21,014	-	364,205
NET BOOK VALUES	賬面淨值						
At 31 December 2023	於二零二三年十二月三十一日	391,370	24,527	99,481	5,056	2,669	523,103
At 31 December 2022	於二零二二年十二月三十一日	416,099	21,392	106,348	5,080	-	548,919

The ownership interest in leasehold land and buildings of the Group were revalued as at 31 December 2023 on the open market existing use basis by Roma Appraisals Limited, an independent firm of professional valuers. The surplus arising on revaluation attributable to the Group has been credited to other comprehensive income for the year and is accumulated separately in equity in property revaluation reserve.

羅馬國際評估有限公司(獨立專業估值公司)於二零二三年十二月三十一日,以現行公開市場之基準,重估本集團租賃土地及樓宇的所有權權益。因重估而產生之盈餘已轉入本年度的其他全面收益及分別累計於物業重估儲備內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Depreciation expense of approximately HK\$39,330,000 (2022: approximately HK\$44,452,000) has been expensed in cost of sales, approximately HK\$795,000 (2022: approximately HK\$907,000) in selling and distribution costs and approximately HK\$12,577,000 (2022: approximately HK\$14,339,000) in administrative expenses.

Had ownership interest in leasehold land and buildings been carried at cost less accumulated depreciation and amortisation, the carrying value of leasehold land and buildings would have been approximately HK\$255,196,000 (2022: approximately HK\$272,104,000).

At 31 December 2023, certain of the Group's ownership interest in leasehold land and buildings held for own use with an aggregate carrying value of approximately HK\$133,092,000 (2022: approximately HK\$124,500,000) were pledged to secure certain bank borrowings granted to the Group (note 38).

16. FAIR VALUE MEASUREMENT OF PROPERTIES

(i) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

15. 物業、廠房及設備(續)

折舊費用約39,330,000港元(二零二二年:約44,452,000港元)已被計入於銷售成本,約795,000港元(二零二二年:約907,000港元)於分銷費用及約12,577,000港元(二零二二年:約14,339,000港元)於行政費用。

假設租賃土地及樓宇的所有權權益以成本減除累計折舊及攤銷,租賃土地及樓宇之現行賬面值為約255,196,000港元(二零二二年:約272,104,000港元)。

於二零二三年十二月三十一日,本集團已抵押部份自用租賃土地及樓宇的所有權權益,其賬面值為約133,092,000港元(二零二二年:約124,500,000港元),作為授予本集團若干銀行借款之擔保(附註38)。

16. 物業公平價值計量

(i) 公平價值架構

下表呈列於報告期末所計算本集團物業之公平價值,並按《香港財務報告準則》第13號,公平價值計量所界定之公平價值三層架構中持續性基礎計算。將公平價值計量分類之等級乃經參考如下估值方法所用數據之可觀察性及重要性後釐定:

第一層次估值:僅使用第一層次輸入數據(即於計量日同類資產或負債於活躍市場之未經調整報價)計量之公平價值。

第二層次估值:使用第二層次輸入數據(即未能達到第一層次之可觀察輸入數據,且並未使用重大不可觀察輸入數據)計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。

第三層次估值:使用重大不可觀察輸入數據計量之公平價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

16. FAIR VALUE MEASUREMENT OF PROPERTIES

(Continued)

(i) Fair value hierarchy (Continued)

Recurring fair value measurement of assets:

Ownership interest in leasehold land and buildings held for own use

持續的公平價值計量資產：

自用租賃土地及樓宇的所有權權益

31 December 2023 於二零二三年十二月三十一日 HK\$'000 千港元	Fair value measurement at 31 December 2023 categorised into 於二零二三年十二月三十一日 公平價值計量作以下分類		
	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
391,370	-	-	391,370

Fair value measurement at 31 December 2022 categorised into 於二零二二年十二月三十一日 公平價值計量作以下分類

Recurring fair value measurement of assets:

Ownership interest in leasehold land and buildings held for own use

持續的公平價值計量資產：

自用租賃土地及樓宇的所有權權益

31 December 2022 於二零二二年十二月三十一日 HK\$'000 千港元	Fair value measurement at 31 December 2022 categorised into 於二零二二年十二月三十一日 公平價值計量作以下分類		
	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
416,099	-	-	416,099

During the years ended 31 December 2023 and 2022, there were no transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

於二零二三年及二零二二年十二月三十一日年度內並無轉撥到第三層次或從第三層次轉出。當有公平價值架構層間之轉撥發生，會按照本集團之政策，於報告期末確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

16. FAIR VALUE MEASUREMENT OF PROPERTIES

(Continued)

(i) Fair value hierarchy (Continued)

All of the Group's ownership interest in leasehold land and buildings held for own use were revalued as at 31 December 2023. The valuations were carried out by independent firm of professional valuers, Roma Appraisals Limited, which is a world-wide commercial real estate services firm with recent experience in the location and category of property being valued. The Group's property manager and chief financial officer had discussion with the valuers on the valuation assumptions and valuation results when the valuations are performed at the annual reporting date.

(ii) Information about Level 3 fair value measurement

	Valuation techniques 估值技術	Unobservable input 不可觀察數據	Range 範圍
Ownership interest in leasehold land and buildings held for own use 自用租賃土地及樓宇的所有權權益	(a) Direct comparison approach 直接比較計算法	Prices of comparable properties 可比較物業之價格	Approximate HK\$3,800 to HK\$15,800 per square foot 每平方英尺約3,800港元至15,800港元
	(b) Income approach 收入計算法	Capitalisation rate 資本化率	5.75% to 7.75% 5.75%至7.75%

(a) The fair value of properties located in Hong Kong is determined using direct comparison approach by reference to recent sales price of comparable properties on a price per square foot basis, adjusted for a premium or a discount specific to the quality of the Group's properties compared to the recent sales. The valuations take into account the characteristic of the properties which included the location, size, view, floor level, year of completion and other factors collectively. Higher premium for higher quality properties will result in a higher fair value measurement.

16. 物業公平價值計量（續）

(i) 公平價值架構（續）

本集團所有之自用租賃土地及樓宇的所有權權益於二零二三年十二月三十一日進行重估。該重估工作由獨立專業估值公司—羅馬國際評估有限公司（全球性的商業房地產服務公司並擁有對最近被估物業地點及種類之重估經驗）完成。於年度報告日，本集團之物業經理及首席財務總監曾就年度估值之假設及估值結果與估值師討論。

(ii) 第三層次公平價值計量資料

(a) 位於香港的物業之公平價值是按直接比較計算法釐定，當中參考可比較物業近期銷售售價之每平方英尺價格，並與近期銷售比較按本集團物業質量作出溢價或折扣調整。估值方法會顧及物業之特性，包括物業之地點、面積、景觀、樓層、落成年份及其他因素考慮。由於較高質量物業可享有較高溢價，所以會得出較高之公平價值計量數值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

16. FAIR VALUE MEASUREMENT OF PROPERTIES

(Continued)

(ii) Information about Level 3 fair value measurement

(Continued)

- (b) The fair value of properties in the PRC is determined using income approach by the capitalisation of the net rental income derived from the existing leases and/or achievable in existing market with reversionary income potential by adopting appropriate capitalisation rates. Capitalisation is estimated by the valuer based on the risk profile of the properties being valued. The higher the rates, the lower the fair value. Prevailing market rents are estimated based on recent lettings within the subject properties and other comparable properties. The lower the rents, the lower the fair value.

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Ownership interest in leasehold land and buildings held for own use:	自用租賃土地及樓宇的所有權權益：		
At 1 January	於一月一日	416,099	449,613
Exchange realignment	滙兌調整	(3,908)	(26,168)
Depreciation provided for the year	年度折舊撥備	(16,296)	(16,275)
(Deficit)/surplus on revaluation	重估（虧損）／盈餘	(4,525)	8,929
At 31 December	於十二月三十一日	391,370	416,099

Deficit/surplus on revaluation and currency adjustment of ownership interest in leasehold land and buildings held for own use is recognised in other comprehensive income in "property revaluation reserve" and "translation reserve" respectively.

16. 物業公平價值計量（續）

(ii) 第三層次公平價值計量資料（續）

- (b) 在中國的物業之公平價值採用收入計算法按適當資本化率將現有租約及／或當前市況假設的未來租約的淨租金收入資本化。資本化由估值師按投資物業的風險因素評估。利率越高，公平價值越低。現行市場租金按該物業及其他可比較物業的近期估計。租金越低，公平價值越低。

第三層次公平價值計量的結餘於本年度內之變動如下：

自用租賃土地及樓宇的所有權權益之重估虧損／盈餘及貨幣調整已分別確認於其他全面收益中的「物業重估儲備」和「滙兌儲備」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

17. RIGHT-OF-USE ASSETS

17. 使用權資產

		Land use rights 土地使用權 (note a) (附註a) HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Land and buildings 土地及樓宇 (note b) (附註b) HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總值 HK\$'000 千港元
COST	成本					
At 1 January 2022	於二零二二年一月一日	59,535	5,446	75,254	608	140,843
Exchange realignment	滙兌調整	(5,094)	(461)	(5,918)	-	(11,473)
Additions	添置	-	-	8,696	-	8,696
Modification of lease term	租賃條款修訂	-	-	642	-	642
Written off	撇銷	-	-	(7,721)	-	(7,721)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	54,441	4,985	70,953	608	130,987
Exchange realignment	滙兌調整	(783)	(80)	(1,483)	-	(2,346)
Additions	添置	-	1,535	1,562	-	3,097
Modification of lease term	租賃條款修訂	-	-	(5,054)	-	(5,054)
Transfer to property, plant and equipment upon exercise of purchase option (note 15)	於行使購買權時轉移到物業、廠房及設備(附註15)	-	(4,914)	-	(608)	(5,522)
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	-	(45,032)	-	(45,032)
Written off	撇銷	-	-	(3,422)	-	(3,422)
At 31 December 2023	於二零二三年十二月三十一日	53,658	1,526	17,524	-	72,708
ACCUMULATED DEPRECIATION	累計折舊					
At 1 January 2022	於二零二二年一月一日	20,499	750	33,711	305	55,265
Exchange realignment	滙兌調整	(1,821)	(88)	(2,860)	-	(4,769)
Depreciation provided for the year	年度折舊撥備	1,206	615	14,099	121	16,041
Written off	撇銷	-	-	(7,721)	-	(7,721)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	19,884	1,277	37,229	426	58,816
Exchange realignment	滙兌調整	(296)	(17)	(922)	-	(1,235)
Depreciation provided for the year	年度折舊撥備	1,150	585	11,782	40	13,557
Modification of lease term	租賃條款修訂	-	-	(2,889)	-	(2,889)
Transfer to property, plant and equipment upon exercise of purchase option (note 15)	於行使購買權時轉移到物業、廠房及設備(附註15)	-	(1,845)	-	(466)	(2,311)
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	-	(31,094)	-	(31,094)
Written off	撇銷	-	-	(3,422)	-	(3,422)
At 31 December 2023	於二零二三年十二月三十一日	20,738	-	10,684	-	31,422
NET BOOK VALUES	賬面淨值					
At 31 December 2023	於二零二三年十二月三十一日	32,920	1,526	6,840	-	41,286
At 31 December 2022	於二零二二年十二月三十一日	34,557	3,708	33,724	182	72,171

Notes:

- (a) The land use rights had a remaining lease term of between 10 to 50 years. At 31 December 2023, certain of the Group's land use rights with an aggregate carrying value of approximately HK\$4,279,000 (2022: Nil) were pledged to secure certain bank borrowings granted to the Group (note 38).
- (b) The Group has leased several land and buildings for offices and factories. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions. Tenures of the leases range from 1 to 10 years.

