

LITU HOLDINGS LIMITED 力圖控股有限公司

(Formerly known as “Brilliant Circle Holdings International Limited”)
(前稱「貴聯控股國際有限公司」)

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

Stock Code 股份代號：1008

ANNUAL REPORT
年報 **2021**

Contents

目錄

Corporate information 公司資料	2
Chairman's statement 主席報告書	5
Management discussion and analysis 管理層討論及分析	8
Report of the directors 董事會報告書	15
Corporate governance report 企業管治報告書	28
Profile of directors and senior management 董事及高級管理層履歷	43
Independent auditor's report 獨立核數師報告	47
Consolidated statement of comprehensive income 綜合全面收益表	56
Consolidated statement of financial position 綜合財務狀況表	58
Consolidated statement of changes in equity 綜合權益變動表	61
Consolidated statement of cash flows 綜合現金流量表	64
Notes to the consolidated financial statements 綜合財務報表附註	68
Five year financial summary 五年財務概要	214
Particulars of investment properties 投資物業詳情	216



Corporate information

公司資料

DIRECTORS

Executive Directors

Mr. Chen Xiao Liang
(Chairman and re-designated as Chief Executive Officer
on 21 January 2022)

Mr. Qin Song
(resigned on 21 January 2022)

Mr. Huang Wanru

Ms. Zheng Jinghui
(resigned on 16 July 2021)

Mr. Jiang Xiang Yu
(appointed on 16 July 2021)

Non-Executive Director

Ms. Li Li

Independent Non-Executive Directors

Mr. Lam Ying Hung, Andy

Mr. Lui Tin Nang

Mr. Siu Man Ho, Simon

COMPANY SECRETARY

Mr. Chan Chung Kik Lewis
(resigned on 16 July 2021)

Mr. Ng Wing Ching
(appointed on 16 July 2021)

AUDIT COMMITTEE

Mr. Lui Tin Nang
(chairman of the audit committee)

Ms. Li Li

Mr. Lam Ying Hung, Andy

Mr. Siu Man Ho, Simon

REMUNERATION COMMITTEE

Mr. Lam Ying Hung, Andy
(chairman of the remuneration committee)

Mr. Huang Wanru

Ms. Li Li

Mr. Lui Tin Nang

Mr. Siu Man Ho, Simon

董事

執行董事

陳校良先生
(主席·於二零二二年一月二十一日
調任為行政總裁)

欽松先生
(於二零二二年一月二十一日辭任)

黃萬如先生

鄭靜慧女士
(於二零二一年七月十六日辭任)

蔣祥瑜先生
(於二零二一年七月十六日獲委任)

非執行董事

李莉女士

獨立非執行董事

林英鴻先生

呂天能先生

蕭文豪先生

公司秘書

陳仲戟先生
(於二零二一年七月十六日辭任)

吳永禎先生
(於二零二一年七月十六日獲委任)

審核委員會

呂天能先生
(審核委員會主席)

李莉女士

林英鴻先生

蕭文豪先生

薪酬委員會

林英鴻先生
(薪酬委員會主席)

黃萬如先生

李莉女士

呂天能先生

蕭文豪先生

Corporate information

公司資料

NOMINATION COMMITTEE

Mr. Siu Man Ho, Simon
(*chairman of the nomination committee*)
Mr. Lam Ying Hung, Andy
Ms. Li Li
Mr. Lui Tin Nang
Mr. Qin Song
(resigned on 21 January 2022)
Mr. Huang Wanru
(appointed on 21 January 2022)

AUTHORISED REPRESENTATIVES

Mr. Huang Wanru
Mr. Chan Chung Kik Lewis
(resigned on 16 July 2021)
Mr. Ng Wing Ching
(appointed on 16 July 2021)

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors
(resigned on 16 July 2021)
Mazars CPA Limited
Certified Public Accountants
(appointed on 17 August 2021)

PRINCIPAL BANKERS

Hang Seng Bank Limited
Agricultural Bank of China Limited
Bank of China Limited
China Merchants Bank Co., Ltd.

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

提名委員會

蕭文豪先生
(*提名委員會主席*)
林英鴻先生
李莉女士
呂天能先生
欽松先生
(於二零二二年一月二十一日辭任)
黃萬如先生
(於二零二二年一月二十一日獲委任)

授權代表

黃萬如先生
陳仲戟先生
(於二零二一年七月十六日辭任)
吳永禎先生
(於二零二一年七月十六日獲委任)

核數師

德勤•關黃陳方會計師行
註冊公眾利益實體核數師
(於二零二一年七月十六日辭任)
中審眾環(香港)會計師事務所有限公司
執業會計師
(於二零二一年八月十七日獲委任)

主要往來銀行

恒生銀行有限公司
中國農業銀行股份有限公司
中國銀行股份有限公司
招商銀行股份有限公司

股份過戶及登記總處

Suntera (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

Corporate information

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

3/F, 38 On Lok Mun Street
On Lok Tsuen
Fanling, New Territories
Hong Kong

CORPORATE WEBSITE

www.lituholdings.com

STOCK CODE

1008

LISTING DATE

30 March 2009

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 54 樓

註冊辦事處

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

總部及香港主要營業地點

香港
新界粉嶺
安樂村
安樂門街 38 號 3 樓

公司網站

www.lituholdings.com

股份代號

1008

上市日期

二零零九年三月三十日

Chairman's statement

主席報告書

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Litu Holding Limited (the “**Company**”) and its subsidiaries (together the “**Group**”), I am pleased to present to you the annual results of the Group for the year ended 31 December 2021.

BUSINESS REVIEW

In 2021, the gross domestic product (GDP) of the People's Republic of China (the “**PRC**”) increased by 8.1% compared to last year, higher than the increase of 2.2% in 2020 and the growth target of 6% at the beginning of the year. In 2021, the GDP per capita of the PRC reached RMB80,976, equivalent to approximately US\$12,551 on the then average exchange rate over the year.

In 2021, China's tobacco industry's sales volumes continued to grow steadily and cigarettes sold increased in volume and value by 0.55% and 5.21% respectively, representing a higher scale and pace of sales volume over the past few years. However, given the decrease in tendering price under the mandatory tendering policy in the cigarette industry and the increase in raw material prices, the Group was subject to considerable operating pressure under intensifying industry competition. Total revenue of the Group decreased by 13.5% from approximately HK\$1,339.4 million in 2020 to approximately HK\$1,158.9 million in 2021, and gross profit margin also decreased from 19.8% in 2020 to 13.9% in 2021. In respect of the downstream tendering policy, during the year, the Group has already established a specific team to plan and organise the tendering among the subsidiaries. At the same time, the Group has strengthened production cost control, improved production efficiency and enhanced inventory management, in order to cope with the challenges to profitability.

Since December 2020 and in 2021, the unsuccessful bid in the tender of some customers for the orders in the coming years had and is expected to have an adverse financial impact on the overall revenue and profitability of the Group in 2021 and the coming years. The financial position and performance of the Group were affected in different aspects, including the decrease in revenue arising from printing and manufacturing of cigarette packages business and impairment losses on goodwill arising from the relevant cash generating units.

本人謹代表力圖控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)的董事(「**董事**」)會(「**董事會**」)欣然向閣下呈報本集團截至二零二一年十二月三十一日止年度的業績。

業務回顧

於二零二一年，中華人民共和國(「**中國**」)國內生產總值比去年增長8.1%，高於二零二零年2.2%的增長及年初6%的增長目標。二零二一年中國人均國內生產總值達到人民幣80,976元，按當年平均匯率折算達約12,551美元。

於二零二一年，中國香煙業的銷量繼續穩步增長，所出售香煙銷量及價值分別增長0.55%及5.21%，銷量增長規模及速度均高於過去幾年。然而，受限於煙草行業強制招標政策下投標價格下跌及原材料價格上升，行業競爭加劇的環境使本集團承受一定經營壓力。本集團的總收益由二零二零年的約1,339,400,000港元下跌13.5%至二零二一年的約1,158,900,000港元，毛利率也從二零二零年的19.8%下跌至二零二一年的13.9%。有關下游招標政策，於本年本集團已成立專門小組，負責計劃及組織各附屬公司之間的招標工作。本集團同時加強生產成本控制，提高生產效率及加強存貨管理，以應對盈利能力所面臨的挑戰。

自二零二零年十二月起及於二零二一年，未能成功投得部分客戶未來數年的訂單，對本集團於二零二一年及未來數年的整體收益及盈利能力已造成並預期會造成不利財務影響。本集團的財務狀況及表現均在多方面受到影響，包括香煙包裝印刷及製造業務所產生收益下跌，及相關現金產生單位所產生商譽的減值虧損。

Chairman's statement

主席報告書

EARNINGS AND DIVIDEND

Profit attributable to owners of the Company decreased by 3.2% from approximately HK\$8.9 million in 2020 to approximately HK\$8.6 million in 2021. Basic earnings per share was approximately HK0.6 cent (2020: approximately HK0.6 cent).

The Board does not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: HK10 cents per share).

PROSPECTS

While the Chinese economy continues to recover steadily, the global economic outlook remains uncertain due to sporadic regional COVID-19 outbreaks in the PRC, rising global inflation, intensifying competition between the United States and the PRC on various fronts and the ongoing war between Russia and Ukraine, all of which may have an adverse effect on the Chinese economy and the Group's operating environment in 2022.

Looking ahead, the Group will continue to rely on cigarette packaging as a solid foundation for the Group's development and seek to further develop new businesses such as sales of RFID products. The Group will continue to increase its participation in tenders, while actively expanding into other packaging markets, and will continue to reduce the pressure of decreasing gross profit through measures such as cost control, efficiency boosting and resource consolidation.

The Group's corporate mission is to continue to develop ways to improve financial performance, provide growth drivers for the Group and broaden revenue streams within acceptable risk levels. On 26 January 2022, the Group completed the acquisition of Eagle Swift Limited, whose only significant asset is a property in Hong Kong. The Board considers that the acquisition represents a good investment opportunity for the Company to invest in the Hong Kong property market and the future rental income from the property will provide stable income for the Group while at the same time the Group may benefit from the long term appreciation in value of the property.

盈利及股息

本公司擁有人應佔溢利由二零二零年的約8,900,000港元減少3.2%至二零二一年的約8,600,000港元。每股基本盈利約為0.6港仙（二零二零年：約為0.6港仙）。

董事會不建議就截至二零二一年十二月三十一日止年度派付末期股息（二零二零年：每股10港仙）。

前景

中國經濟雖持續穩定恢復，但由於局部COVID-19疫情在中國時有發生，全球通脹升溫，加上中美兩國在多個方面的競爭加劇，俄羅斯與烏克蘭的戰爭持續，全球經濟前景仍不明朗，均可能對二零二二年的中國經濟及本集團的經營環境造成不利影響。

展望將來，本集團將繼續把香煙包裝作為本集團發展的堅實基礎，並尋求進一步發展新業務（如銷售射頻識別產品）。本集團將繼續增加參與投標，同時會積極拓展其他包裝的市場，及繼續通過成本控制、提高效率及資源整合等措施來減低毛利下跌的壓力。

本集團的企業使命為繼續開拓改善財務表現的途徑，為本集團提供增長動力，並在可接受風險水準內擴闊收益來源。於二零二二年一月二十六日，本集團完成收購Eagle Swift Limited，其唯一重要資產是在香港的一處物業。董事會認為，收購事項乃本公司投資於香港物業市場的投資良機，該物業產生的未來租金收入將為本集團提供穩定收入，同時本集團或可享受該物業長遠升值的好處。

Chairman's statement

主席報告書

The Company will also continue to explore the possibility of other investments or diversification into other profitable businesses in the interests of the Company and its shareholders as a whole, with a view to achieving sustainable growth, improving profitability and ultimately maximising returns for shareholders.

APPRECIATION

On behalf of the Group, I would also like to take this opportunity to express my sincere gratitude to all the staff of the Group for their efforts and contributions, and all our shareholders and partners for their support.

Chen Xiao Liang

Chairman

31 March 2022

倘符合本公司及其股東整體利益，本公司亦將繼續開拓其他投資或多元化發展至其他有利可圖業務的可能性，從而達致可持續增長、提升盈利水準，最終為股東帶來最大回報。

致謝

本人亦謹藉此機會代表董事會衷心感謝本集團全體員工的努力及貢獻，感謝所有股東及合作夥伴的支持。

陳校良

主席

二零二二年三月三十一日

Management discussion and analysis

管理層討論及分析

REVENUE

The Group recorded a total revenue of approximately HK\$1,158.9 million in 2021, representing a decrease of 13.5% as compared to approximately HK\$1,339.4 million in 2020. The revenue was generated from three business segments: (i) the printing and manufacturing of cigarette packages and related materials of approximately HK\$1,040.0 million (2020: HK\$1,227.7 million), (ii) manufacturing of laminated papers of approximately HK\$13.5 million (2020: HK\$35.5 million), and (iii) sales of RFID products of approximately HK\$105.4 million (2020: HK\$76.2 million). The revenue from the printing and manufacturing of cigarette packages and related materials segment accounted for approximately 89.7% of the total revenue for 2021 (2020: 91.7%). The decrease in total revenue was mainly attributable to the decrease in business volume of printing and manufacturing of cigarette packages and related materials as a result of the failure of one of the subsidiaries of the Company to bid its tender for 2021 and 2022 orders from some of its major customers. However, the appreciation of RMB against HKD of roughly 6.8% comparing with the corresponding period of 2020 has partially offset such downside effect.

GROSS PROFIT

Gross profit decreased by 39.2% from approximately HK\$265.8 million for the year ended 31 December 2020 to approximately HK\$161.5 million for the year ended 31 December 2021, primarily due to the decrease in revenue and increase in raw material price. Despite the implementation of the cost reduction and efficiency measures during the year under review, the gross profit margin still decreased from 19.8% for the year ended 31 December 2020 to 13.9% for the year ended 31 December 2021. The average selling price was also subject to pressure induced by the ongoing mandatory tendering system.

OTHER INCOME

Other income decreased by 11.4% from approximately HK\$47.0 million for the year ended 31 December 2020 to approximately HK\$41.6 million for the year ended 31 December 2021 due to the decrease in various government grants of approximately HK\$13.2 million and the increase in processing fee income of approximately HK\$5.9 million.

收益

於二零二一年，本集團錄得總收益約1,158,900,000港元，較二零二零年約1,339,400,000港元減少13.5%。收益產生自三個業務分部：(i)印刷及製造香煙包裝及相關材料業務分部約為1,040,000,000港元（二零二零年：1,227,700,000港元），(ii)製造複合紙業務分部約為13,500,000港元（二零二零年：35,500,000港元），及(iii)銷售射頻識別產品業務分部約為105,400,000港元（二零二零年：76,200,000港元）。印刷及製造香煙包裝及相關材料業務分部的收益佔二零二一年總收益約89.7%（二零二零年：91.7%）。總收益減少，乃主要由於本公司一間附屬公司未能投得其部分主要客戶於二零二一年及二零二二年的訂單，導致印刷及製造香煙包裝及相關材料的業務量下跌。然而，與二零二零年同期相比，人民幣對港元升值約6.8%，部分抵銷了上述下跌的影響。

毛利

毛利由截至二零二零年十二月三十一日止年度約265,800,000港元減少39.2%至截至二零二一年十二月三十一日止年度約161,500,000港元，主要由於收益減少及原材料價格上升。儘管於回顧年度實施降低成本及提高效率的措施，毛利率仍由截至二零二零年十二月三十一日止年度的19.8%減少至截至二零二一年十二月三十一日止年度的13.9%。平均售價亦因強制招標制度持續而受壓。

其他收入

其他收入由截至二零二零年十二月三十一日止年度約47,000,000港元減少11.4%至截至二零二一年十二月三十一日止年度約41,600,000港元，乃由於多項政府補助金減少約13,200,000港元及加工費收入增加約5,900,000港元。

Management discussion and analysis

管理層討論及分析

OTHER GAINS AND LOSSES

Other net gains and losses decreased by 39.6% from approximately HK\$173.8 million for the year ended 31 December 2020 to approximately HK\$105.0 million for the year ended 31 December 2021, which was mainly attributable to the decrease in impairment losses on goodwill by approximately HK\$79.5 million from HK\$176.0 million to HK\$96.5 million of which approximately HK\$93.3 million was recognised for Shenzhen Kecai Printing Co., Limited, an indirect wholly-owned subsidiary of the Company established in the PRC, as its recoverable amount was less than the carrying value as at 31 December 2021.

The Group has also made provision of HK\$21,200,000 in respect of an arbitration proceeding with an ex-staff, the details of which are disclosed in note 43 to the consolidated financial statements.

SELLING AND DISTRIBUTION EXPENSES

The selling and distribution expenses decreased by 36.5% from approximately HK\$41.2 million for the year ended 31 December 2020 to approximately HK\$26.2 million for the year ended 31 December 2021 which was primarily attributable to reduction of sales expenses and staff costs.

ADMINISTRATIVE EXPENSES AND OTHER EXPENSES

The administrative expenses and other expenses increased by 29.0% from approximately HK\$88.1 million for the year ended 31 December 2020 to approximately HK\$113.7 million for the year ended 31 December 2021.

The increase was mainly attributable to an one-off compensation for staff in 2021 and the absence of one-off preferential treatment in relation to the COVID-19 pandemic in 2020.

其他收益及虧損

其他收益及虧損淨額由截至二零二零年十二月三十一日止年度約173,800,000港元減少39.6%至截至二零二一年十二月三十一日止年度約105,000,000港元，主要歸因於商譽減值虧損由176,000,000港元減少約79,500,000港元至96,500,000港元，其中就深圳市科彩印務有限公司（本公司在中國成立的間接全資附屬公司）彩確認約93,300,000港元，因其於二零二一年十二月三十一日的可收回金額少於賬面值。

本集團亦已就一宗與前僱員的仲裁程序作出21,200,000港元的撥備，有關詳情於本公司綜合財務報表附註43內披露。

銷售及分銷開支

銷售及分銷開支由截至二零二零年十二月三十一日止年度約41,200,000港元減少36.5%至截至二零二一年十二月三十一日止年度約26,200,000港元，主要歸因於銷售開支及員工成本減少。

行政開支及其他開支

行政開支及其他開支由截至二零二零年十二月三十一日止年度約88,100,000港元增加29.0%至截至二零二一年十二月三十一日止年度約113,700,000港元。

增加乃主要由於二零二一年對員工作出一一次性賠償及缺少二零二零年因應COVID-19疫情獲得的一次性優惠待遇。

Management discussion and analysis

管理層討論及分析

FINANCE COSTS

The finance costs decreased by 30.3% from approximately HK\$20.7 million for the year ended 31 December 2020 to approximately HK\$14.4 million for the year ended 31 December 2021.

The decrease was mainly due to decrease in the average bank borrowings rate and average bank borrowings balance in 2021. The Group has implemented plans to improve its bank loan portfolio by the replacement of existing facilities with new bank loan with lower interest rate.

SHARE OF PROFITS OF ASSOCIATES

The share of profits of associates increased by 18.2% from approximately HK\$59.3 million for the year ended 31 December 2020 to approximately HK\$70.1 million for the year ended 31 December 2021 due to improvement in profitability of the Group's major associate namely Changde Gold Roc Printing Co., Ltd. ("**Changde Gold Roc**"). Changde Gold Roc is principally engaged in the provision of cigarette printing package services. The Group beneficially owns RMB50,546,120 of its paid up capital, representing 31% of the total paid up capital of RMB163,052,000. The profit of Changde Gold Roc increased by 17.6% from approximately HK\$192.3 million for the year ended 31 December 2020 to approximately HK\$226.2 million for the year ended 31 December 2021. The increase in net profit of our associates was mainly due to an increase in revenue by 17.2% as a result of successful tenders by Changde Gold Roc. Changde Gold Roc also strengthened its production cost control and improved its production efficiency. The net asset value of Changde Gold Roc as at 31 December 2021 was approximately HK\$1,442.2 million (2020: approximately HK\$1,425.3 million). The carrying amount of the Group's interest in Changde Gold Roc was approximately HK\$455.9 million as at 31 December 2021 (2020: approximately HK\$450.4 million). During the year under review, the Group received dividend of approximately HK\$76.8 million (2020: HK\$58.5 million) from Changde Gold Roc. The Group holds the investment in Changde Gold Roc for stable earnings and dividend income in view of its stable business with the local customers.

Save for Changde Gold Roc, there were no significant investments held by the Group with a value of 5% or more of the Group's total assets as at 31 December 2021.

融資成本

融資成本由截至二零二零年十二月三十一日止年度約20,700,000港元減少30.3%至截至二零二一年十二月三十一日止年度約14,400,000港元。

減少乃主要由於二零二一年的平均銀行借款利率及平均銀行借款結餘下跌。本集團已實行計劃，以息率較低的新銀行貸款取代現有融資，藉此改善銀行貸款狀況。

分佔聯營公司溢利

分佔聯營公司溢利由截至二零二零年十二月三十一日止年度約59,300,000港元增加18.2%至截至二零二一年十二月三十一日止年度約70,100,000港元，原因是本集團主要聯營公司常德金鵬印務有限公司（「**常德金鵬**」）的盈利能力有所改善。常德金鵬主要從事提供香煙印刷包裝服務。本集團實益擁有其實繳資本人民幣50,546,120元，佔實繳資本總額人民幣163,052,000元的31%。常德金鵬的溢利由截至二零二零年十二月三十一日止年度約192,300,000港元增加17.6%至截至二零二一年十二月三十一日止年度約226,200,000港元。聯營公司的純利增加乃主要由於常德金鵬成功投得合約致使收益增加17.2%。常德金鵬亦加強其生產成本控制及改善其生產效率。於二零二一年十二月三十一日，常德金鵬的資產淨值約為1,442,200,000港元（二零二零年：約1,425,300,000港元）。於二零二一年十二月三十一日，本集團於常德金鵬的權益的賬面值約為455,900,000港元（二零二零年：約450,400,000港元）。於回顧年度，本集團自常德金鵬收取股息約76,800,000港元（二零二零年：58,500,000港元）。鑑於與當地客戶的穩定業務，本集團持有常德金鵬的投資，以獲得穩定的收益及股息收入。

除了常德金鵬外，本集團於二零二一年十二月三十一日並無持有其價值相當於本集團資產總值5%或以上的重大投資。

Management discussion and analysis

管理層討論及分析

TAXATION

The effective tax rate of the Group decreased from 80.5% in 2020 to 34.8% in 2021. Such decrease was primarily due to the decrease in recognition of the impairment losses on goodwill of HK\$79.5 million, which is not deductible for tax purpose.

PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

As a result of the foregoing, the profit attributable to the owners of the Company decreased by 3.2% from approximately HK\$8.9 million for the year ended 31 December 2020 to approximately HK\$8.6 million for the year ended 31 December 2021.

OTHER PERFORMANCE INDICATORS

The following table sets forth other performance indicators of the Group as at the dates or for the years indicated:

稅項

本集團的實際稅率由二零二零年的80.5%下跌至二零二一年的34.8%。有關下跌主要由於確認不可扣稅的商譽減值虧損減少79,500,000港元。

本公司擁有人應佔年度溢利

基於上文所述，本公司擁有人應佔溢利由截至二零二零年十二月三十一日止年度約8,900,000港元減少3.2%至截至二零二一年十二月三十一日止年度約8,600,000港元。

其他績效指標

下表載列本集團於所示日期或年份的其他績效指標：

As at or for the year ended
31 December
於十二月三十一日或
截至該日止年度
2021 2020
二零二一年 二零二零年

		2021	2020
		二零二一年	二零二零年
Current Ratio (Note 1)	流動比率(附註1)	1.5 times 1.5 倍	1.5 times 1.5 倍
Quick Ratio (Note 2)	速動比率(附註2)	1.4 times 1.4 倍	1.4 times 1.4 倍
Return on equity (Note 3)	股本回報率(附註3)	0.3%	0.3%
Return on total assets (Note 4)	總資產回報率(附註4)	0.2%	0.2%

Notes:

- (1) Current ratio is calculated based on total current assets of the Group divided by total current liabilities of the Group as at the end of the respective year.
- (2) Quick ratio is calculated based on total current assets of the Group less inventories of the Group divided by total current liabilities of the Group as at the end of the respective year.
- (3) Return on equity is calculated by dividing profit attributable to owners of the Company for the year by the arithmetic mean of the opening and closing balance of total equity attributable to owners of the Company.
- (4) Return on total assets is calculated by dividing profit attributable to owners of the Company for the year by the arithmetic mean of the opening and closing balance of total assets of the Group.

附註：

- (1) 流動比率乃根據本集團流動資產總值除本集團於各年度末的流動負債總額計算得出。
- (2) 速動比率乃根據本集團流動資產總值減本集團存貨除本集團於各年度末的流動負債總額計算得出。
- (3) 股本回報率乃按年內本公司擁有人應佔溢利除本公司擁有人應佔權益總額的期初及期末結餘的算術平均值計算得出。
- (4) 總資產回報率乃按年內本公司擁有人應佔溢利除本集團資產總值的期初及期末結餘的算術平均值計算得出。

Management discussion and analysis

管理層討論及分析

Current ratio and quick ratio

The Group's current ratio and quick ratio as at 31 December 2021 remained relatively stable at 1.5 times (2020: 1.5 times) and 1.4 times (2020: 1.4 times), respectively.

Return on equity and return on total assets

The Group's return on equity remained at 0.3% in 2020 and 2021 and the Group's return on total assets remained at 0.2% in 2020 and 2021, as there was no material fluctuation in the profit attributable to owners of the Company for 2021 as compared to that of 2020.

LIQUIDITY AND CAPITAL RESOURCES

The Group's financial position remains solid and the Group possessed sufficient cash to meet its commitments and working capital requirements. As at 31 December 2021, the Group had net current assets of approximately HK\$398.1 million (2020: approximately HK\$392.2 million) of which cash and cash equivalents were approximately HK\$440.4 million (2020: approximately HK\$315.4 million) and were denominated in RMB, US\$ and HK\$ as at 31 December 2021.

As at 31 December 2021, the Group had outstanding bank borrowings of approximately HK\$342.4 million (2020: approximately HK\$411.2 million) which shall be repaid within 1 year. The gearing ratio as at 31 December 2021 was 12.8% (2020: 14.8%), which is calculated by dividing the total bank borrowings by the total equity. No financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments during the year.

CHARGES ON ASSETS

As at 31 December 2021, assets with gross carrying amounts of approximately HK\$23.3 million (31 December 2020: HK\$14.5 million) were pledged to banks in respect of bank borrowings granted to the Group.

流動比率及速動比率

於二零二一年十二月三十一日，本集團流動比率及速動比率分別維持相對穩定於1.5倍（二零二零年：1.5倍）及1.4倍（二零二零年：1.4倍）。

股本回報率及總資產回報率

本集團的股本回報率於二零二零年及二零二一年維持為0.3%，本集團的總資產回報率則於二零二零年及二零二一年維持為0.2%，乃由於二零二一年的本公司擁有人應佔溢利與二零二零年相比並無重大波幅。

流動資金及資本資源

本集團的財務狀況維持穩健，並具備充足現金以滿足其承擔及營運資金需要。於二零二一年十二月三十一日，本集團的流動資產淨值約398,100,000港元（二零二零年：約392,200,000港元），其中現金及現金等值項目約440,400,000港元（二零二零年：約315,400,000港元），並於二零二一年十二月三十一日以人民幣、美元及港元計值。

於二零二一年十二月三十一日，本集團的未償還銀行借貸約342,400,000港元（二零二零年：約411,200,000港元），須於一年內償還。於二零二一年十二月三十一日，負債比率為12.8%（二零二零年：14.8%），按銀行借貸總額除權益總額計算得出。年內，概無動用金融工具作對沖用途，亦無任何以即期借款及／或其他對沖工具對沖的外幣淨額投資。

資產抵押

於二零二一年十二月三十一日，賬面總值約為23,300,000港元（二零二零年十二月三十一日：14,500,000港元）的資產已就授予本集團銀行借貸質押予銀行。

Management discussion and analysis

管理層討論及分析

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2021.

CAPITAL COMMITMENTS

As at 31 December 2021, the Group had capital commitment amounted to approximately HK\$269.2 million (31 December 2020: approximately HK\$76.4 million) in respect of the acquisition of a subsidiary and property, plant and equipment contracted for but not provided in the consolidated financial statements.

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year of 2021. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its existing customers from time to time. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIALS INVESTMENTS OR CAPITAL ASSETS

Save for Changde Gold Roc, the particulars of which are disclosed in the above section headed "Share of profits of associates", and as disclosed below, there were no significant investments held, and no material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the year ended 31 December 2021.

或然負債

於二零二一年十二月三十一日，本集團並無重大或然負債。

資本承擔

於二零二一年十二月三十一日，本集團就收購一間附屬公司及物業、廠房及設備已訂約但尚未於綜合財務報表撥備的資本承擔約為269,200,000港元(二零二零年十二月三十一日：約76,400,000港元)。

庫務政策

本集團已就庫務政策採取審慎的財務管理方針，因此於二零二一年度內一直維持穩健流動資金狀況。本集團透過持續進行信貸評估及不時評估其現有客戶的財務狀況，致力減低信貸風險。為管理流動資金風險，董事會密切監察本集團流動資金狀況，確保本集團資產、負債及其他承擔的流動資金結構能應付不時的資金需要。

持有重大投資、重大收購及出售附屬公司、聯營公司及合營企業以及重大投資或資本資產的未來計劃

除常德金鵬(詳情於上文「分佔聯營公司溢利」一節披露及披露如下)外，截至二零二一年十二月三十一日止年度，本集團並無持有重大投資，亦無重大收購及出售附屬公司、聯營公司及合營企業。

Management discussion and analysis

管理層討論及分析

On 21 October 2021, the Company entered into a sale and purchase agreement with Mr. Cai Xiao Ming, David, a controlling shareholder of the Company interested in approximately 57.5% of the issued share capital of the Company and hence a connected person of the Company within the meaning of the Listing Rules, in relation to the acquisition by the Group of the entire issued share capital of Eagle Swift Limited and all obligations, liabilities and debts owing or incurred by Eagle Swift Limited to Mr. Cai Xiao Ming David and his associates for an aggregate cash consideration of HK\$233,000,000. The only significant asset of Eagle Swift Limited is a property located in Hong Kong. All conditions precedent as stated in the sale and purchase agreement were fulfilled and completion took place on 26 January 2022. After completion, Eagle Swift Limited has become a wholly-owned subsidiary of the Company.

Save as disclosed in this report, there was no plan authorised by the Board for other material investments or additions of capital assets at the date of this report.

HUMAN RESOURCES

As at 31 December 2021, the Group had 978 employees (2020: 1,150). The total remuneration cost incurred by the Group for the year ended 31 December 2021 was approximately HK\$155.5 million (2020: approximately HK\$172.3 million). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The Group participates in a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with the applicable laws and regulations in the PRC.

於二零二一年十月二十一日，本公司與本公司控股股東蔡曉明先生（擁有本公司已發行股本約57.5%的權益，因此為本公司的關連人士（定義見上市規則））訂立買賣協議，內容有關本集團收購Eagle Swift Limited的全部已發行股本，以及Eagle Swift Limited結欠蔡曉明先生及其聯繫人或向彼等產生的一切義務、責任及債務，總現金代價為233,000,000港元。Eagle Swift Limited的唯一重要資產是位於香港的一處物業。買賣協議所載的全部先決條件均已達成，而交易已於二零二二年一月二十六日完成。完成後，Eagle Swift Limited已成為本公司的全資附屬公司。

除本報告所披露外，於本報告日期，董事會並無授權進行其他重大投資或增加資本資產的計劃。

人力資源

於二零二一年十二月三十一日，本集團有978名僱員（二零二零年：1,150名）。截至二零二一年十二月三十一日止年度，本集團產生的酬金成本總額約為155,500,000港元（二零二零年：約172,300,000港元）。本集團的薪酬待遇一般參考市況及個人資歷釐定。本集團根據強制性公積金計劃條例為全體香港僱員營運定額供款退休福利計劃。供款乃按僱員基本薪金的某個百分比計算。本集團亦根據中國適用法律及法規向公積金、養老保險、醫療保險、失業保險及工傷保險供款。

Report of the directors

董事會報告書

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2021.

CHANGE OF COMPANY NAME

Following the approval of the proposed change of company name by the shareholders by way of special resolution at the extraordinary general meeting of the Company held on 15 November 2021, the Certificate of Incorporation on Change of Name was issued by the Registrar of Companies in the Cayman Islands on 19 November 2021, certifying the change in the English name of the Company from “Brilliant Circle Holdings International Limited” to “Litu Holdings Limited” and the dual foreign name of the Company from “貴聯控股國際有限公司” to “力圖控股有限公司” with effect from 19 November 2021.

The certificate of registration of alteration of name of registered non-Hong Kong company was issued by the Registrar of Companies in Hong Kong on 20 December 2021 confirming the registration of the new name of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the principal subsidiaries of the Company are set out in note 45 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the business of the Group for the year ended 31 December 2021 and the future development of the Group’s business is set out in the section headed “Chairman’s Statement” on pages 5 to 7 of this annual report. Financial and business performance analysis is disclosed in the section headed “Management Discussion and Analysis” on pages 8 to 14. The principal risks and uncertainties affecting the Group’s results and business can be found in notes 4, 38 to 39 to the consolidated financial statements.

董事欣然呈列其報告連同本集團截至二零二一年十二月三十一日止年度的經審核綜合財務報表。

更改公司名稱

繼股東於二零二一年十一月十五日舉行的本公司股東特別大會上以特別決議案批准更改公司名稱的建議後，開曼群島公司註冊處處長已於二零二一年十一月十九日發出更改名稱註冊證書，證明本公司的英文名稱由「Brilliant Circle Holdings International Limited」變更為「Litu Holdings Limited」，以及本公司的雙重外文名稱由「貴聯控股國際有限公司」變更為「力圖控股有限公司」，自二零二一年十一月十九日起生效。

香港公司註冊處處長已根據香港法例第622章公司條例第16部於二零二一年十二月二十日發出註冊非香港公司變更名稱註冊證明書，確認於香港註冊本公司新名稱。

主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務載於綜合財務報表附註45。

業務回顧

本集團截至二零二一年十二月三十一日止年度的業務回顧及本集團業務的日後發展載於本年報第5至7頁「主席報告書」一節。財務及業務表現分析於第8至14頁「管理層討論及分析」一節內披露。影響本集團業績及業務的主要風險及不明朗因素載於綜合財務報表附註4、38至39。

Report of the directors

董事會報告書

The PRC cigarette industry is closely monitored and controlled by the PRC government and our customers are concentrated on a limited number of state-owned cigarette manufacturers. The Group's success depends on the support from key stakeholders which comprise shareholders, regulators, customers, employees, local communities and business partners etc. and we have maintained good and strong business relationship with our customers through joint venture and other co-operations. During the year ended 31 December 2021 and up to the date of this annual report, we have complied with all the relevant rules, laws and regulations in the PRC that have a significant impact on the Group. Further details about the environmental and social responsibility will be published in separate report to be uploaded on the websites of the Company and the Hong Kong Stock Exchange.

RESULTS AND DIVIDEND

The results of the Group are set out in the consolidated statement of comprehensive income on pages 56 to 57. The Board does not recommend the payment of a final dividend for the year ended 31 December 2021 (2020: HK10 cents per share).

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales to the Group's five largest customers accounted for approximately 56.3% of the Group's turnover and sales to the Group's largest customer was approximately 31.5% of the Group's total revenue. During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for approximately 31.4% of the Group's total purchases, and the purchases attributable to the Group's largest supplier was approximately 10.8% of the Group's total purchases.

None of the Directors, their close associates (within the meaning of the Listing Rules) or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had interests in any of the Group's five largest customers or suppliers during the year.

中國香煙行業受中國政府嚴密監控，客戶集中為少數國有香煙生產商。本集團的成功有賴股東、監管機構、客戶、僱員、本地社區及業務夥伴等主要權益相關者的支持，而本集團一直透過合營企業及其他合作方式與客戶保持良好穩健的業務關係。於截至二零二一年十二月三十一日止年度及截至本年報日期，本集團一直遵守所有對本集團有重大影響的中國相關法規、法例及規例。有關環境及社會責任的進一步詳情將於獨立報告刊載，並於本公司及香港聯交所的網站登載。

業績及股息

本集團的業績載於第56至57頁的綜合全面收益報表。董事會不建議就截至二零二一年十二月三十一日止年度派付末期股息(二零二零年：每股10港仙)。

主要客戶及供應商

年內，對本集團五大客戶作出的銷售總額佔本集團營業額約56.3%，而對本集團最大客戶作出的銷售額則佔本集團總收入約31.5%。年內，本集團五大供應商所佔採購總額佔本集團採購總額約31.4%，而本集團最大供應商所佔採購額則佔本集團採購總額約10.8%。

年內，概無董事、彼等的緊密聯繫人(定義見上市規則)或任何股東(據董事所知，擁有本公司已發行股本5%以上)於本集團五大客戶或供應商中擁有任何權益。

Report of the directors

董事會報告書

PROPERTY, PLANT AND EQUIPMENT

Details of the movement in property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 35 to the consolidated financial statements.

RESERVES

At 31 December 2021, the Company's reserves available for distribution amounted to approximately HK\$6,299.7 million. Under the Companies Act of the Cayman Islands, the share premium of the Company is distributable to the shareholders of the Company provided that immediately following the date on which the distribution or dividend is proposed to be distributed, the Company shall be able to pay its debts as they fall due in the ordinary course of business. Details of the movements in reserves of the Group and the Company are set out in the consolidated statement of changes in equity.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands.

TAX RELIEF

The Company is not aware of any relief from taxation available to its shareholders by reason of their holding of the Company's shares.

FINANCIAL SUMMARY

A summary of the consolidated results of the Group for the last five financial years and of its consolidated assets and liabilities as at the end of the last five financial years is set out on pages 214 to 215.

物業、廠房及設備

本集團物業、廠房及設備的變動詳情載於綜合財務報表附註16。

股本

本公司股本的詳情載於綜合財務報表附註35。

儲備

於二零二一年十二月三十一日，本公司可供分派的儲備約為6,299,700,000港元。根據開曼群島公司法，本公司的股份溢價乃可供分派予股東，惟於緊隨建議分派或派息當日後，本公司須有能力償還其於日常業務過程中到期的債項。本集團及本公司儲備變動的詳情載於綜合權益變動表。

優先購買權

本公司的公司組織章程大綱及細則或開曼群島法例並無有關優先購買權的條文。

稅務減免

本公司並不知悉其股東因持有本公司股份而獲減免任何稅項。

財務概要

本集團於過往五個財政年度的綜合業績及其於過往五個財政年度年末的綜合資產及負債載於第214至215頁。

Report of the directors

董事會報告書

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

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2021.

SHARE OPTION SCHEME

On 4 March 2009, the shareholders of the Company had approved and adopted a share option scheme (the "Share Option Scheme") which was expired on 3 March 2019.

No option under the Share Option Scheme has been granted by the Board and there was no outstanding option.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

Other than the Share Option Scheme disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

SUBSIDIARIES

Details of the Company's subsidiaries as at the date of this report are set out in note 45 to the consolidated financial statements.

DONATIONS

During the year, the Group made charitable and other donations amounting to HK\$0.016 million (2020: HK\$2.9 million).

購買、出售或贖回本公司的上市證券

本公司或其任何附屬公司於截至二零二一年十二月三十一日止年度內概無購買、出售或贖回本公司任何上市證券。

購股權計劃

於二零零九年三月四日，本公司股東批准並採納購股權計劃（「購股權計劃」）。購股權計劃已於二零一九年三月三日屆滿。

董事會概無根據購股權計劃授予任何購股權，亦無任何尚未行使購股權。

購買股份或債券的安排

除上文所披露購股權計劃外，本年度內本公司或其任何附屬公司並無參與任何安排，使董事因取得本公司或任何其他公司的股份或債券而獲益。

附屬公司

本公司附屬公司於本報告日期的詳情載於綜合財務報表附註45。

捐款

年內，本集團作出慈善及其他捐款16,000港元（二零二零年：2,900,000港元）

Report of the directors

董事會報告書

RETIREMENT BENEFIT SCHEME

The Group participates in a provident fund scheme as defined in the Mandatory Provident Fund Schemes Ordinance, Chapter 485 of the laws of Hong Kong (the “MPF Scheme”). The MPF Scheme was a defined contribution scheme and the assets of the MPF Scheme were managed by a trustee.

The MPF Scheme is available to all employees aged 18 to 64 and with at least 60 days of service under the employment of the Group in Hong Kong. Contributions were made by the Group at 5% based on the staff's relevant income. The maximum relevant income for contribution purpose is HK\$30,000 per month. Staff members were entitled to 100% of the Group's contributions together with accrued returns irrespective of their length of service with the Group, but the benefits were required by law to be preserved until the retirement age of 65. No forfeited contributions are available to offset future employers' contributions under the MPF Scheme.

The employees of the Company's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme are to meet the required contributions under the scheme.

The Group's cost for the schemes charged to the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2021 amounted to approximately HK\$11.1 million (2020: HK\$1.4 million).

