



中國誠通發展集團有限公司 China Chengtong Development Group Limited

(於香港註冊成立之有限公司)
(Incorporated in Hong Kong with limited liability)
股份代號 Stock Code: 217



2023 Annual Report 年度報告



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ABOUT US

關於我們

China Chengtong Development Group Limited (the “**Company**”) and its subsidiaries (together with the Company, collectively the “**Group**”) are principally engaged in leasing, property development and investment, and marine recreation services and hotel business.

Since 2020, the Group has clearly identified leasing as the main direction of its future business development, continuously optimised resource allocation, focused on its core leasing business and promoted the Company to achieve high-quality development.

The Group’s leasing business is mainly carried out through its wholly-owned subsidiary, Chengtong Financial Leasing Company Limited (“**Chengtong Financial Leasing**”), which was established in 2010. Adhering to the principles of “Service Strategies, Synergy Optimisation, Strict Risk Management Control and Creating Uniqueness”, Chengtong Financial Leasing has continued to give full play to the functions of financial leasing in optimising resources allocation and structural adjustment, increase efforts in serving the real economy and corporate collaboration, thereby continuously enhancing its influence in the industry and building its brand image. Chengtong Financial Leasing always adheres to professional leased assets management model and outstanding risk management and control capabilities to provide customers with a full range of finance lease services which focus on five major sectors, namely energy conservation and environmental protection, logistics and warehousing, infrastructure projects, leasing services and traditional manufacturing.

中國誠通發展集團有限公司(「**本公司**»)與其附屬公司(連同本公司統稱「**本集團**»)的主營業務為租賃、物業發展及投資、海上旅遊服務及酒店業務。

自二零二零年以來，本集團明確將租賃作為未來業務發展主要方向，不斷優化資源配置，聚焦租賃主業，推動公司實現高質量發展。

本集團的租賃業務主要透過其全資附屬公司誠通融資租賃有限公司(「**誠通融資租賃**»)進行，誠通融資租賃成立於二零一零年，秉承「服務戰略、協同優化、嚴控風險、做出特色」的原則，持續發揮融資租賃優化資源配置、結構調整等功能，加大服務實體經濟、企業協同合作力度，不斷提升行業影響力，樹立品牌形象。誠通融資租賃始終堅持以專業化的租賃資產管理模式和優秀的風險管控能力，聚焦節能環保、物流倉儲、基建工程、租賃服務及傳統製造業五大板塊，為客戶提供全方位的融資租賃服務。



Since 2020, Chengtong Financial Leasing has gone through three development stages, including “foundation establishment, risk control and brand building”, “scale expansion, cost reduction and efficiency improvement” and “growth stabilisation, professionalisation and internationalisation”. It has now secured a position at the medium level among state-owned leasing companies with a registered capital of RMB2,000 million, marking a new level of its scale of core capital. In 2023, Chengtong Financial Leasing was accredited with long-term credit rating at AA+ by Lianhe Credit Rating and was recognised as an “AAA Credit Rating Enterprise of Beijing”, laying a solid foundation for rapid improvement of its refinancing capabilities and better performance of its financial service functions.

Looking forward, Chengtong Financial Leasing will insist on returning to the origin of leasing, closely follow the guidance of industry regulatory policies, strive to achieve characteristic operations in the market segments, actively explore and invest in innovative product portfolios and service models, and forge ahead to realise the corporate vision of “building an industry-leading finance leasing company with capital operation characteristics”.

The Company is ultimately controlled by the State-owned Assets Supervision and Administration Commission of the State Council. The Group will fully leverage its resource advantages to create greater value for its shareholders.

二零二零年至今，歷經「打基礎、控風險、樹品牌」、「擴規模、降成本、增效益」、「穩增長、拓專業、國際化」等三個發展階段，誠通融資租賃目前已躋身央企背景租賃公司中游水平；註冊資本達人民幣20億元，核心資本規模邁上新台階；於二零二三年，誠通融資租賃獲聯合資信授予AA+長期信用評級並獲評「北京市信用AAA級企業」，為快速提升再融資能力，更好地發揮金融服務功能，奠定良好基礎。

未來，誠通融資租賃將堅持回歸租賃本源，緊跟行業監管政策導向，努力實現細分市場特色化經營，積極探索佈局創新性產品組合及服務模式，為實現「打造具有資本運營特色的行業領先融資租賃公司」的企業願景砥礪前行。

本公司最終為國務院國有資產監督管理委員會控制，本集團將充分發揮其資源優勢，為股東創造更大價值。

SIGNIFICANT MOMENTS OF THE GROUP'S LEASING BUSINESS DEVELOPMENT

本集團租賃業務發展的重要時刻

Before 2020

- Early stage of development
發展初期
- Business scale increased gradually
業務規模逐漸提升

2020

- Increased professional staff
增加專業人員
- Expanded operation scale
擴大經營規模
- Segment assets and turnover reached HK\$2.47 billion and HK\$146 million respectively
分類資產及營業額分別達港幣24.7億元及港幣1.46億元

2021

- Issued asset-backed securities ("ABS") in May of HK\$1.79 billion (RMB1.49 billion) for the first time
5月首次發行資產支持證券(「ABS」)，規模港幣17.9億元(人民幣14.9億元)
- Increased registered capital of principal operating company (Chengtong Financial Leasing) to RMB2 billion
增加主要經營公司(誠通融資租賃)註冊資本至人民幣20億元
- Awarded with "China Financial Leasing Ranking - Company of the Year"
榮獲「中國融資租賃榜－年度公司」獎項
- Segment assets and turnover reached HK\$7.15 billion and HK\$315 million respectively
分類資產及營業額分別達港幣71.5億元及港幣3.15億元

2022

- Attained the highest level "Green Enterprise" qualification (G-AAA)
取得最高等級「綠色企業」資格 (G-AAA)
- Awarded with "China Financial Leasing Ranking - Company of the Year"
榮獲「中國融資租賃榜－年度公司」獎項
- Segment assets and turnover reached HK\$9.11 billion and HK\$415 million respectively
分類資產及營業額分別達港幣91.1億元及港幣4.15億元

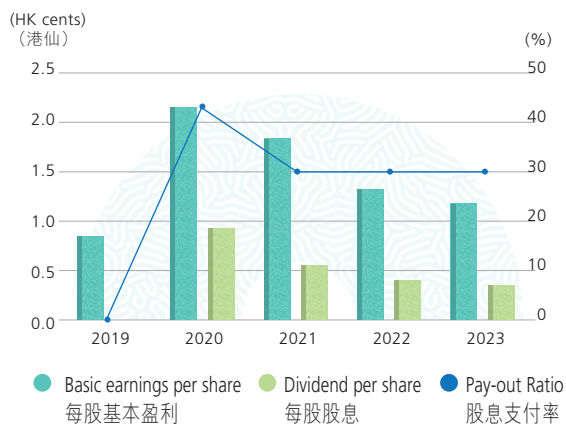
2023

- Had issued a total of 5 ABS with total size of HK\$8 billion (RMB6.97 billion)
共發行5次ABS，總規模為港幣80億元(人民幣69.7億元)
- Attained credit rating of AA+ from China Lianhe Credit Rating Co., Ltd.
取得聯合資信評估有限公司AA+信用評級
- Awarded with "China Financial Leasing Ranking - Company of the Year"
榮獲「中國融資租賃榜－年度公司」獎項
- Segment assets and turnover reached HK\$9.67 billion and HK\$604 million respectively
分類資產及營業額分別達港幣96.7億元及港幣6.04億元

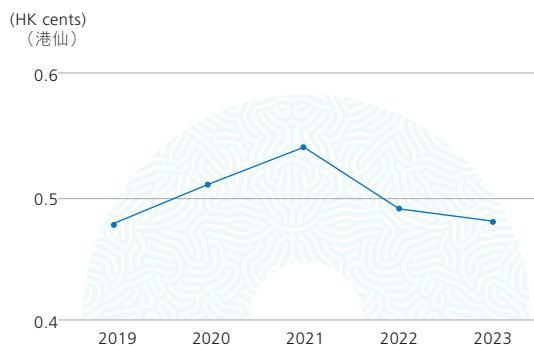
FINANCIAL HIGHLIGHTS

財經摘要

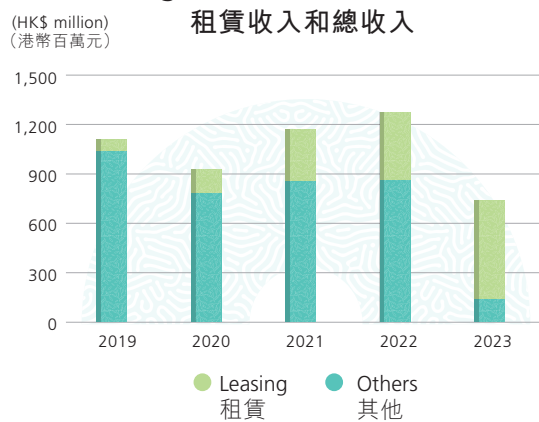
Earnings and Dividend per Share
每股盈利和股息



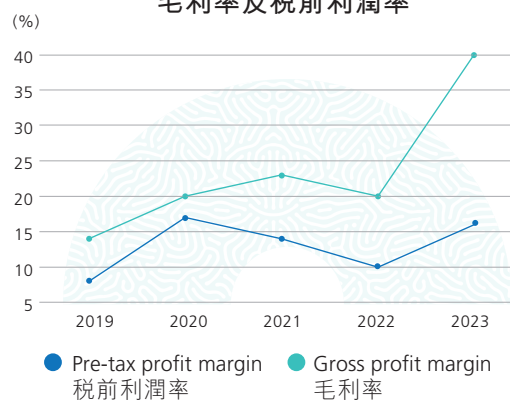
Shareholder's Equity per Share
每股股東權益



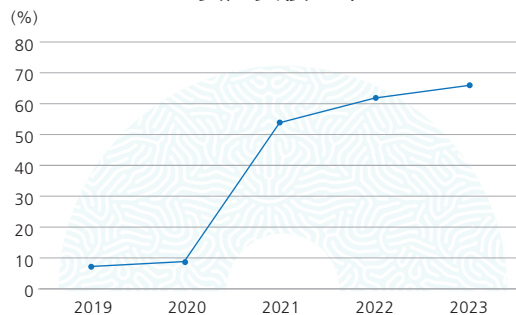
Leasing Revenue vs Total Revenue
租賃收入和總收入



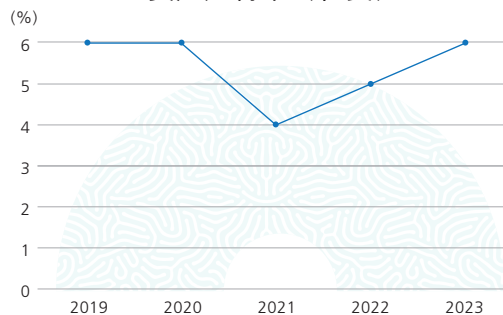
Gross Profit Margin and Pre-tax Profit Margin
毛利率及稅前利潤率



Debt to Asset Ratio
資產負債比率



Asset Turnover Ratio (Leasing)
資產週轉率 (租賃)



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Zhang Bin (*Chairman*)
Gu Honglin (*Managing Director*)

Independent Non-Executive Directors

Chang Qing
Lee Man Chun, Tony
He Jia

AUDIT COMMITTEE

Lee Man Chun, Tony (*Chairman*)
Chang Qing
He Jia

REMUNERATION COMMITTEE

He Jia (*Chairman*)
Lee Man Chun, Tony
Zhang Bin

NOMINATION COMMITTEE

Chang Qing (*Chairman*)
Lee Man Chun, Tony
Zhang Bin

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Gu Honglin (*Chairman*)
He Jia
Chang Qing

COMPANY SECRETARY

Poon Tsz Kin

AUDITOR

Baker Tilly Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

董事會

執行董事

張斌 (主席)
顧洪林 (董事總經理)

獨立非執行董事

常清
李萬全
何佳

審核委員會

李萬全 (主席)
常清
何佳

薪酬委員會

何佳 (主席)
李萬全
張斌

提名委員會

常清 (主席)
李萬全
張斌

環境、社會及管治委員會

顧洪林 (主席)
何佳
常清

公司秘書

潘子健

核數師

天職香港會計師事務所有限公司
執業會計師
註冊公眾利益實體核數師

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications Company Limited
China Merchants Bank Company, Limited
Chong Hing Bank Limited
Fubon Bank (China) Company, Limited
Hang Seng Bank (China) Limited
Industrial and Commercial Bank of China Limited
Postal Savings Bank of China Company Limited
Shanghai Pudong Development Bank Company Limited

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Wanchai, Hong Kong
Tel: (852) 2862-8555
Fax: (852) 2865-0990

STOCK CODE

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主要往來銀行

中國銀行(香港)有限公司
交通銀行股份有限公司
招商銀行股份有限公司
創興銀行有限公司
富邦華一銀行有限公司
恆生銀行(中國)有限公司
中國工商銀行股份有限公司
中國郵政儲備銀行股份有限公司
上海浦東發展銀行股份有限公司

註冊辦事處及香港主要營業地點

香港灣仔
港灣道18號
中環廣場
64樓6406室
電話：(852) 2160-1600
傳真：(852) 2160-1608

網址及電郵地址

網址：www.hk217.com
電子郵件：public@hk217.com

股份過戶登記處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712-1716號舖
電話：(852) 2862-8555
傳真：(852) 2865-0990

股份代號

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CHAIRMAN'S STATEMENT

主席致辭

On behalf of the board (“**Board**”) of directors (“**Directors**”) of the Company, I hereby present to all shareholders the annual report of the Company for the year ended 31 December 2023.

In 2023, amidst the complex and volatile internal and external situations, the Group continued to focus on its core leasing business, strictly prevented and controlled various risks, continuously enhanced its core competitiveness, and thus achieved a stable operation. During the year, the Group recorded a consolidated revenue of approximately HK\$740 million, reflecting a decrease of 42% as compared to that of last year, which was mainly due to the suspension of bulk commodity trade business in early 2023, resulting in a reduction in this segment's revenue by approximately HK\$748 million to approximately HK\$13.64 million as compared to that of the corresponding period of last year. At the same time, the segment revenue from leasing business continued to grow steadily by approximately HK\$189 million to approximately HK\$604 million, representing an increase of 46% as compared to that of the corresponding period of last year. The Group recorded profit before tax of approximately HK\$122 million during the year, representing a slight decrease of approximately HK\$0.73 million as compared to that of last year, of which: (1) although the leasing business segment continued to grow, the Group increased the expected credit loss provision for finance lease receivables and loan receivables based on the prudence principle from approximately HK\$4.59 million of the corresponding period of last year to approximately HK\$48.60 million of the year, which in turn brought a decrease in profit before tax of the leasing business segment by approximately HK\$21.12 million to approximately HK\$155 million as compared to that of the corresponding period of last year; (2) benefited from the gradual recovery of the tourism industry in Hainan, the operating performance of the Group's marine recreation services and hotel business segment has improved, with loss decreased to approximately HK\$3.73 million when compared with approximately HK\$25.36 million for the corresponding period of last year; and (3) the total profit from the other business segments in aggregate remained stable.

Currently, the Group is principally engaged in leasing, property development and investment, and marine recreation services and hotel business.

本人謹代表本公司董事（「**董事**」）會（「**董事會**」）向全體股東提呈本公司截至二零二三年十二月三十一日止年度的年度報告。

二零二三年，面對複雜多變的內外部形勢，本集團持續聚焦租賃主業發展，嚴格防控各類風險，不斷增強核心競爭力，實現了穩健經營。本年度本集團共錄得綜合營業額約港幣7億4,000萬元，較上年度減少42%，主要原因是大宗商品貿易業務已於二零二三年初暫停營運，該業務板塊收益較去年同期下降約港幣7億4,800萬元至約港幣1,364萬元。同時，租賃業務板塊收益持續穩步增長約港幣1億8,900萬元至約港幣6億400萬元，較上年同期增長46%。本集團年內錄得除稅前溢利約港幣1億2,200萬元，較上年度略微減少約港幣73萬元，其中：(1)雖然租賃業務板塊持續增長，基於審慎原則，本集團將融資租賃應收款項及應收貸款預期信貸虧損撥備由去年同期約港幣459萬元增加至本年度約港幣4,860萬元，進而導致租賃業務板塊除稅前溢利較去年同期減少約港幣2,112萬元至約港幣1億5,500萬元；(2)得益於海南旅遊業逐漸回暖，本集團海上旅遊服務和酒店業務板塊營運情況有所改善，虧損額較去年同期約港幣2,536萬元減少至約港幣373萬元；及(3)合計來自其他業務板塊的總利潤變化不大。

本集團目前從事的主營業務為租賃、物業發展及投資及海上旅遊服務和酒店業務。

Regarding the leasing business, despite the continuing challenges posed by the macro-economy, the increasingly stringent regulation of the industry and the intensifying competition in the industry, the Group proactively responded to the impacts brought by various unfavourable factors and increased its efforts to develop key areas, making new progress in a number of key initiatives. Chengtong Financial Leasing actively participated in business development in key areas such as data centres and national railways, and proactively explored cooperation opportunities in green energy industries such as energy storage, new energy batteries, wind power and photovoltaic power stations, etc. A total of 42 new projects were signed throughout the year with lease principal of approximately HK\$4.4 billion, realising a segment result of approximately HK\$155 million. Segment assets amounted to approximately HK\$9,669 million, representing an increase of approximately 6% as compared to that of the corresponding period of last year. Finance lease receivables and loan receivables amounted to approximately HK\$8,868 million, representing an increase of approximately 8% as compared to that of the corresponding period of last year. In 2023, Chengtong Financial Leasing was awarded the "China Financial Leasing Ranking – Company of the Year" (中國融資租賃榜一年度公司) for the third consecutive year. During the year, it was accredited with "AA+" general corporate credit rating with stable outlook by Lianhe Credit Rating, and was recognised as an "AAA Credit Rating Enterprise of Beijing", laying a solid foundation for the enhancement of its self-financing ability. During the year, the issuance of Phase II and Phase III shelf ABS were completed with an aggregate issuance size of approximately RMB2,591 million. Meanwhile, Chengtong Financial Leasing has been granted with over RMB13 billion of credit facilities from major banks, which better assured the funding supply for its business operation. It participated as a drafting unit in the preparation of the "Environmental, Social and Governance ("ESG") Reporting Guideline for Financial Leasing Enterprises", China's first ESG standard for the financial leasing industry, demonstrating its commitment to fulfill corporate social responsibility and to promote the development of a green and low-carbon industry. It also accelerated its digital transformation and initiated the second phase of the upgrading of its business information system in order to promote the continuous upgrading of the digitalisation of its leasing business information.

For property development and investment, all the construction and settlement works of the CCT-Champs-Elysees project have been completed. Under the overall downtrend of the real estate market, the Company dynamically optimised its sales strategy and exceeded its sales target.

關於租賃業務，在宏觀經濟持續帶來挑戰、行業監管日漸趨嚴、行業競爭態勢不斷加劇的形勢下，本集團積極應對各類不利因素的影響，加大對重點領域的開拓力度，多項重點舉措取得新進展。誠通融資租賃積極參與數據中心、國家鐵路等重點領域的業務開發，主動開拓儲能、新能源電池、風電、光伏電站等綠色能源行業的合作機會，全年累計新增簽訂項目42個，新增簽訂項目租賃本金約港幣44億元，實現分類業績約港幣1億5,500萬元。分類資產達到約港幣96億6,900萬元，較上年同期增長約6%。融資租賃應收款項及應收貸款約港幣88億6,800萬元，較上年同期增長約8%。於二零二三年，誠通融資租賃連續第三年榮獲「中國融資租賃榜一年度公司」，並於本年度獲聯合資信授予AA+主體信用等級，評級展望為穩定，獲評「北京市信用AAA級企業」，為提升自我造血能力奠定良好基礎；年內完成儲架式資產支持證券第二、三期的發行工作，合計發行約人民幣25億9,100萬元，同時誠通融資租賃已獲得各大銀行授信規模總計超過人民幣130億元，較好的保障了業務營運的資金供給；作為起草單位參與中國首個融資租賃行業ESG標準《融資租賃企業環境、社會及治理(ESG)報告指南》共同編製，履行企業社會責任義務，促進綠色低碳產業發展；加快推進數字化轉型，啟動業務信息系統二期升級工作，推進租賃業務信息數字化不斷升級。

關於物業發展及投資，目前誠通香榭里項目的所有工程建設均已完工並完成結算工作，在房地產市場整體下行趨勢下，公司動態優化銷售策略，超額完成銷售目標。

CHAIRMAN'S STATEMENT

主席致辭

In respect of the marine recreation services and hotel business, the Group seized the opportunity of the revitalised tourism market environment to deepen its operations and achieved a significant improvement in full-year efficiency.

In respect of the bulk commodity trade business, in view of the increasingly complex international environment, the Group has suspended its operation of bulk commodity trade business based on the premise of prudent operation and optimised resource allocation to focus on its principal business of financial leasing.

Looking forward to 2024, China's economy will move forward steadily in terms of quality and quantity. The Group will seize the opportunity to further leverage the resource advantages of its controlling shareholder to strengthen, optimise and expand its core leasing business, continue to improve its professionalism, and increase its effort in the exit from other businesses. At the same time, the Group will continue to enhance risk prevention and its value creation capability, so as to create greater value for its shareholders.

At last, on behalf of the Board, I would like to express my sincere gratitude to all shareholders, business partners and communities for their continuous support and concern about the Group. I would also like to thank the management and all employees of the Group for their hard work during the year.

Zhang Bin
Chairman

Hong Kong, 8 March 2024

關於海上旅遊服務和酒店業務，本集團搶抓旅遊市場環境復甦機遇，深耕經營，實現全年效益顯著提升。

關於大宗商品貿易，考慮到國際環境日趨複雜，本集團以穩健經營為前提，已暫停大宗商品貿易業務的營運，集中資源用於融資租賃主業。

展望二零二四年，中國經濟將在提質增量中穩步前行。本集團也將搶抓機遇，進一步依托本集團之控股股東的資源優勢做強做優做大租賃主業，持續提升專業化水平，加大其他業務退出力度，同時持續加強風險防範，提升價值創造能力，為股東創造更大價值。

最後，本人謹代表董事會衷心感謝全體股東、業務夥伴及社會各界人士對本集團一直以來的支持和關心，及感謝本集團管理層及員工在本年度的辛勤工作。

主席
張斌

香港，二零二四年三月八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

I. RESULTS AND DIVIDEND

The Group is principally engaged in leasing, property development and investment, and marine recreation services and hotel business. During the year ended 31 December 2023 (“FY2023”), the Group had suspended the bulk commodity trade business to realign the Group’s strategic direction as well as to optimise the business portfolio, which enable the Group to better focus on its core business and enhance profitability and stability.

In 2023, the global economic landscape exhibited a complex and dynamic environment. Notwithstanding the economy in the People’s Republic of China (“PRC”) continued to recover from the impacts of the COVID-19 pandemic with an improving trend, there was a slowdown in overall economic growth. The Group capitalised the market condition and directed its attention towards the further development and expansion of its core leasing business in the PRC. The Group made consistent efforts to strengthen this business segment, resulting in a notable annual growth in its leasing revenue. This growth reflects the successful implementation of our strategies and the increasing demand for our leasing services in the PRC market.

一. 業績及股息

本集團主要從事租賃、物業發展及投資以及海上旅遊服務和酒店業務。於截至二零二三年十二月三十一日止年度（「二零二三年度」），本集團已暫停大宗商品貿易業務，以調整本集團的戰略方向及優化業務組合，令本集團能夠更專注於其核心業務，提升盈利能力及穩定性。

於二零二三年，全球經濟形勢呈現出複雜多變的環境。儘管中華人民共和國（「中國」）的經濟從新冠肺炎疫情的影響中持續恢復並呈改善趨勢，但整體經濟增長有所放緩。本集團把握市場形勢，將重心轉向進一步發展及擴展其於中國的核心租賃業務。本集團持續努力加強該分類業務，使其租賃收益錄得顯著的年度增長。該增長反映我們成功實行戰略及中國市場對我們租賃服務的需求不斷增加。

MANAGEMENT DISCUSSION AND ANALYSIS

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集團業績

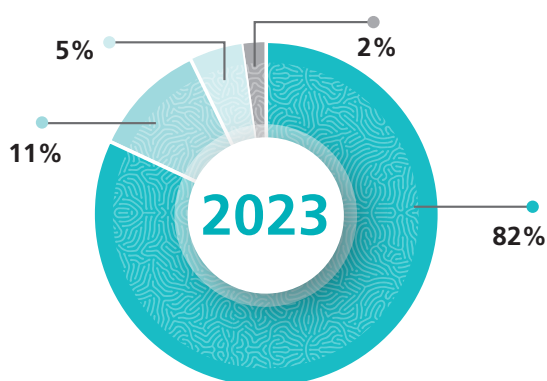
The consolidated revenue for FY2023 was approximately HK\$740.01 million, reflecting a decrease of 42% as compared to that for the year ended 31 December 2022 (“FY2022”). The decline was mainly due to the suspension of bulk commodity trade business in early 2023 which resulted in a significant reduction in this segment’s revenue by 98%. The details of the segmental revenue were provided below:

集團業績

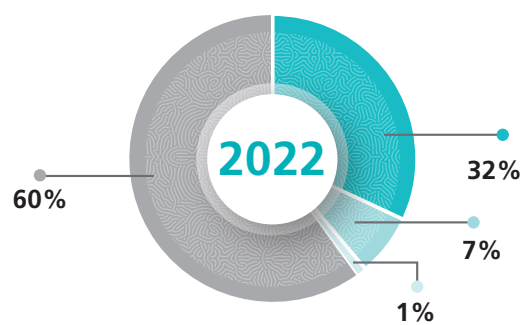
於二零二三年度，綜合營業額約為港幣7億4,001萬元，較截至二零二二年十二月三十一日止年度（「二零二二年」）減少42%。減少的主要原因是大宗商品貿易業務於二零二三年初暫停，導致該分類的收益大幅減少98%。分類收益詳情載列如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	Increase/ (decrease) 增加/ (減少)
Leasing	租賃	604,020	414,578	46%
Property development and investment	物業發展及投資	86,819	87,050	(0.3%)
Marine recreation services and hotel	海上旅遊服務和酒店	35,531	14,017	153%
Bulk commodity trade	大宗商品貿易	13,641	761,745	(98%)
Total	總計	<u>740,011</u>	<u>1,277,390</u>	(42%)

Percentage of revenue by business segment



按分類業務劃分的營業額百分比



● Leasing
租賃

● Property development and investment
物業發展及投資

● Marine recreation services and hotel
海上旅遊服務和酒店

● Bulk commodity trade
大宗商品貿易

MANAGEMENT DISCUSSION AND ANALYSIS

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In FY2023, the Group continued its impressive expansion in the leasing business and had led to a remarkable increase in the segment revenue from both finance lease and operating lease, which represented an overall increase of 46% as compared to the previous year. The total leasing revenue for FY2023 accounted for 82% of the Group's total revenue (FY2022: 32%).

As a result of the Group's further shifting of its business focus to leasing, the contribution of the total revenue from other business segments to the total revenue dropped to 18%. During FY2023, the revenue from bulk commodity trade dropped significantly; the property market in the PRC remained sluggish but the segment's revenue was relatively stable as compared to that of last year; the marine recreation services and hotel business demonstrated improved performance and a recovery from the impacts of the COVID-19 pandemic.

In FY2023, the Group achieved a consolidated gross profit of around HK\$296.74 million, marking a significant growth of approximately HK\$44.39 million or 18% compared to approximately HK\$252.35 million in FY2022. Furthermore, the Group recorded a consolidated profit before income tax of approximately HK\$121.50 million during the year, reflecting a slight decrease of approximately HK\$0.73 million or 1% from the previous year's figure of around HK\$122.23 million. The changes were primarily the combined result of the following factors:

- (i) a rise in consolidated gross profit was primarily stemmed from the augmented leasing revenue, which exhibited a higher gross profit margin and contribution;

於二零二三年度，本集團繼續大力擴展租賃業務，令來自融資租賃及經營租賃的分類收益均錄得顯著增長，較上一年度整體增加46%。二零二三年度的租賃收益總額佔本集團總收益82%（二零二二年度：32%）。

由於本集團進一步將業務重心轉向租賃，來自其他分類業務的總收益對綜合營業額的貢獻跌至18%。於二零二三年度，來自大宗商品貿易的收益大幅下跌；中國物業市場持續疲弱，但該分類的收益較去年相對穩定；海上旅遊服務和酒店業務表現有所改善，並已從新冠肺炎疫情的影響中恢復。

於二零二三年度，本集團錄得綜合毛利約港幣2億9,674萬元，較二零二二年度約港幣2億5,235萬元大幅增加約港幣4,439萬元或18%。此外，本集團於本年度錄得綜合除所得稅前溢利約港幣1億2,150萬元，較上一年度約港幣1億2,223萬元輕微減少約港幣73萬元或1%。有關變動主要為以下因素的綜合結果：

- (i) 綜合毛利增加，主要源於租賃收益（其毛利率及貢獻較高）增加；

MANAGEMENT DISCUSSION AND ANALYSIS

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- (ii) an increase in net impairment losses under expected credit loss model of about HK\$43.98 million mainly in relation to finance lease receivables and loan receivables (collectively “**Leasing Receivables**”) of leasing business (please refer to the analysis in respect of the leasing business in the “Business Review” section below), which was partially offset by (a) a decrease in staff salaries and benefits of approximately HK\$7.49 million and other expenses of approximately HK\$2.11 million under the administrative expenses by virtue of streamlined operations in Hong Kong and Beijing offices; and (b) a favourable change of exchange loss by approximately HK\$5.21 million compared to the previous year, specifically, the exchange loss was approximately HK\$2.37 million in FY2023 and approximately HK\$7.58 million in FY2022 as depreciation of Renminbi (“**RMB**”) against Hong Kong dollars (“**HKD**”) was relatively moderate in FY2023;
- (iii) an increase in finance costs of approximately HK\$15.52 million, which was mainly driven by the increase in interest expenses on bank borrowings due to the escalated interest rates in Hong Kong; and
- (iv) a decrease in the fair value loss on investment properties in the PRC by approximately HK\$1.70 million.

The Directors have resolved to recommend the payment of a final dividend of HK0.34 cent per ordinary share in respect of FY2023 to the shareholders whose names appear on the register of members of the Company on Friday, 5 July 2024, subject to the approval of the shareholders on the declaration of final dividend at the forthcoming annual general meeting (“**AGM**”) of the Company. The final dividend is expected to be paid on Friday, 19 July 2024.

- (ii) 按預期信貸虧損模式釐定之減值虧損淨額增加約港幣4,398萬元，乃主要與租賃業務之融資租賃應收款項及應收貸款（統稱「**租賃應收款項**」）有關（請參閱下文「業務回顧」一節中有關租賃業務的分析），其部分被以下各項所抵銷：(a)由於精簡香港及北京辦事處的營運，於行政費用項下的員工薪金及福利減少約港幣749萬元以及其他費用減少約港幣211萬元；及(b)由於二零二三年度人民幣（「**人民幣**」）兌港幣（「**港幣**」）貶值相對溫和，匯兌虧損與上一年度相比錄得有利變動約港幣521萬元，具體而言，二零二三年度的匯兌虧損約為港幣237萬元，而二零二二年度則約為港幣758萬元；
- (iii) 融資成本增加約港幣1,552萬元，乃主要由於香港利率上升導致銀行借貸的利息開支增加所致；及
- (iv) 中國投資物業之公平值虧損減少約港幣170萬元。

董事已議決建議派付於二零二三年度的末期股息每股普通股0.34港仙予於二零二四年七月五日（星期五）名列本公司股東名冊的股東，惟須經股東於本公司應屆股東週年大會（「**股東週年大會**」）批准有關宣派末期股息，方可作實。末期股息預期將於二零二四年七月十九日（星期五）派付。

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管理層討論與分析

II. BUSINESS REVIEW

A. Segmental Performance

The Group suspended its bulk commodity trade business in early 2023 and mainly focused on three business segments, namely, leasing, property development and investment, marine recreation services and hotel during FY2023. The breakdown of revenue and results from each segment was detailed as follows:

(1) Leasing

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Interest income	利息收入	446,461	327,793	36%
Rental income	租金收入	128,494	32,022	301%
Consultancy service fee	諮詢服務費用	29,065	54,763	(47%)
Segment revenue	分類收益	604,020	414,578	46%
Cost of sales	銷售成本	(362,935)	(200,565)	81%
Gross profit	毛利	241,085	214,013	13%
Gross profit margin	毛利率	40%	52%	
Segment results	分類業績	155,192	176,315	(12%)

During the year, the Group had been proactive in seizing market opportunities and continued to expand and optimise its leasing project portfolio. The Group's leasing business was mainly carried out through its wholly-owned subsidiary, Chengtong Financial Leasing as its principal business.

Chengtong Financial Leasing continuously sought to expand its leasing business in specific areas, including energy conservation, environmental protection, logistics and warehousing, clean energy and infrastructure etc. It looked for potential leasing opportunities in different business sectors and cities to meet market demand and expand its market share. It carefully studied market trends and identified projects with the greatest potential with a view to enhancing the existing profile and increasing capital efficiency and returns.

二. 業務回顧

A. 分類表現

本集團已於二零二三年初暫停其大宗商品貿易業務，並於二零二三年度主要專注於三項分類業務（即租賃、物業發展及投資以及海上旅遊服務和酒店）。各分類收益及業績的明細詳列如下：

(1) 租賃

本年度，本集團積極把握市場機遇，不斷擴展及優化其租賃項目組合。本集團的租賃業務主要透過其全資附屬公司誠通融資租賃（作為其主營業務）進行。

誠通融資租賃不斷尋求於節能環保、物流倉儲、清潔能源及基建等特定領域開拓其租賃業務。其於不同業務領域及城市尋找潛在的租賃機會，以滿足市場需求及擴大其市場份額。誠通融資租賃仔細研究市場趨勢，物色最具潛力的項目，以期提升現有概況並提高資本效率及回報。

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During the year, Chengtong Financial Leasing had increased 42 new leasing projects with lease principal of approximately HK\$4.39 billion to its portfolio, in which Chengtong Financial Leasing collaborated mostly with other state-owned enterprises (“SOE”). In terms of industry segmentation, the new projects mainly relate as to: (i) 48% to infrastructure projects; (ii) 18% to the logistics and warehousing industry; (iii) 16% to the field of energy conservation and environmental protection; and (iv) 8% to traditional manufacturing industry. As at 31 December 2023, Chengtong Financial Leasing recorded an increase in its net Leasing Receivables to approximately HK\$8,867.76 million, and represented an increase of 8% compared to that of the previous year.

Revenue

The interest income from leasing segment was approximately HK\$446.46 million during FY2023, indicating a year-on-year increase of 36%. The interest income was derived from various sectors as outlined below:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	Increase/ (decrease) 增加/ (減少)
Infrastructure	基建	139,931	60,452	131%
Logistics and warehousing	物流及倉儲	98,863	73,716	34%
Energy conservation and environmental protection	節能及環保	84,092	101,908	(17%)
Manufacturing	製造業	72,458	35,848	102%
Clean energy	清潔能源	21,443	32,589	(34%)
Internet data centre	互聯網數據中心	1,366	6,085	(78%)
Others	其他	28,308	17,195	65%
Total	總計	446,461	327,793	36%

In 2023, China experienced a steady recovery in economic growth after the COVID-19 pandemic. Chengtong Financial Leasing capitalised the increased demand for financing and investment opportunities across various industries. Notably, the infrastructure and manufacturing sectors witnessed a remarkable surge in leasing revenue, with growth exceeding 100%.

年內，誠通融資租賃的投資組合已新增42個新租賃項目，租賃本金約為港幣43億9,000萬元，當中大多數乃由誠通融資租賃與其他國有企業（「國有企業」）合作。就行業細分而言，新項目主要涉及：(i) 48% 為基建項目；(ii) 18% 屬物流及倉儲行業；(iii) 16% 屬節能及環保領域；及(iv) 8% 屬傳統製造業。於二零二三年十二月三十一日，誠通融資租賃的租賃應收款項淨額錄得增長，達至約港幣88億6,776萬元，較上一年度增加8%。

收益

於二零二三年度，租賃分類的利息收入約為港幣4億4,646萬元，按年增加36%。來自不同行業的利息收入概述如下：

二零二三年，新冠肺炎疫情過後，中國經濟增長迎來穩步回升。誠通融資租賃把握不同行業的融資需求擴大及投資機會增多。值得注意的是，基建及製造業的租賃收益明顯增加，增長超過100%。

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The overall interest yield was as follows:

整體利息收益率如下：

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Interest income	利息收入	446,461	327,793	36%
Average Leasing Receivables balance*	平均租賃應 收款項結餘*	9,011,237	6,588,790	37%
Yield	收益率	4.95%	4.98%	(0.03%)

* Being the average of 12 months' balances of net Leasing Receivables

* 即12個月租賃應收款項淨額結餘的平均值

In FY2023, Chengtong Financial Leasing experienced a growth in its interest income from the leasing business, which was in line with the expansion of its business scale. The majority of the Group's interest income from leasing services was based on variable interest rate which benchmarked to the loan prime rates as promulgated by the National Interbank Funding Center under the PRC (the "LPR") while the remaining portion was based on fixed interest rate. During the year, the applicable one-year LPR and five-year LPR were reduced by 10-20 basis points. As a consequence, the Group observed a slight decrease in the overall interest yield from the Leasing Receivables.

於二零二三年度，誠通融資租賃的租賃業務利息收入錄得增長，與其業務規模的擴展相符。本集團租賃服務的大部分利息收入按浮動利率計算，而有關利率乃對標中國全國銀行間同業拆借中心公佈的貸款市場報價利率（「貸款報價利率」）得出，其餘部分則按固定利率計算。年內，適用的一年期貸款報價利率及五年期貸款報價利率下調10至20個基點。因此，本集團來自租賃應收款項的整體利息收益率略有下降。

The Group diversified its leasing business into operating lease which helped spreading the risk and reliance on the finance lease market. Operating lease provides flexibility and resilience, ensuring the Group's leasing business remains responsive and competitive in a dynamic business environment. During FY2023, the rental income from operating lease increased by three-fold from that of last year, which was attributable to the expansion of the business scale and the Group's ability to capitalise the market demand.

本集團將其租賃業務多元化發展至經營租賃，有助分散風險及對融資租賃市場的依賴。經營租賃提供了靈活性及韌性，確保本集團的租賃業務在動態的營商環境中靈活應對及保持競爭力。於二零二三年度，經營租賃的租金收入較去年增加三倍，此乃得益於業務規模的擴展及本集團把握市場需求的能力。

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The Group provided a diverse range of advisory services to our customers encompassing management and business consulting. In FY2023, Chengtong Financial Leasing attained fewer new consultancy service projects in the second half of the year and the consultancy service fee income exhibited a drop of 47% from that of last year to approximately HK\$29.07 million. The primary reason for this decline was that the Group entered into new leasing projects mostly with SOE during the year to improve the quality of the Leasing Receivables so as to reduce credit risk. However, some of those SOE did not engage the Group for consultancy service and therefore resulted in a drop in consultancy service fee.

Cost of sales

The following table shows the breakdown of the cost of sales by its components:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	Increase/ (decrease) 增加/ (減少)
Interest expenses	利息開支	257,493	155,771	65%
Depreciation of leased assets	租賃資產折舊	89,271	20,645	332%
Guarantee fees	擔保費	5,258	19,664	(73%)
Others	其他	10,913	4,485	143%
Total	總計	362,935	200,565	81%

The cost of sales for the leasing segment in FY2023 amounted to approximately HK\$362.94 million, representing a substantial increase of approximately HK\$162.37 million or 81% compared to that of the previous year. This significant rise was primarily driven by the expansion of business operations and an overall increase in the financing scale, leading to higher interest expenses and depreciation charges and was partly compensated by the decrease in guarantee fees.

The Group financed its leasing operation mainly through short-term and medium-term bank borrowings and issuance of ABS. The interest expenses increased year-on-year by 65% to reach approximately HK\$257.49 million which was chiefly driven by the increase in average total borrowings which was in line with the Group's expansion scale in leasing business.

本集團為客戶提供多元化的諮詢服務，包括管理及商業諮詢。於二零二三年度，誠通融資租賃於下半年獲得的新諮詢服務項目較少，諮詢服務費收入較去年下降47%至約港幣2,907萬元。下降的主要原因是本集團於年內主要與國有企業訂立新租賃項目，以提高租賃應收款項的質素，從而降低信貸風險。然而，部分該等國有企業並無委聘本集團提供諮詢服務，因此導致諮詢服務費下降。

銷售成本

下表列示按其組成部分劃分的銷售成本明細：

於二零二三年度，租賃分類的銷售成本約為港幣3億6,294萬元，較上一年度大幅增加約港幣1億6,237萬元或81%。此大幅增加主要是由業務經營擴展及整體融資規模增加所帶動，導致利息開支及折舊費用增加，且部分被擔保費的減少所抵銷。

本集團主要透過短期及中期銀行借貸及發行資產支持證券為其租賃業務提供資金。利息開支按年增加65%至約港幣2億5,749萬元，主要受平均借貸總額增加所推動，而該增加與本集團的租賃業務擴展規模相符。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As of 31 December 2023, Chengtong Financial Leasing had launched a total of five ABS schemes with outstanding amount of approximately HK\$3,006.22 million (as at 31 December 2022: approximately HK\$2,702.27 million) of which the respective priority tranches are listed and traded on the Shanghai Stock Exchange. The repayments of matured ABS by Chengtong Financial Leasing have been timely. The total outstanding bank loans of Chengtong Financial Leasing as at 31 December 2023 were approximately HK\$3,247.90 million (as at 31 December 2022: approximately HK\$2,661.76 million). Despite the total interest expenses and average total borrowings balance increased in FY2023, the effective annual borrowing rate for the leasing segment decreased as the LPR was adjusted downward during the year. An analysis is set out as follows:

截至二零二三年十二月三十一日，誠通融資租賃已共推出五項資產支持證券計劃，未償還金額約為港幣30億622萬元（於二零二二年十二月三十一日：約港幣27億227萬元），其中相關優先層級批次的證券於上海證券交易所上市及買賣。誠通融資租賃向來準時償還到期的資產支持證券。誠通融資租賃於二零二三年十二月三十一日的未償還銀行貸款總額約為港幣32億4,790萬元（於二零二二年十二月三十一日：約港幣26億6,176萬元）。儘管二零二三年度的利息開支總額及平均借貸總額結餘有所增加，但由於貸款報價利率於年內下調，租賃分類的實際年借貸利率有所下降。分析載列如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	Increase/ (decrease) 增加/ (減少)
Interest expenses	利息開支	257,493	155,771	65%
Average total borrowings balance*	平均借貸總額結餘*	7,147,546	4,106,223	74%
Effective annual borrowing rate	實際年借貸利率	3.60%	3.79%	(0.19%)

* Being the average of 12 months' aggregate balances of bank loans, ABS and other loans

* 即12個月銀行貸款、資產支持證券及其他貸款的結餘總和的平均值

Guarantee fees were paid to the Company's ultimate holding company, China Chengtong Holdings Group Limited ("CCHG"), which undertakes the obligation to pay the shortfall if the funds of the relevant ABS schemes and Chengtong Financial Leasing are insufficient to settle the principal and other payable amounts for certain priority tranches in the relevant ABS schemes. The guarantee fees were calculated at a rate based on the outstanding balances of the guaranteed ABS. During FY2023, the guarantee fees expense recorded a decrease due to a reduction in the guarantee fees rate.

擔保費乃支付予本公司的最終控股公司中國誠通控股集團有限公司（「誠通控股」），倘相關資產支持證券計劃及誠通融資租賃的資金不足以支付相關資產支持證券計劃中若干優先層級批次的本金額及其他應付款項，誠通控股將承擔責任支付差額。擔保費的費率乃根據有擔保資產支持證券的未償還結餘計算。二零二三年度，由於擔保費率降低，擔保費開支錄得減少。

The depreciation charge of leased assets increased significantly as Chengtong Financial Leasing acquired more leased assets for operating lease services.

由於誠通融資租賃收購更多租賃資產用於經營租賃服務，租賃資產的折舊費用大幅增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Expenses

The administrative expenses of leasing segment increased by approximately HK\$45.13 million which was mainly due to the additional expected credit loss (“ECL”) provision of HK\$48.60 million during the year. In addition, the finance costs increased by approximately HK\$1.48 million which comprised full-year interest expenses for a working capital loan borrowed in December 2022.

Segment Results

The segment results in leasing business for the year were therefore reduced by approximately HK\$21.13 million or 12% to approximately HK\$155.19 million (FY2022: approximately HK\$176.32 million).

Leasing Receivables

As at 31 December 2023, the Group had approximately HK\$8,867.76 million of net Leasing Receivables, which were moderately enlarged by 8% from that as at 31 December 2022 (as at 31 December 2022: approximately HK\$8,217.57 million), and represented 84% of the total assets as at 31 December 2023 (as at 31 December 2022: 82%).

The Group’s Leasing Receivables as at 31 December 2023 were classified into 5 categories according to customers’ repayment abilities, up-to-date repayment history, profitability and carrying values of the underlying leasing projects, relevant security and enforcement measures against customers, with Category I being the lowest risk and Category V being the highest risk. Specific ECL provision was made for each category.

(Expressed in HK\$’000)

(以港幣千元列示)

Category	31 December 2023 二零二三年十二月三十一日			31 December 2022 二零二二年十二月三十一日		
	Gross	Provision for	Net Leasing	Gross	Provision for	Net Leasing
	Leasing Receivables	ECL	Receivables	Leasing Receivables	ECL	Receivables
類別	租賃應收 款項總額	預期信貸 虧損撥備	租賃應收 款項淨額	租賃應收 款項總額	預期信貸 虧損撥備	租賃應收 款項淨額
I. Performing	8,418,034	2,589	8,415,445	8,163,655	2,829	8,160,826
II. Special Mention	442,885	16,909	425,976	-	-	-
III. Sub-standard	-	-	-	70,422	13,674	56,748
IV. Doubtful	53,236	26,895	26,341	-	-	-
V. Loss	18,277	18,277	-	-	-	-
Total	<u>8,932,432</u>	<u>64,670</u>	<u>8,867,762</u>	<u>8,234,077</u>	<u>16,503</u>	<u>8,217,574</u>

費用

租賃分類的行政費用增加約港幣4,513萬元，乃主要由於年內計提額外預期信貸虧損（「預期信貸虧損」）撥備港幣4,860萬元。此外，融資成本增加約港幣148萬元，包括於二零二二年十二月借入的營運資金貸款的全年利息開支。

分類業績

因此，本年度租賃業務之分類業績減少約港幣2,113萬元或12%至約港幣1億5,519萬元（二零二二年度：約港幣1億7,632萬元）。

租賃應收款項

於二零二三年十二月三十一日，本集團之租賃應收款項淨額約為港幣88億6,776萬元，較於二零二二年十二月三十一日的金額（於二零二二年十二月三十一日：約港幣82億1,757萬元）溫和增長8%，佔於二零二三年十二月三十一日的總資產84%（於二零二二年十二月三十一日：82%）。

本集團於二零二三年十二月三十一日的租賃應收款項乃根據客戶的償還能力、最新償還記錄、相關租賃項目的盈利能力及賬面價值、針對客戶相關抵押及強制執行措施分為五類，第一類為最低風險，而第五類為最高風險。就各類別計提特定預期信貸虧損撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group had identified a few customers during the year which had overdue balances and whose business operations were severely impacted by the COVID-19. In view of the respective industry conditions and prospects where the customers were operating in, as well as their payment history and the amounts of collaterals, the Group prudently adjusted the relevant Leasing Receivables to “Special Mention”, “Doubtful” or “Loss” categories, as the case maybe, and the relevant impairment provision totalled to approximately HK\$62.08 million. As a result, the ECL provision rate (as calculated by dividing provision for ECL by the gross Leasing Receivables) increased to 0.72% in FY2023 from 0.20% in FY2022.

The Group has implemented rigorous risk management policies to monitor Leasing Receivables at every stage of the business cycle, so as to ensure that the Group has robust and prudent standards for credit risk taking, management and monitoring for all Leasing Receivables.

Most of our customers were SOE and the non-performing exposures were comparably low. These customers made regular timely repayment for the matured Leasing Receivables during the year.

(2) Property Development and Investment

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Property sales	物業銷售	84,067	84,262	(0.2%)
Rental income	租金收入	2,752	2,788	(1%)
Segment revenue	分類收益	86,819	87,050	(0.3%)
Cost of sales	銷售成本	(51,689)	(57,970)	(11%)
Gross profit	毛利	35,130	29,080	21%
Gross profit margin	毛利率	40%	33%	
Segment results	分類業績	26,742	24,060	11%

本集團於年內識別出數名拖欠款項的客戶，且其業務營運遭受新冠肺炎疫情的嚴重影響。鑒於客戶經營所在的相關行業狀況及前景，以及其償還記錄及抵押品金額，本集團審慎地將相關租賃應收款項調整為「關注」、「可疑」或「損失」類別（視乎情況而定），而相關減值撥備合共約為港幣6,208萬元。因此，預期信貸虧損撥備率（按預期信貸虧損撥備除以租賃應收款項總額計算）由二零二二年度的0.20%增加至二零二三年度的0.72%。

本集團已實施嚴格的風險管理政策，以在業務週期的各個階段監控租賃應收款項，從而確保本集團就所有租賃應收款項的信貸風險承擔、管理及監控具穩健及審慎的標準。

我們的大多數客戶為國有企業，不履約的風險相對較低。該等客戶於年內定期按時償還到期的租賃應收款項。

(2) 物業發展及投資

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The Group derived its revenue from this segment by means of property sales and rental income. The property sales were entirely derived from its wholly-owned CCT-Champs-Elysees project while the rental income was generated from the leasing of the commercial properties of the CCT-Champs-Elysees project and certain office premises of the Group.

The CCT-Champs-Elysees project is wholly owned by the Group, and is located in the Zhucheng City of Shandong Province of the PRC. The project had a total site area of approximately 146,006 square metres and was developed in three phases. All the construction works had been completed and the relevant sales permit for the final phase was granted in FY2023.

In 2023, the property market in the PRC continued to remain stagnant. The Group's revenue from property sales during the year was wholly derived from the sale of the residential units in Phase III of the CCT-Champs-Elysees project, and the revenue was about the same as that of last year. The average selling price per square metre of the residential area for FY2023 was almost levelled at approximately RMB5,387 (FY2022: approximately RMB5,416). As at 31 December 2023, the unsold area of the project under properties held for sale included residential area of approximately 53,161 square metres (as at 31 December 2022: approximately 12,421 square metres) and commercial space of approximately 926 square metres (as at 31 December 2022: approximately 926 square metres). Looking forward to 2024, the Group will continue to actively pursue the sale of the remaining area of the project.

In FY2023, the Group received stable rental income from properties leasing. The rental income generated from the leasing of the commercial properties of the CCT-Champs-Elysees project and certain office premises of the Group was approximately HK\$0.33 million (FY2022: approximately HK\$0.37 million) and approximately HK\$2.42 million (FY2022: approximately HK\$2.42 million) respectively.

The segmental gross profit margin for FY2023 improved chiefly due to certain cost adjustment upon the completion acceptance of the CCT-Champs-Elysees project which reduced the construction cost per square metre.

本集團透過物業銷售及租金收入自該分類產生收益。物業銷售全部來自其全資擁有的誠通香榭里項目，而租金收入則來自出租誠通香榭里項目的商業物業及本集團若干辦公物業。

誠通香榭里項目位於中國山東省諸城市，由本集團全資擁有。該項目的總地盤面積約為146,006平方米，共分三期開發。所有建築工程已完成，並於二零二三年度獲授最後一期的相關銷售許可證。

於二零二三年，中國物業市場持續低迷。年內，本集團物業銷售的收入全部來自誠通香榭里項目第三期住宅單位的銷售，收入與去年大致持平。於二零二三年度，每平方米住宅面積的平均售價基本持平於約人民幣5,387元（二零二二年度：約人民幣5,416元）。於二零二三年十二月三十一日，持作出售物業項目未售出之住宅面積約53,161平方米（於二零二二年十二月三十一日：約12,421平方米）及商業面積約926平方米（於二零二二年十二月三十一日：約926平方米）。展望二零二四年，本集團將繼續積極出售項目內餘下面積。

於二零二三年度，本集團獲得穩定的物業租賃租金收入。來自誠通香榭里項目的商業物業及本集團若干辦公物業的租賃之租金收入分別為約港幣33萬元（二零二二年度：約港幣37萬元）及約港幣242萬元（二零二二年度：約港幣242萬元）。

二零二三年度的分類毛利率有所提高，主要是由於誠通香榭里項目竣工驗收後進行若干成本調整，導致每平方米的建築成本有所降低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The segment's selling expenses increased by approximately HK\$1.35 million to approximately HK\$4.51 million (FY2022: approximately HK\$3.16 million) for marketing and promotion purposes. No significant change in the administrative expenses was noted for FY2023. The overall segmental results for FY2023 was recorded at approximately HK\$26.74 million, and represented an increase of 11% from that of FY2022.

分類銷售費用增加約港幣135萬元至約港幣451萬元(二零二二年度:約港幣316萬元),用於市場營銷及推廣。二零二三年度的行政費用並無重大變動。二零二三年度的整體分類業績錄得約港幣2,674萬元,較二零二二年度增加11%。

(3) Marine Recreation Services and Hotel

(3) 海上旅遊服務和酒店

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Marine recreation services	海上旅遊服務	27,183	9,300	192%
Hotel operation	酒店業務	7,448	4,047	84%
Travelling agency business	旅行社業務	900	670	34%
Segment revenue	分類收益	35,531	14,017	153%
Cost of sales	銷售成本	(15,208)	(13,665)	11%
Gross profit	毛利	20,323	352	5,674%
<i>Gross profit margin</i>	<i>毛利率</i>			
– marine recreation services	– 海上旅遊服務	59%	(15%)	
– hotel operation	– 酒店業務	53%	33%	
– Travelling agency business	– 旅行社業務	46%	62%	
Segment results	分類業績	(3,732)	(25,356)	(85%)

The Group operated its marine recreation services and hotel business in Hainan Province, the PRC, which was mainly consisted of: (i) marine recreation services; (ii) hotel operation; and (iii) travelling agency business. According to the PRC government's statistic, the number of visitors traveled to the Hainan Province in 2023 was more than 90 million and represented an increase of 50% from that in previous year. The influx of visitors had benefited the segment operation. In 2023, the segment experienced upsurge in its total revenue post COVID-19 pandemic, and the segment results had steadily improved. During the year, the segment's total selling and administrative expenses did not experience significant change.

本集團於中國海南省從事海上旅遊服務和酒店業務,業務主要包括(i)海上旅遊服務;(ii)酒店業務;及(iii)旅行社業務。根據中國政府的統計數據,二零二三年海南省的遊客人數超過9,000萬,較上一年度增長50%。遊客的湧入使分類業務受益。於二零二三年,該分類於新冠肺炎疫情後的總收益大幅增長,分類業績逐步改善。本年度,該分類的銷售及行政費用總額並無發生重大變動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The segment recorded a loss of approximately HK\$3.73 million for FY2023, which decreased by 85% from that in the previous year (FY2022: loss of approximately HK\$25.36 million) and was mainly attributed to the better sale performance in marine recreation services.

(4) Bulk Commodity Trade

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	(Decrease) (減少)
Segment revenue	分類收益	13,641	761,745	(98%)
Cost of sales	銷售成本	(13,443)	(752,844)	(98%)
Gross profit	毛利	198	8,901	(98%)
Gross profit margin	毛利率	1.5%	1.2%	
Segment results	分類業績	742	3,253	(77%)

The Group made a strategic decision to suspend the bulk commodity trading business in early 2023 due to its inherent risk and low-margin characteristics, resulted in a decrease in the segment revenue by approximately HK\$748.10 million. The gross profit margin for FY2023 was 1.5% which was similar to that in FY2022. As a result of the suspension, the operating expenses decreased by approximately HK\$5.80 million. The trade receivables were fully settled during the year and placed as deposits in banks to generate interest income.