附註:

- (a) 土地使用權的剩餘租賃期為10至50年。於二零二三年十二月三十一日，本集團賬面總值約4,279,000港元(二零二二年：無)的部份土地使用權已抵押，作為授予本集團有關銀行借款之擔保(附註38)。
- (b) 本集團已租用一些土地及樓宇作辦公室及廠房用途。租賃條款是個別協商的，並包含不同的條款及條件。租賃期為1至10年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

18. GOODWILL

18. 商譽

HK\$'000
千港元

COST	成本	
At 1 January 2022, 31 December 2022 and 31 December 2023	於二零二二年一月一日、 二零二二年十二月三十一日及 二零二三年十二月三十一日	53,483
ACCUMULATED IMPAIRMENT	累計減值	
At 1 January 2022	於二零二二年一月一日	20,487
Impairment loss recognised for the year	本年度已確認減值虧損	-
At 31 December 2022	於二零二二年十二月三十一日	20,487
Impairment loss recognised for the year	本年度已確認減值虧損	29,100
At 31 December 2023	於二零二三年十二月三十一日	49,587
CARRYING AMOUNT	賬面值	
At 31 December 2023	於二零二三年十二月三十一日	3,896
At 31 December 2022	於二零二二年十二月三十一日	32,996

The amount represents goodwill arising from the acquisition of 100% equity interest in KFE Hong Kong Co., Limited ("KFE") in 2013. For the purpose of impairment testing, goodwill has been allocated to an individual cash-generating unit, representing KFE, a subsidiary in the processing and trading of printed circuit boards segment.

The recoverable amount of this cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 23.2% (2022: 18.4%) per annum. The cash flows beyond that five-year period have been extrapolated using a steady 2.5% (2022: 3.0%) per annum growth rate. This growth rate is based on the printed circuit boards industry growth forecasts and does not exceed the average long-term growth rate for the printed circuit boards industry. Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin. Such estimations are based on KFE's past performance and management's expectations for the market development. The Directors believe that any reasonably possible change in any of these assumptions would not cause the carrying amount of KFE to exceed the aggregate recoverable amount of KFE.

此商譽為於二零一三年因收購協榮二葉科技香港有限公司（「協榮二葉」）其100%股本權益而產生。減值測試是以商譽分配至個別現金產生單位，即印刷線路板加工及貿易分部的附屬公司協榮二葉。

該現金產生單位的可收回金額乃按其使用價值計算，其採用基於管理層批准的五年期財務預算作現金流量預測，年利率為23.2%（二零二二年：18.4%）的稅前貼現率。該五年期之後的現金流每年增長速度採用穩步的2.5%（二零二二年：3.0%）的平穩五年期推算。該增長率是基於印刷線路板加工行業增長預測，並不超過印刷線路板加工行業的平均長期增長率。計算使用價值的其他關鍵假設與現金流入／流出的估計有關，其中包括預算銷售及毛利率。此估計是基於協榮二葉之過往表現及管理層對市場發展的預期。董事相信，在任何合理的可變動情況下，任何該等假設不會造成協榮二葉的賬面價值超過協榮二葉之可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

18. GOODWILL (Continued)

The Directors reviewed the carrying value of the goodwill, taking into account an independent valuation report prepared by a professional valuer, Roma Appraisals Limited. The printed circuit boards trading business is expected to be challenging as a result of weak markets for office automation equipment, consumer electronics and automotive industries. Global corporations are developing new suppliers outside of China, mainly in the South East Asian region, causing intensifying pricing competition with industry peers and putting pressure on us to sustain the gross margin of our products. Based on the assessment and the valuation report, an impairment loss of approximately HK\$29,100,000 was recognised in the consolidated income statement for the year ended 31 December 2023 (2022: Nil).

18. 商譽(續)

董事已審閱商譽的賬面值，同時考慮到由專業估值師－羅馬國際評估有限公司編製之獨立估值報告。由於辦公自動化設備、消費電子及汽車行業市場疲弱，預計印刷線路板貿易業務將變得艱鉅。全球企業正在開發中國以外的新供應商，主要集中在東南亞地區，加劇了我們與同業之間的價格競爭，並且對我們維持產品毛利率施加了壓力。根據評估和估值報告，減值虧損約29,100,000港元在截至二零二三年十二月三十一日止年度之綜合收益表中確認(二零二二年：無)。

19. INTANGIBLE ASSETS

19. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元
COST	成本	
At 1 January 2022, 31 December 2022 and 31 December 2023	於二零二二年一月一日、 二零二二年十二月三十一日及 二零二三年十二月三十一日	13,831
ACCUMULATED AMORTISATION	累計攤銷	
At 1 January 2022	於二零二二年一月一日	11,526
Amortisation for the year	年度攤銷	1,383
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及 二零二三年一月一日	12,909
Amortisation for the year	年度攤銷	922
At 31 December 2023	於二零二三年十二月三十一日	13,831
CARRYING AMOUNT	賬面值	
At 31 December 2023	於二零二三年十二月三十一日	-
At 31 December 2022	於二零二二年十二月三十一日	922

Customer relationship is amortised on a straight-line basis over its useful life of 10 years.

客戶關係採用直線法按10年使用年期攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·成本值	6,630	7,680
Share of post-acquisition profits and reserves, net of dividends received	分佔收購後之溢利及儲備 (扣除已收股息)	29,919	31,803
		36,549	39,483
Amounts due from associates	應收聯營公司款項	5,394	5,749
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	(5,394)	(5,749)
		-	-
		36,549	39,483

(a) Amounts due from associates are unsecured, interest free and have no fixed terms of repayment. In the opinion of the Directors, the amounts will not be repayable within 12 months of the end of the reporting period and are accordingly classified as non-current assets. The individually impaired receivable of approximately HK\$5,394,000 (2022: HK\$5,749,000) is mainly a debt due from an associate which is of age over three years. The other amounts due from associates do not contain impaired assets.

(b) Interests in associates at the end of the reporting period include goodwill of approximately HK\$313,000 (2022: HK\$313,000).

(a) 應收聯營公司之款項並無抵押，不計算利息及並無固定償還條款。董事認為，此款項並不會於報告期末十二個月內償還，故列作非流動資產。該個別應收款項減值為約5,394,000港元（二零二二年：5,749,000港元），主要由於該聯營公司欠款賬齡已超過三年期。其他應收聯營公司款項並不包含已減值資產。

(b) 於報告期末，聯營公司權益已包括商譽為約313,000港元（二零二二年：313,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES (Continued)

20. 聯營公司權益(續)

Details of the principal associate of the Group at 31 December 2023 are as follows:

本集團主要聯營公司於二零二三年十二月三十一日之詳情如下:

Name of associate	Place of incorporation/ registration and operation	Proportion of nominal value of registered capital attributable to the Group 本集團應佔註冊資本面值之比例 %	Principal activities
聯營公司名稱	成立/註冊及營業所在地方		主要業務
Suzhou Sanguang Science & Technology Co., Ltd.	The PRC	21.1	Manufacturing of industrial machinery, equipment and supplies
蘇州三光科技股份有限公司	中國		工業機械、設備及工業用品製造

The above table lists out the associate of the Group which, in the opinion of the Directors, principally affects the results of the Group for the year or forms a substantial portion of the net assets of the Group at the end of the year.

以上本集團聯營公司乃基於董事認為其對本年度業績或本集團年末淨資產的重大比例有重要影響性而表列。

In the opinion of the Directors, the associates of the Group are all individually not material. Aggregate financial information in respect of the Group's associates is set out below:

董事認為本集團之聯營公司全部為個別非重大。本集團之聯營公司綜合財務資料表列如下:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	於綜合財務報表中個別非重大聯營公司的綜合賬面值	36,549	39,483
Aggregate amounts of the Group's share of those associates	本集團應佔聯營公司的綜合價值		
Profit from continuing operations	持續經營之溢利	3,635	5,324
Other comprehensive expense	其他全面支出	(996)	(3,142)
Total comprehensive income	總全面收益	2,639	2,182

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

21. FINANCE LEASE RECEIVABLES

21. 應收融資租賃款項

		Minimum lease receipts 最低租賃收入		Present value of minimum lease receipts 最低租賃收入之現值	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Amounts receivable under finance leases: 應收融資租賃款項金額:					
Not later than one year 一年內		63,482	64,676	60,802	61,376
Later than one year and not later than five years 第二至五年		14,192	15,725	13,666	15,056
		77,674	80,401	74,468	76,432
Less: Unearned finance income 減：未實現財務收入		(3,206)	(3,969)	N/A 不適用	N/A 不適用
		74,468	76,432	74,468	76,432
Overdue finance lease receivables 逾期應收融資租賃款項		34,591	46,092	34,591	46,092
Present value of minimum lease receipts 最低租賃收入之現有價值		109,059	122,524	109,059	122,524
Less: Allowance for impairment of bad and doubtful debts 減：呆壞賬減值撥備		(10,632)	(6,574)	(10,632)	(6,574)
		98,427	115,950	98,427	115,950
Less: Finance lease receivables under current assets 減：列入流動資產之 應收融資租賃款項				(84,802)	(100,939)
Non-current finance lease receivables 非流動應收融資租賃款項				13,625	15,011

The Group has entered into finance lease arrangements with their customers. The terms of finance leases entered into for periods ranged from one to three years.

本集團已與客戶簽訂融資租賃安排。融資租賃租約簽訂期限為一至三年。

The movements on the allowance for impairment of bad and doubtful debts are as follows:

呆壞賬減值撥備變動情況如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Balance at 1 January 於一月一日結餘		6,574	7,896
Exchange realignment 滙兌調整		(117)	(643)
Impairment loss recognised 確認之減值虧損		5,669	1,682
Unused amount reversed 回撥未動用數額		(1,494)	(2,361)
Balance at 31 December 於十二月三十一日結餘		10,632	6,574

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

21. FINANCE LEASE RECEIVABLES (Continued)

At 31 December 2023, the allowance for credit loss represents lifetime expected credit loss recognised for finance lease receivables under simplified approach. Details of impairment assessment of finance lease receivables for the year ended 31 December 2023 are set out in note 40(b) (iv).

All leases are on a fixed repayment basis and there were no unguaranteed residual values in connection with finance lease arrangements or contingent lease arrangements of the Group that need to be recorded as at 31 December 2023 (2022: Nil).

Finance lease receivable balances are secured over the plant and equipment leased. The Group is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rates are ranging from 4.7% to 16.1% per annum (2022: from 4.9% to 16.1% per annum).

22. DEFERRED TAX ASSETS/LIABILITIES

The following are the major components of deferred tax assets/(liabilities) recognised by the Group and movements thereon during the current and prior years:

		Intangible assets arising from business combination 業務合併產生 之無形資產 HK\$'000 千港元	Decelerated tax depreciation 減速稅項折舊 HK\$'000 千港元	Revaluation of land and building 土地及 樓宇重估 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日	(382)	841	(21,460)	-	16,489	(4,512)
Exchange realignment	滙兌調整	-	-	785	-	(1,374)	(589)
Charged to equity	於權益扣除	-	-	(1,477)	-	-	(1,477)
Credited to income statement (note 11)	於收益表列入(附註11)	228	78	-	208	668	1,182
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日	(154)	919	(22,152)	208	15,783	(5,396)
Exchange realignment	滙兌調整	-	-	150	-	(211)	(61)
Credited to equity	於權益列入	-	-	61	-	-	61
(Charged)/credited to income statement (note 11)	於收益表(扣除)/ 列入(附註11)	154	(546)	-	436	(2,539)	(2,495)
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	-	-	-	(572)	(572)
At 31 December 2023	於二零二三年十二月三十一日	-	373	(21,941)	644	12,461	(8,463)

21. 應收融資租賃款項(續)

於二零二三年十二月三十一日，信貸虧損撥備代表根據簡化法就應收融資租賃款項確認的使用年期預期信貸虧損。截至二零二三年十二月三十一日止年度有關應收融資租賃款項之減值評估詳載於附註40(b)(iv)。

所有租約均依據一個固定的還款基準，本集團於二零二三年十二月三十一日並無需要記錄與融資租賃安排或或然租賃安排的任何未擔保餘值(二零二二年：無)。

應收融資租賃款項餘額獲得租賃之機械及設備作抵押。若承租人沒有違約，本集團不得出售或重新抵押該等抵押品。

內含租賃利率於合約日釐定，並適用於整個租賃期內。實際年利率從4.7%至16.1%(二零二二年：年利率從4.9%至16.1%)。

22. 遞延稅項資產/負債

以下為本集團已確認的遞延稅項資產/(負債)的主要成份於本年度及上年度之變動：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

22. DEFERRED TAX ASSETS/LIABILITIES

(Continued)

For the purposes of consolidated statement of financial position presentation, certain deferred tax assets/(liabilities) have been offset in accordance with the conditions set out in HKAS 12. The following is the analysis of the deferred tax balances shown in the consolidated statement of financial position:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	22,048	22,998
Deferred tax liabilities	遞延稅項負債	(30,511)	(28,394)
		(8,463)	(5,396)

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

At the end of the reporting period, the Group has the following unutilised tax losses available for offsetting against future taxable profits for which no deferred tax asset is recognised:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Tax losses expiring:	稅項虧損到期：		
Within 5 years	於五年內	89,074	73,356
Within 6 to 10 years	於六至十年內	159,933	159,746
Without expiry date	無到期日	395,652	397,469
		644,659	630,571

Temporary differences arising in connection with interests in associates are insignificant.

