

WINSHINE

瀛晟科學

Winshine Science Company Limited

瀛晟科學有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code: 209

股份代號: 209



2023

ANNUAL REPORT
年報

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Abbreviations

簡稱

In this annual report, the following abbreviations have the following meanings 於本年報內，除文義另有所指外，下列簡稱具有以下涵義：
unless otherwise specified:

“Board” 「董事會」	指	the Board of Directors of the Company 本公司之董事會
“Company” 「本公司」	指	Winshine Science Company Limited 瀛晟科學有限公司*
“Directors” 「董事」	指	the directors of the Company 本公司之董事
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	指	the People's Republic of China, for the purpose of this report, excluding Hong Kong, Macau and Taiwan 中華人民共和國，就本報告而言，不包括香港、澳門及台灣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 證券及期貨條例(香港法例第571章)
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“HK\$” and “HK cents” 「港元」及「港仙」	指	Hong Kong dollars and cents 港元及港仙
“RMB” 「人民幣」	指	Renminbi 人民幣
“US\$” 「美元」	指	United States dollars 美元
“%” 「%」	指	per cent. 百分比

* 僅供識別

BOARD OF DIRECTORS

Executive Directors

Mr. Jiang Qinghui (*Chairman*)
Mr. Weng Zudian (*Chief Executive Officer*)

Non-executive Director

Mr. Lin Shaopeng

Independent Non-executive Directors

Mr. Kwok Kim Hung Eddie
Mr. Chan Cheuk Ho
Mr. Zhao Yong

AUDIT COMMITTEE

Mr. Chan Cheuk Ho (*Chairman*)
Mr. Kwok Kim Hung Eddie
Mr. Zhao Yong

REMUNERATION COMMITTEE

Mr. Chan Cheuk Ho (*Chairman*)
Mr. Kwok Kim Hung Eddie
Mr. Zhao Yong

NOMINATION COMMITTEE

Mr. Jiang Qinghui (*Chairman*)
Mr. Kwok Kim Hung Eddie
Mr. Chan Cheuk Ho

COMPANY SECRETARY

Mr. Lam Koon Fai

董事會

執行董事

蔣青輝先生(*主席*)
翁祖鈿先生(*行政總裁*)

非執行董事

林少鵬先生

獨立非執行董事

郭劍雄先生
陳卓豪先生
趙勇先生

審核委員會

陳卓豪先生(*主席*)
郭劍雄先生
趙勇先生

薪酬委員會

陳卓豪先生(*主席*)
郭劍雄先生
趙勇先生

提名委員會

蔣青輝先生(*主席*)
郭劍雄先生
陳卓豪先生

公司秘書

林冠輝先生

Corporate Information

公司資料

TRADING OF SHARES

The Stock Exchange of Hong Kong Limited (Stock Code: 209)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 907B, 9/F., China Merchants Tower,
Shun Tak Centre,
168-200 Connaught Road Central,
Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Bank of Communications Co. Ltd. Hong Kong Branch

Guangdong Development Bank Zhongshan Branch

AUDITOR

Confucius International CPA Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th floor North, Cedar House,
41 Cedar Avenue,
Hamilton HM 12,
Bermuda

股份買賣

香港聯合交易所有限公司（股份代號：209）

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
干諾道中168-200號
信德中心
招商局大廈9樓907B室

主要往來銀行

香港上海滙豐銀行有限公司

交通銀行股份有限公司香港分行

廣東發展銀行中山分行

核數師

天健國際會計師事務所有限公司

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th floor North, Cedar House,
41 Cedar Avenue,
Hamilton HM 12,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

WEBSITE

<http://www.winshine.com>
<http://www.tricor.com.hk/websevice/000209>

香港股份過戶登記分處

卓佳登捷時有限公司
香港
夏慤道16號
遠東金融中心17樓

網站

<http://www.winshine.com>
<http://www.tricor.com.hk/websevice/000209>

Chairman's Statement

主席報告書

Dear fellow shareholders:

The Board herein presents the annual report for 2023 and the audited annual financial statements for the Group for the financial year ended 31 December 2023.

Our Group continued the existing toys business in the past years. With high inflation and high interest rate in many countries, particularly in the United States ("US"), the global toy industry faced new challenges and experienced slowdown in 2023. For the year ended 31 December 2023, revenue derived from the manufacturing and trading of toys decreased by approximately 38.4% to HK\$522.8 million, which is mainly attributable to the decrease in the purchase orders from one major customer in the US of the toys division due to the competitive market conditions during the year.

Our Group has further engaged in the plantation and sale of agricultural products in Japan by acquisition during the year. For the year ended 31 December 2023, revenue derived from the plantation and sales of agricultural products is HK\$0.44 million.

PROSPECTS

We anticipate that 2024 is a challenging year. Inflation, despite a slowdown, remains a notable challenge. The Toys Division experienced tremendous pressure on product margins and turnover in FY2023, the Toys Division is expected to continue facing challenges in 2024.

The Board is looking for different business opportunities to diversify our principal business activities and moving toward more profitable businesses in order to maintain competitiveness and ensure shareholder returns. Cost cutting measures within the Group were put in place to reduce operating costs. The Board has also decided to give the Company a better financial position to meet the future challenges.

In order to explore opportunities and provide sufficient fund for the general working capital, the Group issued new shares under the General Mandate at the amount of approximately HK\$6.5 million on 15 January 2024. During the year, the Group has acquired the subsidiary which engaged in the plantation and sale of agricultural products in Japan. This investment is in line with the Group's plan to develop a business in the agricultural sector.

各位股東：

董事會謹此呈列本集團截至二零二三年十二月三十一日止財政年度之二零二三年年報及經審核年度財務報表。

本集團於過去幾年繼續經營現有玩具業務。由於許多國家，尤其是美國(「美國」)的高通脹和高利率，全球玩具行業於二零二三年面臨新的挑戰且遭遇下滑。截至二零二三年十二月三十一日止年度，製造及買賣玩具收益減少約38.4%至522.8百萬港元，主要由於年內市場競爭激烈導致玩具部門美國一家主要客戶的採購訂單減少。

年內，本集團進一步通過收購在日本從事農產品種植及銷售業務。截至二零二三年十二月三十一日止年度，農產品種植及銷售收益為0.44百萬港元。

前景

我們預計二零二四年將充滿挑戰。儘管通脹放緩，但仍舊非常棘手。玩具部門的產品利潤及營業額於二零二三財年面對重大壓力，預期玩具部門於二零二四年將繼續面臨挑戰。

董事會正尋求不同商機以多元化發展本集團之主要業務活動，並轉向發展具有更高利潤的業務，以維持競爭力及確保股東的回報。本集團採取成本削減措施以減低經營成本。董事會亦銳意為本公司建立更佳的財務狀況以迎接未來的挑戰。

為探索機遇及為一般營運資金提供充足資金，本集團於二零二四年一月十五日根據一般授權發行金額約為6.5百萬港元的新股份。年內，本集團收購一家於日本從事農產品種植及銷售的附屬公司。此項投資符合本集團發展農業領域業務之計劃。

Chairman's Statement

主席報告書

On 16 April 2024, the Company entered into a non-legally binding memorandum of understanding with an independent third party experienced in the medical field, in relation to the strategic cooperation in the medical field, pursuant to which the parties agreed to collaborate in the research and development, manufacturing and sales and marketing of medical aesthetics related drugs, including drugs that promote weight loss. The Board considers that the said cooperation is in line with the Group's business development needs and strategy to move towards business diversification, and is expected to create higher returns to the shareholders of the Company. As at the date of this report, no formal or legally binding agreements have been entered into for the said cooperation. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

Looking forward, we are cautiously optimistic as our Toys Division and Agricultural Products Division continue to improve their performances and the Board shall continue to explore more new business opportunities on a much lower management cost and look for more new potential customers to increase the market shares.

Jiang Qinghui
Chairman

於二零二四年四月十六日，本公司與一家在醫療領域擁有豐富經驗的獨立第三方就於醫療領域進行戰略合作訂立不具法律約束力的諒解備忘錄，據此，雙方同意在醫學美容相關藥物(包括促進減肥的藥物)的研發、製造、銷售及營銷方面進行合作。董事會認為，上述合作符合本集團的業務發展需要及邁向業務多元化的策略，並預期將為本公司股東創造更高的回報。於本報告日期，尚未就上述合作訂立任何正式或具有法律約束力的協議。本公司股東及潛在投資者於買賣本公司股份時務請謹慎行事。

展望未來，隨著玩具部門及農產品部門持續提高表現，以及董事會將繼續以較低的管理成本探索更多新的業務機遇並尋找更多新的潛在客戶以增加市場份額，董事會對本集團前景審慎樂觀。

主席
蔣青輝

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The main divisions of the Group based on the principal activities of the Group include the manufacturing for sale of toys (the “Toys Division”) and the plantation and sales of agricultural products (the “Agricultural Products Division”).

For FY2023, the Group recorded revenue of approximately HK\$523.3 million, representing a decrease of approximately 38.4% as compared to the revenue of approximately HK\$849.1 million for the year ended 31 December 2022 (“FY2022”).

The decrease of revenue was mainly due to the worse performance of our Toys Division of approximately HK\$325.8 million. Gross profit for the year amounted to approximately HK\$39.2 million, representing a decrease of approximately 60.0% as compared with that of approximately HK\$97.9 million in FY2022 as a result of the worse performance of the Toys Division.

For FY2023, the net loss of the Group amounted to approximately HK\$29.4 million as compared with the net profit approximately HK\$8.1 million in FY2022. The decrease in net loss of the Group and turn out to net loss was mainly due to the decrease in the revenue generated from a major customer purchase orders.

The following will discuss the detailed performance of each division of the Group.

Toys Division

For FY2023, revenue of the Toys Division decreased by approximately 38.4% to HK\$522.8 million. The gross profit decreased to approximately HK\$39.2 million as compare to HK\$97.9 million in FY2022. The decrease in both revenue and gross profit of the Toys Division were mainly due to the decrease in purchase orders from the largest customer headquartered in the United States of America (the “USA”). The decrease in gross profit margin was mainly due to elevated discounts offered to its customers in response to a volatile and challenging consumer environment. The Toys Division recorded a reported segment loss before taxation of approximately HK\$7.26

業務概覽

本集團之主要部門乃根據本集團之主要業務劃分，包括製造及買賣玩具(「玩具部門」)以及農產品種植及銷售(「農產品部門」)。

於二零二三財年，本集團錄得收入約523.3百萬港元，較截至二零二二年十二月三十一日止年度(「二零二二財年」)之收入約849.1百萬港元減少約38.4%。

收入減少主要由於玩具部門之表現轉差約325.8百萬港元。由於玩具部門之表現轉差，年度毛利約為39.2百萬港元，較二零二二財年約97.9百萬港元減少約60.0%。

於二零二三財年，本集團之淨虧損約為29.4百萬港元，而於二零二二財年淨利潤約為8.1百萬港元。本集團之淨利潤減少並錄得淨虧損主要由於一名主要客戶採購訂單產生的收入減少。

以下為有關本集團各部門詳細表現之討論。

玩具部門

於二零二三財年，玩具部門之收入減少約38.4%至522.8百萬港元。毛利減少至約39.2百萬港元，而二零二二財年則為97.9百萬港元。玩具部門之收入及毛利減少，主要由於總部設於美利堅合眾國(「美國」)的最大客戶的採購訂單減少所致。毛利率下降主要由於為應對動盪及充滿挑戰的消費環境而向客戶提供的折扣增加所致。於二零二三財年，玩具部門錄得除稅前分部虧損約7.26百萬港元，而二零二二財年則錄得除稅前分部溢

Management Discussion and Analysis

管理層討論及分析

million in FY2023, as compared to the turnout of the reportable segment profit before taxation of approximately HK\$53.1 million in FY2022. Such reported segment loss before taxation of the Toys Division were mainly due to decrease in gross profit attributable to the Toys Division.

Agricultural Products Division

On 20 May 2023, the Company indirectly acquired 78.9% of equity interest of 名鮮株式會社 which is principally engaged in the plantation and sales of agricultural products in Japan. For FY2023, revenue of agricultural products was generated in HK\$0.44 million. The Agricultural Products Division recorded a reported segment loss before taxation of approximately HK\$3.3 million, which was mainly due to the plantation and sales of agricultural products in Japan were under the development stage in FY2023. The management plans to extend the plantation and sales of agricultural products in Japan.

FINANCIAL REVIEW

Liquidity, Financial Resources and Capital Structure

At the end of FY 2023, the Group had net current liabilities of approximately HK\$185.2 million (2022: HK\$192.8 million) comprising cash and cash equivalents (excluding pledged bank deposits) of approximately HK\$119.3 million (2022: HK\$49.8 million).

The capital deficiencies attributable to owners of the Company amounted to approximately HK\$80.9 million as at 31 December 2023, as compared to the capital deficiencies attributable to owners of the Company of approximately HK\$89.6 million as at 31 December 2022, mainly as a result of the conversion of convertible bonds into shares less operating loss incurred by the Group during the year. The Group financed its operations through a combination of debt financing and shareholder's equity. The Group's gearing ratio was determined as its net debt divided by total equity plus net debt where net debt included borrowings, convertible bond, trade and bills payables and other payables and accruals less pledged bank deposits and cash and cash equivalents. The gearing ratio of the Group as at 31 December 2023 was approximately 131% (2022: 134%).

Despite the loss incurred by the Group and the net liabilities status at the end of FY2023, the Group has proposed to issue the shares under the general mandate on 15 January 2024. Therefore, the Group has sufficient cash to support the Group's ongoing business operations.

利約53.1百萬港元。玩具部門錄得除稅前分部虧損主要由於玩具部門應佔毛利減少所致。

農產品部門

於二零二三年五月二十日，本公司間接收購名鮮株式會社78.9%的股權，該公司主要在日本從事農產品種植及銷售。於二零二三財年，農產品部門之收入為0.44百萬港元。農產品部門錄得除稅前分部虧損約3.3百萬港元，主要由於二零二三財年日本的農產品種植及銷售業務處於發展階段所致。管理層計劃擴大在日本的農產品種植及銷售業務。

財務回顧

流動資金、財務資源及資本結構

於二零二三財年末，本集團的淨流動負債約為185.2百萬港元(二零二二年：192.8百萬港元)，包括現金及現金等值物(不包括已抵押銀行存款)約119.3百萬港元(二零二二年：49.8百萬港元)。

於二零二三年十二月三十一日，本公司擁有人應佔資本虧絀約80.9百萬港元，而於二零二二年十二月三十一日則為本公司擁有人應佔資本虧絀約89.6百萬港元，主要由於將可換股債券轉換為股份減本集團於年內產生之經營虧損所致。本集團以債務融資加上股東權益應付營運所需資金。本集團的資本負債比率乃以其負債淨額除以權益總額加負債淨額而釐定。負債淨額包括貸款、可換股債券、應付貿易款項及應付票據以及其他應付款項及應計費用，減已抵押銀行存款以及現金及現金等值物。本集團於二零二三年十二月三十一日之資本負債比率約為131%(二零二二年：134%)。

儘管本集團產生虧損及於二零二三財年末處於淨負債狀況，本集團建議於二零二四年一月十五日根據一般授權發行股份。因此，本集團持有充足現金支持本集團的持續業務營運。

Management Discussion and Analysis

管理層討論及分析

The management team is more closely aligned with our shareholders as can be seen from the actions taken so far to redirect the Company toward a better internal control, resolution of the legacy issues and a substantial reduction of the management cost

DETAILS OF AUDIT QUALIFICATION AND RESPONSE FROM THE COMPANY

Details of the Audit Qualification

For the year ended 31 December 2023, the Group had net current liabilities and net liabilities of approximately HK\$185,184,000 and HK\$80,869,000, respectively during the year ended 31 December 2023, and the Group's bank balances amounted to approximately HK\$119,335,000, in contrast to its borrowings and convertible bond approximately HK\$238,097,000 and HK\$2,476,000 respectively, which are repayable within the next twelve months. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. In this regard, the auditor of the Company issued a disclaimer of opinion on the consolidated financial statement of the Group for the year ended 31 December 2023 on material uncertainty on the Group's ability to continue as a going concern (the "Audit Qualification").

Actual or potential impact of the Audit Qualification on the Group's financial position

The Audit Qualification does not itself show any actual impact on the Group's financial position. As set out in note to the consolidated financial statements, the consolidated financial statements have been prepared on the historical cost basis except for biological assets which are measured at their fair value less costs to sell and, certain financial instruments that are measured at fair values at the end of each reporting period. Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in note to the consolidated financial statements, it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets, provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

從迄今為止採取的行動以使本公司重新導向更佳的內部監控，致力解決過往積存問題和顯著降低管理成本可見，管理團隊與股東更加緊密地並肩向前邁進。

審計意見詳情及本公司之回應

審計意見詳情

截至二零二三年十二月三十一日止年度，本集團截至二零二三年十二月三十一日止年度的流動負債淨額及負債淨額分別約為185,184,000港元及80,869,000港元，而本集團的銀行結餘約為119,335,000港元，惟其貸款及可換股債券分別約為238,097,000港元及2,476,000港元，須於未來十二個月內償還。該等情況顯示存在重大不確定性使本集團的持續經營能力出現重大疑問。有鑒於此，本公司核數師對本集團截至二零二三年十二月三十一日止年度之綜合財務報表不發表意見，以反映本集團繼續持續經營之能力存在重大不確定性（「審計意見」）。

審計意見對本集團財務狀況之實際或潛在影響

審計意見本身不會對本集團之財務狀況有任何實際影響。誠如綜合財務報表附註所載，綜合財務報表乃按歷史成本基準編製，惟生物資產按其公允值減銷售成本計量以及若干於各呈報期末按公允值計量之金融工具除外。倘本集團未能就綜合財務報表附註所述之計劃及措施達致擬定效果，其可能無法按持續經營基準經營，而可能須作出有關調整以撇減本集團資產的賬面值，並就可能產生進一步負債計提撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未於綜合財務報表內反映。

Management Discussion and Analysis

管理層討論及分析

Management's position

In view of the Audit Qualification, the management of the Group (including the Directors) (the "Management") has given consideration related to the Group's current liquidity, performance and available sources of financing in assessing the Group's ability to continue as a going concern. Taking into account the successful and continued implementation of various measures such as including the successful completion of issuance of shares under the general mandate, successful negotiations with the lenders regarding the extension of the maturity of all outstanding borrowings, the Management believes that the Group should have sufficient working capital for a period of not less than 12 months from 31 December 2023, and hence it was appropriate to prepare the Group's consolidated financial statements on a going concern basis.

There was no disagreement between the Management and the Auditors regarding the Audit Qualification, considering that the consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of the measures under management's assumptions, which are subject to certain uncertainties, including the Group's ability to generate operating cash flows and to obtain additional sources of financing. While the Company is of the view that it has already provided all available information and documents to demonstrate that the Group will have sufficient working capital for the 12 months after the year ended 31 December 2023, the Company also acknowledges the uncertainties raised by the Auditors specified above in that such uncertainties cannot be satisfied with the mere provision of documents and information.

Audit committee's views towards the Audit Qualification

The audit committee reviewed and agreed with the management's position concerning the action plan of the Group to address the Audit Qualification disclosed above. The Audit Committee has also discussed with the Management and the Auditors to understand the reason for the Disclaimer and the views of the Board and the Auditors. The Audit committee concurs with the Management's position and views with respect to the Disclaimer and the Group's ability to continue as a going concern, the actions to be implemented by the management of the Group.

管理層之立場

鑒於審計意見，本集團管理層(包括董事)(「管理層」)在評估本集團按持續經營基準繼續經營之能力時，已考慮本集團目前的資金流通性、表現及可用融資來源。考慮到各種措施迄今已成功及將持續實施(如包括成功完成根據一般授權發行股份，與貸款人成功磋商有關該等未償還貸款的延期)，管理層相信本集團於二零二三年十二月三十一日起至至少十二個月內將擁有充足的營運資金，因此以持續經營基準編製本集團綜合財務報表具有適當性。

管理層對核數師出具的審計意見並無異議，考慮到綜合財務報表是以持續經營基準編製，其有效性視乎管理層假設下的措施的結果，惟有關結果亦存在不確定性，包括本集團產生經營現金流和獲得額外融資來源的能力。雖然本公司認為已提供所有可用資料及文件，以證明本集團在截至二零二三年十二月三十一日止年度起計十二個月將具有充足的營運資金，但本公司亦知悉核數師於上述所提出之不確定性，惟其不確定性僅靠提供文件和資料是無法消除的。

審核委員會對審計意見之看法

審核委員會已審查及同意管理層對本集團行動計劃之立場，以處理上述審計意見。審核委員會亦已與管理層及核數師商討出具不發表意見的原因，以及董事會及核數師之意見。審核委員會同意管理層對不發表意見的立場及意見，以及本集團按持續經營基準繼續經營之能力，本集團將採納的行動。

Management Discussion and Analysis

管理層討論及分析

Proposed plans to address the Audit Qualification

The Board is satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future, after taking into consideration of the point (i) to (iii) as set out in note 2 to the consolidated financial statements. The management recognises that further equity funding is required to resolve auditor's concern on the going concern issue. As such, the management will commence to contact potential investors with a view to raise equity funds by way of placing of new shares of the Company under a general mandate and/or rights issues. The management will vigorously consider any feasible plan from the potential underwriter and will proceed as and when appropriate and practicable. The management intends to conduct the equity fund activities and successfully raise fund for the Group by the end of 2024.

In view of the foregoing, and assuming all of the Company's plans or actions can be completed as planned, including the obtaining of alternative financing, and no new circumstances and conditions have occurred, subject to satisfactory completion of review of the Management's assessment of the Group's going concern and the Auditors being satisfied with the documents, information and evidence to be provided by the Company going forward, the Directors are of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from the year ended of 31 December 2023 and the Company is hopeful that that the Disclaimer may be removed in connection with the audit of the consolidated financial statements of the Group for the year ending 31 December 2024.

就回應審計意見所擬備之方案

董事會在考慮綜合財務報表附註2所載第(i)至(iii)點後，信納本集團將具備足夠財務資源以應付其可見未來之財務責任。管理層確認其需要更多股本資金以解決核數師所關切之持續經營問題。因此，管理層將開始接觸潛在投資者，力求以配售本公司新股份(根據一般授權進行)及/或供股方式籌集股本資金。管理層將積極考慮潛在包銷商所提出之任何可行方案，並於適當及可行情況下儘快展開有關工作。管理層擬進行股本集資活動並於二零二四年底以前為本集團完成集資。

鑒於上述情況，假設本公司的所有計劃或行動均可按計劃完成，包括獲得替代融資，且未出現任何新情況和條件，惟管理層對本集團持續經營能力的評估圓滿完成以及核數師信納本公司未來所提供的文件、資料及憑據，董事認為，本集團將擁有足夠之營運資金以履行自截至二零二三年十二月三十一日止年度起計未來十二個月到期之財務責任，並且在對截至二零二四年十二月三十一日止年度之本集團綜合財務報表審計時，本公司有望不發表意見可被刪除。

Environmental, Social and Governance Report

環境、社會及管治報告

BOARD STATEMENT

The Group is delighted to present the Environmental, Social and Governance (“ESG”) report (the “ESG Report”), prepared by Winshine Science Company Limited (the “Company”), together with its subsidiaries (collectively, the “Group”) to summaries the Group’s ESG key issues, initiatives, and the sustainability performance of our principal business in 2023. The ESG Report is prepared in response to stakeholders’ expectations and concerns about the sustainable development of the Group.

The board of directors of the Group (the “Board”) is responsible for the sustainable development of the Group and directs the Group to perform its corporate social responsibilities. The Board determinedly believes that our attention to resources management and occupational safety and health will especially help the Group achieve its established vision and mission. The Board have faith in that attaching importance to ESG management can improve our corporate image, reduce ESG risks and enhance the Group’s capability to comply with relevant laws and regulations. These efforts can further improve the competitiveness of the Group and promote the sustainable development of the Group’s business.

The Board believes that an effective governance structure of ESG matters is essential to ESG performance and reporting and thus has established a working group to assist and advise the Board in managing ESG matters such as identifying ESG risks and opportunities, managing ESG issues as well as collecting data regularly for the review of the ESG performance. The working group reports to the Board on an annual basis.

The risk management of ESG-related issues is important to the Board. With an aim to promote the comprehensive risk management within the Group, the Group has made a basic assessment of relevant ESG risks through the Board’s extensive understanding of the business and the communication with different stakeholders, and incorporated the relevant risks into the risk management and internal control system.

The Board believes that the focus on resources management and occupational health and safety is valuable to the Group’s achievement of its goal of upholding an excellent corporate image. Relevant departments regularly report the metrics to the working group, who in turns consolidates them and reports to the Board. The Group can thus regularly assess our performance indicators in resources consumption and occupational safety based on predetermined targets. These targets and evaluations are effective metrics that reflect the efficiency and control of our operation.

董事會聲明

本集團欣然提呈瀛晟科學有限公司(「本公司」，連同其附屬公司，統稱為「本集團」)編製的環境、社會及管治(「環境、社會及管治」)報告(「環境、社會及管治報告」)，匯總本集團的環境、社會及管治關鍵問題、舉措以及我們的主要業務於二零二三年在可持續發展方面的表現。環境、社會及管治報告是為回應持份者對本集團可持續發展的期望和關注而編製。

本集團董事會(「董事會」)負責本集團的可持續發展，指導本集團履行企業社會責任。董事會堅信，我們對資源管理和職業安全與健康的關注將特別有助於本集團實現其既定願景和使命。董事會堅信，重視環境、社會及管治管理可提升企業形象、降低環境、社會及管治風險及增強本集團遵守相關法例和規例的能力。該等努力可進一步提高本集團的競爭力，促進本集團業務的可持續發展。

董事會認為，有效的環境、社會及管治事宜管治架構對環境、社會及管治績效和報告至關重要，因此已成立工作小組協助董事會管理環境、社會及管治事宜並提供建議，例如識別環境、社會及管治風險和機遇、管理環境、社會及管治問題以及定期收集數據以檢討環境、社會及管治表現。工作小組會每年向董事會匯報。

環境、社會及管治相關問題的風險管理對董事會非常重要。為推進本集團全面風險管理，本集團透過董事會對業務的廣泛了解及與不同持份者的溝通，對相關環境、社會及管治風險進行基本評估，並將相關風險納入風險管理及內部監控制度。

董事會認為，對資源管理和職業健康與安全的關注對本集團實現其維護良好企業形象的目標具有重要意義。相關部門定期將指標向工作小組報告，工作小組則將指標整合併向董事會報告。因此，本集團可根據預定目標定期評估我們於資源消耗和職業安全方面的績效指標。該等目標和評估是反映我們營運的效率和監控的有效指標。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group will continue to seek ways to develop our business in a more efficient and environmentally friendly manner and remains steadfast in our mission to build an inclusive and sustainable society.

INTRODUCTION

The Group longs to pursue sustainable development to integrate environmental and social initiatives into business and improve its competitiveness within the industry. In order to demonstrate the Group's continuous development in ESG, the Board is pleased to publish its seventh ESG Report.

REPORTING SCOPE

The ESG Report covers our commitments, practices, and performance in various ESG aspects for the period starting from 1 January 2023 to 31 December 2023 (the "2023" or "2023 Reporting Period"). The reporting scope of the ESG Report focuses on the primary business, manufacturing and trading of toys. Only Zhongshan division is covered since the Zhongshan factory is financially significant and operationally important to the Group, constituting the centre for administration and policymaking. As such Zhongshan division is covered in both environmental section and social section in the ESG Report. The office-based operation in Hong Kong only has a small workforce working in the finance and administration department, its environmental implication is immaterial and as such is covered only in the social section in the ESG Report.

REPORTING PRINCIPLE

The ESG Report complies with the "Environmental, Social and Governance Reporting Guidelines" (the "ESG Reporting Guide") in Appendix 27 of the Listing Rules. The four reporting principles listed in the ESG Reporting Guide: materiality, quantitative, balance and consistency, are used as the basis for the preparation of the ESG Report.

我們以勤奮和審慎的經營實踐應對疫情的不確定性。本集團將繼續尋求以更高效和環保的方式發展我們的業務，並堅定不移地履行我們建立包容和可持續發展社會的使命。

簡介

本集團一直致力追求可持續發展以將環保及社會措施融入業務，並提升其在行業中的競爭力。董事會欣然提呈第七份環境、社會及管治報告，以展示本集團在環境、社會及管治方面的持續發展。

報告範圍

環境、社會及管治報告涵蓋二零二三年一月一日起至二零二三年十二月三十一日期間（「二零二三年」或「二零二三年報告期」）在環境、社會及管治方面的承諾、常規及績效。環境、社會及管治報告的報告範圍專注於主要業務，即玩具製造及貿易。由於中山廠房對本集團具有重大的財務及重要的營運影響，為行政及決策中心，因此只覆蓋中山分部。因此，環境、社會及管治報告的環境章節和社會章節均涵蓋中山分部。香港辦事處只有少量僱員工作於財務及行政部門，其對環境的影響並不重大，因此僅於環境、社會及管治報告的社會章節中涵蓋。

報告原則

環境、社會及管治報告符合上市規則附錄二十七的「環境、社會及管治報告指引」（「環境、社會及管治報告指引」）。環境、社會及管治報告指引中列出的四項報告原則：重要性、量化、平衡及一致性已用作編製環境、社會及管治報告的基準。

Environmental, Social and Governance Report

環境、社會及管治報告

Materiality: The Group communicates with different stakeholders on a regular basis and have conducted a stakeholder engagement and materiality assessment to better understand and identify the most material ESG-related issues to the Group based on various stakeholders' perspectives. Meanwhile, the Group concerns ESG development outside and within the industry, fulfilling local standards as well as incorporating it into the strategic development plan of the Group.

Quantitative: Appendix 27 of the Listing Rules guides the Group to prepare measurable KPIs to review performance. Quantitative information presented in the ESG Report is accompanied by narrative, explanation, and comparison analysis wherever applicable. The frequency of publication is once a year per reporting period.

Balance: The Group upholds this reporting principle to compile the ESG Report, unbiasedly disclose the environmental and social performance in the 2023 Reporting Period with the support of pictures, charts and presentation formats whenever appropriate, to present objective and transparent information and data for readers to make sound decisions and judgments.

Consistency: The Group adopts consistent methodologies and retrieves environmental and social performance from the Group's internal record system. The ESG Report makes reference to Appendix 2: Reporting Guidance on Environmental KPIs and Appendix 3: Reporting guidance on Social KPIs to collect, calculate and present, to make meaningful comparisons over the years.

Throughout the 2023 Reporting Period, the Group maintained the same ESG management structure and process as the last reporting period (from 1 January 2022 to 31 December 2022, "2022" or "2022 Reporting Period"). The Group fully understands that ESG policies and practices may change over time to reflect the changes in business operations, structures, technologies, laws and regulations, and the environment. The Group thus continues to invest substantial resources to monitor ESG issues, policies and practices and performance on an ongoing basis. In order to contribute to the sustainable development on the environment and society, whilst maximizing the benefits to our employees and the stakeholders, the Group has continued to exercises due responsibility in maintaining the highest level of ethical standards when conducting its business and upholds strict compliance with all relevant laws, rules and regulations in all ESG matters.

重要性：本集團定期與不同持份者溝通，並對持份者的參與度及重要性進行評估，以根據各持份者的觀點，更佳了解和識別對本集團而言最重要的環境、社會及管治相關事宜。同時，本集團關注行業內外的在環境、社會及管治發展、達至地方標準，並將其納入本集團之戰略發展規劃中。

量化：上市規則附錄二十七指引本集團編製可衡量的關鍵績效指標，以進行表現審閱。環境、社會及管治報告呈列的量化資料均附有敘述、解釋及比較分析(如適用)。本報告於報告期內每年刊發一次。

平衡：本集團秉承此報告原則編製環境、社會及管治報告，並在適當時藉著圖片、圖表及圖解公正地披露二零二三年報告期內的環境及社會績效，以提供客觀和透明的資訊和數據，供讀者作出正確的決策和判斷。

一致性：本集團採用一致的方法，並從本集團的內部記錄系統中獲取環境及社會績效。環境、社會及管治報告參照附錄二：環境關鍵績效指標匯報指引及附錄三：社會關鍵績效指標匯報指引收集、計算及呈列關鍵績效指標，以進行有意義的年度比較。

二零二三年報告期期間，本集團維持與上個報告期(二零二二年一月一日起至二零二二年十二月三十一日，「二零二二年」或「二零二二年報告期」)相同的環境、社會及管治管理架構及流程。本集團完全理解環境、社會及管治政策及實踐可能會隨著時間的推移而發生變化，以反映業務營運、結構、技術、法律規例及環境的變化。因此，本集團將繼續投入大量資源，以持續監控環境、社會及管治議題、政策及實踐以及表現。為促進環境與社會的可持續發展，同時最大化我們的員工及持份者的利益，本集團於開展業務時持續履行應有的責任並保持最高道德標準並就所有環境、社會及管治事宜堅持嚴格遵守所有相關法律、法規及規例。

Environmental, Social and Governance Report

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

持份者參與和重要性評估

The Group recognises the importance of understanding stakeholders' needs and expectations. Stakeholders' opinions can help the Group identify and prioritise material aspects, whereby many communication channels have been set up to regularly engage different stakeholders.

本集團明白瞭解持份者需求和期望的重要性。因此，持份者的意見可幫助本集團識別及按優先程度排序重大方面，而本集團已設立多種溝通渠道定期與不同持份者溝通。

Communication Channels 溝通渠道

Major Stakeholders 主要持份者

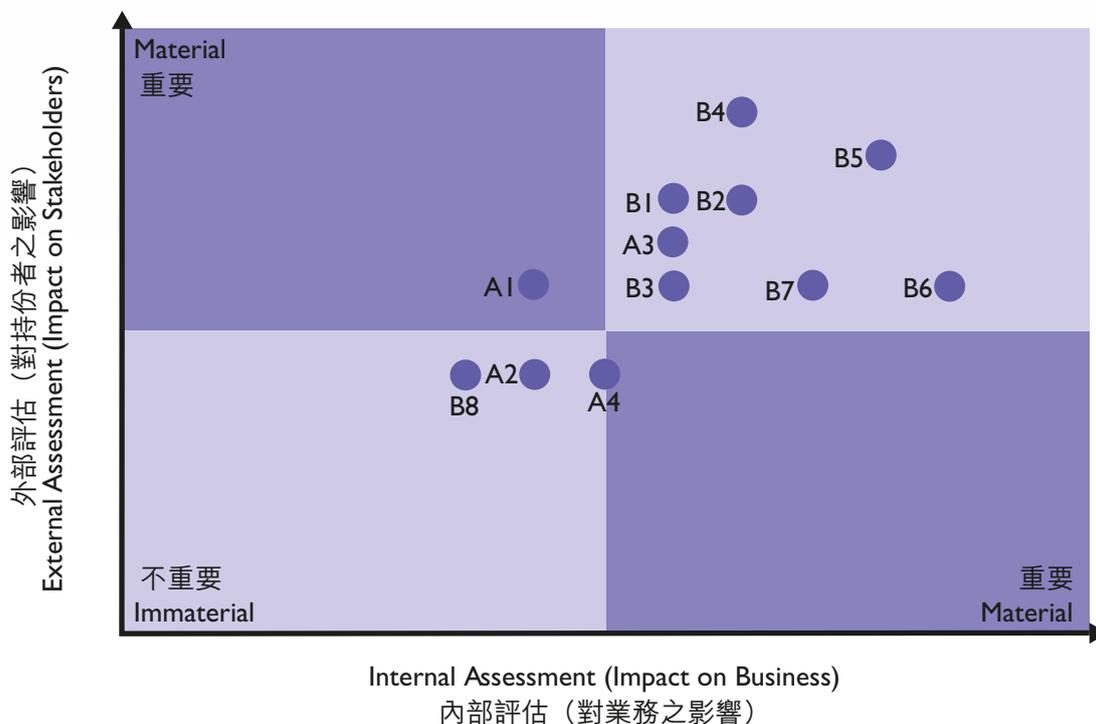
Meetings 會議	Investors, Customers, Regulators, Suppliers, Directors, Management, and Employees 投資者、客戶、監管機構、供應商、董事、管理層及僱員
Reports 報告	Investors, Customers, and Regulators 投資者、客戶及監管機構
Announcements (circulars, memos, emails) 公告(通函、備忘錄、電子郵件)	Investors, Suppliers, and Employees 投資者、供應商及僱員
Company's website 本公司網站	Investors, Customers, Organisation, Regulators, Suppliers, Employees, and the Public 投資者、客戶、組織、監管機構、供應商、僱員及公眾
Phone calls 電話	Customers and Suppliers 客戶及供應商
Surveys 調查	Customers and Employees 客戶及僱員
Site visits 實地視察	Customers, Regulators, and Suppliers 客戶、監管機構及供應商
Seminars 研討會	Industrial Organisation 工業組織
Company Events (annual dinners, volunteer service) 本公司活動(週年晚宴、義工服務)	Directors, Management, and Employees 董事、管理層及僱員

Environmental, Social and Governance Report

環境、社會及管治報告

Through regular communications with stakeholders and reviewing of the information collected, the Group has identified the following ESG material areas and aspects indicated in the following table:

透過與持份者的定期溝通及審閱收集得來的資料，本集團已識別下列環境、社會及管治的重大領域及方面，於下表中列示：



Subject Areas 主要範疇	Subject Aspects	主要層面
Environmental 環境	A1. Emissions	A1. 排放物
	A2. Use of Resources	A2. 資源使用
	A3. Environment and Natural Resources	A3. 環境及自然資源
	A4. Climate Change	A4. 氣候變化
Social 社會	B1. Employment	B1. 僱傭
	B2. Health and Safety	B2. 健康和安全
	B3. Development and Training	B3. 發展及培訓
	B4. Labour Standards	B4. 勞工準則
Operating Practices 營運慣例	B5. Supply Chain Management	B5. 供應鏈管理
	B6. Product Responsibility	B6. 產品責任
	B7. Anti-corruption	B7. 反貪污
Community 社區	B8. Community Investment	B8. 社區投資

The table below summarizes the most important ESG issues expressed by different stakeholders.

下表概述不同持份者表達的最重要的環境、社會及管治問題。

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Stakeholder Categories 持份者類別	Most Material Issues	大多數重大問題
Employee 僱員	<ul style="list-style-type: none"> Labour Standards 	<ul style="list-style-type: none"> 勞工準則
Customer 客戶	<ul style="list-style-type: none"> Corporate Governance and Risk Management Water Management Occupational Health and Safety 	<ul style="list-style-type: none"> 企業管治與風險管理 用水管理 職業健康和安全
Supplier 供應商	<ul style="list-style-type: none"> Water Management Procurement and Supply Chain Management 	<ul style="list-style-type: none"> 用水管理 採購和供應鏈管理

The above ESG material areas and aspects have continued to be strictly managed and monitored through the Group's established management structure, process, policies and guidelines as described in this ESG Report.

上述環境、社會及管治重要性範疇及層面將繼續透過本環境、社會及管治報告所述本集團已建立的管理結構、流程、政策及指引進行嚴格管理及監控。

THE GROUP'S ENVIRONMENTAL AND SOCIAL AREAS AND ASPECTS AND THEIR PERFORMANCE

本集團的環境及社會範疇及層面及其表現

A. ENVIRONMENTAL AREAS AND ASPECTS

A. 環境範疇及層面

Sustainability is the pathway to success. Striving to achieve that goal, the Group has set up an Environmental Management Committee overseeing the Group's environmental performance, formulating environmental initiatives, and minimizing environmental risks. First and foremost, the Group has complied with all environmental laws and regulations and prohibited to the utmost of all relevant illegal and violating activities and ensuring compliance with all relevant national and local environmental laws and regulations including but not limited to:

可持續發展是通往成功的道路。為實現目標，本集團已成立環境管理委員會，以監督本集團的環境績效、制定環境計劃及將環境風險減少至最低。首先，本集團已遵守所有環境法律和法規，並已最大程度禁止所有相關的非法及違規活動。並確保符合所有相關國家及地方環保法律法規，包括但不限於：

- Environmental Protection Law of the PRC (中華人民共和國環境保護法);
- Law of the PRC on Environmental Impact Assessment (中華人民共和國環境影響評價法);
- Water Pollution and Control Law of the PRC (中華人民共和國水污染防治法);
- Atmospheric Pollution and Control Law of the PRC (中華人民共和國大氣污染防治法);

- 《中華人民共和國環境保護法》;
- 《中華人民共和國環境影響評價法》;
- 《中華人民共和國水污染防治法》;
- 《中華人民共和國大氣污染防治法》;

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- Law of the PRC on the Prevention and Control of Pollution from Environmental Noise (中華人民共和國環境噪聲污染防治法); and
- Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法).
- 《中華人民共和國環境噪聲污染防治法》；及
- 《中華人民共和國固體廢物污染環境防治法》。

No environmental non-compliance incident was resulting in fines or prosecutions in the 2023 Reporting Period.

於二零二三年報告期內，概無發生任何環境不合規事故導致罰款或檢控。

Additionally, the Group attaches great importance to mitigating environmental threats and impacts caused directly or indirectly by the business through vigilant assessment and monitoring. The Group adheres to the ISO 14001 environmental management system standard and accordingly set up an environmental management system. Last but not least, the Group unceasingly advance its environmental performance and work closely with relevant authorities in the wake of tightening national environmental legislation and management towards the manufacturing industry.

此外，本集團高度重視業務緩解直接或間接造成的環境威脅和影響，並就此進行審慎評估及監測。本集團遵守ISO 14001環境管理體系標準，並據此設立環境管理體系。最後，隨著國家收緊對製造業的環境法例及管理，本集團不斷提升其環境績效並與有關當局密切合作。

AI. EMISSIONS

AI. 排放

(i) Greenhouse Gases ("GHG") Emission

(i) 溫室氣體(「溫室氣體」)排放

Greenhouse gases (GHG) include carbon dioxide ("CO₂") and its non-hazardous equivalents including nitrous oxide and methane (collectively with CO₂, "CO₂e"). The Group has collected its GHG emission data since 2017. The Group has established an emission reduction pathway with a long-term perspective as a directional target. The primary source of GHG emission of the Group is from purchased electricity and secondarily from the fuel consumption by company vehicles.

溫室氣體(溫室氣體)包括二氧化碳(「二氧化碳」)及其無害等效物，包括一氧化二氮及甲烷(與二氧化碳統稱為「二氧化碳當量」)。本集團自二零一七年以來已經收集其溫室氣體排放量數據。本集團已建立以長遠眼光為方向目標的減排路徑。本集團的溫室氣體排放量的主要來源是購置的電力，第二是來自公司車輛的燃料消耗。

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The table below recorded and compared the 2023 Reporting Period and the 2022 Reporting Period's resultant GHG emissions:

下表記錄並對比二零二三年報告期與二零二二年報告期的最終溫室氣體排放：

GHG Emissions ^{Note (1)} 溫室氣體排放 ^{附註(1)}	Unit 單位	Year ended 31 December 截至十二月三十一日止年度		Changes 變動
		2023 二零二三年	2022 二零二二年	
Total GHG emissions (Scope 1 and 2) ^{Note (2)} 溫室氣體總排放量(範圍1及2) ^{附註(2)}	CO ₂ e tonnes 噸二氧化碳當量	5,300	7,380	-28.18%
Scope 1 ^{Note (3)} 範圍1 ^{附註(3)}	CO ₂ e tonnes 噸二氧化碳當量	171	205	-16.59%
Scope 2 ^{Note (4)} 範圍2 ^{附註(4)}	CO ₂ e tonnes 噸二氧化碳當量	5,129	7,175	-28.52%
Intensity (Scope 1 and 2) per production volume 每生產件數的密度(範圍1及2)	CO ₂ e tonnes/1,000 pieces 噸二氧化碳當量/1,000件	0.26	0.27	-3.70%

Note 1: Emission factors for calculations in this ESG Report were made reference to the "How to prepare an ESG Report-Appendix 2: Reporting Guidance on Environmental KPIs (version updated on 25 March 2022)" by The Stock Exchange of Hong Kong Limited, unless otherwise specified.

附註1：除另有指明外，本環境、社會及管治報告中計算的排放因子乃參考香港聯合交易所有限公司頒佈的「如何編製環境、社會及管治報告—附錄二：環境關鍵績效指標匯報指引(於二零二二年三月二十五日更新)」。

Note 2: Emission factors for purchased electricity sourced from 中國產品全生命週期溫室氣體排放係數庫。

附註2：購買電力的排放因子源自中國產品全生命週期溫室氣體排放係數庫。

Note 3: Scope 1 refers to direct emissions from vehicles that the Group owns.

附註3：範圍1指來自本集團擁有車輛的直接排放。

Note 4: Scope 2 refers to indirect emissions resulting from the generation of purchased electricity consumed within the Group.

附註4：範圍2指本集團內消耗購置電力所產生的間接排放。

During the 2023 Reporting Period, the decrease in Scope 1 emissions was due to the reduction in daily operations. Additionally, Scope 2 emissions decreased as a result of an updated emission factor for electricity.

於二零二三年報告期，範圍1排放減少乃由於日常營運減少所致。此外，範圍2排放減少乃由於電力排放因子更新所致。

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The Group targets to lower the total GHG emissions by 2-3% for the coming year by implementing various energy use efficiency initiatives stated in *Section A2(i)*.

(ii) Exhaust Gas Emission

Furthermore, volatile organic compounds (“VOCs”) release is another concern that captures the Group’s and the stakeholders’ attention. Manufacturing toys inevitably uses paints and emits VOCs in specific contexts. VOCs pose harm to human, and children and infants are especially susceptible. In view of this, the Group has deployed water-based paints and environmentally friendly paints with low VOCs content. Furthermore, the Group introduced Phase II VOCs emission improvement. The project installed a VOCs removal system with activated carbon absorber to ensure VOCs released to the atmosphere, which a registered testing agency verifies, is well within the legal requirements. The system is also connected to the Ministry of Environmental Protection of the PRC for them to monitor emissions level. Corrective actions will be timely made should any abnormality occurs. Above all, the Group has also maintained ventilation systems to effectively remove or dilute indoor air pollutants to further enhance the air quality in the premises.

本集團的目標是透過實施第A2(i)節所述的各種能源使用效率措施，將來年的溫室氣體排放總量降低2-3%。

(ii) 廢氣排放

此外，揮發性有機化合物(「VOCs」)排放亦是本集團及持份者關注的方面。製造玩具無可避免會使用塗漆，並於特定情況下的確會排放VOCs。VOCs對人體有害，而兒童及嬰兒尤甚。有鑑於此，本集團已採用水溶性塗漆以及VOCs含量低的環保塗漆。此外，本集團已引入第二期VOCs排放改善項目。該項目安裝配備活性碳吸附器的VOCs清除系統，以確保排放至大氣層的VOCs符合由註冊測試機構驗證的法定要求。該系統亦連接至中國環境保護部以監測排放水平。本集團將及時對不正常情況採取糾正行動。最重要的是，本集團亦已安裝通風系統，以有效清除或稀釋室內空氣污染物以進一步提升處所的空氣質量。

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Transportation is another emission area where the Group also provides guidance to control air pollution. The table below recorded and compared the 2023 Reporting Period and the 2022 Reporting Period's resultant air pollutant emissions in Zhongshan:

運輸是另一個排放領域，本集團亦提供指引控制空氣污染。下表記錄並對比二零二三年報告期與二零二二年報告期中山的最終空氣污染物排放：

Air Pollutants 空氣污染物	Unit 單位	Year ended 31 December 截至十二月三十一日止年度		Changes 變動
		2023 二零二三年	2022 二零二二年	
Nitrogen Oxides ("NO _x ") 氮氧化物(「NO _x 」)	Gram 克	607,459	595,104	+2.08%
Sulphur Oxides ("SO _x ") 硫氧化物(「SO _x 」)	Gram 克	1,019	1,205	-15.44%
Particulate Matter ("PM") 懸浮粒子(「PM」)	Gram 克	60,077	58,726	+2.30%

The Group has been reviewing and planning a gradual reduction of fossil fuels in order to reduce hazardous gas emissions by encourages employees to use car-pooling and public transits. For the coming year, the Group targets to reduce air pollutant emissions especially those hazardous SO_x, NO_x and PM by 2-3%.

本集團一直在審核並規劃逐步減少化石燃料，通過鼓勵僱員共乘汽車及使用公共交通工具來減少有害氣體排放。本集團來年的目標是將空氣污染物(特別是有害的SO_x、NO_x及PM)排放量減少2-3%。

(iii) Waste Management

The Group understands its business consumes some quantity of natural materials. The Group has established a waste reduction pathway with a long-term perspective as a directional target. As such, the Group carefully plans raw materials inputs and end products output to minimize waste generation, while ensuring reliable and stable quality.

(iii) 廢棄物管理

本集團知悉其業務消耗若干數量的天然材料。本集團已建立以長遠眼光為方向目標的減廢路徑。因此，本集團仔細規劃原材料輸入和最終產品產出，以盡量減少廢棄物產生，同時確保質量可靠穩定。

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The Group endeavours to reduce waste by implementing different waste measures. One of the measures to regulate waste disposal is the adoption of 3R (Reduce, Reuse and Recycle) waste management principle in operation. For instance, the Group recycles and reuses plastics, wastepaper, and cardboards, replaces plastics with biodegradable alternatives, sets duplex-printing as default, carries out an Enterprise Resources Planning system in the office.

In addition, the Group collects and properly handles all hazardous waste in the National Hazardous Waste List. They are stored in a designated container with covers in a designated area to avoid leakage and misuse. All hazardous waste such as organic solvent, compact fluorescent lamp, batteries and exhausted cartridges and toners are collected by the licensed contractors. Waste in Hong Kong office was handled by the property management and as a result, no relevant data was available.