Bulk commodity trade involves significant market volatility and price risks. Prices can be influenced by global economic conditions, supply and demand dynamics and natural disasters. This unpredictability and variability can lead to potential risks and uncertainties, making the management of such business challenging. Therefore, having conducted a comprehensive evaluation and risk-reward analysis of the bulk commodity trading business, the Group decided to suspend this business and to reallocate its resources and efforts to the leasing business.

於二零二三年度，該分類錄得虧損約港幣373萬元，較上一年度減少85%（二零二二年度：虧損約港幣2,536萬元），主要原因是海上旅遊服務的銷售表現改善。

(4) 大宗商品貿易

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	(Decrease) (減少)
Segment revenue	分類收益	13,641	761,745	(98%)
Cost of sales	銷售成本	(13,443)	(752,844)	(98%)
Gross profit	毛利	198	8,901	(98%)
Gross profit margin	毛利率	1.5%	1.2%	
Segment results	分類業績	742	3,253	(77%)

由於大宗商品貿易業務的固有風險及低利潤特徵，本集團於二零二三年初作出暫停該業務的戰略決策，導致分類收益減少約港幣7億4,810萬元。二零二三年度毛利率為1.5%，與二零二二年度相若。由於暫停該業務，經營開支減少約港幣580萬元。貿易應收款項已於年內全部結清，並作為存款存入銀行以產生利息收入。

大宗商品貿易涉及重大市場波動及價格風險。價格可受到全球經濟狀況、供求動態及自然災害的影響。這種不可預測性及多變性可導致潛在風險及不確定性，致使該業務的管理極具挑戰。因此，在對大宗商品貿易業務進行全面評估及風險回報分析後，本集團決定暫停該業務，而重新分配其資源及精力發展租賃業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

B. Other Income and Gains, net

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Interest income	利息收入	18,628	16,702	12%
Government subsidies	政府補助	442	989	(55%)
Gain on disposal of investment properties	出售投資物業之收益	255	1,786	(86%)
Others	其他	2,956	5,352	(45%)
Total	總計	22,281	24,829	(10%)

In 2023, the Group's other income mainly consisted of interest income from deposits and other financial assets and from loans to related parties of approximately HK\$18.63 million (FY2022: approximately HK\$16.70 million) the increase of which was offset by the reduction of gain on disposal of investment properties of approximately HK\$1.53 million and the reduction of value added tax and other tax credit of approximately HK\$2.75 million in relation to the purchase of the operating leased assets, resulting in a decrease in the total other income of approximately HK\$2.55 million for the year.

B. 其他收入及收益淨額

於二零二三年，本集團的其他收入主要包括來自存款及其他金融資產以及來自授予關連方貸款的利息收入約港幣1,863萬元（二零二二年度：約港幣1,670萬元），其增幅由出售投資物業之收益減少約港幣153萬元以及與購買經營租賃資產有關之增值稅及其他稅項減免減少約港幣275萬元所抵銷，導致年內其他收入總額減少約港幣255萬元。

C. Selling and Administrative Expenses

		2023	2022	(Decrease)
		二零二三年	二零二二年	(減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Selling expenses	銷售費用	12,112	12,528	(3%)
Administrative expenses	行政費用	101,202	116,013	(13%)

C. 銷售及行政費用

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For FY2023, selling expenses decreased by 3% to approximately HK\$12.11 million (FY2022: approximately HK\$12.53 million). As the Group actively pursued the sale of the CCT-Champs-Elysees project, agency commission expenses and marketing expenses for the property development and investment segment increased by approximately HK\$0.24 million and approximately HK\$1.20 million respectively. The increase was offset by the decrease of selling expenses in other segments. As the Group had suspended the bulk commodity trade business in early 2023, the selling expenses dropped by approximately HK\$0.53 million in FY2023; and for the marine recreation services and hotel business segment, the selling expenses also declined by approximately HK\$1.24 million due to streamlined operations in FY2023.

The administrative expenses decreased by approximately HK\$14.81 million or 13% year-on-year to approximately HK\$101.20 million (FY2022: approximately HK\$116.01 million), which was mainly due to the reduction in staff salaries and benefits by approximately HK\$7.49 million and other administrative expenses by approximately HK\$2.11 million, as well as a favourable change in exchange loss by approximately HK\$5.21 million during the year due to streamlined operations and relatively stable RMB to HKD exchange rate respectively.

D. Finance Costs

於二零二三年度，銷售費用減少3%至約港幣1,211萬元（二零二二年度：約港幣1,253萬元）。由於本集團積極推銷誠通香榭里項目，物業發展及投資分類的代理佣金費用及營銷開支分別增加約港幣24萬元及約港幣120萬元。增加被其他分類的銷售費用減少所抵銷。由於本集團於二零二三年初暫停大宗商品貿易業務，二零二三年度銷售費用減少約港幣53萬元；而就海上旅遊服務及酒店業務分類而言，二零二三年度銷售費用因精簡業務亦減少約港幣124萬元。

行政費用按年減少約港幣1,481萬元或13%至約港幣1億120萬元（二零二二年度：約港幣1億1,601萬元），主要原因是年內精簡業務引致員工薪金及福利及其他行政費用分別減少約港幣749萬元及約港幣211萬元以及人民幣兌港幣匯率相對穩定引致匯兌虧損錄得有利變動約港幣521萬元。

D. 融資成本

		2023	2022	Increase/ (decrease)
		二零二三年	二零二二年	增加/ (減少)
		HK\$'000	HK\$'000	
		港幣千元	港幣千元	
Total interest expenses	利息開支總額	288,570	173,128	67%
Less:	減：			
Amounts included in the cost of sales	計入銷售成本之金額	(257,493)	(155,771)	65%
Amounts capitalised on properties under development	發展中物業之撥作資本化之金額	-	(1,796)	(100%)
		31,077	15,561	100%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The total interest expenses for FY2023 reached approximately HK\$288.57 million (FY2022: approximately HK\$173.13 million), indicating a substantial year-on-year increase of 67%. This notable surge was principally attributed to the continuous growth of the leasing business which was largely financed by external financing, thereby leading to the increased interest expenses.

In FY2023, the total interest expenses primarily consisted of interest on bank borrowings of approximately HK\$158.80 million (FY2022: approximately HK\$75.42 million), interest on ABS of approximately HK\$120.12 million (FY2022: approximately HK\$89.72 million), and interest on loans from related parties of approximately HK\$9.39 million (FY2022: approximately HK\$7.77 million). After deducting the finance costs of approximately HK\$257.49 million (FY2022: approximately HK\$155.77 million) included in the cost of sales, the net finance costs during the year were approximately HK\$31.08 million (FY2022: approximately HK\$15.56 million, net of the amounts capitalised on properties under development), which accounted for a substantial year-on-year increase of 100%. Amongst it, interest expenses for bank loans in Hong Kong amounted to approximately HK\$29.27 million (FY2022: approximately HK\$12.40 million), which accounted for 94% of the net finance costs for FY2023 (FY2022: 80%) due to the high interest rate environment in Hong Kong.

III. OUTLOOK

In 2023, despite numerous challenges such as inadequate effective demand, over-capacity in some industries and weak social expectations, as well as external factors such as strong interest rate hike by the Federal Reserve, constant frictions between China and the United States and the ongoing Russia-Ukraine war, the PRC economy withstood external pressures, overcame internal difficulties, and continued to rebound and improve. Looking forward to 2024, the support from the PRC macroeconomic policy is expected to continue to increase, and industrial upgrading is expected to continue to deepen. On the whole, the trend of China's economic recovery and long-term improvement will remain unchanged. The Group will proactively seize development opportunities, being persistent in seeking progress while maintaining stable growth and strengthening stability through progress, constantly optimise its asset structure, and implement various production and operation initiatives in a solid manner, with a view to promoting the Company's high-quality development in all aspects.

二零二三年度的利息開支總額約為港幣2億8,857萬元（二零二二年度：約港幣1億7,313萬元），按年大幅增加67%。該顯著增加主要原因是租賃業務持續增長，而租賃業務主要由外部融資出資，從而導致利息開支增加。

於二零二三年度，利息開支總額主要包括銀行借貸之利息約港幣1億5,880萬元（二零二二年度：約港幣7,542萬元）、資產支持證券之利息約港幣1億2,012萬元（二零二二年度：約港幣8,972萬元），以及來自關連方貸款之利息約港幣939萬元（二零二二年度：約港幣777萬元）。扣減計入銷售成本的融資成本約港幣2億5,749萬元（二零二二年度：約港幣1億5,577萬元）後，年內融資淨成本約為港幣3,108萬元（二零二二年度：約港幣1,556萬元，經扣除發展中物業之撥作資本化之金額），按年大幅增加100%。其中，香港銀行貸款之利息開支約為港幣2,927萬元（二零二二年度：約港幣1,240萬元），佔二零二三年度融資淨成本的94%（二零二二年度：80%），乃由於香港的高利率環境所致。

三. 前景展望

二零二三年，面對有效需求不足、部分行業產能過剩、社會預期偏弱等重重挑戰，以及美聯儲強勢加息、中美不斷發生摩擦、俄烏戰爭持續不斷等外部影響因素，中國經濟頂住了外部壓力、克服了內部困難，持續回升向好。展望二零二四年，中國的宏觀經濟政策支持力度預計將持續加大，產業升級預計將繼續深化。綜合看，中國經濟回升、長期向好的走勢沒有改變。本集團將主動抓發展機遇，堅持穩中求進、以進固穩，持續優化資產結構，紮實做好各項生產經營舉措的落地實施，全面推動公司實現高質量發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Regarding the leasing business, the Group will, on the premise of strict risk control, achieve stable operation on the basis of the existing business scale and continue to strengthen its self-financing capability. In terms of business expansion, the Group will continue to intensify its efforts to gradually form a professional and distinctive development path on the back of existing specific advantageous industries. In respect of business management, the Group will actively respond to changes in regulatory policies, strive to improve business compliance standards, and promote risk prevention and control as well as transformation in all aspects.

For property development and investment, the Group will continue to intensify its efforts and speed up the sale of the remaining property units in section 3 of Phase III of the CCT-Champs-Elysees project. Regarding marine recreation services and hotel business, the Group will actively seize the opportunity from the recovering tourism market in Hainan Province to improve the efficiency level while actively exploring and promoting subsequent asset restructuring.

The Group and Chengtong Financial Leasing, as the only overseas listed company platform and finance lease company respectively under CCHG, the Group's ultimate controlling shareholder, will further leverage on the resource advantages of the ultimate controlling shareholder, focus the resources on expanding the principal business of leasing and give full play to the synergy advantage of "industry + finance", so as to create greater value for the shareholders. The Board is full of confidence in the future development of the Group.

IV. ASSET STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2023, the Group's financial position remained stable and robust. The equity attributable to owners of the Company stood at approximately HK\$2,855.04 million and represented a decrease of 2% from approximately HK\$2,926.93 million recorded as at 31 December 2022. The decline was primarily caused by the depreciation of RMB during the year.

關於租賃業務，本集團將在嚴控風險的前提下，在現有業務規模基礎上實現穩健經營，持續提升自我造血能力；在業務拓展方面，在現有特定優勢行業的基礎上，繼續加大深耕力度，逐漸形成專業化、特色化發展路徑；在業務管理方面，將積極響應監管政策改變，致力提升合規經營水平，全方位推進風險防控和轉型發展。

關於物業發展及投資，本集團將繼續加大銷售力度，加快出售誠通香樹里項目三期三標段餘下存量房產。關於海上旅遊服務和酒店業務，本集團將積極把握海南省旅遊市場復甦機會，提高創效水平；同時，積極探索推進後續的資產重組。

本集團作為最終控股股東誠通控股旗下唯一海外上市公司平台，誠通融資租賃作為誠通控股旗下唯一融資租賃公司，將進一步發揮最終控股股東的資源優勢，聚焦資源擴展租賃主業，發揮「產業+金融」協同優勢，為股東創造更高價值。董事會對本集團之未來發展充滿信心。

四. 資產結構、資本流動性及財政資源

於二零二三年十二月三十一日，本集團的財務狀況維持穩健。本公司擁有人應佔之權益約為港幣28億5,504萬元，較於二零二二年十二月三十一日錄得約港幣29億2,693萬元減少2%。該減少主要受年內人民幣貶值的影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The total assets and liabilities of the Group as at 31 December 2023 were detailed as follows:

於二零二三年十二月三十一日，本集團總資產及負債詳列如下：

		31.12.2023 二零二三年 十二月 三十一日 HK\$'000 港幣千元	31.12.2022 二零二二年 十二月 三十一日 HK\$'000 港幣千元	Increase/ (decrease) 增加/ (減少)
			(Re-presented) (經重列)	
Non-current assets	非流動資產	5,611,407	5,789,251	(3%)
Current assets	流動資產	4,958,789	4,220,484	17%
Total assets	總資產	10,570,196	10,009,735	6%
Current liabilities	流動負債	(4,104,661)	(4,104,198)	0.01%
Non-current liabilities	非流動負債	(3,605,432)	(2,970,287)	21%
Total liabilities	總負債	(7,710,093)	(7,074,485)	9%
Total net assets	總資產淨值	2,860,103	2,935,250	(3%)

As at 31 December 2023, the Group's total assets moderately increased to approximately HK\$10.57 billion, representing a rise of 6% as compared to the total assets of approximately HK\$10.01 billion as at 31 December 2022. Current assets constituted 47% of the total assets, while Leasing Receivables were the largest component of the assets, being 84% of the total assets.

於二零二三年十二月三十一日，本集團總資產溫和增加至約港幣105億7,000萬元，較於二零二二年十二月三十一日的總資產約港幣100億1,000萬元增加6%。流動資產佔總資產47%，而租賃應收款項為資產的最大組成部分，佔總資產84%。

The Group increased its total liabilities to approximately HK\$7,710.09 million or by 9% as at 31 December 2023 from approximately HK\$7,074.49 million as at 31 December 2022. The Group obtained further external financing such as issuance of ABS and bank borrowings in the PRC to support the growth of the leasing business. The current and non-current portions of the total liabilities were 53% and 47% respectively.

本集團總負債由二零二二年十二月三十一日的約港幣70億7,449萬元增加9%至二零二三年十二月三十一日的約港幣77億1,009萬元。本集團取得更多外部融資，如發行資產支持證券及於中國境內銀行借貸等，以支持租賃業務增長。總負債當中流動及非流動部分的比例分別為53%及47%。

The current ratio (calculated as total current assets divided by total current liabilities) as at 31 December 2023 was 1.21 times (as at 31 December 2022: (re-presented) 1.03 times), indicating the Group had sufficient liquidity and a favorable solvency position. In addition, the Group had ample of standby credit facilities in place as at 31 December 2023 to enhance the liquidity when needed.

於二零二三年十二月三十一日之流動比率（其計算方式為流動資產總值除以流動負債總值）為1.21倍（於二零二二年十二月三十一日：（經重列）1.03倍），表明本集團擁有充足的流動資金和良好的償債能力。此外，本集團於二零二三年十二月三十一日具有充足的備用信貸融資額度，可於需要時提高資本流動性。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at 31 December 2023, the Group had cash and deposits (including pledged bank deposits, and bank balances and cash) of approximately HK\$710.55 million (as at 31 December 2022: approximately HK\$534.56 million), which were primarily denominated in RMB. Other cash and deposits were denominated in HKD and the United States dollars (“USD”). The cash and deposits accounted for 7% of the total assets.

As at 31 December 2023, the bank borrowings of the Group amounted to approximately HK\$3,747.90 million (as at 31 December 2022: approximately HK\$3,167.01 million), represented a rise of 18% from that of last year. During FY2023, the Group has maintained a rather steady profile in respect of the bank borrowings in the PRC to finance the development of leasing business. As at 31 December 2023, about HK\$3,247.90 million or 87% of the Group’s total bank borrowings were denominated in RMB with repayment due dates ranging from 2024 to 2027. The remaining balance of HK\$500 million was a bank loan denominated in HKD. The HKD bank loan is maturing in June 2024. The effective annual interest rates of the bank borrowings in FY2023 ranged from 2.70% to 6.75%.

As at 31 December 2023, the total outstanding balance of the ABS were approximately HK\$3,006.22 million (as at 31 December 2022: approximately HK\$2,702.27 million). Please refer to note 29 to the financial statements in this annual report for more details.

於二零二三年十二月三十一日，本集團持有現金及存款（包括已抵押銀行存款以及銀行結存及現金）約港幣7億1,055萬元（於二零二二年十二月三十一日：約港幣5億3,456萬元），主要以人民幣計值。其他現金及存款以港幣及美元（「美元」）計值。現金及存款佔總資產7%。

於二零二三年十二月三十一日，本集團的銀行借貸約為港幣37億4,790萬元（於二零二二年十二月三十一日：約港幣31億6,701萬元），較去年增加18%。於二零二三年度，本集團於中國境內的銀行借貸維持相當穩定的狀況，為租賃業務的發展提供資金。於二零二三年十二月三十一日，約港幣32億4,790萬元或本集團銀行借貸總額的87%以人民幣計值，還款到期日介乎二零二四年至二零二七年間。餘下的港幣5億元銀行借貸以港幣計值。港幣銀行貸款於二零二四年六月到期。二零二三年度的銀行借貸實際年利率介乎2.70%至6.75%。

於二零二三年十二月三十一日，資產支持證券的未償還結餘總額約為港幣30億622萬元（於二零二二年十二月三十一日：約港幣27億227萬元）。有關更多詳情，請參閱本年度報告內財務報表附註29。

V. FINANCIAL LEVERAGE RATIOS

Total debts/Total equity	總債務／總權益
Total debts/Total assets	總債務／總資產
Total debts/EBITDA	總債務／EBITDA
Interest coverage	利息覆蓋

As the Group further developed and expanded the leasing business, the Group’s financial structure was slightly changed and resulted in an increase in leverage in 2023.

五. 財務槓桿比率

	2023 二零二三年 Times 倍	2022 二零二二年 Times 倍
Total debts/Total equity	2.42	2.12
Total debts/Total assets	0.66	0.62
Total debts/EBITDA	27	35
Interest coverage	5	9

隨著本集團進一步發展及擴大租賃業務，本集團的財務結構出現輕微變動，導致二零二三年的槓桿比率有所上升。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The debt to equity ratio (calculated by dividing total interest-bearing loans by total equity) and debt to asset ratio were 2.42 times and 0.66 times respectively as at 31 December 2023. In FY2023, the interest coverage ratio (as calculated by dividing consolidated profit before income tax and finance costs by finance costs) was 5 times which suggested that the Group still had safe margin to fulfill its interest payment obligation despite the interest rate in Hong Kong had increased considerably. The above set of ratios indicated that the Group's financial position was solid and possessed strong ability to generate income to cover its finance costs.

VI. SIGNIFICANT INVESTMENTS

The Group had no significant investment exceeding 5% of the total asset value of the Group as at 31 December 2023.

Looking ahead, the Group remains focused on leasing business as the main direction of its business development and will be prudent to invest in other financial assets to maximise shareholders' value.

VII. TREASURY POLICIES

The business activities and operation of the Group were mainly carried out in Mainland China and Hong Kong, with transactions denominated in RMB, HKD and USD, which exposed the Group to foreign currency risks. As at 31 December 2023, the Group had bank borrowings denominated in HKD and RMB totalling approximately HK\$3,747.90 million and were based on fixed and floating interest rates, which exposed the Group to interest rate risks. The Group will, where appropriate, use interest rate and foreign currency swaps and forward foreign exchange contracts for risk management and hedging purposes with a view to managing the Group's exposure to interest rate and foreign exchange rate fluctuations. It is the Group's policy not to enter into derivative financing transactions for speculative purposes. It is also the Group's policy not to invest in financial products with significant underlying leverage or derivative exposure, including hedge funds or similar instruments.

於二零二三年十二月三十一日，負債與權益比率（其計算方式為計息貸款總額除以總權益）及負債與資產比率分別為2.42倍及0.66倍。於二零二三年度，利息覆蓋比率（其計算方式為綜合除所得稅及融資成本前溢利除以融資成本）為5倍，表明即使香港的利率已大幅上調，本集團仍有足夠的資金履行付息責任。上述比率反映本集團的財務狀況穩健，擁有強大的創收能力以支付融資成本。

六. 重大投資

於二零二三年十二月三十一日，本集團並無超過總資產值5%的重大投資。

展望未來，本集團繼續專注以租賃業務作為其業務發展的主要方向，並將謹慎投資其他金融資產，將股東價值最大化。

七. 理財政策

本集團之業務活動及營運所在地主要在中國內地及香港，交易以人民幣、港幣及美元計值，令本集團承受外匯風險。於二零二三年十二月三十一日，本集團以港幣及人民幣計值之銀行借貸合共約港幣37億4,790萬元，並按固定及浮動利率計息，令本集團承受利率風險。本集團將在適當時候以利率與外匯掉期及遠期外匯合約用作風險管理、對沖交易，以期調控本集團面對之利率與匯率波動風險。本集團之政策是不參與投機性之衍生融資交易，亦不會投資於具有重大相關槓桿效應或衍生風險之金融產品上，包括對沖基金或類似之工具。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

VIII. INTEREST RATE RISKS

As at 31 December 2023, the Group's bank borrowings were denominated in HKD and RMB. Among the RMB-denominated bank borrowings of approximately HK\$3,247.90 million, approximately HK\$958.63 million was based on fixed interest rates and approximately HK\$2,289.28 million was based on floating interest rates. The HKD-denominated bank borrowings of HK\$500 million were based on floating interest rates.

In FY2023, the global inflation rate began to level off, however, the interest rates in most of the countries remained at high levels. The floating interest rates in Hong Kong, which are tied to Hong Kong Interbank Offered Rate, remained high in FY2023, while the LPR in the PRC continued to adjust downward during the year.

Most of the Group's Leasing Receivables were accounted for using floating interest rates which were benchmarked to the prevailing LPR and effectively hedged against the interest rate risks arising from the Group's bank borrowings in the PRC.

Given the persistently high interest rates and potential fluctuation, the Group will continue to closely monitor the risks arising from interest rate changes and apply appropriate hedging strategies to mitigate the interest rate risks caused by the debt instruments which are based on floating interest rates.

IX. FOREIGN EXCHANGE RISK

During the year under review, the Group's businesses were principally conducted in RMB, while most of the Group's assets and liabilities were denominated in HKD and RMB. Any fluctuation in the exchange rate of HKD against RMB may have an impact on the Group's results. As at 31 December 2023, the net assets of the Group's business in the PRC were approximately RMB2,888.69 million. According to Hong Kong Accounting Standards, such amount of net assets denominated in RMB shall be converted at the exchange rate applicable as at the end of the reporting period. The Group's foreign exchange reserve decreased by approximately HK\$81.81 million during the year and impacted the Group's net assets as at 31 December 2023. The Group currently does not have any hedging measures against foreign exchange risks. However, the Group will continue to closely monitor the possible risks arising from currency fluctuations.

八. 利率風險

於二零二三年十二月三十一日，本集團之銀行借貸以港幣及人民幣計值。在以人民幣計值的銀行借貸約港幣32億4,790萬元當中，約港幣9億5,863萬元按固定利率計息及約港幣22億8,928萬元按浮動利率計息。以港幣計值的銀行借貸港幣5億元按浮動利率計息。

於二零二三年度，全球通脹率開始趨於平穩，然而，大多數國家的利率仍處於高水平。與香港銀行同業拆息掛鈎的香港浮動利率於二零二三年度保持於高位，而中國貸款報價利率則於年內持續下調。

本集團大部分租賃應收款項採用浮動利率列賬，有關利率乃對標現行貸款報價利率得出，並有效對沖本集團於中國的銀行借貸所產生的利率風險。

鑒於居高不下的利率以及潛在的波動，本集團將會繼續密切監控有關利率變化產生的風險，並採取適當的對沖策略以減輕浮息債務工具所引起的利率風險。

九. 外匯風險

於回顧年內，本集團主要以人民幣進行業務，而本集團的大部分資產及負債以港幣及人民幣計值。港幣兌人民幣的任何匯率波動可能對本集團的業績產生影響。於二零二三年十二月三十一日，本集團於中國業務之資產淨值約人民幣28億8,869萬元。遵照香港會計準則，該等人民幣計值資產淨值須按報告期末之適用匯率換算。本集團於年內的外匯儲備減少約港幣8,181萬元，並對本集團於二零二三年十二月三十一日的資產淨值造成影響。本集團現時並無就外匯風險採取任何對沖措施。然而，本集團將會繼續密切監控有關貨幣波動可能產生的風險。

X. PLEDGE OF ASSETS

As at 31 December 2023, the Group's pledged bank deposits amounted to approximately HK\$11.97 million, representing a decrease of 81% from the balance of approximately HK\$61.71 million as at 31 December 2022. The pledged bank deposits mainly included approximately HK\$9.31 million pledged as security for certain bills payables for leasing business (as at 31 December 2022: approximately HK\$57.63 million), and approximately HK\$2.56 million (as at 31 December 2022: approximately HK\$3.97 million) pledged as security for banking facilities granted to mortgagors of the CCT-Champs-Elysees project.

As at 31 December 2023, the Leasing Receivables of the Group with an aggregate carrying value of approximately HK\$6,776.88 million (as at 31 December 2022: approximately (re-presented) HK\$4,844.73 million) were charged as security for the Group's ABS and bank borrowings with carrying amounts of approximately HK\$3,006.22 million (as at 31 December 2022: approximately HK\$2,702.27 million) and HK\$2,915.40 million respectively (as at 31 December 2022: approximately HK\$2,661.76 million).

XI. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at 31 December 2023, the Group's capital commitments consisted of purchase of property, plant and equipment, which will be funded by its internal resources. Please refer to notes 37 and 38 to the financial statements in this annual report for details of the Group's contingent liabilities and capital commitments, respectively.

XII. FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, the Group does not have any future plans for other material investments or capital assets in the coming year.

XIII. EVENT AFTER REPORTING PERIOD

No significant event has occurred after the end of the year under review.

十. 資產抵押

於二零二三年十二月三十一日，本集團的已抵押銀行存款約港幣1,197萬元，較於二零二二年十二月三十一日的結餘約港幣6,171萬元減少81%。已抵押銀行存款主要包括就租賃業務的若干應付票據質押約港幣931萬元（於二零二二年十二月三十一日：約港幣5,763萬元），以及就授予誠通香榭里項目按揭人之銀行融資質押約港幣256萬元（於二零二二年十二月三十一日：約港幣397萬元）。

於二零二三年十二月三十一日，本集團賬面總值約港幣67億7,688萬元（於二零二二年十二月三十一日：約（經重列）港幣48億4,473萬元）的租賃應收款項已抵押作為本集團賬面值分別約港幣30億622萬元（於二零二二年十二月三十一日：約港幣27億227萬元）及約港幣29億1,540萬元（於二零二二年十二月三十一日：約港幣26億6,176萬元）的資產支持證券及銀行借貸的抵押品。

十一. 或有負債及資本承擔

於二零二三年十二月三十一日，本集團的資本承擔包括購置物業、廠房及設備，將由本集團內部資源調配。有關本集團或有負債及資本承擔之詳情，請分別參閱本年度報告內財務報表附註37及38。

十二. 重大投資或資本資產之未來計劃

除本年度報告所披露者外，本集團於來年並無任何其他重大投資或資本資產之未來計劃。

十三. 本報告期後事項

於回顧年末後並無發生重大事項。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

DIRECTORS

Mr. Zhang Bin

Mr. Zhang, aged 55, is an executive Director and the Chairman of the Board. He is also a director of a subsidiary of the Company. Mr. Zhang joined the Group in July 2010. He was appointed as an executive Director with effect from 30 January 2014 and served as the Acting Chairman of the Board with effect from 1 December 2018 until he was appointed as the Chairman of the Board on 26 June 2019. Mr. Zhang also served as the Managing Director of the Company from 15 June 2017 to 22 October 2019. Mr. Zhang holds an EMBA degree from China Europe International Business School and a doctorate degree from Peking University. He also undertook postdoctoral research in Rutgers University and North Carolina State University in the United States of America. Mr. Zhang has rich experience in corporate management. Mr. Zhang is currently the chairman of China Chengtong Hong Kong Company Limited (“CCHK”), which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) and is a wholly-owned subsidiary of CCHG, the ultimate holding company of the Company.

Mr. Gu Honglin

Mr. Gu, aged 46, is an executive Director and the Managing Director of the Company. Mr. Gu joined the Group in December 2022. Mr. Gu obtained a bachelor's degree in Management from Beifang Jiaotong University (currently known as Beijing Jiaotong University) and a master's degree in Management from Renmin University of China. Mr. Gu is a non-practicing certified public accountant and a certified tax adviser in the PRC. During the period from 2001 to 2012, Mr. Gu worked in various private companies in the PRC mainly responsible for financial management and accounting matters. He worked as a manager of the financial analysis department of Shenzhen Aisidi Company Limited, whose shares are listed on the Shenzhen Stock Exchange. In January 2013, Mr. Gu joined CCHG and served as a senior financial manager and then the head of the equity management department, and later served as the deputy general manager of Beijing Chengyang Investment Company Limited, a wholly-owned subsidiary of CCHG. Mr. Gu has been the chief accountant and a member of the executive committee of CCHK since October 2021 and December 2021 respectively. He is also currently a director of China Chengtong Investment Company Limited and a financial manager of Chengtong (Shenzhen) Investment Company Limited, both are wholly-owned subsidiaries of CCHK.

董事

張斌先生

張先生，55歲，為執行董事及董事會主席。彼亦為本公司一間附屬公司的董事。張先生於二零一零年七月加入本集團，彼於二零一四年一月三十日獲委任為執行董事，於二零一八年十二月一日起出任董事會代理主席，直至二零一九年六月二十六日獲委任為董事會主席為止。張先生亦於二零一七年六月十五日至二零一九年十月二十二日期間擔任本公司董事總經理。張先生持有中歐國際工商學院高級工商管理碩士學位及北京大學博士學位。彼亦曾於美國羅格斯大學及美國北卡羅萊納州立大學從事博士後研究工作。張先生具有豐富的企業管理經驗。現時張先生為本公司最終控股公司誠通控股之全資附屬公司中國誠通香港有限公司（「誠通香港」）的董事長，而誠通香港擁有根據證券及期貨條例（香港法例第571章）（「證券及期貨條例」）第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。

顧洪林先生

顧先生，46歲，為本公司執行董事兼董事總經理。顧先生於二零二二年十二月加入本集團。顧先生於北方交通大學（現名為北京交通大學）取得管理學學士學位及於中國人民大學取得管理學碩士學位。顧先生是中國的非執業註冊會計師及註冊稅務師。二零零一年至二零一二年期間，顧先生曾在中國多家私營公司工作，主要負責財務管理和會計事務。彼曾擔任深圳市愛施德股份有限公司（其股份於深圳證券交易所上市）財務分析部經理。顧先生於二零一三年一月加入誠通控股曾先後擔任高級財務經理、股權管理部主管、及誠通控股全資子公司北京誠暘投資有限公司副總經理。自二零二一年十月和二零二一年十二月起，顧先生擔任誠通香港的總會計師及執行委員會成員。彼現亦為中國誠通投資有限公司董事及誠通（深圳）投資有限公司的財務經理，該兩間公司均為誠通香港的全資子公司。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Professor Chang Qing

Professor Chang, aged 66, is an independent non-executive Director of the Company. Professor Chang joined the Group in January 2013. Professor Chang obtained a master's degree in Economics from Jilin University in 1985 and a PhD degree from Chinese Academy of Social Sciences. He has over 30 years of experience in economic and financial field. He is currently the chairman of Jinpeng International Futures Co., Ltd., a professor of the College of Economics and Management of China Agricultural University, and Lifetime Honorary Professor of the MBA Education Centre of China Agricultural University. Professor Chang is now acting as an independent non-executive director of Kangda International Environmental Company Limited and Honghua Group Limited (both companies' shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("Stock Exchange")). He previously served as an independent director of Tibet Summit Resources Co., Ltd. and TBEA Co., Ltd. (both companies' shares are listed on the Shanghai Stock Exchange) as well as Yuan Longping High-Tech Agriculture Co., Ltd. and Rongfeng Holding Group Co., Ltd. (both companies' shares are listed on the Shenzhen Stock Exchange). Professor Chang was a council member of the Shanghai Futures Exchange and the vice president of China Futures Association.

Mr. Lee Man Chun, Tony

Mr. Lee, aged 70, is an independent non-executive Director of the Company. Mr. Lee joined the Group in November 2013. Mr. Lee obtained a master's degree in Business Administration from Chu Hai College of Higher Education in 1981. He is a member of the Hong Kong Institute of Certified Public Accountants. He has over 40 years of experience in accounting, capital markets, corporate management, finance and banking. Previously, he worked for and held senior positions in Standard Chartered Bank (Hong Kong) Limited and Sanwa International Finance Ltd. Mr. Lee was an executive director of Shenwan Hongyuan (H.K.) Limited (formerly known as Shenyin Wanguo (H.K.) Limited) (the shares of which are listed on the Main Board of the Stock Exchange) from June 2000 to June 2017, and served as its chief executive officer during the period from July 2000 to March 2012.

常清教授

常教授，66歲，為本公司獨立非執行董事。常教授於二零一三年一月加入本集團。常教授於一九八五年獲吉林大學頒發經濟學碩士學位，並自中國社會科學院取得博士學位。彼在經濟及財經領域累積超過30年經驗。常教授現為金鵬期貨經紀有限公司的董事長、中國農業大學經濟管理學院教授及中國農業大學MBA教育中心終身榮譽教授。常教授現擔任康達國際環保有限公司和宏華集團有限公司（兩間公司的股份均於香港聯合交易所有限公司（「聯交所」）主板上市）的獨立非執行董事。彼曾擔任西藏珠峰資源股份有限公司、特變電工股份有限公司（兩間公司的股份均於上海證券交易所上市）、袁隆平農業高科技股份有限公司及榮豐控股集團股份有限公司（兩間公司的股份均於深圳證券交易所上市）的獨立董事。常教授曾擔任上海期貨交易所理事及中國期貨業協會副會長。

李萬全先生

李先生，70歲，為本公司獨立非執行董事。李先生於二零一三年十一月加入本集團。李先生於一九八一年獲珠海學院頒發工商管理碩士學位。李先生為香港會計師公會會員，彼於會計、資本市場、企業管理、財務及銀行業累積逾40年經驗。彼曾於渣打銀行（香港）有限公司及Sanwa International Finance Ltd. 擔任要職。李先生曾於二零零零年六月至二零一七年六月期間擔任申萬宏源（香港）有限公司（前稱為申銀萬國（香港）有限公司）（其股份於聯交所主板上市）的執行董事，並於二零零零年七月至二零一二年三月期間擔任其行政總裁。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Professor He Jia

Professor He, aged 69, is an independent non-executive Director of the Company. Professor He joined the Group in September 2015. He holds a PhD degree in Finance from the Wharton School of University of Pennsylvania, the United States. Currently, he is the Dean of Shanghai North Bund Finance Institute, a member of the Finance Development Decision-making Consultation Committee of Shenzhen, the Changjiang Scholar Chair Professor of the Ministry of Education, the Chair Professor of Shandong University, the University Professor of Zhejiang University, and an executive director and academic member of the China Society for Finance and Banking.

Professor He is currently an independent non-executive director of Bank of Tianjin Co., Ltd. (the shares of which are listed on the Stock Exchange) and an independent director of Xinlong Holding (Group) Co., Ltd. (the shares of which are listed on the Shenzhen Stock Exchange).

Professor He was previously an independent non-executive director of a number of listed companies in Hong Kong and Shanghai, including Wealthking Investments Limited (currently known as Wealththink AI-Innovation Capital Limited), Shanghai Junshi Biosciences Co., Ltd. and CITIC Securities Company Limited. He was also an independent director of a number of listed companies in Shanghai and Shenzhen, including Norinco International Cooperation Company Limited, Tibet Huayu Mining Co., Ltd., Tsinghua Tongfang Co., Ltd., Xgd Inc. and Shenzhen Soling Industrial Co., Ltd.. He was also an independent director of China Investment Securities Co., Ltd.

Professor He was a financial consultant for the Chengdu and Quanzhou municipal governments. He was also a jointly appointed professor at the Tsinghua University, the leading professor of the Faculty of Financial Mathematics and Engineering at the South University of Science and Technology, a professor of the Department of Finance and a director of the MBA program in Finance at the Chinese University of Hong Kong. He was also an editor of China Financial Economics Review, and served as a member of the editorial committee of a number of journals, including China Accounting and Finance Review and Research in Banking and Finance. Professor He was a member of the Planning and Development Committee of China Securities Regulatory Commission from June 2001 to August 2002, and a director of integrated research institute of the Shenzhen Stock Exchange from June 2001 to October 2002.

何佳教授

何教授，69歲，為本公司獨立非執行董事。何教授於二零一五年九月加入本集團。彼持有美國賓夕法尼亞大學沃頓商學院金融哲學博士學位。彼現為上海北外灘金融研究院院長、深圳市金融發展決策諮詢委員會委員、教育部長江學者講座教授、山東大學講席教授、浙江大學求是講座教授及中國金融學會常務理事兼學術委員。

何教授現為天津銀行股份有限公司（其股份於聯交所主板上市）的獨立非執行董事，亦是欣龍控股（集團）股份有限公司（其股份於深圳證券交易所上市）的獨立董事。

何教授也曾為多間香港及上海上市公司的獨立非執行董事，包括華科資本有限公司（現名為華科智能投資有限公司）、上海君實生物醫藥科技股份有限公司及中信証券股份有限公司。其亦曾為多間於上海及深圳上市公司的獨立董事，包括北方國際合作股份有限公司、西藏華鈺礦業股份有限公司、同方股份有限公司、深圳市新國都股份有限公司、深圳市索菱實業股份有限公司。其亦曾為中國中投証券有限責任公司的獨立董事。

何教授曾任職成都及泉州市政府金融顧問。彼亦曾為清華大學雙聘教授、南方科技大學金融數學與金融工程系領軍教授、香港中文大學金融學系教授及金融財務MBA課程主任。何教授亦曾為《中國金融經濟評論》之編輯，並曾任多家期刊編輯委員會委員，其中包括《中國會計及金融評論》及《銀行及金融研究》。何教授曾於二零零一年六月至二零零二年八月任職中國証券監督管理委員會規劃發展委員會委員，於二零零一年六月至二零零二年十月任職深圳証券交易所綜合研究所所長。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Poon Tsz Kin

Mr. Poon, aged 58, is the company secretary and financial controller of the Company. He joined the Group in May 2019. He holds a professional diploma in Accountancy from the Hong Kong Polytechnic University. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Poon previously worked for an international accounting firm and a number of public companies in Hong Kong, Singapore and Canada respectively. He has more than 20 years' experience in auditing, accounting and finance, internal control and corporate management.

高級管理層

潘子健先生

潘先生，58歲，為本公司之公司秘書兼財務總監，潘先生於二零一九年五月加入本集團。彼持有香港理工大學會計學專業文憑，為香港會計師公會註冊會計師及英國特許公認會計師資深會員。潘先生曾於一家國際會計師事務所及多家分別於香港、新加坡及加拿大的上市公司工作，對審計、會計及財務、內部監控及企業管理等擁有超過20年的工作經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the corporate governance report of the Group for the year.

CORPORATE CULTURE AND GOVERNANCE

The Board considers the followings as our core values: (i) investing in sustainable development; (ii) upholding business ethics; (iii) pursuing high quality products and services; (iv) prioritising green development; and (v) building a people-oriented organisation. The Board has ensured that these values are embedded throughout the Group. Details of the implementation of such values into the Group's daily operations are set out in this report and the ESG report of the Company for the year.

The above core values shape our corporate culture which is centered on committing to continuous improvement in order to maintain competitiveness in the dynamic business environment and in turn creating long-term value for our shareholders. All Directors have used their best endeavours to uphold the core values and promote them throughout the Group.

In pursuing the core values, the Group considers good corporate governance is vital to the healthy and sustainable development of the Group and the Group strives to uphold high standards of corporate governance continuously.

In the opinion of the Directors, the Company had complied with all the code provisions of the Corporate Governance Code (“**CG Code**”) as set out in Appendix 14 (renamed as Appendix C1 with effect from 31 December 2023) to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) for the year.

The Company periodically reviews its corporate governance practices to ensure those continue to comply with the CG Code, and acknowledges the important role of the Board in providing effective leadership and direction to the Group's business and ensuring operational transparency and accountability.

The key corporate governance principles and practices of the Company during the year are summarised as follows:

董事會欣然呈報本集團本年度之企業管治報告。

企業文化及管治

董事會將以下視為我們的核心價值觀：(i) 投資可持續發展；(ii) 恪守商業道德；(iii) 追求高質量的產品及服務；(iv) 綠色發展優先；及(v) 創建以人為本的企業。董事會已確保本集團貫徹該等價值觀。本集團在日常營運中踐行該等價值觀的詳情載於本報告及本公司本年度的環境、社會及管治報告。

上述核心價值觀塑造我們的企業文化，即致力於持續改進，以便在動態商業環境中保持競爭力，從而為我們的股東創造長期價值。所有董事均盡最大努力秉持核心價值觀，並在本集團貫徹推廣該等價值觀。

在踐行核心價值觀的過程中，本集團認為良好的企業管治對本集團的健康及可持續發展十分重要。本集團致力於持續提高企業管治水平。

董事認為，於本年度，本公司已遵守聯交所證券上市規則（「**上市規則**」）附錄十四（自二零二三年十二月三十一日起改稱為附錄C1）所載企業管治守則（「**企業管治守則**」）的所有守則條文。

本公司會定期檢討其企業管治常規，以確保該等常規持續遵守企業管治守則，本公司亦明白董事會在提供有效領導及指引本集團業務，以及確保運作之透明度及問責性方面扮演著重要角色。

本公司於本年度主要企業管治原則及慣例概述如下：

THE BOARD

Responsibilities

The Board provides leadership for the Company in the interests of the shareholders, approves policies, strategies and plans, and oversees their implementation to sustain the healthy growth of the Company.

The Board is responsible for all major matters of the Group, and the approval and monitoring of all material changes in policies, including risk management strategies, dividend policy, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company, with a view to ensure that the Board's procedures and all applicable laws, rules and regulations are followed. In general, each Director can seek independent professional advices in appropriate circumstances at the Company's expenses, upon making such request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Managing Director, executive Directors and senior management. Approval from the Board has to be obtained prior to entering into any significant transactions.

Composition

The composition of the Board encompasses the necessary balance of skills and experiences desirable for effective leadership of the Group and reflects the independence in decision-making of the Board.

董事會

職責

董事會負責帶領本公司，以股東之利益為依歸，通過審批本公司之政策、策略及計劃，審視其落實情況，以確保本公司持續健康發展。

董事會負責處理本集團之所有重大事宜，審批及監察重大政策變化，包括風險管理策略、股息政策、委任董事及其他重大財務及運營事宜。

所有董事均有權於適當時候取閱所有相關資料，以及獲得本公司公司秘書之意見及服務，以確保董事會制定的程序及所有適用法律、規則及規例均獲遵從。在一般情況下，各董事在向董事會提出有關要求後，均可於適當的時候尋求獨立專業意見，費用由本公司支付。

本公司之日常管理、行政及運作均已委派董事總經理、執行董事及高級管理層負責。上述人員在訂立任何重大交易前，必須先取得董事會的批准。

組織

董事會的組合體現了有效領導本集團之決策所需的領導技能與經驗，亦反映了董事會決策的獨立性。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year and as at the date of this report, the Board comprised the following Directors:

Executive Directors

ZHANG Bin (*Chairman of the Board*)

GU Honglin (appointed as Managing Director with effect from 12 January 2024)

YANG Tianzhou (resigned as Managing Director and executive Director with effect from 12 January 2024)

Non-executive Director

Wang Daxiong (resigned with effect from 11 January 2023)

Independent Non-executive Directors

CHANG Qing

LEE Man Chun, Tony

HE Jia

The list of Directors (by category) is disclosed in all corporate communications issued by the Company and on the websites of the Company and the Stock Exchange pursuant to the Listing Rules.

Chairman and Managing Director

During the year, the position of the Chairman of the Board was held by Mr. Zhang Bin and the position of Managing Director was held by Mr. Yang Tianzhou until his resignation which took effect on 12 January 2024. Mr. Gu Honglin was appointed as the Managing Director of the Company in replacement of Mr. Yang with effect from 12 January 2024. The respective responsibilities of the Chairman and the Managing Director are clearly defined and set out in writing to ensure a balance of power and authority.

於本年度及於本報告日期，組成董事會之董事如下：

執行董事

張斌 (董事會主席)

顧洪林 (自二零二四年一月十二日起獲委任為董事總經理)

楊田洲 (自二零二四年一月十二日起辭任董事總經理及執行董事)

非執行董事

王大雄 (自二零二三年一月十一日起辭任)

獨立非執行董事

常清

李萬全

何佳

董事名單 (按類別) 亦根據上市規則要求於本公司刊發之所有公司通訊內及本公司和聯交所的網頁上披露。

主席及董事總經理

於本年度，本公司由張斌先生擔任董事會主席，楊田洲先生擔任董事總經理職位，直至彼之辭任於二零二四年一月十二日生效為止。自二零二四年一月十二日起，顧洪林先生獲委任為本公司董事總經理，以接替楊先生。主席及董事總經理各自之職責已清楚界定及以書面形式呈列，以確保權力及授權兩者分佈均衡。

The Chairman of the Board provides leadership to the Board and is responsible for ensuring that relevant duties and responsibilities are fully and appropriately executed by the Directors in accordance with good corporate governance practice. With the support of the senior management, the Chairman of the Board is also responsible for ensuring that each of the Directors can timely receive adequate, complete and reliable information and appropriate briefing on issues to be discussed at Board meetings.

The Managing Director is responsible for leading the management to implement policies, strategies as well as all goals and plans adopted and approved by the Board, and is in charge of the Company's day-to-day operations.

Relationship among Board Members

There is no financial, business, family or other material/relevant relationship among members of the Board.

Board Independence Mechanism

The Company has established mechanism to ensure independent views and input are available to the Board. The Company has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing not less than one-third of the Board, with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has adopted the Independent View Policy, pursuant to which the independent non-executive Directors are required to, among other matters, (i) keep up-to-date with the Company's business affairs and be involved in scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitor the relevant reporting; and (ii) bring independent judgment to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct, and assist in reviewing some of the Board's major decisions, the Company's performance in relation to corporate goals, and monitor the relevant reporting. The Board reviews the implementation of the Board independence mechanism on an annual basis and considers that it remains effective for the year.

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

董事會主席負責領導董事會工作，並負責按照良好企業管治常規確保董事充分、恰當地行使相關職責。在高級管理層之支持下，董事會主席亦負責確保各董事可及時獲取充份、完備及可靠的資料，並就將於董事會會議上討論之事宜得到適當介紹。

董事總經理負責領導管理層執行經董事會採納及批准的政策、策略以及所有目標及計劃，並負責本公司的日常營運。

董事會成員之間的關係

董事會成員之間概無任何財務、業務、親屬或其他重大／相關關係。

董事會獨立性機制

本公司已成立機制確保董事會可獲得獨立意見及建議。本公司均遵守上市規則中須委任最少三名獨立非執行董事，佔董事會成員人數不少於三分之一的規定，而當中最少須有一名獨立非執行董事具備合適之專業資格，或會計或相關財務管理專業知識。

本公司已採納獨立意見政策，據此，獨立非執行董事須（其中包括）(i) 了解本公司最新業務狀況，並參與監察本公司在達致協定公司目標及宗旨方面的表現，以及監察相關申報事宜；及(ii) 就策略、政策、表現、問責性、資源、主要委任及操守準則等事宜作出獨立判斷，並協助審閱董事會的部分重大決策、本公司有關公司目標的表現及監察相關報告。董事會每年檢討董事會獨立性機制的實施情況，並認為其於本年度仍然有效。

本公司已接獲現有各獨立非執行董事根據上市規則第3.13條之規定就其獨立性發出彼等各自之年度書面確認。根據上市規則所列載之獨立性指引，本公司認為所有獨立非執行董事均為獨立人士。

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The independent non-executive Directors bring a wide range of business and financial expertise and relevant experience to the Board and provide independent opinions for decision-making of the Board. Through active participation in Board meetings, taking the lead in issues involving potential conflicts of interest and serving on committees of the Board, all independent non-executive Directors make positive contributions to the orderly management and effective operation of the Company.

Appointment and Succession Planning of Directors

The Board has established the nomination committee (“**Nomination Committee**”) and adopted formal, considered and transparent procedures for the appointment and succession planning of Directors. Appropriate candidates for directorship as properly selected by the Nomination Committee will be proposed to the Board for approval.

The Board and the Nomination Committee as a whole are responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. The Board and the Nomination Committee review the structure, size and composition of the Board regularly to ensure that it has a balance of expertise, skills, experience and diversity of perspectives and gender etc. appropriate to the requirements of the business of the Group.

All Directors are appointed for a term of one year and are subject to retirement by rotation and re-election at the AGM of the Company at least once every three years. In accordance with the Articles of Association of the Company, one-third of the Directors are subject to retirement by rotation every year and any new Director appointed to fill a causal vacancy or as an addition to the Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election at such meeting.

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming AGM of the Company. Detailed information of the Directors standing for re-election will be set out in the circular of the Company in relation to the forthcoming AGM to be available to the shareholders.

獨立非執行董事為董事會帶來廣泛的業務及財務專才知識及相關經驗，也為董事會決策提供了獨立意見。通過積極參與董事會會議，處理涉及潛在利益衝突等之事宜，以及出任董事會委員會，所有獨立非執行董事為本公司規範管理及有效運作作出了正面之貢獻。

董事之委任及續任計劃

董事會已成立提名委員會（「**提名委員會**」）並就董事的委任及繼任計劃制訂正式、經周詳考慮及透明的程序。經提名委員會挑選考慮合適董事候選人，再向董事會提名、通過落實。

董事會及提名委員會整體上負責審核董事會的組成、確立及制訂提名及委任董事的有關程序、監察董事的委任及繼任計劃，並評估獨立非執行董事的獨立性。董事會及提名委員會會定期檢討董事會架構、成員人數及組成，確保其具備適合本集團業務需求的專業知識、技能、經驗以及觀點及性別多元化等，並取得平衡。

所有董事的任期均為一年，並須至少每三年於本公司股東週年大會上輪值退任並膺選連任。根據本公司的章程細則，三分之一董事每年均須輪流退任，而獲委任填補臨時空缺或新增董事會職位的任何董事，僅留任至本公司下屆股東週年大會為止，屆時彼等將符合資格於該大會上膺選連任。

董事會建議被重新委任的董事將於本公司應屆股東週年大會上接受重選。提供予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。

Board Diversity Policy

The Company has adopted a Board Diversity Policy and continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of having a diverse Board.

The Company believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to gender, age, race, cultural and educational background, length of service, skills, professional experience, regional and industrial experience, and any other factors that the Board deems appropriate from time to time. For the purpose of implementing board diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

The composition, experience and balance of skills in the Board are regularly reviewed and assessed to ensure that the Board retains core members who have an understanding of the Group for a long period of time alongside with new Director(s) to be appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The Nomination Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. The Nomination Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and demonstrates a thorough consideration of the factors for achieving board diversity.

The Board shall review the implementation and effectiveness of the Board Diversity Policy on an annual basis to ensure its continuous effectiveness. The Nomination Committee will also assess the merits and contribution brought by the Directors to the Board against the objective criteria, with due regard for the benefits of diversity on the Board that would complement the Company's corporate strategy.

董事會多元化政策

本公司已採納董事會多元化政策，且一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會多元化之好處。

在決定任命董事時，本公司相信要獲得董事會多元化，可以從多方面的因素考慮，包括（但不限於）性別、年齡、種族、文化及教育背景、服務任期、技能、專業經驗、地區及行業經驗及董事會不時認為適用的其他因素。就實行董事會多元化而言，本公司亦將根據其本身的業務模式及不時之特定需要考慮各種因素。

董事會定期檢討並評估其組合、經驗及技能平衡，確保董事會保留對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。提名委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會將每年檢討董事會多元化政策的實施及有效性，以確保其持續有效。提名委員會經考慮對董事會成員多元化的裨益與本公司的企業策略相輔相成後，亦將評估董事的優點及貢獻是否能讓董事會達致該等目標要求。

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As at the date of this report, the Board comprised five Directors who are all male members. The Company endeavors to avoid a single-gender Board and will introduce at least one female Director by 31 December 2024 so to maintain a healthy balance of gender diversity in the Board. The Company is still in the course of identifying the appropriate female candidate for the directorship. When appointing a director of a different gender, the Company shall ensure that such director possesses the necessary skills, experience and calibre appropriate to the Company's business. The Board believes gender diversity will offer the Board with new insights and will enhance the decision making process and foster the business development of the Group. In the future, the Board will continue to place emphasis on the nomination of Directors to ensure that qualified female candidates are given equal consideration alongside male counterparts. The Company will ensure, by placing emphasis on gender diversity in the Board succession planning process, to have a diverse pipeline of candidates to the Board when vacancies arise.

Apart from gender diversity at the Board level, the Company also targets to avoid a single-gender workforce (including the senior management). As at 31 December 2023, male and female employees represent approximately 60% and 40% of the Group's workforce (including the senior management) respectively which indicate that the Group has maintained a balanced gender ratio in the workforce. Although gender diversity issue is less relevant to the Group given the nature of the Group's business, the Company will still pay due regard to this issue and review the gender diversity of the workforce in accordance with the business development of the Group from time to time.

Board Meetings

Number of Meetings and Directors' Attendance

Regular Board meetings are held at least four times a year at approximately quarterly intervals for reviewing the Group's financial and operating performance, discussing and approving annual and interim results, as well as considering and approving the overall strategies of the Company.

During the year, six Board meetings were held, including four regular Board meetings.

於本報告日期，董事會由五名董事組成，均為男性。本公司努力避免董事會出現單一性別，並將於二零二四年十二月三十一日前引入至少一名女性董事，以保持董事會性別多元化的健康平衡。本公司仍在物色合適的女性董事候選人。本公司在委任不同性別的董事時，應確保該董事具備切合本公司業務所需的技能、經驗及才能。董事會相信，性別多元化將為董事會提供新見解及完善決策過程，並促進本集團的業務發展。未來，董事會將繼續重視董事提名，以確保平等考慮合資格的女性與男性候選人。本公司將透過在董事會續任計劃過程中重視性別多元化，確保在出現空缺時有多元化的董事會候選人管道。

除董事會層面的性別多元化外，本公司亦旨在避免單一性別勞動力（包括高級管理層）。於二零二三年十二月三十一日，本集團分別約有60%及40%僱員（包括高級管理層）為男性及女性，表明本集團於工作場所維持平衡的性別比例。儘管鑒於本集團業務的性質，性別多元化問題與本集團的相關性較低，但本公司仍將適當考慮該問題，並根據本集團的業務發展不時檢討勞動力的性別多元化。

董事會會議

會議次數及董事出席次數

本公司每年至少舉行四次董事會例行會議，約為每季度舉行一次，以審議本集團的財務及經營表現，商討及批准全年及中期業績以及審議及審批本公司的整體策略。

於本年度，本公司已舉行六次董事會會議，其中包括四次董事會例行會議。

CORPORATE GOVERNANCE REPORT

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The individual attendance record of each Director in respect of the Board meetings held during the year is set out below:

各董事有關於本年度內舉行之董事會會議之個別出席記錄載列如下：

Name of Directors	Number of Attendance/ Number of Board Meetings Held 出席次數/ 舉行董事會會議次數
董事姓名	
ZHANG Bin 張斌	6/6
GU Honglin 顧洪林	6/6
CHANG Qing 常清	6/6
LEE Man Chun, Tony 李萬全	6/6
HE Jia 何佳	6/6
YANG Tianzhou (note 1) 楊田洲 (附註1)	5/6
WANG Daxiong (note 2) 王大雄 (附註2)	0/0

Notes:

1. Mr. Yang Tianzhou resigned as an executive Director with effect from 12 January 2024.
2. Mr. Wang Daxiong resigned as a non-executive Director with effect from 11 January 2023 and no Board meeting was held during his tenure in 2023.