22. 遞延稅項資產／負債（續）

於綜合財務狀況表之陳述，乃若干遞延稅項資產／（負債）經已根據《香港會計準則》第12號之條件抵銷，下列是已呈列於綜合財務狀況表內的遞延稅項餘額分析：

遞延稅項資產只會於相關稅項收益有可能透過未來應課稅溢利變現時才會確認為承前稅項虧損。

於報告期末，本集團有以下未動用稅項虧損可用作抵銷日後應課稅溢利而並無確認遞延稅項資產：

於聯營公司權益相關的暫時性差異並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

23. INVENTORIES

- (a) Inventories in the consolidated statement of financial position comprise:

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trading inventories and finished goods 貿易存貨及製成品	191,390	224,947
Work in progress 在製品	94,852	66,923
Raw materials 原材料	132,583	158,941
	418,825	450,811

At 31 December 2023, the carrying amount of inventories that were stated at fair value less costs to sell is approximately HK\$136,437,000 (2022: HK\$136,951,000).

- (b) The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Carrying amount of inventories sold 已出售商品的賬面值	1,803,859	1,973,053
Write-down of inventories 存貨撇賬	5,668	655
Reversal of write-down of inventories 存貨撇減回撥	(2,292)	(6,114)
	1,807,235	1,967,594

23. 存貨

- (a) 綜合財務狀況表中的存貨包括：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trading inventories and finished goods 貿易存貨及製成品	191,390	224,947
Work in progress 在製品	94,852	66,923
Raw materials 原材料	132,583	158,941
	418,825	450,811

於二零二三年十二月三十一日，存貨之賬面值乃按公平價值減銷售成本淨值為約136,437,000港元(二零二二年：136,951,000港元)列賬。

- (b) 確認為開支並計入損益的存貨金額分析如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Carrying amount of inventories sold 已出售商品的賬面值	1,803,859	1,973,053
Write-down of inventories 存貨撇賬	5,668	655
Reversal of write-down of inventories 存貨撇減回撥	(2,292)	(6,114)
	1,807,235	1,967,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

24. TRADE AND OTHER RECEIVABLES

24. 貿易及其他應收款項

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade receivables	貿易應收款項	539,287	677,708
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	(79,075)	(82,850)
Trade receivables, net	貿易應收款項淨額	460,212	594,858
Bill receivables	票據應收款項	73,496	70,507
Total trade and bill receivables	貿易及票據應收款項總額	533,708	665,365
Other receivables	其他應收款項	108,096	82,842
Less: allowance for impairment of bad and doubtful debts	減：呆壞賬減值撥備	(21,009)	(15,289)
		87,087	67,553
Prepayments	預付款	30,707	36,267
Amounts due from related parties	應收關聯方之款項	82	93
		651,584	769,278

The Directors consider that the carrying amounts of trade and other receivables approximate to their fair values. All trade and other receivables are expected to be recovered or recognised as expense within one year.

The Group grants an average credit period of 90 days to 120 days to customers. Further details on the Group's credit policy and credit risk arising from trade debtors and bills receivable are set out in note 40(b)(iv). An aging analysis of the trade and bills receivables at the end of the reporting period based on the invoice date and net of allowance for impairment of bad and doubtful debts is as follows:

董事認為貿易與其他應收款項之賬面值與其公平價值相近，所有貿易及其他應收款項預期將於一年內收回或確認為開支。

本集團給予其客戶之平均信貸期為90天至120天。關於本集團之信貸政策及由貿易債務人及票據應收款項產生之信貸風險，詳細見附註40(b)(iv)。於報告期末，按發票日期及已扣除呆壞賬減值撥備的貿易及票據應收款項之賬齡分析如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 3 months	零至三個月	305,964	434,595
4 to 6 months	四至六個月	129,111	127,088
7 to 9 months	七至九個月	54,782	54,012
Over 9 months	超過九個月	43,851	49,670
		533,708	665,365

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

24. TRADE AND OTHER RECEIVABLES (Continued)

The movements on the allowance for impairment of bad and doubtful debts of the Group are as follows:

24. 貿易及其他應收款項(續)

本集團的呆壞賬減值撥備之變動載列如下：

		Trade receivables 貿易應收款項	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Balance at 1 January	於一月一日結餘	82,850	106,000
Exchange realignment	滙兌調整	(1,104)	(8,059)
Impairment loss recognised	確認之減值虧損	2,784	2
Unused amounts reversed	回撥未動用數額	-	(10,928)
Uncollectible amounts written off	撇銷不可收回的款項	(1,987)	(4,165)
Disposal of subsidiaries	出售附屬公司	(3,468)	-
Balance at 31 December	於十二月三十一日結餘	79,075	82,850

		Other receivables 其他應收款項	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Balance at 1 January	於一月一日結餘	15,289	16,705
Exchange realignment	滙兌調整	(610)	(1,416)
Impairment loss recognised	確認之減值虧損	7,227	-
Unused amounts reversed	回撥未動用數額	(175)	-
Uncollectible amounts written off	撇銷不可收回的款項	(722)	-
Balance at 31 December	於十二月三十一日結餘	21,009	15,289

The above allowance for impairment of bad and doubtful debts is a provision for individually impaired trade receivables and impaired other receivables. The individually impaired trade receivables mainly represent sales made to the PRC customers which have remained long overdue. The impaired other receivables relate to debtors that have been long outstanding without settlement or having any business relationship with the Group. The Group does not hold any collateral or other credit enhancements over these balances.

上述呆壞賬減值撥備為個別已減值貿易應收款項及已減值其他應收款項撥備。個別已減值貿易應收款項撥備主要為銷售予中國客戶之逾期欠款。與已減值的其他應收款項有關的債務人已長期欠款及與本集團並無任何業務關係。本集團就此等結餘並無獲得任何抵押品或加強信用安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

24. TRADE AND OTHER RECEIVABLES (Continued)

Included in trade and other receivables are the following amounts denominated in the following currencies:

		2023 二零二三年	2022 二零二二年
United States Dollars	美元	8,742,000	18,830,000
Renminbi	人民幣	440,700,000	531,232,000
Japanese Yen	日元	263,920,000	160,308,000

24. 貿易及其他應收款項（續）

貿易及其他應收款項原屬貨幣如下：

25. OTHER FINANCIAL ASSETS

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Measured at FVTPL	按公平價值計量且其變動計入損益		
Unlisted equity investment (note a)	非上市權益投資（附註a）	-	2,549
Unlisted unit trust funds (note b)	非上市單位信託基金（附註b）	5,630	7,818
		5,630	10,367

25. 其他金融資產

Notes:

(a) The investment is engaged in providing environmental service in the PRC.

(b) The fair values of the unlisted unit trust funds were based on net assets value of the investment funds at the end of the reporting period provided by the financial institutions.

附註：

(a) 投資事項主要在中國從事提供環境服務。

(b) 非上市單位信託基金的公平價值是基於在報告期末當天金融機構提供投資基金的資產淨值。

26. CASH AND BANK BALANCES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Bank time deposits with maturity over three months but within one year (note a)	到期日為三個月以上一年以內的銀行定期存款（附註a）	6,664	10,122
Pledged bank deposits (note b) (note 38)	已抵押之銀行存款（附註b）（附註38）	10,591	24,876
Cash and cash equivalents (note c)	現金及現金等值（附註c）	643,213	524,795
		660,468	559,793

26. 現金及銀行結餘

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

26. CASH AND BANK BALANCES (Continued)

Notes:

- (a) Bank time deposits with maturity over three months but within one year

Included in bank time deposits with maturity over three months but within one year in the consolidated statement of financial position are the following amounts denominated in the following currency:

		2023 二零二三年	2022 二零二二年
Renminbi	人民幣	6,050,000	9,000,000

- (b) Pledged bank deposits

Included in pledged bank deposits in the consolidated statement of financial position are the following amounts denominated in the following currencies:

		2023 二零二三年	2022 二零二二年
Renminbi	人民幣	9,598,000	15,358,000
Japanese Yen	日元	-	130,980,000

- (c) Cash and cash equivalents

Included in bank balances and cash in the consolidated statement of financial position are the following amounts denominated in the following currencies:

		2023 二零二三年	2022 二零二二年
United States Dollars	美元	24,276,000	14,473,000
Renminbi	人民幣	367,029,000	322,938,000
Japanese Yen	日元	60,317,000	32,733,000
Euro Dollars	歐元	95,000	51,000

26. 現金及銀行結餘(續)

附註:

- (a) 到期日為三個月以上一年以內的銀行定期存款

於綜合財務狀況表中到期日為三個月以上一年以內的銀行定期存款之原屬貨幣如下:

		2023 二零二三年	2022 二零二二年
Renminbi	人民幣	6,050,000	9,000,000

- (b) 已抵押之銀行存款

於綜合財務狀況表中已抵押之銀行存款之原屬貨幣如下:

		2023 二零二三年	2022 二零二二年
Renminbi	人民幣	9,598,000	15,358,000
Japanese Yen	日元	-	130,980,000

- (c) 現金及現金等值

於綜合財務狀況表中銀行結餘及現金之原屬貨幣如下:

		2023 二零二三年	2022 二零二二年
United States Dollars	美元	24,276,000	14,473,000
Renminbi	人民幣	367,029,000	322,938,000
Japanese Yen	日元	60,317,000	32,733,000
Euro Dollars	歐元	95,000	51,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

26. CASH AND BANK BALANCES (Continued)

Notes: (Continued)

- (d) Bank time deposit with maturity over one year

Included in bank time deposit with maturity over one year in the consolidated statement of financial position is the following amount denominated in the following currency:

		2023 二零二三年	2022 二零二二年
Renminbi	人民幣	-	1,000,000

27. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

(i) Trade and other payables

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade and bills payables	貿易及票據應付款項	536,550	551,446
Accruals and other payables	應付未付及其他應付款項	145,352	140,492
		681,902	691,938

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values. All trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

The aging analysis of the Group's trade and bills payables at the end of the reporting period based on the date of invoice is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 3 months	零至三個月	410,179	419,145
4 to 6 months	四至六個月	103,661	100,104
7 to 9 months	七至九個月	13,154	16,206
Over 9 months	超過九個月	9,556	15,991
		536,550	551,446

26. 現金及銀行結餘（續）

附註：（續）

- (d) 到期日為一年以上的銀行定期存款

於綜合財務狀況表中到期日為一年以上的銀行定期存款之原屬貨幣如下：

27. 貿易及其他應付款項／合約負債

(i) 貿易及其他應付款項

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade and bills payables	貿易及票據應付款項	536,550	551,446
Accruals and other payables	應付未付及其他應付款項	145,352	140,492
		681,902	691,938

董事認為貿易及其他應付款項之賬面值與其公平價值相近。所有貿易及其他應付款項預期將於一年內支付或確認為收益或按要求支付。

於報告期末，本集團按發票日期的貿易及票據應付款項之賬齡分析如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

27. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES (Continued)

(i) Trade and other payables (Continued)

Included in trade and other payables are the following amounts denominated in the following currencies:

		2023 二零二三年	2022 二零二二年
United States Dollars	美元	6,816,000	6,326,000
Renminbi	人民幣	515,592,000	550,554,000
Japanese Yen	日元	51,222,000	91,035,000

(ii) Contract liabilities

Billings in advance of performance 履約預收款項

When the Group receives a deposit before the production activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue is recognised. The Group receives deposits on acceptance of orders on a case by case basis with customers before work commences.