退休福利計劃

本集團參與香港法例第485章強制性公積金計劃條例所界定的公積金計劃(「強積金計劃」)。強積金計劃為定額供款計劃，強積金計劃的資產由受託人管理。

強積金計劃提供予所有18至64歲在香港受僱於本集團最少60日的僱員。本集團根據員工的有關收入作出5%的供款。就供款而言，有關收入上限為每月30,000港元。不論員工於本集團的服務年期，均獲享本集團作出100%的供款連同應計回報，惟根據法例，有關福利將保留至退休年齡65歲方可領取。概無已沒收供款可供抵銷僱主日後在強積金計劃項下的供款。

本公司於中國成立的附屬公司的僱員為地方市政府所設立中央退休金計劃的成員。該等附屬公司須向中央退休金計劃貢獻僱員基本薪金的若干百分比以為其退休福利提供資金。地方市政府承擔該等附屬公司的所有現有及未來退休僱員的退休福利責任。該等附屬公司就中央退休金計劃承擔的唯一責任為符合計劃項下要求的供款。

本集團於截至二零二一年十二月三十一日止年度就該等計劃在綜合損益及其他全面收益報表扣除的費用約為11,100,000港元(二零二零年：1,400,000港元)。

Report of the directors

董事會報告書

DIRECTORS

The Directors during the year and up to the date of this report were:

Executive Directors:

- Mr. Chen Xiao Liang
(Chairman and re-designated as Chief Executive Officer on 21 January 2022)
- Mr. Qin Song
(Vice-Chairman and Chief Executive Officer, resigned on 21 January 2022)
- Mr. Huang Wanru
- Ms. Zheng Jinghui
(resigned on 16 July 2021)
- Mr. Jiang Xiang Yu
(appointed on 16 July 2021)

Non-Executive Director:

Ms. Li Li

Independent Non-Executive Directors:

- Mr. Lam Ying Hung, Andy
- Mr. Lui Tin Nang
- Mr. Siu Man Ho, Simon

According to article 84(1) of the Articles of Association of the Company, one-third of the Directors for the time being shall retire from office by rotation at the annual general meeting of the Company but shall then be eligible for re-election. According to article 83(3) of the Articles of Association of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting.

董事

於年內及直至本報告日期的董事如下：

執行董事：

- 陳校良先生
(主席，於二零二二年一月二十一日調任為行政總裁)
- 欽松先生
(副主席兼行政總裁，於二零二二年一月二十一日辭任)
- 黃萬如先生
- 鄭靜慧女士
(於二零二一年七月十六日辭任)
- 蔣祥瑜先生
(於二零二一年七月十六日獲委任)

非執行董事：

李莉女士

獨立非執行董事：

- 林英鴻先生
- 呂天能先生
- 蕭文豪先生

根據本公司的組織章程細則第84(1)條，三分之一董事須於本公司股東週年大會輪值退任，惟屆時將合資格重選連任。根據本公司的組織章程細則第83(3)條，任何由董事會委任以填補臨時空缺的董事僅留任至其獲委任後的本公司首次股東大會為止，惟屆時可於會上重選連任。

Report of the directors

董事會報告書

Details of the Directors subject to rotation and re-election are contained in the circular despatched together with this annual report.

In compliance with Rule 3.10(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), the Board currently comprises three independent non-executive Directors, representing more than one-third of the Board. Pursuant to paragraph 12B of Appendix 16 of the Listing Rules, each of the independent non-executive Directors has confirmed by annual confirmation that he has complied with the independence criteria set out in Rule 3.13 of the Listing Rules. The Company considers that all three independent non-executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgement.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management of the Company are set out on pages 43 to 46.

DIRECTORS' SERVICE CONTRACTS

Ms. Li Li has entered into a letter of appointment with the Company for an initial term of three years commencing from 22 July 2021, and will continue thereafter until terminated by not less than three months' notice in writing served by either party. Each of Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon has renewed their appointment for a fixed term of three years commencing from 30 March 2021.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

須輪值退任及重選的董事詳情載於連同本年報一併寄發的通函內。

為遵守聯交所證券上市規則(「上市規則」)第3.10(1)條，董事會現時有三名獨立非執行董事在任，佔董事會超過三分之一。根據上市規則附錄16第12B段，各獨立非執行董事均已以年度確認書確認，彼符合上市規則第3.13條所載獨立身分標準。本公司認為，根據此等獨立身分標準，全部三名獨立非執行董事均為獨立人士，能有效作出獨立判斷。

董事及高級管理層的履歷詳情

董事及本公司高級管理層履歷詳情摘要載於第43至46頁。

董事的服務合約

李莉女士已與本公司訂立委任函，自二零二一年七月二十二日起計初步為期三年，並將於其後延續，直至其中一方發出不少於三個月的書面通知終止為止。林英鴻先生、呂天能先生及蕭文豪先生已重續任期，固定任期自二零二一年三月三十日起計為期三年。

擬於應屆股東週年大會上重選連任的董事概無與本公司訂立不可由本公司於一年內終止而毋須支付賠償(法定賠償除外)的服務合約。

Report of the directors

董事會報告書

DISCLOSURE OF INFORMATION PURSUANT TO RULE 13.51B(1) OF THE HONG KONG LISTING RULES

Following the resignation of Mr. Qin Song, the former executive Director, vice chairman, chief executive officer of the Company, Mr. Chen Xiao Liang, an executive Director and the chairman of the Board, has been re-designated as the chief executive officer of the Company with effect from 21 January 2022.

With effect from 21 January 2022, Mr. Qin Song also ceased to be a member of the nomination committee of the Company and Mr. Huang Wanru, an executive Director, was appointed as a member of the nomination committee of the Company in place of Mr. Qin Song.

The emolument of Mr. Huang Wanru, an executive Director, under his service contract entered into with the Company, was increased from RMB434,460 per year to RMB591,500 per year with effect from 1 September 2021.

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

DIRECTORS' INTERESTS IN CONTRACTS

Details of the related party transactions entered into during the year were disclosed in note 42 to the consolidated financial statements in which purchase of printing and packing machineries was continuing connected transaction within the meaning of the Listing Rules, details of which are disclosed under the paragraph headed "Continuing Connected Transactions" below. Save as the transactions aforementioned, no transaction, arrangement or contract of significance in relation to the Group's business between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries or in which a Director, an entity connected with a Director or the controlling shareholder of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year, and there was no contract of significance for the provision of services to the Group by the controlling shareholder of the Company or any of its subsidiaries.

根據香港上市規則第 13.51B(1) 條披露資料

本公司前執行董事、副主席及行政總裁欽松先生辭任後，執行董事及董事會主席陳校良先生已調任為本公司行政總裁，由二零二二年一月二十一日起生效。

由二零二二年一月二十一日起，欽松先生不再擔任本公司提名委員會成員，而執行董事黃萬如先生獲委任為本公司提名委員會成員，以接替欽松先生。

執行董事黃萬如先生的薪酬，根據彼與本公司訂立的合約，由每年人民幣434,460元增至人民幣591,500元，由二零二一年九月一日起生效。

除上文所披露資料外，概無其他資料須根據上市規則第 13.51B(1) 條予以披露。

董事於合約的權益

年內進行的關聯方交易詳情於綜合財務報表附註42披露，當中購買印刷及包裝機器屬持續關連交易（定義見上市規則），有關詳情於下文「持續關連交易」一段披露。除上文所述的交易外，概無有關本集團業務而本公司或其任何附屬公司及控股股東或其任何附屬公司或董事、與董事有關連的實體或本公司控股股東於其中直接或間接擁有重大權益且於年末或本年度任何時間存續的重大交易、安排或合約，亦無就本公司或其任何附屬公司的控股股東向本集團提供服務而訂立任何重要合約。

Report of the directors

董事會報告書

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group during the year.

MANAGEMENT CONTRACTS

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

PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every Director and other officers of the Company shall be entitled to be indemnified by the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may incur in the execution and discharge of his or her duties or in relation thereto pursuant to the Company's Articles of Association. Such provisions were in force during the course of the financial year ended 31 December 2021 and remained in force as of the date of this report.

The Group has also taken out and maintained liability insurance for Directors and officers throughout the year.

董事於競爭業務的權益

年內，概無董事或彼等各自的任何聯繫人從事對本集團業務構成或可能構成競爭的業務或與本集團有任何其他利益衝突。

管理合約

年內並無訂立或存在任何有關本集團全部或任何主要部分業務的管理及行政合約。

許可彌償條文

在適用法律規限下，本公司每名董事及其他高級職員有權根據本公司的組織章程細則就彼等或彼等任何成員於執行及履行職責時所產生或與之有關的一切訴訟、成本、費用、損失、損害及開支而獲得彌償。有關條文於截至二零二一年十二月三十一日止財政年度內生效及於本報告日期維持生效。

本集團亦全年為董事及高級職員投購責任保險。

Report of the directors

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2021, the following Directors or the chief executives of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) (i) 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 or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules:

董事及主要行政人員於本公司或其相聯法團的股份、相關股份或債券的權益及淡倉

於二零二一年十二月三十一日，本公司以下董事或主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債券中，擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例該等條文彼等被當作或視為擁有的權益或淡倉）；或(ii)根據證券及期貨條例第352條須記入該條所述登記冊的權益或淡倉；或(iii)須根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所的權益或淡倉：

The Company

本公司

Name of Director 董事姓名	Capacity 身份	Number of shares/ underlying shares held 所持股份／ 相關股份數目	Position 持倉	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Qin Song 欽松先生	Beneficial owner 實益擁有人	15,321,062	Long 好倉	0.98%
Mr. Huang Wanru 黃萬如先生	Beneficial owner 實益擁有人	1,735,204	Long 好倉	0.11%
Ms. Li Li 李莉女士	Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	15.98%
Mr. Jiang Xiang Yu 蔣祥瑜先生	Beneficial owner 實益擁有人	2,000,000	Long 好倉	0.13%

Report of the directors

董事會報告書

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN AND/OR SHORT POSITIONS

So far as is known to the Directors and chief executives of the Company, as at 31 December 2021, the following persons (not being a Director or chief executive of the Company) had, or were deemed to have, interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

主要股東的權益及／或淡倉

據本公司董事及主要行政人員所知，於二零二一年十二月三十一日，以下人士（並非本公司的董事或主要行政人員）於本公司股份或相關股份中擁有或被視為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的權益或淡倉：

Name of shareholder 股東名稱	Capacity 身份	Number of shares/ underlying shares held 所持股份／ 相關股份數目	Position 持倉	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Cai Xiao Ming, David 蔡曉明先生	Interest of controlled corporation 受控制法團權益	901,456,892	Long 好倉	57.50%
Profitcharm Limited 創益有限公司	Beneficial owner 實益擁有人	274,325,278	Long 好倉	17.50%
Sinorise International Limited 振華國際有限公司	Beneficial owner 實益擁有人	627,131,614	Long 好倉	40.00%
Masterwork Group Co., Ltd. 天津長榮科技集團股份有限公司	Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	15.98%
Masterwork Machinery (H.K.) Limited 長榮股份(香港)有限公司	Beneficial owner 實益擁有人	250,551,964	Long 好倉	15.98%
Tianjin Dehou Investment Management Partnership (Limited Partnership) Tianjin Dehou Investment Management Partnership (Limited Partnership)	Interest of controlled corporation 受控制法團權益	103,555,231	Long 好倉	6.60%

Report of the directors

董事會報告書

RELATED PARTY TRANSACTIONS

Save for the “Purchase of printing and packing machineries” and “Lease payments” during the year as shown in note 42(a) to the consolidated financial statements which constituted exempted continuing connected transactions of the Company under Chapter 14A of the Listing Rules, all other related party transactions as shown in note 42 are not continuing connected transactions within the meaning of the Listing Rules.

EQUITY FUND RAISING

There was no equity fund raising by the Company during the year, nor were there any proceeds brought forward from any issue of equity securities made in previous financial years.

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report section set out on pages 28 to 42.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company’s issued shares as required under the Listing Rules.

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

As at 31 December 2021, there were revolving loan facilities available to the Group from several banks in the aggregate principal amount of HK\$360 million. Under the terms of these facilities (the availability of which are generally subject to banks’ periodic review), the Company has undertaken, among other matters, that Mr. Cai Xiao Ming, David shall maintain at least 50% beneficial shareholding interest in or remain as the single largest shareholder of the Company at all times during the life of the above banking facilities (the “**Undertaking**”). The breach of such Undertaking may result in the loan becoming immediately due and repayable.

關聯方交易

除綜合財務報表附註42(a)所載於年內進行的「購買印刷及包裝機器」及「租賃付款」根據上市規則第14A章構成本公司的獲豁免持續關連交易外，附註42所載所有其他關連方交易均不屬上市規則界定的持續關連交易。

股本集資

年內，本公司並無進行股本集資，過往財政年度亦無自發行任何股本證券獲得任何款項。

企業管治

本公司採納的主要企業管治條例載於第28至42頁企業管治報告書一節。

公眾持股量

根據本公司公開獲得的資料及就董事所知，於本報告日期，本公司已發行股份有不少於25%的足夠公眾持股量，乃符合上市規則的規定。

根據上市規則第13.21條披露

於二零二一年十二月三十一日，本集團獲多家銀行提供本金總額為360,000,000港元的循環貸款融資。根據該等融資（一般情況下銀行須定期作出審視方會提供）條款，本公司已承諾（其中包括）蔡曉明先生將於上述銀行融資年期內任何時間於本公司維持最少50%的實益股權或維持本公司單一最大股東地位（「**承諾**」）。違反上述承諾可能導致有關貸款即時到期及須予償還。

Report of the directors

董事會報告書

AUDITOR

The consolidated financial statements of the Group for the years ended 31 December 2019 and 2020 were audited by Deloitte Touche Tohmatsu (“**Deloitte**”). Deloitte resigned as auditor of the Company on 16 July 2021, and Mazars CPA Limited, *Certified Public Accountants*, was appointed as auditor of the Company on 17 August 2021 to fill the vacancy arising from the resignation of Deloitte and audited the consolidated financial statements of the Group for the year ended 31 December 2021.

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Mazars CPA Limited as auditor of the Company.

On behalf of the Board
Litu Holdings Limited

Chen Xiao Liang
Chairman

Hong Kong, 31 March 2022

核數師

本集團截至二零一九年及二零二零年十二月三十一日止兩個年度的綜合財務報表由德勤•關黃陳方會計師行(「德勤」)審核。德勤於二零二一年七月十六日辭去本公司核數師職務，執業會計師中審眾環(香港)會計師事務所有限公司執業會計師於二零二一年八月十七日獲委任為本公司核數師，以填補因德勤辭任而出現的空缺及審核本集團截至二零二一年十二月三十一日止年度的經審核綜合財務報表。

本公司將於股東週年大會上提呈一項決議案，以重新聘任中審眾環(香港)會計師事務所有限公司為本公司核數師。

代表董事會
力圖控股有限公司

陳校良
主席

香港，二零二二年三月三十一日

Corporate governance report

企業管治報告書

OVERVIEW

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the “Code”) contained in Appendix 14 of the Listing Rules. For the year ended 31 December 2021, the Company has complied in general with the Code, except code provisions A.6.7 and E.1.2 of the Code, as Mr. Lui Tin Nang (the chairman of audit committee of the Company and an independent non-executive director) was unable to attend the annual general meeting of the Company held on 11 June 2021 due to his other business engagement.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions for the year ended 31 December 2021.

THE BOARD OF DIRECTORS

The Board takes responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of the Chief Executive Officer. The Directors have the responsibility to act objectively in the interests of the Company.

概覽

董事意識到在本集團管理架構及內部監控程序引進良好企業管治的重要性，以便達致有效的問責性。

企業管治

本公司已採納上市規則附錄十四所載企業管治守則(「守則」)。截至二零二一年十二月三十一日止年度，本公司一般已遵守守則，惟守則第A.6.7及E.1.2條守則條文除外，原因為呂天能先生(本公司審核委員會主席兼獨立非執行董事)因其他既定事務而未能出席於二零二一年六月十一日舉行的本公司股東週年大會。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則，作為董事進行證券交易的準則。本公司已特別向全體董事查詢，且全體董事確認，截至二零二一年十二月三十一日止年度，彼等一直符合標準守則及其有關董事進行證券交易操守守則規定的準則。

董事會

董事會負責監督本公司所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理制度及監察高級管理層的表現。管理層在行政總裁領導下負責本集團的日常營運。董事有責任以本公司利益按客觀標準行事。

Corporate governance report

企業管治報告書

As at 31 December 2021, the Board comprised eight Directors, including four executive Directors namely Mr. Chen Xiao Liang, Mr. Qin Song, Mr. Huang Wanru and Mr. Jiang Xiang Yu, one non-executive Director namely Ms. Li Li, and three independent non-executive Directors namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon. There is no financial, business, family or other material or relevant relationship between any of the Directors. The names and biographical details of the Directors are set out in the section entitled “Profile of Directors and Senior Management” in this annual report.

In compliance of Rule 3.10(1) of the Listing Rules, the Board currently comprises three independent non-executive Directors representing more than one-third of the Board. Pursuant to paragraph 12B of Appendix 16 of the Listing Rules, each of the independent non-executive Directors has confirmed by annual confirmation that he has complied with the independence criteria set out in Rule 3.13 of the Listing Rules. The Directors consider that all three independent non-executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgement. Amongst the three independent non-executive Directors, both Mr. Lam Ying Hung, Andy and Mr. Lui Tin Nang have the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10(2) of the Listing Rules.

The Board has delegated various responsibilities to the Board committees including the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”) and the nomination committee (the “Nomination Committee”) (collectively, the “Board Committees”). Further details of these committees are set out below.

於二零二一年十二月三十一日，董事會由八名董事組成，包括四名執行董事（即陳校良先生、欽松先生、黃萬如先生及蔣祥瑜先生）、一名非執行董事李莉女士及三名獨立非執行董事（即林英鴻先生、呂天能先生及蕭文豪先生）。任何董事間概無財務、業務、家族或其他重要或相關關係。董事姓名及履歷詳情載於本年報「董事及高級管理層履歷」一節。

遵照上市規則第3.10(1)條，董事會現時由三名獨立非執行董事組成，佔董事會超過三分之一。根據上市規則附錄十六第12B段，各獨立非執行董事已發出年度確認函確認，彼等符合上市規則第3.13條所載獨立性準則。董事認為，根據獨立性準則，三名獨立非執行董事均為獨立身份，能有效行使獨立判斷。在三名獨立非執行董事中，林英鴻先生及呂天能先生均具備上市規則第3.10(2)條所需的合適專業資格及會計及相關財務管理專才。

董事會已委派審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）各董事委員會（統稱「董事委員會」）履行特定的職責。有關該等委員會的進一步詳情載於下文。

Corporate governance report

企業管治報告書

BOARD MEETINGS

Seven Board meetings were held during the year ended 31 December 2021. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of Board meeting was sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notices will be given to the Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications.

All relevant materials were sent to all the Directors relating to the matters brought before the meetings. All the Directors have been provided with sufficient resources to discharge their duties, and, upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings. Details of individual attendance of the Directors in Board meetings are set out in the table on page 37 of this annual report.

APPOINTMENTS, RE-ELECTION AND REMOVAL OF DIRECTORS

Each of the executive Directors has entered into a service contract or appointment letter with the Company for a specific term of two or three years. All of their appointments are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

All of the independent non-executive Directors and the non-executive Director were appointed for a term of three years, and are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

董事會會議

截至二零二一年十二月三十一日止年度曾舉行七次董事會會議。需要時亦會召開臨時會議，商討整體策略以及本集團的營運及財務表現。全體董事於舉行定期董事會會議前最少14天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內事先派發予董事。董事可選擇親身或以電子通訊的方式出席會議。

所有董事於會議前獲寄發有關會上討論事項的資料。所有董事將獲得充份資源以履行其職責，並在合理要求下，可按合適情況尋求獨立專業意見，費用由本公司承擔。所有董事有機會於董事會會議上將其關注的事宜加入議程。董事個別出席董事會會議的詳情載於本年報第37頁的一覽表內。

委任、重選及罷免董事

各執行董事已與本公司訂立服務合約或委任函，具體任期為兩年或三年。根據本公司組織章程細則，彼等的委任均須遵守輪值告退及重選的規定。

全部獲委任的獨立非執行董事及非執行董事任期均為三年，須根據本公司的組織章程細則輪值告退並接受重選。

Corporate governance report

企業管治報告書

Nomination Policy

The responsibilities and authority for selection and appointment of Directors is delegated to the Nomination Committee but the ultimate responsibility for selection and appointment of Directors of the Company rests with the entire Board. In evaluating and selecting any candidate for directorship, among other things, the following criteria will be considered:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the board diversity policy that are relevant to the Company's business and corporate strategy.
- Any measurable objectives adopted for achieving diversity on the Board.
- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or the Board Committee(s).
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

The Nomination Committee and/or the Board will evaluate the candidates based on the criteria as set out above to determine whether such candidates are qualified for directorship. The Nomination Committee will also consider recommendations for candidates made by shareholders of the Company.

提名政策

有關甄選及委任董事的職責授予提名委員會執行，惟甄選及委任本公司董事的最終責任由全體董事承擔。在評估及甄選候選人擔任董事時，將考慮(其中包括)以下準則：

- 品格及誠信。
- 資格，包括專業資格、技能、知識及與本公司業務及策略相關的經驗，以及董事會成員多元化政策所提述的多元化因素。
- 為達致董事會成員多元化而採納的任何可計量目標。
- 根據上市規則，董事會須包括獨立非執行董事的規定，以及參考上市規則內列明候選人是否被視為獨立的指引。
- 候選人的專業資格、技能、經驗、獨立性及性別多元化方面可為董事會帶來的任何潛在貢獻。
- 是否願意及是否能夠投放足夠時間履行身為董事會成員及／或擔任董事委員會的委員的職責。
- 其他適用於本公司業務及繼任計劃的觀點，董事會及／或提名委員會可於適用時因應提名董事及繼任規劃不時採納及／或修訂有關觀點。

提名委員會及／或董事會將根據上文所載準則評估候選人，以釐定有關候選人是否合資格擔任董事職務。提名委員會亦考慮本公司股東所提出的候選人推薦建議。

Corporate governance report

企業管治報告書

Regular reviews will be conducted by the Nomination Committee on the structure, size and composition of the Board and the policy on nomination of Directors of the Company and where appropriate, the Nomination Committee will make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

Chairman and Chief Executive Officer

Under provision A.2.1 of the Code, the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual. During the year ended 31 December 2021, Mr. Chen Xiao Liang was the Chairman who provided leadership to the Board but he was not involved in the day-to-day management of the Group's business. Mr. Qin Song was the Vice-Chairman and the Chief Executive Officer of the Company during the year and his role was to oversee the overall management of the Group.

Training for Directors

The Company continuously updates Directors on the latest developments and changes to the Listing Rules and other applicable regulatory requirements and provides training to develop and refresh the Directors' knowledge and skills. The Company also provides Directors with monthly updates on the performance, position and prospects of the Company.

Directors are encouraged to participate in continuing professional development to develop and refresh their knowledge and skills. The Company has prepared a training record in order to assist the Directors to record the training undergone by each of them.

The company secretary reports from time to time the latest changes and development of the Listing Rules and other corporate governance requirements with written materials. Individual Director had also attended seminars and/or conferences or workshops or forums relevant to his profession and duties as directors. All Directors have provided the Company with their respective training records in compliance with Code A.6.5 of the Code.

提名委員會將定期審閱董事會的架構、規模及組成以及本公司董事提名政策，並在適當情況下，提名委員會將就董事會變動提出推薦建議，以補充本公司的企業策略及業務需求。

主席及行政總裁

根據守則第A.2.1條，主席及行政總裁的角色應分立，不應由同一人擔任。截至二零二一年十二月三十一日止年度，陳校良先生曾任主席，領導董事會的工作，但彼並無參與本集團日常的業務管理。年內，欽松先生為本公司副主席兼行政總裁，職責為監管本集團的整體管理。

董事培訓

本公司持續向董事提供有關上市規則和其他適用監管規定的最新發展概況，並提供培訓以增進及重溫董事的知識和技能。本公司亦向董事提供有關本公司表現、狀況及前景的每月更新資料。

公司鼓勵董事參加持續專業發展，以增進並重溫董事的知識和技能。本公司已備有培訓記錄，以協助董事記錄彼等各自接受的培訓。

公司秘書不時匯報上市規則及其他企業管治規定的最新變動及發展，並附上書面資料。個別董事亦已參加有關其專業和董事職務的座談會及／或會議或工作坊或論壇。所有董事均已遵守守則第A.6.5條守則向本公司提供彼等各自的培訓記錄。

Corporate governance report

企業管治報告書

Below is a summary of the training the directors had received during the year: 年內，董事接受培訓的概要如下：

Name of Directors	Type of trainings
董事姓名	培訓類型
Mr. Chen Xiao Liang	B
陳校良先生	
Mr. Qin Song (Vice-Chairman and Chief Executive Officer)	B
欽松先生(副主席兼行政總裁)	
Mr. Huang Wanru	B
黃萬如先生	
Ms. Zheng Jinghui (resigned on 16 July 2021)	B
鄭靜慧女士(於二零二一年七月十六日辭任)	
Mr. Jiang Xiang Yu (appointed on 16 July 2021)	B
蔣祥瑜先生(於二零二一年七月十六日獲委任)	
Ms. Li Li	A & B
李莉女士	
Mr. Lam Ying Hung, Andy	B
林英鴻先生	
Mr. Lui Tin Nang	A & B
呂天能先生	
Mr. Siu Man Ho, Simon	B
蕭文豪先生	

A: Attending seminars/conferences/workshops/forums

A: 出席講座／會議／工作坊／論壇

B: Reading journals/updates/articles/materials

B: 閱讀刊物／最新資料／文章／材料

Corporate governance report

企業管治報告書

COMPANY SECRETARY

Mr. Chan Chung Kik Lewis (“Mr. Chan”) has resigned as the company secretary with effect from 16 July 2021. Following the resignation of Mr. Chan, Mr. Ng Wing Ching (“Mr. Ng”) was appointed as the new company secretary in his place with effect from 16 July 2021. Mr. Ng is a full time staff of the Group and is responsible for ensuring and advising the Board on compliance of all policies and procedures in connection with the applicable rules and regulations.

The biographical details of Mr. Ng are set out under the section headed “Profile of directors and senior management”.

For the year ended 31 December 2021, Mr. Ng received not less than 15 hours of relevant professional training to update his knowledge and skills.

BOARD COMMITTEES

Audit Committee

The Company established the Audit Committee which consists of the three independent non-executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, and one non-executive Director, namely Ms. Li Li, and Mr. Lui Tin Nang is the chairman of the Audit Committee.

The primary duties of the Audit Committee are, among other matters, to review and monitor the financial reporting process, internal control and risk management of the Group, and to report to the Board on matters relating to the corporate governance as stated in the Code. During the year ended 31 December 2021, the Audit Committee held three meetings to review, among others, the financial results, financial reporting and compliance procedures, internal control and risk management systems, the effectiveness of the Company’s internal audit function, appointment and scope of work of external auditors. The Board has not taken a different view from that of the Audit Committee regarding the selections, appointment, resignation or dismissal of the external auditors.

The terms of reference of the Audit Committee are disclosed on the websites of the Company and the Stock Exchange.

公司秘書

陳仲戟先生(「陳先生」)已辭任公司秘書，自二零二一年七月十六日起生效。陳先生辭任後，吳永禎先生(「吳先生」)獲委任為公司秘書作為接替，自二零二一年七月十六日起生效。吳先生為本集團全職員工，負責確保遵守與適用規則及法規相關的所有政策及程序，並就此向董事會提供意見。

吳先生的履歷詳情載於「董事及高級管理層履歷」一節。

截至二零二一年十二月三十一日止年度，吳先生已接受不少於15小時相關專業培訓以增進其知識及技能。

董事委員會

審核委員會

本公司成立審核委員會，審核委員會由三名獨立非執行董事(即林英鴻先生、呂天能先生及蕭文豪先生)及一名非執行董事(即李莉女士)組成，而呂天能先生是審核委員會的主席。

審核委員會的主要職責是(其中包括)審閱及監督本集團的財務報告程序、內部監控及風險管理程序，並就有關守則所載的企業管治事宜向董事會匯報。截至二零二一年十二月三十一日止年度內，審核委員會曾舉行三次會議以審閱(其中包括)財務業績、財務報告及合規程序、內部監控及風險管理制度、本公司內部審核職能的成效、外部核數師的委任及工作範圍。董事會對審核委員會揀選、委任、辭任或解僱外聘核數師並無異議。

審核委員會的職權範圍已於本公司及聯交所的網站披露。

Corporate governance report

企業管治報告書

Remuneration Committee

The Company established the Remuneration Committee which consists of five members (including the three independent non-executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, one non-executive Director, namely Ms. Li Li and one executive Director, namely Mr. Huang Wanru) and Mr. Lam Ying Hung, Andy is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are, among other matters, to make recommendations to the Board on the remuneration of executive Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration.

The emolument policy of the employees of the Group is based on the merit, qualifications and competence of the individuals. The emoluments of the Directors are reviewed by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

During the year ended 31 December 2021, the Remuneration Committee held three meetings and reviewed the remuneration policy, assessed performance of executive Directors and approved the terms of the executive Directors' service contracts and the remuneration packages of the Directors and senior management.

The terms of reference of the Remuneration Committee are disclosed on the websites of the Company and the Stock Exchange.

The remuneration of directors and senior management by band for the year ended 31 December 2021 is set out below:

Remuneration bands

薪酬組別

Up to HK\$1,000,000
最多達 1,000,000 港元
HK\$1,000,001 to HK\$2,000,000
1,000,001 港元至 2,000,000 港元
Above HK\$2,000,001
2,000,001 港元以上

薪酬委員會

本公司已成立薪酬委員會。薪酬委員會由五名成員(包括三名獨立非執行董事(即林英鴻先生、呂天能先生及蕭文豪先生)、一名非執行董事(即李莉女士)及一名執行董事(即黃萬如先生))組成,而林英鴻先生是薪酬委員會的主席。薪酬委員會的主要職責是(其中包括)就執行董事及高級管理人員的薪酬,並就發展該等薪酬政策設立正式及高透明度的程序,向董事會作出推薦意見。

本集團僱員的薪酬政策乃基於個人的功績、資歷及能力。董事的薪酬乃由薪酬委員會經考慮本公司的經營業績、個人表現及可資比較市場數據後作出審閱。

截至二零二一年十二月三十一日止年度,薪酬委員會曾舉行三次會議及審議薪酬政策、評估執行董事表現,並批准執行董事服務合約的年期以及董事及高級管理人員的薪酬待遇。

薪酬委員會的職權範圍已於本公司及聯交所的網站披露。

截至二零二一年十二月三十一日止年度董事及高級管理層的薪酬組別如下:

Number of persons

人數

11

3

1

Corporate governance report

企業管治報告書

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 13 to the consolidated financial statements, respectively.

Nomination Committee

The Company established the Nomination Committee which consists of five members (including the three independent non-executive Directors, namely Mr. Lam Ying Hung, Andy, Mr. Lui Tin Nang and Mr. Siu Man Ho, Simon, one non-executive Director, namely Ms. Li Li and Mr. Qin Song, an executive Director) and Mr. Siu Man Ho, Simon is the chairman of the Nomination Committee. The primary duties of the Nomination Committee are, among other matters, to review the structure, size and composition of the Board on a regular basis, to assess the independence of the independent non-executive Directors, and to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. According to the board diversity policy adopted by the Nomination Committee, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service etc. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service etc. The final decision will be based on merit and contribution that the selected candidates will bring to the Board.

During the year ended 31 December 2021, the Nomination Committee held two meetings to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and discussed and reviewed the structure, size and composition of the Board.

The terms of reference of the Nomination Committee are disclosed on the websites of the Company and the Stock Exchange.

根據上市規則附錄十六須予披露有關董事酬金以及五名最高薪僱員的進一步詳情，分別載於綜合財務報表附註13。

提名委員會

本公司已成立提名委員會。提名委員會由五名成員(包括三名獨立非執行董事(即林英鴻先生、呂天能先生及蕭文豪先生)、一名非執行董事(即李莉女士)及執行董事欽松先生)組成，而蕭文豪先生是提名委員會的主席。提名委員會的主要職責是(其中包括)定期審閱董事會的架構、規模與組成，以評估獨立非執行董事的獨立性，並就有關委任及再度委任董事及董事接任計劃的事宜向董事會提出推薦意見。根據提名委員會採納的董事會成員多元化政策，董事會成員多元化已從多個方面考慮，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年資等。所有董事會委任將基於實際能力，及將以客觀標準考慮候選人，以適當地顧及董事會成員多元化的裨益。候選人的選擇將基於一系列多元化觀點，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、知識及服務年資等。最終決定將基於選定的候選人對董事會作出的功績及貢獻而釐定。

截至二零二一年十二月三十一日止年度，提名委員會已舉行兩次會議，就有關委任或調任董事的事宜向董事會提供建議，並討論及檢討董事會的架構、規模及組成。

提名委員會的職權範圍已披露於本公司及聯交所的網站內。

Corporate governance report

企業管治報告書

Attendance of meetings

The attendance of each Director at Board meetings, Board Committees meetings and general meetings of the Company for the year 2021 is set out below:

會議出席次數

於二零二一年度，各董事於董事會會議、董事委員會會議及股東大會的出席情況如下：

Attendance out of number of meetings

相對會議數目的出席次數

Name of director		Board	Audit Committee	Remuneration Committee	Nomination Committee	General meeting (Note 1)
董事姓名		董事會	審核委員會	薪酬委員會	提名委員會	股東大會 (附註1)
<i>Executive Directors</i>	<i>執行董事</i>					
Chen Xiao Liang	陳校良	4/7	-	-	-	2/2
Qin Song	欽松	7/7	-	-	2/2	2/2
Mr. Huang Wanru	黃萬如先生	7/7	-	-	-	2/2
Ms. Zheng Jinghui (resigned on 16 July 2021)	鄭靜慧女士 (於二零二一年七月十六日辭任)	4/4	-	-	-	1/1
Jiang Xiang Yu (appointed on 16 July 2021)	蔣祥瑜 (於二零二一年七月十六日獲委任)	3/3	-	3/3	-	1/1
<i>Non-Executive Director</i>	<i>非執行董事</i>					
Li Li	李莉	7/7	3/3	3/3	2/2	2/2
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>					
Lam Ying Hung, Andy	林英鴻	7/7	3/3	3/3	2/2	2/2
Lui Tin Nang	呂天能	7/7	3/3	3/3	2/2	1/2
Siu Man Ho, Simon	蕭文豪	6/7	3/3	3/3	2/2	2/2

Note:

附註：

1. The annual general meeting and extraordinary general meeting were held on 11 June 2021 and 15 November 2021 respectively.

1. 股東週年大會及股東特別大會分別於二零二一年六月十一日及二零二一年十一月十五日舉行。

Corporate governance report

企業管治報告書

ACCOUNTABILITY AND AUDIT

Directors' and Auditor's acknowledgement

The Board acknowledges its responsibilities for the preparation of the consolidated financial statements of the Group for each financial year, which should give a true and fair view of the state of affairs of the Company and the Group and of the results and cash flow for that year in compliance with relevant laws and applicable accounting standards.

In preparing the consolidated financial statements for the year ended 31 December 2021, the Directors have adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations.

The consolidated financial statements for the year ended 31 December 2021 have been prepared on a going-concern basis. The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements of the Group prepared by the Board and to report their opinion to the Shareholders. A statement by the auditor about their reporting responsibilities is set out in the Independent Auditor's Report.

Auditor's Remuneration

During the year ended 31 December 2021, the remuneration paid/payable to Mazars CPA Limited in respect of audit and non-audit services is summarised as follows:

問責及審核

董事及核數師的確認

董事會確認其編製本集團各財政年度綜合財務報表的責任，財務報表應真實而公平地反映本公司及本集團於該年度的事務狀況、業績及現金流量，並遵守相關法例及適用會計準則。

在編製截至二零二一年十二月三十一日止年度的綜合財務報表時，董事已採納適當及一致的會計政策，並作出審慎及合理的判斷及估計。

截至二零二一年十二月三十一日止年度的綜合財務報表乃按持續經營基準編製。外部核數師的責任為根據審計結果對董事會所編製的該等本集團綜合財務報表提出獨立意見，並向股東匯報其意見。核數師就其申報責任所發表的聲明載於獨立核數師報告內。

核數師薪酬

截至二零二一年十二月三十一日止年度，就審核及非審核服務向中審眾環(香港)會計師事務所有限公司已付/應付的酬金概述如下：

		HK\$'000 千港元
Statutory audit services	法定審核服務	2,100
Non-audit services:	非審核服務：	
Services in connection with the review of the interim financial report	審核中期財務報告的相關服務	400
Services in connection with the preparation of a major and connected transaction circular	編製主要及關連交易通函的相關服務	470
Total	總計	2,970

Corporate governance report

企業管治報告書

Risk Management and Internal Control

The Board is responsible for the risk management and internal control systems of the Group and for reviewing their effectiveness. The Group's internal control system is designed to safeguard assets against misappropriation and unauthorized disposition and to manage operational risks. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss. Internal control and risk management systems are reviewed annually to ensure its continuous effectiveness. The Group has in place a risk management framework which has the following five components: risk identification, risk assessment, risk treatment, reporting and monitoring.

A review of the effectiveness of the Group's system of internal control for the year covering all key controls, including financial, operational and compliance and risk management controls, is conducted by rotation and performed annually. The examination consisted of enquiry, discussion and validation through observation and inspection. The result of the review has been reported to the Audit Committee and the Board and areas of improvement, if any, have been identified and appropriate measures have been put in place to manage the risks. The Company's internal audit department independently reviews the effectiveness of the internal controls and risk management, including financial, operational and compliance controls, in the key activities of the Company's business and submits a report at least once a year to the Board for its review and monitors the effectiveness of the system of internal control and risk management of the Group.

For the year of 2021, no significant control failings, weaknesses, risk or critical internal control issues have been identified. Based on the reports from the Group's internal audit department, the Audit Committee and the Board consider the Group's risk management and internal control systems are adequate and effective and the Group has complied with the provisions on risk management and internal controls as set out in the CG Code.

風險管理及內部監控

董事會負責本集團的風險管理及內部監控制度，並檢討其有效性。本集團的內部監控制度旨在保障資產不被挪用及進行未經授權的處置，並管理經營風險。該等制度旨在管理而非估計無法達成業務目標的風險，並僅對重大錯誤陳述或損失提供合理而非絕對的保證。內部監控及風險管理制度按年進行檢討，確保其持續有效。本集團已設立風險管理框架，並由以下五個部分組成：風險識別、風險評估、風險處理、報告及監察。

每年輪流檢討本集團年內內部監控制度的有效性，並涵蓋所有主要監控，包括財務、營運及合規以及風險管理監控。有關考核內容包括查詢、討論，並通過觀察及檢查進行驗證。審閱結果已向審核委員會及董事會匯報，並已識別需要改善的範圍(如有)及採取適當措施管理風險。本公司的內部審核部門於本公司業務的主要活動中獨立審閱內部監控及風險管理的成效，包括財務、經營及合規監控，至少每年向董事會提交報告以供審閱，並監督本集團內部監控及風險管理制度的成效。

於二零二一年度，概無識別到重大監控失誤、弱點、風險或內部監控問題。根據本集團內部審核部門的報告，審核委員會及董事會認為本集團的風險管理及內部監控制度充分及有效，本集團亦已遵照企業管治守則所載的風險管理及內部監控條文。

Corporate governance report

企業管治報告書

The Company has procedures and internal controls for the handling and dissemination of inside information. The Group strictly prohibits unauthorised use of inside information. The Group strives to identify inside information and any information which may potentially constitute inside information at the earliest opportunity. Such information is then assessed and handed to the Board for decision on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules and the SFO will be disclosed in accordance with all applicable requirements in due course. Inside information would be kept strictly confidential until such disclosure.

CONSTITUTIONAL DOCUMENTS

The constitutional documents of the Company are available on the websites of the Company and the Stock Exchange.

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

DIVIDEND POLICY

In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. There is no pre-determined dividend payout ratio and the declaration and distribution of dividends shall be determined at the sole discretion of the Board taking into account, among others, the financial results, cashflow situation, future operations and earnings, capital requirements and expenditure plans and any other factors that the Board may consider relevant. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. The declaration and distribution of dividends shall also be subject to the articles of association of the Company and all applicable laws and regulations. The Board will review the policy from time to time and make relevant amendments as necessary.

本公司擁有處理及傳播內幕消息的程序及內部監控。本集團嚴格禁止未經授權使用內幕消息。本集團力求於最早時機識別內幕消息及任何可能構成內幕消息的信息。其後對有關消息進行評估，並提交董事會以作出披露需要的決定。根據上市規則及證券及期貨條例，須披露的內幕消息及其他消息將適時按照所有適用規定予以披露。內幕消息於披露前將會嚴格保密。

章程文件

本公司的章程文件可於本公司及聯交所網站查閱。

於年內，本公司的章程文件並無變動。

股息政策

在建議或宣派股息時，本公司將維持足夠現金儲備，以應付其營運資金需求、未來增長以及其股東價值。本公司並無任何預定派息比率，而宣派或分派股息將由董事會計及（其中包括）財務業績、現金流量狀況、未來營運及盈利、資本需求及支銷計劃以及董事會可能認為相關的任何其他因素後全權酌情釐定。本公司可以現金或以股代息方式或董事會認為適當的其他方式宣派及派付股息。宣派或分派股息亦須受本公司章程細則以及所有適用法律及法規所規限。董事會將不時審閱政策，並於適當時候作出相關推薦建議。

Corporate governance report

企業管治報告書

COMMUNICATION WITH SHAREHOLDERS

The Company aims to maintain regular, effective and fair communication with shareholders and is committed to conveying important and relevant information to shareholders on a timely basis. In compliance with the Listing Rules, at least 20 clear business days' notice will be given to the shareholders for annual general meeting and at least 10 clear business days' notice will be given for all other meetings. All general meetings of the Company have been conducted by way of poll and detailed procedures for conducting a poll were explained at the commencement of the meeting. Results on all general meetings will be published by way of an announcement immediately following the relevant general meeting.

SHAREHOLDERS' RIGHTS

In accordance with Article 58 of the articles of association of the Company, one or more shareholders of the Company holding as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Board shall be reimbursed to the requisitionists by the Company.

