



Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited 珠江石油天然氣鋼管控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock code 股份代號: 1938

ANNUAL 年 REPORT 報 2023



CONTENTS

目錄



- 2 企業資料
Corporate Profile
- 4 公司資料
Corporate Information
- 7 主席報告書
Chairman's Statement
- 12 獎項與認證
Awards and Recognitions
- 17 質量認證
Quality Certifications
- 18 管理層討論與分析
Management Discussion and Analysis
- 37 董事及高級管理層履歷
Profile of Directors and Senior Management
- 49 董事會報告書
Report of Directors
- 63 企業管治報告
Corporate Governance Report
- 87 環境、社會及管治報告
Environmental, Social and Governance Report
- 106 獨立核數師報告
Independent Auditor's Report
- 117 綜合損益表
Consolidated Statement of Profit or Loss
- 118 綜合全面收益表
Consolidated Statement of Comprehensive Income
- 119 綜合財務狀況表
Consolidated Statement of Financial Position
- 121 綜合權益變動表
Consolidated Statement of Changes in Equity
- 123 綜合現金流量表
Consolidated Statement of Cash Flows
- 126 財務報表附註
Notes to Financial Statements
- 259 五年財務概要
Five-Year Financial Summary



CORPORATE
PROFILE
企業資料

珠江



鋼管



祝贺中石化新气项目首批万吨钢管顺利交付使用。

CORPORATE PROFILE

企業資料

Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited (the “Company”, together with its subsidiaries hereinafter referred to as the “Group”) is the largest manufacturer and exporter of longitudinal welded steel pipes and is engaged in property development and investment in the People’s Republic of China (the “PRC”). The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (Stock Code: 1938) since February 2010. The Group’s steel pipes are mainly used for energy transmission including oil and gas transmission pipelines, deep sea pipelines, city gas networks, and petrochemicals, mining, infrastructure construction, offshore engineering, steel structures and water utilities industries.

The Group’s production bases and offices are located in Panyu, Zhuhai, Lianyungang, Nanjing, Hong Kong, Yunfu and Indonesia, with five production lines for longitudinal submerged arc-welded (“LSAW”), two production lines for spiral submerged arc-welded (“SSAW”) and other production lines with a combined annual production capacity of 1,800,000 tonnes as at 31 December 2023.

The Group is an industry pioneer, particularly strong in research and development, holding 120 patents (including 41 invention patents) and 14 international quality certificates and having a long standing international and nationwide track record. Furthermore, the Group is the first and only steel pipe manufacturer in the PRC to manufacture and successfully develop deep sea welded steel pipes for use at a water depth of 3,500m and a qualified supplier of Petrobras and Petronas. The Group is a welded steel pipe manufacturer in the PRC that has received various honours and awards, including “Gold Cup Prize for Actual Quality of Metallurgical Products”, “Superior Quality Award for Actual Quality of Metallurgical Products”, “National Key New Products”, “Province-recognised Enterprise Technology Centre” and “High and New Technology Enterprise”, hosted a “Academician Workstation” and is the main drafter of the national standard for longitudinal welded steel pipes in the PRC.

珠江石油天然氣鋼管控股有限公司（「本公司」，連同其附屬公司於下文統稱為「本集團」）是於中華人民共和國（「中國」）最大的直縫焊管製造商及出口商並從事物業開發及投資。本公司由二零一零年二月起於香港聯合交易所有限公司（「聯交所」）主板上市（股份代號：1938）。本集團鋼管產品主要用於能源運輸，包括油氣傳輸管線、深海管道、城市燃氣網絡，以及石化產品、採礦、基建工程、海洋工程、鋼結構及水務行業。

本集團的生產基地及辦事處位於番禺、珠海、連雲港、南京、香港、雲浮及印度尼西亞，共設有五條直縫埋弧焊管（「LSAW」）生產線、兩條螺旋埋弧焊管（「SSAW」）生產線及其他生產線，於二零二三年十二月三十一日的年產能合共為1,800,000噸。

本集團為行業先驅，憑藉強大研發實力，擁有一百二十項專利（包括四十一項發明專利）及十四項國際質量認證，以悠久往績享譽海外及全國。另外，本集團是中國第一家及唯一製造及成功研發用於3,500米水深深海焊管的焊管製造商。本集團亦為巴西石油及馬油的合資格供應商。本集團是中國焊管製造商，獲得「中國冶金產品實物質量金盃獎」、「中國冶金產品實物質量特優質量獎」、「國家重點新產品」、「省級認定企業技術中心」及「高新技術企業」等各項榮譽，設有「院士工作站」，也是中國直縫焊管國家標準的主要起草單位。

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr CHEN Chang (*Chairman*)

Mr CHEN Guo Xiong (*Vice Chairman*)

(resigned on 5 December 2023)

Ms CHEN Zhao Nian

Independent Non-executive Directors

Mr CHEN Ping

Mr AU YEUNG Kwong Wah

Mr TIAN Xiao Ren (resigned on 1 September 2023)

Mr ZHAN Jian Zhou (appointed on 1 September 2023)

REGISTERED OFFICE

Cricket Square, Hutchins Drive, P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

COMPANY SECRETARY

Ms WONG Pui Shan *FCCA, CPA, ACG, HKACG, MSc (Fin)*

AUDIT COMMITTEE

Mr AU YEUNG Kwong Wah (*Chairman*)

Mr CHEN Ping

Mr TIAN Xiao Ren (resigned on 1 September 2023)

Mr ZHAN Jian Zhou (appointed on 1 September 2023)

NOMINATION COMMITTEE

Mr CHEN Ping (*Chairman*)

Mr TIAN Xiao Ren (resigned on 1 September 2023)

Mr ZHAN Jian Zhou (appointed on 1 September 2023)

Mr CHEN Chang

REMUNERATION COMMITTEE

Mr TIAN Xiao Ren (*Chairman*) (resigned on 1 September 2023)

Mr ZHAN Jian Zhou (*Chairman*) (appointed on 1 September 2023)

Mr CHEN Ping

Mr CHEN Chang

AUTHORISED REPRESENTATIVES

Mr CHEN Chang

Ms CHEN Zhao Nian

董事

執行董事

陳昌先生(*主席*)

陳國雄先生(*副主席*)

(於二零二三年十二月五日辭任)

陳兆年女士

獨立非執行董事

陳平先生

歐陽廣華先生

田曉韜先生(於二零二三年九月一日辭任)

詹建宙先生(於二零二三年九月一日獲委任)

註冊辦事處

Cricket Square, Hutchins Drive, P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

公司秘書

王珮珊女士 *FCCA, CPA, ACG, HKACG, MSc (Fin)*

審核委員會

歐陽廣華先生(*主席*)

陳平先生

田曉韜先生(於二零二三年九月一日辭任)

詹建宙先生(於二零二三年九月一日獲委任)

提名委員會

陳平先生(*主席*)

田曉韜先生(於二零二三年九月一日辭任)

詹建宙先生(於二零二三年九月一日獲委任)

陳昌先生

薪酬委員會

田曉韜先生(*主席*)(於二零二三年九月一日辭任)

詹建宙先生(*主席*)(於二零二三年九月一日獲委任)

陳平先生

陳昌先生

授權代表

陳昌先生

陳兆年女士

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

2/F., 3-5 Golden Dragon City
Yayun Avenue
511450 Panyu District
Guangzhou City
Guangdong Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 605-606,
Tower III Enterprise Square
No. 9 Sheung Yuet Road
Kowloon Bay, Kowloon
Hong Kong

AUDITOR

CCTH CPA Limited
Certified Public Accountants
Unit 1510-1517, 15/F, Tower 2
Kowloon Commerce Centre
No. 51 Kwai Cheong Road
Kwai Chung
New Territories, Hong Kong

STOCK CODE

1938

COMPANY'S WEBSITE

www.pck.com.cn

LEGAL ADVISERS AS TO HONG KONG LAW

Loeb & Loeb LLP

PRINCIPAL BANKERS

Bank of China Limited
Bank of Communications
Bank of Jiangsu
China Bohai Bank
China Construction Bank
Industrial and Commercial Bank of China
Industrial Bank

總辦事處及中國主要營業地點

中國
廣東省
廣州市
番禺區亞運大道
金龍城3-5棟二樓
郵編：511450

香港主要營業地點

香港
九龍九龍灣
常悅道9號
企業廣場第三座
605-606室

核數師

中正天恆會計師有限公司
執業會計師
香港新界
葵涌
葵昌路51號
九龍貿易中心
2座15樓1510-1517室

股份代號

1938

公司網站

www.pck.com.cn

香港法律顧問

樂博律師事務所有限法律責任合夥

主要往來銀行

中國銀行股份有限公司
交通銀行
江蘇銀行
渤海銀行
中國建設銀行
中國工商銀行
興業銀行

CORPORATE INFORMATION

公司資料

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

主要股份過戶登記處

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

CHAIRMAN'S STATEMENT 主席報告書



Dear Shareholders,

On behalf of the Board, I would like to present to you the audited consolidated annual results of the Group for the year ended 31 December 2023.

致各位股東：

本人謹代表董事會，向閣下提呈本集團截至二零二三年十二月三十一日止年度之經審核綜合全年業績。

CHAIRMAN'S STATEMENT

主席報告書

In 2023, while the COVID-19 pandemic no longer constituted a public health emergency of international concern, the geopolitical conflicts and the tightening of monetary policy in the U.S. has led to bank failures, aggravating financial instability, global inflation woes and multiple challenges and uncertainties for the global economy. The global economic growth further slowed down in 2023, with the global and Chinese economies growing at 3% and 5.2% respectively. Notwithstanding the above, the Group recorded sales of approximately RMB2,651 million (2022: RMB2,362 million), representing an increase of approximately 12.2% over 2022. The Group recorded a profit of approximately RMB183.8 million (2022: RMB163 million). Earnings per share attributable to ordinary equity holders was approximately RMB0.18 (2022: RMB0.16). The Board did not recommend the payment of final dividend for the year ended 31 December 2023.

The Group delivered a total of 553,000 tonnes of steel pipes during the year and received orders for a total of 601,000 tonnes of steel pipes, including the East African Crude Oil Pipeline Project, the Huai'an Gas Storage Branch Line Section of the Jiangsu Coastal Gas Pipeline, the Nigeria AKK Project, the Terminal Engineering of Guangxi Liquefied Natural Gas (LNG) Phase III Expansion Project and the Shell Offshore Platform Project and other projects. Among them, the East African Crude Oil Pipeline Project was the largest single order in the Group's history during the year, with a total procurement of 260,000 tonnes of steel pipes and a total sales amount of US\$370 million (approximately RMB2,600 million). The East African Crude Oil Pipeline Project, which involves the construction of a pipeline with a total length of 1,540 kilometers that transports oil from Ugandan oil fields to Tanzanian ports, is the world's longest heated crude oil transmission pipeline project. It is anticipated that the construction of the pipeline will greatly promote the economic development of the East African region.

於二零二三年，儘管新冠疫情已不再構成國際關注的突發公共衛生事件，但地緣政治衝突，美國貨幣政策收緊導致銀行倒閉，加劇金融的不穩定，環球陷入通脹困境，全球經濟面臨多重挑戰及不確定性。二零二三年全球經濟增長進一步放緩，全球經濟及中國經濟增長分別為3%及5.2%。儘管如此，本集團錄得銷售約人民幣2,651,000,000元，（二零二二年：人民幣2,362,000,000元），較二零二二年增加約12.2%。本集團錄得溢利約為人民幣183,800,000元（二零二二年：人民幣163,000,000元）。普通股權持有人應佔每股盈利約人民幣0.18元（二零二二年：人民幣0.16元）。董事會不建議派發截至二零二三年十二月三十一日止年度之末期股息。

本集團年內共交付553,000噸的鋼管，並接獲共601,000噸的鋼管訂單，其中包括東非原油管道項目（East African Crude Oil Pipeline）、江蘇沿海輸氣管道淮安儲氣庫支線段、奈及利亞AKK項目、廣西液化天然氣（LNG）三期擴建專案碼頭工程、殼牌海洋平台專案等。其中東非原油管道項目是本集團年內接獲歷史上銷售規模最大的單筆訂單，鋼管總採購量26萬噸，銷售總金額達3.7億美元（約人民幣26億元），東非原油管道專案全長1,540公里，其包括興建一條將石油從烏干達油田輸送到坦桑尼亞港口的管道，是全球最長加熱原油輸送管道項目，預計興建管道將極大推動非洲東部區域經濟發展。

CHAIRMAN'S STATEMENT

主席報告書

The Group successfully delivered all the LSAW steel pipes required for the Ras Laffan Petrochemicals refinery project during the year. This project involves the construction of an ethane cracker in Ras Laffan, Qatar with an annual capacity of up to 2.1 million tonnes of ethylene. We have delivered 2,230 tonnes of LSAW steel pipes, with diameter of 610mm and wall thickness of 11.7mm and 9.5mm, in this project. External double epoxy anti-corrosion technology was adopted to protect the pipelines from corrosion. It is reported that this project will be the largest ethylene project in the Middle East and one of the largest ethylene projects in the world. The Board believes that the successful delivery of this project demonstrates the high recognition of the Group by large energy companies, and helps to establish "Chu Kong Steel Pipe" as a world-class steel pipe brand.

In terms of research and development technology, the Group overcame the difficulties in manufacturing equipment and technology for spiral arc-welded pipes with ultra-large wall thickness during the year, broke through the century-long limit in the history of spiral steel pipe manufacturing, and produced the world's first large-diameter ultra-thick-walled spiral steel pipe with a diameter of 3,000mm and a wall thickness of 30mm, which is a major breakthrough in the global supply specification of spiral steel pipes products with ultra-large wall thickness, and signified that the technological standard of China's manufacturing of spiral steel pipes had moved up to a new level. The strength grade of the trial-produced large wall thickness spiral arc-welded pipe is Q355C, the length of the steel pipe reaches 45m, and the weight of the steel pipe reaches 90 tonnes. The product will be used in the construction of a 19.64 kilometer passageway (being the Third East Passageway Project), which crosses the eastern sea area in the east of Guanyinshan, Xiamen and terminates at the Xiamen Xiang'an International Airport.

本集團於年內順利交付Ras Laffan Petrochemicals煉化廠項目所需的全部直縫埋弧焊管。此項目包含修建位於卡達拉斯拉凡(Ras Laffan)，年產高達210萬噸乙烯的乙烷裂解裝置。我們於該項目已交付2,230噸管徑為610mm，壁厚分別為11.7mm和9.5mm的直縫埋弧焊管。採用外雙環氧防腐技術以保護管道免受腐蝕。據悉這項目將成為中東地區最大的乙烯專案，也是世界上最大的乙烯項目之一。董事會相信此次項目的順利交付體現了大型能源公司對本集團的高度認可，將助力「珠江鋼管」打造成為世界一流的鋼管品牌。

研發技術方面，本集團年內克服超大壁厚螺旋焊管製造裝備及工藝技術難題，突破了螺旋鋼管製造史上的百年極限，製造出全球首根直徑為3,000mm、壁厚為30mm的大口徑超厚壁螺旋鋼管，其為全球螺旋鋼管超大壁厚產品供應規格的一個重大突破，標誌著中國製造螺旋鋼管的技術水準邁上了一個新台階。本次試製的大壁厚螺旋焊管強度等級為Q355C，鋼管長度達45m，鋼管重量達90噸，產品將用於修建在廈門觀音山向東跨越東部海域，終點為廈門翔安國際機場的19.64公里的通道，第三東通道專案工程。

CHAIRMAN'S STATEMENT

主席報告書

In December 2023, the Group was invited by the financial programme centre of China Media Group to launch a large-scale convergence media campaign entitled “Specialized and New — Manufacturing Power (專精特新·製造強國)”, in which the Group was reported as a provincial Specialized and New “Little Giant” enterprise, showcasing the characteristics, highlights and achievements of the development of specialized and new enterprises in China. As an outstanding representative of the provincial Specialized and New “Little Giant” enterprises, the Group explained how we utilise deep sea steel pipe to support the new limit of marine energy transportation for 3,500-meter ultra-deep submarine pipelines. The impact-resistant experiment conducted by using a huge drop hammer perfectly demonstrated the Group's superior technology in strength and toughness, chemical composition design, metallurgy technology, rolling technology and heat treatment technologies of deep sea steel pipe. We have also employed these technologies to produce samples of welded steel pipes for 3,500-meter ultra-deep submarine pipelines which meet the technical requirements of resistance to compression and collapse, fatigue, and large deformation, which is currently the leading level in the world.

PROSPECT

The global economy will continue to recover in 2024. In the face of worrying geopolitical tension and climate change, the volatility of bulk commodity prices is likely to rise, posing a significant risk to the strategy of reducing inflation, and the world's economic development is fraught with uncertainties, which will continue to inhibit the growth of demand and thus limit the pace of global recovery. However, China's efforts to promote the development of the natural gas industry remain unchanged. The “14th Five-Year Plan Modern Energy System Plan” published by the National Development and Reform Commission and the National Energy Administration of the People's Republic of China proposes that the total length of national oil and gas pipeline network should reach the target of 210,000 kilometers by 2025, which will accelerate the construction of oil and gas pipeline network facilities. In addition, for the implementation of the “dual-carbon” policy and the reduction of carbon emission, natural gas is an important clean energy source. However, the current length of natural gas pipelines still falls short of the target set out in the Medium and Long-Term Oil and Gas Pipeline Network Plan (《中長期油氣管網規劃》), and there will still be a demand for pipeline construction in the future. Therefore, the Group will continue to benefit from the demand for pipelines.

本集團於二零二三年十二月獲中央廣播電視總台財經節目中心推出「專精特新·製造強國」大型融媒體活動邀請，報導本集團為省專精特新「小巨人」企業，展現中國專精特新企業發展的特色、亮點和成就。本集團作為省專精特新「小巨人」企業傑出代表，闡述我們如何在3,500米超深海底利用深海鋼管撐起海洋能源輸送新極限！通過巨大的落錘展開的抗衝擊實驗，完美展示出本集團在深海鋼管的強度和韌性、化學成分設計、冶金工藝、軋製工藝和熱處理工藝方面的高超技術。我們亦應用該等技術製出3,500米超深海底管道焊接鋼管樣品，符合抗壓潰、抗疲勞、抗大變形的技術要求。這項技術目前在全球處於領先水準。

展望

二零二四年全球經濟將繼續復蘇，面對地緣政治緊張局勢和與氣候變化，大宗商品價格的波動可能會上升，對降低通脹的策略構成了重大風險，世界經濟發展充滿不確定性，將繼續抑制需求增長從而限制全球復蘇的步伐。儘管如此，中國推動天然氣產業發展未變，國家發展改革委、國家能源局印發《「十四五」現代能源體系規劃》提出到二零二五年，全國油氣管網規模總長度達到21萬公里左右的目標，將會加快油氣管網設施建設。另外，為了落實「雙碳」政策以及減少二氧化碳排放，天然氣是重要清潔能源，但現時天然氣管道長度仍然跟《中長期油氣管網規劃》的目標有差距，所以未來仍對建設管道有需求。因此，本集團將會仍然受惠於管道需求。

CHAIRMAN'S STATEMENT

主席報告書

APPRECIATION

On behalf of the Group, I would like to thank all the staff for their consistent professional ethics in such a challenging year. I am also grateful to the shareholders for their continuous support to the Group to build strength for a bright future.