During the year ended 31 December 2023, revenue recognised in the current year relating to contract liabilities at the beginning of the year is approximately HK\$85,211,000 (2022: approximately HK\$64,700,000). The amount of billings in advance of performance received is expected to be recognised as income within one year.

27. 貿易及其他應付款項/合約負債(續)

(i) 貿易及其他應付款項(續)

貿易及其他應付款項原屬貨幣如下:

	2023 二零二三年	2022 二零二二年
	6,816,000	6,326,000
	515,592,000	550,554,000
	51,222,000	91,035,000

(ii) 合約負債

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Billings in advance of performance 履約預收款項	72,446	94,147

當本集團在生產活動開始前收取訂金，合約負債將在合約開始時產生，直至收入確認為止。本集團在生產前收取接受訂單的訂金是按情況而定的。

截至二零二三年十二月三十一日止年度內，與年初合約負債相關的收入於本年度確認為約85,211,000港元(二零二二年:約64,700,000港元)。履約預收款項之金額預期在一年內會確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

28. BANK BORROWINGS

28. 銀行借款

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Non-current	非流動		
Bank loans	銀行貸款		
– secured	– 有抵押	–	2,468
Current	流動		
Bank loans	銀行貸款		
– secured	– 有抵押	9,490	29,232
– unsecured	– 無抵押	225,108	195,895
		234,598	225,127
Total borrowings	總借款	234,598	227,595

The aggregate carrying amount of the Group's bank loans as at 31 December 2023 (that are repayable more than one year after the end of the reporting period but contain a repayment on demand clause) that have been reclassified as current liabilities is approximately HK\$5,240,000 (2022: Nil).

These loans are callable by the lenders, but the management does not expect the lenders to exercise their rights to demand repayment in normal circumstances.

The maturity of the bank borrowings based on the scheduled repayment date set out in the loan agreements ignoring the effect of any repayment on demand clause are as follows:

於二零二三年十二月三十一日，本集團銀行貸款之賬面總值為約5,240,000港元(二零二二年：無)(須於報告期末的一年後償還，但載有可隨時要求還款條款)已從非流動負債重新分類為流動負債。

放款人可按要求償還貸款，但管理層預期放款人在一般情況下不會行使有關權利要求償還貸款。

根據貸款協議無視任何按要求還款條款之影響，按預定的還款日之應償還金額如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within 1 year	一年內	229,358	225,127
Between 1 and 2 years	一至二年	1,600	2,468
Between 2 and 5 years	二至五年	3,640	–
		234,598	227,595

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

28. BANK BORROWINGS (Continued)

The non-current bank borrowings are stated at amortised cost.

The weighted average effective interest rate as at 31 December 2023 for bank borrowings is 6.23% per annum (2022: 6.21% per annum).

The carrying amounts of borrowings are denominated in the following currencies:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong Dollars	港元	172,360	199,665
Renminbi	人民幣	62,238	27,930
		234,598	227,595

The Group has the following undrawn borrowing facilities:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Floating rate	浮動利率		
– expiring within one year	—於一年內到期	212,052	352,352

The facilities expiring within one year are annual facilities subject to review at various dates during 2023.

Bank borrowings are secured by certain ownership interest in leasehold land and buildings held for own use and land use rights of the Group (note 38).

28. 銀行借款(續)

非流動銀行借款以攤分成本入賬。

銀行借款於二零二三年十二月三十一日之加權平均實際年息率為6.23厘(二零二二年:年息率為6.21厘)。

借款的賬面值以原貨幣列值如下:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong Dollars	港元	172,360	199,665
Renminbi	人民幣	62,238	27,930
		234,598	227,595

本集團未動用之融資額度如下:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Floating rate	浮動利率		
– expiring within one year	—於一年內到期	212,052	352,352

一年內到期融資額度乃年度額度,須於二零二三年內不同日期進行檢討。

銀行借款以本集團若干自用租賃土地及樓宇的所有權權益及土地使用權作抵押(附註38)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

29. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods:

		31 December 2023 二零二三年十二月三十一日		31 December 2022 二零二二年十二月三十一日	
		Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低 租賃支出 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 支出之現值 HK\$'000 千港元	Minimum lease payments 最低 租賃支出 HK\$'000 千港元
Within 1 year	一年內	4,182	4,632	15,701	18,280
After 1 year but within 2 years	一年後但二年內	2,604	2,855	12,161	13,694
After 2 years but within 5 years	二年後但五年內	2,137	2,247	12,842	13,537
		4,741	5,102	25,003	27,231
		8,923	9,734	40,704	45,511
Less: total future interest expenses	減：未來利息總支出		(811)		(4,807)
Present value of lease liabilities	租賃負債現值		8,923		40,704

The Group leases office properties, factories and plants and machinery. Leases are negotiated mostly for terms ranging from 1 to 10 years and rentals are almost fixed for the said term.

At 31 December 2023, the Group's lease liabilities of HK\$1,607,000 (2022: HK\$1,616,000) are secured by the lessors' charges over the leased assets.

29. 租賃負債

下表說明本集團租賃負債在當前和先前報告期末的剩餘合約到期期限：

本集團租用辦公物業、工廠以及廠房和機械。租約年期乃以一至十年進行商討，而租金通常於租約年期內不變。

於二零二三年十二月三十一日，本集團之租賃負債中1,607,000港元（二零二二年：1,616,000港元）是以租賃資產抵押予出租人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

30. SHARE CAPITAL

30. 股本

		2023 二零二三年		2022 二零二二年	
		Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元	Number of ordinary shares 普通股股數	Amount 總額 HK\$'000 千港元
Ordinary shares, issued and fully paid:	已發行及繳足普通股:				
At 1 January	於一月一日	861,930,192	609,027	861,930,192	609,027
At 31 December	於十二月三十一日	861,930,192	609,027	861,930,692	609,027

All ordinary shares rank equally with regard to the Company's residual assets.

所有普通股享有同等關於本公司的剩餘資產。

31. OTHER RESERVES

31. 其他儲備

		Property revaluation reserve 物業重估儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance at 1 January 2022	於二零二二年一月一日結餘	103,225	116,198	3,179	222,602
Share of reserves of associates	應佔聯營公司儲備	-	(3,142)	-	(3,142)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	7,326	-	-	7,326
Deferred taxation adjustment	遞延稅項調整	(1,228)	-	-	(1,228)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時產生之滙兌差額	-	(113,117)	-	(113,117)
Deemed disposal of interest in a subsidiary without loss of control	視作出售一間附屬公司權益而無失去控制權	-	(234)	(2,706)	(2,940)
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日結餘	109,323	(295)	473	109,501
Share of reserves of associates	應佔聯營公司儲備	-	(996)	-	(996)
Surplus on revaluation of properties held for own use	自用物業重估盈餘	2,029	-	-	2,029
Deferred taxation adjustment	遞延稅項調整	(926)	-	-	(926)
Exchange differences arising from translation of financial statements of foreign operations	換算海外業務財務報表時產生之滙兌差額	-	(15,440)	-	(15,440)
Release of translation reserve upon disposal of an associate	出售一間聯營公司時從滙兌儲備撥出	-	166	-	166
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時從滙兌儲備撥出	-	8,568	-	8,568
Balance at 31 December 2023	於二零二三年十二月三十一日結餘	110,426	(7,997)	473	102,902

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

32. 本公司財務狀況表

(a) Company-level statement of financial position

(a) 本公司財務狀況表

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Non-current Assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	163	236
Interests in subsidiaries	附屬公司權益	1,153,192	1,147,455
		1,153,355	1,147,691
Current Assets	流動資產		
Other receivables	其他應收款項	484	830
Cash and bank balances	現金及銀行結餘	28,599	47,325
		29,083	48,155
Current Liabilities	流動負債		
Other payables	其他應付款項	799	1,085
Amounts due to subsidiaries	結欠附屬公司款項	124,161	133,335
Bank borrowings	銀行借款	66,840	64,050
		191,800	198,470
Net Current Liabilities	流動負債淨值	(162,717)	(150,315)
Net Assets	資產淨值	990,638	997,376
Capital and Reserves (note 32(b))	資本及儲備 (附註32(b))		
Share capital	股本	609,027	609,027
Retained profits	保留溢利	381,611	388,349
Total Equity	權益總值	990,638	997,376

The statement of financial position of the Company was approved and authorised for issue by the Board on 27 March 2024 and is signed on its behalf by:

本公司財務狀況表於二零二四年三月二十七日獲董事會批准並授權刊發，並由下列董事代表簽署：

TANG TO
鄧燾
DIRECTOR
董事

TANG YU, FREEMAN
鄧愚
DIRECTOR
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(b) Movement in components of equity of the Company

		Share capital 股本 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2022	於二零二二年一月一日結餘	609,027	415,462	1,024,489
Loss for the year	年度虧損	-	(27,113)	(27,113)
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日結餘	609,027	388,349	997,376
Loss for the year	年度虧損	-	(6,738)	(6,738)
Balance at 31 December 2023	於二零二三年十二月三十一日結餘	609,027	381,611	990,638

(c) Distributability of reserves

At 31 December 2023, the aggregate amount of reserves available for distribution to equity shareholders of the Company, as calculated under the provisions of Part 6 of Companies Ordinance, was approximately HK\$381,611,000 (2022: HK\$388,349,000). After the end of the reporting period, the Board did not recommend the payment of a final dividend for the year ended 31 December 2023 (31 December 2022: Nil).

32. 本公司財務狀況表(續)

(b) 本公司權益變動

		Share capital 股本 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2022	於二零二二年一月一日結餘	609,027	415,462	1,024,489
Loss for the year	年度虧損	-	(27,113)	(27,113)
Balance at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日結餘	609,027	388,349	997,376
Loss for the year	年度虧損	-	(6,738)	(6,738)
Balance at 31 December 2023	於二零二三年十二月三十一日結餘	609,027	381,611	990,638

(c) 儲備分派

於二零二三年十二月三十一日，根據《公司條例》第六部的條文計算，本公司可供分派予股權持有人的儲備總額為約381,611,000港元(二零二二年：388,349,000港元)。於報告期末後，董事會不建議派發截至二零二三年十二月三十一日止年度末期股息(二零二二年十二月三十一日：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

33. 來自融資活動的負債及相關資產的對賬

下表詳列本集團的來自融資活動的相關負債的變動，包括現金及非現金的變動。來自融資活動的負債是指其現金流或未來的現金流會於本集團的綜合現金流量表中被分類為來自融資活動的現金流。

		Bank loans 銀行貸款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日	301,167	51,469	352,636
Changes from financing cash flow	來自融資活動現金流之變動			
New bank loans raised	新增銀行貸款	194,319	-	194,319
Repayment of bank loans	償還銀行貸款	(264,625)	-	(264,625)
Bank loans interest paid	已付銀行貸款利息	(9,891)	-	(9,891)
Capital element of lease rentals paid	已付租賃租金的本金部份	-	(16,281)	(16,281)
Interest element of lease rentals paid	已付租賃租金的利息部份	-	(3,524)	(3,524)
Total changes from financing cash flows	來自融資活動現金流之變動總額	(80,197)	(19,805)	(100,002)
Exchange adjustments	滙兌調整	(3,266)	(3,792)	(7,058)
Other changes	其他變動			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	8,666	8,666
Modification of lease term	租賃條款修訂	-	642	642
Interest expenses (note 8)	利息費用 (附註8)	9,891	3,524	13,415
Total other changes	其他變動總額	9,891	12,832	22,723
At 31 December 2022	於二零二二年十二月三十一日	227,595	40,704	268,299

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

33. 來自融資活動的負債及相關資產的對賬(續)