與股東通訊

本公司旨在與股東維持定期、有效及公平通訊，並承諾按時向股東提供重要及有關資料。為遵守上市規則，舉行股東週年大會時將向股東發出最少20個完整營業日通知，而舉行所有其他大會時將發出最少10個完整營業日通知。本公司所有股東大會均以投票方式進行，而進行投票的詳細程序於大會開始時解釋。所有股東大會的結果將於緊接有關股東大會後以公布方式刊發。

股東的權利

根據本公司組織章程細則第58條，任何一名或多名本公司股東於提交請求當日持有附帶權利可在本公司股東大會上投票的本公司繳足股本不少於十分之一，有權於任何時間向董事會或公司秘書發出書面請求，要求董事會召開股東特別大會處理該請求載列的任何事宜，而有關大會須於送遞該請求後兩(2)個月內召開。倘提出請求後二十一(21)日內董事會未有召開大會，則提出請求的人士可自行以相同方式召開大會，而本公司須向提出請求的人士補償因董事會未有召開大會而自行召開大會產生的所有合理開支。

Corporate governance report

企業管治報告書

If a shareholder wishes to nominate a person to be elected as a Director, the following documents must be validly served to the Company's principal place of business at 3/F, 38 On Lok Mun Street, On Lok Tsuen, Fanling, New Territories, Hong Kong: (i) his/her notice of intention to propose a resolution at the general meeting; and (ii) a notice executed by the nominated candidate of his/her willingness to be appointed together with his/her information as required to be disclosed under Rule 13.51(2) of the Listing Rules, within the period commencing on the day after the dispatch of the notice of the general meeting appointed for such election and ending on the date falling seven days after the dispatch of the said notice of the general meeting.

Any Shareholder may direct their enquires and proposal by mail to the Company's principal place of business at Room 3/F, 38 On Lok Mun Street, On Lok Tsuen, Fanling, New Territories, Hong Kong.

Shareholders should direct any questions about their shareholdings to the Company's Hong Kong branch share registrar: Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

倘股東欲提名個別人士參選董事，則須於寄發指定就有關選舉召開的股東大會的通告翌日起至寄發上述股東大會通告後七日止期間，將以下文件有效送達本公司主要營業地點（地址為香港新界粉嶺安樂村安樂門街38號3樓）：(i) 股東於股東大會提呈決議案的意向通知；及(ii) 獲提名候選人所簽立確認願意接受委任的通知，連同根據上市規則第13.51(2)條規定須予披露有關彼的資料。

任何股東均可透過郵寄至本公司主要營業地點香港新界粉嶺安樂村安樂門街38號3樓的方式提出查詢或建議。

股東可就任何有關彼等持股權的問題向本公司香港股份過戶登記分處作出查詢：卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓。

Profile of directors and senior management

董事及高級管理層履歷

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Xiao Liang (陳校良), aged 63, was appointed as an executive Director with effect from 12 March 2019, was re-designated as Chairman with effect from 31 March 2020 and re-designated as Chief Executive Officer with effect from 21 January 2022. He has over 20 years of extensive experience in the property investment and development industry. He was the Chairman of Merryeem (Holdings) Limited (香港廣銀集團有限公司) from 1985 to 1995. He has been the Chairman of a number of corporations in mainland China, namely, Shenzhen Guangyin Building Industry Co., Limited* (深圳廣銀大廈實業有限公司) since 1995; Shenzhen Hongta Industry Co., Limited* (深圳紅塔實業有限公司) since November 2002 (in which he has also been acting as a general manager); Shenzhen Hongding Asset Management Co., Limited* (深圳市紅鼎資產管理有限公司) since February 2010; and Shenzhen Hongding Property Development Co., Limited* (深圳市紅鼎房地產開發有限公司) since June 2010.

Mr. Huang Wanru (黃萬如), aged 53, was appointed as an executive Director and a member of the Remuneration Committee with effect from 31 March 2020. He was appointed as a member of the Nomination Committee with effect from 21 January 2022. He was appointed as a vice president of the Group in October 2011 and resumed the same position in March 2020 when he rejoined the Group after brief departure from the Group in June 2018 for other business engagements. With years of extensive working experience in the finance field, Mr. Huang has been responsible for the financial and management information system of the Group. Since he joined the Group in May 1998, he has been serving in various subsidiary companies of the Group in various roles such as cost accounting, finance manager and finance controller. Since March 2008, he has been appointed as the financial controller of the Group. He was also appointed as director of certain subsidiaries of the Group.

Mr. JIANG Xiang Yu (蔣祥瑜), aged 66, was appointed as an executive Director with effect from 16 July 2021. He was appointed as a vice president of the Group in September 2011. Since he joined the Group in June 1999, he has been serving in various subsidiary companies of the Group as general manager and has over 20 years of experience in the cigarette package industry. Mr. Jiang was appointed as director of certain subsidiaries of the Group.

董事會

執行董事

陳校良先生，63歲，自二零一九年三月十二日起獲委任為執行董事、自二零二零年三月三十一日起調任主席，並自二零二二年一月二十一日起調任行政總裁。彼在物業投資及發展行業擁有逾20年豐富經驗。彼於一九八五年至一九九五年擔任香港廣銀集團有限公司的主席。彼曾於中國內地擔任多家公司的主席，包括自一九九五年起於深圳廣銀大廈實業有限公司；自二零零二年十一月起於深圳紅塔實業有限公司(亦曾擔任總經理)；自二零一零年二月起於深圳市紅鼎資產管理有限公司；及自二零一零年六月起於深圳市紅鼎房地產開發有限公司。

黃萬如先生，53歲，自二零二零年三月三十一日起獲委任為執行董事及薪酬委員會成員。彼自二零二二年一月二十一日起獲委任為提名委員會成員。彼於二零一一年十月獲委任為本集團副總裁。彼其後於二零一八年六月短暫離開本集團另謀發展，並於二零二零年三月重返本集團恢復原職。憑藉多年來於財務領域累積的豐富工作經驗，黃先生負責主理本集團的財務及管理資訊系統。彼自一九九八年五月加盟本集團後曾效力本集團多家附屬公司，擔任成本會計、財務經理及財務總監等職位。彼自二零零八年三月起獲委任為本集團的財務總監。彼亦已獲委任為本集團若干附屬公司的董事。

蔣祥瑜先生，66歲，自二零二一年七月十六日起獲委任為執行董事。彼於二零一一年九月獲委任為本集團副總裁。自一九九九年六月加入本集團以來，彼曾於本集團多間附屬公司擔任總經理，於香煙包裝行業擁有逾20年經驗。蔣先生已獲委任為本集團若干附屬公司的董事。

* The English names are not official names and are provided for identification purpose only

Profile of directors and senior management

董事及高級管理層履歷

Non-Executive Director

Ms. Li Li (李莉), aged 50, was appointed as a non-executive Director on 22 July 2015. Ms. Li is a Chairman of the board of directors of Masterwork Group Co., Ltd. (天津長榮科技集團股份有限公司) (“Masterwork” together with its subsidiaries, the “Masterwork Group”), a company whose issued shares are listed on the Shenzhen Stock Exchange (Stock code: 300195). She is also an executive director of certain subsidiaries of the Masterwork Group Co., Ltd. and Tianjin Ming Xuan Investment Limited Company* (天津名軒投資有限公司). She has been appointed as a member of the supervisory board of Heidelberger Druckmaschinen AG, a company listed on the Frankfurt Stock Exchange, since 25 July 2019. Ms. Li is qualified as a senior economist in the People’s Republic of China. She has extensive management experience in the printing and packaging companies.

Independent Non-Executive Directors

Mr. Lam Ying Hung, Andy (林英鴻), aged 57, was appointed as an Independent Non-Executive Director on 4 March 2009. Mr. Lam is the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company. Mr. Lam has over 25 years of experience in accounting, banking and finance sectors. Mr. Lam is the Managing Consultant of Lontreprise Consulting Limited. Mr. Lam is an associate member of various professional organisations, namely The Institute of Chartered Secretaries and Administrators, The Hong Kong Institute of Company Secretaries and The Hong Kong Institute of Bankers. Mr. Lam is also a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Lam is an Independent Non-Executive Director of Xingfa Aluminium Holdings Limited and Synertone Communication Corporation and Weiye Holdings Limited, all of them are companies listed on the Main Board of the Stock Exchange. Mr. Lam received his Master of Professional Accounting and Master of Science in E-commerce for Executives both from The Hong Kong Polytechnic University.

非執行董事

李莉女士，50歲，於二零一五年七月二十二日獲委任為非執行董事。李女士為天津長榮科技集團股份有限公司（「長榮」，連同其附屬公司統稱「長榮集團」）的董事會主席，該公司的已發行股份於深圳證券交易所上市（股份代號：300195）。彼亦為天津長榮科技集團股份有限公司若干附屬公司及天津名軒投資有限公司的執行董事。彼自二零一九年七月二十五日起獲委任為法蘭克福證券交易所上市公司Heidelberger Druckmaschinen AG的監事會成員。李女士具備中華人民共和國高級經濟師資格。彼於印刷及包裝公司擁有豐富管理經驗。

獨立非執行董事

林英鴻先生，57歲，於二零零九年三月四日獲委任為獨立非執行董事。林先生為本公司薪酬委員會主席以及審核委員會及提名委員會成員。林先生於會計、銀行及金融業擁有逾25年經驗，現為Lontreprise Consulting Limited的首席顧問，另為多個專業組織（特許秘書及行政人員公會、香港公司秘書公會及香港銀行家學會）的會員。林先生亦為英國特許公認會計師公會會員及香港會計師公會（「香港會計師公會」）會計師。林先生為聯交所主板上市公司興發鋁業控股有限公司、協同通信集團有限公司及偉業控股有限公司的獨立非執行董事。林先生持有香港理工大學專業會計碩士及電子商貿（行政人員）理學碩士學位。

* The English name is not an official name and is provided for identification purpose only

Profile of directors and senior management

董事及高級管理層履歷

Mr. LUI Tin Nang (呂天能), aged 64 was appointed as an Independent Non-Executive Director on 4 March 2009. Mr. Lui is the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee of the Company. Mr. Lui has a Bachelor degree in Science from the University of Leeds, a Master Degree in Business Administration from the University of Bradford in United Kingdom and a Postgraduate Diploma in insolvency from HKICPA. He is a fellow member of the HKICPA (Practicing), the Institute of Chartered Accountants in England & Wales, the Taxation Institute of Hong Kong, and The Society of Chinese Accountants and Auditors. He is also a member of the Chartered Institute of Management Accountant, Institute of Certified Public Accountants in Australia and the Certified Tax Adviser. He has years of experience in accounting, auditing, taxation, corporate finance and business advisory. Mr. Lui was publicly censured by the Stock Exchange on 15 July 2019 for certain breaches and he was reprimanded by the Hong Kong Institute of Certified Public Accountants on 2 November 2020 for failure to comply with certain rules and practice note. Details of the above are set out in the announcements of the Company dated 9 August 2019 and 21 April 2021.

Mr. SIU Man Ho, Simon (蕭文豪), aged 48, was appointed as an Independent Non-Executive Director on 4 March 2009. Mr. Siu is the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Siu is a practising solicitor of the High Court of Hong Kong. He obtained a Bachelor of Laws degree from the University of Hong Kong in 1996 and is a partner of a Hong Kong law firm, namely Sit, Fung, Kwong & Shum Solicitors. Mr. Siu is also a China Appointed Attesting Officer appointed by the Ministry of Justice of the PRC. His areas of practice include corporate finance, capital markets, securities, mergers and acquisitions, joint ventures and general commercial matters. Mr. Siu is also an independent non-executive director of Wai Yuen Tong Medicine Holdings Limited (stock code 897), Shuang Yun Holdings Limited (stock code 1706) and HKE Holdings Limited (stock code 1726), all of which are companies listed on the Main Board of the Stock Exchange. He also actively participates in charitable and social services in Hong Kong. He was previously appointed as the director of Hong Kong Pok Oi Hospital. He is acting as the legal adviser for United Hearts Youth Foundation and VQ Foundation as well as the school manager of The Association of Directors and Former Directors of Pok Oi Hospital Ltd. Leung Sing Tak College. He is also a member of the Committee of the Chinese People's Political Consultative Conference in Yangjiang City of Guangdong Province, the PRC.

呂天能先生，64歲，於二零零九年三月四日獲委任為獨立非執行董事。呂先生為本公司審核委員會主席以及薪酬委員會及提名委員會成員。呂先生持有英國University of Leeds理學士學位、英國University of Bradford工商管理碩士學位及香港會計師公會破產管理文憑。彼為香港會計師公會(執業)、英格蘭及威爾斯特許會計師公會、香港稅務學會及華人會計師公會資深會員。彼亦為英國特許管理會計師協會會員、澳洲會計師公會會員及香港註冊稅務師。彼於會計、核數、稅務、企業融資及業務諮詢等方面累積多年經驗。呂先生於二零一九年七月十五日因若干違規行為遭聯交所公開譴責，並於二零二零年十一月二日因未遵守若干規則及實務說明遭香港會計師公會譴責。上述詳情載於本公司日期為二零一九年八月九日及二零二一年四月二十一日的公告。

蕭文豪先生，48歲，於二零零九年三月四日獲委任為獨立非執行董事。蕭先生為本公司提名委員會主席以及審核委員會及薪酬委員會成員。蕭先生為香港高等法院執業律師，於一九九六年取得香港大學法律學士學位，現為薛馮鄭岑律師行合夥人。蕭先生亦為中國司法部委任的中國委託公證人，其專業包括企業融資、資本市場、證券、合併及收購、合營及一般商業事宜。蕭先生亦為聯交所主板上市公司位元堂藥業控股有限公司(股份代號897)、雙運控股有限公司(股份代號1706)及HKE Holdings Limited(股份代號1726)的獨立非執行董事。彼同時積極參與香港的慈善及社會服務，曾擔任香港博愛醫院總理。彼現時擔任雁心會樂幼基金及願景基金會的法律顧問，並擔任博愛醫院歷屆總理聯誼會梁省德中學校董。彼亦是中國廣東省陽江市中國人民政治協商會議委員。

Profile of directors and senior management

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. YAN Feng (嚴 峰), aged 64, is a Vice President of the Group since March 2016 responsible for the Group infrastructure advancement, equipment management and investment, policy research and technology management. Mr. Yan joined the Group in 2000 and has more than 20 years of experience in the cigarette package industry and he also has experience in printing of books services.

Mr. Ng Wing Ching (吳永禎), aged 42, is the Financial Controller and Company Secretary of the Company. Mr. Ng joined the Group in July 2021. He holds a bachelor's degree of Business Administration (Accounting) from the City University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants and has nearly twenty years of experience in auditing, accounting and corporate governance.

高級管理層

嚴峰先生，64歲。自二零一六年三月起出任本集團副總裁，負責本集團基建技改、設備管理及投資、政策研究及技術管理。嚴先生於二零零零年加入本集團，於香煙包裝業積逾20年經驗，彼也有書刊業務管理經驗。

吳永禎先生，42歲，為本公司財務總監兼公司秘書。吳先生於二零二一年七月加入本集團。彼持有香港城市大學工商管理(會計)學士學位。彼為香港會計師公會會員，並在審核、會計及企業管治方面有近二十年經驗。

Independent auditor's report

獨立核數師報告

mazars

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To the members of Litu Holdings Limited (formerly known as Brilliant Circle Holdings International Limited)

(incorporated in the Cayman Islands with limited liability)

致力圖控股有限公司各股東 (前稱貴聯控股國際有限公司)

(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Litu Holdings Limited (formerly known as Brilliant Circle Holdings International Limited) (the “Company”) and its subsidiaries (together the “Group”) set out on pages 56 to 213, which comprise the consolidated statement of financial position as at 31 December 2021, and 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 a summary of significant accounting policies.

意見

吾等已審核載列於第56至213頁致力圖控股有限公司(前稱貴聯控股國際有限公司)(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，該等綜合財務報表包括於二零二一年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合全面收益報表、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，包括主要會計政策概要。

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布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二零二一年十二月三十一日的財務狀況以及其截至該日止年度的財務表現及現金流量，並已遵照公司條例的披露規定妥為編製。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) 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.

意見的基礎

吾等根據香港會計師公會頒布的香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等的責任在吾等的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的國際職業會計師道德守則(「守則」)，吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

Independent auditor's report

獨立核數師報告

KEY AUDIT MATTERS

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

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項乃於吾等審計整體綜合財務報表及出具意見時處理。吾等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

吾等在審計中的處理方法

Impairment assessment of goodwill and intangible assets

商譽及無形資產減值評估

Refer to notes 19 and 20 to the consolidated financial statements

參照綜合財務報表附註 19 及 20

We identified the impairment assessment of goodwill and intangible assets as a key audit matter due to significant judgements and estimations exercised by the Group's management in impairment assessment.

吾等識別商譽及無形資產減值評估為關鍵審計事項，因為貴集團管理層在進行減值評估時須作出重大判斷及估計。

Our key procedures in relation to the impairment assessment of goodwill and intangible assets included: 吾等就商譽及無形資產減值評估進行的主要程序包括：

- Discussing with the Group's management on their approach to impairment assessment;
- 與 貴集團管理層討論減值評估的方法；
- Evaluating the independent qualified professional valuer's competence, capabilities and objectivity;
- 評估獨立合資格專業估值師的勝任性、能力及客觀性；
- Reviewing the valuation report provided by the independent qualified professional valuer and assessing its reasonableness;
- 審閱獨立合資格專業估值師所提供的估值報告，並評估其是否合理；

Independent auditor's report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等在審計中的處理方法

Impairment assessment of goodwill and intangible assets (continued)

商譽及無形資產減值評估(續)

Refer to notes 19 and 20 to the consolidated financial statements (continued)

參照綜合財務報表附註19及20(續)

As at 31 December 2021, the Group's goodwill and intangible assets amounted to approximately HK\$797,504,000 (net of accumulated impairment loss of approximately HK\$388,554,000) and approximately HK\$25,617,000 respectively relating to the business combinations in previous years which are subject to impairment assessment in accordance with Hong Kong Accounting Standard 36 "Impairment of Assets" issued by the HKICPA. 於二零二一年十二月三十一日，貴集團的商譽及無形資產分別為約797,504,000港元(扣除累計減值虧損約388,554,000港元)及約25,617,000港元，涉及過往年度的業務合併，須根據香港會計師公會頒布的香港會計準則第36號「資產減值」進行減值評估。

As detailed in notes 19 and 20 to the consolidated financial statements, in determining whether goodwill and intangible assets are impaired requires an estimation of the recoverable amount, which is the higher of its fair value less costs of disposal and its value in use of the cash-generating units ("CGUs") to which goodwill and intangible assets have been allocated. Significant judgements, estimations and assumptions were required by management of the Group in assessing the recoverable amounts of the CGUs.

誠如綜合財務報表附註19及20所詳述，釐定商譽及無形資產是否減值須估計可收回金額，即公允價值減出售成本與獲分配商譽及無形資產現金產生單位(「現金產生單位」)的使用價值兩者中的較高者。在評估現金產生單位的可收回金額時，貴集團管理層須作出重大判斷、估計及假設。

- Assessing the appropriateness of the valuation approaches and checking their mathematical accuracy;
- 評估估值方法是否合適及檢查數字準確度；
- Assessing the reasonableness of the key assumptions based on our knowledge and understanding of the industry and market;
- 根據我們對行業及市場的知識及了解評估主要假設是否合理；
- Checking, on a sample basis, the completeness, reliability, accuracy and relevance of the input data used by management and the independent qualified professional valuers; and
- 抽樣檢查管理層及獨立合資格專業估值師所用輸入數據是否完整、可靠、準確及相關；及
- Reviewing the sensitivity analyses performed by the management to evaluate the potential impacts on the recoverable amount and impairment.
- 審閱由管理層進行的敏感度分析，以評估對可收回金額及減值的潛在影響。

Independent auditor's report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等在審計中的處理方法

Expected credit losses (“ECL”) assessment of trade receivables

貿易應收款項預期信貸虧損(「預期信貸虧損」)

Refer to notes 24 and 39 to the consolidated financial statements

參照綜合財務報表附註24及39

As at 31 December 2021, the Group's trade receivables amounted to approximately HK\$364,539,000 (net of allowance for ECL of approximately HK\$6,944,000). Reversal of loss allowance amounting to approximately HK\$2,515,000 has been recognised during the year.

於二零二一年十二月三十一日，貴集團的貿易應收款項為約364,539,000港元(扣除預期信貸虧損撥備約6,944,000港元)。虧損撥備撥回約2,515,000港元已於本年度確認。

We consider this matter as a key audit matter because of their significant judgement and estimations exercised by the Group's management in the ECL assessment of trade receivables.

因應其重大判斷且貴集團管理層於貿易應收款項預期信貸虧損評估行使的估計，吾等視此事項為關鍵審計事項。

Our key procedures in relation to the ECL assessment of trade receivables included:

吾等就貿易應收款項預期信貸虧損評估之關鍵程序包括：

- Evaluating the independent professional valuer's competence, capabilities and objectivity;
- 評價獨立專業估值師是否勝任、有能力及客觀；
- Reviewing the ECL assessment prepared by management and ECL valuation report issued by the independent professional valuer;
- 審視管理層編製的預期信貸虧損評估及獨立專業估值師發出的預期信貸虧損評估報告；
- Assessing whether there is evidence of management bias on impairment assessment of trade receivables by evaluating the consistency of judgement made by the management year on year through discussion with the management to understand their rationale;
- 透過與管理層討論以瞭解管理層每年所作判斷之原由，評價有關判斷是否一致，從而評估是否有證據顯示管理層於評估貿易應收款項之減值時帶有偏見；
- Testing settlement of trade receivables throughout the year, on a sample basis, to ensure the reliability of past collection history for management's recoverability assessment;
- 抽樣測試貿易應收款項於整個年度之清償情況，以確保過往收款歷史屬可靠，以便管理層評估可收回性；

Independent auditor's report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

吾等在審計中的處理方法

Expected credit losses (“ECL”) assessment of trade receivables (continued)

貿易應收款項預期信貸虧損(「預期信貸虧損」)(續)

Refer to notes 24 and 39 to the consolidated financial statements (continued)

參照綜合財務報表附註24及39(續)

Management assessed the allowance for ECL of trade receivables based on probability-weighted estimate of credit losses over the expected life of these receivables and where there are any events or changes in circumstances indicate a detrimental impact on the estimated future cash flows of the trade receivables.

管理層於該等應收款項預期年期內及有任何事件或情況變化顯示對貿易應收款項估計未來現金流量受到不利影響時根據信貸虧損機率加權估計評估貿易應收款項預期信貸虧損撥備。

- Assessing whether items in trade receivables ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with the relevant sales invoices on a sample basis;
- 藉抽樣比對貿易應收款項賬齡報告內個別項目與相關銷售發票，評估該報告內各項目是否已分類至適當賬齡組別；
- Assessing the appropriateness of the methodologies and critical judgements made by management leading to the conclusion of the recoverability assessment;
- 評估管理層就可收回性評估下結論之方法及為此作出之關鍵判斷是否適當；
- Assessing the reasonableness of recoverability of trade receivables with reference to credit history including default or delay in payments, settlement records, subsequent settlements and ageing analysis; and
- 參照拖欠或延遲付款、清償紀錄、其後清償狀況及賬齡分析等信貸紀錄，評估貿易應收款項之可收回性是否合理；及
- Evaluating the judgements made by management over the expectation of occurrence of the impairment event against the evidence available.
- 因應所得憑證，評價管理層對發生減值事件之預期作出之判斷。

Independent auditor's report

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2021 annual report of the Company, but does not include 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 THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the 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.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於 貴公司二零二一年年報的資料，惟不包括綜合財務報表及吾等的相關核數師報告。

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

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

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及公司條例的披露規定編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

治理層負責監督 貴集團的財務報告流程。

Independent auditor's report

獨立核數師報告

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並出具包括吾等意見的核數師報告。本報告根據吾等協定的委聘條款向閣下(作為整體)作出，除此之外不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。

合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

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

Independent auditor's report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

核數師就審核綜合財務報表須承擔的責任(續)

- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂吾等意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與治理層就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通，該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

Independent auditor's report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

We also provide those charged with governance 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 those charged with governance, 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.

Mazars CPA Limited

Certified Public Accountants

Hong Kong,

31 March 2022

The engagement director on the audit resulting in this independent auditor's report is:

Chan Chi Wai

Practising Certificate number: P05708

核數師就審核綜合財務報表須承擔的責任(續)

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及為消除威脅而採取的行動或相關防範措施(如適用)。

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

中審眾環(香港)會計師事務所有限公司

執業會計師

香港

二零二二年三月三十一日

出具本獨立核數師報告之審核項目董事為：

陳志偉

執業證書編號：P05708

Consolidated statement of comprehensive income

綜合全面收益表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收益	5	1,158,852	1,339,439
Cost of sales	銷售成本		(997,365)	(1,073,661)
Gross profit	毛利		161,487	265,778
Other income	其他收入	7	41,575	46,939
Other net gains and losses	其他收益及虧損淨額	8	(104,983)	(173,846)
Reversal of (Loss allowance) on trade and other receivables and contract assets, net	貿易及其他應收款項及合約資產減值虧損撥回(撥備)淨額	9	2,486	(2,267)
Selling and distribution expenses	銷售及分銷開支		(26,180)	(41,220)
Administrative expenses	行政開支		(113,725)	(83,531)
Other expenses	其他開支		-	(4,597)
Finance costs	融資成本	10	(14,416)	(20,688)
Share of result of associates	分佔聯營公司業績	21	70,126	59,304
Share of result of a joint venture	分佔一間合營企業業績	22	(83)	214
Profit before taxation	除稅前溢利	11	16,287	46,086
Taxation	稅項	12	(5,665)	(37,114)
Profit for the year	年度溢利		10,622	8,972
Other comprehensive income	其他全面收益			
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
Exchange differences arising from translation from functional currency to presentation currency	因換算功能貨幣為呈報貨幣而產生匯兌差額		49,920	134,615
Total comprehensive income for the year	年度全面收益總額		60,542	143,587

Consolidated statement of comprehensive income

綜合全面收益表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit for the year attributable to: 以下人士應佔年度溢利：			
Owners of the Company	本公司擁有人	8,628	8,915
Non-controlling interests	非控股權益	1,994	57
		10,622	8,972
Total comprehensive income attributable to: 以下人士應佔全面收益總額：			
Owners of the Company	本公司擁有人	57,230	142,081
Non-controlling interests	非控股權益	3,312	1,506
		60,542	143,587
Earnings per share 每股盈利			
Basic and diluted	基本及攤薄	14	0.006

Consolidated statement of financial position

綜合財務狀況表

At 31 December 2021 於二零二一年十二月三十一日

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	887,241	902,392
Right-of-use assets	使用權資產	17	103,347	104,176
Investment properties	投資物業	18	55,780	22,305
Goodwill	商譽	19	797,504	885,408
Intangible assets	無形資產	20	32,279	72,351
Interests in an associate	於一間聯營公司的權益	21	455,869	450,364
Interests in a joint venture	於一間合營企業的權益	22	8,559	8,414
Deferred tax assets	遞延稅項資產	34	5,895	1,333
Rental and other deposits paid	已付租金及其他按金	26	3,889	2,402
			2,350,363	2,449,145
Current assets	流動資產			
Inventories	存貨	23	121,648	112,491
Trade receivables	貿易應收款項	24	364,539	512,533
Contract assets	合約資產	25	144,569	113,187
Other receivables, prepayments and refundable deposits	其他應收款項、預付款項 及可退還訂金	26	57,013	68,899
Tax recoverable	可收回稅項		4,271	2,709
Pledged bank deposits	已抵押銀行存款	27	11,488	14,523
Bank balances and cash	銀行結餘及現金	27	440,350	315,391
			1,143,878	1,139,733

Consolidated statement of financial position

綜合財務狀況表

At 31 December 2021 於二零二一年十二月三十一日

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Current liabilities	流動負債			
Trade payables	貿易應付款項	28	256,211	214,037
Other payables and accruals	其他應付款項及應計費用	29	133,458	102,269
Lease liabilities	租賃負債	30	333	991
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股權益款項	31	2,552	2,484
Bank borrowings	銀行借貸	32	342,428	411,206
Income tax payable	應付所得稅		10,748	16,503
			745,730	747,490
Net current assets	流動資產淨值		398,148	392,243
Total assets less current liabilities	總資產減流動負債		2,748,511	2,841,388
Non-current liabilities	非流動負債			
Government grants	政府補助金	33	25,931	28,383
Lease liabilities	租賃負債	30	–	302
Deferred tax liabilities	遞延稅項負債	34	49,000	42,876
			74,931	71,561
NET ASSETS	資產淨值		2,673,580	2,769,827

Consolidated statement of financial position

綜合財務狀況表

At 31 December 2021 於二零二一年十二月三十一日

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	35	7,839	7,839
Reserves	儲備		2,639,048	2,738,607
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,646,887	2,746,446
Non-controlling interests	非控股權益		26,693	23,381
TOTAL EQUITY	權益總額		2,673,580	2,769,827

These consolidated financial statements on pages 56 to 213 were approved and authorised for issue by the Board of Directors on 31 March 2022 and signed on its behalf by

第56至213頁的綜合財務報表已於二零二二年三月三十一日獲董事會批准及授權發布，並由下列人士代表簽署：

Mr. Chen Xiao Liang

陳校良先生

Director

董事

Mr. Huang Wanru

黃萬如先生

Director

董事

Consolidated statement of changes in equity

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Reserves 儲備								Non-controlling interests 非控股 權益		Total equity 權益總額
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元 (Note a) (附註a)	Statutory reserve 法定儲備 HK\$'000 千港元 (Note b) (附註b)	Other reserves 其他儲備 HK\$'000 千港元 (Note c) (附註c)	Dividend reserve 股息儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元 (Note d) (附註d)	Retained earnings 保留盈利 HK\$'000 千港元	Total reserves 儲備總額 HK\$'000 千港元	Total Total 總計 HK\$'000 千港元	Non-controlling interests 權益 HK\$'000 千港元	Total equity 權益總額 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	7,839	4,936,913	189,880	(2,907,725)	299,936	(121,967)	499,425	2,896,462	2,904,301	21,875	2,926,176
Profit for the year	年度溢利	-	-	-	-	-	-	8,915	8,915	8,915	57	8,972
Other comprehensive income for the year	年度其他全面收益											
- Exchange differences arising from translation from functional currency to presentation currency	- 從功能貨幣換算為 呈列貨幣產生的 匯兌差額	-	-	-	-	-	133,166	-	133,166	133,166	1,449	134,615
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	-	133,166	8,915	142,081	142,081	1,506	143,587
Transactions with owners:	與擁有人交易:											
Contributions and distributions	注資及分派											
Final dividend for 2020 proposed (note 15)	二零二零年建議末期股息 (附註15)	-	-	-	-	156,789	-	(156,789)	-	-	-	-
Dividend recognised as distribution (note 15)	確認為分派的股息(附註15)	-	-	-	-	(299,936)	-	-	(299,936)	(299,936)	-	(299,936)
		-	-	-	-	(143,147)	-	(156,789)	(299,936)	(299,936)	-	(299,936)
At 31 December 2020	於二零二零年十二月三十一日	7,839	4,936,913	189,880	(2,907,725)	156,789	11,199	351,551	2,738,607	2,746,446	23,381	2,769,827

Consolidated statement of changes in equity

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Reserves 儲備									Non-controlling interests 非控股權益	
		Share capital 股本	Share premium 股份溢價	Statutory reserve 法定儲備	Other reserves 其他儲備	Dividend reserve 股息儲備	Exchange reserve 匯兌儲備	Retained earnings 保留盈利	Total reserves 儲備總額	Total 總計	Total equity 權益總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
			(Note a) (附註 a)	(Note b) (附註 b)	(Note c) (附註 c)		(Note d) (附註 d)					
At 1 January 2021	於二零二一年一月一日	7,839	4,936,913	189,880	(2,907,725)	156,789	11,199	351,551	2,738,607	2,746,446	23,381	2,769,827
Profit for the year	年度溢利	-	-	-	-	-	-	8,628	8,628	8,628	1,994	10,622
Other comprehensive income for the year	年度其他全面收益											
— Exchange differences arising from translation from functional currency to presentation currency	— 從功能貨幣換算為呈列貨幣產生的匯兌差額	-	-	-	-	-	48,602	-	48,602	48,602	1,318	49,920
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	-	48,602	8,628	57,230	57,230	3,312	60,542
Transactions with owners:	與擁有人交易：											
Contributions and distributions	注資及分派											
Dividend recognised as distribution (note 15)	確認為分派的股息(附註15)	-	-	-	-	(156,789)	-	-	(156,789)	(156,789)	-	(156,789)
		-	-	-	-	(156,789)	-	-	(156,789)	(156,789)	-	(156,789)
At 31 December 2021	於二零二一年十二月三十一日	7,839	4,936,913	189,880	(2,907,725)	-	59,801	360,179	2,639,048	2,646,887	26,693	2,673,580

Consolidated statement of changes in equity

綜合權益變動表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

Notes:

- (a) Share premium presents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value. The application of the share premium accounts is governed by the Companies Law of the Cayman Islands.
- (b) As stipulated by the relevant laws and regulations for enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain statutory reserve. Appropriation to such reserve is made out of profit after taxation as reflected in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by its board of directors annually. The appropriation to statutory surplus reserve may cease if the balance of the statutory surplus reserve has reached 50% of the PRC subsidiaries' registered capital. The statutory reserve can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.
- (c) Other reserves comprised (i) the merger reserve which arose from the difference between the nominal value and premium of shares of merged subsidiaries over the nominal value of the shares issued by the Company in exchange thereof; (ii) issue of shares of the Company to the former controlling shareholder of the Company in exchange of his entire equity interests in the subsidiary; and (iii) reserve resulting from the transactions with non-controlling interests in relation to the change of equity interests in the subsidiaries in prior years.
- (d) Exchange reserve comprises the translation differences between the Group's net assets in functional currency to the Group's presentation currency.

附註：

- (a) 股份溢價代表發行本公司股份所得款項淨額或代價超出其面值的部分。股份溢價賬的用途受開曼群島公司法監管。
- (b) 根據針對中華人民共和國(「中國」)企業的有關法律及法規所規定，本公司的中國附屬公司須設立法定儲備。分配至該儲備的撥款乃從中國附屬公司法定財務報表的除稅後溢利中撥付，而金額及分配基準則由董事會每年決定。倘法定儲備結餘已達到中國附屬公司註冊資本的50%，則可不再轉撥至法定盈餘儲備。法定儲備可用作彌補上一年度的虧損(如有)，亦可透過資本化發行轉換為資本。
- (c) 其他儲備包括(i)合併儲備，乃產生自合併附屬公司股份的面值及溢價相對於本公司所發行用於交換的股份的面值的差額；(ii)本公司為交換附屬公司全部股權而向前控股股東發行的股份；及(iii)過往年度就附屬公司股權變動與非控股權益交易所產生的儲備。
- (d) 匯兌儲備包括本集團資產淨值由功能貨幣換算為本集團呈列貨幣的匯兌差額。

Consolidated statement of cash flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
	附註		
OPERATING ACTIVITIES			
Profit before taxation		16,287	46,086
Adjustments for:			
Share of result of associates	21	(70,126)	(59,304)
Share of result of a joint venture	22	83	(214)
Finance costs	10	14,416	20,688
Amortisation of intangible assets	20	40,254	41,769
Depreciation			
— property, plant and equipment	16	97,148	108,427
— right-of-use assets	17	3,616	6,017
— investment properties	18	4,048	2,176
Impairment losses on goodwill	19	96,531	176,000
(Reversal of) Provision for impairment losses on property, plant and equipment	8, 16	(27)	27
(Reversal of) Loss allowance on trade and other receivables and contract assets, net	9	(2,486)	2,267
Interest income	7	(5,230)	(4,488)
Gain from changes in fair value of financial assets at fair value through profit or loss (“FVPL”)	8	(285)	(132)
Gain on disposal of an associate	8	(4,116)	—
Gain on disposal of property, plant and equipment	8	(1,760)	(1,024)
Gain arising from early termination of lease contracts	8	—	(8)
Government grants for acquisition of property, plant and equipment	7	(3,325)	(2,079)
(Reversal) Recognition of write-down on obsolete inventories	11	(3,409)	4,678
Unrealised exchange gains, net		(4,082)	(160)

Consolidated statement of cash flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
	附註		
Changes in working capital:	營運資金變動：		
Inventories	存貨	(2,586)	50,628
Trade receivables	貿易應收款項	162,071	75,497
Contract assets	合約資產	(27,912)	64,941
Other receivables, prepayments and refundable deposits	其他應收款項、預付款項 及可退還訂金	12,157	(26,694)
Trade payables	貿易應付款項	35,792	(25,763)
Other payables and accruals	其他應付款項及應計費用	33,679	3,607
Cash generated from operations	經營產生現金	390,738	482,942
Income taxes paid	已付所得稅	(14,476)	(81,575)
Interest paid	已付利息	—	(20,305)
Net cash from operating activities	經營活動產生現金淨額	376,262	381,062

Consolidated statement of cash flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

	Note	2021	2020
	附註	二零二一年 HK\$'000 千港元	二零二零年 HK\$'000 千港元
INVESTING ACTIVITIES			
Interest received		5,230	4,488
Dividend received from an associate, net of withholding tax		72,992	55,566
Government grants for acquisition of property, plant and equipment		–	1,338
Acquisition of property, plant and equipment and intangible assets		(142,747)	(188,675)
Proceeds from disposal of an associate		4,116	–
Proceeds from disposal of property, plant and equipment		49,642	39,921
Collection of rental deposits		–	690
Placement of pledged bank deposits		(11,321)	(49,865)
Withdrawal of pledged bank deposits		14,703	45,700
Purchase of financial assets at FVPL		(55,424)	(116,816)
Redemption from financial assets at FVPL		55,709	116,948
Net cash used in investing activities		(7,100)	(90,705)

Consolidated statement of cash flows

綜合現金流量表

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

		Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		附註		
FINANCING ACTIVITIES	融資活動			
Dividends paid	已付股息	15	(156,789)	(299,936)
Interest paid	已付利息		(14,806)	–
New bank borrowings raised	新增銀行借貸		482,685	644,019
Repayment of bank borrowings	償還銀行借貸		(561,548)	(513,030)
Repayment of lease liabilities	償還租賃負債		(972)	(3,840)
Repayment of advance from a non-controlling interest of a subsidiary	償還來自一間附屬公司非控股權益的墊款		–	(5,998)
Net cash used in financing activities	融資活動使用現金淨額	36	(251,430)	(178,785)
Net increase in cash and cash equivalents	現金及現金等值項目增加淨額		117,732	111,572
Cash and cash equivalents at the beginning of reporting period	報告期初現金及現金等值項目		315,391	198,440
Effect of foreign exchange rate changes	外幣匯率變動的影響		7,227	5,379
Cash and cash equivalents at the end of reporting period, represented by bank balances and cash	報告期末現金及現金等值項目，代表銀行結餘及現金		440,350	315,391

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

1. GENERAL

Litu Holdings Limited (formerly known as Brilliant Circle Holdings International Limited) (the “Company”) was incorporated in the Cayman Islands on 11 November 2008 as an exempted company with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate controlling party is Mr. Cai Xiao Ming, David (the “Controlling Shareholder”). The address of the registered office and principal place of business of the Company are disclosed in the corporate information section to the 2021 annual report of the Company.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are engaged in provision of the printing of cigarette packages, manufacturing of paper packaging materials, manufacturing of laminated papers, sales of radio frequency identification (“RFID”) products, printing of packages and decoration matters, research and development on printing technology, wholesale, import and export of the packaging products and other related services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is different from the Company’s functional currency of Renminbi (“RMB”). The directors of the Company adopted HK\$ as presentation currency. For the convenience of the consolidated financial statements users, the consolidated financial statements are presented in HK\$, as the Company’s shares are listed on the Stock Exchange.

1. 一般資料

力圖控股有限公司(前稱貴聯控股國際有限公司)(「本公司」)於二零零八年十一月十一日於開曼群島註冊成立為獲豁免公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。其最終控股方為蔡曉明先生(「控股股東」)。本公司的註冊辦事處及主要營業地點的地址於本公司二零二一年年報公司資料一節披露。

本公司為投資控股公司。本公司及其附屬公司(統稱為「本集團」)的主要業務為提供香煙包裝印刷、製造紙包裝材料、製造複合紙、銷售射頻識別(「射頻識別」)產品、包裝裝潢印刷品印刷、印刷技術研究及開發、包裝產品的批發及進出口以及其他相關服務。

綜合財務報表以港元(「港元」)呈列，有別於本公司的功能貨幣人民幣(「人民幣」)。本公司董事採納港元為呈列貨幣。為方便使用綜合財務報表的人士，綜合財務報表以港元呈列，原因為本公司股份於聯交所上市。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Companies Ordinance. The consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2020 consolidated financial statements except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year.