本集團致力通過實施不同的廢棄物處理措施以減少廢棄物。規範廢棄物處置的措施之一是於運營中採用3R(減廢、重用和回收)的廢棄物管理原則。例如，本集團回收及重用塑料、廢紙和紙板，使用可生物降解的替代品代替塑料，設置雙面打印，於辦公室實施企業資源計劃系統。

此外，本集團收集並妥善處理國家有害廢棄物名錄中的所有有害廢棄物，廢棄物被存放於指定位置的有蓋容器中，以避免洩漏及誤用。所有有害廢棄物(例如有機溶劑、一體式螢光燈、電池、耗盡的墨盒和碳粉匣)均由持牌承包商收集。香港辦事處的廢棄物由物業管理處理，因此，概無可獲得的相關數據。

Wastes 廢棄物	Unit 單位	Year ended 31 December 截至十二月三十一日止年度		Changes 變動
		2023 二零二三年	2022 二零二二年	
Non-hazardous waste, such as wastepaper, domestic waste 無害廢棄物(例如廢紙、生活廢棄物)	Tonnes 噸	55	55	-
Intensity of non-hazardous waste per production volume 每生產件數的無害廢棄物密度	Tonnes/10,000 pieces 噸/10,000件	0.03	0.02	+50.00%
Hazardous waste, such as wasted oil, wasted solvent bottles 有害廢棄物(例如廢棄油、廢棄溶質瓶)	Tonnes 噸	70	60	+16.67%
Intensity of hazardous waste per production volume 每生產件數的有害廢棄物密度	Tonnes/10,000 pieces 噸/10,000件	0.04	0.02	+100%

Compared to the 2022 Reporting Period, the slight increase in the total amount of hazardous waste was due to some portion of waste that was generated in 2022 but collected and handled in the 2023 Reporting Period.

與二零二二年報告期相比，有害廢棄物總量輕微增加，此乃由於部分廢棄物於二零二二年產生但於二零二三年報告期內收集及處理。

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A2. USE OF RESOURCES

(i) Energy Consumption

Energy is the critical component of the Group's operation, and the Group has to acquire energy that originates from fossil fuels, which is exhaustible and non-renewable energy. The Group has thus established an energy consumption reduction pathway with a long-term perspective as a directional target. Because of that, the Group makes its utmost to reduce energy consumption by different energy measures.

- Established a resources management procedure to regulate energy use;
- Turned off lighting, equipment and personal computer during non-office hours;
- Switched off idling engines and air-conditioners when not in use;
- Maintained air indoor room temperature at 24 to 26 Degree Celsius;
- Disseminated energy-saving message via emails;
- Replaced conventional lightings with LED;
- Purchased environmentally friendly equipment such as electric Rotomolded PVC machines;
- Procured equipment for video conferencing to reduce the need for business trips; and
- Adopted reusable energy such as solar water heaters in the dormitory.

A2. 資源使用

(i) 能源消耗

能源是本集團營運的重要組成部分，本集團必須獲取源自化石燃料的能源，這是一種可耗竭且不可再生的能源。因此，本集團設立以長遠眼光為方向目標的節能減排路徑。因此，本集團致力通過不同能源措施減少能源消耗。

- 建立資源管理程序以規管能源使用；
- 於非辦公時間關閉照明裝置、設備及個人電腦；
- 於不使用時關閉閒置發動機及空調；
- 將室內溫度維持於攝氏24至26度；
- 通過電子郵件發佈節能訊息；
- 將傳統照明裝置替換為LED；
- 購買環保設備(例如電子滾塑成型PVC機器)；
- 採購視像會議設備以減少商務差旅的需求；及
- 於宿舍採用可重用能源(例如太陽能熱水器)。

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The table below recorded and compared the 2023 Reporting Period and the 2022 Reporting Period's resultant energy consumption:

下表記錄並對比二零二三年報告期與二零二二年報告期的最終能源消耗：

Energy Consumption 能源消耗		Year ended 31 December 截至十二月三十一日止年度		
		2023 二零二三年	2022 二零二二年	Changes 變動
– Electricity – 電力	Consumption (kWh) 消耗(千瓦時)	8,998,170	8,922,200	+0.85%
	Intensity (kWh/piece) 密度(千瓦時/件)	0.45	0.33	+36.36%
– Unleaded petrol – 無鉛汽油	Consumption (Litres) 消耗(升)	15,810	30,000	-47.30%
	Consumption (kWh) ^{Note (5)} 消耗(千瓦時) ^{附註(5)}	153,223	290,741	-47.30%
	Intensity (kWh/100 pieces) 密度(千瓦時/100件)	0.77	1.08	-28.70%
– Diesel – 柴油	Consumption (Litres) 消耗(升)	48,856	47,450	+2.96%
	Consumption (kWh) ^{Note (5)} 消耗(千瓦時) ^{附註(5)}	522,918	507,869	+2.96%
	Intensity (kWh/100 pieces) 密度(千瓦時/100件)	2.61	1.88	+38.83%
Total 總計	Consumption (kWh) 消耗(千瓦時)	9,674,311	9,720,810	-0.48%

Note 5: Energy conversion factors used for diesel, petrol and LPG are based on the conversion factor mentioned in the ESG Reporting Guide.

附註5：柴油、汽油及LPG所用能源轉換因子乃基於環境、社會及管治報告指引中所述的轉換因子。

During the 2023 Reporting Period, the decrease in the consumption of unleaded petrol was attributed to the reduction in daily operations.

於二零二三年報告期，無鉛汽油消耗減少，此乃由於日常營運減少所致。

For the coming year, the Group will continue to encourage and monitor our employees on energy saving practices, and target to lower the energy consumption by 2-3%.

來年，本集團將繼續鼓勵並監督僱員執行節能措施，目標是將能源消耗量降低2-3%。

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(ii) Water Consumption

The Group does not entail a massive amount of potable water as it is not a water-intensive industry. Water stress is a relatively less significant threat affecting the business. The Group had no difficulty in sourcing water that is fit for purpose. Nonetheless, the Group has established a water consumption reduction pathway with a long-term perspective as a directional target. In the 2023 Reporting Period, the water consumption remained relatively stable.

(ii) 用水量

由於本集團並非營運於水密集型行業，其並無使用大量飲用水。用水壓力對業務構成的威脅相對較小。本集團於取得水源上並無遇到困難。然而，本集團已建立以長遠眼光為方向目標的節水路徑。於二零二三年報告期內，用水量保持相對穩定。

Water Consumption 用水量	Unit 單位	Year ended 31 December 截至十二月三十一日止年度		Changes 變動
		2023 二零二三年	2022 二零二二年	
– Zhongshan – 中山	m ³ 立方米	223,409	230,113	-2.91%
– Intensity per production volume – 密度／產量	m ³ /pieces 立方米／件	0.01	0.01	–

The Group works diligently in implementing initiatives to save water, including but not limited to placing reminders near the water facilities to remind employees to conserve water. The Group also operates a water treatment plant and obtains a wastewater discharge license to treat and discharge wastewater legally. The Group revamped the wastewater treatment plant in 2018 to further manage the increasingly stringent discharge caps set out by the government. The Group also continues to seek opportunities to use less water wherever feasible. For example, condensers have been installed in each workstation to collect steam from the injection moulding department. The water-saving project by combining two VOCs removal systems has been in operation in the 2021 Reporting Period.

For the coming year, the Group will continue to encourage and monitor our employees on water saving practices, and target to lower the energy consumption by 2-3%.

本集團致力實行減少用水的措施，包括但不限於在供水設施旁放置提示以提醒員工珍惜用水。本集團亦營運一個水處理廠房，並取得污水排放牌照以合法處理及排放廢水。本集團於二零一八年翻新廢水處理廠房，以進一步管理政府設定的日益嚴格排放上限。本集團亦持續尋找機會於可行時減少用水。例如，本集團於各工作站安裝冷凝器以回收注射製模部門產生的蒸汽。有關合併兩個VOCs清除系統的節約用水項目已於二零二一年報告期內運作。

來年，本集團將繼續鼓勵並監督僱員執行節水措施，目標是將能源消耗量降低2-3%。

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(iii) Paper and Packaging Materials and Other Raw Materials Consumption

The Group also acknowledges that packaging can consume lots of resources, and thus proactively communicates with clients and suppliers to discuss any potentials to minimise packaging in the product design.

(iii) 紙張和包裝材料及其他原材料消耗

本集團亦認為包裝可消耗大量資源，因此積極主動與客戶和供應商溝通，討論於產品設計上盡量減少包裝。

Raw Materials Consumption 原材料消耗	Unit 單位	Year ended 31 December 截至十二月三十一日止年度		Changes 變動
		2023 二零二三年	2022 二零二二年	
– Paper boxes – 紙盒	Tonnes 噸	2.90	3.20	-9.38%
– Intensity per production volume – 密度／產量	Tonnes/100 pieces 噸／100件	Insignificant (<0.0001 tonnes/100 pieces) 不重大(<0.0001噸／100件)		N/A 不適用
– Plastics packaging material – 塑料包裝材料	Tonnes 噸	2,600	2,800	-7.14%
– Intensity per production volume – 密度／產量	Tonnes/100 pieces 噸／100件	0.01	0.01	–
– Others, such as fabric clippings – 其他(如碎布屑)	Tonnes 噸	112	112	–
– Intensity per production volume – 密度／產量	Tonnes/100 pieces 噸／100件	Insignificant (<0.001 tonnes/100 pieces) 不重大(<0.001噸／100件)		N/A 不適用
Total 總計	Tonnes 噸	2,714.9	2,915.2	-6.87%

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A3: Environment and Natural Resources

The Group's business operations and activities do not create significant environmental impact and hazards. As a responsible corporation, the Group has implemented the environmental protection policy and has complied with all national and local environmental laws, rules and regulations, and industry standards. The Group is committed to conserving resources in order to reduce its impact on the environment as well as saving operational costs. The Group cooperates with the local government agencies and support environmental organizations' activities to build a "green" society.

Environmental Awards

With the support of many environmental-friendly measures, the Group proactively took part in the Cleaner Production Partnership Programme, co-organised by the Environmental Protection Department and the Economic and Information Commission of Guangdong Province. The Group takes great pride in being recognised as "Hong Kong – Guangdong Cleaner Production Excellent Partners (Manufacturing)". This recognition affirmed our conscientious efforts on adopting cleaner production technologies and practices with notable achievements.

Awareness

Sustainability is now crucial to our daily life, our society and even our future generation. The Group could protect the earth by utilizing natural resources and slowing down resources' depletion and ecosystem degradation. These all require efforts across departments and organisations. Training sessions arranged for employees are indispensable. An environmental consultant is also employed to engage in monitoring and suggesting areas for environmental improvement. The vegetarian and sustainable seafood menu is also given to employees to choose from at the canteen. There was no incident with significant impacts on the environment and natural resources in the 2023 Reporting Period.

A3: 環境及自然資源

本集團業務營運及活動並未對環境造成嚴重影響及災害。本集團作為負責任企業已實施環境保護政策，且遵守國家及地區的所有環境法律、法例及規定以及行業標準。本集團致力節約資源，務求降低環境影響及節省營運開支。本集團與地方政府機構合作，並支持環境組織的活動，以期建設「綠色」社會。

環境獎項

在眾多環境友善措施的支持下，本集團積極參與由環境保護署與廣東省經濟和信息化委員會合辦的清潔生產夥伴計劃。本集團榮獲「粵港清潔生產優越夥伴(製造業)」感到自豪，此殊榮肯定我們採用清潔生產技術及常規的努力以及顯著成就。

意識

當下，可持續發展對於我們的日常生活、我們的社會乃至我們的下一代都至關重要。本集團可通過利用自然資源、減緩資源耗竭以及生態系統退化的速度以保護地球。這些均需要各部門和組織的共同努力。為員工安排的培訓課程是必不可少的一環。本集團亦聘請了一名環保顧問進行監測並就需要作出環境改善的地方提出建議。本集團亦於食堂提供素食及可持續的海鮮菜單，供員工選擇。於二零二三年報告期內，並無發生對環境和自然資源造成重大影響的事件。

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During the 2023 Reporting Period, freshwater, fossil fuels, electricity and packaging materials for normal production operation were the key elements which were considered to have an impact on the environment. The Group has continued to support all measures to reduce, reuse, recycle, and replace as far as possible and practicable as laid down in our environmental policy and measures. The Group did not receive any warning or complaint notice from any governmental environmental agencies, clients or business partners for the violation of any environmental rules and regulations, the act of polluting the environment or causing any environmental troubles. For the coming year, the Group will continue to achieve zero complaints and no pollution occurrences, and to explore new avenues and means to accomplish our goals of conserving natural resources and protecting the environment.

A4: Climate Change

The Group has established contingent plans to deal with extreme weather. In the event of adverse weather conditions such as typhoon, rainstorm and heatwave, the Group would rearrange manpower and take precautionary measures to ensure staff safety, as well as making sure the staff can be better protected when they commute. The Group would also refer to the guidance of local authority and implement corresponding measures to avoid any physical damage to property.

Greening is a part of the crucial components in building an environmentally friendly working environment. It brings many benefits such as serving as a buffer and sink for heavy rain, mitigating urban heat island effect and eventually uplifting the quality of living. Greening reserves around 30% coverage of the Zhongshan factory, planting various kind of vegetation and trees. The Group also places small-sized plants to boost greening further and improve air quality in the factory.

於二零二三年報告期內，正常生產營運所用的淡水、化石燃料、電力和包裝材料被認為是對環境產生影響的關鍵因素。本集團將繼續支持我們的環境政策及措施中所規定的盡可能及切實可行地減少、再利用、再循環和替代的所有措施。本集團概無收到任何政府環保部門、客戶或商業夥伴就違反任何環境規章制度、污染環境或造成任何環境問題的行為發出的警告或投訴通知。來年，本集團將繼續實現零投訴、零污染的目標，並探索新的途徑和方法，實現我們節約自然資源和保護環境的目標。

A4: 氣候變化

本集團已制定應對極端天氣的應急計劃。如遇颱風、暴雨及熱浪等惡劣天氣情況，本集團將重新安排人手並採取預防措施，以確保員工安全，並確保員工在通勤時得到更佳的保護。本集團亦會參考地方當局的指引並採取相應措施，以避免對財產造成任何物理損害。

綠化是締造環保工作環境的重要組成部分。其帶來許多好處，例如作為大雨的緩沖區和水槽、減輕城市熱島效應並最終提升生活質量。綠化保留約30%的中山廠房覆蓋率，並種植種類繁多的植物及樹木。本集團亦放置小型植物，進一步促進綠化並改善廠房的空氣質量。

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B. SOCIAL ASPECTS

1.1 Social Areas Overview

The Group acts in an honest and transparent principle and aims to support the building of a harmonious society and a mutually beneficial relationship with our stakeholders including employees, customers, suppliers, professional services providers, local communities as well as the governing authorities. During the formulation and implementation of our ESG strategies, policies, rules and regulations, the Group incorporates our long and short-term goals with consideration for our stakeholders and society. The Group believes that our modest acts will ultimately benefit the stakeholders and general society.

1.2 Employment and Labour Practices Aspects

BI: Employment

The Group recognizes that employees are the cornerstone of business development. It motivates the Group to build and maintain a harmonious, fair, and safe working environment. More importantly, the Group ceaselessly strives to enhancing our social responsibility. The Group has established and kept an updated employment policy based on the National Labour Law. The Group has also been certified by ICTI CARE Foundation, to demonstrate its commitment to promoting safe and fair working conditions. During the 2023 Reporting Period, there was no case of non-compliance regarding compensation and dismissal, recruitment and promotion, equal opportunities, diversity, and discrimination.

B. 社會層面

1.1 社會範疇概覽

本集團遵循誠信及透明原則行事，旨在支持建設和諧社會，並與員工、客戶、供應商、專業服務提供商、當地社區及政府機構等持份者建立互惠互利的關係。制定及實施環境、社會及管治策略、政策、規則及規定時，本集團結合長期及短期目標，顧及持份者及社會。本集團相信我們的綿薄之力終可使持份者及整體社會受益。

1.2 僱傭及勞工常規範疇

BI: 僱傭

本集團深知僱員是業務發展的基石。此信念推動本集團建立和維護和諧、公平和安全的工作環境。更重要的是，本集團不懈地提升我們的社會責任感。本集團已根據《國家勞動法》制定並保持更新的僱傭政策。本集團亦獲得ICTI關愛基金會的認證，展現我們致力推廣安全及平等工作條件的承諾。於二零二三年報告期內，並無有關補償及解僱、招聘及晉升、平等機會、多元化及歧視的不合規個案。

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The Group adopts fair and equal employment and recruitment procedure and prohibits any forms of discrimination. Hence, candidates' experiences, abilities and the Group's business needs are criteria for shortlisting candidates, regardless of race, gender, age, marital status, pregnancy, family status, sexual orientation, religion, and nationality. The remuneration package is regularly reviewed. Successful candidates with proven track records can enjoy promotion and salary increment.

In order to providing all newcomers with a fundamental understanding of the Group, the Group mandates all newcomers to attend an orientation training, covering (a) Group's history; (b) employment terms and conditions, welfares and benefits; and (c) adherence to the relevant policies, systems, and procedures. All the policies are available in the Staff Handbook for reference at any time. The Group is a member of ICTI Ethical Toy Program ("IETP"). Therefore, the Group must also comply with the relevant requirements set out in IETP's Code of Business Practices.

Benefits and Welfares

The Group contributes to "Five social insurance and one housing fund", namely endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund, for the employees as required. Additionally, all employees are entitled to various statutory holidays and paid leave, including paternity leave and maternity leave. Moreover, in recognition of employees' hard work, the Group will reward employees and benchmark employees' salaries against industry norms to maintain a competitive remuneration package to the talented. All employees shall participate in the annual appraisal to review their performance.

本集團採納公平及平等僱傭及招聘程序，並禁止任何形式的歧視。因此，求職者經驗、能力及本集團業務需要是招聘求職者準則，不論種族、性別、年齡、婚姻狀況、懷孕、家庭狀況、性取向、宗教及國籍。本集團目前定期檢討薪酬待遇。成功獲聘的求職者擁有良好的往績記錄則可享有晉升機會及加薪。

為了向新入職者提供對本集團背景的基本認識，本集團要求所有新入職者參加迎新培訓，內容涵蓋(a)本集團歷史；(b)僱傭條款及條件、福利及待遇；及(c)遵守相關政策、系統及程序。所有政策於員工手冊中列明，以供任何時間參考。本集團為國際玩具工業理事會玩具業責任規範（「IETP」）的成員，因此，本集團必須遵守載列於IETP商業行為守則的相關規例。

待遇和福利

本集團按規定為僱員繳付「五險一金」（即養老保險、醫療保險、失業保險、工傷保險、生育保險以及住房公積金）。此外，所有僱員有權享有各種法定假期及有薪假期（包括待產假及產假）。此外，為表彰僱員的辛勤工作，本集團會獎勵僱員，並將僱員薪金與行業標準進行基準比較，以維持有才能僱員享有具競爭力的薪酬待遇。所有僱員須參與年度評核，以對其表現進行評審。

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Team Profile

As of 31 December 2023, the Group employed 1,518 employees in Zhongshan and Hong Kong, of which all are full-time employees.

團隊概況

於二零二三年十二月三十一日，本集團於中山及香港僱用 1,518 名僱員，其中全部為全職僱員。

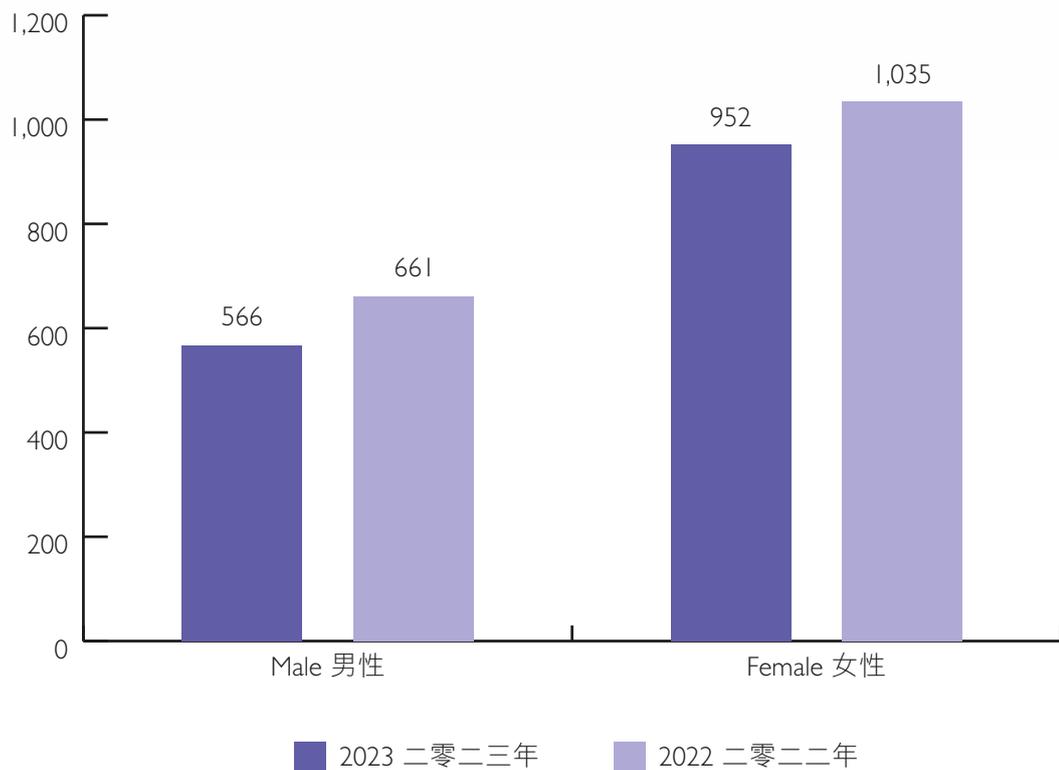


Figure 1: Number of Employees by Gender

圖1：按性別劃分的僱員人數

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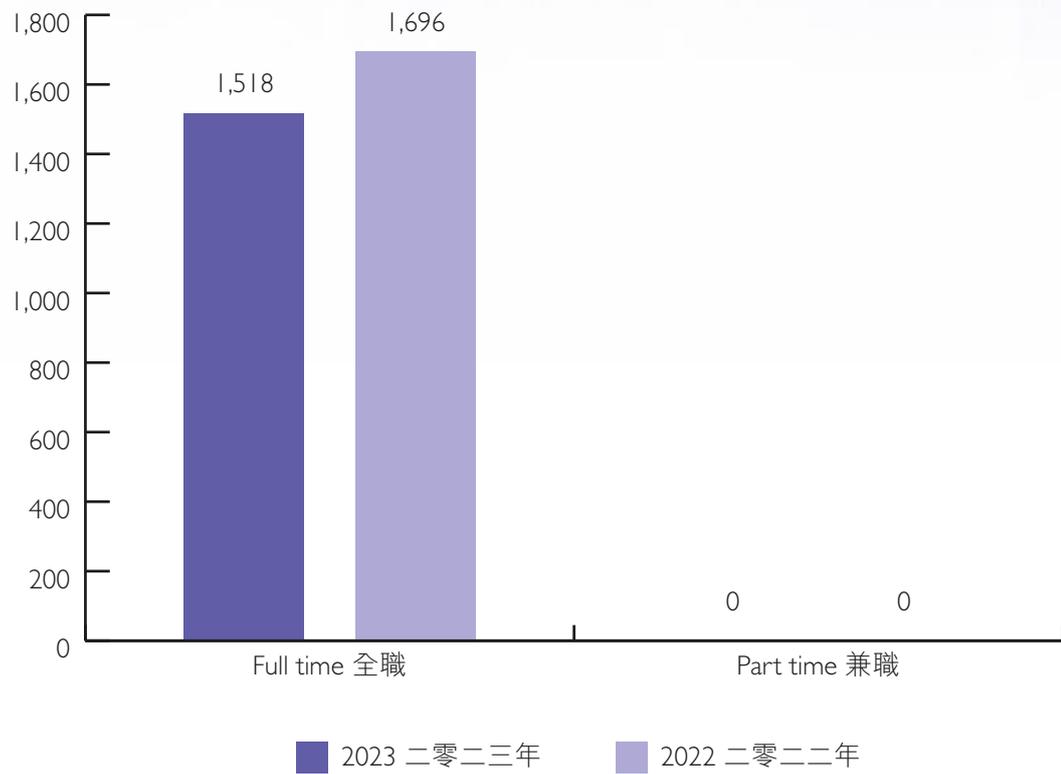


Figure 2: Number of Employees by Employment Type

圖2：按僱傭類型劃分的僱員人數

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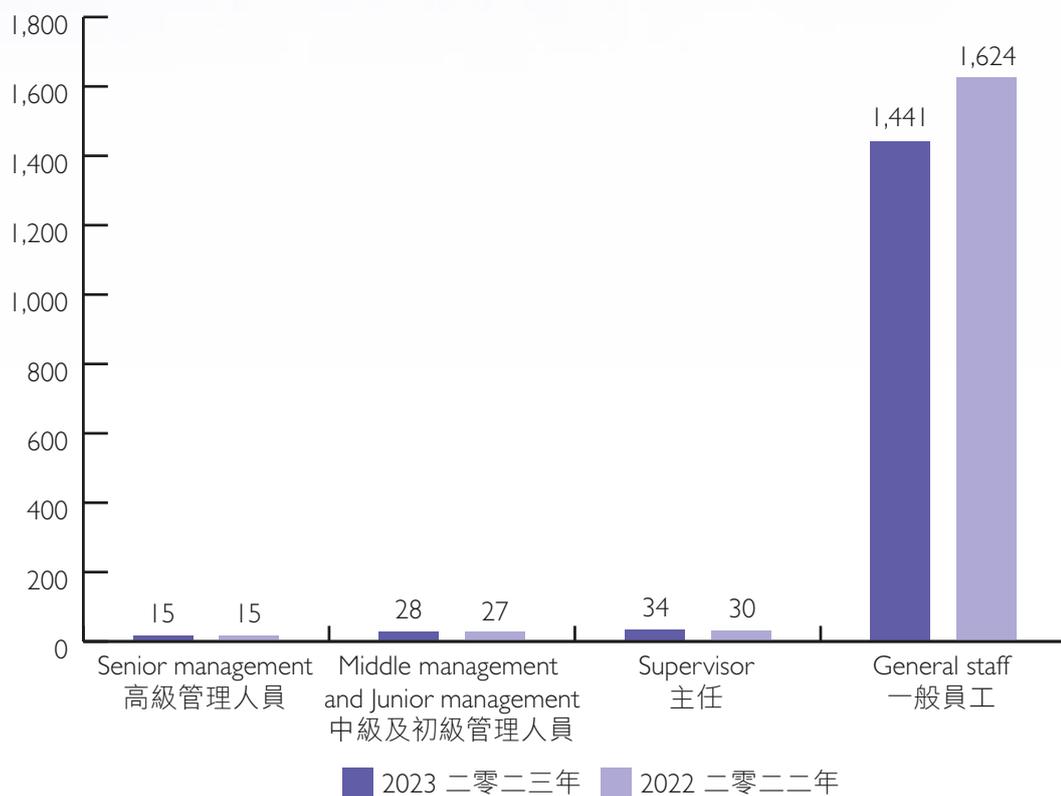


Figure 3: Number of Employees by Role

圖3：按職位劃分的僱員人數

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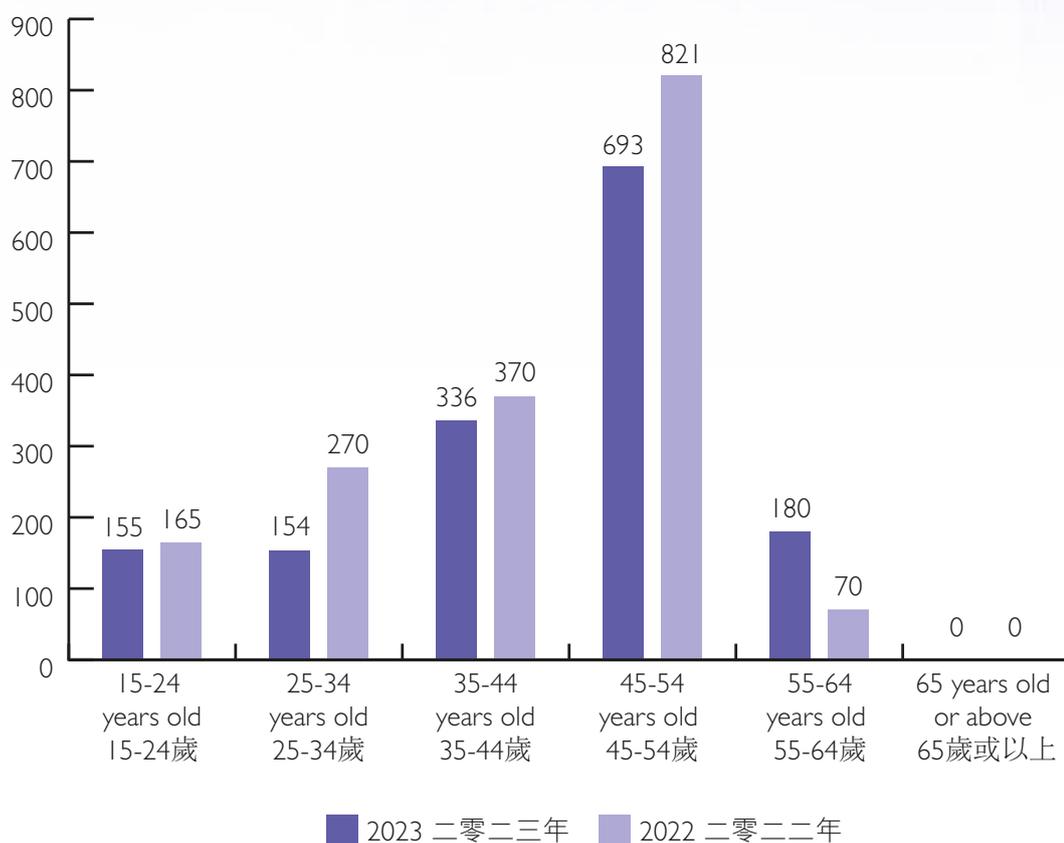


Figure 4: Number of Employees by Age

圖4：按年齡劃分的僱員人數

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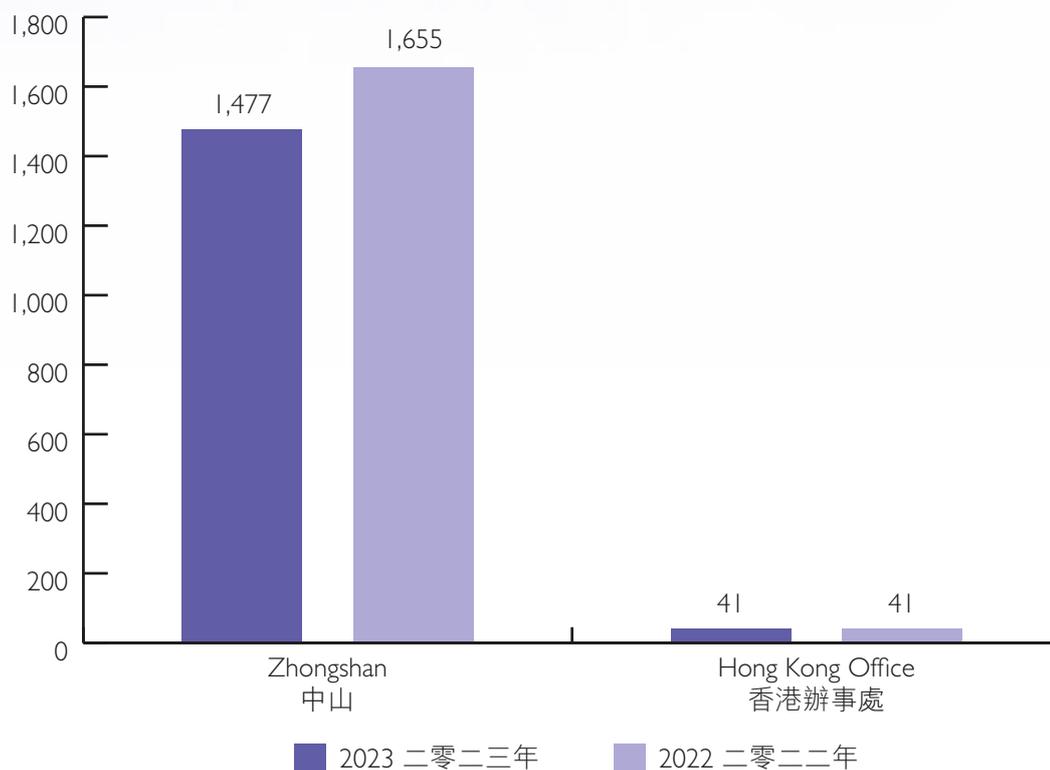


Figure 5: Number of Employees by Geographical Region

During the 2023 Reporting Period, the Group did not have any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group is confident to achieve the same result for the coming year.

Employee turnover rate increased to approximately 40% in the 2023 Reporting Period. The Group interviews every individual to understand their reasons to resign and regularly review the remuneration packages and the operation practices accordingly.

圖5：按地理位置劃分的僱員人數

於二零二三年報告期內，概無發生任何對本集團構成重大影響，有關補償及辭退、招聘及晉升、工作時數、休息時間、平等機會、多元化、反歧視以及其他福利的相關法律及規定的不合規事件。本集團相信我們於來年將可取得相同成果。

於二零二三年報告期內的僱員流失率增加至約40%。本集團與每名僱員進行訪談，以了解其辭職原因，並定期檢討薪酬待遇及營運慣例。

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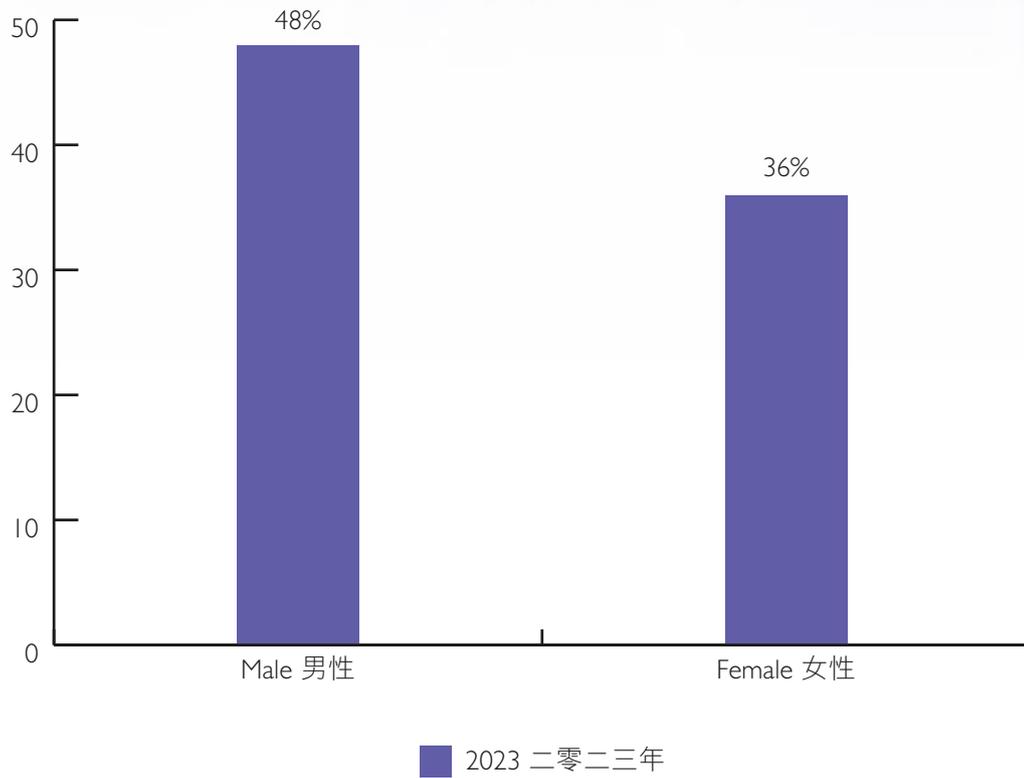


Figure 6: Employment Turnover Rate by Gender

圖6：按性別劃分的僱員流失率

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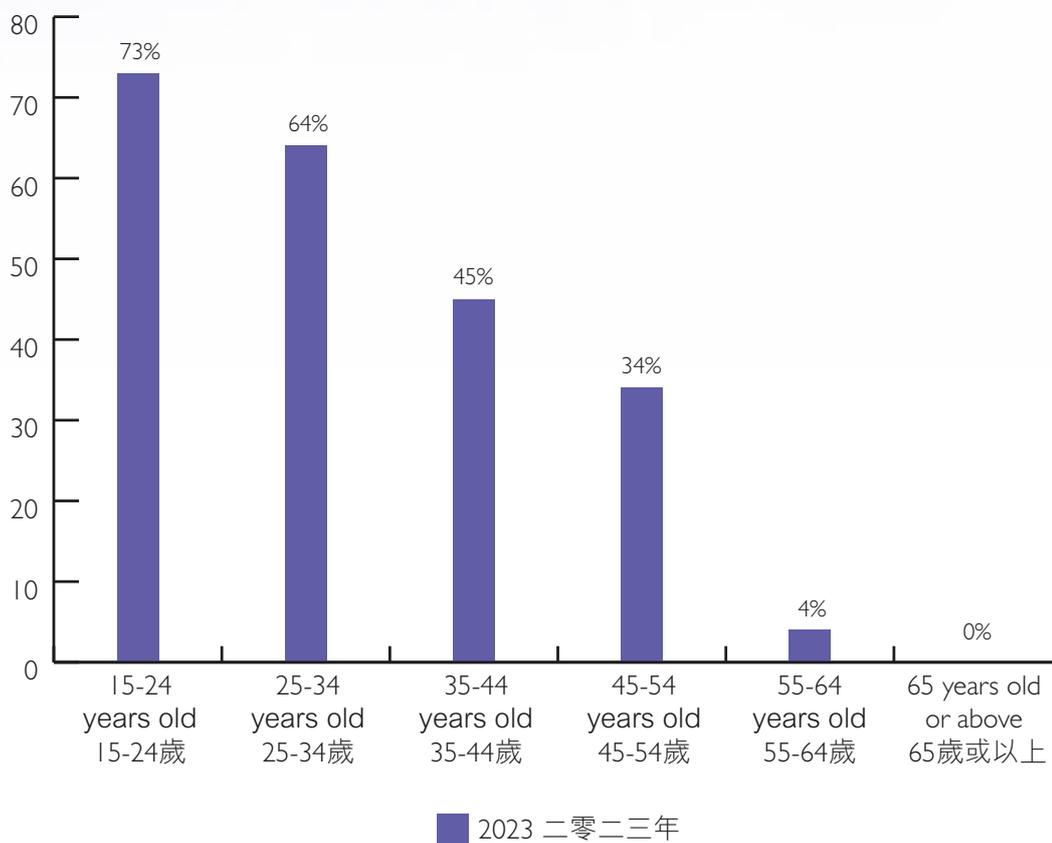


Figure 7: Employment Turnover Rate by Age

圖7：按年齡劃分的僱員流失率

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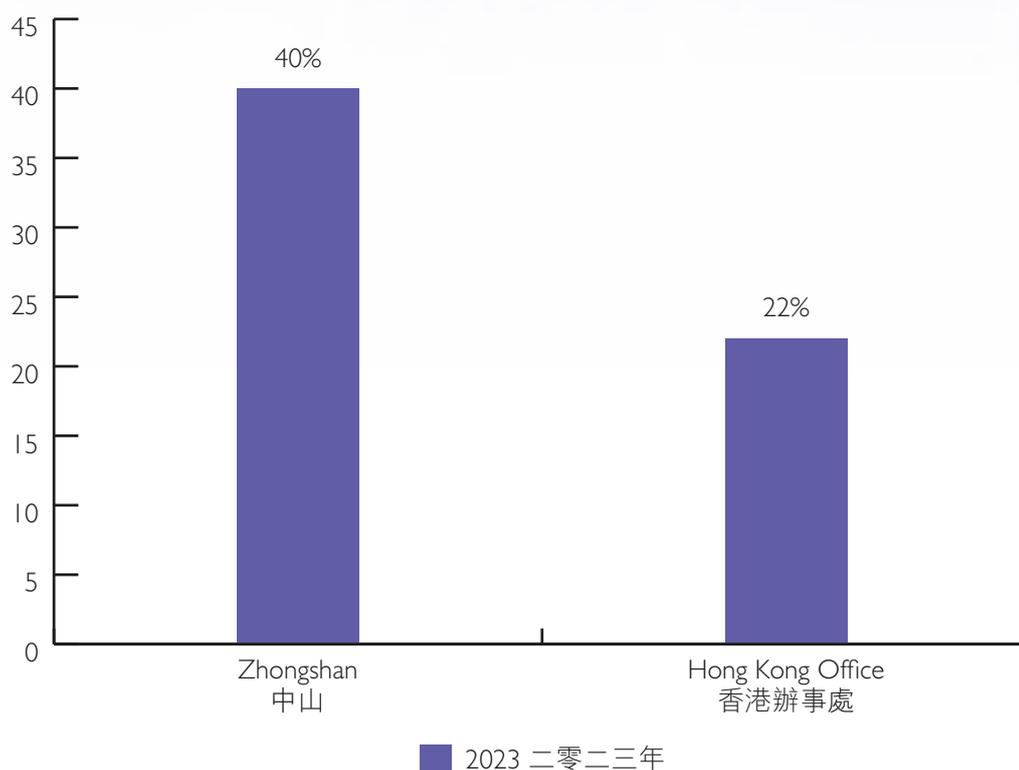


Figure 8: Employment Turnover Rate by Geographical Region

圖8：按地理位置劃分的僱員流失率

B2: Occupational Health and Safety ("OHS")

The Group remains very focused to health and safety. It is the Group's obligation to provide a safe working environment. The Group has established a health and safety committee, comprising the senior human resource manager, administrative manager, safety manager, representatives from the security and fire service department, and a labour union. The committee's duty is to superintend the health and safety performance of the Group and identify potential risks in which controls are either absent, ineffective, or incompliant. The committee also formulates policies to mitigate the risks if applicable. Correspondingly, the Group regularly commissioned third-party to audit OHS performance. In the 2023 Reporting Period, there was no non-compliance case with regulations concerning occupational health and safety.

B2: 職業健康與安全(「職健安」)

本集團仍然非常關注健康及安全。提供安全的工作環境乃本集團的責任。本集團已成立健康及安全委員會(由高級人力資源經理、行政經理、安全經理、保安及消防服務部門代表、工會代表組成)。委員會的職責為監督本集團健康及安全績效、識別未受管控、控制措施成效不足或未予遵守的潛在風險。委員會亦制定政策以緩解風險(如適用)。本集團亦定期委聘第三方，以審核職健安的績效。於二零二三年報告期，概無有關職業健康與安全的法規的不合規個案。

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Furthermore, risk assessment is conducted annually for all working areas to identify high-risk position and potential threats inside the working area. The Group offers corresponding personal protective equipment. Regular medical checks are provided to employees to ensure they are free from any occupational illness. The Group also schedules stress management courses for employees to have good mental health. The Group adopts shift work as well to reduce employees' work stress and chemical exposures. In addition, equipment's contractors carry out regular checks of the machines to test the functionality to ensure employees are free from the threat of equipment's instability and malfunction.

Aside from "Five social insurance and one housing fund", the Group provides additional medical insurance for extra protection. Better still, the Group has attained the certification of OHSAS 18001 to systemise the occupational health and safety management in the workplace. No work-related fatality happened in the past three years including the 2023 Reporting Period, but a total of 93 workdays were lost due to work-related injuries in the 2023 Reporting Period (For 2022 Reporting Period: 195 workdays). Yet the Group offered prompt assistance to the injured or the affected. The Group's health and safety committee launched investigations to examine the root cause of accidents and implemented corrective and preventive actions to avoid reoccurrence.

此外，本集團每年對所有工作區域進行風險評估，以識別工作區域內的高危位置及潛在風險。本集團提供相應個人防護裝備。本集團定期為僱員提供體檢以確保彼等並無任何職業病。本集團亦定期提供壓力管理課程，讓僱員保持良好精神健康。本集團採取輪班工作，以減少僱員的工作壓力及接觸化學品的風險。此外，設備承包商定期檢查機器以測試其功能，確保僱員免受設備不穩定和故障的威脅。

除「五險一金」外，本集團亦提供額外醫療保險以作出額外保障。本集團亦已獲得OHSAS 18001認證以將工作場所的職業健康及安全管理系統化。於過去三年（包括二零二三年報告期）內，本集團沒有發生與工作有關的死亡事故，惟於二零二三年報告期內因工傷事故共損失了93個工作日（二零二二年報告期：195個工作日）。然而，本集團為傷者或受影響者提供了即時援助。本集團的健康與安全委員會發起了調查，以查核事故的根本原因，並已採取糾正及預防措施以避免再次發生事故。

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B3: Development and Training

Toy industry evolves with time, and the Group understands that we have to keep up to the changes to thrive in the market and sustain in the industry. Consequently, each business unit together with the human resources department stipulates a yearly training plan, covering technical and management topics to all employees. The Group also sponsors employees to attend external training to acquire the latest knowledge in the market. In the 2023 Reporting Period, all employees took part in different training and average training hours of employees were approximately 32 hours.

B3: 發展及培訓

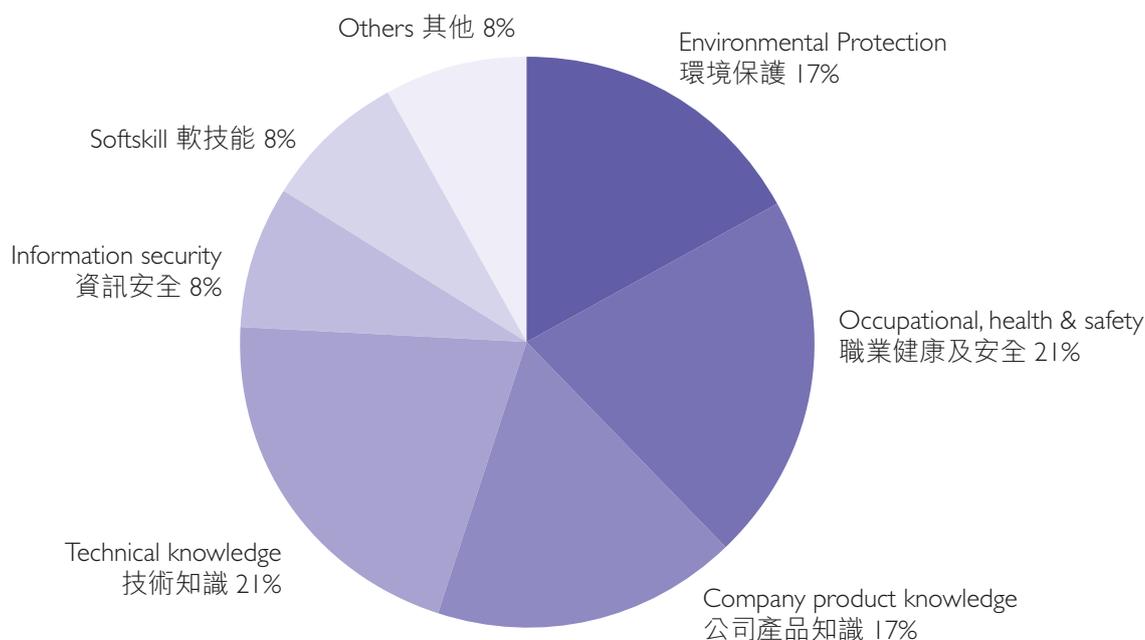
玩具業隨時間演變，本集團明白我們必須與時並進，於市場上茁壯成長及在行業內持續發展。因此，各業務單位連同人力資源部每年為全體僱員制定培訓計劃，涵蓋技術及管理技巧等多種課題。本集團亦向僱員提供贊助，支持彼等參與外部培訓以獲取市場上的最新知識。於二零二三年報告期內，所有僱員均參與不同培訓，僱員的平均培訓時數約為32小時。

Training (No. of employees)	培訓(僱員人數)	Internal 內部	External 外部
Percentage of employees trained	受訓僱員百分比		
2023	二零二三年	49.41%	49.41%
2022	二零二二年	99.41%	–
% of employees trained by gender	按性別劃分受訓僱員百分比		
Male	男性		
2023	二零二三年	36.67%	36.67%
2022	二零二二年	38.85%	–
Female	女性		
2023	二零二三年	63.33%	63.33%
2022	二零二二年	61.15%	–
% of employees trained by operational role	按營運職位劃分受訓僱員百分比		
Senior management	高級管理人員		
2023	二零二三年	0.40%	0.40%
2022	二零二二年	0.53%	–
Middle and Junior management	中級及初級管理人員		
2023	二零二三年	1.67%	1.67%
2022	二零二二年	1.60%	–
Supervisor	主任		
2023	二零二三年	2.00%	2.00%
2022	二零二二年	1.78%	–
General staff	一般員工		
2023	二零二三年	95.93%	95.93%
2022	二零二二年	96.09%	–

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Average Training (Hours)	平均培訓時數(小時)	Internal 內部	External 外部
Total employee trained	受訓僱員總數		
2023	二零二三年	15.81	15.81
2022	二零二二年	31.87	–
Average training hours completed per employee by gender	按性別劃分的每名僱員完成的平均培訓時數		
Male	男性		
2023	二零二三年	26.86	26.86
2022	二零二二年	31.75	–
Female	女性		
2023	二零二三年	9.24	9.24
2022	二零二二年	31.95	–
Average training hours completed per employee by operational role	按營運職位劃分的每名僱員完成的平均培訓時數		
Senior management	高級管理人員		
2023	二零二三年	6.40	6.40
2022	二零二二年	9.40	–
Middle and Junior management	中級及初級管理人員		
2023	二零二三年	14.29	14.29
2022	二零二二年	23.70	–
Supervisor	主任		
2023	二零二三年	14.12	14.12
2022	二零二二年	48.00	–
General staff	一般員工		
2023	二零二三年	16.00	16.00
2022	二零二二年	31.91	–



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The Group deems the new generation a pillar of society and has established an internship programme. Sophisticated and experienced seniors train up fresh graduates so that they can be well-prepared to bring innovation and creativity to the Group.