		Bank loans 銀行貸款 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2023	於二零二三年一月一日	227,595	40,704	268,299
Changes from financing cash flow	來自融資活動現金流之變動			
New bank loans raised	新增銀行貸款	168,788	-	168,788
Repayment of bank loans	償還銀行貸款	(161,268)	-	(161,268)
Bank loans interest paid	已付銀行貸款利息	(14,394)	-	(14,394)
Capital element of lease rentals paid	已付租賃租金的本金部份	-	(14,071)	(14,071)
Interest element of lease rentals paid	已付租賃租金的利息部份	-	(2,155)	(2,155)
Total changes from financing cash flows	來自融資活動現金流之變動總額	(6,874)	(16,226)	(23,100)
Exchange adjustments	滙兌調整	(517)	(700)	(1,217)
Other changes	其他變動			
Increase in lease liabilities from entering into new leases during the year	本年度因訂立新租賃而增加的租賃負債	-	3,230	3,230
Modification of lease term	租賃條款修訂	-	(2,635)	(2,635)
Interest expenses (note 8)	利息費用(附註8)	14,394	2,155	16,549
Disposal of subsidiaries (note 39)	出售附屬公司(附註39)	-	(17,605)	(17,605)
Total other changes	其他變動總額	14,394	(14,855)	(461)
At 31 December 2023	於二零二三年十二月三十一日	234,598	8,923	243,521

34. OPERATING LEASE COMMITMENTS

34. 經營租賃承擔

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receipts under non-cancellable operating leases:

於報告期末，本集團尚有不可取消之租賃合同下的未來最少租賃收入如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Not later than one year	一年內	2,430	1,437
Later than one year and not later than five years	第二至五年	2,356	2,610
		4,786	4,047

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

35. CAPITAL COMMITMENTS

Capital expenditure:
Contracted but not provided for

資本支出：
已簽約但未作出撥備

2023

二零二三年

HK\$'000

千港元

2,136

2022

二零二二年

HK\$'000

千港元

20,152

36. CONTINGENT LIABILITIES

The Group does not have any litigations or claims of material importance and, so far as the Directors are aware, no litigation or claims of material importance are pending or threatened by or against any companies of the Group.

37. RETIREMENT BENEFITS SCHEMES

The Group participates in both a defined contribution scheme (the "ORSO Scheme") which is registered under the Occupational Retirement Schemes Ordinance (Chapter 426 of the Laws of Hong Kong) and a Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) in December 2000. The assets of the schemes are held separately from those of the Group in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1 December 2000 are required to join the MPF Scheme.

For members of the MPF Scheme, the Group contributes 5.0% of relevant payroll costs to the Scheme, which contribution is matched by the employee.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5.0% to 7.5% of the employee's basic salary, depending on the length of service with the Group.

35. 資本承擔

2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
2,136	20,152

36. 或然負債

本集團並無涉及任何訴訟或重要申索。而據董事所知，並無待審或對本集團內公司構成威脅的訴訟或重要申索。

37. 退休福利計劃

本集團同時參與根據《職業退休計劃條例》（香港法例第426章）下註冊的定額供款計劃（「職業退休計劃」）及於二零零零年十二月根據《強制性公積金計劃條例》（香港法例第485章）下成立的強制性公積金計劃（「強積金計劃」）。此兩項計劃的資產與本集團之資產分開，及由信託人管理。於強積金計劃成立之前的職業退休計劃成員之僱員，可給予選擇保留於職業退休計劃或轉移到強積金計劃。但於二零零零年十二月一日或之後加入本集團的僱員，必須加入強積金計劃。

強積金計劃之成員，本集團以相關工資成本的5.0%向計劃供款，僱員亦按同一比率供款。

職業退休計劃則每月由僱員及本集團，按僱員的基本工資供款比例由5.0%至7.5%，按於本集團服務年資而定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

37. RETIREMENT BENEFITS SCHEMES (Continued)

Employees who are employed by subsidiaries in the PRC are members of the state-managed pension scheme operated by the Chinese government. These subsidiaries are required to contribute 16% to 20% of payroll costs to the pension scheme to fund the benefits. The only obligation of the Group with respect to the pension scheme is to make the required contributions under the scheme.

The total cost charged to the consolidated income statement of approximately HK\$46,693,000 (2022: HK\$45,592,000) represents contributions payable to these schemes by the Group in respect of the current accounting period. As at 31 December 2023, contributions of approximately HK\$358,000 (2022: HK\$187,000) due in respect of the reporting period had not been paid over to the schemes.

38. PLEDGE OF ASSETS

At the end of the reporting period, assets with the following carrying amounts were pledged by the Group to secure general banking facilities:

37. 退休福利計劃(續)

受僱在中國之附屬公司的僱員為中國政府管理之國家資助公積金計劃之會員。此等附屬公司須以其工資成本的16%至20%向公積金計劃供款。本集團就公積金計劃之唯一承擔乃按計劃提供所需供款。

已列支於綜合收益表內之總供款為約46,693,000港元(二零二二年: 45,592,000港元),代表本集團於本會計期間應向這些計劃的供款。於二零二三年十二月三十一日,約358,000港元(二零二二年: 187,000港元)的供款於報告期間已到期但仍未向這些計劃付款。

38. 資產抵押

於報告期末,本集團已將下列以賬面值計算的資產作抵押,以取得給予本集團之一般銀行信貸:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Ownership interest in leasehold land and buildings held for own use	自用租賃土地及樓宇的所有權權益	133,092	124,500
Land use rights	土地使用權	4,279	-
Plant and machinery	廠房及機器	1,526	3,708
Motor vehicles	汽車	-	182
Bank deposits	銀行存款	10,591	24,876
		149,488	153,266

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

39. DISPOSAL OF SUBSIDIARIES

On 16 October 2023, Gainbase Industrial (Holding) Limited, an indirect non-wholly-owned subsidiary of the Company, entered into the memorandum of undertaking and two sale and purchase agreements to dispose of the entire share capital of GB HK and the entire equity interests in Shenzhen Gainbase at the respective considerations of HK\$1 and approximately RMB137,000,000 in an aggregate amount of consideration being approximately HK\$145,083,001 (subject to price adjustment). Details were set out in the Circular. Net assets of GB Subsidiaries at the date of disposal were as follows:

39. 出售附屬公司

於二零二三年十月十六日，邦基實業(控股)有限公司(本公司間接非全資附屬公司)訂立諒解備忘錄及兩份買賣協議，分別以代價1港元及約人民幣137,000,000元，代價總額為約145,083,001港元(依據價格調整)分別出售香港邦基的全部股本及深圳邦基的全部股權。詳情已載於該通函。邦基附屬公司於出售日期之資產淨額如下：

		HK\$'000 千港元
Net assets disposed of:	已出售之資產淨額：	
Property, plant and equipment	物業、廠房及設備	32,689
Right-of-use assets	使用權資產	13,938
Deferred tax assets	遞延稅項資產	572
Inventories	存貨	37,028
Trade and other receivables	貿易及其他應收款項	162,036
Cash and bank balances	現金及銀行結餘	62,172
Trade and other payables	貿易及其他應付款項	(74,368)
Lease liabilities	租賃負債	(17,605)
		216,462
Release of translation reserve upon disposal	出售時從滙兌儲備撥出	8,568
Non-controlling interest	非控股權益	(35,009)
Expenses related to the disposal	出售事項之相關開支	1,213
Loss on disposal of GB Subsidiaries	出售邦基附屬公司之虧損	(46,151)
		145,083
Total consideration	總代價	145,083
Consideration:	代價：	
Cash received	已收現金	76,940
Consideration receivable (included in other receivables)	應收代價款項(已包括於其他應收款項內)	68,143
		145,083
An analysis of net inflow of cash and bank balances in respect of disposal of GB Subsidiaries is as follows:	有關出售邦基附屬公司之現金及銀行結餘流入淨額分析如下：	
Cash received	已收現金	76,940
Expenses related to the disposal	出售事項之相關開支	(1,213)
Cash and bank balances disposed of	已出售之現金及銀行結餘	(62,172)
		13,555
Net proceeds from disposal of GB Subsidiaries	出售邦基附屬公司所得之款項淨額	13,555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Financial instruments by categories

Upon the adoption of HKFRS 9, the accounting policies for financial instruments have been applied to the line items below:

Assets as per consolidated financial statements	於綜合財務報表中之資產	Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 以公平價值計量且其變動計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 December 2023	二零二三年十二月三十一日			
Other financial assets	其他金融資產	-	5,630	5,630
Finance lease receivables	應收融資租賃款項	98,427	-	98,427
Trade and other receivables	貿易及其他應收款項	620,548	-	620,548
Bank time deposits with maturity over three months but within one year	到期日為三個月以上一年以內的銀行定期存款	6,664	-	6,664
Pledged bank deposits	已抵押之銀行存款	10,591	-	10,591
Cash and cash equivalents	現金及現金等值	643,213	-	643,213
		1,379,443	5,630	1,385,073

40. 財務風險管理及金融工具之公平價值

(a) 按類別劃分之金融工具

經採納《香港財務報告準則》第9號，金融工具會計政策已應用於下列項目：

Assets as per consolidated financial statements	於綜合財務報表中之資產	Financial assets at amortised cost 按攤銷成本計量的金融資產 HK\$'000 千港元	Financial assets at FVTPL 以公平價值計量且其變動計入損益的金融資產 HK\$'000 千港元	Total 總額 HK\$'000 千港元
31 December 2022	二零二二年十二月三十一日			
Other financial assets	其他金融資產	-	10,367	10,367
Finance lease receivables	應收融資租賃款項	115,950	-	115,950
Trade and other receivables	貿易及其他應收款項	723,435	-	723,435
Bank time deposit with maturity over one year	到期日為一年以上的銀行定期存款	1,120	-	1,120
Bank time deposits with maturity over three months but within one year	到期日為三個月以上一年以內的銀行定期存款	10,122	-	10,122
Pledged bank deposits	已抵押之銀行存款	24,876	-	24,876
Cash and cash equivalents	現金及現金等值	524,795	-	524,795
		1,400,298	10,367	1,410,665

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(a) Financial instruments by categories (Continued)

		Financial liabilities at amortised cost 按攤銷成本計量之金融負債 HK\$'000 千港元
Liabilities as per consolidated financial statements	於綜合財務報表中之負債	
31 December 2023	二零二三年十二月三十一日	
Trade and other payables	貿易及其他應付款項	681,902
Bank borrowings	銀行借款	234,598
Lease liabilities	租賃負債	8,923
		925,423
31 December 2022	二零二二年十二月三十一日	
Trade and other payables	貿易及其他應付款項	691,938
Bank borrowings	銀行借款	227,595
Lease liabilities	租賃負債	40,704
		960,237

(b) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk arising in the normal course of its business and financial instruments. The Group's risk management objectives and policies mainly focus on minimising the potential adverse effects of these risks on the Group's financial performance by closely monitoring the individual exposure as summarised below.

40. 財務風險管理及金融工具之公平價值（續）

(a) 按類別劃分之金融工具（續）

(b) 財務風險因素

本集團的業務承受各種財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及一般業務過程及金融工具導致之流動資金風險。本集團的風險管理目標及政策主要透過密切監察如下個別風險，專注將本集團之財務表現所受的潛在負面影響降至最低。

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS*(Continued)***(b) Financial risk factors** *(Continued)***(i) Foreign currency risk**

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi, Hong Kong Dollars, United States Dollars and Japanese Yen. Such exposures arise from sales or purchases by subsidiaries other than the subsidiaries' functional currencies. This currency exposure is managed primarily through sourcing raw materials denominated in the same currency. In addition, certain recognised assets and liabilities are denominated in currencies other than the functional currencies of the entities to which they relate. The Group currently does not have a foreign currency hedging policy.

Certain assets and liabilities of the Group are principally denominated in US\$. HK\$ is pegged to US\$, and thus foreign exchange exposure is considered as minimal.