附註：

1. 楊田洲先生辭任執行董事，自二零二四年一月十二日起生效。
2. 王大雄先生辭任非執行董事，自二零二三年一月十一日起生效，而於二零二三年，其任期內無舉行董事會會議。

Practices and Conduct of Meetings

Meeting schedules and agenda of each Board meeting are normally made available to the Directors in advance. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

會議常規及方式

會議時間表及每次董事會會議的會議議程通常會預先提供予董事。董事會例行會議通知會於會議舉行前至少14天送呈所有董事。至於其他董事會及委員會會議，一般會發出合理通知。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board papers together with all appropriate, complete and reliable information are sent to all Directors in a timely manner before each Board meeting or committee meeting to keep the Directors apprised of the latest development and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

The company secretary of the Company assists the Chairman of the Board to prepare the agenda for the Board meetings and ensures that all applicable rules and procedures are followed in each meeting. Draft agenda is sent to all Directors in advance to allow Directors to include any matter they would like to discuss in the meeting. Draft minutes are circulated to all Directors for review and amendment as soon as practicable after the meeting is held. All Board members will be given a copy of the finalised minutes approved by Directors who attended the meeting.

Should a Director have any conflict of interest in any proposed transactions, the Director concerned will abstain from voting on related resolutions. Directors without any conflict of interest will be present at the Board meetings to vote and resolve on such issues.

BOARD COMMITTEES

The Board has established five committees, namely, the executive committee (“**Executive Committee**”), the audit committee (“**Audit Committee**”), the remuneration committee (“**Remuneration Committee**”), the Nomination Committee and the environmental, social and governance committee (“**ESG Committee**”), each overseeing and being responsible for affairs in different aspects of the Company. All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company’s expenses.

Executive Committee

The Executive Committee comprises all executive Directors. The Executive Committee is responsible for the daily business operations and management of the Company, the execution of decisions and strategies of the Board within the scope of authorisation granted by the Board. The Executive Committee regularly reports to the Board regarding the Group’s business operations and seeks its advice and approval on matters involving material decision-making.

董事會文件連同一切適當、完備及可靠的資料，會於各董事會會議或委員會會議舉行前及時送交所有董事，使董事得知本公司的最新發展及財政狀況，讓彼等可作出知情的決定。董事會及每名董事亦可於有需要時自行以獨立途徑接觸高級管理層。

本公司公司秘書協助董事會主席準備董事會會議議程，及確保每次會議均按照所有適用規則及程序進行。議程草稿會提前送交予全體董事，以便將董事提出有意討論的任何事項列入會議內。會議記錄初稿將於會後在切實可行的情況下盡快分發給全體董事以供彼等審閱及修改，經與會董事批准的會議記錄的定稿將分發予全體董事會成員。

如有董事於任何建議交易項目中涉及任何利益衝突，則有關董事將就有關決議案的表決放棄投票，並由沒有涉及任何利益衝突的董事於董事會會議上就有關事宜進行表決及決議。

董事委員會

董事會已設立五個委員會，即執行委員會（「**執行委員會**」）、審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）、提名委員會及環境、社會及管治委員會（「**環境、社會及管治委員會**」），分別監察及負責本公司不同範疇的事務。所有董事委員會均獲提供足夠資源履行其職務，如提出的要求合理，可於適當情況下尋求獨立專業意見，費用概由本公司負責。

執行委員會

執行委員會由所有執行董事組成。執行委員會在董事會授予的權限範圍內負責本公司的日常業務營運及管理，並負責執行董事會的決策和策略。執行委員會定期向董事會報告本集團的業務運營狀況，並會在涉及重大決策之事項上，尋求董事會的意見及批准。

During the year, the Executive Committee comprised Mr. Zhang Bin (chairman of the Executive Committee), Mr. Gu Honglin and Mr. Yang Tianzhou. Mr. Yang resigned as an executive Director and a member of the Executive Committee on 12 January 2024.

Audit Committee

As at 31 December 2023, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Lee Man Chun, Tony (chairman of the Audit Committee), Professor Chang Qing and Professor He Jia. Mr. Wang Daxiong, the then non-executive Director, was a member of the Audit Committee before his resignation on 11 January 2023. Mr. Lee Man Chun, Tony is an independent non-executive Director who possesses the appropriate professional accounting qualifications and financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- (a) to review the financial statements and reports of the Company and consider any significant or unusual items raised by the internal auditor or external auditor before submission to the Board;
- (b) to oversee the relationship between the Company and the external auditor, to approve the remuneration and terms of engagement of the external auditor, and make recommendation to the Board on the appointment, re-appointment and removal of the external auditor; and
- (c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee has held four meetings during the year to review the audit plan, financial results and reports, capital management system, the risk management and internal control system, the effectiveness of the internal audit function of the Company and to perform its other duties under the CG Code.

於本年度內，執行委員會包括張斌先生（執行委員會主席）、顧洪林先生及楊田洲先生。楊先生於二零二四年一月十二日辭任執行董事及執行委員會成員。

審核委員會

於二零二三年十二月三十一日，審核委員會包括三名獨立非執行董事，即李萬全先生（審核委員會主席）、常清教授及何佳教授。時任非執行董事王大雄先生於二零二三年一月十一日辭任前也曾擔任審核委員會成員。李萬全先生為具備合適專業會計資格及財務管理專業知識的獨立非執行董事。概無審核委員會的成員為本公司現任外聘核數師的前合夥人。

審核委員會的主要職務包括以下各項：

- (a) 審閱本公司財務報表及報告，並於向董事會提交有關文件前，考慮內部核數師或外聘核數師所提出的任何重大或不尋常項目；
- (b) 監察本公司與外聘核數師的關係、批准外聘核數師的薪酬及聘用條款，並就委任、重新委任及撤換外聘核數師向董事會提出建議；及
- (c) 檢討本公司的財務匯報制度、內部監控制度、風險管理制度及相關程序是否足夠及有效。

於本年度審核委員會共舉行四次會議，以審閱審計計劃、財務業績及報告、資金管理制度、風險管理及內部監控制度、本公司內部審核部門的成效及履行企業管治守則規定的其他職責。

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There was no disagreement between the Audit Committee and the Board in respect of matters about selection, appointment, resignation or dismissal of an external auditor.

During the year, the Company's annual results for the year ended 31 December 2022 and the interim results for the six months ended 30 June 2023 have been reviewed by the Audit Committee.

Remuneration Committee

During the year and as at 31 December 2023, the Remuneration Committee comprised two independent non-executive Directors, namely Professor He Jia (chairman of the Remuneration Committee) and Mr. Lee Man Chun, Tony and an executive Director, namely Mr. Zhang Bin.

The primary duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure of the Company as well as on the remuneration packages of individual Directors and the senior management. The human resources department of the Group is responsible for the collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. 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 on his own remuneration. The remuneration of the Directors and the senior management of the Company is determined by reference to the performance of the individual and the Company, their roles and functions in the Group and, if applicable, in the group members of CCHG, the Company's ultimate holding company, as well as market conditions.

The Remuneration Committee held two meetings during the year to review the remuneration policy and structure of the Company and the remuneration packages of the Directors. At the meeting, the Remuneration Committee discussed the performance of the Directors and the senior management, reviewed the Directors' service contracts, considered their roles and functions, salaries and/or director's fees paid by comparable companies and general employment conditions before making recommendations to the Board regarding the remuneration packages of the Directors and all employees including the senior management.

審核委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事會並無意見分歧。

於本年度內，審核委員會已審閱本公司截至二零二二年十二月三十一日止年度的年度業績及截至二零二三年六月三十日止六個月的中期業績。

薪酬委員會

於本年度及於二零二三年十二月三十一日，薪酬委員會包括兩名獨立非執行董事，即何佳教授（薪酬委員會主席）、李萬全先生及一名執行董事張斌先生。

薪酬委員會的主要職責包括就本公司的薪酬政策及架構，以及個別董事及高級管理層的薪酬組合向董事會作出建議。本集團人力資源部負責收集及管理人力資源資料，並提出建議供薪酬委員會考慮。薪酬委員會亦負責設立具有透明度的程序，以制定該薪酬政策及架構，從而確保董事或其任何聯繫人概無參與釐定其本身薪酬的決策過程。董事及本公司高級管理層的薪酬將參考個人表現、本公司業績表現、彼等於本集團及（如適用）本公司最終控股公司誠通控股之集團成員的角色及職位及市況釐定。

於本年度內，薪酬委員會共舉行兩次會議，以檢討本公司的薪酬政策與架構以及董事的薪酬組合。會上，薪酬委員會先討論董事與高級管理層的表現、審閱董事的服務合約、考慮彼等的角色及職位、可比公司支付的薪金及／或董事袍金以及整體僱傭狀況，才向董事會作出有關董事及所有員工（包括高級管理層）薪酬待遇的建議。

Nomination Committee

During the year and as at 31 December 2023, the Nomination Committee comprised two independent non-executive Directors, namely Professor Chang Qing (chairman of the Nomination Committee) and Mr. Lee Man Chun, Tony, and an executive Director, namely Mr. Zhang Bin.

The Nomination Committee is responsible for, among others, nominating candidates for directorship appointment and succession, reviewing the composition and structure of the Board from time to time and making recommendations to the Board in order to ensure the balance and diversity of expertise, skills, experience and gender etc. among the members of the Board.

According to the Nomination Policy adopted by the Company, appointments of Board members will be made on a merit basis and candidates will be considered against objective criteria. The selection criteria used in assessing the suitability of a candidate include:

- the candidate's academic background and qualifications (including professional qualifications, skills and knowledge which are relevant to the Company's business and corporate strategy);
- the candidate's relevant experience in the industry;
- the candidate's character and integrity;
- the candidate's willingness and capacity to devote adequate time in discharge of a director's duties;
- whether the candidate can contribute to the Board a diversity of perspectives, including but not limited to gender, age, race, cultural and educational background, professional experience, skills, knowledge and length of service;
- (where the candidate is proposed to be appointed as an independent non-executive Director) whether the candidate is in compliance with the criteria of independence under the Listing Rules; and
- any other factors as may be determined by the Board from time to time.

提名委員會

於本年度及於二零二三年十二月三十一日，提名委員會成員包括兩名獨立非執行董事，即常清教授（提名委員會主席）及李萬全先生，以及一名執行董事張斌先生。

提名委員會負責（其中包括）為董事的委任與繼任提名候選人、不時檢討董事會之組成及架構及向董事會提出建議，以確保董事會成員之專業知識、技能、經驗及性別等得以均衡且多元化。

根據本公司採納的提名政策，董事會成員的委任將以用人唯賢的準則，根據客觀標準考慮可擔任董事會成員的人選。用以評估候選人是否適合的甄選準則包括：

- 候選人的學歷背景及資格（包括與本公司業務及企業策略有關之專業資格、技能及知識）；
- 候選人與行業有關之經驗；
- 候選人的品格及誠信；
- 候選人是否願意及能夠投入足夠時間以履行董事之職責；
- 候選人是否能為董事會貢獻不同方面之多樣性，包括但不限於性別、年齡、種族、文化及教育背景、專業經驗、技能、知識及服務任期；
- （若候選人被建議委任為獨立非執行董事）其是否符合上市規則項下之獨立準則；及
- 由董事會不時釐定的任何其他條件。

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In terms of nomination procedures, any Board member may nominate or invite a candidate for appointment as a Director to be considered by the Nomination Committee. The Nomination Committee will then evaluate the personal profile of the candidate based on the selection criteria set out above, undertake due diligence in respect of such candidate and make recommendation for the Board's consideration and approval. For nomination of independent non-executive Director, the Nomination Committee will also assess the candidate's independence in accordance with the CG Code and the Listing Rules. For re-appointment of retiring Directors, the Nomination Committee will review the candidate's overall contribution and performance (including the candidate's attendance at Board committee meetings, Board meetings and general meetings, his/her level of participation and performance in the Board), and make recommendations to the Board and the shareholders for re-election at general meetings.

During the year, the Nomination Committee held one meeting to review the Nomination Policy and the terms of reference of the Nomination Committee as well as the matters relating to re-election of retiring Directors.

ESG Committee

During the year and up to the date of this report, there were several changes in the composition of the ESG Committee. During the period from 1 January 2023 to 10 January 2023, Mr. Wang Daxiong, the then non-executive Director, acted as the chairman of the ESG Committee, and Mr. Yang Tianzhou, the then executive Director, and Professor He Jia, an independent non-executive Director, acted as the members of the ESG Committee. On 11 January 2023, Mr. Wang Daxiong resigned as a non-executive Director and ceased to be the chairman of the ESG Committee, upon which Mr. Yang Tianzhou was appointed as the new chairman in replacement of Mr. Wang Daxiong. On the same date, Mr. Gu Honglin, an executive Director, was also appointed as a member of the ESG Committee. On 12 January 2024, Mr. Yang Tianzhou resigned as an executive Director and ceased to be the chairman of the ESG Committee, upon which Mr. Gu Honglin was appointed as the new chairman in replacement of Mr. Yang Tianzhou. On the same date, Professor Chang Qing, an independent non-executive Director, was appointed as a member of the ESG Committee and therefore since 12 January 2024, the ESG Committee comprised Mr. Gu Honglin (chairman of the ESG Committee), Professor He Jia and Professor Chang Qing as members.

就提名程序而言，任何董事會成員可提名或邀請候選人擔任董事，以供提名委員會審議。提名委員會將根據上述甄選標準評估候選人的個人資料，對該候選人進行盡職調查，並提出董事會審議及批准的建議。就提名獨立非執行董事而言，提名委員會亦將根據企業管治守則及上市規則評估候選人的獨立性。就重新委任退任董事而言，提名委員會將檢討候選人的整體貢獻及表現（包括候選人出席董事會委員會會議、董事會會議及股東大會、其參與程度及於董事會表現），以及就股東大會上重選連任向董事會及股東提出建議。

於本年度內，提名委員會共舉行一次會議以審閱提名政策及提名委員會的職權範圍以及與重選退任董事相關的事宜。

環境、社會及管治委員會

於本年度及於本報告日期，環境、社會及管治委員會的組成出現若干變動。於二零二三年一月一日至二零二三年一月十日期間，時任非執行董事王大雄先生擔任環境、社會及管治委員會主席，而時任執行董事楊田洲先生及獨立非執行董事何佳教授擔任環境、社會及管治委員會成員。於二零二三年一月十一日，王大雄先生辭任非執行董事及不再擔任環境、社會及管治委員會主席，其後楊田洲先生獲委任為新主席以接替王大雄先生。同日，執行董事顧洪林先生亦獲委任為環境、社會及管治委員會成員。於二零二四年一月十二日，楊田洲先生辭任執行董事及不再擔任環境、社會及管治委員會主席，其後顧洪林先生獲委任為新主席以接替楊田洲先生。同日，獨立非執行董事常清教授獲委任為環境、社會及管治委員會成員，故自二零二四年一月十二日起，環境、社會及管治委員會由顧洪林先生（環境、社會及管治委員會主席）、何佳教授及常清教授組成。

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The ESG Committee is mainly responsible for (a) formulating the Group's ESG strategies and objectives; (b) coordinating and supervising ESG-related matters of the Group; (c) identifying significant ESG risks; (d) monitoring the effectiveness of ESG risk management and internal control; (e) coordinating for the preparation of the ESG report; and (f) performing other duties and functions assigned to the ESG Committee by the Board from time to time.

During the year, the ESG Committee held one meeting to discuss the direction and strategies of the Group's ESG matters and review the Group's ESG report for the year ended 31 December 2022.

Board Committee Meetings

Number of Meetings and Directors' Attendance

The individual attendance record of each Director in respect of the meetings of the Board committees held during the year is set out below:

環境、社會及管治委員會主要負責(a)制定本集團的環境、社會及管治策略及目標；(b)協調及監督本集團的環境、社會及管治相關事宜；(c)識別重大環境、社會及管治風險；(d)監督環境、社會及管治風險管理及內部監控的成效；(e)協調環境、社會及管治報告的編製；及(f)履行董事會不時指派予環境、社會及管治委員會的其他職責及職能。

於本年度，環境、社會及管治委員會共舉行一次會議以討論本集團環境、社會及管治事宜的方向及策略，及審閱本集團截至二零二二年十二月三十一日止年度環境、社會及管治報告。

董事委員會會議

會議次數及董事出席次數

各董事有關於本年度內舉行之董事委員會會議之個別出席記錄載列如下：

Name of Directors 董事姓名	Number of Attendance/Number of Board Committee Meetings Held 出席次數／舉行董事委員會會議次數					ESG Committee 環境、社會及 管治委員會
	Executive Committee 執行委員會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會		
ZHANG Bin 張斌	16/16 16/16	Not applicable 不適用	2/2 2/2	1/1 1/1	Not applicable 不適用	
GU Honglin 顧洪林	16/16 16/16	Not applicable 不適用	Not applicable 不適用	Not applicable 不適用	1/1 1/1	
CHANG Qing 常清	Not applicable 不適用	4/4 4/4	Not applicable 不適用	1/1 1/1	Not applicable 不適用	
LEE Man Chun, Tony 李萬全	Not applicable 不適用	4/4 4/4	2/2 2/2	1/1 1/1	Not applicable 不適用	
HE Jia 何佳	Not applicable 不適用	4/4 4/4	2/2 2/2	Not applicable 不適用	1/1 1/1	
YANG Tianzhou 楊田洲	11/16 11/16	Not applicable 不適用	Not applicable 不適用	Not applicable 不適用	1/1 1/1	
WANG Daxiong (note 1) 王大雄(附註1)	Not applicable 不適用	0/0 0/0	Not applicable 不適用	Not applicable 不適用	0/0 0/0	

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Note:

1. Mr. Wang Daxiong resigned as a non-executive Director and ceased to be the chairman of the ESG Committee and a member of the Audit Committee on 11 January 2023. No meeting of the Audit Committee and the ESG Committee was held during his tenure in 2023.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding Directors' securities transactions ("**Code of Conduct**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 (renamed as Appendix C3 with effect from 31 December 2023) to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with the requirements of the Code of Conduct and the Model Code during the year. No incident of non-compliance of the Code of Conduct or the Model Code by the Directors was noted by the Board during the year.

The Company has also set out written guidelines on terms no less exacting than the Model Code for securities transactions by the relevant employees who are likely to be in possession of inside information in relation to the Company or its securities due to their office or employment.

CORPORATE GOVERNANCE FUNCTIONS

The Board has not established a corporate governance committee. Instead, the full Board is responsible for performing the corporate governance functions. During the year, the corporate governance duties performed by the Board mainly include developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the training and continuous professional development of the Directors and senior management, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and the Directors, and reviewing the Company's compliance with the CG Code and disclosure in this corporate governance report.

Every Board member has full access to the advice and services of the company secretary of the Company with a view to ensuring that the Board procedures, and all applicable rules and regulations are followed. They are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

附註:

1. 王大雄先生於二零二三年一月十一日辭任非執行董事及不再為環境、社會及管治委員會主席及審核委員會成員。於二零二三年，其任期內未曾舉行審核委員會及環境、社會及管治委員會會議。

進行證券交易的標準守則

本公司已採納其本身有關董事進行證券交易的操守守則（「**操守守則**」），其條款的嚴謹程度不低於上市規則附錄十（自二零二三年十二月三十一日起改稱為附錄C3）所載《上市發行人董事進行證券交易的標準守則》（「**標準守則**」）所規定的標準。經向所有董事作出特定查詢後，董事已確認，彼等於本年度內，一直遵守操守守則及標準守則所載的規定。董事會於本年度內並無知悉董事有任何違反操守守則或標準守則之事宜。

本公司亦已就相關僱員（彼等因其職位或僱傭關係而可能擁有有關本公司或其證券的內幕消息）進行的證券交易制定書面指引，其條款不遜於標準守則。

企業管治職能

董事會並未設立企業管治委員會，而是由全體董事會負責履行企業管治職能。於本年度，董事會履行的企業管治職責主要包括制定及檢討本公司的企業管治政策及常規、審查及監督董事及高級管理層的培訓及持續專業發展、審查及監督本公司在遵守法律及監管規定方面的政策及常規制定、檢討及監控適用於僱員及董事的操守守則及合規手冊，以及審視本公司遵守企業管治守則之情況及於本企業管治報告所作出之披露。

董事會各成員均可自由接觸本公司公司秘書獲取意見及服務，以確保遵守董事會程序以及所有適用法律及規例。彼等亦有權自由取閱董事會文件及相關資料，以便能夠作出知情決定及履行彼等之職責。

SUPPORT AND PROFESSIONAL DEVELOPMENT OF DIRECTORS

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a director, the relevant laws and regulations applicable to directors, duty of disclosure of interest and business of the Group and the Directors have been updated by the Company on the latest development regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to ensure that the Directors, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

According to the training records provided by the Directors (save for Mr. Wang Daxiong who resigned as a non-executive Director on 11 January 2023), each of the Directors (save for Mr. Wang Daxiong) has participated in continuous professional development during the year by attending seminars and/or reviewing reading materials provided by the Company on the following topics to develop and refresh their knowledge and skills:

董事支援及專業發展

全體董事均獲提供有關擔任董事之職責、適用於董事之相關法例及規例、權益披露之責任及本集團業務之相關指引資料。本公司已向全體董事匯報有關上市規則及其他適用監管規定之最新發展情況，以確保彼等遵從及知悉良好的企業管治常規。董事會已商定程序，以確保董事可於提出合理要求後，在適當的情況下尋求獨立專業意見，費用由本公司支付。

根據董事向本公司提供之培訓記錄，除王大雄先生於二零二三年一月十一日辭任非執行董事外，各董事（除王大雄先生外）已於本年度內通過出席有關下列主題之座談會及／或閱讀本公司提供之材料等方式參與持續專業發展，以發展及更新彼等之知識及技能：

Name of Directors 董事姓名	Topics covered in training 所涵蓋之培訓主題 (Notes) (附註)
ZHANG Bin 張斌	a, b, c, d
GU Honglin 顧洪林	a, b, c, d
CHANG Qing 常清	a, b, c, d
LEE Man Chun, Tony 李萬全	a, b, c, d, e
HE Jia 何佳	a, b, c, d
YANG Tianzhou 楊田洲	a, b, c, d
WANG Daxiong (resigned with effect from 11 January 2023) 王大雄（自二零二三年一月十一日起辭任）	—

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Notes:

- (a) Preparation of ESG report, ESG-related issues and regulations updates
- (b) Corporate governance practices; roles and duties of directors
- (c) Disclosure compliance under the Listing Rules
- (d) Business and assets valuation
- (e) Miscellaneous topics covering financial, legal and digital matters, artificial intelligence, data protection, tax, energy and politics etc.

附註:

- (a) 編製環境、社會及管治報告、環境、社會及管治事宜及監管最新資料
- (b) 企業管治常規；董事的角色及職責
- (c) 上市規則項下的披露合規
- (d) 業務及資產估值
- (e) 其他議題，包括財務、法律及數碼事宜、人工智能、數據保護、稅務、能源及政治等

RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS AND AUDITOR'S REMUNERATION

The Directors acknowledge that it is their responsibility to prepare the consolidated financial statements that give a true and fair view of the financial position of the Group, and for such internal control as the Directors determine as 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.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the independent auditor's report on pages 85 to 90 of the annual report of the Company for the year ended 31 December 2023.

對編製財務報表承擔的責任及核數師薪酬

董事知悉彼等的責任乃編製真實公平而且反映本集團財務狀況的綜合財務報表，並對其所需的內部控制負責，使該等綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估本集團的持續經營能力，披露與持續經營有關的事宜（如適用）並使用持續經營為會計基礎，除非董事有意將本集團清盤或停止經營，或別無其他實際的替代方案。

有關本公司外聘核數師對於其就財務報表申報職責所作的聲明載於本公司於截至二零二三年十二月三十一日止年度之年度報告第85至90頁之獨立核數師報告。

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The remuneration of the external auditor of the Company in respect of audit services and non-audit services for the year ended 31 December 2023 amounted to approximately HK\$1,180,000 and HK\$1,330,000 respectively. An analysis of the remuneration of the external auditor of the Company is set out below:

本公司已就外聘核數師於截至二零二三年十二月三十一日止年度提供審核服務及非審核服務，向其支付酬金分別約為港幣1,180,000元及港幣1,330,000元。本公司外聘核數師的酬金分析載列如下：

		Amount of fee for the year ended 31 December 2023 截至二零二三年 十二月三十一止 年度費用 (HK\$'000) (港幣千元)
Audit services	審核服務	1,180
Non-audit services:	非審核服務：	
– Review of interim results	– 中期業績審閱	160
– Services in relation to the major transactions of finance lease arrangements	– 提供關於融資租賃安排 主要交易之服務	1,170
Total	總計	<u>2,510</u>

RISK MANAGEMENT AND INTERNAL CONTROL

The organisation structure of the Company has defined lines of responsibilities and appropriate responsibilities and authority were delegated to senior management. The Board is responsible for the establishment and reviewing the effectiveness of the risk management and internal control system. The Company has also established a risk management department, of which one of the executive Directors serves as the manager-in-charge, to be responsible for the internal audit function and to assist the Board to review the risk management and internal control system of the Group on an ongoing basis. However, such system aims at managing rather than eliminating the risk of failure to achieve business objectives. Hence, such system can only provide reasonable but not absolute assurance against material misstatement or loss.

風險管理及內部監控

本公司的組織架構具備明確責任之分，高級管理層均獲授適當的責任及授權。董事會負責風險管理及內部監控系統之建立及檢討其成效。本公司亦已設立風險管理部門，由其中一名執行董事擔任部門負責人，負責內部審核功能及協助董事會持續檢討本集團的風險管理及內部監控系統。然而，該系統旨在管理而非消除未能達致業務目標之風險。因此，該系統僅就不會有重大的失實陳述或損失作出合理而非絕對的保證。

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The Board has established effective and operational procedures to identify, assess and manage major risks faced by the Group. Such procedures will be updated from time to time to reflect the changes in rules and regulations, and serve as a guideline for updating the risk management and internal control system in a timely manner. The Board considers that as at the date of this report, the risk management and internal control system is adequate and effective in safeguarding the assets of the Group and protecting the interests of shareholders, customers and employees of the Group.

The Executive Committee is responsible for implementing the procedures approved by the Board to identify, assess and manage major risks faced by the Group. Such procedures include the design, operation and supervision of suitable risk management and internal control system to mitigate and control risks. The main features of the risk management and internal control system and the process used by the Company to identify, evaluate and manage major risks are as follows:

- the Board is responsible for the supervision of all business activities of the Group and the implementation of strategic plans and policy. The Executive Committee is responsible for the effective daily operation of the Group and for ensuring that the Group operates in accordance with the objectives, strategy and budget of the Group;
- the Audit Committee periodically reviews the work of the risk management department, external auditor and the Executive Committee in respect of the risk management and internal control system, and assesses the feasibility and effectiveness of the risk management and internal control system; and
- the risk management department also formulates the annual internal audit plan and procedures, conducts periodic independent reviews on the operations of individual divisions and subsidiaries to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and reports to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.

董事會已建立確認、評估及管理本集團面臨的主要風險的有效及可運作程序。該程序須不時更新，以反映規則與規例的更改，並用作及時更新風險管理及內部監控系統之指引。董事會認為於本報告日期，風險管理及內部監控系統充份及有效地維護本集團的資產及保障本集團股東、客戶及僱員的利益。

執行委員會負責執行由董事會批准的程序以確認、評估及管理本集團面臨的主要風險。該程序包括設計、運作及監察適當風險管理及內部監控系統以減輕及控制風險。風險管理及內部監控系統的主要特點以及本公司用於識別評估及管理重大風險的程序如下：

- 董事會負責監管本集團的所有業務活動及策略性計劃及政策的執行。執行委員會負責本集團日常業務的有效運作及確保按本集團的目標、策略及預算運作；
- 審核委員會定期檢討風險管理部門、外聘核數師及執行委員會就有關風險管理及內部監控系統的工作，並評估風險管理及內部監控系統的可行性及效能；及
- 風險管理部門亦制定年度內部審核計劃及程序，對個別部門及附屬公司進行定期獨立檢討以確定任何不規則事宜及風險，開展行動計劃及就處理已確定的風險作出建議，並將內部審核過程中的重大發現及進展向審核委員會報告。審核委員會則向董事會匯報任何重大事宜，並向董事會提出建議。

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In strict compliance with the requirements of Code Provision D.2.1 of the CG Code, the Board conducts a comprehensive review of the effectiveness of the risk management and internal control system of the Group on an annual basis. The review includes an assessment of the prevailing internal control and risk management practices of the Group and covers various aspects including financial control, operational control, compliance control and risk management. If material internal control defects are found in the reviews of the risk management and internal control systems, the Board is responsible for ensuring that adequate resources are allocated to the relevant departments within the Group and that the recommendations made by the risk management department of the Group are duly implemented, so that the defects can be resolved on a timely manner.

During the year, the Board has examined the review report of the risk management department in respect of the Group's resources, staff qualifications and experience, training programmes and budget of the accounting of the Company, internal audit, financial reporting functions as well as those relating to the ESG performance and reporting of the Company, and had conducted a comprehensive review of the risk management and internal control system of the Group covering the period from 1 January 2023 to 31 December 2023. Compared with 2022, there has been no significant or major change in the nature and extent of significant risks faced by the Group as well as the ability of the Company to cope with the changes in its business and the external environment. The Board considered that the risk management and internal control system of the Company is adequate and effective and the Company has complied with the code provisions of the CG Code relating to risk management and internal control.

董事會嚴格遵守企業管治守則守則條文第D.2.1條的規定，每年對本集團風險管理及內部監控系統的成效進行全面檢討。有關檢討包括對本集團現行內部監控及風險管理慣例進行的評估，涵蓋財務監控、營運監控、合規監控及風險管理等方面。倘於檢討風險管理及內部監控系統時發現重大內部監控缺陷，董事會負責確保向本集團相關部門分配充足資源，並確保本集團風險管理部門作出的建議得到妥善執行，以便及時解決有關缺陷。

於本年度內，董事會已檢查風險管理部門就本集團的資源、員工資歷及經驗、本公司會計的培訓課程及預算、內部審核及財務匯報職能等方面以及與本公司環境、社會及管治表現及報告有關的檢討報告，並對本集團的風險管理及內部監控系統進行全面檢討，涵蓋期間由二零二三年一月一日至二零二三年十二月三十一日。與二零二二年度相比，本集團所面對的重大風險性質及程度，以及本公司在應對業務及外部環境轉變的能力，並沒有發生顯著或重大的變化。董事會認為本公司的風險管理及內部監控制度乃充足及有效，而本公司亦已遵守有關風險管理及內部監控的企業管治守則的守則條文。

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INSIDE INFORMATION

The Company has formulated policies on information disclosure and regularly reminded the Directors and employees to properly comply with relevant policies on inside information. At the same time, the Company will notify the Directors, senior management and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest requirements.

With respect to the procedures and internal controls for the handling and dissemination of inside information, the Group has taken reasonable measures to:

- i. restrict the access of confidential information by a limited number of employees on a need-to-know basis;
- ii. prohibit the management and all employees from unauthorised use of confidential or inside information; and
- iii. disclose inside information as soon as reasonably practicable in accordance with the prevailing requirements under the SFO and the Listing Rules.

COMPANY SECRETARY

During the year, the company secretary of the Company is Mr. Poon Tsz Kin, who is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. In delivering his service as the company secretary of the Company, Mr. Poon has direct contact with the Chairman of the Board, the Managing Director and other senior management of the Company to ensure that information is communicated seamlessly among the Directors and that the policies and procedures approved by the Board and all applicable laws, rules and regulations are complied with. He is also responsible for facilitating professional development training of the Directors.

Mr. Poon has confirmed that during the year, he had taken no less than 15 hours of relevant professional training.

INVESTOR RELATIONS

Pursuant to the Listing Rules, all the resolutions of general meetings are conducted by way of poll.

Poll results will be posted on the websites of the Stock Exchange and the Company on the day of the relevant general meeting.

內幕消息

本公司已制定資料披露政策，並定期提醒董事及員工妥善遵守有關內幕消息的政策。同時，本公司將不時向董事、高級管理層及員工傳達監管機構就有關資料披露發佈的最新指引，讓各位董事、高級管理層及員工掌握最新要求。

就有關處理及發佈內幕消息的程序及內部監控而言，本集團已採取合理措施，以：

- i. 限制有限人數的員工查閱機密資料，僅限於有查閱需要的員工；
- ii. 禁止管理層及所有員工未經授權使用機密或內幕資料；及
- iii. 根據證券及期貨條例及上市規則的現行規定，在合理切實可行情況下盡快披露內幕消息。

公司秘書

於本年度內，本公司之公司秘書為潘子健先生，其為本公司全職僱員，了解本公司日常事務。於作為本公司之公司秘書提供服務時，潘先生直接與本公司董事會主席及董事總經理以及其他高級管理層接觸，以確保各董事之間資訊傳達通暢以及董事會批准的政策及程序及所有適用法律、規則及規例獲妥為遵從。彼亦負責協助各董事的專業發展培訓。

潘先生已確認，於本年度，彼已經參加不少於15小時之相關專業培訓。

投資者關係

根據上市規則，所有股東大會的決議案均以票選形式進行。

投票之結果會在相關股東大會舉行當天登載於聯交所及本公司網站。

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The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board as well as the chairman of each of the Audit Committee, the Remuneration Committee, the Nomination Committee and any other committees (as appropriate) or in their absence, other members of the Board or the respective committees, and where applicable, the chairman of the independent Board committee, are available to answer questions at the general meetings. The external auditors also attend the AGM to answer questions about the conduct of the audit and the preparation and content of the auditors report etc.

During the year, the Company held two general meetings (being the general meeting on 7 March 2023 and AGM on 26 June 2023). The attendance records of the Directors in respect of the general meetings held during the year are as follows:

本公司股東大會為股東與董事會之間提供了一個溝通的平台。董事會主席、審核委員會主席、薪酬委員會主席、提名委員會主席以及任何其他委員會主席（如適用）均會出席股東大會，如彼等缺席，則由董事會或個別委員會之其他成員及（倘適用）獨立董事委員會主席可在股東大會上解答提問。外聘核數師亦會出席股東週年大會，回答有關審計工作、編製核數師報告及其內容等問題。

於本年度內，本公司共舉行兩次股東大會（即於二零二三年三月七日舉行的股東大會及於二零二三年六月二十六日舉行的股東週年大會）。董事有關於本年度舉行之股東大會之出席記錄如下：

Name of Directors	Number of Attendance/ Number of General Meetings Held 出席次數/ 舉行股東大會次數
董事姓名	
ZHANG Bin 張斌	2/2
GU Honglin 顧洪林	2/2
CHANG Qing 常清	2/2
LEE Man Chun, Tony 李萬全	2/2
HE Jia 何佳	2/2
YANG Tianzhou 楊田洲	1/2
WANG Daxiong (resigned with effect from 11 January 2023) 王大雄（自二零二三年一月十一日起辭任）	0/0

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The Company communicates information to the shareholders mainly through the Company's financial reports (interim and annual reports), AGMs and other general meetings that may be convened, as well as by making available (i) all the corporate communication documents including but not limited to annual reports, interim reports, notices of general meetings, circulars, and proxy forms ("Corporate Communication"); (ii) other documents issued by the Company which are published on the website of the Stock Exchange for the information or action of the shareholders, including announcements, monthly returns on movements in the Company's securities and next day disclosure returns; (iii) constitutional documents of the Company and terms of reference of the Board committees; (iv) corporate information including but not limited to the list of the Directors; and (v) other Corporate Communication which are published on the Company's website at www.hk217.com.

Apart from attending general meetings, shareholders of the Company may also at any time make enquiries and/or communicate their views to the Company in relation to various matters affecting the Company. Details of the procedures by which enquiries and/or views may be communicated to the Company and the relevant contact details of the Company are set out on page 61 under the sub-heading "Shareholders' Enquiries" in this report. Enquiries are dealt with timely.

The Board has reviewed the situation of shareholders' engagement and communication during the year as well as the procedures of the Company's general meetings and was satisfied with the implementation and effectiveness of the shareholders' communication policy of the Company. The Company will continue to enhance communications and relationships with its shareholders and investors to keep them abreast of the Company's developments.

本公司主要透過本公司之財務報告(中期及年度報告)、股東週年大會及其他可能召開之股東大會,並提供(i)所有公司通訊文件,包括但不限於年度報告、中期報告、股東大會通告、通函及代表委任表格(「公司通訊」);(ii)本公司於聯交所網站刊發以供股東知悉或採取行動的其他文件,包括公告、本公司證券變動月報表及翌日披露報表;(iii)本公司的憲章文件及董事委員會的職權範圍;(iv)公司資料,包括但不限於董事名單;及(v)其他公司通訊向股東傳達資訊,有關資料刊載於本公司網站 <http://www.hk217.com>。

除出席股東大會外,本公司股東亦可隨時就影響本公司的各項事宜向本公司作出查詢及/或發表意見。有關向本公司提出查詢及/或意見的程序詳情及本公司相關聯絡資料載於本報告第61頁「股東查詢」分節。查詢亦會盡快獲得解答。

董事會已審閱本年度的股東參與及溝通情況以及本公司股東大會的程序,並信納本公司股東通訊政策的實施及成效。本公司會繼續加強與其股東及投資者之間的溝通和關係,以使彼等得悉本公司之最新發展。

SHAREHOLDERS' RIGHTS

(1) Procedures for Shareholders to Convene a General Meeting

In accordance with sections 566 to 568 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“**Companies Ordinance**”), shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company may require the Directors to convene a general meeting. The written requisition must state the general nature of the business to be dealt with at the general meeting, and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be signed by the shareholder(s) concerned and deposited at the principal office of the Company at Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the attention of the company secretary in hard copy form or sent to the Company in electronic form to public@hk217.com. The requisition may consist of several documents in like form each signed by one or more of the shareholders concerned.

If the Directors do not, within 21 days after the date on which the written requisition is received by the Company, proceed duly to convene a general meeting on a date not more than 28 days after the date of the notice convening the general meeting, the shareholder(s) who requested the meeting, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, provided that the meeting so convened shall not be held after the expiration of 3 months from the date on which the written requisition is received by the Company.

The general meeting convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

(2) Shareholders' Enquiries

Shareholders' enquiries about their shareholdings can be directed to the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, by post to the address at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or visit https://www.computershare.com/hk/en/online_feedback. Other shareholders' enquiries can be directed to the Company Secretarial Department of the Company or the company secretary of the Company by post to the principal office of the Company at Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or by e-mail to public@hk217.com and such enquiries will be put to the Board for consideration and handling.

股東權利

(1) 股東召開股東大會的程序

根據香港法例第622章《公司條例》（「《公司條例》」）第566至第568條，在全體有權於本公司股東大會上表決的股東的總表決權中佔至少5%的本公司股東，可要求董事召開股東大會。該書面請求必須述明於股東大會上將予處理事項的一般性質，並可能包括可適當動議及擬於會議上動議的決議案文本。有關要求須由有關的股東簽署，以印刷文本方式存放於本公司的主要辦事處，地址為香港灣仔港灣道18號中環廣場64樓6406室，並註明致公司秘書，或以電子形式發送至本公司(public@hk217.com)。請求書可包含數份同樣格式的文件，而每份文件均由一名或多於一名有關的股東簽署。

如董事在本公司收到該書面請求當日後21天內，未有妥為安排在股東大會通知發出日期後不多於28天內召開股東大會，則要求召開該大會的股東或佔該等全體股東的總表決權過半數的股東，可自行召開股東大會，但如此召開的大會不得在本公司收到書面請求當日起計三個月屆滿後舉行。

由股東召開的股東大會，須盡可能以接近董事召開股東大會的方式召開。

(2) 股東查詢

股東可寄信件至本公司股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712–1716號舖，或訪問https://www.computershare.com/hk/zh/online_feedback，查詢其股權資料。股東如有其他查詢可將信件寄至本公司位於香港灣仔港灣道18號中環廣場64樓6406室的主要辦事處或發送電子郵件至public@hk217.com，聯繫本公司公司秘書部或公司秘書，而有關查詢將提交董事會審議及處理。

CORPORATE GOVERNANCE REPORT

企業管治報告

(3) Procedures for Putting Forward Resolutions at the AGM

Shareholders are requested to follow sections 615 and 616 of the Companies Ordinance for putting forward a resolution at the AGM. The requirements and procedures are set out below:

- (i) Pursuant to section 615 of the Companies Ordinance, shareholders may request the Company to give notice of a resolution that is intended to be moved at the AGM to shareholders of the Company entitled to receive notice of the AGM. The shareholder(s) making such request must represent at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at the AGM to which the request relates, or at least 50 shareholders having a right to vote on the resolution at the AGM to which the request relates. Such request (a) may be sent to the Company in hard copy form (by depositing at the principal office of the Company at Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong for the attention of the company secretary) or in electronic form by email to public@hk217.com; (b) must identify the resolution of which notice is to be given; (c) must be signed by the shareholder(s) concerned; and (d) must be received by the Company not later than 6 weeks before the AGM to which the requests relate, or if later, the time at which notice is given of that AGM.
- (ii) Pursuant to section 616 of the Companies Ordinance, the Company which is required under section 615 of the Companies Ordinance to give notice of a resolution must send a copy of it at the Company's own expense to each shareholder entitled to receive notice of the AGM in the same manner as the notice of the AGM and at the same time as, or as soon as reasonably practicable after, it gives notice of the AGM.

CONSTITUTIONAL DOCUMENTS

The Company has not amended its constitutional documents during the year.

(3) 在股東週年大會上提出議案的程序

當股東擬於股東週年大會上提呈一項決議，須依照《公司條例》第615及第616條，其要求及程序載列如下：

- (i) 根據《公司條例》第615條，股東可要求本公司就擬於股東週年大會上動議之決議案向有權收取股東大會通知的本公司股東發出通知。提出該要求的股東必須佔全體有權在該要求所關乎的股東週年大會上，就該決議表決的股東的總表決權至少2.5%，或至少50名有權在該要求所關乎的股東週年大會上就該決議表決的股東。有關要求(a)可採用印刷文本形式（存放於本公司主要辦事處，地址為香港灣仔港灣道18號中環廣場64樓6406室，並請註明致公司秘書）或以電子形式電郵至本公司(public@hk217.com)；(b)須指出有待發出通知所關乎的決議；(c)須由有關股東簽署；及(d)須於該要求所關乎的股東週年大會舉行前的六個星期之前；或（如在上述時間之後送抵本公司的話）該股東週年大會發出通知當時送抵本公司。
- (ii) 根據《公司條例》第616條，本公司根據《公司條例》第615條須就一項決議發出通知時，須以發出股東週年大會通知的同樣方式及在發出股東週年大會通知的同時，或在發出股東週年大會通知後，在合理切實可行的範圍內盡快，自費將該決議通知的文本送交每名有權收到股東週年大會通知的股東。

憲章文件

於本年度，本公司並無修訂其憲章文件。

The Directors present the annual report and the audited consolidated financial statements of the Company for the year.

PRINCIPAL BUSINESS

The principal business of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 16 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated statement of profit or loss on page 91 of this annual report.

In order to enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 25 February 2019 (“**Dividend Policy**”).

According to the Dividend Policy, when determining whether to declare any dividend and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- the Group’s actual and expected financial results;
- the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company;
- the Company’s business operation strategy, including expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Company’s liquidity position;
- retained earnings and distributable profit reserves of the Company;
- the contractual restrictions on the payment of dividends imposed by the Company’s lenders and other institutions; and
- any other factors that the Board considers to be applicable from time to time.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board’s discretion. The Board will review the Dividend Policy on a regular basis.

董事茲提呈本公司本年度之年度報告及經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司之主要業務載於財務報表附註16。

業績及股息

本集團本年度之業績載於本年度報告第91頁之綜合損益表中。

為提升本公司之透明度及協助本公司股東及投資者作出有關本公司之知情投資決定，董事會於二零一九年二月二十五日採納一項股息政策（「**股息政策**」）。

根據股息政策，當決定是否宣派任何股息及宣佈股息金額時，本公司將考慮多項因素，包括但不限於：

- 本集團之實際及預期財務業績；
- 可能影響本公司業務或財務表現及財務狀況之整體經濟狀況及其他內在或外在因素；
- 本公司之業務經營策略，包括預期營運資金需求、資本開支需求及未來擴展計劃；
- 本公司之流動資金狀況；
- 本公司之留存收益和可分配利潤儲備；
- 由本公司貸款人及其他機構施加有關派發股息的合約規限；及
- 董事會不時認為適用之任何其他因素。

本公司沒有任何預定的股息分配比例或分配比率。股息之宣派、派付及金額將由董事會酌情決定。董事會將定期檢討股息政策。

DIRECTORS' REPORT

董事會報告

After considering the Dividend Policy, the Directors have resolved to recommend the payment of a final dividend of HK0.34 cent per ordinary share of the Company in respect of the year (2022: HK0.39 cent per ordinary share) subject to the approval of the shareholders at the forthcoming AGM of the Company. The total amount of final dividend is expected to be approximately HK\$20.28 million and to be paid on Friday, 19 July 2024. Further details of the final dividend are set out in the sub-section headed "Results and Dividend" in the section headed "Management Discussion and Analysis" in this annual report and note 12 to the financial statements.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of the movements in property, plant and equipment and investment properties of the Group for the year are set out in notes 14 and 15 to the financial statements respectively.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 31 to the financial statements.

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

ASSET-BACKED SECURITIES

Details of the ABS issued by the Group in this year are set out in note 29 to the financial statements.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group for the year are set out in the consolidated statement of changes in equity on pages 95 to 96 of this annual report.

Details of the movements in the reserves of the Company for the year are set out in note 33 to the financial statements.

As at 31 December 2023, the Company had approximately HK\$141,151,000 distributable reserves as calculated under sections 291, 297 and 299 of the Companies Ordinance (as at 31 December 2022: HK\$178,993,000).

經考慮股息政策後，董事已議決建議派付本年度末期股息本公司每股普通股0.34港仙（二零二二年：每股普通股0.39港仙），惟須待股東於本公司應屆股東週年大會上批准方告作實。末期股息預期合共約為港幣2,028萬元並於二零二四年七月十九日（星期五）派付。有關末期股息的進一步詳情載於本年報「管理層討論及分析」一節「業績及股息」小節及財務報表附註12。

物業、廠房及設備以及投資物業

本集團物業、廠房及設備以及投資物業於本年度之變動詳情分別載於財務報表附註14及15。

股本

本公司股本之詳情載於財務報表附註31。

本公司或其任何附屬公司於本年度內概無購買、出售或贖回其任何上市證券。

資產支持證券

本集團於本年度內發行之資產支持證券詳情載於財務報表附註29。

可供分派儲備

本集團於本年度內的儲備變動詳情載於本年度報告第95頁至96頁之綜合權益變動表。

本公司於本年度內的儲備變動詳情載於財務報表附註33。

於二零二三年十二月三十一日，按《公司條例》第291、297及299條計算，本公司可供分派儲備約港幣141,151,000元（於二零二二年十二月三十一日：港幣178,993,000元）。

DONATIONS

The Group did not make any monetary donation for charitable purpose during the year (2022: Nil).

BUSINESS REVIEW

The Group is principally engaged in leasing, property development and investment, and marine recreation services and hotel business. The Group had suspended bulk commodity trade business during the year.

A fair review of the business of the Group during the year, an analysis of the Group's performance using financial key performance indicators, and an indication of the likely future developments of the Group's business are set out in the section headed "Management Discussion and Analysis" on pages 11 to 33 of this annual report. These discussions form part of this directors' report. There are no important events affecting the Group that have occurred since the end of the year.

In addition, description of the major risks and uncertainties faced by the Group, the Group's compliance with relevant laws and regulations, discussions on the Group's environmental policies and performance, and the Group's relationships with its key employees, customers and suppliers are also provided in the following subsections of this directors' report.

Major Risks and Uncertainties

The results and business operations of the Group may be affected by various factors. The major risks and uncertainties are summarised as follows:

I. Leasing

As the Group continues to grow its leasing business, the Group may expand into new industries for new projects and customers. However, there may be uncertainties about the development of the Group's leasing business due to external economic environment and changes to relevant laws and industry regulatory policies in the PRC. Besides, there is a rising credit risk in terms of the Group's leased assets portfolio due to the active development of the Group's leasing business, which may affect the Group's profitability. In the future, the Group will continue to explore opportunities to work with SOE and optimise the risk level of its leased assets portfolio so as to maintain the overall business risk under control.

捐款

於本年度內，本集團並無就慈善目的作出任何貨幣捐款（二零二二年：無）。

業務回顧

本集團主要從事租賃、物業發展及投資，及海上旅遊服務和酒店業務。本集團已於本年度內暫停大宗商品貿易業務。

本集團於本年度業務的公允回顧、使用財務關鍵績效指標對本集團表現進行的分析以及本集團日後業務的可能發展跡象載於本年報第11至33頁的「管理層討論與分析」一節。該等討論構成本董事會報告的一部分。自本年度末以來概無發生影響本集團的重大事件。

此外，本董事會報告以下分節亦提供本集團面臨的主要風險及不確定因素的描述、本集團遵守有關法律及規例、對本集團環境政策及表現的討論及本集團與其主要僱員、客戶及供應商的關係。

主要風險及不確定因素

本集團的業績及業務營運或受多項因素影響，主要風險及不確定性概述如下：

一. 租賃

隨著本集團繼續發展其租賃業務，本集團或會拓展至新行業以獲取新項目及客戶。惟受外部經濟環境及中國相關法律、行業監管政策變動影響，或將對本集團的租賃業務開展造成不確定性。此外，本集團租賃業務因積極開展而面臨租賃資產組合信用風險上升，其亦可能對本集團的盈利能力產生影響。未來，本集團將繼續開拓與國有企業合作機會、優化租賃資產組合風險水平，以維持整體業務風險可控。

DIRECTORS' REPORT

董事會報告

II. Property Development and Investment

“CCT-Champs-Elysees” is the only property development project held by the Group which is located in Zhucheng City, Shandong Province, the PRC and possesses a good brand image. The Group also maintains certain commercial properties of the CCT-Champs-Elysees project and certain office premises for rental income. However, the ongoing sales and/or leasing of the properties are subject to property market sentiment, general economic condition and the government policies in the PRC. As all the construction works of the CCT-Champs-Elysees project have been completed and the Group is phasing out from this property development project, and the investment properties accounted for less than 1% of the Group's total assets, the overall risks associated with this business are not significant.

III. Marine Recreation Services and Hotel

The operation of the marine recreation services and hotel business is subject to, among others, the environmental protection policies, weather conditions and public hygiene conditions. Adverse weather conditions may affect the number of business days and the profitability of tourism activities. The operation is thus facing a lot of challenges, and the Group will actively pursue the restructuring of marine recreation services and hotel business.

IV. Bulk Commodity Trade

Bulk commodity prices are affected by international and domestic markets. Once there is a drastic volatility in prices, the profitability of the Group may be affected. During the year, the Group had suspended bulk commodity trade business.

二. 物業發展及投資

「誠通香榭里」為本集團持有位於中國山東省諸城市的唯一物業發展項目，具備良好品牌形象。本集團亦保留誠通香榭里項目的若干商業物業及若干辦公物業以賺取租金收入。然而，持續銷售及／或物業租賃受物業市場氣氛、整體經濟狀況及中國政府政策所影響。由於誠通香榭里項目的所有建設工程已竣工及本集團逐漸退出該物業發展項目，以及投資物業佔本集團總資產少於1%，該業務整體風險不高。

三. 海上旅遊服務和酒店

海上旅遊服務和酒店業務的經營受（其中包括）環保政策、天氣及公共衛生狀況影響。惡劣天氣狀況將可能影響旅遊活動的營運天數及盈利狀況。營運因此面臨很多挑戰，而本集團將積極致力重組海上旅遊服務和酒店業務。

四. 大宗商品貿易

大宗商品價格受國際及國內市場影響，一旦價格出現劇烈波動，有可能對本集團的盈利能力產生影響。於本年度內，本集團已暫停大宗商品貿易業務。

V. Operating Environment

The Group carries out most of its business activities in the PRC and is therefore exposed to the interest rate risk derived from its borrowings in the PRC and the foreign currency exchange risk derived from the assets and liabilities denominated in RMB held by the Group in Hong Kong. The fluctuation of exchange rate and the adjustment of loan interest rate in the future may have an impact on the performance of the Group. Although both foreign currency exchange and interest rate have not posed significant risks to the Group, and the Group does not currently have any hedging measures against such exchange and interest rate risks, the Group will continue to closely monitor such risks and adopt appropriate measures to mitigate the risks.

Compliance with Laws and Regulations

The Group constantly monitored the operation of its principal businesses in the PRC and elsewhere to ensure compliance with the relevant laws and regulations.

I. Leasing

During the year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its finance lease business, including the "Civil Code of the People's Republic of China", the "Interpretations of the Supreme People's Court on Issues relating to the Application of Laws in the Trial of Disputes over Finance Lease", and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the contractual parties, maintain social and economic order, guide the business activities of the finance lease industry, promote the economic development of the finance lease services, and guide the judicial authorities on hearing the contractual disputes in respect of finance lease.

五. 經營環境

本集團於中國開展其大部分業務活動，因此面對其於中國的借貸所產生的利率風險，以及本集團在香港持有之人民幣資產及負債所產生的外幣兌付風險。匯率波動及未來貸款利息調整將可能對本集團的業績產生影響。儘管外幣兌付及利率並無使本集團面對重大風險，且本集團現時並無就該等外匯及利率風險採取任何對沖措施，本集團將繼續密切監控有關風險並採取適當措施以降低風險。

遵守法律及法規

本集團持續監察其在中國及各地的各主營業務的經營情況，確保其遵守相關的法律及法規。

一. 租賃

於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其融資租賃業務具有重大影響的中國法律及法規，包括：《中華人民共和國民法典》、《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在保護合同當事人的合法權益，維護社會經濟秩序，指導融資租賃行業的經濟活動，促進融資租賃服務經濟發展，以及指引司法機關審理融資租賃合同糾紛。

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II. Property Development and Investment

During the year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its property development and investment businesses, including the "Law on the Administration of Urban Real Estate of the People's Republic of China", the "Law on Land Administration of the People's Republic of China", the "Law on Urban and Rural Planning of the People's Republic of China", the "Administrative Regulations on Development and Operation of Urban Real Estate", and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to strengthen the management of urban real estate, maintain the order of real estate market, protect the legitimate rights and interests of the parties interested in the real estate, and regulate the infrastructure and housing construction on the state-owned land within the urban planning area as well as the transfer of real estate development projects or the sale or leasing of commercial flats conducted by real estate development enterprises.

III. Marine Recreation Services and Hotel

The Group is engaged in marine recreation services and hotel business in Hainan Province, the PRC. During the year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its marine recreation services and hotel business, including the "Tourism Law of the People's Republic of China", the "Law on Maritime Traffic Safety of the People's Republic of China", the "Administrative Measures for Public Security in the Hotel Industry", and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the tourists and the operators of the tourism activities, maintain the order of the tourism market, and specify the rules, the relevant supervision and management system and the standards of punishment governing operators of the hotel industry, vessels, seamen and operators that sail, berth and operate in coastal area of the PRC.

二. 物業發展及投資

於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其物業發展及投資業務具有重大影響的中國法律及法規，包括：《中華人民共和國城市房地產管理法》、《中華人民共和國土地管理法》、《中華人民共和國城鄉規劃法》、《城市房地產開發經營管理條例》以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在加強對城市房地產的管理，維護房地產市場秩序，保障房地產權利人的合法權益，以及規範房地產開發企業在城市規劃區內國有土地上進行基礎設施建設、房屋建設，並轉讓房地產開發項目或者銷售、出租商品房的行為。

三. 海上旅遊服務和酒店

本集團於中國海南省從事海上旅遊服務和酒店業務。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其海上旅遊服務和酒店業務具有重大影響的中國法律及法規，包括：《中華人民共和國旅遊法》、《中華人民共和國海上交通安全法》、《旅館業治安管理辦法》以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律法規主要旨在保護旅遊者和旅遊活動經營者的合法權益、維護旅遊業市場秩序，並明確說明旅館業的經營人、在中國沿海水域航行、停泊和作業的船舶、人員和經營人須遵守的規則、相關監督管理制度和處罰標準。

IV. Bulk Commodity Trade

During the year, the bulk commodity trade business of the Group mainly comprised international trading of steel with a customer in Hong Kong. There were no particular licence, permit or approval requirements for the operation of the Group's international bulk commodity trade business and there were no regulatory restrictions, such as quota restrictions and/or import and export licensing restrictions, on the trading activities of the Group with the customer in Hong Kong. During the year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC and Hong Kong, as well as the relevant national and industrial standards of quality of steel that have a significant impact on its bulk commodity trade business.