B4: Labor Standards

The Group strongly believes children shall enjoy a pleasant childhood. No child is allowed to work in the Group. The Group performs identity checks in the recruitment process to ensure the regulatory working age is compliant. The Group also totally believes in the importance of work-life balance as it links to productivity and well-being. The Group neither encourages nor forces employees to work overtime. Furthermore, all illegal means such as retention of identity cards or passports, intimidation, coercion, and undue pressure are strictly prohibited.

Employees are entitled to statutory leave and various kinds of paid leave, which help them take sufficient rest. The Group is always meticulous about the production schedule to avoid overtime work. The Group reviews workflow carefully in the event of a significant amount of overtime work needed. The Group will seek assistance from relevant institutions if necessary.

Furthermore, the Group also highly appreciates employees to participate in leisure and social activities such as the Chinese New Year event to share warmth and happiness among colleagues. Labour union has been formed, and all employees preserve the right to speak. Other than the benefits and welfares above, the Group arranges monthly meetings with the labour union representatives to understand employees' points of view.

In the 2023 Reporting Period, same as the 2022 Reporting Period, the Group was in compliance with relevant laws and regulations relating to preventing child and forced labour, and as such no rectification was required.

本集團認為新一代是社會的棟樑，因此舉辦實習計劃。老練且經驗豐富的資深職員培訓應屆畢業生，使他們能夠做好充分準備，為本集團帶來創新和創意。

B4: 勞工準則

本集團深信，兒童應該享受愉快童年。兒童不得於本集團工作。於招聘過程中，本集團進行身份檢查以確保符合法定工作年齡。本集團亦深信工作與生活平衡的重要性，因為其與生產力及福祉相關。本集團不鼓勵或強迫僱員超時工作。此外，本集團嚴格禁止所有有關非法手段，例如扣留身份證或護照、威脅、脅迫及施加不必要的壓力。

僱員可享有法定假期及不同類型的有薪假期(鼓勵彼等充份休息)。本集團亦會作出嚴謹的生產時間表以避免超時工作。若發現須進行大量超時工作情況，本集團則會仔細檢討工作流程。如必要，本集團將向相關機構尋求協助。

此外，本集團亦鼓勵僱員參與休閒及社交活動(例如農曆新年活動)與同事分享溫情及快樂。本集團已成立工會，全體員工均有權發表意見。除上述待遇及福利外，本集團每月安排與工會代表舉行會議，以得悉僱員意見。

於二零二三年報告期內，如同二零二二年報告期，本集團遵守防止童工和強迫勞動的相關法例及規例，因此不需要整改。

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B5: Supply Chain Management

The business depends heavily on suppliers' cooperation. Building trust and reliability is a golden rule to build up a long-term relationship with them. As of 31 December 2023, same as the 2022 Reporting Period, the registered suppliers of the Group consisted of 210 suppliers from the PRC, 47 suppliers from Hong Kong, and 2 suppliers from other countries.

Before signing a contract, the Group conducts an assessment and sample testing to assess suppliers' quality standards, and achievements in environmental protection and corporate social responsibility. The price is not the only selection consideration, equipment level, productivity and reputation are also taken into account. The Group also attentively concerns a safe working environment and an ethical business culture in the selection process. Moreover, samples testing must pass through quality check requirement for contract approval.

Other than that, the Group carries out an annual assessment to review suppliers' services quality, on-time delivery ability, fulfilment of the tender requirements and alignment with the Group's policies. In the 2023 Reporting Period, the Group assessed leading suppliers and they all passed. The suppliers who are unable to meet the requirements will be removed from the supplier list if applicable.

The Group keeps close contact with the suppliers to ensure the shipping date, logistics status and supplies can match our production and delivery schedule. The Group closely monitors the updates on local, regional, and even international cross-border regulations from time to time to reallocate resources at the earliest.

B5: 供應鏈管理

我們的業務極為倚賴供應商配合。與供應商建立長期關係是彼等與本集團之間建立信任及可靠度的黃金法則。於二零二三年十二月三十一日，如同二零二二年報告期，本集團的註冊供應商由210間中國供應商、47間香港供應商及2間其他國家供應商組成。

於簽訂合約前，本集團會進行評估及樣本調查，以評估供應商的質量標準、環境保護方面的成就及企業社會責任。價格並非唯一考慮因素，設備水平、生產力及聲譽均會列入考慮範圍內。本集團於挑選過程中亦十分關注安全工作環境及合乎道德的業務文化。此外，獲得合約批准前，樣本必須通過質量檢查規定。

除此之外，本集團進行年度評估，以審查供應商的服務質素、按時交付能力及完成投標規定能力，並符合本集團的政策。於二零二三年報告期內，本集團評估主要供應商，彼等全部通過評估。未能符合要求的供應商將會從供應商名單中刪除（如適用）。

本集團與供應商保持緊密聯繫，以確保發貨日期、物流狀況及供應可配合我們的生產及交付時間表。本集團不時密切監察本地、區域甚至國際跨境法規的最新情況，以儘早重新分配資源。

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C-TPAT Security Policy

The Group complies with the Customs-Trade Partnership Against Terrorism (“C-TPAT”). In order to enjoy the entitled benefits in return, the Group, suppliers, and contractors are working closely to implement, as required by C-TPAT, physical security measures, access control, security assurance in procedures, and offering education and training. A supply chain guarantee of C-TPAT Security Policy is ready for suppliers and contractors. Due to the importance of such policies and laws, the employees responsible for import and export shall attend training related to the relevant ordinance and regulations at least twice a year.

Green Procurement

To uphold the responsibility to disseminate sustainability to suppliers, the Group always strives to exploring alternatives to use less packaging materials and fewer plastics as much as feasible. The Group also states specifically on tender documents to encourage suppliers to adopt products with eco-labels or environmentally friendly products. In the selection process, priority is given to those awarded with an ISO 14001 Environmental Management System certificate and an ISO 9001 Quality Management System certificate. Local suppliers are also preferred to limit the environmental impact from transportation.

C-TPAT安全政策

本集團遵守美國海關商貿反恐聯盟（「C-TPAT」）的規定。為享受應有的福利作為回報，本集團、供應商及承包商依照C-TPAT的規定，嚴格執行實體安全措施、存取控制、程序的安全保障並提供教育及培訓。本集團已為供應商及承包商準備C-TPAT安全政策的供應鏈擔保。由於有關政策及法例的重要性，因此負責進出口的僱員須每年出席至少兩次有關相關條例及規例的培訓。

綠色採購

為履行責任向供應商推廣可持續發展，本集團一直致力於發掘減少使用包裝材料以及盡量使用較少塑膠的替代方法。本集團亦於投標文件作出具體闡述，鼓勵供應商採用貼上生態環保標籤的產品或環保產品。於甄選過程中，本集團優先選擇已獲頒授ISO 14001環保管理體系認證及ISO 9001質量管理體系認證的供應商，本集團亦優先選擇本地供應商，以減少運輸對環境的影響。

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B6: Product Responsibilities

The Group has been awarded with a certificate of the IETP, indicating that the Group adheres to the ICTI Code of Business Practices, aligning the Group's practices with international norms in the global toy industry supply chain.

Quality Assurance

The impacts to children from harmful and unsafe toys can be persistent and untreatable. As a result, the Group has established a product monitoring and inspection procedure to standardise the quality check. In practice, the Group attains certification of ISO 9001 Quality Management System. This ISO standard also guides the Group to implement a quality management system to systematically control product quality. Although the Group is a toy trader, it also carries out inspections and random checks to review the quality of toys. It assures toys strictly follow local and international safety and advisory requirements such as CE marking, Consumer Product Safety Commission, STM F963-Standard Consumer Safety Specification for Toy Safety. The Group is verified by a third-party to ensure their supply chain security aligns with international supply-chain security standards.

In addition, the Group has designed a clear and precise label to identify toys and separate defective products. The instruction manual is attached with the product to guide consumers to properly use products. Safety alert labels are placed at the package's surface or containers to alert consumers to keep toys properly, avoiding children from mistakenly swallowing or inhaling the tiny parts that may result in suffocation. No reported incident in product responsibility happened in the 2023 Reporting Period.

B6: 產品責任

本集團已獲頒授IETP認證，顯示本集團已遵守國際玩具工業理事會商業行為守則，將本集團的規範與全球玩具業供應鏈的國際慣例接軌。

質量保證

有害及不安全玩具對兒童的影響可能持續且無法治癒。因此，本集團已建立產品監察及檢查程序，以統一質量檢查。實際上，本集團已取得ISO 9001質量管理體系認證。此ISO標準亦引導本集團實行質量管理體系，以對產品質量進行系統化控制。雖然本集團乃玩具交易商，其亦進行視察及抽樣檢查，以檢查玩具的質量。其確保玩具嚴格遵守本地及國際安全及諮詢要求(例如歐洲合格認證、消費品安全委員會以及消費者安全規範—玩具安全STM F963標準)。本集團獲第三方認證，以確保彼等的供應鏈安全與國際供應鏈安全準則接軌。

此外，本集團已設計清晰準確的標籤，以識別玩具及個別瑕疵產品。產品上附上說明書，以就消費者妥善使用產品提供指引。安全警示標籤貼於包裝或容器表面，以提醒消費者妥善安放玩具，避免兒童誤吞或吸入細小部件，而導致窒息。於二零二三年報告期內，概無發生有關產品責任的報告事故。

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Given the significance of the toys' quality assurance, the Group pays additional attention to raw materials. All materials used in the products are entirely compliant with the Restriction of Hazardous Substances. Providing testing reports and certificates to prove the products' quality and harmlessness is a must-do item for our suppliers. The Group randomly tests product samples, and a third-party testing laboratory carries out inspections before mass production. The Group operates a laboratory, which is certified by the China National Accreditation Service, to examine the products randomly. All validating report are well-documented. In case of any fail reports of the toys, the Group will immediately cease the delivery process and recall them. Meanwhile, the Group remains active in communicating with customers regarding the products' quality, specifications, and testing results.

The Group exported more than 20 million products yearly. The quality management department records each complaint and notifies relevant departments for investigation and coming up with improvements and suggestions for the problem if any.

Thanks to the awareness of an extraordinarily high product quality standard, the Group is pleased to announce that there was no product recall or return regarding health and safety issues or material complaint during the Reporting Period. The Group is proud that there has been no material complaint or claim on its products quality and its products have not been subject to any investigation by government authorities on quality or safety as well. For the coming year, the Group has the confidence to maintain the same good track record with its sound management control.

鑑於玩具的質量保證的重要性，本集團特別注意原材料。產品使用的所有材料均嚴格遵守危害性物質限制。提供測試報告和證書以證明產品的質量和無害性是供應商必須要做的事情。在批量生產之前，本集團對產品樣本進行抽樣測試，並由第三方測試實驗室進行檢查。本集團設有獲中國合格評定國家認可委員會認證的實驗室，對產品進行隨機檢查。所有驗證報告均妥善記錄。倘發現玩具有任何故障報告，本集團將立即停止交付過程並召回玩具。同時，本集團與客戶就產品質量、規格及測試結果保持積極溝通。

本集團每年出口超過2,000萬件產品。質量管理部門記錄每項投訴，並知會相關部門進行調查，並為有關問題(如有)提出改進方案和建議。

得益於非常高的產品質量標準意識，本集團欣然宣佈，於報告期間並無與健康及安全問題或重大投訴有關的產品召回或退貨事件。本集團概無就其產品質量收到重大投訴或索賠，其產品亦未受到政府部門就質量或安全進行的任何調查，本集團對此引以為豪。來年，本集團有信心憑藉良好的管控來維持同樣的良好記錄。

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Based on a customer satisfaction survey to significant customers, covering seven aspects: productivity, samples delivery, quality management and product quality, the results revealed that customers were satisfied with the Groups' productivity, and they also advised an improvement on samples on-time delivery. Clients' feedback is the Group's motivations to perform better, so the Group promptly recruited more inspectors to conduct quality checks to speed up the processing time and keep product quality stable.

Data Privacy

The Group respects the privacy and intellectual property rights. The Group collects data in a lawful way and solely for recruitment or the stated purposes. The storage and transmission of personal data must be encrypted and with up-to-date antivirus protection to prevent data leakage that harms clients, suppliers, individuals, or other parties that have trusted the Group with their information. Likewise, the data shall only be retained for a designated period and for specified purposes. A guideline and procedure have been established to guide every one of the Group to properly handle personal data. The data can be updated and corrected by the data holders at any times in writing upon request. The Group must provide information on how they use clients' information in the past 12 months upon request. Only a handful of well-trained employees have the access right to the sensitive data.

Under no circumstance will the Group disclose personal data and confidential information to third parties or to the public without clients' consent.

During the 2023 Reporting Period, same as the 2022 Reporting Period, the Group did not have any incidents of non-compliance with relevant laws and regulations that have a significant impact on the Group relating to advertising, labelling and privacy matters. The Group also targets the same result for the coming years ahead.

根據對主要客戶進行客戶滿意度問卷調查，問卷涵蓋七個範疇，例如生產力、樣品交付、質量管理及產品質量，結果發現客戶對本集團的生產力感到滿意，彼等亦建議本集團於樣本準時交付中改進。客戶的反饋為本集團進步的動力，因此本集團及時聘請更多檢查員進行質量檢查，以加快處理時間並保持產品質量穩定。

數據私隱

本集團尊重數據私隱以及知識產權。本集團以合法方式及僅就招聘或所述目的收集數據。個人數據的儲存及傳送必須經過加密，並使用最新防毒軟件以防數據洩漏令將彼等資料交予本集團的客戶、供應商、個人或其他各方之利益受損。同樣地，本集團只會指在指定期間內及為了特定目的儲存數據。本集團已建立指引及程序，為本集團各成員提供妥善處理個人數據的指引。數據可由數據擁有人於任何時間以書面通知作出更新及修正。本集團必須應要求提供過往十二個月內如何使用客戶信息的資料。只有少量經訓練之僱員方可有權取閱敏感數據。

在任何情況下，本集團將不可在未經客戶同意的情況下向第三方或公眾披露個人數據及機密資料。

於二零二三年報告期，如同二零二二年報告期，本集團概無任何就廣告、標籤和隱私事宜違反相關法律法規的事件。本集團亦計劃於來年取得相同成果。

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Intellectual Property Right

The Group only sell and trades products that are properly licensed. The Group also abides by the copyright and patent laws of the United States as well as other countries. The Group endeavours to communicate with its business partners about intellectual property rights protection and also acknowledges that laws and regulations can protect the Group's right.

For the 2023 Reporting Period, same as the 2022 Reporting Period, the Group did not have any of any infringement of its or any other intellectual property rights including which had or could have a material adverse effect on our business, and there were no legal proceedings against the Group. The Group will continue to maintain similar results on intellectual property rights in the coming years ahead.

B7: Anti-corruption

Integrity gives great importance to brand image and performance. Rigidly laws and compliances bound the Group on anti-corruption. The Group must obey national and regional laws and regulations in business operation. The code of conduct is well-defined and outlines the area of corruption risk and procedures to handle advantages. The Group's attitude against corruption is stated clearly to all employees. Any form of bribery, extortion, fraud, and money laundering is forbidden. An internal control system has been established to review the operation flow and assure operation consistency. Employees can remain anonymous to report any suspected cases to the Group. The Group will not condone any unlawful acts or corruption.

知識產權

本集團只銷售及買賣獲許可的產品。本集團亦遵守美國以及其他國家的版權及專利法。本集團致力就知識產權保護與其業務夥伴溝通，以及讓彼等得知可保障本集團權利的法律法規。

於二零二三年報告期，如同二零二二年報告期，本集團概無任何侵犯其本身或任何其他知識產權的行為，包括已經或可能對我們的業務產生重大不利影響的行為，亦無針對本集團的法律訴訟。來年，本集團將繼續在知識產權方面保持相同成果。

B7: 反貪污

誠信相對品牌形象及績效而言更為重要。本集團須遵守有關反貪污的嚴謹法律。本集團必須於業務營運中遵守國家及地區法律法規。行為守則明確列出貪污風險的範疇及處理利益的程序。本集團對貪污的態度已向全體員工清楚傳達。本集團禁止任何形式的受賄、勒索、詐騙及洗黑錢。本公司已設立內部控制制度，以檢討營運流程及確保營運一致性。僱員可以匿名向本集團舉報任何疑似個案。本集團將不會容忍任何非法行為或貪污行為。

Environmental, Social and Governance Report

環境、社會及管治報告

Refresher training was regularly scheduled, especially for those post-holders with a high corruption risk. The directors and employees had, on average, two (2) training hour on anti-corruption topic in the 2023 Reporting Period. Anti-corruption training material will also be delivered to all employees and directors. Same as the 2022 Reporting Period, there was no alleged case of bribery, extortion, fraud, and money laundering in the 2023 Reporting Period.

B8: Community Involvement

Business development closely connects with the community, and it is the social responsibility of the Group to utilise our power to assist the needy in society. In the 2023 Reporting Period, the Group focused on labour need and sponsored RMB5,000 in cash and food groceries to those in financial need. Employees and their families are welcome to participate in voluntary activities. The Group will continue to work diligently with the community with charities, employees, and their families.

本集團已安排定期進修培訓，特別是具有高貪污風險的人士。於二零二三年報告期內，董事及僱員已進行平均兩(2)小時的反貪污專題培訓。反貪污培訓材料亦將分發予所有僱員及董事。於二零二三年報告期內，如同二零二二年報告期，並無任何指控受賄、勒索、詐騙及洗黑錢的個案。

B8: 社區參與

業務發展與社區息息相關。利用自身力量幫助社會上有需要人士乃本集團的社會責任。於二零二三年報告期內，本集團專注於勞動階層的需求，為面對財政困難的人士贊助現金人民幣5,000元及食品雜貨。本集團歡迎僱員及其家庭參加義工活動。本集團將繼續與慈善機構、僱員及其家庭攜手為社區出力。

Biographical Details of Directors

董事履歷

The biographies of Directors as of 28 March 2024 are as follows:

EXECUTIVE DIRECTORS

Mr. Jiang Qinghui (“Mr. Jiang”), *Chairman of the Company and Chairman of the Nomination Committee*

Aged 49, joined the Company as an Executive Director and was appointed as the Chairman of the Company on 25 April 2023 and 23 June 2023 respectively. He is also a director of several subsidiaries of the Company.

He has 25 years of investment and senior management experience in large-scale chain restaurants and commercial properties. Since 2017, he has served as a deputy to the People’s Congress of Shulan City, Jilin Province. He is currently the vice president of Beijing Jilin Enterprise Chamber of Commerce and the chairman of Beijing Shulan Enterprise Chamber of Commerce. During 2023, Mr. Jiang, through a company wholly-owned by him, acquired the convertible bonds issued by the Company in the aggregate principal amount of HK\$14,000,000, which are convertible into a total of 63,636,363 conversion shares based on the initial conversion price and all the convertible bonds has converted into shares on 31 May 2023.

Mr. Weng Zudian (“Mr. Weng”), *Member of the Remuneration Committee*

Aged 44, joined the Company as an Executive Director and was appointed as the Chief Executive Officer of the Company on 29 June 2023. He is also a director of several subsidiaries of the Company.

He has over 20 years of multi-national experience in banking and corporate finance sectors. From 2011 to 2018, he has worked as the manager for the Bank of China Tokyo Branch. He is currently involved in enterprise consultancy services for strategic, corporate structure restructuring, corporate mergers and acquisitions. Mr. Weng obtained a Bachelor of Fine Arts from Osaka University of Arts (“大阪藝術大學”) in 2008.

截至二零二四年三月二十八日的董事履歷如下：

執行董事

蔣青輝先生(「蔣先生」)，本公司主席及提名委員會主席

49歲，於二零二三年四月二十五日加入本公司出任執行董事，並於二零二三年六月二十三日獲委任為本公司主席。彼亦為本公司多間附屬公司的董事。

彼擁有25年大型連鎖餐飲、商業物業等行業投資及高級管理經驗。二零一七年起至今擔任吉林省舒蘭市人大代表。現任北京吉林企業商會副會長及北京舒蘭企業商會會長。於二零二三年，蔣先生透過一間由其全資擁有的公司收購本公司發行本金總額為14,000,000港元的可換股債券，按初始換股價格計算，可轉換為合共63,636,363股換股股份，且所有可換股債券已於二零二三年五月三十一日轉換為股份。

翁祖鈿先生(「翁先生」)，薪酬委員會成員

44歲，於二零二三年六月二十九日加入本公司出任執行董事，並獲委任為本公司行政總裁。彼亦為本公司多間附屬公司的董事。

彼在銀行及企業融資領域擁有逾20年跨國經驗。二零一一年至二零一八年任中國銀行東京分行經理。彼目前從事戰略、企業結構重組、企業併購等企業諮詢服務。翁先生於二零零八年獲得大阪藝術大學藝術學學士。

Biographical Details of Directors

董事履歷

NON-EXECUTIVE DIRECTOR

Mr. Lin Shaopeng (“Mr. Lin”)

Aged 65, joined the Company as a consultant in December 2014 and a Non-executive Director on 18 December 2017. He has been providing advisory services to the Group’s toys operation since December 2014. He is also a director of several subsidiaries of the Company. Mr. Lin has extensive experience in factory and logistics management in the PRC.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Kim Hung Eddie (“Mr. Kwok”), *Member of the Audit Committee and the Nomination Committee*

Aged 52, joined the Company as an Independent Non-executive Director on 7 March 2019. Mr. Kwok holds a Master of Professional Accounting degree from The Hong Kong Polytechnic University, a Master of Corporate Governance degree from Hong Kong Metropolitan University (formerly known as the Open University of Hong Kong) and a Honours Diploma in Accounting from Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College). Mr. Kwok is a member of The Hong Kong Institute of Certified Public Accountants, and a member of each of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.

Mr. Kwok has over 28 years of experience in the field of accounting and financial management. Mr. Kwok served as an independent non-executive director of E&P Global Holdings Limited (formerly known as Siberian Mining Group Company Limited), a company listed on the Stock Exchange (stock code: 1142), since February 2014 and resigned on 28 September 2022. He has been an independent non-executive director of Zhejiang Rui Yuan Intelligent Control Technology Company Limited, a company listed on GEM of the Stock Exchange (stock code: 8249), since June 2012. Prior to his current positions, Mr. Kwok served as a financial controller, the company secretary and one of the authorised representatives of Forebase International Holdings Limited, a company listed on the Stock Exchange (stock code: 2310).

非執行董事

林少鵬先生(「林先生」)

65歲，於二零一四年十二月加入本公司擔任顧問及於二零一七年十二月十八日出任本公司非執行董事。彼自二零一四年十二月起就本集團之玩具業務提供顧問服務。林先生亦為本公司多間附屬公司之董事。林先生於中國之廠房及物流管理方面擁有豐富經驗。

獨立非執行董事

郭劍雄先生(「郭先生」)，*審核委員會及提名委員會成員*

52歲，於二零一九年三月七日加入本公司出任獨立非執行董事。郭先生持有香港理工大學專業會計碩士學位、香港都會大學(前稱為香港公開大學)企業管治碩士學位及香港樹仁大學(前稱香港樹仁學院)之會計學榮譽文憑。郭先生為香港會計師公會的會員以及香港公司治理公會及特許公司治理公會之會員。

郭先生於會計及財務管理範疇有逾28年經驗。郭先生自二零一四年二月起為能源及能量環球控股有限公司(前稱西伯利亞礦業集團有限公司)(聯交所上市公司，股份代號：1142)之獨立非執行董事，並於二零二二年九月二十八日辭任。彼自二零一二年六月起為浙江瑞遠智控科技股份有限公司(聯交所GEM上市公司，股份代號：8249)之獨立非執行董事。於出任現職位前，郭先生曾為申基國際控股有限公司(聯交所上市公司，股份代號：2310)之財務總監、公司秘書及其中一名授權代表。

Biographical Details of Directors

董事履歷

Mr. Chan Cheuk Ho (“Mr. Chan”), *Chairman of the Audit Committee and the Remuneration Committee and member of the Nomination Committee*

Aged 57, joined the Company as an Independent Non-Executive Director on 23 June 2023. He obtained a bachelor's degree in business administration from the Chinese University of Hong Kong in 1989 and a master's degree in business administration from the University of Manchester in 2003. Mr. Chan has been a fellow member of the Hong Kong Institute of Certified Public Accountants since 2003.

In the past 20 years, Mr. Chan has been the finance director, financial controller and company secretary of several companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He is currently an independent non-executive director of Eagle Nice (International) Holdings Limited, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2368) since November 2002 and an independent non-executive director of EPS Creative Health Technology Group Limited, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 3860) since July 2021 respectively.

He is currently also the company secretary of Pine Technology Holdings Limited (“Pine Technology”), the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1079) since July 2017 and SuperRobotics Holdings Limited, the issued shares of which are listed on GEM Board of the Stock Exchange (stock code: 8176) since May 2022 respectively.

He was previously an executive director of Pine Technology from June 2017 to May 2022 and Wai Chun Bio-Technology Limited (“Wai Chun Bio-Technology”), the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 660), from July 2022 to March 2023.

He was previously also an independent non-executive director of Wai Chun Bio-Technology from November 2020 to July 2022 and an independent non-executive director of Wai Chun Group Holdings Limited, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1013) from March 2022 to July 2022.

陳卓豪先生(「陳先生」)，*審核委員會及薪酬委員會主席以及提名委員會成員*

57歲，於二零二三年六月二十三日加入本公司出任獨立非執行董事。彼於一九八九年取得香港中文大學工商管理學士學位，並於二零零三年取得英國曼徹斯特大學工商管理碩士學位。陳先生自二零零三年起為香港會計師公會資深會員。

過去20年，陳先生曾擔任多家香港聯合交易所有限公司(「聯交所」)主板上市公司的財務董事、財務總監及公司秘書。彼現時分別自二零零二年十一月起為鷹美(國際)控股有限公司(其已發行股份於聯交所主板上市(股份代號：2368))及自二零二一年七月起為EPS創健科技集團有限公司(其已發行股份於聯交所主板上市(股份代號：3860))擔任獨立非執行董事。

彼目前分別亦自二零一七年七月起為松景科技控股有限公司(「松景科技」)(其已發行股份於聯交所主板上市(股份代號：1079))及自二零二二年五月起為超人智能控股有限公司(其已發行股份於聯交所GEM上市(股份代號：8176))擔任公司秘書。

彼曾於二零一七年六月至二零二二年五月期間為松景科技及於二零二二年七月至二零二三年三月期間為瑋俊生物科技有限公司(「瑋俊生物」)(其已發行股份於聯交所主板上市(股份代號：660))擔任執行董事。

彼之前亦於二零二零年十一月至二零二二年七月期間為瑋俊生物及於二零二二年三月至二零二二年七月期間為瑋俊集團控股有限公司(其已發行股份於聯交所主板上市(股票代號：1013))擔任獨立非執行董事。

Biographical Details of Directors 董事履歷

Mr. Zhao Yong (“Mr. Zhao”), Member of the Audit Committee and the Remuneration Committee

Aged 40, joined the Company as an Independent Non-executive Director on 10 September 2021. Mr. Zhao obtained a bachelor's degree in law from Zhejiang University in July 2006 and a master degree in law (American Legal Studies) from Thomas Jefferson School of Law in December 2009. Mr. Zhao is qualified to practice law in the PRC and has been working at DeHeng Law Offices (Hangzhou) as an attorney at law since April 2018.

趙勇先生(「趙先生」)，審核委員會及薪酬委員會成員

40歲，於二零二一年九月十日加入本公司出任獨立非執行董事。趙先生於二零零六年七月取得浙江大學法學學士學位及於二零零九年十二月取得湯瑪斯傑弗遜法學院法學(美國法律研究)碩士學位。趙先生為中國之認可執業律師，自二零一八年四月起於北京德恒(杭州)律師事務所擔任執業律師。

Report of the Directors

董事會報告

The Directors hereby present their report and the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are set out in note 40 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a description of the principal risks and uncertainties facing the Company and an indication of likely future development in the Company's business, can be found in the Chairman's Statement and the Management Discussion and Analysis set out on pages 6 to 12 of this annual report. This discussion forms part of this Report of the Directors.

RESULTS

The results of the Group for the year ended 31 December 2023 are set out in the consolidated statement of profit or loss on page 82.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend in respect of the year ended 31 December 2023 (2022: nil).

FIVE YEARS FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on pages 223 to 224.

董事謹提呈本公司及其附屬公司截至二零二三年十二月三十一日止年度之董事會報告及經審核綜合財務報表。

主要業務及業務回顧

本公司主要業務為投資控股及其附屬公司之主要業務載於綜合財務報表附註40。

載於本年報第6至12頁之主席報告以及管理層討論及分析中包含按照香港《公司條例》附表5規定而須作出有關該等業務之進一步討論與分析(包括說明本公司面對之主要風險及不確定因素，以及指出本公司業務日後可能出現之發展)。有關討論組成本董事會報告之一部份。

業績

本集團截至二零二三年十二月三十一日止年度之業績載於第82頁之綜合損益表。

末期股息

董事會並不建議就截至二零二三年十二月三十一日止年度派付末期股息(二零二二年：無)。

五年財務概要

本集團過往五個財政年度之已刊發業績及資產及負債概要載於第223至224頁。

Report of the Directors

董事會報告

SHARE CAPITAL

Details of movement in the share capital of the Company during the year and details of share capital of the Company are set out in note 31 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company's reserve available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda and the Bye-laws of the Company, amounted to HK\$nil (2022: HK\$nil).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the Companies Act 1981 of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

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

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

股本

有關本公司年內股本變動之詳情及本公司之股本詳情載於綜合財務報表附註31。

可分派儲備

於二零二三年十二月三十一日，根據百慕達一九八一年公司法及本公司之公司細則規定計算，本公司可分派儲備為零港元(二零二二年：零港元)。

優先購買權

本公司之公司細則或百慕達一九八一年公司法並無規定本公司須向現有股東按比例發售新股份之優先購買權條文。

購買、出售或贖回本公司上市股份

於截至二零二三年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市股份。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year under review, sales to the Group's five largest customers accounted for approximately HK\$515 million of the total sales for the year and sales to the largest customer accounted for approximately 98.4%. Purchases from the Group's five largest suppliers accounted for approximately HK\$115.4 million of the total purchases for the year and purchases from the largest supplier accounted for approximately 52.3%.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, owns more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers during the year.

DIRECTORS

Executive Directors:

Mr. Jiang Qinghui (appointed on 25 April 2023)
Mr. Weng Zudian (appointed on 29 June 2023)
Mr. Zhao Deyong (resigned on 16 June 2023)
Dr. Liao Wenjian (resigned on 28 December 2023)

Non-executive Director:

Mr. Lin Shaopeng

Independent Non-executive Directors:

Mr. Chan Cheuk Ho (appointed on 23 June 2023)
Mr. Kwok Kim Hung Eddie
Mr. Zhao Yong
Mr. Ng Wai Hung (resigned on 16 June 2023)

In accordance with Article 85 of the Company's memorandum of association, Lin Shaopeng, Kwok Kim Hung Eddie and Zhao Yong shall retire from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

主要客戶及供應商

於回顧年度內，本集團五大客戶佔年內總銷售額約515,000,000港元，而最大客戶則佔年內總銷售額約98.4%。本集團五大供應商佔年內總採購額約115,400,000港元，而最大供應商則佔年內總採購額約52.3%。

本公司董事或彼等之任何聯繫人士或根據董事所知擁有本公司已發行股本5%以上權益之股東，於年內概無持有本集團五大客戶或供應商之任何實益權益。

董事

執行董事：

蔣青輝先生(於二零二三年四月二十五日獲委任)
翁祖鈿先生(於二零二三年六月二十九日獲委任)
趙德永先生(於二零二三年六月十六日辭任)
廖文劍博士(於二零二三年十二月二十八日辭任)

非執行董事：

林少鵬先生

獨立非執行董事：

陳卓豪先生(於二零二三年六月二十三日獲委任)
郭劍雄先生
趙勇先生
吳偉雄先生(於二零二三年六月十六日辭任)

根據本公司組織章程大綱第85條，林少鵬、郭劍雄及趙勇須於應屆股東週年大會上退任，並合資格且願意重選連任。

Report of the Directors

董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

UPDATES ON DIRECTORS' INFORMATION

There is no updated information of directors of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Details of the directors' and the chief executive's remuneration are set out in note 11 to the consolidated financial statements.

INDEMNITY OF DIRECTORS

The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and other officers of the Company during the year.

DIRECTORS' AND CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "MATERIAL RELATED PARTY TRANSACTIONS" disclosure in note 39 to the consolidated financial statements, no contract of significance to which the Company or any of its subsidiaries was a party and in which 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.

董事之服務合約

概無董事與本公司或其任何附屬公司訂立本集團不作賠償(法定賠償除外)則不得於一年內終止之服務合約。

更新董事資料

並無根據上市規則第13.51B(1)條之規定須予披露之本公司董事最新資料。

董事及最高行政人員酬金

董事及最高行政人員酬金之詳情載於綜合財務報表附註11。

董事之彌償保證

年內，本公司已就董事及本公司其他要員承購合適之董事及要員責任保險。

董事及控股股東於重大合約之權益

除綜合財務報表附註39「重大關聯方交易」一節所披露者外，於本年度終結時或年內任何時間，本公司或其任何附屬公司於本年度概無訂立本公司董事或控股股東於當中直接或間接擁有重大權益之重大合約。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2023, the interests of each of the directors or the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules were as follows:

Long positions in the shares and underlying shares of the Company

None of the directors or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" at no time during the year ended 31 December 2023 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, and none of the Directors or their spouse or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

董事於股份、相關股份及債權證之權益及淡倉

於二零二三年十二月三十一日，本公司各董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有任何須登記於本公司根據證券及期貨條例第352條須置存之登記冊內之權益或淡倉，或任何根據上市規則所載上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及聯交所之權益或淡倉如下：

於本公司股份及相關股份之好倉

概無本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有任何根據證券及期貨條例第352條須登記，或任何根據標準守則須知會本公司及聯交所之權益或淡倉。

董事購買股份或債權證之權利

除「董事於股份、相關股份及債權證之權益及淡倉」章節所披露者外，截至二零二三年十二月三十一日止年度內任何時間，本公司或其任何附屬公司概無作出任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債權證而獲取利益，亦無董事或彼等之配偶或未成年子女有權認購本公司證券，或於本年度內行使任何該等權利。

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

根據證券及期貨條例須予披露之股東權益及淡倉

As at 31 December 2023, the following interests of more than 5% of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

於二零二三年十二月三十一日，按本公司根據證券及期貨條例第336條須存置之權益登記冊所記錄，持有本公司已發行股本5%或以上權益之人士如下：

Long positions in the shares of the Company

於本公司股份之好倉

Name of shareholder	Capacity and nature of interest	Personal interest	Corporate interest	Number of shares held	Approximate percentage of the Company's issued share capital (Note 5) 佔本公司已發行股本概約百分比 (附註5)
股東名稱	身份及權益性質	個人權益	公司權益	持有股份數目	
Richsun Investment Development Limited	Interest of controlled corporation	–	80,000,000	80,000,000 (Note 1)	15.69%
Richsun Investment Development Limited	於受控制法團之權益	–	80,000,000	80,000,000 (附註1)	15.69%
Mr. Wang Honggang ("Mr. Wang")	Interest of controlled corporation	–	80,000,000	80,000,000 (Note 1)	15.69%
王洪剛先生(「王先生」)	於受控制法團之權益	–	80,000,000	80,000,000 (附註1)	15.69%
CSC Holdings Limited (formerly known as "China Strategic Holdings Limited") ("CSC")	Interest of controlled corporation	–	65,199,547	65,199,547 (Note 2, 6)	12.79%
中策資本控股有限公司(前稱中策集團有限公司)(「中策資本」)	於受控制法團之權益	–	65,199,547	65,199,547 (附註2、6)	12.79%
U Credit (HK) Limited	Interest of controlled corporation	–	65,199,547	65,199,547 (Note 2, 6)	12.79%
譽信貸(香港)有限公司	於受控制法團之權益	–	65,199,547	65,199,547 (附註2、6)	12.79%
Hong Kong Huiheng Trading and Investment Co., Limited	Interest of controlled corporation	–	63,636,363	63,636,363 (Note 3)	12.48%
香港輝衡貿易投資有限公司	於受控制法團之權益	–	63,636,363	63,636,363 (附註3)	12.48%
Mr. Jiang Qinghui ("Mr. Jiang")	Interest of controlled corporation	–	63,636,363	63,636,363 (Note 3)	12.48%
蔣青輝(「蔣先生」)	於受控制法團之權益	–	63,636,363	63,636,363 (附註3)	12.48%
Mr. Ji Xiang ("Mr. Ji")	Interest of controlled corporation	–	49,697,600	49,697,600 (Note 4, 6)	9.75%
吉祥先生(「吉先生」)	於受控制法團之權益	–	49,697,600	49,697,600 (附註4、6)	9.75%
Mr. Shen Jia ("Mr. Shen")	Beneficial owner	40,000,000	–	40,000,000 (Note 6)	7.85%
沈佳先生(「沈先生」)	實益擁有人	40,000,000	–	40,000,000 (附註6)	7.85%

Report of the Directors

董事會報告

Notes:

1. 80,000,000 shares were held by Richsun Investment Development Limited, which was owned as to 100% by Mr. Wang. Accordingly, Mr. Wang was deemed to be interested in 80,000,000 shares of the Company under the SFO.
2. CSC had an indirect interest in the Company through its 100% indirect ownership in U Credit (HK) Limited, which had security interest in 651,995,472 shares of the Company. U Credit (HK) Limited had enforced the security interest in 651,995,472 shares on 4 July 2019.
3. 63,636,363 shares were held by Hong Kong Huiheng Trading and Investment Co., Limited, which was owned as to 100% by Mr. Jiang. Accordingly, Mr. Jiang was deemed to be interested in 63,636,363 shares of the Company under the SFO.
4. 496,976,000 shares were held by Excel Jade Limited, which was owned as to 100% by Mr. Ji. Accordingly, Mr. Ji was deemed to be interested in 496,976,000 shares of the Company under the SFO.
5. The percentage of shareholding is calculated on the basis of 509,822,834 shares of the Company in issue as at 31 December 2023.
6. On 28 November 2022, the Company completed a share consolidation of every ten (10) issued shares of HK\$0.10 each in the issued share capital of the Company into one (1) consolidated share of HK\$1.00 each with effect from 30 November 2022. The effect of the number of shares will be divided by 10 issued shares and no effect on the percentage of the Company's issued share capital.

Save as disclosed above, the Company had not been notified of other relevant interests or short positions in the shares and underlying shares of the Company as at 31 December 2023 as required pursuant to section 336 of the SFO.

附註：

1. 80,000,000股股份由Richsun Investment Development Limited持有，該公司由王先生100%持有。因此，根據證券及期貨條例，王先生被視為為本公司之80,000,000股股份中擁有權益。
2. 中策資本透過於譽信貸(香港)有限公司之100%間接擁有權於本公司持有間接權益，該公司持有本公司651,995,472股股份的抵押權益。譽信貸(香港)有限公司於二零一九年七月四日強制執行651,995,472股股份的抵押權益。
3. 63,636,363股股份由香港輝衡貿易投資有限公司持有，該公司由蔣先生100%持有。因此，根據證券及期貨條例，蔣先生被視為為本公司之63,636,363股股份中擁有權益。
4. 496,976,000股股份由Excel Jade Limited持有，該公司由吉先生100%持有。因此，根據證券及期貨條例，吉先生被視為為本公司之496,976,000股股份中擁有權益。
5. 持股百分比乃根據於二零二三年十二月三十一日之本公司509,822,834股已發行股份計算。
6. 於二零二二年十一月二十八日，本公司完成每十(10)股本公司已發行股本中每股面值0.10港元之已發行股份合併為每股面值1.00港元之一(1)股合併股份之股份合併，自二零二二年十一月三十日起生效。股份數目的影響將為除以10股已發行股份，對本公司已發行股本的百分比並無影響。

除上文所披露者外，於二零二三年十二月三十一日，本公司並無獲知會根據證券及期貨條例第336條須予披露之本公司股份及相關股份之其他相關權益或淡倉。

Report of the Directors

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, it is confirmed that there is sufficient public float of at least 25% of the Company's issued shares at the date of the annual report.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with laws and regulations and any non-compliance may bring significant impact on the Group's operations. The Group's products are exported globally and the major markets include the USA, the European union, Japan and the PRC. The Group complied with those importing requirements, including product safety and material selections, imposed by these importing countries. Compliance with the PRC regulations are also essential to the Group manufacturing operations in the PRC. The Group is continuously monitoring the evolving regulations and ensure its compliance.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 December 2023, there were no material and significant dispute between the Group and its employees, customers and suppliers.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2023, the Group employed 1,513 employees (2022: 1,696) with staff costs amounted to approximately HK\$106.1 million (2022: approximately HK\$126.8 million). Remuneration policies are reviewed annually by the management of the Company. The Group's remuneration policy is structured to consider comparable position in the market and the prevailing business scale of the Group.

足夠公眾持股量

根據本公司從公開途徑所得之資料及據董事所知，本公司確認於本年報日期已充足擁有至少佔本公司已發行股本25%之公眾持股量。

遵守有關法律及法規

本集團深諳遵守法律及法規之重要性以及任何違反可能對本集團業務造成重大影響。本集團之產品出口至全球，主要市場包括美國、歐盟、日本及中國。本集團遵守該等進口國家所頒佈之進口規定，包括產品安全及材料挑選。遵守中國法規對本集團於中國之製造業務亦至關重要。本集團持續監察不斷更新之法規及確保遵守有關法規。

與僱員、客戶及供應商之關係

本集團瞭解與其僱員、客戶及供應商保持良好關係對達到其短期及長期目標之重要性。於截至二零二三年十二月三十一日止年度，本集團與其僱員、客戶及供應商之間概無嚴重及重大糾紛。

僱員及薪酬政策

於二零二三年十二月三十一日，本集團僱用1,513名僱員(二零二二年：1,696名)，員工成本約為106.1百萬港元(二零二二年：約126.8百萬港元)。薪酬政策由本公司管理層每年檢討。本集團之薪酬政策乃考慮市場上可資比較職位及本集團現時之業務規模而制定。

Report of the Directors

董事會報告

SUBSEQUENT EVENT

Referring to the Company's announcement on 2 January 2024 and 15 January 2024, the Company allotted and issued an aggregate of 101,964,566 ordinary shares of HK\$0.01 each for cash at the net issue price of approximately HK\$0.066 per new share under the general mandate on 15 January 2024. Up to the date of the announcement, the issuance of convertible bonds has not been completed. Save as above, subsequent to 31 December 2023 and up to the date of this report, the Board is not aware of any significant event affecting the Group and requiring disclosure.

ENVIRONMENTAL POLICY AND PERFORMANCE

The Group encourages environmental protection and is committed to fulfil its environmental, social and corporate responsibilities. Various investments in optimizing energy use and paper use were made and will be made. Measures were made to prevent or minimize pollutions and provide a safe and healthy working environment. The Group continues to review the latest technology and the best practices in the industry for adoption to address the environmental, social and corporate responsibilities.

AUDITORS

The consolidated financial statements for the year ended 31 December 2021 were audited by Moore Stephens CPA Limited. The consolidated financial statements for the year ended 31 December 2022 and 2023 were audited by Confucius International CPA Limited.

A resolution to re-appoint Confucius International CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Jiang Qinghui

Chairman

Hong Kong, 28 March 2024

期後事項

如本公司日期為二零二四年一月二日及二零二四年一月十五日的公告所述，本公司於二零二四年一月十五日根據一般授權按淨發行價每股新股份約0.066港元配發及發行合共101,964,566股每股面值0.01港元的普通股，以換取現金。直至本公告日期，可換股債券發行尚未完成。除上文所述外，於二零二三年十二月三十一日後及直至本報告日期，董事會並不知悉任何影響本集團及須予披露之重大事件。

環境政策及表現

本集團鼓勵環保並致力履行環境、社會及企業責任。本集團已就及將就優化能源使用及紙張使用作出多項投資，實施措施以防止或減少污染物，以及提供安全及健康之工作環境。本集團持續檢視最新技術及採取最佳行業慣例以履行環境、社會及企業責任。

核數師

截至二零二一年十二月三十一日止年度之綜合財務報表已由大華馬施雲會計師事務所有限公司審核。截至二零二二年及二零二三年十二月三十一日止年度之綜合財務報表已由天健國際會計師事務所有限公司審核。

續聘天健國際會計師事務所有限公司為本公司核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席

蔣青輝

香港，二零二四年三月二十八日

Corporate Governance Report

企業管治報告

The Board is committed to maintaining high standards of corporate governance practices at all times. The Board believes that good corporate governance helps the Company to safeguard the interests of its shareholders and to enhance the performance of the Group.

CORPORATE GOVERNANCE

During the financial year ended 31 December 2023, the Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix 14 of the Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding directors' dealings in the Company's securities (the "Own Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Specific enquiries have been made with the Directors and they have confirmed their compliance with the Own Code and the Model Code during the year ended 31 December 2023.

BOARD OF DIRECTORS

The overall management and control of the Group's business are vested in the Board. The Board is responsible for establishing policies, strategies and plans, providing leadership in creating value and overseeing the Group's financial performance on behalf of shareholders of the Company.

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

董事會一直致力維持高水平之企業管治常規。董事會相信良好之企業管治有助本公司保障股東利益及提升本集團之業績表現。

企業管治

於截至二零二三年十二月三十一日止財政年度期間，本公司已遵守上市規則附錄十四所載企業管治守則之所有適用守則條文。

董事之證券交易

本公司已就董事買賣本公司證券自行採納一套行為守則(「自訂守則」)，條款並不比上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)所規定的準則寬鬆。本公司已向董事作出具體查詢，而彼等已確認於截至二零二三年十二月三十一日止年度一直遵守自訂守則及標準守則。

董事會

本集團業務的整體管理及監控由董事會負責。董事會負責制定政策、策略及計劃，領導本公司為股東創造價值，並代表本公司股東監察本集團之財務表現。

董事會保留其在本公司所有重大事宜之決策權，包括批准及監察所有政策事務、整體策略及預算、內部監控及風險管理系統、重大交易(尤其是可能牽涉利益衝突之交易)、財務資料、董事的委任及其他重大財務及營運事宜。

Corporate Governance Report

企業管治報告

The day-to-day management, administration and operations of the Group are delegated to the executive director and senior management of the Company. Prior to entering into any significant transactions, the executive director and senior management of the Company have to obtain Board approval.

As at the date of this annual report, the Board comprises six Directors, including two Executive Directors, namely Mr. Jiang Qinghui (Chairman) and Mr. Weng Zudian; one Non-executive Director, namely Mr. Lin Shaopeng; and three Independent Non-executive Directors, namely Mr. Chan Cheuk Ho, Mr. Kwok Kim Hung Eddie and Mr. Zhao Yong. The Company has received from each of the Independent Non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all Independent Non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules. Biographical details of the Directors are set out under the section headed "BIOGRAPHICAL DETAILS OF DIRECTORS" on pages 51 to 54 of this annual report.

The Company will provide a comprehensive, formal and tailored induction to each newly appointed director on his/her first appointment in order to enable him/her to have appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

All directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news release published by the Stock Exchange to the directors. Continuing briefing and professional development for directors are arranged where necessary.