At 31 December 2023, if HK\$ had strengthened/weakened by 10% against the RMB, with all other variables held constant, post-tax loss for the year would have been approximately HK\$1,665,000 higher/lower (2022: post-tax profit for the year would have been approximately HK\$1,329,000 lower/higher). There will be no impact on other components of equity.

At 31 December 2023, if HK\$ had strengthened/weakened by 10% against the YEN, with all other variables held constant, post-tax loss for the year would have been approximately HK\$59,000 higher/lower (2022: post-tax profit for the year would have been HK\$1,000 lower/higher). There will be no impact on other components of equity.

40. 財務風險管理及金融工具之公平價值(續)**(b) 財務風險因素(續)****(i) 外匯風險**

本集團承受產生自數種貨幣的外匯交易風險，主要為人民幣、港元、美元及日元。該等風險乃因為附屬公司以附屬公司之功能貨幣以外之貨幣進行買賣而產生。此貨幣風險乃主要透過採購以相同貨幣列值之原材料管理。另外，若干已確認之資產及負債包括並非以相關實體的功能貨幣計值。本集團目前並無外匯對沖政策。

本集團之若干資產及負債主要以美元計值。港元與美元掛鈎，因此外匯風險可視作甚微。

於二零二三年十二月三十一日，倘港元兌人民幣匯率增強／減弱10%，而所有其他因素保持不變，則年度除稅後虧損將較高／低約1,665,000港元（二零二二年：年度除稅後溢利較低／高約1,329,000港元）。權益的其他部份沒有任何影響。

於二零二三年十二月三十一日，倘港元兌日元匯率增強／減弱10%，而所有其他因素保持不變，則年度除稅後虧損將較高／低約59,000港元（二零二二年：年度除稅後溢利較低／高1,000港元），但不會對權益的其他部份有影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(i) Foreign currency risk (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date. In this respect, it is assumed that the pegged rate between the HK\$ and the US\$ would be materially unaffected by any changes in movement in value of the US\$ against other currencies. Results of the analysis as presented in above represent an aggregation of the effects on each of the Group entities' profit after tax and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling at the end of the reporting period for presentation purposes. The analysis is performed on the same basis for 2022.

(ii) Interest rate risk

Except for bank deposits and cash and cash equivalents (note 26), the Group has no other significant interest-bearing assets. The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group is exposed to fair value interest rate risk in relation to fixed-rate time deposits and lease liabilities. The management will take appropriate measures to manage interest rate exposure if interest rate fluctuates significantly. The management considers the fair value interest rate risk to the Group is low.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Prime or HIBOR arising from the Group's borrowings denominated in HK\$ and RMB.

40. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(i) 外匯風險(續)

敏感性分析乃基於假設外匯匯率變化已於報告期末發生，並已於該日運用於其時存在之本集團各實體所受金融工具的匯率風險，同時假定其他變量(尤其是利率)維持不變。

上述變動代表管理層評估外匯匯率在截至下一個周年報告結算日期間之合理變動，並假設港元兌美元之聯繫匯率並未因美元兌其他貨幣之任何變動而有重大影響。上述之分析結果乃本集團各實體之除稅後溢利及權益所受影響(按其相關之功能貨幣計算，並以報告期末之匯率匯兌為港元作呈列之用)之總額。二零二二年亦以同一基準作分析。

(ii) 利率風險

除銀行存款及現金及現金等值(附註26)外，本集團並無任何重大的計息資產。本集團的收入及經營現金流基本上不受市場利率變動所影響。

本集團面對與固定利率的定期存款及租賃負債有關之公平價值利率風險。管理層將採取適當措施以管理利率大幅波動之利率風險。管理層認為本集團面對之公平價值利率風險不大。

本集團面對的現金流量利率風險主要是來自本集團港元及人民幣借款的最優惠利率及香港銀行同業拆息之波動。

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS*(Continued)***(b) Financial risk factors** *(Continued)***(ii) Interest rate risk** *(Continued)*

Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates and finance lease receivables expose the Group to fair value interest rate risk. Details of the Group's borrowings and finance lease receivables have been disclosed in notes 28 and 21 respectively.

The Group has not used any interest rate swaps to hedge its exposure to interest rate risk. In order to manage the cash flow interest rate risk, the Group will repay the corresponding borrowings when it has surplus funds.

The sensitivity analysis below have been determined based on the exposure to interest rates for the floating rate bank borrowings at the end of the reporting period. For floating rate bank borrowings, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

At 31 December 2023, if interest rates on HK\$-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax loss for the year would have been approximately HK\$862,000 higher/lower (2022: post-tax profit for the year would have been approximately HK\$989,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

At 31 December 2023, if interest rates on RMB-denominated borrowings had been 50 basis points higher/lower with all other variables held constant, post-tax loss for the year would have been approximately HK\$103,000 higher/lower (2022: post-tax profit for the year would have been approximately HK\$140,000 lower/higher), mainly as a result of higher/lower interest expense on floating rate borrowings.

40. 財務風險管理及金融工具之公平價值(續)**(b) 財務風險因素(續)****(ii) 利率風險(續)**

浮動利率借款使本集團面對現金流量利率風險。定息借款及應收融資租賃款項使本集團面對公平價值利率風險。有關本集團借款及應收融資租賃款項之詳情，已分別於附註28及21披露。

本集團並無訂立任何利率掉期以對沖所承擔之利率風險。為控制現金流量利率風險，本集團將在有盈餘資金的情況下償還相應借款。

以下敏感度分析乃根據報告期末浮動利率銀行借款之利率風險釐定。對於浮動利率銀行借款而言，此分析乃假設於報告期末之未償還負債於整個年度均未償還而釐定。

於二零二三年十二月三十一日，如果港元借款利率提高／降低50點子而所有其他因素保持不變，則年度除稅後虧損將高／低約862,000港元（二零二二年：年度除稅後溢利較低／高約989,000港元），主要是由於浮動利率借款的利息支出的增加／減少。

於二零二三年十二月三十一日，如果人民幣借款利率提高／降低50點子而所有其他因素保持不變，則年度除稅後虧損將高／低約103,000港元（二零二二年：年度除稅後溢利較低／高約140,000港元），主要是由於浮動利率借款的利息支出的增加／減少。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(ii) Interest rate risk (Continued)

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for financial instruments in existence at that date. The above changes in interest rates represent management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2022.

(iii) Price risk

The Group is exposed to equity securities at FVTOCI price risk in its financial assets. As the Group's policy is only to invest on such investments by its surplus funds, the exposure may not have significant impact on the Group's financial position. The Group is not exposed to commodity price risk.

(iv) Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, finance lease receivable and cash and bank balances. The carrying amounts of trade and other receivables, finance lease receivable and cash and bank balances represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group expects that there is no significant credit risk associated with cash and bank balances since they are substantially deposited at state-owned banks and other medium or large-sized listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

40. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(ii) 利率風險(續)

以上敏感度分析乃假設於報告期末發生利率變動，並已將該變動套用於當日就金融工具所產生之利率風險而釐定。以上之利率變動代表管理層評估直至下一個周年報告結算日期間的合理潛在利率變動。二零二二年敏感度分析按照相同基準進行。

(iii) 價格風險

本集團面臨與其金融資產內以公平價值計入其他全面收益之權益證券有關之價格風險。由於本集團之政策為僅以其盈餘資金投資作有關投資，有關風險可能不會對本集團之財務狀況產生重大影響。本集團不會面對商品價格風險。

(iv) 信貸風險

本集團面臨與其貿易及其他應收款項、應收融資租賃款項及現金及銀行結餘有關之信貸風險。貿易及其他應收款項、應收融資租賃款項及現金及銀行結餘的賬面值乃本集團面臨的有關金融資產的最高信貸風險。

本集團預期並無與現金及銀行結餘相關的重大信貸風險，因為該等存款大部份存入國有銀行以及其他大中型上市銀行。管理層預期不會有該等對手方未履約所產生的任何重大虧損。

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS*(Continued)***(b) Financial risk factors** *(Continued)***(iv) Credit risk** *(Continued)*

The Group has large number of customers and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor/customer;
- significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customer in the Group and changes in the operating results of the customer.

40. 財務風險管理及金融工具之公平價值 *(續)***(b) 財務風險因素** *(續)***(iv) 信貸風險** *(續)*

本集團有大量客戶，並無集中的信貸風險。本集團訂有監控程序，以確保採取跟進措施收回逾期債務。此外，於每個報告期末，本集團檢討該等應收款項的可收回性，以確保就不可收回金額作出適當減值虧損。

本集團在資產的初始確認時考慮違約概率，也在每個報告期間持續評估信貸風險是否顯著增加。在評估信貸風險是否顯著增加時本集團將報告日時點資產發生違約與初始確認時點發生風險進行比較，同時也考慮公開且合理可靠的前瞻信息。以下指標需要重點考慮：

- 內部信貸評級；
- 外部信貸評級；
- 預期導致客戶履行責任能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 債務人／客戶經營業績的實際或預期重大變動；
- 客戶預期表現及行為的重大變動，包括本集團內客戶的付款狀況變動及客戶經營業績的變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(a) Trade receivables

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

The loss allowance for trade receivables was determined as follows. The ECLs below also incorporated forward looking information.

0 to 3 months	零至三個月
4 to 6 months	四至六個月
7 to 9 months	七至九個月
10 to 12 months	十至十二個月
1 to 2 years	一至二年
2 to 3 years	二至三年
Over 3 years	超過三年

40. 財務風險管理及金融工具之公平價值（續）

(b) 財務風險因素（續）

(iv) 信貸風險（續）

(a) 貿易應收款項

本集團應用簡化的方法計提撥備《香港財務報告準則》第9號規定的預期信貸虧損，該準則允許採用該方法於所有貿易應收款項存續期的預期虧損撥備。

貿易應收款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

		2023 二零二三年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
		0.8%	308,511	(2,547)
		1.3%	130,820	(1,709)
		3.3%	56,645	(1,863)
		3.0%	23,076	(697)
		25.5%	19,616	(5,011)
		34.6%	7,181	(2,486)
		96.8%	66,934	(64,762)
			612,783	(79,075)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(a) Trade receivables (Continued)

		2022 二零二二年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
0 to 3 months	零至三個月	0.5%	436,988	(2,393)
4 to 6 months	四至六個月	1.2%	128,568	(1,480)
7 to 9 months	七至九個月	4.2%	56,396	(2,384)
10 to 12 months	十至十二個月	2.5%	14,768	(363)
1 to 2 years	一至二年	5.7%	34,281	(1,966)
2 to 3 years	二至三年	55.3%	4,696	(2,596)
Over 3 years	超過三年	98.8%	72,518	(71,668)
			748,215	(82,850)

(b) Finance lease receivables

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all finance lease receivables.

40. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(iv) 信貸風險(續)

(a) 貿易應收款項(續)

(b) 應收融資租賃款項

本集團應用簡化的方法計提撥備《香港財務報告準則》第9號規定的預期信貸虧損，該準則允許採用該方法於所有應收融資租賃款項的存續期預期虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(iv) Credit risk (Continued)

(b) Finance lease receivables (Continued)

The loss allowance for finance lease receivables was determined as follows. The ECLs below also incorporated forward looking information.

2023	二零二三年
Expected loss rate	預期虧損率
Gross carrying amount (HK\$'000)	賬面總額 (千港元)
Loss allowance (HK\$'000)	虧損撥備 (千港元)

2022	二零二二年
Expected loss rate	預期虧損率
Gross carrying amount (HK\$'000)	賬面總額 (千港元)
Loss allowance (HK\$'000)	虧損撥備 (千港元)

Not overdue 未逾期	Overdue 逾期	Total 合計
0.3%	30.1%	
74,468	34,591	109,059
(223)	(10,409)	(10,632)

Not overdue 未逾期	Overdue 逾期	Total 合計
0.3%	13.8%	
76,432	46,092	122,524
(230)	(6,344)	(6,574)

(v) Liquidity risk

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

40. 財務風險管理及金融工具之公平價值（續）

(b) 財務風險因素（續）

(iv) 信貸風險（續）

(b) 應收融資租賃款項（續）

應收融資租賃款項的虧損撥備釐定如下。下文的預期信貸虧損亦包含前瞻性資料。

(v) 流動資金風險

本集團旗下個別營運中的實體，須各自負責現金管理，包括現金盈餘的短期投資和籌借貸款以應付預期中的現金需求，惟倘借款超逾若干授權預定水平，則須經母公司董事會批准方可作實。本集團的政策是定期監控流動資金需求，及其有否遵守借貸契諾，以確保備有足夠的現金及向主要財務機構取得足夠的承諾融資金額，藉以應付本身的長短期流動資金需求。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(b) Financial risk factors (Continued)

(v) Liquidity risk (Continued)

The table below categorised the Group's financial liabilities into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The tabulated amounts are the contractual undiscounted cash flow payments of the Group.