The Group has established various management systems to ensure the compliance with laws and regulations applicable to the Group's businesses and operations through measures such as internal control and staff training. As at 31 December 2023 and the date of this directors' report, no material breach of laws and regulations that have a material impact on the Group's business and operation during the year was noted by the Group.

Environmental Policies and Performance

The Group is mindful of the impact of environmental factors on its long-term development and therefore has actively formulated various corporate development strategies related to, amongst others, energy conservation and environmental protection. During the year, the ESG Committee monitored significant matters relating to ESG issues and developed, formulated and implemented environmental management policies and measures, such as water and electricity conservation, wastewater treatment and reduction of air pollutants and waste emissions corresponding to different business aspects, so as to minimise the negative impact on the environment during the business operation and commit to implementing sustainable development.

四. 大宗商品貿易

於本年度內，本集團的大宗商品貿易業務主要來自與香港客戶進行鋼材之國際貿易。本集團經營國際大宗商品貿易業務並無特定牌照、許可證或批准規定，且本集團與香港客戶進行之貿易業務並無監管限制，如配額限制及／或進出口許可限制。於本年度及直至本董事會報告日期，本集團已於所有重大方面遵守對大宗商品貿易業務具有重大影響的中國及香港的法律及法規以及有關鋼材質量的相關國家及行業標準。

本集團已建立各項管理制度，並通過內部監控、員工培訓等多項措施，確保遵守與本集團業務及營運相關的法律及法規。截至二零二三年十二月三十一日及本董事會報告日期，本集團並不知悉本年度有違反對本集團的業務及營運造成重大影響的任何法律及法規的事項。

環境政策及表現

本集團深明環境因素對企業長遠發展的影響，因此積極制定與（其中包括）節能環保相關的企業發展策略。於本年度，環境、社會及管治委員會監察有關環境、社會及管治問題的重大事宜，針對不同業務層面，形成、制定及執行相應的環境管理政策及措施，如節約水電、污水處理、減少空氣污染和廢棄物排放等，以儘量減少業務營運中對環境產生的負面影響，致力踐行可持續發展。

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In order to reduce the negative impact of the supply chain on the environment, the Group will give priority to purchasing environmentally-friendly materials. In addition, we have incorporated environmental protection requirements into contract clauses, and requested our contractors and suppliers to strictly comply with the relevant requirements of environmental protection when performing their contractual obligations so as to promote the sharing of responsibility for sustainable development in the supply chain. In the future, the Group will continue to improve its environmental policies to enhance the Group's performance in environmental protection.

Further details of the Group's environmental policies and performance, together with the relevant key performance indicators, are set out in the ESG report of the Company for the year in compliance with the provisions set out in the ESG Reporting Guide in Appendix C2 to the Listing Rules.

Key Relationship with Customers and Suppliers

The Group understands that it is important to maintain good relationship with customers and provide them with quality products and services. The Group enhances the relationship through continuous interaction with customers to gain insight on the changing market demand so that the Group can respond proactively. The Group actively listens to the views of its customers and has established various communication channels to strengthen its communication with customers to collect their opinions. At the same time, the Group has also established a system in place to protect customers' privacy. Please refer to the sections headed "3.1 Product and Service Responsibility" and "3.2 Customers' Rights Protection" in the ESG report of the Company for the year for further information.

The percentage of revenue from sales of goods or rendering of services attributable to the 5 largest customers combined was less than 30% of the Group's consolidated revenue for the year.

為減低供應鏈對環境產生的負面影響，本集團會優先考慮採購環保材料。此外，我們已將環保要求納入合約條款，要求承建商及供應商於履行合約責任時需嚴格遵守有關的環保要求，以推動供應鏈共同承擔可持續發展責任。在未來的日子，本集團將持續完善環境政策，以提升本集團的環保表現。

本集團的環境政策及表現的進一步詳情，連同有關關鍵績效指標，根據上市規則附錄C2的環境、社會及管治報告指引所載的條文載於本公司本年度的環境、社會及管治報告內。

與客戶及供應商的主要關係

本集團明白與客戶維持良好關係，以及向客戶提供優質的產品及服務的重要性。本集團通過與客戶的持續互動，積極了解市場需求，迅速應對市場變化。本集團積極聽取客戶的意見，並設立各種溝通渠道，以加強與客戶的溝通以收集彼等的意見。同時，本集團亦已建立保護客戶隱私的制度。進一步資料請參閱本公司本年度的環境、社會及管治報告「3.1產品及服務責任」及「3.2客戶權益保障」章節。

於本年度，五大客戶合共所佔銷售貨品或提供服務之營業額百分比低於本集團綜合營業額的30%。

The Group is also dedicated to maintaining good relationship with suppliers as long-term business partners to ensure stability of the Group's business. The Group has formulated supplier engagement practices that regulate the procurement and/or bidding procedures for suppliers and has established supplier evaluation system to evaluate suppliers from different perspectives such as enterprise qualifications, industry goodwill, financial condition and performance of contracts etc. Please refer to the section headed "3.3 Responsible Supply Chain Management" in the ESG report of the Company for the year for further information.

The percentage of purchases attributable to the 5 largest suppliers combined was less than 30% of the Group's cost of sales for the year.

Human Resources and Emolument Policy

The Group firmly believes that employees are important assets and essential to its long-term success. The Group has therefore established relevant human resources systems and implemented people-oriented personnel policies and created an ideal career platform for employees in order to attract more talents and build an outstanding team. The systems cover policies which include, but are not limited to, recruitment, promotion, dismissal, position adjustment, working hour, remuneration and staff benefits, attendance, performance management and appraisal and code of conduct. The Group encourages and has enhanced communication with the employees through meetings, performance evaluation and intranet. The Group is obliged to protect employees' rights, to provide appropriate staff development and training, and safe and healthy work environment so to enhance the Group's sustainable development.

供應商作為本集團的長期業務合作夥伴，本集團亦致力與他們維持良好關係，以確保本集團業務的穩定性。本集團已制定規範供應商採購及／或招標程序的供應商聘用慣例，並建立供應商評估制度，從企業資質、行業商譽、財務狀況及合約履行等不同角度對供應商進行評估。進一步資料請參閱本公司本年度的環境、社會及管治報告「3.3負責任供應鏈管理」一節。

於本年度，五大供應商合共所佔採購額百分比低於本集團銷售成本的30%。

人力資源及薪酬政策

本集團堅信，員工是重要資產，並對其長期成功至關重要。因此，本集團建立了相關的人力資源制度，實施以人為本的人事政策，為員工創造理想的事業發展平台，以吸引更多人才，並建設一支優秀團隊。該等制度涵蓋的政策包括但不限於招聘、晉升、解僱、職位調整、工作時間、薪酬與員工福利、出勤、績效管理及考核，以及操守守則。本集團通過會議、績效評估及內聯網鼓勵且加強與員工溝通。本集團有責任保障員工權益，提供適當員工發展及培訓，以及安全健康的工作環境，以促進本集團的可持續發展。

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As at 31 December 2023, the Group employed a total of 253 full-time and part-time employees (as at 31 December 2022: 269), of which 8 (as at 31 December 2022: 11) were based in Hong Kong and 245 (as at 31 December 2022: 258) were based in the PRC. During the year, the total staff costs of the Group (including directors' emoluments and provident funds) were approximately HK\$72.62 million. Employee's remunerations are determined in accordance with their experiences, competence, qualifications, nature of duties, and current market trend. Apart from basic salary, discretionary bonus and other incentives may be offered to employees of the Group to reward their performance and contributions. The emoluments of the Directors are determined having regard to the Company's corporate goals, the roles and duties of the Directors in the Group as well as in the group members of the Company's ultimate holding company.

During the year, the Company had a share option scheme ("**Share Option Scheme**") under which the Company might grant options to the directors and eligible employees of the Group to subscribe for shares of the Company. The Share Option Scheme expired on 26 June 2023. Details of the Share Option Scheme are set out in the section headed "Share Option Scheme" in this directors' report.

In addition, the Group provides or subsidises various training programmes and courses to its employees according to business needs, to ensure that its employees are kept abreast of the updates in the relevant laws, regulations and guidelines, such as the Listing Rules, accounting standards, risk management knowledge, labour regulations and employees' code of conduct.

DIRECTORS

The Directors during the year and during the period beginning with the end of the year and ending on the date of this directors' report are as follows:

Executive Directors

Mr. ZHANG Bin (*Chairman*)

Mr. Gu Honglin (appointed as Managing Director with effect from 12 January 2024)

Mr. YANG Tianzhou (resigned with effect from 12 January 2024)

Non-executive Director

Mr. WANG Daxiong (resigned with effect from 11 January 2023)

於二零二三年十二月三十一日，本集團共僱用253名全職及兼職僱員（於二零二二年十二月三十一日：269名），其中8名（於二零二二年十二月三十一日：11名）受僱於香港，245名（於二零二二年十二月三十一日：258名）受僱於中國。於本年度，本集團之員工成本總額（包括董事酬金及強積金）約為港幣7,262萬元。員工薪酬乃根據彼等經驗、技能、資格、職責性質及當前市場趨勢釐定。除基本薪酬外，本集團或會向僱員發放酌情花紅等獎勵以表揚彼等之表現及貢獻。董事之薪酬經參考本公司企業目標、董事於本集團以及於本公司最終控股公司之集團成員公司之角色及職責釐定。

於本年度，本公司制有一項購股權計劃（「**購股權計劃**」），據此可向本集團董事及合資格僱員授出購股權以認購本公司股份。該購股權計劃已於二零二三年六月二十六日屆滿。有關購股權計劃的詳細資料載於本董事會報告「購股權計劃」一節。

此外，本集團根據業務需求為僱員提供或資助各類培訓計劃及課程，以確保僱員及時了解相關法律、法規及指引（如上市規則、會計準則、風險管理知識、勞動法規及僱員操守守則）的最新情況。

董事

於本年度及自本年度末起至本董事會報告日期止期間之董事如下：

執行董事

張斌先生（主席）

顧洪林先生（自二零二四年一月十二日起獲委任為董事總經理）

楊田洲先生（自二零二四年一月十二日起辭任）

非執行董事

王大雄先生（自二零二三年一月十一日起辭任）

Independent Non-executive Directors

Professor CHANG Qing
Mr. LEE Man Chun, Tony
Professor HE Jia

The biographies of the Directors are set out on pages 34 to 36 of this annual report.

Detailed information of the Directors standing for re-election at the forthcoming AGM of the Company will be set out in the circular in relation to the forthcoming AGM. No Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The Company has received from each of the existing independent non-executive Directors an annual confirmation of his independence pursuant to the Listing Rules and considers that each independent non-executive Director is independent of the Company.

There was no arrangement under which a Director waived or agreed to waive any emoluments during the year.

DIRECTORS OF SUBSIDIARIES

During the year and during the period beginning with the end of the year and ending on the date of this directors' report, the directors of the Company's subsidiaries incorporated in Hong Kong and British Virgin Islands included Cui Lixia, Yu Xiongwei, Qi Hang, Yao Yanli, Li Rui, Liu Wendong, Zhang Chuangyi, Ma Nan and Yang Tianzhou.

During the year and during the period beginning with the end of the year and ending on the date of this directors' report, the directors of the Company's PRC subsidiaries included Zhang Bin, Yang Tianzhou, Yu Xiongwei, Zhang Chuanyi, Li Rui, Yan Ling, Jiang Wenjie, Gu Yonglin and Huang Maozhu.

獨立非執行董事

常清教授
李萬全先生
何佳教授

董事履歷載於本年度報告第34頁至36頁。

本公司應屆股東週年大會通函將載有於該應屆股東週年大會上接受重選的董事的詳細資料。概無任何於應屆股東週年大會上獲建議重選的董事與本公司已訂立且未屆滿之服務合約，而不可於一年內終止並毋須作出賠償（法定補償除外）。

本公司已收到現任每位獨立非執行董事根據上市規則就其獨立性作出的年度確認函，並認為各位獨立非執行董事乃獨立於本公司。

概無董事放棄或同意放棄年內任何酬金的安排。

附屬公司的董事

於本年度及自本年度末起至本董事會報告日期止期間，在香港及英屬維爾京群島註冊成立的本公司附屬公司的董事包括崔麗霞、俞雄偉、齊航、姚艷麗、李銳、劉文東、張傳義、馬南及楊田洲。

於本年度及自本年度末起至本董事會報告日期止期間，本公司中國附屬公司的董事包括張斌、楊田洲、俞雄偉、張傳義、李銳、閻寧、姜文傑、顧永林及黃茂祝。

DIRECTORS' REPORT

董事會報告

PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in the execution of his duties or otherwise in relation thereto pursuant to the Articles of Association of the Company. Such provisions were in force during the course of the year and remained in force as of the date of this directors' report.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save for the Share Option Scheme, there has not subsisted, at any time during the year or at the end of the year, any arrangement to which the Group or the Company's holding company or any subsidiary of the Company's holding company was a party and whose objects were, or one of whose objects was, 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.

No transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director (including any person who at any time during the year was a Director) or an entity connected with a Director had material interest (whether directly or indirectly), was entered into or subsisted at any time during the year.

COMPETING INTEREST

During the year, none of the Directors and their respective close associates had any business or interests in business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group (other than a contract of service with a Director or any person engaged in the full-time employment of the Company) was entered into or existed during the year.

獲准許的彌償條文

在受限於適用法律的前提下，根據本公司的章程細則，每名董事如因執行其職務或其他有關行動而承受或招致任何損失或法律責任，均有權獲得以本公司資產作出的彌償。有關條款於本年度整年有效，截至本董事會報告日期仍然有效。

董事之交易、安排及合約權益

除購股權計劃外，於本年度任何時間或於年末概無存續本集團或本公司控股公司或本公司控股公司之任何附屬公司為訂約方之任何安排，而該安排之目的或其中一項目的為使董事能透過購買本公司或任何其他法人團體之股份或債券而獲利。

本公司或其任何控股公司、附屬公司或旗下附屬公司並無訂立董事（包括本年度任何時候身為董事的任何人士）或與董事相關的實體擁有重大權益（不論直接或間接）且於本年度內任何時間訂立或仍然存續之交易、安排或重大合約。

競爭權益

於本年度內，概無董事及其各自的緊密聯繫人參與正與或可能與本集團業務直接或間接構成競爭的任何業務或於該業務中擁有權益。

管理合約

本年度內概無訂立或存在與本集團全部或任何重大部分業務有關的管理及行政合約（與任何董事或本公司全職僱傭所聘任何人士訂立的服務合約除外）。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2023, the Directors and chief executive of the Company who 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) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Long Position

Name of Director 董事姓名	Interests in the Company or its associated corporation 於本公司或其相聯法團的權益	Nature of interest 權益性質	Class of shares 股份類別	Number of shares 股份數目	Approximate percentage of issued share capital as at 31 December 2023 於二零二三年十二月三十一日約佔已發行股本百分比
Zhang Bin 張斌	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	314,642	0.01%

Save as disclosed above, as at 31 December 2023, none of the Directors or the chief executive of the Company had any interest or short position 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) that was required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2023, so far as was known to the Directors, the following persons, other than the Directors or chief executive of the Company, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

董事及行政總裁持有股份、相關股份及債券之權益及淡倉

於二零二三年十二月三十一日，本公司董事及主要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、相關股份及債券擁有根據證券及期貨條例第352條須予存置之登記冊記錄；或根據標準守則已另行知會本公司及聯交所之任何權益或淡倉如下：

好倉

除上文所披露者外，於二零二三年十二月三十一日，概無本公司董事或主要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、相關股份或債券中擁有任何須記錄於根據證券及期貨條例第352條須存置之登記冊內之權益或淡倉，或根據標準守則已另行知會本公司及聯交所之權益或淡倉。

主要股東持有股份及相關股份之權益及淡倉

於二零二三年十二月三十一日，據董事所知，根據本公司按照證券及期貨條例第336條須存置之登記冊記錄，以下人士（本公司董事或行政總裁除外）於本公司股份或相關股份中擁有權益或淡倉：

DIRECTORS' REPORT

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Long Position

好倉

Name of shareholder	Nature of interest	Class of shares	Number of shares	Approximate percentage of issued share capital of the Company as at 31 December 2023 於二零二三年十二月三十一日約佔本公司已發行股本百分比
股東名稱	權益性質	股份類別	股份數目	
CCHK 誠通香港	Beneficial owner (Note) 實益擁有人(附註)	Ordinary 普通	3,169,656,217	53.14%
CCHG 誠通控股	Interest in controlled corporation (Note) 受控制法團權益(附註)	Ordinary 普通	3,169,656,217	53.14%

Note: The entire issued share capital of CCHK is beneficially owned by CCHG. Under the SFO, CCHG is deemed to be interested in all the shares of the Company held by CCHK.

附註：誠通香港之全部已發行股本由誠通控股實益擁有。根據證券及期貨條例，誠通控股被視為於誠通香港持有之所有本公司股份中擁有權益。

Save as disclosed above, as at 31 December 2023, so far as was known to the Directors, no other person, other than the Directors or chief executive of the Company, had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露外，於二零二三年十二月三十一日，據董事所知，概無任何其他人士（本公司董事或行政總裁除外）於本公司的股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

SHARE OPTION SCHEME

The Company had adopted the Share Option Scheme on 27 June 2013. The purpose of the Share Option Scheme was to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that were valuable to the Group and any invested entity. The Share Option Scheme expired on 26 June 2023.

Under the then prevailing terms of the Share Option Scheme, eligible participants of the Share Option Scheme include (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of, or any individual for the time being seconded to work for, the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group. Following the amendments to Chapter 17 of the Listing Rules which came into effect on 1 January 2023, the Company had not granted any option to any person who was not an eligible participant defined under the amended Listing Rules.

購股權計劃

於二零一三年六月二十七日，本公司採納了購股權計劃。購股權計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及／或使本集團能招攬及挽留高質素僱員，以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。購股權計劃已於二零二三年六月二十六日屆滿。

根據購股權計劃當時的條款，購股權計劃的合資格參與者包括：(a) 本公司、本集團的任何附屬公司或任何本集團成員持有任何股權的實體（「**投資實體**」）的任何僱員（全職或兼職，包括任何執行董事，但不包括任何非執行董事）或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或任何本公司控股股東的僱員或高級人員；(b) 本公司、其任何附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c) 本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d) 本集團或任何投資實體的任何客戶；(e) 向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f) 本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g) 本集團任何成員公司或任何投資實體有關本集團業務範疇或業務發展的任何專家顧問（專業或其他）或顧問；及(h) 為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。於二零二三年一月一日生效的上市規則第十七章修訂後，本公司並無向任何並非合資格參與者（定義見經修訂上市規則）的人士授出任何購股權。

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Ordinary shares of the Company would be allotted and issued upon the exercise of the options granted under the Share Option Scheme. The total number of shares of the Company which might be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares of the Company in issue as at the date on which the Share Option Scheme was adopted (i.e. not exceeding 484,073,477 shares). As no share option has been granted under the Share Option Scheme since its adoption, the number of options available for grant under the Share Option Scheme limit as at 1 January 2023 and the maximum number of shares of the Company which might be issued upon exercise of all options that might be granted under the Share Option Scheme limit as at 1 January 2023 was 484,073,477 shares (representing approximately 8.12% of the issued share capital of the Company as at the date of this annual report). The maximum number of shares which might be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the issued share capital of the Company (or its subsidiaries) from time to time.

The total number of shares issued and which might fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised, cancelled or outstanding options) to each participant in any 12-month period should not exceed 1% of the issued share capital of the Company. Any further grant of options in excess of such limit in any 12-month period up to and including the date of such further grant should be subject to shareholders' approval in general meeting of the Company with such participant and his/her associates abstaining from voting.

An offer of the grant of an option under the Share Option Scheme might be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An option might be exercised during such period as the Board might in its absolute discretion determine, save that such period should not be more than 10 years from the date of grant.

Unless the Directors otherwise determine and state in the offer to a grantee, a grantee was not required to hold an option for any minimum period nor achieve any performance targets before any options granted under the Share Option Scheme could be exercised.

在行使根據購股權計劃授出之購股權後，本公司普通股可被配發及發行。所有根據購股權計劃及本集團任何其他購股權計劃，將授出的購股權獲行使後可供配發及發行的本公司股份總數合共不得超過本公司於購股權計劃獲採納當日已發行股份10%（即不超過484,073,477股股份）。自採納購股權計劃以來並無根據購股權計劃授出購股權，故於二零二三年一月一日，根據購股權計劃限額可供授出購股權數目及根據購股權計劃限額可能授出的所有購股權獲行使時可予發行的本公司股份最高數目為484,073,477股股份（相當於本公司於本年報日期已發行股本約8.12%）。根據購股權計劃及本集團任何其他購股權計劃所有已授出而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司（或其附屬公司）不時發行的已發行股本總額的30%。

已發行股份總數，以及因於任何十二個月內根據購股權計劃及本集團任何其他購股權計劃授予各參與者的購股權（包括已行使、已取消或未兌現的購股權）獲行使而需發行的股份，不得超過本公司的已發行股本的1%。任何進一步授出多於任何十二個月期限直至及包括該作出進一步授出日期的限額的購股權須待股東於本公司股東大會（該等參與者及其聯繫人放棄於會上投票）上批准方可作實。

購股權計劃項下授出的購股權可於授出之日起21日內接納，及匯款支付港幣1.00元作為該等購股權的代價。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期起計10年。

除非董事另行決定及於向承授人授出購股權時表明，否則承授人毋須按任何最短期間持有購股權，亦毋須於行使按購股權計劃獲授的購股權前達致任何表現目標。

The subscription price for the shares of the Company on the exercise of the option should be determined at the discretion of the Board which should not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares (*note*).

Please refer to the circular of the Company dated 28 May 2013 for more details of the Share Option Scheme.

During the year, no option was granted, exercised, cancelled or lapsed under the Share Option Scheme. There was no option outstanding at the beginning of the year and on the expiry date of the Share Option Scheme on 26 June 2023.

Note: Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value

EQUITY-LINKED AGREEMENT

No equity-linked agreements were entered into by the Company during the year or subsisted at the end of the year.

CONTINUING CONNECTED TRANSACTIONS

On 20 July 2022, the Company and CCHG entered into the finance lease services framework agreement ("**Framework Agreement**"), pursuant to which the relevant member of the Group (as lessor) will provide finance lease services, in relation to certain leased assets to be selected, to the relevant member of the CCHG group (as lessee) which comprises CCHG, its subsidiaries and 30%-controlled companies but excluding the Group and Chengtong World Trade Limited ("**CCHG Group**") by way of, including but not limited to, sale and leaseback services and direct finance lease services:

- (i) under the sale and leaseback services, the relevant member of the Group (as lessor) would purchase the leased assets from the relevant member of the CCHG Group (as lessee) at a purchase price (i.e. the principal amount), and then lease such leased assets to the relevant member of the CCHG Group in return for lease payments; and

本公司股份行使購股權的認購價應由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出購股權日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值（附註）。

有關購股權計劃的更多詳情，請參閱本公司日期為二零一三年五月二十八日的通函。

於本年度，概無任何根據購股權計劃已授出、行使、註銷或失效之購股權。於本年度初及於購股權計劃屆滿日期（二零二三年六月二十六日）概無任何尚未行使之購股權。

附註：根據二零一四年三月三日生效的《公司條例》，本公司股份已不再有賬面值。

股票掛鈎協議

本公司於本年度並無訂立股票掛鈎協議，亦概無股票掛鈎協議於本年度末仍然存續。

持續關連交易

於二零二二年七月二十日，本公司與誠通控股訂立融資租賃服務框架協議（「**框架協議**」），據此，本集團相關成員公司（作為出租人）將就擬選擇的若干租賃資產以（包括但不限於）售後回租服務及直接融資租賃服務的方式向誠通控股集團相關成員公司（作為承租人）（包括誠通控股、其附屬公司及30%受控公司，但不包括本集團及誠通世亞有限公司（「**誠通控股集團**」））提供融資租賃服務：

- (i) 就售後回租服務而言，本集團相關成員公司（作為出租人）以購買價（即本金額）向誠通控股集團相關成員公司（作為承租人）購買租賃資產，然後將該等租賃資產租賃予誠通控股集團相關成員公司以換取租賃付款；及

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(ii) under the direct finance lease services, the relevant member of the Group (as lessor) would purchase the leased assets from the relevant supplier or seller pursuant to the instructions given by the relevant member of the CCHG Group (as lessee), and then lease such leased assets to the relevant member of the CCHG Group in return for lease payments.

The relevant member(s) of the CCHG Group and the relevant member(s) of the Group may from time to time enter into individual agreements (“**Individual Agreements**”) in relation to the subject matters contemplated under the Framework Agreement upon and subject to the terms and conditions in compliance with those of the Framework Agreement.

The Framework Agreement is of a term effective from 8 September 2022, being the date of approval of the same by the independent shareholders of the Company at a general meeting, to 31 December 2024 (both days inclusive), and the contract periods of the Individual Agreements are expected to range from one year to six years.

The amount of lease payments to be received by the Group may be calculated based on a fixed lease interest rate or a variable lease interest rate linked to the LPRs, and shall be fair and reasonable, determined after arm's length negotiation between the relevant member of the Group and the CCHG Group taking into account the prevailing market conditions when the relevant Individual Agreement is entered into. The lease payments shall be paid by the lessee during the lease term by installments, which may be quarterly, semi-annually or otherwise, in the manner to be specified in the relevant Individual Agreement.

The annual caps on the total principal and lease payments (taking into account the aggregate amounts of interests and other payables (including handling fees)) receivable by the Group for the transactions contemplated under the Framework Agreement for the years ended 31 December 2022 and 31 December 2023 and the year ending 31 December 2024 are RMB500 million, RMB1,021 million and RMB1,677 million respectively.

Further details of the Framework Agreement are set out in the announcement and circular of the Company dated 20 July 2022 and 22 August 2022 respectively.

(ii) 就直接融資租賃服務而言，本集團相關成員公司（作為出租人）根據誠通控股集團相關成員公司（作為承租人）的指示向相關供應商或賣方購置租賃資產，隨後將該等租賃資產租賃予誠通控股集團相關成員公司以換取租賃付款。

誠通控股集團相關成員公司及本集團相關成員公司可不時就框架協議項下擬進行的標的事項訂立個別協議（「**個別協議**」），惟須遵守框架協議的條款及條件並受其所規限。

框架協議的有效期自二零二二年九月八日（即本公司獨立股東於股東大會上批准該協議的日期）起至二零二四年十二月三十一日止（包括首尾兩日），而個別協議的合約期預計介乎一年至六年。

本集團將收取的租賃付款金額可根據與貸款報價利率掛鈎的固定租賃利率或可變租賃利率計算，並須屬公平合理，由本集團相關成員公司與誠通控股集團經考慮訂立有關個別協議時的現行市況後公平磋商釐定。租賃付款須由承租人於租賃期內按有關個別協議指定的方式分期（每季度、每半年或其他時間長度）支付。

截至二零二二年十二月三十一日及二零二三年十二月三十一日止年度以及截至二零二四年十二月三十一日止年度，本集團就框架協議項下擬進行交易應收的本金總額及租賃付款總額（經計及利息及其他應付款項（包括手續費）總額）的年度上限分別為人民幣5億元、人民幣10億2,100萬元及人民幣16億7,700萬元。

有關框架協議之進一步詳情載於本公司日期分別為二零二二年七月二十日及二零二二年八月二十二日的公告及通函。

As at 31 December 2023, the total outstanding balance of the principal and lease payments (taking into account the aggregate amounts of interests and other payables (including handling fees)) receivable by the Group for the transactions contemplated under the Framework Agreement was approximately RMB55.60 million. The maximum outstanding balance of the principal and lease payments (taking into account the aggregate amounts of interests and other payables) receivable by the Group for the transactions contemplated under the Framework Agreement during the year has not exceeded the relevant annual cap for the year ended 31 December 2023.

As at the date of the Framework Agreement, CCHG was interested in approximately 53.14% of the total issued share capital of the Company and was the ultimate holding company of the Company. Thus, CCHG was a connected person of the Company under the Listing Rules. As such, the transactions contemplated under the Framework Agreement constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Company has established certain internal control and risk management procedures to ensure that the continuing connected transactions with the CCHG Group were conducted in accordance with the Framework Agreement. All independent non-executive Directors have reviewed the continuing connected transactions with the CCHG Group and confirmed that such transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the relevant agreements governing them, and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

於二零二三年十二月三十一日，本集團就框架協議項下擬進行交易應收的本金及租賃付款（經計及利息及其他應付款項（包括手續費）總額）的未償還結餘總額約為人民幣5,560萬元。於本年度，本集團就框架協議項下擬進行交易應收的本金及租賃付款（經計及利息及其他應付款項總額）的最高未償還結餘並無超過截至二零二三年十二月三十一日止年度的相關年度上限。

於框架協議日期，誠通控股於本公司已發行股本總額中擁有約53.14%權益，並為本公司的最終控股公司。因此，根據上市規則，誠通控股為本公司的關連人士，故根據上市規則第14A章，框架協議項下擬進行交易構成本公司的持續關連交易。

本公司已設立若干內部監控及風險管理程序，以確保與誠通控股集團的持續關連交易乃根據框架協議進行。全體獨立非執行董事已審閱與誠通控股集團的持續關連交易，並確認該等交易乃：

- (a) 於本集團的日常及一般業務過程中訂立；
- (b) 按一般商業條款或更佳的條款訂立；及
- (c) 根據有關交易的協議條款進行，而交易條款屬公平合理，且符合本公司股東的整體利益。

DIRECTORS' REPORT

董事會報告

The Company's auditor, Baker Tilly Hong Kong Limited (“**Baker Tilly**”), was engaged to report on the continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 (Revised), “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. Baker Tilly has issued a letter containing its conclusions in respect of the continuing connected transactions with the CCHG Group in accordance with Rule 14A.56 of the Listing Rules. The Board has reviewed such letter and acknowledged that the auditor has confirmed the following:

- (a) nothing has come to their attention that causes them to believe that the continuing connected transactions with the CCHG Group have not been approved by the Board;
 - (b) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
 - (c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
 - (d) with respect to the aggregate amount of the transactions, nothing has come to their attention that causes them to believe that the continuing connected transactions with the CCHG Group have exceeded the annual cap as set by the Company.
- 本公司核數師天職香港會計師事務所有限公司(「天職」)已獲聘以根據香港會計師公會頒佈的《香港核證工作準則》第3000號(經修訂)「審核或審閱歷史財務資料以外的核證工作」,並參考實務說明第740號(經修訂)「關於香港上市規則所述持續關連交易的核數師函件」就持續關連交易作出報告。天職已根據上市規則第14A.56條發出函件,當中載有其有關與誠通控股集團進行的持續關連交易的結論。董事會已審查了該函件,並知悉核數師已確認以下事項:
- (a) 彼等並無注意到任何事項致使彼等相信與誠通控股集團的持續關連交易未獲董事會批准;
 - (b) 就本集團提供商品或服務所涉及的交易而言,彼等並無注意到任何事項致使彼等相信該等交易在所有重大方面並無根據本集團的定價政策進行;
 - (c) 彼等並無注意到任何事項致使彼等相信該等交易在所有重大方面並無根據規管該等交易的相關協議進行;及
 - (d) 就該等交易的總金額而言,彼等並無注意到任何事項致使彼等相信與誠通控股集團的持續關連交易已超過本公司設定的年度上限。

CONNECTED TRANSACTION

On 11 September 2023, Hainan Huandao Travel Investment Group Co., Ltd (“**Huandao Travel Investment**”), an indirect wholly-owned subsidiary of the Company, as lender, entered into an entrusted loan agreement with Industrial Bank Co. Ltd. (Haikou Branch) (“**Bank**”), as trustee, and China Huandao Group Limited (“**China Huandao Group**”), as borrower, pursuant to which Huandao Travel Investment agreed to entrust the Bank to provide a loan in the principal amount of RMB25 million to China Huandao Group for a term of two years from 11 September 2023 to 10 September 2025 or from the actual withdrawal date of such loan (being 12 September 2023) (“**Entrusted Loan Arrangement**”). The interest rate for the entrusted loan is 8% per annum and the interest will be paid annually. China Huandao Group is a company established in the PRC and a wholly-owned subsidiary of CCHG, the ultimate holding company of the Company, and is therefore a connected person of the Company and the Entrusted Loan Arrangement constituted a connected transaction for the Company under the Listing Rules. Further details of the Entrusted Loan Arrangement are set out in the announcements of the Company dated 11 September 2023 and 13 September 2023.

The Directors confirm that the related party transactions during the year as disclosed in note 34(a) to the financial statements fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Directors confirm that the related party transactions during the year as disclosed in notes 34(b) and 34(c) to the financial statements do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules.

Save as disclosed above and in note 34(a) to the financial statements, (i) no contract of significance was entered into by and/or subsisted between the Group and the controlling shareholder or any of its subsidiaries during the year; and (ii) no contract of significance in relation to provision of services by the controlling shareholder or any of its subsidiaries to the Group was entered into and/or subsisted during the year.

關連交易

於二零二三年九月十一日，本公司之間接全資附屬公司海南寰島旅游投資集團有限公司（「寰島旅游投資」，作為貸款人）與興業銀行股份有限公司海口分行（「銀行」，作為承託方）及中國寰島集團有限公司（「中國寰島集團」，作為借款人）訂立委託貸款協議，據此，寰島旅游投資同意委託銀行向中國寰島集團提供本金額為人民幣2,500萬元的貸款，自二零二三年九月十一日起至二零二五年九月十日止或自該貸款實際提取日期（即二零二三年九月十二日）起計為期兩年（「委託代款安排」）。委託貸款年利率為8%，利息每年支付。中國寰島集團為一間於中國成立的公司，乃本公司最終控股公司誠通控股的全資附屬公司，故為本公司關連人士，根據上市規則，委託貸款安排構成本公司的關連交易。委託貸款安排進一步詳情載列於本公司日期為二零二三年九月十一日及二零二三年九月十三日的公告。

董事確認，於財務報表附註34(a)披露的本年度的關連方交易屬於上市規則第14A章內「關連交易」或「持續關連交易」（視情況而定）定義的範圍。董事確認本公司已遵守上市規則第14A章的披露規定（如適用）。

董事確認，於財務報表附註34(b)及34(c)披露的本年度的關連方交易不屬於上市規則第14A章內「關連交易」或「持續關連交易」（視情況而定）定義的範圍。

除上文及財務報表附註34(a)所披露者外，(i)於本年度本集團及控股股東或其任何附屬公司之間概無訂立及／或存在任何重大合約；及(ii)概無有關由控股股東或其任何附屬公司向本集團提供服務的重大合約於本年度內訂立及／或仍然存續。

DIRECTORS' REPORT

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this annual report, based on information that was publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company had maintained sufficient public float as required under the Listing Rules.

FINANCIAL SUMMARY

A summary of the Group's results and its assets and liabilities for the year and the past four financial years is set out on pages 243 to 244 of this annual report.

CHANGE OF AUDITOR

BDO Limited ("BDO") has resigned as the auditor of the Company with effect from 25 November 2022. With the recommendation of the Audit Committee, the Board has resolved to appoint Baker Tilly as the new auditor of the Company to fill the casual vacancy arising from the resignation of BDO and to hold office until the conclusion of the AGM held on 26 June 2023. By way of an ordinary resolution passed in the AGM held on 26 June 2023, Baker Tilly was re-appointed as the auditor of the Company to hold office until the forthcoming AGM.

Save as disclosed above, there was no other change in the auditor of the Company in any of the preceding three years.

AUDITOR

The consolidated financial statements of the Company for the year have been audited by Baker Tilly.

A resolution will be proposed at the forthcoming AGM of the Company to re-appoint Baker Tilly as auditor of the Company.

By order of the Board

Zhang Bin

Chairman

Hong Kong, 8 March 2024

足夠公眾持股量

於發佈本年度報告前之最後實際可行日期，根據公開途徑本公司所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

財務概要

本集團本年度及過去四個財政年度之業績以及其資產及負債之概要已載於本年度報告第243頁至244頁。

更換核數師

香港立信德豪會計師事務所有限公司（「立信德豪」）已辭任本公司核數師，自二零二二年十一月二十五日起生效。根據審核委員會的推薦建議，董事會已議決委任天職為本公司新任核數師，以填補立信德豪辭任而產生的臨時空缺，任期直至於二零二三年六月二十六日舉行的股東週年大會結束為止。經由於二零二三年六月二十六日舉行的股東週年大會上通過的普通決議案，天職獲重新委任為本公司核數師，任期直至應屆股東週年大會為止。

除上文所披露者外，本公司核數師於過去三年並無其他變動。

核數師

本年度之本公司綜合財務報表經天職審核。

於本公司應屆股東週年大會上將提呈一項決議，以重新委任天職為本公司核數師。

承董事會命

主席

張斌

香港，二零二四年三月八日



Independent auditor's report to the members of China
Chengtong Development Group Limited

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Chengtong Development Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 91 to 241, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

BASIS FOR OPINION

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

致中國誠通發展集團有限公司列位股東之
獨立核數師報告

(於香港註冊成立之有限公司)

意見

我們已審計中國誠通發展集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載列於第91頁至241頁之綜合財務報表,該等綜合財務報表包括於二零二三年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表之附註,包括重大會計政策資料。

我們認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零二三年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量,並已遵照香港公司條例妥為編製。

意見之基礎

我們根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審核綜合財務報表須承擔之責任」部分中作進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」),本核數師獨立於 貴集團,並已履行守則中之其他道德責任。我們相信,我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Key audit matter

關鍵審計事項

關鍵審計事項

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

How our audit addressed the key audit matter

我們進行審核時如何處理關鍵審計事項

Impairment assessment of finance lease receivables and loan receivables

融資租賃應收款項及應收貸款之減值評估

We identified the impairment assessment of finance lease receivables and loan receivables as a key audit matter due to the significance of finance lease receivables and loan receivables to the consolidated financial statements as a whole and the use of judgement and estimates by management in assessing the recoverability of finance lease receivables and loan receivables.

我們將融資租賃應收款項及應收貸款的減值評估識別為關鍵審計事項，乃由於融資租賃應收款項及應收貸款對綜合財務報表整體而言屬重大，且管理層於評估融資租賃應收款項及應收貸款的可收回性時使用判斷及估計。

Management performed periodic assessment on the recoverability of the finance lease receivables and loan receivables and the sufficiency of impairment loss allowance based on information including credit profile of the borrowers, historical settlement records, subsequent settlement status, ageing of the finance lease receivables and loan receivables, value of the collaterals and expected timing and amount of realisation of outstanding balances. Management also considered forward-looking information that may impact the ability of the borrowers to repay the outstanding balances in order to estimate the expected credit losses for the impairment assessment.

管理層已根據借款人之信貸資料、過往還款紀錄、其後還款狀況、融資租賃應收款項及應收貸款之賬齡、抵押品價值以及變現未償還結餘之預期時間及金額定期評估融資租賃應收款項及應收貸款是否可收回及減值虧損撥備是否足夠。管理層亦考慮可能影響借款人償還未償還結餘之能力之前瞻性資料，以估計減值評估之預期信貸虧損。

As set out in note 20 to the consolidated financial statements, as at 31 December 2023, the Group had gross finance lease receivables and loan receivables of approximately HK\$8,932,432,000 and impairment loss allowance of approximately HK\$64,670,000.

誠如綜合財務報表附註20所載，於二零二三年十二月三十一日，貴集團的融資租賃應收款項及應收貸款總額約為港幣8,932,432,000元及減值虧損撥備約為港幣64,670,000元。

Our procedures in relation to the management's impairment assessment on finance lease receivables and loan receivables included:

我們就管理層對融資租賃應收款項及應收貸款之減值評估進行之程序包括：

- obtaining an understanding of the Group's expected credit loss policy and methodology for impairment assessment; 了解貴集團之預期信貸虧損政策及有關的減值評估方法；
- reviewing the reasonableness of management's estimation in expected timing of collection and the credit quality of individual borrowers, including the background of the borrowers and their credit worthiness, collection history and value of collaterals; 檢討管理層對預期收款時間及個別借款人之信貸質素之估計（包括借款人之背景及信譽、收款紀錄及抵押品價值）是否合理；
- checking the completeness and accuracy of the ageing classification of the finance lease receivables and loan receivables balances on a sampling basis; and 抽樣核實融資租賃應收款項及應收貸款結餘之賬齡分類是否完整及準確；及
- Evaluating the reasonableness of the forward-looking information management has taken into account. 評估管理層所考慮的前瞻性資料之合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

其他信息

貴公司董事須對其他信息承擔責任。其他信息包括載於年度報告之信息，惟不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表作出之意見並無涵蓋其他信息，而我們不會對其他信息發表任何形式之核證結論。

就我們審計綜合財務報表而言，我們之責任為閱讀其他信息，從而考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行之工作認為其他信息出現重大錯誤陳述，我們須報告有關事實。在這方面，我們沒有任何報告。

董事及管治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頒佈之香港財務報告準則及香港公司條例，編製真實公平之綜合財務報表，及董事釐定對編製綜合財務報表屬必要之有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團之持續經營能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際替代方案。

管治層須負責監督 貴集團之財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

核數師就審核綜合財務報表須承擔之責任

我們之目標為合理確定此等綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致之重大錯誤陳述，並發出載有我們意見之核數師報告，且根據香港公司條例第405條僅向閣下（作為整體）作出，不作其他用途。我們概不就本報告之內容對任何其他人士負責或承擔任何責任。合理確定屬高層次之核證，惟根據香港審計準則進行之審計工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計之過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險、設計及執行審計程序以應對該等風險，以及獲取充足及適當之審計憑證，作為我們的意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述風險高於未能發現因錯誤而導致之重大錯誤陳述風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，但目的並非對貴集團內部監控之有效性發表意見。
- 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與可能導致對貴集團之持續經營能力產生重大疑慮之事項或情況有關之重大不確定性。倘我們認為存在重大不確定性，則有必要在核數師報告中提請注意綜合財務報表中之相關披露。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
- 就貴集團內實體或業務活動之財務信息獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

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

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

除其他事項外，我們與管治層就計劃的審計之範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別之內部監控之任何重大缺失。

我們亦向管治層作出聲明，指出我們已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們的獨立性之所有關係及其他事宜，以及為消除威脅採取之行動或採用之防範措施（如適用）。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement director on the audit resulting in this independent auditor's report is Chau Fong, Lily.

從與管治層溝通之事項中，我們釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在我們的報告中溝通某事項造成之負面後果超出有關溝通之公眾利益，則我們決定不應在報告中傳達該事項。

出具本獨立核數師報告的審計項目董事為周芳。

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 8 March 2024

Chau Fong, Lily

Practising Certificate Number P08090

天職香港會計師事務所有限公司

執業會計師

香港，二零二四年三月八日

周芳

執業證書編號 P08090

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

		Notes 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 (Re-presented) (經重列) HK\$'000 港幣千元
Revenue	營業額	5	740,011	1,277,390
Cost of sales	銷售成本		(443,275)	(1,025,044)
Gross profit and net interest income	毛利及利息收入淨額		296,736	252,346
Other income and gains, net	其他收入及收益淨額	7	22,281	24,829
Selling expenses	銷售費用		(12,112)	(12,528)
Administrative expenses	行政費用		(101,202)	(116,013)
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式項下之減值虧損，扣除撥回	10	(48,584)	(4,604)
Fair value loss on investment properties	投資物業之公平值虧損	15	(4,541)	(6,238)
Finance costs	融資成本	8	(31,077)	(15,561)
Profit before tax	除稅前溢利		121,501	122,231
Income tax expense	所得稅開支	9	(53,084)	(44,943)
Profit for the year	年內溢利	10	68,417	77,288
Profit for the year attributable to:	應佔年內溢利：			
Owners of the Company	本公司擁有人		68,003	76,066
Non-controlling interests	非控股權益		414	1,222
			68,417	77,288
Earnings per share	每股盈利			
– Basic and diluted	– 基本及攤薄	13	HK1.14 cents 1.14港仙	HK1.28 cents 1.28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

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Profit for the year	年內溢利	68,417	77,288
Other comprehensive (expense) / income, net of tax	其他全面（開支）／收益的 稅後淨額		
<i>Items that will not be reclassified to profit or loss:</i>	將不可重新分類至損益之 項目：		
Net change in fair value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收 益的權益投資的公平值 淨變動	(35,866)	(11,526)
Revaluation surplus upon transfer of owner-occupied properties to investment properties	自用物業轉為投資物業時 的重估盈餘	1,049	—
<i>Item that may be reclassified to profit or loss:</i>	可能重新分類至損益之 項目：		
Exchange differences arising on translation of foreign operations	外匯折算產生的匯兌 差額	(81,810)	(240,005)
Total comprehensive expense for the year	年內全面開支總額	(48,210)	(174,243)
Total comprehensive (expense) / income attributable to:	應佔全面（開支）／收益 總額：		
Owners of the Company	本公司擁有人	(48,624)	(175,465)
Non-controlling interests	非控股權益	414	1,222
		(48,210)	(174,243)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As 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 (Re-presented) (經重列)
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	577,482	702,054
Investment properties	投資物業	15	80,993	85,096
Finance lease receivables and loan receivables	融資租賃應收款項及應收貸款	20	4,904,640	4,989,666
Other financial assets	其他金融資產	22	4,656	8,477
Loans to related parties	授予關連方貸款	21(a)	27,500	–
Deferred tax assets	遞延稅項資產	30	16,136	3,958
			5,611,407	5,789,251
Current assets	流動資產			
Properties held for sale	持作出售物業	17	198,869	63,927
Properties under development	發展中物業	17	–	182,767
Inventories	存貨	18	3,848	6,861
Trade and other receivables	貿易及其他應收款項	19	52,899	108,326
Finance lease receivables and loan receivables	融資租賃應收款項及應收貸款	20	3,963,122	3,227,908
Loans to related parties	授予關連方貸款	21(a)	–	33,900
Other financial assets	其他金融資產	22	27,686	60,706
Tax recoverable	可收回稅項		1,814	1,528
Pledged bank deposits	已抵押銀行存款	23	11,972	61,709
Bank balances and cash	銀行結存及現金	23	698,579	472,852
			4,958,789	4,220,484
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	25	239,374	390,832
Contract liabilities	合同負債	26	136,065	139,246
Lease liabilities	租賃負債	27	3,767	3,874
Tax payables	應付稅項		31,589	25,699
Bank borrowings	銀行借貸	28	2,018,666	1,969,931
Asset-backed securities	資產支持證券	29	1,510,200	1,472,916
Loans from related parties	來自關連方貸款	21(b)	165,000	101,700
			4,104,661	4,104,198
Net current assets	流動資產淨值		854,128	116,286
Total assets less current liabilities	總資產減流動負債		6,465,535	5,905,537

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As 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 (Re-presented) (經重列)
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	27	3,227	4,399
Bank borrowings	銀行借貸	28	1,729,237	1,197,074
Asset-backed securities	資產支持證券	29	1,496,017	1,229,353
Loans from related parties	來自關連方貸款	21(b)	–	237,300
Other payables	其他應付款項	25	333,191	252,529
Deferred tax liabilities	遞延稅項負債	30	43,760	49,632
			<u>3,605,432</u>	<u>2,970,287</u>
Net assets	資產淨值		<u>2,860,103</u>	<u>2,935,250</u>
Capital and reserves	股本及儲備			
Share capital	股本	31	2,214,624	2,214,624
Reserves	儲備		640,419	712,305
Equity attributable to owners of the Company	本公司擁有人應佔之權益		<u>2,855,043</u>	2,926,929
Non-controlling interests	非控股權益		<u>5,060</u>	<u>8,321</u>
Total equity	總權益		<u>2,860,103</u>	<u>2,935,250</u>

The consolidated financial statements on pages 91 to 241 were approved and authorised for issue by the board of directors on 8 March 2024 and are signed on its behalf by:

第91頁至241頁之綜合財務報表已於二零二四年三月八日由董事會批准及授權發行，並由以下董事代表董事會簽署：

Zhang Bin
張斌
Director
董事

Gu Honglin
顧洪林
Director
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

		Equity attributable to owners of the Company 本公司擁有人應佔之權益												
		Share capital	Capital reserve	Statutory reserve	General risk reserve	Shares held for share award scheme	Employee share-based compensation reserve	Financial assets at fair value through other comprehensive income reserve	Revaluation reserve	Exchange reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	資本儲備	法定儲備	一般風險儲備	為股份獎勵計劃持有之股份	以股份支付的僱員酬金儲備	按公平值計入其他全面收益之金融資產儲備	重估儲備	匯兌儲備	保留溢利	小計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2022	於二零二二年一月一日	2,214,624	2,814	110,416	-	(6,494)	702	(126,537)	3,970	15,745	919,363	3,134,603	7,099	3,141,702
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	76,066	76,066	1,222	77,288
Other comprehensive expense:	其他全面開支：													
Exchange differences arising on translation of foreign operations	外匯折算產生的匯兌差額	-	-	-	-	-	-	-	-	(240,005)	-	(240,005)	-	(240,005)
Net change in fair value of financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之公平值淨變動	-	-	-	-	-	-	(11,526)	-	-	-	(11,526)	-	(11,526)
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	-	-	-	-	-	-	(11,526)	-	(240,005)	76,066	(175,465)	1,222	(174,243)
Dividend paid (note 12)	已付股息(附註12)	-	-	-	-	-	-	-	-	-	(32,209)	(32,209)	-	(32,209)
Appropriation to statutory reserve	轉撥至法定儲備	-	-	16,495	-	-	-	-	-	-	(16,495)	-	-	-
Appropriation to general risk reserve	轉撥至一般風險儲備	-	-	-	91,899	-	-	-	-	-	(91,899)	-	-	-
At 31 December 2022	於二零二二年十二月三十一日	<u>2,214,624</u>	<u>2,814</u>	<u>126,911</u>	<u>91,899</u>	<u>(6,494)</u>	<u>702</u>	<u>(138,063)</u>	<u>3,970</u>	<u>(224,260)</u>	<u>854,826</u>	<u>2,926,929</u>	<u>8,321</u>	<u>2,935,250</u>

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

		Equity attributable to owners of the Company 本公司擁有人應佔之權益													
		Share capital 股本	Capital reserve 資本儲備	Statutory reserve 法定儲備	General risk reserve 一般風險儲備	Shares held for share award scheme 為股份獎勵計劃持有之股份	Employee share-based compensation reserve 以股份支付的僱員酬金儲備	Financial assets at fair value through other comprehensive income reserve 按公平值計入其他全面收益之金融資產儲備					Retained profits 保留溢利	Non-controlling interests 非控股權益	Total 合計
								Revaluation reserve 重估儲備	Exchange reserve 匯兌儲備	Income reserve 收入儲備	Other comprehensive income reserve 其他全面收益儲備	Sub-total 小計			
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	
At 1 January 2023	於二零二三年一月一日	2,214,624	2,814	126,911	91,899	(6,494)	702	(138,063)	3,970	(224,260)	854,826	2,926,929	8,321	2,935,250	
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	-	68,003	68,003	414	68,417	
Other comprehensive (expense)/income:	其他全面(開支)/收益:														
Exchange differences arising on translation of foreign operations	外匯折算產生的匯兌差額	-	-	-	-	-	-	-	-	(81,810)	-	(81,810)	-	(81,810)	
Net change in fair value of financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之公平值淨變動	-	-	-	-	-	-	(35,866)	-	-	-	(35,866)	-	(35,866)	
Revaluation surplus upon transfer of owner-occupied properties to investment properties	自用物業轉為投資物業時的重估盈餘	-	-	-	-	-	-	-	1,049	-	-	1,049	-	1,049	
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	-	-	-	-	-	-	(35,866)	1,049	(81,810)	68,003	(48,624)	414	(48,210)	
Dividend paid (note 12)	已付股息(附註12)	-	-	-	-	-	-	-	-	-	(23,262)	(23,262)	-	(23,262)	
Dividend paid to non-controlling interests of a subsidiary	應付一間附屬公司的非控股權益的股息	-	-	-	-	-	-	-	-	-	-	-	(3,675)	(3,675)	
Appropriation to statutory reserve	轉撥至法定儲備	-	-	26,592	-	-	-	-	-	-	(26,592)	-	-	-	
Appropriation to general risk reserve	轉撥至一般風險儲備	-	-	-	7,763	-	-	-	-	-	(7,763)	-	-	-	
At 31 December 2023	於二零二三年十二月三十一日	2,214,624	2,814	153,503	99,662	(6,494)	702	(173,929)	5,019	(306,070)	865,212	2,855,043	5,060	2,860,103	

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

	Notes 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Operating activities	經營活動		
Profit before tax	除稅前溢利	121,501	122,231
Adjustments for:	就以下項目調整：		
Interest income	利息收入	(18,628)	(16,702)
Dividend income	股息收入	(46)	(63)
Interest expense	利息開支	288,570	171,332
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	106,053	39,991
Fair value loss on investment properties	投資物業之公平值虧損	4,541	6,238
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	123	342
Loss on lease modification	租賃修訂虧損	578	-
Gain on disposal of investment properties	出售投資物業之收益	(255)	(1,786)
Impairment loss on financial assets, net	金融資產之減值虧損淨額	48,584	4,604
Operating cash flows before movements in working capital	未計營運資金變動前經營現金流量	551,021	326,187
Decrease in properties held for sale/ properties under development	持作出售物業／發展中物業減少	41,277	7,506
Decrease in inventories	存貨減少	2,899	16,144
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少／(增加)	53,290	(28,308)
Increase in finance lease receivables and loan receivables	融資租賃應收款項及應收貸款增加	(914,390)	(2,855,761)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)／增加	(46,538)	302,587
Increase in contract liabilities	合同負債增加	466	12,143
Cash used in operations	經營業務所用之現金	(311,975)	(2,219,502)
Hong Kong Profits Tax paid	已支付之香港利得稅	-	(650)
PRC withholding tax paid	已支付之中國預扣稅	(7,453)	-
PRC Enterprise Income Tax paid	已支付之中國企業所得稅	(53,593)	(53,746)
PRC Land Appreciation Tax paid	已支付之中國土地增值稅	(2,225)	(2,389)
Net cash used in operating activities	經營活動所用之現金淨額	(375,246)	(2,276,287)
Investing activities	投資活動		
Interest received	已收利息	18,664	13,917
Dividend received	已收股息	46	63
Purchase of property, plant and equipment	購買物業、廠房及設備	(337)	(456,077)
Purchase of investment properties	購買投資物業	-	(1,762)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	-	98
Proceeds from disposal of investment properties	出售投資物業的所得款項	1,024	4,327
Repayment of loan from a related party	償還來自一名關連方的貸款	5,500	11,600
Release of pledged bank deposits	釋放已抵押銀行存款	57,411	-
Placement of pledged bank deposits	存入已抵押銀行存款	(9,312)	(59,162)
Net cash generated from/ (used in) investing activities	投資活動產生/ (所用)之現金淨額	72,996	(486,996)

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

		Notes 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Financing activities	融資活動			
Interest paid	已付利息	24	(291,551)	(170,814)
New bank borrowings raised	新籌集之銀行借貸	24	3,050,075	3,383,125
Repayment of bank borrowings	償還銀行借貸	24	(2,400,860)	(1,539,480)
Repayment of lease liabilities	償還租賃負債	24	(3,597)	(7,232)
Interest paid on lease liabilities	租賃負債之已付利息	24	(263)	(224)
Loans from related parties	來自關連方的貸款	24	–	510,960
Repayment of loans to related parties	償還來自關連方的貸款	24	(165,000)	(209,520)
Proceeds from issuance of asset-backed securities	發行資產支持證券所得款項	24	2,730,200	1,500,800
Repayment of asset-backed securities	償還資產支持證券	24	(2,356,834)	(1,570,955)
Dividends paid to the shareholders of the Company	已付本公司股東股息	12	(23,262)	(32,209)
Dividends paid to non-controlling interests of a subsidiary	已付附屬公司非控股權益股息	16	(3,675)	–
Net cash generated from financing activities	融資活動產生之現金淨額		535,233	1,864,451
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額		232,983	(898,832)
Cash and cash equivalents at beginning of the year	於年初之現金及現金等價物		472,852	1,380,259
Effect of foreign exchange rate changes	外匯匯率變動影響		(7,256)	(8,575)
Cash and cash equivalents at end of the year	於年末之現金及現金等價物		698,579	472,852
Analysis of components of cash and cash equivalents:	現金及現金等價物組成分析：			
Bank balances and cash	銀行結存及現金		698,579	472,852

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

China Chengtong Development Group Limited (the “**Company**”) is a public limited company incorporated in Hong Kong. The address of its registered office and its principal place of business is Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (hereinafter referred to as the “**Group**”) are principally engaged in investment holding, leasing, property development and investment, marine recreation services and hotel business. During the year ended 31 December 2023, the Group has suspended the bulk commodity trade business, which enable the Group to better focus on other core business.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). As at 31 December 2023, the Company’s immediate holding company is China Chengtong Hong Kong Company Limited, which is incorporated in Hong Kong and the directors of the Company consider the Group’s ultimate holding company to be China Chengtong Holdings Group Limited (“**CCHG**”), a company incorporated in the People’s Republic of China (the “**PRC**”).