Chen Chang

Chairman

Panyu, Guangdong, China
27 March 2024

致謝

本人謹代表本集團感謝全體員工在過去這充滿挑戰的一年一如既往恪盡職守。同時，我亦感激各位股東對本集團為匯聚實力迎向璀璨未來所給予的持續支持。

主席

陳昌

中國廣東省番禺
二零二四年三月二十七日

AWARDS AND RECOGNITIONS

獎項與認證



1996

廣東省優秀新產品
(廣東省經濟委員會)

**Guangdong Province
Outstanding New Product***
(The Economic Commission
of Guangdong Province*)
GPEC



1997

冶金產品實物質量金杯獎
(中國冶金工業部)

**Gold Cup Prize for Actual
Quality of Metallurgical
Products***
(Ministry of Metallurgical
Industries of the PRC*)



2001

高新技術企業認定證書
(廣州市科學技術委員會)

**Certificate for the Recognition
of High and New Technology
Enterprises***
(Guangzhou City Science and Technology
Committee*)



2002 (Renewed in
2010/2014續)

廣東省著名商標
(廣東省工商行政管理局)

**Guangdong Province
Famous Trademark***
(Guangdong Province
Bureau for Administration of
Industry and Commerce*)



2004

中國石油專用管材製造業

2004年十強企業

(中國石油和石油化工設備工業協會)

**China Reserved Petroleum
Pipeline Manufacturing Industry —
Top Ten Enterprises in 2004***
(China Petroleum and Petro-chemical
Equipment Industry Association*)



2005 (Renewed in
2011/2012/2015續)

冶金產品實物質量
金杯獎(直縫埋弧焊管)
(中國鋼鐵工業協會)

**Gold Cup Prize for Actual
Quality of Metallurgical
Products* — LSAW**
(China Iron & Steel Association*)



2005 (Renewed in
2011/2012/2015續)

冶金產品實物質量金杯獎(高頻焊管)
(中國鋼鐵工業協會)

**Gold Cup Prize for Actual
Quality of Metallurgical
Products* — ERW**
(China Iron & Steel Association*)



2006

2005年廣東省質量管理先進企業
(廣東省質量技術監督局)

**Leader in Quality Management
in Guangdong Province in 2005***
(Guangdong Provincial Bureau of
Quality and Technical Supervision*)



2007

國家火炬計劃項目
(中國科學技術部)

China Torch Item*
(Science and Technology
Department of the PRC*)

AWARDS AND RECOGNITIONS

獎項與認證



2007 (Renewed in 2010/2013續)

廣東省名牌產品
(廣東省質量技術監督局)
Guangdong Province Top Brand Product*
(Guangdong Province Bureau of Quality and Technical Supervision*)



2007

2007年廣東企業創新紀錄最佳首創產品
(廣東省企業聯合會及廣東企業創新紀錄審定委員會)
Best Original Product of Innovative Record for Guangdong Enterprise in 2007*
(Association of Enterprise in Guangdong Province & The Innovative Record of Guangdong Enterprise Approval Commission*)



2007

廣州市科技進步一等獎
(廣州市人民政府)
First Prize for Sci-Tech Achievement in Guangzhou City*
(The People's Government of Guangzhou City*)



2008

國際發明展覽會金獎
—三輥成型工藝及設備
(中國發明協會)
International Exhibition of Inventions Golden Awards* (Three-roller forming technology and equipment*)
(China Inventions Association*)



2008 (Renewed in 2011/2014續)

高新技術企業
(廣東省科學技術廳、廣東省財政廳、國家稅務總局廣東省稅務局、廣東省地方稅務局)
Guangdong High and New Technology Enterprise*
(Department of Science and Technology of Guangdong Province*, Guangdong Province Department of Finance*, Guangdong Municipal Office of the State Administration of Taxation*, and Guangdong Provincial Local Taxation Bureau*)



2009 (Renewed in 2013 2013續)

廣東省高新技術產品
(廣東省科學技術廳)
High-tech Product of Guangdong Province*
(Department of Science and Technology of Guangdong Province*)



2009

廣東專利優秀獎
—三輥成型工藝及設備
(廣東省人專廳及廣東省知識產權局)
Guangdong Province Patent Excellence Award*
(Three-roller forming technology and equipment)
(Guangdong Provincial Bureau of Personnel & Intellectual Property Office of Guangdong Province*)



2010 (Renewed in 2013續)

國家火炬計劃
重點高新技術企業
(國家科技部火炬科技部火炬高技術產業開發中心)
Key High and New Technology Enterprise of China Torch Item*
(Torch High-tech Industry Development Centre of Science and Technology Department of the PRC*)



2010

國家認定企業技術中心
(國家發展改革委、科技部、財政部、海關總署、國家稅務總局)
National-recognised Enterprise Technology Centre*
(National Development and Reform Commission*, Science and Technology Department*, Finance Department*, General Administration of Customs*, State Administration of Taxation*)

AWARDS AND RECOGNITIONS

獎項與認證



2010

第十九屆全國發明展覽會銀獎 — 雙驅動推壓式鋼管擴徑裝置
(中國發明協會)
**1st Runner-up of The 19th National Invention Exhibition*
Dual-drive push-press type steel pipe expanding device*
(Invention Association of China*)**



2010

廣東省科學技術一等獎
(廣東省人民政府)
**First Prize for Sci-tech of Guangdong Province*
(The People's Government of Guangdong Province*)**



2010

廣東省自主創新產品
(廣東省科學技術廳、廣東省發展和改革委員會、廣東省經濟和信息化委員會、廣東省財政廳、廣東省知識產權局、廣東省質量技術監督局)
**Indigenous Innovation Product of Guangdong Province*
(Department of Science and Technology of Guangdong Province*, Development and Reform Commission of Guangdong Province*, Economic and Information Commission of Guangdong Province*, Finance Department of Guangdong Province*, Intellectual Property Department of Guangdong Province*, Administration of Quality and Technology Supervision of Guangdong Province*)**



2010

廣東省工程技術研究開發中心
(廣東省科學技術廳、廣東省發展和改革委員會、廣東省經濟貿易委員會)
**Technology Research and Development Centre of Guangdong Province*
(Department of Science and Technology of Guangdong Province*, Development and Reform Commission of Guangdong Province*, Economic and Trade Commission of Guangdong Province*)**



2010

廣州市創新型企業
(廣州市科技興市領導小組)
**Innovative Enterprise of Guangzhou*
(Technology and City Enhancement Steering Committee of Guangzhou*)**



2011

第二十屆全國發明展覽會銀獎 — 五絲埋弧焊接設備
(中國發明協會)
**1st Runner-up of The 20th National Invention Exhibition*
Five-electrode submerged arc welding equipment
(Invention Association of China*)**



2011

廣東省知識產權示範企業
(廣東省知識產權局)
**Intellectual Property Demonstration Enterprise of Guangdong Province*
(Intellectual Property Department of Guangdong Province*)**



2011

廣東省十佳自主品牌
(廣東省企業聯合會、廣東省企業家協會)
**Top 10 Original Brands of Guangdong Province*
(Association of Enterprises of Guangdong Province*, Association of Entrepreneurs of Guangdong Province*)**



2011

院士工作站
(廣東省人民政府)
**Academician Workstation
(The People's Government of Guangdong Province*)**

AWARDS AND RECOGNITIONS

獎項與認證



2011

廣州市政府質量獎
(廣東省人民政府)

**Governmental Quality Award of
The Guangzhou Government***
(The People's Government of Guangdong
Province*)



2012

廣東省政府質量獎
(廣東省人民政府)

**Government Quality Award of
Guangdong Province***
(The People's Government of
Guangdong Province*)



2012

冶金科學技術獎一等獎
(中國鋼鐵工業協會、中國金屬學會)

**First Prize of Metallurgical
Sci-Tech Award***
(China Iron & Steel Association,
The Chinese Society for Metals)



2013

廣東省科學技術獎勵
(廣東省人民政府)

**Science Technological Award
of Guangdong Province***
(The People's Government of
Guangdong Province*)



2013-2016

廣東省創新型企業
(廣東省科學技術廳、廣東省發展和
改革委員會、廣東省經濟和信息化委員
會、廣東省人民政府國有資產監督管
理委員會、廣東省知識產權局、廣東
省總工會)

**Innovative Enterprise of
Guangdong Province***
(The Guangdong Provincial Department of
Science and Technology, the Guangdong
Development and Reform Commission,
the Economic & Information Commission
of Guangdong Province, the State —
owned Assets Supervision and
Administration Commission of the
Guangdong Province, the Guangdong
Intellectual Property Office and the
Guangdong Provincial Federation of
Trade Unions*)



2014

中國冶金產品實物質量特優質量獎
(中國鋼鐵工業協會)

**Superior Quality Award
for Actual Quality of
Metallurgical Product**
(China Iron & Steel Association*)



2014

廣東省信用管理示範創建試點企業
(廣東省信用協會)

**Model Experimenting Enterprise
for Credit Management of
Guangdong Province**
(Guangdong Credit Association)



2015

高新技術企業
(廣東省科學技術廳、廣東省財政廳、
國家稅務總局廣東省稅務局、廣東省地方稅務局)

High Technology Enterprises*
(Department of Science and Technology
of Guangdong Province*, Guangdong
Province Department of Finance*,
Guangdong Municipal Office of the State
Administration of Taxation*, Guangdong
Provincial Local Taxation Bureau*)



2016

冶金產品實物質量金杯獎 — 螺
旋埋弧焊管
(中國鋼鐵工業協會)

**Gold Cup Prize for Actual
Quality of Metallurgical
Products* — welded steel pipes**
(China Iron & Steel Association)



2016

冶金產品實物質量金杯獎 — 螺旋
埋弧焊管
(中國鋼鐵工業協會)

**Gold Cup Prize for Actual
Quality of Metallurgical
Products* — spiral submerged
arc-welded steel pipes**
(China Iron & Steel Association)



2016

廣東省科學技術一等獎
(天然氣用深海焊管)
(廣東省人民政府)

**First Prize of Sci-Tech
Achievement**
(Deep Sea Pipe for Natural Gas)
(The People's Government of Guangdong
Province)

AWARDS AND RECOGNITIONS

獎項與認證



2016

廣東省博士後創新實踐基地
(廣東省人力資源和社會保障廳)
Guangdong Postdoctoral Innovation Practice Base*
(Department of Human Resources and Social Security of Guangdong Province)



2016

沙特優秀中資項目獎
(中國駐沙特阿拉伯王國大使館、沙特阿拉伯中資企業協會)
Saudi Arabia Excellent Chinese Project Award*
(Chinese Embassy in Kingdom of Saudi Arabia*, Saudi Arabia Chinese Enterprises Association*)



2017

連雲港市科學技術進步獎一等獎
(連雲港市人民政府)
First Prize of Lianyungang Science and Technology Progress Award*
(The People's Government of Lianyungang)



2017

省級企業技術中心
(廣東省經濟和信息化委員會、廣東省財政廳、廣東省地方稅務局、海關總署廣東分署)
Provincial Enterprise Technology Centre*
(Guangdong Provincial Economic and Information Commission*, Guangdong Provincial Department of Finance, Local Taxation Bureau of Guangdong Province*, Guangdong Branch of the General Administration of Customs*)



2018

高新技術企業
(廣東省科學技術廳、廣東省財政廳、國家稅務總局廣東省稅務局)
High Technology Enterprises*
(Department of Science and Technology of Guangdong Province*, Guangdong Provincial Department of Finance*, Guangdong Provincial Taxation Bureau of the State Administration of Taxation)



2019

國家知識產權優勢企業
(國家知識產權局)
National Intellectual Property Advantage Enterprise*
(National Intellectual Property Bureau*)



2019

廣東省知識產權示範企業
(廣東知識產權保護協會)
Guangdong Province Intellectual Property Demonstration Enterprise*
(Guangdong Intellectual Property Protection Association*)



2020

連雲港市科技創新優秀單位
(中共連雲港市委、連雲港市人民政府)
Lianyungang Science and Technology Innovation Outstanding Unit*
(Lianyungang Municipal Committee of the Communist Party of China*, The People's Government of Lianyungang*)



2021

獨角獸種子企業
(珠海市科技創新局)
Unicorn Seed Enterprise*
(Zhuhai Science and Technology Innovation Bureau*)



2021

省級守合同重信用企業
2019-2020年度
(江蘇省企業信用管理協會)
Provincial Contract-Abiding and Credit-Worthy Enterprise 2019-2020*
(Jiangsu Enterprise Credit Management Association*)



2022

金灣區年度卓越企業
(珠海市金灣區品質強區工作領導小組辦公室、珠海經濟技術開發區品質強區工作領導小組辦公室*)
Outstanding Enterprise of the Year in Jinwan District*
(Office of the Leading Group for the Work of Jinwan District, Zhuhai City (Zhuhai Economic and Technological Development Zone Strong Quality District Work Leading Group Office)*)



2023

專精特新「小巨人」企業
(工業和信息化部)
High-quality Development of Technology Advanced "Little Giant" Enterprise*
(The Ministry of Industry and Information Technology)

* For identification only

QUALITY CERTIFICATIONS

質量認證

本集團的質量保證體系獲得
以下國際質量認證：

The Group has been awarded the following
international quality certifications:

年份Year	認證Certifications	認證機構Authority
1996	ISO9001	香港品質保證局 Hong Kong Quality Assurance Agency
1996	API	美國石油協會 American Petroleum Institute
1999	CE	英國勞氏船級社 Lloyd's Register of Shipping
2002	BV	法國船級社 Bureau Veritas
2004	ISO9001 ISO14001	中國質量認證中心 China Quality Certification Centre
2004	OHSAS18001	中國質量認證中心 China Quality Certification Centre
2006	DNV	挪威船級社 Det Norske Veritas
2009	Shell	荷蘭殼牌 Shell Global Solutions
2011	CNAS	中國合格評定國家認可委員會 China National Accreditation Service for Conformity Assessment
2011	ASME	美國機械工程師協會 American Society of Mechanical Engineers
2012	CMS	中啟計劃體系認證中心 China CMS (Issuing Authority)
2014	TUV	南德意志集團 TUV SUD China
2019	TOTAL	法國石油公司道達爾 TOTAL
2022	Saudi Aramco	沙特阿美石油公司 Saudi Aramco
2022	ISO45001	中國質量認證中心 China Quality Certification Centre

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

The Group mainly (i) manufactures and sells longitudinal welded steel pipes, as well as provides manufacturing service for processing raw materials into steel pipes; and (ii) engages in property development and investment.

Steel pipe business

Our welded steel pipe products can be broadly categorised into LSAW steel pipes, SSAW steel pipes and ERW steel pipes. We are the largest LSAW steel pipe manufacturer and exporter in the PRC, and are capable of producing LSAW steel pipes that meet the X100 standard. We are also accredited with 14 international quality certifications such as Det Norske Veritas and American Petroleum Institute. In addition, we are the first and the only PRC manufacturer that has successfully produced and developed deep sea welded pipes for use at 3,500m under water. Our products are widely used in major oil and gas pipeline projects (both onshore and offshore) and infrastructure projects domestically and internationally.

Our Group is capable of manufacturing subsea pipes and drilling platforms structure pipes for offshore projects and is being classified as a member of the Offshore Engineering Equipment Industry* (海洋工程裝備製造業).

Order Status

In 2023, the Group received new orders of approximately 601,000 tonnes of welded steel pipes. The Group has received some sizeable overseas orders, such as orders from steel pipes for the East African Crude Oil Pipeline project, Nigeria Ajakuta-Kaduna-Kano (AKK) natural gas pipeline project and Shell offshore platform project. The Group delivered approximately 553,000 tonnes of welded steel pipes during 2023.

業務回顧

本集團主要(i)製造及銷售直縫焊接鋼管，以及提供將原材料加工為鋼管的製造服務；及(ii)從物業開發與投資。

鋼管業務

本集團的焊接鋼管產品大致可分為直縫埋弧焊管、螺旋埋弧焊管及電阻焊管。我們是中國最大直縫埋弧焊管製造商及出口商，可生產符合X100標準的直縫埋弧焊管，而我們已取得挪威船級社及美國石油協會等十四項國際質量認證。此外，我們為中國首名和唯一能成功生產及研發出3,500米深海焊管的製造商。我們的產品在國內外被廣泛用於大型石油及天然氣管道項目(岸上和海上)及基建項目。

由於本集團可製造海上工程使用的海底管及海上鑽井平台結構管，故此本集團被劃入海洋工程裝備製造業企業之一。

訂單狀況

於二零二三年，本集團接獲的新訂單數量約為601,000噸焊接鋼管。本集團已接獲若干大型海外訂單，如東非原油管道項目、奈及利亞Ajakuta-Kaduna-Kano (AKK)天然氣管道項目及殼牌海上平台項目等鋼管訂單。本集團已於二零二三年交付約553,000噸焊接鋼管。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LSAW Steel Pipes

The Group is one of the largest LSAW steel pipe manufacturers and exporters in the PRC. Sales and manufacturing of LSAW steel pipe was the major source of revenue of the Group and accounted for approximately 69.2% of our total steel pipe revenue for the year ended 31 December 2023. For the year ended 31 December 2023, revenue from the sales and manufacturing service of LSAW steel pipes amounted to approximately RMB1,496 million and RMB158 million, respectively, where sales of LSAW steel pipes were higher than that for the year ended 31 December 2022 was due to increase in delivery of LSAW steel pipes to overseas customers.

SSAW Steel Pipes

Our SSAW steel pipes are produced in our plant in Lianyungang using the pre-welding and precision welding SSAW technique, which is the most advanced technique among all SSAW technologies. Revenue from the sales and manufacturing service of SSAW steel pipes amounted to approximately RMB612 million and RMB25 million respectively. The total revenue from SSAW steel pipes accounted for approximately 26.6% of the total steel pipe revenue for the year ended 31 December 2023 which were significantly higher than that for the year ended 31 December 2022. The increase was mainly attributable to the increase in sales of SSAW steel pipes to one major customer in Middle East.

直縫埋弧焊管

本集團是中國最大的直縫埋弧焊管製造商及出口商之一。直縫埋弧焊管銷售及製造服務為本集團主要收入來源，截至二零二三年十二月三十一日止年度佔本集團總鋼管收入約69.2%。截至二零二三年十二月三十一日止年度，直縫埋弧焊管的銷售及製造服務收入分別約為人民幣1,496,000,000元及人民幣158,000,000元，當中直縫埋弧焊管的銷售較截至二零二二年十二月三十一日止年度增加，由於向海外客戶交付的直縫埋弧焊管數量增加。

螺旋埋弧焊管

我們於連雲港廠房生產的螺旋埋弧焊管採用預精焊螺旋埋弧焊管技術製造，該項技術屬所有螺旋埋弧焊管工藝中最先進的工藝。螺旋埋弧焊管的銷售及製造服務分別錄得收入約人民幣612,000,000元及人民幣25,000,000元。螺旋埋弧焊管的總收入佔截至二零二三年十二月三十一日止年度總鋼管收入約26.6%，較截至二零二二年十二月三十一日止年度大幅增加。該增長主要由於向一位位於中東客戶的螺旋埋弧焊管銷售增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Property development

Apart from the steel pipe manufacturing business, the Group also engaged in property development and investment. Following the conversion of a land in Panyu, PRC in 2013, the Group grasped the opportunity of asset appreciation to convert the land use right of the Panyu production plant from industrial use to commercial use. The property project in relation to Golden Dragon City Fortune Plaza (金龍城財富廣場) (“GDC”), is a large scale integrated commercial complex of offices, shops, apartments and villas. The land area of the converted land accounted for approximately 25% of the total land area of our factory in Panyu. The total permitted construction area of the land (including underground construction area) is approximately 550,000 m².

Below are the details of GDC:

Address: Golden Dragon City, Yayun Avenue,
Panyu District, Guangzhou City,
Guangdong, PRC

Usage: Large scale integrated commercial
complex of offices, shops,
apartments and villas

The total permitted construction area (including underground construction area)	Phase I: 135,000 m ²
	Phase II: 191,000 m ²
	Phase III: 224,000 m ²

The Group recorded most of the sales of the first phase of GDC in 2018 and recognised the sale of the second phase of GDC in 2022. The third phase of GDC was sold to Guangzhou City Panyu District Land Development Centre* (廣州市番禺區土地開發中心) in 2019.

The steel pipe business will remain as the Group's core business.

物業開發

除鋼管製造業務外，本集團亦從物業開發與投資。於二零一三年中國番禺土地改變用途後，本集團適時利用資產增值機會，將番禺生產廠房的土地用途由工業轉為商業用途。有關金龍城財富廣場（「金龍城」）的物業項目為集寫字樓、商舖、公寓及別墅為一體的大型綜合商業體。已改土地佔番禺廠區土地的總面積約四分之一。該土地的總許可建築面積（包括地下建築面積）約為550,000平方米。

以下為金龍城之詳情：

地址：中國廣東省廣州市番禺區亞運大道金龍城

用途：集寫字樓、商舖、公寓及別墅為一體的大
型綜合商業體

總許可建築面積 (包括地下建築面積)	第一期：135,000平方米
	第二期：191,000平方米
	第三期：224,000平方米

本集團於二零一八年入賬金龍城第一期的大部分銷售額並於二零二二年確認金龍城第二期的銷售。金龍城第三期於二零一九年售予廣州市番禺區土地開發中心。

鋼管業務將繼續為本集團的核心業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue and gross profit

Revenue of the Group mainly comprises (i) sales of steel pipe, and (ii) sales of property.