本集團日常管理、行政及營運事宜委派予本公司執行董事及高級管理層負責。本公司之執行董事及高級管理層訂立任何重大交易前，須先獲董事會批准。

於本年報日期，董事會由六名董事組成，包括兩名執行董事，蔣青輝先生(主席)及翁祖鈿先生；一名非執行董事，林少鵬先生；及三名獨立非執行董事，分別為陳卓豪先生、郭劍雄先生及趙勇先生。本公司已接獲各獨立非執行董事根據上市規則第3.13條的規定而發出有關其獨立性之年度確認書。本公司認為所有獨立非執行董事均具獨立性，符合上市規則所列之獨立性指引。董事履歷之詳情載於本年報第51至54頁「董事履歷」一節。

本公司將於各新任董事初獲委任時提供全面、正式兼特定而設之就任須知，以確保其適當了解本公司之業務及營運並完全知悉其在上市規則及相關監管規定項下之責任及義務。

本公司鼓勵所有董事參與持續專業發展，以開拓及增進彼等之知識及技能。董事持續獲提供有關法規及監管制度及業務環境發展之最新資料，以協助彼等履行職責。本公司已適時向董事提供最新的技術性資料，包括上市規則修訂之簡報及聯交所之新聞發佈。本公司於需要時為董事安排持續簡報及專業發展。

Corporate Governance Report

企業管治報告

During the year ended 31 December 2023, thirty nine regular full Board meetings and two general meeting were held and the attendance of each director is set out as follows:

於截至二零二三年十二月三十一日止年度內，曾舉行三十九次常規全體董事會會議及兩次股東大會，而每名董事之出席紀錄如下：

Name of directors	董事姓名	Number of attendance	
		Board Meetings 董事會會議	General Meetings 股東大會
Executive Directors		執行董事	
Mr. Jiang Qinghui (appointed on 25 April 2023)	蔣青輝先生(於二零二三年四月二十五日獲委任)	8/8	1/1
Mr. Weng Zudian (appointed on 29 June 2023)	翁祖鈿先生(於二零二三年六月二十九日獲委任)	4/4	0/0
Mr. Zhao Deyong (resigned on 16 June 2023)	趙德永先生(於二零二三年六月十六日辭任)	10/10	1/1
Dr. Liao Wenjian (resigned on 28 December 2023)	廖文劍博士(於二零二三年十二月二十八日辭任)	14/14	0/1
Non-executive Director		非執行董事	
Mr. Lin Shaopeng	林少鵬先生	16/16	1/1
Independent Non-executive Directors		獨立非執行董事	
Mr. Chan Cheuk Ho (appointed on 23 June 2023)	陳卓豪先生(於二零二三年六月二十三日獲委任)	5/5	0/0
Mr. Kwok Kim Hung Eddie	郭劍雄先生	16/16	1/1
Mr. Ng Wai Hung (resigned on 16 June 2023)	吳偉雄先生(於二零二三年六月十六日辭任)	10/10	1/1
Mr. Zhao Yong	趙勇先生	16/16	0/1

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There are two key aspects of the management of the Company – the management of the Board and the day-to-day management of the Group's business. The Company supports that there should be a clear division of these responsibilities at the Board level to ensure a balance of power and authority, so that power is not concentrated in any one individual. Currently, Mr. Jiang Qinghui, the Chairman of the Board and the Executive Director of the Company, takes up the responsibility of the management of the Board. Mr. Weng Zudian, the Executive Director and Chief Executive Officer of the Company is responsible for the day-to-day management of the Group's business.

主席及行政總裁

本公司之管理可分為兩個主要部份 – 董事會之管理及本集團業務之日常管理。本公司完全支持在董事會層面上須有明確之職責分工，以確保權力及授權均衡分佈，不致令權力集中於任何一名人士。現時，本公司董事會主席兼執行董事蔣青輝先生接掌管理董事會之責任。本公司執行董事兼行政總裁翁祖鈿先生負責本集團業務之日常管理。

Corporate Governance Report

企業管治報告

NON-EXECUTIVE DIRECTORS

Each of the Non-executive Director and Independent Non-executive Director is appointed for a term of twelve-month period which automatically renews for successive twelve-month periods unless terminated by either party in writing prior to the expiry of the term. The Non-executive Directors and all the Independent Non-executive Directors are also subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Company's Bye-laws.

REMUNERATION COMMITTEE

The Remuneration Committee has specific written terms of reference as set out in the CG Code. As at the date of this annual report, the Remuneration Committee comprises three Independent Non-executive Directors, namely Mr. Kwok Kim Hung Eddie, Mr. Chan Cheuk Ho and Mr. Zhao Yong. Mr. Chan Cheuk Ho is the Chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's remuneration policy and structure and the remuneration packages of directors and senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions. The full terms of reference of the Remuneration Committee are available on the Company's website and the Stock Exchange's website.

The terms of reference of the remuneration committee are of no less exacting terms than those set out in the CG Code. Pursuant to the amendments to Chapter 17 of the Listing Rules which will come into effect on 1 January 2023, the terms of reference of the Remuneration Committee were adopted, amended and approved by the Board on 30 December 2022.

非執行董事

每名非執行董事及獨立非執行董事之委任期為十二個月，而除非任何一方於任期屆滿前以書面提出終止，否則每次屆滿時將自動續期十二個月。非執行董事及所有獨立非執行董事亦須按照本公司之公司細則於本公司股東週年大會上輪值退任及膺選連任，並須至少每三年輪值退任一次。

薪酬委員會

薪酬委員會已訂立企業管治守則所載之特定書面職權範圍。於本年報日期，薪酬委員會包括三名獨立非執行董事郭劍雄先生、陳卓豪先生及趙勇先生。陳卓豪先生為薪酬委員會之主席。

薪酬委員會的主要職能包括就本公司的薪酬政策及架構和董事及高級管理層之薪酬待遇向董事會提出建議。薪酬委員會亦負責設立具透明度的程序以制定有關薪酬政策及架構，確保董事或其任何聯繫人士不會參與其本身薪酬之決策，而有關薪酬將參照個人及本公司的表現以及市場慣例及條件後釐訂。薪酬委員會職權範圍之全文刊載於本公司及聯交所網站上。

薪酬委員會的職權範圍不遜於企業管治守則所載的條款。根據將於二零二三年一月一日生效的上市規則第17章的修訂，薪酬委員會的職權範圍已於二零二二年十二月三十日獲董事會採納、修訂及批准。

Corporate Governance Report

企業管治報告

The Remuneration Committee met three times during the year ended 31 December 2023 to review the remuneration packages for directors. The attendance of each member is set out as follows:

於截至二零二三年十二月三十一日止年度內，薪酬委員會曾舉行三次會議，在會上檢討董事之薪酬待遇。各成員之出席紀錄如下：

Name of member	成員名稱	Number of attendance	出席次數
Mr. Chan Cheuk Ho	陳卓豪先生	1/1	
Mr. Kwok Kim Hung Eddie	郭劍雄先生	2/2	
Mr. Ng Wai Hung	吳偉雄先生	0/1	
Mr. Zhao Yong	趙勇先生	2/3	

NOMINATION COMMITTEE

The Nomination Committee has specific written terms of reference as set out in the CG Code. As at the date of this annual report, the Nomination Committee comprises two Independent Non-executive Directors and one Executive Director, namely Mr. Kwok Kim Hung Eddie, Mr. Chan Cheuk Ho and Mr. Jiang Qinghui. Mr. Jiang Qinghui is the Chairman of the Nomination Committee.

The Nomination Committee is mainly responsible for making recommendations to the Board on the appointment of directors, evaluation of board composition, assessment of the independence of independent non-executive directors and the management of the Board succession. The full terms of reference of the Nomination Committee are available on Company's website and the Stock Exchange's website.

提名委員會

提名委員會已訂立企業管治守則所載之特定書面職權範圍。於本年報日期，提名委員會包括兩名獨立非執行董事及一名執行董事，分別為郭劍雄先生、陳卓豪先生及蔣青輝先生。蔣青輝先生為提名委員會之主席。

提名委員會主要負責就委任董事、評估董事會的組成、評估獨立非執行董事之獨立性及管理董事會繼任事宜向董事會作出建議。提名委員會職權範圍之全文刊載於本公司及聯交所網站上。

Corporate Governance Report

企業管治報告

The Nomination Committee met two times during the year ended 31 December 2023 to review the appointment of the directors, the structure, size and composition of the Board. The attendance of each member is set out as follows:

於截至二零二三年十二月三十一日止年度內，提名委員會曾舉行兩次會議，在會上檢討委任董事、董事會之架構、人數及組成。各成員之出席紀錄如下：

Name of member	成員名稱	Number of attendance	出席次數
Mr. Jiang Qinghui	蔣青輝先生	1/1	1/1
Mr. Chan Cheuk Ho	陳卓豪先生	1/1	1/1
Mr. Kwok Kim Hung Eddie	郭劍雄先生	3/3	3/3
Mr. Ng Wai Hung	吳偉雄先生	0/1	0/1
Mr. Zhao Yong	趙勇先生	2/2	2/2

The Board had adopted a board diversity policy (the "Policy") in September 2013 and amended by resolutions of the Board passed on 21 October 2019 which sets out the approach to achieve diversity on the Board. All Board appointments shall be based on meritocracy, and candidates will be considered against selection criteria, having regard for the benefits of diversity on the Board. Selection of candidates will be based on range of diversity perspectives, which would include but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will monitor the implementation of the Policy and will from time to time review the Policy, as appropriate, to ensure the effectiveness of the Policy.

董事會已於二零一三年九月採納董事會成員多元化政策（「該政策」）而該政策已根據二零一九年十月二十一日通過之董事會決議案而修訂，當中載列董事會為達致其成員多元化而採取之方針。董事會成員之委任均以用人唯才為原則，並在考慮人選時以充分顧及董事會成員多元化之裨益為甄選準則。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選的長處及可為董事會提供之貢獻而作決定。提名委員會將監察該政策的執行，並將不時在適當時候檢討該政策，以確保該政策行之有效。

AUDIT COMMITTEE

The Audit Committee has specific written terms of reference as set out in the CG Code. As at the date of this annual report, the Audit Committee comprises three Independent Non-executive Directors, namely Mr. Kwok Kim Hung Eddie, Mr. Chan Cheuk Ho and Mr. Zhao Yong. Mr. Chan Cheuk Ho is the Chairman of the Audit Committee.

審核委員會

審核委員會已訂立企業管治守則所載之特定書面範圍。於本報告日期，審核委員會包括三名獨立非執行董事郭劍雄先生、陳卓豪先生及趙勇先生。陳卓豪先生為審核委員會之主席。

The main duties of the Audit Committee are reviewing the financial information and reports of the Group and considering any significant or unusual items raised by the financial officers of the Group or external auditor before submission to the Board; reviewing the relationship with and the terms of appointment of the external auditor and making the relevant recommendation to the Board; and reviewing the Group's financial reporting system, internal control system and risk management system. The Audit Committee is also delegated the corporate governance function of the Board to monitor, procure and manage corporate governance compliance within the Group. The full terms of reference of the Audit Committee are available on Company's website and the Stock Exchange's website.

審核委員會之主要職能為審閱本集團的財務資料及報告，並就本集團的高級財務職員或外聘核數師提出之任何重大或非經常項目在向董事會提呈前作出考慮；檢討與外聘核數師之關係及其委聘條款並向董事會提供相關建議；及檢討本集團之財務報告制度、內部監控制度及風險管理制度。審核委員會亦已獲賦予董事會之企業管治職能，以監控、促使及管理本集團內之企業管治合規事項。審核委員會職權範圍之全文刊載於本公司及聯交所網站上。

Corporate Governance Report

企業管治報告

The Audit Committee met four times during the year ended 31 December 2023 and the attendance of each member is set out as follows:

於截至二零二三年十二月三十一日止年度內，審核委員會曾舉行四次會議，各成員之出席紀錄如下：

Name of member	成員名稱	Number of attendance	出席次數
Mr. Chan Cheuk Ho	陳卓豪先生	1/1	
Mr. Kwok Kim Hung Eddie	郭劍雄先生	2/2	
Mr. Ng Wai Hung	吳偉雄先生	1/1	
Mr. Zhao Yong	趙勇先生	2/2	

The following is a summary of work performed by the Audit Committee during the year ended 31 December 2023:

以下為審核委員會於截至二零二三年十二月三十一日止年度內進行之工作簡要：

1. Reviewed and approved the remuneration and terms of engagement of the Company's auditor; and reviewed and made recommendations to the Board on the appointment of the Company's auditor;
2. reviewed and discussed the Group's management accounts; and
3. adoption of internal control review report in order to assess the internal control system of the Group.

1. 審閱及批准本公司核數師之酬金及委聘條款；以及審閱本公司核數師之委聘並就此向董事會作出推薦建議；
2. 審閱及討論本集團之管理賬目；及
3. 採納內部監控審閱報告，以評估本集團之內部監控系統。

AUDITOR AND AUDITOR'S REMUNERATION

核數師及核數師的酬金

For the year ended 31 December 2023, the auditors of the Company provided audit and non-audit services to the Company and the Group.

截至二零二三年十二月三十一日止年度，本公司核數師向本公司及本集團提供核數及非核數服務。

The auditor's remuneration payable to Confucius International CPA Limited, in relation to audit and non-audit services for the year ended 31 December 2023 amounted to HK\$1,675,000 and HK\$150,000 respectively.

就截至二零二三年十二月三十一日止年度之核數及非核數服務應付予天健國際會計師事務所有限公司之核數師酬金分別為1,675,000港元及150,000港元。

The auditor's remuneration payable to Confucius International CPA Limited, in relation to audit and non-audit services for the year ended 31 December 2022 amounted to HK\$1,680,000 and Nil respectively.

就截至二零二二年十二月三十一日止年度之核數及非核數服務應付予天健國際會計師事務所有限公司之核數師酬金分別為1,680,000港元及零。

The statement of the auditor of the Company regarding their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 78 to 81.

本公司核數師就其對財務報表的申報責任的聲明載於第78至81頁的獨立核數師報告。

Corporate Governance Report

企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of financial statements of the Company for each financial period with a true and fair presentation of the financial position of the Group. The Company's financial statements are prepared in accordance with all statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and the related interpretations, adjustments and estimates made are prudent and reasonable and the financial statements have been prepared on a going concern basis. The Directors are aware of conditions indicating the existence of material uncertainty related to going concern, and are of the view that the Group will continue as a going concern for the reasons stated as set out in the paragraph "The Group's ability to continue as a going concern basis" under "Basis of Preparation of the Consolidated Financial Statements and Significant Accounting Policies" on pages 91 to 93 of this report. The statement made by the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the section headed "Independent Auditor's Report" of this annual report.

DISCLAIMER OF OPINION

Pursuant to the Code Provision D.1.3, the Board would like to provide more details on the Disclaimer of Opinion regarding the Company's ability to continue as a going concern.

As mentioned in the subsection headed "DETAILS OF AUDIT QUALIFICATION AND RESPONSE FROM THE COMPANY" in the section headed "Management Discussion and Analysis", the Auditor has issued a Disclaimer of Opinion on the Company's consolidated financial statements for the year ended 31 December 2023, which arising solely from going concern issue of the Group.

The net liabilities and net current liabilities of the Group was mainly attributable to number of reasons, such as high administration expenses and finance costs, and high-interest rate borrowings of the Group.

董事就綜合財務報表之責任

董事確認彼等須為各財務期間編製能真實及公平地反映本集團財務狀況之本公司財務報表負責。本公司之財務報表乃根據所有法定規定及適用會計準則而編製。董事負責確保選擇合適的會計政策及一致應用；且所作的相關詮釋、調整及估計均屬審慎合理，以及財務報表按持續經營基準獲編製。董事知悉條件顯示存在有關持續經營的重大不確定因素，並認為基於本報告第91至93頁「綜合財務報表之編製基準及重大會計政策」下「本集團按持續經營基準繼續經營之能力」一段所載之原因，本集團將按持續經營基準繼續經營。本公司獨立核數師關於財務報表的報告責任的聲明載於本年報「獨立核數師報告」一節。

不發表意見

根據守則條文第D.1.3條，董事會謹此提供有關本公司持續經營能力的不發表意見的更多詳情。

誠如「管理層討論及分析」一節中的「審計意見詳情及本公司之回應」小節中所述，核數師已就本公司截至二零二三年十二月三十一日止年度的綜合財務報表發表不發表意見，而該不發表意見僅來自本集團的持續經營能力問題。

本集團負債淨額和流動負債淨額主要是源自多項原因，如本集團的高額行政開支及融資成本以及高息借款。

Corporate Governance Report

企業管治報告

The loan borrowings and its interest are still high and this is not easy to solve, as to obtain low-interest loans from banker are less possible based on the current financial figures. Therefore, the management of the Group is trying their best to obtain other financings for other financial institutions, individuals and potential investors, once concrete proposals or terms are reached, further announcement (if applicable) will be published as soon as possible. In addition, the management of the Group is striving to seek more profitable businesses to increase the Group's overall revenue and profit to improve the performance of the Group, and to diversify and expand the Group's businesses to solve the problem of business concentration.

The management of the Group is optimistic and confident that the Company has sufficient working capital for the next twelve months because the following considerations in addition to the view that Various Measures have been and/or will be taken to improve the Group's results, working capital and cashflow:

1. completing the issue of 101,964,566 shares under the at the subscription price of HK\$0.066 per subscription share to independent third parties and raising approximately HK\$6,500,000 net proceeds on 15 January 2024;
2. extending the repayment terms and the expiry date of the Group's banking facilities by entering into extension agreement with the lender after the end of the reporting period but before the consolidated financial statements are authorised for issue. The expiry date of the banking facilities of RMB160,000,000 (equivalent to approximately HK\$176,561,000), of which RMB147,799,000 (equivalent to approximately HK\$163,097,000) was utilised as of 31 December 2023, secured by the Group's leasehold buildings and leasehold lands under right-of-use assets due on 16 March 2024 has been extended to 13 December 2024;
3. active cost-saving measures to control operating costs and administrative costs through various means has been implemented to improve operating cash flows at a level sufficient to finance the working capital requirements of the Group; and
4. considering other financing arrangements, if necessary, with a view to increasing the Group's equity and liquidity.

貸款借款及其利息仍然很高，這部份並不容易解決，因為根據目前的財務資料，從銀行獲得低息貸款的可能性較小。因此，本集團管理層正盡力向其他金融機構、個人及潛在投資者爭取其他融資，一旦達成具體方案或條款，將儘快刊發進一步公告(如適用)。此外，本集團管理層正致力尋求更有利可圖的業務，以增加本集團的整體收入及利潤以改善本集團的業績，並致力多元化及擴大本集團的業務以解決業務集中的問題。

本集團管理層對本公司未來12個月的充足營運資金持樂觀態度並充滿信心，因為除認為各項措施已採取及／或將採取以改善本集團的業績、營運資金及現金流，還考慮了以下因素：

1. 於二零二四年一月十五日完成以每股認購股份0.066港元的認購價向獨立第三方發行101,964,566股股份，並籌集所得款項淨額約6,500,000港元；
2. 於報告期末後但綜合財務報表獲授權刊發前本集團就銀行融資與貸款人訂立延長協議以延長還款期及到期日。由使用權資產項下之本集團租賃樓宇及租賃土地作為抵押及到期日為二零二四年三月十六日之銀行融資人民幣160,000,000元(相等於約176,561,000港元)(當中人民幣147,799,000元(相等於約163,097,000港元)於二零二三年十二月三十一日已動用)之到期日已延至二零二四年十二月十三日；
3. 實施積極節約成本措施，通過多種方法控制經營成本及行政成本，以提高經營現金流量至足以應付本集團營運資金需求之水平；及
4. 考慮其他必要之融資安排，以增加本集團之權益及流動資金。

Corporate Governance Report

企業管治報告

The Audit Committee had critically reviewed the Disclaimer of Opinion, the Management's position concerning the Disclaimer of Opinion and measures taken by the Group for addressing the Disclaimer of Opinion. The Audit Committee agreed with the Management's position based on the reasons as stated herein. Moreover, the Audit Committee requested the Management to take all necessary actions to address the impact of the Disclaimer of Opinion and to strive that such situation leading to the Disclaimer of Opinion would not happen or be improved in the coming future. The Audit Committee had also discussed with the Auditor regarding the financial position of the Group, measures taken and to be taken by the Group, and considered the Auditor's rationale and understood their consideration in arriving their opinion.

The Board is of the view that the Proposed Measures are feasible and should be sufficient to address the Disclaimer of Opinion. Taking into account that if the Group is able to improve the Group's working capital, cash flow and financial position in 2023, and assuming there are no other material adverse effects that will cause the Auditor to issue other disclaimer(s) of opinion, the Board expects that the Disclaimer of Opinion may be removed in the next year's auditor's report, or at least the financial position will be greatly improved. The Auditor also holds the same view and basis in this regard.

The annual results of the Group for the Reporting Period have also been reviewed by the Audit Committee.

CORPORATE GOVERNANCE FUNCTIONS

In order to establish the duties and responsibilities of the Board in performing its corporate governance functions, the Board has delegated certain corporate governance functions to the Audit Committee, which include (i) developing and reviewing policies and practices on corporate governance; (ii) reviewing and monitoring the training and continuous professional development of directors and senior management; (iii) reviewing and monitoring the policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and directors; and (v) reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

審核委員會已嚴格檢討不發表意見、管理層就不發表意見的立場，以及本集團為解決不發表意見所採取的行動。如本節所述原因，審核委員會認同管理層的立場。此外，審核委員會要求管理層採取一切必要的行動以解決不發表意見的影響，並力爭導致不發表意見的情況在未來不會發生或得到改善。審核委員會亦與核數師討論本集團的財務狀況以及本集團已經及將採取的措施，並認為核數師於達致彼等的意見時有憑據及理解彼等的考慮事項。

董事會認為建議措施應為可行並足以解決不發表意見問題。經考慮到如果本集團能夠在二零二三年改善本集團的營運資金、現金流和財務狀況，並且假設沒有其他重大不利影響會導致核數師發布其他不發表意見，則董事會預期不發表意見可望在下一年度的核數師報告中被刪除，或至少財務狀況會得到很大改善。核數師在這方面也持有相同的觀點和依據。

本集團於報告期間的年度業績亦已由審核委員會審閱。

企業管治職能

為確立董事會履行企業管治職能之職責及責任，董事會已將若干企業管治職能委派予審核委員會，包括：(i) 制定及檢討企業管治政策及常規；(ii) 檢討及監察本公司之董事及高級管理人員之培訓及持續專業發展；(iii) 檢討及監察遵守法律及監管規定方面之政策及常規；(iv) 制定、檢討及監察僱員及董事適用之操守準則及合規手冊；及(v) 檢討本公司遵守企業管治守則之情況及企業管治報告內之披露。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board recognises its responsibilities for maintaining an adequate system of internal control to safeguard the Group's assets and shareholders' interests. An internal control system, including a defined management structure with limits of authority, is designed to help achieving business objectives, safeguarding assets against unauthorised use, and maintaining proper accounting records for the provision of reliable financial information for internal use and for publication. The internal control system is set up to provide reasonable, but not absolute, assurance against material misstatement of financial statements or loss of assets and to manage rather than eliminate risks of failure in operational systems and achievement of the Group's objectives.

The Group has a positive attitude to internal controls improvements. For the purpose of strengthening its existing internal control system, the Company has appointed an independent professional firm to perform a review of the Group's selected internal control cycles during the year ended 31 December 2023. The internal control review report has been reviewed by the Audit Committee. The Group is considering the recommendations on the deficiencies identified by the independent professional firm and the recommendations will be followed up on a regular basis and discussed with the Audit Committee.

WHISTLEBLOWING POLICY

In compliance with code provision D.2.6 of the CG Code, the Board adopted a Whistleblowing Policy on 30 December 2022. It provides employees and the relevant third parties who deal with the Group (e.g. customers, suppliers, creditors and debtors) with guidance and reporting channels on reporting any suspected improprieties in any matters related to the Group directly addressed to the designated person.

An email account (faithlam@winshine.com) has been set up for this purpose. All reported matters will be investigated independently and, in the meantime, all information received from a whistleblower and its identity will be kept confidential. The Board and the Audit Committee will regularly review the Whistleblowing Policy and mechanism to improve its effectiveness.

內部監控

董事會明白其維持充分內部監控系統之責任，以保障本集團之資產及股東權益。內部監控系統(包括界定權限之管理架構)已予制訂，以助達成業務目標、保障資產免受到未經授權之使用及存置恰當會計紀錄，以提供可靠之財務資料作內部及刊發之用。設立內部監控系統可合理(但非絕對)防止財務報表之重大失實聲明或資產損失，及管理(而非消除)營運系統失效及未能達成業務目標之風險。

本集團積極提升內部監控。為加強現有之內部監控制度，本公司已委任獨立專業公司就本集團截至二零二三年十二月三十一日止年度期間所挑選之內部監控週期進行審查。審核委員會已審閱內部監控審閱報告。本集團正考慮獨立專業公司就所識別之缺陷而提出的建議，該等建議亦會定期跟進及與審核委員會討論。

舉報政策

根據企業管治守則之守則條文第D.2.6條，董事會於二零二二年十二月三十日採納一項舉報政策。該政策為員工及與本集團有業務往來的相關第三方(如客戶、供應商、債權人及債務人)提供指導和舉報渠道，以便其直接向指定人士舉報與本集團有關的任何可疑不當行為。

為此，我們設立了一個電子郵件賬號(faithlam@winshine.com)。所有經舉報事項都將予獨立調查，與此同時，從舉報者處獲知的所有資訊及舉報者身份都將予保密。董事會及審核委員會將定期審查該舉報政策和機制以提高其有效性。

Corporate Governance Report

企業管治報告

ANTI-FRAUD AND ANTI-CORRUPTION POLICY

In compliance with the new code provision D.2.7 of the CG Code, the Board adopted an Anti-Fraud and Anti-Corruption Policy on 30 December 2022. It outlines guidelines and the minimum standards of conducts, all applicable laws and regulations in relation to the anti-corruption and anti-bribery, the responsibilities of employees to resist fraud, to help the Group defend against corrupt practices and to report any reasonably suspected case of fraud and corruption or any attempts thereof, to the management or through an appropriate reporting channel. The Group would not tolerate all forms of fraud and corruption among all employees and those acting in an agency or fiduciary capacity on behalf of the Group, and in its business dealing with third parties. The Board and the Audit Committee will review the Anti-Fraud and Anti-Corruption Policy and mechanism periodically to ensure its effectiveness and enforce the commitment of the Group to the prevention, deterrence, detection and investigation of all forms of fraud and corruption.

COMPANY SECRETARY

The Company Secretary of the Group is Mr. Lam Koon Fai ("Mr. Lam"). Mr. Lam is a full time employee of the Company who has day-to-day knowledge of the Company. Mr. Lam has taken no less than 15 hours of the relevant professional training during the year ended 31 December 2023.

反欺詐及反腐敗政策

根據企業管治守則之全新守則條文第D.2.7條，董事會於二零二二年十二月三十日採納一項反欺詐及反腐敗政策。該政策概述了有關反腐敗及反賄賂的準則及最低行為標準、所有適用法律法規、以及員工抵制欺詐、幫助本集團抵制腐敗行為及向管理層或透過適當舉報渠道舉報任何經合理懷疑的欺詐及賄賂案件或任何此類企圖的責任。本集團絕不容忍任何員工、以代理或受託人身份代表本集團行事的人士、以及在與第三方進行的業務往來中發生任何形式的欺詐及腐敗行為。為確保該政策及機制的有效性，並落實本集團在預防、遏止、偵查及調查一切形式的欺詐及腐敗行為方面的承諾，董事會及審核委員會將定期審查該反欺詐及反腐敗政策及機制。

公司秘書

本集團之公司秘書為林冠輝先生（「林先生」）。林先生為本公司全職僱員，熟悉本公司的日常事務。林先生於截至二零二三年十二月三十一日止年度已接受不少於15小時的相關專業培訓。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene a special general meeting

According to bye-law 58 of the Company's Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special 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 months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda (the "Companies Act").

Procedures for shareholders to put forward proposals at general meetings

Pursuant to the Companies Act, any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or not less than one hundred shareholders, can request the Company in writing to:

- (a) give to shareholders of the Company entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting;
- (b) circulate to shareholders of the Company entitled to have notice of any general meeting send to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition must be deposited to the Company not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisition.

股東權利

股東召開股東特別大會之程序

根據本公司之公司細則第58條，任何於遞呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會表決權利)十分之一之股東，應於任何時候有權透過向董事會或本公司之公司秘書發出請求書，要求董事會召開股東特別大會，以處理請求書中指定的任何事項；且該大會應於遞呈該請求書後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則請求人可自行根據百慕達一九八一年公司法(「公司法」)第74(3)條之條文召開大會。

股東於股東大會上提出議案的程序

根據公司法，任何於提請要求日期持有不少於全體股東(附有於本公司股東大會表決權利)之總投票權中二十分之一投票權的股東，或不少於一百名股東，可書面要求本公司：

- (a) 向有權收取下屆股東週年大會通告的本公司股東發出通告，通知其任何可能在該大會上正式動議及擬提呈的決議案；
- (b) 向有權收取股東大會通告的本公司股東傳閱一份字數不多於一千字的陳述書，內容有關在任何擬提呈決議案內所提述的事宜，或大會上將會處理的事務。

如提請要求須發出決議案通告，該提請要求必須在大會舉行日期前不少於六個星期送達至本公司；如提請要求屬任何其他事宜，該提請要求則須在大會舉行日期前不少於一個星期送達。

Corporate Governance Report

企業管治報告

Procedures for shareholders to propose a person for election as a director of the Company

According to bye-law 88 of the Company's Bye-laws, no person other than a director retiring at the general meeting of the Company shall, unless recommended by the Board for election, be eligible for election to the office of director at any general meeting of the Company unless a notice in writing of the intention to propose such person for election as a director, signed by a shareholder of the Company (other than the person to be proposed for election as a director) duly qualified to attend and vote at the general meeting of the Company for which such notice is given, and a notice in writing signed by such person of his/her willingness to be elected shall have been lodged at the Company's head office in Hong Kong or at the Company's branch share registrar in Hong Kong, Tricor Tengis Limited provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns in writing to the Company Secretary of the Company at the Company's head office in Hong Kong at Room 907B, 9/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

INVESTOR RELATIONS

The Company has established a range of communication channels between itself and its shareholders, investors and other stakeholders. These include the annual general meeting, the annual and interim reports, constitutional documents, notices, announcements and circulars and the Company's website at www.winshine.com and www.tricor.com.hk/web/service/000209. Information on the Company's website will be updated from time to time.

股東提名人選參選本公司董事之程序

根據本公司之公司細則第88條，除非獲董事會推薦參選，否則除本公司股東大會上退任董事外，概無任何人士合資格於任何股東大會上參選任職董事，除非由正式合資格出席本公司股東大會並於會上表決的本公司股東（並非擬參選董事之人士）簽署通告，當中表明建議提名該人士參選的意向，並附上所提名人士簽署表示願意參選的通知，送至本公司之香港總辦事處或本公司之股份登記香港分處卓佳登捷時有限公司，而發出該等通告之期間最少須為七天，該期間不得早於寄發舉行有關選舉之股東大會之有關通告翌日開始，及不得遲於該股東大會舉行日期前七日結束。

股東向董事會作出查詢之程序

股東可隨時將書面查詢及問題送交本公司之香港總辦事處，地址為香港干諾道中168-200號信德中心招商局大廈9樓907B室，註明公司秘書收。

投資者關係

本公司已就其與股東、投資者及其他利益相關者之間設立多個溝通渠道。當中包括股東週年大會、年報及中期報告、憲章文件、通告、公佈、通函及本公司網站 www.winshine.com 及 www.tricor.com.hk/web/service/000209。本公司網站上之資訊將不時更新。

Independent Auditor's Report

獨立核數師報告



天健國際會計師事務所有限公司
Confucius International CPA Limited

執業會計師
Certified Public Accountants

香港灣仔莊士敦道181号大有大厦1501-08室
Rooms 1501-08, 15th Floor, Tai Yau Building,
181 Johnston Road, Wanchai, Hong Kong
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TO THE SHAREHOLDERS OF WINSHINE SCIENCE COMPANY LIMITED

(incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Winshine Science Company Limited ("the Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 82 to 222, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Material uncertainties relating to going concern

As explained in note 3.1 to the consolidated financial statements, the Group incurred a net loss attributable to owners of the Company of approximately HK\$28,650,000 for the year ended 31 December 2023. As at the same date, the Group had net current liabilities and net liabilities of approximately HK\$185,184,000 and HK\$80,869,000, respectively, and the Group's bank balances amounted to approximately HK\$119,335,000, in contrast to its borrowings and convertible bond of approximately HK\$238,097,000 and HK\$2,476,000 respectively, which are repayable within the next twelve months. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

致WINSHINE SCIENCE COMPANY LIMITED

瀛晟科學有限公司*股東

(於百慕達註冊成立之有限公司)

不發表意見

我們已獲委聘審閱刊載於第82至222頁的瀛晟科學有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此財務報表包括於二零二三年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括重要會計政策資料及其他說明資料。

我們並不就 貴集團的綜合財務報表發表意見。基於在本報告中不發表意見之基準一節所述事宜之重要性，我們無法獲取充足及恰當之審核憑證，以為該等綜合財務報表的審計意見提供基準。在所有其他方面，我們認為該等綜合財務報表已遵照香港《公司條例》的披露規定妥為擬備。

不發表意見的基準

有關持續經營的重大不明朗因素

誠如綜合財務報表附註3.1所述，於截至二零二三年十二月三十一日止年度，貴集團產生 貴公司擁有人應佔淨虧損約28,650,000港元。截至同日，貴集團的流動負債淨額及負債淨額分別約為185,184,000港元及80,869,000港元，而 貴集團的銀行結餘約為119,335,000港元，惟其貸款及可換股債券分別約為238,097,000港元及2,476,000港元，須於未來十二個月內償還。該等情況顯示存在重大不確定性使 貴集團的持續經營能力出現重大疑問。

* 僅供識別

Independent Auditor's Report

獨立核數師報告

The directors of the Company have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the date of this report and have undertaken a number of measures to improve the Group's liquidity and financial position which are set out in note 3.1 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis on the bases and assumption that the lenders have no current intention to exercise their right to demand immediate repayment of the borrowings, the validity of which depends on the outcome of the measures which are subject to multiple uncertainties, including (i) the successful negotiations with the lenders for further renewal of or extension for repayment of those borrowings which will mature within twelve months from the end of the reporting period; (ii) the successful cost saving measures to improve operating cash flows of the Group; and (iii) successfully obtaining of additional new sources of financing as and when needed.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned in the note 3.1 to the consolidated financial statements, it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, and to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

We consider that the going concern basis of preparation of the consolidated financial statements has been adequately disclosed in the consolidated financial statements. Up to the date of our report, no agreement or information or indication of the lender's current intention for the further renewal of or extension for repayment of those outstanding corporate bonds and term loans is available. In this circumstance, we were unable to obtain sufficient appropriate audit evidence in relation to the adoption of the going concern basis in preparing the consolidated financial statements.

貴公司董事已詳細審閱 貴集團自本報告日期起計未來十二個月的現金流量預測，並已採取多項措施，以改善 貴集團的流動資金及財務狀況，有關情況載於綜合財務報表附註3.1。綜合財務報表乃按持續經營基準編製，並假設並無跡象顯示貸款人現時有意行使其要求即時還款的權利，其有效性視乎該等措施的結果，而該等措施受多項不確定因素影響，包括(i)與貸款人成功磋商有關該等貸款的進一步續期或延期償還，而有關貸款將於報告期末起計十二個月內到期；(ii)成功實施成本削減措施以改善 貴集團的經營現金流；及(iii)於需要時成功取得額外新融資來源。

倘 貴集團未能就綜合財務報表附註3.1所述之計劃及措施達致擬定效果，則可能無法按持續經營基準經營，而可能須作出有關調整以撇減本集團資產的賬面值至其可變現淨值，並就可能產生進一步負債計提撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未於綜合財務報表內反映。

我們認為，編製綜合財務報表之持續經營基準已於綜合財務報表中充分披露。直至本報告日期，並無協議或資訊或跡象表明貸款人目前有進一步重續或延期償還此等未償還企業債券及定期貸款的意向。在該情況下，我們無法獲取有關編製綜合財務報表採用之持續經營基準的充分適當之審核憑證。

Independent Auditor's Report

獨立核數師報告

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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責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」)及香港《公司條例》的披露規定編製真實而公平反映財務狀況的綜合財務報表，及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事有責任評估 貴集團持續經營能力、披露(如適用)與持續經營有關的事項及使用按持續經營基準的會計政策，除非董事擬將 貴集團清盤或終止經營業務，或除此之外並無實際的替代方法。

治理層負責監督 貴集團財務報告過程。

Independent Auditor's Report

獨立核數師報告

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSA's") issued by HKICPA and to issue an auditor's report. This report is made solely to you, as a body in accordance with section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

Confucius International CPA Limited

Certified Public Accountants

Ho Pak Tat

Practising Certificate Number: P05215

Hong Kong

28 March 2024

核數師就審核綜合財務報表須承擔之責任

我們的責任是根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)對 貴集團的綜合財務報表進行審核並發出核數師報告。我們根據百慕達1981年公司法第90條僅向全體股東報告，不作其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。然而，由於本報告「不發表意見的基準」一節所述之事項，故我們未能取得足夠適當之審核憑證，以為該等綜合財務報表提供審核意見基準。

根據香港會計師公會之專業會計師道德守則(「守則」)，我們獨立於 貴集團，並已根據守則履行其他道德責任。

天健國際會計師事務所有限公司

執業會計師

何伯達

執業證書編號：P05215

香港

二零二四年三月二十八日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
		Notes 附註		
Revenue	收入	5	523,262	849,096
Cost of sales	銷售成本		(483,996)	(751,213)
Gross profit	毛利		39,266	97,883
Other income, gains and losses	其他收入、收益及虧損	6	10,300	8,217
Reversal of expected credit loss for loan receivables	應收貸款之預期信貸虧損轉回	7	600	400
Reversal of expected credit loss for trade receivables	應收貿易款項之預期信貸虧損轉回	7	3,273	8,181
Provision of expected credit loss for other receivables	其他應收款項之預期信貸虧損撥備	7	–	(29,067)
Gain on disposal of subsidiaries	出售附屬公司之收益	34	–	29,906
Selling and distribution costs	銷售及分銷成本		(1,608)	(7,557)
Administrative expenses	行政開支		(53,752)	(64,417)
Gain arising from changes in fair value less costs to sell of biological assets	生物資產公允價值減銷售成本變動產生之收益	20	13	–
Other operating expenses	其他經營開支		(5,503)	(17,426)
Finance costs	融資成本	8	(15,587)	(14,351)
(Loss) profit before tax	除稅前(虧損)溢利		(22,998)	11,769
Income tax expense	所得稅開支	9	(6,363)	(3,690)
(Loss) profit for the year	本年度(虧損)溢利	10	(29,361)	8,079
(Loss) profit for the year attributable to:	以下項目應佔本年度(虧損)溢利：			
Owners of the Company	本公司擁有人		(28,650)	8,079
Non-controlling interest ("NCI")	非控股權益(「非控股權益」)		(711)	–
			(29,361)	8,079
(Loss) earnings per share	每股(虧損)盈利			
Basic and diluted	基本及攤薄	14	(HK6.36 cents) (6.36港仙)	HK2.21 cents 2.21港仙

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

	Notes 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss) profit for the year	本年度(虧損)溢利	(29,361)	8,079
Other comprehensive income (expense)	其他全面收益(開支)		
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會轉列入損益之項目：</i>		
(Loss) gain on revaluation of properties	物業重估(虧損)收益	(1,114)	11,350
Deferred tax credit (charge) arising from revaluation of properties	物業重估產生之遞延稅項抵免(支出)	29	(463)
		1,106	10,887
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可/已於其後轉列入損益之項目：</i>		
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額	3,321	(16,821)
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司後解除匯兌儲備	–	7,149
		3,321	(9,672)
Other comprehensive income for the year	本年度其他全面收益	4,427	1,215
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	(24,934)	9,294
Total comprehensive (expense) income for the year attributable to:	以下項目應佔本年度全面(開支)收益總額：		
Owners of the Company	本公司擁有人	(24,227)	9,294
NCI	非控股權益	(707)	–
		(24,934)	9,294

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2023

於二零二三年十二月三十一日

			2023 二零二三年	2022 二零二二年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	115,364	114,817
Right-of-use assets	使用權資產	16	6,150	7,119
Rental deposit	租金按金	22	164	414
Goodwill	商譽	35	740	–
Interests in associates	於聯營公司的權益	18	–	–
			122,418	122,350
Current assets	流動資產			
Inventories	存貨	19	75,142	81,974
Biological assets	生物資產	20	832	–
Trade receivables	應收貿易款項	21	70,482	71,503
Loan receivables	應收貸款	17	–	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	26,116	15,354
Bank balances and cash	銀行結餘及現金	23	119,335	49,765
			291,907	218,596
Current liabilities	流動負債			
Trade payables	應付貿易款項	24	170,541	137,111
Other payables and accruals	其他應付款項及應計費用	25	59,423	71,895
Contract liabilities	合約負債	26	1,154	1,544
Borrowings	貸款	27	238,097	190,943
Lease liabilities	租賃負債	28	1,529	1,969
Tax payables	應付稅項		3,871	7,902
Convertible bonds	可換股債券	30	2,476	–
			477,091	411,364

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2023

於二零二三年十二月三十一日

		Notes 附註	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Net current liabilities	流動負債淨額		(185,184)	(192,768)
Total assets less current liabilities	總資產減流動負債		(62,766)	(70,418)
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	28	1,858	2,819
Deferred tax liabilities	遞延稅項負債	29	16,245	16,411
			18,103	19,230
Net liabilities	負債淨額		(80,869)	(89,648)
Capital and reserves	股本及儲備			
Share capital	股本	31	5,098	3,662
Deficit	虧絀		(85,153)	(93,310)
Capital deficiency attributable to owners of the Company	本公司擁有人應佔資本虧絀		(80,055)	(89,648)
NCI	非控股權益		(814)	–
Capital deficiencies	資本虧絀		(80,869)	(89,648)

The consolidated financial statements on pages 82 to 222 were approved and authorised for issue by the board of directors on 28 March 2024 and are signed on its behalf by:

載於第82至222頁綜合財務報表已於二零二四年三月二十八日獲董事會批准及授權刊發，並由下列董事代表簽署：

JIANG Qing Hui
蔣青輝
Executive Director
執行董事

WENG Zu Dian
翁祖鈿
Executive Director
執行董事

Consolidated Statement of Changes In Equity

綜合權益變動表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Issued share capital 已發行 股本	Share premium 溢價	Asset revaluation reserve 資產 重估儲備	Statutory reserve fund 法定 儲備基金	Convertible bond equity reserve 可換股債券 權益儲備	Exchange fluctuation reserve 匯兌 波動儲備	Accumulated losses 累計虧損	Total	NCI	Capital deficiency 資本虧絀
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日	366,186	942,400	49,551	11,744	-	33,262	(1,502,085)	(98,942)	-	(98,942)
Profit for the year	本年度溢利	-	-	-	-	-	-	8,079	8,079	-	8,079
Other comprehensive income (expense) for the year	本年度其他全面收益(開支)	-	-	10,887	-	-	(9,672)	-	1,215	-	1,215
Total comprehensive income (expense) for the year	本年度全面收益(開支)總額	-	-	10,887	-	-	(9,672)	8,079	9,294	-	9,294
Revaluation reserve realised	變現之重估儲備	-	-	(2,755)	-	-	-	2,755	-	-	-
Share reduction	股份削減	(362,524)	-	-	-	-	-	362,524	-	-	-
Cancellation of share premium	註銷股份溢價	-	(942,400)	-	-	-	-	942,400	-	-	-
Disposal of subsidiaries	出售附屬公司	-	-	1	4	-	-	(5)	-	-	-
Appropriation to statutory reserve fund	轉撥至法定儲備基金	-	-	-	2,570	-	-	(2,570)	-	-	-
At 31 December 2022	於二零二二年十二月三十一日	3,662	-	57,684	14,318	-	23,590	(188,902)	(89,648)	-	(89,648)
Loss for the year	本年度虧損	-	-	-	-	-	-	(28,650)	(28,650)	(711)	(29,361)
Other comprehensive income for the year	本年度其他全面收益	-	-	1,106	-	-	3,317	-	4,423	4	4,427
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	-	-	1,106	-	-	3,317	(28,650)	(24,227)	(707)	(24,934)
Revaluation reserve realised	變現之重估儲備	-	-	(2,706)	-	-	-	2,706	-	-	-
Issue of convertible bonds	發行可換股債券	-	-	-	-	124	-	-	124	-	124
Conversion of convertible bonds into shares	將可換股債券轉換為股份	1,436	32,377	-	-	(117)	-	-	33,696	-	33,696
Acquisition of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	(107)	(107)
Appropriation to statutory reserve fund	轉撥至法定儲備基金	-	-	-	92	-	-	(92)	-	-	-
At 31 December 2023	於二零二三年十二月三十一日	5,098	32,377	56,084	14,410	7	26,907	(214,938)	(80,055)	(814)	(80,869)

Note: The Group's subsidiaries in the People's Republic of China (the "PRC") are required to allocate at least 10% of net profit according to their PRC audited financial statements to a statutory reserve fund until the balance of such reserve has reached 50% of the subsidiaries' registered capital. Any further appropriation is optional. The statutory reserve fund shall only be used for making up losses or for capitalisation into share capital, provided that the remaining balance is not less than 20% of the registered capital of the entity after such capitalisation.

附註：本集團之中華人民共和國(「中國」)附屬公司須至少將其根據中國經審核財務報表的純利10%分配至法定儲備基金，直至該儲備結餘達到附屬公司註冊資本的50%為止。本公司可選擇作出任何額外撥款。法定儲備基金只可用於彌補虧損，或資本化為股本，惟餘額須不少於進行有關資本化後的有關實體註冊資本20%。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

			2023	2022
		Notes	二零二三年	二零二二年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Operating activities	經營業務			
(Loss) profit before tax	除稅前(虧損)溢利		(22,998)	11,769
Adjustments for:	作下列調整：			
Finance costs	融資成本		15,587	14,351
Interest income	利息收入	6	(40)	(48)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	11,452	6,180
Depreciation of right-of-use assets	使用權資產折舊	16	1,696	4,067
Gain on disposal of interests of associates	出售聯營公司權益之收益	6	(2,480)	–
Loss on deregistration of a subsidiary	取消登記附屬公司之虧損	6	1,095	–
Gain arising from change in fair value less costs to sell of biological assets	生物資產之公允值減銷售成本變動產生的收益		(13)	–
Loss (gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損(收益)	6	205	(519)
Impairment loss on interests in associates	聯營公司權益之減值虧損	6	–	10,000
Reversal of expected credit loss for loan receivables	應收貸款之預期信貸虧損轉回	7	(600)	(400)
Reversal of expected credit loss for trade receivables	應收貿易款項之預期信貸虧損轉回	7	(3,273)	(8,181)
Provision of expected credit loss for other receivable	其他應收款項預期信貸虧損撥備	7	–	29,067
Gain on termination of a lease agreement	租賃協議終止收益	6	–	(1,321)
Loss on early termination of lease classified as investment property	提前終止分類為投資物業的租賃之虧損	6	–	4,702
Gain on disposal of subsidiaries	出售附屬公司之收益	34	–	(29,906)
Write down of inventories, net	存貨撇減·淨額		5,449	11,882
Effect of unrealised foreign exchange rate changes	未變現匯率變動之影響		1,097	(2,057)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		7,177	49,586
Decrease in inventories	存貨減少		256	10,725
Decrease in trade receivables	應收貿易款項減少		4,294	70,840
(Increase) decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)減少		(12,380)	6,190
Increase in biological assets	生物資產增加		(737)	–
Increase (decrease) in trade payables	應付貿易款項增加(減少)		35,135	(105,470)
(Decrease) increase in other payables and accruals	其他應付款項及應計費用(減少)增加		(15,786)	8,703
Decrease in contract liabilities	合約負債減少		(388)	(1,410)
Cash generated from operations	營運所得現金		17,571	39,164
Income tax paid	已付所得稅		(8,084)	(4,090)
Net cash generated from operating activities	經營業務所得現金淨額		9,487	35,074

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

			2023	2022
		Notes	二零二三年	二零二二年
		附註	HK\$'000	HK\$'000
			千港元	千港元
Investing activities	投資活動			
Purchases of property, plant and equipment	購置物業、廠房及設備	15	(13,103)	(9,810)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		210	3,739
Net cash inflow from disposal of subsidiaries	出售附屬公司之現金流入淨額	34	–	43,292
Receipts of loan receivables	應收貸款預收帳款		600	400
Interest received	已收利息		40	48
Withdrawal of pledged bank deposits	提取已抵押銀行存款		–	1,190
Net cash inflow from acquisition of subsidiaries	收購附屬公司之現金流入淨額	35	1	–
Net cash (used in) generated from investing activities	投資活動(所用)所得現金淨額		(12,252)	38,859
Financing activities	融資活動			
Proceeds from borrowings	貸款所得款項		440,082	538,481
Repayment of borrowings	償還貸款		(390,421)	(598,357)
Interest paid	已付利息		(11,949)	(14,351)
Repayment of lease liabilities	償還租賃負債		(2,085)	(3,432)
Proceeds from issue of convertible bonds	發行可換股債券所得款項		36,300	–
Net cash generated from (used in) financing activities	融資活動所得(所用)現金淨額		71,927	(77,659)
Net increase (decrease) in cash and cash equivalents	現金及現金等值物增加(減少)淨額		69,162	(3,726)
Cash and cash equivalents at beginning of the year	於年初之現金及現金等值物		49,765	66,634
Effect of foreign exchange rate changes	匯率變動之影響		408	(13,143)
Cash and cash equivalents at end of the year, represented by bank balances and cash	於年結之現金及現金等值物，代表銀行 結餘及現金		119,335	49,765
Analysis of the balance of cash and cash equivalents	現金及現金等值物結餘分析			
Bank balance and cash	銀行結餘及現金		119,335	49,765

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in Bermuda. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section to the annual report. The Company's shares are listed on The Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 40.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

1. 公司資料

本公司為一間於百慕達註冊成立之有限公司。本公司註冊辦事處及主要營業地點之地址於本年報公司資料章節披露。本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司之主要業務為投資控股，而其主要附屬公司之主要業務載於附註40。

綜合財務報表以港元（「港元」）呈列，港元亦為本公司之功能貨幣。

2. 應用新訂香港財務報告準則及修訂本

本年度強制生效之新訂香港財務報告準則及修訂本

於本年度，本集團於編製綜合財務報表時，已首次應用香港會計師公會頒佈並於本集團二零二三年一月一日開始之年度期間強制生效之下列香港財務報告準則之修訂本：

香港財務報告準則第17號(包括二零二零年十月及二零二二年二月之香港財務報告準則第17號修訂本)	保險合約
香港會計準則第8號之修訂本	會計估計之定義
香港會計準則第12號之修訂本	與單一交易產生之資產及負債有關之遞延稅項
香港會計準則第12號之修訂本	國際稅務改革—支柱二示範規則
香港會計準則第1號及香港財務報告準則實務報告第2號之修訂本	會計政策披露

於本年度應用新訂香港財務報告準則及修訂本對本集團於本年度及過往年度之財務狀況及表現及／或該等綜合財務報表所載之披露並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ¹
Amendments to HKAS 1	Non-current Liabilities with Covenants ¹
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ¹
Amendments to HKAS 21	Lack of Exchangeability ²

¹ Effective for annual periods beginning on or after 1 January 2024.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則及修訂本(續)

已頒佈但尚未生效之香港財務報告準則修訂本
本集團並無提早應用以下已頒佈但尚未生效之
新訂香港財務報告準則及修訂本：

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公司之間之資產出售或投入 ³
香港財務報告準則第16號之修訂本	售後租回租賃負債 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
香港會計準則第1號之修訂本	附帶契諾的非流動負債 ¹
香港會計準則第7號及香港財務報告準則第7號之修訂本	供應商融資安排 ¹
香港會計準則第21號之修訂本	缺乏可兌換性 ²

¹ 於二零二四年一月一日或之後開始之年度期間生效。

² 於二零二五年一月一日或之後開始之年度期間生效。

³ 於待定日期或之後開始之年度期間生效。

本公司董事預期應用所有其他新訂香港財務報告準則及修訂本於可見將來將不會對綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Listing Rules on the Stock Exchange and by the Hong Kong Companies Ordinance.