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

1 一般資料

中國誠通發展集團有限公司（「**本公司**」）乃於香港註冊成立之公眾有限公司。其註冊辦事處及主要營業地點位於香港灣仔港灣道18號中環廣場64樓6406室。本公司為一間投資控股公司。本公司及其附屬公司（統稱為「**本集團**」）主要從事投資控股、租賃、物業發展及投資、海上旅遊服務和酒店業務。截至二零二三年十二月三十一日止年度，本集團已暫停大宗商品貿易業務，令本集團能夠更專注於其他核心業務。

本公司之股份於香港聯合交易所有限公司（「**聯交所**」）主板上市。於二零二三年十二月三十一日，本公司之直接控股公司為中國誠通香港有限公司（於香港註冊成立），本公司董事認為本集團之最終控股公司為中國誠通控股集團有限公司（「**誠通控股**」）（一間於中華人民共和國（「**中國**」）註冊成立的公司）。

綜合財務報表以港幣（「**港幣**」）呈列且本公司的功能貨幣為港幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

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

In the current year, the Group has applied the following new and amendments to HKFRSs and Hong Kong Accounting Standards (“HKASs”) issued by the Hong Kong Institute of Certified Public Accountants (“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

Except as described below, 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.

Amendments to HKAS 8 – Definition of Accounting Estimates

The amendments provide further guidance on the distinction between changes in accounting policies and changes in accounting estimates. The amendments do not have a material impact on these financial statements as the Group’s approach in distinguishing changes in accounting policies and changes in accounting estimates is consistent with the amendments.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用

2.1 於本年度強制生效的新訂及經修訂香港財務報告準則

於本年度，本集團首次應用由香港會計師公會（「香港會計師公會」）頒佈之下列新訂及經修訂香港財務報告準則及香港會計準則（「香港會計準則」），其於本集團於二零二三年一月一日開始的年度期間強制生效，以編製綜合財務報表：

香港財務報告準則第17號（包括香港財務報告準則第17號之二零二零年十月及二零二二年二月修訂）	保險合約
香港會計準則第8號之修訂	會計估計之定義
香港會計準則第12號之修訂	與單一交易產生之資產及負債相關之遞延稅項
香港會計準則第12號之修訂	國際稅收改革—支柱二立法模板
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	會計政策披露

除下文所述者外，於本年度應用之新訂及經修訂香港財務報告準則對本集團於本年度及過往年度的財務狀況及表現及／或該等綜合財務報表所載之披露並無重大影響。

香港會計準則第8號之修訂—會計估計之定義

該等修訂就會計政策變動與會計估計變動之間的區別提供進一步指引。該等修訂對該等財務報表並無重大影響，因為本集團區分會計政策變動與會計估計變動的方法與該等修訂一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 *New and amendments to HKFRSs that are mandatorily effective for the current year* (Continued)

Amendments to HKAS 1 and HKFRS Practice Statement 2 – Disclosure of Accounting Policies

The amendments require entities to disclose material accounting policy information and provide guidance on applying the concept of materiality to accounting policy disclosure. The Group has revisited the accounting policy information it has been disclosing and considered it is consistent with the amendments.

Amendments to HKAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the initial recognition exemption such that it does not apply to transactions that give rise to equal and offsetting temporary differences on initial recognition such as leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities are required to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments are applied to those transactions that occur after the beginning of the earliest period presented. Following the amendments, the Group has determined the temporary differences in relation to right-of-use assets and lease liabilities separately. The change primarily impacts disclosures of components of deferred tax assets and liabilities in note 30, but does not impact the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualify for offsetting under HKAS 12.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

2.1 於本年度強制生效的新訂及經修訂香港財務報告準則（續）

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－會計政策披露

該等修訂要求實體披露重大會計政策資料，並就在會計政策披露中應用重要性概念提供指引。本集團已重新審閱其已披露的會計政策資料，並認為有關資料與該等修訂相符。

香港會計準則第12號之修訂－與單一交易產生之資產及負債相關之遞延稅項

該等修訂收窄初步確認豁免的範圍，使其不適用於在初步確認時產生等值且相互抵銷的暫時差額的交易（例如租賃及清拆負債）。就租賃及清拆負債而言，相關遞延稅項資產及負債須自所呈列最早比較期間開始之日確認，並於該日將任何累計影響確認為留存收益或其他權益組成部分的調整。就所有其他交易而言，該等修訂適用於在所呈列最早期間開始之日後發生的交易。應用該等修訂後，本集團已分別釐定使用權資產及租賃負債相關的暫時差額。此項變動主要影響附註30中遞延稅項資產及負債組成部分的披露，但由於相關遞延稅項結餘符合香港會計準則第12號的抵銷條件，因此對綜合財務狀況表呈列的整體遞延稅項結餘並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism

In June 2022, the Hong Kong SAR Government (the “**Government**”) gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “**Amendment Ordinance**”), which will come into effect from 1 May 2025 (the “**Transition Date**”). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to Mandatory Provident Fund (“**MPF**”) scheme to reduce the long service payment (“**LSP**”) in respect of an employee’s service from the Transition Date (the abolition of the “**offsetting mechanism**”). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee’s monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” that provides accounting guidance relating to the offsetting mechanism and the abolition of the mechanism. The abolition of the offsetting mechanism did not have a material impact on the Group’s results and financial position.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

2.2 香港會計師公會就取消強積金—長期服務金對沖機制之會計影響之新指引

於二零二二年六月，香港特別行政區政府（「**政府**」）刊憲公佈《2022年僱傭及退休計劃法例（抵銷安排）（修訂）條例》（「**修訂條例**」），該修訂條例將於二零二五年五月一日（「**轉制日**」）起生效。一旦修訂條例予以生效，僱主不可再使用其強制性強積金（「**強積金**」）計劃供款所產生的任何累算權益，以抵銷僱員自轉制日起提供的服務產生的長期服務金（「**長期服務金**」）（取消「**對沖機制**」）。此外，轉制日前提提供的服務所產生的長期服務金將根據緊接轉制日前僱員的月薪及截至該日的服務年期計算。

於二零二三年七月，香港會計師公會刊發「香港取消強積金—長期服務金對沖機制之會計影響」，就有關對沖機制及取消該機制提供會計指引。取消對沖機制並無對本集團業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.3 Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following 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 ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangement ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

Except for the amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

2.3 已頒佈但尚未生效的經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的經修訂香港財務報告準則：

香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ¹
香港財務報告準則第16號之修訂	售後租回之租賃負債 ²
香港會計準則第1號之修訂	將負債分類為流動或非流動以及香港詮釋第5號（2020年）之相關修訂 ²
香港會計準則第1號之修訂	附帶契諾的非流動負債 ²
香港會計準則第7號及香港財務報告準則第7號之修訂	供應商融資安排 ²
香港會計準則第21號之修訂	缺乏可兌換性 ³

¹ 於待定日期或之後開始的年度期間生效。

² 於二零二四年一月一日或之後開始的年度期間生效。

³ 於二零二五年一月一日或之後開始的年度期間生效。

除下文所述之經修訂香港財務報告準則外，本公司董事預期應用所有其他經修訂香港財務報告準則於可見將來將不會對綜合財務報表產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.3 Amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 “Financial Instruments: Presentation”.
- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity’s right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

2.3 已頒佈但尚未生效的經修訂香港財務報告準則（續）

香港會計準則第1號之修訂將負債分類為流動或非流動以及香港詮釋第5號（2020年）之相關修訂（「二零二零年修訂」）及香港會計準則第1號之修訂附帶契諾的非流動負債（「二零二二年修訂」）

二零二零年修訂就評估自報告日期起至少十二個月延遲結算的權利提供澄清及額外指引，以將負債分類為流動或非流動，當中：

- 澄清倘負債具有條款，可由對手方選擇透過轉讓實體本身的權益工具進行結算，則僅當實體應用香港會計準則第32號「金融工具：呈列」單獨確認選擇權為權益工具時，該等條款方不會影響其分類為流動或非流動。
- 指明將負債分類為流動或非流動應基於報告期末存在的權利。具體而言，該等修訂澄清分類不應受管理層在12個月內清償負債的意圖或預期所影響。

對於以遵守契諾為條件的自報告日期起至少十二個月延遲結算的權利，二零二零年修訂引入的要求已被二零二二年修訂修改。二零二二年修訂訂明，只有要求實體於報告期末或之前須遵守的契諾才會影響實體自報告日期起至少十二個月延遲結算的權利。僅要求於報告期後遵守的契諾並不影響報告期末該權利是否存在。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.3 Amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”) (Continued)

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if an entity classifies liabilities arising from loan arrangements as non-current when the entity’s right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 Amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

Based on the Group’s outstanding liabilities as at 31 December 2023, the application of the 2020 Amendments and 2022 Amendments will not result in reclassification of the Group’s liabilities.

2 新訂及經修訂香港財務報告準則（「香港財務報告準則」）之應用（續）

2.3 已頒佈但尚未生效的經修訂香港財務報告準則（續）

香港會計準則第1號之修訂將負債分類為流動或非流動以及香港詮釋第5號（2020年）之相關修訂（「二零二零年修訂」）及香港會計準則第1號之修訂附帶契諾的非流動負債（「二零二二年修訂」）（續）

此外，二零二二年修訂亦訂明有關資料的披露規定，即倘實體將貸款安排產生的負債分類為非流動，而當實體延遲結算該等負債的權利受限於實體於報告期後十二個月內遵守契諾，該等資料能使財務報表的使用者了解負債可能將於報告期後十二個月內償還的風險。

二零二二年修訂亦將二零二零年修訂的生效日期推遲到二零二四年一月一日或之後開始的年度報告期間。二零二二年修訂與二零二零年修訂於二零二四年一月一日或之後開始的年度報告期間生效，並允許提早應用。倘實體在頒佈二零二二年修訂後的早期應用二零二零年修訂，該實體亦應在該期間應用二零二二年修訂。

根據本集團於二零二三年十二月三十一日的未償還負債，應用二零二零年修訂及二零二二年修訂將不會導致本集團負債重新分類。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at 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.

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 “Leases” (“**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”.

3 編製綜合財務報表基準及重大會計政策資料

3.1 編製綜合財務報表基準

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。就編製綜合財務報表而言，倘合理預期某資料會影響主要使用者的決策，則該資料被視為重大資料。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「**上市規則**」）及香港公司條例所規定的適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟於各報告期末按公平值計量的若干物業及金融工具除外，詳情於下文所載會計政策中闡述。

歷史成本一般按交換商品及服務所付代價之公平值計算。

公平值為於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮的資產或負債的特點。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號「以股份為基礎的付款」範圍內的以股份為基礎的付款交易、根據「租賃」（「**香港財務報告準則第16號**」）入賬的租賃交易以及與公平值類似但並非公平值的計量（如香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.1 Basis of preparation of consolidated financial statements (Continued)

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.

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs are to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.1 編製綜合財務報表基準(續)

非金融資產的公平值計量計及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一市場參與者而產生經濟利益的能力。

就按公平值交易的金融工具及投資物業以及於其後期間使用不可觀察輸入數據計量公平值的估值技術而言，估值技術會予以校準，以使於初步確認時估值技術的結果與交易價格相等。

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平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取得之相同資產或負債於活躍市場之報價（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之輸入數據（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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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 from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料

綜合賬目基準

綜合財務報表包括本公司及由本公司及其附屬公司控制之實體之財務報表。當本公司符合以下條件時，即取得控制權：

- 對被投資方擁有權力；
- 因參與被投資方業務而承擔可變回報的風險或享有可變回報的權利；及
- 有能力藉行使其權力而影響其回報。

倘有事實及情況顯示上述三項控制因素中有一項或多項出現變化，本集團會重新評估其是否對被投資方擁有控制權。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益各項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，附屬公司的財務報表會作出調整，以使其會計政策與本集團的會計政策一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Basis of consolidation (Continued)

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.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

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 or 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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

綜合賬目基準(續)

所有集團內公司間資產及負債、權益、收入、開支及與本集團成員公司間交易有關的現金流量均於綜合入賬時悉數對銷。

於附屬公司的非控股權益與本集團於當中的權益分開呈列，指賦予其持有人權利於清盤時按比例分佔相關附屬公司資產淨值的現時所有權權益。

來自與客戶合約之收益

本集團於完成履約責任時(或就此)確認收益，即於與特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。

履約責任指一項明確商品或服務(或一批商品或服務)或一系列大致相同的明確商品或服務。

倘符合以下其中一項標準，則控制權隨時間轉移，而收益則參照完全達成相關履約責任的進度而隨時間確認：

- 客戶在本集團履約的同時即取得並消耗本集團履約所帶來的經濟利益；
- 本集團的履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團的履約並未產生讓本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

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

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.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

來自與客戶合約之收益(續)

否則，收益於客戶取得明確商品或服務控制權的時間點確認。

合同負債指本集團向客戶轉移本集團已自客戶收取代價(或應收代價金額)的商品或服務的責任。

隨時間確認收益：計量完全達成履約責任的進度

產出法

完全達成履約責任的進度乃根據產出法計量，即透過直接計量迄今已轉讓予客戶之貨品或服務之價值相對合約下承諾提供之餘下貨品或服務價值確認收入，有關方法最能反映本集團於轉移商品或服務控制權方面的履約情況。

存在重大融資部分

於釐定交易價格時，倘協定之付款時間(不論以明示或暗示方式)為客戶或本集團帶來向客戶轉移商品或服務之重大融資利益，則本集團就貨幣時間價值之影響而調整已承諾之代價金額。在該等情況下，合約包含重大融資部分。不論融資承諾是否於合約中明確訂明或於合約訂約方協定的付款條款暗示，均可能存在重大融資部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

Existence of significant financing component (Continued)

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

來自與客戶合約之收益(續)

存在重大融資部分(續)

就相關商品或服務的付款與轉移期間少於一年的合約而言，本集團應用可行權宜方法，不就任何重大融資部分調整交易價格。

就於轉移本集團已就重大融資部分調整已承諾代價金額的相關商品或服務前自客戶收取的預付款項而言，本集團應用將於本集團與客戶之間於合約開始時的獨立融資交易中反映的貼現率。於收取預付款項與轉讓相關商品及服務期間的相關利息開支按與其他借貸成本相同的基準入賬。

委託人與代理人

當另一方涉及向客戶提供商品或服務時，本集團釐定其承諾的性質是否為提供指定商品或服務本身的履約責任(即本集團為委託人)或安排由另一方提供該等商品或服務(即本集團為代理人)。

倘本集團於特定商品或服務轉移予客戶前控制該商品或服務，則本集團為委託人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers (Continued)

Principal versus agent (Continued)

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Further information about the Group's accounting policies relating to contracts with customers is provided in note 5.

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 of HKFRS 16 or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

來自與客戶合約之收益(續)

委託人與代理人(續)

倘本集團之履約責任為安排另一方提供指定商品或服務，則本集團為代理人。在此情況下，在將商品或服務轉讓予客戶之前，本集團不控制另一方提供的特定商品或服務。當本集團為代理人時，應就為換取安排另一方提供的指定商品或服務預期有權取得的任何收費或佣金的金額確認收益。

本集團與客戶合約有關的會計政策之進一步資料載於附註5。

租賃

租賃的定義

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。

就於首次應用香港財務報告準則第16號當日或之後訂立或修改或因業務合併而產生的合約而言，本集團根據香港財務報告準則第16號的定義於初始、修改日期或收購日期(如適用)評估該合約是否為租賃或包含租賃。除非合約的條款及條件其後出現變動，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

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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 allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

Non-lease components are separated from lease component and are accounted for by applying other applicable standards.

Right-of-use assets

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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為承租人

分配代價至合約組成部分

就包含租賃部分及一個或以上額外租賃或非租賃部分的合約而言，本集團根據租賃部分的相對獨立價格及非租賃部分的總獨立價格將合約代價分配至各租賃部分，包括收購含有租賃土地及非租賃樓宇組成部分的物業所有權權益的合同，惟有關分配無法可靠作出則除外。

非租賃部分與租賃部分分離，並採用其他適用準則列賬。

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團拆卸及移除相關資產、復原相關資產所在場地或復原相關資產至租賃條款及條件所規定的狀況而產生的成本估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets (Continued)

Except for those that are classified as investment properties and measured under fair value model, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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 are 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 that do not meet the definition of investment property or inventory in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為承租人(續)

使用權資產(續)

除該等分類為投資物業且按公平值模式計量的使用權資產外，使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

本集團於租期結束時取得相關租賃資產所有權的使用權資產自開始日期起至可使用年期結束期間計提折舊。否則，使用權資產於其估計可使用年期及租期（以較短者為準）內按直線法折舊。

本集團將不符合投資物業或存貨定義的使用權資產呈列為「物業、廠房及設備」，即相應相關資產（倘擁有）的同一項目。

可退回租賃按金

已付可退回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，並初步按公平值計量。於初步確認時對公平值的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

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於租賃開始日期，本集團按該日尚未支付的租賃付款現值確認及計量租賃負債。在計算租賃付款的現值時，倘租賃中所隱含的利率不易確定，則本集團在租賃開始日期使用增量借款利率。

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；
- 本集團根據剩餘價值擔保預期應付的金額；
- 購買選擇權的行使價(倘本集團合理確定行使該選擇權)；及
- 終止租賃的罰款金額，前提是租賃期反映出本集團將行使終止租賃選擇權。

於開始日期後，租賃負債根據利息增加及租賃付款進行調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Lease modifications

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

- (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (2) 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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

倘出現以下情況，本集團重新計量租賃負債（並就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，在此情況下，相關租賃負債透過使用重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金變動而出現變動，在此情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

租賃修改

倘出現以下情況，本集團將租賃修改作為一項單獨租賃入賬：

- (1) 該修訂透過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- (2) 租賃的代價增加，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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, 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.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為承租人(續)

租賃修改(續)

就未作為一項單獨租賃入賬的租賃修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期，重新計量租賃負債（減任何應收租賃優惠）。

本集團通過對相關使用權資產進行相應調整，對租賃負債的重新計量進行會計處理。當經修改合約包含租賃組成部分及一個或以上額外租賃或非租賃組成部分時，本集團根據租賃組成部分的相對獨立價格及非租賃組成部分的總獨立價格，將經修改合約中的代價分配至各租賃組成部分。

本集團作為出租人

租賃的分類及計量

本集團作為出租人的租賃分類為融資或經營租賃。當租賃條款將相關資產所有權附帶的絕大部分風險及回報轉移至承租人時，合約分類為融資租賃。所有其他租賃分類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessor (Continued)

Classification and measurement of leases (Continued)

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.

Interest and rental income which are derived from the Group's ordinary course of business are presented as revenue.

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, 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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為出租人(續)

租賃的分類及計量(續)

融資租賃項下應收承租人款項於開始日期按相等於租賃淨投資之金額確認為應收款項，並使用相關租賃隱含之利率計量。初始直接成本(製造商或經銷商出租人所產生的成本除外)計入租賃淨投資的初始計量。利息收入分配至會計期間，以反映本集團有關租賃的未償還淨投資的定期穩定回報率。

經營租賃之租金收入乃按相關租約年期以直線法於損益中確認。於磋商及安排經營租賃時所產生之初步直接成本添加於租賃資產之賬面值，並且有關成本以直線法於租期內確認為開支，惟根據公平值模式計量的投資物業除外。

本集團日常業務過程中產生的利息及租金收入呈列為收益。

分配代價至合約組成部分

當合約包括租賃及非租賃組成部分時，本集團應用香港財務報告準則第15號「來自客戶合約的收益」(「香港財務報告準則第15號」)將合約代價分配至租賃及非租賃組成部分。非租賃組成部分根據其相對獨立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

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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 for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

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.

(i) Operating leases

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.

For rent concession under which the Group legally releases the lessee from its obligation to make specifically identified lease payment, of which some of these lease payments are contractually due but not paid and some of them are not yet contractually due, the Group accounts for the portions which have been recognised as operating lease receivables (i.e. the lease payments which are contractually due but not paid) by applying the expected credit losses (“ECL”) and derecognition requirements under HKFRS 9 and applies lease modification requirements for the forgiven lease payments that the Group has not recognised (i.e. the lease payments which are not yet contractually due) as at the effective date of modification.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

本集團作為出租人(續)

可退回租賃按金

已收可退回租賃按金根據香港財務報告準則第9號入賬，並初步按公平值計量。於初步確認時對公平值的調整被視為承租人的額外租賃付款。

租賃修改

不屬於原條款及條件一部分的租賃合約代價變動作為租賃修改入賬，包括透過免除或減少租金提供的租賃優惠。

(i) 經營租賃

本集團自修改生效日起將經營租賃之修改作為新租賃入賬，將與原租賃有關之任何預付或應計租賃付款視為新租賃之租賃付款的一部分。

就本集團合法解除承租人責任以作出特定識別租賃付款的租金優惠而言，其中部分該等租賃付款合約已到期但尚未支付，而部分合約尚未到期，本集團透過應用香港財務報告準則第9號項下的預期信貸虧損及終止確認規定，將確認為經營租賃應收款項的部分(即合約已到期但尚未支付的租賃付款)入賬，並就本集團於修改生效日期尚未確認的寬免租賃付款(即合約尚未到期的租賃付款)應用租賃修改規定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessor (Continued)

Lease modification (Continued)

(ii) Finance leases

The Group accounts for a change in the lease payments of a finance lease as a lease modification, that is not accounted for as a separate lease, in accordance with the requirements of HKFRS 9. If the change represents a substantial modification, the finance lease receivables of the original lease are derecognised and a derecognition gain or loss calculated using the revised lease payments discounted at the revised discount rate is recognised in profit or loss on the date of the modification. If the change does not represent a substantial modification, the Group continues to recognise the finance lease receivables in which such carrying amount will be calculated at the present value of the modified contractual cash flows discounted at the related receivables' original discount rate. Any adjustment to the carrying amount is recognised in profit or loss at the effective date of modification.

Sale and leaseback transactions

The Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a buyer-lessor

For a transfer of asset that does not satisfy the requirements of HKFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor does not recognise the transferred asset and recognises a loan receivable equal to the transfer proceeds within the scope of HKFRS 9.

3 編製綜合財務報表基準及重大會計政策資料 (續)

3.2 重大會計政策資料 (續)

租賃 (續)

本集團作為出租人 (續)

租賃修改 (續)

(ii) 融資租賃

本集團根據香港財務報告準則第9號的規定，將融資租賃之租賃付款變動入賬為租賃修改，該變動不會作為單獨租賃入賬。倘該變動屬重大修改，則終止確認原租賃的融資租賃應收款項，並且使用經修訂租賃付款按經修訂貼現率貼現計算之終止確認收益或虧損於修訂日期在損益中確認。倘該變動並不屬重大修改，則本集團繼續確認融資租賃應收款項，而有關賬面值將按經修訂合約現金流量以按相關應收款項之原貼現率貼現的現值計算。賬面值之任何調整於修改生效日期在損益中確認。

售後回租交易

本集團採用香港財務報告準則第15號的要求評估售後回租交易是否構成本集團之出售。

本集團作為買方一出租人

就不符合香港財務報告準則第15號規定將予入賬列作資產出售的資產轉讓而言，本集團（作為買方一出租人）不會確認已轉讓資產，而是確認香港財務報告準則第9號範圍內相等於轉讓所得款項之應收貸款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Leases (Continued)

Sale and leaseback transactions (Continued)

The Group as a buyer-lessor (Continued)

For a transfer of asset that satisfies the requirements of HKFRS 15 to be accounted for as a sale of asset, the Group as a buyer-lessor accounts for the purchase of the asset applying applicable standards, and for the lease applying the lessor accounting requirements in accordance with HKFRS 16.

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. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

租賃(續)

售後回租交易(續)

本集團作為買方—出租人(續)

就符合香港財務報告準則第15號規定將予入賬列作資產出售的資產轉讓而言，本集團(作為買方—出租人)應用適用標準就購買資產入賬，並根據香港財務報告準則第16號對租賃應用出租人會計處理規定。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之現行匯率確認。於報告期末，以外幣計值的貨幣項目按該日的現行匯率重新換算。按公平值以外幣入賬之非貨幣項目按釐定公平值當日之現行匯率重新換算。按歷史成本以外幣計算之非貨幣項目不作重新換算。

貨幣項目結算及重新換算貨幣項目所產生之匯兌差額於其產生的期間在損益中確認。

就呈列綜合財務報表而言，本集團業務之資產及負債按各報告期末之現行匯率換算為本集團之呈列貨幣(即港幣)。收入及開支項目按該期間之平均匯率換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之匯率。所產生之匯兌差額(如有)於其他全面收益中確認，並於匯兌儲備項下之權益累計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

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

Government grants

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

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 and gains, net", rather than deducted from the related expense.

Employee benefits

Retirement benefits costs

Payments to the defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions.

Retirement benefits to employees are provided through defined contribution plans.

The Group participates in the MPF scheme under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF scheme. The MPF scheme is a defined contribution retirement benefit plan and contributions to the scheme are made based on a percentage of the employees' relevant income.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

借貸成本

收購、建造或生產合資格資產(即需要一段長時間方可作擬定用途或出售之資產)直接應佔之借貸成本乃計入該等資產之成本,直至該等資產大致可作擬定用途或出售為止。

所有其他借貸成本於產生期間於損益中確認。

政府補助

政府補助於可合理確定本集團將遵守政府補助所附帶的條件及收取補助時方予確認。

政府補助乃於本集團將補助擬補償的相關成本確認為開支的期間按系統基準於損益中確認。

作為已產生開支或虧損的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的收入相關政府補助,乃於其成為可收取的期間於損益中確認。該等補助於「其他收入及收益淨額」項下呈列,而非於相關費用中扣除。

僱員福利

退休福利成本

向定額供款退休福利計劃所作出之付款於僱員提供可獲取該等供款之服務時作為開支扣除。

僱員之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為該等合資格參與強積金計劃之僱員參與強積金計劃。強積金計劃為定額供款退休福利計劃,而計劃供款乃按僱員相關收入之百分比作出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Employee benefits (Continued)

Retirement benefits costs (Continued)

The employees of the Company's subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme.

There were no forfeited contributions under the defined contribution scheme above and no forfeited contribution available to reduce the contribution in future years.

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.

Equity-settled share-based payment transactions

Shares/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. When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in employee share-based compensation reserve will be transferred to retained profits.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

僱員福利(續)

退休福利成本(續)

本公司於中國經營之附屬公司之僱員須參加由地方市政府設立之中央退休金計劃。該等附屬公司須按其薪資成本之若干比例向中央退休金計劃供款。

上述定額供款計劃項下並無沒收供款，亦無可供日後減少供款之用的沒收供款。

短期僱員福利

短期僱員福利於僱員提供服務時按預期將支付福利的未貼現金額確認。所有短期僱員福利均確認為開支，除非另一項香港財務報告準則規定或允許將福利計入資產成本。

僱員應計福利(如工資及薪金、年假及病假)於扣除任何已付金額後確認為負債。

按權益結算以股份為基礎之付款交易

授予僱員之股份／購股權

向僱員及提供類似服務的其他人士作出的按權益結算以股份為基礎之付款按權益工具於授出日期的公平值計量。當購股權獲行使時，先前於以股份為基礎之付款儲備確認之金額將轉撥至股本。倘購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於以股份支付的僱員酬金儲備確認之金額將轉撥至保留溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Equity-settled share-based payment transactions (Continued)

Share award scheme

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share-based compensation reserve in equity, over the period in which the granted conditions are fulfilled. When the share award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

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 profit 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 (other than in a business combination) 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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

按權益結算以股份為基礎之付款交易 (續)

股份獎勵計劃

權益結算交易之成本，連同以股份支付的僱員酬金儲備之相應增加在批約條件得到履行期間內於權益確認。倘股份獎勵取消，將其視為已於取消日賦權，並立即確認獎勵未確認之任何費用。

稅項

所得稅開支指即期及遞延所得稅開支的總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收入或開支及毋須課稅或不可扣稅項目而有別於除稅前溢利。本集團的即期稅項負債乃按報告期末已頒佈或實質上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般就所有可扣稅暫時差額確認，惟以可能有應課稅溢利可用作抵銷該等可扣稅暫時差額為限。若於一項交易中，因業務合併以外原因初步確認資產及負債而引致之暫時差額既不影響應課稅溢利亦不影響會計溢利，且交易時不產生相等的應課稅及可扣稅暫時差額，則不會確認該等遞延稅項資產及負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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.

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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

稅項(續)

於各報告期末對遞延稅項資產的賬面值進行檢討，並於不再可能有足夠應課稅溢利以收回全部或部分資產時作出調減。

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之稅率，根據於報告期末已頒佈或實質上已頒佈之稅率(及稅法)計算。

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或清償其資產及負債賬面值的方式所產生的稅務結果。

就計量使用公平值模式計量之投資物業之遞延稅項而言，該等物業之賬面值乃假設通過銷售全數收回(除非該假設被推翻)。當投資物業可予折舊及於業務模式(其目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益)內持有時，有關假設會被推翻。

就計量本集團確認使用權資產及相關租賃負債的租賃交易所涉遞延稅項而言，本集團首先釐定稅項扣減乃源自使用權資產或租賃負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Taxation (Continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities and right-of-use assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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 to the same taxable entity by the same taxation authority.

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.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

稅項(續)

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號規定分別應用於租賃負債及使用權資產。倘可能有可用作扣減可扣稅暫時差額以對銷應課稅利潤，本集團將確認與租賃負債相關的遞延稅項資產，並確認所有應課稅暫時差額的遞延稅項負債。

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，且與同一稅務機關向同一應課稅實體徵收之所得稅有關時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益中確認，惟倘即期及遞延稅項與於其他全面收益或直接於權益中確認的項目有關，則即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。

物業、廠房及設備

物業、廠房及設備為持作生產或供應商品或服務或作行政用途的有形資產。物業、廠房及設備按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Property, plant and equipment (Continued)

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented within "property, plant and equipment" in the consolidated statement of financial position, except for those that are classified and accounted for as investment properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

If a property becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

Depreciation is recognised so as to write off the cost 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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

物業、廠房及設備(續)

當本集團就物業所有權權益(包括租賃土地及樓宇部分)付款時,全部代價按初步確認時的相對公平值比例於租賃土地及樓宇部分之間分配。倘相關付款能可靠分配,則租賃土地權益於綜合財務狀況表呈列為「物業、廠房及設備」,惟分類為投資物業且按公平值模式計量者除外。當代價無法在相關租賃土地的非租賃樓宇部分及未分割權益之間可靠分配時,整項物業被分類為物業、廠房及設備。

倘有證據顯示物業因業主自用改變而成為投資物業,則該項目(包括分類為使用權資產的相關租賃土地)於轉撥日期的賬面值與公平值之間的任何差額於其他全面收益中確認,並於重估儲備累計。於物業其後出售或報廢時,相關重估儲備將直接轉撥至保留溢利。

折舊乃以直線法按估計可使用年期撇銷資產成本減其剩餘價值確認。於各報告期末對估計可使用年期、剩餘價值及折舊方法進行檢討,任何估計變動的影響按前瞻基準入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Property, plant and equipment (Continued)

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.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

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

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

物業、廠房及設備(續)

物業、廠房及設備項目於出售或預期繼續使用該資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生的任何收益或虧損按出售所得款項與資產賬面值之間的差額釐定，並於損益中確認。

投資物業

投資物業為持作賺取租金及／或作資本增值之物業。

投資物業初步按成本，包括任何直接應佔開支計量。於初步確認後，投資物業按公平值計量，並作出調整以排除任何預付或應計經營租賃收入。

投資物業公平值變動所產生之收益或虧損於產生期間計入損益。

投資物業於出售或於投資物業永久停止使用且預期不會從出售中獲得未來經濟利益時終止確認。終止確認該物業而產生之任何收益或虧損(按該資產之出售所得款項淨額與其賬面值之間的差額計算)計入該物業於終止確認期間之損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit (“CGU”) to which the asset belongs.

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

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

物業、廠房及設備以及使用權資產減值

於報告期末，本集團審閱其物業、廠房及設備以及使用權資產的賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘出現任何有關跡象，則會估計相關資產的可收回金額，以釐定減值虧損(如有)的程度。

物業、廠房及設備以及使用權資產的可收回金額乃單獨估計。倘無法個別估計可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。

於測試現金產生單位的減值時，倘可設立合理一致的分配基準，則企業資產分配至相關現金產生單位，或分配至可設立合理一致分配基準的現金產生單位最小組別。可收回金額按企業資產所屬的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的賬面值進行比較。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Impairment on property, plant and equipment and right-of-use assets (Continued)

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 CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. 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 or the group of CGUs. 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 or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

3 編製綜合財務報表基準及重大會計政策資料 (續)

3.2 重大會計政策資料 (續)

物業、廠房及設備以及使用權資產減值 (續)

可收回金額為公平值減出售成本與使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映當前市場對貨幣時間價值的評估及該資產（或現金產生單位）特有的風險（未針對該風險調整估計未來現金流量）。

倘估計資產（或現金產生單位）的可收回金額低於其賬面值，則資產（或現金產生單位）的賬面值將調減至其可收回金額。就未能按合理一致基準分配至現金產生單位的企業資產或部分企業資產而言，本集團會比較一組現金產生單位的賬面值（包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值）與該組現金產生單位的可收回金額。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），然後根據該單位或現金產生單位組別內各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平值減出售成本（如可計量）、其使用價值（如可釐定）及零（以最高者為準）。已另行分配至資產的減值虧損金額按比例分配至該單位或現金產生單位組別的其他資產。減值虧損即時於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Impairment on property, plant and equipment and right-of-use assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) 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 CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value and restricted deposits arising from pre-sale of properties that are held for meeting short-term cash commitments. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in note 23.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

物業、廠房及設備以及使用權資產減值(續)

倘減值虧損於其後撥回，則資產(或現金產生單位或一組現金產生單位)之賬面值會增加至其經重新估計之可收回金額，惟增加後之賬面值不得超過該資產(或現金產生單位或一組現金產生單位)於過往年度並無確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益中確認。

現金及現金等價物

於綜合財務狀況表呈列的現金及現金等價物包括：

- (a) 現金，包括手頭現金及活期存款，不包括受監管限制而導致該等結餘不再符合現金定義的銀行結存；及
- (b) 現金等價物，包括短期(一般原到期日為三個月或以下)、易於轉換為已知金額現金且無重大價值變動風險的高流動投資，以及為滿足短期現金承諾而持有的預售物業產生的受限制存款。現金等價物乃為應付短期現金承諾而持有，而非用作投資或其他用途。

本集團使用的銀行結存受第三方合約限制所規限，除非有關限制導致銀行結存不再符合現金的定義，否則均計入為現金的一部分。影響使用銀行結存的合約限制於附註23中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on actual cost basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Properties under development/properties held for sale

Properties under development which are intended to be sold upon completion of development and properties held for sale are classified as current assets. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets, properties under development/properties held for sale are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis including allocation of the related development expenditure incurred and where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less estimated cost to completion and costs necessary to make the sales. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Properties under development for sale are transferred to properties held for sale upon completion.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

存貨

存貨按成本與可變現淨值兩者中的較低者列賬。存貨成本按實際成本基準釐定。可變現淨值指存貨的估計售價減所有估計完成成本及銷售所需成本。銷售所需成本包括銷售直接應佔的增量成本及本集團進行銷售時必須產生的非增量成本。

發展中物業／持作出售物業

擬於開發完成後出售的發展中物業及持作出售物業分類為流動資產。除租賃土地部分根據使用權資產的會計政策按成本模式計量外，發展中物業／持作出售物業按成本與可變現淨值兩者中的較低者列賬。成本按特定識別基準釐定，包括分配已產生的相關開發開支及(如適用)資本化的借貸成本。可變現淨值指物業的估計售價減估計完成成本及銷售所需成本。銷售所需成本包括銷售直接應佔的增量成本及本集團進行銷售時必須產生的非增量成本。

待售發展中物業於竣工後轉撥至持作出售物業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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).

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

撥備

倘本集團因過往事件而須承擔現有責任(法定或推定)，而本集團可能須履行該責任且該責任的金額能可靠估計，則會確認撥備。

確認為撥備的金額為於報告期末對履行現有責任所需代價的最佳估計，並經考慮有關責任的風險及不確定因素。倘撥備使用履行現有責任的估計現金流量計量，則其賬面值為該等現金流量的現值(倘貨幣時間價值的影響屬重大)。

或然負債

或然負債指因過往事件而產生的現有責任，但可能不需要流出具有經濟利益的資源以履行責任，故不予確認。

倘本集團須共同及個別承擔責任，則預期由其他方履行的責任部分會被視為或然負債，而不會於綜合財務報表中確認。

本集團持續評估以釐定包含經濟利益的資源流出是否已成為可能。倘先前作為或然負債處理的項目可能須流出未來經濟利益，則於發生可能性變動的報告期間於綜合財務報表中確認撥備，惟在極端罕見的情況下無法作出可靠估計除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

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 and bills 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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方時確認。所有以常規方式購買或出售的金融資產均按交易日基準予以確認及終止確認。常規買賣指須於市場規則或慣例設定的時間框架內交付資產的金融資產買賣。

金融資產及金融負債初步按公平值計量，惟根據香港財務報告準則第15號初步計量的客戶合約產生的貿易應收款項及應收票據除外。收購或發行金融資產及金融負債直接應佔之交易成本乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間分配利息收入及利息開支之方法。實際利率乃按金融資產或金融負債的預計年期或適用的較短者，準確貼現估計未來現金收入及付款(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點子、交易成本及其他溢價或折讓)至初步確認時的賬面淨值的利率。

來自本集團日常業務過程的利息收入呈列為收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

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.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting 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 fair value through profit or loss (“FVTPL”), except that at 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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

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：

- 以收取合約現金流量為目的之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

符合以下條件的金融資產其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量：

- 以出售及收取合約現金流量達成目的之業務模式下持有之金融資產；及
- 合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

所有其他金融資產其後按公平值計入損益(「按公平值計入損益」)計量，惟於初步確認金融資產時，倘權益投資並非持作買賣，亦非由於收購方在香港財務報告準則第3號「業務合併」所適用的業務合併中確認的或然代價，本集團可不可撤銷地選擇於其他全面收益呈列該權益投資公平值的其後變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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 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 FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

在下列情況下，金融資產持作買賣：

- 購入之主要目的為於短期內出售；或
- 於初步確認時，其為本集團共同管理之已識別金融工具組合之一部分，並具有最近實際短期獲利模式；或
- 其為並非指定及有效作為對沖工具的衍生工具。

此外，本集團可不可撤銷地指定一項須按攤銷成本或按公平值計入其他全面收益計量的金融資產按公平值計入損益計量，前提為有關指定可消除或大幅減少會計錯配。

(i) 攤銷成本及利息收入

就其後按攤銷成本計量的金融資產而言，利息收入乃使用實際利率法確認。利息收入乃對金融資產賬面總值應用實際利率予以計算，惟其後出現信用減值的金融資產除外(見下文)。就其後出現信用減值的金融資產而言，利息收入透過自下一報告期起對金融資產的攤銷成本應用實際利率確認。倘信用減值金融工具的信貸風險好轉，使金融資產不再出現信用減值，於釐定資產不再出現信用減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets
(Continued)

(ii) Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the finance assets at fair value through other comprehensive income reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to retained profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income and gains, net" line item in profit or loss.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(ii) 指定為按公平值計入其他全面收益的權益工具

按公平值計入其他全面收益的權益工具投資其後按公平值計量，其公平值變動產生的收益及虧損於其他全面收益中確認，並於按公平值計入其他全面收益的金融資產儲備累計，且毋須進行減值評估。累計收益或虧損將不會於出售權益投資時重新分類至損益，並將轉撥至保留溢利。

當本集團確立收取股息的權利時，該等權益工具的股息於損益中確認，除非股息明確表示收回部分投資成本。股息計入損益內「其他收入及收益淨額」項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under ECL model on financial assets (including trade and other receivables, finance lease receivables and loan receivables, loans to related parties, pledged bank deposits, bank balances and cash) which are subject to impairment assessment under HKFRS 9. 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. Assessments 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 and bills receivables.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case 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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值

本集團根據預期信貸虧損模式對根據香港財務報告準則第9號須進行減值評估的金融資產(包括貿易及其他應收款項、融資租賃應收款項及應收貸款、授予關連方貸款、已抵押銀行存款、銀行結存及現金)進行減值評估。預期信貸虧損金額於各報告日期更新，以反映信貸風險自初步確認以來的變動。

全期預期信貸虧損指於相關工具預計年期內所有可能違約事件將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**」)指預期於報告日期後12個月內可能違約事件產生的部分全期預期信貸虧損。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測進行調整。

本集團一直就貿易應收款項及應收票據確認全期預期信貸虧損。

就所有其他工具而言，本集團計量的虧損撥備等於12個月預期信貸虧損，除非自初步確認以來信貸風險顯著增加，在此情況下，本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初步確認以來發生違約的可能性或風險是否顯著增加。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (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;

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(i) 信貸風險顯著增加

於評估信貸風險自初步確認以來是否大幅增加時，本集團比較金融工具於報告日期發生違約的風險與該金融工具於初步確認日期發生違約的風險。作此評估時，本集團會考慮合理及有理據的定量及定性資料，包括歷史經驗及毋須花費過度成本或精力即可獲得的前瞻性資料。

具體而言，評估信貸風險是否顯著增加時會考慮以下資料：

- 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；
- 信貸風險的外部市場指標顯著惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價格；
- 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；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

- (i) Significant increase in credit risk (Continued)
- an actual or expected significant deterioration in the operating results of the debtor; or
 - 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 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

- (i) 信貸風險顯著增加(續)
- 債務人經營業績的實際或預期顯著惡化；或
 - 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。

不論上述評估的結果如何，本集團認為，當合約付款逾期超過30天，則自初步確認以來信貸風險已顯著增加，除非本集團有合理及可靠資料證明。

儘管如此，倘債務工具在報告日期被確定為具有低信貸風險，則本集團假設自初始確認後的信貸風險並未顯著增加。倘符合以下條件，則債務工具被釐定為屬於低信貸風險：(i) 低違約風險；(ii) 借款人擁有雄厚實力，可於短期內履行其合約現金流量責任；及(iii) 經濟及業務狀況的長期不利變動可能但未必會削弱借款人履行其合約現金流量責任的能力。倘債務工具的內部或外部信貸評級為「投資級別」（根據國際通用釋義），則本集團認為該債務工具屬於低信貸風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk (Continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

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).

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(i) 信貸風險顯著增加(續)

就財務擔保合約而言，本集團訂立不可撤回承擔當日被視為就評估減值而言之初始確認日期。評估財務擔保合約之信貸風險是否自初始確認以來顯著增加時，本集團會考慮該特定債務人違約所引起的風險變動。

本集團定期監察用以識別信貸風險是否顯著增加的標準的成效，並於適當時候作出修訂，從而確保相關準則能夠於款項逾期前識別信貸風險的顯著增加。

(ii) 違約的定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或自外界來源取得的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(ii) Definition of default (Continued)

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.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired 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;

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(ii) 違約的定義(續)

無論上述情形如何，本集團認為，倘金融資產逾期超過90天，則發生違約事件，除非本集團有合理及可靠資料顯示一項更滯後的違約標準較合適則當別論。

(iii) 信用減值金融資產

當發生一項或多項對金融資產估計未來現金流量有不利影響的事件時，金融資產出現信用減值。金融資產出現信用減值的證據包括有關以下事件的可觀察數據：

- (a) 發行人或借款人出現重大財務困難；
- (b) 違約，如違約或逾期事件；
- (c) 借款人的貸款人出於與借款人財務困難有關的經濟或合約原因，而向借款人授出貸款人原本不會考慮的優惠；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

- (iii) Credit-impaired financial assets (Continued)
 - (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
 - (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (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. 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.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

- (iii) 信用減值金融資產(續)
 - (d) 借款人有可能破產或進行其他財務重組；或
 - (e) 該金融資產的活躍市場因財務困難而消失。
- (iv) 撇銷政策

倘有資料顯示對手方有嚴重財務困難，且並無實際收回期望(如對手方已進行清盤或進入破產程序)，本集團會撇銷金融資產。根據本集團的收回程序並經考慮法律意見(如適用)後，已撇銷的金融資產仍受到強制執行活動約束。撇銷構成終止確認事件。任何其後收回款項於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(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 and 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. The Group uses a practical expedient in estimating ECL on trade and bills receivables using a provision matrix taking into consideration historical credit loss experience and forward looking information that is available without undue cost or effort.

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. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約虧損率(即違約時的虧損程度)及違約風險的函數。違約概率及違約虧損率的評估乃基於歷史數據及前瞻性資料。預期信貸虧損的估計反映無偏概率加權平均金額，以各自發生違約的風險為權重確定。本集團使用可行權宜方法，使用撥備矩陣估計貿易應收款項及應收票據的預期信貸虧損，當中考慮歷史信貸虧損經驗及毋須花費過度成本或精力即可獲得的前瞻性資料。

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量與本集團預期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。就租賃應收款項而言，用於釐定預期信貸虧損的現金流量與根據香港財務報告準則第16號計量租賃應收款項時使用的現金流量一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Lifetime ECL for certain finance lease receivables and loan receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(v) 預期信貸虧損的計量及確認(續)

就財務擔保合約而言，由於本集團根據所擔保工具之條款僅須於債務人違約時作出付款，故預期信貸虧損為償還持有人所產生信貸虧損之預期付款，減本集團預期自持有人、債務人或任何其他方收取之任何金額的現值。

若干融資租賃應收款項及應收貸款的全期預期信貸虧損乃經考慮逾期資料及前瞻性宏觀經濟資料等相關信貸資料後按集體基準考慮。

就集體評估而言，本集團於制定組別時考慮以下特點：

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

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.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade and other receivables, finance lease receivables and loan receivables where the corresponding adjustment is recognised through a loss allowance account.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

根據香港財務報告準則第9號進行減值評估的金融資產減值(續)

(v) 預期信貸虧損的計量及確認(續)

管理層定期檢討分組方法，以確保各組別成份繼續具有類似信貸風險特徵。

利息收入按金融資產的賬面總值計算，除非金融資產出現信用減值，在此情況下，利息收入按金融資產的攤銷成本計算。

本集團透過調整賬面值於損益中確認所有金融工具的減值收益或虧損，惟貿易及其他應收款項、融資租賃應收款項及應收貸款除外，其相應調整乃透過虧損撥備賬予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (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.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained profits.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融資產(續)

終止確認金融資產

本集團僅於從資產現金流量之合約權利屆滿時，或向另一實體轉讓金融資產及該資產所有權之絕大部分風險及回報時終止確認金融資產。倘本集團並無轉讓或保留所有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團確認其於資產的保留權益及可能須支付的相關負債金額。倘本集團保留已轉讓金融資產所有權的絕大部分風險及回報，則本集團繼續確認該金融資產，亦就已收所得款項確認有抵押借款。

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總和之間的差額於損益中確認。

於終止確認本集團於初步確認時選擇按公平值計入其他全面收益計量的權益工具投資時，先前於按公平值計入其他全面收益儲備累計的累計收益或虧損不會重新分類至損益，但會轉撥至保留溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

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.

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.

Financial liabilities at amortised cost

Financial liabilities including bank borrowings, trade and other payables, asset-backed securities and loans from related parties are subsequently measured at amortised cost, using the effective interest method.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融負債及權益

分類為債務或權益

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。

權益工具

權益工具為證明實體資產剩餘權益(經扣除其所有負債)之任何合約。本公司發行之權益工具確認為扣除直接發行成本後收取之所得款項。

按攤銷成本入賬之金融負債

金融負債(包括銀行借貸、貿易及其他應付款項、資產支持證券及來自關連方貸款)其後採用實際利率法按攤銷成本計量。

財務擔保合約

財務擔保合約乃規定發出人向持有人支付指定金額,以補償持有人由於指定欠債人未能根據債務工具條款於到期時付款而蒙受的損失。財務擔保合同負債初步按其公平值計量。其後以下列較高者計量:

- 根據香港財務報告準則第9號釐定的虧損撥備金額;及
- 初步確認金額減(如適用)於擔保期內確認的累計攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

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.

Related parties

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

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

金融工具(續)

金融負債及權益(續)

終止確認金融負債

當且僅當本集團的責任獲解除、註銷或屆滿時，本集團方會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益中確認。

關連方

- (a) 倘屬下列情況，則某人士或該人士的近親家族成員即被視為與本集團有關連：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 倘下列任何情況適用，則某實體即為與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司（即各母公司、附屬公司及同系附屬公司互相關連）。
 - (ii) 一個實體為另一實體的聯營公司或合營企業（或為某一集團的成員公司的聯營公司或合營企業，而該另一實體為此集團的成員）。
 - (iii) 兩個實體皆為相同第三方的合營企業。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Material accounting policy information (Continued)

Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions apply: (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3 編製綜合財務報表基準及重大會計政策資料(續)

3.2 重大會計政策資料(續)

關連方(續)

- (b) 倘下列任何情況適用，則某實體即為與本集團有關連：(續)
- (iv) 一個實體為第三實體的合營企業，而另一實體為該第三實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關連的實體的僱員福利而設的離職後福利計劃。
 - (vi) 該實體受(a)項所界定的人士控制或共同控制。
 - (vii) (a)(i)項所界定的人士對該實體有重大影響力，或為實體(或該實體的母公司)的高級管理人員。
 - (viii) 該實體或其所屬集團旗下任何公司向本集團或本集團的母公司提供主要管理人員服務。

某人士的近親家族成員指在與實體交易時預期可影響該人士或受該人士影響的家族成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3.2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

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.

4.1 Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuer. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market conditions. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the methods, inputs and assumptions used in the valuation are reflective of the current market conditions. Changes to inputs and assumptions used would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated statement of profit or loss.

4 估計不確定因素之主要來源

於應用附註3.2所述本集團之會計政策時，本公司董事須對無法從其他途徑得知之資產及負債之賬面值進行判斷、估計及假設。估計及相關假設是基於過往經驗及其他被認為相關的因素。實際結果可能與該等估計不同。

估計及相關假設乃持續進行審閱。對會計估計之修訂乃於估計修訂期間（倘修訂僅影響該期間）或修訂期間及未來期間（倘修訂影響本期間及未來期間）確認。

以下為於報告期末有關未來的主要假設及估計不確定因素的其他主要來源，該等不確定因素可能具有導致下一個財政年度的資產及負債賬面值出現大幅調整的重大風險。

4.1 投資物業之公平值

投資物業乃按獨立專業估值師進行之估值以公平值列賬。在釐定公平值時，估值師依據之估值方法涉及若干對市況之估計。在依賴估值報告之餘，本公司董事已行使其判斷力並信納估值採用之方法、輸入數據及假設足以反映現時市況。所使用的輸入數據及假設之變動將導致本集團投資物業之公平值出現變動，並須對綜合損益表所呈報之收益或虧損金額作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

4.2 Estimated net realisable value of inventories of properties

In determining whether allowances should be made for the Group's inventories of properties under development and properties held for sale, the Group takes into consideration the estimated selling price, the estimated costs to completion in cases for properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions, current market environment and the sales performance in previous years for all the properties. An allowance is made if the net realisable value is less than the carrying amount. If the actual net realisable value of inventories of properties is less than expected as a result of change in market conditions and/or significant variation in the budgeted development costs, material allowance may result.

4.3 Impairment allowance on financial assets and finance lease receivables and loan receivables

The measurement of impairment losses under HKFRS 9 across all categories of financial assets and finance lease receivables and loan receivables requires an estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These judgements and estimates are driven by a number of factors, changes in which can result in different levels of allowances.

At the end of each reporting period, the Group assesses whether there has been a significant increase in credit risk of exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

4 估計不確定因素之主要來源

(續)

4.2 物業存貨之估計可變現淨值

於釐定是否應就本集團的發展中物業及持作出售物業存貨作出撥備時，本集團會根據現行市場狀況、當前市場環境及所有物業的過往年度的銷售表現，考慮估計售價、發展中物業的完工估計成本，及出售物業將產生的成本。倘可變現淨值低於賬面值，則須作出撥備。倘物業存貨的實際可變現淨值因市況變動及／或預算開發成本出現重大變動而低於預期，則可能導致重大撥備。

4.3 金融資產及融資租賃應收款項及應收貸款減值撥備

根據香港財務報告準則第9號計量所有類別的金融資產及融資租賃應收款項及應收貸款的減值虧損需要在釐定減值虧損及評估信貸風險的大幅增加時，對未來現金流量及抵押品價值的金額及時間的估計。此等判斷及估計受多項因素影響，當中有關的變動可能導致須作出不同程度的撥備。

於各報告期末，本集團會通過比較由報告日期至初步確認日期之間的預計年期內發生的違約風險，評估自初步確認以來信貸風險是否有顯著增加。本集團就此會考慮相關及毋須花費過度成本或精力即可獲得的合理及可靠資料。此包括定量及定性資料以及前瞻性分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

4.4 Depreciation

The Group depreciates the property, plant and equipment in accordance with the accounting policies stated in note 3.2. The estimated useful lives reflect the directors' best estimates of the periods that the Group intends to derive future economic benefits from the use of these assets.

4.5 Estimated impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. For the purposes of impairment testing, assets are allocated to its respective CGUs. Management judgement and estimation is required in the area of asset impairment particularly in assessing: (i) whether the carrying amount of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal and value in use; and (ii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate discount rate.

4 估計不確定因素之主要來源

(續)

4.4 折舊

本集團根據附註3.2所述之會計政策對物業、廠房及設備計算折舊。估計可用年期為董事對本集團擬從使用該等資產取得未來經濟利益之期間的最佳估計。

4.5 非金融資產之估計減值

本集團於各報告期末評估全部非金融資產是否有任何減值跡象。非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。就減值測試而言，資產會分配至其各自之現金產生單位。管理層須就資產減值作出判斷及估計，尤其是評估：(i) 資產賬面值能否以可收回金額（即公平值減出售成本或使用價值的較高者）支持；及(ii) 編製現金流量預測時將應用的適當主要假設，包括該等現金流量預測是否使用適當貼現率貼現。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

4.6 Deferred tax asset

As at 31 December 2023, no deferred tax asset has been recognised on the tax losses of HK\$208,966,000 (2022: HK\$171,985,000) 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, which is a key source of estimation uncertainty. 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.