Our revenue increased from RMB2,362 million for the year ended 31 December 2022 to approximately RMB2,651 million in 2023. Such increase was mainly due to increase in overseas sales of steel pipes in 2023. The Group has received a sizable order from the East African Crude Oil Pipeline project during the year. Steel pipes sales in 2023 increased as compared to that of 2022.

The following table sets forth the revenue and gross profit by business segments for each of the periods indicated:

財務回顧

收入及毛利

本集團收入主要包括(i)鋼管銷售；及(ii)物業銷售。

有關收入從截至二零二二年十二月三十一日止年度的人民幣2,362,000,000元增加至二零二三年約人民幣2,651,000,000元，該增加主要是由於二零二三年鋼管海外銷售增加。本集團於本年度接獲東非原油管道項目的大型訂單。與二零二二年相比，二零二三年鋼管銷售有所增加。

下表載列於所示各期間按業務分部劃分的收入及毛利：

		2023		2022	
		二零二三年		二零二二年	
		RMB'000	% to total	RMB'000	% to total
		人民幣千元	佔總收入 百分比	人民幣千元	佔總收入 百分比
Revenue	收入				
Steel pipes	鋼管	2,390,855	90.2	1,810,097	76.6
Property development and investment	物業開發與投資	259,997	9.8	551,918	23.4
		2,650,852	100.0	2,362,015	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Steel pipes

鋼管

		2023 二零二三年 Revenue 收入		2022 二零二二年 Revenue 收入	
		RMB'000 人民幣千元	% to total 佔總收入 百分比	RMB'000 人民幣千元	% to total 佔總收入 百分比
Sales of steel pipes	銷售鋼管				
LSAW steel pipes	直縫埋弧焊管	1,495,494	62.6	1,171,679	64.7
SSAW steel pipes	螺旋埋弧焊管	612,023	25.6	287,111	15.9
ERW steel pipes	電阻焊管	24,630	1.0	4,983	0.3
Subtotal	小計	2,132,147	89.2	1,463,773	80.9
Manufacturing services	製造服務				
LSAW steel pipes	直縫埋弧焊管	158,451	6.6	231,123	12.8
SSAW steel pipes	螺旋埋弧焊管	25,050	1.0	34,088	1.9
Subtotal	小計	183,501	7.6	265,211	14.7
Others	其他	75,207	3.2	81,113	4.4
Grand total	總計	2,390,855	100.0	1,810,097	100.0

Steel pipes

鋼管

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Sales	銷售	2,390,855	1,810,097
Cost of sales	銷售成本	(1,877,430)	(1,396,157)
Gross profit	毛利	513,425	413,940

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

The revenue generated from the sales of steel pipes accounted for approximately 89.2% of our total steel pipe revenue in 2023 as compared with approximately 80.9% in 2022. Steel pipe manufacturing services accounted for approximately 7.6% of our total steel pipe revenue in 2023 as compared with approximately 14.7% in 2022. The revenue classified as “Others” mainly represented the trading of steel plates, sales of steel fittings and sales of scrap materials which accounted for approximately 3.2% of our total steel pipe revenue in 2023 as compared with approximately 4.4% in 2022.

Gross profit of steel pipe sales for 2023 was approximately RMB513.4 million as compared with approximately RMB413.9 million in 2022, representing an increase of approximately 24.0% or RMB99.5 million. Gross profit margin for 2023 was approximately 21.5% which was similar to that of 22.9% in 2022.

Overseas Sales for 2023 was approximately RMB1,370.5 million as compared with approximately RMB660.7 million in 2022, representing an increase of approximately 107.4%. Our overseas sales accounted for approximately 57.3% of our total steel pipe revenue in 2023, as compared with approximately 36.5% in 2022.

於二零二三年，來自銷售鋼管的收入約佔本集團總鋼管收入89.2%，而於二零二二年則約佔80.9%。於二零二三年，鋼管製造服務約佔本集團總鋼管收入7.6%，而於二零二二年則約佔14.7%。分類為「其他」之收入主要指買賣鋼板、銷售鋼製管件及銷售廢料的收入，約佔本集團二零二三年總鋼管收入3.2%，而於二零二二年則約佔4.4%。

二零二三年的鋼管銷售毛利約為人民幣513,400,000元，較二零二二年約人民幣413,900,000元增加約24.0%或人民幣99,500,000元。二零二三年的毛利率約為21.5%，與二零二二年的22.9%大致相當。

二零二三年的海外銷售約為人民幣1,370,500,000元，較二零二二年約人民幣660,700,000元，增加約107.4%。於二零二三年，本集團的海外銷售額佔總鋼管收入約57.3%，而於二零二二年則約佔36.5%。

Sales by Geographical Areas — Steel Pipes

按地區劃分的銷售 — 鋼管

		2023 二零二三年 Revenue 收入		2022 二零二二年 Revenue 收入	
		RMB'000	% to total 佔總收入	RMB'000	% to total 佔總收入
		人民幣千元	百分比	人民幣千元	百分比
Overseas sales	海外銷售	1,370,493	57.3	660,683	36.5
Domestic sales	國內銷售	1,020,362	42.7	1,149,414	63.5
Total steel pipes and manufacturing services	鋼管及製造服務總計	2,390,855	100.0	1,810,097	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Property development and investment

物業開發與投資

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue	收入	259,997	551,918
Cost of sales	銷售成本	(219,212)	(495,235)
Gross profit	毛利	40,785	56,683

Revenue generated from the property development and investment segment mainly comprises sales of property of GDC-Phase II and rental income from shops in Phase I of GDC. Revenue under property development and investment was approximately RMB260.0 million in 2023 as compared with approximately RMB551.9 million in 2022, representing a decrease of approximately 52.9% or RMB291.9 million. Decrease in revenue was due to recognition of sales of Phase II in 2023 decreased. Most of the units under Phase I of GDC had been sold in 2018 and 2019.

Cost of sales primarily represents the costs we incurred directly for the Group's property development activities. The principal component of cost of sales is cost of properties sold, which includes the direct costs of construction and the costs of obtaining land use rights. Cost of sales was approximately RMB219.2 million in 2023 as compared with approximately RMB495.2 million in 2022, representing a decrease of 55.7% or RMB276.0 million. Decrease in cost of sales was due to less properties sold out so as the allocation of cost of Phase II of GDC.

Gross profit of property sales was approximately RMB40.8 million in 2023 as compared with approximately RMB56.7 million in 2022, representing a decrease of 28.0% or RMB15.9 million. Decrease in gross profit was due to decrease in sales of Phase II of GDC.

All revenue under property development and investment was domestic in nature.

物業開發與投資分部產生的收入主要是金龍城第二期的物業銷售收入及來自金龍城第一期商舖的租金收入。二零二三年物業開發與投資收入約為人民幣260,000,000元，與於二零二二年的約人民幣551,900,000元相比，減少約52.9%或人民幣291,900,000元。收入減少乃由於第二期的銷售額於二零二三年確認減少。大部分金龍城第一期單位已於二零一八年及二零一九年出售。

銷售成本主要指我們就本集團之物業開發活動直接產生的成本。銷售成本的主要組成部分為已售物業成本，當中包括直接建築成本及取得土地使用權成本。於二零二三年，銷售成本約為人民幣219,200,000元，與於二零二二年的約人民幣495,200,000元相比，減少55.7%或人民幣276,000,000元。銷售成本減少乃由於金龍城第二期的分配成本導致的已售物業減少。

於二零二三年，物業銷售毛利約為人民幣40,800,000元，與於二零二二年的約人民幣56,700,000元相比，減少28.0%或人民幣15,900,000元。毛利減少乃由於金龍城第二期的銷售額減少。

所有物業開發與投資收入均為國內產生。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

CHANGE IN FAIR VALUES OF INVESTMENT PROPERTIES

The Group has adopted the accounting policy of measuring investment properties by using fair values. Accordingly, gains or losses arising from the changes in the fair values of investment properties are reflected as profit or loss for 2023. The investment properties as at 31 December 2023 were the shops of Phase I of GDC. The Group has engaged RHL Appraisal Limited, an independent valuer, to value the investment properties as at 31 December 2023. According to the valuation report as at 31 December 2023 issued by RHL Appraisal Limited, the market value of the investment properties as at 31 December 2023 was RMB360.0 million. Loss in fair values of the investment properties in 2023 was approximately RMB2 million (2022: loss of RMB8 million).

OTHER INCOME AND GAINS

Other income and gains in 2023 mainly represented bank interest income and subsidy income from government. Other income and gains decreased by approximately 93.3% or RMB222.8 million from approximately RMB238.7 million in 2022 to approximately RMB16.0 million in 2023. Decrease in other income and gains was mainly due to the decrease in subsidy income from government.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses increased by approximately 19.0% or RMB10.4 million from approximately RMB55.1 million in 2022 to approximately RMB65.5 million in 2023. Increase in selling and distribution expenses was mainly due to increase in overseas sales that led to the increase in sales commission.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by approximately 9.9% or RMB24.2 million from approximately RMB245.8 million in 2022 to approximately RMB270.0 million in 2023. The increase in administrative expenses was mainly due to increase in research and development expenses.

投資物業公平值變動

本集團已採納會計政策，以公平值計量投資物業。因此，投資物業公平值變動產生之盈虧，已於二零二三年反映為損益。於二零二三年十二月三十一日的投資物業為金龍城第一期的商舖。本集團已委聘獨立估值師永利行評估顧問有限公司，為於二零二三年十二月三十一日的投資物業進行估值。根據永利行評估顧問有限公司於二零二三年十二月三十一日出具的估值報告，投資物業於二零二三年十二月三十一日的市值為人民幣360,000,000元。於二零二三年，投資物業的公平值虧損約為人民幣2,000,000元（二零二二年：虧損人民幣8,000,000元）。

其他收入及收益

二零二三年的其他收入及收益主要指銀行利息收入及政府補貼收入。其他收入及收益由二零二二年約人民幣238,700,000元，減少約93.3%或人民幣222,800,000元至二零二三年約人民幣16,000,000元。其他收入及收益減少主要由於政府補貼收入減少。

銷售及分銷開支

銷售及分銷開支由二零二二年約人民幣55,100,000元，增加約19.0%或人民幣10,400,000元，至二零二三年約人民幣65,500,000元。銷售及分銷開支增加主要由於海外銷售增加導致銷售佣金增加。

行政費用

行政費用由二零二二年約人民幣245,800,000元增加約9.9%或人民幣24,200,000元，至二零二三年約人民幣270,000,000元。行政費用增加主要由於研發費用增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCE COSTS

The finance costs for 2023 was approximately RMB94.5 million as compared with that of 2022 of approximately RMB44.6 million, representing an increase of RMB49.9 million or 111.8%. The effective interest rate in 2023 was approximately 5.2% (2022: 2.5%). Increase in finance costs was due to the fact that interest in relation to property sector can no longer be capitalized and has to be charged to finance costs during the year.

OTHER EXPENSES

Other expenses decreased by approximately 10.4% or RMB21.9 million from approximately RMB209.8 million in 2022 to approximately RMB187.9 million in 2023. The decrease was mainly due to the combined effect of (i) land resumption cost in 2022 but nil in 2023; and (ii) increase in impairment of trade and other receivables in 2023 as compared to 2022.

EXCHANGE GAIN, NET

The Group recorded exchange gain of approximately RMB15.1 million in 2023 as compared with exchange gain of approximately RMB16.4 million in 2022. The exchange gain was mainly due to appreciation of USD against RMB in collection of USD trade receivables.

INCOME TAX CREDIT

The Group recorded income tax credit of RMB144.7 million in 2023 as compared with income tax credit of RMB0.6 million in 2022.

PROFIT FOR THE YEAR

As a result of the reasons discussed above, the Group recorded a profit of approximately RMB183.8 million in 2023 (2022: profit of RMB163.0 million).

融資成本

二零二三年的融資成本約為人民幣94,500,000元，較於二零二二年的約人民幣44,600,000元相比，增加人民幣49,900,000元或111.8%。二零二三年的實際利率約為5.2%（二零二二年：2.5%）。融資成本增加乃由於本年度與物業分部有關的利息不再資本化，而是計入財務成本。

其他費用

其他費用由二零二二年約人民幣209,800,000元，減少約10.4%或人民幣21,900,000元，至二零二三年約人民幣187,900,000元。該減少主要由於(i)二零二二年的土地收儲成本，但二零二三年為零；及(ii)貿易應收賬款及其他應收款項減值較二零二二年增加的綜合影響所致。

匯兌收益淨額

本集團於二零二三年錄得匯兌收益約人民幣15,100,000元，而於二零二二年則錄得匯兌收益約人民幣16,400,000元。匯兌收益乃主要由於收美元應收賬款時美元兌人民幣升值所致。

所得稅抵免

本集團於二零二三年錄得所得稅抵免人民幣144,700,000元，而於二零二二年則錄得所得稅抵免人民幣600,000元。

年內溢利

由於上文所述原因，本集團於二零二三年錄得溢利約人民幣183,800,000元（二零二二年：溢利人民幣163,000,000元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LIQUIDITY AND FINANCIAL RESOURCES

The following table sets out certain information regarding the Group's consolidated statement of cash flows for the years ended 31 December 2022 and 2023:

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Net cash flows from operating activities	經營活動所得現金流量淨額	431,067	154,068
Net cash flows (used in)/from investing activities	投資活動(所用)/所得現金流量淨額	(8,682)	38,169
Net cash flows used in financing activities	融資活動所用現金流量淨額	(366,033)	(149,102)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	56,352	43,135

NET CASH FLOWS FROM OPERATING ACTIVITIES

The Group's net cash inflows from operating activities of approximately RMB154.1 million in 2022 increased to approximately RMB431.1 million in 2023. The increase in net cash inflows from operating activities were primarily due to the combined effect of (i) decrease in profit before tax; (ii) increase in inventories, trade and bills payables and contract liabilities; and (iii) decrease in completed properties held for sale, trade and bills receivables, prepayments, other receivables and other assets, pledged and restricted bank balances, and other payables and accruals.

NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES

The Group's net cash flows from investing activities changed from inflow of approximately RMB38.2 million in 2022 to outflow of approximately RMB8.7 million in 2023. The decrease in net cash flows were mainly due to the combined effects of (i) purchase of items of property, plant and equipment in 2023; (ii) proceeds from disposal of investment in a joint venture; and (iii) receipt of government grants.

流動資金及財務資源

下表載列有關本集團截至二零二二年及二零二三年十二月三十一日止年度的綜合現金流量表的若干資料：

經營活動所得現金流量淨額

本集團的經營活動現金流量由二零二二年淨流入約人民幣154,100,000元增加至二零二三年約人民幣431,100,000元。經營活動所得現金流入淨額增加主要由於綜合以下影響所致：(i)除稅前溢利減少；(ii)存貨、貿易應付賬款及應付票據及合約負債增加；及(iii)落成待售物業、貿易應收賬款及應收票據、預付款項、其他應收款項及其他資產、已抵押及受限制銀行結餘及其他應付款項及應計費用減少。

投資活動(所用)/所得現金流量淨額

本集團的投資活動所得現金流量淨額由二零二二年流入約人民幣38,200,000元變更至二零二三年流出約人民幣8,700,000元。現金流量淨額減少主要由於綜合以下影響所致：(i)二零二三年購置物業、廠房及設備；(ii)出售於一間合營公司投資之所得款項；及(iii)收取政府補貼。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

NET CASH FLOWS USED IN FINANCING ACTIVITIES

The Group's net cash flows used in financing activities increased from approximately RMB149.1 million in 2022 to approximately RMB366.0 million in 2023. The increase was mainly resulted from the combined effect of (i) the increase in borrowing of new interest-bearing loans and other borrowings of approximately RMB658.3 million; and (ii) decrease in an amount due to a director, the repayment of bank loans, other borrowings, bonds and principal portion of payment of lease and payment of interest of approximately RMB1,024.3 million.

EXCHANGE RISK EXPOSURE

The Group mainly operates in the PRC and most of its operating transactions are settled in Renminbi except for export sales and overseas borrowings which are mostly denominated in US dollar and HK dollar. Most of the Group's assets and liabilities are denominated in Renminbi. Although the Group may be exposed to foreign currency exchange risks, the Board does not expect that future currency fluctuations would materially impact the Group's operations. The Group did not adopt formal hedging policies nor instruments of foreign currency for managing the exchange risk exposure during the year ended 31 December 2023.

CAPITAL EXPENDITURE

For the year ended 31 December 2023, the Group invested approximately RMB96.3 million for the upgrading of property, plant and equipment and right-of-use assets. These capital expenditures were fully financed by internal resources.

FINANCIAL GUARANTEE

As at 31 December 2023, the Group guaranteed RMB27.4 million (2021: RMB36.9 million) to certain purchasers of the Group's properties for mortgage facilities.

融資活動所用現金流量淨額

本集團的融資活動所用現金流量淨額由二零二二年約人民幣149,100,000元增加至二零二三年約人民幣366,000,000元。該增加主要由於綜合以下影響所致：(i)新借計息貸款及其他借款增加約人民幣658,300,000元；及(ii)應付董事款項減少、償還銀行貸款、其他借款、債券及租賃付款之本金部分及支付利息約人民幣1,024,300,000元。

外匯風險

本集團主要於中國經營，其大部分營運交易乃以人民幣結算，惟出口銷售及海外借貸大部分以美元及港元計值，而本集團大部分資產及負債乃以人民幣計值。儘管本集團可能面對外匯風險，董事會預料日後匯率波動不會對本集團營運構成重大影響。截至二零二三年十二月三十一日止年度，本集團並無就管理外匯風險採用正式對沖政策或外幣工具。

資本開支

於截至二零二三年十二月三十一日止年度，本集團投資約人民幣96,300,000元更新物業、廠房及設備以及使用權資產。該等資本開支全部以內部資源支付。

財務擔保

於二零二三年十二月三十一日，本集團就按揭融資向本集團物業之若干買家作出為數人民幣27,400,000元（二零二一年：人民幣36,900,000元）之擔保。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PLEDGE OF ASSETS

The Group pledged the following assets with an aggregate net book value to secure bank loans granted to the Group as at 31 December 2023:

- (i) certain property, plant and equipment of approximately RMB696.4 million (2022: RMB598.1 million);
- (ii) certain leasehold land of approximately RMB481.6 million (2022: RMB489.4 million); and
- (iii) completed properties held for sale of approximately RMB1,003.0 million (2022: RMB913.7 million).

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group's gearing ratio is calculated based on the sum of bank loans, other borrowings and fixed rate bonds and notes divided by total assets. The gearing ratio of the Group as at 31 December 2023 and 2022 were approximately 28.5% and 27.1%, respectively. There was no major change in gearing ratio in 2023 as compared with that of 2022.

On 27 April 2020, the Company entered into a subscription agreement with an investment fund, pursuant to which the Company agreed to issue, and the investment fund agreed to subscribe for HK\$140,000,000 12% bonds due in April 2022 (the "Bonds"). The Company and the noteholder mutually agreed to extend the maturity date to 22 December 2023. Mr Chen Chang, an executive Director and the controlling shareholder of the Company, undertakes and covenants that for so long as any of the Bonds remain outstanding, he shall remain as (i) the single largest direct or indirect shareholder of the Company; and (ii) the chairman of the Board and executive Director (the "Specific Performance Obligations"). Any breach of the Specific Performance Obligations may constitute an event of default under the Bonds and the bondholder is entitled to redeem the Bonds immediately upon the occurrence of the breach in accordance with the terms and conditions of the Bonds. Subsequent to 31 December 2023 and up to the date of this report, the Company will continue to actively negotiate with the investor for the extension of the Bonds.