Adoption of new/revised HKFRSs

The Group has applied, for the first time, the following new/revised HKFRSs that are relevant to the Group:

Amendments to HKAS 39, Interest Rate Benchmark
HKFRSs 4, 7, 9 and 16 Reform — Phase 2

Amendments to HKFRS 16 Covid-19-Related Rent
Concessions Beyond
30 June 2021

2. 主要會計政策

編製基準

該等綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」，包括所有適用之香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及公司條例之披露規定編製。綜合財務報表亦符合聯交所證券上市規則（「上市規則」）之適用披露規定。

除非另有說明，所有金額已約整至最接近的千元。

綜合財務報表乃按與二零二零年綜合財務報表所採納之會計政策一致之基準編製，惟採納以下與本集團相關且自本年度起生效之新訂／經修訂香港財務報告準則除外。

採納新訂／經修訂香港財務報告準則

本集團已首次採納以下與本集團相關的新訂／經修訂香港財務報告準則：

香港會計準則第39號、 利率基準改革
香港財務報告準則 — 第二期
第4號、第7號、
第9號及第16號之
修訂本

香港財務報告準則 二零二一年
第16號之修訂本 六月三十日之後
的Covid-19
相關租金寬免

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Adoption of new/revised HKFRSs (continued)

Amendments to HKAS 39, HKFRSs 4, 7, 9 and 16: Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the “Reform”). The amendments complement those issued in November 2019 and relate to:

- changes to contractual cash flows — a company will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- hedge accounting — a company will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and
- disclosures — a company will be required to disclose information about new risks arising from the reform and how it manages the transition to alternative benchmark rates.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港會計準則第39號、香港財務報告準則第4號、第7號、第9號及第16號之修訂本：利率基準改革 — 第二期
該等修訂本處理公司因利率基準改革(「改革」)而以替代基準利率取代舊有利率基準可能影響財務報告的問題。該等修訂本補充於二零一九年十一月頒布的修訂本，並涉及：

- 已訂約現金流變動 — 公司將毋須就改革要求的變動而終止確認或調整金融工具賬面值，惟須更新實際利率以反映改用替代基準利率；
- 對沖會計 — 如對沖符合其他對沖會計基準，公司將毋須僅因改革所要求的變動而終止對沖會計；及
- 披露 — 公司將須披露有關改革產生的新增風險及如何管理過渡至替代基準利率的資料。

採納該等修訂本並無對綜合財務報表造成任何重大影響。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Adoption of new/revised HKFRSs (continued)

Amendments to HKFRS 16: Covid-19-Related Rent Concessions Beyond 30 June 2021

The amendments exempt lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and allow lessees to account for such rent concessions as if they were not lease modifications. It applies to Covid-19-related rent concessions that reduce lease payments due on or before 30 June 2022. The amendments do not affect lessors.

These amendments shall be applied for annual periods beginning on or after 1 April 2021 with earlier application permitted. The Group has elected to early adopt the amendments in the current year. In accordance with the transition provisions therein, the amendments have been applied retrospectively by the Group recognising the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) and therefore the comparative information has not been restated.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

A summary of the principal accounting policies adopted by the Group is set out below.

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except financial assets at FVPL, which are measured at fair values as explained in the accounting policies set out below.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第16號之修訂本：二零二一年六月三十日之後的Covid-19相關租金寬免

該等修訂本豁免承租人考慮個別租賃合約以釐定Covid-19疫情直接導致的租金寬免是否租約變動，並允許承租人將有關租金寬免入賬猶如並非租約變動。其適用於抵減二零二二年六月三十日或之前到期支付的租賃付款的Covid-19相關租金寬免。該等修訂本不影響出租人。

該等修訂本適用於二零二一年四月一日或之後開始的年度期間，並允許提早採納。本集團已選擇於本年度提早採納該等修訂本。根據其中的過渡條文，本集團已追溯應用該等修訂本，將首次應用該等修訂本的累計影響確認為對保留盈利(或其他權益組成部分，視情況而定)期初結餘的調整，因此並無重列比較資料。

採納該等修訂本並無對綜合財務報表造成任何重大影響。

本集團採納的主要會計政策概要列載如下。

計量基準

編製該等綜合財務報表使用的計量基準為歷史成本，惟按公允價值計入損益的金融資產公允價值除外，其按公允價值計量(見下文所載會計政策解釋)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

2. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司以及其所有附屬公司的財務報表。附屬公司的財務報表乃使用一致的會計政策就與本公司相同的報告年度編製。

所有集團內公司間之結餘、交易和集團內公司間交易所產生的收入及支出、溢利及虧損均全數抵銷。附屬公司之業績自本集團取得控制權之日期起合併，並繼續合併至該控制權終止日期。

非控股權益在綜合全面收益表以及綜合財務狀況表的權益中與本公司擁有人分開呈列。於被收購方屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔被收購方資產淨值的非控股權益乃初步以公允價值或現時的擁有權工具應佔被收購方可識別資產淨值中已確認款額的比例計量。按逐項收購基準選擇計量基準。其他類別的非控股權益初步按公允價值計量，惟香港財務報告準則規定的其他計量基準除外。

分配全面收入總額

本公司擁有人及非控股權益分佔損益及其他全面收益之各部分。即使會導致非控股權益出現虧絀結餘，全面收入總額亦分配予本公司擁有人及非控股權益。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Basis of consolidation (continued)

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. 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 the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal 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 determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

2. 主要會計政策(續)

綜合基準(續)

所有權權益變動

不導致失去於附屬公司控制權之本集團擁有權權益變動，按權益交易入賬。控股及非控股權益之賬面值乃經調整以反映其於附屬公司相關權益的變動。非控股權益的經調整金額與已付或已收代價公允價值的任何差額直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去於附屬公司的控制權，出售損益根據下列兩項之差額計算：(i) 已收代價之公允價值與於控制權失去當日所釐定任何保留權益之公允價值之總額與(ii) 於控制權失去當日附屬公司之資產(包括商譽)及負債以及任何非控股權益之賬面值。倘母公司直接出售相關資產或負債，先前於其他全面收益表就所出售附屬公司確認之金額則須按相同基準入賬。自控制權失去當日起，於前附屬公司保留的任何投資及欠收或欠付前附屬公司的任何金額入賬為金融資產、聯營公司、合營企業或其他(如適用)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented in note 44 to the consolidated financial statements, interests in subsidiaries are stated at cost less accumulated impairment loss. The carrying amount of the investments is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is a contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Group reassesses whether it has joint control of an arrangement and whether the type of joint arrangement in which it is involved has changed, if facts and circumstances change.

2. 主要會計政策(續)

附屬公司

附屬公司指受本集團控制之實體。倘本集團就參與實體業務所得可變回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報，則本集團為控制該實體。如有事實及情況顯示一項或多項控制權要素出現變化，則本集團會重新評估其對被投資者之控制權。

於本公司之財務狀況表(於綜合財務報表附註44呈列)中，於附屬公司之權益乃按成本減去累計減值虧損入賬。投資之賬面值如高於可收回金額，按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入賬。

聯營公司及合營企業

聯營公司指本集團對其具有重大影響力之實體。重大影響力指有權參與被投資公司財務及營運決策，但並非控制或共同控制該等政策。

合營企業指一項合營安排，對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。合營安排指兩名或以上人士共同控制之安排。共同控制是按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。倘有事實及情況出現變動，本集團重新評估其是否擁有共同控制之安排，及其所涉及之合營安排類別是否出現變動。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Associates and joint ventures (continued)

The Group's investments in associates or joint venture are accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate or a joint venture is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate or joint venture. Such goodwill is included in interests in associates or joint ventures. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

2. 主要會計政策(續)

聯營公司及合營企業(續)

除投資或當中部份分類為持作出售外，本集團於聯營公司或合營企業之投資以權益會計法列賬。根據權益法，投資初步按成本記錄，其後會就收購後本集團應佔被投資公司之資產淨值及有關投資之減值虧損之轉變而調整。倘若本集團應佔被投資公司之虧損相等於或超過其於該被投資公司之權益（其包括實質上構成本集團於被投資公司投資淨額一部份之任何長期權益），除以本集團已產生法定性或推定責任或代表被投資公司作出付款為限外，本集團不再確認其應佔進一步虧損。

收購聯營公司或合營企業產生之商譽乃按投資成本超出本集團於所收購聯營公司或合營企業應佔之可識別資產及負債之公平淨值計量。該等商譽計入於聯營公司或合營企業之權益。另一方面，任何超出投資成本的本集團應佔可識別資產及負債之公平淨值會即時於損益中確認為收入。

本集團與其聯營公司及合營企業間進行交易所產生的未變現損益予以對銷，惟以本集團於被投資公司的權益為限，除非未變現虧損證明被轉讓資產出現減值，在此情況下，則會即時於損益確認相關未變現虧損。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree (if applicable) over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units (“CGU”). An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if applicable) and the fair value of the acquirer’s previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Any resulting gain or loss arising from remeasuring the previously held equity interests in the acquiree at the acquisition-date fair value is recognised in profit or loss or other comprehensive income, as appropriate.

2. 主要會計政策(續)

商譽

收購業務產生之商譽乃按所轉撥之代價、於被收購方之任何非控股權益金額及於被收購方之任何先前所持股本權益(如適用)之公允價值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務產生之商譽乃確認為個別資產及按成本值扣除累計減值虧損列賬，並須每年作減值檢測，或倘在某些事項或情形之變動顯示賬面值可能減值時，則會更頻密地進行檢測。就減值檢測及釐定出售盈虧而言，商譽乃分配至現金產生單位(「現金產生單位」)。商譽之減值虧損不可撥回。

另一方面，重估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於被收購方之任何非控股權益金額(如適用)及收購方先前於被收購方所持權益之公允價值總額之任何差額(如有)，即時於損益內確認為一項議價購買收益。

重新計量先前於被收購方所持股權於收購日期之公允價值產生之任何收益或虧損於損益或其他全面收益(如適合)確認。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method, at the following rates per annum. When parts of an property, plant and equipment have different useful lives, the cost or valuation of the items is allocated on a reasonable basis and depreciation separately:

Buildings	Over the shorter of the term of lease or 30 years
Leasehold improvements	3 years
Plant and machinery	5–20 years
Furniture and office equipment	3–5 years
Motor vehicles	4–5 years

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按成本減去累計折舊及減值虧損入賬。一項物業、廠房及設備項目之成本包括其購買價格及將資產達至其運作狀況及達至工作地點作其擬定用途之任何直接應佔成本。年內維修及保養費用於產生年度在損益中扣除。

折舊乃自物業、廠房及設備(在建工程除外)可供使用日期起,於下文載列之彼等之估計可使用年期內撇銷成本減去累計減值虧損,並以直線法按以下年度比率計入彼等之估計剩餘價值後提呈撥備。倘物業、廠房及設備各部分之可使用年期並不相同,則該等項目之成本或估值按合理基礎分配並個別折舊:

樓宇	租期或30年的較短者
租賃物業裝修	3年
廠房及機器	5至20年
傢俬及辦公室設備	3至5年
汽車	4至5年

為生產、供應或行政用途而在建的物業按成本減去任何已確認減值虧損列賬。成本包括使資產達到能夠按照管理層擬定的方式開展經營所必要的位置及條件而直接產生的任何成本,並就合資格資產而言,借款成本將會根據本集團的會計政策而資本化。此等資產按照與其他物業資產相同的準則,在資產達到其擬定用途時開始折舊。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Property, plant and equipment (continued)

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under “Property, plant and equipment” up to the date of change in use, and the cost and accumulated depreciation of that item at the date of transfer are transferred to investment property for subsequent measurement and disclosure purposes.

2. 主要會計政策(續)

物業、廠房及設備(續)

當本集團就於物業的擁有權權益(包括租賃土地及樓宇成分)付款時，全部代價於租賃土地及樓宇成分之間按初始確認時的相對公允價值的比例分配。倘相關款項能可靠分配，則於租賃土地的權益於綜合財務狀況表的「使用權資產」呈列。

物業、廠房及設備項目在出售時或預計繼續使用該資產不會產生未來經濟利益時終止確認。終止確認該資產所產生的任何收益或虧損(按出售所得款項淨額與該項目賬面值之間的差額計算)，將計入該項目終止確認的年度的損益。

倘本集團作為業主佔用的物業成為投資物業，本集團按照「物業、廠房及設備」下所述的政策將該物業入賬，直至改變用途之日，而該項目在轉移之日的成本及累計折舊將轉入投資物業，用於後續計量和披露。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Investment properties

Investment properties are properties that are held by owner or lessee, to earn rental income and/or for capital appreciation. These include properties held for a currently undetermined future use.

Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following rate per annum:

Buildings	30 years
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If an item of investment property becomes owner-occupied property because its use has changed as evidenced by commencement of owner-occupation, the cost and accumulated depreciation of that item at the date of transfer are transferred to property, plant and equipment for subsequent measurement and disclosure purposes.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2. 主要會計政策(續)

投資物業

投資物業乃由業主或承租人持有以賺取租金收入及／或資本增值的物業。包括用於目前尚未確定的未來用途而持有的物業。

投資物業亦包括由本集團根據經營租賃確認為使用權資產及分租的租賃物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於首次確認後，投資物業乃按成本減隨後累計折舊及任何累計減值虧損列賬。折舊獲確認以按估計可使用年期並計及其估計剩餘價值後，以直線法按以下年度比率撇銷投資物業成本。

樓宇	30年
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倘投資物業獲證實開始其自用用途而變為自用物業，該項目於轉撥當日的成本及累計折舊將轉撥至物業、廠房及設備，以作後續計量及披露目的之用。

當投資物業被出售或永久不再使用，而有關出售預期不會產生任何未來經濟利益時，投資物業將被終止確認。終止確認物業所得任何收益或虧損(即資產出售所得款項淨額與其賬面值的差額)於終止確認該物業期間計入損益。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and 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 with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

2. 主要會計政策(續)

無形資產

個別收購的無形資產

個別收購而可使用年期有限的無形資產，按成本減累計攤銷及任何累計減值虧損列賬。可使用年期有限的無形資產的攤銷於估計可使用年期以直線基準確認。估計可使用年期和攤銷方法會在各報告期末檢討，任何估計變動影響按前瞻基準列賬。個別收購可使用年期無限的無形資產，按成本減任何其他累計減值虧損列賬。

業務合併中收購的無形資產

業務合併中收購的無形資產獨立確認，有別於商譽，初步按收購日期的公允價值(被視為其成本)確認。

初步確認後，業務合併中收購而使用年期有限的無形資產按成本減累計攤銷及任何累計減值虧損列賬。其計量基準與個別收購的無形資產相同。

無形資產於出售或當預期使用或出售不會產生任何未來經濟利益時終止確認。終止確認無形資產所產生盈虧按出售所得款項淨額與資產賬面值之間的差額計量，並於終止確認資產的期間在損益確認。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Research and development expenditure

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

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

2. 主要會計政策(續)

研發開支

研究活動的支出於產生期間確認為開支。

因開發活動(或內部項目開發階段)而從內部產生的無形資產僅會在符合以下所有條件時方予以確認：

- 完成無形資產使其可供使用或銷售的技術可行性；
- 完成無形資產使其可供使用或銷售的意向；
- 使用或銷售無形資產的能力；
- 無形資產如何產生未來經濟利益；
- 具有足夠技術、財務及其他資源以完成其開發，並使用及銷售無形資產；及
- 能夠可靠計量開發無形資產時的應佔開支。

就內部產生無形資產初步確認的金額為無形資產首次符合上述確認條件當日起所產生的開支總和。倘並無內部產生的無形資產可予確認，開發開支會於產生期間在損益中確認。

初步確認後，內部產生的無形資產乃按成本減累計攤銷及累計減值虧損(如有)，並按與已個別收購的無形資產相同的基準分開計量。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

2. 主要會計政策(續)

金融工具

金融資產

確認及終止確認

金融資產僅於本集團成為工具合約條文之訂約方時按交易日基準確認。

金融資產僅於下列條件下終止確認(i)本集團收取金融資產未來現金流量的合約權利屆滿；或(ii)本集團轉讓金融資產，轉讓方式為(a)轉讓金融資產所有權的絕大部分風險及回報；或(b)既無轉讓亦無保留金融資產擁有權的絕大部分風險及回報，但不保留金融資產的控制權。

倘本集團保留所轉讓金融資產所有權的絕大部分風險及回報，則本集團繼續確認該金融資產。

倘本集團既沒有轉讓亦沒有保留所有權的絕大部分風險及回報，而是繼續控制被轉讓資產，則本集團在其繼續參與的範圍內確認該金融資產，並為其可能必須支付的金額確認相關負債。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and measurement

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income (“FVOCI”); (iii) equity investment measured at FVOCI; or (iv) measured at FVPL.

The classification of financial assets at initial recognition depends on the Group’s business model for managing the financial assets and the financial asset’s contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model.

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

2. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量

金融資產(除不含重大融資成份的貿易應收款項外)初步按公允價值加(如並非按公允價值計入損益列賬的金融資產)收購該金融資產直接應佔的交易成本計量。該貿易應收款項初步按其交易價格計量。

初步確認時，金融資產分類為(i)按攤銷成本計量；(ii)按公允價值計入其他全面收益(「按公允價值計入其他全面收益」)計量的債務工具；(iii)按公允價值計入其他全面收益計量的股本投資；或(iv)按公允價值計入損益計量。

初步確認時，金融資產之分類取決於本集團管理金融資產及金融資產合約現金流量特徵之業務模式。金融資產初步確認後不會重新分類，除非本集團改變管理金融資產的業務模式，在此情況下，所有受影響之金融資產於業務模式變動後的首個年度報告期間的第一日重新分類。

於嵌入混合合約的衍生工具中，倘主約為香港財務報告準則第9號範圍內的資產，則不會與主約分開處理。反之，則對混合合約進行整體分類評估。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and measurement (continued)

- 1) Financial assets measured at amortised cost
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:
 - (a) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
 - (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

The Group's financial assets at amortised cost include trade receivables, other receivables and refundable rental deposits, pledged bank deposits and bank balances.

2. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量(續)

- 1) 按攤銷成本計量之金融資產
金融資產如同時滿足以下條件且未被指定為按公允價值計入損益，則按攤銷成本計量：
 - (a) 其以旨在持有金融資產收取合約現金流量之業務模式持有；及
 - (b) 其合約條款引致於特定日期之現金流量僅為支付本金及未償還本金之利息。

按攤銷成本計量之金融資產其後使用實際利率法計量，並受減值影響。減值、終止確認或攤銷過程中產生的收益及虧損於損益中確認。

本集團按攤銷成本列賬之金融資產包括貿易應收款項、其他應收款項及可退回租賃按金、已抵押銀行存款及銀行結餘。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial assets (continued)

Classification and measurement (continued)

2) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which includes any interest earned on the financial assets.

A financial asset is classified as held for trading if it is:

- (a) acquired principally for the purpose of selling it in the near term;
- (b) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (c) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

The Group's financial assets mandatorily measured at FVPL include structured deposits.

2. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量(續)

- 2) 按公允價值計入損益之金融資產
此等投資包括並非按攤銷成本或按公允價值計入其他全面收益計量的金融資產，包括持作買賣之金融資產、在初始確認時指定為按公允價值計入損益計量的金融資產、香港財務報告準則第3號所適用的業務合併之或然代價安排所產生的金融資產及其他須按公允價值計入損益計量之金融資產。有關工具按公允價值列賬，任何由此產生的收益及虧損於損益中確認，包括金融資產賺取的任何利息

金融資產如屬以下各項，則分類為持作買賣：

- (a) 為於短期內出售之主要目的而產生之收購；
- (b) 屬於受集中管理的已識別金融工具組合的一部分，且有跡象顯示其於初始確認時近期確實出現短期獲利模式；或
- (c) 並非財務擔保合約或並非指定有效對沖工具的衍生工具。

僅當按不同基礎計量資產或負債或確認收益或虧損時會導致消除或顯著降低計量或確認差異時，金融資產於初始確認時指定為按公允價值計入損益計量。

本集團強制按公允價值計入損益的金融資產包括結構性存款。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade payables, other payables and accruals, amount due to a non-controlling interest of a subsidiary and bank borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

2. 主要會計政策(續)

金融工具(續)

金融負債

確認及終止確認

金融負債當且僅當本集團成為工具合約條文之訂約方時確認。

金融負債當且僅當該負債終絕時方終止確認，即相關合約所規定的責任獲解除、註銷或屆滿時。

分類及計量

金融負債初始按公允價值加(倘金融負債並非按公允價值計入損益)發行金融負債直接應佔的交易成本確認。

本集團的金融負債包括貿易應付款項、其他應付款項及應計費用、應付一間附屬公司非控股權益款項及銀行借款。除按公允價值計入損益的金融負債外，所有金融負債初始按其公允價值確認，其後採用實際利率法按攤銷成本計量，除非貼現影響並不重大，否則按成本列賬。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

The Group recognises loss allowances for expected credit losses (“ECL”) on financial assets that are measured at amortised cost and contract assets to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值

本集團就根據香港財務報告準則第9號適用減值要求之按攤銷成本計量的金融資產及合約資產的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。除下文詳述的特定處理方法外，於各報告日期，倘金融資產的信貸風險自初始確認後顯著增加，則本集團按相等於全期預期信貸虧損的金額計量金融資產的虧損撥備。倘金融資產的信貸風險自初始確認後未顯著增加，則本集團按相等於12個月預期信貸虧損的金額計量金融資產的虧損撥備。

預期信貸虧損之計量

預期信貸虧損為金融工具預計年期內信貸虧損的概率加權估計(即所有現金短缺的現值)。

就金融資產而言，信貸虧損為應付合約實體的合約現金流量與該實體預期收取的現金流量之間差額的現值。

全期預期信貸虧損是指金融工具預計年期內所有可能的違約事件產生的預期信貸虧損，而12個月預期信貸虧損是指於報告日期後12個月內可能發生的金融工具違約事件可能導致的全期預期信貸虧損一部分。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

(continued)

Measurement of ECL (continued)

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (a) past due information
- (b) nature of instrument
- (c) size and industry of debtors
- (d) length of customer relationship

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

- (a) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (b) there is a breach of financial covenants by the counterparty.

2. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

預期信貸虧損之計量(續)

當預期信貸虧損按共同基準計量，則金融工具按以下一個或多個共同信貸風險特徵分組：

- (a) 逾期信息
- (b) 工具性質
- (c) 債務人規模及行業
- (d) 客戶關係長短

虧損撥備於各報告日期重新計量，以反映自初始確認以來金融工具的信貸風險及虧損變動。由此產生的虧損撥備變動於損益內確認為減值損益，並相應調整金融工具的賬面值。

違約之定義

本集團認為以下情況就內部信貸風險管理而言構成違約事件，因為過往經驗表明倘金融工具符合下列任何一項條件時本集團可能無法收回全部未償還合約款項。

- (a) 內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)；或
- (b) 對手方違反財務契諾。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

(continued)

Definition of default (continued)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. In particular, the following information is taken into account in the assessment:

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

2. 主要會計政策 (續)

金融工具 (續)

金融資產及其他項目減值 (續)

違約之定義 (續)

不論上述分析如何，本集團認為，倘金融資產逾期超過90天，則發生違約事件，除非本集團具有合理可靠資料說明更寬鬆的違約標準更為合適，則作別論。

信貸風險顯著增加之評估

評估金融工具之信貸風險是否自初始確認後顯著增加時，本集團將金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險進行比較。作出評估時，本集團會考慮合理及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即可獲得的前瞻性資料。具體而言，評估時將考慮下列資料：

- 債務人無法支付到期本金或利息；
- 金融工具外部或內部信貸評級(如有)的實際或預期出現重大惡化；
- 債務人之經營業績實際或預期出現重大惡化；及
- 技術、市場、經濟或法律環境有實際或預期的變動，對債務人履行對本集團責任的能力構成或可能構成重大不利影響。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

(continued)

Assessment of significant increase in credit risk

(continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low credit risk

A financial instrument is determined to have low credit risk if:

- (a) it has a low risk of default;
- (b) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (c) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

As detailed in note 39 to the consolidated financial statements, pledged bank deposits and bank balances are determined to have low credit risk.

2. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

信貸風險顯著增加之評估(續)

無論上述評估的結果如何，本集團假設於合約付款逾期超過30天時，金融工具之信貸風險自初始確認以來顯著增加，除非本集團有合理及可支持的資料顯示並無顯著增加。

儘管有上述規定，若於報告日期金融工具被判定為具有較低信貸風險，本集團假設金融工具的信貸風險自初始確認以來並未顯著增加。

較低信貸風險

在以下情況下，金融工具會被判定為具有較低信貸風險：

- (a) 違約風險較低；
- (b) 借款人有很強的能力履行近期的合約現金流義務；及
- (c) 經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流義務的能力。

誠如綜合財務報表附註39所詳述，已抵押銀行存款及銀行結餘釐定為信貸風險低。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

(continued)

Simplified approach of ECL

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event.
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

2. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

預期信貸虧損之簡化方法

對於貿易應收款項及合約資產，本集團採用簡化方法計算預期信貸虧損。本集團於各報告日期按全期預期信貸虧損確認虧損撥備，且已設立根據其過往信貸虧損經驗計算之撥備矩陣，並按與債務人相關之前瞻性因素及經濟環境進行調整。

信貸減值金融資產

當發生對金融資產的估計未來現金流量產生不利影響的一件或多件事件之時，該金融資產即出現信貸減值。金融資產信貸減值的證據包括以下事件的可觀察數據：

- (a) 發行人或借款人陷入嚴重財務困難。
- (b) 違反合約，如違約或逾期事件。
- (c) 借款人的貸款人出於與借款人的財務困難相關的經濟或合約原因，而向借款人授予貸款人原本不會考慮的優惠。
- (d) 借款人可能破產或進行其他財務重組。
- (e) 因財務困難而導致該項金融資產失去活躍市場。
- (f) 以大幅折扣購買或產生金融資產，反映已出現信貸虧損。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Financial instruments (continued)

Impairment of financial assets and other items

(continued)

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Revenue recognition

Rental income

Rental income under operating leases is recognised when the assets are let out and on the straight-line basis over the lease term. Variable lease payments that depend on an index or a rate are initially measured using the index or rate at the commencement date and subsequently adjusted when such index or rate changes. Such payments are recognised as income on the straight-line basis over the lease term. Other variable lease payments are recognised as income in the period in which the event or condition that triggers those payments occurs.

2. 主要會計政策(續)

金融工具(續)

金融資產及其他項目減值(續)

撇銷

當本集團合理預期金融資產之合約現金流量無法全部或部分收回時，會對金融資產進行撇銷。本集團的政策是根據類似資產的過往收回經驗，撇銷賬面總值。本集團預期已撇銷的金額不會出現重大收回的情況。然而，經考慮適當的法律意見，撇銷的金融資產可能仍需根據本集團收回逾期款項的程序進行法律行動。其後收回的任何資產將於損益內確認。

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為已知數額現金而價值變動風險不大之短期高流通量投資。

收益確認

租金收入

經營租賃項下之租金收入在資產租出時按租期以直線基準確認。取決於一項指數或比率之可變租賃付款初步使用開始日期之指數或比率進行計量，隨後於該指數或比率變動時予以調整。有關付款於租期內以直線法確認為收入。其他可變租賃付款於觸發該等付款的事件或條件發生的期間內確認為收入。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Revenue recognition (continued)

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Revenue from contracts with customers within HKFRS 15

The Group is engaged in printing and manufacturing of cigarette packages and related materials, manufacturing of laminated papers and sales of RFID products.

Identification of performance obligations

At contract inception, the Group assesses the goods promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good (or a bundle of goods) that is distinct; or
- (b) a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer.

2. 主要會計政策(續)

收益確認(續)

股息收入

來自投資的股息收入於股東收取付款的權利確立時確認。

利息收入

金融資產利息收入以實際利率法確認。就按攤銷成本計量而並無出現信貸減值的金融資產而言，實際利率適用於資產的賬面總值，倘金融資產出現信貸減值，則適用於其攤銷成本(即賬面總值扣除虧損撥備)。

香港財務報告準則第15號來自客戶合約之收益

本集團從事印刷及製造香煙包裝及相關材料、製造複合紙及銷售射頻識別產品。

確定履約責任

於合約開始時，本集團評估與一名客戶訂立的合約內承諾的貨品，各客戶承諾轉讓以下商品或服務時，則確定為履約責任：

- (a) 個別貨品(或一組貨品)；或
- (b) 一系列大致相同及轉讓予客戶的模式相同的個別貨品。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Revenue recognition (continued)

Revenue from contracts with customers within HKFRS 15 (continued)

Identification of performance obligations (continued)

A good that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good either on its own or together with other resources that are readily available to the customer (i.e. the good is capable of being distinct); and
- (b) the Group's promise to transfer the good to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good is distinct within the context of the contract).

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號來自客戶合約之收益(續)

確定履約責任(續)

倘符合以下準則，則承諾予客戶的貨品屬個別：

- (a) 客戶可自其本身的貨品或連同客戶可獲得的其他資源(即貨品能夠獨立識別)中獲益；及
- (b) 本集團向客戶轉讓貨品的承諾可與合約內的其他承諾(即轉讓合約內容上有所區分可貨品的承諾)單獨區分。

收益確認的時間

收益於本集團透過向客戶轉讓承諾貨品(如資產)履行履約責任時(或就此)確認。資產於客戶獲得資產控制權時(或就此)轉讓。

如符合下列任一條件，本集團在一段時間內轉移對貨品的控制權，並因此在一段時間內履行履約義務及確認收入：

- (a) 客戶在本集團履約的同時取得及消耗通過本集團履約提供的利益；
- (b) 本集團的履約行為創造或改良客戶在資產被創造或改良時便控制的資產(如進行中工程)；或
- (c) 本集團的履約行為並未創造一項可被本集團用於替代用途的資產，並且本集團有權就迄今為止已完成的履約部分收取款項。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Revenue recognition (continued)

Revenue from contracts with customers within HKFRS 15 (continued)

Timing of revenue recognition (continued)

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Revenue from the printing of cigarette packages and manufacturing of laminated papers with no alternative use are recognised over time.

Revenue from the sales of RFID products and manufacturing of paper packaging materials are recognised at a point in time when the customer obtains control of the distinct goods or service.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the input method (i.e. based on the proportion of the actual inputs deployed to date as compared to the estimated total inputs) to measure the progress towards complete satisfaction of the performance obligation because there is a direct relationship between the Group's inputs and the transfer of control of goods or services to the customers and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

The principal input applied in the input method for printing of cigarette packages and manufacturing of laminated papers is costs incurred.

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號來自客戶合約之收益(續)

收益確認的時間(續)

如在一段時間內未能履行履約責任，則本集團於客戶取得承諾資產的控制權的時間點履行履約責任。於釐定轉移控制權的時間時，本集團考慮控制權的概念以及法定所有權、實體佔有、付款權利、資產所有權的重大風險及回報以及客人認可等指標。

並無替代用途的印刷香煙包裝及製造複合紙的收益隨時間確認。

銷售射頻識別產品及製造紙包裝材料的收益於客戶獲得明確貨品或服務的控制權時確認。

就根據香港財務報告準則第15號隨時間確認的收益而言，倘履約責任結果可合理計量，本集團則應用輸入法(即按迄今的實際投入與估計總投入的比例)計量完全履行履約責任的進展情況，原因為本集團的投入與轉讓貨物或服務的控制權予客戶之間有直接關係及有可靠資料供本集團採用該方法。否則，本集團僅以所產生成本為限確認收益，直至其可合理計量履約責任的結果。

印刷香煙包裝及製造複合紙的輸入法應用的主要輸入數據為所產生的成本。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Contract costs

Incremental costs of obtaining a contract

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.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

2. 主要會計政策(續)

合約成本

獲得合約的增量成本

獲得合約的增量成本指本集團取得客戶合約所產生的成本；倘未獲得該合約，則不會產生有關成本。

倘獲得合約的增量成本將於一年內悉數攤銷至損益，則本集團應用可行權宜方法支銷所有該等成本。

合約資產及合約負債

倘本集團於客戶支付代價或付款到期前將貨品或服務轉讓予客戶，則合約呈列為合約資產，惟不包括呈列為應收款項的任何款項。相反，倘於本集團將貨品或服務轉讓予客戶前客戶支付代價，或本集團擁有無條件收取代價的權利，本集團在付款或付款到期時(以較早者為準)，則合約呈列為合約負債。應收款項指本集團擁有無條件收取代價的權利，或代價到期付款前僅需時間推移。

就單一合約或多份相關合約而言，概不合約資產淨值或合約負債淨額呈列。不相關合約的合約資產與合約負債概不以淨額呈列。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Foreign currency translation

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currency) are recorded in the respective functional currency(ies) (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences arising on the settlement of monetary items, and on the re-translation of monetary items, are included in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

Exchange differences relating to the retranslation of the Group's net assets in RMB to the Group's presentation currency HK\$ are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are not reclassified to profit or loss subsequently.

2. 主要會計政策(續)

外幣兌換

在編製個別集團實體的財務報表時，以實體功能貨幣以外的貨幣(外幣)所進行交易乃按相關功能貨幣(即實體經營所在主要經濟環境的貨幣)於交易日期的通行匯率入賬。於各報告期末，以外幣為單位的貨幣項目均按該日通行的匯率重新換算。以外幣歷史成本計量的非貨幣項目則不會重新換算。

因結算及重新換算貨幣項目而產生的匯兌差額於其產生期間計入損益。

就呈列綜合財務報表而言，本集團業務的資產及負債均使用各報告期末的通行匯率換算為本集團的呈列貨幣(即港元)。收入及支出項目則按年內的平均匯率換算，惟若匯率於該期內大幅波動除外，在此情況下，則以交易日期的通行匯率換算。所產生的匯兌差額(如有)於其他全面收益確認並於匯兌儲備項下以權益累計(倘合適，歸屬於非控股權益)。

將本集團以人民幣計值的淨資產重新換算為本集團呈報貨幣(即港元)所產生的匯兌差額於其他全面收益直接確認，並於匯兌儲備累計。於匯兌儲備累計的匯兌差額其後不會重新分類至損益。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. 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 of 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.

Impairment of non-financial assets, other than goodwill

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, investment properties, intangible assets and right-of-use assets may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. CGU).

2. 主要會計政策(續)

存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本(包括所有採購成本及(如適用)將存貨送達現時位置及達至現時狀況所產生的其他成本)乃按加權平均成本法計算。可變現淨值指在日常業務過程中,估計售價減去完成所需之預期成本及使貨品達至可銷售狀況所必須之預期成本。

出售存貨時,該等存貨的賬面值於相關收入確認期間確認為開支。任何存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間確認為開支。任何存貨撇減撥回的金額,在作出撥回期間確認為減少已確認為開支的存貨金額。

非金融資產(商譽除外)之減值

於各報告期末,本集團會檢討內部及外部資料,以評定是否有任何跡象顯示其物業、廠房及設備、投資物業、無形資產及使用權資產可能出現減值虧損,或之前確認之減值虧損是否已不再存在或可能減少。若出現任何有關跡象,將會根據資產之公允價值減出售成本與使用價值(以較高者為準)估計資產之可收回金額。如未能估計個別資產之可收回金額,則本集團會估計能獨立產生現金流量之最小組別資產(即現金產生單位)之可收回金額。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Impairment of non-financial assets, other than goodwill (continued)

If the recoverable amount of an asset or a CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or CGU that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

The accounting policy for recognition of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are 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. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

2. 主要會計政策(續)

非金融資產(商譽除外)之減值(續)

倘估計資產或現金產生單位之可收回金額將低於其賬面值，則資產或現金產生單位之賬面值會下調至其可收回金額。減值虧損即時確認為開支。

所撥回之減值虧損以資產或現金產生單位在以往年度並無確認減值虧損而原應釐定之賬面值為限。減值虧損撥回即時於損益中確認為收入。

確認商譽減值虧損的會計政策載於本附註上文有關商譽的會計政策。

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達致其擬定用途或出售之資產)之直接應佔借貸成本，在扣除特定借貸之暫時性投資收益後，均作資本化並作為該等資產成本之一部分。當資產大體上可作其擬定用途或出售時，該等借貸成本將會停止資本化。所有其他借貸成本均列作為發生期間之費用。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group would purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

2. 主要會計政策(續)

撥備

撥備於本集團因過往事件而擁有當前的法定或推定義務，為履行該義務很可能將需要有經濟利益流出，且義務的金額能夠可靠計量時確認。已確認撥備的支出自支出產生年內的相關撥備中扣除。撥備於各報告期末檢討並作出調整，以反映當前最佳估計。倘貨幣的時間價值影響屬重大，則撥備金額為履行義務預期將需要的支出的現值。倘本集團預期一項撥備將獲補償，則僅在補償實際確定時，將補償確認為獨立資產。

政府補助

倘可合理保證將能收取補助且將符合所有附帶條件，則政府補助按其公允價值確認。

政府補助於本集團將擬用作補償的補助相關成本確認為開支的期間有系統地在損益確認。具體而言，以要求本集團購買、建造或另行獲得非流動資產為主要條件的政府補助於綜合財務狀況表確認為遞延收入，並按有系統及合理的基準於相關資產的可用年期內轉撥至損益。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Government grants (continued)

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Government grants relating to compensation of expenses are deducted from the related expenses, other government grants are presented under “other income” in the consolidated statement of comprehensive income.

Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. 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.

As lessee

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

The Group accounts for each lease component within a lease contract as a lease separately. The Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component.

2. 主要會計政策(續)

政府補助(續)

作為已產生開支或虧損的補償或為向本集團提供即時財務資助(並無日後相關成本)而可收取與收入有關的政府補助於成為可收取的期間內在損益確認。與開支補償有關的政府補助自相關開支扣除，其他政府補助於綜合全面收益表「其他收入」下呈列。

租賃

於合約開始時，本集團會評估合約是否屬於租賃或包含租賃。如果合約授予權利以代價為交換在某一時期內控制使用確認資產，則該合約屬於租賃或包含租賃。

作為承租人

本集團應用確認豁免於短期租賃及低價值資產租賃中。與該等租賃相關的租賃付款在租期內以直線法確認為開支。

本集團已選擇不將非租賃部分從租賃部分分開，而將各租賃部分及任何相關非租賃部分入賬為單一租賃部分。

本集團將租賃合約中各租賃部分分成一項租賃項目入賬。本集團將合約內的代價按相關租賃部分的單獨價格分配至各租賃部分。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Leases (continued)

As lessee (continued)

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees and included in the cost of right-of-use assets.

The Group recognises a right-of-use asset and a lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Group; and
- (d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

2. 主要會計政策 (續)

租賃 (續)

作為承租人 (續)

本集團不會產生一項單獨部分的應付金額確認為分配至單獨確認合約部分的總代價的一部分。

已付可退還租賃按金根據香港財務報告準則第9號入賬，初步按公允價值計量。於初步確認時對公允價值作出的調整被視為承租人的額外租賃付款，並計入使用權資產成本。

本集團於租賃開始日期確認使用權資產和租賃負債。

使用權資產按成本進行初始計量，包括

- (a) 租賃負債的初始計量金額；
- (b) 在開始日期或之前支付的任何租賃付款減去收到的任何租賃激勵；
- (c) 本集團產生的任何初始直接成本；及
- (d) 本集團在拆除和搬遷相關資產、恢復相關資產所在地或將相關資產恢復至租賃條款和條件所要求的成本的估計，除非產生此等成本是用於生產庫存。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Leases (continued)

As lessee (continued)

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset (unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option — in which case depreciation is provided over the estimated useful life of the underlying asset) as follows:

Leasehold lands	Over the term of lease
Leased properties	3 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date of the contract.

The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (b) variable lease payments that depend on an index or a rate;
- (c) amounts expected to be payable under residual value guarantees;

2. 主要會計政策(續)

租賃(續)

作為承租人(續)

其後，使用權資產按成本減去累計折舊和累計減值虧損後的金額進行計量，並根據租賃負債的重新計量進行調整。折舊是在租賃期和下列使用權資產的估計使用年期之較短者按直線法計提（除非租賃在租賃期末或之前將相關資產的所有權轉移予本集團或倘若使用權資產的成本反映本集團將行使購買選擇權 — 在此情況，將在相關資產的估計使用年期内計提折舊）：

租賃土地	租賃期內
租賃物業	3年

租賃負債初步按在合約開始日尚未支付的租賃付款的現值計量。

租賃負債的計量中包括的租賃付款包括以下在開始日期未支付的租賃期中相關資產使用權的付款：

- (a) 固定付款（包括實質固定付款）減去應收的任何租賃激勵；
- (b) 取決於指數或利率的可變租賃付款；
- (c) 預計在餘值擔保下應支付的金額；

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Leases (continued)

As lessee (continued)

- (d) exercise price of a purchase option if the Group is reasonably certain to exercise that option; and

- (e) payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

A lease modification is accounted for as a separate lease if:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2. 主要會計政策(續)

租賃(續)

作為承租人(續)

- (d) 倘本集團合理確定會行使購買選擇權，則行使該選擇權的價格；及

- (e) 終止租賃的罰款(倘若租賃期反映本集團行使終止租賃的選擇權)。

租賃付款使用租賃中隱含的利率貼現，或者在無法輕易確定的情況使用承租人的增量借貸利率進行貼現。

其後，通過增加賬面值以反映租賃負債的利息並通過減少賬面值以反映已支付的租賃費用以計量租賃負債。

當租賃期發生變化或重新評估本集團是否合理確定會行使購買選擇權而導致租賃付款發生變化時，將使用經修訂的貼現率重新計量租賃負債。

倘若發生以下情況，則租約修改作為單獨的租賃入賬：

- (a) 修改通過增加使用一項或以上的相關資產的權利以擴大租賃範圍；及

- (b) 租賃代價增加金額與增加幅度的獨立價格以及對該獨立價格作出合適調整以反映該合約之情況相稱。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Leases (continued)

As lessee (continued)

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

- (a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
- (b) the Group determines the lease term of the modified contract.
- (c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
- (d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
- (e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

2. 主要會計政策(續)

租賃(續)

作為承租人(續)

倘若租約修改並無作為單獨的租賃入賬，則在該租約修改生效之日，

- (a) 本集團按上述相對獨立價格在經修改的合約中分配代價。
- (b) 本集團釐定經修改合約的租賃期。
- (c) 本集團通過在經修訂的租賃期內使用經修訂的貼現率對經修訂的租賃付款進行貼現以重新計量租賃負債。
- (d) 對於減少租賃範圍的租賃修改，本集團通過減少使用權資產的賬面值以反映租賃的部分或全部終止以及於損益中確認與租賃的部分或全部終止有關的任何收益或虧損而將租賃負債重新計量。
- (e) 對於所有其他租賃修改，本集團通過對使用權資產進行相應調整而對租賃負債進行重新計量。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Leases (continued)

As lessor

The Group classifies each of its leases as either a finance lease or an operating lease at the inception date of the lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset. All other leases are classified as operating leases.