4.7 Land appreciation tax

The Group is subject to land appreciation tax in the PRC. However, the implementation and settlement of the tax varies and the Group has not finalised its land appreciation tax calculation and payments with local tax authorities for the properties already sold in the PRC. Accordingly, significant judgement and estimation is required in determining the amount of the land appreciation tax and its related income tax provisions. The Group recognised the land appreciation tax based on management's best estimates. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the tax provisions in the periods in which such tax is finalised with local tax authorities.

4 估計不確定因素之主要來源

(續)

4.6 遞延稅項資產

於二零二三年十二月三十一日，由於不能預測未來利潤來源，故並無就稅項虧損港幣208,966,000元（二零二二年：港幣171,985,000元）確認遞延稅項資產。遞延稅項資產的實現主要取決於未來是否有足夠的盈利或可扣稅暫時差額，其為估計不確定因素之主要來源。倘產生的實際未來應課稅溢利低於或高於預期，或事實及情況出現變動而導致對未來應課稅溢利估計的修訂，則可能產生遞延稅項資產的重大撥回或進一步確認，其將於該撥回或進一步確認發生的期間確認於損益。

4.7 土地增值稅

本集團須繳納中國土地增值稅。然而，有關稅項的執行及繳納有異，且本集團尚未就於中國的已售物業與地方稅務機關落實土地增值稅的計算及支付。因此，本集團於釐定土地增值稅及其相關所得稅撥備的金額時須作出重大判斷及估計。本集團根據管理層的最佳估計確認土地增值稅。最終稅務結果可能有別於最初記錄的金額，而相關差額將於本集團與地方稅務機關落實該稅項期間對所得稅撥備構成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE

(i) Disaggregation of the Group's revenue from contracts with customers

5 營業額

(i) 本集團來自客戶合約之營業額之分列賬款

		For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度				
Segments		Leasing	Bulk commodity trade	Property development and investment	Marine recreation services and hotel	Total
分類		租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Types of goods or services	商品或服務類型					
Sales of:	銷售：					
– properties	– 物業	–	–	84,067	–	84,067
– steel and chemical products	– 鋼材及化工產品	–	13,641	–	–	13,641
Consultancy service income from leasing arrangements	租賃安排之諮詢服務收入	29,065	–	–	–	29,065
Marine recreation, hotel and travel agency services income	海上旅遊、酒店及旅行社服務收入	–	–	–	35,531	35,531
Revenue from contracts with customers	來自客戶合約之營業額	29,065	13,641	84,067	35,531	162,304
Rental income from investment properties	來自投資物業的租金收入	–	–	2,752	–	2,752
Rental income under operating lease in respect of owned machineries and equipment	有關自有機械及設備之經營租賃項下租金收入	128,494	–	–	–	128,494
Interest income from loan receivables	應收貸款之利息收入	442,086	–	–	–	442,086
Finance lease income	融資租賃收入	4,375	–	–	–	4,375
Total	總計	604,020	13,641	86,819	35,531	740,011
Timing of revenue recognition:	營業額確認時間：					
A point in time	於某一時間點	29,065	13,641	84,067	29,764	156,537
Over time	隨時間	–	–	–	5,767	5,767
		29,065	13,641	84,067	35,531	162,304

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE (Continued)

(i) Disaggregation of the Group's revenue from contracts with customers (Continued)

		For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度				
Segments	Leasing	Bulk commodity trade	Property development and investment	Marine recreation and hotel services	Total	
分類	租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	港幣千元
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Types of goods or services	商品或服務類型					
Sales of:	銷售：					
– properties	– 物業	–	–	84,262	–	84,262
– steel and chemical products	– 鋼材及化工產品	–	761,745	–	–	761,745
Consultancy service income from leasing arrangements	租賃安排之諮詢服務收入	54,763	–	–	–	54,763
Marine recreation, hotel and travel agency services income	海上旅遊、酒店及旅行社服務收入	–	–	–	14,017	14,017
Revenue from contracts with customers	來自客戶合約之營業額	54,763	761,745	84,262	14,017	914,787
Rental income from investment properties	來自投資物業的租金收入	–	–	2,788	–	2,788
Rental income under operating lease in respect of owned machineries and equipment	有關自有機械及設備之經營租賃項下租金收入	32,022	–	–	–	32,022
Interest income from loan receivables	應收貸款之利息收入	316,756	–	–	–	316,756
Finance lease income	融資租賃收入	11,037	–	–	–	11,037
Total	總計	414,578	761,745	87,050	14,017	1,277,390
Timing of revenue recognition:	營業額確認時間：					
A point in time	於某一時間點	54,763	761,745	84,262	9,875	910,645
Over time	隨時間	–	–	–	4,142	4,142
		54,763	761,745	84,262	14,017	914,787

5 營業額 (續)

(i) 本集團來自客戶合約之營業額之分列賬款 (續)

For the year ended 31 December 2022
截至二零二二年十二月三十一日止年度

	Leasing	Bulk commodity trade	Property development and investment	Marine recreation and hotel services	Total	
分類	租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	港幣千元
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Types of goods or services	商品或服務類型					
Sales of:	銷售：					
– properties	– 物業	–	–	84,262	–	84,262
– steel and chemical products	– 鋼材及化工產品	–	761,745	–	–	761,745
Consultancy service income from leasing arrangements	租賃安排之諮詢服務收入	54,763	–	–	–	54,763
Marine recreation, hotel and travel agency services income	海上旅遊、酒店及旅行社服務收入	–	–	–	14,017	14,017
Revenue from contracts with customers	來自客戶合約之營業額	54,763	761,745	84,262	14,017	914,787
Rental income from investment properties	來自投資物業的租金收入	–	–	2,788	–	2,788
Rental income under operating lease in respect of owned machineries and equipment	有關自有機械及設備之經營租賃項下租金收入	32,022	–	–	–	32,022
Interest income from loan receivables	應收貸款之利息收入	316,756	–	–	–	316,756
Finance lease income	融資租賃收入	11,037	–	–	–	11,037
Total	總計	414,578	761,745	87,050	14,017	1,277,390
Timing of revenue recognition:	營業額確認時間：					
A point in time	於某一時間點	54,763	761,745	84,262	9,875	910,645
Over time	隨時間	–	–	–	4,142	4,142
		54,763	761,745	84,262	14,017	914,787

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE (Continued)

(ii) Performance obligations for contracts with customers

Bulk commodity trade

Revenue from sales of goods is recognised at a point in time when the goods are delivered to customers and title has passed.

Property development and investment

Revenue from sales of properties is recognised at a point in time when the completed property is transferred to customers, being at the point that the customer obtains the control of the completed property and the Group has present right to payment and collection of the consideration is probable. The Group receives 20% – 100% of the contract value as deposits from customers when they sign the sale and purchase agreement for sale of properties, while the remaining portion of the total contract value will be paid to the Group from the banks once the customers meet the requirements of the banks for applying mortgage loans. The amount is generally made by the bank before the delivery of property to the buyer. The advance payment schemes result in contract liabilities being recognised throughout the property construction period until the customer obtains control of the completed property. The amount of advance payments is not adjusted for the effects of the time value of money due to the insignificant difference between the amount of promised consideration and the cash selling price of completed units by reference to the expected timing in delivery of completed units to customers.

Marine recreation services and hotel

Revenue from marine recreation services is generally recognised at point in time when the services are provided. Revenue from hotel operation is recognised over time during the period of stay for the hotel guests using output method.

Consultancy service income

Revenue from consultancy services are recognised when services are rendered.

5 營業額 (續)

(ii) 客戶合約之履約責任

大宗商品貿易

銷售貨品之收益乃於貨品交付客戶及業權轉移時的時間點確認。

物業發展及投資

出售物業之收益於已竣工物業轉讓予客戶的時間點確認，即客戶獲得已竣工物業之控制權而本集團擁有收取付款之現時權利及可能收取代價之時間點。本集團於客戶就出售物業簽訂買賣協議時向客戶收取合同價值的20%至100%作為按金，而合同總值的餘下部分將於客戶符合銀行申請按揭貸款的要求後向本集團支付。該款項一般於物業交付予買家前由銀行支付。預付款項計劃導致合同負債於整個物業建築期間確認，直至客戶取得已竣工物業的控制權為止。由於經參考向客戶交付已竣工單位的預期時間，承諾代價金額與已竣工單位的現金售價之間的差異並不重大，預付款項金額不會就貨幣時間價值的影響作出調整。

海上旅遊服務和酒店

海上旅遊服務之收益一般於提供服務的時間點確認。酒店經營之收益採用產出法於酒店顧客入住期間隨時間逐步予以確認。

諮詢服務收入

諮詢服務之收益乃於提供服務時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE (Continued)

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

Except for contracts with customers from the sales of properties, all other contracts with customers are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) for sales of properties as at 31 December 2023 and 2022 and the expected timing of recognising revenue are as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Sales of properties	出售物業		
Within one year	一年內	41,484	52,197
More than one year	多於一年	-	41,369
		41,484	93,566

(iv) Leases

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
For operating leases:	就經營租賃而言：		
Lease payments that are fixed	固定租賃付款	131,246	34,810
For finance leases:	就融資租賃而言：		
Finance income on the net investment in the lease	租賃淨投資之融資收入	4,375	11,037
Total revenue arising from leases	租賃產生的收入總額	135,621	45,847

5 營業額 (續)

(iii) 分配至客戶合約餘下履約責任的交易價格

除來自銷售物業的客戶合約外，所有其他客戶合約均為期一年或以下。誠如香港財務報告準則第15號所允許，並無披露分配至該等未履行合約的交易價格。

於二零二三年及二零二二年十二月三十一日，分配至銷售物業的餘下履約責任（未履行或部分未履行）的交易價格及預期確認收益的時間如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 REVENUE (Continued)

(iv) Leases (Continued)

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Operating lease income-properties	經營租賃收入－物業	2,752	2,788
Operating lease income-machinery and equipment	經營租賃收入－機器及設備	128,494	32,022
Finance lease income-machinery and equipment	融資租賃收入－機器及設備	4,375	11,037
Total revenue arising from leases	租賃產生的收入總額	<u>135,621</u>	<u>45,847</u>

6 OPERATING SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers ("CODM"), for the purpose of resources allocation and assessment of segment performance, focuses on types of goods or services delivered or provided.

The Group's reportable segments under HKFRS 8 are as follows:

- (1) Leasing – providing leasing services including finance lease, sale and leaseback and operating lease services
- (2) Bulk commodity trade – trading of steel and chemical products
- (3) Property development and investment – holding land for property development projects, sales of properties, and holding investment properties for appreciation and/or providing rental services
- (4) Marine recreation services and hotel – providing marine recreation, hotel and travel agency services

5 營業額 (續)

(iv) 租賃 (續)

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Operating lease income-properties	經營租賃收入－物業	2,752	2,788
Operating lease income-machinery and equipment	經營租賃收入－機器及設備	128,494	32,022
Finance lease income-machinery and equipment	融資租賃收入－機器及設備	4,375	11,037
Total revenue arising from leases	租賃產生的收入總額	<u>135,621</u>	<u>45,847</u>

6 經營分類資料

向本公司執行董事(即主要營運決策者(「主要營運決策者」))所呈報以供分配資源及評估分類表現的資料側重於所交付或提供的商品或服務類型。

以下為本集團根據香港財務報告準則第8號之報告分類：

- (1) 租賃－提供租賃服務(包括融資租賃、售後回租及經營租賃服務)
- (2) 大宗商品貿易－鋼材及化工產品貿易
- (3) 物業發展及投資－持有土地作物業發展項目用途、出售物業及持有投資物業以待升值及／或提供租賃服務
- (4) 海上旅遊服務和酒店－提供海上旅遊、酒店及旅行社服務

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 December 2023

6 經營分類資料(續)

分類收益及業績

以下為本集團按報告分類劃分之收益及業績分析：

截至二零二三年十二月三十一日止年度

		Leasing	Bulk commodity trade	Property development and investment	Marine recreation services and hotel	Total
		租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue as presented in the consolidated statement of profit or loss	綜合損益表呈列之營業額	<u>604,020</u>	<u>13,641</u>	<u>86,819</u>	<u>35,531</u>	<u>740,011</u>
Segment results	分類業績	<u>155,192</u>	<u>742</u>	<u>26,742</u>	<u>(3,732)</u>	<u>178,944</u>
Fair value loss on investment properties	投資物業之公平值虧損					(4,541)
Unallocated finance costs	未分配融資成本					(29,353)
Unallocated corporate expenses	未分配企業開支					(29,144)
Unallocated corporate income	未分配企業收入					<u>5,595</u>
Profit before tax	除稅前溢利					<u><u>121,501</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2022

6 經營分類資料 (續)

分類收益及業績 (續)

截至二零二二年十二月三十一日止年度

		Leasing	Bulk commodity trade	Property development and investment	Marine recreation services and hotel	Total
		租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue as presented in the consolidated statement of profit or loss	綜合損益表呈列之營業額	414,578	761,745	87,050	14,017	1,277,390
Segment results	分類業績	176,315	3,253	24,060	(25,356)	178,272
Fair value loss on investment properties	投資物業之公平值虧損					(6,238)
Unallocated finance costs	未分配融資成本					(13,484)
Unallocated corporate expenses	未分配企業開支					(41,689)
Unallocated corporate income	未分配企業收入					5,370
Profit before tax	除稅前溢利					122,231

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit earned by/loss from each segment without allocation of corporate expenses and income, directors' emoluments, fair value loss on investment properties and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Unallocated corporate income mainly comprised interest income from deposits and related parties (2022: net exchange gain and interest income from deposits and related parties) which are not directly attributable to the business activities of any operating segment.

經營分類的會計政策與本集團會計政策相同。分部溢利/(虧損)指各分類賺取溢利/虧損，並無分配企業開支及收入、董事酬金、投資物業公平值虧損及融資成本。此為就資源分配及表現評估向主要營運決策者報告的衡量標準。

未分配企業收入主要包括來自存款及關連方之利息收入(二零二二年: 匯兌收益淨額及來自存款及關連方之利息收入)，並不直接歸屬於任何經營分類的業務活動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Segment revenue and results (Continued)

Unallocated corporate expenses mainly comprised depreciation, staff costs and legal and professional expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

		Note 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Segment assets	分類資產			
Leasing	租賃		9,669,393	9,113,630
Bulk commodity trade	大宗商品貿易		10,798	25,901
Property development and investment	物業發展及投資	(a)	397,497	431,602
Marine recreation services and hotel	海上旅遊服務和酒店		143,302	153,320
Total segment assets	分類資產總值		10,220,990	9,724,453
Unallocated	未分配			
– other financial assets	– 其他金融資產		32,342	69,183
– bank balances and cash	– 銀行結存及現金		258,034	140,885
– other unallocated assets	– 其他未分配資產		58,830	75,214
Consolidated assets	綜合資產		10,570,196	10,009,735
Segment liabilities	分類負債			
Leasing	租賃		6,935,212	6,246,782
Bulk commodity trade	大宗商品貿易		469	8,787
Property development and investment	物業發展及投資		194,058	234,620
Marine recreation services and hotel	海上旅遊服務和酒店		44,197	43,406
Total segment liabilities	分類負債總額		7,173,936	6,533,595
Bank borrowings	銀行借貸		500,000	500,000
Other unallocated liabilities	其他未分配負債		36,157	40,890
Consolidated liabilities	綜合負債		7,710,093	7,074,485

Note:

- (a) Segment assets of property development and investment segment include investment properties but segment results exclude the related fair value loss of HK\$4,541,000 (2022: HK\$6,238,000) for the year.

6 經營分類資料 (續)

分類收益及業績 (續)

未分配企業開支主要包括折舊、本集團總部的員工成本以及法律及專業開支，並不直接歸屬於任何經營分類的業務活動。

分類資產及負債

以下為本集團的資產及負債按報告分類之分析：

	Note 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Segment assets			
Leasing		9,669,393	9,113,630
Bulk commodity trade		10,798	25,901
Property development and investment	(a)	397,497	431,602
Marine recreation services and hotel		143,302	153,320
Total segment assets		10,220,990	9,724,453
Unallocated			
– other financial assets		32,342	69,183
– bank balances and cash		258,034	140,885
– other unallocated assets		58,830	75,214
Consolidated assets		10,570,196	10,009,735
Segment liabilities			
Leasing		6,935,212	6,246,782
Bulk commodity trade		469	8,787
Property development and investment		194,058	234,620
Marine recreation services and hotel		44,197	43,406
Total segment liabilities		7,173,936	6,533,595
Bank borrowings		500,000	500,000
Other unallocated liabilities		36,157	40,890
Consolidated liabilities		7,710,093	7,074,485

附註：

- (a) 物業發展及投資分類之分類資產包括投資物業，但分類業績不包括年內相關公平值虧損港幣4,541,000元（二零二二年：港幣6,238,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Segment assets and liabilities (Continued)

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

- all assets are allocated to reportable segments other than assets held by head office and the inactive subsidiaries; and
- all liabilities are allocated to reportable segments other than borrowings and liabilities incurred by head office and the inactive subsidiaries.

Other segment information

For the year ended 31 December 2023

6 經營分類資料 (續)

分類資產及負債 (續)

為監控分類表現及於分類間分配資源：

- 除總辦事處及不活躍附屬公司持有之資產外，所有資產均分配至報告分類；及
- 除總辦事處及不活躍附屬公司產生之借貸及負債外，所有負債均分配至報告分類。

其他分類資料

截至二零二三年十二月三十一日止年度

	Leasing 租賃 HK\$'000 港幣千元	Bulk commodity trade 大宗商品貿易 HK\$'000 港幣千元	Property development and investment 物業發展及投資 HK\$'000 港幣千元	Marine recreation services and hotel 海上旅遊服務和酒店 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Amounts included in the measure of segment results or segment assets 計入分類業績或分類資產計量之金額						
Additions to non-current assets (other than financial assets and deferred tax assets) 添置非流動資產 (金融資產及遞延稅項資產除外)	200	-	-	5,345	25	5,570
Depreciation 折舊	90,030	15	2,338	11,474	2,196	106,053
Impairment losses under expected credit loss model, net of reversal 預期信貸虧損模式項下之減值虧損 (扣除撥回)	48,602	(18)	-	-	-	48,584
Loss on disposal of property, plant and equipment 出售物業、廠房及設備之虧損	2	-	10	111	-	123
Gain on disposal of investment properties 出售投資物業之收益	-	-	(255)	-	-	(255)
Interest income from deposits and other financial assets 存款及其他金融資產之利息收入	(11,861)	(486)	(690)	(59)	(3,284)	(16,380)
Interest expenses (included in cost of sales) 利息支出 (計入銷售成本)	257,493	-	-	-	-	257,493
Finance costs 融資成本	1,577	18	-	129	29,353	31,077
Amount regularly provided to the CODM but not included in the analysis of the segment's performance or segment assets: 定期向主要營運決策者提供但未納入分類表現或分類資產分析之金額：						
Fair value loss on investment properties 投資物業公平值虧損	-	-	4,541	-	-	4,541

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Other segment information (Continued)

For the year ended 31 December 2022

6 經營分類資料 (續)

其他分類資料 (續)

截至二零二二年十二月三十一日止年度

	Leasing	Bulk commodity trade	Property development and investment	Marine recreation services and hotel	Unallocated	Total
	租賃	大宗商品貿易	物業發展及投資	海上旅遊服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元

Amounts included in the measure of segment results or segment assets

計入分類業績或分類資產計量之金額

Additions to non-current assets (other than financial assets and deferred tax assets)	添置非流動資產 (金融資產及遞延稅項資產除外)	460,458	-	1,793	1,951	6,179	470,381
Depreciation	折舊	22,311	15	22	12,727	4,916	39,991
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式下之減值虧損 (扣除撥回)	4,586	18	-	-	-	4,604
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	-	-	342	-	342
Gain on disposal of investment properties	出售投資物業之收益	-	-	(1,786)	-	-	(1,786)
Interest income from deposits and other financial assets	存款及其他金融資產之利息收入	(11,220)	(5)	(551)	(57)	(1,847)	(13,680)
Interest expenses (included in cost of sales)	利息支出 (計入銷售成本)	155,771	-	-	-	-	155,771
Finance costs	融資成本	100	1,952	-	25	13,484	15,561
Amount regularly provided to the CODM but not included in the analysis of the segment's performance or segment assets:							
定期向主要營運決策者提供但未納入分類表現或分類資產分析之金額:							
Fair value loss on investment properties	投資物業公平值虧損	-	-	6,238	-	-	6,238

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OPERATING SEGMENT INFORMATION

(Continued)

Geographical information

The Group's operations are located in Hong Kong, the PRC and others.

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets (other than financial instruments and deferred tax assets) is presented based on the physical location of the assets.

		Revenue from external customers 來自外部客戶之收益		Non-current assets (note) 非流動資產 (附註)	
		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Hong Kong	香港	11,013	584,780	3,707	5,892
The PRC	中國	724,076	514,239	654,768	781,258
Others	其他	4,922	178,371	-	-
		740,011	1,277,390	658,475	787,150

Note: Non-current assets excluded financial instruments and deferred tax assets.

Information about major customers

Revenue from customer of the corresponding year contributing over 10% of the total revenue of the Group is as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Customer A	客戶A	N/A 不適用¹	379,434

¹ The corresponding revenue does not contribute over 10% of the total revenue of the Group.

6 經營分類資料 (續)

地區資料

本集團的業務分佈於香港、中國及其他地區。

本集團來自外部客戶之收益資料乃根據客戶所在地而呈列。本集團非流動資產 (金融工具及遞延稅項資產除外) 之資料乃根據該等資產之實際位置而呈列。

		Revenue from external customers 來自外部客戶之收益		Non-current assets (note) 非流動資產 (附註)	
		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Hong Kong	香港	11,013	584,780	3,707	5,892
The PRC	中國	724,076	514,239	654,768	781,258
Others	其他	4,922	178,371	-	-
		740,011	1,277,390	658,475	787,150

附註：非流動資產不包括金融工具及遞延稅項資產。

主要客戶資料

於相關年度佔本集團總營業額10%以上的客戶貢獻的收入如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Customer A	客戶A	N/A 不適用¹	379,434

¹ 相應收入對本集團總收入的貢獻不超過10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 OTHER INCOME AND GAINS, NET

Interest income from:	來自以下項目之利息收入：
– deposits and other financial assets	– 存款及其他金融資產
– related parties	– 關連方
Dividend from equity instruments at FVTOCI	按公平值計入其他全面收益的權益工具的股息
Government subsidies (note)	政府補助 (附註)
Gain on disposal of investment properties	出售投資物業之收益
Others	其他

Note:

For the year ended 31 December 2023, HK\$442,000 (2022: HK\$797,000) are government grants obtained from Mainland local government supporting the tourism business. The Group has complied with the requirements set out by the local government for both years.

During the year ended 31 December 2022, among the government subsidies, HK\$192,000 (2023: nil) represented government grants obtained from the Employment Support Scheme (“ESS”) under the Anti-epidemic Fund launched by the Government of the Hong Kong Special Administrative Region supporting the payroll of the Group’s employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not to reduce employee head count below prescribed levels as set out in the ESS.

7 其他收入及收益淨額

2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
16,380	13,680
2,248	3,022
46	63
442	989
255	1,786
2,910	5,289
22,281	24,829

附註：

截至二零二三年十二月三十一日止年度，政府補助港幣442,000元（二零二二年：港幣797,000元）為從內地當地政府取得以支持旅遊業務的政府補助。本集團於兩個年度內已履行當地政府制定之規定。

截至二零二二年十二月三十一日止年度，於政府補貼中，港幣192,000元（二零二三年：零）為香港特別行政區政府推出的防疫抗疫基金項下保就業計劃（「保就業計劃」）獲得的政府補貼，以支持本集團僱員的工資。根據保就業計劃，本集團須承諾將該等補貼用於薪金開支，且不會將僱員人數減至保就業計劃規定的以下水平。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8 FINANCE COSTS

8 融資成本

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Interest on bank borrowings	銀行借貸之利息	158,797	75,423
Interest on asset-backed securities	資產支持證券之利息	120,121	89,715
Interest on loans from related parties	來自關連方貸款之利息	9,389	7,766
Interest on lease liabilities	租賃負債利息	263	224
		288,570	173,128
Less:	減：		
Amounts included in cost of sales:	計入銷售成本之金額：		
– Interest on bank borrowings	– 銀行借貸之利息	(129,532)	(61,226)
– Interest on asset-backed securities	– 資產支持證券之利息	(120,121)	(89,715)
– Interest on loans from related parties	– 來自關連方貸款之利息	(7,840)	(4,830)
		(257,493)	(155,771)
Amounts capitalised on properties under development	發展中物業之撥作資本化之金額	–	(1,796)
		31,077	15,561

In 2022, the borrowing costs had been capitalised at a rate of 2.40% per annum.

於二零二二年，借貸成本已按年利率2.40%資本化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 INCOME TAX EXPENSE

9 所得稅開支

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	27	283
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	61,552	47,358
PRC Land Appreciation Tax ("LAT")	中國土地增值稅 (「土地增值稅」)	7,936	2,641
		69,515	50,282
Under/(over)provision in prior years:	過往年度撥備不足/ (超額撥備)：		
Hong Kong Profits Tax	香港利得稅	4	(10)
PRC EIT	中國企業所得稅	-	(56)
		4	(66)
Deferred tax (note 30)	遞延稅項 (附註30)	(16,435)	(5,273)
		53,084	44,943

Under the two-tiered profits tax rate regime of Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000. The assessable profits of other subsidiaries in Hong Kong are taxed at a flat rate of 16.5%.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years. The current tax also comprised LAT which is estimated in accordance with the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

根據香港利得稅的二級利得稅制度，合資格集團實體的首港幣2,000,000元溢利將按8.25%的稅率徵稅，而超過港幣2,000,000元的溢利將按16.5%的稅率徵稅。因此，合資格集團實體的香港利得稅按估計應課稅溢利首港幣2,000,000元的8.25%計算，而超過港幣2,000,000元的估計應課稅溢利則按16.5%計算。其他附屬公司於香港之應課稅溢利按16.5%之統一稅率計算。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度的稅率均為25%。即期稅項亦包括土地增值稅。土地增值稅乃根據相關中國稅法及條例所載之規定估計。土地增值稅已按增值額之累進稅率範圍撥備，且有若干可扣減項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates:

9 所得稅開支(續)

按適用稅率計算之所得稅開支與會計溢利之對賬如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Profit before tax	除稅前溢利	121,501	122,231
Tax calculated at PRC EIT rate of 25% (2022: 25%)	按中國企業所得稅率25% (二零二二年: 25%) 計算之稅項	30,375	30,558
Effect of different tax rates of group entities operating in jurisdictions other than the PRC	在除中國外其他司法權區經營之集團實體之不同稅率影響	4,285	2,365
PRC LAT	中國土地增值稅	7,936	2,641
Tax effect on LAT	土地增值稅之稅務影響	(1,984)	(660)
Tax effect of expenses not deductible for tax purpose	納稅時不可扣除開支之稅務影響	922	2,794
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(777)	(646)
Tax effect of temporary difference not recognised	未確認臨時性差額之稅務影響	929	(44)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	7,171	7,847
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	(197)	(347)
Withholding tax for undistributed profits of PRC subsidiaries	中國附屬公司之未分配溢利之預扣稅	4,420	501
Under/(over)provision in prior years	過往年度撥備不足/(超額撥備)	4	(66)
Income tax expense	所得稅開支	53,084	44,943

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 PROFIT FOR THE YEAR

10 年內溢利

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Profit for the year has been arrived at after charging/(crediting):	年內溢利已扣除／（計入）：		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	106,054	39,996
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(1)	(5)
		<u>106,053</u>	<u>39,991</u>
Staff costs (including directors' emoluments)	員工成本（包括董事酬金）	59,851	69,165
Contributions to retirement benefits schemes (including directors' emoluments)	退休福利計劃供款（包括董事酬金）	12,765	14,359
Total staff costs	員工成本總計	72,616	83,524
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(1,123)	(1,833)
		<u>71,493</u>	<u>81,691</u>
Impairment losses under expected credit loss model, net of reversal – trade and other receivables – finance lease receivables and loan receivables	預期信貸虧損模式項下之減值虧損（扣除撥回） －貿易及其他應收款項 －融資租賃應收款項及 應收貸款	(18)	18
		<u>48,602</u>	<u>4,586</u>
		<u>48,584</u>	<u>4,604</u>
Auditor's remuneration	核數師酬金	2,510	2,080
Cost of commodities sold (included in cost of sales)	商品銷售成本（計入銷售成本）	13,442	752,844
Cost of properties sold (included in cost of sales)	物業銷售成本（計入銷售成本）	51,689	57,970
Exchange loss, net	匯兌虧損淨額	2,374	7,584
Loss on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損淨額	123	342
Gross rental income from investment properties	來自投資物業之租賃收入總額	(2,752)	(2,788)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

Directors' remuneration for the year, disclosed pursuant to applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows:

For the year ended 31 December 2023

	Executive directors			Non-executive director	Independent non-executive directors			Total
	執行董事			非執行董事	獨立非執行董事			
	Zhang Bin	Gu Honglin	Yang Tianzhou	Wang Daxiong	Chang Qing	Lee Man Chun, Tony	He Jia	
	張斌	顧洪林	楊田洲	王大雄	常清	李萬全	何佳	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(note (a)) (附註(a))	(note (b)) (附註(b))				
Fees	袍金	-	-	10	360	360	360	1,090
Salaries and other allowances	薪金及其他津貼	-	-	-	-	-	-	-
Discretionary bonus	酌情花紅	-	-	-	-	-	-	-
Contribution to retirement benefits schemes	退休福利計劃供款	-	-	-	-	-	-	-
Total emoluments	總酬金	-	-	10	360	360	360	1,090

11 董事及高級管理層酬金

(a) 董事酬金

根據適用上市規則及香港公司條例披露的本年度董事酬金如下：

截至二零二三年十二月三十一日止年度

For the year ended 31 December 2022

	Executive directors			Non-executive director	Independent non-executive directors			Total
	執行董事			非執行董事	獨立非執行董事			
	Zhang Bin	Gu Honglin	Yang Tianzhou	Wang Daxiong	Chang Qing	Lee Man Chun, Tony	He Jia	
	張斌	顧洪林	楊田洲	王大雄	常清	李萬全	何佳	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(note (c)) (附註(c))					
Fees	袍金	-	-	180	360	360	360	1,260
Salaries and other allowances	薪金及其他津貼	-	-	-	-	-	-	-
Discretionary bonus	酌情花紅	-	-	-	-	-	-	-
Contribution to retirement benefits schemes	退休福利計劃供款	-	-	-	-	-	-	-
Total emoluments	總酬金	-	-	180	360	360	360	1,260

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

Notes:

- (a) Mr. Yang Tianzhou has resigned as an executive director with effect from 12 January 2024.
- (b) Mr. Wang Daxiong was appointed as a non-executive director with effect from 1 July 2022 and resigned with effect from 11 January 2023.
- (c) Mr. Gu Honglin was appointed as an executive director with effect from 23 December 2022.

The executive directors are not paid directly by the Company but receive emoluments from the Company's holding company, in respect of their services to the larger group which includes the Group. No apportionment has been made as the qualifying services provided by these directors to the Group are incidental to their responsibilities to the larger group. There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

(b) Five highest paid individuals

None (2022: none) of the director of the Company was included in the five highest paid individuals of the Group for the year ended 31 December 2023. The emoluments of the five (2022: five) highest paid individuals who are neither a director nor chief-executive of the Company for the year ended 31 December 2023 were as follows:

11 董事及高級管理層酬金 (續)

(a) 董事酬金 (續)

附註：

- (a) 楊田洲先生已辭任執行董事職務，自二零二四年一月十二日起生效。
- (b) 王大雄先生獲委任為非執行董事，自二零二二年七月一日起生效，並於二零二三年一月十一日辭任。
- (c) 顧洪林先生獲委任為執行董事，自二零二二年十二月二十三日起生效。

執行董事的董事酬金並非由本公司直接支付，而是從本公司的控股公司收取酬金，作為彼等為包括本集團在內的更大集團提供服務的代價。由於該等董事向本集團提供的合資格服務與其對更大集團的責任有關，故並無作出分攤。概無董事放棄或同意放棄年內任何酬金的安排。

(b) 五名最高薪酬人士

截至二零二三年十二月三十一日止年度，無（二零二二年：無）本公司董事計入本集團五名最高薪酬人士。截至二零二三年十二月三十一日止年度，五名（二零二二年：五名）非本公司董事或最高行政人員的最高薪酬人士之酬金如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	3,874	4,359
Performance-based bonus	績效獎金	2,359	3,075
Contributions to retirement benefit schemes	退休福利計劃供款	919	739
		7,152	8,173

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(b) Five highest paid individuals (Continued)

The number of the highest paid individuals who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		Number of individuals 人員數目	
		2023 二零二三年	2022 二零二二年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	3	1
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	2	4
		<u>5</u>	<u>5</u>

During the years ended 31 December 2023 and 2022, no remuneration was paid by the Group to the directors or the five (2022: five) highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

(c) Senior management's emolument

The remuneration paid to the senior management (other than the directors as disclosed in note 11(a) above) for the years fell within the following band:

		Number of individuals 人員數目	
		2023 二零二三年	2022 二零二二年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	1

11 董事及高級管理層酬金 (續)

(b) 五名最高薪酬人士 (續)

薪酬介乎以下範圍的非本公司董事的最高薪酬人士的人數如下：

		Number of individuals 人員數目	
		2023 二零二三年	2022 二零二二年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	3	1
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	2	4
		<u>5</u>	<u>5</u>

於截至二零二三年及二零二二年十二月三十一日止年度，本集團並無向董事或五名（二零二二年：五名）最高薪酬個人支付任何酬金，作為鼓勵其加入本集團或於其加入本集團時之獎勵，或作為其離職之補償。

(c) 高級管理層酬金

於年內，向高級管理層（除上文附註11(a)披露的董事外）支付的酬金介乎下列組別：

		Number of individuals 人員數目	
		2023 二零二三年	2022 二零二二年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	1	1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 DIVIDENDS

12 股息

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Dividends proposed:	建議宣派股息：		
Proposed final dividend of HK0.34 cent (2022: HK0.39 cent) per ordinary share in respect of the current financial year	本財政年度建議宣派每股普通股0.34港仙(二零二二年：0.39港仙)之末期股息	<u>20,280</u>	<u>23,262</u>
Dividends paid in cash:	已付現金股息：		
Final dividend of HK0.39 cent (2021: HK0.54 cent) per ordinary share in respect of the previous financial year	過往財政年度宣派每股普通股0.39港仙(二零二一年：0.54港仙)之末期股息	<u>23,262</u>	<u>32,209</u>

The final dividend of HK0.34 cent per ordinary share proposed after the reporting date for the year ended 31 December 2023 were not recognised as a liability at the end of the reporting date. In addition, the final dividend is subject to the shareholders' approval at the forthcoming annual general meeting.

於報告日期後建議宣派截至二零二三年十二月三十一日止年度之末期股息每股普通股0.34港仙，於報告日期後並無確認為負債。此外，末期股息須待股東於應屆股東週年大會批准後，方可作實。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Earnings	盈利		
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	用於計算每股基本盈利之本公司擁有人應佔年內溢利	68,003	76,066
		2023 二零二三年 '000 千股	2022 二零二二年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings per share	用於計算每股基本盈利之加權平均普通股數目	5,952,885	5,952,885

Diluted earnings per share for the years ended 31 December 2023 and 2022 are not presented as there were no dilutive potential ordinary shares in issue during both years.

13 每股盈利

本公司擁有人應佔每股基本盈利乃基於以下數據計算：

由於截至二零二三年及二零二二年十二月三十一日止年度並無存在具攤薄潛力之已發行普通股，故並無呈列兩個年度之每股攤薄盈利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT

14 物業、廠房及設備

	Buildings	Furniture and equipment	Motor vehicles and vessels	Marine travel facilities and equipment	Land and other properties leased for own use	Machineries and equipment	Total
	樓宇	傢俬及辦公設備	汽車及船舶	海上旅遊設施及設備	持作自用之土地及其他物業租賃	機械及設備	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost	成本						
At 1 January 2022	164,497	21,259	75,627	7,640	74,303	134,308	477,634
Exchange adjustments	(12,134)	(2,283)	(5,755)	(564)	(4,800)	(20,603)	(46,139)
Additions	-	42,494	28	-	12,543	413,555	468,620
Disposals	-	(4,920)	(2,970)	-	-	-	(7,890)
Eliminated upon end of leases	-	-	-	-	(10,308)	-	(10,308)
At 31 December 2022 and 1 January 2023	152,363	56,550	66,930	7,076	71,738	527,260	881,917
Exchange adjustments	(4,045)	(1,409)	(1,867)	(188)	(1,697)	(13,998)	(23,204)
Additions	-	337	-	-	5,233	-	5,570
Disposals	-	(252)	-	-	-	-	(252)
Lease modifications	-	-	-	-	(4,718)	-	(4,718)
Transfer to investment properties (note 15)	(3,831)	-	-	-	-	-	(3,831)
At 31 December 2023	144,487	55,226	65,063	6,888	70,556	513,262	855,482
Accumulated depreciation and impairment	累計折舊及減值						
At 1 January 2022	43,960	13,054	49,473	6,445	33,453	23,878	170,263
Exchange adjustments	(3,422)	(492)	(4,068)	(468)	(1,893)	(2,295)	(12,638)
Provided for the year	6,918	2,281	2,669	-	7,483	20,645	39,996
Eliminated on disposals	-	(4,569)	(2,881)	-	-	-	(7,450)
Eliminated upon end of leases	-	-	-	-	(10,308)	-	(10,308)
At 31 December 2022 and 1 January 2023	47,456	10,274	45,193	5,977	28,735	42,228	179,863
Exchange adjustments	(1,260)	(123)	(1,353)	(156)	(708)	(1,121)	(4,721)
Provided for the year	6,467	7,994	2,448	-	6,169	82,976	106,054
Eliminated on disposals	-	(129)	-	-	-	-	(129)
Lease modifications	-	-	-	-	(1,302)	-	(1,302)
Transfer to investment properties (note 15)	(1,765)	-	-	-	-	-	(1,765)
At 31 December 2023	50,898	18,016	46,288	5,821	32,894	124,083	278,000
Carrying amounts	賬面值						
At 31 December 2023	93,589	37,210	18,775	1,067	37,662	389,179	577,482
At 31 December 2022	104,907	46,276	21,737	1,099	43,003	485,032	702,054

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Buildings	4%
Furniture and equipment	10% to 33%
Motor vehicles and vessels	6.67% to 33%
Marine travel facilities and equipment	6.67% to 33%
Machineries and equipment	16.67%
Right-of-use assets	Over the shorter of the assets' useful life or the lease term

The Group as lessee

Right-of-use assets (included in the property, plant and equipment)

14 物業、廠房及設備 (續)

以上物業、廠房及設備項目乃於考慮剩餘價值後均按下列年率以直線法折舊：

樓宇	4%
傢俬及設備	10% 至33%
汽車及船舶	6.67% 至33%
海上旅遊設施及設備	6.67% 至33%
機械及設備	16.67%
使用權資產	資產可使用年期及租期 (以較短者為準)

本集團作為承租人

使用權資產 (計入在物業、廠房和設備)

		Leasehold lands 租賃土地 HK\$'000 港幣千元	Leased properties 租賃物業 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
As at 31 December 2023	於二零二三年十二月三十一日			
Carrying amount	賬面值	29,475	8,187	37,662
As at 31 December 2022	於二零二二年十二月三十一日			
Carrying amount	賬面值	32,272	10,731	43,003
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	折舊支出	1,940	4,229	6,169
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	折舊支出	<u>2,046</u>	<u>5,437</u>	<u>7,483</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group as lessee (Continued)

Right-of-use assets (included in the property, plant and equipment) (Continued)

Total cash outflow for lease 租賃的現金流出總額
Additions to right-of-use assets 添置使用權資產

For both years, the Group leases various offices for its operations. Lease contracts are entered into for fixed term of 3 years (2022: 3 years) without extension and termination options.

The Group has obtained the land use right certificate for all leasehold lands.

The Group as lessor

As at 31 December 2023 and 2022, the Group leases out all the machineries and equipment under operating leases to generate rental income.

Impairment assessment

In respect of the Group's marine recreation services and hotel CGU, due to recurring operating losses, the management of the Group concluded there was indication for impairment and conducted an impairment assessment on the recoverable amounts of certain property, plant and equipment under this CGU.

The Group estimates the recoverable amounts of the relevant assets under the CGU based on the higher of fair value less costs of disposal and value in use. The carrying amount of the relevant assets does not exceed the recoverable amount based on fair value less costs of disposal and no impairment has been recognised.

14 物業、廠房及設備 (續)

本集團作為承租人 (續)

使用權資產 (計入在物業、廠房和設備) (續)

2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
3,860	7,456
5,233	12,543

本集團於兩年內租賃多間辦公室以供營運之用。租賃合同的固定年期為3年 (二零二二年: 3年), 不含延期及終止選擇權。

本集團已就所有租賃土地獲取土地使用權證。

本集團作為出租人

於二零二三年及二零二二年十二月三十一日, 本集團根據經營租賃租出所有機器及設備, 以產生租金收入。

評估減值

就本集團的海上旅遊服務及酒店現金產生單位而言, 由於錄得經常性經營虧損, 本集團管理層認為存在減值跡象, 對該現金產生單位下的若干物業、廠房及設備的可收回金額進行了減值評估。

本集團根據公平值減出售成本與使用價值之較高者估計該現金產生單位下相關資產的可收回金額。相關資產的賬面值不超過根據公平值減出售成本的可收回金額, 且並無確認減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES

The Group leases out various offices and stores under operating leases with rentals payable monthly. The leases typically run for an initial period of 3 – 10 years (2022: 3 – 10 years), with unilateral rights to extend the lease beyond initial period held by lessees only.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

15 投資物業

本集團根據經營租賃出租多個辦公室及店舖，租金按月支付。該等租賃一般初步為期3至10年（二零二二年：3至10年），僅承租人有權單方面將租期延長至初步期限之後。

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團並無因租賃安排而面臨外幣風險。租賃合約並不包括剩餘價值擔保及／或承租人於租期結束時購買物業的選擇權。

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Fair value	按公平值		
At 1 January	於一月一日	85,096	99,255
Exchange adjustments	匯兌調整	(2,258)	(7,142)
Changes in fair value recognised in profit or loss	於損益中確認之公平值變動	(4,541)	(6,238)
Additions	添置	–	1,762
Disposals	出售	(769)	(2,541)
Transfer from property, plant and equipment (note 14)	轉自物業、廠房及設備 (附註14)	3,465	–
At 31 December	於十二月三十一日	80,993	85,096
Fair value loss on investment properties included in profit or loss	計入損益的投資物業公平值虧損	(4,541)	(6,238)

The carrying amount of investment properties shown above represents properties situated in the PRC held under medium-term leases.

During the year ended 31 December 2023, buildings with carrying amount of HK\$2,066,000 (2022: nil) included in property, plant and equipment (note 14) were transferred to investment properties and revaluation gain of approximately HK\$1,049,000 (2022: nil), net of tax, was credited to revaluation reserve as operating lease agreements were entered into with a third party for these buildings since the prior year to generate rental income.

上文所示之投資物業之賬面值指根據中期租約於中國持有之物業。

截至二零二三年十二月三十一日止年度，計入物業、廠房及設備（附註14）之賬面值為港幣2,066,000元（二零二二年：零）之樓宇已轉至投資物業，而稅後淨額之重估收益約港幣1,049,000元（二零二二年：零）已計入重估儲備，乃由於自往年與一名第三方就該等樓宇訂立經營租賃協議以產生租金收入。

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15 INVESTMENT PROPERTIES (Continued)

The fair values of the Group's investment properties at 31 December 2023 and 2022 have been arrived at on the basis of a valuation carried out on the respective dates by Jones Lang Lasalle Corporate Appraisal and Advisory Limited, an independent qualified professional valuer not connected to the Group. Jones Lang Lasalle Corporate Appraisal and Advisory Limited is a member of the Hong Kong Institute of Surveyors and possesses appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 "Fair value measurement". The level into which a fair value measurement is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Fair value hierarchy as at 31 December 2023

	Level 1 一級 HK\$'000 港幣千元	Level 2 二級 HK\$'000 港幣千元	Level 3 三級 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	
Investment properties: Property units – the PRC	投資物業： 物業單位－中國	–	2,134	78,859	80,993

Fair value hierarchy as at 31 December 2022

	Level 1 一級 HK\$'000 港幣千元	Level 2 二級 HK\$'000 港幣千元	Level 3 三級 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元	
Investment properties: Property units – the PRC	投資物業： 物業單位－中國	–	10,485	74,611	85,096

15 投資物業 (續)

本集團於二零二三年及二零二二年十二月三十一日之投資物業之公平值以獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司(與本集團並無關連)於各自日期所採用之估值基準入賬。仲量聯行企業評估及諮詢有限公司為香港測量師學會會員，擁有合適資格，近期亦有相關地點類似物業之估值經驗。

於估計物業之公平值時，有關物業之最高及最佳用途即為其當前用途。

下表呈列於報告期末按經常性基準計量的本集團投資物業的公平值，歸類為香港財務報告準則第13號「公平值計量」定義的三級公平值等級。公平值計量歸類的層級經參考估值方法中使用的輸入數據的可觀察性及重要性釐定如下：

於二零二三年十二月三十一日的公平值等級

於二零二二年十二月三十一日的公平值等級

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (Continued)

As at 31 December 2023, due to the disappearance of the observable input (that is the market price), an investment property of HK\$10,208,000 was transferred from Level 2 to Level 3 in the fair value hierarchy. Besides, an investment property of HK\$1,551,000 was transferred from Level 3 to Level 2 in the fair value hierarchy as the fair value is based on recent transaction price of sales agreement concluded with an independent third party.

Except as disclosed above, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 during the year ended 31 December 2023 (2022: no transfers between Level 1 and Level 2, or transfers into or out of Level 3). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Fair value is determined by applying the income approach for the years ended 31 December 2023 and 2022 and based on the following significant unobservable inputs.

Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
重大不可觀察輸入數據	範圍	不可觀察輸入數據與公平值之關係
Term yield 年期回報率	3.0% – 4.5% per annum (2022: 3.0% – 4.5% per annum) 每年3.0% – 4.5% (二零二二年：每年3.0% – 4.5%)	The higher the term yield, the lower the fair value. 年期回報率愈高，則公平值愈低。
Expected vacancy rate 預期空置率	0% – 10.0% (2022: 0% – 10.0%) 0% – 10.0% (二零二二年：0% – 10.0%)	The higher the expected vacancy rate, the lower the fair value. 預期空置率愈高，則公平值愈低。
Reversionary yield 復歸回報率	3.5% – 5.0% per annum (2022: 3.5% – 5.0% per annum) 每年3.5% – 5.0% (二零二二年：每年3.5% – 5.0%)	The higher the reversionary yield, the lower the fair value. 復歸回報率愈高，則公平值愈低。
Daily rent 每日租金	RMB1.40 – RMB8.00 per square meter (2022: RMB1.09 – RMB6.02 per square meter) 每平方米人民幣1.40元 – 人民幣8.00元 (二零二二年：每平方米人民幣1.09元 – 人民幣6.02元)	The higher the daily rent, the higher the fair value. 每日租金愈高，則公平值愈高。

15 投資物業 (續)

於二零二三年十二月三十一日，由於可觀察輸入數據（即市場價格）消失，港幣10,208,000元的投資物業由公平值等級二級轉為三級。此外，由於公平值乃基於與獨立第三方訂立的銷售協議之近期交易價格計算，故港幣1,551,000元的投資物業由公平值等級三級轉為二級。

除上文披露者外，截至二零二三年十二月三十一日止年度，概無一級與二級之間的轉移或於三級的轉入或轉出（二零二二年：概無一級與二級之間的轉移或於三級的轉入或轉出）。本集團之政策為於發生轉移之報告期末確認公平值等級之間轉移。

截至二零二三年及二零二二年十二月三十一日止年度，公平值乃透過採用收入法及根據以下重大不可觀察輸入數值釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 INVESTMENT PROPERTIES (Continued)

For the investment properties under Level 3 recurring fair value measurement, a reconciliation of the opening and closing fair value balances is provided below.

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (三級經常性公平值)	74,611	87,933
Exchange adjustments	匯兌調整	(2,564)	(6,305)
Fair value change	公平值變動	(3,142)	(6,238)
Addition	添置		1,762
Disposals	出售	(769)	(2,541)
Transfer from property, plant and equipment (note 14)	轉自物業、廠房及設備 (附註14)	2,066	-
Transfer from Level 2	轉自二級	10,208	-
Transfer out of Level 3	轉出三級	(1,551)	-
Closing balance (Level 3 recurring fair value)	年末餘額 (三級經常性公平值)	<u>78,859</u>	<u>74,611</u>

Information about Level 2 fair value measurement – Property unit in the PRC

For the investment property of which the sales agreement was concluded, it was valued by recent transaction price without any significant adjustment being made to the market observable data. The fair value measurement was classified as Level 2.

15 投資物業 (續)

由於投資物業之公平值屬三級經常性公平值計量，年初與年末公平值餘額之對賬如下。

有關二級公平值計量之資料—於中國 的物業單位

對於已訂立銷售協議的投資物業，採用近期交易價格對市場可觀察數據未作任何重大調整的情況下進行估值。公平值計量分類為二級。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the principal subsidiaries directly/indirectly held by the Company at the end of the reporting period are set out below:

16 本公司主要附屬公司之詳情

本公司於報告期末直接/間接持有的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立/ 註冊/營業地點	Paid-up capital/issued share capital 已繳足資本/ 已發行股本	Effective equity interest held by the Company 本公司持有之實際權益		Principal activities 主要業務
			2023	2022	
			二零二三年 %	二零二二年 %	
Directly held: 直接持有：					
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	100	Investment holding 投資控股
Indirectly held: 間接持有：					
Chengtong Trading (International) Limited 誠通貿易(國際)有限公司	Hong Kong 香港	HK\$429 港幣429元	100	100	Finance leasing 融資租賃
Chengtong World Trade Limited 誠通世亞有限公司	Hong Kong 香港	HK\$10,000,000 港幣10,000,000元	51	51	Bulk commodity trade 大宗商品貿易
Zhucheng Phoenix Landmark Company Limited*^ 諸城鳳凰置地有限公司*^	The PRC 中國	RMB50,000,000 人民幣50,000,000元	100	100	Property development and investment 物業發展及投資
Chengtong Financial Leasing Company Limited*^ 誠通融資租賃有限公司*^	The PRC 中國	RMB2,000,000,000 人民幣2,000,000,000元	100	100	Finance leasing and operating leasing 融資租賃及經營租賃
Chengtong Development Trading Company Limited*^ 誠通發展貿易有限公司*^	The PRC 中國	RMB100,000,000 人民幣100,000,000元	100	100	Bulk commodity trade 大宗商品貿易
Hainan Yalong Bay Underwater World Travel Company Limited*^ 海南亞龍灣海底世界旅游有限公司*^	The PRC 中國	RMB96,000,000 人民幣96,000,000元	100	100	Provision of marine recreation services 提供海上旅遊服務
Hainan Huandao Underwater World Hotel Company Limited*^ 海南寰島海底世界酒店有限公司*^	The PRC 中國	RMB8,000,000 人民幣8,000,000元	100	100	Hotel business 酒店業務

* A limited liability company established in the PRC.
^ The English names are for identification only.

* 一間於中國成立之有限公司。
^ 英文名稱僅供識別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results of the year or formed a substantial portion of the assets and liabilities 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.

None of the subsidiaries had issued any debt securities, except that Chengtong Financial Leasing Company Limited, the Company's wholly-owned subsidiary, had issued asset-backed securities. As at 31 December 2023, the outstanding balance of the issued asset-backed securities amounted to approximately RMB3,046,925,000 (equivalent to HK\$3,351,617,000) (2022: RMB2,596,388,000 (equivalent to HK\$2,933,919,000)), among which the Group held an interest in approximately RMB314,000,000 (equivalent to HK\$345,400,000) (2022: RMB205,000,000 (equivalent to HK\$231,650,000)).

The following table lists out the information relating to Chengtong World Trade Limited, the subsidiary of the Company which has non-controlling interests ("NCI") in the respective years. The summarised financial information presented below represents the amounts before intragroup eliminations.

16 本公司主要附屬公司之詳情 (續)

上表列出本公司董事認為主要影響本集團年內業績或形成本集團大部分資產及負債之本公司附屬公司。本公司董事考慮到篇幅所限，故並無列出其他附屬公司之詳情。

並無附屬公司發行任何債務證券，惟本公司之全資附屬公司誠通融資租賃有限公司已發行資產支持證券。於二零二三年十二月三十一日，已發行資產支持證券之未償還結餘為約人民幣3,046,925,000元（相當於港幣3,351,617,000元）（二零二二年：人民幣2,596,388,000元（相當於港幣2,933,919,000元）），而本集團於其中擁有約人民幣314,000,000元（相當於港幣345,400,000元）（二零二二年：人民幣205,000,000元（相當於港幣231,650,000元））的權益。

下表列出有關本公司附屬公司誠通世亞有限公司於各年度持有非控股權益（「非控股權益」）的資料。以下呈列之財務資料概要為未計集團間抵銷前之數額。

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綜合財務報表附註

16 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Chengtong World Trade Limited

16 本公司主要附屬公司之詳情 (續)

誠通世亞有限公司

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
As at 31 December	於十二月三十一日		
NCI percentage	非控股權益百分比	49%	49%
Current assets	流動資產	10,776	25,864
Non-current assets	非流動資產	22	37
Current liabilities	流動負債	(474)	(8,922)
Non-current liabilities	非流動負債	–	–
Equity attributable to owners of the Company	本公司擁有人應佔之權益	5,264	8,658
NCI of Chengtong World Trade Limited	誠通世亞有限公司非控股權益	5,060	8,321
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收益	13,641	761,745
Profit for the year	年內溢利	845	2,493
Total comprehensive income	全面收益總額	845	2,493
Profit and total comprehensive income attributed to NCI of Chengtong World Trade Limited	歸屬於誠通世亞有限公司非控股權益的利潤及綜合收入總額	414	1,222
Dividend to disclosure	股息披露		
Dividend paid to NCI of Chengtong World Trade Limited	已付誠通世亞有限公司非控股權益之股息	3,675	–
For the year ended 31 December	截至十二月三十一日止年度		
Net cash flows from operating activities	經營活動產生之現金流量	19,245	31,467
Net cash flows from investing activities	投資活動產生之現金流量	486	22
Net cash flows from financing activities	融資活動產生之現金流量	(12,763)	(44,263)
Net cash outflows	現金流出淨額	6,968	(12,774)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 PROPERTIES HELD FOR SALE/PROPERTIES UNDER DEVELOPMENT

17 持作出售物業／發展中物業

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Properties held for sale	持作出售物業	198,869	63,927
Properties under development	發展中物業	-	182,767
		198,869	246,694

As at 31 December 2022, properties held under development comprised leasehold lands in the PRC under medium-term lease for commercial use and long lease for residential use and certain construction costs. The amount was expected to be recovered within the Group's operating cycle, thus, it was classified as current assets as at 31 December 2022. Upon completion of construction works, completed properties under development were transferred to properties held for sale.

於二零二二年十二月三十一日，發展中物業包括根據商業用途中期租約及住宅用途長期租約於中國持有的租賃土地及若干建築成本。該款項預計將於本集團經營週期內收回，因此於二零二二年十二月三十一日，列為流動資產。建設工程完工後，完工的發展中物業已轉入持作出售物業。

Analysis of leasehold lands:

租賃土地分析：

		HK\$'000 港幣千元
As at 31 December 2023	於二零二三年十二月三十一日	
Carrying amount	賬面值	116,633
As at 31 December 2022	於二零二二年十二月三十一日	
Carrying amount	賬面值	119,337

During the year ended 31 December 2023, there are neither additions of nor any cash outflow on the leasehold lands (2022: nil).

於截至二零二三年十二月三十一日止年度，租賃土地並無增加或任何現金流出（二零二二年：無）。

The carrying amount of leasehold lands is measured at cost less any accumulated depreciation and impairment losses. The residual values are determined as the estimated disposal value of the leasehold land component. No depreciation charge is made on the leasehold lands taking into account the estimated residual values as at 31 December 2023 (2022: nil).