資產抵押

於二零二三年十二月三十一日，本集團抵押以下總賬面淨值資產作為本集團獲授的銀行貸款的抵押：

- (i) 若干物業、廠房及設備約人民幣696,400,000元（二零二二年：人民幣598,100,000元）；
- (ii) 若干租賃土地約人民幣481,600,000元（二零二二年：人民幣489,400,000元）；及
- (iii) 落成待售物業約人民幣1,003,000,000元（二零二二年：人民幣913,700,000元）。

資本架構、流動資金及財務資源

本集團的資產負債比率乃按銀行貸款、其他借貸及定息債券及票據的總和除以資產總值計算。本集團於二零二三年及二零二二年十二月三十一日的資產負債比率分別約為28.5%及27.1%。於二零二三年的資產負債比率較二零二二年並無重大變動。

於二零二零年四月二十七日，本公司與投資基金訂立認購協議，據此，本公司同意發行，而投資基金同意認購140,000,000港元於二零二二年四月到期的12%債券（「債券」）。本公司及票據持有者相互協定將到期日延長至二零二三年十二月二十二日。本公司執行董事兼控股股東陳昌先生承諾並保證，在債券期內，彼應為(i)本公司的單一最大直接或間接股東；及(ii)董事會主席兼執行董事（「特定履約義務」）。違反特定履約義務可能構成債券的違約事件，在發生違約時，債券持有人有權根據債券的條款和條件立即贖回債券。自二零二三年十二月三十一日起至本報告日期，本公司將繼續積極與投資者就延長債券進行磋商。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at 31 December 2023, the Group's total borrowings amounted to approximately RMB1,832.4 million, of which approximately 8% (2022: 46%) were long term borrowings and approximately 92% (2022: 54%) were short term borrowings. The total borrowings included, (i) a loan of RMB791.6 million in relation to the Group's property development business; and (ii) net borrowings under steel pipe business of around RMB1,040.8 million. The Group had to finance its working capital of steel pipe business by short term borrowings as around 90% of the cost of sales was incurred on the procurement of steel plates and steel coils. Once the Group received sales proceeds from its customers, it would then repay the short term borrowings. Taking into account the Group's cash in hand, the Group has sufficient liquidity and is in a strong financial position to repay its short term borrowings.

As at 31 December 2023, (i) approximately 80% (2022: 80%) of the total borrowings were denominated in Renminbi which carried interest rates linked to the benchmark lending rate published by the People's Bank of China; (ii) approximately 16% (2022: 15%) of the total borrowings were denominated in Renminbi which carried fixed interest rate; and (iii) approximately 4% (2022: 5%) of the total borrowings were denominated in US dollar and HK dollar which carried fixed interest rate.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As at the date of this report, the Group had no significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures during the year.

於二零二三年十二月三十一日，本集團的借貸總額約為人民幣1,832,400,000元，當中約8%（二零二二年：46%）為長期借貸及約92%（二零二二年：54%）為短期借貸。借貸總額包括(i)有關本集團物業開發業務之貸款人民幣791,600,000元；及(ii)鋼管業務項下之借貸淨額約人民幣1,040,800,000元。由於銷售成本約90%乃產生自採購鋼板及鋼卷，因此本集團須以短期借貸作其鋼管業務之營運資金。本集團一旦收到客戶的銷售所得款項，將償還短期借貸。經計及本集團手頭現金，本集團有充足流動資金及強健的財務狀況，償還其短期借貸。

於二零二三年十二月三十一日，(i)借貸總額約80%（二零二二年：80%）以人民幣計值，按中國人民銀行公佈的基準貸款利率計息；(ii)借貸總額約16%（二零二二年：15%）以人民幣計值，按固定利率計息；及(iii)借貸總額約4%（二零二二年：5%）以美元及港元計值，按固定利率計息。

主要投資、重大收購及出售附屬公司、聯營公司及合營公司

於本報告日期，年內本集團概無主要投資、重大收購或出售附屬公司、聯營公司及合營公司。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

LITIGATION

The Group is involved certain lawsuits brought by third parties alleging that the Group breached and repudiated certain purchase and construction contracts. The claims are subject to the legal arbitration and are expected to be finalized in 2024. As at 31 December 2023, a provision of approximately RMB50.0 million has been provided.

EVENTS AFTER THE REPORTING PERIOD

As at the date of this report, there is no significant event subsequent to 31 December 2023 which would materially affect the Group's operating and financing performance.

EMPLOYEE AND REMUNERATION POLICY

For the year ended 31 December 2023, staff costs (including Directors' remuneration in the form of salaries) were approximately RMB151.4 million (2022: RMB123.7 million).

The Group remunerates its employees based on their performance, experience and prevailing industry practice. The emoluments of the Directors are recommended by the Remuneration Committee and are decided by the Board, having regard to the Group's operating results, individual performance and comparable market statistics. Competitive remuneration package is offered to retain elite employees. Our package includes salaries, medical insurance, discretionary bonuses, on-job training, other benefits as well as mandatory provident funds schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC. Pursuant to the Company's share option scheme, options to subscribe for shares in the Company may be granted to eligible employees. No share option was granted under the share option scheme during the year ended 31 December 2023.

訴訟

本集團涉及由第三方提出的若干訴訟，聲稱本集團違反及不履行若干購買及建造合約。該申索須待司法仲裁後方可決定及預期將於二零二四年審定。於二零二三年十二月三十一日，已計提撥備約人民幣50,000,000元。

報告期間後事項

於本報告日期，於二零二三年十二月三十一日後並無可嚴重影響本集團營運及財務表現的重大事項。

僱員及薪酬政策

截至二零二三年十二月三十一日止年度，員工成本（包括薪金形式的董事酬金）約為人民幣151,400,000元（二零二二年：人民幣123,700,000元）。

本集團根據員工的表現、經驗及現時行業慣例釐定員工的薪酬。董事的酬金乃經薪酬委員會提供推薦建議及由董事會考慮本集團的營運業績、個人表現及可資比較的市場統計數據後釐定。本集團提供具競爭力的薪酬待遇，以留任優秀員工。我們的酬金組合包括薪金、醫療保險、酌情花紅、在職培訓、其他福利以及有關香港員工的強制性公積金計劃及有關中國員工的國營退休福利計劃。根據本公司之購股權計劃，認購本公司股份之購股權可授予合資格僱員。於截至二零二三年十二月三十一日止年度，概無根據購股權計劃授出購股權。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As at 31 December 2023, the Group had a total of 875 full time employees (2022: 824 employees). The following sets forth the total number of our staff by functions:

於二零二三年十二月三十一日，本集團共有875名全職僱員（二零二二年：824名僱員）。下文載列按功能劃分的員工總數：

		2023 二零二三年	2022 二零二二年
Management	管理	52	55
Production and logistics	生產及物流	347	327
Sales and marketing	銷售及市場推廣	58	61
Finance	財務	44	45
Quality control	質量控制	113	79
R&D	研發	106	101
Procurement	採購	20	17
General administration and others	一般行政及其他	135	139
Total	合計	875	824

PROSPECT

In the face of geopolitical tensions and climate change, the volatility of global oil and gas trade prices poses significant risks to the strategy of reducing inflation. As a result, global economic development is full of uncertainty, which will continue to restrain demand growth and thus limit the pace of global recovery in 2024. The Group expects that the year 2024 will remain a challenging year for the oil and natural gas industry. In the medium and long term, it is expected that the oil and natural gas industry will continue to develop due to the combined effects of the insufficient oil and natural gas pipeline facilities, and China's emphasis on energy security and the promotion of clean energy.

未來展望

面對地緣政治緊張局勢和與氣候變化，全球油氣貿易價格的波動，對降低通脹的策略構成了重大風險，世界經濟發展充滿不確定性，二零二四年將繼續抑制需求增長從而限制全球復蘇的步伐。本集團預計二零二四年對石油及天然氣行業而言仍將是充滿挑戰的一年，從中長期來看，石油及天然氣管道的建設不足、中國對能源安全的重視和推動清潔能源等有望繼續對石油及天然氣行業構成支撐。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For a long time, oil and natural gas have always been the overriding primary energy in the global energy consumption structure, and China is no exception. In recent years, the output of crude oil and natural gas has continued to increase, especially for clean energy such as natural gas, which has experienced long-term rapid growth in output. Oil and gas pipeline construction industry is an important part of the development of China's energy industry, as well as an important support for national energy security and economic development. With the rapid development of China's economy, the oil and gas pipeline industry has developed rapidly, and the market size has been expanding. The National Energy Administration held the 2023 National Oil and Gas Pipeline Planning, Construction and Protection Work Conference in April 2023 to implement the new deployment and requirements of energy work, continue to promote the construction of oil and gas production, supply, storage and sales system, accelerate the improvement of the "national network", and coordinate the pipeline protection work and major oil and gas pipeline network projects. Meanwhile, it is necessary to take the mid-term evaluation and optimization of the "14th Five-Year Plan" as an opportunity to further strengthen the connection between provincial and enterprise planning and national planning, and effectively ensure the implementation of national strategies and plans.

長期以來，石油及天然氣一直是全球能源消費結構中最主要的一次能源，在中國也不例外，近年來原油以及天然氣的產量也在持續提升，尤其是清潔能源，如天然氣，產量長期快速增長。油氣管道工程建設行業是中國能源行業發展的重要組成部分，也是國家能源安全和經濟發展的重要支撐。隨著中國經濟的快速發展，油氣管道行業發展迅速，市場規模不斷擴大。國家能源局在二零二三年四月召開二零二三年全國油氣管道規劃建設和保護工作會議，貫徹落實能源工作的新部署新要求，持續推進油氣產供儲銷體系建設，加快完善「全國一張網」，統籌做好管道保護工作和油氣管網重大工程，同時，要以「十四五規劃」中期評估和優化調整為契機，進一步加強省級和企業規劃與國家規劃的銜接，切實保障國家戰略和規劃落地實施。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

At the beginning of 2022, the National Development and Reform Commission and the National Energy Administration issued the “14th Five-Year Plan Modern Energy System Plan”, which put forward the goal that by 2025, the scale of domestic oil and gas pipeline network would reach approximately 210,000 kilometers. As of the end of 2022, the total mileage of long-distance oil and gas pipelines in China reached approximately 180,000 kilometers, which was twice the length recorded a decade ago, including 28,000 kilometers of crude oil pipelines, 32,000 kilometers of refined oil pipelines and 120,000 kilometers of natural gas pipelines. According to the demand forecast under the “dual carbon” goal, it is expected that China will add a total of approximately 65,000 kilometers of natural gas pipeline construction by 2035, including 29,500 kilometers of new trunk pipelines and 35,300 kilometers of provincial pipelines, approximately 2,000 kilometers of new crude oil pipelines and 4,000 kilometers of refined oil product pipelines. The “14th Five-Year Plan” will see China’s oil and gas pipeline network enter into a new development stage of “national network” with physical interconnection and fair and open services, and it is expected that China will enjoy a stable growth in pipeline transportation in the next 10 to 20 years, of which the construction of pipeline transportation for natural gas pipelines and other ancillary facilities will be the focus of development. Emphasis will also be put on the construction of the Southern Section of China-Russia East Line, the middle section of West-to-East line 3, West-to-East line 4, Sichuan-to-East line 2, Hulin-Changchun natural gas pipeline and other major projects. The Group will be benefit from the construction of oil and natural gas pipelines.

二零二二年初，國家發展改革委、國家能源局印發《「十四五」現代能源體系規劃》提出到二零二五年，全中國油氣管網規模達到21萬公里左右的目標。截至二零二二年底，全中國長輸油氣管網總里程約18萬公里，是十年前的兩倍。其中包括原油管道2.8萬公里，成品油管道3.2萬公里，天然氣管道12萬公里。按照「雙碳」目標下的需求預測，預計到二零三五年中國還將新增天然氣管道建設總里程約6.5萬公里，其中新增幹線管道2.95萬公里，省級管道3.53萬公里，新建原油管道約2,000公里，成品油管道約4,000公里。「十四五規劃」將是中國油氣管網全面進入物理互聯互通、服務公平開放的「全國一張網」發展新階段，預計未來10年至20年中國管道運輸還將處於穩定增長期，其中天然氣管道等配套設施管道運輸建設將是發展重點，重點建設中俄東線南段、西氣東輸三線中段、西氣東輸四線、川氣東送二線、虎林—長春天然氣管道等重大工程，本集團將受惠於石油及天然氣管道的建設。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

At the end of 2019, China Oil & Gas Pipeline Network Corporation (“Pipe China”) was formally established, which is principally engaged in the investment, construction and operation of infrastructure such as oil and gas trunk pipeline networks and gas storage and peak shaving, the interconnection of the trunk pipeline network and the connection of social pipelines, as well as the operation and scheduling of the national oil and gas pipeline network, and the construction of an oil and gas pipeline network covering the west-east gas transmission, north-south gas transmission, coastal delivery to inland, east-west synergy, north-south interoperability in accordance with the national plan, so as to enhance oil and gas transportation capacity and ensure a safe and stable supply of oil and gas energy. Pipe China plans to build a natural gas pipeline network of “5 verticals, 5 horizontals” in the next five years. By 2025, the natural gas pipeline network of Pipe China will form a trunk pipe network pattern of “four major (inlet) channels” and “5 verticals, 5 horizontals”. Since its establishment, Pipe China has been constantly strengthening the overall coordination of China’s oil and gas pipeline network layout, which has a positive impact on the development of the industry and the Group.

According to the China Natural Gas Development Report (2023), China’s oil and gas enterprises increased their investment in exploration and development by approximately RMB370 billion in 2022, representing a year-on-year increase of 19%. Major breakthroughs have been made in natural gas exploration and development in onshore ultra-deep, deepwater, shale gas and coalbed methane. Among them, offshore oil and gas exploration and development has been moving towards deep water, and China’s offshore oil and gas resources are relatively abundant. The remaining technically recoverable reserves of offshore oil and natural gas account for approximately 34% and 52% of China’s remaining technically recoverable reserves of oil and natural gas, respectively. The ocean will be an important substitute area for the development of oil and gas exploration and production in China. In the future, China’s offshore oil and gas exploration and development will expand to deepwater and ultra-deep water areas, and the Group, as a deep sea welded steel pipe manufacturer, will firmly seize the opportunities.

二零一九年底，國家石油天然氣管網集團有限公司（「國家管網集團」）正式成立，集團主要從事油氣幹線管網及儲氣調峰等基礎設施的投資建設和運營，負責幹線管網互聯互通和與社會管道聯通，以及全中國油氣管網的運行調度，構建西氣東輸、北氣南下、沿海內送、東西協同、南北互通的油氣管網建設，提升油氣運輸能力，確保油氣能源安全穩定供應。國家管網集團規劃未來五年將建成「五縱五橫」的天然氣管網，到二零二五年，國家管網集團的天然氣管網將形成「四大（進口）通道」和「五縱五橫」的幹線管網格局。國家管網集團成立以來，不斷加強對中國油氣管網佈局的整體統籌，對產業發展起到積極影響，也對本集團有正面的影響。

根據《中國天然氣發展報告(二零二三)》，二零二二年中國油氣企業加大勘探開發投資約人民幣3,700億元，佔同比增長19%，天然氣勘探開發在陸上超深層、深水、頁岩氣及煤層氣等取得重大突破。其中海洋油氣勘探開發不斷向深水進發，中國海洋油氣資源較為豐富，海洋石油及天然氣剩餘技術可採儲量分別約佔中國石油及天然氣剩餘技術可採儲量的34%和52%。海洋將是中國油氣勘探開發和生產發展的重要接替區。未來中國海洋油氣勘探開發將拓展深水、超深水領域，本集團作為深海焊管製造商，定能為本集團帶來機遇。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

In order to achieve the “dual carbon” strategic goal of “achieving peak carbon dioxide emission before 2030 and carbon neutrality before 2060”, China indicates that ecology-focused green and low-carbon development will become the leading strategy in the future. In the medium to long term, natural gas will become the focus of fossil energy development, while oil and gas companies will also actively develop and explore clean energy, such as hydrogen, wind power and hydro-power. The construction of a series of natural gas pipeline, wind power and offshore platforms will be accelerated, and the Group will be able to meet the demand for green and low-carbon products with its technical strength and track record.

In the international market, the original global industrial and supply chains have been disrupted and are facing readjustment due to geopolitical conflicts, rising international commodity prices, high inflation and other factors. As such, importers of steel pipes are more inclined to seek for stable suppliers in the PRC. Besides, since the economies of certain developing countries around the world are gradually recovering from the pandemic, the demand for oil and natural gas continues to increase, which enables the Group to further expand its market share of the welded pipe overseas.

The Group believes that it is also our mission to achieve national energy safety and dual carbon goal, which will create business opportunities for the steel pipe manufacturing industry at the same time. Therefore, the Group will firmly seize the opportunities to boost its sales. As our long-term strategic goal is to become a leading global steel pipe manufacturer, the Group will expand our customer bases and market share by participating in more global oil and gas and engineering projects, diversify the use of steel pipes by supplying steel pipes for projects in infrastructure and high-end construction fields, such as bridges, wind power generation, offshore platforms, insulation pipe and water pipes. The Group will also continue to leverage its strengths in the steel pipe industry to secure project orders.

中國為實現「二零三零年前實現碳達峰，二零六零年前實現碳中和」的「雙碳」戰略目標，標誌著以生態為重點的綠色低碳發展將成為未來的主導戰略。中長期天然氣將成為重點發展的化石能源，同時油氣企業也會積極發展探索清潔能源，如氫氣、風力發電及水力發電等清潔能源。一系列天然氣管網、風電及海上平台的建設將會加快，憑藉本集團技術實力及往績記錄將能滿足綠色低碳產品的需求。

國際市場方面，地緣政治衝突、國際大宗商品價格走高、高位通脹等因素，令全球原有產業鏈及供應鏈被打破及重新調整，進口鋼管商更願意尋找穩定中國供應方；另外，全球部分發展中國家經濟從疫情中慢慢恢復，對石油和天然氣的需求持續上升，更令本集團進一步擴大海外焊管市場份額。

本集團認為國家能源安全和雙碳目標也是我們的任務，也將為鋼管製造行業創造商機，本集團定當把握時機提升銷售。鑒於我們的長期戰略目標為成為全球領先的鋼管製造商，本集團將通過參與更多全球油氣工程項目，拓大客源及市場份額，通過為橋樑、風力發電、海上平台、保溫管、水管等基建及高端建築工程領域的項目提供鋼管，實現鋼管用途多元化。繼續發揮本集團在鋼管行業的優勢，爭取項目訂單。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr Chen Chang (陳昌)

Mr CHEN Chang (陳昌), aged 78, is the chief executive officer and the chairman of the Board and also a member of the Nomination Committee and Remuneration Committee of the Company. Mr Chen is the father of Ms Chen Zhao Nian (being executive Directors). Being the founder of the Group, Mr Chen is primarily responsible for the overall management, strategic planning and business development of the Group. Mr Chen has over 54 years of experience in areas related to woodwork, machine tool equipment and lift/escalator equipment and has accumulated abundant experience and knowledge in the mechanical and electrical industry. Mr Chen graduated from the graduate school of Sun Yat-Sen University* (中山大學) in Guangdong Province in October 1995 majoring in decision management.