The Group's ability to continue as a going concern basis

The Group continues to adopt the going concern basis in preparing its consolidated financial statements. The Group incurred a net loss attributable to owners of the Company of approximately HK\$28,650,000 for the year ended 31 December 2023. As at the same date, the Group had net current liabilities and net liabilities of approximately HK\$185,184,000 and HK\$80,869,000 respectively. The Group's bank balances and cash amounted to approximately HK\$119,335,000 in contrast to its borrowings and convertible bond of approximately HK\$238,097,000 and HK\$2,476,000 respectively, which are repayable within the next twelve months.

These conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of its business.

3. 綜合財務報表之編製基準及重要會計政策

3.1 綜合財務報表之編製基準

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所上市規則及香港公司條例規定的適用披露。

本集團按持續經營基準繼續經營之能力

本集團繼續採用持續經營基準編製綜合財務報表。於截至二零二三年十二月三十一日止年度，本集團產生本公司擁有人應佔淨虧損約28,650,000港元。截至同日，本集團有淨流動負債及淨負債分別約185,184,000港元及80,869,000港元。本集團之銀行結餘及現金約為119,335,000港元，惟其貸款及可換股債券分別約為238,097,000港元及2,476,000港元，須於未來十二個月內償還。

該等情況顯示存在重大不確定性，可能對本集團持續經營之能力產生重大疑問，因此，本集團可能無法於其正常業務過程中變現其資產及清償負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.1 Basis of preparation of consolidated financial statements

(Continued)

The Group's ability to continue as a going concern basis (Continued)

In order to improve the Group's financial position, the directors of the Company have been implementing various measures as follows:

- i. completed the issue of 101,964,566 shares at the subscription price of HK\$0.066 per subscription share to an independent third party and raised approximately HK\$6,500,000 net proceeds on 15 January 2024;
- ii. extending the repayment terms and the expiry date of the Group's banking facilities by entering into extension agreement with the lender after the end of the reporting period but before the consolidated financial statements are authorised for issue. The expiry date of the banking facilities of RMB160,000,000 (equivalent to approximately HK\$176,561,000), of which RMB147,799,000 (equivalent to approximately HK\$163,097,000) was utilised as of 31 December 2023, secured by the Group's leasehold buildings and leasehold lands under right-of-use assets due on 16 March 2024 has been extended to 13 December 2024;
- iii. active cost-saving measures to control operating costs and administrative costs through various means has been implemented to improve operating cash flows at a level sufficient to finance the working capital requirements of the Group; and

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.1 綜合財務報表之編製基準(續)

本集團按持續經營基準繼續經營之能力 (續)

為改善本集團之財務狀況，本公司董事已實施多項措施，載列如下：

- i. 於二零二四年一月十五日完成以認購價每股認購股份0.066港元向一家獨立第三方發行101,964,566股股份並籌集所得款項淨額約6,500,000港元；
- ii. 於報告期末後但綜合財務報表獲授權刊發前本集團就銀行融資與貸款人訂立延長協議以延長還款期及到期日。由使用權資產項下之本集團租賃樓宇及租賃土地作為抵押及到期日為二零二四年三月十六日之銀行融資人民幣160,000,000元(相等於約176,561,000港元)(當中人民幣147,799,000元(相等於約163,097,000港元)於二零二三年十二月三十一日已動用)之到期日已延至二零二四年十二月十三日；
- iii. 實施積極節約成本措施，通過多種方法控制經營成本及行政成本，以提高經營現金流量至足以應付本集團營運資金需求之水平；及

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.1 Basis of preparation of consolidated financial statements

(Continued)

The Group's ability to continue as a going concern basis (Continued)

- iv. considering other financing arrangements, if necessary, with a view to increasing the Group's equity and liquidity.

On the basis of the above considerations and taking into account the above measures, the directors of the Company are of the opinion that, the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from the date of issuance of these consolidated financial statements and accordingly, these consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared on the historical cost basis except for biological assets which are measured at their fair value less costs to sell and, certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.1 綜合財務報表之編製基準 (續)

本集團按持續經營基準繼續經營之能力 (續)

- iv. 考慮其他必要之融資安排，以增加本集團之權益及流動資金。

基於上述考慮因素及經計及上述措施，本公司董事認為，本集團將擁有足夠之營運資金以履行該等綜合財務報表刊發日期起計未來十二個月到期之財務責任，因此，該等綜合財務報表乃按持續經營基準編製。

綜合財務報表乃按歷史成本基準編製，惟生物資產按其公允值減銷售成本計量以及若干物業及金融工具乃按各報告期末之重估金額或公允值計量，如下文所載之會計政策所說明。

歷史成本一般按交換商品及服務所提供之代價之公允值計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.1 Basis of preparation of consolidated financial statements

(Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are accounted for in accordance with HKFRS 16 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value in use in HKAS 36 "Impairment of Assets".

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.1 綜合財務報表之編製基準(續)

公允價值指市場參與者之間於計量日期在有序交易中出售資產將收取或轉讓負債將支付的價格，而不論價格乃可直接觀察或按其他估值方法估計。估計資產或負債的公允價值時，若市場參與者於計量日期為資產或負債定價時考慮該資產或負債的特點，則本集團會考慮該等特點。公允價值於該等綜合財務報表作計量及／或披露乃按此基準釐定，惟香港財務報告準則第2號「股份付款」範圍內的股份付款交易、根據香港財務報告準則第16號入賬的租賃交易及與公允價值相似但並非公允價值的計量(例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值)除外。

非金融資產之公允價值計量會計及市場參與者將資產用於最高增值及最佳用途或售予會將資產用於最高增值及最佳用途之另一名市場參與者而創造經濟利益的能力。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.1 Basis of preparation of consolidated financial statements

(Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

The principal accounting policies are set out below.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.1 綜合財務報表之編製基準(續)

此外，就財務報告而言，公允值計量根據公允值計量的輸入數據可觀察性及公允值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為就資產或負債直接或間接地可觀察的輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料

綜合基準

綜合財務報表包括本公司及本公司所控制實體及其附屬公司之財務報表。本公司於下列情況下擁有控制權：

- 可對投資對象行使權力；
- 對來自參與投資對象的可變回報承擔風險或享有權利；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或以上出現變動，則本集團會重新評估其是否對投資對象擁有控制權。

附屬公司於本集團取得對附屬公司的控制權時開始綜合入賬，並於本集團喪失對附屬公司的控制權時終止綜合入賬。特別是，於年內收購或出售附屬公司的收入及開支自本集團取得附屬公司控制權的日期起直至本集團不再控制附屬公司之日止於綜合損益及其他全面收益表內列賬。

如需要，將會就附屬公司之財務報表作出調整，使其會計政策與本集團之會計政策貫徹一致。

集團內公司間之所有資產及負債、權益、收入、開支及與本集團成員公司間之交易相關之現金流量已於綜合賬目時全部對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amounts of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary, that is reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations or asset acquisitions

Optional concentration test

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

本集團於現有附屬公司之權益變動

倘本集團失去對附屬公司之控制權，該附屬公司之資產及負債以及非控股權益(如有)將終止確認。收益或虧損於損益內確認，並按(i)已收代價之公允值及任何保留權益之公允值總額與(ii)本公司擁有人應佔附屬公司之資產(包括商譽)及負債之賬面值之差額計算。所有先前於其他全面收益確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬，並按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一類權益。於失去控制權當日於前附屬公司保留之任何投資之公允值將根據香港會計準則第39號，於其後入賬時被列作初步確認之公允值，或(如適用)於初步確認時於聯營公司或合營企業之投資成本。

業務合併或資產收購

可選擇的集中度測試

本集團可選擇按每項交易採用可選擇的集中度測試，對所收購的一組活動及資產是否並非業務進行簡化評估。倘所購入資產總額的公允值幾乎全部集中在單一可識別資產或一組類似可識別資產，則符合集中度測試。

評估的資產總額不包括現金及現金等值項目、遞延稅項資產以及因遞延稅項負債影響而產生的商譽。倘符合集中度測試，則該組活動及資產釐定為並非業務，毋需進一步評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Business combinations or asset acquisitions (Continued)

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

業務合併或資產收購(續)

資產收購

當本集團收購一組不構成業務的資產及負債，本集團會首先將收購價格按個別公允值分配至金融資產／金融負債，隨後收購價格餘額按收購日期的相對公允值分配至其他可識別資產及負債，以識別及確認所收購的個別可識別資產及所承擔的負債。這項交易並無產生商譽或議價購買收益。

業務合併

收購業務按收購法入賬。於業務合併中轉讓之代價以公允值計量，公允值則按本集團所轉讓資產、由本集團向被收購方之前擁有人所產生之負債以及本集團為換取被收購方之控制權而發行之股權之收購日期公允值總和計算。與收購有關之成本一般會於產生時於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Business combinations or asset acquisitions (Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

業務合併或資產收購(續)

業務合併(續)

於收購日，已收購之可識別資產及所承擔之負債按其公允值予以確認，惟下列項目除外：

- 遞延稅項資產或負債以及與僱員福利安排有關之資產或負債乃分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方之以股份為基礎之付款安排或本集團已訂立以取代被收購方之以股份為基礎之付款安排之以股份為基礎之付款安排有關之負債或股本工具乃於收購日期根據香港財務報告準則第2號計量；
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」劃分為持作出售之資產(或出售組別)根據該準則計量；及
- 租賃負債按剩餘租賃付款(定義見香港財務報告準則第16號)的現值確認及計量，猶如所收購租賃於收購日期為新租賃，惟(a)租賃期於收購日期起計12個月內結束；或(b)相關資產為低價值的租賃除外。使用權資產按相關租賃負債的相同金額確認及計量，並進行調整以反映與市場條款相比租賃的有利或不利條款。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Business combinations or asset acquisitions (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after reassessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arises from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

業務合併或資產收購(續)

業務合併(續)

商譽按已轉讓代價、於被收購方之任何非控股權益金額及收購方之前於被收購方所持股權(如有)之公允值總和超出於收購日期已收購之可識別資產及須承擔之負債的淨額計量。倘(經重新評估過後)已收購之可識別資產及須承擔之負債的淨額超出已轉讓代價、於被收購方任何非控股權益金額及收購方之前於被收購方所持股權(如有)之公允值總和，超出部分即時於損益中確認為議價購買收益。

屬現時所有權權益且於清盤時賦予持有人權利按比例分佔相關附屬公司資產淨值之非控股權益，乃初步按公允值或非控股權益分佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益按公允值計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排，則或然代價按其收購日期公允值計量並計入作業務合併中轉讓代價之一部分。合資格作為計量期間調整之或然代價公允值變動則追溯調整。計量期間調整為於「計量期間」(不得超過收購日期起計一年)就於收購日期存在之事實及情況獲得之額外資料所產生之調整。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Business combinations or asset acquisitions (Continued)

Business combinations (Continued)

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

業務合併或資產收購(續)

業務合併(續)

或然代價之其後入賬如不適用計量期間調整，則取決於或然代價之分類。分類為權益之或然代價不會於其後報告日期重新計量，而其其後結算於權益內入賬。分類為資產或負債之或然代價於其後報告日期按公允值重新計量，而相應收益或虧損於損益確認。

當業務合併分階段完成時，本集團過往所持被收購方的股權會重新計量至收購日(即本集團取得控制權之日)的公允值，而所產生的收益或虧損(如有)於損益或其他全面收益(如適用)確認。過往於其他全面收益確認及按香港財務報告準則第9號計量的於收購日前的被收購方權益所產生款額按在本集團直接出售過往所持股權的情況下規定的相同基準入賬。

倘業務合併的初步入賬於進行合併的報告期結束前尚未完成，則本集團會報告未完成入賬的項目的暫定金額。於計量期(見上文)內，於收購日確認的該等暫定金額會追溯調整，並確認額外資產及負債，以反映有關於收購日存在的事實及情況(如知悉，即會影響於該日確認的金額)的新資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's CGUs (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a prorata basis based on the carrying amount of each asset in the unit (or group of CGUs).

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

商譽

收購一項業務產生之商譽乃按業務收購日期所確立之成本(見上文會計政策)減累計減值虧損(如有)列賬。

為進行減值測試，商譽乃分配至預期將從合併之協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)，即就內部管理目的監控商譽且不超過經營分部之最低層次。

獲分配商譽之現金產生單位(或現金產生單位組別)每年進行減值測試，或當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間之收購所產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則首先分配減值虧損以減低分配至該單位之任何商譽之賬面值，其後基於該單位(或現金產生單位組別)內各項資產之賬面值按比例分配至該單位之其他資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Goodwill (Continued)

On disposal of the relevant CGU or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any identified impairment loss.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

商譽(續)

於出售相關現金產生單位或現金產生單位組別內任何現金產生單位時，商譽之應佔金額乃於釐定出售之損益金額時計算在內。當本集團出售現金產生單位(或一組現金產生單位中的現金產生單位)內的業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金產生單位(或現金產生單位組別)部分的相對價值計量。

於附屬公司之投資

於附屬公司之投資按成本減去任何已識別減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Investments in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Change in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

於聯營公司的投資

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指參與投資對象財務及營運政策決定的權力，但對該等政策並無控制權。

聯營公司的業績、資產及負債採用權益會計法計入綜合財務報表。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表確認，其後作出調整，以確認本集團分佔聯營公司之損益及其他全面收益。除損益及其他全面收益外，聯營公司淨資產之變動不會入賬，除非有關變動導致本集團持有之所有權益有變則作別論。當本集團應佔某聯營公司之虧損超出本集團於該聯營公司之權益(包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司之投資淨額一部分)，則本集團終止確認其應佔之進一步虧損。額外虧損之確認僅限於本集團已產生法定或推定責任或代該聯營公司支付款項。

於聯營公司之投資乃自投資對象成為聯營公司當日起按權益法入賬。收購於聯營公司之投資時，該投資成本超出本集團應佔該投資對象之可識別資產及負債公允值淨額之任何數額即確認為商譽，並計入該投資之賬面值。本集團應佔可識別資產及負債之公允值淨額超出該投資成本之差額(經重估)於收購該投資之期間即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Investments in associates (Continued)

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

於聯營公司的投資(續)

本集團評估是否有客觀證據證明於一間聯營公司的權益可能出現減值。如有任何客觀證據存在，該投資的全部賬面值(包括商譽)會根據香港會計準則第36號「資產減值」作為單獨資產進行減值測試，方法是比較其可收回金額(即使用價值與公允值減出售成本之較高者)與其賬面值。任何已確認減值虧損構成該投資之賬面值一部分。該減值虧損之任何撥回應按照香港會計準則第36號的規定，以該投資的可收回金額其後增加為限進行確認。

當本集團對聯營公司不再擁有重大影響力，則以出售被投資公司全部股權列賬，所產生之收益或虧損會於損益確認。倘本集團保留於前聯營公司之權益且該保留權益為香港財務報告準則第9號範圍內的金融資產，則本集團會於該日按公允值計量保留權益，而該公允值會視為於初始確認時之公允值。聯營公司之賬面值與任何保留權益及出售聯營公司相關權益之任何所得款項公允值間之差額，會於釐定出售該聯營公司之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司或合營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益，本集團會於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益賬(作為重新分類調整)。

倘一間集團實體與本集團一間聯營公司進行交易，則綜合財務報表確認與該聯營公司交易所產生之損益時，僅限於該聯營公司與本集團以外之權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group’s unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

客戶合約收入

本集團於履行履約責任時(或就此)確認收入，即當特定履約責任相關的貨品或服務的「控制權」轉讓予客戶時確認。

履約責任指可區分的單一貨品或服務(或組合貨品或服務)或大致相同的一系列可區分貨品或服務。

倘符合下列其中一項標準，按完全達成相關履約責任的進度逐步轉移控制權及確認收入：

- 客戶於本集團履約的同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創建對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，於客戶獲得可區分貨品或服務的控制權時確認收入。

合約資產指本集團就本集團已向客戶轉讓的貨品或服務而於交換中收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

Planting, cultivation and sale of agricultural produce and distribution of fruits

Revenue from planting, cultivation and sale of agricultural produce and distribution of fruits is recognised at a point in time when control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products and collectability of the related receivables is reasonably assured.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

客戶合約收入(續)

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓貨品或服務的責任。

與同一份合約有關的合約資產及合約負債以淨額列賬。

委託人與代理人

當涉及另一方向客戶提供貨品或服務時，本集團釐定其承諾的性質是否為其自身提供指定貨品或服務的履約責任(即本集團為委託人)或是安排由另一方提供該等貨品或服務(即本集團為代理人)。

倘本集團在向客戶轉讓貨品或服務之前控制指定貨品或服務，則本集團為委託人。

栽種、培植及銷售農產品以及分銷水果

栽種、培植及銷售農產品以及分銷水果所得收入在產品的控制權轉移的某個時間點(即產品交付給客戶，且概無足以影響客戶接納產品的未履行責任並合理確保可收回相關應收款項時)確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

Planting, cultivation and sale of agricultural produce and distribution of fruits (Continued)

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. It is the Group's policy to sell its products to end customers with a right of return within the date of products delivered.

The management's judgements regarding principal and agent consideration in revenue recognition was disclosed in note 4 to the consolidated financial statements.

Leases

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

客戶合約收入(續)

栽種、培植及銷售農產品以及分銷水果 (續)

本集團在貨品交付時確認應收款項，因為此時代價是無條件的，本集團僅需等待客戶付款。本集團的政策是，向最終客戶銷售產品時，客戶有權在產品交付日期內退貨。

管理層在確認收益時對委託人及代理人代價的判斷已在綜合財務報表附註4披露。

租賃

租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修訂之合約而言，本集團於開始或修改日期按香港財務報告準則第16號項下之定義評估合約是否為或是否包含租賃。除非合約之條款及條件其後變動，否則有關合約將不予重新評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the financial statements would not differ materially from individual leases within the portfolio.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of staff quarters that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為承租人

分配代價至合約組成部分

對於包含一項租賃組成部分及一項或多項額外的租賃或非租賃組成部分的合約，本集團應用可行權宜方法，不將非租賃組成部分自租賃組成部分分開，反而將租賃組成部分及任何相關之非租賃組成部分作單一租賃組成部分入賬。

作為可行權宜方法，當本集團合理預期對財務報表的影響與組合中的個別租賃並無重大差異時，具有相似特點之租賃按組合基準入賬。

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於租期自開始日期起為12個月或以下並且不包括購買選擇權之員工宿舍之租賃。其亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃之租賃付款於租期內按直線法確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, 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.

The Group presents right-of-use assets that do not meet the definition of investment property or inventory as a separate line item on the consolidated statement of financial position. Right-of-use assets that meet the definition of investment property are presented within "investment properties".

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為承租人(續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用日期)確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何租賃負債之重新計量作出調整。

使用權資產成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減去所收取的任何租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態產生的估計成本，生產存貨而產生之成本除外。

本集團於綜合財務狀況表中將不符合投資物業或存貨定義之使用權資產列為單獨之項目。符合投資物業定義之使用權資產列為「投資物業」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets (Continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Refundable rental deposits

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

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為承租人(續)

使用權資產(續)

本集團合理確定將於租期結束時取得相關租賃資產之所有權之使用權資產自開始日期起至可使用年期結束折舊。否則，使用權資產於其估計可使用年期及租期之較短者以直線法折舊。

本集團將使用權資產於綜合財務狀況表呈列為獨立項目。

租賃土地及樓宇

就包括租賃土地及樓宇部分之物業權益之付款而言，當付款未能於租賃土地及樓宇部分之間可靠分配時，則整項物業呈列為本集團之物業、廠房及設備。

可退還租賃按金

已付之可退還租賃按金根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬及初步按公允值計量。於初步確認時對公允值之調整被視為額外租賃付款並計入使用權資產成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於租賃開始日期，本集團按於當日尚未支付之租賃付款之現值確認及計量租賃負債。於計算租賃付款之現值時，倘租賃隱含之利率無法容易釐定，則本集團使用於租賃開始日期之增量借款利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 基於指數或利率的可變租賃付款；
- 剩餘價值擔保下的預期應付款項；
- 本集團合理確定將予行使之購買選擇權之行使價；及
- 支付終止租賃的罰款(倘租賃條款反映本集團行使權利終止租賃)。

於開始日期後，租賃負債按應計利息及租賃付款調整。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases 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.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

當以下事件發生時，本集團重新計量租賃負債(及對相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權的評估發生變化，在該情況下，相關租賃負債透過使用於重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款於市場租金審查後因市場租金費率變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款重新計量。

租賃修訂

倘出現以下情況，本集團將租賃修訂作為一項單獨的租賃進行入賬：

- 該項修訂通過增加使用一項或多項相關資產的權利擴大了租賃範圍；及
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

就並不以單獨租賃入賬之租賃修訂而言，本集團透過使用於修訂生效日期之經修訂貼現率貼現經修訂租賃付款按經修訂租賃之租期重新計量租賃負債。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Changes in the basis for determining the future lease payments as a result of interest rate benchmark reform

For changes in the basis for determining the future lease payments as a result of interest rate benchmark reform, the Group applies the practical expedient to remeasure the lease liabilities by discounting the revised lease payments using the unchanged discount rate and makes a corresponding adjustment to the related right-of-use assets. A lease modification is required by interest rate benchmark reform if, and only if, both of these conditions are met:

- the modification is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the lease payments is economically equivalent to the previous basis (i.e. the basis immediately preceding the modification).

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續) 租賃(續)

本集團作為承租人(續)

因利率基準改革導致釐定未來租賃付款之基準變動

就因利率基準改革導致釐定未來租賃付款之基準變動而言，本集團應用實際可行權宜方法，透過使用不變貼現率將經修訂租賃付款貼現而重新計量租賃負債，並對相關使用權資產作出相應調整。僅在同時符合以下情況時，方須根據利率基準改革的規定修改租賃：

- 因利率基準改革的直接後果而導致必須修改；及
- 釐定租賃付款的新基準在經濟上等同於過往基準(即緊接修改前的基準)。

稅項

為就本集團確認使用權資產及相關租賃負債之租賃交易計量遞延稅項，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Initial direct costs (other than those incurred by manufacturer or dealer lessors) are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Allocation of consideration to components of a contract

The Group applies HKFRS 15 Revenue from Contracts with Customers ("HKFRS 15") to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

租賃(續)

本集團作為出租人

租賃之分類及計量

本集團為出租人之租賃乃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約乃分類為融資租賃。所有其他租賃乃分類為經營租賃。

根據融資租賃應收承租人的款項於開始日期確認為應收款項，其金額等於租賃淨投資，並使用各個租賃中隱含的利率計量。初始直接成本(製造商或經銷商出租人所產生之成本除外)包括在租賃淨投資的初始計量中。利息收入被分配至會計期間，以反映本集團有關租賃的未償還淨投資的固定定期收益率。

經營租賃的租金收入在相關租賃期限內按照直線法確認為損益。磋商及安排經營租賃時產生的初始直接成本計入租賃資產的賬面值，除根據公允值模型計之投資物業外，有關成本於租賃期內按直線法確認為開支。

分配代價至合約組成部分

本集團應用香港財務報告準則第15號「客戶合約收入」(「香港財務報告準則第15號」)以分配合約之代價至租賃及非租賃組成部分。非租賃組成部分基於其相對單獨售價與租賃組成部分分開。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessor (Continued)

Refundable rental deposits

Refundable rental deposits received 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.

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid land premiums" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續) 租賃(續)

本集團作為出租人(續)

可退還租賃按金

已收取之可退還租賃按金根據香港財務報告準則第9號入賬，並初步按公允值計量。於初步確認時對公允值作出調整被視為承租人之額外租賃付款。

租賃修訂

不屬於初始條款及條件之租賃合約代價變動列賬為租賃修訂，包括通過租金減免提供的租賃獎勵。

本集團自修訂生效日期起將經營租賃修訂入賬為新租賃，將任何與原有租賃有關之預付或應計租賃付款視作新租賃之租賃付款之一部分。

相關付款能夠可靠分配時，作為經營租賃入賬的租賃土地權益在綜合財務狀況表中呈列為「預付土地補價」，並按直線基準在租賃期內攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised 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. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, 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 fluctuation reserve.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

外幣

於編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)進行的交易按於交易日的現行匯率確認。於報告期末，以外幣計值的貨幣項目乃按於該日的現行匯率重新換算。按以外幣計值的公允值列賬的非貨幣項目按釐定公允值當日的現行匯率重新換算。按外幣歷史成本計量的非貨幣項目不予重新換算。

貨幣項目結算及重新換算所產生的匯兌差額在產生期間於損益中確認。

就呈列綜合財務報表而言，本集團業務的資產及負債按各報告期末現行匯率換算為本集團的呈列貨幣(即港元)，而其收支項目按期內平均匯率換算，惟期內匯率出現重大波幅除外，在此情況下，則採用交易日期當時的匯率。所產生匯兌差額(如有)均於其他全面收益確認並以匯兌波動儲備名目於權益中累計。

借貸成本

所有借貸成本於產生期間內在損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

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 should 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.

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. Such grants are presented under "Other income, gains and losses".

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

政府補助

政府補助僅於可合理確保本集團符合政府補助所附帶條件及將收取補助時確認。

政府補助於本集團確認該等補助擬補償的有關成本為開支的期間按系統性基準於損益確認。具體而言，政府補助的首要條件為倘本集團須購買、興建或以其他方式收購非流動資產，則於綜合財務狀況表內確認為遞延收入，並在相關資產的可使用年期內按系統及合理基準轉撥至損益。

作為與收入有關的已產生支出或虧損的補償，或目的為向本集團提供即時財務資助（並無日後相關成本）的應收政府補助，乃於其成為應收賬款期間在損益內確認。該補助於「其他收入、收益及虧損」項下呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Retirement benefit costs

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF 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' basic salaries in accordance with the rules of the MPF Scheme and are recognised as an expense when employees have rendered services entitling them to the contribution payable.

The employees of the Group's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain amounts for the employees in the PRC, pursuant to the local municipal government regulations. The contributions are recognised as an expense when employees have rendered services entitling them to the contribution.

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.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

退休福利成本

本集團根據強制性公積金計劃條例，為全體香港僱員設有界定供款強制性公積金退休福利計劃(「強積金計劃」)。根據強積金計劃之規則，供款乃根據僱員底薪百分比作出，並於僱員提供服務而享有供款時確認為開支。

本集團在中國營運之附屬公司之僱員須參加由地方市政府經營之中央退休金計劃。根據地方市政府法規，該等附屬公司須為中國之僱員作出若干款額之供款。供款於僱員提供服務而享有供款時確認為開支。

短期僱員福利

短期僱員福利乃按僱員於提供服務時預期獲付福利的未貼現金額確認。除非另有香港財務報告準則規定或允許將福利列入資產成本，否則所有短期僱員福利均確認為開支。

於扣除已付的任何金額後，本公司就應付僱員福利(例如工資及薪金、年假以及病假)確認負債。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to accumulated losses. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

以股份為基礎支付

以權益結算並以股份為基礎支付款項交易

授予僱員之購股權

以權益結算並以股份為基礎支付款項予僱員或提供同類服務的其他人士按股本工具授出日期的公允值計量。

於授出日期釐定的以權益結算的股份付款的公允值並未考慮所有非市場歸屬條件，按直線基準於歸屬期間根據本集團預期最終將歸屬的權益工具支銷，並於權益(購股權儲備)中作相應增加。於各報告期末，本集團根據所有有關非市場歸屬條件的評估，修訂其預期歸屬的權益工具數目。修訂原有估計的影響(如有)於損益中確認，使累計開支反映經修訂估計，並對購股權儲備作相應調整。對於授出當日立即歸屬的購股權，所授購股權公允值即時於損益支銷。

行使購股權時，先前於購股權儲備確認的金額會轉撥至累計虧損。倘若購股權於歸屬日期後被沒收或於到期日仍未行使，則先前於購股權儲備確認的金額會轉撥至累計虧損內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

稅項

所得稅開支指即期及遞延所得稅開支總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利有別於除稅前虧損，乃由於在其他年度之應課稅或可扣稅的收入或開支，以及永不須課稅或可扣稅的項目。本集團乃按於報告期末已施行或實際已實行的稅率計算即期稅項的負債。

遞延稅項乃就綜合財務報表中資產及負債的賬面值與用於計算應課稅溢利相應稅基的暫時性差額確認。遞延稅項負債一般會就所有應課稅暫時性差額予以確認。遞延稅項資產一般於可能有應課稅溢利可用以抵扣所有可扣稅暫時性差額時將該等可扣稅暫時性差額予以確認。若暫時性差額乃因首次確認一項既不影響應課稅溢利亦不影響會計溢利的交易中的其他資產及負債而產生且交易時不會產生等額應課稅及可抵扣暫時性差額，則不予確認有關遞延稅項資產及負債。

遞延稅項負債乃按因於附屬公司的投資而引致的應課稅暫時性差額而確認，惟若本集團可控制暫時性差額的撥回及暫時性差額很可能於可見將來無法撥回的情況除外。就有關投資及權益引致的可扣減暫時性差額遞延稅項資產而言，僅於有足夠應課稅溢利可供動用暫時性差額的利益，且預期在可見未來將可予撥回時，方會確認遞延稅項資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

稅項(續)

遞延稅項資產的賬面值會於各報告期末覆核，倘不再可能有足夠應課稅溢利可用於收回全部或部分資產則會予以扣減。

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用的稅率計算，而所根據的稅率(及稅法)於報告期末已頒佈或實質上已頒佈。

遞延稅項負債及資產的計量反映本集團於報告期末預期將要收回或償還其資產及負債的賬面值的方式所引致的稅務後果。

就計量按公允值模式計量的投資物業的遞延稅項而言，假定該等物業的賬面值可透過出售全數收回，除非假定被駁回則作別論。倘該投資物業可予折舊，而目標為隨時間而非透過出售消耗該投資物業所包含的絕大部分經濟利益的商業模式持有，此假定則被駁回。

當有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關徵收的所得稅有關及本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債互相對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Taxation (Continued)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost or fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

稅項(續)

即期及遞延稅項於損益確認，惟倘其與其他全面收益或直接於權益確認的項目有關則除外，在此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益確認。在業務合併的初始會計處理產生即期稅項或遞延稅項時，稅務影響計入業務合併的會計處理中。

物業、廠房及設備

物業、廠房及設備包括用於生產或提供貨品或服務、或出於行政目的使用之建築物及租賃土地，乃按成本或公允值減其後累積折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

用於生產、提供貨物或行政用途的在建物業以成本減任何已確認減值虧損列賬。成本包括專業費及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。有關物業完工後並達到可使用狀態時被劃分為適當類別物業、廠房及設備。當這些資產達到可用狀態時，按與其他物業資產相同的基準開始折舊。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Property, plant and equipment measured using revaluation model

Any revaluation increase arising from revaluation of property, plant and equipment is recognised in other comprehensive income and accumulated in revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognise in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in net carrying amount arising on revaluation of property, plant and equipment is recognised in profit or loss to the extent that it exceeds the balance, if any, on the revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to accumulated losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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 the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

以重估模式計量物業、廠房及設備

因重估物業、廠房及設備而產生之任何重估增加會於其他全面收益中確認，並累計至重估儲備，惟其撥回相同資產過往於損益確認之重估減少的範圍則除外，於此情況下，有關增加計入損益，以過往扣除減幅為限。重估物業、廠房及設備產生之賬面淨值減少於損益中確認，以其超過重估儲備內有關該資產過去重估之結餘(如有)為限。其後銷售或廢棄已重估資產時，應佔重估盈餘轉撥至累計虧損。

折舊乃採用直線法確認，按資產的估計可使用年期撇銷其成本或估值減其剩餘價值。估計可使用年期、剩餘價值及折舊方法乃於各報告期末檢討，任何估計變動的影響按預先計提的基準入賬。

物業、廠房及設備項目會在出售或預期繼續使用資產不會產生未來經濟利益時終止確認。物業、廠房及設備項目在出售或報廢時產生的任何收益或虧損，按出售所得款項與有關資產賬面值之間的差額釐定，並於損益中確認。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Impairment on tangible assets

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as a revaluation decrease under that standard.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

有形資產減值

於測試現金產生單位之減值時，倘可設立合理及一致之分配基準，則企業資產分配至相關現金產生單位，或分配至現金產生單位內可設立合理及一致分配基準之最小組別。可收回金額按企業資產所屬現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值比較。

可收回金額為公允值減出售成本以及使用價值之較高者。於評估使用價值時，乃使用可反映就資產(或現金產生單位)特有貨幣時間價值及風險作出現有市場評估之稅前貼現率，將估計未來現金流量折現至其現值而未來現金流量之估計並無作調整。

倘估計資產(或現金產生單位)之可收回金額低於其賬面值，則資產(或現金產生單位)之賬面值將調低至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值(如適用)，其後基於有關單位內各項資產的賬面值按比例分配至其他資產。資產賬面值不得減少至低於其公允值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產的減值虧損數額按比例分配至有關單位其他資產。減值虧損會即時於損益確認，除非相關資產根據另一準則以重估金額列賬，在此情況，減值虧損根據該準則被視為重估減少。

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Impairment on tangible assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

有形資產減值(續)

倘減值虧損於其後撥回，資產(或現金產生單位)之賬面值將調升至其經修訂之估計可收回金額，而增加後之賬面值不得超過該資產(或現金產生單位)在過往年度並無確認減值虧損之情況下原應予以確認之賬面值。減值虧損之撥回即時於損益內確認，除非相關資產根據另一準則以重估金額列賬，在此情況，減值虧損之撥回根據該準則被視為重估增加。

存貨

存貨以成本與可變現淨值兩者中的較低者列賬。存貨成本採用加權平均法釐定。可變現淨值代表存貨的估計售價減去所有估計的完工成本和進行銷售所需的成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

撥備

倘本集團因過去事件須承擔現時責任(法定或推定)，本集團相當可能需要履行該責任，以及能夠對責任之金額作出可靠估計時，則確認撥備。

經考慮與責任有關之風險及不確定因素後，確認為撥備之金額為於報告期末清償現時責任所需代價之最佳估計。倘撥備乃以估計用作清償現時責任之現金流量計量，則其賬面值為該等現金流量之現值(倘貨幣時值影響屬重大)。

金融工具

金融資產及金融負債於集團實體成為工具的合約條文訂約方時確認。所有正常買賣的金融資產以結算日期為基準予以確認及終止確認。正常買賣是須於法規或市場慣例所制訂的時間內交付資產的金融資產買賣。

金融資產及金融負債乃初步按公允值計量，惟客戶合約產生之應收貿易款項根據香港財務報告準則第15號作初步計量除外。收購或發行金融資產及金融負債(按公允值計入損益的金融資產或金融負債除外)直接應佔之交易成本於首次確認時計入或扣除自金融資產或金融負債之公允值(以合適者為準)。收購按公允值計入損益的金融資產或金融負債直接應佔之交易成本即時於損益內確認。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at financial assets at fair value through profit or loss ("FVTPL"), except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 "Business Combinations" applies.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

實際利息法乃計算金融資產或金融負債攤銷成本及於相關期間內分配利息收入及利息開支的方法。實際利率乃按金融資產或金融負債預計年期或(倘適用)較短期間準確貼現估計未來現金收款及付款(包括構成實際利率不可或缺部分的所有已付或已收費用及利率差價、交易成本及其他溢價或折讓)至初步確認時賬面淨值的利率。

金融資產

金融資產的分類及其後計量

符合下列條件的金融資產其後按攤銷成本計量：

- 持有金融資產之業務模式旨在收取合約現金流量；及
- 合約條款於指定日期產生之現金流量僅為支付本金和未償還本金的利息。

所有其他金融資產其後按公允值計入損益(「按公允值計入損益」)之金融資產計量，惟倘權益投資並非持作買賣用途亦非收購方於香港財務報告準則第3號「業務合併」所適用之業務合併中確認的或然代價，則本集團可於首次應用香港財務報告準則第9號／初步確認金融資產之日不可撤銷地選擇於其他全面收益中呈列權益投資公允值變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income ("FVTOCI") as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

倘符合下列條件，則金融資產乃分類為持作買賣：

- 其獲收購主要為於短期內出售；或
- 於初步確認時，其為本集團共同管理的可識別金融工具組合的一部分，並具有短期套利的近期實際模式；或
- 其為並非指定及作為對沖工具生效的衍生工具。

此外，倘如此可消除或大幅減少會計錯配，則本集團可不可撤銷地指定須按攤銷成本或按公允值計入其他全面收益(「按公允值計入其他全面收益」)計量的金融資產為以按公允值計入損益的方式計量。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下一報告期間起透過對金融資產攤銷成本應用實際利率確認利息收入。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，則自釐定資產不再信貸減值後的報告期間開始起，透過對金融資產總賬面值應用實際利率確認利息收入。

(ii) 按公允值計入損益的金融資產

不符合按攤銷成本計量或按公允值計入其他全面收益或指定為按公允值計入其他全面收益標準的金融資產以按公允值計入損益的方式計量。

按公允值計入損益的金融資產按各報告期末的公允值計量，任何公允值收益或虧損於損益確認。於損益確認的收益或虧損淨額包括該金融資產所賺取的任何股息或利息，計入「其他收益及虧損」此單行項目。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, loan receivables, other receivables, deposits and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition:

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值

本集團就根據香港財務報告準則第9號進行減值的金融資產(包括應收貿易款項、應收貸款、其他應收款項、按金以及銀行結餘及現金)根據預期信貸虧損(「預期信貸虧損」)模型進行減值評估。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來之信貸風險變動。

全期預期信貸虧損指於相關工具於預計年內所有可能違約事件產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預計於報告日期後12個月內可能發生的違約事件產生的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗，並就債務人特定因素、一般經濟狀況以及對於報告日期之當時狀況及未來狀況預測的評估作調整。

本集團一直就應收貿易款項確認全期預期信貸虧損。該等資產的預期信貸虧損就有重大餘額的應收款項進行個別評估及/或採用合適組別的撥備矩陣進行整體評估。

就所有其他工具而言，本集團按12個月預期信貸虧損計量虧損撥備，除非當信貸風險自初步確認以來顯著上升，則本集團確認全期預期信貸虧損。是否應以全期預期信貸虧損確認乃根據自初步確認以來發生違約的可能性或風險顯著上升而評估：

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk 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 when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(i) 信貸風險顯著上升

於評估信貸風險自初步確認以來是否已顯著上升時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初步確認日期出現違約的風險。作出此評估時，本集團會考慮合理及有理據的定量及定性資料，包括過往經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外界市場指標的顯著惡化，例如信貸息差、債務人的信貸違約掉期價大幅增加；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期嚴重惡化；或

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk 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.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) 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. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(i) 信貸風險顯著上升(續)

- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初步確認以來已大幅增加，除非本集團有合理及可靠資料證明情況並非如此時則作別論。

儘管如此，倘一項債務工具於報告日期確定為信貸風險較低，則本集團假定該債務工具的信貸風險自初步確認以來並無大幅增加。倘一項債務工具i)違約風險較低；ii)借款人近期具充分償付合約現金流量負債的能力；及iii)長遠而言經濟及業務狀況的不利變動可能但未必會降低借款人償付合約現金流量負債的能力，則該項債務工具可確定為信貸風險較低。當債務工具的內部或外部信貸評級為「投資級別」（按照全球理解的釋義），則本集團會視該債務工具的信貸風險偏低。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when 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).

Irrespective of the above, 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.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(i) 信貸風險顯著上升(續)

本集團定期監控用於識別信貸風險是否大幅增加之標準的有效性，並於適當時對其作出修訂，以確保該標準能夠於款項逾期前識別信貸風險的大幅增加。

(ii) 違約的定義

就內部信貸風險管理而言，倘有內部資料或由外部資源獲取的資料顯示債務人可能無法向債權人(包括本集團)全額付款(不計及由本集團持有的任何抵押品)，則本集團認為已發生違約事件。

不論上述情況，倘金融資產已逾期超過90日，則本集團認為已產生違約，除非本集團有合理及可靠資料證明較寬鬆的違約標準更為適用則當別論。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default 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 includes 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; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(iii) 信貸減值的金融資產

倘發生一項或多項事件對金融資產的估計未來現金流量造成不利影響，則該金融資產出現信貸減值。金融資產信貸減值的證據包括有關以下事件的可觀察數據：

- (a) 發行人或借款人存在重大財務困難；
- (b) 違反合約，如拖欠或逾期事件；
- (c) 基於與借款人財務困難相關的經濟或合約理由，借款人的放款人向借款人授出放款人於其他情況下不會考慮的優惠條件；或
- (d) 借款人可能將進入破產或其他財務重組程序。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(iv) 撇銷政策

本集團於有資料表明交易對手處於嚴重財務困難且無實際恢復可能(例如交易對手已進行清算或進入破產程序,或就應收貿易款項而言,當有關金額為逾期超過兩年,以較早發生者為準)撇銷金融資產。撇銷之金融資產仍可根據本集團收回程序經考慮適用法律意見後強制執行。撇銷構成一項終止確認。任何其後收回款項於損益確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量乃違約概率、違約虧損率(即違約造成虧損的幅度)及違約風險的函數。違約概率及違約虧損率根據經前瞻性資料調整的過往數據進行評估。預期信貸虧損的估計反映以發生的各自違約風險作為加權數值而確定的無偏概率加權金額。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流與本集團預期將收取的現金流量之間的差額,並按初步確認時釐定的實際利率貼現。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group. Loans receivables are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的減值(續)

(v) 預期信貸虧損的計量及確認(續)

若按整體基準計量的預期信貸虧損或處理個別工具層面的證據尚未可得，金融工具乃下列基準分組：

- 金融工具的性質(即本集團的應收貿易款項及其他應收款項各自作為獨立組別評估。應收貸款按個別基準評估預期信貸虧損)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸評級。

管理層定期檢討分組方法，確保各組別的組成項目仍然具有相似的信貸風險特徵。

利息收入按金融資產的賬面總值計算，倘金融資產信貸減值，則利息收入按金融資產的攤銷成本計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item (note 6) as part of the net foreign exchange gains/(losses);
- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'Other gains and losses' line item (note 6) as part of the net foreign exchange gains/(losses). As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the fair value through other comprehensive income/revaluation reserve;
- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Other gains and losses' line item as part of the gain/(loss) from changes in fair value of financial assets (note 6);
- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the fair value through other comprehensive income/revaluation reserve.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

外匯收益及虧損

以外幣計值的金融資產的賬面值以該外幣釐定，並於各報告期末按現貨匯率換算。具體而言：

- 對於不構成指定對沖關係一部分的以攤銷成本計量的金融資產，匯兌差額於損益中「其他收益及虧損」項目(附註6)下確認為外匯收益/(虧損)淨額的一部分；
- 對於並非指定對沖關係一部分的按公允值計入其他全面收益而計量的債務工具，債務工具攤銷成本的匯兌差額於損益中的「其他收益及虧損」項目(附註6)下確認為外匯收益/(虧損)淨額的一部分。由於於損益內確認的外幣元素與按攤銷成本計量者相同，基於賬面值換算(按公允值)的剩餘外幣元素於其他全面收益下確認為按公允值計入其他全面收益/重估儲備；
- 對於並非指定對沖關係一部分的按公允值計入損益而計量的金融資產，匯兌差額於損益中的「其他收益及虧損」項目下確認為金融資產公允值變動收益/(虧損)(附註6)的一部分；及
- 對於按公允值計入其他全面收益而計量的股本工具，匯兌差額於其他全面收益下確認為按公允值計入其他全面收益/重估儲備。

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綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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 its retained interest in the asset and an associated liability for amounts it may have to pay. 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 and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融資產(續)

終止確認金融資產

僅當從資產收取現金流量之合約權利屆滿時，或當本集團將金融資產及該項資產所有權之絕大部分風險及回報轉讓至另一實體時，本集團方會終止確認該項金融資產。倘本集團並無轉讓或保留所有權之絕大部分風險及回報並繼續控制該已轉讓資產，本集團就其可能須支付的金額確認其於資產及相關負債中的保留權益。倘本集團保留已轉讓金融資產所有權之絕大部分風險及回報，則本集團繼續確認該項金融資產，亦確認已收所得款項之已抵押借款。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價之總和的差額於損益確認。

金融負債及權益

債務或權益的分類

債務及權益工具乃根據合約安排的內容以及金融負債及權益工具的定義分類為金融負債或權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Perpetual instruments which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities including borrowings, trade payables and other payables are subsequently measured at amortised cost, using the effective interest method.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融負債及權益(續)

權益工具

權益工具為證明實體資產於扣除其所有負債後的剩餘權益的任何合約。本公司所發行權益工具按已收所得款項扣除直接發行成本確認。

包含本集團毋須承擔交付現金或其他金融資產的合約責任，或本集團可全權決定無限期延後支付分派及贖回本金額的永久工具則分類為權益工具。

金融負債

所有金融負債其後按攤銷成本以實際利息法計量。

按攤銷成本計量之金融負債

金融負債(包括貸款、應付貿易款項及其他應付款項)其後按攤銷成本以實際利息法計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Convertible bonds

The component parts of the convertible bonds are classified separately as financial liability and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share capital. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融負債及權益(續)

可換股債券

可換股債券之組成部份乃根據合約安排之內容以及金融負債及權益工具之定義，分類為金融負債及權益。倘換股權將透過以固定金額之現金或另一項金融資產換取固定數目之本公司本身權益工具之方式結算，則為權益工具。

於發行日期，負債部份之公允值(包括任何嵌入非股本衍生工具特徵)根據計量並無相關股本部份的類似負債之公允值估算。

分類為權益之換股期權乃透過從整體複合工具之公允值中扣減負債部分金額釐定。其將於扣除所得稅影響後在權益確認及入賬，且隨後不予重新計量。此外，分類作權益之換股期權將一直保留於權益內，直至該換股期權獲行使為止，在此情況下，權益內確認之結餘將轉入股本。倘換股期權於已發行可換股票據之到期日仍未行使，則於權益確認之結餘將轉入保留溢利。換股期權獲兌換或到期時將不會於損益內確認任何收益或虧損。

與發行可換股債券有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分有關之交易成本會直接自權益扣除。與負債部分有關之交易成本則計入負債部分之賬面值，並於已發行可換股債券期內採用實際利率法攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other gains and losses' line item in profit or loss (note 6) as part of net foreign exchange gains/(losses) for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融負債及權益(續)

外匯收益及虧損

就以外幣計值及於各報告期末按攤銷成本計量的金融負債而言，外匯收益及虧損根據該等工具的攤銷成本釐定。就不構成指定對沖關係一部分的金融負債而言，外匯收益及虧損於損益中「其他收益及虧損」項目(附註6)內確認為外匯收益／(虧損)淨額的一部分。就指定為對沖外匯風險對沖工具的金融負債而言，外匯收益及虧損於其他全面收益確認，並於權益的獨立部分累計。

以外幣計值的金融負債的公允值以該外幣釐定並以報告期末的即期匯率換算。就按公允值計入損益計量的金融負債而言，外匯部分構成公允值收益或虧損的一部分，並就不構成指定對沖關係一部分的金融負債於損益中確認。

終止確認金融負債

當且僅當本集團的責任予以解除、取消或已到期時，本集團方終止確認金融負債。終止確認之金融負債之賬面值與已付及應付代價之差額於損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零二三年十二月三十一日止年度

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform

For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.

A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:

- the change is necessary as a direct consequence of interest rate benchmark reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change).

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

金融工具(續)

金融負債及權益(續)

因利率基準改革而導致釐定合約現金流基準之變動

就因利率基準改革而導致釐定按攤銷成本計量之金融資產或金融負債之合約現金流基準之變動而言，本集團採用可行權宜方法，以更新實際利率將該等變動入賬。此實際利率之變動一般而言對相關金融資產或金融負債之賬面值並無顯著影響。

僅當符合下述兩個條件時，釐定合約現金流之基準須因應利率基準改革而變動：

- 該變動是利率基準改革之直接後果；及
- 釐定合約現金流之新基準在經濟上等同於先前基準(即緊接變動前之基準)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES

(Continued)

3.2 Material accounting policy information (Continued)

Biological assets

Biological assets are the growing crops of the Group on the cultivation bases. Biological assets are measured at fair value less costs to sell on initial recognition and at the end of each reporting period. The fair value of biological assets is determined based on the current market price with reference to the species, growing condition, cost incurred and expected yield of the crops.

The agricultural produce is initially measured at fair value less costs to sell at the time of harvest. The fair value of agricultural produce is determined based on market prices in the local market. The fair value less costs to sell at the time of harvest is deemed as the cost of agricultural produce for further processing.