租賃土地的賬面值以成本減任何累計折舊及減值虧損計量。剩餘價值確定為租賃土地部分的估計出售價值。考慮到於二零二三年十二月三十一日的估計剩餘價值，租賃土地不計提折舊費用（二零二二年：無）。

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綜合財務報表附註

18 INVENTORIES

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Bulk commodities	大宗商品	–	2,557
Merchandises and consumables	商品及消耗品	3,848	4,304
		3,848	6,861

18 存貨

19 TRADE AND OTHER RECEIVABLES

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Trade and bills receivables (note (a))	貿易應收款項及應收票據 (附註(a))	4,067	21,643
Less: Allowance for credit losses	減：信貸虧損撥備	(1)	(19)
		4,066	21,624
Other prepayments and deposits	其他預付款項及按金	3,220	3,458
Other receivables (note (b))	其他應收款項(附註(b))	15,604	15,449
Other tax recoverable	其他可收回稅項	28,338	64,337
Amount due from a related company (note (c))	應收一家關連公司款項 (附註(c))	1,671	3,458
		52,899	108,326

19 貿易及其他應收款項

Notes:

- (a) As at 31 December 2023, the amounts mainly represented trade and bills receivables of nil (2022: HK\$19,486,000) from bulk commodity trade business and HK\$3,708,000 (2022: HK\$2,022,000) from leasing out owned machineries and equipment under operating lease arrangement. Credit period of 1 to 30 days was granted to customers for trade and bills receivables as at 31 December 2023 and 2022.

The Group normally grants credit terms to its customers according to industry practice together with consideration of their credibility and repayment history. The Group maintains strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

As at 31 December 2023, loss allowance of HK\$1,000 (2022: HK\$19,000) was made against the gross amount of trade and bills receivables.

附註：

- (a) 於二零二三年十二月三十一日，該等金額主要指來自大宗商品貿易業務的貿易應收款項及應收票據為零（二零二二年：港幣19,486,000元）及來自經營租賃安排項下的出租自有機械設備港幣3,708,000元（二零二二年：港幣2,022,000元）。於二零二三年及二零二二年十二月三十一日，就貿易應收款項及應收票據而言，客戶獲授予1至30日除賬期。

本集團通常根據業內常規並考慮客戶的信用程度及償還記錄，向彼等授出除賬期。本集團對其未收回之應收款項維持嚴格的控制。逾期結餘由高級管理層定期檢視。

於二零二三年十二月三十一日，已就貿易應收款項及應收票據總額作出虧損撥備港幣1,000元（二零二二年：港幣19,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(a) (Continued)

The following is an ageing analysis of trade and bills receivables, net of allowance for credit losses presented based on the invoice date at the end of the reporting period:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
1 – 30 days	1至30天	2,447	2,616
31 – 90 days	31至90天	1,619	18,991
Over 90 days	超過90天	–	17
		4,066	21,624

The ageing analysis of trade and bills receivables, net of allowance for credit losses presented that are not considered to be credit-impaired based on the past due date at the end of the reporting period is as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Not yet past due	尚未逾期	4,066	21,559
Less than one month past due	逾期少於一個月	–	65
		4,066	21,624

As at 31 December 2023, trade receivables with carrying amount of approximately HK\$728,000 (2022: HK\$412,000) and HK\$2,814,000 (2022: HK\$1,610,000) have been pledged as security for bank borrowings (note 28) and asset-backed securities (note 29), respectively.

(b) As at 31 December 2023, loss allowance of HK\$186,000 (2022: HK\$186,000) were made against the gross amount of other receivables.

(c) As at 31 December 2023, the amount due from a related company included HK\$468,000 (2022: HK\$3,100,000) interest receivable arising from loan to a related company and the remaining balance is unsecured, interest-free and repayable on demand.

Details of impairment assessment are set out in note 36(b).

19 貿易及其他應收款項 (續)

附註：(續)

(a) (續)

於報告期末按發票日期呈報之貿易應收款項及應收票據(扣除信貸虧損撥備)之賬齡分析如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
1 – 30 days	1至30天	2,447	2,616
31 – 90 days	31至90天	1,619	18,991
Over 90 days	超過90天	–	17
		4,066	21,624

根據報告期末的逾期到期日，未被視為信用減值之貿易應收款項及應收票據(扣除信用虧損撥備)之賬齡分析如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Not yet past due	尚未逾期	4,066	21,559
Less than one month past due	逾期少於一個月	–	65
		4,066	21,624

於二零二三年十二月三十一日，賬面值約港幣728,000元(二零二二年：港幣412,000元)及港幣2,814,000元(二零二二年：港幣1,610,000元)的貿易應收款項已分別抵押作為銀行借貸(附註28)及資產支持證券(附註29)擔保。

(b) 於二零二三年十二月三十一日，已就其他應收款項總額計提虧損撥備港幣186,000元(二零二二年：港幣186,000元)。

(c) 於二零二三年十二月三十一日，應收一家關連公司款項為包括因貸款予關連公司而產生的港幣468,000元(二零二二年：港幣3,100,000元)的應收利息，而剩餘餘額為無抵押、免息及須按的要求償還。

減值評估詳情載於附註36(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES

20 融資租賃應收款項及應收貸款

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Finance lease receivables	融資租賃應收款項	44,612	90,492
Loan receivables	應收貸款	8,887,820	8,143,585
		8,932,432	8,234,077
Less: Allowance for credit losses	減：信貸虧損撥備	(64,670)	(16,503)
		8,867,762	8,217,574
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	3,963,122	3,227,908
Non-current assets	非流動資產	4,904,640	4,989,666
		8,867,762	8,217,574

The Group is engaged in finance lease arrangements and sale and leaseback arrangements.

For finance lease arrangements, the ownership of the leased assets will be transferred to the lessees at a purchase option price upon settlement of the principal of finance lease receivables and the interest accrued under the finance lease arrangements. The terms of finance lease entered into usually range from 2 to 5 years (2022: 2 to 5 years).

As at 31 December 2023, loss allowance of HK\$64,670,000 (2022: HK\$16,503,000) was made against the gross amount of financial lease receivables and loan receivables.

本集團從事融資租賃安排以及售後回租安排。

就融資租賃安排而言，待該等融資租賃安排項下之融資租賃應收款項本金及應計利息結算後，租賃資產之所有權將按購買期權價轉移至承租人。所訂立融資租賃的期限通常介乎2至5年（二零二二年：2至5年）。

於二零二三年十二月三十一日，已就融資租賃應收款項及應收貸款總額計提虧損撥備港幣64,670,000元（二零二二年：港幣16,503,000元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES (Continued)

The finance lease receivables are due as follows:

20 融資租賃應收款項及應收貸款 (續)

融資租賃應收款項的到期情況如下：

		2023 二零二三年		2022 二零二二年	
		Minimum lease payments 最低租賃付款 HK\$'000 港幣千元	Present value of minimum lease payments 最低租賃付款之現值 HK\$'000 港幣千元	Minimum lease payments 最低租賃付款 HK\$'000 港幣千元	Present value of minimum lease payments 最低租賃付款之現值 HK\$'000 港幣千元
Finance lease receivables comprise:	融資租賃應收款項包括：				
Within one year	一年內	35,569	34,038	47,682	44,159
In the second year	於第二年	11,326	10,574	36,599	34,927
In the third year	於第三年	-	-	11,665	11,406
		46,895	44,612	95,946	90,492
Gross investment in the lease	租賃投資總額	46,895	N/A 不適用	95,946	N/A 不適用
Less: Unearned finance income	減：未賺取融資收入	(2,283)	N/A 不適用	(5,454)	N/A 不適用
Present value of minimum lease payment	最低租賃付款的現值	44,612	44,612	90,492	90,492
Less: Allowance for credit losses	減：信貸虧損撥備		-		(11)
			44,612		90,481
Analysed for reporting purposes as:	分析作呈報用途：				
Current assets	流動資產		34,038		44,148
Non-current assets	非流動資產		10,574		46,333
			44,612		90,481

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES (Continued)

As at 31 December 2023, the effective interest rates of finance lease receivables ranged from 3.93% to 5.55% (2022: from 4.36% to 7.06%) per annum.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of the group entities.

Loan receivables arose from the sale and leaseback arrangements. Under these arrangements, customers (i.e. lessees) disposed of their equipment and facilities to the Group and leased back the equipment and facilities. In addition, the ownership of the leased assets will be transferred back to the lessees at a purchase option price upon settlement of the principal of the loan receivables and the interest accrued under the sale and leaseback arrangements. The lessees retain control of the equipment and facilities before and after entering into the sale and leaseback arrangements, which do not therefore constitute a lease for accounting purposes. As such, the sale and leaseback arrangements have been accounted for as a secured loan and recognised in accordance with HKFRS 9.

20 融資租賃應收款項及應收貸款 (續)

於二零二三年十二月三十一日，融資租賃應收款項的實際年利率介乎3.93%至5.55%（二零二二年：4.36%至7.06%）。

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團並無因租賃安排而面臨外幣風險。

該等售後回租安排產生應收貸款。根據該等安排，客戶（即承租人）向本集團出售其設備及設施，並回租有關設備及設施。此外，待售後回租安排項下之應收貸款本金及應計利息結算後，租賃資產之所有權將按購買期權價格轉移至承租人。由於該等承租人於訂立售後回租安排之前及之後保留設備及設施之控制權，故有關安排就會計處理而言並不構成租賃。就此，售後回租安排入賬為有抵押貸款，並根據香港財務報告準則第9號確認。

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Fixed-rate loan receivables	應收定息貸款	1,834,789	1,913,516
Variable-rate loan receivables	應收浮息貸款	7,053,031	6,230,069
		8,887,820	8,143,585
Less: Allowance for credit losses	減：信貸虧損撥備	(64,670)	(16,492)
		8,823,150	8,127,093
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	3,929,084	3,183,760
Non-current assets	非流動資產	4,894,066	4,943,333
		8,823,150	8,127,093

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES (Continued)

As at 31 December 2023, included in the Group's loan receivables balance are debtors with aggregate carrying amount of HK\$26,341,000 (2022: HK\$11,851,000) which are past due as at the reporting date, of which nil (2022: HK\$11,851,000) has been past due 90 days or more. The directors of the Company are of the view that it is not considered as default based on the financial background of the customers.

The exposure of the Group's fixed-rate loan receivables to fair value interest rate risk and their contractual maturity dates are as follows:

20 融資租賃應收款項及應收貸款 (續)

於二零二三年十二月三十一日，本集團之應收貸款結餘包括賬面總值為港幣26,341,000元（二零二二年：港幣11,851,000元）之應收賬款，其於報告日期已逾期，其中港幣零元（二零二二年：港幣11,851,000元）已逾期90日或以上。本公司董事認為，其根據客戶的財務背景不被視作違約。

本集團之應收定息貸款面對之公平值利率風險及其合約到期日如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Fixed-rate loan receivables (gross carrying amount):	應收定息貸款（總賬面值）：		
Within one year	不超過一年	1,065,013	819,782
In more than one year but not more than two years	超過一年但不超過兩年	662,321	675,730
In more than two years but not more than five years	超過兩年但不超過五年	107,455	412,897
In more than five years	超過五年	-	5,107
		1,834,789	1,913,516

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES (Continued)

The exposure of the Group's variable-rate loan receivables to cash flow interest rate risk and their contractual maturity dates are as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Variable-rate loan receivables (gross carrying amount):	應收浮息貸款(總賬面值):		
Within one year	不超過一年	2,928,741	2,380,470
In more than one year but not more than two years	超過一年但不超過兩年	2,541,317	1,870,803
In more than two years but not more than five years	超過兩年但不超過五年	1,582,973	1,276,973
In more than five years	超過五年	-	701,823
		7,053,031	6,230,069

The above variable-rate loan receivables carries interest at a premium over Loan Prime Rate in PRC.

The ranges of effective interest rates on the Group's loan receivables are as follows:

		2023 二零二三年	2022 二零二二年
Effective interest rate:	實際利率:		
Fixed-rate loan receivables	應收定息貸款	3.80% – 8.83%	4.59% – 8.06%
Variable-rate loan receivables	應收浮息貸款	3.71% – 7.67%	3.90% – 8.77%

20 融資租賃應收款項及應收貸款 (續)

本集團之應收浮息貸款面對之現金流量利率風險及其合約到期日如下:

上述應收浮息貸款按中國貸款市場報價利率的溢價計息。

本集團應收貸款之實際利率範圍如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCE LEASE RECEIVABLES AND LOAN RECEIVABLES (Continued)

The Group's loan receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

United States dollars ("USD") 美元(「美元」)

As at 31 December 2023, all of the finance lease receivables and loan receivables are secured by the leased equipment and facilities, among which nil (2022: HK\$10,536,000) are further secured by land from the related party of the lessee and HK\$4,260,343,000 (2022: HK\$5,202,714,000) are further guaranteed by the related parties of the lessees. The lessees are obliged to settle the amounts according to the terms set out in the relevant contracts. The Group is not permitted to sell or repledge the collateral in the absence of default by lessees. Also, certain finance lease receivables and loan receivables were secured by deposits received from customers of HK\$363,446,000 (2022: HK\$262,247,000).

As at 31 December 2023, finance lease receivables and loan receivables with a carrying amount of approximately HK\$3,757,860,000 (2022: HK\$2,289,693,000) was pledged as security for bank borrowings (note 28) and a carrying amount of approximately HK\$3,019,024,000 (2022: HK\$2,555,035,000) was pledged as security for the asset-backed securities (note 29).

Details of impairment assessment are set out in note 36(b).

20 融資租賃應收款項及應收貸款 (續)

本集團以相關集團實體功能貨幣以外之貨幣計值之應收貸款載列如下：

	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
	64,456	96,657

於二零二三年十二月三十一日，所有融資租賃應收款項及應收貸款以租賃設備及設施作為抵押品，其中港幣零元（二零二二年：港幣10,536,000元）另以承租人之關連方之土地作為抵押品及港幣4,260,343,000元（二零二二年：港幣5,202,714,000元）另由承租人之關連方擔保。承租人有義務根據相關合約所載條款結算相關款項。在承租人並無違約的情況下，本集團不得出售或再質押抵押品。此外，若干融資租賃應收款項及應收貸款以已收客戶存款港幣363,446,000元（二零二二年：港幣262,247,000元）作抵押。

於二零二三年十二月三十一日，賬面值約為港幣3,757,860,000元（二零二二年：港幣2,289,693,000元）的融資租賃應收款項及應收貸款已抵押作為銀行借貸擔保（附註28），而賬面值約為港幣3,019,024,000元（二零二二年：港幣2,555,035,000元）的融資租賃應收款項及應收貸款已抵押作為資產支持證券擔保（附註29）。

減值評估詳情載於附註36(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 LOANS TO/FROM RELATED PARTIES

(a) Loans to related parties

As at 31 December 2023, the balance of HK\$27,500,000 (2022: HK\$33,900,000) represented the outstanding loan principal due from 中國寰島集團有限公司 (unofficial English translation being China Huandao Group Limited), a wholly-owned subsidiary of CCHG. The loan bears interest at 8% (2022: 8%) per annum. The loan has been renewed on 11 September 2023 and the repayment date of the loan has been extended to 11 September 2025 (2022: the repayment date of the loan was 2 September 2023). The Group has the right to request the related party to provide a security by pledging certain office premises held by the related party at any time before the full repayment of the loan.

Details of impairment assessment are set out in note 36(b).

(b) Loans from related parties

As at 31 December 2023, the balances of HK\$143,000,000 (2022: HK\$203,400,000) and HK\$22,000,000 (2022: HK\$33,900,000) represented two tranches of outstanding loan principals payable to Chengtong (Shenzhen) Investment Co., Limited, a subsidiary of CCHG. The loans are unsecured, bear interest at 4.60% and 4.30% (2022: 4.60% and 4.30%) per annum, respectively, and will be repayable on 29 June 2024 and 29 November 2024, respectively.

As at 31 December 2022, the balance of HK\$101,700,000 represented the outstanding loan principal from China Chengtong Hong Kong Company Limited, the immediate holding company of the Company. The loan was unsecured, bore interest at 4.30% per annum. The loan was repaid on 29 December 2023.

21 授予／來自關連方貸款

(a) 授予關連方貸款

於二零二三年十二月三十一日，餘額港幣27,500,000元（二零二二年：港幣33,900,000元）指應收中國寰島集團有限公司（誠通控股之全資附屬公司）之未償還貸款本金。貸款按年利率8%（二零二二年：8%）計息。貸款已於二零二三年九月十一日重續，而貸款之還款日期已延至二零二五年九月十一日（二零二二年：貸款之還款日期為二零二三年九月二日）。本集團有權於貸款獲悉數償還之前任何時間要求關連方通過抵押關連方持有之若干辦公物業提供擔保。

減值評估詳情載於附註36(b)。

(b) 來自關連方貸款

於二零二三年十二月三十一日，餘額港幣143,000,000元（二零二二年：港幣203,400,000元）及港幣22,000,000元（二零二二年：港幣33,900,000元）指應付誠通（深圳）投資有限公司（誠通控股之附屬公司）之兩批未償還貸款本金。貸款乃無抵押，按年利率分別為4.60%及4.30%（二零二二年：4.60%及4.30%）計息，並將分別於二零二四年六月二十九日及二零二四年十一月二十九日償還。

於二零二二年十二月三十一日，餘額港幣101,700,000元指應付中國誠通香港有限公司（本公司之直接控股公司）之未償還貸款本金。貸款乃無抵押，按年利率4.30%計息。貸款已於二零二三年十二月二十九日償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 OTHER FINANCIAL ASSETS

22 其他金融資產

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Financial assets measured at FVTOCI	按公平值計入其他全面收益之金融資產		
– Listed equity investments in Hong Kong	– 於香港上市的權益投資	27,686	60,706
– Unlisted equity investments	– 未上市權益投資	4,656	8,477
		32,342	69,183
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	27,686	60,706
Non-current assets	非流動資產	4,656	8,477
		32,342	69,183

These investments are not held for trading, instead, they are held for long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

- (i) For listed equity investments in Hong Kong, the fair value is based on the quoted market bid price available on the Stock Exchange.
- (ii) The unlisted equity investments represent the Group's equity interest in certain private entities established in the PRC. As at 31 December 2023, the fair values of these equity investments amounted to HK\$4,656,000 (2022: HK\$8,477,000). The fair values of these unlisted equity investments were assessed by a professional independent valuer.
- (iii) During the year ended 31 December 2023, a loss on change in fair value of HK\$35,866,000 (2022: HK\$11,526,000), net of tax, has been recognised in other comprehensive income.

該等投資並非持作買賣而是持作長期戰略用途。本公司董事已選擇將該等投資指定為按公平值計入其他全面收益的權益工具，此乃由於彼等信納於損益確認該等投資公平值的短期波動不符合本集團就長期目的持有該等投資以及長遠而言實現該等投資潛在效益的策略。

- (i) 就於香港的上市權益投資而言，公平值乃基於聯交所提供的市場買入價計算。
- (ii) 未上市權益投資指本集團於若干於中國成立的私營實體的股權。於二零二三年十二月三十一日，該等權益投資公平值為港幣4,656,000元（二零二二年：港幣8,477,000元）。該等未上市權益投資的公平值乃由專業獨立估值師評估得出。
- (iii) 截至二零二三年十二月三十一日止年度，公平值變動虧損（扣除稅項）港幣35,866,000元（二零二二年：港幣11,526,000元）已於其他全面收益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS

23 銀行結存及現金以及已抵押銀行存款

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Bank balances and cash	銀行結存及現金		
Cash at banks and on hand	銀行及手頭現金	<u>698,579</u>	<u>472,852</u>
Pledged bank deposits	已抵押銀行存款		
Deposits pledged against banking facilities granted to mortgagors	就授予按揭人之銀行融資抵押之存款	2,555	3,973
Other secured deposits	其他抵押存款	<u>9,417</u>	<u>57,736</u>
		<u>11,972</u>	<u>61,709</u>

As at 31 December 2023, bank balances deposited in the financial institutions in Hong Kong carry interest at rate ranged from 0.01% to 5.57% (2022: from 0.01% to 3.69%) per annum. Bank balances deposited in the financial institutions in the PRC carry interest at benchmark rate offered by The People's Bank of China.

Bank balances and cash and pledged bank deposits held by the Group's subsidiaries in the PRC amounting to HK\$501,814,000 (2022: HK\$449,668,000) were denominated in Renminbi ("RMB"), which are not a freely convertible currency in the international market. The remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

As required by the PRC State-Owned Land and Resources Bureau, the property development company of the Group is required to place in designated bank accounts the pre-sale proceeds of properties to finance the construction of the related properties. The deposits can only be used for purchase of construction materials and payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resources Bureau is obtained. The cash deposited in the designated bank accounts for the aforesaid specific usage as at 31 December 2023 amounted to HK\$22,311,000 (2022: HK\$41,462,000). The directors of the Company considered these bank deposits form part of the Group's normal operating fund, which was included in "bank balances and cash", and was presented as part of cash and cash equivalents.

Details of impairment assessment of bank balance and pledged bank deposits are set out in note 36(b).

於二零二三年十二月三十一日，於香港金融機構之銀行結存的年利率介乎0.01%至5.57%（二零二二年：介乎0.01%至3.69%）。於中國之金融機構之銀行結存按中國人民銀行公佈之基準利率計息。

本集團之中國附屬公司所持金額為港幣501,814,000元（二零二二年：港幣449,668,000元）之銀行結存及現金以及已抵押銀行存款以人民幣（「人民幣」）列值，惟人民幣不可於國際市場自由兌換。自中國匯出有關資金須受中國政府實施之外匯管制所規限。

根據中國國土資源部的規定，本集團物業發展公司須向指定銀行戶口存入物業預售所得的款項，作為興建相關物業的資金。該存款僅可用作購買建築材料及於中國國土資源部批准相關物業項目後支付建造費用。於二零二三年十二月三十一日，在指定銀行戶口存放作上述特定用途之現金為港幣22,311,000元（二零二二年：港幣41,462,000元）。本公司董事認為，該等銀行存款構成本集團一般營運資金的一部分，並已計入「銀行結存及現金」及作為現金及現金等價物的一部分列賬。

銀行結存及已抵押銀行存款減值評估詳情載於附註36(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

24 融資活動產生的負債對賬

下表詳列本集團因融資活動產生的負債變動，包括現金及非現金變動。融資活動產生的負債為現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動所得現金流量的負債。

		Loans from related parties (note 21(b)) 來自關連方的貸款 (附註21(b)) HK\$'000 港幣千元	Lease liabilities (note 27) 租賃負債 (附註27) HK\$'000 港幣千元	Bank borrowings (note 28) 銀行借貸 (附註28) HK\$'000 港幣千元	Asset-backed securities (note 29) 資產支持證券 (附註29) HK\$'000 港幣千元
At 1 January 2023	於二零二三年一月一日	339,000	8,273	3,167,005	2,702,269
Changes from financing cash flows:	來自融資現金流量的變動：				
Proceeds from new loans	新貸款所得款項	-	-	3,050,075	-
Proceeds from issuance of asset-backed securities	發行資產支持證券之所得款項	-	-	-	2,730,200
Repayment of loans	償還貸款	(165,000)	-	(2,400,860)	-
Repayment of asset-backed securities	償還資產支持證券	-	-	-	(2,356,834)
Interest paid	已付利息	(9,389)	(263)	(164,365)	(117,797)
Repayment of lease liabilities	償還租賃負債	-	(3,597)	-	-
Total changes from financing cash flows	來自融資現金流量的變動總額	(174,389)	(3,860)	484,850	255,569
Exchange adjustments	匯兌調整	(9,000)	(77)	(62,749)	(71,742)
Other changes:	其他變動：				
Interest expenses	利息開支	9,389	263	158,797	120,121
New lease	新租賃	-	5,233	-	-
Lease modification	租賃修改	-	(2,838)	-	-
Total other changes	其他變動總額	9,389	2,658	158,797	120,121
At 31 December 2023	於二零二三年十二月三十一日	165,000	6,994	3,747,903	3,006,217

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

24 融資活動產生的負債對賬(續)

		Loans from related parties (note 21(b)) 來自關連方 的貸款 (附註21(b)) HK\$'000 港幣千元	Lease liabilities (note 27) 租賃負債 (附註27) HK\$'000 港幣千元	Bank borrowings (note 28) 銀行借貸 (附註28) HK\$'000 港幣千元	Asset-backed securities (note 29) 資產支持 證券 (附註29) HK\$'000 港幣千元
At 1 January 2022	於二零二二年一月一日	47,556	3,098	1,441,775	2,932,607
Changes from financing cash flows:	來自融資現金流量的變動:				
Proceeds from new loans	新貸款所得款項	510,960	-	3,383,125	-
Proceeds from issuance of asset-backed securities	發行資產支持證券之所得款項	-	-	-	1,500,800
Repayment of loans	償還貸款	(209,520)	-	(1,539,480)	-
Repayment of asset-backed securities	償還資產支持證券	-	-	-	(1,570,955)
Interest paid	已付利息	(8,382)	(224)	(74,903)	(87,529)
Repayment of lease liabilities	償還租賃負債	-	(7,232)	-	-
Total changes from financing cash flows	來自融資現金流量的變動總額	<u>293,058</u>	<u>(7,456)</u>	<u>1,768,742</u>	<u>(157,684)</u>
Exchange adjustments	匯兌調整	(9,380)	(136)	(118,935)	(162,369)
Other changes:	其他變動:				
Interest expenses	利息開支	7,766	224	73,627	89,715
Capitalised borrowing costs	資本化借貸成本	-	-	1,796	-
New leases	新租賃	-	12,543	-	-
Total other changes	其他變動總額	<u>7,766</u>	<u>12,767</u>	<u>75,423</u>	<u>89,715</u>
At 31 December 2022	於二零二二年十二月三十一日	<u><u>339,000</u></u>	<u><u>8,273</u></u>	<u><u>3,167,005</u></u>	<u><u>2,702,269</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE AND OTHER PAYABLES

25 貿易及其他應付款項

		2023 二零二三年 <i>HK\$'000</i> 港幣千元	2022 二零二二年 (Re-presented) (經重列) <i>HK\$'000</i> 港幣千元
Trade and bills payables (note (a))	貿易應付款項及應付票據 (附註(a))	70,492	192,778
Other payables and accruals	其他應付款項及應計款項	74,904	78,212
Deposits received (note (b))	已收按金(附註(b))	391,345	292,043
Accrual of construction costs	應計工程費用	22,782	64,712
Amount due to ultimate holding company (note (c))	應付最終控股公司款項 (附註(c))	11,043	14,482
Amount due to immediate holding company (note (c))	應付直接控股公司款項 (附註(c))	1,766	800
Amounts due to fellow subsidiaries (note (c))	應付同系附屬公司款項 (附註(c))	233	334
		572,565	643,361
Analysed for reporting purposes as:	分析作呈報用途：		
Current liabilities	流動負債	239,374	390,832
Non-current liabilities	非流動負債	333,191	252,529
		572,565	643,361

Notes:

- (a) As at 31 December 2023, bills payables were secured by pledged bank deposits of HK\$9,312,000 (2022: HK\$57,630,000).

The ageing analysis of the trade and bills payables presented based on the invoice date at the end of the reporting period is as follows:

附註：

- (a) 於二零二三年十二月三十一日，應付票據由已抵押銀行存款港幣9,312,000元(二零二二年：港幣57,630,000元)作抵押。

於報告期末按發票日期呈報的貿易應付款項及應付票據之賬齡分析如下：

		2023 二零二三年 <i>HK\$'000</i> 港幣千元	2022 二零二二年 <i>HK\$'000</i> 港幣千元
1 – 30 days	1至30天	70,377	192,374
31 – 90 days	31至90天	115	403
Over 90 days	超過90天	-	1
		70,492	192,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

- (b) The amounts mainly represent deposits received from customers under operating lease, finance lease and sale and leaseback arrangements which will be returned to the customers at the end of the lease terms. As at 31 December 2023, the deposits received amounting to approximately HK\$333,191,000 (31 December 2022 (re-presented): approximately HK\$252,529,000) are presented as non-current liabilities based on the final lease instalment due date stipulated in the finance lease and sale and leaseback agreements, which are beyond twelve months at the end of the reporting period. Accordingly, the comparative figures have been reclassified to conform with the current year's presentation.
- (c) The amounts due to ultimate holding company, immediate holding company and fellow subsidiaries are unsecured, interest-free and repayable on demand.

26 CONTRACT LIABILITIES

Sales of properties	出售物業
Bulk commodity trade	大宗商品貿易

As at 1 January 2022, contract liabilities amounted to HK\$136,724,000. All contract liabilities arising from the Group's sales of properties are within the Group's normal operating cycle.

25 貿易及其他應付款項 (續)

附註：(續)

- (b) 該等金額主要指經營租賃、融資租賃及售後回租安排項下的已收客戶按金，其將於租賃期結束時退還予客戶。於二零二三年十二月三十一日，已收按金約港幣333,191,000元（二零二二年十二月三十一日（經重列）：約港幣252,529,000元）根據融資租賃及售後回租協議中所訂明的最終租賃分期付款到期日（於報告期末十二月後）呈列為非流動負債。因此，比較數字已重新分類，以符合本年度的呈列方式。
- (c) 應付最終控股公司、直接控股公司及同系附屬公司款項為無抵押、免息及須按要求償還。

26 合同負債

	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Sales of properties	136,065	137,360
Bulk commodity trade	-	1,886
	136,065	139,246

於二零二二年一月一日，合同負債達港幣136,724,000元。本集團出售物業產生的所有合同負債均於本集團正常營運週期內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 CONTRACT LIABILITIES (Continued)

The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities:

		Sales of properties 出售物業 HK\$'000 港幣千元	Bulk commodity trade 大宗商品貿易 HK\$'000 港幣千元
For the year ended 31 December 2023	截至二零二三年十二月 三十一日止年度		
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合同負債結餘的已確認收入	50,485	1,886
For the year ended 31 December 2022	截至二零二二年十二月 三十一日止年度		
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合同負債結餘的已確認收入	39,247	15,240

As at 31 December 2023, the carrying amount of contract liabilities of HK\$136,065,000 (2022: HK\$139,246,000) represented unsatisfied performance obligations arising from property sales and bulk commodity trade, of which HK\$5,738,000 (2022: HK\$22,152,000) was expected to be recognised as income after more than one year.

26 合同負債 (續)

下表顯示本年度已確認收益中與結轉合同負債有關的金額：

		Sales of properties 出售物業 HK\$'000 港幣千元	Bulk commodity trade 大宗商品貿易 HK\$'000 港幣千元
For the year ended 31 December 2023	截至二零二三年十二月 三十一日止年度		
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合同負債結餘的已確認收入	50,485	1,886
For the year ended 31 December 2022	截至二零二二年十二月 三十一日止年度		
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合同負債結餘的已確認收入	39,247	15,240

於二零二三年十二月三十一日，合同負債的賬面值港幣136,065,000元（二零二二年：港幣139,246,000元）指出售物業及大宗商品貿易產生的未達成履約責任，其中港幣5,738,000元（二零二二年：港幣22,152,000元）預期將於超過一年後確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 LEASE LIABILITIES

27 租賃負債

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Lease liabilities payable:	應付租賃負債：		
Within one year	一年內	3,767	3,874
After one year but within two years	一年後但於兩年內	3,227	2,976
After two years but within three years	兩年後但於三年內	-	1,423
		6,994	8,273
Less: Amount due for settlement with 12 months shown under current liabilities	減：列作流動負債之12個月 內到期結算款項	(3,767)	(3,874)
Amount due for settlement after 12 months shown under non-current liabilities	列作非流動負債之12個月 後到期結算款項	3,227	4,399

The weighted average incremental borrowing rates applied to lease liabilities range from 2.27% to 7.60% (2022: 2.27% to 4.00%) per annum.

適用於租賃負債的加權平均增量借款年利率介乎2.27%至7.60%（二零二二年：2.27%至4.00%）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 BANK BORROWINGS

28 銀行借貸

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Secured	有抵押	3,099,246	2,667,005
Unsecured	無抵押	648,657	500,000
		3,747,903	3,167,005
Carrying amount of above borrowings are repayable:	上述借貸之賬面值須於以下時間償還：		
Within one year or on demand	一年以內或按要求	2,018,666	1,969,931
After one year but within two years	一年後但於兩年內	1,140,904	663,335
After two years but within five years	兩年後但於五年內	588,333	533,739
		3,747,903	3,167,005
Less: Amounts shown under current liabilities	減：列作流動負債之款項	(2,018,666)	(1,969,931)
Amounts shown under non-current liabilities	列作非流動負債之款項	1,729,237	1,197,074
Bank loan which contains a repayable on demand clause (shown under current liabilities) and the scheduled payment set out in loan agreement:	包含按要求償還條款之銀行貸款（列作流動負債）及貸款協議所載之計劃償還日期：		
Within one year	一年以內	-	115,738
After one year but within two years	一年後但於兩年內	-	135,957
After two years but within five years	兩年後但於五年內	-	83,260
		-	334,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 BANK BORROWINGS (Continued)

The exposure of the Group's bank borrowings are as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Fixed-rate bank borrowings	定息銀行借貸	958,627	1,023,929
Variable-rate bank borrowings	浮息銀行借貸	2,789,276	2,143,076
		3,747,903	3,167,005

The above variable-rate bank borrowings carry interest at Hong Kong Inter Bank Offered Rate and Loan Prime Rate. Interest is reset every six months and year respectively.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

		2023 二零二三年	2022 二零二二年
Effective interest rate:	實際利率：		
Fixed-rate bank borrowings	定息銀行借貸	2.80% – 4.70%	2.59% – 4.85%
Variable-rate bank borrowings	浮息銀行借貸	2.70% – 6.96%	3.20% – 6.77%

As at 31 December 2023, the Group's bank borrowings with carrying amount of approximately HK\$3,099,246,000 (2022: HK\$2,667,005,000) were secured by the finance lease receivables and loan receivables of the Group with an aggregate carrying amount of approximately HK\$3,757,860,000 (2022: HK\$2,289,693,000) (note 20) and trade receivables under operating lease arrangement with carrying amount of approximately HK\$728,000 (2022: HK\$412,000) (note 19) and secured bank borrowings with carrying amount of nil (2022: HK\$334,955,000) was guaranteed by the Company.

28 銀行借貸 (續)

本集團銀行借貸面對之風險如下：

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Fixed-rate bank borrowings	定息銀行借貸	958,627	1,023,929
Variable-rate bank borrowings	浮息銀行借貸	2,789,276	2,143,076
		3,747,903	3,167,005

上述浮息銀行借貸按香港銀行同業拆借利率及貸款市場報價利率計息。利息分別每六個月及每年重置一次。

本集團銀行借貸之實際利率（亦相當於合約利率）範圍如下：

		2023 二零二三年	2022 二零二二年
Effective interest rate:	實際利率：		
Fixed-rate bank borrowings	定息銀行借貸	2.80% – 4.70%	2.59% – 4.85%
Variable-rate bank borrowings	浮息銀行借貸	2.70% – 6.96%	3.20% – 6.77%

於二零二三年十二月三十一日，本集團賬面值約港幣3,099,246,000元（二零二二年：港幣2,667,005,000元）的銀行借貸通過抵押本集團賬面總值約港幣3,757,860,000元（二零二二年：港幣2,289,693,000元）（附註20）之融資租賃應收款項及應收貸款以及賬面值約港幣728,000元（二零二二年：港幣412,000元）（附註19）之經營租賃安排項下之貿易應收款項作擔保，而賬面值為零（二零二二年：港幣334,955,000元）之有抵押銀行借貸由本公司擔保。

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29 ASSET-BACKED SECURITIES

29 資產支持證券

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Secured	有抵押	3,006,217	2,702,269
Carrying amount of above asset-backed securities are repayable:	上述資產支持證券之賬面值 須於以下時間償還：		
Within one year	一年內	1,510,200	1,472,916
After one year but within two years	一年後但於兩年內	1,149,742	823,131
After two years but within five years	兩年後但於五年內	346,275	406,222
		3,006,217	2,702,269
Less: Amounts shown under current liabilities	減：列作流動負債之款項	(1,510,200)	(1,472,916)
Amounts shown under non-current liabilities	列作非流動負債之款項	1,496,017	1,229,353

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 ASSET-BACKED SECURITIES (Continued)

During the year ended 31 December 2023, the Group publicly launched two asset-backed securities schemes (2022: one asset-backed securities scheme) on the Shanghai Stock Exchange. The purpose of launching the asset-backed securities schemes is to securitise certain loan receivables and trade receivables under operating lease arrangements of the Group and to fund the expansion of the leasing business of the Group. Details of the asset-backed securities schemes launched during the years ended 31 December 2022 and 31 December 2023 are as follows:

On 20 September 2022, the Group publicly launched an asset-backed securities scheme known as “Phase One of Chengtong Financial Leasing Stated-Owned Enterprise Asset-backed Securities Scheme”. The total issuance of the scheme was RMB1,405,000,000 (equivalent to HK\$1,573,600,000) and the asset-backed securities are divided into (i) priority class with a total principal of RMB1,340,000,000 (equivalent to HK\$1,500,800,000) which are listed and traded on the Shanghai Stock Exchange with maturity date ranging from 26 August 2023 to 26 August 2026 and with coupon rate ranging from 2.88% to 3.09% per annum. The principal and interest of the priority class asset-backed securities shall be repaid quarterly; and (ii) subordinated class with a total principal of RMB65,000,000 (equivalent to HK\$72,800,000) with no coupon rate and with maturity date on 26 February 2027. The subordinated class asset-backed securities are not listed. As at 31 December 2023 and 2022, the Group held all the subordinated class asset-backed securities.

29 資產支持證券 (續)

截至二零二三年十二月三十一日止年度，本集團於上海證券交易所公開推出兩項資產支持專項計劃（二零二二年：一項資產支持專項計劃）。推出資產支持專項計劃之目的為證券化本集團之若干應收貸款及經營租賃安排項下之貿易應收款項，為擴展本集團之租賃業務提供資金。截至二零二二年十二月三十一日及二零二三年十二月三十一日止年度推出之資產支持專項計劃之詳情如下：

於二零二二年九月二十日，本集團公開推出一項名為「誠通融資租賃央企第一期資產支持專項計劃」之資產支持專項計劃。該計劃總發行規模為人民幣1,405,000,000元（相當於港幣1,573,600,000元），而資產支持證券被分成(i)優先層級總本金為人民幣1,340,000,000元（相當於港幣1,500,800,000元）並於上海證券交易所上市及買賣，其到期日由二零二三年八月二十六日至二零二六年八月二十六日不等，票息率介乎每年2.88%至3.09%。優先層級資產支持證券之本金及利息會按季度償還；及(ii)次級層級總本金為人民幣65,000,000元（相當於港幣72,800,000元），無票息率及其到期日為二零二七年二月二十六日。次級層級資產支持證券並無上市。於二零二三年及二零二二年十二月三十一日，本集團持有所有次級層級資產支持證券。

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綜合財務報表附註

29 ASSET-BACKED SECURITIES (Continued)

On 16 February 2023, the Group publicly launched an asset-backed securities scheme known as “Phase Two of Chengtong Financial Leasing State-Owned Enterprise Asset-backed Securities Scheme”. The total issuance of the scheme was RMB1,370,000,000 (equivalent to HK\$1,548,100,000) and the asset-backed securities are divided into (i) priority class with a total principal of RMB1,322,000,000 (equivalent to HK\$1,493,860,000) which are listed and traded on the Shanghai Stock Exchange with maturity date ranging from 26 November 2023 to 26 August 2026 and with coupon rate ranging from 3.95% to 4.26% per annum. The principal and interest of the priority class asset-backed securities shall be repaid quarterly; and (ii) subordinated class with a total principal of RMB48,000,000 (equivalent to HK\$54,240,000) with no coupon rate and with maturity date on 26 November 2027. The subordinated class asset-backed securities are not listed. As at 31 December 2023, the Group held all the subordinated class asset-backed securities.

On 6 July 2023, the Group publicly launched another asset-backed securities scheme known as “Phase Three of Chengtong Financial Leasing State-Owned Enterprise Asset-backed Securities Scheme”. The total issuance of the scheme was RMB1,221,000,000 (equivalent to HK\$1,318,680,000) and the asset-backed securities are divided into (i) priority class with a total principal of RMB1,160,000,000 (equivalent to HK\$1,253,800,000) which are listed and traded on the Shanghai Stock Exchange with maturity date ranging from 26 June 2024 to 26 September 2027 and with coupon rate ranging from 2.85% to 3.30% per annum. The principal and interest of the priority class asset-backed securities shall be repaid quarterly; and (ii) subordinated class with a total principal of RMB61,000,000 (equivalent to HK\$65,880,000) with no coupon rate and with maturity date on 26 March 2029. The subordinated class asset-backed securities are not listed. As at 31 December 2023, the Group held all the subordinated class asset-backed securities.

29 資產支持證券 (續)

於二零二三年二月十六日，本集團公開推出一項名為「誠通融資租賃央企第二期資產支持專項計劃」之資產支持專項計劃。該計劃總發行規模為人民幣1,370,000,000元（相當於港幣1,548,100,000元），而資產支持證券被分成(i)優先層級總本金為人民幣1,322,000,000元（相當於港幣1,493,860,000元）並於上海證券交易所上市及買賣，其到期日由二零二三年十一月二十六日至二零二六年八月二十六日不等，票息率介乎每年3.95%至4.26%。優先層級資產支持證券之本金及利息會按季度償還；及(ii)次級層級總本金為人民幣48,000,000元（相當於港幣54,240,000元），無票息率及其到期日為二零二七年十一月二十六日。次級層級資產支持證券並無上市。於二零二三年十二月三十一日，本集團持有所有次級層級資產支持證券。

於二零二三年七月六日，本集團公開推出另一項名為「誠通融資租賃央企第三期資產支持專項計劃」之資產支持專項計劃。該計劃總發行規模為人民幣1,221,000,000元（相當於港幣1,318,680,000元），而資產支持證券被分成(i)優先層級總本金為人民幣1,160,000,000元（相當於港幣1,253,800,000元）並於上海證券交易所上市及買賣，其到期日由二零二四年六月二十六日至二零二七年九月二十六日不等，票息率介乎每年2.85%至3.30%。優先層級資產支持證券之本金及利息會按季度償還；及(ii)次級層級總本金為人民幣61,000,000元（相當於港幣65,880,000元），無票息率及其到期日為二零二九年三月二十六日。次級層級資產支持證券並無上市。於二零二三年十二月三十一日，本集團持有所有次級層級資產支持證券。

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29 ASSET-BACKED SECURITIES (Continued)

As at 31 December 2023, the Group's asset-backed securities with carrying amount of approximately HK\$3,006,217,000 (2022: HK\$2,702,269,000) were collateralised by the finance lease receivables and loan receivables of the Group with an aggregate carrying amount of approximately HK\$3,019,024,000 (2022: HK\$2,555,035,000) (note 20), trade receivables under operating lease arrangements with carrying amount of approximately HK\$2,814,000 (2022: HK\$1,610,000) (note 19) and were guaranteed by CCHG, the ultimate holding company of the Company.

Since the Group holds all subordinated class asset-backed securities and substantially all the risks and rewards of ownership of the finance leases receivables and loan receivables are retained, the Group continues to recognise the finance leases receivables and loan receivables in its entirety and recognises a financial liability for the consideration received.

The effective interest rate of the asset-backed securities ranged from 2.85% to 4.30% (as at 31 December 2022: 2.92% to 3.76%) per annum at 31 December 2023.

30 DEFERRED TAXATION

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

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Deferred tax assets	遞延稅項資產	16,136	3,958
Deferred tax liabilities	遞延稅項負債	<u>(43,760)</u>	<u>(49,632)</u>
		<u><u>(27,624)</u></u>	<u><u>(45,674)</u></u>

29 資產支持證券(續)

於二零二三年十二月三十一日，本集團之資產支持證券賬面值約為港幣3,006,217,000元（二零二二年：港幣2,702,269,000元）以本集團賬面總值約港幣3,019,024,000元（二零二二年：港幣2,555,035,000元）（附註20）之融資租賃應收款項及應收貸款及賬面值約港幣2,814,000元（二零二二年：港幣1,610,000元）（附註19）之經營租賃安排項下之貿易應收款項作抵押，並由本公司之最終控股公司誠通控股作擔保。

由於本集團持有所有次級層級資產支持證券，且保留融資租賃應收款項及應收貸款所有權之絕大部分風險及回報，故本集團繼續確認其整體的融資租賃應收款項及應收貸款，並就已收代價確認金融負債。

於二零二三年十二月三十一日資產支持證券之實際年利率介乎2.85%至4.30%（於二零二二年十二月三十一日：2.92%至3.76%）。

30 遞延稅項

就呈列綜合財務狀況表而言，若干遞延稅項資產及負債已抵銷。以下為就財務報告而言的遞延稅項結餘分析：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 DEFERRED TAXATION (Continued)

The followings are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		Expected credit loss provision	Revaluation of investment properties	Undistributed profits of PRC subsidiaries*	Fair value adjustment on other financial assets	Right-of-use assets	Lease liabilities	Total
		預期信貸虧損撥備	投資物業重估	中國附屬公司未分配利潤*	其他金融資產的公平值調整	使用權資產	租賃負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2022	於二零二二年一月一日	-	(35,170)	(19,687)	-	(310)	310	(54,857)
(Credited)/charged to profit or loss (note 9)	於損益中(計入)/扣除(附註9)	4,063	1,711	(501)	-	(643)	643	5,273
Exchange adjustments	匯兌調整	(105)	2,550	1,465	-	-	-	3,910
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	3,958	(30,909)	(18,723)	-	(953)	953	(45,674)
(Credited)/charged to profit or loss (note 9)	於損益中(計入)/扣除(附註9)	12,283	1,135	3,033	-	357	(373)	16,435
Charged/(credited) to other comprehensive income	於其他全面收益中扣除/(計入)	-	(350)	-	751	-	-	401
Exchange adjustments	匯兌調整	(105)	822	497	-	-	-	1,214
At 31 December 2023	於二零二三年十二月三十一日	16,136	(29,302)	(15,193)	751	(596)	580	(27,624)

* Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC entities to a non-PRC holding company from 1 January 2008 onwards.

The Group has estimated unused tax losses not recognised in the consolidated financial statements as follows:

	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Estimated unused tax losses	估計未動用稅項虧損	
	208,966	171,985

No deferred tax assets in respect of the above-mentioned estimated unused tax losses have been recognised due to unpredictability of future profit streams. Included in the unrecognised estimated unused tax losses are losses of approximately HK\$58,552,000 (2022: HK\$63,838,000) that will expire on various dates within five years from the reporting dates. Other estimated unused tax losses may be carried forward indefinitely.

30 遞延稅項(續)

於本年度及以往年度確認之重大遞延稅項負債及資產及產生之變動載列如下:

* 根據中國企業所得稅法，自二零零八年一月一日起對中國公司就所獲溢利向非中國控股公司宣派的股息徵收預扣稅。

本集團未於綜合財務報表中確認之估計未動用稅項虧損載列如下:

由於不能預測未來利潤來源，故並無就上述估計未動用稅項虧損確認遞延稅項資產。未確認估計未動用稅項虧損中包括約港幣58,552,000元(二零二二年:港幣63,838,000元)將於報告日期起計五年內不同日期到期之虧損。其他估計未動用稅項虧損可無限期結轉。

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31 SHARE CAPITAL

31 股本

	Number of shares 股份數目 '000 千股	HK\$'000 港幣千元
Issued and fully paid:		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	已發行及已繳足： 於二零二二年一月一日、 二零二二年十二月三十一日、 二零二三年一月一日及 二零二三年十二月三十一日	
	<u>5,964,635</u>	<u>2,214,624</u>

32 SHARE OPTION SCHEME AND SHARE AWARD SCHEME

32 購股權計劃及股份獎勵計劃

(a) Share option scheme

The Company has adopted the share option scheme (the "Scheme") on 27 June 2013. The purpose of the Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

Under the terms of the Scheme, eligible participants of the Scheme include (a) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director of the Company) of, or any individual for the time being seconded to work for the Company, any subsidiary or any entity in which any member of the Group holds any equity interest ("Invested Entity") or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group. For the purposes of the Scheme, the offer may be made to any company wholly owned by one or more eligible participants.

(a) 購股權計劃

本公司已於二零一三年六月二十七日採納購股權計劃（「計劃」）。計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及／或使本集團能招攬及挽留高質素僱員以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

根據計劃條款，計劃的合資格參與者包括(a)本公司、本集團的任何附屬公司或本集團的任何成員公司持有任何股權的實體（「投資實體」）的任何僱員（全職或兼職，包括本公司任何執行董事，但不包括任何非執行董事）或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或本公司控股股東的任何僱員或高級人員；(b)本公司、任何附屬公司或任何投資實體的任何非執行董事（包括獨立非執行董事）；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團任何成員公司或任何投資實體有關本集團任何業務範疇或業務發展的任何顧問（專業或非專業）或專家顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。就計劃而言，可向由一名或多名合資格參與者全資擁有的任何公司授出購股權。

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32 SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

(a) Share option scheme (Continued)

The Scheme was valid and effective for a period of 10 years commencing on the date it was adopted and expired on 26 June 2023.

An offer of the grant of an option under the Scheme (the “**Option**”) might be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An Option might be exercised during such period as the board of directors might in its absolute discretion determine, save that such period would not be more than 10 years from the date of grant. The total number of shares of the Company which might be allotted and issued upon exercise of all Options to be granted under the Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares of the Company in issue as at the date on which the Scheme was adopted. In addition, the maximum number of shares which might be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes adopted by the Group would not exceed 30% of the share capital of the Company in issue from time to time.

The subscription price for the shares on the exercise of the Option would be determined at the discretion of the board of directors which would not be less than the highest of (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company’s shares (note). Holding period would be determined by directors upon granting.

During the years ended 31 December 2023 and 2022, no Option was granted, exercised, cancelled under the Scheme. There was no Option outstanding as at 31 December 2022 and the scheme has expired on 26 June 2023.

Note: Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value.

32 購股權計劃及股份獎勵計劃 (續)

(a) 購股權計劃 (續)

計劃自採納之日起生效，有效期為10年並已於二零二三年六月二十六日屆滿。

計劃項下授出的購股權（「購股權」）可於授出之日起21日內接納，及匯款支付港幣1.00元作為該等購股權的代價。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期起計10年。根據計劃及本集團任何其他購股權計劃將予授出之所有購股權獲行使時可予配發及發行之本公司股份總數，合共不得超過於計劃獲採納當日本公司已發行股份之10%。此外，所有根據計劃及本集團採用的任何其他購股權計劃已授予而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司不時發行的已發行股本30%。

於行使購股權時的股份認購價將由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值（附註）。董事將於授出後釐定持有期間。

於截至二零二三年及二零二二年十二月三十一日止年度，概無購股權在計劃下被授出、行使或註銷。於二零二二年十二月三十一日概無尚未行使的購股權，以及該計劃已於二零二三年六月二十六日屆滿。

附註： 根據於二零一四年三月三日生效之公司條例，本公司股份不再具有面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

(b) Share award scheme

To provide a means to (i) recognise the contributions by any full-time employees and directors (including executive directors, non-executive directors and independent nonexecutive directors) of the Group selected by the board of directors (collectively, the “**Selected Employees**”) and to give incentives to them for the continual operation and development of the Group; and (ii) attract suitable personnel for the growth and further development of the Group, the Company adopted a share award scheme (the “**Share Award Scheme**”) which became effective on 1 July 2017 (the “**Effective Date**”) and expired on 30 June 2022.

The board of directors or the trustee should not make any further award of shares to the Selected Employees which would result in the total number of shares awarded by the board of directors under the Share Award Scheme exceeding 1% of the total ordinary shares in issue of the Company as at the Effective Date.

During the year ended 31 December 2022, no ordinary share of the Company was purchased by the trustee for the purpose of the Share Award Scheme and no award of share was granted to the Selected Employees under the Share Award Scheme.

As at the date of expiry of the Share Award Scheme and as at 31 December 2023 and 2022, the trustee was still holding 11,750,000 shares of the Company which were purchased for the purpose of the Share Award Scheme. In the opinion of the directors, such shares will be dealt with in due course.

32 購股權計劃及股份獎勵計劃 (續)

(b) 股份獎勵計劃

為繼續提供方法(i)表揚董事會選定的本集團任何全職僱員及董事(包括執行董事、非執行董事及獨立非執行董事)(統稱「**經甄選員工**」)所作出的貢獻,並就本集團的持續經營及發展鼓勵員工;及(ii)就本集團增長及進一步發展吸引合適人員,本公司已採納股份獎勵計劃(「**股份獎勵計劃**」),於二零一七年七月一日(「**生效日期**」)生效,並於二零二二年六月三十日屆滿。

董事會或受託人不應向經甄選員工授出任何額外獎勵股份,以致董事會根據股份獎勵計劃所授出的股份總數超過於生效日期本公司已發行普通股總數的1%。

於截至二零二二年十二月三十一日止年度,受託人並無就股份獎勵計劃購買本公司普通股,且概無根據股份獎勵計劃向經甄選員工授出獎勵股份。

於股份獎勵計劃屆滿之日及於二零二三年及二零二二年十二月三十一日,受託人仍持有就股份獎勵計劃購買的本公司11,750,000股股份。董事認為,該等股份將於適當時候予以處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 RESERVES

The Group

Details of changes in reserves accounts of the Group are set out in the consolidated statement of changes in equity.

Capital reserve

It represents the difference between the consideration paid for and the fair value of net assets acquired by a former subsidiary of the Group from a company beneficially owned by a substantial shareholder of the Company.

Statutory reserve

It represents the Group's share of statutory reserves of the subsidiaries in the PRC, which is based on 10% profit for the year of these subsidiaries until the reserve balance reaches 50% of the registered capital. Such statutory reserve is non-distributable and shall be used to (i) make up prior years' losses or (ii) expand production operations.

General risk reserve

Pursuant to 《北京市融資租賃公司監督管理辦法(徵求意見稿)》 issued by北京市地方金融監督管理局 on 29 March 2022, one of the Group's subsidiaries in the PRC is required to set aside a general risk reserve through profit appropriation which should not be lower than 1% of the closing balances of its gross risk-bearing assets (i.e., all assets excluding bank balances and cash) on an annual basis. The general risk reserve balance as at 31 December 2023 amounted to HK\$99,662,000 (2022: HK\$91,899,000) which complies with the requirement.

Shares held for share award scheme

Shares held for share award scheme comprises the consideration paid for such shares.

33 儲備

本集團

本集團儲備賬目變動詳情載於綜合權益變動表。

資本儲備

指所付代價與本集團一間前附屬公司收購本公司一名主要股東實益擁有的一間公司的淨資產的公平值之間的差額。

法定儲備

指本集團應佔於中國之附屬公司之法定儲備份額，乃基於此等附屬公司之年內溢利之10%計算，直至儲備結餘達到其註冊資本的50%為止。此等法定儲備不可供分派且將用作(i)彌補往年虧損或(ii)擴大生產經營。

一般風險儲備

根據北京市地方金融監督管理局於二零二二年三月二十九日頒佈的《北京市融資租賃公司監督管理辦法(徵求意見稿)》，本集團於中國的附屬公司之一每年須透過溢利分配預留一般風險儲備，一般風險儲備不得低於風險資產總額(即不包括銀行結存及現金的所有資產)期末結餘的1%。於二零二三年十二月三十一日，一般風險儲備結餘為港幣99,662,000元(二零二二年：港幣91,899,000元)，已符合要求。

為股份獎勵計劃持有之股份

為股份獎勵計劃持有之股份包括就股份支付的代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 RESERVES (Continued)

The Group (Continued)

Employee share-based compensation reserve

It represents the cumulative expenses recognised on the granting of share-based compensation to the employees over the vesting period.

Revaluation reserve

It represents the revaluation surplus upon transfer of owner-occupied properties to investment properties.

Exchange reserve

It comprises all foreign exchange differences arising on translations foreign operations with different reporting currencies.