Mr Chen has been appointed by several steel pipe related associations and organisations for various positions, including:

- Member of the Fourth Session of Welded Steel Pipe Academic Committee of the Steel Rolling Branch Association of the Chinese Society for Metals* (中國金屬學會軋鋼分會第四屆焊接鋼管學術委員會會員) (2001)
- Vice president of the China Township Enterprises Association* (中國鄉鎮企業協會副會長) (2004, 2008)
- Vice chairman of the 4th and 5th sessions of the board of directors of the China Steel Construction Society and the Steel Pipe Branch Association* (中國鋼結構協會鋼管分會第四屆理事會及第五屆理事會副理事長) (2004, 2008)
- Vice chairman of the 4th, 5th and 6th consecutive council of the Cold-formed Steel Sub-committee of the China Steel Structure Association* (中國鋼結構協會冷彎型鋼分會第四、五、六屆理事會副理事長) (2004, 2005 and 2010)
- Vice president of the Metallurgical Chamber of Commerce of the All-China Federation of Industry & Commerce* (中華全國工商業聯合會冶金商會副會長) (2006)

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執行董事

陳昌先生

陳昌先生，78歲，為行政總裁兼董事會主席，並為本公司提名委員會及薪酬委員會的成員。陳先生為執行董事陳兆年女士的父親。陳先生作為本集團創辦人，主要負責本集團的整體管理、策略規劃及業務發展。陳先生從事與木製品、機床設備及升降機／電梯設備有關領域的工作逾五十四年，積累了有關機電行業的豐富經驗及知識。於一九九五年十月，陳先生自廣東省中山大學研究生院畢業，主修決策管理。

陳先生獲若干鋼管相關聯會及組織委任多個職務，包括：

- 中國金屬學會軋鋼分會第四屆焊接鋼管學術委員會會員(二零零一年)
- 中國鄉鎮企業協會副會長(二零零四年、二零零八年)
- 中國鋼結構協會鋼管分會第四屆理事會及第五屆理事會副理事長(二零零四年、二零零八年)
- 中國鋼結構協會冷彎型鋼分會第四、五、六屆理事會副理事長(二零零四年、二零零五年及二零一零年)
- 中華全國工商業聯合會冶金商會副會長(二零零六年)

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr Chen has received various awards, honours qualifications, including:

- Honoured by the Ministry of Commerce, Industry and Energy of the Republic of Korea for his contributions to Korean economic development through trade revitalisation (2004)
- Excellent Entrepreneur in Chinese Private Technology Enterprises awarded by the All-China Federation of Industry & Commerce* (中華全國工商業聯合會評為中國優秀民營科技企業家) (2004)
- Awarded the First Prize of Science and Technology Awards by the Guangzhou Municipality People's Government* (廣州市人民政府評為科學技術獎一等獎得主) (2007)
- Awarded as authority expert of welded pipe industry by the Chinese International Authority Expert's Association* (中國國際權威專家協會評為焊管行業權威專家) (2007)
- The invention of "three-roller forming technology and equipment" was awarded the gold prize in the Sixth Session of International Exhibition of Inventions and outstanding award by the Guangdong Provincial Bureau of Personnel and the Guangdong Province Intellectual Property Department* (發明三輥成型工藝及設備並在第六屆國際發明展覽會上榮獲金獎及獲廣東省人事廳及廣東省知識產權局評為優秀獎) (2008)
- Outstanding Individual in Earthquake Relief in Guangzhou* (廣州市抗震救災先進個人) (2008)
- The Fourth Invention and Entrepreneur Award by the China Steel Association* (中國鋼鐵協會第四屆「發明創業獎」) (2009)
- Guangzhou Model Labour* (廣州市勞動模範) (2009)
- First Prize of Science and Technology Award in Guangdong Province (廣東省科學技術獎一等獎) for the research and development of LSAW manufacturing process and technology and its series of products (2010)
- Guangzhou Outstanding Entrepreneur* (廣州市優秀企業家) (2011)

陳先生獲頒多個獎項及榮譽資格，包括：

- 通過貿易振興為韓國經濟發展做出貢獻，故獲大韓民國工商及能源部表彰(二零零四年)
- 中華全國工商業聯合會評為中國優秀民營科技企業家(二零零四年)
- 廣州市人民政府評為科學技術獎一等獎得主(二零零七年)
- 中國國際權威專家協會評為焊管行業權威專家(二零零七年)
- 發明三輥成型工藝及設備並在第六屆國際發明展覽會上榮獲金獎及獲廣東省人事廳及廣東省知識產權局評為優秀獎(二零零八年)
- 廣州市抗震救災先進個人(二零零八年)
- 中國鋼鐵協會第四屆「發明創業獎」(二零零九年)
- 廣州市勞動模範(二零零九年)
- 直縫埋弧焊管工藝技術及系列產品研究開發獲得廣東省科學技術獎一等獎(二零一零年)
- 廣州市優秀企業家(二零一一年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

- Nationwide Outstanding Entrepreneur* (全國優秀企業家) (2012)
- Guangzhou Outstanding Contribution Award for Science and Technology* (廣州市科學技術突出貢獻獎) (2012)
- Outstanding Industrial Province of Science and Technology in the PRC's iron and steel industry* (中國鋼鐵工業優秀科技工業者) (2012)
- Guangzhou Figure of Focus* (羊城光彩人物) (2012)
- The Outstanding Entrepreneur for the Competition of the Top 10 Guangzhou Construction Project in 2012* (2012年度廣東省十項工程勞動競賽模範企業家) (2013)
- Outstanding Contribution Award for Innovation in Guangzhou* (廣州科技創新聯盟突出貢獻獎) (2013)
- Top 10 Guangdong Economic Influential Individuals in 2013* (2013年廣東十大經濟風雲人物) (2013)
- Nationwide "May 1st" Labour Award* (全國五一勞動獎章) (2014)
- Gold Prize of the 8th International Invention Exhibition* (第八屆國際發明會金獎) (2014)
- 5th China Overseas Chinese Community (Innovative Achievement) Contribution Award* (第五屆中國僑界(創新成果)貢獻獎) (2014)
- 14th World Outstanding Chinese Award* (第十四屆世界傑出華人獎) (2015)
- National Model Worker* (全國勞動模範) (2015)
- Guangzhou Entrepreneurial Entrepreneur for 30 years* (廣州創業30年功勳企業家) (2016)
- Gold Prize of the 19th International Invention Exhibition* (第十九屆國際發明金獎) (2016)
- 全國優秀企業家(二零一二年)
- 廣州市科學技術突出貢獻獎(二零一二年)
- 中國鋼鐵工業優秀科技工業者(二零一二年)
- 羊城光彩人物(二零一二年)
- 2012年度廣東省十項工程勞動競賽模範企業家(二零一三年)
- 廣州科技創新聯盟突出貢獻獎(二零一三年)
- 2013年廣東十大經濟風雲人物(二零一三年)
- 全國五一勞動獎章(二零一四年)
- 第八屆國際發明會金獎(二零一四年)
- 第五屆中國僑界(創新成果)貢獻獎(二零一四年)
- 第十四屆世界傑出華人獎(二零一五年)
- 全國勞動模範(二零一五年)
- 廣州創業30年功勳企業家(二零一六年)
- 第十九屆國際發明金獎(二零一六年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

- Yu Shan Outstanding Contribution Award* (禺山卓越貢獻獎) (2016)
- 2016 Guangzhou Industry Leader* (2016年度廣州市產業領軍人才) (2017)
- The Most Socially Responsible Entrepreneur in Guangzhou* (廣州最具社會責任感企業家) (2017)
- Top Ten Economic Persons in Guangzhou* (廣州十大經濟風雲人物) (2018)
- The Central Committee of the Communist Party of China, the State Council and the Central Military Commission jointly issued a commemorative medal to celebrate the 70th anniversary of the founding of the People's Republic of China* (中共中央、國務院、中央軍委共同頒發慶祝中華人民共和國成立70周年紀念章) (2019)
- 禺山卓越貢獻獎(二零一六年)
- 2016年度廣州市產業領軍人才(二零一七年)
- 廣州最具社會責任感企業家(二零一七年)
- 廣州十大經濟風雲人物(二零一八年)
- 中共中央、國務院、中央軍委共同頒發慶祝中華人民共和國成立70周年紀念章(二零一九年)

As at the date of this annual report, Mr Chen is the sole director and sole shareholder of Bournam Profits Limited, which is interested in 701,911,000 shares of the Company. Together with Mr Chen's personal interest of 4,350,000 shares of the Company, Mr Chen has a total interest of 706,261,000 shares of the Company.

於本年報日期，陳先生為Bournam Profits Limited的唯一董事及唯一股東，而Bournam Profits Limited於本公司701,911,000股股份中擁有權益。連同陳先生於本公司4,350,000股股份中擁有的個人權益，陳先生於本公司合共706,261,000股股份中擁有權益。

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Ms Chen Zhao Nian (陳兆年)

Ms CHEN Zhao Nian (陳兆年), aged 47, is an executive Director. She is the daughter of Mr Chen Chang (being chairman of the Board and an executive Director). Ms Chen is primarily responsible for the daily management and operations of the Group. Ms Chen joined the Group in October 2002 as vice general manager. She received a PhD's degree in economics from the Jinan University in 2021. She also obtained a bachelor's degree in arts from the University of Central Lancashire in the United Kingdom in June 2000 and a master's degree in accounting from Leeds Metropolitan University in the United Kingdom in October 2002. Ms Chen has taken up the following public duties and has received the following awards:

Public duties:

- Member of the Standing Committee of 16th Session of NPC in Panyu, Guangzhou* (廣州市番禺區第十六屆人大常委) (2011)
- Executive member of the Guangzhou Glory Society* (廣州市光彩事業促進會理事) (2012)
- Vice chairwoman of the Federation of Industry & Commerce in Panyu District of Guangzhou* (廣州市番禺區工商業聯合會副主席) (2012)
- President of the Youth Association of Panyu Merchants and Entrepreneurs in Panyu District* (番禺區禺商創業青年協會會長) (2012)
- Member of the 12th Executive Committee for Guangzhou Women* (廣州市婦女第十二屆執行委員會委員) (2012)

陳兆年女士

陳兆年女士，47歲，為執行董事。彼為陳昌先生(董事會主席及執行董事)的女兒。陳女士主要負責本集團日常管理及營運。陳女士於二零零二年十月加入本集團擔任副總經理。彼於二零二一年獲暨南大學經濟學博士學位，彼亦於二零零零年六月獲英國中央蘭開夏大學文學士學位及於二零零二年十月獲英國裡茲都市大學會計專業碩士學位。陳女士擔任下列公職，並獲頒以下獎項：

公職：

- 廣州市番禺區第十六屆人大常委(二零一一年)
- 廣州市光彩事業促進會理事(二零一二年)
- 廣州市番禺區工商業聯合會副主席(二零一二年)
- 番禺區禺商創業青年協會會長(二零一二年)
- 廣州市婦女第十二屆執行委員會委員(二零一二年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

- Chairlady of the Guangzhou Association of Women Entrepreneurs* (廣州市女企業家協會會長) (2013)
- Representative of Guangzhou in the 11th All-China Women Federation Conference* (中華全國婦女聯合會第十一屆會議廣州代表) (2013)
- Committee member of the Guangzhou Committee of the 12th Chinese People's Political Consultative Conference* (中國人民政治協商會議第十二屆廣州市委員會委員) (2014)
- Guangzhou Deputy Director of the Federation of Young Entrepreneurs Committee* (廣州市工商聯青年企業家委員常務副主任) (2014)
- Committee member of the 12th Guangdong Provincial Women's Federation, the Executive Committee* (廣東省婦聯第十二屆執委會常務委員) (2014)
- Vice President of Guangdong Province Private Enterprises Investment Development Association* (廣東省民營企業投資發展促進會副會長) (2015)
- Vice President of Guangdong Province Association of Women Entrepreneurs* (廣東省女企業家協會副會長) (2015)
- Executive Vice President of Guangdong Province Association of Public Affairs* (廣東省致福公益促進會常務副會長) (2015)
- Vice President of Guangzhou Taxpayers Association* (廣州市納稅人協會副會長) (2015)
- Representative of the 15th People's Congress of Guangzhou City* (廣州市第十五屆人民代表大會代表) (2016)
- 廣州市女企業家協會會長(二零一三年)
- 中華全國婦女聯合會第十一屆會議廣州代表(二零一三年)
- 中國人民政治協商會議第十二屆廣州市委員會委員(二零一四年)
- 廣州市工商聯青年企業家委員常務副主任(二零一四年)
- 廣東省婦聯第十二屆執委會常務委員(二零一四年)
- 廣東省民營企業投資發展促進會副會長(二零一五年)
- 廣東省女企業家協會副會長(二零一五年)
- 廣東省致福公益促進會常務副會長(二零一五年)
- 廣州市納稅人協會副會長(二零一五年)
- 廣州市第十五屆人民代表大會代表(二零一六年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

- President of Guangdong Women and Children's Fund* (廣東省婦女兒童基金會理事長) (2017)
- Member of the 12th Executive Committee for National Women's Federation* (全國婦聯第十二屆執行委員會委員) (2018)
- Member of the 13th Executive Committee for Guangzhou Women's Federation* (廣州市婦聯第十三屆執行委員會委員) (2019)
- Honorary President of the Youth Association of Panyu Merchants and Entrepreneurs in Panyu District* (廣州市番禺區禺商創業青年協會榮譽會長) (2019)
- Committee member of the 13th Guangdong Provincial Women's Federation, the Executive Committee* (廣東省婦聯第十三屆執委會常務委員) (2019)
- Vice President and member of the 14th Executive Committee for Guangzhou Women's Federation* (廣州市番禺區婦聯第十四屆執行委員會兼副主席) (2020)
- Instructor of Women's Innovation and Entrepreneurship Mentor Group in Guangdong-Hong Kong-Macau Greater Bay Area (粵港澳大灣區婦女創新創業導師團導師) (2020)
- Member of the Standing Committee of the 14th Guangzhou Municipal Committee of Zhi Gong Party* (致公黨廣州市第十四屆委員會常務委員會委員) (2021)
- Entrepreneurial mentor of the Yunfan Project of the Guangzhou European and American Alumni Association* (廣州歐美同學會雲帆計畫創業導師) (2021)
- Executive Vice President of the 7th Council of Guangdong Women Entrepreneurs Association* (廣東省女企業家協會第七屆理事會常務副會長) (2022)
- Representative of the 13th National Congress of Chinese Women* (中國婦女第十三次全國代表大會代表) (2023)
- Member of the 14th Guangzhou Municipal Committee of the CPPCC* (政協第十四屆廣州市委員會委員) (2024)
- 廣東省婦女兒童基金會理事長(二零一七年)
- 全國婦聯第十二屆執行委員會委員(二零一八年)
- 廣州市婦聯第十三屆執行委員會委員(二零一九年)
- 廣州市番禺區禺商創業青年協會榮譽會長(二零一九年)
- 廣東省婦聯第十三屆執委會常務委員(二零一九年)
- 廣州市番禺區婦聯第十四屆執行委員會兼副主席(二零二零年)
- 粵港澳大灣區婦女創新創業導師團導師(二零二零年)
- 致公黨廣州市第十四屆委員會常務委員會委員(二零二一年)
- 廣州歐美同學會雲帆計畫創業導師(二零二一年)
- 廣東省女企業家協會第七屆理事會常務副會長(二零二二年)
- 中國婦女第十三次全國代表大會代表(二零二三年)
- 政協第十四屆廣州市委員會委員(二零二四年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Awards:

- The 8th Civilised Family with Five Distinctive Merits by the All-China Women's Federation* (中華全國婦女聯合會第八屆五好文明家庭) (2012)
- Female Pace Setter with Great Contribution (National Level)* (全國巾幗建功標兵) (2013)
- Most Charismatic Woman in 60 years of Guangzhou Loving Hearts* (感動廣州60年最具魅力女性) (2013)
- Guangzhou Outstanding Entrepreneur Honors* (廣州市優秀企業家) (2013)
- Guangdong Outstanding Women Entrepreneur Honours* (廣東省「優秀女企業家」) (2013)
- "March 8th Flag Bearer" of Guangzhou* (廣州市「三八紅旗手」) (2010-2013)
- Outstanding Women Entrepreneur* (傑出創業女性) (2014)
- Guangdong Province Top Ten Outstanding Scholarly Home* (廣東省「十大優秀書香之家」) (2014)
- Ten Outstanding Young Entrepreneur* (十佳優秀青年企業家) (2015)
- Guangdong Top Ten "Charity Contribution Award"* (廣東十佳「慈善奉獻獎」) (2015)
- Top 10 Guangdong Business New Individuals in 2015* (2015廣東商界十大新銳人物) (2016)
- Diamond Award of Charity Figures* (2016年度慈善人物鑽石獎) (2016)
- Guangzhou New Generation Outstanding Entrepreneur* (廣州新生代優秀企業家) (2016)
- Outstanding CEO (2016年度傑出CEO) (2016)

獎項：

- 中華全國婦女聯合會第八屆五好文明家庭(二零一二年)
- 全國巾幗建功標兵(二零一三年)
- 感動廣州60年最具魅力女性(二零一三年)
- 廣州市優秀企業家(二零一三年)
- 廣東省「優秀女企業家」(二零一三年)
- 廣州市「三八紅旗手」(二零一零年至二零一三年)
- 傑出創業女性(二零一四年)
- 廣東省「十大優秀書香之家」(二零一四年)
- 十佳優秀青年企業家(二零一五年)
- 廣東十佳「慈善奉獻獎」(二零一五年)
- 2015廣東商界十大新銳人物(二零一六年)
- 2016年度慈善人物鑽石獎(二零一六年)
- 廣州新生代優秀企業家(二零一六年)
- 2016年度傑出CEO(二零一六年)

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PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

- The 1st National Civilized Family* (第一屆全國文明家庭) (2016)
- Award of 2nd Bauhinia Women Entrepreneur* (第二屆紫荊女企業家獎) (2017)
- 2017 District "Industry Talent Urgently Needed Shortage"* (2017年度區「產業急需緊缺人才」稱號) (2017)
- Panyu District Integrity Family Award* (番禺區廉潔家庭獎) (2018)
- Top 10 Guangzhou Most Beautiful Philanthropist Families* (2018年度廣州市十大最美慈善家庭) (2018)
- Charity Love Award by Guangdong Province Association of Women Entrepreneurs* (廣東省女企業家協會 — 慈善愛心獎) (2019)
- Charity Award by Guangdong Province Association of Women Entrepreneurs, Guangdong Province Women and Children's Fund* (廣東省女企業家協會、廣東省婦女兒童基金會 — 慈善人士) (2019)
- Advanced Individuals in Social Service Work by Zhi Gong Party Guangdong Provincial Committee (致公黨廣東省委員會 — 致公黨社會服務工作先進個人) (2020)
- The 8th Guangzhou Moral Model* (第八屆廣州市道德模範) (2021)
- "Guangdong Good People" in the first quarter of 2021* (2021年第一季度「廣東好人」) (2021)
- Guangdong Province Typical Cases of Integrity Business* (廣東省誠信興業商典型案例) (2022)
- China Women Entrepreneurs Association — Outstanding female entrepreneurial model* (中國女企業家協會 — 傑出創業女性標兵) (2022)
- Guangdong Provincial Women Entrepreneurs Association, Guangdong Provincial Women and Children's Foundation — Great Love Charity Fund Charity Individual Bronze Award* (廣東省女企業家協會、廣東省婦女兒童基金會 — 大愛同行慈善基金慈善個人銅獎) (2023)
- Guangzhou Women Entrepreneurs Association — The 10th Philanthropist* (廣州市女企業家協會 — 第十屆慈善家) (2023)
- 第一屆全國文明家庭(二零一六年)
- 第二屆紫荊女企業家獎(二零一七年)
- 2017年度區「產業急需緊缺人才」稱號(二零一七年)
- 番禺區廉潔家庭獎(二零一八年)
- 2018年度廣州市十大最美慈善家庭(二零一八年)
- 廣東省女企業家協會 — 慈善愛心獎(二零一九年)
- 廣東省女企業家協會、廣東省婦女兒童基金會 — 慈善人士(二零一九年)
- 致公黨廣東省委員會 — 致公黨社會服務工作先進個人(二零二零年)
- 第八屆廣州市道德模範(二零二一年)
- 二零二一年第一季度「廣東好人」(二零二一年)
- 廣東省誠信興業商典型案例(二零二二年)
- 中國女企業家協會 — 傑出創業女性標兵(二零二二年)
- 廣東省女企業家協會、廣東省婦女兒童基金會 — 大愛同行慈善基金慈善個人銅獎(二零二三年)
- 廣州市女企業家協會 — 第十屆慈善家(二零二三年)

* Unofficial transliteration from Chinese name for identification purposes only

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Chen Ping (陳平)

Mr CHEN Ping (陳平), aged 58, was appointed as an independent non-executive Director on 23 January 2010. Mr Chen is also the chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company. Mr Chen graduated from the Jinan University, the PRC in 1984 majoring in finance and later obtained a doctoral degree in finance in Nankai University, the PRC in December 1990.

Mr Chen is currently a professor at Lingnan College of Sun Yat-sen University in Guangdong Province, China, a doctoral supervisor in finance and world economy, a director of the Marine Economic Research Center of Sun Yat-sen University, the chief scientist of the Marine Economic Innovation Team of the Southern Marine Science and Engineering Guangdong Laboratory (Zhuhai), a researcher at the Guangdong-Hong Kong-Macao Development Research Institute of Sun Yat-sen University, a national high-end think tank, a candidate for the "New Century Excellent Talent Support Program", a major research project on philosophy and social sciences of the Ministry of Education, and a chief expert on major research projects of the National Social Science Fund. Mr Chen has also served as the dean of the Department of International Trade and Finance at Sun Yat-sen University in China, the director of the Institute of Economic Research, the deputy dean of Lingnan College, and a senior visiting scholar at the Massachusetts Institute of Technology. Mr Chen's academic research is devoted to financial theory and policy, global economy, etc. Since 2000, he has presided over 11 national-level projects and more than 40 provincial-level and above-level projects, and published more than 70 academic papers in core domestic journals and 6 monographs.

Mr Chen was an independent director of Guangzhou Zhujiang Brewery Group Co., Ltd.* (廣州珠江啤酒股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 002461 SZ), from 10 October 2016 to 5 January 2023. Mr Chen was also an independent director of Shenzhen Universe (Group) Co. Ltd (深圳市天地(集團)股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000023 SZ), since 15 July 2019.