The gain or loss arising on initial recognition of biological assets at fair value less costs to sell and from a change in fair value less costs to sell of biological assets shall be included in profit or loss for the period in which it arises.

3. 綜合財務報表之編製基準及重要會計政策 (續)

3.2 重要會計政策資料(續)

生物資產

生物資產為本集團於種植基地之種植農作物。於初步確認時及各報告期末，生物資產按公允價值減銷售成本計算。生物資產之公允價值經參考農作物品種、生長狀況、所產生成本及預期產量後按現行市價釐定。

農產品初步按公允價值減於收成時之銷售成本計算。農產品之公允價值按當地市場之市價釐定。公允價值減於收成時之銷售成本被視作進一步加工農產品之成本。

初步確認按公允價值減銷售成本列賬之生物資產及生物資產公允價值減銷售成本變動所產生之損益應計入產生期間的損益賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Going concern considerations

The assessment of the going concern assumption involves making a judgment by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has the ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast doubts about the going concern assumption are set out in note 3.1.

4. 重大會計判斷及估計之不確定因素主要來源

在應用附註3所述之本集團會計政策時，本公司董事需要就目前未能從其他來源而得出之資產與負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及管理層認為相關之其他因素為基準而作出。實際結果或會有別於該等估計。

本集團持續就所作估計及相關假設作出評估。會計估計之變動如只影響當期，則有關變動於估計變動當期確認。如該項會計估計之變動影響當期及以後期間，則有關變動於變動當期及以後期間確認。

應用會計政策之重大判斷

以下為本公司董事在採用本集團會計政策過程中所作出對綜合財務報表所確認之金額具最重大影響之重大判斷(涉及估計之判斷(見下文)除外)。

持續經營考慮因素

本公司董事於評估持續經營之假設時，需於特定時間就本質上不確定的事件或情況之未來結果作出判斷。本公司董事認為本集團有能力持續經營，而可能個別或共同對持續經營假設構成重大疑問，且或會引致業務風險之重大事件或情況載於附註3.1。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Principal and agent consideration in revenue recognition

The Group engaged in sales of toy products business or sales of its own planted fruits, which involves the principal versus agent assessment.

The Group is required to determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e., the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e., the Group is an agent). In determining the nature of its promise, the Group identify the specified goods to be provided to the customer (which, for example, could be a right to a good to be provided by another party, and assess whether it controls each specified good before that good or service is transferred to the customer).

During the year ended 31 December 2023, the Group recognised revenue relating to the sales of toy products and agricultural products amounted to HK\$522,827,000 and HK\$435,000 respectively.

Deferred tax asset

As at 31 December 2023, no deferred tax asset (31 December 2022: nil) in relation to unused tax losses for an operating subsidiary has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised on the other tax losses of the subsidiaries in Hong Kong and the PRC of HK\$224,550,000 (2022: HK\$205,539,000) and RMB6,649,000 (equivalent to approximately HK\$7,337,000) (2022: RMB8,474,000 (equivalent to approximately HK\$9,487,000)) respectively due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material reversal or further recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a reversal or further recognition takes place.

4. 重大會計判斷及估計之不確定因素主要來源(續)

估計之不確定因素主要來源

以下為涉及日後之主要假設及於報告期末估計不明朗因素之其他主要來源，該等不明朗因素可能導致下一個財政年度之資產及負債之賬面出現大幅調整之重大風險。

收入確認中委託人與代理人考量

本集團從事銷售玩具產品業務或銷售其自己種植的水果，其中涉及委託人與代理人評估。

本集團須確定其承諾的性質是否為履約責任，以自行提供指定貨品或服務(即本集團為委託人)或安排該等貨品或服務由另一方提供(即本集團為代理人)。在確定其承諾的性質時，本集團識別將向客戶提供的特定貨品(例如，可能是對由另一方提供的貨品的權利，並在貨品或服務轉移給客戶之前評估其是否控制每項特定貨品)。

截至二零二三年十二月三十一日止年度，本集團就銷售玩具產品及農產品分別確認收入522,827,000港元及435,000港元。

遞延稅項資產

於二零二三年十二月三十一日，於本集團綜合財務狀況表並無就一間營運附屬公司之未動用稅項虧損確認遞延稅項資產(二零二二年十二月三十一日：零)。由於未來溢利來源不可預測，因此並無就香港及中國附屬公司之其他稅項虧損224,550,000港元(二零二二年：205,539,000港元)及人民幣6,649,000元(相等於約7,337,000港元)(二零二二年：人民幣8,474,000元(相等於約9,487,000港元))確認遞延稅項資產。遞延稅項資產是否可實現主要取決於未來是否有足夠未來溢利或應課稅暫時差額可供動用。倘若實際產生之未來應課稅溢利少於或多於預期，或事實及情況有變導致對未來應課稅溢利估計作出修訂，則可能會引起遞延稅項資產之重大撥回或進一步確認，並於有關撥回或進一步確認發生之期間於損益內確認。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Fair value measurement and valuation processes of the leasehold buildings

The leasehold buildings are stated at revalued amount less accumulated depreciation in the consolidated statement of financial position at the end of each reporting period as disclosed in note 15. The revalued amount has been based on a valuation on the buildings conducted by an independent firm of professional valuer using property valuation techniques which involve certain assumptions of market conditions.

In estimating the revalued amount of the Group's leasehold buildings, the Group uses market-observable data to the extent they are available. Where Level 1 inputs are not available, the Group engages third party qualified professional valuer to perform the valuation of the Group's leasehold buildings. At the end of each reporting period, the management of the Group works closely with the qualified external valuer to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. The management of the Group first considers and adopts Level 2 inputs where inputs can be derived from observable quoted prices in the active market. When Level 2 inputs are not available, the Group adopts valuation techniques that include Level 3 inputs. Where there is a material change in the revalued amount of the leasehold buildings, the causes of the fluctuations are reported to the board of directors of the Company. Changes to assumptions and inputs would result in changes in the revalued amount of the Group's leasehold buildings and corresponding adjustments to the amount of gain or loss reported in other comprehensive income.

Information about the valuation techniques and inputs used in determining the revalued amount of the Group's leasehold buildings are disclosed in note 15.

4. 重大會計判斷及估計之不確定因素主要來源(續)

估計之不確定因素主要來源(續)

租賃樓宇公允值計量及估值過程

誠如附註15所披露於各報告期末租賃樓宇於綜合財務狀況表內按重估金額減累計折舊列賬。重估金額基於獨立專業估值師行使用物業估值技術(其涉及若干市況假設)進行之物業估值而釐定。

估計本集團租賃樓宇的重估價值時，本集團使用可獲得的市場可觀察數據。倘並無第一級輸入，本集團委聘一間第三方合資格專業估值師行對本集團之租賃樓宇進行估值。於各報告期末，本集團管理層與合資格外聘估值師行密切合作，以設定及確定第二級及第三級公允值計量的適當估值方法及輸入數據。本集團管理層首先考慮並採用第二級輸入數據，該等輸入數據可衍生自活躍市場可觀察報價。當不可取得第二級輸入數據時，本集團採用包括第三級輸入數據的估值技術。若租賃樓宇的重估價值發生重大變動，會向本公司董事會報告波動原因。假設及輸入數據變動會導致本集團租賃樓宇的重估價值變動，並對其他全面收益所列報之損益金額作出相應調整。

有關釐定本集團租賃樓宇的重估價值所用估值技術及輸入數據的資料於附註15披露。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of property, plant and equipment and right-of-use assets

The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which requires significant judgment relating to level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of revenue and operating costs. Changes in these estimates could have a significant impact on the carrying value of the assets and could result in additional impairment charge or reversal of impairment in future periods.

As at 31 December 2023 and 2022, there was no impairment losses have been recognised against the carrying amounts of property, plant and equipment and right-of-use assets.

Impairment assessment of inventories

The Group makes allowance for inventories based on an assessment of the net realisable value of inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than cost. The management of the Group reviewed the inventory ageing report at the end of the reporting period to identify inventories that are no longer saleable in the market and estimated the net realisable value for those items based primarily on the latest invoice prices and current market conditions.

During the year ended 31 December 2023, write down of inventories of HK\$5,449,000 (2022: HK\$11,882,000) was charged to profit or loss. As at 31 December 2023, the carrying amount of the Group's inventories is HK\$75,142,000 (2022: HK\$81,974,000).

4. 重大會計判斷及估計之不確定因素主要來源(續)

估計之不確定因素主要來源(續)

物業、廠房及設備以及使用權資產減值

資產可收回金額為其公允值減出售成本與使用價值兩者中的較高者。於評估使用價值時，乃使用可反映就資產特有貨幣時間價值及風險作出現有市場評估之稅前貼現率，將估計未來現金流量折現至其現值，其涉及與收入水平及經營成本金額之重大判斷。本集團利用所有現有資料對可收回金額作合理估算，包括基於合理及可支持之假設以及收入及經營成本之推算作估算。該等估計之變動可能對資產之賬面值造成重大影響，並可能導致在未來期間計提額外減值開支或作出減值撥回。

於二零二三年及二零二二年十二月三十一日，並無就物業、廠房及設備以及使用權資產之賬面值確認減值虧損。

存貨減值評估

本集團根據對存貨可變現淨值之評估對存貨作出撥備。當事件或情況變動顯示可變現淨值低於成本時，就存貨作出撥備。本集團管理層於報告期末檢討存貨賬齡報告以識別不再於市場上可銷售之存貨，並主要根據最近期發票價格及現行市況估計該等項目之可變現淨值。

截至二零二三年十二月三十一日止年度，存貨撇減5,449,000港元(二零二二年：11,882,000港元)已於損益入賬。於二零二三年十二月三十一日，本集團存貨之賬面值為75,142,000港元(二零二二年：81,974,000港元)。

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截至二零二三年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Fair value of biological assets

As described in note 20, the directors of the Company use their judgements and estimates in determining the fair value of biological assets. The fair values are determined using a discounted cash flow valuation technique based on assumptions including the estimated market prices and attrition rate. These inputs involved critical estimate because there is presently an absence of effective financial instruments for hedging against the pricing risks from the unexpected volatility in market prices and the estimated yield is also strongly affected by the unusual agricultural hazards like fire and other natural occurrences like earthquakes. At 31 December 2023, the fair value of the Group's growing vegetables have been determined by independent valuation firm. The carrying amount of biological assets as at 31 December 2023 is HK\$832,000. Details of the assumptions used are disclosed in note 20.

Provision of ECL for trade receivables

For trade receivables, the Group applies the simplified approach to provide for ECL as prescribed by HKFRS 9, which requires the use of the lifetime ECL for all trade receivables. The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Management reassesses the provision at each balance sheet date.

The information about the ECL and the Group's trade receivables are disclosed in notes 21 and 37(b).

As at 31 December 2023, the gross carrying amount of trade receivables is HK\$71,657,000 (2022: HK\$75,951,000), and the provision of ECL is HK\$1,175,000 (2022: provision of ECL is HK\$4,448,000).

4. 重大會計判斷及估計之不確定因素主要來源(續)

估計之不確定因素主要來源(續)

生物資產的公允值

誠如附註20所述，本公司董事在釐定生物資產的公允值時會使用其判斷及估計。公允值乃採用折現現金流量估值方法基於包括估計市場價格及損耗率等假設釐定。該等輸入參數涉及關鍵估計，因為目前缺乏有效的金融工具用於對沖市場價格意外波動帶來的定價風險，而且估計產量亦受到火災等不尋常農業災害及地震等其他自然事件的強烈影響。於二零二三年十二月三十一日，本集團種植蔬菜的公允值已由獨立估值公司釐定。生物資產於二零二三年十二月三十一日的賬面值為832,000港元。所採用假設的詳情披露於附註20。

應收貿易款項預期信貸虧損撥備

就應收貿易款項而言，本集團按香港財務報告準則第9號規定應用簡化方法計提預期信貸虧損撥備，該方法規定對所有應收貿易款項使用全期預期信貸虧損。金融資產之虧損撥備基於違約風險及預期虧損率的假設計算。本集團根據本集團過往記錄、現有市場狀況以及各報告期末的前瞻性估計，在作出該等假設及選擇減值計算的輸入數據時運用判斷。管理層在各結算日重新評估該撥備。

有關預期信貸虧損及本集團應收貿易款項的資料分別於附註21及37(b)披露。

於二零二三年十二月三十一日，應收貿易款項之賬面總值為71,657,000港元(二零二二年：75,951,000港元)，而預期信貸虧損撥備為1,175,000港元(二零二二年：預期信貸虧損撥備為4,448,000港元)。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Provision of ECL for loan receivables

Impairment of loan receivables is assessed on 12m ECL basis when there had been no significant increase in credit risk since initial recognition. However, when there has been a significant increase in credit risk since origination, the allowances will be based on the lifetime ECL. Assessment are done based on the Group's historical credit loss experience, general conditions, internal credit ratings and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions. The provision of ECL is sensitive to changes in estimates.

The information about the ECL and the Group's loan receivables are disclosed in notes 17 and 37(b), respectively.

As at 31 December 2023, the gross carrying amount of loan receivables is HK\$16,126,000 (2022: HK\$16,733,000), and the provision of ECL is HK\$16,126,000 (2022: HK\$16,733,000).

5. REVENUE AND OPERATING SEGMENTS

Revenue represents revenue arising on sale of toy products and sales of agricultural products for the year. The revenue relates to revenue from contracts with customers which is within the scope of HKFRS 15. All revenue is recognised at a point in time upon delivery of the goods to customers.

The Group manufactured toy products in accordance with the performance obligations as set out in each sales contracts with its customers. The performance obligations in sales contracts have an original expected duration of one year or less. The Group has applied the practical expedient in HKFRS 15 and hence information about the Group's remaining performance obligations that are unsatisfied (or partially satisfied) as of the end of the reporting period is not disclosed. The Group recognised the incremental costs of obtaining a contract as an expense when incurred since the amortisation period of the asset that the Group otherwise would have recognised was one year or less.

4. 重大會計判斷及估計之不確定因素主要來源(續)

估計之不確定因素主要來源(續)

應收貸款預期信貸虧損撥備

應收貸款減值按12個月預期信貸虧損基準進行評估，原因為自初始確認起，信貸風險並無大幅增加。然而，倘信貸風險自開始以來大幅增加，則將按全期預期信貸虧損計算撥備。評估乃根據本集團過往信貸虧損經驗、整體市況、內部信貸評級及對於報告日期之當時狀況及未來狀況預測的評估進行。預期信貸虧損撥備對估計變動尤為敏感。

有關預期信貸虧損及本集團應收貸款的資料分別於附註17及37(b)披露。

於二零二三年十二月三十一日，應收貸款之賬面總值為16,126,000港元(二零二二年：16,733,000港元)，預期信貸虧損撥備為16,126,000港元(二零二二年：16,733,000港元)。

5. 收入及經營分類

收入指本年度玩具產品銷售及農產品銷售產生的收入。收入與香港財務報告準則第15號範圍內的客戶合約收入有關。所有收入均在將貨品交付予客戶時確認。

本集團按照與客戶簽訂的每份銷售合約所載的履約責任生產玩具產品。銷售合約中履約責任的原始預期期限為一年或以下。本集團已應用香港財務報告準則第15號中的可行權宜方法，因此並無披露有關截至報告期末尚未履行(或部分履行)的本集團剩餘履約責任的資料。本集團將取得合約的增量成本於產生時確認為開支，因本集團原應確認的資產攤銷期為一年或以下。

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5. REVENUE AND OPERATING SEGMENTS (Continued)

5. 收入及經營分類(續)

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue from sales of toy products	來自銷售玩具產品之收入	522,827	849,096
Revenue from sales of agricultural products	來自銷售農產品之收入	435	–
		523,262	849,096

The Group is organised and its businesses are managed by divisions, which are a mixture of both business lines and geographical locations. Information reported internally to the executive directors of the Company, being the chief operating decision maker, for the purposes of resources allocation and performance assessment of segment performance focuses on types of goods delivered or services provided. The Group has presented the following two reportable segments. No operating segments have been aggregated in arriving at the following reportable segments of the Group.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

1. Toys: this segment derives its revenue from manufacturing for sales of toys.
2. Agricultural products: this segment derives its revenue from planting agricultural products for sale.

The chief operating decision maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

All assets are allocated to reportable segments other than refundable deposits, certain property, plant and equipment, certain prepayments and certain bank balances and cash, which are grouped as unallocated corporate assets.

本集團按部門劃分及管理其業務，分類按業務線及地理位置兩方面劃分。對本公司執行董事（即主要營運決策人）作內部報告並用作分配資源及評核表現之資料集中於所交付或提供之貨品或服務類別。本集團已呈列下列兩個可呈報分類。得出本集團下列可呈報分類時概無合併經營分類。

特別是，本集團根據香港財務報告準則第8號之可呈報分類載列如下：

1. 玩具：該分類之收入來自製造玩具以供出售。
2. 農產品：該分類之收入來自種植農產品銷售。

主要營運決策人按以下基準監察各個可呈報分類應佔之業績、資產及負債：

所有資產已分配至可呈報分類，惟可退回按金、若干物業、廠房及設備、若干預付款項及若干銀行結餘及現金（歸類為未分配企業資產）除外。

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截至二零二三年十二月三十一日止年度

5. REVENUE AND OPERATING SEGMENTS (Continued)

All liabilities are allocated to reportable segments other than certain accruals, which are grouped as unallocated corporate liabilities.

Segment (loss) profit before tax excludes unallocated interest income and unallocated corporate expenses which are not directly attributable to the business activities of any operating segment.

(a) Segment revenue, results, assets and liabilities

The following is an analysis of the Group's revenue and results by reportable segments:

For the years ended 31 December 2023 and 2022

5. 收入及經營分類(續)

所有負債已分配至可呈報分類，惟若干應計費用(歸類為未分配企業負債)除外。

除稅前分類(虧損)溢利不包括未分配利息收入及不直接歸屬於任何經營分類之業務活動的未分配企業開支。

(a) 分類收入、業績、資產及負債

以下為按可呈報分類劃分之本集團收入及業績分析：

截至二零二三年及二零二二年十二月三十一日止年度

		Toys		Agricultural products		Total	
		玩具		農產品		總計	
		2023	2022	2023	2022	2023	2022
		二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
		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
Reportable segment revenue	可呈報分類收入						
Revenue from external customers	來自外間客戶之收入	522,827	849,096	435	–	523,262	849,096
Reportable segment (loss) profit before tax	可呈報除稅前分類(虧損)溢利	(7,262)	53,065	(3,338)	–	(10,600)	53,065
Unallocated corporate income	未分配企業收入					1,984	33
Unallocated corporate expenses	未分配企業開支					(14,382)	(41,329)
(Loss) profit before tax	除稅前(虧損)溢利					(22,998)	11,769

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

5. REVENUE AND OPERATING SEGMENTS (Continued)

(a) Segment revenue, results, assets and liabilities (Continued)

5. 收入及經營分類(續)

(a) 分類收入、業績、資產及負債(續)

		Toys		Agricultural products		Unallocated		Total	
		玩具		農產品		未分配		總計	
		2023	2022	2023	2022	2023	2022	2023	2022
		二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年	二零二三年	二零二二年
		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
Other segment information (included in the measure of segment profit or loss or segment assets)	其他分類資料(計入分類損益或分類資產計量)								
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(10,905)	(6,094)	(540)	–	(7)	(86)	(11,452)	(6,180)
Depreciation of right-of-use assets	使用權資產之折舊	(1,545)	(913)	(14)	–	(137)	(3,154)	(1,696)	(4,067)
Reversal of ECL for trade receivables	應收貿易款項之預期信貸虧損轉回	3,273	8,181	–	–	–	–	3,273	8,181
Reversal of ECL for loan receivables	應收貸款之預期信貸虧損轉回	–	–	–	–	600	400	600	400
Provision of ECL for other receivables	其他應收款項之預期信貸虧損撥備	–	–	–	–	–	(29,067)	–	(29,067)
Write down of inventories, net	存貨撇減，淨額	(5,449)	(1,882)	–	–	–	–	(5,449)	(1,882)
(Loss) gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之(虧損)收益淨值	(205)	419	–	–	–	100	(205)	519
Gain on disposal of subsidiaries	出售附屬公司之收益	–	–	–	–	–	29,906	–	29,906
Gain on termination of a lease agreement	終止租賃協議收益	–	718	–	–	–	603	–	1,321
Impairment loss on interests in associates	聯營公司權益之減值虧損	–	–	–	–	–	(10,000)	–	(10,000)
Loss on deregistration of a subsidiary	取消登記附屬公司之虧損	–	–	–	–	(1,095)	–	(1,095)	–
Gain on disposal of interests in associates	出售於聯營公司之權益收益	–	–	–	–	2,480	–	2,480	–
Gain arising from changes in fair value less costs to sell of biological assets	生物資產公允價值減銷售成本變動產生之收益	–	–	13	–	–	–	13	–
Bank interest income	銀行利息收入	18	44	4	–	18	4	40	48
Interest expense	利息開支	(11,723)	(10,711)	–	–	(3,864)	(3,640)	(15,587)	(14,351)
Purchases of property, plant and equipment	購買物業、廠房及設備	7,398	9,781	5,320	–	385	29	13,103	9,810
Addition of right-of-use assets	添置使用權資產	–	4,694	–	–	657	1,885	657	6,579

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For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

5. REVENUE AND OPERATING SEGMENTS (Continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

As at 31 December 2023

		Toys 玩具 HK\$'000 千港元	Agricultural products 農產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment assets	可呈報分類資產	388,926	7,477	396,403
Unallocated corporate assets	未分配企業資產			17,922
Total assets	資產總值			414,325
Reportable segment liabilities	可呈報分類負債	(431,323)	(825)	(432,148)
Unallocated corporate liabilities	未分配企業負債			(63,046)
Total liabilities	負債總額			(495,194)

As at 31 December 2022

於二零二二年十二月三十一日

		Securities investments 證券投資 HK\$'000 千港元	Toys 玩具 HK\$'000 千港元	Medical and health 醫藥及保健 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Reportable segment assets	可呈報分類資產	–	330,390	–	330,390
Unallocated corporate assets	未分配企業資產				10,556
Total assets	資產總值				340,946
Reportable segment liabilities	可呈報分類負債	–	(360,871)	–	(360,871)
Unallocated corporate liabilities	未分配企業負債				(69,723)
Total liabilities	負債總額				(430,594)

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截至二零二三年十二月三十一日止年度

5. REVENUE AND OPERATING SEGMENTS (Continued)

(c) Geographical information

The following is an analysis of geographical location of (i) the Group's revenue and (ii) the Group's non-current assets including property, plant and equipment, right-of-use assets and investment properties. The geographical location of customers refers to the customers' place of domicile. The geographical locations of property, plant and equipment and right-of-use assets are based on the physical location of the asset under consideration.

		Revenue from external customers 來自外間客戶之收入		Non-current assets 非流動資產	
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong	香港	3,405	26,223	883	890
The PRC	中國	2,110	7,730	114,362	120,962
United States	美國	475,191	751,758	–	–
Europe	歐洲	28,447	39,496	–	–
Korea	韓國	11,708	23,889	–	–
Australia	澳洲	1,966	–	–	–
Japan	日本	435	–	6,186	–
		523,262	849,096	121,431	121,852

(d) Information about major customers

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

(d) 有關主要客戶之資料

於有關年度來自為本集團總銷售貢獻10%以上之客戶之收入如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Revenue from manufacturing for sale of toys segment	製造玩具以供出售分類之收入		
Customer A	客戶A	475,191	750,709

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For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

6. OTHER INCOME, GAINS AND LOSSES

6. 其他收入、收益及虧損

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Bank interest income	銀行利息收入	40	48
Loss on early termination of lease of investment property	投資物業的租賃提前終止的虧損	–	(4,702)
Net foreign exchange gain	匯兌收益淨額	7,088	12,687
Mould income	模具收入	1,276	2,739
Rental income	租金收入	217	1,160
(Loss) gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之(虧損)收益淨額	(205)	519
Gain on disposal of interests of associates (note 18)	出售聯營公司權益之收益(附註18)	2,480	–
Gain on lease termination	租賃終止收益	–	1,321
Loss on deregistration of a subsidiary (note ii)	取消登記附屬公司之虧損(附註ii)	(1,095)	–
Government grants (note i)	政府補助(附註i)	–	752
Impairment loss on interests in associates	聯營公司權益之減值虧損	–	(10,000)
Sundry income	雜項收入	499	3,693
		10,300	8,217

Notes:

- (i) During the year ended 31 December 2022, the Group recognised government grants of HK\$752,000 in respect of COVID-19 related subsidies, which related to Employment Support Scheme provided by the Hong Kong government.
- (ii) During the year ended 31 December 2023, the Group deregistered a wholly-owned subsidiary in the PRC and completed on 21 August 2023. Loss on deregistration of a subsidiary at the date of deregistration was approximately HK\$1,095,000.

附註：

- (i) 截至二零二二年十二月三十一日止年度，本集團就COVID-19相關補貼確認政府補助752,000港元，與香港政府提供之保就業計劃有關。
- (ii) 截至二零二三年十二月三十一日止年度，本集團於中國取消登記一間全資附屬公司並於二零二三年八月二十一日完成。於取消登記日期取消登記附屬公司之虧損約為1,095,000港元。

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截至二零二三年十二月三十一日止年度

7. (REVERSAL) PROVISION FOR EXPECTED CREDIT LOSSES

7. 預期信貸虧損(轉回)撥備

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Reversal of ECL for loan receivables (notes 17 and 37(b))	應收貸款之預期信貸虧損轉回 (附註17及37(b))	(600)	(400)
Reversal of ECL for trade receivables (notes 21 and 37(b))	應收貿易款項之預期信貸虧損 轉回(附註21及37(b))	(3,273)	(8,181)
Provision of ECL for other receivables	其他應收款項之預期信貸虧損撥備	–	29,067
		(3,873)	20,486

8. FINANCE COSTS

8. 融資成本

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Interest on bank loans	銀行貸款之利息	6,974	5,069
Interest on corporate bond	企業債券之利息	3,038	3,038
Interest on other loans	其他貸款之利息	–	110
Interest on revolving loans	循環貸款之利息	980	1,379
Interest on short-term loans	短期貸款之利息	3,714	3,949
Interest on lease liabilities	租賃負債之利息	358	806
Imputed interest on convertible bonds	可換股債券之推算利息	523	–
		15,587	14,351

9. INCOME TAX EXPENSE

9. 所得稅開支

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Hong Kong Profits Tax Current year	香港利得稅 本年度	–	–
PRC Enterprise Income Tax Current year	中國企業所得稅 本年度	4,094	9,235
Japan Corporate Income Tax Current year	日本企業所得稅 本年度	5	–
		4,099	9,235
Deferred tax expense (credit) (note 29)	遞延稅項開支(抵免)(附註29)	2,264	(5,545)
Income tax expense	所得稅開支	6,363	3,690

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9. INCOME TAX EXPENSE (Continued)

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amounts involved arising from the implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The provision for the land appreciation tax ("LAT") is calculated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates on the appreciation value, with certain allowable deductions.

The Group is liable to withholding taxes on dividends distributed by the subsidiaries established in the PRC in respect of earnings generated from 1 January 2008. Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate of 5% is applied to the Group as there is a double tax treaty between the PRC and Hong Kong and the relevant Hong Kong companies should be qualified for the preferential tax rate based on the prescribed conditions.

Under the law of Japan on Corporate Income Tax, the tax rate of the Japan subsidiary is 22.4% for 2023.

Taxation arising in other jurisdictions is calculated at the rates of tax prevailing in the relevant jurisdictions.

9. 所得稅開支(續)

根據兩級利得稅稅率制度，合資格企業之首2百萬港元溢利將按8.25%之稅率繳納稅項，而超過2百萬港元之溢利將按16.5%之稅率繳納稅項。不符合兩級利得稅稅率制度資格之集團企業之溢利將繼續按16.5%之統一稅率繳納稅項。

本公司董事認為，實施兩級利得稅稅率制度所產生的有關金額對綜合財務報表而言微不足道。兩個年度的香港利得稅乃按估計應課稅溢利的16.5%計算。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度的稅率均為25%。

土地增值稅(「土地增值稅」)撥備根據相關中國稅務法律及法規所載規定估計。土地增值稅已按增值價值的累進稅率範圍作出撥備，但允許有若干減免。

若本集團旗下在中國成立之附屬公司就二零零八年一月一日以後賺取之盈利向本集團派付股息，本集團須就此繳納預扣稅。根據中國企業所得稅法，在中國成立之外資企業向外國投資者宣派股息，有關股息須繳納10%之預扣稅。此規定自二零零八年一月一日開始生效並適用於二零零七年十二月三十一日之後的盈利。由於中國與香港訂有避免雙重徵稅安排，而有關香港公司根據指定條件符合資格享有優惠稅率，因此較低之5%預扣稅稅率適用於本集團。

根據日本企業所得稅法，日本附屬公司於二零二三年的稅率為22.4%。

其他司法權區之稅項乃按有關司法權區現行稅率計算。

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9. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the (loss) profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

9. 所得稅開支(續)

本年度稅項開支與綜合損益及其他全面收益表所示除稅前(虧損)溢利對賬如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss) profit before tax	除稅前(虧損)溢利	(22,998)	11,769
Notional tax on (loss) profit before tax, calculated at the rates applicable to profits in the tax jurisdictions concerned	以適用於相關稅務司法權區之溢利的稅率計算之除稅前(虧損)溢利名義稅項	(673)	3,760
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(6,133)	(30,570)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	6,504	45,918
Tax effect of deductible temporary differences not recognised	未確認可扣稅暫時差異之稅務影響	380	(5,988)
Effect of withholding tax at 5% on the distributable profits of the Company's subsidiaries in the PRC	本公司於中國之附屬公司之可分派溢利按5%計算之預扣稅之影響	2,229	150
Deferred tax effects of LAT	土地增值稅之遞延稅務影響	15	(5,695)
Deferred tax effects of biological assets	生物資產之遞延稅務影響	20	-
Tax effect of tax losses not recognised	未確認之稅項虧損之稅務影響	4,617	1,567
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(596)	(5,452)
Income tax expense for the year	年度所得稅開支	6,363	3,690

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10. (LOSS) PROFIT FOR THE YEAR

(Loss) profit for the year has been arrived at after charging (crediting):

10. 年度(虧損)盈利

年度(虧損)盈利已扣除(計入)以下各項：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Employee benefit expense (including directors' remunerations):	僱員福利開支(包括董事酬金):		
Wages and salaries	工資及薪金	95,140	114,809
Other employee benefits	其他僱員福利	1,348	1,200
Contributions to defined contribution retirement plans	定額供款退休計劃之供款	9,594	10,819
		106,082	126,828
Auditors' remuneration	核數師酬金	1,400	1,429
Cost of inventories recognised as an expense (included in cost of sales)	確認為開支之存貨成本(計入銷售成本)	478,136	739,063
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,452	6,180
Depreciation of right-of-use assets	使用權資產折舊	1,696	4,067
Write down of inventories, net (included in cost of sales)	存貨撇減，淨額(計入銷售成本)	5,449	11,882
Short-term lease charges in respect of land and buildings	土地及樓宇之短期租賃支出	669	978
Over-provision for litigation (included in other operating expenses)	訴訟超額撥備(計入其他經營開支)	-	(2,652)
Professional fee (included in other operating expenses)	專業費用(計入其他經營開支)	5,072	12,166

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II. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(a) Directors' and chief executive's emoluments

Directors' and chief executive's remuneration for the year, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of information about Benefits of directors) Regulation are as follows:

II. 董事及主要管理人員酬金

(a) 董事及主要管理人員酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之董事及主要管理人員之本年度薪酬如下：

	Notes 附註	Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼 及實物福利 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利 計劃供款 HK\$'000 千港元	Total remuneration 酬金總額 HK\$'000 千港元
2023	二零二三年				
<i>Executive directors:</i>	<i>執行董事：</i>				
Mr. Jiang Qing Hui	蔣青輝先生 (i)	–	482	–	482
Mr. Weng Zu Dian	翁祖鈿先生 (ii)	–	60	–	60
Dr. Liao Wenjian	廖文劍博士 (iii)	–	714	–	714
Mr. Zhao Deyong	趙德永先生 (iv)	–	435	9	444
		–	1,691	9	1,700
<i>Non-executive director:</i>	<i>非執行董事：</i>				
Mr. Lin Shaopeng	林少鵬先生	120	1,247	50	1,417
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>				
Mr. Chan Cheuk Ho	陳卓豪先生 (v)	63	–	–	63
Mr. Kwok Kim Hung Eddie	郭劍雄先生	138	–	–	138
Mr. Ng Wai Hung	吳偉雄先生 (vi)	72	–	–	72
Mr. Zhao Yong	趙勇先生	138	–	–	138
		411	–	–	411
Total directors' and chief executive's emoluments	董事及主要管理人員酬金總額	531	2,938	59	3,528

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

II. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(Continued)

(a) Directors' and chief executive's emoluments (Continued)

II. 董事及主要管理人員酬金(續)

(a) 董事及主要管理人員酬金(續)

		Notes	Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total remuneration
		附註	袍金	薪金、津貼及實物福利	退休福利計劃供款	酬金總額
			HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元
2022	二零二二年					
<i>Executive directors:</i>	<i>執行董事：</i>					
Dr. Liao Wenjian	廖文劍博士		–	900	–	900
Mr. Zhao Deyong	趙德永先生		–	900	18	918
Mr. Wong Kui Fai	黃鉅輝先生	(vii)	52	–	2	54
			52	1,800	20	1,872
<i>Non-executive director:</i>	<i>非執行董事：</i>					
Mr. Lin Shaopeng	林少鵬先生		120	2,426	32	2,578
<i>Independent non-executive directors:</i>	<i>獨立非執行董事：</i>					
Mr. Kwok Kim Hung Eddie	郭劍雄先生		156	–	–	156
Mr. Ng Wai Hung	吳偉雄先生		156	–	–	156
Mr. Zhao Yong	趙勇先生		156	–	–	156
			468	–	–	468
Total directors' and chief executive's emoluments	董事及主要管理人員酬金總額		640	4,226	52	4,918

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上文所示執行董事之酬金乃就其管理本公司及本集團事務提供之服務而支付。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

II. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(Continued)

(a) Directors' and chief executive's emoluments (Continued)

The non-executive director's emoluments shown above were mainly for his services as director of the Company or its subsidiaries.

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

Notes:

- (i) Appointed on 25 April 2023.
- (ii) Appointed on 29 June 2023.
- (iii) Resigned on 28 December 2023.
- (iv) Retired on 16 June 2023.
- (v) Appointed on 23 June 2023.
- (vi) Retired on 16 June 2023.
- (vii) Resigned on 18 March 2022.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the years ended 31 December 2023 and 2022.

As at 31 December 2023 and 2022, no share options that had been granted to directors.

II. 董事及主要管理人員酬金(續)

(a) 董事及主要管理人員酬金(續)

上文所示非執行董事之酬金主要就其擔任本公司或其附屬公司董事提供之服務而支付。

上文所示獨立非執行董事之酬金主要就其擔任本公司董事提供之服務而支付。

附註：

- (i) 於二零二三年四月二十五日獲委任。
- (ii) 於二零二三年六月二十九日獲委任。
- (iii) 於二零二三年十二月二十八日辭任。
- (iv) 於二零二三年六月十六日退任。
- (v) 於二零二三年六月二十三日獲委任。
- (vi) 於二零二三年六月十六日退任。
- (vii) 於二零二二年三月十八日辭任。

於截至二零二三年及二零二二年十二月三十一日止年度概無有關董事或主要管理人員放棄或同意放棄任何薪酬之安排。

於二零二三年及二零二二年十二月三十一日，概無已授予董事之購股權。

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II. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(Continued)

(b) Directors' retirement benefits

Except for those disclosed above, none of the directors received or will receive any retirement benefits during the year (2022: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year (2022: Nil).

(d) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2023, the Company did not pay consideration to any third parties for making available directors' services (2022: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporates and connected entities with such directors

During the year ended 31 December 2023, there are no loan, quasi-loan and other dealing arrangement in favour of the directors, or controlled body corporates and connected entities of such directors (2022: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

On 16 December 2022, the Company entered into the Convertible Bonds (the "CB") Subscription Agreement with the subscriber, a corporation controlled by the director, Mr. Jiang Qing Hui ("Mr. Jiang"). On 20 April 2023, the completion of the CB subscription took place and CB in the aggregate principal amount of HK\$14,000,000 were issued to Mr. Jiang. On 24 May 2023, the CB were converted into 63,636,364 shares. During the year ended 31 December 2023, there are no other significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director 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 (2022: Nil).

II. 董事及主要管理人員酬金(續)

(b) 董事退休福利

除上文披露者外，年內，概無董事收到或將收到任何退休福利(二零二二年：無)。

(c) 董事離職福利

年內，概無董事收到或將收到任何離職福利(二零二二年：無)。

(d) 就獲得董事服務向第三方支付代價

截至二零二三年十二月三十一日止年度，本公司並無就獲得董事服務向任何第三方支付代價(二零二二年：無)。

(d) 有關以董事、有關董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至二零二三年十二月三十一日止年度，並無以董事或有關董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易安排(二零二二年：無)。

(e) 董事於交易、安排或合約之重大權益

於二零二二年十二月十六日，本公司與認購人訂立可換股債券(「可換股債券」)認購協議，該認購人為董事蔣青輝先生(「蔣先生」)控制的法團。於二零二三年四月二十日，可換股債券認購事項完成，且本金總額14,000,000港元的可換股債券已發行予蔣先生。於二零二三年五月二十四日，可換股債券被轉換為63,636,364股股份。截至二零二三年十二月三十一日止年度，本公司並無訂立於年末或年內任何時間存續之與本公司之業務有關且本公司董事直接或間接於其中擁有重大權益之其他重大交易、安排及合約(二零二二年：無)。

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截至二零二三年十二月三十一日止年度

12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included one director (2022: three directors), details of whose remuneration are set out in note 11 above. Details of the remuneration of the remaining four (2022: two) individuals are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,519	3,905
Retirement benefit scheme contributions	退休福利計劃供款	153	96
		4,672	4,001

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		Number of individuals 人數	
		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	2	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	–
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–	1

13. DIVIDENDS

No dividend was paid or proposed for both years, nor has any dividend been proposed since the end of the reporting period.

12. 五位最高薪僱員酬金

本年度本集團五位最高薪僱員中有一位(二零二二年:三位)董事,酬金之詳情載於上文附註11。餘下四位(二零二二年:兩位)人士之酬金詳情如下:

並非本公司董事及薪酬介乎以下範圍之最高薪僱員數目如下:

13. 股息

於兩個年度並無已付或擬派任何股息,及自報告期末起並無擬派任何股息。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

14. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

14. 每股(虧損)盈利

本公司擁有人應佔每股基本及攤薄(虧損)盈利乃按以下數據計算：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
(Loss) earnings	(虧損)盈利		
(Loss) earnings attributable to owners of the Company for the purposes of basic and diluted (loss) earnings per share	就計算每股基本及攤薄(虧損)盈利所用之本公司擁有人應佔(虧損)盈利	(28,650)	8,079
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	450,401	366,186

No adjustment was made in calculating diluted loss per share for the year ended 31 December 2023 as the conversion of convertible bonds would result in decrease in loss per share. Accordingly, the diluted loss per share is the same as the basic loss per share (2022: No diluted earnings per share was presented as there were no potential ordinary shares in issue).

截至二零二三年十二月三十一日止年度計算每股攤薄虧損時並未進行調整，因轉換可換股債券將導致每股虧損減少。因此，每股攤薄虧損與每股基本虧損相同(二零二二年：由於並無具攤薄潛力之已發行普通股份，因此並未呈列每股攤薄盈利)。

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截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Leasehold buildings	Leasehold improvements	Plant and Machinery	Furniture, fixture and office equipment 傢俬、 裝置及 辦公室 設備	Motor vehicles	Construction in progress	Total
		租賃樓宇	租賃 物業裝修	廠房 及機器	汽車	在建工程	總計	
		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	
2023	二零二三年							
At 1 January 2023	於二零二三年一月一日							
Cost or valuation	成本值或估值	102,000	5,567	69,798	44,224	5,548	–	227,137
Accumulated depreciation and impairment	累計折舊及減值	–	(5,311)	(62,889)	(40,228)	(3,892)	–	(112,320)
Carrying amount	賬面值	102,000	256	6,909	3,996	1,656	–	114,817
Year ended 31 December 2023	截至二零二三年 十二月三十一日止年度							
Opening net carrying amount	年初賬面淨值	102,000	256	6,909	3,996	1,656	–	114,817
Addition	增置	–	436	6,018	2,057	2,939	1,653	13,103
Addition through acquisition of subsidiaries	透過收購附屬公司增置	–	–	513	22	34	809	1,378
Transfer	轉讓	–	–	2,334	–	–	(2,334)	–
Disposals	出售	–	–	(409)	(6)	–	–	(415)
Deficit on revaluation	重估虧絀	(1,114)	–	–	–	–	–	(1,114)
Depreciation	折舊	(4,435)	(458)	(3,564)	(2,152)	(843)	–	(11,452)
Exchange realignment	匯兌調整	(451)	(35)	(343)	(114)	(34)	24	(953)
Closing net carrying amount	年終賬面淨值	96,000	199	11,458	3,803	3,752	152	115,364
At 31 December 2023	於二零二三年十二月三十一日							
Cost or valuation	成本值或估值	96,000	5,876	72,502	45,574	8,493	152	228,597
Accumulated depreciation and impairment	累計折舊及減值	–	(5,677)	(61,044)	(41,771)	(4,741)	–	(113,233)
Carrying amount	賬面值	96,000	199	11,458	3,803	3,752	152	115,364
Analysis of cost or valuation:	成本值或估值分析：							
At cost	按成本值	–	199	11,458	3,803	3,752	152	19,364
At valuation	按估值	96,000	–	–	–	–	–	96,000
		96,000	199	11,458	3,803	3,752	152	115,364

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截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

15. 物業、廠房及設備(續)

		Leasehold buildings	Leasehold improvements	Plant and Machinery	Furniture, fixture and office equipment 傢俬、 裝置及 辦公室 設備	Motor vehicles	Construction in progress	Total
		租賃樓宇 HK\$'000 千港元	租賃 物業裝修 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
2022	二零二二年							
At 1 January 2022	於二零二二年一月一日							
Cost or valuation	成本值或估值	102,765	6,351	75,751	43,422	6,391	2,439	237,119
Accumulated depreciation and impairment	累計折舊及減值	-	(6,351)	(75,751)	(43,269)	(5,075)	-	(130,446)
Carrying amount	賬面值	102,765	-	-	153	1,316	2,439	106,673
Year ended 31 December 2022	截至二零二二年十二月三十一日止年度							
Opening net carrying amount	年初賬面淨值	102,765	-	-	153	1,316	2,439	106,673
Addition	增置	-	254	5,264	3,443	849	-	9,810
Disposals	出售	-	-	(750)	(56)	(104)	(2,311)	(3,221)
Surplus on revaluation	重估盈餘	11,350	-	-	-	-	-	11,350
Depreciation	折舊	(4,282)	(46)	(1,144)	(350)	(358)	-	(6,180)
Exchange realignment	匯兌調整	(7,833)	49	3,539	806	(47)	(128)	(3,614)
Disposal of subsidiary	出售附屬公司	-	(1)	-	-	-	-	(1)
Closing net carrying amount	年終賬面淨值	102,000	256	6,909	3,996	1,656	-	114,817
At 31 December 2022	於二零二二年十二月三十一日							
Cost or valuation	成本值或估值	102,000	5,567	69,798	44,224	5,548	-	227,137
Accumulated depreciation and impairment	累計折舊及減值	-	(5,311)	(62,889)	(40,228)	(3,892)	-	(112,320)
Carrying amount	賬面值	102,000	256	6,909	3,996	1,656	-	114,817
Analysis of cost or valuation:	成本值或估值分析:							
At cost	按成本值	-	256	6,909	3,996	1,656	-	12,817
At valuation	按估值	102,000	-	-	-	-	-	102,000
		102,000	256	6,909	3,996	1,656	-	114,817

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截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold buildings	Over the remaining lease terms of 23 years (2022: 24 years)
Leasehold improvements	10% to 33%
Plant and machinery	6.67% to 15%
Furniture, fixtures and office equipment	15% to 20%
Motor vehicles	20%

- (a) The carrying amounts of the leasehold buildings of the Group at 31 December 2023 would have been approximately HK\$32,555,000 (2022: HK\$34,035,000) had they been carried at cost less accumulated depreciation.
- (b) At 31 December 2023, the Group's leasehold buildings in the PRC with carrying amounts of approximately HK\$96,000,000 (2022: HK\$102,000,000) were pledged to secure general banking facilities granted to the Group (note 27).
- (c) The leasehold buildings situated in the PRC of HK\$96,000,000 (2022: HK\$102,000,000) are located on the leasehold lands as disclosed in note 16 to the consolidated financial statements.
- (d) Fair value measurement of the Group's leasehold buildings

The Group's leasehold buildings were revalued on 31 December 2023 and 2022 by RHL Appraisal Limited, an independent qualified professional valuer not connected to the Group.

15. 物業、廠房及設備(續)

上列物業、廠房及設備項目(在建工程除外)按以下年率使用直線法折舊：

租賃樓宇	按剩餘租賃年期23年 (二零二二年：24年)
租賃物業裝修	10%至33%
廠房及機器	6.67%至15%
傢俬、裝置及辦公室設備	15%至20%
汽車	20%

- (a) 倘按成本減累計折舊計算，本集團之租賃樓宇於二零二三年十二月三十一日之賬面值約為32,555,000港元(二零二二年：34,035,000港元)。
- (b) 於二零二三年十二月三十一日，本集團已就授予本集團之一般銀行信貸而抵押位於中國之租賃樓宇，賬面值約為96,000,000港元(二零二二年：102,000,000港元)(附註27)。
- (c) 位於中國之租賃樓宇的賬面值為96,000,000港元(二零二二年：102,000,000港元)乃位於綜合財務報表附註16所披露之租賃土地上。
- (d) 本集團租賃樓宇之公允值計量

本集團之租賃樓宇於二零二三年及二零二二年十二月三十一日由與本集團並無關連之獨立合資格專業估值師永利行評值顧問有限公司進行重估。

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截至二零二三年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (d) Fair value measurement of the Group's leasehold buildings (Continued)

Due to the nature of buildings and structures, and absence of sufficient market data, the fair value of the leasehold buildings was determined based on the depreciated replacement cost approach calculated based on the current cost of replacement of a property less deductions for physical deterioration and all relevant forms of obsolescence and optimisation. The valuations were carried out by RHL, which has among their staff members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued. The Group's finance department worked closely and had discussions with RHL on the valuation assumptions and valuation results when the valuation was performed at the annual reporting date. There has been no change to the valuation technique during the year.

In estimating the fair value of the leasehold buildings, the highest and best use of the properties is their current use.

Fair value hierarchy

The following table presents the fair value of the Group's leasehold buildings measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair Value Measurement". The leasehold buildings located in the PRC are measured at Level 3 fair value category as at 31 December 2023 and 2022.

15. 物業、廠房及設備(續)

- (d) 本集團租賃樓宇之公允值計量(續)

由於樓宇及構築物之性質及缺乏足夠之市場數據，租賃樓宇之公允值乃基於折舊重置成本法(根據物業現時之重置成本減實際耗損及所有相關形式之陳舊及優化計算)釐定。有關估值由永利行進行，其部份員工為香港測量師學會會員並對所估值物業之地點及類別有近期估值經驗。本集團之財務部已於每年報告日期進行估值時與永利行緊密合作並討論估值假設及估值結果。於本年度估值技術並無變動。

就估計租賃樓宇公允值而言，物業之最高及最佳使用值為其現時之使用值。

公允值級別

下表呈列本集團租賃樓宇之公允值，乃於報告期末按經常性基準計量，並分類為香港財務報告準則第13號「公允值計量」所界定之三級公允值級別。位於中國之租賃樓宇於二零二三年及二零二二年十二月三十一日按第三級公允值類別計量。

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15. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (d) Fair value measurement of the Group's leasehold buildings (Continued)

Fair value hierarchy (Continued)

		Fair value as at		Fair value as at	
		Fair value	31 December	Fair value	31 December
		hierarchy	2023	hierarchy	2022
			於二零二三年		於二零二二年
			十二月三十一日		十二月三十一日
		公允值級別	之公允值	公允值級別	之公允值
			HK\$'000		HK\$'000
			千港元		千港元
Leasehold buildings in the PRC	於中國之租賃樓宇	Level 3	96,000	Level 3	102,000
		第三級		第三級	
Less: costs of impairment loss	減：減值虧損成本		–		–
			96,000		102,000

During the years ended 31 December 2023 and 2022, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

Information about Level 3 fair value measurements

For the years ended 31 December 2023 and 2022

15. 物業、廠房及設備(續)

- (d) 本集團租賃樓宇之公允值計量(續)

公允值級別(續)

		Fair value as at		Fair value as at	
		Fair value	31 December	Fair value	31 December
		hierarchy	2023	hierarchy	2022
			於二零二三年		於二零二二年
			十二月三十一日		十二月三十一日
		公允值級別	之公允值	公允值級別	之公允值
			HK\$'000		HK\$'000
			千港元		千港元
Leasehold buildings in the PRC	於中國之租賃樓宇	Level 3	96,000	Level 3	102,000
		第三級		第三級	
Less: costs of impairment loss	減：減值虧損成本		–		–
			96,000		102,000

截至二零二三年及二零二二年十二月三十一日止年度，第一級與第二級之間並無轉移，亦無轉入或轉出第三級。

有關第三級公允值計量的資料

截至二零二三年及二零二二年十二月三十一日止年度

	Valuation techniques	Significant unobservable input	Sensitivity
	估值技巧	重大不可觀察的輸入數據	敏感度
Leasehold buildings in the PRC	Depreciated replacement cost approach	Recent general construction cost, taking into account the differences in location and the age of property, at a rate of RMB1,918 (2022: RMB1,965) per square metre.	A significant increase in construction cost would result in a significant increase in fair value, and vice versa.
於中國之租賃樓宇	折舊重置成本法	最近一般建築成本，其中計及物業地點及樓齡的差異，每平方米人民幣1,918元(二零二二年：人民幣1,965元)。	建築成本大幅增加導致公允值大幅增加，反之亦然。

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16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Leasehold lands 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
As at 31 December 2023	於二零二三年十二月三十一日			
Carrying amount	賬面值	3,155	2,995	6,150
As at 31 December 2022	於二零二二年十二月三十一日			
Carrying amount	賬面值	3,299	3,820	7,119
For the year ended 31 December 2023	截至二零二三年十二月三十一日 止年度			
Depreciation charge	折舊費用	144	1,552	1,696
For the year ended 31 December 2022	截至二零二二年十二月三十一日 止年度			
Depreciation charge	折舊費用	144	3,923	4,067
			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Expense relating to short-term leases	短期租賃相關開支		669	978
Total cash outflow for leases	租賃之現金流出總額		2,443	4,238
Additions to right-of-use assets	增加使用權資產		657	6,579
Acquisition of subsidiaries (note 35)	收購附屬公司(附註35)		105	–

For both years, the Group leases various offices and industrial buildings for its operations. Lease contracts are entered into for fixed term of 1 year to 9 years (2022: 1 year to 5 years), but may have extension and termination options as described below. Lease terms are negotiated on an individual basis and contain a wide range of 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.