The Company

33 儲備 (續)

本集團 (續)

以股份支付的僱員酬金儲備

指於歸屬期間向僱員授予以股份支付酬金時確認的累計開支。

重估儲備

指自用物業轉為投資物業後之重估盈餘。

匯兌儲備

包括以不同呈列貨幣進行外匯折算所產生的所有外匯差額。

本公司

		Shares held for share award scheme 為股份獎勵 計劃持有之 股份 HK\$'000 港幣千元	Employee share-based compensation reserve 以股份支付的 僱員酬金儲備 HK\$'000 港幣千元	Exchange reserve 匯兌儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2022	於二零二二年一月一日	(6,494)	702	(104,701)	172,378	61,885
Dividend paid	已付股息	-	-	-	(32,209)	(32,209)
Profit and total comprehensive income for the year	年內溢利及年內全面收益總額	-	-	-	38,824	38,824
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及 二零二三年一月一日	(6,494)	702	(104,701)	178,993	68,500
Dividend paid	已付股息	-	-	-	(23,262)	(23,262)
Loss and total comprehensive expense for the year	年內虧損及年內全面開支總額	-	-	-	(14,580)	(14,580)
At 31 December 2023	於二零二三年十二月三十一日	(6,494)	702	(104,701)	141,151	30,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RELATED PARTY TRANSACTIONS

(a) Transactions and balances with related parties

Save as disclosed elsewhere in the financial statements, during the year, the Group had also entered into the following significant transactions and balances with the following related parties:

Name of related party 關連方名稱	Nature of transactions/ balances 交易／結餘性質	2023	2022
		二零二三年	二零二二年
		HK\$'000 港幣千元	HK\$'000 港幣千元
The ultimate holding company: 最終控股公司：			
China Chengtong Holdings Group Limited 中國誠通控股集團有限公司	Guarantee fee 擔保費	5,258	19,664
The wholly-owned subsidiaries of the ultimate holding company: 最終控股公司之全資附屬公司：			
China Huandao Group Limited [^] 中國寰島集團有限公司 [^]	Interest income 利息收入	2,248	2,626
Hainan Huandao Industrial Development Limited [^] 海南寰島實業發展有限公司 [^]	Interest income 利息收入	–	396
China Chengtong Hong Kong Company Limited 中國誠通香港有限公司	Interest expense 利息開支	1,549	38
Chengtong International Limited 誠通國際貿易有限公司	Management expense 管理費支出	–	1,381
	Rental expense 租金開支	1,122	–
China Chengtong Investment Company Limited 中國誠通投資有限公司	Interest expense 利息開支	–	2,898
Chengtong (Shenzhen) Investment Co., Limited [^] 誠通(深圳)投資有限公司 [^]	Interest expense 利息開支	7,840	4,830
Chengtong Mixed Reform Private Fund Management Co., Limited [^] 誠通混改私募基金管理有限公司 [^]	Rental income 租金收入	916	745
	Received in advance 預收款項	253	179

34 關連方交易

(a) 與關連方之交易及結餘

除財務報表其他部分所披露者外，年內，本集團亦與下列關連方進行以下重大交易及結餘：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions and balances with related parties (Continued)

Name of related party 關連方名稱	Nature of transactions/ balances 交易／結餘性質	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Associate of the ultimate holding company of the Company:			
本公司最終控股公司之聯營公司：			
Ningxia MCC Meili Cloud New Energy Co., Limited [^] 寧夏中冶美利雲新能源有限公司 [^]	Loan receivables 應收貸款	12,108	21,478
	Interest income from loan receivables 應收貸款之利息收入	823	1,953
China Railway Financial Leasing Co., Limited [^] 中鐵融資租賃有限公司 [^]	Loan receivables 應收貸款	17,685	86,464
	Interest income from loan receivables 應收貸款之利息收入	2,035	8,159
Xinjiang Guotong Pipeline Co., Limited [^] 新疆國統管道股份有限公司 [^]	Loan receivables 應收貸款	12,812	29,663
	Interest income from loan receivables 應收貸款之利息收入	1,156	601
Luoyang Zhongzhong Transportation Co., Limited [^] 洛陽中重運輸有限責任公司 [^]	Loan receivables 應收貸款	18,560	-
	Interest income from loan receivables 應收貸款之利息收入	501	-
Heilongjiang Haohua Chemical Corporation Limited [^] 黑龍江昊華化工有限公司 [^]	Loan receivables 應收貸款	-	313,809
	Interest income from loan receivables 應收貸款之利息收入	3,437	4,970

[^] The English names are for identification only.

Save as disclosed above, other balances and transactions with related parties at the end of the respective reporting dates or during the respective years are set out in the consolidated statement of financial position and notes 19, 21 and 25.

34 關連方交易 (續)

(a) 與關連方之交易及結餘 (續)

Name of related party 關連方名稱	Nature of transactions/ balances 交易／結餘性質	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Associate of the ultimate holding company of the Company:			
本公司最終控股公司之聯營公司：			
Ningxia MCC Meili Cloud New Energy Co., Limited [^] 寧夏中冶美利雲新能源有限公司 [^]	Loan receivables 應收貸款	12,108	21,478
	Interest income from loan receivables 應收貸款之利息收入	823	1,953
China Railway Financial Leasing Co., Limited [^] 中鐵融資租賃有限公司 [^]	Loan receivables 應收貸款	17,685	86,464
	Interest income from loan receivables 應收貸款之利息收入	2,035	8,159
Xinjiang Guotong Pipeline Co., Limited [^] 新疆國統管道股份有限公司 [^]	Loan receivables 應收貸款	12,812	29,663
	Interest income from loan receivables 應收貸款之利息收入	1,156	601
Luoyang Zhongzhong Transportation Co., Limited [^] 洛陽中重運輸有限責任公司 [^]	Loan receivables 應收貸款	18,560	-
	Interest income from loan receivables 應收貸款之利息收入	501	-
Heilongjiang Haohua Chemical Corporation Limited [^] 黑龍江昊華化工有限公司 [^]	Loan receivables 應收貸款	-	313,809
	Interest income from loan receivables 應收貸款之利息收入	3,437	4,970

[^] 英文名稱僅供識別。

除上文所披露者外，於各報告日期末或各相關年度內與關連方之其他結餘及交易載於綜合財務狀況表以及附註19、21及25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions and balances with other government-related entities

The Group itself is part of a larger group of companies controlled by CCHG (CCHG and its subsidiaries are referred to as the “CCHG Group”) which is a stated-owned enterprise under the direct supervision of the State Council of the PRC. The management consider that the Company is ultimately controlled by the government of the PRC and the Group operates in an economic environment currently dominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“government-related entities”).

Apart from transactions with CCHG Group, the Group has transactions including but not limited to the leasing business and bulk commodity trade with other relevant government-related entities.

Details of the transactions with relevant government-related entities are set out below:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Interest income from loan receivables	應收貸款之利息收入	432,348	317,691
Consultancy service income from leasing arrangements	租賃安排之諮詢服務收入	25,640	54,763
Rental income under operating lease in respect of owned machineries and equipment	有關自有機械及設備之經營租賃項下租金收入	119,385	31,896
Purchase for bulk commodity trade	大宗商品貿易之採購	-	243,874

In addition, the Group has entered into various transactions, including other purchases and operating expenses with other government-related entities. In the opinion of the management, except for the transactions disclosed above, other transactions are considered as individually and collectively insignificant to the operation of the Group for both years.

34 關連方交易 (續)

(b) 與其他政府關連實體之交易及結餘

本集團自身為中國國務院直接監管之國有企業誠通控股(誠通控股及其附屬公司合稱「誠通控股集團」)旗下一個大型公司集團之一部分。管理層認為，本公司受中國政府最終控制，而本集團目前營運所處的經濟環境受中國政府控制、聯合控制或有重大影響之實體(「政府關連實體」)主導。

除與誠通控股集團之交易外，本集團還與其他相關政府關連實體進行交易，包括但不限於租賃業務及大宗商品貿易。

與相關政府關連實體之交易之詳情載列如下：

此外，本集團亦與其他政府關連實體進行多項交易，包括其他採購及經營開支。管理層認為，除上文披露的交易外，其他交易(個別及共同衡量)對本集團兩個年度的營運而言並不重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions and balances with other government-related entities (Continued)

The Group also has bank deposits, loan receivables, financial assets investments, trade and other receivables, trade and other payables, lease liabilities and other general financing facilities with certain entities and banks which are government-related entities in its ordinary course of business. The management are of the opinion that those government-related entities do not have the power to govern or participate in the financial and operating policies of the Group and the transactions with these entities are conducted in the ordinary course of the Group's business. The Group believes that it has provided, at the best of its knowledge, adequate and appropriate disclosure of related party transactions as summarised above.

(c) The remunerations of key management personnel who are the directors and senior management during the year were as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利

34 關連方交易 (續)

(b) 與其他政府關連實體之交易及結餘 (續)

本集團亦於日常業務過程中與屬政府關連實體之若干實體及銀行進行銀行存款、應收貸款、金融資產投資、貿易及其他應收款項、貿易及其他應付款項、租賃負債及其他一般融資活動。管理層認為，該等政府關連實體並無權力控制或參與本集團的財政及經營政策，而與該等實體的交易乃於本集團的日常業務過程中進行。本集團相信，誠如上文綜述，就其所深知，其已提供充足恰當的關連方交易之披露。

(c) 年內主要管理人員 (即董事及高級管理層) 之薪酬如下：

	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
	2,587	2,738
	18	18
	2,605	2,756

35 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 Group monitors capital on the basis of the total debts to total assets ratio. This ratio is calculated as total debt divided by total assets. Total debts are calculated as loans from related parties, trade and other payables, lease liabilities, bank borrowings and asset-backed securities disclosed in notes 21(b), 25, 27, 28 and 29, respectively.

35 資本風險管理

本集團的資本管理旨在確保本集團內的實體均可持續經營，同時透過優化債務及股本結餘為股東謀求最大回報。自上一年度起，本集團之整體戰略保持不變。

本集團利用債務總額與總資產之比率監察其資本。此比率按照債務總額除以總資產計算。債務總額按分別於附註21(b)、25、27、28及29披露的來自關連方的貸款、貿易及其他應付款項、租賃負債、銀行借貸及資產支持證券計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 CAPITAL RISK MANAGEMENT (Continued)

The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, 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.

The total debts to total assets ratio at the end of reporting period was as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Bank borrowings	銀行借貸	3,747,903	3,167,005
Asset-backed securities	資產支持證券	3,006,217	2,702,269
Unsecured other loan (included in other payables)	無抵押其他貸款 (計入其他應付款項)	600	600
Lease liabilities	租賃負債	6,994	8,273
Loans from related parties	來自關連方貸款	165,000	339,000
Total debts	債務總額	6,926,714	6,217,147
Total assets	總資產	10,570,196	10,009,735
Total debts to total assets ratio	債務總額與總資產之比率	65.5%	62.1%

35 資本風險管理 (續)

本公司董事按持續基準對資本架構進行檢討。檢討工作之一部分乃本公司董事對資本成本及各類資本的相關風險進行審議。根據本公司董事的推薦建議，本集團將透過支付股息、發行新股、購回股份以及發行新債券，使整體資本架構保持平衡。

於報告期末的債務總額與總資產之比率如下：

36 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Financial assets	金融資產		
Equity instruments at FVTOCI	按公平值計入其他全面收益的權益工具	32,342	69,183
At amortised costs	按攤銷成本	9,627,850	8,827,227
		9,660,192	8,896,410
Financial liabilities	金融負債		
At amortised costs	按攤銷成本	7,498,679	6,859,908

36 金融工具

(a) 金融工具分類

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include other financial assets, finance lease receivables and loan receivables, trade and other receivables, loans to related parties, pledged bank deposits, bank balances and cash, trade and other payables, bank borrowings, asset-backed securities, loans from related parties and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, price risk, interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risks

(i) Currency risk

As at 31 December 2023, except for the following, the Group does not have significant financial assets or financial liabilities denominated in currencies other than their functional currencies at the end of the reporting period.

The carrying amounts of the Group's financial assets (including loan receivables, trade and other receivables and bank balances and cash) and financial liabilities (including trade and other payables) denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2023 and 2022 are as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Assets	資產		
RMB	人民幣	141,761	128
USD	美元	<u>123,777</u>	<u>138,012</u>
Liabilities	負債		
USD	美元	<u>12,014</u>	<u>17,375</u>

36 金融工具 (續)

(b) 財務風險管理目標及政策

本集團的主要金融工具包括其他金融資產、融資租賃應收款項及應收貸款、貿易及其他應收款項、授予關連方貸款、已抵押銀行存款、銀行結存及現金、貿易及其他應付款項、銀行借貸、資產支持證券、來自關連方之貸款及租賃負債。金融工具詳情於各附註披露。與該等金融工具有關的風險包括市場風險（貨幣風險、價格風險、利率風險）、信貸風險及流動資金風險。有關如何降低該等風險的政策載列於下文。本集團管理層管理及監控該等風險，以確保及時有效地採取適當措施。

市場風險

(i) 貨幣風險

於二零二三年十二月三十一日，除以下所述者外，本集團於報告期末概無以其功能貨幣以外之貨幣計值之重大金融資產或金融負債。

於二零二三年及二零二二年十二月三十一日，本集團以各集團公司功能貨幣以外貨幣計值之金融資產（包括應收貸款、貿易及其他應收款項以及銀行結存及現金）及金融負債（包括貿易及其他應付款項）之賬面值載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks (Continued)

(i) Currency risk (Continued)

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

As at 31 December 2023 and 2022, financial assets denominated in USD and RMB belongs to the group companies of which their functional currency is HK\$. As HK\$ is pegged to USD, the Group considers that the currency risk arising from transactions in USD is not significant.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against HK\$. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the exchange rate between RMB and HK\$. The sensitivity analysis includes only outstanding RMB denominated monetary items and adjusts their translation at the reporting date for a 5% change in exchange rates. The analysis illustrates the impact for a 5% strengthening of RMB against the HK\$ and a positive number below indicates an increase in profit for the year. For a 5% weakening of RMB against HK\$, there would be an equal and opposite impact on the profit for the year.

	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Impact to the profit for the year	<u>5,919</u>	<u>6</u>

對年內溢利的影響

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

本集團目前並無外幣對沖政策，但管理層會監察外匯風險，並將於有必要時考慮對沖重大外匯風險。

敏感度分析

於二零二三年及二零二二年十二月三十一日，以美元及人民幣計值之金融資產屬於集團公司，而其功能貨幣為港幣。由於港幣與美元掛鈎，本集團認為，以美元進行交易所產生之貨幣風險並不重大。

下表詳述本集團人民幣兌港幣升值及貶值5%的敏感度。5%為向主要管理人員內部匯報外幣風險時所用的敏感度比率，亦為管理層對人民幣與港幣之間匯率的合理可能變動的評估。敏感度分析僅包括仍然有效並以人民幣計值的貨幣項目，並於匯報日期按匯率出現5%變動對換算予以調整。該分析闡述了人民幣兌港幣升值5%的影響，而下表的正數為年內溢利的增加額。倘人民幣兌港幣貶值5%，則年內溢利會受到等額相反的影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks (Continued)

(ii) Price risk

Certain of the Group's other financial assets are measured at fair value at the end of each reporting date with reference to the quoted prices. Therefore, the Group is exposed to equity price risk and the management of the Group will monitor the price movements and take appropriate actions when is required.

Sensitivity analysis is performed by management to assess the exposure of the Group's financial results to price risks of listed other financial assets at the end of each of the reporting period. If the prices of the respective instruments held by the Group had been 5% (2022: 5%) higher/lower as at 31 December 2023, the other comprehensive income for the year would have been approximately HK\$1,384,000 (2022: HK\$3,035,000) higher/lower respectively.

(iii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to bank balances, pledged bank deposits, variable-rate finance lease receivables and loan receivables, and variable-rate bank borrowings. The Group is also exposed to fair value interest rate risk in relation to fixed-rate finance lease receivables and loan receivables, loans to/(from) related parties, lease liabilities, fixed-rate bank borrowings and asset-backed securities. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group has exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 價格風險

本集團若干其他金融資產乃參照報價，並按各報告日期末之公平值計量。因此，本集團面臨股票價格風險，而本集團管理層將監控價格波動並於需要時採取適當措施。

管理層進行敏感度分析以評估於各報告期末本集團財務業績所面臨之上市其他金融資產的價格風險。於二零二三年十二月三十一日，倘本集團持有的各項工具的價格增加／減少5%（二零二二年：5%），則本年度其他全面收益分別增加／減少約港幣1,384,000元（二零二二年：港幣3,035,000元）。

(iii) 利率風險

本集團面臨與銀行結存、已抵押銀行存款、浮息融資租賃應收款項及應收貸款以及浮息銀行借貸有關的現金流量利率風險。本集團亦面臨與定息融資租賃應收款項及應收貸款、授予／（來自）關連方之貸款、租賃負債、定息銀行借貸及資產支持證券有關的公平值利率風險。本集團現時無利率對沖政策。然而，本集團管理層會監察利率風險，並將於必要時考慮對沖重大利率風險。

因現行市場利率波動，本集團面臨現金流量利率風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risks (Continued)

(iii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis 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 points (2022: 50 basis points) increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates on the interest bearing instruments had been 50 basis points higher/lower and all of other variables were held constant, the Group's post-tax profit for the year ended 31 December 2023 would increase/decrease by approximately HK\$18,764,000 (2022: HK\$16,899,000).

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade and other receivables, finance lease receivables and loan receivables, loans to related parties, pledged bank deposit and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with finance lease receivables and loan receivables are mitigated because they are secured over the machineries and equipment and settlement of certain trade receivables are backed by bills issued by reputable financial institution.

In order to monitor the credit risk, the management of the Group has reviewed the recoverable amount of each aforesaid individual assets at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 利率風險 (續)

敏感度分析

下列敏感度分析乃基於報告期末所面臨之利率風險而釐定。編製分析時已假設於報告期末尚未獲行使的金融工具於全年均尚未獲行使。所採用之上下浮動50個基點(二零二二年:50個基點)代表管理層對利率之合理可能變動之評估。

倘計息工具之利率上下浮動50個基點，而所有其他變量保持不變，則本集團截至二零二三年十二月三十一日止年度之除稅後溢利將增加/減少約港幣18,764,000元(二零二二年:港幣16,899,000元)。

信貸風險及減值評估

信貸風險指本集團對手方違反其合約責任而導致本集團財務虧損的風險。本集團的信貸風險主要來自貿易及其他應收款項、融資租賃應收款項及應收貸款、授予關連方之貸款、已抵押銀行存款及銀行結存。本集團並無持有任何抵押品或其他信貸增強措施以為其金融資產相關的信貸風險提供保障，惟與融資租賃應收款項及應收貸款相關的信貸風險因該等款項以機器及設備作抵押及若干貿易應收款項的結算以信譽良好的金融機構發行的票據作支持而得以緩解。

為監控信貸風險，本集團管理層於報告期末檢討上述各個別資產之可收回金額，以確保就無法收回金額作出足夠之減值虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Impairment and provision policies

The Group's policy requires the review of individual outstanding amounts at least monthly or more regularly depending on individual circumstances or market condition.

The Group's impairment requirements are based on an ECL model. The Group applies simplified approach to measure ECL on trade and bills receivables; and general approach to measure ECL on deposits and other receivables, finance lease receivables and loan receivables, loans to related parties, pledged bank deposits and bank balances. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL. Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-month ECL, Stage 2: Lifetime ECL – not credit-impaired and Stage 3: Lifetime ECL – credit-impaired.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full; or (ii) the financial asset is 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. 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. Information such as failure to make payments of principal or interest on their contractually due dates, an actual or expected significant deterioration in the operating results of the debtor and an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if any) will be taken into account when assessing whether credit risk has increased significantly since initial recognition.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

減值及撥備政策

本集團的政策要求至少每月或在特定情況或市況下更為頻繁地對個別未清償款項進行審查。

本集團的減值規定乃以預期信貸虧損模式為依據。本集團應用簡化法計量貿易應收款項及應收票據的預期信貸虧損，並應用一般方法計量按金及其他應收款項、融資租賃應收款項及應收貸款、授予關連方貸款、已抵押銀行存款及銀行結存的預期信貸虧損。根據簡化法，本集團基於等同於全期預期信貸虧損的金額計量虧損撥備。按照一般方法，金融資產乃基於初步確認後的信貸風險變動，透過下列三個階段予以轉撥：第1階段：12個月預期信貸虧損、第2階段：全期預期信貸虧損—並無信用減值及第3階段：全期預期信貸虧損—信用減值。

於評估金融工具之信貸風險自初步確認以來是否已大幅上升時，本集團將於報告日期評估的金融工具發生違約之風險與於初步確認日期評估的金融工具發生違約之風險進行比較。於作出此重新評估時，本集團認為倘發生下列情況，則發生違約事件：(i) 借款人不大可能向本集團悉數償還其信貸責任；或(ii) 金融資產已逾期90日，除非本集團擁有合理及可靠資料顯示一項更寬鬆的違約標準較合適則當別論。本集團考慮合理及可靠之定量及定性資料(包括毋須花費過度成本或精力即可獲得之過往經驗及前瞻性資料)。當評估信貸風險自初步確認以來是否已大幅上升時，將考慮未能於合約到期日支付本金額或利息、債務人經營業績之實際或預期重大惡化及金融工具之內外信貸評級(如有)實際或預期重大惡化等資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Impairment and provision policies (Continued)

For other receivables and loan receivables, the number of days past due (“**DPD**”) and loan-to-collateral value (“**LTV**”) will be used to determine significant increase in credit risk.

Based on DPD, LTV and internally derived credit ratings, deposits and other receivables, loan receivables, other financial assets measured at amortised cost, loans to related parties and bank balances are classified into 3 stages.

When estimating the ECL on loan and advances to customers, the Group has incorporated forward-looking economic information through the use of industry trend and experienced credit judgement to reflect the qualitative factors.

As at 31 December 2023 and 2022, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group’s maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group is disclosed in note 37.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except for the credit risks associated with finance lease receivables and loan receivables as disclosed in note 20. The Group considers that the credit risk arising from the finance lease receivables and loan receivables is significantly mitigated by the leased equipment and facilities, land from the related party of the lessee, unlisted equity interest and account receivables from the lessees and the related parties of the lessees and/or deposits received from customers held as collaterals, with reference to the estimated value of the collaterals at the end of each reporting period.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

減值及撥備政策 (續)

對於其他應收款項及應收貸款，將採用逾期天數（「**逾期天數**」）及貸款與抵押品價值比（「**貸款與抵押品價值比**」）釐定信貸風險是否大幅增加。

根據逾期天數、貸款與抵押品價值比及內部制定的信貸評級，按金及其他應收款項、應收貸款、按攤銷成本計量的其他金融資產、授予關連方貸款及銀行結存分為三個階段。

於估計給予客戶貸款及墊款的預期信貸虧損時，本集團已納入前瞻性經濟資料，透過使用行業趨勢及基於經驗的信貸判斷以反映質化因素。

於二零二三年及二零二二年十二月三十一日，除最有效代表最高信貸風險水平的該等金融資產賬面值外，將使本集團蒙受金融虧損的本集團最高信貸風險水平來自附註37所披露之有關本集團提供的財務擔保金額。

本集團並無持有任何抵押品或其他信貸增強措施以保障其金融資產相關信貸風險，惟誠如附註20所披露之融資租賃應收款項及應收貸款相關信貸風險除外。本集團認為，由於持有租賃設備及設施、來自承租人關連方的土地、非上市股權以及承租人及承租人之關連方之應收賬款以及／或已收客戶存款作為抵押品，而經參考抵押品於各報告期末之估計價值後，與融資租賃應收款項及應收貸款相關之信貸風險已大大減少。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure

Trade and bills receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

Finance lease receivables and loan receivables

Before accepting any new lessee under leasing arrangement, the Group assesses the credit quality of each potential lessee and defined limits for each lessee. The Group also demands certain lessees to provide corporate guarantees from their respective shareholders or related parties or other assets as collateral to the Group at the time the leasing arrangement is entered into. In addition, the Group has reviewed the repayment history of leasing payments from each lessee to determine the recoverability of the loan receivables. Also, the Group takes into account information specific to the customers as well as pertaining to the economic environment in which the customers operate.

Pledged bank deposits and bank balances

As at 31 December 2023 and 2022, the Group has pledged bank deposits and bank balances in certain corporations and banks in the PRC and Hong Kong. The credit risk on these deposits is insignificant as the counterparties are financial institutions with high credit-rating or with good reputation.

Loans to related parties

For the loans to related parties, the management considered the related parties do not have significant credit risk due to the past payment history and also taking into account of the sound financial performance and position of its holding company to meet contractual cash flow obligation. No impairment had been provided under 12-month ECL assessment.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產

貿易應收款項及應收票據

本集團所面臨的信貸風險主要受各客戶的個別特性影響，而非取決於客戶經營所在的行業或國家。因此高度集中的信貸風險主要產生於本集團與個別客戶有重大業務往來之時。

融資租賃應收款項及應收貸款

在接納租賃安排項下任何新的承租人之之前，本集團會評估各潛在承租人之信用狀況，並界定各承租人之限額。在訂立租賃安排時，本集團亦要求某些承租人向本集團提供其各股東或關連方之企業擔保或其他資產作為抵押品。此外，本集團已檢討各承租人之租賃款項過往支付記錄，以確定應收貸款之可收回水平。此外，本集團會計及客戶特定資料及與客戶運營所處經濟環境有關的資料。

已抵押銀行存款及銀行結存

於二零二三年及二零二二年十二月三十一日，本集團於中國及香港若干公司及銀行擁有已抵押銀行存款及銀行結存。該等存款之信貸風險不屬重大，因為交易對方是具備高信貸評級或享負盛名之金融機構。

授予關連方貸款

對於授予關連方貸款，由於過往付款歷史，亦考慮到其控股公司履行合約現金流量義務的良好財務表現及狀況，管理層認為，關連方並無重大信貸風險。根據12個月預期信貸虧損評估，並無計提減值準備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

Loans to related parties (Continued)

The average expected loss rate applied is approximately 0.19% (2022: 0.21%). Movement in the loss allowance account during the year is as follows:

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
At 1 January	於一月一日	16,708	13,170
Impairment losses (reversed)/provided during the year:	於年內(撥回) / 計提之 減值虧損:		
– Trade and bills receivables	– 貿易應收款項及應收票據	(18)	18
– Finance lease receivables and loan receivables and other receivables	– 融資租賃應收款項及 應收貸款以及其他 應收款項	48,602	4,586
Exchange adjustments	匯兌調整	(435)	(1,066)
At 31 December	於十二月三十一日	64,857	16,708

As at 31 December 2023, credit risk of the Group was concentrated on (a) loans to related parties of HK\$27,500,000; and (b) 58 lessees from 118 leasing arrangements, with aggregated amount of finance lease receivables and loan receivables of HK\$8,867,762,000.

As at 31 December 2022, credit risk of the Group was concentrated on (a) two customers from bulk commodity trading, with aggregated amount of trade and bills receivables of HK\$19,486,000; (b) loans to related parties of HK\$33,900,000; and (c) 49 lessees from 89 leasing arrangements, with aggregated amount of finance lease receivables and loan receivables of HK\$8,217,574,000.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產 (續)

授予關連方貸款 (續)

所應用的預期平均虧損率為約0.19% (二零二二年: 0.21%)。年內於虧損撥備賬中的變動如下:

於二零二三年十二月三十一日，本集團之信貸風險集中於(a) 授予關連方貸款港幣27,500,000元；及(b) 與58名承租人之118項租賃安排，融資租賃應收款項及應收貸款總額為港幣8,867,762,000元。

於二零二二年十二月三十一日，本集團之信貸風險集中於(a) 與兩名客戶之大宗商品貿易，貿易應收款項及應收票據總額為港幣19,486,000元；(b) 授予關連方貸款港幣33,900,000元；及(c) 與49名承租人之89項租賃安排，融資租賃應收款項及應收貸款總額為港幣8,217,574,000元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

To monitor the credit risk exposure, the management of the Group has reviewed the recoverability of each debtor periodically.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade and bills receivables 貿易應收款項及 應收票據	Other financial assets/ other items 其他金融資產/ 其他項目
內部信貸評級	說明		
Performing 良好	The counterparty has a low risk of default and does not have any past-due amounts 對手方的違約風險低，且無任何逾期款項	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信用減值	12m ECL 12個月預期信貸虧損
Special Mention 關注	Debtor frequently repays after due dates but usually settle in full 債務人經常於到期日後還款，但通常悉數償付	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信用減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信用減值
Sub-standard 次級	There have been significant increases in credit risk since initial recognition through information developed from internal or external resources 根據來自內部制定或外部資源的資料，自初始確認以來信貸風險顯著增加	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信用減值	Lifetime ECL – not credit-impaired 全期預期信貸虧損 – 無信用減值
Doubtful 呆賬	There is evidence indicating the asset is credit-impaired 有證據表明資產出現信用減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 信用減值	Lifetime ECL – credit-impaired 全期預期信貸虧損 – 信用減值
Loss 虧損	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的財務困難及本集團並無實際的收回前景	Amount is written off 撇銷金額	Amount is written off 撇銷金額

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產 (續)

為監控信貸風險，本集團之管理層已定期檢討各債務人所欠債項之可收回水平。

本集團之內部信貸風險級別評估包括以下類別：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

The table below details the credit risk exposures of the Group's financial assets, including trade and bills receivables, other receivables, finance lease receivables and loan receivables, loans to related parties, pledged bank deposits and bank balances, which are subject to ECL assessment:

	Notes 附註	External credit rating 外部信貸評級	Internal credit rating 內部信貸評級	12m or lifetime ECL 12個月或全期預期信貸虧損	Gross carrying amount 賬面總額	
					2023	2022
					二零二三年 HK\$'000 港幣千元	二零二二年 HK\$'000 港幣千元
Financial assets at amortised cost						
按攤銷成本計量的金融資產						
Trade and bills receivables 貿易應收款項及應收票據	19	N/A 不適用	Note (i) 附註(i)	Lifetime ECL (collective assessment) 全期預期信貸虧損(集體評估)	4,067	21,643
Other receivables 其他應收款項	19	N/A 不適用	Performing 良好	12m ECL 12個月預期信貸虧損	18,156	19,755
Finance lease receivables 融資租賃應收款項	20	N/A 不適用	Performing 良好	12m ECL 12個月預期信貸虧損	44,612	90,492
Loan receivables 應收貸款	20	N/A 不適用	Performing 良好	12m ECL 12個月預期信貸虧損	8,373,422	8,073,163
			Special Mention 關注	Lifetime ECL (not credit-impaired) 全期預期信貸虧損－無信用減值	442,885	–
			Sub-standard 次級	Lifetime ECL (not credit-impaired) 全期預期信貸虧損－無信用減值	–	70,422
			Doubtful 呆賬	Lifetime ECL (credit-impaired) 全期預期信貸虧損－信用減值	53,236	–
			Loss 虧損	Amount is written off 撇銷金額	18,277	–
Loans to related parties 授予關連方貸款	21	N/A 不適用	Performing 良好	12m ECL 12個月預期信貸虧損	27,500	33,900
Pledged bank deposits 已抵押銀行存款	23	Aa3 – A1 Aa3 – A1	Performing 良好	12m ECL 12個月預期信貸虧損	11,972	61,709
Bank balances 銀行結存	23	Aa3 – Baa3 Aa3 – Baa3	Performing 良好	12m ECL 12個月預期信貸虧損	698,579	472,852

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產 (續)

下表詳列本集團須進行預期信貸虧損評估的金融資產(包括貿易應收款項及應收票據、其他應收款項、融資租賃應收款項及應收貸款、授予關連方之貸款、已抵押銀行存款及銀行結存)所面臨的信貸風險：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

Note:

- (i) For trade and bills receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items on a collective basis, grouped by past due status.

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers which are grouped by different segments in relation to its operations because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The following table provides information about the exposure to credit risk for trade and bills receivables which are assessed on a collective basis by using provision matrix within lifetime ECL (not credit-impaired). None of the debtors is classified as doubtful or loss.

		2023 二零二三年		2022 二零二二年	
		Average loss rate 平均虧損率	Trade and bills receivables 貿易應收 款項及應收 票據 HK\$'000 港幣千元	Average loss rate 平均虧損率	Trade and bills receivables 貿易應收 款項及應收 票據 HK\$'000 港幣千元
Gross carrying amount	賬面總額				
Current (not past due)	即期 (未逾期)	0.02%	4,067	0.01%	21,561
1-30 days past due	逾期1至30天		—	20.0%	82
			4,067		21,643

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產 (續)

附註：

- (i) 就貿易應收款項及應收票據而言，本集團已應用香港財務報告準則第9號的簡化方法按全期預期信貸虧損計量虧損撥備。除具有重大未償還結餘或信用減值的債務人外，本集團按逾期狀況分組，以集體基準釐定該等項目的預期信貸虧損。

作為本集團信貸風險管理的一部分，本集團使用債務人的賬齡評估其客戶的減值，該等客戶按與其經營有關的不同分類進行分組，原因為該等客戶包括大量具有共同風險特徵的小客戶，而該等特徵代表客戶根據合約條款支付所有到期款項的能力。下表提供有關貿易應收款項及應收票據的信貸風險資料，該等資料乃使用全期預期信貸虧損（無信用減值）內的撥備矩陣按集體基準進行評估。概無債務人分類為呆賬或虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific trade and bills receivable is updated.

During the year ended 31 December 2023, the Group provided HK\$1,000 (2022: HK\$19,000) impairment allowance for trade and bills receivables, based on collective assessment.

The following table shows the movement in lifetime ECL that has been recognised for trade and bills receivables under simplified approach.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

面臨信貸風險的金融資產 (續)

估計虧損率乃根據債務人於預期年期的歷史觀察所得違約率估計，並就毋須花費過度成本或精力即可獲得的前瞻性資料作出調整。管理層定期檢討分組，以確保有關特定貿易應收款項及應收票據的相關資料已更新。

於截至二零二三年十二月三十一日止年度，本集團根據集體評估為貿易應收款項及應收票據計提港幣1,000元（二零二二年：港幣19,000元）減值撥備。

下表列示根據簡化方法確認的貿易應收款項及應收票據的全期預期信貸虧損變動。

		Lifetime ECL (not credit- impaired) 全期預期信貸虧損 (無信用減值) HK\$'000 港幣千元
As at 1 January 2022	於二零二二年一月一日	1
New financial assets originated net of those derecognised due to settlement	產生新金融資產，扣除因結算而終止確認的金額	18
As at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	19
Changes due to financial instruments recognised as at 1 January 2023: – Impairment losses reversed, net	於二零二三年一月一日確認金融工具而產生之變動： – 已撥回減值虧損淨額	(18)
As at 31 December 2023	於二零二三年十二月三十一日	1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Financial assets with credit risk exposure (Continued)

The following table shows reconciliation of loss allowances that has been recognised for other receivables, finance lease receivables and loan receivables, loans to related parties, pledged bank deposits and bank balances.

		12m ECL 12個月預期 信貸虧損 HK\$'000 港幣千元	Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (無信用減值) HK\$'000 港幣千元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (信用減值) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
As at 1 January 2022	於二零二二年一月一日	2,557	10,612	-	13,169
Changes due to financial instruments recognised as at 1 January 2022:	因於二零二二年一月一日確認金融工具而產生之變動：				
- Impairment losses (reversed)/ recognised, net	- 已(撥回)/確認減值虧損淨額	(1,161)	3,947	-	2,786
New financial assets originated net of those derecognised due to settlement	產生新金融資產·扣除因結算而終止確認的金額	1,800	-	-	1,800
Exchange adjustments	匯兌調整	(181)	(885)	-	(1,066)
As at 31 December 2022	於二零二二年十二月三十一日	3,015	13,674	-	16,689
Changes due to financial instruments recognised as at 1 January 2023:	因於二零二三年一月一日確認金融工具而產生之變動：				
- Transfer to lifetime ECL (credit-impaired)	- 轉撥至全期預期信貸虧損(信用減值)	-	(13,674)	13,674	-
- Transfer to lifetime ECL (not credit-impaired)	- 轉撥至全期預期信貸虧損(無信用減值)	(410)	410	-	-
- Impairment losses (reversed)/ recognised, net	- 已(撥回)/確認減值虧損淨額	(1,946)	16,510	31,861	46,425
New financial assets originated net of those derecognised due to settlement	產生新金融資產·扣除因結算而終止確認的金額	2,177	-	-	2,177
Exchange adjustments	匯兌調整	(62)	(11)	(362)	(435)
As at 31 December 2023	於二零二三年十二月三十一日	2,774	16,909	45,173	64,856

36 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

面臨信貸風險的金融資產(續)

下表列示其他應收款項、融資租賃應收款項及應收貸款、授予關連方之貸款、已抵押銀行存款及銀行結存已確認的虧損撥備對賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 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 of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of bank loans and ensures compliance with loan covenants.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be demanded for repayment. The tables include both interest and principal cash flows.

Liquidity table

At 31 December 2023

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	After 1 year but within 2 years 一年後但 於兩年內 HK\$'000 港幣千元	After 2 years but within 5 years 兩年後但 於五年內 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現 現金流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	572,565	-	-	572,565	572,565
Bank borrowings	銀行借貸	3.60%	2,139,433	1,186,248	601,922	3,927,603	3,747,903
Asset-backed securities	資產支持證券	3.98%	1,549,542	1,262,482	371,139	3,183,163	3,006,217
Loans from related parties	來自關連方的貸款	4.30%	169,389	-	-	169,389	165,000
Lease liabilities	租賃負債	4.92%	4,038	3,322	-	7,360	6,994
			<u>4,434,967</u>	<u>2,452,052</u>	<u>973,061</u>	<u>7,860,080</u>	<u>7,498,679</u>
Financial guarantee contracts	財務擔保合約						
Maximum amount guaranteed	已擔保最高金額		<u>233,118</u>	-	-	<u>233,118</u>	-

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險

就流動資金風險管理而言，本集團對現金及現金等價物進行監察及維持至本集團管理層視為足以為本集團營運提供資金及減低現金流量波動所帶來影響的水平。本集團管理層監控銀行貸款的使用，確保符合貸款契約。

下表詳細載列本集團的非衍生金融負債根據議定還款期的餘下合約期。下表乃根據本集團於可被要求償還的最早日期的金融負債未貼現現金流量編製。該表包括利息及本金現金流量。

流動資金表

於二零二三年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity table (Continued)

At 31 December 2022

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	After 1 year but within 2 years 一年後但 於兩年內 HK\$'000 港幣千元	After 2 years but within 5 years 兩年後但 於五年內 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現 現金流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	–	643,361	–	–	643,361	643,361
Bank borrowings	銀行借貸	3.91%	2,088,614	696,734	550,072	3,335,420	3,167,005
Asset-backed securities	資產支持證券	3.38%	1,538,869	877,752	442,358	2,858,979	2,702,269
Loans from related parties	來自關連方的貸款	4.40%	116,887	258,642	–	375,529	339,000
Lease liabilities	租賃負債	2.87%	4,055	3,052	1,435	8,542	8,273
			<u>4,391,786</u>	<u>1,836,180</u>	<u>993,865</u>	<u>7,221,831</u>	<u>6,859,908</u>
Financial guarantee contracts	財務擔保合約						
Maximum amount guaranteed	已擔保最高金額		<u>245,852</u>	<u>–</u>	<u>–</u>	<u>245,852</u>	<u>–</u>

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

於二零二二年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity table (Continued)

Bank borrowings with a repayment on demand clause are included in the "within 1 year or on demand" time band in the above maturity analysis. As at 31 December 2022, the carrying amount of the bank borrowings which contained a repayable on demand clause amounted to HK\$334,955,000 (2023: nil). Taking into account the Group's financial position, the directors of the Company considered it is unlikely that the banks would exercise its discretion to demand immediate repayment. The directors of the Company considered that the bank loans which contained a repayable on demand clause would be repaid in accordance with the scheduled payment dates set out in the loan agreements which are summarised in the table below:

At 31 December 2023 – N/A

At 31 December 2022

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	After 1 year but within 2 years 一年後但 於兩年內 HK\$'000 港幣千元	After 2 years but within 5 years 兩年後但 於五年內 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現 現金流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Bank borrowings	銀行借貸	4.90%	125,475	143,458	85,320	354,253	334,955

(c) Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes.

In estimating the fair value, the Group uses market-observable data to the extent it is available. For instruments with significant unobservable inputs under Level 3, the Group engages third party qualified valuers to perform the valuation.

36 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

流動資金表 (續)

於上述到期分析中，附有按要求償還條款的銀行借貸計入「一年內或按要求」時間段。於二零二二年十二月三十一日，包含按要求償還條款之銀行借貸之賬面值為港幣334,955,000元（二零二三年：零）。經考慮本集團的財務狀況，本公司董事認為銀行不大可能會行使其酌情權要求立即還款。本公司董事認為，包含按要求償還條款之銀行貸款將根據貸款協議所載之計劃償還日期償還，於下表概述：

於二零二三年十二月三十一日 – 不適用

於二零二二年十二月三十一日

(c) 金融工具的公平值計量

就財務報告而言，本集團部分金融工具按公平值計量。

於估計公平值時，本集團盡可能使用市場可觀察數據。就存在重大不可觀察輸入數據的三級工具而言，本集團委聘第三方合資格估值師進行估值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Fair value hierarchy as at 31 December 2023

Financial assets:	金融資產：
Equity instruments at FVTOCI	按公平值計入其他
	全面收益的權益工具
– unlisted equity investments	– 非上市股權投資
– shares listed in Hong Kong	– 於香港上市的股份

Level 1 一級 HK\$'000 港幣千元	Level 2 二級 HK\$'000 港幣千元	Level 3 三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
–	–	4,656	4,656
<u>27,686</u>	<u>–</u>	<u>–</u>	<u>27,686</u>
<u>27,686</u>	<u>–</u>	<u>4,656</u>	<u>32,342</u>

Fair value hierarchy as at 31 December 2022

Financial assets:	金融資產：
Equity instruments at FVTOCI	按公平值計入其他
	全面收益的權益工具
– unlisted equity investments	– 非上市股權投資
– shares listed in Hong Kong	– 於香港上市的股份

Level 1 一級 HK\$'000 港幣千元	Level 2 二級 HK\$'000 港幣千元	Level 3 三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
–	–	8,477	8,477
<u>60,706</u>	<u>–</u>	<u>–</u>	<u>60,706</u>
<u>60,706</u>	<u>–</u>	<u>8,477</u>	<u>69,183</u>

36 金融工具 (續)

(c) 金融工具的公平值計量 (續)

(i) 按經常性基準以公平值計量之本集團金融資產之公平值

本集團部分金融資產及金融負債於各報告期末按公平值計量。下表提供有關如何釐定該等金融資產公平值的資料 (尤其是所使用的估值技術及輸入數據)。

於二零二三年十二月三十一日的公平值等級

於二零二二年十二月三十一日的公平值等級

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

Valuation techniques and inputs used in Level 3 fair value measurements:

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍
Financial assets: 金融資產:			
Other financial assets: 其他金融資產:			
- Financial assets measured at FVTOCI: unlisted equity investments - 按公平值計入其他全面收益之金融資產: 非上市股權投資	Discounted cash flow 貼現現金流量	Discount rate and discount for lack of marketability 貼現率及缺乏市場流動性貼現	Discount rate: 17.33% – 17.70% (2022: 17.71% – 21.35%); Discount for lack of marketability: 15.7% (2022: 10% – 20%) 貼現率: 17.33% – 17.70% (二零二二年: 17.71% – 21.35%); 缺乏市場流動性貼現: 15.7% (二零二二年: 10% – 20%)

An increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the unlisted equity investments, and vice versa. A 5% increase/decrease in the discount rate holding all other variables constant would decrease/increase the carrying amount of unlisted equity investments by HK\$205,000 and HK\$229,000 respectively (2022: HK\$750,000 and HK\$848,000 respectively).

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy during both years.

36 金融工具 (續)

(c) 金融工具的公平值計量 (續)

(i) 按經常性基準以公平值計量之本集團金融資產之公平值 (續)

三級公平值計量使用的估值方法及輸入數據:

單獨使用的貼現率增加將導致非上市股權投資的公平值計量減少，反之亦然。貼現率增加/減少5%而所有其他變數維持不變，非上市股權投資之賬面值將分別減少/增加港幣205,000元及港幣229,000元(二零二二年:分別為港幣750,000元及港幣848,000元)。

於兩個年度內公平值等級的一級、二級及三級之間概無轉移。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurements of financial instruments (Continued)

(ii) Reconciliation of Level 3 fair value measurements

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
At 1 January	於一月一日	8,477	11,658
Fair value loss in other comprehensive income	其他全面收益中的 公平值虧損	(3,596)	(2,383)
Exchange adjustments	匯兌調整	(225)	(798)
At 31 December	於十二月三十一日	<u>4,656</u>	<u>8,477</u>

(iii) Fair values of financial assets and liabilities carried at other than fair value

The directors of the Company consider that the carrying amounts of the Group's financial instruments not measured at fair value are stated approximately to their fair values as at 31 December 2023 and 2022.

37 CONTINGENT LIABILITIES

As at 31 December 2023, the Group had contingent liabilities in relation to guarantees of approximately HK\$233,118,000 (2022: HK\$245,852,000) given to banks in respect of mortgage loans granted to purchasers of certain property units of CCT-Champs-Elysses project.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties.

In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they were not accounted for in these financial statements.

36 金融工具 (續)

(c) 金融工具的公平值計量 (續)

(ii) 三級公平值計量的對賬

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
At 1 January	於一月一日	8,477	11,658
Fair value loss in other comprehensive income	其他全面收益中的 公平值虧損	(3,596)	(2,383)
Exchange adjustments	匯兌調整	(225)	(798)
At 31 December	於十二月三十一日	<u>4,656</u>	<u>8,477</u>

(iii) 按公平值以外列賬的金融資產及負債的公平值

本公司董事認為，於二零二三年及二零二二年十二月三十一日本集團並非按公平值計量的金融工具的賬面值與其公平值相若。

37 或然負債

於二零二三年十二月三十一日，本集團擁有與擔保相關的或然負債約港幣233,118,000元（二零二二年：港幣245,852,000元），擔保是因銀行向誠通香榭里項目若干物業單位買家授予按揭貸款而提供。

根據擔保條款，若該等買家拖欠按揭付款，本集團有責任向銀行償還違約買家未償還的按揭本金，連同任何應計利息和罰金，而本集團有權接管相關物業的法定業權及所有權。

本公司董事認為，提供上述財務擔保產生的財務影響微不足道，故並未在該等財務報表中入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

37 CONTINGENT LIABILITIES (Continued)

As at 31 December 2023 and 2022, the Group was not involved in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the directors of the Company to be pending or threatened against the Group.

38 COMMITMENTS

(a) Capital commitments

Contracted but not provided for:
Purchase of property, plant and equipment

已訂約但未撥備：
購買物業、廠房及設備

2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
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140	244
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(b) Operating lease arrangement – where the Group as a lessor

The Group has contracted with tenants for the following future minimum lease receivables:

Within one year	一年內
Later than one year and not later than two years	一年後但兩年內
Later than two years and not later than three years	兩年後但三年內

(b) 本集團作為出租人之經營租約安排

本集團已與租戶訂約，未來最低應收租金如下：

2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
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1,452	2,752
275	1,231
–	282
1,727	4,265

Leases are negotiated for terms ranging from 3 to 10 years (2022: 3 to 10 years).

租約協定之租期介乎三年至十年（二零二二年：三年至十年）。

39 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

39 比較數字

比較數字已重新分類，以符合本年度的呈列方式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

40 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

40 本公司財務狀況表

		Notes 附註	2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		3,659	5,841
Interests in subsidiaries	於附屬公司之權益		20	20
Amounts due from subsidiaries	應收附屬公司款項		<u>1,072,274</u>	<u>1,072,274</u>
			<u>1,075,953</u>	<u>1,078,135</u>
Current assets	流動資產			
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金		1,797	3,956
Amounts due from subsidiaries	應收附屬公司款項		<u>1,654,620</u>	<u>1,656,687</u>
Bank balances and cash	銀行結存及現金		<u>23,953</u>	<u>58,385</u>
			<u>1,680,370</u>	<u>1,719,028</u>
Current liabilities	流動負債			
Other payables	其他應付款項		2,266	2,504
Amount due to the immediate holding company	應付直接控股公司款項		-	764
Lease liabilities	租賃負債		2,095	1,868
Tax payables	應付稅項		5,242	5,385
Bank borrowings	銀行借貸		<u>500,000</u>	<u>500,000</u>
			<u>509,603</u>	<u>510,521</u>
Net current assets	流動資產淨值		<u>1,170,767</u>	<u>1,208,507</u>
Total assets less current liabilities	總資產減流動負債		<u>2,246,720</u>	<u>2,286,642</u>
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債		1,423	3,518
Deferred tax liabilities	遞延稅項負債		15	-
			<u>1,438</u>	<u>3,518</u>
Net assets	資產淨值		<u>2,245,282</u>	<u>2,283,124</u>
Capital and reserves	股本及儲備			
Share capital	股本	31	<u>2,214,624</u>	2,214,624
Reserves	儲備	33	<u>30,658</u>	68,500
Total equity	總權益		<u>2,245,282</u>	<u>2,283,124</u>

Approved and authorised for issue by the board of directors on 8 March 2024 and signed on its behalf by:

由董事會於二零二四年三月八日批准及授權發行並由其代表簽署：

Zhang Bin
張斌
Director
董事

Gu Honglin
顧洪林
Director
董事

PRINCIPAL PROPERTIES

主要物業

A. INVESTMENT PROPERTIES

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate gross floor area 概約總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
Phase I, CCT-Champs-Elysees No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香榭里第一期	100%	Note (a) 附註(a)	4,162	Commercial 商業	Medium-term lease 中期租約
Phase III, CCT-Champs-Elysees No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香榭里第三期	100%	Note (a) 附註(a)	2,716	Commercial 商業	Medium-term lease 中期租約
Hainan Building, No.5 Guoxing Avenue, Haikou City, Hainan Province, the PRC	中國海南省海口市 國興大道5號海南大廈	100%	27,590	1,339	Commercial 商業	Medium-term lease 中期租約
Block 2 of Wan Liu Yi Cheng Building, Haidian District, Beijing City, the PRC	中國北京市海淀區 萬柳億城大廈2號樓	100%	18,000	316	Commercial 商業	Medium-term lease 中期租約

A. 投資物業

B. PROPERTIES HELD FOR SALE

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate gross floor area 概約總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
CCT-Champs-Elysees, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香榭里	100%	Note (a) 附註(a)	54,087	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約

B. 持作出售物業

Note (a): The properties are part of a parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC, with a total site area of 146,006 sq.m.

附註(a): 物業乃屬中國山東省諸城市密州西路東段北側之一幅土地(地段編號第 01213003號)之一部分, 總地盤面積為146,006平方米。

FINANCIAL SUMMARY

財務概要

A summary of the published results and of the assets and liabilities of the Group for the year ended 31 December 2023 and the last four financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. This summary does not form part of the audited financial statements.

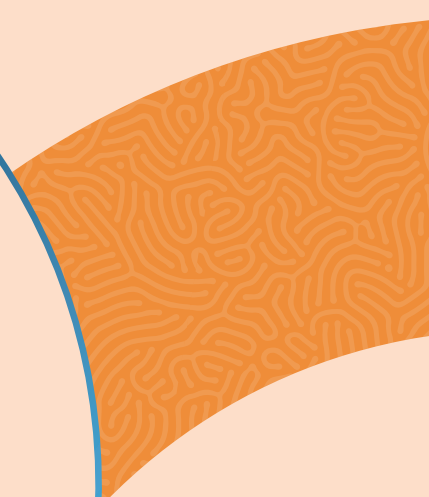
以下為本集團截至二零二三年十二月三十一日止年度及過往四個財政年度之已刊發業績及資產與負債之概要，乃摘錄自該等經審核財務報表並已作出適當之重新分類。此摘要並不構成該等經審核財務報表之一部分。

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Results	業績					
Revenue	營業額	740,011	1,277,390	1,172,679	931,688	1,110,598
Profit attributable to owners of the Company	本公司擁有人應佔溢利	68,003	76,066	104,222	121,372	47,539
Assets and liabilities	資產及負債					
Non-current assets	非流動資產					
Property, plant and equipment	物業、廠房及設備	577,482	702,054	307,371	344,673	241,834
Investment properties	投資物業	80,993	85,096	99,255	89,143	93,939
Deposits paid	已付按金	-	-	1,015	700	-
Finance lease receivables and loan receivables	融資租賃應收款項及應收貸款	4,904,640	4,989,666	3,911,695	1,438,325	684,689
Other financial assets	其他金融資產	4,656	8,477	11,658	11,200	4,267
Loans to related parties	授予關連方貸款	27,500	-	36,600	-	-
Deferred tax assets	遞延稅項資產	16,136	3,958	-	-	-
Current assets	流動資產					
Properties held for sale	持作出售物業	198,869	63,927	130,438	180,364	128,655
Properties held for development	持作發展物業	-	-	-	-	260,661
Properties under development	發展中物業	-	182,767	143,793	90,325	205,688
Inventories	存貨	3,848	6,861	23,332	4,756	4,036
Trade and other receivables	貿易及其他應收款項	52,899	108,326	79,888	101,775	136,054
Finance lease receivables and loan receivables	融資租賃應收款項及應收貸款	3,963,122	3,227,908	1,953,411	634,378	442,135
Other financial assets	其他金融資產	27,686	60,706	69,850	107,736	544,816
Tax recoverable	可收回稅項	1,814	1,528	2,628	1,794	1,846
Pledged bank deposits	已抵押銀行存款	11,972	61,709	4,413	5,556	4,462
Deposits in other financial institution	於其他金融機構存款	-	-	-	-	2,157
Bank balances and cash	銀行結存及現金	698,579	472,852	1,380,259	859,618	732,356
Loans to related parties	授予關連方貸款	-	33,900	12,200	36,404	34,431
Assets classified as held for sale	分類為持作出售之資產	-	-	-	-	78,635
Total assets	總資產	10,570,196	10,009,735	8,167,806	3,906,747	3,600,661

FINANCIAL SUMMARY

財務概要

		2023 二零二三年 HK\$'000 港幣千元	2022 二零二二年 HK\$'000 港幣千元	2021 二零二一年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current liabilities	流動負債					
Trade and other payables	貿易及其他應付款項	(239,374)	(390,832)	(373,865)	(350,124)	(174,248)
Contract liabilities	合同負債	(136,065)	(139,246)	(136,724)	(124,420)	(134,637)
Tax payables	應付稅項	(31,589)	(25,699)	(35,622)	(31,318)	(25,877)
Lease liabilities	租賃負債	(3,767)	(3,874)	(3,098)	(3,729)	(3,528)
Bank borrowings	銀行借貸	(2,018,666)	(1,969,931)	(1,374,675)	(338,420)	(277,700)
Asset-backed securities	資產支持證券	(1,510,200)	(1,472,916)	(1,267,068)	-	-
Loans from related parties	來自關連方的貸款	(165,000)	(101,700)	(47,556)	(23,592)	-
Liabilities associated with assets classified as held for sale	分類為持作出售資產 有關之負債	-	-	-	-	(20,049)
Non-current liabilities	非流動負債					
Asset-backed securities	資產支持證券	(1,496,017)	(1,229,353)	(1,665,539)	-	-
Bank borrowings	銀行借貸	(1,729,237)	(1,197,074)	(67,100)	-	-
Lease liabilities	租賃負債	(3,227)	(4,399)	-	(3,311)	(7,353)
Deferred tax liabilities	遞延稅項負債	(43,760)	(49,632)	(54,857)	(46,564)	(43,053)
Other payables	其他應付款項	(333,191)	(252,529)	-	-	-
Loans from related parties	來自關連方的貸款	-	(237,300)	-	-	-
Total liabilities	負債總額	(7,710,093)	(7,074,485)	(5,026,104)	(921,478)	(686,445)



中國誠通發展集團有限公司
China Chengtong Development Group Limited