獨立非執行董事

陳平先生

陳平先生，58歲，於二零一零年一月二十三日獲委任為獨立非執行董事。陳先生亦為本公司提名委員會主席，以及審核委員會及薪酬委員會的成員。陳先生於一九八四年畢業於中國暨南大學金融系，之後於一九九零年十二月獲得中國南開大學金融學博士學位。

陳先生現為中國廣東省中山大學嶺南學院教授、金融學和世界經濟專業的博士生導師、中山大學海洋經濟研究中心主任、南方海洋科學與工程廣東省實驗室(珠海)海洋經濟創新團隊首席科學家、國家高端智庫中山大學粵港澳發展研究院研究員、「新世紀優秀人才支持計劃」入選者、教育部哲學社會科學重大研究專案、國家社科基金重大研究專項首席專家。陳先生亦曾歷任中國中山大學國際貿易金融系主任、經濟研究所所長、嶺南學院副院長、麻省理工學院高級訪問學者。陳先生的學術研究致力於金融理論及政策、全球經濟等方面，自2000年來，先後主持國家級課題11項、省部級以上課題40多項，在國內核心期刊上發表了70餘篇學術論文及專著6部。

陳先生從二零一六年十月十日為二零二三年一月五日為廣州珠江啤酒股份有限公司(一間於深圳證券交易所上市的公司)(股份代號：002461 SZ)的獨立董事。陳先生亦自二零一九年七月十五日為深圳市天地(集團)股份有限公司(一間於深圳證券交易所上市的公司)(股份代號：000023 SZ)的獨立董事。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr Au Yeung Kwong Wah (歐陽廣華)

Mr Au Yeung Kwong Wah (歐陽廣華), aged 59, was appointed as an independent non-executive Director on 1 October 2019. Mr Au Yeung is also the chairman of the Audit Committee of the Company. Mr Au Yeung obtained a bachelor's degree in commerce from the Bond University in Australia in September 1996, a master's degree in accountancy from the Chinese University of Hong Kong in December 2000, a postgraduate diploma in corporate administration from the Hong Kong Polytechnic University in December 2005 and an EMBA degree from the Chinese University of Hong Kong in December 2008. Mr Au Yeung is a member of CPA Australia and the Hong Kong Institute of Certified Public Accountants. He has over 27 years of experience in auditing and financial control through his prior employments with accounting firms and listed companies in Hong Kong.

Mr Zhan Jian Zhou (詹建宙)

Mr Zhan Jian Zhou (詹建宙), aged 53, was appointed as an independent non-executive Director on 1 September 2023. Mr Zhan is also the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company.

Mr Zhan, was awarded the Certificate in Foreign Trade by Shenzhen University and completed the postgraduate course of professional studies in business administration at Sichuan University. He holds a Master of Business Administration from Sun Yat-sen University. He is currently the president of the China International Ocean Forum Belt and Road Investment Fund and the fund manager of Imagi Brokerage Limited. He is a representative of a company which is authorized to carry out Type 9 (asset management) regulated activity in Hong Kong. He held senior positions with major international banks and financial investment groups for years. Mr Zhan was nominated as the outstanding private entrepreneur in Laibin City, Guangxi in 2006. Mr Zhan has extensive knowledge in corporate finance and banking.

歐陽廣華先生

歐陽廣華先生，59歲，於二零一九年十月一日獲委任為獨立非執行董事。歐陽先生亦為本公司審核委員會之主席。歐陽先生於一九九六年九月自澳洲邦德大學(Bond University)取得商學學士學位、於二零零零年十二月自香港中文大學取得會計學碩士學位、於二零零五年十二月自香港理工大學取得企業行政深造文憑及於二零零八年十二月自香港中文大學取得高級管理人員工商管理碩士學位。歐陽先生為澳洲會計師公會及香港會計師公會會員。彼曾於香港會計師行及上市公司任職，於審計及財務監控方面擁有超過27年經驗。

詹建宙先生

詹建宙先生，53歲，於二零二三年九月一日獲委任為獨立非執行董事。詹先生亦為本公司薪酬委員會的主席、審核委員會的成員及提名委員會的成員。

詹先生獲深圳大學外貿證書及已完成四川大學工商管理專業研究的研究生課程。彼持有中山大學工商管理碩士學位。詹先生現時為中國海洋戰略論壇一帶一路投資基金總裁及Imagi Brokerage Limited基金經理，彼為一間可於香港從事第9類(資產管理)受規管活動公司之授權代表。詹先生多年於各大國際銀行及金融投資集團擔任高級職務。詹先生於二零零六年被評為廣西來賓市傑出民營企業家。詹先生在企業融資及銀行方面具有淵博知識。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Ms Liu Yonghe (劉詠荷)

Ms LIU Yonghe (劉詠荷), aged 55, joined PCKSP in June 1994 and had worked as accounting staff and financial manager. Ms Liu has acquired profound experience in financial management, accounting and auditing during her employment with the Group for over 28 years. Ms Liu is now responsible for cash flow and working capital control of the Group. She completed her professional accounting education at Lanzhou University of Finance and Economics, the PRC in 1990 with a bachelor's degree in economics and obtained professional qualification as assistant accountant in 1991. Ms Liu has over 31 years of experience in the accounting and finance industry. She was awarded the "March 8th Flag Bearer" in 1999 and 2002, and the post she held was awarded as the Women's Exemplary Post by the Guangzhou Women's Union in March 2005. In October 2009, Ms Liu obtained a master's degree in the Executive Master of Business Administration (EMBA) programme at the Asia International Open University (Macau).

Ms Wong Pui Shan (王珮珊)

Ms WONG Pui Shan (王珮珊), aged 47, joined the Group in April 2011 as the chief financial officer and company secretary of the Company. She is responsible for corporate finance management and company secretarial work of the Group. Ms Wong received her Master of Science in Finance from the Chinese University of Hong Kong and Bachelor of Arts Degree (Hons) in Accountancy from the Hong Kong Polytechnic University. She is a fellow member of the Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Chartered Governance Institute and the Chartered Governance Institute. Prior to joining the Company, she had served international audit firms for four years and listed companies as financial controller and company secretary for more than 21 years.

COMPANY SECRETARY

Ms Wong Pui Shan (王珮珊)

Ms WONG is the company secretary of the Company. Ms Wong is working for the Company on a full time basis. Details of her biography are set out above in this section.

Ms Wong has complied with the relevant professional training requirement under Rule 3.29 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

高級管理層

劉詠荷女士

劉詠荷女士，55歲，於一九九四年六月加入番禺珠江鋼管，擔任會計人員及財務經理。劉女士於本集團任職逾28年，在財務管理、會計及核數方面積累了豐富的經驗。劉女士現負責本集團現金流量及營運資金控制。彼於一九九零年於中國蘭州商學院完成會計學專業教育，取得經濟學學士學位，並於一九九一年取得助理會計師專業資格。劉女士於會計及財務領域擁有逾31年經驗。彼於一九九九年和二零零二年被評為「三八紅旗手」。於二零零五年三月，其工作崗位被廣州市婦女聯合會評為巾幗文明崗。於二零零九年十月，劉女士畢業於亞洲（澳門）國際公開大學，獲得高級管理人員工商管理碩士學位。

王珮珊女士

王珮珊女士，47歲，於二零一一年四月加入本集團，擔任本公司財務總監及公司秘書。彼負責本集團的企業財務管理及公司秘書工作。王女士於香港中文大學取得財務學碩士及香港理工大學取得會計學（榮譽）文學士學位。彼為英國特許公認會計師公會資深會員、香港會計師公會、香港公司治理公會及英國特許公司治理公會會員。於加盟本公司前，彼曾於國際核數公司工作四年及於上市公司擔任財務總監及公司秘書職務逾21年。

公司秘書

王珮珊女士

王女士為本公司的公司秘書。王女士於本公司全職工作。其履歷載列於本節上文。

王女士已符合聯交所證券上市規則（「上市規則」）第3.29條的相關專業培訓要求。

REPORT OF DIRECTORS

董事會報告書

The Directors hereby present their report and the audited financial statements of the Group for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company include manufacture and sales of welded steel pipes. The Group is also engaged in property development and investment.

Details of the company's principal subsidiaries as at 31 December 2023 are set out in note 1 to the financial statements.

RESULTS AND DIVIDEND

The Group's profit for the year ended 31 December 2023 and the state of affairs of the Group at that date are set out in the financial statements on pages 117 to 258.

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

BUSINESS REVIEW

A fair review of the business of the Group as well as discussion and analysis of the Group's performance during the year under review can be found in the "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 7 to 11 and pages 18 to 36 respectively.

The Group will continue to focus on its steel pipe business by diversifying its product usage and market segment. For property development, the Group will continue to sell units of Phase II GDC and receive rental income from shops of Phase I GDC.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is highly aware of the importance of environment protection and has not noted any material non-compliance with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group has implemented environmental protection measures to reduce energy consumption, treat sewage before recycling and discharge, and sell wasted steel products to recycling companies. Further details of the Group's environmental policies and performance can be found in the "Environmental, Social and Governance Report" set out on pages 87 to 105.

董事會謹此提呈其報告書以及本集團截至二零二三年十二月三十一日止年度的經審核財務報表。

主要業務

本公司主要業務為投資控股。本公司附屬公司的主要業務包括製造及銷售焊接鋼管。本集團亦從事物業發展及投資。

本公司主要附屬公司於二零二三年十二月三十一日的詳情載於財務報表附註1。

業績及股息

本集團截至二零二三年十二月三十一日止年度的溢利及本集團於當日的事務狀況載於財務報表第117至258頁。

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

業務回顧

本集團業務回顧及本集團於回顧年度之表現的討論與分析分別載於第7至11頁以及第18至36頁之「主席報告書」及「管理層討論與分析」。

本集團仍繼續專注鋼管業務，會多元化產品用途及細分市場。物業發展方面，本集團會繼續出售金龍城第二期單位及收取金龍城第一期商舖租金。

環境政策和表現

本集團高度了解環境保護的重要性，並無發現任何與業務，包括健康與安全、工作場所條件、就業和環境有關的所有相關法律和法規的重大違規行為。本集團已採取環保措施以減少能源消耗，將污水進行處理再作循環使用及排放，並將廢鋼產品出售給回收公司。有關本集團的環境政策和表現的更多詳細信息，請參見載於第87至105頁之「環境、社會及管治報告」。

REPORT OF DIRECTORS

董事會報告書

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2023, the Group was not aware of any non-compliance with any relevant laws and regulations that might have a significant impact on the businesses of the Group.

RELATIONS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees: The Group remunerates its employees based on their performance, experience and prevailing industry practice. Our package includes salaries, medical insurance, discretionary bonuses, on-job training, other benefits as well as mandatory provident funds schemes for employees in Hong Kong and state-managed retirement benefit schemes for employees in the PRC. Our current relationship with our employees and the labour unions are good and are based on mutual support and respect.

Customers: We have built strong, long-standing relationships with our major customers, and established a strong customer base. We have obtained numerous patents, awards and recognitions, international certificates and long standing international and nationwide track record to establish our stable customer base. We are an industry pioneer and are the first and only steel pipe manufacturer in the PRC to manufacture and successfully develop deep sea welded steel pipes for the use at a water depth of 3,500m and a qualified supplier of Petrobras and Petronas. We believe that this can enable us to establish and maintain market leadership in the steel pipe industry.

Suppliers: We choose our suppliers of raw materials mainly based on the prices and quality of raw materials offered. We issue purchase orders to our suppliers that set out the quantities, prices and specifications of the products to be purchased, delivery arrangement and credit terms which were determined at arms' length negotiations between the parties based on normal commercial terms. We believe the relationship between us and our major suppliers is good and stable. Most of our procurements were paid in RMB.

SUMMARY FINANCIAL INFORMATION

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on pages 259 to 260. This summary does not form part of the audited financial statements.

法律和法規的遵守

截至二零二三年十二月三十一日止年度，本集團未發現有任何未遵守相關法律法規可能對本集團業務造成重大影響的情況。

與員工、客戶和供應商的關係

員工：本集團根據員工的表現、經驗及現時行業慣例釐定員工的薪酬。我們的酬金組合包括薪金、醫療保險、酌情花紅、在職培訓、其他福利以及有關香港員工的強制性公積金計劃及有關中國員工的國營退休福利計劃。我們現與員工及工會保持良好關係，並相互支持及尊重。

客戶：我們已與主要客戶建立穩固的長期業務關係，建立了強大的客戶基礎。我們取得多項專利，獎項與認證，國際證書，及以悠久往績享譽海外及全國，以建立穩固的客戶基礎。我們是行業先驅及是中國第一家及唯一製造及成功研發用於3,500米水深深海焊管的焊管製造商，亦為巴西石油及馬油的合資格供應商。我們相信我們能夠在鋼管行業建立並保持市場領導地位。

供應商：我們主要根據所提供的原材料價格及質量甄選原材料供應商。我們向供應商下達採購訂單，其中載明將予採購產品的採購數量、價格及規格、交付安排及各方按一般商業條款公平磋商後釐定的信用期。我們相信我們與主要供應商的關係良好穩定。我們大部分採購以人民幣付款。

財務資料概要

摘錄自經審核財務報表的本集團已公佈於過往五個財政年度的業績、資產及負債概要載於第259至260頁。本概要不構成經審核財務報表的一部分。

REPORT OF DIRECTORS

董事會報告書

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

SHARE CAPITAL

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition and results of operations would be affected by a number of factors. The principal risks and uncertainties relating to the Group are set out below:

- The Group's revenue of steel pipe business is dependent on securing sales orders for new projects through biddings from customers. Most of our revenue is generated from pipeline or other infrastructure projects that are mainly project-originated and non-recurring in nature. Our revenue will be affected if we cannot successfully obtain biddings from customers.
- The Group does not have any long term contracts with its customers of steel pipe business. If the Group's customers choose not to engage the Group in the future, the Group's steel pipe business operations, financial results and profitability will be affected.
- The Group's revenue of property business is dependent on the policy of PRC government. Any change of PRC policy will affect the property business operations, financial results and profitability.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於財務報表附註13。

股本

本公司於年內的股本變動詳情載於財務報表附註30。

主要風險及不確定因素

本集團之財務狀況及營運業績受若干因素影響。與本集團有關之主要風險及不確定因素載列如下：

- 本集團之鋼管業務收益取決於通過客戶招標而獲得新項目之銷售訂單。我們的大部分收益來自管道或其他基礎設施項目，而該等項目來源主要以項目為基礎且屬非經常性性質。倘我們無法成功地從客戶處收到競標，我們的收益將受到影響。
- 本集團並無與其鋼管業務客戶訂有任何長期合約。倘本集團的客戶日後選擇不選用本集團，則本集團的鋼管業務營運、財務業績及盈利能力將受到影響。
- 本集團之物業業務收益取決於中國政府的政策。任何中國政策變動將對物業業務營運、財務業績及盈利能力產生影響。

可分配儲備

本集團於年內的儲備變動詳情載於綜合權益變動表。

REPORT OF DIRECTORS

董事會報告書

As at 31 December 2023, the Company's reserves, including the share premium account and contributed surplus and accumulated losses, available for distribution, calculated in accordance with the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (the "Companies Law"), amounted to approximately RMB58.5 million. The Board does not recommend the payment of any final dividend for the year ended 31 December 2023. Details of the reserves of the Company as at 31 December 2023 are set out in note 40 to the financial statements.

The reserves of the Group available for distribution depend on the dividend distributable by the Company's subsidiaries. For dividend purpose, the amount which the Company's subsidiaries in the PRC can legally distribute by way of dividend is determined by reference to their distributable profits as reflected in the PRC statutory financial statements which are prepared in accordance with accounting principles generally accepted in the PRC. These distributable profits differ from those that are reflected in the Group's financial statements prepared in accordance with IFRS Accounting Standards.

TAX RELIEF

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

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2023, sales to the Group's five largest customers accounted for 40% of the total revenue of the Group, and sales to the largest customer amounted to 16%. Purchases from the Group's five largest suppliers accounted for 74% of the total cost of sales of the Group, and purchases from the largest supplier amounted to 20%. None of the Directors or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of the Company's issued shares) had any beneficial interest in the Group's five largest customers and five largest suppliers.

於二零二三年十二月三十一日，根據開曼群島法例第22章公司法（一九六一年第3號法例，經綜合及修訂）（「公司法」）計算的本公司可供分派儲備（包括股份溢價賬及繳足盈餘以及累計虧損）約為人民幣58,500,000元。董事會不建議派付截至二零二三年十二月三十一日止年度之末期股息。有關本公司於二零二三年十二月三十一日的儲備詳情載於財務報表附註40。

本集團的可供分派儲備視乎本公司附屬公司的可分配股息而定。就股息而言，本公司在中國境內的附屬公司可合法地分派股息，其金額乃經參考根據中國公認會計原則編製的中國法定財務報表所顯示的可供分派溢利後釐定。該等可供分派溢利與本集團根據國際財務報告準則會計準則編製的財務報表所顯示者有所不同。

稅務減免

本公司並不知悉有本公司股東（「股東」）因持有本公司股份而獲減免任何稅項。

主要客戶及供應商

截至二零二三年十二月三十一日止年度，本集團對五大客戶的銷售額佔本集團總收入的40%，及向最大客戶的銷售額佔16%。向本集團五大供應商的採購額佔本集團總銷售成本74%，及向最大供應商之採購額佔20%。董事或任何彼等的聯繫人士或任何股東（就董事所深知，擁有本公司已發行股份數目5%以上者）概無在本集團五大客戶及五大供應商中擁有任何實益權益。

REPORT OF DIRECTORS

董事會報告書

DIRECTORS

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

Executive Directors:

Mr Chen Chang (*Chairman*)

Mr Chen Guo Xiong (*Vice Chairman*)
(resigned on 5 December 2023)

Ms Chen Zhao Nian

Independent Non-executive Directors:

Mr Chen Ping

Mr Tian Xiao Ren (resigned on 1 September 2023)

Mr Au Yeung Kwong Wah

Mr Zhan Jian Zhou (appointed on 1 September 2023)

Mr Chen Guo Xiong resigned as executive Director and Vice Chairman with effect from 5 December 2023 due to pursue of his other business commitments. Mr Tian Xiao Ren resigned as independent Non-executive Director with effect from 1 September 2023 as he reached 70 years old and he wants to focus on his family life. Mr Zhan Jian Zhou was appointed as independent Non-executive Director with effect from 1 September 2023. The Company has received annual confirmations of independence pursuant to Rule 3.13 of the Listing Rules from Mr Chen Ping, Mr Au Yeung Kwong Wah and Mr Zhan Jian Zhou as at the date of this report, the Company considers them to be independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management are set out in the section headed "Profile of Directors and Senior Management" on pages 37 to 48 of this annual report.

董事

以下為年內及截至本報告日期的董事：

執行董事：

陳昌先生(主席)

陳國雄先生(副主席)

(於二零二三年十二月五日辭任)

陳兆年女士

獨立非執行董事：

陳平先生

田曉韜先生(於二零二三年九月一日辭任)

歐陽廣華先生

詹建宙先生(於二零二三年九月一日獲委任)

陳國雄先生因履行其他業務承諾而辭任執行董事兼副主席，自二零二三年十二月五日起生效。田曉韜先生因其年滿70歲且希望專注於家庭生活，於二零二三年九月一日辭任獨立非執行董事。詹建宙先生獲委任為獨立非執行董事，自二零二三年九月一日起生效。根據上市規則第3.13條，本公司已收到陳平先生、歐陽廣華先生及詹建宙先生的年度獨立性確認書，及於本報告日期，本公司認為彼等乃屬獨立人士。

董事及高級管理層履歷

董事及高級管理層履歷詳情載於本年報第37至48頁的「董事及高級管理層履歷」一節。

REPORT OF DIRECTORS

董事會報告書

RE-ELECTION OF DIRECTORS

In accordance with article 105(A) of the Articles of Association, Ms Chen Zhao Nian will retire and, being eligible, will offer herself for re-election at the forthcoming AGM of the Company.

Pursuant to article 109 of the Articles of Association, Mr Zhan Jian Zhou, being appointed by the Board as independent Non-executive Director with effect from 1 September 2023, shall hold office only until the forthcoming AGM and is eligible to offer himself for re-election at the forthcoming AGM.