於兩個年度，本集團租賃多個辦公室及工業大廈以供營運。租賃合約之固定年期為一年至九年(二零二二年：一年至五年)，惟如下文所述可予延長及終止。租賃條款乃按個別基準磋商，包括各種不同條款及條件。於釐定期期及評估不可撤銷期間之期限時，本集團應用合約之定義並釐定合約可強制執行之期間。

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16. RIGHT-OF-USE ASSETS (Continued)

The lease arrangements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

At 31 December 2023, the Group's leasehold land under right-of-use assets in the PRC with carrying amounts of approximately HK\$3,155,000 (2022: HK\$3,299,000) were pledged to secure general banking facilities granted to the Group (note 27).

The leasehold lands are held under a medium term lease and are situated in the PRC.

16. 使用權資產(續)

租賃安排並無施加任何契諾，惟租賃資產或未能就借貸用作抵押。

於二零二三年十二月三十一日，本集團賬面值約3,155,000港元(二零二二年：3,299,000港元)位於中國之使用權資產項下之租賃土地已抵押作為本集團獲授一般銀行融資之擔保(附註27)。

租賃土地乃按中期租賃持有，並位於中國。

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17. LOAN RECEIVABLES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Fixed-rate loan receivables	定息應收貸款	16,126	16,733
Less: provision of ECL	減：預期信貸虧損撥備	(16,126)	(16,733)
		-	-

The gross carrying amount of HK\$16,126,000 (2022: HK\$16,733,000) is assessed on the lifetime ECL. The reversal of ECL on the loan receivables amounted to HK\$600,000 (2022: HK\$400,000) during the year ended 31 December 2023, details of which are set out in note 37(b).

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for loan receivables.

As at 31 December 2023, the Groups loan receivables of HK\$16,126,000 (2022: HK\$16,733,000) were individually determined to be impaired.

17. 應收貸款

賬面總額 16,126,000 港元(二零二二年：16,733,000 港元)乃按全期預期信貸虧損進行評估。截至二零二三年十二月三十一日止年度，應收貸款的預期信貸虧損轉回為 600,000 港元(二零二二年：400,000 港元)，有關詳情載於附註 37(b)。

於本報告期內，評估應收貸款虧損撥備的估計方法或重大假設並無變動。

於二零二三年十二月三十一日，本集團應收貸款 16,126,000 港元(二零二二年：16,733,000 港元)已個別釐定為減值。

18. INTERESTS IN ASSOCIATES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Share of net assets	分佔資產淨值	-	10,000
Impairment (note i)	減值(附註i)	-	(10,000)
		-	-

18. 於聯營公司權益

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18. INTERESTS IN ASSOCIATES

Particulars of the Group's interests in associates is as follow:

Name of company	Form of business structure	Place of incorporation/ operation	Percentage of ownership interest/ voting rights/ profit share	Principal activities
公司名稱	業務架構形式	註冊成立/ 經營地點	所有者權益/ 投票權/利潤 份額的百分比	主要業務
Bright Triumph Development Limited 凱旋發展有限公司	Corporation	PRC	0% (2022: 40%)	Investment holding
(Bright Triumph Development Limited)	公司	中國	0% (二零二二 年: 40%)	投資控股

Notes:

- (i) During the year ended 31 December 2022, impairment loss of HK\$10,000,000 was recognised in respect of the Group's interest in associates based on the recoverable amount, being the higher of value in use and fair value less cost of disposal, determined by the management.
- (ii) The 40% shares of associates was pledged to the lender of borrowing amount HK\$612,000 and interest payable HK\$246,000. On 30 December 2023, the lender exercise the right on the 40% shares in settlement of the borrowing and interest payable. As part of the transaction, the lender also took over an amount of HK\$1,623,000 due from Billion Pride Group Limited, a wholly owned subsidiary of the Group to the associate. Thus, resulting in a gain on disposal of interests of associates of approximately HK\$2,480,000.

18. 於聯營公司權益(續)

本集團於聯營公司之權益詳情如下：

附註：

- (i) 截至二零二二年十二月三十一日止年度，根據管理層釐定的可收回金額(即使用價及公允價減去出售成本後的較高者)，就本集團於聯營公司之權益，確認減值虧損10,000,000港元。
- (ii) 聯營公司40%的股份被質押予612,000港元貸款及246,000港元應付利息的貸方。於二零二三年十二月三十日，貸方行使40%股份的權利清償貸款及應付利息。作為交易的一部分，貸方亦接管應收本集團全資附屬公司億豪集團有限公司應付聯營公司之款項1,623,000港元。因此，產生出售聯營公司權益之收益約為2,480,000港元。

19. INVENTORIES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Raw materials	原材料	22,786	23,831
Work in progress	在產品	34,357	36,117
Finished goods	製成品	17,999	22,026
		75,142	81,974

19. 存貨

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20. BIOLOGICAL ASSETS

Reconciliation of carrying amount of the Group's biological assets:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
At 1 January	於一月一日	–	–
Arising on acquisition of subsidiaries	出售附屬公司時產生	86	–
Changes in fair value less costs to sell	公允值減銷售成本變動	13	–
Increase due to plantation	種植導致增加	1,020	–
Decrease due to harvest	收割導致減少	(283)	–
Exchange realignment	匯兌調整	(4)	–
At 31 December	於十二月三十一日	832	–

The biological assets are measured at level 3 fair value category as at 31 December 2023. The increase in fair value of biological assets for the year ended of approximately HK\$13,000 was recognised in the consolidated statement of profit or loss.

The Group has engaged Peak Vision Appraisals Limited, an independent valuation firm, to determine the fair value of the biological assets as at 31 December 2023 (the "Valuation Date").

i. Valuation techniques and assumptions

The valuation technique used is the discounted cash flow method under income approach it requires to assess a series of variables, which include the discount rate, attrition rate, planting costs and market prices of vegetables, etc. The values of such variables are determined by the independent valuers using information supplied by the Group, proprietary and third-party data as well as under some assumptions. Major assumptions adopted for valuation are listed below:

20. 生物資產

本集團的生物資產賬面值對賬：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
At 1 January	於一月一日	–	–
Arising on acquisition of subsidiaries	出售附屬公司時產生	86	–
Changes in fair value less costs to sell	公允值減銷售成本變動	13	–
Increase due to plantation	種植導致增加	1,020	–
Decrease due to harvest	收割導致減少	(283)	–
Exchange realignment	匯兌調整	(4)	–
At 31 December	於十二月三十一日	832	–

於二零二三年十二月三十一日，生物資產按第三級公允值分類計量。年末生物資產公允值增加約13,000港元已於綜合損益表中確認。

本集團已委聘獨立估值公司灃鋒評估有限公司釐定生物資產於二零二三年十二月三十一日（「估值日期」）的公允值。

i. 估值方法及假設

所採用的估值方法是收入法下的折現現金流量法，其需要評估一系列變量，包括蔬菜的折現率、損耗率、種植成本及市場價格等。該等變量的價值由獨立估值師使用本集團提供的資料、專有及第三方數據並在若干假設下釐定。估值採用的主要假設如下：

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20. BIOLOGICAL ASSETS (Continued)

Reconciliation of carrying amount of the Group's biological assets:

(Continued)

i. Valuation techniques and assumptions (Continued)

- The projected produce selling price is based on the market price;
- There will be no force majeure, including natural disasters that could adversely impact the conditions of the biological assets and their harvest;
- For the Group to continue as a going concern, the Group will successfully carry out all necessary activities for the development of its business;
- Market trends and conditions where the Group operates will not deviate significantly from the economic forecasts in general;
- The availability of finance will not be a constraint on the forecast growth of the biological assets in accordance with projected harvest of the biological assets;
- Key management, competent personnel and technical staff will all be retained to support the ongoing operations of the Group;
- There will be no material changes in the Group's business strategy and its operating structure;
- Interest rates and exchanges rates in the localities for the operation of the Group will not differ materially from those presently prevailing;

20. 生物資產(續)

本集團的生物資產賬面值對賬:(續)

i. 估值方法及假設(續)

- 預計產品銷售價格根據市場價格釐定；
- 不會有可能對生物資產及彼等之收成之情況產生不利影響的不可抗力事件(包括自然災害)；
- 就本集團繼續按持續經營基準經營而言，本集團將成功開展就其業務發展而言之一切必要活動；
- 本集團經營所在之市場趨勢及狀況整體上將不會顯著偏離經濟預測；
- 按照生物資產之預計收成，融資之可用性將不會為生物資產預期生長之制約；
- 主要管理人員、合資格人員及技術人員均將被保留，以支持本集團之持續經營業務；
- 本集團之業務策略及其經營結構將不會有重大變化；
- 本集團經營所在地方之利率及匯率將不會與現行者有重大差異；

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20. BIOLOGICAL ASSETS (Continued)

Reconciliation of carrying amount of the Group's biological assets:

(Continued)

i. Valuation techniques and assumptions (Continued)

- All relevant approvals, business certificates, licenses or other legislative or administrative authority from any local, provincial or national government, or private entity or organization required to operate in the localities where the Group operates or intends to operate will be officially obtained and renewable upon expiry unless otherwise stated; and
- There will be no major changes in the political, legal, economic or financial conditions and taxation laws in the localities in which the Group operates or intends to operate, which would adversely affect the revenues and profits attributable to the Group after the harvest of the biological assets.

ii. Unobservable inputs

The major inputs for the above valuation models are discount rate, attrition rate and market prices of vegetables.

The values of such inputs are as follows:

- a. The discount rate applied for the year ended 31 December 2023 was 8%.
- b. Attrition rate and expected unit selling price from 5% to 30% and from JPY500 to JPY1,200 per kg respectively.

The higher the discount rate and attrition rate, the lower the fair value.

The higher the estimated vegetables per kg and market prices of vegetables, the higher the fair value.

The fair value measurement is based on the above biological assets' highest and best use, which does not differ from their actual use.

20. 生物資產(續)

本集團的生物資產賬面值對賬：(續)

i. 估值方法及假設(續)

- 除非另有指明，本集團將正式取得於經營或擬經營所在地經營所需向任何地方級、省級及國家級政府、或私人實體或機構獲取之所有相關批准、商業證、牌照或其他立法或行政授權，並於屆滿時重續該等證明；及
- 於生物資產收成後，本集團經營或擬經營所在地之政治、法律、經濟或財務狀況及稅法將不會出現對本集團應佔收入及溢利造成不利影響之重大變動。

ii. 不可觀察輸入參數

上述估值模型的主要輸入參數為蔬菜的折現率、損耗率及市場價格。

該等輸入參數的價值如下：

- a. 截至二零二三年十二月三十一日止年度應用的折現率為8%。
- b. 損耗率及預計單位售價分別為5%至30%及每千克500日圓至1,200日圓。

折現率及損耗率越高，公允值越低。

估計每千克蔬菜及蔬菜市場價格越高，公允值越高。

公允值計量基於上述生物資產的最高及最佳用途進行，與彼等之實際用途並無差別。

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截至二零二三年十二月三十一日止年度

21. TRADE RECEIVABLES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade receivables, gross	應收貿易款項總額	71,657	75,951
Less: provision of ECL	減：預期信貸虧損撥備	(1,175)	(4,448)
Trade receivables, net	應收貿易款項淨額	70,482	71,503

At as 31 December 2023, the gross carrying amount of trade receivables arising from contracts with customers amounted to approximately HK\$71,657,000 (2022: HK\$75,951,000).

The following is an ageing analysis of trade receivables (net of provision of ECL) presented based on the invoice dates which are approximate to the revenue recognition date:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 30 days	0至30天	30,820	68,251
31 to 90 days	31至90天	39,385	315
Over 90 days	90天以上	277	2,937
		70,482	71,503

The Group's trading terms with its customers are mainly on credit with credit periods generally ranging from 30 to 60 days. The Group seeks to maintain strict control over its outstanding receivables, and overdue balances are reviewed regularly by management. Trade receivables are non-interest bearing.

ECL of trade receivables

Movements in the impairment allowance on trade receivables

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
1 January	一月一日	4,448	12,628
Reversal of ECL allowance	預期信貸虧損撥備撥回	(4,448)	(12,349)
Provision of ECL allowance	預期信貸虧損撥備	1,175	4,169
31 December	十二月三十一日	1,175	4,448

21. 應收貿易款項

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade receivables, gross	應收貿易款項總額	71,657	75,951
Less: provision of ECL	減：預期信貸虧損撥備	(1,175)	(4,448)
Trade receivables, net	應收貿易款項淨額	70,482	71,503

於二零二三年十二月三十一日，客戶合約產生之應收貿易款項之賬面總值約為71,657,000港元(二零二二年：75,951,000港元)。

以下為按發票日期(與收入確認日期相若)呈列並經扣除預期信貸虧損撥備後之應收貿易款項之賬齡分析：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 30 days	0至30天	30,820	68,251
31 to 90 days	31至90天	39,385	315
Over 90 days	90天以上	277	2,937
		70,482	71,503

本集團與其客戶乃主要按信貸方式訂立貿易條款，當中之信貸期一般介乎30天至60天。本集團致力嚴格控制其未償還之應收款項，以及管理層會定期審視逾期之結餘。應收貿易款項均並無計算利息。

應收貿易款項之預期信貸虧損

貿易應收款項減值撥備變動

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
1 January	一月一日	4,448	12,628
Reversal of ECL allowance	預期信貸虧損撥備撥回	(4,448)	(12,349)
Provision of ECL allowance	預期信貸虧損撥備	1,175	4,169
31 December	十二月三十一日	1,175	4,448

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21. TRADE RECEIVABLES (Continued)

Ageing of trade receivables which are past due but not impaired

At the end of the reporting period, the Group reviews trade receivables for evidence of impairment on both an individual and a collective basis. The provision of ECL for receivables is recognised based on the credit history of its customers, indication of financial difficulties, default in payments, and current market conditions. After the above assessment performed by the directors of the Company, reversal of a provision of ECL of HK\$3,273,000 (2022: HK\$8,181,000) was provided for current year and the directors consider that the trade debtors are of good credit quality.

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Neither past due nor impaired	並無逾期亦無減值	64,386	62,537
Past due but not impaired	已逾期但無減值		
Less than 1 month past due	逾期少於一個月	5,819	5,714
1 to 3 months past due	逾期一至三個月	–	315
Over 3 months past due	逾期三個月以上	277	2,937
		70,482	71,503

Trade receivables that were neither past due nor impaired related to customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired are related to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

21. 應收貿易款項(續)

已逾期但無減值之應收貿易款項賬齡分析

於報告期末，本集團按個別及整體基準審閱應收貿易款項減值跡象。應收款項的預期信貸虧損撥備乃根據其客戶的信貸記錄、財政困難跡象、拖欠還款及目前市場情況而確認。經本公司董事作出上述評估後，於本年度已作出3,273,000港元(二零二二年：8,181,000港元)預期信貸虧損撥備撥回，董事認為應收貿易款項的信貸質素良好。

被認為並無個別或整體減值之應收貿易款項之賬齡分析如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
未逾期亦無減值之應收貿易款項是與近期並無拖欠紀錄之客戶有關。	64,386	62,537
已逾期但無減值之應收貿易款項是與本集團有良好還款紀錄之多名獨立客戶有關。根據以往經驗，由於信貸質素並無重大變化，加上有關結餘仍被認為可全數收回，故本公司董事認為毋須就該等結餘作減值撥備。本集團並無就該等結餘持有任何抵押品或其他信用增級。	5,819	5,714
	–	315
	277	2,937
	70,482	71,503

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

22. 預付款項、按金及其他應收款項

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Prepayments (note i)	預付款項(附註i)	12,109	3,332
Value-added tax recoverable arising from toys segment	玩具分類產生之可退回增值稅	2,555	360
Rental deposits	租金按金	431	419
Others (note ii)	其他(附註ii)	11,185	11,657
		26,280	15,768
Analysed as	分析		
Non-current	非流動	164	414
Current	流動	26,116	15,354
		26,280	15,768

Notes:

- (i) Prepayment included the prepayment paid to suppliers amounting to HK\$8,329,000 (2022: HK\$2,822,000).
- (ii) As at 31 December 2023 and 2022, others included the outstanding consideration receivables of approximately HK\$8,600,000 from the purchaser of the Bright Triumph Development Limited. Detail is set out in note 34 to the consolidated financial statements.
- (iii) The Group recognised lifetime ECL for other receivables based on individually significant debtors or the ageing of debtors collectively that are not individually significant by reference to past default experience of the debtor at the reporting date.

附註：

- (i) 預付款項包括已付予供應商之預付款項8,329,000港元(二零二二年：2,822,000港元)。
- (ii) 於二零二三年及二零二二年十二月三十一日，其他列入應收凱旋發展有限公司(Bright Triumph Development Limited)買方之未付代價約8,600,000港元。詳情載於綜合財務報表附註34。
- (iii) 本集團參考報告日期之債務人過往違約經驗，根據個別屬重大之債務人或個別並不屬重大之債務人之共同賬齡而確認其他應收款項之全期預期信貸虧損。

23. BANK BALANCES AND CASH

Bank balances carry interest at market rates which range from 0.0001% to 1% per annum (2022: 0.01% to 1% per annum). The bank balances were deposited with banks with no recent history of default.

For the year ended 31 December 2022 and 2023, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

23. 銀行結餘及現金

銀行結餘按市場年利率0.0001厘至1厘(二零二二年：年利率0.01厘至1厘)計息。銀行結餘存放於最近並無違約記錄之銀行。

截至二零二二年及二零二三年十二月三十一日止年度，本集團對銀行結餘進行減值評估，得出結論為交易對方銀行違約的可能性不大，因此未有計提信貸虧損撥備。

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24. TRADE PAYABLES

The following is an ageing analysis of trade payables presented based on the invoice date:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 30 days	0至30天	79,205	74,351
31 to 90 days	31至90天	45,181	19,472
Over 90 days	90天以上	46,155	43,288
		170,541	137,111

The trade payables are expected to be settled within one year.

24. 應付貿易款項

以下為按發票日期呈列之應付貿易款項之賬齡分析：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
0 to 30 days	0至30天	79,205	74,351
31 to 90 days	31至90天	45,181	19,472
Over 90 days	90天以上	46,155	43,288
		170,541	137,111

應付貿易款項預期將於一年內償還。

25. OTHER PAYABLES AND ACCRUALS

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Accrued staff costs	應計員工成本	12,537	16,675
Accruals	應計費用	21,015	22,484
Other payables	其他應付款項	17,837	18,098
Provision of goods return	退貨撥備	6,271	14,449
Tenant deposits received	已收租戶按金	-	189
Acquisition payable due to non-controlling interests of a subsidiary	應付附屬公司非控股權益的收購應付款項	1,700	-
Amounts due to non-controlling interests of a subsidiary	應付附屬公司非控股權益款項	63	-
		59,423	71,895

25. 其他應付款項及應計費用

26. CONTRACT LIABILITIES

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Deposits received from customers	已收客戶按金	1,154	1,544

26. 合約負債

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27. BORROWINGS

27. 貸款

	2023 二零二三年 Contractual interest rate (%) 合約利率(%)	HK\$'000 千港元	2022 二零二二年 Contractual interest rate (%) 合約利率(%)	HK\$'000 千港元
Bank loans 銀行貸款				
– secured (note a) – 有抵押(附註a)	Fixed rates ranging from 3.85% to 6.30% per annum 固定利率每年3.85厘至6.30厘	163,097	Fixed rates ranging from 4.00% to 5.85% per annum 固定利率 每年4.00厘至5.85厘	112,281
Corporate bond 企業債券				
– secured (note b) – 有抵押(附註b)	Fixed rate at 6.75% per annum 固定利率每年6.75厘	45,000	Fixed rate at 6.75% per annum 固定利率 每年6.75厘	45,000
Term loans 有期貸款				
– secured (note c) – 有抵押(附註c)	Fixed rate at 12.00% per annum 固定利率每年12.00厘	17,000	Fixed rate at 12.00% per annum 固定利率 每年12.00厘	17,000
– secured (note d) – 有抵押(附註d)	Fixed rate at 12.00% per annum 固定利率每年12.00厘	5,000	Fixed rate at 12.00% per annum 固定利率 每年12.00厘	15,000
Other loan 其他貸款				
– secured (note e) – 有抵押(附註e)		–	Fixed rate at 2.50% per month 固定利率 每月2.50厘	612
Sub-total of secured borrowings 有抵押貸款小計		230,097		189,893

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27. BORROWINGS (Continued)

27. 貸款(續)

	2023 二零二三年 Contractual interest rate (%) 合約利率(%)	HK\$'000 千港元	2022 二零二二年 Contractual interest rate (%) 合約利率(%)	HK\$'000 千港元
Revolving loan 循環貸款				
– unsecured (note f) – 無抵押(附註f)	Fixed rate at 12.00% per annum 固定利率每年12.00厘	8,000	Fixed rate at 12.00% per annum 固定利率 每年12.00厘	–
Other loan 其他貸款				
– unsecured (note g) – 無抵押(附註g)		–	Fixed rate at 2.50% per month 固定利率 每月2.50厘	1,050
Sub-total unsecured borrowings 無抵押貸款小計		8,000		1,050
		238,097		190,943

The above loans are measured at amortised costs.

上列貸款乃按攤銷成本計量。

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27. BORROWINGS (Continued)

Notes:

- (a) The bank borrowings were secured by the Group's leasehold buildings and leasehold lands under right-of-use assets with aggregate carrying amount of approximately HK\$96,000,000 and HK\$3,155,000 respectively (2022: leasehold buildings and leasehold lands under right-of-use assets with aggregate carrying amount of approximately HK\$102,000,000 and HK\$3,299,000 respectively), as disclosed in notes 15 and 16 respectively and are due during 12 April 2024 to 15 September 2024.

The total banking facilities granted to the Group amounted to RMB160,000,000 (equivalent to approximately HK\$176,561,000) (2022: RMB141,000,000 (equivalent to approximately HK\$157,842,000)) of which approximately RMB147,799,000 (equivalent to HK\$163,097,000) (2022: RMB100,301,000 (equivalent to HK\$112,281,000)) were utilised as at 31 December 2023. On 16 March 2024, an extension agreement for the banking facilities was entered into between the Group and the bank to extend the facilities to 13 December 2024.

- (b) On 7 December 2016, corporate bonds amounted to HK\$45,000,000 were issued by the Company to an independent third party, bearing interest at 6% per annum and payable semi-annually in arrears, and with maturity in two years, and are secured by shares of a subsidiary of the Company.

The corporate bonds had become due and payable on its maturity date of 6 December 2018. As at 31 December 2018, the Group defaulted on the repayment of the corporate bonds and further negotiated with the bond holder for extension. On 23 August 2019, by successfully entering into a deed of waiver and a supplemental deed poll to the bond instrument executed by the Company, the Group was discharged and released from the obligation and liabilities which arose from the default and the maturity date had been extended to 30 September 2020. The corporate bonds then bore interest at 6.75% per annum from 7 December 2018 to 30 September 2020. On 27 December 2019, an extension deed had been signed, whereby the maturity date had been extended to 31 March 2021. On 29 March 2021, another extension deed was signed, whereby the maturity date was further extended to 31 March 2022. On 29 March 2022, another extension deeds were signed, whereby the maturity date was further extended to 31 March 2023.

- (c) On 13 May 2020, the Group obtained a term loan of HK\$11,000,000 at a fixed rate of 12% per annum from an independent third party, with maturity in one year. The loan is secured by pledge of shares of a subsidiary of the Group and a first floating charge over the assets of a subsidiary of the Group to the lender.

The term loan was payable on its maturity date of 13 May 2021. On 13 March 2021, the Group entered into an extension agreement to extend the maturity date to 13 May 2022. On 30 June 2021, an additional loan was obtained from the same independent third party amounted of HK\$6,000,000 under the same terms. On 19 April 2022, the Group extended the maturity date to 13 May 2023. On 8 May 2023, the Group further extended the maturity date to 13 May 2025.

27. 貸款(續)

附註：

- (a) 銀行貸款乃由本集團使用權資產下賬面總額分別約96,000,000港元及3,155,000港元之租賃樓宇及租賃土地(二零二二年：使用權資產下賬面總值分別為約102,000,000港元及3,299,000港元之租賃樓宇及租賃土地)提供抵押，分別於附註15及16披露，並於二零二四年四月十二日至二零二四年九月十五日期到。

本集團獲授之銀行貸款總額為人民幣160,000,000元(相等於約176,561,000港元)(二零二二年：人民幣141,000,000元(相等於約157,842,000港元))，截至二零二三年十二月三十一日已經動用約人民幣147,799,000元(相等於約163,097,000港元)(二零二二年：人民幣100,301,000元(相等於約112,281,000港元))。於二零二四年三月十六日，本集團與銀行就銀行融資訂立延長協議，以延長融資至二零二四年十二月十三日。

- (b) 於二零一六年十二月七日，本公司發行45,000,000港元公司債券予一名獨立第三方，按年利率6%計息，須每半年支付前期利息，該債券為期兩年，並以本公司一間附屬公司之股份作抵押。

公司債券已於其到期日二零一八年十二月六日到期支付。於二零一八年十二月三十一日，本集團拖欠償還公司債券，並與債券持有人進一步磋商延期。於二零一九年八月二十三日，通過本公司成功簽署豁免契據及債券文據的補充平邊契據，本集團已解除及免除因違約而產生的義務及負債，而到期日則延後至二零二零年九月三十日。公司債券於二零一八年十二月七日至二零二零年九月三十日按年利率6.75%計息。於二零一九年十二月二十七日，已簽訂一份延期契據，據此，到期日已延至二零二一年三月三十一日。於二零二一年三月二十九日，已簽訂另一份延長契據，據此，到期日已進一步延至二零二二年三月三十一日。於二零二二年三月二十九日，已簽訂另一份延期契據，到期日進一步延至二零二三年三月三十一日。

- (c) 於二零二零年五月十三日，本集團向一名獨立第三方取得有期貨款11,000,000港元，固定年利率為12%，於一年內到期。有關貸款以本集團一間附屬公司的股份質押及本集團一間附屬公司向貸款人提供資產的第一浮動押記作為抵押。

有期貨款須於二零二一年五月十三日到期償還。於二零二一年三月十三日，本集團訂立延期協議，將到期日延至二零二二年五月十三日。於二零二一年六月三十日，根據相同條款向同一名獨立第三方取得一筆金額為6,000,000港元之額外貸款。於二零二二年四月十九日，本集團已將到期日延至二零二三年五月十三日。於二零二三年五月八日，本集團已進一步將到期日延至二零二五年五月十三日。

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27. BORROWINGS (Continued)

Notes: (Continued)

- (d) On 25 January 2021, the Group obtained a term loan of HK\$15,000,000 at a fixed rate of 12% per annum from an independent third party, with a maturity in one year. The loan is secured by a first floating charge over all the undertaking property and assets of a subsidiary of the Group to the lender.

The term loan was payable on its maturity date of 27 April 2021. On 29 March 2021, the Group extended the maturity date to 27 April 2022. On 19 April 2022, the Group extended the maturity date to 27 April 2023. On 1 September 2023, the Group further extended the maturity date to 27 April 2025 and the outstanding principal amount of HK\$5,000,000.

- (e) On 1 August 2022, the Group obtained a loan of HK\$612,000 at a fixed rate of 2.5% per month from a major shareholder of an associate, which would be matured in one year. The loan is secured by the pledge of 40% shares of interest in the associate. During the year ended 31 December 2023, 40% interest in the associate was transferred to a major shareholder of the associate. Therefore, the loan of HK\$612,000 were considered fully settled.

- (f) The revolving loan was granted by a substantial shareholder of the Company, guaranteed by the Company and repayable within one year. On 8 October 2019, the Group entered into an extension agreement to extend the maturity date to 30 September 2020. On 31 December 2019, the Group entered into another extension agreement to further extend the maturity date to 31 March 2021. According to the extension deed, a first floating charge over the assets of a subsidiary of the Group as a security to the lender, was executed on 7 February 2020. On 29 March 2021, the Group entered into an extension agreement to further extend the maturity date to 31 March 2022. On 31 March 2022, the Group entered into an extension agreement to further extend the maturity date to 31 March 2023. On 31 March 2023, the Group entered into a supplemental loan agreement to revise the aggregate principal amount from HK\$50,000,000 to HK\$35,000,000. The Group has extended the maturity date to 31 March 2025.

The revolving loans utilised with carrying amount of HK\$8,000,000 (2022: Nil) had unutilised amount of HK\$27,000,000 (2022: HK\$50,000,000) as at 31 December 2023.

- (g) On 30 September 2022, the Group obtained a loan of HK\$1,000,000 at a fixed rate of 2.5% per month from a purchaser of the Bright Triumph Development Limited ("Bright Triumph"), which was unsecured and would mature in one year. During the year ended 31 December 2023, the whole outstanding amount of the revolving loan was repaid.

27. 貸款(續)

附註:(續)

- (d) 於二零二一年一月二十五日，本集團向一名獨立第三方取得有期貨款15,000,000港元，固定年利率為12%，於一年內到期。有關貸款以本集團一間附屬公司向貸款人提供所有經營物業及資產的第一浮動押記作為抵押。

有期貨款須於二零二一年四月二十七日期日償還。於二零二一年三月二十九日，本集團已將到期日延至二零二二年四月二十七日。於二零二二年四月十九日，本集團已將到期日延至二零二三年四月二十七日。於二零二三年九月一日，本集團已進一步將到期日延至二零二五年四月二十七日，未償還本金為5,000,000港元。

- (e) 於二零二二年八月一日，本集團自聯營公司的主要股東獲得一筆固定利率每月2.5厘的貸款612,000港元，於一年內到期。這筆貸款以聯營公司40%的股權作為抵押。截至二零二三年十二月三十一日止年度，聯營公司40%的權益已轉讓予聯營公司的一名主要股東。因此，貸款612,000港元被認為已悉數清償。

- (f) 循環貸款由本公司主要股東授出及本公司擔保，並須於一年內償還。於二零一九年十月八日，本集團訂立延長協議以將到期日延後至二零二零年九月三十日。於二零一九年十二月三十一日，本集團訂立另一份延長協議以將到期日進一步延後至二零二一年三月三十一日。根據延期契據，本集團一家附屬公司之資產的第一浮動押記，作為給予貸款人之擔保，已於二零二零年二月七日執行。於二零二一年三月二十九日，本集團訂立延長協議，以進一步將到期日延至二零二二年三月三十一日。於二零二二年三月三十一日，本集團已簽訂另一份延長協議，據此，到期日已進一步延至二零二三年三月三十一日。於二零二三年三月三十一日，本集團成功簽訂貸款補充協議，將本金總額50,000,000港元修訂為35,000,000港元。本集團已將到期日延至二零二五年三月三十一日。

於二零二三年十二月三十一日，循環貸款之已動用賬面值為8,000,000港元(二零二二年：零)，而未動用金額為27,000,000港元(二零二二年：50,000,000港元)。

- (g) 於二零二二年九月三十日，本集團自凱旋發展有限公司(「凱旋」)的買家獲得一筆固定利率每月2.5厘的貸款，該筆貸款為無抵押並於一年內到期。截至二零二三年十二月三十一日止年度，循環貸款的全部未償還金額均已償還。

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28. LEASE LIABILITIES

28. 租賃負債

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	1,529	1,969
Within a period of more than one year but not more than two years	超過一年但兩年內之期間	782	1,214
Within a period of more than two years but not more than five years	超過兩年但五年內之期間	1,076	1,605
		3,387	4,788
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債所示於12個月內到期償付之款項	(1,529)	(1,969)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債所示於12個月後到期償付之款項	1,858	2,819

29. DEFERRED TAX LIABILITIES

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

29. 遞延稅項負債

就呈列綜合財務狀況表而言，若干遞延稅項負債已予抵銷。以下乃為財務報告目的進行之遞延稅項結餘分析：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	16,245	16,411

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29. DEFERRED TAX LIABILITIES (Continued)

The following are the major deferred tax liabilities and (assets) recognised and movements thereon during the current and prior years:

29. 遞延稅項負債(續)

以下為於本年度及過往年度確認之重大遞延稅項負債及(資產)變動：

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Revaluation of properties 物業重估 HK\$'000 千港元	Biological Assets 生物資產 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Deferred tax arising from:	產生自以下項目之遞延稅項：					
At 1 January 2022	於二零二二年一月一日	10	22,210	-	1,446	23,666
Deferred tax (credited) charged to profit or loss for the year (note 9)	本年度於損益(計入)扣除之遞延稅項(附註9)	(10)	(5,685)	-	150	(5,545)
Deferred tax charged to other comprehensive income for the year	本年度於其他全面收益扣除之遞延稅項	-	463	-	-	463
Exchange realignment	匯兌調整	-	(1,901)	-	(272)	(2,173)
At 31 December 2022	於二零二二年十二月三十一日	-	15,087	-	1,324	16,411
Deferred tax charged to profit or loss for the year (note 9)	本年度於損益扣除之遞延稅項(附註9)	15	-	20	2,229	2,264
Acquisition of subsidiaries	收購附屬公司	-	-	11	-	11
Deferred tax charged to other comprehensive expense for the year	本年度於其他全面開支扣除之遞延稅項	-	(2,220)	-	-	(2,220)
Exchange realignment	匯兌調整	-	(202)	-	(19)	(221)
At 31 December 2023	於二零二三年十二月三十一日	15	12,665	31	3,534	16,245

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29. DEFERRED TAX LIABILITIES (Continued)

At the end of the reporting period, the Group has unused tax losses arising in Hong Kong of HK\$224,550,000 (2022: HK\$205,539,000) available for offset against future profits. As of 31 December 2023, the management of the Group reassessed the recoverability of deferred tax assets and no deferred tax asset (2022: nil) has been recognised in respect of such losses. As at 31 December 2023, no deferred tax asset has been recognised in respect of the amount to HK\$224,550,000 (2022: HK\$205,539,000) due to the unpredictability of future profit streams. All losses may be carried forward indefinitely.

As at 31 December 2023, the Group has tax losses arising in the PRC of RMB6,649,000 (equivalent to approximately HK\$7,337,000) (2022: RMB8,474,000 (equivalent to approximately HK\$9,487,000)) available for offsetting against future profits that may be carried forward for up to five years for EIT purpose. Deferred tax assets on these tax losses have not been recognised as it is not probable that future taxable profits against which the losses can be utilised will be available for the companies in which losses arose.

30. CONVERTIBLE BONDS

On 14 October 2022 (after trading hours), the Company entered into the Convertible Bonds Subscription Agreements with two subscribers (Convertible Bonds A), pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to issue, convertible bonds in an aggregate principal amount of up to HK\$22,500,000 based on the initial conversion price of HK\$0.25 per conversion share.

The issue of the Convertible Bonds A were completed on 20 April 2023 and 22 May 2023 and the Company has issued an aggregate principal amount of HK\$2,500,000 and HK\$20,000,000 respectively of the convertible bonds. Subscribers to the convertible bonds are entitled to convert at a conversion price of HK\$0.25 per share and a maximum of 90,000,000 shares. If the convertible bonds have not been converted, they will be redeemed by the Company on the maturity date of the convertible bonds on 31 December 2024.

29. 遞延稅項負債(續)

於報告期末，本集團於香港產生之未動用稅項虧損224,550,000港元(二零二二年：205,539,000港元)可用作抵銷未來溢利。截至二零二三年十二月三十一日，本集團管理層重新評估遞延稅項資產之可收回性，並無就該等虧損確認遞延稅項資產(二零二二年：零)。於二零二三年十二月三十一日，由於未來溢利來源不可預測，因此並無就224,550,000港元(二零二二年：205,539,000港元)確認遞延稅項資產。所有虧損均可無限期地結轉。

於二零二三年十二月三十一日，本集團於中國產生之稅項虧損人民幣6,649,000元(相等於約7,337,000港元)(二零二二年：人民幣8,474,000元(相等於約9,487,000港元))可用作抵銷未來溢利，就企業所得稅而言結轉最多五年。由於產生虧損之公司不可能會有未來應課稅溢利以利用該等虧損作抵銷，因此並無就該等稅項虧損確認遞延稅項資產。

30. 可換股債券

於二零二二年十月十四日(交易時段後)，本公司與兩名認購人訂立可換股債券認購協議(可換股債券A)，據此，認購人已有條件同意認購，而本公司已有條件同意發行本金總額高達22,500,000港元的可換股債券，初始換股價為每股換股股份0.25港元。

可換股債券A的發行已於二零二三年四月二十日及二零二三年五月二十二日完成，本公司發行了本金總額分別為2,500,000港元及20,000,000港元之可換股債券。認購人有權以每股0.25港元的轉換價將可換股債券轉換為股份，最多可轉換為90,000,000股。如果可換股債券未被轉換，本公司將在可換股債券的到期日二零二四年十二月三十一日對其進行贖回。

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30. CONVERTIBLE BONDS (Continued)

On 16 December 2022, the Company entered into a Convertible Bond Subscription Agreement with the subscriber (Convertible Bonds B), pursuant to which the subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue to the subscriber, convertible bond in an aggregate principal amount of HK\$14,000,000. The initial conversion price of HK\$0.22 per conversion share.

The issue of the Convertible Bonds B was completed on 20 April 2023 and the Company has issued an aggregate principal amount of HK\$14,000,000 of the convertible bonds. Subscribers to the convertible bonds are entitled to convert at a conversion price of HK\$0.22 per share and a maximum of 63,636,362 shares. If the convertible bonds have not been converted, they will be redeemed by the Company on the maturity date of the convertible bonds on 31 December 2023.

At initial recognition, the equity component of the above convertible bonds was separated from the liability component. The equity element is presented in equity heading "convertible bonds equity reserve" of HK\$124,000. The effective interest rate of the liability component ranged from 16.56% to 16.81%. On 31 May 2023, Convertible Bonds A with principal amount of HK\$20,000,000 and Convertible Bonds B with principal amount of HK\$14,000,000 were converted into 80,000,000 ordinary shares and 63,636,362 ordinary shares respectively. Convertible Bonds A with the principal amount of HK\$2,500,000 remained outstanding as at 31 December 2023.

The movement of the liability component of the convertible bonds for the year is set out below:

30. 可換股債券(續)

於二零二二年十二月十六日，本公司與一名認購人訂立可換股債券認購協議(可換股債券B)，據此，認購人已有條件同意認購，而本公司已有條件同意發行本金總額14,000,000港元的可換股債券。初始換股價為每股換股股份0.22港元。

可換股債券B的發行已於二零二三年四月二十日完成，本公司發行了本金總額為14,000,000港元的可換股債券。認購人有權以每股0.22港元的轉換價將可換股債券轉換為股份，最多可轉換為63,636,362股。如果可換股債券未被轉換，本公司將在可換股債券的到期日二零二三年十二月三十一日對其進行贖回。

於初步確認時，可換股債券包含兩個部分，即負債及權益部分。權益部分124,000港元將呈現在「可換股債券權益儲備」分科中。負債部分的實際利率為16.56厘至16.81厘。於二零二三年五月三十一日，本金額為20,000,000港元之可換股債券A轉換為80,000,000股普通股及本金額為14,000,000港元之可換股債券B轉換為63,636,362股普通股。本金額為2,500,000港元之可換股債券A於二零二三年十二月三十一日尚未轉換。

年內可換股債券的負債部分的變動載列如下：

		HK\$'000 千港元
At 1 January 2023	於二零二三年一月一日	-
Issue of convertible bonds	發行可換股債券	36,176
Effective interest expense	實際利息開支	523
Interest paid	已付利息	(291)
Accrued interest	應計利息	(236)
Conversion of convertible bonds into shares	將可換股債券轉換為股份	(33,696)
At 31 December 2023	於二零二三年十二月三十一日	2,476

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31. SHARE CAPITAL OF THE COMPANY

31. 本公司股本

		Number of shares 股份數目		Amount 金額	
		2023 二零二三年	2022 二零二二年	2023 二零二三年	2022 二零二二年
		'000 千股	'000 千股	HK\$'000 千港元	HK\$'000 千港元
Authorised:	法定：				
At 1 January	於一月一日				
Ordinary shares of HK\$0.10 (2022: HK\$0.10) each	每股面值0.10港元(二零二二年： 0.10港元)之普通股	70,000,000	7,000,000	700,000	700,000
Share sub-division (note c)	股份拆細(附註c)	–	63,000,000	–	–
At 31 December	於十二月三十一日				
Ordinary shares of HK\$0.01 (2022: HK\$0.01) each	每股面值0.01港元(二零二二年： 0.01港元)之普通股	70,000,000	70,000,000	700,000	700,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日				
Ordinary shares of HK\$0.10 (2022: HK\$0.10) each	每股面值0.10港元(二零二二年： 0.10港元)之普通股	366,186	3,661,865	3,662	366,186
Share consolidation (note a)	股份合併(附註a)	–	(3,295,679)	–	–
Share reduction (note b)	股份削減(附註b)	–	–	–	(362,524)
Issue of shares upon conversion of convertible bonds (note 30)	轉換可換股債券時發行股份 (附註30)	143,636	–	1,436	–
At 31 December	於十二月三十一日				
Ordinary shares of HK\$0.01 (2022: HK\$0.01) each	每股面值0.01港元(二零二二年： 0.01港元)之普通股	509,822	366,186	5,098	3,662

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31. SHARE CAPITAL OF THE COMPANY (Continued)

Notes:

- (a) Pursuant to the special resolution passed at the special general meeting of the Company held on 28 November 2022, the Company completed a share consolidation of every ten (10) issued shares of HK\$0.10 each in the issued share capital of the Company into one (1) consolidated share of HK\$1.00 each with effect from 30 November 2022.
- (b) Immediately following the share consolidation in note (a) above, the issued share capital of the Company of HK\$366,186,472.90 divided into 366,186,472 consolidated shares of HK\$1.00 each was reduced to HK\$3,661,864.72 divided into 366,186,472 new shares by cancelling the paid-up capital of the Company to the extent of HK\$0.99 on each of the then consolidated share, such that the par value of each of the issued consolidated share was reduced from HK\$1.00 to HK\$0.01. The share reduction resulted in a debit of share capital of the Company with credit arising therefrom transferred to the accumulated losses.
- (c) Immediately following the capital reduction in note (b) above, each of the authorised shares of par value of HK\$0.10 each was sub-divided into ten (10) new shares of par value of HK\$0.01 each.

Details of all the above changes are set out in the Company's circular dated 3 November 2022.

32. RETIREMENT BENEFITS PLANS

Defined contribution plans

The Group operates MPF Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to MPF Scheme, which contribution is matched by employees.

The employees of the Group's subsidiary in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total expense recognised in profit or loss of HK\$9,594,000 (2022: HK\$10,819,000) represents contributions paid and payable to these plans by the Group at rates specified in the rules of the plans.

31. 本公司股本(續)

附註：

- (a) 根據本公司於二零二二年十一月二十八日舉行的股東特別大會通過的特別決議案，本公司於二零二二年十一月三十日起完成股份合併，即將本公司已發行股本中每十(10)股每股0.10港元的已發行股份合併為一(1)股每股1.00港元的合併股份。
- (b) 緊隨上文附註(a)所述的股份合併後，通過註銷本公司當時每股合併股份的實收資本0.99港元，本公司的已發行股本366,186,472.90港元(分為366,186,472股每股面值1.00港元的合併股份)減少至3,661,864.72港元，分為366,186,472股新股份，從而使每股已發行合併股份的面值從1.00港元降至0.01港元。股份削減導致本公司的股本出現借項扣除，由此產生的貸項金額轉入累計虧損。
- (c) 緊隨上文附註(b)的資本削減後，每股面值0.10港元的法定股份被拆分成十(10)股每股面值0.01港元的新股份。

上述所有變動的詳情載於本公司日期為二零二二年十一月三日之通函內。

32. 退休福利計劃

界定供款計劃

本集團為所有香港合資格僱員參加一項強積金計劃。計劃資產與本集團資產分開持有，存於由信託人控制的基金內。本集團向強積金計劃作出相關薪金成本5%的供款，而僱員亦作出等額供款。

本集團中國附屬公司的僱員為中國政府營運的國家管理退休福利計劃參與者。附屬公司須向退休福利計劃作出介乎薪金成本持定百分比的供款，以提供福利資金。本集團就退休福利計劃的唯一責任為作出規定供款。

於損益確認的開支總額9,594,000港元(二零二二年：10,819,000港元)代表本集團按計劃規則所訂明之比率向該等計劃已繳及應繳供款。

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33. OPERATING LEASE COMMITMENTS

The Group as lessor

All of the properties and motor vehicles held by the Group for rental purpose have committed lessees for the next one year respectively. The leases do not include contingent rentals.

33. 經營租賃承擔

本集團作為出租人

本集團持作賺取租金之所有物業及汽車已與承租人承諾未來一年的租賃。租賃不包括或然租金。

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within one year	一年內	128	128

34. DISPOSAL OF SUBSIDIARIES

A. Enormous Fortune

On 21 March 2022, Billion Pride Group Limited, a direct wholly-owned subsidiary of the Company, being the vendor (the "Vendor") and an independent third party, being the purchaser (the "Purchaser A") entered into a sale and purchase agreement, pursuant to which, the Vendor agreed to sell and Purchaser A agreed to acquire 60% equity interest in Enormous Fortune Business Limited ("Enormous Fortune", together with its subsidiaries, the "Disposal Group A"), incorporated in the British Virgin Islands, and sale loan representing 60% of the shareholder's loan at cash consideration of HK\$15,000,000. The major asset of Disposal Group A is an investment property located in Hainan, the PRC. The disposal was completed on 21 March 2022, on which date the Group lost control of the Disposal Group A. The sale loan was approximately HK\$42,992,000 on the date of disposal. Disposal Group A was then reclassified as interest in associates. The fair value of the 40% retained interest in Disposal Group A at the date on which control was lost, being the initial recognition of the interests in associates, was HK\$10,000,000.

34. 出售附屬公司

A. 龐富

於二零二二年三月二十一日，本公司直接全資附屬公司億豪集團有限公司（即賣方）（「賣方」）及獨立第三方（即買方）（「買方A」）訂立買賣協議，據此，賣方同意出售及買方A同意收購於英屬處女群島註冊成立的龐富實業有限公司（「龐富」，連同其附屬公司統稱為「出售集團A」）之60%權益，及待售貸款相當於60%股東貸款，現金代價為15,000,000港元。出售集團A的主要資產是其位於中國海南省之投資物業。有關出售已於二零二二年三月二十一日完成，於該日期，本集團失去對出售集團A的控制權。於出售日期，待售貸款約為42,992,000港元。出售集團A其後重新分類為於聯營公司之權益。於失去控制權日期，於出售集團A的40%保留權益之公允值被視為於聯營公司權益初步確認10,000,000港元。

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34. DISPOSAL OF SUBSIDIARIES (Continued)

B. Bright Triumph

In 2021

On 15 November 2021, the Company, the Vendor and an independent third party, being the purchaser (the "Purchaser B") entered into a sale and purchase agreement, pursuant to which, the Vendor agreed to sell, and Purchaser B agreed to acquire all the issued shares of Bright Triumph Development Limited ("Bright Triumph", together with its subsidiaries, the "Disposal Group B") and sale loan at a consideration of HK\$49,000,000. A deposit of HK\$28,492,000 (representing 60% of the consideration, amounted to HK\$29,400,000, with HK\$908,000 being outstanding from the Purchaser) was received and included in "Other payables and accruals" at 31 December 2021. The relevant assets and liabilities classified as held for sale on 31 December 2021 were approximately HK\$53,447,000 and approximately HK\$5,380,000 respectively.

In 2022

The disposal of Disposal Group B was completed on 30 September 2022, on which date the Group lost control of the Disposal Group B. The sale loan was approximately HK\$132,538,000 on the date of disposal. All the assets and liabilities associated to the Disposal Group B were derecognised on the date of disposal. Further to a supplemental agreement subsequently entered between the Vendor and Purchaser B, both the Vendor and Purchaser B had agreed to adjust the cash consideration to approximately HK\$37,137,000.