The Group accounts for each lease component within a lease contract as a lease separately from non-lease components of the contract. The Group allocates the consideration in the contract to each lease component on a relative stand-alone price basis.

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

As lessor – operating lease

The Group applies the derecognition and impairment requirements in HKFRS 9 to the operating lease receivables.

Employee benefits

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

2. 主要會計政策(續)

租賃(續)

作為出租人

本集團於租賃開始日期將其各項租賃分類為融資租賃或經營租賃。倘租賃為轉讓相關資產擁有權的絕大部分風險及回報，則分類為融資租賃。所有其他租賃分類為經營租賃。

本集團將租賃合約中的每個租賃部分作為租賃與合約的非租賃部分分開入賬。本集團以相對獨立價格為基礎將合約中的代價分配予每個租賃部分。

已付可退還租賃按金根據香港財務報告準則第9號入賬，初步按公允價值計量。於初步確認時對公允價值作出的調整被視為承租人的額外租賃付款

作為出租人 – 經營租賃

本集團對經營租賃應收款項應用香港財務報告準則第9號的終止確認及減值規定。

僱員福利

短期僱員福利

短期僱員福利乃按預期於僱員提供服務時支付的未折現福利金額確認。所有短期僱員福利確認為開支，惟香港財務報告準則要求或允許將該福利計入資產成本除外。

於扣除任何已付金額後，就僱員的累計福利(如工資及薪金、年假及病假)確認負債。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Employee benefits (continued)

Retirement benefit costs

Payments to state-managed retirement benefits schemes and the Mandatory Provident Fund are recognised as expenses when employees have rendered service entitling them to the contributions.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the Group entity can no longer withdraw the offer of the termination benefit and when it recognises any related restructuring costs.

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

2. 主要會計政策(續)

僱員福利(續)

退休福利成本

對國家所管理退休福利計劃及強制性公積金計劃的供款，在僱員提供服務從而享有供款時予以確認。

終止福利

離職福利負債乃於當本集團不能在提取離職福利之優惠及當本集團確認任何相關重組成本(以較早者為準)時確認。

稅項

即期所得稅支出乃根據本年度業績就免課稅或不可扣減項目作調整，並按於報告期結束時已實施或大致實施之稅率計算。

遞延稅項乃採用負債法，就資產與負債之稅基與其於綜合財務報表賬面值兩者於報告期結束時之所有暫時性差異作出撥備。然而，倘在交易中首次確認商譽；或其他資產或負債所產生之任何遞延稅項(業務合併者除外)，於交易時並無影響會計溢利或應課稅溢利或虧損，則不會確認遞延稅項。

遞延稅項負債及資產根據於報告期結束時已實施或大致實施之稅率及稅務法例，按預計適用於收回資產或負債償還期間之稅率計量。

遞延稅項資產乃根據有可能獲得之未來應課稅溢利可與可扣除臨時差異、稅務虧損及信貸抵免互相抵銷時予以確認。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Taxation (continued)

Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and a joint venture, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) the entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) both entities are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

2. 主要會計政策(續)

稅項(續)

遞延稅項乃就於附屬公司、聯營公司及合營企業之投資所產生之暫時性差異而計提撥備，惟本集團所控制暫時性差異之撥回時間及暫時性差異可能於可預見將來不會撥回則除外。

關連方

關連方為與本集團有關連之個人或實體。

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團之主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各控股公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體之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)。
 - (iii) 兩間實體均為同一第三方之合營企業。
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

Related parties (continued)

(b) (continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) the entity is controlled or jointly controlled by a person identified in (a).
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group.

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 and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

2. 主要會計政策(續)

關連方(續)

(b) (續)

- (v) 實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。倘本集團本身便是該計劃，提供資助的僱主亦與本集團有關連。
- (vi) 實體受(a)所識別人士控制或受共同控制。
- (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體之控股公司)主要管理層成員。
- (viii) 該實體或該實體所屬集團之任何成員公司向本集團提供主要管理人員服務。

任何人士的近親是指與該實體交易時預期可影響該名人士或受該人士影響的家庭成員，並包括：

- (a) 該人士的子女及配偶或家庭夥伴；
- (b) 該名人士的配偶或家庭夥伴的子女；及
- (c) 該名人士或該名人士的配偶或家庭夥伴的家屬。

定義關連方時，聯營公司包括聯營公司的附屬公司及合營企業包括合營企業的附屬公司。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

2. PRINCIPAL ACCOUNTING POLICIES

(continued)

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 chief operating decision maker ("CODM") for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individual material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 主要會計政策(續)

分部報告

綜合財務報表內所呈報經營分部及各分部項目之金額，與定期就本集團各業務線及地域之資源分配及表現評估而向本集團主要運營決策者（「主要運營決策者」）提供之財務資料一致。

就財務報告而言，個別重大經營分部不會匯集計算，惟擁有類似經濟特徵及在產品及服務性質、生產過程性質、客戶類別或種類、分銷產品或提供服務之方法以及監管環境性質方面類似之分部除外。個別不重大之經營分部倘具備大部分該等特質，亦可以彙集計算。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

3. FUTURE CHANGES IN HKFRSS

At the date of authorisation of the consolidated financial statements, the HKICPA has issued the following new/revised HKFRSSs that are relevant to the Group and are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 16	Proceeds before Intended Use ¹
Amendments to HKAS 37	Cost of Fulfilling a Contract ¹
Amendments to HKFRS 3	Reference to the Conceptual Framework ¹
Annual Improvements to HKFRSs	2018–2020 Cycle ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ²
Amendments to HKAS 1	Disclosure of Accounting Policies ²
Amendments to HKAS 8	Definition of Accounting Estimates ²
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2022

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

³ The effective date to be determined

The directors do not anticipate that the adoption of the new/revised HKFRSSs in future periods will have any material impact on the results of the Group.

3. 香港財務報告準則的未來變動

於授權刊發綜合財務報表日期，香港會計師公會已頒佈下列與本集團相關且於本年度尚未生效之新訂／經修訂香港財務報告準則，本集團並無提早採納該等準則。

香港會計準則第16號之修訂本	擬定用途前的所得款項 ¹
香港會計準則第37號之修訂本	履行合約的成本 ¹
香港財務報告準則第3號之修訂本	概念框架引用 ¹
香港財務報告準則之年度改進	二零一八年至二零二零年週期 ¹
香港會計準則第1號之修訂本	負債分類為流動或非流動 ²
香港會計準則第1號之修訂本	會計政策披露 ²
香港會計準則第8號之修訂本	會計估計的定義 ²
香港會計準則第12號之修訂本	從單一項交易產生的資產及負債之相關遞延稅項 ²
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者與其聯營公司或合營企業之間的資產出售或注資 ³

¹ 於二零二二年一月一日或之後開始的年度期間生效

² 於二零二三年一月一日或之後開始的年度期間生效

³ 生效日期待定

董事預料，於未來期間採納新訂／經修訂香港財務報告準則不會對本集團的業績造成任何重大影響。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATION AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Critical judgements in applying accounting policies

Revenue recognition from sales of products with no alternative use over time

Under HKFRS 15, control is transferred over time when the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Significant judgement is required in determining whether the terms of the Group's contracts with customers in relation to printing of cigarette packages and manufacturing of laminated papers with no alternative use create an enforceable right to payment for the Group. The Group has considered the relevant local laws that apply to those relevant contracts and opinion from external legal counsel. Based on the assessment of the Group's management, the relevant sales contracts create an enforceable right to payment after taking into consideration the legal opinion, contract laws and the legal and regulatory environment in the PRC. Accordingly, contracts relating to printing of cigarette packages and manufacturing of laminated papers with no alternative use is considered to be performance obligation satisfied over time.

4. 重大會計估計及判斷

管理層於編製綜合財務報表時作出有關未來之估計與假設及判斷。該等估計、假設及判斷影響本集團對會計政策之應用、資產、負債、收入及開支之呈報金額，以及所披露之內容。該等估計、假設及判斷乃持續評估，並基於經驗及相關因素（包括在有關情況下對未來事件之合理預期）作出。如適合，會計估計的修訂於修訂期間及未來期間確認，於此情況下，修訂亦影響未來期間。

應用會計政策的關鍵判斷

隨時間確認銷售並無替代用途的貨物的收益

根據香港財務報告準則第15號，倘本集團的履約並未產生對本集團有替代用途的資產，且本集團有強制執行權以收取迄今已履約部分的款項，則控制權隨時間轉移。釐定本集團有關印刷香煙包裝及製造複合紙的客戶合約條款是否並無創造強制付款權的其他用途時須作出重大判斷。本集團已考慮適用於相關合約的相關當地法律及外部法律顧問的意見。根據本集團管理層的評估，考慮到法律意見、合約法以及中國法律及監管環境等指標後，相關銷售合約為本集團創造強制付款權。因此，與並無替代用途的印刷香煙包裝及製造複合紙有關的合約被視為隨時間達成的履約責任。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATION AND JUDGEMENTS (continued)

Key sources of estimation uncertainty

Impairment assessment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the recoverable amounts of the CGUs to which goodwill and intangible assets have been allocated, which is the higher of its value in use and fair value less costs of disposal. The value in use calculation requires the Group to estimate certain assumptions, including the discount rate, terminal growth rate, gross margin and sales growth rate in order to derive the net present value of the discounted future cash flow model. Where the actual future cash flows are less than expected, or changes in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss or further impairment loss may arise. Furthermore, the estimated cash flows and discount rate are subject to higher degree of estimation uncertainties in the current year due to uncertainty on how the Covid-19 pandemic may progress and evolve. The fair value less costs of disposal requires the Group to estimate certain assumptions and adoption of appropriate valuation methodology. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs of disposal, the estimated recoverable amount of the CGUs may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

As at 31 December 2021, the carrying amount of goodwill and intangible assets were HK\$797,504,000 (2020: HK\$885,408,000) and HK\$32,279,000 (2020: HK\$72,351,000) respectively. During the year ended 31 December 2021, impairment loss on goodwill of HK\$96,531,000 (2020: HK\$176,000,000) was provided. Details of the recoverable amount calculation are set out in notes 19 and 20 to the consolidated financial statements.

4. 重大會計估計及判斷(續)

估計不明朗因素的主要來源 商譽及無形資產減值評估

釐定商譽及無形資產是否減值須估計獲分配商譽及無形資產的現金產生單位的可收回金額，即使用價值與公允價值減出售成本兩者中的較高者。計算使用價值要求本集團估計若干假設，包括折現率、最終增長率、毛利率及銷售增長率，以得出折現未來現金流量模式的淨現值。倘實際未來現金流量低於預期或事實及情況變化導致未來現金流量下調或折現率上調，則可能出現重大減值虧損或進一步減值虧損。此外，由於Covid-19疫情的發展及演變存在不明朗因素，本年度估計的現金流量及折現率存在較大不確定性。公允價值減出售成本要求本集團估計若干假設及採用適當估值方法。由於未來現金流量及公允價值減出售成本中涉及估計時間及幅度相關風險，現金產生單位預計可收回金額可能與實際可收回金額不同並影響計算損益的準確性。

於二零二一年十二月三十一日，商譽及無形資產的賬面值分別為797,504,000港元(二零二零年：885,408,000港元)及32,279,000港元(二零二零年：72,351,000港元)。截至二零二一年十二月三十一日止年度，就商譽減值虧損96,531,000港元(二零二零年：176,000,000港元)計提撥備。可收回金額的計算詳情載於綜合財務報表附註19及20。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATION AND JUDGEMENTS (continued)

Key sources of estimation uncertainty (continued)

Loss allowance for ECL

The measurement of loss allowance for trade and other receivables and contract assets under HKFRS 9 requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, such as risks of default, losses given default, changes in which can result in different levels of allowances.

The Group's ECL calculation on trade and other receivables and contract assets are based on assumptions about risk of default and losses given default. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on credit risks of the debtors or comparable companies in the market, existing market conditions as well as forward looking estimates at the end of each reporting period. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

As at 31 December 2021, the carrying amount of the Group's trade receivables amounted to HK\$364,539,000 (2020: HK\$512,533,000). Impairment losses of HK\$6,944,000 (2020: HK\$9,243,000) has been recognised for the Group's trade receivables as at 31 December 2021. Further details, including the key assumptions and inputs used for impairment calculation of the Group's trade receivables are set out in notes 24 and 39 to the consolidated financial statements.

4. 重大會計估計及判斷(續)

估計不明朗因素的主要來源(續)

預期信貸虧損的虧損撥備

香港財務報告準則第9號項下的貿易及其他應收款項及合約資產虧損撥備計量須作出判斷，尤其是釐定減值虧損時估計未來現金流量的金額及時間及抵押品價值以及評估大幅增加的信貸風險。該等估計由多項因素(例如違約風險、違約損失)所帶動，其變動可能會導致不同水平的撥備。

本集團貿易及其他應收款項及合約資產之預期信貸虧損計算乃基於有關違約風險及違約損失的假設作出。本集團於作出該等假設及選擇減值計算的輸入數據時，根據各報告期末債務人或可資比較公司之市場信貸風險、現有市場狀況以及前瞻性評估使用判斷。本集團的政策為在實際損失經驗的情況下定期檢討其模式，並於有需要時作出調整。

於二零二一年十二月三十一日，本集團貿易應收款項的賬面值為364,539,000港元(二零二零年：512,533,000港元)。於二零二一年十二月三十一日，已就本集團的貿易應收款項確認減值虧損額6,944,000港元(二零二零年：9,243,000港元)。更多詳情(包括本集團的貿易應收款項減值計算的主要假設及所用輸入數據)載於綜合財務報表附註24及39。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATION AND JUDGEMENTS (continued)

Key sources of estimation uncertainty (continued)

Allowance for inventories

The Group's management reviews the condition of inventories, as stated in note 23 to the consolidated financial statements, at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

5. REVENUE

(i) Disaggregation of revenue from contracts with customers

4. 重大會計估計及判斷(續)

估計不明朗因素的主要來源(續)

存貨撥備

於各報告期末，本集團管理檢討存貨狀況(見綜合財務報表附註23所載)及為識別為陳舊、滯銷或不再可收回的存貨計提撥備。本集團按每項產品進行存貨檢討，並參照最新市價及現行市場狀況計提撥備。

5. 收益

(i) 客戶合約收益分類

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Printing and manufacturing of cigarette packages and related materials	印刷及製造香煙包裝及相關材料		
— Printing of cigarette packages	— 印刷香煙包裝	871,855	1,133,380
— Manufacturing of paper packaging materials	— 製造紙包裝材料	168,076	94,366
Manufacturing of laminated papers	製造複合紙	13,523	35,537
Sales of RFID products	銷售射頻識別產品	105,398	76,156
Total revenue	總收益	1,158,852	1,339,439

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

Timing of revenue recognition

		Printing and manufacturing of cigarette packages 印刷及製造 香煙包裝 HK\$'000 千港元	Manufacturing of paper packaging materials 製造 紙包裝材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2021	截至二零二一年 十二月三十一日 止年度					
At a point in time	於時間點	-	168,076	-	105,398	273,474
Over time	隨時間	871,855	-	13,523	-	885,378
		871,855	168,076	13,523	105,398	1,158,852
Year ended 31 December 2020	截至二零二零年 十二月三十一日 止年度					
At a point in time	於時間點	-	94,366	-	76,156	170,522
Over time	隨時間	1,133,380	-	35,537	-	1,168,917
		1,133,380	94,366	35,537	76,156	1,339,439

5. 收益(續)

(i) 客戶合約收益分類(續)

收益確認時間

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (continued)

(i) Disaggregation of revenue from contracts with customers (continued)

Geographical market

Year ended		Printing and	Manufacturing	Manufacturing	Sales of	Total
		manufacturing	of paper	Manufacturing	RFID	
		of cigarette	packaging	of laminated	products	
		packages	materials	papers		
		印刷及製造	製造		銷售射頻	
		香煙包裝	紙包裝材料	製造複合紙	識別產品	總計
		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
Year ended	截至二零二一年					
31 December 2021	十二月三十一日					
	止年度					
The PRC	中國	871,855	168,076	13,523	79,555	1,133,009
Others (Note)	其他(附註)	-	-	-	25,843	25,843
		871,855	168,076	13,523	105,398	1,158,852
Year ended	截至二零二零年					
31 December 2020	十二月三十一日					
	止年度					
The PRC	中國	1,133,380	94,366	35,537	68,421	1,331,704
Others (Note)	其他(附註)	-	-	-	7,735	7,735
		1,133,380	94,366	35,537	76,156	1,339,439

Note: Others included the Republic of Indonesia, the United States of America and the Republic of Korea.

附註：其他包括印度尼西亞共和國、美利堅合眾國及大韓民國。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (continued)

(ii) Performance obligations for contracts with customers

Printing of cigarette packages and manufacturing of laminated papers

The Group's contracts with customers for printing of cigarette packages and manufacturing of laminated papers are tailor-made based on customers' specification with no alternative use to the Group. Taking into account the contract terms, the legal and regulatory environment in the PRC, all contracts provide the Group's enforceable right to payment for performance completed to date and hence the revenue is recognised over time.

Under the Group's standard contract terms, the customers have no right to return products except those with quality flaw. The Group generally does not require the customers to pay in advance. The customers should settle the trade receivable within 60 to 90 days upon the issue of value added tax invoice.

A contract asset is recognised over the period based on the progress towards complete satisfaction of a performance obligation representing the Group's right to consideration because the rights are conditioned on the Group's future performance in delivery of goods. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables when the goods are delivered to the customers.

5. 收益(續)

(ii) 客戶合約履約責任

印刷香煙包裝及製造複合紙

本集團與客戶訂立的香煙包裝印刷及複合紙製造合約乃根據客戶規格定制，對本集團並無替代用途。經計及合約條款、中國的法律及監管環境，所有合約均賦予本集團強制執行權可收取迄今已履約部分的款項，故收益隨時間確認。

根據本集團的標準合約條款，除質量方面的瑕疵外，客戶無權退回產品。本集團一般不要求客戶提前付款。客戶應在發出增值稅發票後60至90日內結清貿易應收款項。

合約資產在此期間按完全履行履約責任的進度(代表本集團收取代價的權利)確認，原因為有關權利取決於本集團未來交付貨物的表現。合約資產於權利成為無條件時轉撥至貿易應收款項。本集團一般於貨品交付予客戶時將合約資產轉撥至貿易應收款項。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

5. REVENUE (continued)

(ii) Performance obligations for contracts with customers (continued)

Manufacturing of paper packaging materials and sales of RFID products

Revenue from the manufacturing of paper packaging materials and sales of RFID products is recognised when control of the goods has transferred, being at the point the goods are delivered to the customers. Delivery occurs when the goods have been shipped to the customer's specific locations.

Under the Group's standard contract terms, the customers have no right to return products except those with quality flaw. The Group generally does not require the customers to pay in advance. The customers should settle the trade receivables within 60 to 90 days upon the issue of value added tax invoice.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All the Group's contracts with customers are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2021 and 2020 is not disclosed.

5. 收益(續)

(ii) 客戶合約履約責任(續)

製造紙包裝材料及銷售射頻識別產品

製造紙包裝材料及銷售射頻識別產品的收益於貨品控制權轉移(即將貨品交付客戶)時確認。貨品運送至客戶特定的地點即屬交付。

根據本集團的標準合約條款，除質量方面的瑕疵外，客戶無權退回產品。本集團一般不要求客戶提前付款。客戶應在發出增值稅發票後60至90日內結清貿易應收款項。

(iii) 分配至客戶合約餘下履約責任的交易價

本集團所有客戶合約均為期一年或以下。根據香港財務報告準則第15號批准，於二零二一年及二零二零年十二月三十一日分配至餘下履約責任的交易價(未達成或部分未達成)不予披露。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION

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

The Group's operating and reportable segments currently are (i) printing and manufacturing of cigarette packages and related materials, (ii) manufacturing of laminated papers and (iii) sales of RFID products. The CODM considered the Group has three (2020: three) operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

6. 分部資料

為分配資源及評估分部表現而向本公司執行董事(即主要營運決策者)呈報資料，集中於所交付貨物類別。本集團並無任何經主要營運決策者識別的經營分部整合而成的可報告分部。

本集團的經營及可報告分部目前為(i)印刷及製造香煙包裝及相關材料；(ii)製造複合紙；及(iii)銷售射頻識別產品。主要營運決策者認為本集團有三個(二零二零年：三個)經營及可報告分部，乃根據內部組織及申報架構劃分。此乃本集團組織的基準。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segment.

For the year ended 31 December 2021

6. 分部資料(續)

分部收益及業績

以下為本集團按可報告分部劃分的收益及業績分析。

截至二零二一年十二月三十一日止年度

		Printing and manufacturing of cigarette packages and related materials 印刷及製造 香煙包裝及 相關材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	1,039,931	13,523	105,398	1,158,852
Segment result	分部業績	163,640	(567)	12,408	175,481
Unallocated other income	未分配其他收入				41,575
Unallocated other net gains and losses	未分配其他收益及 虧損淨額				(104,983)
Unallocated expenses	未分配開支				(153,899)
Finance costs	融資成本				(14,416)
Reversal of loss allowance on trade and other receivables and contract assets, net	貿易及其他應收款項及 合約資產減值虧損 撥回淨額				2,486
Share of result of associates	分佔聯營公司業績				70,126
Share of result of a joint venture	分佔一間合營企業業績				(83)
Profit before taxation	除稅前溢利				16,287

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

For the year ended 31 December 2020

6. 分部資料(續)

分部收益及業績(續)

截至二零二零年十二月三十一日止年度

		Printing and manufacturing of cigarette packages and related materials 印刷及製造 香煙包裝及 相關材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	1,227,746	35,537	76,156	1,339,439
Segment result	分部業績	257,347	4,929	3,618	265,894
Unallocated other income	未分配其他收入				46,939
Unallocated other net gains and losses	未分配其他收益及 虧損淨額				(173,846)
Unallocated expenses	未分配開支				(129,464)
Loss allowance on trade and other receivables and contract assets, net	貿易及其他應收款項及 合約資產減值虧損 撥備淨額				(2,267)
Finance costs	融資成本				(20,688)
Share of result of associates	分佔聯營公司業績				59,304
Share of result of a joint venture	分佔一間合營企業業績				214
Profit before taxation	除稅前溢利				46,086

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment revenues and results (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2 to the consolidated financial statements.

Segment result represents the profit (loss) generated by each segment without allocation of corporate management expenses, directors' emoluments, share of result of associates and a joint venture, finance costs, unallocated other income, unallocated other net gains and losses, loss allowance trade and other receivables and contract assets, net, amortisation of intangible assets relating to customer relationship and other unallocated expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

All of the segment revenue reported above is from external customers.

6. 分部資料(續)

分部收益及業績(續)

經營分部的會計政策與綜合財務報表附註2所述本集團的會計政策相同。

分部業績指各分部所產生溢利(虧損)，而並無分配公司管理開支、董事酬金、分佔聯營公司及合營公司業績、融資成本、未分配其他收入、未分配其他收益及虧損淨額、貿易及其他應收款項及合約資產虧損撥備淨額、與客戶關係有關的無形資產攤銷以及其他未分配開支。此乃就資源分配及表現評估向主要營運決策者呈報的計量方式。

上文呈報的所有分部收益均來自外部客戶。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

Segment assets

6. 分部資料(續)

分部資產及負債

以下為本集團按經營及可報告分部劃分的資產及負債分析：

分部資產

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Printing and manufacturing of cigarette packages and related materials	印刷及製造香煙包裝及相關材料	1,305,948	1,402,966
Manufacturing of laminated papers	製造複合紙	6,799	28,415
Sales of RFID products	銷售射頻識別產品	200,157	206,709
Total segment assets	分部資產總值	1,512,904	1,638,090
Unallocated property, plant and equipment	未分配物業、廠房及設備	5,093	2,513
Right-of-use assets	使用權資產	103,347	104,176
Investment properties	投資物業	55,780	22,305
Goodwill	商譽	797,504	885,408
Intangible assets	無形資產	32,279	72,351
Interests in associates	於聯營公司的權益	455,869	450,364
Interests in a joint venture	於一間合營企業的權益	8,559	8,414
Deferred tax assets	遞延稅項資產	5,895	1,333
Rental and other deposits paid	已付租賃按金及其他按金	3,889	2,402
Other receivables, prepayments and refundable deposits	其他應收款項、預付款項及可退還訂金	57,013	68,899
Tax recoverable	可收回稅項	4,271	2,709
Pledged bank deposits	已抵押銀行存款	11,488	14,523
Bank balances and cash	銀行結餘及現金	440,350	315,391
Consolidated assets	綜合資產	3,494,241	3,588,878

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

Segment liabilities

6. 分部資料(續)

分部資產及負債(續)

分部負債

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Printing and manufacturing of cigarette packages and related materials	印刷及製造香煙包裝及相關材料	245,610	202,894
Manufacturing of laminated papers	製造複合紙	2,616	1,457
Sales of RFID products	銷售射頻識別產品	7,985	9,686
Total segment liabilities	分部負債總額	256,211	214,037
Other payables and accruals	其他應付款項及應計費用	133,458	102,269
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股權益款項	2,552	2,484
Bank borrowings	銀行借貸	342,428	411,206
Government grants	政府補助金	25,931	28,383
Lease liabilities	租賃負債	333	1,293
Income tax payable	應付所得稅	10,748	16,503
Deferred tax liabilities	遞延稅項負債	49,000	42,876
Consolidated liabilities	綜合負債	820,661	819,051

Segment assets represent certain property, plant and equipment, trade receivables, contract assets and inventories which are directly attributable to the relevant operating and reportable segment. Segment liabilities represent trade payables which are directly attributable to the relevant operating and reportable segment. These are the measures reported to the CODM for the purpose of resource allocation and assessment of segment performance.

分部資產代表直接歸屬於相關經營及可報告分部的若干物業、廠房及設備、貿易應收款項、合約資產以及存貨。分部負債代表直接歸屬於相關經營及可報告分部的貿易應付款項。此乃就分配資源及評估分部表現向主要營運決策者匯報的計量方式。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Other segment information

For the year ended 31 December 2021

6. 分部資料(續)

其他分部資料

截至二零二一年十二月三十一日止年度

	Printing and manufacturing of cigarette packages and related materials 印刷及製造香煙包裝及相關材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻識別產品 HK\$'000 千港元	Segment total 分部總值 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Amounts included in the measurement of segment result or segment assets: 計量分部業績或分部資產時計入的金額：						
Additions to non-current assets (Note) 添置非流動資產(附註)	104,499	-	34,117	138,616	4,131	142,747
Depreciation and amortisation 折舊及攤銷	84,412	989	17,791	103,192	41,874	145,066
Impairment losses on goodwill 商譽減值虧損	-	-	-	-	96,531	96,531
Reversal of impairment losses on property, plant and equipment 物業、廠房及設備減值虧損撥回	-	-	-	-	(27)	(27)
Reversal of loss allowance on trade and other receivables, net 貿易及其他應收款項減值虧損撥回淨額	-	-	-	-	(2,522)	(2,522)
Loss allowance on contract assets, net 合約資產虧損撥備淨額	-	-	-	-	36	36
Gain on disposal of property, plant and equipment 出售物業、廠房及設備的收益	-	-	-	-	(1,760)	(1,760)
Reversal of recognition of write-down on obsolete inventories 確認陳舊存貨撇減撥回	(1,678)	(900)	(831)	(3,409)	-	(3,409)
Provision for litigation (note 43) 訴訟撥備(附註43)	-	-	-	-	21,200	21,200
Amounts regularly provided to the CODM but not included in the measure of segment result: 定期向主要營運決策者提供但並無於計量分部業績時計入的金額：						
Interest income 利息收入	(2,135)	(451)	(180)	(2,766)	(2,464)	(5,230)
Interest expenses 利息開支	13,423	35	937	14,395	21	14,416

Note: Non-current assets excluded goodwill.

附註：非流動資產不包括商譽。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Other segment information (continued)

For the year ended 31 December 2020

6. 分部資料(續)

其他分部資料(續)

截至二零二零年十二月三十一日止年度

	Printing and manufacturing of cigarette packages and related materials 印刷及製造 香煙包裝及 相關材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Segment total 分部總值 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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Amounts included in the measurement of segment result or segment assets: 計量分部業績或分部資產時計入的金額:

Additions to non-current assets (Note)	添置非流動資產(附註)	135,150	4,514	60,814	200,478	3,684	204,162
Depreciation and amortisation	折舊及攤銷	94,253	1,323	15,120	110,696	47,693	158,389
Impairment losses on goodwill	商譽減值虧損	-	-	-	-	176,000	176,000
Impairment losses on property, plant and equipment	物業、廠房及設備減值虧損	-	-	-	-	27	27
Loss allowance on trade and other receivables, net	貿易及其他應收款項減值虧損撥備淨額	-	-	-	-	2,224	2,224
Loss allowance on contract assets, net	合約資產減值虧損撥備淨額	-	-	-	-	43	43
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	-	-	-	-	(1,024)	(1,024)
Gain arising from early termination of lease contracts	提前終止租賃合約產生的收益	-	-	-	-	(8)	(8)
Recognition of write-down on obsolete inventories	確認陳舊存貨撇減	4,057	-	621	4,678	-	4,678

Amounts regularly provided to the CODM but not included in the measure of segment result: 定期向主要營運決策者提供但並無於計量分部業績時計入的金額:

Interest income	利息收入	(2,394)	(246)	(684)	(3,324)	(1,164)	(4,488)
Interest expenses	利息開支	15,305	33	1,293	16,631	4,057	20,688

Note: Non-current assets excluded goodwill.

附註：非流動資產不包括商譽。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Revenue from major products and services

An analysis of the Group's revenue from its major products and services is set out in note 5 to the consolidated financial statements.

Geographical information

The Group's operations are located in Hong Kong and the PRC (country of domicile).

Information about the Group's revenue from external customers is presented based on the geographical market irrespective of the origin of goods. Information about the Group's non-current assets is presented based on the geographical location of the assets.

6. 分部資料(續)

主要產品及服務收益

有關本集團主要產品及服務收益的分析載於綜合財務報表附註5。

地區資料

本集團於香港及中國(註冊國)經營業務。

有關本集團來自外部客戶收益的資料，乃根據地理市場呈列，而不論貨物的來源地。有關本集團非流動資產的資料，乃按資產的地理位置呈列。

		Revenue from external customers		Non-current assets (Note a)	
		來自外部客戶收益		非流動資產(附註a)	
		2021	2020	2021	2020
		二零二一年	二零二零年	二零二一年	二零二零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
The PRC	中國	1,133,009	1,331,704	1,875,576	1,988,958
Hong Kong	香港	-	-	4,464	2,471
Others (Note b)	其他(附註b)	25,843	7,735	-	-
		1,158,852	1,339,439	1,880,040	1,991,429

Notes:

- (a) Non-current assets excluded those relating to deferred tax assets and interests in associates and a joint venture, in which the operations of these associates and joint venture are mainly carried out in the PRC.
- (b) Others included the Republic of Indonesia, the United States of America and the Republic of Korea.

附註：

- (a) 非流動資產不包括與遞延稅項資產及於聯營公司及一間合營企業的權益有關的資產，該等聯營公司及合營企業主要於中國營運。
- (b) 其他包括印度尼西亞共和國、美利堅合眾國及大韓民國。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

6. SEGMENT INFORMATION (continued)

Information about major customers

Details of the customers contributing 10% or more of total revenue of the Group are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue from printing of cigarette packages	來自印刷香煙包裝的收益		
Customer A	客戶A	364,688	327,566
Customer B	客戶B	171,301	152,732

6. 分部資料(續)

有關主要客戶的資料

佔本集團總銷售10%或以上的客戶詳情如下：

7. OTHER INCOME

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interest income on bank deposits	銀行存款利息收入	5,230	4,464
Interest income on rental deposits	租賃按金利息收入	-	24
		5,230	4,488
Sales of scrap materials	銷售廢料	7,556	10,916
Processing fee income	加工費收入	6,778	910
Rental income, net of direct expenses	租金收入，扣除直接開支	6,275	2,622
Government grants (Note)	政府補助金(附註)	11,559	24,789
Sundry income	雜項收入	4,177	3,214
		41,575	46,939

7. 其他收入

Note: Government grants were received from the government of the PRC mainly as incentives granted by local authority for encouragement of its business development and innovation except for an amount of approximately HK\$3,325,000 (2020: HK\$2,079,000) which was granted for the acquisition of property, plant and equipment (as detailed in note 33 to the consolidated financial statements). These grants are accounted for as financial support with no future related costs expected to be incurred nor related to any assets.

During the current year, the Group recognised government grants of approximately HK\$nil (2020: HK\$1,505,000) in respect of Covid-19-related subsidies.

附註：政府補助金乃取自中國政府，主要為地方當局為鼓勵業務發展及創新而授出的獎勵金，惟用於收購物業、廠房及設備而獲授的約3,325,000港元(二零二零年：2,079,000港元)除外(詳情見綜合財務報表附註33)。該等補助金乃入賬列作財務資助，預期不會產生任何未來相關成本，且與任何資產均無關連。

於本年度，本集團就Covid-19相關津貼確認政府補助金約零港元(二零二零年：1,505,000港元)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

8. OTHER NET GAINS AND LOSSES

8. 其他收益及虧損淨額

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
	Note 附註			
Net foreign exchange gains		外匯收益淨額	6,200	1,095
Gain from changes in fair value of financial assets at FVPL		按公允價值計入損益的金融資產公允價值變動收益	285	132
Gain on disposal of an associate	21	出售一間聯營公司的收益	4,116	-
Gain on disposal of property, plant and equipment		出售物業、廠房及設備的收益	1,760	1,024
Impairment loss on goodwill	19	商譽減值虧損	(96,531)	(176,000)
Reversal of (Provision for) impairment loss on property, plant and equipment		撥回物業、廠房及設備減值虧損撥回(撥備)	27	(27)
Gain arising from early termination of lease contracts		提前終止租賃合約產生的收益	-	8
Provision for litigation	43	訴訟撥備	(21,200)	-
Others		其他	360	(78)
			(104,983)	(173,846)

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

9. REVERSAL OF (LOSS ALLOWANCE) ON TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS, NET

9. 貿易及其他應收款項及合約資產減值虧損撥回(撥備)淨額

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net loss allowance reversed (recognised) on:	就以下各項減值虧損撥回(確認)淨額：		
— Trade receivables	— 貿易應收款項	2,515	(2,127)
— Contract assets	— 合約資產	(36)	(43)
— Other receivables	— 其他應收款項	7	(97)
		2,486	(2,267)

Details of loss allowance assessment for the year ended 31 December 2021 are set out in note 39 to the consolidated financial statements.

有關載至二零二一年十二月三十一日止年度的虧損撥備評估詳情載於綜合財務報表附註39。

10. FINANCE COSTS

10. 融資成本

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interest expenses on bank borrowings and overdrafts	銀行借款及透支的利息開支	14,378	20,570
Imputed interest expenses on lease liabilities	租賃負債的推算利息開支	38	118
		14,416	20,688

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

11. PROFIT BEFORE TAXATION

This is stated after charging:

11. 除稅前溢利

此乃在扣除以下各項後達致：

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Staff costs, including directors' remuneration	員工成本，包括董事薪酬			
Salaries and other benefits	薪金及其他福利		128,672	170,872
Contributions to retirement benefits schemes	退休福利計劃供款	(a)	11,106	1,448
Contractual termination benefit	合約終止福利		15,678	-
Total staff costs	總員工成本		155,456	172,320
Auditor's remuneration	核數師薪酬		2,100	3,423
Cost of inventories	存貨成本	(b)	779,255	808,612
Amortisation of intangible assets (included in cost of sales and administrative expenses)	無形資產攤銷(計入銷售成本及行政開支)	20	40,254	41,769
Depreciation	折舊			
— property, plant and equipment	— 物業、廠房及設備	16	97,148	108,427
— right-of-use assets	— 使用權資產	17	3,616	6,017
— investment properties	— 投資物業	18	4,048	2,176
Total depreciation and amortisation	折舊及攤銷總額		145,066	158,389
Research expenses	研究開支		58,740	75,216
Less: included in cost of sales	減：計入銷售成本		(58,740)	(74,073)
Included in other expenses	計入其他開支		-	1,143
Direct operating expenses arising from investment properties that generated rental income (included in other income)	來自產生租金收入的投資物業的直接營運開支(計入其他收入)		13,906	1,183

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

11. PROFIT BEFORE TAXATION (continued)

Notes:

- (a) The increment of contributions to defined contribution retirement schemes was mainly attributable to no exemption of social security insurances contributions in the PRC during the year (2020: an exemption of social security insurances contribution in the PRC from February 2020 to December 2020).
- (b) Included in cost of inventories were staff costs, depreciation and amortisation and reversal of write-down on obsolete inventories of approximately HK\$102,424,000, HK\$95,432,000 and HK\$3,409,000 (2020: HK\$118,071,000, HK\$109,195,000 and recognition of write-down of HK\$4,678,000) respectively which are recognised during the year.

11. 除稅前溢利(續)

附註：

- (a) 定額供款退休計劃增量乃主要源於年內中國概無豁免社會保險供款(二零二零年：二零二零年二月至二零二零年十二月中國豁免社會保險供款)。
- (b) 存貨成本包括員工成本、折舊及攤銷及陳舊存貨撇減撥回分別約102,424,000港元、95,432,000港元及3,409,000港元(二零二零年：118,071,000港元、109,195,000港元及確認撇減4,678,000港元)，已於本年度確認。

12. TAXATION

12. 稅項

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Current tax	本期稅項			
The PRC	中國			
Enterprise Income Tax ("EIT")	企業所得稅 (「企業所得稅」)		3,300	29,575
Overprovision of EIT in prior years	過往年度企業所得稅 超額撥備		(6,960)	(1,209)
			(3,660)	28,366
Deferred tax	遞延稅項	34		
Origination and reversal of temporary differences	產生及撥回暫時差額		9,325	8,080
Benefit of tax loss recognised	已確認稅項虧損利益		-	668
			9,325	8,748
Income tax expenses	所得稅開支		5,665	37,114

Hong Kong Profits Tax has not been provided as the Group's profits neither arose in, nor derived from, Hong Kong.

由於本集團的利潤並非於香港產生或取得，故並無計提香港利得稅撥備。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

12. TAXATION (continued)

The PRC EIT is calculated at the applicable prevailing tax rates from 15% to 25% (2020: 15% to 25%) in the PRC. Pursuant to the “Enterprise Income Tax Law for Foreign Investment Enterprises and Foreign Enterprises”, some PRC subsidiaries, being a High-Tech Enterprise, were entitled to a reduced EIT rate of 15% for three years from the date of approval.

Upon the New Tax Law and Implementation Regulations coming into effect, the PRC withholding income tax is applicable to dividends payable to investors that are “non-PRC tax resident enterprises”, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends have their sources within the PRC. Under such circumstances, dividends distributed from the PRC subsidiaries, associates and a joint venture to non-PRC tax resident group entities shall be subject to the withholding income tax at 10% or lower tax rate, as applicable. Under the relevant tax treaty, withholding tax rate on distribution to Hong Kong resident companies is 5%. Deferred taxation has been provided on undistributed earnings of all subsidiaries and associates (as detailed in note 34 to the consolidated financial statements).

12. 稅項(續)

中國企業所得稅按中國的適用當前稅率15%至25%(二零二零年:15%至25%)計算。根據《中國外商投資企業和外國企業所得稅法》，若干中國附屬公司(即高新科技企業)自批准日期起計三年內可按減免企業所得稅稅率15%繳稅。

新稅法及實施規例生效後，中國預扣所得稅適用於應付屬「非中國居民納稅企業」投資者的股息，該等非中國居民納稅企業於中國並無機構或營業地點，或其於中國設有機構或營業地點但相關收入實際上與該機構或營業地點無關，惟以該等股息乃源自中國為限。於該等情況下，中國附屬公司、聯營公司及合營企業派付予非中國居民納稅企業集團實體的股息須按10%的預扣所得稅稅率或較低稅率(如適用)繳稅。根據相關稅收協定，向香港居民公司派付股息應支付5%的預扣稅。遞延稅項已就所有附屬公司及聯營公司的未分派盈利計提撥備(詳情見綜合財務報表附註34)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

12. TAXATION (continued)

Reconciliation of income tax expenses

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit before taxation	除稅前溢利	16,287	46,086
Income tax at applicable tax rate of 25% (2020: 25%)	按適用稅率 25% (二零二零年：25%) 計算的所得稅	4,072	11,521
Share of result of associates	分佔聯營公司業績	(17,531)	(14,826)
Share of result of a joint venture	分佔一間合營企業業績	20	(53)
Non-deductible expenses	不可扣稅開支	33,944	54,058
Unrecognised tax losses	未確認稅項虧損	1,943	22
Additional tax benefit on research and development expenses	研發開支的額外稅務利益	(12,961)	(11,536)
Deferred tax on undistributed earnings of the PRC subsidiaries/associates	中國附屬公司／聯營公司未分派盈利的遞延稅項	8,929	14,878
Tax effect of undistributed earnings reinvested in the PRC not taxable	免稅再投資中國的未分派盈利的稅務影響	(703)	-
Income tax on concessionary rate	按優惠稅率計算的所得稅	(5,088)	(15,741)
Overprovision in prior years	過往年度超額撥備	(6,960)	(1,209)
Income tax expenses for the year	年內所得稅支出	5,665	37,114

Notes:

- (a) The applicable tax rate of 25% represents the applicable income tax rate of the subsidiaries in Shenzhen, Jiangsu, Hubei and Anhui in the PRC which constitute the substantial part of the Group's operation for the years ended 31 December 2021 and 2020.
- (b) Pursuant to the relevant tax rules and regulations, the Group could obtain additional tax benefit, which is a further 100% (2020: 75%) of certain qualified research and development cost incurred endorsed by the Shenzhen, Anhui, Jiangsu and Hubei Local Taxation Administrators.