A separate resolution will be proposed for the re-election of each of Ms Chen Zhao Nian and Mr Zhan Jian Zhou at the forthcoming AGM.

DIRECTORS' SERVICE CONTRACTS

Each of our executive Directors has entered into a service agreement with the Company for a term of three years and is subject to termination by either party giving not less than one month's written notice. Each of our independent non-executive Directors has entered into a service agreement with the Company for a term of two years and is subject to termination by either party giving not less than one month's written notice. The Nomination Committee and the Remuneration Committee have reviewed the terms of service agreement of all Directors.

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

DIRECTORS' REMUNERATION

The remuneration of the Directors is determined with reference to the Directors' duties, responsibilities and performance and the results of the Group.

Details of the remuneration of the Directors are set out in note 9 to the financial statements.

重選董事

根據組織章程細則第105(A)條，陳兆年女士將於本公司應屆股東週年大會上退任，並符合資格且願意重選連任。

根據組織章程細則第109條，詹建宙先生獲董事會委任為獨立非執行董事，自二零二三年九月一日起生效，任期僅至應屆股東週年大會為止，並符合資格及且願意於應屆股東週年大會上重選連任。

將就陳兆年女士及詹建宙先生各自之重選於應屆股東週年大會上提呈獨立決議案。

董事服務合約

各執行董事已與本公司訂立服務協議，為期三年，惟各方可發出不少於一個月的書面通知終止合約。各獨立非執行董事已與本公司訂立服務協議，為期兩年，惟各方可發出不少於一個月的書面通知終止合約。提名委員會及薪酬委員會已審閱全體董事之服務協議之條款。

概無於應屆股東週年大會上建議重選的董事與本公司訂立本公司不可於一年內終止而毋須作出賠償(法定賠償除外)的服務合約。

董事酬金

董事酬金按董事職務、職責及表現以及本集團業績釐定。

董事酬金的詳情載於財務報表附註9。

REPORT OF DIRECTORS

董事會報告書

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

As at 31 December 2023, the interests or short positions of the Directors and chief executive of the Company in the shares or underlying shares or, as the case may be, the percentage in the equity interest and debentures of the Company or its associated corporations (within the meaning of the Securities and Futures Ordinance (Chapter 571) (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors (the "Model Code") of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Shares of the Company

Name of Director 董事姓名	Capacity 身份	Position 持倉	Number of shares held 持有股份數目	Percentage of shareholding in the Company 佔本公司股權 百分比
Chen Chang 陳昌	Interest of controlled corporation (note 1) 一間受控制公司之權益(附註1)	Long 好倉	701,911,000	69.42%
	Personal interest 個人權益	Long 好倉	4,350,000	0.43%

Note:

- These shares are held by Bournam Profits Limited, the entire issued share capital of which is wholly and beneficially owned by Mr Chen Chang. By virtue of the SFO, Mr Chen Chang is deemed to be interested in the 701,911,000 shares held by Bournam Profits Limited.

董事及高級行政人員於股份及相關股份及債券的權益及淡倉

於二零二三年十二月三十一日，本公司董事及高級行政人員於本公司或其相聯法團(定義見證券及期貨條例(第571章)(「證券及期貨條例」)所賦予之涵義)之股份或相關股份或(視乎情況而定)股本權益及債券之百分比中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括彼等根據證券及期貨條例之相關條文被當作或被視為擁有之權益及淡倉)，或根據證券及期貨條例第352條須記錄於本公司根據該條例存置之登記冊或根據上市規則所載之上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益或淡倉如下：

本公司股份

附註：

- 該等股份由Bournam Profits Limited持有，其全部已發行股本由陳昌先生全資及實益擁有。根據證券及期貨條例，陳昌先生被視為於Bournam Profits Limited持有的701,911,000股股份中擁有權益。

REPORT OF DIRECTORS

董事會報告書

Shares of Associated Corporation

Mr Chen Chang beneficially owns the entire issued share capital of Bournam Profits Limited, which is the beneficial owner of about 69.42% of the issued shares of the Company.

DIRECTORS' INTERESTS IN MATERIAL CONTRACTS

No transactions, arrangement or material contracts, to which the Company, or any of its holding companies, subsidiaries and fellow subsidiaries was a party and in which a Director or an entity connected with a Director is or was materially interested, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2023.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

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

MANAGEMENT CONTRACTS

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

相聯法團股份

陳昌先生實益擁有 Bournam Profits Limited 之全部已發行股本，該公司為本公司約 69.42% 已發行股份之實益擁有人。

董事於重大合約的權益

本公司或其任何控股公司、附屬公司及同系附屬公司概無訂立於截至二零二三年十二月三十一日止年度年終或年內任何時間有效，而董事或與董事關連之實體於其中直接或間接擁有或曾擁有重大權益的交易、安排及重大合約。

董事於競爭業務的權益

董事或彼等各自的任何緊密聯繫人士概無從事與本集團業務構成或可能構成競爭的任何業務或與本集團有任何其他利益衝突。

管理合約

年內概無訂立或存在任何有關本集團全部或絕大部分業務管理與行政的合約。

REPORT OF DIRECTORS

董事會報告書

SHARE OPTION SCHEME

The share option scheme (the “Share Option Scheme” or the “Scheme”) was approved by the Shareholders of the Company in the annual general meeting held on 18 June 2020. The details of the Scheme are disclosed below pursuant to the requirements under Chapter 17 of the Listing Rules:

1. Purpose of the Share Option Scheme: the purpose of the Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to eligible participants.
2. Participants of the Share Option Scheme include:
 - (a) directors and employees of the Company or any of its subsidiaries (including persons who are granted options or awards under the scheme as an inducement to enter into employment contracts with these companies);
 - (b) directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company; and
 - (c) persons who provide services to the issuer group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group.

購股權計劃

本公司股東於二零二零年六月十八日舉行的股東週年大會上批准購股權計劃(「購股權計劃」或「計劃」)。有關計劃的詳情已根據上市規則第17章的規定披露如下：

1. 購股權計劃目的：計劃旨在使本集團可向經挑選的參與者授出購股權，以獎勵或回報彼等對本集團增長的貢獻，並為本集團提供一種更具彈性的方式以向合資格參與者授予獎勵、報酬、補償及／或提供福利。
2. 購股權計劃的參與者包括：
 - (a) 本公司或其任何附屬公司的董事及僱員(包括根據該計劃獲授購股權或獎勵作為與該等公司訂立僱傭合約的獎勵之人士)；
 - (b) 本公司控股公司、同系附屬公司或聯營公司的董事及僱員；及
 - (c) 於發行人集團的日常及一般業務過程中向其提供持續或經常性服務且符合本集團長期增長利益的人士。

REPORT OF DIRECTORS

董事會報告書

3. Total number of shares available for issue under the Share Option Scheme: the total number of shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and other share option scheme of the Group (if any) must not in aggregate exceed 10% of the shares in issue as at the date of adoption of the Share Option Scheme (i.e. not exceeding 101,114,200 shares). Up to the date of this annual report, no options have been granted under the Share Option Scheme.

At the beginning and the end of the year ended 31 December 2023, the total number of share options that can be granted under the Share Option Scheme was 101,114,200 and 101,114,200 respectively, which represented approximately 10% and 10% of the issued share capital of the Company at such dates respectively.

4. Grant of options to connected persons: grant of options to a director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive directors (excluding any independent non-executive director who is the proposed grantee of the option).

Grant of options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates, which would result in the shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the shares in issue; and (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5 million; such further grant of options must be approved by the shareholders in general meeting.

5. Maximum entitlement of each participant under the Share Option Scheme: for any 12-month period, shall not exceed 1% of the issued share capital of the Company for the time being.

3. 根據購股權計劃可予以發行的股份總數：因行使根據購股權計劃及本集團其他購股權計劃（如有）將授出的全部購股權而可發行的本公司股份總數合共不得超過採納購股權計劃當日發行股份的10%（即不超過101,114,200股股份）。截至本年報日期，概無根據購股權計劃授出任何購股權。

截至二零二三年十二月三十一日止年度開始及結束時，根據購股權計劃可授出的購股權總數分別為101,114,200及101,114,200，分別佔本公司於該等日期已發行股本的約10%及10%。

4. 向關連人士授出購股權：向本公司董事、行政總裁或主要股東或彼等任何聯繫人士授出購股權須經獨立非執行董事（不包括身為購股權擬定承授人的任何獨立非執行董事）批准。

向本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士授出購股權將導致於截至授出日期（包括該日）止十二個月期間已授予及將授予該名人士之所有購股權（包括已行使、註銷及尚未行使者）獲行使時已發行及將發行之股份：(i)合共佔已發行股份0.1%以上；及(ii)根據股份於各授出日期之收市價計算總值超過5,000,000港元，則進一步授出購股權必須獲股東於股東大會上批准。

5. 購股權計劃下每名參與者的最高配額：於任何十二個月期間內，不得超過本公司當時已發行股本的1%。

REPORT OF DIRECTORS

董事會報告書

6. Period within which the securities must be taken up under an option: an option may be accepted by a participant within 21 days from the date of the offer of grant of the option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof.
 7. The minimum period for which an option must be held before it can be exercised: unless otherwise determined by the Directors and stated in the offer of the grant of options to a grantee, there is no such minimum period.
 8. The amount payable on application or acceptance of the option: a nominal consideration of HK\$1 is payable on acceptance of the grant of an option.
 9. Basis for determining the exercise price: such price will be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer of grant; and (iii) the nominal value of a Share.
 10. The remaining life of the Share Option Scheme: the Scheme has a life of 10 years commencing on 18 June 2020, being the date on which the Share Option Scheme was adopted. The scheme will expire on 18 June 2030.
6. 根據購股權認購證券的限期：參與者可於獲要約授出購股權之日起計二十一日內接受購股權。購股權可根據購股權計劃的條款在董事決定及知會各承授人的期間內隨時行使。此期間可自要約授出購股權當日的翌日開始，但於任何情況下不得遲於授出購股權當日起計十年結束，惟須遵守提前終止該等購股權的規定。
 7. 在行使前所需持有購股權的最短期限：除非董事另行決定及在向承授人提呈授出購股權要約時註明，否則計劃並無規定最短期限。
 8. 申請或接納購股權應付款項：於接納授出購股權時須支付1港元的象徵式代價。
 9. 釐定行使價的基準：該價格將由董事釐定，但不得少於(i)股份於提呈授出購股權要約當日在聯交所每日報價表上所列報的收市價；(ii)股份於緊接提呈授出購股權要約日期前五個營業日在聯交所每日報價表所列報的平均收市價；及(iii)股份面值。
 10. 購股權計劃的餘下年期：計劃將自二零二零年六月十八日(即購股權計劃獲採納之日)起計十年內有效。計劃將於二零三零年六月十八日屆滿。

From the date of adoption of the Share Option Scheme and up to 31 December 2023, no share option has been granted or agreed to be granted to any person under the Share Option Scheme.

由採納購股權計劃當日起直至二零二三年十二月三十一日，本公司並無根據購股權計劃向任何人士授出或同意授出任何購股權。

REPORT OF DIRECTORS

董事會報告書

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

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

INTEREST AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

As at 31 December 2023, so far as the Directors are aware, the following persons or corporations (not being a Director or a chief executive of the Company) have an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO or have otherwise been notified to the Company:

Shares of the Company

Name 姓名／名稱	Capacity 身份	Position 持倉	Numbers of shares held 持有股份數目	Percentage of shareholding in the Company 佔本公司 股權百分比
Bournam Profits Limited ("Bournam")	Beneficial owner (note)	Long	701,911,000	69.42%
Bournam Profits Limited ("Bournam")	實益擁有人(附註)	好倉		

Note:

The entire share capital of Bournam is solely and beneficially owned by Mr Chen Chang. Mr Chen is deemed under the SFO to be interested in the 701,911,000 shares held by Bournam.

收購股份或債券的安排

除購股權計劃外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使董事藉購入本公司或任何其他法人團體的股份或債券而獲益。

主要股東於股份及相關股份的權益及淡倉

於二零二三年十二月三十一日，據董事所知，下列人士或公司（並非董事或本公司行政總裁）於本公司股份及相關股份擁有已記入根據證券及期貨條例第336條須予存置的登記冊的或須另行知會本公司的權益或淡倉：

本公司股份

附註：

Bournam之全部股本由陳昌先生唯一及實益擁有。根據證券及期貨條例，陳先生被視為於Bournam持有的701,911,000股股份中擁有權益。

REPORT OF DIRECTORS

董事會報告書

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

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

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report on pages 63 to 86.

PRE-EMPTIVE RIGHTS

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

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding the dealings in securities of the Company by the Directors and employees during the year ended 31 December 2023. Following a specific enquiry, all the Directors confirmed that they have complied with the Model Code throughout the year ended 31 December 2023.

SUFFICIENCY OF PUBLIC FLOAT

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

EVENTS AFTER THE REPORTING PERIOD

The Group had no significant event after the reporting period required to be disclosed.

購買、出售或贖回本公司上市證券

於截至二零二三年十二月三十一日止年度內，本公司或其任何附屬公司概無購買、贖回或出售任何本公司的上市證券。

企業管治

本公司所採納的主要企業管治常規載於第63至86頁的企業管治報告內。

優先購買權

本公司組織章程細則或開曼群島法例概無優先購買權條文。

遵守證券交易標準守則

本公司採納上市規則附錄10所載上市公司董事進行證券交易的標準守則（「標準守則」）作為其本身關於董事及僱員截至二零二三年十二月三十一日止年度進行本公司證券交易的行為守則。經具體查詢後，全體董事確認彼等於截至二零二三年十二月三十一日止年度均已遵守標準守則。

公眾持股量充足性

根據本公司可得公開資料及就董事所知，本公司於刊發本報告前的最後可行日期一直維持上市規則所述的公眾持股量。

報告期後事項

本集團並無須予披露之報告期後重大事項。

REPORT OF DIRECTORS

董事會報告書

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622) when the Report of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

AUDITORS

The consolidated financial statements for the year have been audited by Messrs. CCTH CPA Limited, who will retire and, being eligible, offer themselves for reappointment. A resolution will be proposed for approval by shareholders at the forthcoming AGM to re-appoint CCTH CPA Limited as auditors of the Company.

ON BEHALF OF THE BOARD

Chen Chang

Chairman

Hong Kong

27 March 2024

獲准許彌償條文

本公司已就董事及高級管理層在公司業務中面對的法律訴訟適當投保董事及高級職員責任保險。基於董事利益的獲准許彌償條文根據公司條例(第622章)第470條的規定於董事編製之董事會報告書按照公司條例第391(1)(a)條獲批准時生效。

核數師

本年度的綜合財務報表已由中正天恆會計師有限公司審核，其將退任並合資格膺選連任。本公司將於應屆股東為週年大會上提呈決議案供股東批准，以重新委任中正天恆會計師有限公司為本公司核數師。

代表董事會

主席

陳昌

香港

二零二四年三月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is committed to maintaining a good standard of corporate governance practices and business ethics in the firm belief that they are essential for maintaining and promoting investors' confidence and maximising shareholders' returns.

The Company has adopted the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules as its own code of corporate governance. The Board considers that up to the date of this annual report, in the opinion of the Board, saved as disclosed in section "Chairman and Chief Executive" below, the Company has complied with the CG Code. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the evolving regulatory requirements and to meet the rising expectations of the Shareholders and other stakeholders.

The following summarises the Company's corporate governance practices.

CORPORATE GOVERNANCE PRACTICES

(A) Board of Directors

Responsibilities and Delegation

The Board is responsible for the leadership and control of the Company, overseeing the Group's businesses, strategic decisions, internal control, risk management systems, monitoring the performance of senior management and determining the policy for corporate governance. The management is responsible for daily operations of the Group under the leadership of the Chairman. The Directors have the responsibility to act objectively in the interests of the Company.

All Directors have carried out their duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times.

The Board has delegated various responsibilities to the Board committees including the Audit Committee, the Nomination Committee and the Remuneration Committee. Further details of these Committees are set out below in section B of this corporate governance report.

董事會致力於維持高水準的企業管治常規及商業道德，並深信其是維持及提升投資者信心以及為股東帶來最高回報的根本。

本公司已採納上市規則附錄14所載企業管治守則（「企業管治守則」）所載的守則條文，作為其自身企業管治守則。董事會認為，直至本年報日期，除下文「主席及行政總裁」一節所披露者外，本公司已遵守企業管治守則。本公司將繼續加強適用於其業務運作及發展之企業管治常規，並不時檢討其企業管治常規，以確保其遵守日益變化之監管要求，及滿足股東及其他利益相關者不斷提高的期望。

本公司企業管治常規概述如下。

企業管治常規

(A) 董事會

職責及授權

董事會負責領導及控制本公司以及監管本集團的業務、戰略決策、內部監控、風險管理系統、監察高級管理層的表現及制定企業管治政策。管理層負責在主席的領導下開展本集團的日常營運工作。董事有責任以本公司利益為前提按客觀標準行事。

全體董事於所有時間均已竭誠履行彼等之職責，遵守了適用法律及法規，符合本公司及其股東之利益。

董事會已授權董事委員會（包括審核委員會、提名委員會及薪酬委員會）多項職責。有關該等委員會的進一步詳情載於本企業管治報告下文B節。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company had arranged Directors and Officers Liability Insurance for the Directors and officers of the Company.

Board Composition

The Board members during the year ended 31 December 2023 and up to the date of this report are as follows:

Executive Directors:

Mr Chen Chang Chairman of the Board and Chief Executive Officer, Member of the Remuneration Committee and Nomination Committee

Mr Chen Guo Xiong (resigned on 5 December 2023)

Ms Chen Zhao Nian

Independent Non-executive Directors:

Mr Chen Ping Chairman of the Nomination Committee and Member of the Audit Committee and Remuneration Committee

Mr Au Yeung Kwong Wah Chairman of the Audit Committee

Mr Tian Xiao Ren Chairman of the Remuneration Committee, Member of the Audit Committee and Nomination Committee (resigned on 1 September 2023)

Mr Zhan Jian Zhou Chairman of the Remuneration Committee, Member of the Audit Committee and Nomination Committee (appointed on 1 September 2023)

The Board currently comprises two executive Directors and three independent non-executive Directors from different business and professional fields. Mr Chen Chang and Ms Chen Zhao Nian are members of the same family. Mr Chen Chang is the father of Ms Chen Zhao Nian.

Save as disclosed, there is no other relationship among members of the Board. The profiles of each Director and the relationships among the Directors are set out in the "Profile of Directors and Senior Management" section in this annual report.

本公司已為其董事及高級職員安排董事及高級職員責任保險。

董事會組成

截至二零二三年十二月三十一日止年度及直至本報告日期止董事會成員載列如下：

執行董事：

陳昌先生 董事會主席及行政總裁，薪酬委員會及提名委員會成員

陳國雄先生(於二零二三年十二月五日辭任)

陳兆年女士

獨立非執行董事：

陳平先生 提名委員會主席、審核委員會及薪酬委員會成員

歐陽廣華先生 審核委員會主席

田曉韜先生(於二零二三年九月一日辭任) 薪酬委員會主席、審核委員會及提名委員會成員

詹建宙先生(於二零二三年九月一日獲委任) 薪酬委員會主席、審核委員會及提名委員會成員

董事會目前由兩名執行董事及三名獨立非執行董事組成，彼等來自不同的業務及專業領域。陳昌先生及陳兆年女士乃同一家族成員。陳昌先生為陳兆年女士的父親。

除上述披露者外，董事會成員之間並無其他關係。各位董事的履歷及董事之間的關係載於本年報「董事及高級管理層履歷」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective delivery of the Board functions. The number of independent non-executive Directors constitutes more than one-third of the Board. A list containing the names of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company at www.pck.com.cn.

The Company has received annual confirmation from each of the independent non-executive Directors (including Mr Chen Ping who has served the Company for more than nine years) of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive Directors are independent.

Upon reviewing the directorships and major commitments of each Director, and the attendance rate of each Director at the meetings of the Board and its committees, the Board is satisfied that all Directors have spent sufficient time in performing their responsibilities during 2023.

Board Meetings and Board Practices

The Company has adopted the practice of holding Board meetings regularly for at least four times a year at approximately quarterly intervals. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as financial performance of the Group. Notice of Board meeting is sent to all Directors at least 14 days prior to a regular Board meeting. Reasonable notice will be given to the Directors for ad-hoc Board meetings. Directors may participate either in person or through electronic means of communication.