		Less than 1 year 少於1年 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元	Between 2 and 5 years 2至5年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2023	於二零二三年十二月三十一日				
Trade and other payables	貿易及其他應付款項	681,902	-	-	681,902
Lease liabilities	租賃負債	4,632	2,855	2,247	9,734
Bank borrowings	銀行借款	248,103	-	-	248,103
		934,637	2,855	2,247	939,739
At 31 December 2022	於二零二二年十二月三十一日				
Trade and other payables	貿易及其他應付款項	691,938	-	-	691,938
Lease liabilities	租賃負債	18,280	13,694	13,537	45,511
Bank borrowings	銀行借款	237,877	2,513	-	240,390
		948,095	16,207	13,537	977,839

40. 財務風險管理及金融工具之公平價值(續)

(b) 財務風險因素(續)

(v) 流動資金風險(續)

下表根據報告期末至合約到期日之餘下期間，將本集團之金融負債按相關到期組別分類。列表中的金額乃本集團之合約非貼現現金流量款項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement

(i) Financial assets measured at FVTPL

Fair value hierarchy

The following table presents the carrying value of the Group's financial instruments measured at fair value at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

40. 財務風險管理及金融工具之公平價值(續)

(c) 公平價值計量

(i) 公平價值計量且其變動計入損益之金融資產

公平價值架構

下表呈列於報告期末按持續性基礎的公平價值計量之本集團的金融工具之賬面值分類至《香港財務報告準則》第13號所界定之公平價值三層架構中。將公平價值計量分類之等級乃經參考以下估值方法所用數據之可觀察性及重要性後釐定：

- 第一層次估值：僅使用第一層次輸入數據（即於計量日同類資產或負債於活躍市場之未經調整報價）計量之公平價值。
- 第二層次估值：使用第二層次輸入數據（即未能達到第一層次之可觀察輸入數據，且並未使用重大不可觀察輸入數據）計量之公平價值。不可觀察輸入數據為無市場數據之輸入數據。
- 第三層次估值：使用重大不可觀察輸入數據計量之公平價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement (Continued)

(i) Financial assets measured at FVTPL (Continued)

Fair value hierarchy (Continued)

40. 財務風險管理及金融工具之公平價值(續)

(c) 公平價值計量(續)

(i) 公平價值計量且其變動計入損益之金融資產(續)

公平價值架構(續)

		Fair value measurement as at 31 December 2023 categorised into 於二零二三年十二月三十一日 公平價值計量作以下分類			
		Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
Other financial assets - Unlisted unit trust funds	其他金融資產 - 非上市單位信託基金	5,630	-	5,630	-

		Fair value measurement as at 31 December 2022 categorised into 於二零二二年十二月三十一日 公平價值計量作以下分類			
		Fair value 公平價值 HK\$'000 千港元	Level 1 第一層次 HK\$'000 千港元	Level 2 第二層次 HK\$'000 千港元	Level 3 第三層次 HK\$'000 千港元
Other financial assets - Unlisted equity investment - Unlisted unit trust funds	其他金融資產 - 非上市權益投資 - 非上市單位信託基金	7,818	-	7,818	-

The fair values of unlisted unit trust funds, principal guaranteed and non-guaranteed investment funds in Level 2 are based on net assets value of the investment funds at the end of the reporting period provided by the financial institution.

非上市單位信託基金、保本及非保本投資基金之公平價值在第二層次是基於在報告期末當天金融機構提供投資基金的資產淨值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(c) Fair value measurement (Continued)

(i) Financial assets measured at FVTPL (Continued)

Fair value hierarchy (Continued)

The fair value of unlisted equity investment in Level 2 is based on fair value of initial subscription cost adjusted by market movements for the corresponding period from the date of subscription up to the end of the reporting period.

During the year ended 31 December 2023 and 2022, there were no transfers between Level 1 and Level 2, or transfer into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(ii) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2023 and 2022.

(d) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the total debts ratio. This ratio is calculated as total borrowings divided by total capital. Total borrowings include current liabilities and non-current liabilities. Total capital includes total borrowings and total equity as shown in the consolidated statement of financial position.

40. 財務風險管理及金融工具之公平價值(續)

(c) 公平價值計量(續)

(i) 公平價值計量且其變動計入損益之金融資產(續)

公平價值架構(續)

非上市權益投資之公平價值在第二層次是基於經由認購日至報告期末之相應期間的市場變動調整之初始認購成本之公平價值。

截至二零二三年及二零二二年十二月三十一日止年度內，第一層次與第二層次之間並無轉撥或轉撥到第三層次或從第三層次轉出。當公平價值架構層之間發生轉撥時，本集團會按照政策於報告期末確認。

(ii) 以非公平價值計量的金融資產及負債的公平價值

於二零二三年及二零二二年十二月三十一日，本集團的金融工具之成本或攤銷成本賬面值與其公平價值並無重大分別。

(d) 資金風險管理

本集團的資金管理政策目標是保障本集團按持續經營基準繼續營運之能力，以為股東帶來回報，同時兼顧其他持份者的利益，並維持最佳的資本結構以減低資金成本。

為了維持或調整資本結構，本集團可能會調整支付予股東的股息金額、向股東發還資金、發行新股或出售資產以減低債務。

本集團利用總負債比率監察其資本。此比率按照總借款除以資本總值計算。總借款包括流動負債及非流動負債。資本總值包括綜合財務狀況表所示之總借款及權益總值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

40. FINANCIAL RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

(Continued)

(d) Capital risk management (Continued)

The total debts ratios at 31 December 2023 and 2022 are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Current liabilities	流動負債	997,964	1,031,189
Non-current liabilities	非流動負債	35,252	55,865
Total borrowings	借款總額	1,033,216	1,087,054
Total equity	權益總額	1,428,864	1,538,396
Total capital	資本總額	2,462,080	2,625,450
Total debts ratio	總負債比率	42%	41%

Certain entities of the Group are subject to loan covenants. There is no material non-compliance with those loan covenants.

40. 財務風險管理及金融工具之公平價值(續)

(d) 資金風險管理(續)

於二零二三年及二零二二年十二月三十一日之總負債比率為：

本集團若干實體須遵從貸款規定。概無出現重大違反有關該等貸款規定的情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

During the year, the Group had significant transactions with the following related parties, together with balances with them as at the end of the reporting period, details of which are as follows:

Company controlled by certain Directors and their relatives: Management fee paid (note a)	由若干董事及其親屬控制之公司：管理費支出（附註a）		
Associates: Balances due to the Group (note b)	聯營公司：結欠本集團之結餘（附註b）	20	
Remuneration of key management personnel of the Group (note c): Salaries and other short-term employee benefits	本集團主要管理人員酬金（附註c）：薪金及其他短期僱員福利		

Further details of Directors' and the chief executives' emoluments are included in note 10 to the consolidated financial statements.

Notes:

- The prices of the transactions were determined by the Directors with reference to prices for similar transactions with unrelated third parties.
- The balances are unsecured, interest free and have no fixed terms of repayment.
- Key management personnel of the Group whose profiles are included in the section of "Directors and Senior Management's Biographies" of this annual report.
- Save as disclosed above, no other transaction, arrangement or contract that is significant to which the Company was a party and in which a Director had a material interest was entered into or subsisted at any time during the year or at the end of the year.

Save as disclosed above, there were no other significant transactions with related parties during the year or any significant balances with them at the end of the reporting period.

41. 與關聯方進行之交易及結餘

本年度內，本集團與下列關聯方進行之重大交易，連同於報告期末之結餘詳情如下：

Note 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	996	996
20	—	—
	14,155	11,168

董事及最高行政人員酬金的進一步詳情列在綜合財務報表附註10。

附註：

- 該等交易的價格經董事參考與非關連第三方進行類似交易的價格後釐定。
- 該等結餘為無抵押、免息及無固定還款期。
- 本集團主要管理人員之簡介已呈列在本年報「董事及高級管理人員簡歷」章節。
- 除上述披露外，於年內任何時間或年終時，本公司概無訂立或存在董事擁有重大權益的其他重大交易、安排或合約。

除上述披露外，本年度與關聯方並無其他重大交易，或在報告期末與彼等並無任何重大結餘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

42. 主要附屬公司詳情

Details of the Company's principal subsidiaries at 31 December 2023 are as follows:

於二零二三年十二月三十一日，主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立／註冊地方	Place of operation 經營地方	Issued and fully paid share capital 已發行及繳足股本	Percentage of equity attributable to the Company 本公司應佔股權百分比	Principal activities 主要業務
Cosmos Grand Plastics Co., Ltd. ^(a) 合肥大同格蘭塑業有限公司 ^(a)	The PRC 中國	The PRC 中國	HK\$56,000,000 56,000,000港元	100.00	Processing of plastic products 注塑製品加工
Cosmos Machinery Limited 大同機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	Investment holding 投資控股
Cosmos Machinery International Limited 大同機械國際有限公司	Hong Kong 香港	Hong Kong 香港	HK\$32,000,000 32,000,000港元	100.00	Investment holding 投資控股
Cosmos Machinery (Dongguan) Trading Co., Ltd. ^(a) 大同機械(東莞)銷售有限公司 ^(a)	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	Trading of machinery 機械貿易
Cosmos Machinery Technology (Jiangsu) Co., Ltd. ^(a) 大同機械科技(江蘇)有限公司 ^(a)	The PRC 中國	The PRC 中國	US\$25,000,000 25,000,000美元	100.00	Manufacturing and trading of machinery 機械製造及貿易
Cosmos Machinery (Wuxi) Trading Co., Ltd. ^(a) 大同機械(無錫)銷售有限公司 ^(a)	The PRC 中國	The PRC 中國	HK\$5,000,000 5,000,000港元	100.00	Trading of machinery 機械貿易
Dekuma Rubber and Plastic Technology (Dongguan) Limited ^(b) 德科摩橡塑科技(東莞)有限公司 ^(b)	The PRC 中國	The PRC 中國	RMB25,725,353 25,725,353人民幣	85.00	Manufacturing and trading of machinery 機械製造及貿易
Dongguan Cosmos Plastic Products Co., Ltd. ^{*(a)} 東莞大同塑料製品有限公司 ^(a)	The PRC 中國	The PRC 中國	RMB10,000,000 10,000,000人民幣	70.00	Manufacturing of plastic products 注塑製品製造
Donghua Machinery Ltd. ^(b) 東華機械有限公司 ^(b)	The PRC 中國	The PRC 中國	RMB146,199,955 146,199,955人民幣	75.56	Manufacturing and trading of machinery 機械製造及貿易
Grand Technology Products Limited 格蘭科技產品有限公司	Hong Kong 香港	Hong Kong 香港	HK\$9,500,000 9,500,000港元	100.00	Investment holding 投資控股
Guangzhou Melco Industrial Supplies Co., Ltd. ^(a) 廣州市美高工業器材有限公司 ^(a)	The PRC 中國	The PRC 中國	US\$400,000 400,000美元	100.00	Trading of industrial consumables 工業消耗品貿易
Huixin Leasing (Shenzhen) Co., Ltd. ^{*(a)} 匯信融資租賃(深圳)有限公司 ^(a)	The PRC 中國	The PRC 中國	RMB170,000,000 170,000,000人民幣	100.00	Machinery leasing 機械租賃
Jackson Equities Incorporated	British Virgin Islands 英屬處女群島	British Virgin Islands 英屬處女群島	US\$2 2美元	100.00	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註（續）