12. 稅項(續)

所得稅支出的對賬

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit before taxation	16,287	46,086
Income tax at applicable tax rate of 25% (2020: 25%)	4,072	11,521
Share of result of associates	(17,531)	(14,826)
Share of result of a joint venture	20	(53)
Non-deductible expenses	33,944	54,058
Unrecognised tax losses	1,943	22
Additional tax benefit on research and development expenses	(12,961)	(11,536)
Deferred tax on undistributed earnings of the PRC subsidiaries/associates	8,929	14,878
Tax effect of undistributed earnings reinvested in the PRC not taxable	(703)	-
Income tax on concessionary rate	(5,088)	(15,741)
Overprovision in prior years	(6,960)	(1,209)
Income tax expenses for the year	5,665	37,114

附註：

- (a) 適用稅率 25% 代表位於中國深圳、江蘇、湖北及安徽的附屬公司的適用所得稅稅率，而該等附屬公司佔本集團截至二零二一年及二零二零年十二月三十一日止年度的大部分業務。
- (b) 根據相關稅務規則及法規，本集團可獲得額外稅項優惠，相當於深圳、安徽、江蘇及湖北當地稅務機關認可的若干合資格研發成本的額外 100% (二零二零年：75%)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules and the Companies Ordinance, are as follows:

13. 董事及行政總裁薪酬及五名最高薪僱員

根據上市規則及公司條例披露的本年度董事及行政總裁薪酬如下：

		For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度				
		Fees	Salaries and other benefits	Performance bonus	Contributions to retirement benefits schemes	Total
		袍金	薪金及其他福利	表現花紅	退休福利計劃供款	總薪酬
		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
Executive directors	執行董事					
Mr. Chen Xiao Liang (Note a)	陳校良先生(附註a)	-	504	-	18	522
Mr. Huang Wanru (Note f)	黃萬如先生(附註f)	-	588	282	49	919
Mr. Jiang Xiang Yu (Note d)	蔣祥瑜先生(附註d)	-	303	-	-	303
Mr. Qin Song (Chief Executive) (Note b)	欽松先生(行政總裁)(附註b)	-	1,667	897	79	2,643
Ms. Zheng Jinghui (Note c)	鄭靜慧女士(附註c)	-	284	282	25	591
Non-executive directors	非執行董事					
Ms. Li Li	李莉女士	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Lam Ying Hung, Andy	林英鴻先生	145	-	-	-	145
Mr. Lui Tin Nang	呂天能先生	145	-	-	-	145
Mr. Siu Man Ho, Simon	蕭文豪先生	145	-	-	-	145
		435	3,346	1,461	171	5,413

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (continued)

13. 董事及行政總裁薪酬及五名最高薪僱員(續)

		For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度				
		Fees	Salaries and other benefits	Performance bonus	Contributions to retirement benefits schemes	Total
		袍金	薪金及其他福利	表現花紅	退休福利計劃供款	總薪酬
		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
Executive directors	執行董事					
Mr. Cai Xiao Ming, David (Note e)	蔡曉明先生(附註e)	-	15	-	2	17
Mr. Chen Huapei (Note e)	陳華培先生(附註e)	-	122	297	5	424
Mr. Chen Xiao Liang (Note a)	陳校良先生(附註a)	-	504	-	18	522
Mr. Huang Wanru (Note f)	黃萬如先生(附註f)	-	366	-	11	377
Mr. Qin Song (Chief Executive) (Note b)	欽松先生(行政總裁)(附註b)	-	1,552	870	31	2,453
Ms. Zheng Jinghui (Note c)	鄭靜慧女士(附註c)	-	366	-	16	382
Non-executive directors	非執行董事					
Ms. Li Li	李莉女士	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Lam Ying Hung, Andy	林英鴻先生	145	-	-	-	145
Mr. Lui Tin Nang	呂天能先生	145	-	-	-	145
Mr. Siu Man Ho, Simon	蕭文豪先生	145	-	-	-	145
		435	2,925	1,167	83	4,610

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (continued)

Notes:

- (a) Mr. Chen Xiao Liang has been re-designated as the chief executive officer of the Company with effect from 21 January 2022.
- (b) Mr. Qin Song resigned from the position as an executive director and chief executive officer of the Company with effect from 21 January 2022.
- (c) Ms. Zheng Jinghui was appointed as an executive director of the Company with effect from 31 March 2020 and resigned from the position with effect from 16 July 2021.
- (d) Mr. Jiang Xiang Yu was appointed as an executive director of the Company with effect from 16 July 2021.
- (e) Mr. Cai Xiao Ming, David and Mr. Chen Huapei resigned from the position as executive directors of the Company with effect from 31 March 2020.
- (f) Mr. Huang Wanru was appointed as an executive director of the Company with effect from 31 March 2020.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

Mr. Qin Song is also the chief executive officer of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive officer.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2020: HK\$nil).

13. 董事及行政總裁薪酬及五名最高薪僱員(續)

附註：

- (a) 陳校良先生已調任為本公司行政總裁，自二零二二年一月二十一日起生效。
- (b) 欽松先生已辭任本公司執行董事及行政總裁職位，自二零二二年一月二十一日起生效。
- (c) 鄭靜慧女士獲委任為本公司執行董事，自二零二零年三月三十一日起生效，並已辭任該職位，自二零二一年七月十六日起生效。
- (d) 蔣祥瑜先生獲委任為本公司執行董事，自二零二一年七月十六日起生效。
- (e) 蔡曉明先生及陳華培先生辭任本公司執行董事，自二零二零年三月三十一日起生效。
- (f) 黃萬如先生獲委任為本公司執行董事，自二零二零年三月三十一日起生效。

上文所示執行董事的酬金乃就彼等有關於管理本公司及本集團事務的服務而支付。上文所示獨立非執行董事的酬金乃就彼等擔任本公司董事的服務而支付。

欽松先生亦為本公司的行政總裁，而上文所披露的酬金包括就彼擔任行政總裁提供服務而支付的酬金。

年內並無董事或行政總裁豁免或同意豁免任何酬金的安排(二零二零年：零港元)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

13. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (continued)

The five highest paid individuals included three (2020: two) directors of the Company for the year ended 31 December 2021, details of whose emoluments are set out above. The emoluments of the remaining two (2020: three) individuals during the year are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	2,490	2,837
Contributions to retirement benefits schemes	退休福利計劃供款	296	58
		2,786	2,895

The emoluments of the five highest paid individuals, excluding three (2020: two) directors, were within the following bands:

		2021 二零二一年 No. of employees 僱員人數	2020 二零二零年 No. of employees 僱員人數
Nil to HK\$1,000,000	零至 1,000,000 港元	-	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	-

During the years ended 31 December 2021 and 2020, no emoluments were paid by the Group to any of the directors of the Company, the chief executive officer of the Group, senior management, or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 董事及行政總裁薪酬及五名最高薪僱員(續)

截至二零二一年十二月三十一日止年度，五名最高薪僱員包括三名(二零二零年：兩名)本公司董事，其薪酬詳情載於上文。餘下兩名(二零二零年：三名)個人於本年度的薪酬如下：

五名最高薪僱員(不包括三名(二零二零年：兩名)董事)的酬金於下列範圍內：

截至二零二一年及二零二零年十二月三十一日止年度，本集團概無向本公司任何董事、本集團行政總裁、高級管理層或五名最高薪僱員支付任何酬金，以誘使其加入本集團或加入本集團，或作為離職補償。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

14. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

14. 每股盈利

本公司擁有人應佔每股基本盈利乃按下列數據計算：

		2021 二零二一年	2020 二零二零年
Earnings	盈利		
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share (HK\$'000)	用以計算每股基本盈利的本公司擁有人應佔年度溢利(千港元)	8,628	8,915
Number of shares	股份數目		
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share ('000)	用以計算每股基本盈利的已發行普通股加權平均數(千股)	1,567,885	1,567,885

Diluted earnings per share are same as the basic earnings per share as there are no dilutive potential ordinary shares in existence during the years ended 31 December 2021 and 2020.

每股攤薄盈利與每股基本盈利相同，因為截至二零二一年及二零二零年十二月三十一日止年度並無具潛在攤薄影響的普通股。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

15. DIVIDENDS

15. 股息

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the year:	年內確認為分派的本公司普通股股東股息：		
2020 final dividend, paid at HK10.00 cents per share	已付二零二零年末期股息 每股 10.00 港仙	156,789	—
2019 final dividend, paid at HK19.13 cents per share	已付二零一九年末期股息 每股 19.13 港仙	—	299,936
		156,789	299,936

The directors of the Company do not recommend the payment of a dividend for the year ended 31 December 2021 (2020: The final dividend of HK10 cents per share in respect of the year ended 31 December 2020 had been proposed by the directors and was subject to approval by the shareholders in the annual general meeting).

本公司董事不建議就截至二零二一年十二月三十一日止年度派付股息(二零二零年：董事建議就截至二零二零年十二月三十一日止年度派付末期股息每股 10 港仙，惟須待股東於股東週年大會上批准)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Leasehold improvement	Plant and machinery	Furniture and office equipment 傢俬及辦公室設備	Motor vehicles	Construction in progress	Total
		樓宇 HK\$'000 千港元	租賃裝修 HK\$'000 千港元	廠房及機器 HK\$'000 千港元	HK\$'000 千港元	汽車 HK\$'000 千港元	在建工程 HK\$'000 千港元	總計 HK\$'000 千港元
Reconciliation of carrying amount – year ended 31 December 2020	賬面值對賬 – 截至二零二零年十二月三十一日止年度							
At the beginning of the reporting period	於報告期初	332,535	4,591	339,817	20,234	9,165	83,999	790,341
Additions	添置	1,463	–	66,609	5,279	40	130,086	203,477
Transfer from construction in progress	轉撥自在建工程	598	–	16,250	112	–	(16,960)	–
Disposals	出售	–	–	(33,971)	(3,354)	(750)	(822)	(38,897)
Depreciation	折舊	(23,409)	(3,028)	(68,782)	(11,121)	(2,087)	–	(108,427)
Impairment loss	減值虧損	–	–	–	(27)	–	–	(27)
Exchange differences	匯兌差額	20,821	123	22,029	1,539	346	11,067	55,925
At the end of the reporting period	於報告期末	332,008	1,686	341,952	12,662	6,714	207,370	902,392
Reconciliation of carrying amount – year ended 31 December 2021	賬面值對賬 – 截至二零二一年十二月三十一日止年度							
At the beginning of the reporting period	於報告期初	332,008	1,686	341,952	12,662	6,714	207,370	902,392
Additions	添置	3,286	3,680	59,486	1,593	438	74,264	142,747
Transfer from construction in progress	轉撥自在建工程	66,666	12,026	23,842	5,020	(991)	(106,563)	–
Transfer to investment properties	轉撥自投資物業	(36,437)	–	–	–	–	–	(36,437)
Disposals	出售	(42)	–	(44,324)	(3,292)	(224)	–	(47,882)
Depreciation	折舊	(24,430)	(982)	(63,209)	(7,279)	(1,248)	–	(97,148)
Reversal of impairment loss	減值虧損撥回	–	–	–	27	–	–	27
Exchange differences	匯兌差額	9,095	210	8,671	244	125	5,197	23,542
At the end of the reporting period	於報告期末	350,146	16,620	326,418	8,975	4,814	180,268	887,241
At 1 January 2021	於二零二一年一月一日							
Cost	成本	581,496	8,941	823,048	67,313	15,891	207,370	1,704,059
Accumulated depreciation and impairment losses	累計折舊及減值虧損	(249,488)	(7,255)	(481,096)	(54,651)	(9,177)	–	(801,667)
Net carrying amount	賬面淨值	332,008	1,686	341,952	12,662	6,714	207,370	902,392
At 31 December 2021	於二零二一年十二月三十一日							
Cost	成本	556,932	17,867	869,727	36,619	17,367	180,268	1,678,780
Accumulated depreciation and impairment losses	累計折舊及減值虧損	(206,786)	(1,247)	(543,309)	(27,644)	(12,553)	–	(791,539)
Net carrying amount	賬面淨值	350,146	16,620	326,418	8,975	4,814	180,268	887,241

The Group's buildings are located in the PRC which is under a lease term of 50 years.

本集團的樓宇位於中國，租期為50年。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

17. RIGHT-OF-USE ASSETS

17. 使用權資產

		Leasehold land 租賃土地 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reconciliation of carrying amount – year ended 31 December 2020	賬面值對賬 – 截至二零二零年 十二月三十一日止年度			
At the beginning of the reporting period	於報告期初	98,743	4,853	103,596
Lease modification	租賃修訂	–	412	412
Depreciation	折舊	(2,277)	(3,740)	(6,017)
Termination of leases	終止租賃	–	(334)	(334)
Exchange differences	匯兌差額	6,438	81	6,519
At the end of the reporting period	於報告期末	102,904	1,272	104,176
Reconciliation of carrying amount – year ended 31 December 2021	賬面值對賬 – 截至二零二一年 十二月三十一日止年度			
At the beginning of the reporting period	於報告期初	102,904	1,272	104,176
Depreciation	折舊	(2,643)	(973)	(3,616)
Exchange differences	匯兌差額	2,775	12	2,787
At the end of the reporting period	於報告期末	103,036	311	103,347
At 1 January 2021	於二零二一年一月一日			
Cost	成本	123,424	7,764	131,188
Accumulated depreciation	累計折舊	(20,520)	(6,492)	(27,012)
Net carrying amount	賬面淨值	102,904	1,272	104,176
At 31 December 2021	於二零二一年十二月三十一日			
Cost	成本	126,800	933	127,733
Accumulated depreciation	累計折舊	(23,764)	(622)	(24,386)
Net carrying amount	賬面淨值	103,036	311	103,347

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

17. RIGHT-OF-USE ASSETS (continued)

The leasehold land represents the land use rights situated in the PRC. At the end of the reporting period, the remaining lease term of the lands are within the range from 31 to 42 years (2020: 32 to 43 years).

At the end of the reporting period, the Group leases factory premises (2020: office and factory premises) for its daily operations. Lease contracts have fixed term of 3 years (2020: 2 to 3 years) without extension and termination options. Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Details of the interest expenses on lease liabilities and lease maturity analysis of lease liabilities are set out in notes 10 and 30 respectively to the consolidated financial statements.

The Group regularly entered into short-term leases for staff dormitories. At the end of the reporting period, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed as below.

17. 使用權資產(續)

租賃土地指位於中國的土地使用權。於報告期末，土地的餘下租期介乎31至42年(二零二零年：32年至43年)。

於報告期末，本集團為日常營運租賃廠房物業(二零二零年：辦公室及廠房物業)。租賃合約的固定期限為3年(二零二零年：2年至3年)，不設延期及終止選擇權。租賃條款按個別情況磋商釐定，當中包含不同條款及條件。釐定租期及評估不可撤銷期限時，本集團應用合約的定義並確定合約可強制執行的期限。

租賃負債利息開支及租賃負債的租賃到期日分析詳情分別載於綜合財務報表附註10及30。

本集團定期就員工宿舍訂立短期租賃。於報告期末，短期租賃組合與短期租賃開支於下文披露的短期租賃組合相若。

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Lease payments:	租賃付款：		
Short-term leases recognised in profit or loss	於損益確認的短期租賃	2,382	2,042
Low-value assets	低價值資產	116	28
Expenses recognised in profit or loss	於損益確認的開支	2,498	2,070
Lease payments on lease liabilities	租賃負債的租賃付款	1,010	3,958
Total cash outflow for leases	租賃現金流量總額	3,508	6,028

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

17. RIGHT-OF-USE ASSETS (continued)

Commitments under leases

In July 2021, a subsidiary of the Company entered into a lease contract with EAGLE SWIFT LIMITED (“EAGLE SWIFT”), a company incorporated in the British Virgin Islands with limited liability and controlled by the Controlling Shareholder, for a term of 1 year with total contract sum of HK\$1,134,000. The lease commenced from 1 September 2021 with an option to terminate the lease with 3 months’ notice. The lease does not contain any renewal option. The transaction was exempted from continuing connected transaction according to the Chapter 14A of the Listing Rules in view of de minimis transactions.

As at 31 December 2021, the Group was committed to HK\$756,000 (2020: HK\$nil) for the above-mentioned short-term lease.

Restrictions or covenants

Most of the leases impose a restriction that, unless the approval is obtained from the lessor, the properties can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets. For the leased properties, the Group is required to keep those properties in a good state of repair and return the properties in their original or current condition at the end of the lease.

17. 使用權資產(續)

租賃承諾

於二零二一年七月，本公司一間附屬公司與EAGLE SWIFT LIMITED（「EAGLE SWIFT」，於英屬處女群島註冊成立的有限公司及由控股股東控制）訂立租賃合約，為期1年，總合約額為1,134,000港元。租賃由二零二一年九月一日開始，可選擇發出三個月通知終止租賃。租賃不包含任何續約選項。由於屬最低豁免水平交易，該交易獲豁免遵守上市規則第14A章持續關連交易。

於二零二一年十二月三十一日，本集團就上述短期租賃承諾756,000港元（二零二零年：零港元）。

限制或契諾

大多數租賃均實施限制，除非獲出租人批准，物業僅可由本集團使用及本集團不得出售或抵押有關資產。對於租賃物業，本集團須保持物業於良好維修狀態及於租賃結束時按其原狀或現狀交還物業。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

18. INVESTMENT PROPERTIES

18. 投資物業

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Reconciliation of carrying amount	賬面值對賬		
At the beginning of the reporting period	於報告期初	22,305	23,076
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	36,437	–
Depreciation	折舊	(4,048)	(2,176)
Exchange differences	匯兌差額	1,086	1,405
At the end of the reporting period	於報告期末	55,780	22,305
Cost	成本	124,403	43,489
Accumulated depreciation	累計折舊	(68,623)	(21,184)
Carrying amount	賬面值	55,780	22,305

Investment properties with carrying amount of approximately HK\$36,437,000 (2020: HK\$nil) have been transferred from buildings under property, plant and equipment due to change in management's intention for the use of particular factory premises. These factory premises have no longer been self-occupied by the Group since the inception of lease agreements with third parties during the year.

Leasing arrangement – as lessor

The Group leases out warehouses, office properties and factory premises under operating leases with fixed monthly rental charges. The leases typically run for an initial period of 1 to 6 years (2020: 1 to 6 years) without extension and termination options.

賬面值約36,437,000港元(二零二零年：零港元)的投資物業已自物業、廠房及設備項下樓宇轉撥，因為管理層對特定廠房物業用途付的意向有變。自於本年度與第三方的租賃協議開始後，該等廠房物業不再由本集團自行佔用。

租賃安排 – 為出租人

本集團根據月租固定的經營租賃出租倉庫、辦公物業及廠房物業。租期一般初步為期1至6年(二零二零年：1至6年)，不設延長及終止選擇權。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

18. INVESTMENT PROPERTIES (continued)

Leasing arrangement – as lessor (continued)

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term. The Group has purchased insurance to protect the investment properties against any loss that may arise from accidents or physical damages of the properties.

All the properties held for rental purposes have committed lessees for coming years. Below is a maturity analysis of undiscounted lease payments to be received from the leasing of investment properties.

18. 投資物業(續)

租賃安排 – 為出租人(續)

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團並無因租賃安排而承受外幣風險。租賃合約不包含剩餘價值擔保及／或承租人於租期屆滿時購買物業的選擇權。本集團已投購保險以保障投資物業免受意外或物業物理損壞可能導致的任何損失。

持作租賃用途的所有物業已為未來年度訂立租賃。以下為自投資物業租賃將獲取的未折現租賃付款到期分析。

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Year 1	第1年	11,820	1,494
Year 2	第2年	12,143	1,430
Year 3	第3年	6,394	1,430
Year 4	第4年	1,469	1,430
Year 5	第5年	–	1,430
After year 5	第5年後	–	1,430
Undiscounted lease payments to be received	將收取的未貼現租賃付款	31,826	8,644

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

18. INVESTMENT PROPERTIES (continued)

Fair value measurement of the Group's investment properties

The fair value of the Group's investment properties as at 31 December 2021 was HK\$228,200,000 (2020: HK\$42,515,000). The fair value has been arrived at on the basis of a valuation carried out by Roma Appraisals Limited, an independent qualified professional valuer. Roma Appraisals Limited is member of Royal Institution of Chartered Surveyors.

The following table gives information about how the fair value of the investment properties at the end of the reporting period is determined (in particular, the valuation approaches and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

Investment properties 投資物業	Fair value hierarchy 公允價值層級	Valuation technique 估值技術	Significant inputs 重大輸入數據
Industrial property located in Shenzhen 位於深圳的工業物業	Level 3 第三級	Market comparable approach 市場可比較法	Recent transaction prices for similar properties 類似物業的近期交易價
Industrial property located in Bengbu 位於蚌埠的工業物業	Level 3 第三級	Depreciated replacement cost approach 折舊替換成本法	Estimation of the market value for the existing structures less deductions for physical deterioration and all relevant forms of obsolescence and optimisation. 現有結構的估計市值減去物理退化的扣除以及所有相關形式的過時及優化

In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change from the valuation technique used in prior year.

18. 投資物業(續)

本集團投資物業的公允價值計量

本集團投資物業於二零二一年十二月三十一日的公允價值為228,200,000港元(二零二零年: 42,515,000港元)。公允價值乃根據獨立合資格專業估值師羅馬國際評估有限公司進行的估值而釐定。羅馬國際評估有限公司為皇家特許測量師學會的會員。

下表列載有關如何釐定投資物業於報告期末的公允價值的資料(特別是所用估值方法及輸入數據), 以及根據公允價值計量輸入數據的可觀察程度, 將公允價值計量分類至的公允價值層級。

於估計物業的公允價值時, 物業的最高及最佳使用狀況為其現有的狀況。所用技術於上一年度並無變動。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL

For the purpose of impairment testing, goodwill has been allocated to six (2020: six) individual CGUs, comprising four (2020: four) subsidiaries in the printing and manufacturing of cigarette packages and related materials segments, one subsidiary in the manufacturing of laminated paper segment and one subsidiary in the sales of RFID products segment.

Goodwill amounting to HK\$36,212,000 out of total sum of HK\$82,300,000 arising from acquisition of manufacturing of paper packaging of CGU-6 at the date of completion in 2018 was allocated to CGU-1 as CGU-1 is expected to benefit from the synergies of the combination, resulting from cost saving on raw materials supplied by CGU-6.

At the end of the reporting period, the carrying amount of this goodwill, net of impairment loss included in CGU-1 was amounted to HK\$nil (2020: HK\$37,907,000).

19. 商譽

就減值測試而言，商譽獲分配至六個(二零二零年：六個)個別現金產生單位，包括印刷及製造香煙包裝及相關材料分部的四間(二零二零年：四間)附屬公司、製造複合紙分部的一間附屬公司以及銷售射頻識別產品分部的一間附屬公司。

於二零一八年完成日期，收購現金產生單位-6(製造紙包裝)所產生的商譽總額82,300,000港元中為數36,212,000港元分配至現金產生單位-1，原因為現金產生單位-6供應原材料可節省成本，預計現金產生單位-1可受惠於合併產生的協同效益。

於報告期末，計入現金產生單位-1的此商譽扣除減值虧損的賬面值為零港元(二零二零年：37,907,000港元)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL (continued)

At the end of the reporting period, the carrying amounts of goodwill net of impairment losses recognised allocated to these CGUs are as follows:

19. 商譽(續)

於報告期末，商譽賬面值(扣除已確認減值虧損)已獲分配至該等現金產生單位如下：

	Printing and manufacturing of cigarette packages and related materials				Manufacturing of laminated paper	Sales of RFID products	Total
	印刷及製造香煙包裝及相關材料				製造複合紙	銷售射頻識別產品	
	CGU-1	CGU-2	CGU-3	CGU-6	CGU-4	CGU-5	
	現金產生單位-1	現金產生單位-2	現金產生單位-3	現金產生單位-6	現金產生單位-4	現金產生單位-5	總計
	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
Reconciliation of carrying amount – year ended 31 December 2020	賬面值對賬 – 截至二零二零年十二月三十一日止年度						
At the beginning of the reporting period	839,460	126,342	2,675	45,234	363	11,421	1,025,495
Impairment loss	(173,000)	-	-	-	-	(3,000)	(176,000)
Exchange differences	22,972	8,967	178	3,012	24	760	35,913
At the end of the reporting period	689,432	135,309	2,853	48,246	387	9,181	885,408
Reconciliation of carrying amount – year ended 31 December 2021	賬面值對賬 – 截至二零二一年十二月三十一日止年度						
At the beginning of the reporting period	689,432	135,309	2,853	48,246	387	9,181	885,408
Impairment loss	(93,260)	-	(2,880)	-	(391)	-	(96,531)
Exchange differences	4,805	2,223	27	1,319	4	249	8,627
At the end of the reporting period	600,977	137,532	-	49,565	-	9,430	797,504
At 1 January 2021	於二零二一年一月一日						
Cost	929,804	135,309	43,706	48,246	387	12,182	1,169,634
Accumulated impairment losses	(240,372)	-	(40,853)	-	-	(3,001)	(284,226)
Net carrying amount	689,432	135,309	2,853	48,246	387	9,181	885,408
At 31 December 2021	於二零二一年十二月三十一日						
Cost	939,594	137,532	46,455	49,565	398	12,514	1,186,058
Accumulated impairment losses	(338,617)	-	(46,455)	-	(398)	(3,084)	(388,554)
Net carrying amount	600,977	137,532	-	49,565	-	9,430	797,504

In addition to goodwill, property, plant and equipment and intangible assets (including allocation of corporate assets) that generate cash flows together with the related goodwill and opening net working capital balances which are largely integrated with the cash flows from the CGU under review are also included in the respective CGU for the purpose of impairment assessment.

除商譽外，產生現金流的物業、廠房及設備及無形資產(不包括企業資產的分配)連同相關商譽及期初營運資金淨餘額(大部分與檢查中的現金產生單位相結合)亦就減值評估計入各自的現金產生單位。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL (continued)

The Group has engaged independent qualified professional valuers, Flagship Appraisals and Consulting Limited (“Flagship”) and Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“JLL”) (2020: JLL) to perform an appraisal of the recoverable amount of the CGUs arising from printing and manufacturing of cigarette packages and related materials, manufacturing of laminated paper and sales of RFID products at the end of the reporting period. The recoverable amounts of CGUs are the higher of their value in use and their fair value less costs of disposal.

At the end of the reporting period, the recoverable amount of CGU-1 was determined based on the fair value less costs of disposal and the remaining CGUs were determined based on the value in use calculations (2020: all CGUs were determined based on the value in use calculations).

The value in use calculations used discounted future cash flow model based on financial budgets approved by management covering a five-year period and a pre-tax discount rate of 15.98%, 14.49%, 14.06%, 13.61% and 16.06% respectively for CGU-2, CGU-3, CGU-4, CGU-5 and CGU-6 (2020: 16.22%, 15.14%, 15.41%, 15.43%, 13.52% and 15.31% respectively for CGU-1, CGU-2, CGU-3, CGU-4, CGU-5 and CGU-6). Cash flows beyond five-year period is extrapolated using a steady growth rate of 3.0% (2020: 3.0%). Cash flow projections for the CGUs are based on the expected terminal growth rate, gross margin and sales growth rate during the budget period, which were determined based on past performance of the Group and the management’s expectations for the market development.

The fair value less costs of disposal has been determined by cost approach based on adjusted net asset value method. The significant inputs are observable market price of the assets and liabilities and the unobservable adjustments on the fair value of these assets and liabilities.

19. 商譽(續)

於報告期末，本公司委聘獨立合資格專業估值師旗艦資產評估顧問有限公司(「旗艦」)及仲量聯行企業評估及諮詢有限公司(「仲量聯行」)(二零二零年：仲量聯行)對印刷及製造香煙包裝及相關材料、製造複合紙及銷售射頻識別產品所產生現金產生單位的可收回金額進行評估。現金產生單位的可收回金額為使用價值及其公允價值減出售成本的較高者。

於報告期末，現金產生單位-1的可收回金額根據公允價值減出售成本釐定及餘下現金產生單位根據使用價值計算釐定(二零二零年：所有現金產生單位根據使用價值計算釐定)。

該使用價值計算方式使用根據管理層批准涵蓋五年期間的財務預算的折現未來現金流模型及就現金產生單位-2、現金產生單位-3、現金產生單位-4、現金產生單位-5及現金產生單位-6分別使用稅前折現率15.98%、14.49%、14.06%、13.61%及16.06%(二零二零年：就現金產生單位-1、現金產生單位-2、現金產生單位-3、現金產生單位-4、現金產生單位-5及現金產生單位-6分別使用稅前折現率16.22%、15.14%、15.41%、15.43%、13.52%及15.31%)。五年期間後的現金流量按穩定增長率3.0%(二零二零年：3.0%)預測。現金產生單位的預算期現金流預測根據預算期內的預期最終增長率、毛利率及銷售增長率釐定。有關比率根據過往經驗及管理層對市場發展的期望而釐定。

公允價值減出售成本已使用成本法根據經調整資產淨值法釐定。重大輸入數據為資產及負債的可觀察市價及該等資產及負債的公允價值的不可觀察調整。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL (continued)

CGU-1

Because of the effect of the loss of some tenders and the continuous decrease in revenue resulted from the drop in average selling price across various products tiers and market share in Chinese cigarette packaging industry as a consequence of mandatory tendering system in China tobacco industry, its value in use was adversely impacted. The recoverable amount of CGU-1 has been determined by the directors of the Company with reference to the valuation report prepared by Flagship (2020: JLL). An impairment loss on goodwill directly related to CGU-1 amounting to HK\$93,260,000 (2020: HK\$173,000,000) has been made during the year. The management of the Group considers that no further impairment loss on other tangible and intangible assets of CGU-1 considered necessary. The impairment loss has been included in "Other net gains and losses" in the consolidated statement of comprehensive income.

The recoverable amount of CGU-1 of HK\$1,017,108,000 was classified as level 3 under fair value hierarchy. Sales prices of comparable properties in term of size, location, accessibility and other relevant factors in close proximity adjusted for differences in key valuation attributes, such as size, location and accessibility were used to value the properties, which were determined based on the management's expectations for the market performance and consistent with external sources of information. One of the key unobservable inputs used in this valuation approach is price per square metre. A decrease in the price per square metre would result in decrease in fair value measurement of the properties by the same percentage and vice versa.

If an adverse change of 5% in market price of the properties of CGU-1, while other specific assumption remain constant, a further impairment loss on goodwill of HK\$36,368,000 would be recognised. In reality, a change in one of the aforementioned assumptions may accompany a change in another assumption which may have an offsetting impact. Action is also usually taken to respond to adverse changes in economic assumptions that may mitigate the impact of any such change.

19. 商譽(續)

現金產生單位-1

由於失去若干標書的影響以及中國煙草業實行強制招標制度令不同檔次產品的平均售價及市場份額下跌，繼而導致收益持續減少，其使用價值受到不利影響。現金產生單位-1的可收回金額由本公司董事釐定，當中參考旗艦(二零二零年：仲量聯行)編製的估值報告。直接涉及現金產生單位-1的商譽減值虧損93,260,000港元(二零二零年：173,000,000港元)已於本年度計提。本集團管理層認為毋須就現金產生單位-1的其他有形及無形資產計提其他減值虧損。減值虧損已於綜合全面收益表計入「其他收益及虧損淨額」。

現金產生單位-1的可收回金額1,017,108,000港元分類為公允價值層級的第三級。在大小、地點及可達度及其他有關因素方面屬可比較的鄰近物業的售價(就大小、地點及可達度等主要估值特點差異作調整)已用於物業估值，此乃根據管理層對市場表現的預期釐定及與外部資料來源一致。該估值方法的主要不可觀察輸入數據之一為每平方米價格。每平方米價格下跌會導致物業公允價值計量按同等百分比下跌，反之亦然。

倘現金產生單位-1的物業市價出現5%不利變動，而其他特定假設維持不變，將確認進一步商譽減值虧損36,368,000港元。實際上，上述其中一個假設變動可能伴隨另一假設的變動，可能造成抵銷影響。通常亦會採取行動以應對經濟假設的不利變化，其可能緩減任何有關變化的影響。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL (continued)

CGU-2

Because of the expansion of market share and the effect of winning tenders, the management of the Group considers that no impairment loss on goodwill of CGU-2 (2020: HK\$nil) with reference to the value in use calculation of the CGU-2 based on the valuation report issued by JLL.

The management believes that any reasonably possible changes in any of these assumptions would not cause the aggregate carrying amount of CGU-2 to exceed its aggregate recoverable amount at the end of the reporting period.

CGU-3 and CGU-4

Because of the effect of the loss of tenders and the drop in average selling price across various products tiers in CGU-3 and CGU-4, their value in use were adversely impacted and decreased to HK\$96,206,000 and HK\$2,443,000 respectively at the end of the reporting period. An impairment loss on goodwill of HK\$2,880,000 and HK\$391,000 (2020: HK\$nil and HK\$nil) directly related to CGU-3 and CGU-4 respectively have been made during the year with reference to the value in use calculation prepared by the management of the Group. The management of the Group considers that no further impairment loss on the other tangible and intangible assets of CGU-3 and CGU-4 considered necessary. The impairment losses have been included in "Other net gains and losses" in the consolidated statement of comprehensive income.

If the pre-tax discount rate of CGU-3 increases by 5% to 15.21% (2020: 16.18%), while other parameters remain constant, an impairment loss on property, plant and equipment of CGU-3 of HK\$3,942,000 (2020: HK\$nil) would be recognised.

If the pre-tax discount rate of CGU-4 increases by 5% to 14.76% (2020: 16.20%), while other parameters remain constant, an impairment loss on property, plant and equipment of HK\$2,443,000 (2020: HK\$nil) would be recognised.

19. 商譽(續)

現金產生單位-2

由於市場份額擴張及中標的影響，本集團管理層認為現金產生單位-2商譽概無減值虧損(二零二零年：零港元)，當中參考根據仲量聯行發出的估值報告的現金產生單位-2使用價值計算。

管理層認為，任何該等假設的任何合理變動不會致使現金產生單位-2的總賬面值超出其於報告期末的可收回總金額。

現金產生單位-3及現金產生單位-4

由於失去標書的影響及現金產生單位-3及現金產生單位-4各級產品的平均售價下跌，其使用價值受到不利影響及於報告期末分別下跌至96,206,000港元及2,443,000港元。於本年度，已計提與現金產生單位-3及現金產生單位-4直接有關的商譽減值虧損分別2,880,000港元及391,000港元(二零二零年：零港元及零港元)，當中參考本集團管理層編製的使用價值計算。本集團管理層毋須就現金產生單位-3及現金產生單位-4的其他有形資產及無形資產計提更多減值虧損。減值虧損已於綜合全面收益表計入「其他收益及虧損淨額」。

倘現金產生單位-3的稅前折現率增加5%至15.21%(二零二零年：16.18%)，而其他參數維持不變，則會確認現金產生單位-3物業、廠房及設備減值虧損3,942,000港元(二零二零年：零港元)。

倘現金產生單位-4的稅前折現率增加5%至14.76%(二零二零年：16.20%)，而其他參數維持不變，則會確認現金產生單位-3物業、廠房及設備減值虧損2,443,000港元(二零二零年：零港元)。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

19. GOODWILL (continued)

CGU-5

Because of the expansion of market share which successfully improve the performance of CGU-5, the management of the Group considers that no impairment loss on goodwill of CGU-5 with reference to the value in use calculation of the CGU-5 based on the valuation report issued by JLL (2020: *impairment loss of HK\$3,000,000 was recognised in light of the changes in current economic environment related to the Covid-19 pandemic, which led to decrease in the overseas sales and adversely impact the value in use to HK\$105,891,000*).

If the pre-tax discount rate of CGU-5 increases by 5% to 14.29% (2020: 14.24%), while other parameters remain constant, no impairment loss on goodwill (2020: *further impairment loss on goodwill of HK\$5,385,000*) of CGU-5 would be recognised.

CGU-6

Because of the diversification of customer base, the management of the Group considers that no impairment loss on goodwill of CGU-6 (2020: *HK\$nil*) with reference to the value in use calculation of the CGU-6 based on the valuation report issued by JLL.

The management believes that any reasonably possible changes in any of these assumptions would not cause the aggregate carrying amount of CGU-6 to exceed its aggregate recoverable amount at the end of the reporting period.

19. 商譽(續)

現金產生單位-5

由於市場份額擴張成功提升現金產生單位-5的表現，本集團管理層認為現金產生單位-5商譽概無減值虧損，當中參考根據仲量聯行發出的估值報告的現金產生單位-5使用價值計算(二零二零年：確認減值虧損3,000,000港元，此乃由於涉及新冠肺炎疫情的現行經濟環境變化，致使海外銷售減少及對使用價值造成不利影響至105,891,000港元)。

倘現金產生單位-5的稅前折現率增加5%至14.29%(二零二零年：14.24%)，而其他參數維持不變，概不會就現金產生單位-5確認商譽減值虧損(二零二零年：商譽進一步減值虧損：5,385,000港元)。

現金產生單位-6

由於客戶基礎擴大，本集團管理層認為現金產生單位-6商譽概無減值虧損(二零二零：零港元)，當中參考根據仲量聯行發出的估值報告的現金產生單位-6使用價值計算。

管理層相信，任何此等假設的任何合理可能變動不會使現金產生單位-6的賬面總值超逾其於報告期末的可收回總額。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

20. INTANGIBLE ASSETS

20. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元	Licenses and franchises 牌照及特許權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reconciliation of carrying amount – year ended 31 December 2020	賬面值對賬 – 截至二零二零年 十二月三十一日止年度			
At the beginning of the reporting period	於報告期初	106,722	6,701	113,423
Additions	添置	–	273	273
Amortisation	攤銷	(41,336)	(433)	(41,769)
Exchange differences	匯兌差額	–	424	424
At the end of the reporting period	於報告期末	65,386	6,965	72,351
Reconciliation of carrying amount – year ended 31 December 2021	賬面值對賬 – 截至二零二一年 十二月三十一日止年度			
At the beginning of the reporting period	於報告期初	65,386	6,965	72,351
Amortisation	攤銷	(39,769)	(485)	(40,254)
Exchange differences	匯兌差額	–	182	182
At the end of the reporting period	於報告期末	25,617	6,662	32,279
At 31 December 2020	於二零二零年十二月三十一日			
Cost	成本	393,011	9,152	402,163
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(327,625)	(2,187)	(329,812)
Net carrying amount	賬面淨值	65,386	6,965	72,351
At 31 December 2021	於二零二一年十二月三十一日			
Cost	成本	393,011	9,664	402,675
Accumulated amortisation and impairment losses	累計攤銷及減值虧損	(367,394)	(3,002)	(370,396)
Net carrying amount	賬面淨值	25,617	6,662	32,279

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

20. INTANGIBLE ASSETS (continued)

The customer relationship included in intangible assets was arisen from business combinations in previous years. The acquisition of the customer base has allowed the Group to stabilise the revenue base from packaging and printing business.

At the end of the reporting period, the carrying amounts of customer relationship allocated to CGU-1 and CGU-6 are as follows:

20. 無形資產(續)

計入無形資產的客戶關係源於過往年度的業務合併。取得客戶基礎讓本集團穩定包裝及印刷業務的收益基礎。

於報告期末，分配至現金產生單位-1及現金產生單位-6的客戶關係賬面值如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Printing and manufacturing of cigarette packages and related materials:	印刷及製造香煙包裝及相關材料		
CGU-1	現金產生單位-1	18,604	55,814
CGU-6	現金產生單位-6	7,013	9,572
At 31 December	於十二月三十一日	25,617	65,386

The customer relationship has finite useful lives. The customer relationship of CGU-6 is amortised based on the proportion of estimated revenue for each year to the projected gross revenue from these existing customers. The revenue and the consumption of economic benefits of the customer relationship of CGU-6 are highly correlated as the fair value of these customer relationship as at acquisition date was determined based on contracts and anticipated contracts with these customers. The customer relationship of CGU-1 and licenses and franchises are amortised on a straight-line basis over 10 years and 20 years respectively.

上述客戶關係有固定使用年期。現金產生單位-6的客戶關係根據每年估計收益佔該等現有客戶預計總收益的比例予以攤銷。現金產生單位-6的收入及客戶關係經濟利益消費高度相關，原因為該等客戶關係於收購日期的公允價值乃根據與該等客戶的合約及預期合約釐定。現金產生單位-1的客戶關係以及許可證及特許權分別在10年及20年內按直線基準攤銷。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES

21. 於聯營公司的權益

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cost of investment, unlisted	投資成本，非上市	289,304	302,639
Share of post-acquisition profits and other comprehensive income, net of dividends received	分佔收購後溢利及其他全面收益（扣除已收股息）	133,619	126,594
Exchange differences	匯兌調整	32,946	21,131
		455,869	450,364

Details of the Group's associates at the end of the reporting period is as follows:

於報告期末，本集團的聯營公司詳情如下：

Name of associates 聯營公司名稱	Principal place of business and place of incorporation 主要營業地點及註冊成立地點	Proportion of ownership interest held by the Group 本集團持有的擁有權益比例		Paid-up capital 繳足股本	Principal activity 主要業務
		2021 二零二一年 %	2020 二零二零年 %		
常德金鵬印務有限公司** (「常德金鵬」) Changde Gold Roc Printing Co., Ltd. ("Changde Gold Roc")	PRC 中國	31	31	RMB163,052,000 人民幣 163,052,000 元	Provision for cigarette printing package services 提供香煙印刷包裝服務
天津榮聯匯智能科技有限公司*** (「天津榮聯匯智」) (Tianjin Rong Lian Hui Zhi Intelligence Packaging Technology Co., Ltd.) ("Tianjin Rong Lian Hui Zhi")	PRC 中國	-	40	RMB30,000,000 人民幣 30,000,000 元	Developing for intelligent printing services 發展智能印刷服務

* English translation of company name for identification purpose only

* 英文公司名稱僅供識別

** Company incorporated as a sino-foreign equity

** 公司註冊成立為中外合資企業。

*** Limited liability company established in the PRC

*** 於中國成立的有限公司。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES (continued)

On 30 June 2021, the Group entered into a sales and purchase agreement with a third party in the PRC to dispose of its entire equity interests in Tianjin Rong Lian Hui Zhi at a consideration of approximately RMB3,411,000 (equivalent to approximately HK\$4,116,000) which was settled by cash. The transaction resulted in a gain on disposal of HK\$4,116,000 recognised during the year. The transaction was completed on 16 August 2021.