34. 出售附屬公司(續)

B. 凱旋

於二零二一年

於二零二一年十一月十五日，本公司、賣方及獨立第三方(即買方)(「買方B」)訂立買賣協議，據此，賣方同意出售及買方B同意收購凱旋發展有限公司(「凱旋」，連同其附屬公司統稱「出售集團B」)之全部已發行股份及待售貸款，代價為49,000,000港元。於二零二一年十二月三十一日，已收取按金28,492,000港元(即代價之60%，金額為29,400,000港元，買方未償付金額為908,000港元)，並已計入「其他應付款項及應計費用」內。於二零二一年十二月三十一日已分類為持作出售之相關資產及負債分別為約53,447,000港元及約5,380,000港元。

於二零二二年

有關出售出售集團B於二零二二年九月三十日完成，於該日，本集團失去對出售集團B的控制權。於出售日期，待售貸款為約132,538,000港元。與出售集團B有關的所有資產及負債已於出售日期終止確認。繼賣方與買方B其後訂立補充協議後，賣方與買方B均同意將現金代價調整至約37,137,000港元。

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34. DISPOSAL OF SUBSIDIARIES (Continued)

B. Bright Triumph (Continued)

In 2022

The gain from disposal of the Enormous Fortune and Bright Triumph are analysed as follows:

The net liabilities of the subsidiaries at the date of disposal were as follows:

34. 出售附屬公司(續)

B. 凱旋(續)

於二零二二年

出售龐富及凱旋之收益分析如下：

附屬公司於出售日期之負債淨額如下：

		Disposal Group A 出售集團A HK\$'000 千港元	Disposal Group B 出售集團B HK\$'000 千港元	Total 總計 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1	2,295	2,296
Investment properties	投資物業	37,418	45,338	82,756
Prepayments and other receivables	預付款項及其他應收款項	2	1,247	1,249
Bank balances and cash	銀行結餘及現金	152	93	245
Shareholders' loans	股東貸款	(71,654)	(132,538)	(204,192)
Other payables and accruals	其他應付款項及應計費用	(1,190)	(17,214)	(18,404)
Deferred tax liabilities	遞延稅項負債	(105)	-	(105)
Net liabilities disposed of	已出售負債淨額	(35,376)	(100,779)	(136,155)
The gain from disposal of subsidiaries are analysed as follows:	出售附屬公司之收益分析如下：			
Total cash consideration	總現金代價	15,000	37,137	52,137
Fair value of interest retained	保留權益之公允值	10,000	-	10,000
Assignment of shareholders' loans	轉讓股東貸款	(42,992)	(132,538)	(175,530)
Net liabilities disposed of	已出售負債淨額	35,376	100,779	136,155
Release of asset revaluation reserve	解除資產重估儲備	-	(1)	(1)
Release of exchange reserve	解除匯兌儲備	2,876	4,273	7,149
Release of statutory reserve	解除法定儲備	-	(4)	(4)
Gain on disposal of subsidiaries	出售附屬公司之收益	20,260	9,646	29,906
Net cash inflow on disposal of subsidiaries:	出售附屬公司之現金流入淨額：			
Cash consideration received	已收現金代價	15,000	28,537	43,537
Less: Bank balances and cash disposed of	減：已出售銀行結餘及現金	(152)	(93)	(245)
Net cash inflow as at 31 December 2022	於二零二二年十二月三十一日之現金流入淨額	14,848	28,444	43,292
Outstanding consideration receivable	應收未償付代價	-	8,600	8,600
		14,848	37,044	51,892

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35. ACQUISITION OF SUBSIDIARIES

On 24 May 2023, the Group acquired 100% of the issued share capital of Huge Advanced Group and shareholder's loan owing by Huge Advanced Group at a total cash consideration of HK\$1,700,000. Huge Advanced Investment Holding Limited, being an investment holding company, holds 78.9% equity interest in a company incorporated in Japan and is principally engaged in the plantation of agricultural products for sale which is regarded as a subsidiary of the Company upon the completion of the acquisition.

The non-controlling interests (21.1%) in Huge Advanced Group's subsidiary – 名鮮株式會社 recognised at the acquisition date was measured by reference to the proportionate share of recognised amounts of net liabilities of 名鮮株式會社 and amounted to HK\$107,000.

As the Shareholders are aware from the annual report of the Company for the year ended 31 December 2021, the Group has been developing a business in the agricultural sector through, among others, the management and operation of the brand "Cangshan Vegetables (蒼山蔬菜)" and the equipment and facilities of the Lanling Agricultural Products Wholesale Market. The Acquisition will provide synergies and complement the Group's existing business in the agricultural sector, help to diversify its business and create higher returns for the Shareholders. The Board considered that the Acquisition is a good investment opportunity for the Group in light of the high demand for fruit in Japan and the Japanese government's initiatives to promote the farming industry in Japan, and will therefore create better returns for the Shareholders.

35. 收購附屬公司

於二零二三年五月二十四日，本公司收購恒達投資集團的100%已發行股本及恒達投資集團結欠的股東貸款，現金代價總額為1,700,000港元。恒達投資控股有限公司為一間投資控股公司，持有一間於日本註冊成立的公司之78.9%股權，該公司主要在日本從事農產品種植及銷售，於收購完成後被視為本公司之附屬公司。

於收購日期確認的恒達投資集團之附屬公司名鮮株式會社的非控股權益(21.1%)，乃參考分佔名鮮株式會社已確認負債淨額的比例計量，金額為107,000港元。

誠如股東自本公司截至二零二一年十二月三十一日止年度年報所知悉，本集團致力於透過(其中包括)管理及經營品牌「蒼山蔬菜」以及蘭陵農產品批發市場之設備及設施，發展農業業務。收購事項將為本集團現有農業業務帶來協同效應及與之相輔相成，有助實現其業務多元化及為股東創造更高回報。有見日本對水果需求較高且日本政府出台舉措促進日本農業發展，董事會認為收購事項對本集團而言實屬投資良機，並將因此為股東創造更好回報。

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35. ACQUISITION OF SUBSIDIARIES (Continued)

The fair value of the identifiable assets and liabilities of Huge Advanced Group acquired at its date of acquisition is as follows:

35 收購附屬公司(續)

於收購日，恒達投資集團所收購的可識別資產及負債的公允值如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1,378
Right-of-use asset	使用權資產	105
Inventories	存貨	9
Biological assets	生物資產	86
Trade and other receivables	貿易及其他應收款項	4
Bank balances and cash	銀行結餘及現金	1
Shareholder's loan	股東貸款	(1,982)
Trade and other payables	貿易及其他應付款項	(2)
Lease liabilities	租賃負債	(105)
Tax payables	應付稅項	(3)
		(509)
Add: Assignment of shareholder's loan	加：轉讓股東貸款	1,373
Non-controlling interest	非控股權益	107
Goodwill	商譽	740
Less: Deferred tax adjustment	減：遞延稅項調整	(11)
		2,209
Total consideration	總代價	1,700
Net cash inflow arising on acquisition:	收購產生之現金流入淨額：	
Cash consideration paid	已付現金代價	-
Cash and cash equivalents acquired	所收購現金及現金等值物	1
Net cash inflow as at 31 December 2023	於二零二三年十二月三十一日的現金流入淨額	1
Outstanding payable	未清償應付款項	(1,700)

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36. 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 shareholders 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 the borrowings disclosed in note 27, net of bank balances and cash and equity attributable to owners of the Company, comprising issued share capital, accumulated losses and other reserves.

The directors of the Company review the capital structure on an annual basis. As part of this review, the directors 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 and share buy-backs as well as the issue of new debt or the redemption of existing debt.

36. 資本風險管理

本集團透過管理其資本，以確保本集團的實體將能夠繼續持續經營，同時通過優化債務及股本結餘，將股東的回報提升至最高。本集團的整體戰略與上年度相比保持不變。

本集團的資本結構包括淨債務(其包括附註27所披露的貸款)，扣除銀行結餘及現金以及本公司擁有人應佔權益(包括已發行股本、累計虧損及其他儲備)。

本公司董事每年檢討資本架構。作為檢討的一部分，董事考慮資本成本及與各類資本有關的風險。根據董事的推薦建議，本集團將透過派付股息、發行新股及股份回購以及發行新債務或贖回現有債務而平衡其整體資本架構。

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37. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量之金融資產	201,431	133,344
Financial liabilities	金融負債		
Amortised cost	攤銷成本	434,509	360,601
Lease liabilities	租賃負債	3,387	4,788
Convertible bonds	可換股債券	2,476	–
		440,372	365,389

b. Financial risk management objectives and policies

The Group's principal financial instruments include trade receivables, deposits and other receivables, bank balances and cash, trade payables, other payables, acquisition payable due to non-controlling interests of subsidiary, amounts due to non-controlling interests of a subsidiary, borrowings, lease liabilities and convertible bonds. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

37. 金融工具

a. 金融工具類別

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量之金融資產	201,431	133,344
Financial liabilities	金融負債		
Amortised cost	攤銷成本	434,509	360,601
Lease liabilities	租賃負債	3,387	4,788
Convertible bonds	可換股債券	2,476	–
		440,372	365,389

b. 金融風險管理目標及政策

本集團之主要金融工具包括應收貿易款項、按金及其他應收款項、銀行結餘及現金、應付貿易款項、其他應付款項、應付附屬公司非控股權益之收購應付款項、應付附屬公司非控股權益款項、貸款、租賃負債及可換股債券。金融工具的詳情於相關附註內披露。與此等金融工具相關的風險包括市場風險(貨幣風險、利率風險及股價風險)、信貸風險以及流動資金風險。如何減輕該等風險的政策載於下文。管理層管理及監察該等風險，以確保適時及有效地採取適當措施。

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk

(i) Currency risk

The Group mainly operates in Hong Kong and the PRC, with certain of their sales and purchases transactions being settled in US\$, HK\$ and RMB. The Group is thus exposed to currency risk arising from fluctuations on foreign currencies, primarily US\$, HK\$ and RMB, against the functional currency of the relevant group entities. The management continuously monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

As HK\$ is pegged to US\$, the Group does not have material exchange rate risk on such currency.

The Group's exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. Differences resulting from the translation of the financial statements of the entities within the Group into the Group's presentation currency are excluded.

		2023			2022		
		二零二三年			二零二二年		
		US\$	HK\$	RMB	US\$	HK\$	RMB
		美元	港元	人民幣	美元	港元	人民幣
		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
Bank balances and cash	銀行結餘及現金	81	–	29	32	–	27
Pledged bank deposits	已抵押銀行存款	–	–	–	–	–	–
Borrowings	貸款	(91,369)	–	–	(40,637)	–	–
Overall exposure to currency risk	整體貨幣風險	(91,288)	–	29	(40,605)	–	27

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險

(i) 貨幣風險

本集團主要在香港及中國營運，而若干買賣交易以美元、港元及人民幣結算。因此，本集團面對外幣(以美元、港元及人民幣為主)兌有關集團實體之功能貨幣匯率波動所產生之貨幣風險。管理層不斷監察外匯風險，並會於需要時考慮對沖重大外幣風險。

由於港元與美元掛鈎，本集團並無面對該貨幣之重大匯率風險。

本集團承受之貨幣風險

下表詳述本集團於報告期末按有關實體功能貨幣以外貨幣計值之已確認資產或負債所產生之外匯風險。因匯兌本集團旗下實體之財務報表為本集團的呈列貨幣而產生的差額並不包括在內。

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The following table demonstrates the sensitivity at the end of reporting period to a reasonably possible change in the HK\$ exchange rate against RMB for group entities with RMB or HK\$ as functional currencies, with all other variables held constant, of the Group's loss for the year and accumulated losses.

		Increase (decrease) in loss for the year and accumulated losses	
		本年度虧損及 累計虧損增加(減少)	
		%	HK\$'000
		%	千港元
2023	二零二三年		
If HK\$ weakens against RMB	倘港元兌人民幣轉弱	5	(1)
If HK\$ strengthens against RMB	倘港元兌人民幣轉強	(5)	1
2022	二零二二年		
If HK\$ weakens against RMB	倘港元兌人民幣轉弱	5	(1)
If HK\$ strengthens against RMB	倘港元兌人民幣轉強	(5)	1

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' loss for the year and accumulated losses measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes.

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析

下表展示於所有其他變數保持不變，而港元兌人民幣之匯率可能出現合理變動之情況下，本集團之本年度虧損及累計虧損於報告期末對以人民幣或港元為功能貨幣之集團實體的敏感度。

上表所呈列之分析結果指各集團實體以各自功能貨幣計量(為呈報目的，已按報告期末之匯率兌換為港元)之本年度虧損及累計虧損之即時綜合影響。

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group, including intra-group balances with foreign operations within the Group denominated in a currency other than the functional currency of the foreign operations, which expose the Group to foreign currency risk at the end of the reporting period. The analysis is performed on the same basis for year ended 31 December 2022.

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate loan receivables, borrowings, lease liabilities and convertible bonds. The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook.

Total interest income from financial assets that are measured at amortised cost is as follows:

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Financial assets at amortised cost	40	48

按攤銷成本計量之金融資產

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

敏感度分析(續)

敏感度分析已假設外幣匯率之變動已用於重新計量本集團所持有並於報告期末使本集團面臨外幣風險之金融工具，包括集團內按海外業務功能貨幣以外貨幣計值與海外業務有關之集團內公司間結餘。截至二零二二年十二月三十一日止年度之分析亦以相同基準進行。

(ii) 利率風險

本集團面對與固定利率應收貸款、貸款、租賃負債及可換股債券有關的公允值利率風險。本集團面對與可變利率銀行結餘有關的現金流量利率風險。本集團的現金流量利率風險主要集中於銀行結餘的利率波動。本集團通過根據利率水平和前景評估任何利率變動產生的潛在影響以管理其利率風險。

按攤銷成本計量的金融資產利息收入總額如下：

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

Interest expense on financial liabilities not measured at FVTPL:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Financial liabilities at amortised cost	按攤銷成本計量之金融負債	14,706	13,545
Lease liabilities	租賃負債	358	806
Convertible bonds	可換股債券	523	-
		15,587	14,351

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2022: 50 basis points) increase or decrease in variable-rate bank balances and pledged bank deposits are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points (2022: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2023 would decrease/increase by HK\$596,000 (2022: decrease/increase by HK\$246,000).

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

並非按公允值計入損益之金融負債之利息開支：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Financial liabilities at amortised cost	14,706	13,545
Lease liabilities	358	806
Convertible bonds	523	-
	15,587	14,351

敏感度分析

以下敏感度分析是根據報告期末的利率風險而釐定。該分析的編製是假設報告期末未償還的金融工具在全年內為未償還。內部向主要管理人員報告利率風險時，可變利率銀行結餘和已抵押銀行存款的上升或下降50個基點(二零二二年：50個基點)，代表管理層對利率合理可能變動的評估。

倘若利率上升/下降50個基點(二零二二年：50個基點)而所有其他變數保持不變，則本集團截至二零二三年十二月三十一日止年度的除稅後虧損將減少/增加596,000港元(二零二二年：減少/增加246,000港元)。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

The Group currently does not have an interest rate hedging policy. However, the management closely monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

Credit risk and impairment assessment

As at 31 December 2023, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The credit risk of our Group mainly arises from trade receivables from toys segment, deposits and other receivables, bank balances and cash, loan receivables and interest receivables. The carrying amount of these balances represent out Group's maximum exposure to credit risk in relation to financial assets.

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

本集團現時並無利率對沖政策。然而，管理層密切監察利率風險，並將於有需要時考慮對沖重大利率風險。

信貸風險及減值評估

於二零二三年十二月三十一日，由於對手方未能履行責任而可能對本集團造成財務虧損的最高信貸風險，乃產生自綜合財務狀況表所列相關已確認金融資產的賬面值。

本集團之信貸風險主要來自玩具分類之應收貿易款項、按金及其他應收款項、銀行結餘及現金、應收貸款及應收利息。此等結餘之賬面值代表本集團就金融資產所面對之相關最大信貸風險。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Trade receivables from toys segment

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade balances individually. In this regard, the directors consider that the Group's credit risk is significantly reduced.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer having similar credit risk characteristics. Most of the customers are multi-national corporations with well-known brands for their toy products and have satisfactory credit rating.

Concentration risk of trade receivables from toys segment

The Group has concentration of credit risk as 91.0% (2022: 83.2%) and 98.2% (2022: 99.9%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively. These customers are international toy retailers with good credit ratings.

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

玩具分類之應收貿易款項

為了盡量降低信貸風險，本集團管理層已委派一支團隊以釐定信貸限額和信貸批准。本集團僅與公認且信譽良好之第三方進行交易。本集團之政策是所有擬按信貸形式進行交易之客戶，必須先經過信貸核實程序，方予接納。此外，本集團會持續監察應收款項結餘之情況，而本集團之壞賬風險並不重大。

本集團備有其他監控程序，確保採取跟進行動以收回逾期債務。此外，本集團以預期信貸虧損模型對貿易結餘個別地進行減值評估。就此而言，董事認為本集團之信貸風險已大為降低。

由於本集團僅與知名及信譽可靠之第三方進行交易，故不需要任何抵押品。本集團因客戶具備類似信貸風險特質而擁有集中信貸風險。大部份客戶為跨國公司，而彼等之玩具產品均屬知名品牌，並擁有良好信貸評級。

玩具分類應收貿易款項之集中風險

本集團面對信貸風險集中之情況，原因為應收貿易款項總額之91.0%（二零二二年：83.2%）及98.2%（二零二二年：99.9%）分別是應收本集團之最大客戶及五大客戶。該等客戶為信貸評級良好之國際玩具零售商。

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綜合財務報表附註

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截至二零二三年十二月三十一日止年度

37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued) Credit risk and impairment assessment (Continued)

Deposits and other receivables

For deposits and other receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

Bank balances and pledged bank deposits

The credit risks on bank balances are limited because the counterparties are banks with good reputation.

Concentration risk of bank balances

At 31 December 2023, the Group had certain concentration of credit risk as 50.5% (2022: 62.1%) of the total of cash and cash equivalents was deposited with one financial institution in the PRC (2022: Hong Kong) with high credit rating. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Loan receivables and interest receivables

At 31 December 2023, the Group had gross loan receivables and interest receivables of HK\$16,126,000 (2022: HK\$16,733,000) and HK\$3,790,000 (2022: HK\$3,790,000) respectively. Before entering into the loan agreements, the Group assesses the credit quality of borrowers and defines the terms of the loans. In addition, the Group reviews the recoverable amount of each individual loan at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has concentration of credit risk as the loans were made to two (2022: two) borrowers. In order to minimise the credit risk, the management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue loans. In view of the financial position of the borrowers, and the monitoring procedures adopted by the management, in the opinion of the directors of the Company, the credit risk in respect of the loan receivables could be monitored.

37. 金融工具(續)

b. 金融風險管理目標及政策(續) 信貸風險及減值評估(續)

按金及其他應收款項

就按金及其他應收款項而言，本集團已評估自初始確認以來信貸風險有否顯著增加。倘若信貸風險顯著增加，本集團將根據全期(而非12個月)預期信貸虧損以計量虧損撥備。

銀行結餘及已抵押銀行存款

銀行結餘之信貸風險有限，因為交易對手是信譽良好之銀行。

銀行結餘之集中風險

於二零二三年十二月三十一日，本集團之現金及現金等值物總額的50.5% (二零二二年: 62.1%) 存放於中國(二零二二年: 香港)一間具高信貸評級之金融機構，故此存在若干信貸風險集中情況。由於交易對手為獲得國際信貸評級機構發出高信貸評級之銀行，因此有關流動資金之信貸風險有限。

應收貸款及應收利息

於二零二三年十二月三十一日，本集團分別有總應收貸款16,126,000港元(二零二二年: 16,733,000港元)及應收利息3,790,000港元(二零二二年: 3,790,000港元)。於訂立貸款協議後，本集團評估借方之信貸質素及確定貸款條款。此外，本集團審閱報告期末各個別貸款之可收回款項，以確保就不可收回款項作出足夠減值虧損。由於本集團向兩名(二零二二年: 兩名)借方作出貸款，因此就此面對信貸風險集中之情況。為減低信貸風險，本集團管理層委派團隊負責監控程序以確保能跟進追討逾期貸款。鑑於借款人之財務狀況及管理層採取之監控程序，本公司董事認為有關應收貸款之信貸風險可受到監控。

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綜合財務報表附註

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

37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued) Credit risk and impairment assessment (Continued)

Loan receivables and interest receivables (Continued)

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout the reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- Internal and external credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations; and
- Significant changes in the expected performance and behaviour of the borrowing, including changes in the payment status of borrowers in the Group and changes in the operating results of the borrower.

At 31 December 2023, two loan receivables and their loan interest receivables with gross carrying amounts of HK\$16,000,000 (2022: HK\$16,000,000) and HK\$3,790,000 (2022: HK\$3,790,000) respectively are amounts due from borrowers whom the directors of the Company considered were credit-impaired. The borrowers did not repay the loan interest receivable according to the schedule listed on the loan agreements. The directors of the Company were of the opinion that the borrowers might not be able to repay the loan receivables. Another loan receivable with gross carrying amount of HK\$733,000 as at 31 December 2022 due from a borrower was credit impaired which the directors of the Company considered the borrower might not be able to repay loan receivables. During the year ended 31 December 2023, an amount of HK\$600,000 has been repaid to the Group, and the provision of ECL for this loan receivable amounting to HK\$600,000 has been reversed.

37. 金融工具(續)

b. 金融風險管理目標及政策(續) 信貸風險及減值評估(續)

應收貸款及應收利息(續)

本集團在初步確認金融資產時考慮違約的可能性，亦考慮於報告期間信貸風險有否持續顯著增加。在評估信貸風險有否顯著增加時，本集團將於報告日期資產發生的違約風險與初步確認日期的違約風險進行比對，考慮可得合理有據的前瞻性資料，尤其考慮下列指標：

- 內部及外部信貸評級；
- 實際發生的或預期對借款人履行其責任的能力產生重大變動的業務、財務或經濟狀況的重大不利變動；及
- 借款人預期表現或行為的重大變動，包括本集團借款人付款狀況的變動及借款人經營業績的變動。

於二零二三年十二月三十一日，賬面總額分別為16,000,000港元(二零二二：16,000,000港元)及3,790,000港元(二零二二年：3,790,000港元)之兩筆應收貸款及其應收貸款利息為應收借款人之款項，而本公司董事認為有關款項出現信貸減值。借款人並無按照貸款協議所列明之時間表償還應收貸款利息。本公司董事認為，借款人可能無法償還應收貸款。於二零二二年十二月三十一日，賬面總額為733,000港元之另一筆應收貸款為應收借款人信貸減值之款項，而本公司董事認為借款人可能無法償還應收貸款。截至二零二三年十二月三十一日止年度，已償還本集團600,000港元，而該筆應收貸款信貸減值虧損撥備600,000港元已撥回。

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37. FINANCIAL INSTRUMENTS (Continued)

- b. Financial risk management objectives and policies (Continued)
Credit risk and impairment assessment (Continued)

Loan receivables and interest receivables (Continued)

As at 31 December 2023, the directors of the Company assessed the provision of ECL of these loan receivables and their loan interest receivables were HK\$16,126,000 (2022: HK\$16,733,000) and HK\$3,790,000 (2022: HK\$3,790,000) respectively with the assistance of Peak Vision Appraisals Limited, an independent professional valuer not connected to the Group. Reversal of ECL loan receivables of HK\$600,000 (2022: HK\$400,000) was recognised in profit or loss during the year ended 31 December 2023. Up to the reporting date, the Group has arranged legal letters to the borrowers of two loan receivables with gross amounts of HK\$16,000,000 to request for repayment and another borrowers of the loan receivable with gross amount of HK\$126,000 is negotiating with the Group to renew and extend the existing loan receivables terms.

The Group's exposure to credit risk

In order to minimise credit risk, the Group has tasked its operation management team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the operation management team uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

37. 金融工具(續)

- b. 金融風險管理目標及政策(續)
信貸風險及減值評估(續)

應收貸款及應收利息(續)

於二零二三年十二月三十一日，本公司董事在與本集團無關連之獨立專業估值師滌鋒評估有限公司之協助下已評估該等應收貸款及其應收貸款利息之預期信貸虧損撥備分別為16,126,000港元(二零二二年：16,733,000港元)及3,790,000港元(二零二二年：3,790,000港元)。截至二零二三年十二月三十一日止年度，應收貸款預期信貸虧損撥回600,000港元(二零二二年：400,000港元)已確認為損益。截至報告日期，本集團已向兩筆應收貸款合共16,000,000港元之借款人發出法律函件要求還款，並正在與應收貸款合共126,000港元之另一名借款人協商更新及延長現有應收貸款之條款。

本集團承受之信貸風險

為最大限度降低信貸風險，本集團已委任其經營管理團隊制定及隨時更新本集團信貸風險等級，以根據違約風險等級將風險進行分類。信貸評級資料由獨立評級機構(如有)提供，否則，經營管理團隊將使用其他公開可用財務資料及本集團自有的交易記錄對其主要客戶及其他債務人進行評級。本集團持續監控其風險及其交易對手的信貸評級，並將所達成的交易總值在經核准交易對手間進行攤分。

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued) Credit risk and impairment assessment (Continued)

The Group's exposure to credit risk (Continued)

The Group's current credit risk grading framework comprises the following categories:

Category 評級	Description 描述	Basis for recognising ECL 確認預期信貸虧損之基準
Performing 履約	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired (refer to as Stage 1) 違約風險較低或自初步確認以來信貸風險未加劇，且無信貸減值的金融資產(為第1階段)	12-month ECL 12個月預期信貸虧損
Doubtful 存疑	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2) 自初步確認以來信貸風險加劇但無信貸減值的金融資產(為第2階段)	Lifetime ECL – not credit impaired 全期預期信貸虧損—無信貸減值
Default 違約	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3) 當一項或多項事件對該資產的預期未來現金流動產生不利影響時，金融資產被評估為信貸減值(為第3階段)	Lifetime ECL – credit impaired 全期預期信貸虧損—出現信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據表明債務人處於嚴重財務困境，而本集團並無實際收回款項的可能	Amount is written off 款項被撇銷

37. 金融工具(續)

b. 金融風險管理目標及政策(續) 信貸風險及減值評估(續)

本集團承受之信貸風險(續)

本集團目前的信貸風險評級框架包括下列類別：

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group's exposure to credit risk (Continued)

The table below details the credit quality of the Group's financial assets as well as the Group's maximum exposure to credit risk by credit risk rating grades:

At 31 December 2023 於二零二三年 十二月三十一日	Notes 附註	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	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	Net carrying amount 賬面淨值 HK\$'000 千港元
Loan receivables 應收貸款	18	Default 違約	Lifetime ECL 全期預期信貸虧損	16,126	(16,126)	–
Trade receivables 應收貿易款項	21	note ii 附註ii	Lifetime ECL (individual assessment) 全期預期信貸虧損(獨立評估)	71,657	(1,175)	70,482
Deposits and other receivables 按金及其他應收款項	22	Default 違約	Lifetime ECL 全期預期信貸虧損	3,790	(3,790)	–
		Performing 履約	12-month ECL 12個月預期信貸虧損	11,616	–	11,616

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團承受之信貸風險(續)

下表詳細列出本集團金融資產之信貸質量以及本集團按信貸風險評級評定的最大信貸風險：

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group's exposure to credit risk (Continued)

At 31 December 2022 於二零二二年 十二月三十一日	Notes 附註	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	Gross carrying amount 賬面總值		Net carrying amount 賬面淨值
				Loss allowance 虧損撥備		
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Loan receivables 應收貸款	18	Default 違約	Lifetime ECL 全期預期信貸虧損	16,733	(16,733)	-
Trade receivables 應收貿易款項	21	note ii 附註ii	Lifetime ECL (individual assessment) 全期預期信貸虧損(獨立評估)	75,951	(4,448)	71,503
Deposits and other receivables 按金及其他應收款項	22	Default 違約	Lifetime ECL 全期預期信貸虧損	32,857	(32,857)	-
		Note iii 附註iii	Performing 履約	12,076	-	12,076

Note i for trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors that are credit-impaired or with significant outstanding balances, the Group determines the ECL on these items by using a provision matrix, grouped by internal credit rating. The management of the Group considered the loss allowance on this group of trade receivables to be insignificant.

Note ii as at 31 December 2023 and 2022, ECL on trade receivables with significant balances with gross amount of HK\$71,657,000 and HK\$75,951,000 respectively were assessed individually. These receivables are assessed for impairment allowance based on the historical credit losses experience, forward looking factors and adjusted for factors that are specific to the debtors, including settlement pattern, recent transactions with the Group and length of business relationship.

Note iii for other receivables and deposits, the directors of the Company make periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors of the Company believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12 months expected losses method, except for the other receivables from Enormous Fortune with carrying amount of approximately HK\$29,067,000. For the year ended 31 December 2022, the Group assessed the ECL for other receivables and deposits, an impairment loss of HK\$29,067,000 was recognised in the profit or loss.

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團承受之信貸風險(續)

At 31 December 2022 於二零二二年 十二月三十一日	Notes 附註	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	Gross carrying amount 賬面總值		Net carrying amount 賬面淨值
				Loss allowance 虧損撥備		
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Loan receivables 應收貸款	18	Default 違約	Lifetime ECL 全期預期信貸虧損	16,733	(16,733)	-
Trade receivables 應收貿易款項	21	note ii 附註ii	Lifetime ECL (individual assessment) 全期預期信貸虧損(獨立評估)	75,951	(4,448)	71,503
Deposits and other receivables 按金及其他應收款項	22	Default 違約	Lifetime ECL 全期預期信貸虧損	32,857	(32,857)	-
		Note iii 附註iii	Performing 履約	12,076	-	12,076

附註i 就應收貿易款項而言，本集團已採用香港財務報告準則第9號之簡易方法計量全期預期信貸虧損之撥備。除具有信貸減值或重大未償還結餘之應收賬款外，本集團使用內部信貸評級分組之撥備矩陣釐定該等項目之預期信貸虧損。本集團管理層認為，此應收貿易款項組別之減值撥備並不重大。

附註ii 於二零二三年及二零二二年十二月三十一日，具有重大結餘總額分別為71,657,000港元及75,951,000港元之應收貿易款項之預期信貸虧損已獨立評估。該等應收款項乃根據過往信貸虧損經驗、前瞻因素及對債務人之特定因素(包括結算方式、與本集團之最近交易及業務關係年期)作出調整後，就減值撥備進行評估。

附註iii 就其他應收款項及按金而言，本公司董事根據過往償付記錄、過往經驗以及合理且具理據支持的前瞻性定量及定性資料，對其他應收款項及按金的可收回性進行定期個別評估。本公司董事認為自初始確認以來該等款項的信貸風險並無顯著增加且本集團根據12個月預期虧損法計提減值，惟賬面值約29,067,000港元的其他應收應富款項除外。截至二零二二年十二月三十一日止年度，本集團已評估其他應收款項及按金的預期信貸虧損，於損益確認減值虧損29,067,000港元。

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37. FINANCIAL INSTRUMENTS (Continued)

b. 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 borrowings and ensures compliance with loan covenants.

The Group relies on borrowings as a significant source of liquidity. As at 31 December 2023, the Group has available revolving loan facility of approximately HK\$35,000,000 (31 December 2022: HK\$50,000,000). Details of which are set out in note 27.

The Group is exposed to liquidity risk of being unable to finance its future working capital and financial requirements when they fall due. The net current liabilities and net liabilities of the Group as at 31 December 2023 was approximately HK\$185,184,000 and HK\$80,869,000 respectively. In view of this, the directors of the Company have given careful consideration to the future liquidity of the Group and details of which are set out in note 3.1.

The following table details the Group's remaining contractual maturity for its financial liabilities and derivative instruments. 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. Specifically, loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the lenders choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

37. 金融工具(續)

b. 金融風險管理目標及政策(續)

流動資金風險

管理流動資金風險方面，本集團監察及維持現金及現金等值物於管理層視為充足之水平，以提供本集團經營業務所需資金，並減少現金流量波動之影響。管理層監控借貸的使用及確保遵守貸款契諾。

本集團依靠貸款作為流動資金之重要來源。於二零二三年十二月三十一日，本集團可動用之循環貸款融資約為35,000,000港元(二零二二年十二月三十一日：50,000,000港元)。詳情載於附註27。

本集團承受無法為未來營運資金及財務需求到期時撥資之流動資金風險。於二零二三年十二月三十一日，本集團之流動負債淨額及負債淨額分別約為185,184,000港元及80,869,000港元。有鑑於此，本公司董事已周詳考慮本集團之未來流動資金，詳情載於附註3.1。

下表載列本集團金融負債及衍生工具之剩餘合約年期詳情。該列表按於本集團可能獲要求付款最早日期之金融負債未貼現現金流量編製。具體而言，不論貸款方選擇行使其權利的可能性，凡訂有須按要求還款條款的貸款計入最早的時間範圍內。其他非衍生金融負債之到期日乃根據協定還款日期釐定。

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37. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued) Liquidity risk (Continued)

The table includes both interest and principal cash flows.

Liquidity tables

		Weighted average interest rate	On demand	1 to	3 months	Total undiscounted cash flows	Carrying amount
			or less than 1 month	3 months	to 1 year		
		加權平均利率	按要求或 少於1個月	1至3個月	3個月至1年	未折現 現金流量總額	賬面值
		%	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
2023	二零二三年						
Borrowings	貸款	6.09%	80,575	1,348	166,163	–	238,097
Trade payables	應付貿易款項	–	79,205	45,181	46,155	–	170,541
Other payables	其他應付款項	–	25,871	–	–	–	25,871
Lease liabilities	租賃負債	9.52%	222	445	1,095	2,049	3,387
Convertible bonds	可換股債券	16.56%	34	66	2,790	–	2,476
			185,907	47,040	216,203	2,049	440,372

		Weighted average interest rate	On demand	1 to	3 months	Total undiscounted cash flows	Carrying amount
			or less than 1 month	3 months	to 1 year		
		加權平均利率	按要求或 少於1個月	1至3個月	3個月至1年	未折現 現金流量總額	賬面值
		%	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
2022	二零二二年						
Borrowings	貸款	6.47%	1,006	67,105	127,634	–	190,943
Trade payables	應付貿易款項	–	74,351	19,472	43,288	–	137,111
Other payables	其他應付款項	–	32,547	–	–	–	32,547
Lease liabilities	租賃負債	8.11%	191	381	1,715	3,169	4,788
			108,095	86,958	172,637	3,169	365,389

37. 金融工具(續)

b. 金融風險管理目標及政策(續) 流動資金風險(續)

該表包括利息及本金現金流量。

流動資金表

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37. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments

- (i) *Fair value of the Group's financial assets that are measured at fair value on a recurring basis*

During the years ended 31 December 2023 and 2022, there have been no significant transfers between Level 1 and 2 or transfers into or out of Level 3.

- (ii) *Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)*

The fair values of financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

37. 金融工具(續)

c. 金融工具之公允值計量

- (i) *以經常基準按公允值計量之本集團金融資產之公允值*

截至二零二三年及二零二二年十二月三十一日止年度，第一級與第二級之間並無重大轉移，亦無轉入或轉出第三級。

- (ii) *並非以經常基準按公允值計量之金融資產及金融負債之公允值(惟須作出公允值披露)*

金融資產及金融負債的公允值乃根據基於貼現現金流量分析之公認定價模型而釐定。

本公司董事認為，財務報表中確認的金融資產及金融負債的賬面值，與其公允值相若。

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38. 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 financing activities.

38. 融資活動所產生負債之對賬

下表詳述本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生之負債為現金流量已經或未來現金流量將會分類至本集團綜合現金流量表列作融資活動之現金流量。

		Borrowings	Interest payables	Lease liabilities	Convertible bonds	Total
		貸款	應付利息	租賃負債	可換股債券	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
		(note 27)		(note 28)		
		(附註27)		(附註28)		
At 1 January 2022	於二零二二年一月一日	263,567	–	13,054	–	276,621
Finance costs	融資成本	–	13,545	806	–	14,351
New leases entered	新訂租賃	–	–	6,442	–	6,442
Termination of a lease agreement	終止租賃協議	–	–	(10,538)	–	(10,538)
Financing cash flows	融資現金流量	(59,876)	(13,545)	(4,238)	–	(77,659)
Foreign exchange translation	外匯換算	(12,748)	–	(738)	–	(13,486)
At 31 December 2022	於二零二二年十二月三十一日	190,943	–	4,788	–	195,731
Finance costs	融資成本	–	14,706	358	523	15,587
New leases entered	新訂租賃	–	–	624	–	624
Issue of convertible bonds	發行可換股債券	–	–	–	36,176	36,176
Accrued interest	應計利息	–	–	–	(236)	(236)
Addition through acquisition of subsidiaries	透過收購附屬公司增置	–	–	105	–	105
Conversion of convertible bonds	轉換可換股債券	–	–	–	(33,696)	(33,696)
Disposal of associates	出售聯營公司	(612)	(246)	–	–	(858)
Financing cash flows	融資現金流量	49,661	(11,300)	(2,443)	(291)	35,627
Foreign exchange translation	外匯換算	(1,895)	16	(45)	–	(1,924)
At 31 December 2023	於二零二三年十二月三十一日	238,097	3,176	3,387	2,476	247,136

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39. MATERIAL RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

(A) Transaction with related parties

During the year, the Group entered into the following transactions with related parties:

39. 重大關聯方交易

本公司與其附屬公司(為本公司關聯方)之間的結餘及交易已於綜合賬目時對銷，此附註不作披露。下文披露有關本集團與其他關聯方之間的交易詳情。

(A) 與關聯方交易

年內，本集團與關聯方訂立以下交易：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Rental income received from a related company in which a key management personnel of the Company has significant influence	已收一間關聯公司(本公司一名主要管理人員對其有重大影響)之租金收入	–	384
Interest expenses paid to a licensed money lending company	已付一間持牌放貸公司之利息開支	724	508
Interest expenses paid to a major shareholder of associates	已付聯營公司主要股東之利息開支	183	62
		907	954

(B) Outstanding balances with related parties

(B) 尚未清償的關連方結餘

Loan from major shareholder of associates	聯營公司主要股東之貸款	–	(612)
Loan interest payable to major shareholder of associates	應付聯營公司主要股東之貸款利息	–	(62)
Loan from a licensed money leading company (note i, note 27(f))	一間持牌放貸公司之貸款 (附註i、附註27(f))	(8,000)	–
Acquisition payable due to non-controlling interests of a subsidiary (note ii)	應付附屬公司非控股權益之 收購應付款項(附註ii)	(1,700)	–
Amount due to non-controlling interests of a subsidiary (note iii)	應付附屬公司非控股權益 款項(附註iii)	(63)	–

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39. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(B) Outstanding balances with related parties (Continued)

Notes:

- (i) A licensed money lending company is one of shareholders of the company.
- (ii) An acquisition payable is unsecured, interest-free and repayable on demand.
- (iii) Amount due to non-controlling interests of a subsidiary is unsecured, interest-free and repayable on demand.

(C) Compensation of key management personnel

The remuneration of key management, comprising the directors of the Company, during the year was as follows:

39. 重大關聯方交易(續)

(B) 尚未清償的關連方結餘(續)

附註：

- (i) 持牌放貸公司為本公司股東之一。
- (ii) 收購應付款項為無抵押、免息及須於要求時償還。
- (iii) 應付附屬公司非控股權益款項為無抵押、免息及須於要求時償還。

(C) 主要管理人員薪酬

主要管理人員(包括本公司董事)於年內之薪酬如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Short-term benefits	短期福利	3,469	4,865
Post-employment benefits	離職後福利	59	52
		3,528	4,917

The remuneration of key management, comprising the directors of the Company, is determined having regard to the performance of individuals and market trends.

主要管理人員(包括本公司董事)的薪酬於考慮個人表現及市場趨勢後釐定。

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

40. 本公司主要附屬公司之詳情

本公司於報告期末直接及間接持有之附屬公司之詳情載列如下。

Name 名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Registered capital paid up 繳足註冊資本	2023 Percentage of equity attributable to the Company 二零二三年 本公司應佔股權百分比		2022 Percentage of equity attributable to the Company 二零二二年 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Alliance Credit Services Limited	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	-	100%	-	100%	Provision of credit finance services 提供信貸融資服務
Big Crown Investments Limited	Hong Kong 香港	Ordinary HK\$1 普通股1港元	-	100%	-	100%	Trading of securities 買賣證券
Billion Pride Group Limited	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	-	100%	-	Investment holding 投資控股
Central Information Limited 中訊有限公司	Hong Kong 香港	Ordinary HK\$100 普通股100港元	-	100%	-	100%	Trading of securities and provision of management services 買賣證券及提供管理服務
Chongxin Co., Limited 崇信制品有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	-	100%	-	100%	Investment holding 投資控股
Luxtone HK Limited	Hong Kong 香港	Ordinary HK\$1 普通股1港元	-	100%	-	100%	Investment holding 投資控股

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For the year ended 31 December 2023
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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

40. 本公司主要附屬公司之詳情(續)

Name 名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Registered capital paid up 繳足註冊資本	2023 Percentage of equity attributable to the Company 二零二三年 本公司應佔股權百分比		2022 Percentage of equity attributable to the Company 二零二二年 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	Direct 直接	Indirect 間接	
Sewco (B.V.I.) Limited	British Virgin Islands 英屬處女群島	Ordinary US\$401 普通股401美元	100%	–	100%	–	Investment holding 投資控股
Sewco Toys & Novelty Limited 崇高實業有限公司	Hong Kong 香港	Ordinary HK\$76,000,200 Non-voting deferred HK\$420,000 普通股76,000,200港元 無投票權 遞延股420,000港元	–	100%	–	100%	Investment holding and trading of toys products 投資控股及買賣玩具產品
Talent Management Services Limited	Hong Kong 香港	Ordinary HK\$1 普通股1港元	–	100%	–	100%	Provision of management services 提供管理服務
Zhongshan Sewco Toys & Novelty Limited* 中山崇高玩具製品廠有限公司#	The PRC 中國	Paid-up capital HK\$124,300,000 繳足資本124,300,000港元	–	100%	–	100%	Manufacturing and sales of toys products 製造及銷售玩具產品
北京琉石網絡技術有限公司#	The PRC 中國	Paid-up capital US\$1,750,000 繳足資本1,750,000美元	–	100%	–	100%	Investment holding 投資控股
名鮮株式會社	Japan 日本	Paid-up capital JPY5,070,000 繳足資本5,070,000日圓	–	78.9%	–	–	Plantation of agricultural products for sales 農產品種植及銷售

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

A wholly foreign-owned enterprise registered in the PRC.

* For identification purpose only.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

41. EVENTS AFTER END OF THE REPORTING PERIOD

Subsequent to 31 December 2023 and up to the date of this report, the following events took place:

Issue of New Shares

On 15 January 2024, the Company allotted and issued an aggregate of 101,964,566 ordinary shares of HK\$0.01 each for cash at the net issue price of approximately HK\$0.066 per new share under the general mandate giving rise to net proceeds of HK\$6,500,000.

40. 本公司主要附屬公司之詳情(續)

於中國註冊之全資外資企業。

* 僅供識別。

上表載列本公司董事認為主要影響本年度業績或組成本集團資產淨值主要部份之本公司附屬公司。本公司董事認為，如提供其他附屬公司之詳情，會使資料過於冗長。

41. 報告期末後事項

於二零二三年十二月三十一日後及直至本報告日期，曾發生以下事件：

發行新股份

於二零二四年一月十五日，本公司根據一般授權以淨發行價每股新股份約0.066港元配發及發行合共101,964,566股每股面值0.01港元之普通股以換取現金，產生所得款項淨額6,500,000港元。

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綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY 42. 本公司之財務狀況表及儲備

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		379	–
Right-of-use assets	使用權資產		520	–
Interests in subsidiaries	於附屬公司之權益	(a)	814	–
			1,713	–
Current assets	流動資產			
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		482	306
Bank balances and cash	銀行結餘及現金		85	68
			567	374
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用		12,778	13,636
Borrowing	貸款		45,000	48,550
Convertible bonds	可換股債券	30	2,476	–
Lease liabilities	租賃負債		313	–
Amounts due to subsidiaries	應付附屬公司款項		887	46,279
			61,454	108,465
Net current liabilities	流動負債淨額		(60,887)	(108,091)
Total assets less current liabilities	資產總值減流動負債		(59,174)	(108,091)
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		196	–
Net liabilities	負債淨值		(59,370)	(108,091)
Capital and reserves	股本及儲備			
Share capital	股本	31	5,098	3,662
Deficit	虧絀	(b)	(64,468)	(111,753)
Capital deficiencies	資本虧絀		(59,370)	(108,091)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2023

截至二零二三年十二月三十一日止年度

42. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Notes:

- (a) The amounts due from subsidiaries are classified under non-current asset as the directors of the Company consider that the amounts due from subsidiaries are part of the investments in subsidiaries. The amounts are unsecured, interest free and repayable on demand.
- (b) Movement in the Company's reserves

42. 本公司之財務狀況表及儲備(續)

附註：

- (a) 應收附屬公司款項分類為非流動資產，因為本公司董事認為應收附屬公司款項是附屬公司投資的一部分。有關款項為無抵押、免息及應要求償還。
- (b) 本公司儲備之變動

		Share premium	Convertible bond equity reserve	Exchange fluctuation reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	可換股債券權益儲備	匯兌波動儲備	繳入盈餘	累計虧損	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 2022	於二零二二年一月一日	942,400	–	–	152,762	(1,541,312)	(446,150)
Total comprehensive expense for the year	本年度全面開支總額	–	–	–	–	(28,127)	(28,127)
Share reduction	股份削減	–	–	–	–	362,524	362,524
Cancellation of share premium (Note)	註銷股份溢價(附註)	(942,400)	–	–	–	942,400	–
At 31 December 2022	於二零二二年十二月三十一日	–	–	–	152,762	(264,515)	(111,753)
Total comprehensive income for the year	本年度全面收益總額	–	–	86	–	14,815	14,901
Issue of convertible bonds	發行可換股債券	–	124	–	–	–	124
Conversion of convertible bonds into shares	將可換股債券轉換為股份	32,377	(117)	–	–	–	32,260
At 31 December 2023	於二零二三年十二月三十一日	32,377	7	86	152,762	(249,700)	(64,468)

Note:

Pursuant to the special resolution passed at the special general meeting of the Company held on 28 November 2022, the Company cancelled the entire amount standing to the debit of the Share Premium Account as of 30 November 2022 to nil with the credit arising therefrom transferred to the accumulated losses.

附註：

根據本公司於二零二二年十一月二十八日舉行之股東特別大會上通過之特別決議案，本公司將股份溢價賬出賬截至二零二二年十一月三十日之全部進金額註銷為零，並將由此產生之進賬額轉撥至累計虧損。

Five Years Financial Summary

五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited consolidated financial statements, is set out below:

本集團於過去五個財政年度摘錄自己刊發之經審核綜合財務報表之業績及資產與負債之概要載列如下：

RESULTS	業績	Year ended 31 December				
		截至十二月三十一日止年度				
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收入	523,262	849,096	724,627	364,311	649,490
Cost of sales	銷售成本	(483,996)	(751,213)	(687,370)	(345,796)	(574,551)
Gross profit	毛利	39,266	97,883	37,257	18,515	74,939
Other income, gains and losses	其他收入、收益及虧損	10,300	8,217	(10,475)	(6,999)	16,822
Selling and distribution costs	銷售及分銷成本	(1,608)	(7,557)	(5,710)	(4,109)	(6,403)
Administrative expenses	行政開支	(49,879)	(84,903)	(78,522)	(72,446)	(76,431)
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	–	–	(30,704)	–	–
Impairment loss on right-of-use assets	使用權資產之減值虧損	–	–	(3,140)	–	–
Gain on disposal of subsidiaries	出售附屬公司之收益	–	29,906	–	7,991	–
Research and development expenses	研發開支	–	–	–	(336)	(2,523)
Gain arising from change in fair value less cost to sell of biological assets	生物資產公允值減銷售成本變動產生之收益	13	–	–	–	–
Changes in fair value of financial assets at fair value through profit or loss	按公允值計入損益之金融資產之公允值變動	–	–	100	(2,929)	(10,689)
Other operating expenses	其他經營開支	(5,503)	(17,426)	(22,600)	(28,358)	(14,404)
Finance costs	融資成本	(15,587)	(14,351)	(16,079)	(13,449)	(14,785)
(Loss) profit before taxation	除稅前(虧損)溢利	(22,998)	11,769	(129,873)	(102,120)	(33,474)
Income tax (expense) credit	所得稅(開支)抵免	(6,363)	(3,690)	(6,142)	6,341	(8,948)
(Loss) profit for the year	年度(虧損)溢利	(29,361)	8,079	(136,015)	(95,779)	(42,422)
(Loss) profit for the year attributed to:	以下項目應佔本年度(虧損)溢利：					
Owners of the Company	本公司擁有人	(28,650)	8,079	(136,015)	(95,779)	(42,422)
NCI	非控股權益	(711)	–	–	–	–
		(29,361)	8,079	(136,015)	(95,779)	(42,422)

Five Years Financial Summary

五年財務概要

		As at 31 December 於十二月三十一日				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		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
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	414,325	340,946	550,348	484,688	595,752
Total liabilities	總負債	(495,194)	(430,594)	(649,290)	(446,787)	(475,473)
(Capital deficiency) total equity	(資本虧絀)總權益	(80,869)	(89,648)	(98,942)	37,901	120,279
NCI	非控股權益	814	–	–	–	–
(Capital deficiency) attributable to owners of the Company	本公司擁有人應佔 (資本虧絀)	(80,055)	(89,648)	(98,942)	37,901	120,279



WINSHINE
瀛晟科學

Winshine Science Company Limited
瀛晟科學有限公司*