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

(Continued)

42. 主要附屬公司詳情（續）

Name of subsidiary	Place of incorporation/ registration	Place of operation	Issued and fully paid share capital	Percentage of equity attributable to the Company 本公司應佔股權百分比	Principal activities
附屬公司名稱	成立／註冊地方	經營地方	已發行及繳足股本		主要業務
Karmay Industrial Limited 嘉美實業有限公司	Hong Kong 香港	Hong Kong 香港	HK\$55,000,000 55,000,000港元	100.00	Investment holding and trading of plastic products 投資控股及注塑製品貿易
Karmay Plastic Products (Zhuhai) Co., Ltd. ^{*(a)} 嘉美塑料製品（珠海）有限公司 ^(a)	The PRC 中國	The PRC 中國	HK\$16,800,000 16,800,000港元	100.00	Processing of plastic products 注塑製品加工
KFE Hong Kong Co., Limited 協榮二葉科技香港有限公司	Hong Kong 香港	Hong Kong 香港	US\$7,800,000 7,800,000美元	52.00	Trading of printed circuit boards 印刷線路板貿易
Melco Industrial Supplies Company Limited 美高工業器材有限公司	Hong Kong 香港	Hong Kong 香港	HK\$1,500,000 1,500,000港元	100.00	Trading of industrial consumables 工業消耗品貿易
Melco Industrial Supplies (Shanghai) Co., Ltd ^{*(a)} 美高工業器材（上海）有限公司 ^(a)	The PRC 中國	The PRC 中國	US\$600,000 600,000美元	100.00	Trading of industrial consumables 工業消耗品貿易
Welltec Machinery Limited 華大機械有限公司	Hong Kong 香港	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100.00	Trading of machinery 機械貿易
Wuxi Grand Machinery Sales And Service Co., Ltd. ^(a) 無錫格蘭機械銷售服務有限公司 ^(a)	The PRC 中國	The PRC 中國	US\$2,850,000 2,850,000美元	100.00	Investment holding 投資控股
Wuxi Grand Tech Machinery Group Ltd. ^(a) 無錫格蘭機械集團有限公司 ^(a)	The PRC 中國	The PRC 中國	US\$9,586,000 9,586,000美元	100.00	Manufacturing and trading of machinery 機械製造及貿易

* For identification purposes only

* 僅供識別

Notes:

附註：

(a) The companies are registered in the form of wholly-owned foreign investment enterprises.

(a) 公司登記註冊為外商獨資企業。

(b) The companies are registered in the form of sino-foreign cooperative enterprises.

(b) 公司登記註冊為中外合資企業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023
截至二零二三年十二月三十一日止年度

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES

(Continued)

The above table lists out the subsidiaries of the Group which, in the opinion of the Directors, principally affect the results of the Group for the year or form a substantial portion of the net assets of the Group at the end of the year. To give details of other subsidiaries would, result in particulars of excessive length.

None of the subsidiaries had issued any debt capital at the end of the year or at any time during the year.

The following table lists out the information relating to all subsidiaries of Major Success Company Limited, which has material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

42. 主要附屬公司詳情(續)

以上本集團附屬公司乃基於董事認為其對本年度業績有重要性影響或於年末佔本集團淨資產之重大比例而列表。並列其他附屬公司詳情會引致篇幅冗長。

於年末或本年度任何時間內，概無附屬公司發行任何債務股本。

下表列出了有關致騰有限公司所有子公司中具有重大的非控股權益(「非控股權益」)的資料。以下表述的概括財務資料均為未抵銷任何公司間交易之金額。

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
NCI percentage	非控股權益百分比	48%	48%
Current assets	流動資產	262,122	309,896
Non-current assets	非流動資產	16,342	115,801
Current liabilities	流動負債	(108,870)	(128,814)
Non-current liabilities	非流動負債	(2,233)	(19,923)
Equity	權益	167,361	276,960
Carrying amount of NCI	非控股權益賬面值	80,463	133,071
Revenue	收入	453,153	577,960
Loss for the year	本年度虧損	(126,437)	(18,203)
Total comprehensive expense	全面支出總額	(109,610)	(31,446)
Loss allocated to NCI	分配至非控股權益之虧損	(16,841)	(8,738)
Cash generated from operating activities	經營活動產生之現金	33,249	47,251
Cash generated from/(used) in investing activities	投資活動產生/(使用)之現金	18,317	(6,842)
Cash used in financing activities	融資活動使用之現金	(12,831)	(18,724)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

43. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023

The following amendments to standards and revised interpretation, which may be applicable to the Group, have been issued and are effective after 2023. The Group has not elected to early adopt these pronouncements in 2023. These pronouncements are not expected to have a material impact on the results or the financial position of the Group.

43. 截至二零二三年十二月三十一日止年度已頒佈但尚未生效之準則修訂、新訂準則及詮釋的潛在影響

下列可能適用於本集團的準則修訂和詮釋修訂已經頒佈，並於二零二三年之後生效。本集團未有選擇提前於二零二三年採納此等修訂和詮釋。此等修訂和詮釋預期不會對本集團的業績或財務狀況造成重大影響。

		Effective for accounting periods beginning on or after 於下列日期或其後 開始之會計期間生效
Amendments to HKAS 1 《香港會計準則》第1號之修訂	Classification of Liabilities as Current or Non-current 負債分類為流動或非流動	1 January 2024 二零二四年一月一日
Amendments to HKAS 1 《香港會計準則》第1號之修訂	Non-current Liabilities with Covenants 有契約的非流動負債	1 January 2024 二零二四年一月一日
Amendments to HKAS 7 and HKFRS 7 《香港會計準則》第7號及 《香港財務報告準則》第7號之修訂	Supplier Finance Arrangements 供應商融資安排	1 January 2024 二零二四年一月一日
Hong Kong Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2024
香港《詮釋》第5號(修訂)	財務報表的呈列 – 借款人對包含須按要求償還條款 的定期貸款分類	二零二四年一月一日
Amendments to HKFRS 16 《香港財務報告準則》第16號之修訂	Lease Liability in a Sale and Leaseback 售後租回的租賃負債	1 January 2025 二零二五年一月一日
Amendments to HKAS 21 《香港會計準則》第21號之修訂	Lack of Exchangeability 缺乏可兌換性	1 January 2025 二零二五年一月一日
Amendments to HKFRS 10 and HKAS 28 《香港財務報告準則》第10號及 《香港會計準則》第28號之修訂	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合營企業之間的資產出售或 投入	To be determined 待定

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估這些發展對首個應用期間的影響。到目前為止，已經得出結論，採用這些準則不太可能對綜合財務報表產生重大影響。

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

CONSOLIDATED INCOME STATEMENT

綜合收益表

		For the year ended 31 December 截至十二月三十一日止年度					
		2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	
Revenue	收入	2,344,923	2,432,021	3,075,305	2,339,898	2,176,900	
Profit/(loss) before tax	除稅前溢利／(虧損)	39,075	35,423	113,119	33,071	(42,458)	
Less: Taxation	減：稅項	14,191	9,545	28,914	14,234	17,057	
Profit/(loss) for the year	年度溢利／(虧損)	24,884	25,878	84,205	18,837	(59,515)	
Less: Non-controlling interests	減：非控股權益	9,129	6,300	(5,527)	(5,577)	(15,714)	
Profit/(loss) attributable to equity shareholders of the Company	本公司股權持有人應佔溢利／(虧損)	15,755	19,578	89,732	24,414	(43,801)	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

		At 31 December 於十二月三十一日					
		2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	
Total assets	資產總值	2,603,889	2,834,678	2,967,885	2,625,450	2,462,080	
Total liabilities	負債總值	(1,217,448)	(1,334,695)	(1,327,361)	(1,087,054)	(1,033,216)	
Total equity	權益總值	1,386,441	1,499,983	1,640,524	1,538,396	1,428,864	
Non-controlling interests	非控股權益	214,772	231,357	229,715	216,274	157,142	

GLOSSARY

詞彙

In this annual report, unless the context otherwise specifies, the following expressions have the following meanings:

於本年報內，除文義另有所指外，下列詞彙具有以下涵義：

“Articles” 「《章程細則》」	the articles of association of the Company 本公司之《組織章程細則》
“Audit Committee” 「審核委員會」	the audit committee of the Company 本公司審核委員會
“Board” 「董事會」	the board of Directors of the Company 本公司董事會
“CG Code” 「《企業管治守則》」	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules 《上市規則》附錄C1所載之《企業管治守則》
“China”, “Mainland China” or “PRC” 「中國內地」或「中國」	the People’s Republic of China, for the purpose of this annual report, excluding Hong Kong, the Macao Special Administrative Region and Taiwan 中華人民共和國，就本年報而言，不包括香港、澳門特別行政區及台灣
“CMEL Code” 「《大同企業守則》」	the Code for Securities Transactions by Directors and Relevant Employees of Cosmos Machinery Enterprises Limited, revised from time to time thereafter 《大同機械企業有限公司董事及有關僱員進行證券交易守則》（隨後不時修訂）
“Codo” 「高度」	Codo Development Limited, a company incorporated in Hong Kong with limited liability, which is a substantial Shareholder (as defined under the Listing Rules) 高度發展有限公司，一間於香港註冊成立的有限公司，為主要股東（定義見《上市規則》）
“Committee of Executive Directors” 「執行董事委員會」	the committee of executive Directors of the Company 本公司執行董事委員會
“Companies Ordinance” 「《公司條例》」	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) 《公司條例》（香港法例第622章）
“Company” 「本公司」	Cosmos Machinery Enterprises Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 118) 大同機械企業有限公司，一間於香港註冊成立的有限公司，其股份於聯交所主板上市（股份代號：118）
“Cosmos Holdings” 「大同控股」	Cosmos Machinery (Holdings) Limited, a company incorporated in Hong Kong with limited liability, which is a controlling Shareholder (as defined under the Listing Rules) 大同機械（控股）有限公司，一間於香港註冊成立的有限公司，為控股股東（定義見《上市規則》）
“Director(s)” 「董事」	director(s) of the Company 本公司董事

“Group” 「本集團」	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” 「香港」	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Hung Cheong” 「Hung Cheong」	Hung Cheong Realty Limited, a company incorporated in the British Virgin Islands with limited liability, which is a wholly-owned subsidiary of Cosmos Holdings Hung Cheong Realty Limited，一間於英屬處女群島註冊成立的有限公司，為大同控股之全資附屬公司
“Listing Rules” 「《上市規則》」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 《香港聯合交易所有限公司證券上市規則》
“Model Code” 「《標準守則》」	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules 《上市規則》附錄C3所載之《上市發行人董事進行證券交易的標準守則》
“Nomination Committee” 「提名委員會」	the nomination committee of the Company 本公司提名委員會
“Remuneration Committee” 「薪酬委員會」	the remuneration committee of the Company 本公司薪酬委員會
“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“Saniwell” 「Saniwell」	Saniwell Holding Inc., a company incorporated in the Cook Islands with limited liability Saniwell Holding Inc.，一間於庫克群島註冊成立的有限公司
“SFO” 「《證券及期貨條例》」	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 《證券及期貨條例》(香港法例第571章)
“Share(s)” 「股份」	ordinary share(s) of the Company 本公司之普通股
“Shareholder(s)” 「股東」	holder(s) of the Share(s) 股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司

GLOSSARY (CONTINUED)

詞彙 (續)

“Tai Shing” 「Tai Shing」	Tai Shing Agencies Limited, a company incorporated in the British Virgin Islands with limited liability, which is a substantial Shareholder (as defined under the Listing Rules) Tai Shing Agencies Limited, 一間於英屬處女群島註冊成立的有限公司, 為主要股東 (定義見《上市規則》)
“US” or “United States” 「美國」	the United States of America 美利堅合眾國
“US\$” 「美元」	United States dollars, the lawful currency of the United States 美元, 美國之法定貨幣
“YEN” 「日圓」	Japanese Yen, the lawful currency of Japan 日圓, 日本之法定貨幣
“%” 「%」	per cent. 百分比