Fair Value of investments

At the end of the reporting period, all of above associates are private companies and there is no quoted market price available for the investments.

Relationship with associates

Changde Gold Roc, which operates and has an established customer base in Hunan province, the PRC, is a strategic partner of the Group in developing the provision for cigarette printing package services business in the region.

Financial information of associates

Summarised financial information of each of the associates of the Group is set out below, which represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

21. 於聯營公司的權益(續)

於二零二一年六月三十日，本集團與中國第三方訂立買賣協議，以出售其於天津榮聯匯智的全部股權，代價為約人民幣3,411,000元(相當於約4,116,000港元)及以現金結付。交易產生出售收益4,116,000港元，已於年內確認。交易已於二零二一年八月十六日完成。

投資公允價值

於報告期末，上述聯營公司均為私人公司及投資並無可得市場報價。

與聯營公司的關係

常德金鵬於中國湖南省經營及擁有既定客戶基礎，是本集團於區內發展提供香煙印刷包裝服務業務的策略夥伴。

聯營公司的財務資料

本集團各聯營公司的財務資料概要載列如下，其指根據香港財務報告準則編製的聯營公司財務報表所示金額及由本集團就股權會計處理調整，包括會計政策的任何差異及公允價值調整。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES (continued) Financial information of associates (continued)

21. 於聯營公司的權益(續) 聯營公司的財務資料(續)

		Changde Gold Roc 常德金鵬 HK\$'000 千港元
Year ended 31 December 2021	截至二零二一年十二月三十一日止年度	
<i>Gross amount</i>	<i>總額</i>	
Non-current assets	非流動資產	755,342
Current assets	流動資產	988,523
Current liabilities	流動負債	(296,974)
Non-current liabilities	非流動負債	(4,670)
Equity	股權	1,442,221
<i>Reconciliation</i>	<i>對賬</i>	
Gross amount of equity	股權總額	1,442,221
Group's ownership interests	本集團擁有權權益	31%
Group's share of equity	本集團分佔股權	447,088
Goodwill	商譽	8,781
Carrying amount of interests	權益賬面值	455,869

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES (continued) Financial information of associates (continued)

21. 於聯營公司的權益(續) 聯營公司的財務資料(續)

		Change Gold Roc 常德金鵬 HK\$'000 千港元
Year ended 31 December 2021	截至二零二一年十二月三十一日止年度	
Gross amount Revenue	總額 收益	1,244,662
Profit for the year	年度溢利	226,213
Other comprehensive income for the year	年度其他全面收益	39,395
Total comprehensive income for the year	年度全面收益總額	265,608
Group's ownership interests	本集團擁有權權益	31%
Group's share of result	本集團分佔業績	70,126
Group's share of other comprehensive income	本集團分佔其他全面收益	12,213
Dividends received from the associate during the year	於本年度自聯營公司收取得股息	76,834

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES (continued)

Financial information of associates (continued)

21. 於聯營公司的權益(續)

聯營公司的財務資料(續)

		Changde Gold Roc 常德金鵬 HK\$'000 千港元	Tianjin Rong Lian Hui Zhi 天津榮聯匯智 HK\$'000 千港元
At 31 December 2020	於二零二零年十二月三十一日		
<i>Gross amount</i>	<i>總額</i>		
Non-current assets	非流動資產	784,227	13,999
Current assets	流動資產	903,656	1,469
Current liabilities	流動負債	(257,190)	(22,532)
Non-current liabilities	非流動負債	(5,379)	(1,997)
Equity	股權	1,425,314	(9,061)
<i>Reconciliation</i>	<i>對賬</i>		
Gross amount of equity	股權總額	1,425,314	(9,061)
Group's ownership interests	本集團擁有權權益	31%	40%
Group's share of equity	本集團分佔股權	441,847	(3,624)
Unrecognised share of loss of the associate*	未確認分佔聯營公司虧損	–	3,624
Goodwill	商譽	8,517	–
Carrying amount of interests	權益賬面值	450,364	–

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

21. INTERESTS IN ASSOCIATES (continued) Financial information of associates (continued)

21. 於聯營公司的權益(續) 聯營公司的財務資料(續)

		Changde Gold Roc 常德金鵬 HK\$'000 千港元	Tianjin Rong Lian Hui Zhi 天津榮聯匯智 HK\$'000 千港元
Year ended 31 December 2020	截至二零二零年十二月三十一日止年度		
Gross amount	總額		
Revenue	收益	1,061,932	9,679
Profit (Loss) for the year	年度溢利(虧損)	192,268	(9,808)
Other comprehensive loss for the year	年度其他全面虧損	–	(868)
Total comprehensive income (loss) for the year	年度全面收益(虧損)總額	192,268	(10,676)
Group's ownership interests	本集團擁有權權益	31%	40%
Group's share of result	本集團分佔業績	59,950	(646)
Unrecognised share of loss of the associate	未確認分佔聯營公司虧損	–	(3,624)
Dividends received from the associate during the year	於本年度自聯營公司收取得股息	58,491	–

* As at 31 December 2020, share of loss of the associate was limited to zero.

* 於二零二零年十二月三十一日，分佔聯營公司虧損限額為零。

Contingent liabilities of associates

At the end of the reporting period, there are no contingent liabilities incurred by the Group in relation to its interests in associates.

聯營公司的或然負債

於報告期末，本集團概無就其於聯營公司的權益產生或然負債。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

22. INTERESTS IN A JOINT VENTURE

22. 於一間合營企業的權益

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Cost of investment, unlisted	投資成本，非上市	8,825	8,825
Share of post-acquisition losses and other comprehensive losses, net of dividends received	分佔收購後虧損及其他全面虧損（扣除已收股息）	(393)	(310)
Exchange differences	匯兌差額	127	(101)
		8,559	8,414

Details of the Group's joint venture at the end of the reporting period is as follows:

於報告期末，本集團的合營公司詳情如下：

Name of joint venture 合營公司名稱	Principal place of business and place of incorporation 主要營業地點及註冊成立地點	Proportion of ownership interest held by the Group 本集團持有的擁有權權益比例		Paid-up capital 繳足股本	Principal activity 主要業務
		2021 二零二一年 %	2020 二零二零年 %		
深圳市科炬互聯網科技有限公司 ^{###} ([「科炬」]) (Shenzhen Keju Internet Technology Co., Ltd.)* ("Keju")	PRC 中國	49	49	RMB15,000,000 人民幣 15,000,000 元	Developing 2D Barcodes and O2O solutions 發展二維碼及O2O解決方案

* English translation of company name for identification purpose only

* 英文公司名稱僅供識別

^{###} Limited liability company established in the PRC

^{###} 於中國成立的有限公司

The Group hold 49% of ownership interest of Keju. However, under a shareholders' agreement, the Group has the joint control over Keju because the director resolution will be effective only when approved by all directors.

本集團持有科炬49%擁有權權益。然而，根據股東協議，本集團對科炬有共同控制權，原因為董事決議案須經全體董事批准始會生效。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

22. INTERESTS IN A JOINT VENTURE (continued)

Fair Value of investment

At the end of the reporting period, the joint venture is a private company and there is no quoted market price available for the investment.

Financial information of a joint venture

Summarised financial information of the Group's joint venture is set out below, which represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs and adjusted by the Group for equity accounting purposes including any differences in accounting policies and fair value adjustments.

22. 於一間合營企業的權益(續)

投資公允價值

於報告期末，合營企業為私人公司及投資並無可得市場報價。

合營企業的財務資料

本集團合營企業的財務資料概要載列如下，其指根據香港財務報告準則編製的合營企業財務報表所示金額及由本集團就股權會計處理調整，包括會計政策的任何差異及公允價值調整。合營企業使用權益法於該等綜合財務報表入賬。

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
<i>Gross amount</i>	總額		
Non-current assets	非流動資產	42	168
Current assets	流動資產	17,943	18,026
Current liabilities	流動負債	(517)	(1,023)
Equity	股權	17,468	17,171
Included in above:	上述各項計及：		
Cash and cash equivalents	現金及現金等價物	15,618	13,868
<i>Reconciliation</i>	對賬		
Gross amount of equity	股權總額	17,468	17,171
Group's ownership interests	本集團擁有權權益	49%	49%
Group's share of equity and carrying amount of interest	本集團分佔股權及權益賬面值	8,559	8,414

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

22. INTERESTS IN A JOINT VENTURE (continued)

Financial information of a joint venture (continued)

22. 於一間合營企業的權益(續)

合營企業的財務資料(續)

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Gross amount	總額		
Revenue	收益	10,357	10,997
(Loss) Profit for the year	年度(虧損)溢利	(170)	436
Other comprehensive income for the year	年度其他全面收益	467	1,069
Total comprehensive income for the year	年度全面收益總額	297	1,505
Group's ownership interests	本集團擁有權權益	49%	49%
Group's share of result	本集團分佔業績	(83)	214
Group's share of other comprehensive income	本集團分佔其他全面收益	228	524

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

23. INVENTORIES

23. 存貨

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Raw materials	原材料	90,231	98,186
Work-in-progress	在製品	1,172	6,159
Finished goods	製成品	30,245	8,146
		121,648	112,491

A reversal of write-down on obsolete inventories of HK\$3,409,000 due to the rise of net realisable value (2020: recognition of write-down of HK\$4,678,000 due to the decrease of net realisable value) has been recognised in the current year.

由於可變現價值上升，撥回陳舊存貨撇減3,409,000港元已於本年度確認(二零二零年：可變現淨值減少導致確認撇減4,678,000港元)。

24. TRADE RECEIVABLES

24. 貿易應收款項

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade receivables	貿易應收款項		
— third parties	— 第三方	353,404	521,776
— an associate	— 一間聯營公司	18,079	—
		371,483	521,776
Less: allowance for credit losses	減：信貸虧損撥備	(6,944)	(9,243)
		364,539	512,533

The Group allows a credit period of 60 days to 90 days to its trade customers. The following is an ageing analysis of trade receivables presented based on the date of goods delivery/invoice at the end of the reporting period, which approximated revenue recognition dates except for receivables arising from printing of cigarette packages and manufacturing of laminated papers which are recognised over time upon application of HKFRS 15.

本集團授予其貿易客戶60日至90日的信貸期。以下為於報告期末按交付貨品／發票日期(其與收益確認日期相若，惟於應用香港財務報告準則第15號後隨時間確認的印刷香煙包裝及製造複合紙應收款項除外)呈列貿易應收款項的賬齡分析。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

24. TRADE RECEIVABLES (continued)

At the end of the reporting period, the ageing analysis of trade receivables (before allowance for credit losses) by invoice date is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 to 90 days	0至90日	338,432	462,583
91 to 180 days	91至180日	22,075	39,828
181 to 365 days	181至365日	2,509	5,293
Over 365 days	超過365日	8,467	14,072
		371,483	521,776

At the end of the reporting period, the ageing analysis of trade receivables (net of allowance for credit losses) by due date is as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	336,404	460,600
Past due:	已逾期：		
0 to 90 days	0至90日	21,819	39,712
91 to 180 days	91至180日	2,342	5,194
181 to 365 days	181至365日	1,538	4,167
Over 365 days	超過365日	2,436	2,860
		28,135	51,933
		364,539	512,533

24. 貿易應收款項(續)

於報告期末，貿易應收款項按發票日期的賬齡分析(計提信貸虧損撥備前)如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 to 90 days	0至90日	338,432	462,583
91 to 180 days	91至180日	22,075	39,828
181 to 365 days	181至365日	2,509	5,293
Over 365 days	超過365日	8,467	14,072
		371,483	521,776

於報告期末，貿易應收款項按到期日的賬齡分析(扣除信貸虧損撥備)如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	336,404	460,600
Past due:	已逾期：		
0 to 90 days	0至90日	21,819	39,712
91 to 180 days	91至180日	2,342	5,194
181 to 365 days	181至365日	1,538	4,167
Over 365 days	超過365日	2,436	2,860
		28,135	51,933
		364,539	512,533

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

24. TRADE RECEIVABLES (continued)

As at 31 December 2021, included in trade receivables were bills receivables of approximately HK\$599,000 (2020: HK\$20,286,000), which are held by the Group for future settlement of trade receivables due from third parties. All bills received by the Group are with a maturity period of less than one year.

Based on the Group's assessment of historical credit loss experience of these debtors, including all available forward-looking information and expected settlements, the Group does not consider default has occurred despite the contractual payments are overdue more than 90 days due to these customers are mainly state-owned cigarette companies with strong financial positions. The management of the Group considers default occurred when the debtors get into financial difficulty or the debtors do not repay any trade receivables though the Group has pursuit for several times, which indicate the Group may not collect these trade receivables.

As at 31 December 2021, included in the Group's trade receivables balance are debtors with aggregate net carrying amount of approximately HK\$28,135,000 (2020: HK\$51,933,000) which are past due as at the reporting date. Out of the past due balances, approximately HK\$6,316,000 (2020: HK\$12,221,000) has been past due more than 90 days.

Other than bills receivables amounting to approximately HK\$599,000 (2020: HK\$20,286,000), the Group does not hold any collateral over these balances.

Information about the Group's exposure to credit risks and impairment of trade receivables is set out in note 39 to the consolidated financial statements.

24. 貿易應收款項(續)

於二零二一年十二月三十一日，應收票據約599,000港元(二零二零年：20,286,000港元)計入貿易應收款項，乃由本集團持有以供日後結付第三方結欠的貿易應收款項。本集團收取的所有票據於一年內列期。

根據本集團對該等應收賬款過往信貸虧損記錄(包括所有可用前瞻性資料及預期結算)的評估，由於該等客戶主要為財務狀況雄厚的國有煙草公司，即使合約付款已逾期超過90日，本集團並無視之為違約。本集團管理層認為，當債務人遇到嚴重財政困難或債務人並無償還任何貿易應收款項(儘管本集團已多次追討)時發生違約，顯示本集團或未能收回該等貿易應收款項。

於二零二一年十二月三十一日，本集團貿易應收款項結餘包括於報告日期已逾期賬面總值淨額為約28,135,000港元(二零二零年：51,933,000港元)的應收賬款。在已逾期結餘當中，約6,316,000港元(二零二零年：12,221,000港元)已逾期90日。

除為數約599,000港元(二零二零年：20,286,000港元)的已收票據外，本集團並無就該等結餘持有任何抵押品。

有關本集團所承受信貸風險及貿易應收款項減值的資料載於綜合財務報表附註39。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

25. CONTRACT ASSETS

25. 合約資產

	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Printing of manufacturing of cigarette packages and related materials 印刷及製造香煙包裝及相關材料	144,654	112,528
Manufacturing of laminated papers 製造複合紙	142	843
	144,796	113,371
Less: allowance for credit losses 減：信貸虧損撥備	(227)	(184)
	144,569	113,187

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance in delivering the goods to the customers at the reporting date on provision of printing of cigarette package and manufacturing of laminated papers. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables when the products are delivered to the customers. The increase in contract assets is attributable to the increase in the ongoing contracts as at 31 December 2021.

The consideration is payable on the earlier of the delivery and acceptance of the finished goods by customers or notice from the customer to cancel the order. If the customer cancels the order, the Group is immediately entitled to receive payment for work done to date.

Information about the Group's exposure to credit risks and impairment of contract assets is set out in note 39 to the consolidated financial statements.

合約資產主要與本集團收取已完成而未開單工程相關代價的權利，原因為有關權利須視乎本集團於報告日期向客戶交付提供香煙包裝印刷及製造複合紙所涉及貨品的未來表現而定。當有關權利成為無條件時，合約資產將轉撥至貿易應收款項。本集團通常於交付產品予客戶時將合約資產轉撥至貿易應收款項。合約資產增加源於二零二一年十二月三十一日的進行中合約增加。

代價須於提早交付及製成品獲客戶接納或客戶發出取消訂單通知時支付。倘客戶取消訂單，本集團即時有權收取迄今為止所完成工作的款項。

有關本集團所承受信貸風險及合約資產淨值的資料載於綜合財務報表附註39。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

26. OTHER RECEIVABLES, PREPAYMENTS AND REFUNDABLE DEPOSITS

26. 其他應收款項、預付款項及可退還訂金

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Other tax receivables	其他應收稅項	7,964	7,059
Prepayment for material purchase	購買原材料的預付款項	26,619	36,225
Receivables from sales of scrap materials	銷售廢料的應收款項	12,403	8,875
Refundable deposits to suppliers and customers	支付予供應商及客戶的可退還訂金	2,658	9,065
Rental, utility and other deposits	租金、公用及其他按金	5,809	6,877
Staff advances	員工墊款	610	1,061
Others	其他	4,839	2,139
		60,902	71,301
Analysed as:	分析為：		
Non-current	非即期	3,889	2,402
Current	即期	57,013	68,899
		60,902	71,301

Information about the Group's exposure to credit risks and impairment of other receivables, including receivables from sales of scrap materials, refundable deposits to suppliers and customers, staff advance, rental, utility and sundry deposits and others is set out in note 39 to the consolidated financial statements.

有關本集團所承受信貸風險及其他應收款項(包括銷售廢料的應收款項、支付予供應商及客戶的可退還訂金、員工墊款、租金、公用及雜項按金以及其他)減值的資料載於綜合財務報表附註39。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

27. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

The pledged bank deposits carried interests at variable rates ranging from 0.35% to 1.3% (2020: 0.3%) per annum. The pledged bank deposits will be released upon the settlement of relevant bills payables.

Bank balances carried interests at market rates ranging from 0.001% to 0.35% (2020: 0.001% to 1.75%) per annum.

The Group's pledged bank deposits, bank balances and cash that were denominated in currencies other than the functional currency of the respective group entities are stated below:

27. 已抵押銀行存款／銀行結餘及現金

已抵押銀行存款按浮動年利率介乎0.35%至1.3%(二零二零年:0.3%)計息。已抵押銀行存款將於結付有關應付票據後解除。

銀行結餘按市場年利率介乎0.001%至0.35%(二零二零年:0.001%至1.75%)計息。

以各自集團實體的功能貨幣以外的貨幣計值的本集團已抵押銀行存款、銀行結餘及現金列示如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Denominated in:	以下列貨幣計值：		
HK\$	港元	162,463	3,523
United States Dollars ("US\$")	美元(「美元」)	3,859	78,608

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

28. TRADE PAYABLES

28. 貿易應付款項

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Trade payables — third parties	貿易應付款項 — 第三方	256,211	214,037

The following is an ageing analysis of trade payables presented based on the date of goods receipt/invoice at the end of the reporting period:

以下為於報告期末按收貨／發票日期呈列貿易應付款項的賬齡分析：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
0 to 30 days	0至30日	134,358	135,197
31 to 90 days	31至90日	91,763	58,903
91 to 180 days	91至180日	28,784	8,245
181 to 365 days	181至365日	517	3,855
Over 365 days	超過365日	789	7,837
		256,211	214,037

The credit period on purchases of goods ranges from 30 days to 180 days. The Group monitors and maintains a level of cash and cash equivalents sufficient to ensure that all payables are within the credit time frame.

購買貨物的信貸期介乎30日至180日。本集團監控及維持足夠現金及現金等值項目，以確保所有應付款項於信貸期內支付。

As at 31 December 2021, bills amounting to HK\$22,408,000 (2020: HK\$13,686,000) were transferred to suppliers for settling trade payables.

於二零二一年十二月三十一日，為數22,408,000港元(二零二零年：13,686,000港元)的票據已轉撥予供應商以結算貿易應付款項。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

29. OTHER PAYABLES AND ACCRUALS

29. 其他應付款項及應計費用

			2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Note 附註		
Construction payables	應付建築款項		18,197	7,249
Contract liabilities	合約負債	(a)	2,615	1,751
Deposits received from suppliers	已收供應商訂金		136	490
Government grants	政府補助金	33	1,990	2,079
Other payables and accruals	其他應付款項及應計費用	(b)	37,737	24,692
Other tax payables	其他應付稅項		29,129	36,399
Provision for litigation	訴訟撥備	43	21,200	-
Salary payable	應付薪金		18,521	26,329
Water and electricity charges payable	應付水電費		3,933	3,280
			133,458	102,269

Notes:

- (a) The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the beginning of the reporting period	於報告期初	1,751	541
Recognised as revenue	確認為收益	(1,751)	(541)
Receipt of advances	收取墊款	2,615	1,751
At the end of the reporting period	於報告期末	2,615	1,751

At the end of the reporting period, none of the contract liabilities were expected to be settled after 12 months.

- (b) Included in other payables and accrued charges as at 31 December 2021 were sub-contracting fee payables of HK\$31,131,000 (2020: HK\$21,466,000) and transportation fee payable of HK\$2,892,000 (2020: HK\$2,876,000). The amounts are unsecured, interest-free and have no fixed repayment term.

附註：

- (a) 於本年度，香港財務報告準則第15號內來自客戶合約的合約負債變動（不包括源於同一年度內產生的增加及減少者）如下：

於報告期末，概無合約負債預期於12個月後結付。

- (b) 於二零二一年十二月三十一日，應付分包費用31,131,000港元（二零二零年：21,466,000港元）及應付運輸費用2,892,000港元（二零二零年：2,876,000港元）計入其他應付款項及應計費用。款項為無抵押、免息及無固定還款期。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

30. LEASE LIABILITIES

At the end of the reporting period, the weighted average discount rate applied at 4.75% (2020: ranged from 3% to 6%) per annum.

Commitments and present value of lease liabilities:

30. 租賃負債

於報告期末，已應用加權平均折現率每年4.75%（二零二零年：介乎3%至6%）。

租賃負債承擔及現值：

		Minimum lease payments 最低租賃付款 2021 二零二一年 HK\$'000 千港元	Present value of minimum lease payments 最低租賃付款現值 2021 二零二一年 HK\$'000 千港元	Minimum lease payments 最低租賃付款 2020 二零二零年 HK\$'000 千港元	Present value of minimum lease payments 最低租賃付款現值 2020 二零二零年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	342	333	994	991
In the second to fifth years inclusive	第二至五年 （包括首尾兩年）	-	-	349	302
		342	333	1,343	1,293
Less: future finance charges	減：未來融資開支	(9)	-	(50)	-
Total lease liabilities	租賃負債總額	333	333	1,293	1,293

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

並非以有關集團實體功能貨幣計值的租賃責任列載如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Denominated in:	以下列貨幣計值：		
HK\$	港元	-	671

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

31. AMOUNT DUE TO A NON-CONTROLLING INTEREST OF A SUBSIDIARY

The amount due is unsecured, interest-free and repayable on demand.

31. 應付一間附屬公司非控股權益款項

應付款項為無抵押、免息及須按的要求償還。

32. BANK BORROWINGS

32. 銀行借貸

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Bank borrowings comprise:	銀行借貸包括：		
— Secured	— 有抵押	11,813	—
— Unsecured	— 無抵押	330,615	411,206
		342,428	411,206
Carrying amount repayable based on scheduled repayment dates:	根據預定還款日期須於		
Within one year	以下時間償還的賬面值： 一年內	342,428	411,206
Fixed-rate borrowings	定息借貸	342,428	411,206

At the end of the reporting period, the ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

於報告期末，本集團銀行借貸的實際利率（亦相當於訂約利率）範圍如下：

		2021 二零二一年 Per annum 千港元	2020 二零二零年 Per annum 千港元
Fixed-rate borrowings	定息借貸	3.85%to 至 4.20%	4.00%to 至 4.35%

All bank borrowings are denominated in the functional currency of the relevant group entities.

所有銀行借貸以有關集團額體的功能貨幣計值。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

33. GOVERNMENT GRANTS

33. 政府補助金

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Arising from government grants	源自政府補助金：		
Current (included in other payables and accruals)	流動(計入其他應付款項及應計費用)	1,990	2,079
Non-current	非流動	25,931	28,383
		27,921	30,462

The government subsidies received related to the acquisition of property, plant and equipment in the PRC. The amount has been treated as deferred income and amortised to income over the estimated useful lives of the related assets on a systematic basis. During the year, deferred income of HK\$3,325,000 (2020: HK\$2,079,000) was recognised as other income in profit or loss.

已收政府補助金與收購中國物業、廠房及設備有關。該款項被視為遞延收入及於有關資產的估計可使用年期內有系統地攤銷至收入。年內，遞延收入3,325,000港元(二零二零年：2,079,000港元)於損益確認為其他收入。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. DEFERRED TAXATION

The following is the components of deferred tax (assets) liabilities recognised by the Group and movements thereon during the year.

34. 遞延稅項

以下為於本年度本集團已確認的遞延稅項資產(負債)組成部分及其變動。

		Intangible assets	Undistributable profits of subsidiaries/ associate 附屬公司/ 聯營公司的 未分派溢利	Government grants	ECL provision	Timing difference on revenue recognition	Inventories provisions/ salary payable	Accelerated tax depreciation	Tax loss	Total
		無形資產	未分派溢利	政府補助金	預期信貸虧損撥備	收益確認的時間差異	存貨撥備/ 應付薪金	加速稅項折舊	稅項虧損	總計
		HK\$'000	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	千港元
At 1 January 2020	於二零二零年 一月一日	16,890	47,800	(4,442)	(2,097)	7,868	(463)	2,686	(664)	67,578
(Credit) Charge to profit or loss	(計入)扣除損益	(6,418)	14,878	274	745	(3,207)	(571)	2,379	668	8,748
Utilised upon payment	使用時支付	-	(36,851)	-	-	-	-	-	-	(36,851)
Exchange differences	匯兌差額	-	1,857	(199)	(95)	330	(146)	325	(4)	2,068
At 31 December 2020 and 1 January 2021	於二零二零年 十二月三十一日 及於二零二一年 一月一日	10,472	27,684	(4,367)	(1,447)	4,991	(1,180)	5,390	-	41,543
(Credit) Charge to profit or loss	(計入)扣除損益	(6,027)	8,929	294	363	283	613	4,870	-	9,325
Utilised upon payment	使用時支付	-	(8,711)	-	-	-	-	-	-	(8,711)
Exchange differences	匯兌差額	-	762	(115)	(33)	140	(23)	217	-	948
At 31 December 2021	於二零二一年 十二月三十一日	4,445	28,664	(4,188)	(1,117)	5,414	(590)	10,477	-	43,105

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. DEFERRED TAXATION (continued)

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

34. 遞延稅項(續)

就綜合財務狀況報表呈列而言，若干遞延稅項資產及負債經已抵銷。以下為就財務報告而言遞延稅項結餘的分析：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(5,895)	(1,333)
Deferred tax liabilities	遞延稅項負債	49,000	42,876
		43,105	41,543

At the end of the reporting period, the Group has unused tax losses of approximately HK\$10,503,000 (2020: HK\$2,532,000) available for offset against future profits. No deferred tax asset has been recognised in respect of HK\$10,503,000 (2020: HK\$2,532,000) due to the unpredictability of future profit streams.

於報告期末，本集團有未動用稅項虧損約10,503,000港元(二零二零年：2,532,000港元)可供抵銷未來溢利。由於未來溢利來源無法預測，並無就餘下10,503,000港元(二零二零年：2,532,000港元)確認遞延稅項資產。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

34. DEFERRED TAXATION (continued)

At the end of the reporting period, the Group has the following unrecognised tax losses arising in the PRC that can be offset against future taxation profits of the subsidiaries for a maximum of 5 years from the year in which the tax loss was incurred:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Year of expiry	到期年度		
2022	二零二二年	-	-
2023	二零二三年	-	-
2024	二零二四年	2,442	2,444
2025	二零二五年	174	88
2026	二零二六年	7,887	-
		10,503	2,532

34. 遞延稅項(續)

於報告期末，本集團有以下源於中國的未確認稅項虧損，可用以抵銷產生稅項虧損年度起計最多5年的附屬公司未來稅項溢利：

35. SHARE CAPITAL

35. 股本

		2021 二零二一年		2020 二零二零年	
		Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
Ordinary shares of HK\$0.005 each	每股面值0.005港元的 普通股				
Authorised: At the beginning and the end of the reporting period	法定： 於報告期初及末	10,000,000,000	50,000	10,000,000,000	50,000
Issued and fully paid: At the beginning and the end of the reporting period	已發行及繳足： 於報告期初及末	1,567,884,634	7,839	1,567,884,634	7,839

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

36. 融資活動所產生負債的對賬

下表詳列本集團就融資活動所產生負債的變動，包括現金及非現金變動。融資活動所產生負債為現金流或未來現金流均在本集團的綜合現金流量表分類為融資活動所產生現金流的負債。

		Amount due to a non-controlling interest of a subsidiary 應付一間附屬公司非控股權益款項 HK\$'000 千港元	Bank borrowings 銀行借貸 HK\$'000 千港元	Dividend payables 應付股息 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Interest payable (included in other payables and accruals) 應付利息(計入其他應付款項及應計費用) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年十二月三十一日	8,290	256,462	-	4,905	138	269,795
Modification of lease contract	租賃合約修改	-	-	-	412	-	412
Early termination of lease contracts	提前終止租賃合約	-	-	-	(342)	-	(342)
Finance costs	融資成本	-	-	-	118	20,570	20,688
Interest paid	已付利息	-	-	-	-	(20,187)	(20,187)
Dividends declared	已宣派股息	-	-	299,936	-	-	299,936
Financing cash flows (Note)	融資現金流(附註)	(5,998)	130,989	(299,936)	(3,958)	-	(178,903)
Exchange differences	匯兌差額	192	23,755	-	158	32	24,137
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	2,484	411,206	-	1,293	553	415,536
Finance costs	融資成本	-	-	-	38	14,378	14,416
Dividends declared	已宣派股息	-	-	156,789	-	-	156,789
Financing cash flows (Note)	融資現金流(附註)	-	(78,863)	(156,789)	(1,010)	(14,768)	(251,430)
Exchange differences	匯兌差額	68	10,085	-	12	10	10,175
At 31 December 2021	於二零二一年十二月三十一日	2,552	342,428	-	333	173	345,486

Note: The cash flows represent (i) the proceeds from (repayment of) bank borrowings; (ii) payment of dividends; (iii) repayment to a non-controlling interest of a subsidiary; and (iv) repayments of lease liabilities.

附註：現金流指(i)銀行借貸的所得款項(還款)；(ii)派付股息；(iii)一間附屬公司非控股權益還款；及(iv)租賃負債還款。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

37. RETIREMENT BENEFIT PLAN

The Group participants a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under control of a trustee. The Group contributes lower of 5% of relevant payroll costs or HK\$1,500 per person to the Scheme, which is matched by employees.

The employees of the Group in the PRC are members of state-managed retirement benefit scheme operated by the PRC government. The Company's subsidiaries are required to contribute a certain percentage of payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the scheme is to make the required contributions under the scheme.

The total expense recognised in profit or loss of HK\$11,106,000 (2020: HK\$1,448,000) represents contributions paid or payable to these plans by the Group at rates specified in the rules of the plans. During the year ended 31 December 2020, the local government in the PRC lowered the rate of social insurance contribution so as to relieve the Covid-19 impact.

38. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes amount due to a non-controlling interest of a subsidiary and bank borrowings, net of pledged bank deposits and bank balances and cash and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Group monitors capital using gearing ratio which is calculated by dividing the total bank borrowings by the total equity and adjusted gearing ratio which is calculated by dividing the net debt by equity attributable to owners of the Company respectively.

37. 退休福利計劃

本集團為香港所有合資格僱員參加強制性公積金計劃。計劃資產與本集團資產分開處理，並由信託人管理的基金持有。本集團向計劃貢獻每人有關薪金成本不超過5%或1,500港元，與僱員作出相等供款。

本集團於中國的僱員為中國政府的國家管理退休福利計劃的成員。本公司附屬公司須貢獻薪金若干百分比至退休福利計劃，以為福利提供資金。本集團涉及計劃的責任僅為為根據計劃作出所需供款。

已於損益確認的總開支11,106,000港元(二零二零年：1,448,000港元)指本集團按計劃規則訂明的比率向此等計劃已作出或須作出的應付供款。截至二零二零年十二月三十一日止年度，中國當地政府降低社會保障供款率以緩解Covid-19的影響。

38. 資本風險管理

本集團管理其資本，以確保本集團的實體可以持續經營，並透過優化債務及權益結餘為權益相關者帶來最大回報。自去年以來，本集團的整體策略維持不變。

本集團的資本架構包括債務淨額(包括應付一間附屬公司非控股權益款項及銀行借貸，扣除已抵押銀行存款及銀行結餘及現金)及本公司擁有人應佔權益(其中包括已發行股本及儲備)。

本集團分別採用資產負債比率(按銀行借貸總額除以總權益計算)及經調整資產負債率(按負債淨額除以本公司擁有人應佔權益計算)來監察資本。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

38. CAPITAL RISK MANAGEMENT (continued)

The gearing ratios and adjusted gearing ratios as at the end of the reporting period were as follows:

38. 資本風險管理(續)

於報告期末，資產負債比率及經調整資產負債比率如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Assets	資產		
Pledged bank deposits	已抵押銀行存款	11,488	14,523
Bank balances and cash	銀行結餘及現金	440,350	315,391
		451,838	329,914
Liabilities	負債		
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股權益款項	2,552	2,484
Bank borrowings	銀行借貸	342,428	411,206
		344,980	413,690
Equity	權益		
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,646,887	2,746,446
Non-controlling interests	非控股權益	26,693	23,381
		2,673,580	2,769,827
Net (cash) debt	(現金)負債淨額	(106,858)	83,776
Gearing ratio	資產負債比率	12.8%	14.8%
Adjusted gearing ratio	經調整資產負債比率	(4.0)%	3.1%

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

本公司董事定期審核資本架構。作為此審核的一部分，本公司董事會考慮資本成本及與各類別資本相關的風險。本集團將根據董事的建議，透過支付股息、發行新股以及發行新債券或贖回現有債務來平衡其整體資本架構。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS

Categories of financial instruments

39. 金融工具

金融工具的類別

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
At the end of the reporting period	於報告期末		
Financial assets	金融資產		
Amortised cost	攤銷成本	842,696	870,464
Financial liabilities	金融負債		
Amortised cost	攤銷成本	682,394	663,438

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables, pledged bank deposits, bank balances and cash, trade payables, other payables, amount due to a non-controlling interest of a subsidiary and bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

財務風險管理目標及政策

本集團的主要金融工具包括貿易應收款項、其他應收款項、已抵押銀行存款、銀行結餘及現金、貿易應付款項、其他應付款項、應付一間附屬公司非控股權益款項及銀行借貸。該等金融工具的詳情已於相關附註內披露。該等金融工具相關的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險，而如何減低該等風險的政策載於下文。本集團管理層管理及監控該等風險，以確保能及時有效地採取適當的措施。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risks

The Group's activities expose it primarily to currency risk and interest rate risk. Market risk exposures are further measured by sensitivity analysis. Details of each type of market risks are described as follows:

Currency risk

The functional currency of the Group's principal subsidiaries is RMB. While most of the Group's operations are transacted in the functional currency of the respective group entities, the Group undertakes certain transactions denominated in foreign currencies. The Group currently does not have hedging policy in respect of the foreign currency risk. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's financial assets and financial liabilities denominated in a currency other than the functional currency of the entity at the end of the reporting date are as follows:

39. 金融工具(續)

財務風險管理目標及政策(續)

市場風險

本集團的活動使其主要承受貨幣風險及利率風險。市場風險承擔進一步以敏感度分析計量。各類市場風險的詳情載述如下：

貨幣風險

本集團主要附屬公司的功能貨幣為人民幣。由於本集團大部分業務以各集團實體的功能貨幣進行交易，本集團亦進行若干以外幣計值的交易。本集團目前並無有關外匯風險的對沖政策。然而，管理層密切監測外匯風險，並將於必要時考慮對沖重大外匯風險。

於報告日期結束時，本集團並非以實體功能貨幣計值的金融資產及金融負債賬面值如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Assets	資產		
HK\$	港元	162,744	4,647
US\$	美元	9,879	80,152
Liabilities	負債		
HK\$	港元	3,485	295
US\$	美元	3,615	3,558

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risks (continued)

Currency risk

Sensitivity analysis

The Group's entities are mainly exposed to the currency of HK\$ and US\$.

The following table details the Group's sensitivity to a 3% (2020: 6%) increase and decrease in the RMB against the relevant foreign currencies, respectively. 3% (2020: 6%) sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 3% (2020: 6%) change in foreign currency rates. The sensitivity analysis includes bank balances, receivables or payables and bank borrowings denominated in a currency other than the functional currency. A positive number below indicates an increase in post-tax profit where RMB strengthens against the relevant foreign currencies. For a 3% (2020: 6%) weakening of RMB against the relevant foreign currencies, there would be an equal and opposite impact on the profit.

39. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

貨幣風險

敏感度分析

本集團的實體主要承受港元及美元貨幣風險。

下表詳列人民幣兌相關外幣升值及貶值3%(二零二零年:6%)的情況下,本集團的敏感度分析。敏感度比率3%(二零二零年:6%)代表管理層對外幣匯率可能變動的合理評估。敏感度分析僅包括以外幣計值的未償還貨幣項目,並於報告期末按3%(二零二零年:6%)外匯匯率變動調整其換算。敏感度分析包括銀行結餘、應收款項或應付款項以及銀行借貸(以功能貨幣以外的貨幣計值)。下列正數表示人民幣兌相關外幣升值時,除稅後溢利將會增加。倘人民幣兌相關外幣貶值3%(二零二零年:6%),將對溢利有等額相反影響。

		Profit for the year	
		年度溢利	
		2021	2020
		二零二一年	二零二零年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	3,989	(218)
US\$	美元	157	(3,837)

Note: This is mainly attributable to the net exposure to outstanding bank balances, receivables, payables, bank borrowings in HK\$ and US\$ at the end of the reporting period.

附註:此類風險主要來自報告期末以港元及美元計值的未結清銀行結餘、應收款項、應付款項、銀行借貸。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Market risks (continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate pledged bank deposits and bank balances. The management monitors interest rate exposures and will consider hedging significant interest rate risk should the need arise.

Sensitivity analysis

At the end of the reporting period, the management considers the Group's exposure to interest rate risk on variable-rate pledged bank deposits and bank balances is insignificant due to the low level of bank interest rates, thus no sensitivity analysis is prepared for interest rate risk.

Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables, contract assets, other receivables, pledged bank deposits and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with certain trade receivables are backed by bills issued by reputable financial institutions.

39. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

利率風險

本集團所承擔現金流量利率風險主要與浮息已抵押銀行存款及銀行結餘有關。管理層監察利率風險及將於必要時考慮對沖重大利率風險。

敏感度分析

於報告期末，管理層認為銀行利率處於低水平，浮息已抵押銀行存款及銀行結餘所承受利率風險輕微，故概無就利率風險編製敏感度分析。

信貸風險

信貸風險指本集團的對手方違反其合約義務而導致本集團蒙受財務損失的風險。本集團的信貸風險主要源自貿易應收款項、合約資產、其他應收款項、已抵押銀行存款及銀行結餘。本集團並無持有任何抵押品或其他信貸增強措施以保障其金融資產相關的信貸風險，惟與獲信譽良好的金融機構所發行票據支持的若干貿易應收款項有關的信貸風險除外。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The Group performed impairment assessment for financial assets and contract assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Trade receivables and contract assets arising from contracts with customers

In order to minimise the credit risk on trade receivables and contract assets, the management of the Group has delegated a team responsible for determination of credit limit, credit approval, and makes periodic collective assessments as well as individual assessment on the recoverability of receivables based on historical settlement records, reasons for extended repayment period and past experience. The Group only accepts bills issued or guaranteed by reputable PRC banks if trade receivables are settled by bills and therefore the management of the Group considers the credit risk arising from the endorsed or discounted bills is insignificant. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk as 22% (2020: 17%) and 51% (2020: 45%) of the total trade receivables which are due from the Group's largest customer and the five largest customers respectively within the printing and manufacturing of cigarettes packages and related materials segment.

In addition, the Group performs impairment assessment under ECL model on the trade receivables and contract assets individually or collectively. Except for debtors with internal credit ratings graded as P4, P5 and P6, which are assessed for impairment individually, the remaining trade receivables and contract assets are grouped based on shared credit risk characteristics by reference to repayment histories for recurring customers and current past due exposure for the new customers.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

本集團根據預期信貸虧損模式對金融資產及合約資產進行減值評估。有關本集團信貸風險管理、最高信貸風險及相關減值評估(如適用)的資料概列如下：

來自客戶合約的貿易應收款項及合約資產

為盡量減低貿易應收款項及合約資產的信貸風險，本集團管理層已委派一支隊伍負責釐定信貸限額、信貸審批及定期進行整體評估，並根據歷史結算記錄、延長還款期的理由及過往經驗對應收款項的可收回性進行個別評估。本集團僅於貿易應收款項以票據結算時方會接納由中國知名銀行發行或擔保的票據，因此，本集團管理層認為背書或折現票據所產生的信貸風險並不重大。就此而言，本公司董事認為本集團的信貸風險已大大降低。

本集團有信貸集中的風險，原因為貿易應收款項總額的22%(二零二零年：17%)及51%(二零二零年：45%)分別為應收本集團印刷及製造香煙包裝及相關材料分部最大客戶及五大客戶的款項。

此外，本集團根據預期信貸虧損模式單獨或集體對貿易應收款項及合約資產進行減值評估。除內部信貸評級為P4、P5及P6的債務人須單獨評估減值外，餘下貿易應收款項及合約資產根據共同信貸風險特徵分組，當中參考現有客戶的還款記錄及新客戶的當前逾期風險。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Other receivables/pledged bank deposits/bank balances

In order to minimise the credit risk on other receivables, the management of the Group makes periodic individual assessments on the recoverability of receivables based on historical settlement records, past experience and forward-looking information. The Group performs impairment assessment under ECL model on other receivables individually.

The credit risk on pledged bank deposits and bank balances are limited because the counterparties are banks with high credit ratings assigned by PRC credit rating agencies or state-owned banks located in the PRC.

In determining the ECL for pledged bank deposits and bank balances, the management of the Group has taken into account the estimated default loss rates in reference to the international credit rating agency and forward-looking information, as appropriate. There had been no significant increase in credit risk since initial recognition. The management of the Group has estimated the ECL based on the carrying amounts of pledged bank deposits and bank balances at the end of the reporting period multiplying the estimated default loss rates. The Group has considered the consistently low historical default rate and concluded that credit risk inherent in the Group's outstanding pledged bank deposits and bank balances is insignificant.

The Group has concentration of credit risk as 64% (2020: 56%) of the total pledged bank deposits and bank balances was due from the three largest banks.

The Group is also exposed to the concentration on geographic segment of the PRC. At the end of the reporting period, approximately 99% (2020: 100%) of the Group's trade and other receivables are arising from counterparties whose principal place of operations is the PRC.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

其他應收款項／已押抵銀行存款／銀行結餘

為盡量減低其他應收款項的信貸風險，本集團管理層根據歷史結算記錄、過往經驗及前瞻性資料定期對應收款項的可收回性進行個別評估。本集團根據預期信貸虧損模式對其他應收款項進行個別減值評估。

已抵押銀行存款及銀行結餘的信貸風險有限，原因為對手方乃獲中國信貸評級機構列為信貸評級優良的銀行或中國的國有銀行。

在釐定已抵押銀行存款及銀行結餘的預期信貸風險時，本集團管理層已計及參考國際信貸評機構及前瞻性資料(如適用)之估計違約損失率。信貸風險自初步確認以來並無顯著增加。本集團管理層根據於報告期末已抵押銀行存款及銀行結餘之賬面值乘估計違約損失率估計預期信貸風險。本集團已考慮持續較低的歷史違約率，並得出結論認為本集團未償還已抵押銀行存款及銀行結餘固有的信貸風險並不重大。

本集團有信貸集中的風險，已抵押銀行存款及銀行結餘總額的64%(二零二零年：56%)來自三大銀行。

本集團亦承受地區分部集中在中國的風險。於報告期末，本集團約99%(二零二零年：100%)的貿易及其他應收款項來自以中國為主要營業地點的對手方。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Other receivables/pledged bank deposits/bank balances
(continued)

The Group's internal credit risk grading comprises the following categories:

Internal

credit rating

內部信貸評級

Description

描述

P1	The counterparty has a low risk of default, refers to state-owned cigarette companies and receivables backed by bank bills	Lifetime ECL — not credit-impaired
P1	對手方的違約風險較低，指國有香煙公司及銀行票據支持的應收款項	全期預期信貸虧損 — 未出現 信貸減值
P2	Debtor frequently repays within due dates and has no past due amounts and the length of customer relationship is more than three years with no default history	Lifetime ECL — not credit-impaired
P2	債務人經常在到期日內償還，並無逾期款項，客戶關係時長超過三年且不曾違約	全期預期信貸虧損 — 未出現 信貸減值
P3	Debtor frequently repays after due dates and has past due amounts, or the length of customer relationship is less than three years	Lifetime ECL — not credit-impaired
P3	債務人經常在到期日後償還並有逾期款項，或客戶關係時長少於三年	全期預期信貸虧損 — 未出現 信貸減值

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

其他應收款項/已押抵銀行存款/銀行結餘(續)

本集團的內部信貸風險評級包括以下類別：

Trade receivables/

contract assets

貿易應收款項/合約資產

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Other receivables/pledged bank deposits/bank balances
(continued)

Internal

credit rating

內部信貸評級

Description

描述

P4

Debtor with significant outstanding past due balances which expects to be fully settled within one year

P4

預期將於一年內悉數償付重大未清償逾期結餘的債務人

P5

Debtor with significant outstanding past due balances which settles from time to time and expect to be fully settled within two years

P5

不時結算並預期將於兩年內悉數償付重大未清償逾期結餘的債務人

P6

There is evidence indicating the asset is credit-impaired

P6

有證據顯示資產出現信貸減值

P7

There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery

P7

有證據顯示債務人遇到嚴重財政困難，而本集團無實際期望可收回欠款

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

其他應收款項/已押抵銀行存款/銀行結餘(續)

Trade receivables/

contract assets

貿易應收款項/合約資產

Lifetime ECL — not credit-impaired

全期預期信貸虧損 — 未出現
信貸減值

Lifetime ECL — not credit-impaired

全期預期信貸虧損 — 未出現
信貸減值

Lifetime ECL — credit-impaired

全期預期信貸虧損 — 出現
信貸減值

Amount is written off

款項撇銷

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Other receivables/pledged bank deposits/bank balances (continued)

The tables below detail the credit risk exposures of the Group's trade receivables, contract assets, other receivables, pledged bank deposits and bank balances which are subject to ECL assessment:

Financial assets at amortised cost and contract assets 按攤銷成本列賬的金融資產及合約資產	Note 附註	External credit rating 外部 信貸評級	Internal credit rating 內部 信貸評級	12-month or lifetime ECL 12個月或 全期預期信貸虧損	2021 二零二一年 Gross carrying amount 賬面總值 HK\$'000 千港元	2020 二零二零年 Gross carrying amount 賬面總值 HK\$'000 千港元	
Trade receivables (Note a) 貿易應收款項 (附註 a)	24	N/A 不適用	P1	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	182,525	396,152	
				P2	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	172,161	85,235
					P3	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	8,516
				P4		Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	-
					P5	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	6,138
				P6		Lifetime ECL (credit-impaired) 全期預期信貸虧損 (出現信貸減值)	2,143
				371,483	521,776		
Contract assets (Note a) 合約資產 (附註 a)	25	N/A 不適用	P1	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	127,997	103,860	
				P2	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	16,224	7,869
					P3	Lifetime ECL (not-credit-impaired) 全期預期信貸虧損 (未出現信貸減值)	575
				144,796	113,371		
Other receivables 其他應收款項	26	N/A 不適用	(Note b) (附註 b)	12-month ECL 12個月預期信貸虧損	26,587	28,286	
Pledged bank deposits 已抵押銀行存款	27	AAA*	N/A 不適用	12-month ECL 12個月預期信貸虧損	11,488	14,523	
Bank balances 銀行結餘	27	AAA*	N/A 不適用	12-month ECL 12個月預期信貸虧損	440,068	315,246	

* The rating is originated from the PRC credit rating agencies.

* 評級來自中國信貸評級機構。

39. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

其他應收款項/已抵押銀行存款/銀行結餘 (續)

下表詳列須進行預期信貸虧損評估的本集團貿易應收款項、合約資產、其他應收款項、已抵押銀行存款及銀行結餘的信貸風險：

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Other receivables/pledged bank deposits/bank balances
(continued)

Notes:

- (a) For trade receivables and contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.
- (b) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. At the end of the reporting period, these amounts are not past due or they have no fixed repayment terms (2020: nil).

Collective assessment — internal credit rating

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information about the exposure to credit risk for trade receivables and contract assets which are assessed based on collective assessment as at 31 December 2021 within lifetime ECL (not credit-impaired). At the end of the reporting period, debtors with significant outstanding and long aged balances or credit-impaired with gross carrying amounts of HK\$8,281,000 and HK\$nil in aggregate for trade receivables and contract assets (2020: HK\$9,721,000 and HK\$nil) were assessed individually.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

其他應收款項/已押抵銀行存款/銀行結餘(續)

附註：

- (a) 就貿易應收款項及合約資產而言，本集團已應用香港財務報告準則第9號的簡化方法計量全期預期信貸虧損的虧損撥備。
- (b) 就內部信貸風險管理而言，本集團利用逾期資料評估信貸風險自初步確認以來有否顯著增加。於報告期末，該等金額未逾期或無固定還款期限(二零二零年：無)。

集體評估 — 內部信貸評級

作為本集團信貸風險管理其中一部分，本集團對其客戶應用內部信貸評級。下表載列按於全期預期信貸虧損(未出現信貸減值)內根據二零二一年十二月三十一日的集體評估所評估貿易應收款項及合約資產信貸風險的資料。於報告期末涉及貿易應收款項及合約資產賬面總值合共為8,281,000港元及零港元(二零二零年：9,721,000港元及零港元)具有重大未償還及長賬齡結餘或出現信貸減值的債務人獲進行個別評估。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

Collective assessment — internal credit rating (continued)

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

集體評估 — 內部信貸評級(續)

Internal credit rating	內部信貸評級	Average loss rate		Gross carrying amount			
		平均虧損率		Trade receivables		Contract assets	
		2021	2020	貿易應收款項		合約資產	
		二零二一年	二零二零年	2021	2020	2021	2020
		%	%	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
P1	P1	0.01	0.04	182,525	396,152	127,997	103,860
P2	P2	1.19	1.94	172,161	85,235	16,224	7,869
P3	P3	3.16	4.18	8,516	30,668	575	1,642
				363,202	512,055	144,796	113,371

The estimated loss rates are estimated based on historical settlement records, internal credit rating, the external credit rating data and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

估計虧損率乃基於歷史結算記錄、內部信貸評級及外部信貸評級數據估算，並根據毋須付出不必要成本或努力即可獲得的前瞻性資料作出調整。管理層會定期審閱分組方式以確保特定債務人的相關資料予以更新。合約資產具有與同一類型合約的貿易應收款項大致相同的風險特徵。因此，本集團認為貿易應收款項的虧損率與合約資產的虧損率合理相若。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Collective assessment — internal credit rating (continued)

During the year, the Group recorded net reversal on impairment allowance of HK\$2,515,000 (2020: net impairment loss of HK\$2,127,000) for trade receivables and net impairment allowance of HK\$36,000 (2020: HK\$43,000) for contract assets, based on the assessment by individually or collectively for those credit-impaired debtors or those debtors with significant outstanding and long aged balances.

The Group assessed the loss allowances for other receivables, pledged bank deposits and bank balances on 12-month ECL basis. The management of the Group considers the pledged bank deposits and bank balances that are deposited with the financial institutions with high credit rating to be low credit risk financial assets. The management of the Group considers pledged bank deposits and bank balances are short-term in nature and the probability of default is negligible on the basis of high-credit-rating issuers, and accordingly, loss allowance was considered as insignificant.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

集體評估 — 內部信貸評級(續)

於本年度，本集團根據對該等出現信貸減值的債務人或該等具重大未償還及長賬齡結餘的債務人進行個別或集體評估，分別就貿易應收款項錄得減值撥備撥回淨額2,515,000港元(二零二零年：減值虧損淨額2,127,000港元)及就合約資產計提減值撥備淨額36,000港元(二零二零年：43,000港元)。

本集團按12個月預期信貸虧損基準評估其他應收款項、已抵押銀行存款及銀行結餘的虧損撥備。本集團管理層認為，存放於信貸評級較高的金融機構的已抵押銀行存款及銀行結餘屬低信貸風險的金融資產。本集團管理層認為已抵押銀行存款及銀行結餘屬短期性質，而在高信貸評級發行人的基礎上可毋須計算違約概率，故虧損撥備被視為微不足道。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未出現 信貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (出現 信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	2,816	11,060	13,876
Increase in allowance, net	撥備增加淨額	182	1,945	2,127
Amount written off	撇銷款項	–	(6,973)	(6,973)
Exchange differences	匯兌差額	174	39	213
At 31 December 2020 and 1 January 2021	於二零二零年 十二月三十一日及 二零二一年一月一日	3,172	6,071	9,243
Decrease in allowance, net	撥備減少淨額	1,519	(4,034)	(2,515)
Exchange differences	匯兌差額	110	106	216
At 31 December 2021	於二零二一年 十二月三十一日	4,801	2,143	6,944

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. The Group has taken legal action against the debtors to recover the amount due. None of the trade receivables that have been written off is subject to enforcement activities.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

下表顯示根據簡化方法就貿易應收款項確認全期預期信貸虧損的變動。

	Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未出現 信貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (出現 信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	2,816	11,060	13,876
Increase in allowance, net	182	1,945	2,127
Amount written off	–	(6,973)	(6,973)
Exchange differences	174	39	213
At 31 December 2020 and 1 January 2021	3,172	6,071	9,243
Decrease in allowance, net	1,519	(4,034)	(2,515)
Exchange differences	110	106	216
At 31 December 2021	4,801	2,143	6,944

當有資料顯示債務人處於嚴重財政困難及並無實際收回可能(如債務人被清盤或已進行破產程序),本集團撇銷貿易應收款項。本集團已對債務人採取法律行動以收回結欠款項。概無已撇銷貿易應收款項受到執法行動。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

The following table shows the movement in lifetime ECL that has been recognised for contract assets under the simplified approach.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

下表顯示根據簡化方法就合約資產確認全期預期信貸虧損的變動。

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (未出現 信貸減值) HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	131
Increase in allowance, net	撥備增加淨額	43
Exchange differences	匯兌差額	10
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日 及二零二一年一月一日	184
Increase in allowance, net	撥備增加淨額	36
Exchange differences	匯兌差額	7
At 31 December 2021	於二零二一年十二月三十一日	227

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Credit risk (continued)

The following table shows the movement in 12-month ECL that has been recognised for other receivables.

39. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險(續)

下表顯示就其他應收款項確認12個月預期信貸虧損的變動。

		12-month ECL (not credit- impaired) 12個月預期 信貸虧損 (未出現 信貸減值) HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	157
Increase in allowance, net	撥備增加淨額	97
Exchange differences	匯兌差額	15
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日 及二零二一年一月一日	269
Decrease in allowance, net	撥備減少淨額	(7)
Exchange differences	匯兌差額	6
At 31 December 2021	於二零二一年十二月三十一日	268

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank loans as a significant source of liquidity. At the end of the reporting period, the Group has available unutilised bank borrowings facilities of approximately HK\$1,034,933,000 (2020: HK\$696,663,000).

The following table details the Group's remaining contractual maturity for its financial liabilities and lease liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other financial liabilities and lease liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

39. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險

於管理流動資金風險時，本集團會進行監控並將現金及現金等價物維持在管理層認為充足的水平，以為本集團的營運提供資金並減低現金流量波動的影響。管理層會監控銀行借貸的動用情況，並確保遵守貸款契約。

本集團依賴銀行貸款為主要流動資金來源。於報告期末，本集團可取得的尚未動用銀行借貸融資約為1,034,933,000港元(二零二零年：696,663,000港元)。

下表詳列本團金融負債及租賃負債的剩餘合約期限，乃根據以本集團須償還金融負債的最早日期釐定的金融負債未折現現金流量編製。其他金融負債及租賃負債的到期日乃根據協定償還日期釐定。

表格包括利息及本金現金流量。倘利息流為浮動利率，則未折現金額乃按報告期末的利率計算所得。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

(continued)

Liquidity risk (continued)

39. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

		Weighted average interest rate	On demand or less than 1 year	1 year to 2 years	Total undiscounted cash flows	Carrying amounts
		加權平均利率	按要求 或一年內	一至兩年	未折現現金 流量總額	賬面值
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2021	於二零二一年十二月三十一日					
Trade payables	貿易應付款項	-	256,211	-	256,211	256,211
Other payables	其他應付款項	-	81,203	-	81,203	81,203
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股 權益款項	-	2,552	-	2,552	2,552
Bank borrowings	銀行借貸	3.87	346,024	-	346,024	342,428
Lease liabilities	固定利率	4.75	342	-	342	333
	租賃負債		686,332	-	686,332	682,727
At 31 December 2020	於二零二零年十二月三十一日					
Trade payables	貿易應付款項	-	214,037	-	214,037	214,037
Other payables	其他應付款項	-	35,711	-	35,711	35,711
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股 權益款項	-	2,484	-	2,484	2,484
Bank borrowings	銀行借貸	4.28	428,787	-	428,787	411,206
Lease liabilities	租賃負債	4.31	994	349	1,343	1,293
			682,013	349	682,362	664,731

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements

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

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

39. 金融工具(續)

公允價值計量

以下以公允價值計量或須按重複基準於該等財務報表披露之資產及負債按香港財務報告準則第13號公允價值計量所界定之公允價值三個級呈列，而公允價值計量是按最低級所輸入之數據對其整體計量有重大影響作整體分類。所界定之級如下：

- 第一級(最高級)：本集團在計量日獲得相同資產或負債在活躍市場之報價(未經調整)；
- 第二級：第一級所包括之報價以外，資產或負債直接或間接觀察得出之輸入資料；
- 第三級(最低級)：無法觀察之資產或負債之輸入資料。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements (continued)

Movements in Level 3 fair value measurements

39. 金融工具(續)

公允價值計量(續)

第三層公允價值計量的變動對賬

		Financial assets at FVPL- Structured deposits 按公允價值計入損益的金融資產－結構性存款 HK\$'000 千港元
At 1 January 2020	於二零二零年一月一日	–
Purchase of structured deposits	購入結構性存款	116,816
Net gain on structured deposits	結構性存款的收益淨額	132
Redemption of structured deposits	贖回結構性存款	(116,948)
At 31 December 2020 and 1 January 2021	於二零二零年十二月三十一日及二零二一年一月一日	–
Purchase of structured deposits	購入結構性存款	55,424
Net gain on structured deposits	結構性存款的收益淨額	285
Redemption of structured deposits	贖回結構性存款	(55,709)
At 31 December 2021	於二零二一年十二月三十一日	–

There were no transfers into or out of Level 3 during this year.

年內沒有轉入或轉出第三層。

During the year, fair value changes on structured deposits amounted to HK\$285,000 (2020: HK\$132,000) are realised and included in “other net gains and losses” in the consolidated statement of comprehensive income.

於本年度，已變現與結構性存款有關的公允價值變動285,000港元(二零二零年：132,000港元)及計入綜合全面收益表的「其他收益及虧損淨額」中。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements (continued)

Valuation processes of the Group

The management of the Group is responsible to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group will establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed above.

Fair value of financial instruments that are recorded at amortised cost

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. Such fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis, with most significant inputs being the discount rate that reflects the credit risk of counterparties.

39. 金融工具(續)

公允價值計量(續)

本集團的估值過程

本集團的管理層負責確定合適的公允價值計量的估值技術及輸入數據。估計資產或負債的公允價值時，本集團使用可得的市場可觀察數據。倘無法取得第一級輸入數據，本集團將確定模型的合適估值技術及輸入數據。有關用於釐定各資產公允價值的估值技術及輸入數據的資料如上文披露。

按攤銷成本記錄的金融工具的公允價值

本公司董事認為於綜合財務報表按攤銷成本記錄的金融資產及金融負債的賬面值與其公允價值相若。該等公允價值乃根據公認定價模式按折讓現金流分析釐定，最重要的輸入數據為足以反映對手方信貸風險的折讓率。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

40. CAPITAL COMMITMENTS

40. 資本承擔

	Note	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
	附註		
Capital expenditure contracted but not provided for in the consolidated financial statements in respect of:			
Acquisition of a subsidiary	46	233,000	—
Acquisition of property, plant and equipment		35,640	76,396
		268,640	76,396

41. PLEDGE OF OR RESTRICTION ON ASSETS

Pledge of assets

At the end of the reporting period, trade receivables with gross carrying amount of approximately HK\$11,813,000 (2020: HK\$nil) were pledged to secure bank loan facilities granted to the Group.

At the end of the reporting period, the Group pledged its bank deposits of approximately HK\$11,488,000 (2020: HK\$14,523,000) as security for banking facilities of bills payables granted to the Group.

Restrictions on assets

Lease liabilities of approximately HK\$333,000 (2020: HK\$1,293,000) are recognised with related right-of-use assets of approximately HK\$311,000 (2020: HK\$1,272,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

41. 資產抵押或限制

資產抵押

於報告期末，總賬面值11,813,000港元(二零二零年：零港元)的貿易應收款項已抵押，以擔保授予本集團的銀行借貸融資。

於報告期末，本集團抵押約11,488,000港元(二零二零年：14,523,000港元)為授予本集團的應付票據銀行融資的擔保。

資產限制

已確認租賃負債約333,000港元(二零二零年：1,293,000港元)涉及使用權資產約311,000港元(二零二零年：1,272,000港元)。除出租人所持租賃資產的擔保權益外，租賃協議不施加任何契諾，相關租賃資產亦不得用作借貸擔保。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the consolidated financial statements, the Group has following transactions and balances with related parties:

(a) Transactions with related parties

The Group had the following significant transactions with related party during the year:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Company controlled by a director of the Company:	由本公司一名董事控制的公司：		
Purchase of printing and packing machineries	購買印刷及包裝機器	-	11,942
Sale proceeds from disposal of printing and packing machineries	出售印刷及包裝機器的銷售所得款項	1,025	-
Company controlled by the Controlling Shareholder:	控股股東控制的公司：		
Lease payments	租賃付款	378	-
An associate	一間聯營公司：		
Sales of printing and manufacturing cigarette packages and related materials	銷售印刷及製造香煙包裝及相關材料	62,591	19,343

(b) Balances with related parties

Balances with related parties are disclosed in the consolidated statement of financial position and in note 31 to the consolidated financial statements. In addition, at the end of the reporting period, deposits amounting to HK\$375,000 (2020: HK\$389,000) were paid to a related party controlled by a director of the Company for purchase of property, plant and equipment, which is included in "Rental and other deposits paid" in the consolidated statement of financial position.

42. 關連方交易

除綜合財務報表其他部分所披露者外，本集團與關連方的交易及結餘如下：

(a) 與關連公司的交易

於本年度內，本集團進行下列重大關連方交易：

(b) 與關連方的結餘

於綜合財務狀況報表及綜合財務報表附註31披露。此外，於報告期末，就購買物業、廠房及設備向一名由本公司董事控制的關連方支付的按金375,000港元(二零二零年：389,000港元)已計入綜合財務狀況表「已付租賃按金及其他按金」。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

42. RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel

The remuneration of the directors of the Company and other members of key management during the year was as follows:

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Short-term benefits	短期福利	10,740	9,131
Post-employment benefits	離職後福利	495	162
		11,235	9,293

The remuneration of key management is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

42. 關連方交易 (續)

(c) 主要管理人員酬金

於本年度，本公司董事及其他主要管理人員的酬金如下：

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Short-term benefits	短期福利	10,740	9,131
Post-employment benefits	離職後福利	495	162
		11,235	9,293

主要管理層的酬金由本公司薪酬委員會經考慮個人表現及市場趨勢後釐定。

43. LITIGATION

During the year ended 31 December 2017, Brilliant Circle Group Holdings Limited, a wholly owned subsidiary of the Company, has received a Notice of Arbitration from Shenzhen Court of International Arbitration that Shenzhen Court of International Arbitration has accepted the application (the "Application") for arbitration filed by a third party (the "Claimant"). According to the Application, the Claimant requests for the payment of (i) a fund raising reward of approximately HK\$108,900,000 and the related overdue interest since April 2008; (ii) a service fee of RMB2,000,000 (equivalent to approximately HK\$2,300,000) and the related overdue interest since July 2007; (iii) legal fees incurred of approximately HK\$47,000,000 and RMB900,000 (equivalent to approximately HK\$1,000,000); and (iv) arbitration fee, in connection with an appointment contract and another agreement entered into between, among other party, a subsidiary of the Company and the Claimant in April 2005.

43. 訴訟

截至二零一七年十二月三十一日止年度，本公司全資附屬公司貴聯集團控股有限公司接獲深圳國際仲裁院發出的仲裁通知，表示深圳國際仲裁院已受理第三方（「申索人」）提出的仲裁申請（「該申請」）。根據該申請，申索人要求根據由（其中包括）本公司一間附屬公司與申索人於二零零五年四月訂立的聘用合同及另一份協議書獲支付(i)為數約108,900,000港元的集資報酬及自二零零八年四月以來的相關逾期利息；(ii)為數人民幣2,000,000元（相當於約2,300,000港元）的服務費及自二零零七年七月以來的相關逾期利息；(iii)所引致的法律費用約47,000,000港元及人民幣900,000元（相當於約1,000,000港元）；及(iv)仲裁費。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

43. LITIGATION (continued)

During the year ended 31 December 2020, the Shenzhen Court of International Arbitration issued its verdict and ruled that: (i) the Group and another respondent are jointly liable to compensate HK\$20,000,000 and certain legal costs to the Claimant; and (ii) the Claimant is liable to compensate certain legal costs to the Group. Both the Group and the other respondent have respectively applied to Shenzhen Intermediate People's Court (the "Court") for cancellation of the arbitration and for stay of the execution after consultation with the legal adviser.

A bank balance in the sum of RMB18,500,000 of the other respondent has been frozen for enforcement purpose. In December 2021, the Group was notified that the applications of both the Group and the other respondent were not successful. Finally, the Group, the other respondent and the Claimant agreed to settle the amount of claim, legal costs, arbitration expenses and related interest on net amount basis.

In January 2022, the Group was notified that the Court has executed the final verdict and approximately RMB17,200,000 was paid through the frozen bank account of the other respondent to the Claimant.

With reference to the legal opinion, Brilliant Circle Group Holdings Limited being the principal respondent to the litigation, the directors of the Company considered the Group is also liable to the compensation to the Claimant and consider the maximum liability to the Group would be the sum of RMB17,200,000 (equivalent to approximately HK\$21,200,000). As such, a provision of HK\$21,200,000 in respect of the amount paid by the other respondent has been made during the year and included in "Other net gains and losses".

The Company is in the process of negotiation with the other respondent to reach an agreement on the amount of compensation borne by the Group.

43. 訴訟(續)

截至二零二零年十二月三十一日止年度，深圳國際仲裁院頒佈裁決及判定：(i)本集團及另一答辯人須共同補償20,000,000港元及若干法律費用予申索人；及(ii)申索人須向本集團補償若干法律費用。諮詢法律顧問後，本集團及其他答辯人分別向深圳市中級人民法院(「法院」)申請取消仲裁及中止執行。

其他答辯人的銀行結餘金額人民幣18,500,000元已就執法而被凍結。於二零二一年十二月三十一日，本集團獲知會本集團及其他答辯人的申請不獲接納。最終，本集團、其他答辯人及申索人同意按淨額結付申索、法律費用、仲裁開支及有關利息金額。

於二零二二年一月，本集團獲知會法院已執行最終裁決及約人民幣17,200,000元已透過其他答辯人的凍結銀行賬戶支付予申索人。

經參考法律意見，貴聯集團控股有限公司為訴訟的主要答辯人，本公司董事認為本集團亦須負責補償申索人及認為本集團的最大負債金額為人民幣17,200,000元(相當於約21,200,000港元)。故此，於本年度已就其他答辯人所付金額計提撥備21,200,000港元及計入「其他收益及虧損淨額」。

本公司正在與其他答辯人磋商，以就本集團承擔的補償金額達成協議。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. STATEMENT OF FINANCIAL POSITION

44. 財務狀況表

		Note 附註	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司的權益		1,287,198	1,252,857
Right-of-use assets	使用權資產		-	667
			1,287,198	1,253,524
Current assets	流動資產			
Other receivables	其他應收款項		279	978
Amounts due from subsidiaries	應收附屬公司款項		815,577	931,651
Bank balances and cash	銀行結餘及現金		31,368	79,240
			847,224	1,011,869
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用		3,108	177
Amounts due to subsidiaries	應付附屬公司款項		31,971	31,851
Lease liabilities	租賃負債		-	671
			35,079	32,699
Net current assets	流動資產淨值		812,145	979,170
NET ASSETS	資產淨值		2,099,343	2,232,694
Capital and reserves	資本及儲備			
Share capital	股本	35	7,839	7,839
Reserves	儲備	44(a)	2,091,504	2,224,855
TOTAL EQUITY	權益總額		2,099,343	2,232,694

This statement of financial position was approved and authorised for issue by the Board of Directors on 31 March 2022 and signed on its behalf by

財務狀況表已於二零二二年三月三十一日獲董事會批准及授權發布，並由下列人士代表簽署：

Mr. Chen Xiao Liang
陳校良先生
Director
董事

Mr. Huang Wanru
黃萬如先生
Director
董事

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

44. STATEMENT OF FINANCIAL POSITION

(continued)

(a) Movement in the Company's reserves

44. 財務狀況表(續)

(a) 本公司儲備的變動

		Dividend reserve	Share premium	Other reserve	Exchange reserve	Retained earnings	Total
		股息儲備	股份溢價	其他儲備	匯兌儲備	保留盈利	總計
		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
At 1 January 2020	於二零二零年一月一日	299,936	4,936,913	(4,185,977)	(89,917)	236,077	1,197,032
Profit for the year	年度溢利	-	-	-	-	1,294,421	1,294,421
Other comprehensive income for the year	年度其他全面收益						
– Exchange differences arising from translation from functional currency to presentation currency	– 因換算功能貨幣為 呈報貨幣而產生 匯兌差額	-	-	-	33,338	-	33,338
Final dividend for 2020 proposed (note 15)	二零二零年建議 末期股息(附註15)	156,789	-	-	-	(156,789)	-
Dividend recognised as distribution (note 15)	確認為分派的股息 (附註15)	(299,936)	-	-	-	-	(299,936)
At 31 December 2020 and 1 January 2021	於二零二零年 十二月三十一日及 二零二一年一月一日	156,789	4,936,913	(4,185,977)	(56,579)	1,373,709	2,224,855
Loss for the year	年度虧損	-	-	-	-	(10,903)	(10,903)
Other comprehensive income for the year	年度其他全面收益						
– Exchange differences arising from translation from functional currency to presentation currency	– 因換算功能貨幣為 呈報貨幣而產生 匯兌差額	-	-	-	34,341	-	34,341
Dividend recognised as distribution (note 15)	確認為分派的股息 (附註15)	(156,789)	-	-	-	-	(156,789)
At 31 December 2021	於二零二一年 十二月三十一日	-	4,936,913	(4,185,977)	(22,238)	1,362,806	2,091,504

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries as at 31 December 2021 and 2020 are as follows:

45. 本公司附屬公司詳情

於二零二一年及二零二零年十二月三十一日，本公司附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation/ operation/kind of legal entity 成立/註冊成立/ 營業地點/實體類別	Issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股/註冊股本	Proportion of registered capital/ issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本/ 已發行股本/股本權益及投票權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2021 二零二一年	2020 二零二零年	2021 二零二一年	2020 二零二零年	
Brilliant Circle Group Holdings Limited 貴聯集團控股有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$1 1美元	100%	-	-	100%	Investment holding 投資控股
Brilliant Circle Management Limited 貴聯管理有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$200 200美元	100%	100%	-	-	Investment holding 投資控股
Brilliant Circle Printing & Packaging Limited 貴聯印刷包裝有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$10,000 10,000美元	-	-	100%	100%	Investment holding 投資控股
Union Virtue International Limited 同德國際有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$1 1美元	-	-	N/A	100%	Investment holding 投資控股
Brilliant Circle Development Limited 貴聯發展有限公司	Hong Kong/limited liability company 香港/有限公司	HK\$2,000,000 2,000,000港元	-	-	100%	100%	Investment holding 投資控股

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation/ operation/kind of legal entity 成立/註冊成立/ 營業地點/實體類別	Issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股/註冊股本	Proportion of registered capital/ issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本/ 已發行股本/股本權益及投票權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2021	2020	2021	2020	
			二零二一年	二零二零年	二零二一年	二零二零年	
深圳貴聯印刷有限公司* (Shenzhen Guilian Printing Limited*)	The PRC 中國	HK\$9,600,000 9,600,000港元	-	-	100%	100%	Investment holding 投資控股
深圳市金升彩包裝材料有限公司*** (Shenzhen Jinshengcai Package Material Co., Ltd.)*	The PRC 中國	RMB28,350,000 人民幣28,350,000元	-	-	100%	100%	Manufacturing of paper packaging materials 製造紙包裝材料
深圳市科彩印務有限公司** (Shenzhen Kecai Printing Co., Ltd.)*	The PRC 中國	RMB194,720,000 人民幣194,720,000元	-	-	100%	100%	Printing of cigarette packages, printing of packages and decoration matter, research and development on printing technology 香煙包裝印刷、包裝裝潢 印刷品印刷以及印刷 技術研究及開發
蚌埠金黃山凹版印刷有限公司* (Bengbu Jinhuangshan Rotogravure Printing Co., Ltd.)*	The PRC 中國	US\$12,461,000 12,461,000美元	-	-	100%	100%	Printing of cigarette packages, printing of packages and decoration matter, research and development on printing technology 香煙包裝印刷、包裝裝潢 印刷品印刷以及印刷 技術研究及開發
昭通安通包裝材料有限公司* (Zhaotong Antong Package Material Co., Ltd.)*	The PRC 中國	US\$1,000,000 1,000,000美元	-	-	100%	100%	Manufacturing of laminated paper 製造複合紙

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued) 45. 本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation/ operation/kind of legal entity 成立/註冊成立/ 營業地點/實體類別	Issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股/註冊股本	Proportion of registered capital/ issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本/ 已發行股本/股本權益及投票權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2021	2020	2021	2020	
			二零二一年	二零二零年	二零二一年	二零二零年	
襄陽金飛環彩色包裝有限公司* (Xiangyang Jinfeihuan Color Package Co., Ltd.)*	The PRC 中國	US\$3,000,000 3,000,000美元	-	-	100%	100%	Printing of cigarette packages 印刷香煙包裝
深圳市金聯達檢測技術服務有限公司 (formerly known as 深圳市 金聯達智能包裝科技有限公司)* (Shenzhen Jinlianda Intelligent Packaging Technology Co., Ltd.)* 深圳市金聯達檢測技術服務有限公司 (前稱深圳市金聯達智能包裝科技 有限公司)*	The PRC 中國	RMB10,000,000 人民幣10,000,000元	-	-	100%	100%	Sales of RFID products 銷售射頻識別產品
Forever Youth limited 青恒有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$100.00 100.00美元	100%	100%	-	-	Investment holding 投資控股
Right Tech (China) Limited 偉達(中國)有限公司	Hong Kong/limited liability company 香港/有限公司	HK\$1 1港元	-	-	100%	100%	Investment holding 投資控股
珠海包裝寶投資有限公司* (Zhuhai Baozhuangbao Investment Co., Ltd.)*	The PRC 中國	RMB50,000,000 人民幣50,000,000元	-	-	100%	100%	Investment holding 投資控股

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

45. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

45. 本公司附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation/ operation/kind of legal entity 成立/註冊成立/ 營業地點/實體類別	Issued and fully paid ordinary share capital/ registered capital 已發行及悉數繳足 普通股/註冊股本	Proportion of registered capital/ issued share capital/equity interests and voting power held by the Company 本公司持有註冊股本/ 已發行股本/股本權益及投票權比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2021	2020	2021	2020	
			二零二一年	二零二零年	二零二一年	二零二零年	
江蘇聯恒物宇科技有限公司** (Jiangsu HY Link Science & Technology Co., Ltd.*)	The PRC 中國	RMB63,000,000 人民幣63,000,000元	-	-	70%	70%	Sales of RFID products 銷售射頻識別產品
江蘇金訊達物聯科技有限公司# (Jiangsu Jinxunda IOT Technology Co., Ltd.*)	The PRC 中國	US\$20,000,000 20,000,000美元	-	-	100%	100%	Sales of RFID products 銷售射頻識別產品
Emperor Great Investments Limited 帝鴻投資有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$100.00 100.00美元	100%	100%	-	-	Investment holding 投資控股
Giant Sino Investments Limited 鉅華投資有限公司	British Virgin Islands/ limited liability company 英屬處女群島/ 有限公司	US\$100.00 100.00美元	60%	60%	40%	40%	Investment holding 投資控股
Fortune Chaser Limited 源順有限公司	Hong Kong/limited liability company 香港/有限公司	HK\$100.00 100.00港元	-	-	100%	100%	Investment holding 投資控股

* English translation of company name for identification purpose only

Company established as foreign invested limited liability company

Company incorporated as a sino-foreign equity

Limited liability company established in the PRC

None of the subsidiaries had issued any debt securities at the end of the reporting period or at any time during the year.

* 英文公司名稱僅供識別

公司成立為外商投資有限公司

公司註冊成立為中外合資企業

於中國成立的有限公司

於報告期末或本年度任何時間，概無附屬公司發行任何債務證券。

Notes to the consolidated financial statements

綜合財務報表附註

For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

46. EVENT AFTER REPORTING PERIOD

Acquisition of a subsidiary

On 21 October 2021 (as supplemented on 15 December 2021), the Company entered into a sale and purchase agreement with the Controlling Shareholder, in relation to the acquisition of the entire issued share capital of EAGLE SWIFT at a cash consideration of HK\$233,000,000. The principal activity of EAGLE SWIFT is property holding. The acquisition was completed on 26 January 2022. Details of the acquisition have been disclosed in the Company's announcements dated 21 October 2021, 15 November 2021, 25 November 2021, 15 December 2021 and 26 January 2022 and circular dated 24 December 2021 respectively.

Upon completion of the acquisition, EAGLE SWIFT will become a wholly-owned subsidiary of the Company. The acquisition constituted an acquisition of assets and liabilities of EAGLE SWIFT.

46. 報告期後事項

收購附屬公司

於二零二一年十月二十一日(於二零二一年十二月十五日經補充)，本公司與控股股東訂立買賣協議，內容關於收購EAGLE SWIFT的全部已發行股本，現金代價為233,000,000港元。EAGLE SWIFT的主要活動為持有物業。收購已於二零二二年一月二十六日完成。收購詳情分別於本公司日期為二零二一年十月二十一日、二零二一年十一月十五日、二零二一年十一月二十五日、二零二一年十二月十五日及二零二二年一月二十六日的公告及日期為二零二一年十二月二十四日的通函披露。

收購完成後，EAGLE SWIFT將成為本公司的全資附屬公司。收購將構成收購EAGLE SWIFT的資產及負債。

Five year financial summary

五年財務概要

(A) RESULTS

(A) 業績

For the year ended 31 December

截至十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	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
Revenue	收益	1,265,515	1,366,753	1,495,833	1,339,439	1,158,852
Operating profit (loss)	經營溢利(虧損)	145,770	77,389	191,866	(13,432)	(53,756)
Gain on disposal of subsidiaries	出售附屬公司的 收益	-	91,681	-	-	-
Share of profit of associates	分佔聯營公司溢利	47,334	51,669	41,751	59,304	70,126
Share of profit (loss) of a joint venture	分佔一間合營企業 溢利(虧損)	(274)	623	(930)	214	(83)
Profit before taxation	除稅前溢利	192,830	221,362	232,687	46,086	16,287
Taxation	稅項	(50,023)	(46,930)	(55,801)	(37,114)	(5,665)
Profit for the year	年內溢利	142,807	174,432	176,886	8,972	10,622
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	138,025	169,383	175,886	8,915	8,628
Non-controlling interests	非控股權益	4,782	5,049	1,000	57	1,994
		142,807	174,432	176,886	8,972	10,622

Five year financial summary

五年財務概要

(B) ASSETS AND LIABILITIES

(B) 資產及負債

		At 31 December 於十二月三十一日					
		2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	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	
TOTAL ASSETS	資產總值	4,198,506	3,934,962	3,647,153	3,588,878	3,494,241	
TOTAL LIABILITIES	負債總額	(1,217,996)	(1,136,361)	(720,977)	(819,051)	(820,661)	
		2,980,510	2,798,601	2,926,176	2,769,827	2,673,580	
EQUITY ATTRIBUTABLE TO:	以下人士應佔權益：						
Owners of the Company	本公司擁有人	2,917,632	2,763,663	2,904,301	2,746,446	2,646,887	
Non-controlling interests	非控股權益	62,878	34,938	21,875	23,381	26,693	
		2,980,510	2,798,601	2,926,176	2,769,827	2,673,580	

Note: The comparative figures are not restated on application of HKFRS 9, HKFRS 15 for the first time in the year ended 31 December 2018 and HKFRS 16 for the first time in the year ended 31 December 2019.

附註：概無於應用香港財務報告準則第9號、截至二零一八年十二月三十一日止年度首次應用香港財務報告準則第15號及截至二零一九年十二月三十一日止年度首次應用香港財務報告準則第16號時重列比較數字。

Particulars of investment properties

投資物業詳情

Particulars of investment properties held by the Group as at 31 December 2021 are as follows:

本集團於二零二一年十二月三十一日持有的投資物業的詳情如下：

Location	Approximate gross floor area	Term of lease	Lease expiry	Existing use	Effective % held
地點	概約建築面積	租賃期	租賃到期日	現有用途	所持實際百分比
The PRC					
中國					
No. 3 Jinlan Road, Kengzi Sub-district, Pingshan New District, Shenzhen City, Guangdong Province, the PRC	26,342.00 square meter	Medium term lease	2052	Industrial	100%
中國廣東省 深圳市坪山區 坑梓小區金蘭道3號	26,342.00 平方米	中期租約	二零五二年	工業	100%
Southside of Donghai Main Road, Bengbu City, Anhui Province, the PRC	9,400.00 square meter	Medium term lease	2057	Industrial	100%
中國 安徽省蚌埠市 東海大道南側	9,400.00 平方米	中期租約	二零五七年	工業	100%
Northside of Jiangqiao Road, Eastside of Zhongjiang Main, Bengbu City, Anhui Province, the PRC	24,951.42 square meter	Medium term lease	2063	Industrial	100%
中國安徽省 蚌埠市姜橋路北側、 中糧大道東側	24,951.42 平方米	中期租約	二零六三年	工業	100%



LITU HOLDINGS LIMITED
力圖控股有限公司