董事(包括獨立非執行董事)為董事會帶來了廣泛而有價值的業務經驗、知識及專業精神，以便董事會確實有效發揮職能。獨立非執行董事人數佔董事會人數的三分之一以上。一份載有董事姓名及彼等職務及職能之名單於聯交所網站及本公司網站www.pck.com.cn發佈。

本公司已按照上市規則第3.13條就各獨立非執行董事(包括於本公司任職超過九年的陳平先生)接獲有關彼等獨立性的年度確認書。本公司認為所有獨立非執行董事均為獨立人士。

經審閱各董事之董事職位及主要承諾，以及各董事於董事會及其委員會會議之出席率後，董事會對所有董事於二零二三年均使用足夠時間履行彼等之職責表示滿意。

董事會會議及董事會常規

本公司已按常規每年最少定期舉行四次董事會會議，大約每季舉行一次。需要時亦會召開臨時會議，商討整體策略以及本集團的財務表現。全體董事於舉行定期董事會會議前最少十四天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內事先派發予董事。董事可親身或以電子通訊方式參加會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Agenda and Board papers together with all appropriate, complete and reliable information will be provided to all the Directors at least 3 days before meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings. The company secretary of the Company is responsible for keeping the minutes of Board meetings and meetings of Board committees. All minutes are open for inspection by any Director at reasonable time on reasonable notice.

For the financial year ended 31 December 2023, four Board meetings were held.

The Company's Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest. According to current Board practices, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting.

The Board is of the view that the following mechanisms adopted by the Company are effective in ensuring that independent views and inputs are available to the Board:

- The Board is represented by sufficient number of non-executive Directors which meets the requirement of the Listing Rules.
- In assessing suitability of the Director candidates, the Board will consider their profiles, including their character, experience, qualifications and time commitment; the Board will also consider to the Board's overall composition and skill matrix as well as the Company's diversity policy.
- The Board will review each Director's time commitment to the Company's business annually.

全體董事將於會前最少三天獲發董事會會議議程及相關文件以及所有適當、完備及可靠資料。所有董事均將獲提供充足資源以便履行彼等之職責，且在合理要求時，董事將可在適當情況下尋求獨立專業意見，費用由本公司承擔。所有董事均有機會在董事會會議議程中加插事項。本公司的公司秘書負責保存董事會會議及董事委員會會議記錄。所有會議記錄均可供任何董事於合理時間發出合理通知時公開查閱。

截至二零二三年十二月三十一日止財政年度，已舉行四次董事會會議。

本公司組織章程細則載有條文，要求批准董事或其任何聯繫人士有重大權益之交易時，該董事須放棄投票及不計入大會法定人數。根據董事會現有慣例，牽涉主要股東或董事之利益衝突之任何重大交易，將於正式召開之董事會會議上考慮及處理。

董事會認為，本公司採用的以下機制可有效確保董事會獲得獨立的觀點及意見：

- 董事會由足夠人數的非執行董事代表，符合上市規則規定。
- 於評估董事候選人的合適性時，董事會將考慮彼等的個人資料，包括他們的個性、經驗、資歷及所付出的時間；董事會亦會考慮董事會的整體組成及技能，以及本公司的多元化政策。
- 董事會將每年審閱各董事對本公司業務的所付出的時間。

CORPORATE GOVERNANCE REPORT

企業管治報告

- The Board will assess non-executive Directors' independence upon appointment and annually.
- Directors are required to abstain from voting in matters in which he has material interest.
- The Audit Committee, the Nomination Committee and the Remuneration Committee are authorised by the Board to obtain outside legal or other independent professional advice as necessary to assist the respective committee.

The quality of deliberations at meetings of the Board are reviewed during the annual evaluation of the Board's performance.

Chairman and Chief Executive

The Company is aware of the requirement under paragraph C.2.1 of the CG Code that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company does not separately have any officer with the title of "chief executive". Mr Chen Chang, the Chairman and founder of the Group, is also responsible for the leadership and effective running of the Board, ensuring that all material issues are decided by the Board in a conducive manner. The Board will meet regularly to consider major matters affecting the operations of the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The roles of the respective executive Directors and senior management, who are in charge of different functions complement the role of the chairman and chief executive. The Board is of the view that this structure provides the Group with strong and consistent leadership, facilitates effective and efficient planning and implementation of business decisions and strategies, and ensures the generation of shareholders' benefits.

The Board shall nevertheless review the structure from time to time to ensure appropriate measures are being taken should suitable circumstance arise.

- 董事會將於委任後及每年評估非執行董事的獨立性。
- 董事須就其有重大利益的事項放棄投票。
- 董事會授權審核委員會、提名委員會及薪酬委員會獲董事會在其認為必要之情況下，獲取外部法律或其他獨立專業意見以協助各委員會。

每年評審董事會的表現時會對董事會會議的審議質素進行審查。

主席及行政總裁

本公司知悉，企業管治守則第C.2.1條規定主席及行政總裁的職務應予分離，而不應由同一人擔任。本公司並未獨立設「行政總裁」一職。本集團主席及創辦人陳昌先生同時負責董事會的領導工作及實際運作，確保所有重大事宜均由董事會以可行方式決定。董事會將定期舉行會議考慮影響本集團營運的重大事項。董事會認為此架構不會損害董事會及本公司管理層之間權力及權限的平衡。各位負責不同職能的執行董事及高級管理層會互補主席及行政總裁的職務。董事會認為此架構可為本集團提供強大一致的領導，有助於切實及有效地規劃及執行商業決策及策略及確保帶來股東利益。

儘管如此，董事會仍將不時檢討此架構，以確保因應條件變化適時對其作出適當措施。

Appointments, Re-election and Removal of Directors

The Board is responsible for selection and approval of candidates for appointment as Directors. The Company has established a Nomination Committee on 22 March 2012. The Nomination Committee is responsible for reviewing Board composition including the board diversity policy, evaluating the balance of skills, knowledge and experience of the Board and making recommendations on the appointment of Directors.

Each of the executive Directors has signed or renewed his/her service contract with the Company for a period of three years. All of their appointments are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

Each of the independent non-executive Directors has been appointed or re-appointed for a term of two years, and are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

The Nomination Committee has reviewed the re-appointments/appointment of both executive Directors and independent non-executive Directors and recommended to the Board of Directors for decision.

In accordance with the Company's Articles of Association, all Directors shall be subject to retirement by rotation at least once every three years and any new Director appointed to fill a causal vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment. In accordance with the Articles of Association, Ms Chen Zhao Nian will retire and, being eligible, will offer herself for re-election at the forthcoming AGM of the Company.

In accordance to the Company's Articles of Association, a separate resolution will be proposed for the re-election of each of Ms Chen Zhao Nian and Mr Zhan Jian Zhou and at the forthcoming AGM of the Company.

委任、重選及罷免董事

董事會負責遴選及批准候選人獲委任為董事。本公司於二零一二年三月二十二日成立提名委員會。提名委員會負責檢討董事會架構(包括董事會多元化政策)、評估董事會技能、知識及經驗之間的平衡，並就委任董事作出建議。

各執行董事均已與本公司簽署或重續其服務合約，為期三年。彼等的委任均須根據本公司組織章程細則輪席告退並重選連任。

各獨立非執行董事已獲委任或重新委任，為期兩年，並須根據本公司組織章程細則輪席告退及重選連任。

提名委員會已檢討執行董事及獨立非執行董事的續聘/委任，並已就董事決策向董事會提供推薦建議。

根據本公司組織章程細則，所有董事均須每三年至少輪席告退一次，且獲委任以填補臨時空缺之任何新董事須於獲委任後首個股東大會上供股東重選連任。根據組織章程細則，陳兆年女士將於本公司應屆股東週年大會上退任，並符合資格且願意膺選連任。

根據本公司組織章程細則，將就陳兆年女士及詹建宙先生各自之重選於本公司應屆股東週年大會上提呈獨立決議案。

Training Induction and Continuing Development of Directors

The Directors have endeavoured to keep abreast of the changes in their responsibilities as a Director and of the business activities and development of the Company.

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Directors have provided to the Company their records of continuous professional development during the year ended 31 December 2023.

During the year ended 31 December 2023, all Directors (being Mr Chen Chang, Ms Chen Zhao Nian, Mr Chen Ping, Mr Au Yeung Kwong Wah and Mr Zhan Jian Zhou) attended seminars and training courses in relation to corporate governance, Listing Rules update or financial markets update arranged by professional firms/institutions. Records of continuing professional development have been maintained by the company secretary. Besides, the company secretary also conducted briefings on corporate governance, directors' duties and responsibilities and provided materials for Listing Rules amendments to all Directors for their reference.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Following a specific enquiry, all the Directors has confirmed that they have complied with the Model Code throughout the year ended 31 December 2023.

When the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors in advance.

董事的培訓指引及持續發展

董事須努力跟上董事責任及本公司的業務活動及發展之變動。

每名新委任的董事在首次接受委任時會接獲一份正式、全面及特為彼而設的指引，以確保彼對本公司的業務及營運有合適的認識，並且對上市規則及相關法定規定下董事之責任及義務有充分的認識。

董事經常獲得有關法定及監管制度及營商環境之最新資料，以助彼等履行職責。董事已於截至二零二三年十二月三十一日止年度向本公司提供彼等持續專業發展之記錄。

截至二零二三年十二月三十一日止年度，所有董事（即陳昌先生、陳兆年女士、陳平先生、歐陽廣華先生及詹建宙先生）均已參加由專業公司／機構籌辦有關企業管治、上市規則更新或金融市場資料更新的研討會及培訓課程。持續專業發展之記錄一直由公司秘書存置。此外，公司秘書亦就企業管治、董事之職務及職責進行簡介，並提供有關上市規則修訂之材料，供所有董事參考。

證券交易的標準守則

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易之標準守則（「標準守則」）。經作出具體查詢後，全體董事確認彼等在截至二零二三年十二月三十一日止年度均已遵守標準守則。

當本公司知悉任何本公司證券交易之受限期間時，其將提前通知其董事。

Non-Competition Undertakings

The independent non-executive Directors have also reviewed the confirmations given by Mr Chen Chang and Bournam, being controlling shareholders of the Company, in respect of each of their compliance with the non-competition undertakings as disclosed in the prospectus of the Company dated 28 January 2010. The independent non-executive Directors are satisfied that the controlling shareholders have fully complied with the terms of the non-competition undertakings and no new competing business was reported by the controlling shareholders throughout the year ended 31 December 2023.

(B) Board Committees

The Board has established three committees, namely the Audit Committee, Nomination Committee and Remuneration Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are posted on the websites of the Company and the Stock Exchange.

The majority of the members of each Board committee are independent non-executive Directors.

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 expense.

Audit Committee

The Audit Committee consists of three independent non-executive Directors, namely Mr Chen Ping, Mr Au Yeung Kwong Wah and Mr Zhan Jian Zhou. Mr Au Yeung Kwong Wah is the Chairman of the Audit Committee. The primary duties of the Audit Committee are to review and supervise the financial reporting process and the internal control and risk management procedures and systems of our Group. The Audit Committee has reviewed the Company's audited consolidated financial statements for the year ended 31 December 2023 and the condensed unaudited consolidated interim financial statements for the six months ended 30 June 2023, including the accounting principles and practices adopted by the Company and the Group.

不競爭承諾

獨立非執行董事亦已審閱本公司控股股東陳昌先生及Bournam就彼等各自已遵守本公司日期為二零一零年一月二十八日之招股章程所披露的不競爭承諾作出的確認書。獨立非執行董事信納控股股東已全面遵守不競爭承諾之條款以及控股股東於截至二零二三年十二月三十一日止整個年度概無呈報新競爭業務。

(B) 董事委員會

董事會成立了三個委員會，即審核委員會、提名委員會及薪酬委員會，以監察本公司各方面事務。本公司全體董事委員會已設立特定書面職權範圍。董事委員會之職權範圍刊載於本公司及聯交所網站。

各董事委員會主要成員均為獨立非執行董事。

董事委員會有足夠資源履行其職責及在合理要求下可於適當情況尋求獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會由三名獨立非執行董事（即陳平先生、歐陽廣華先生及詹建宙先生）組成。歐陽廣華先生為審核委員會主席。審核委員會的主要職責是審查及監督本集團的財務申報程序及內部監控及風險管理程序及制度。審核委員會已審閱本公司截至二零二三年十二月三十一日止年度的經審核綜合財務報表及截至二零二三年六月三十日止六個月的簡明未經審核綜合中期財務報表，包括本公司及本集團所採納的會計原則及慣例。

The main duties of the Audit Committee include the following:

- To review the financial statements and reports and consider any significant or unusual items raised by the internal auditor or external auditors before submission to the Board;
- To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of external auditors; and
- To review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control systems and associated procedures.

The Audit Committee held six meetings during the year ended 31 December 2023, of which two meetings with external auditors' presence, and all members of the Audit Committee attended all meetings. At the meetings, it reviewed the financial reporting and compliance procedures, the report of the internal auditor on the Company's internal control and risk management systems and processes, and the re-appointment of the external auditors. No major issue on the internal control system of the Group has been identified.

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

The Company had established a whistleblowing policy and system for employees to raise concerns of possible improprieties where all concerns are addressed to the Audit Committee.

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

審核委員會之主要職責包括以下各項：

- 向董事會提交財務報表及報告前審閱有關資料，並考慮內部核數師或外聘核數師所提出之任何重大或特殊項目；
- 參照外聘核數師之工作、費用及委聘條款以檢討與外聘核數師之關係，並就委任、續聘及辭退外聘核數師向董事會提出建議；及
- 檢討本公司財務報告制度、風險管理及內部監控系統以及相關程序是否足夠及有效。

審核委員會於截至二零二三年十二月三十一日止年度舉行六次會議，其中兩次會議有外聘核數師列席，審核委員會所有成員均有出席全部會議。於會議上，委員會檢討財務報告及規章遵守程序、有關本公司內部監控及風險管理系統及過程之內部核數師報告以及外聘核數師之續聘。並無發現本集團內部監控系統有任何重大問題。

審核委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事並無意見分歧。

本公司已設立舉報政策及制度，供僱員提出可能存在不當情況的事宜，而所有事宜均由審核委員會處理。

本公司截至二零二三年十二月三十一日止年度之年度業績及截至二零二三年六月三十日止六個月之中期業績已由審核委員會審閱。

Nomination Committee

The Company recognises the benefits of a board that is composed of a balance of skills, experience, expertise and diversity of perspectives appropriate to the business development of the Company. The Board has adopted a board diversity policy in 2013. The Board has reviewed its composition and considered a number of aspects, including gender, age, educational background, professional experience, skills, knowledge and length of service in accordance with its board diversity policy. The Board considers that the existing board composition is well diversified and appropriate to the business development of the Company.

The Company established the Nomination Committee on 22 March 2012 in compliance with Appendix 14 to the Listing Rules. The Nomination Committee consists of three members, namely Mr Chen Ping, Mr Zhan Jian Zhou and Mr Chen Chang. Mr Chen Ping is the chairman of the Nomination Committee. The majority of them are independent non-executive Directors.

The primary functions of the Nomination Committee are to review and monitor the structure, size and composition (including the skills, knowledge and experience) of the Board to complement the Company's corporate strategy and make recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors, assess the independence of independent non-executive Directors, and review the board diversity policy and review the measurable objectives that the Board has set for implementing the board diversity policy, and the progress on achieving the objectives.

During the year and up to the date of this annual report, the Nomination Committee has reviewed the composition of the Board and made recommendations to the Board for the re-appointment of Directors and succession planning for the chairman, assessed the independence of independent non-executive Directors and reviewed the board diversity policy determined the policy for nomination of directors, nomination procedure process and criteria to select and recommend candidates.

提名委員會

本公司認識到董事會成員組成達到技能、經驗、專業知識及範疇多元化的平衡大有裨益，適合本公司業務的發展。董事會已於二零一三年採納董事會多元化政策。董事會已檢討其成員組成，並根據董事會多元化政策考慮了多個方面，包括性別、年齡、教育背景、專業經驗、技能、知識及服務期限。董事會認為現有董事會成員組成充分體現了多元化政策，且適合本公司業務發展。

本公司遵照上市規則附錄14的規定，於二零一二年三月二十二日成立提名委員會。提名委員會由三位成員組成，即陳平先生、詹建宙先生及陳昌先生。陳平先生為提名委員會之主席。大部分成員為獨立非執行董事。

提名委員會之主要職能是檢討及監督董事會之架構、規模及成員（包括技能、知識及經驗），以輔助本公司之企業策略及就委任或重新委任董事及董事之繼任計劃相關之事宜，向董事會提供建議，評估獨立非執行董事之獨立性，並檢討董事會多元化政策，及檢討董事會為執行董事會多元化政策而設立之可衡量目標，以及達到目標之進程。

於年內及截至本年報日期，提名委員會已審閱董事會之組成，並就重新委任董事及主席之繼任計劃向董事會提供建議，其已評估獨立非執行董事的獨立性，及檢討董事會多元化政策，並制訂董事提名政策、提名程序及甄選及推薦候選董事的標準。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Nomination Committee held three meetings during the year ended 31 December 2023 and all members of the Nomination Committee attended the meetings.

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.

於截至二零二三年十二月三十一日止年度，提名委員會已舉行三次會議，而提名委員會所有成員均有出席該等會議。

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）；
- 候選人的與行業有關之經驗；
- 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下相關之獨立準則；及
- 由董事會不時訂定的任何其他條件。

CORPORATE GOVERNANCE REPORT

企業管治報告

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 on the Board), and make recommendations to the Board and shareholders for re-election at general meetings.

The Company continuously seeks to enhance the effectiveness of the Board and to maintain a high standard of corporate governance and recognises and embraces the benefits of diversity in the composition of the Board.

In 2013, the Company has adopted a board diversity policy (the "Board Diversity Policy") for compliance with the Code Provision of the Listing Rules concerning the diversity of Board members. The Company recognises and embraces the benefits of diversity in Board members. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be taken into account in determining the optimum composition of the Board. All Board appointments will be based on merit while taking into account diversity, including gender diversity.

As at the date of this report, the Board comprises five Directors, one of them is female. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process.

The Nomination Committee will continue to review the Board Diversity Policy from time to time to ensure its continued effectiveness.

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，並提出董事會審議和批准的建議。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委員會會議，董事會會議及股東大會，他／她的參與程度及董事會表現），以及建議董事會及股東於股東大會上重選連任。

本公司不斷尋求提升董事會之成效及維持高水準的企業管治，且認同及確信董事會組成多元化帶來的裨益。

於二零一三年，本公司遵守上市規則有關董事會成員多元化的守則條文，已採納董事會多元化政策（「董事會多元化政策」）。本公司認同及確信董事會成員多元化帶來的裨益。一個真正多元化的董事會應包括並善用董事於技能、地區及行業經驗、背景、種族、性別及其他素質等方面之分別。公司在制定董事會成員的最佳組合時，將考慮上述的分別。所有董事會成員之任命，均以用人惟才為原則，並考慮多元化（包括性別多元化）。

截至本報告日期，董事會由五名董事組成，其中一名為女性。其中三名為獨立非執行董事，有助嚴格檢討及監控管理程序。

提名委員會將繼續不時檢討董事會多元化政策，已確保其持續有效。

CORPORATE GOVERNANCE REPORT

企業管治報告

Workforce diversity

As at 31 December 2023, the Group had a total workforce of 875 employees, of which 77% (675 employees) are males, and 23% (200 employees) are females.

While we believe our future employee recruitment should predominantly be merit-based and do not consider it appropriate to set any target gender ratio for our workforce, we recognize and embrace the benefits of having a diverse workforce, and will continue to enhance the diversity of our workforce, subject to availability of suitable candidates.

Remuneration Committee

The Remuneration Committee consists of three members, namely Mr Chen Ping, Mr Zhan Jian Zhou and Mr Chen Chang. Mr Zhan Jian Zhou is the chairman of the Remuneration Committee. The majority of them are independent non-executive Directors.

The primary functions of the Remuneration Committee are to make recommendations to the Board on the remuneration of our Directors and senior management, determine on behalf of the Board specific remuneration packages and conditions of employment for our Directors and senior management and to review and/or approve the matters relating to share schemes under chapter 17 of the Listing Rules. Remuneration will be determined by reference to the duties and level of responsibilities as well as market practice and conditions. None of the Directors themselves approve their own remuneration.

During the year and up to the date of this annual report, the Remuneration Committee has reviewed the Group's remuneration policy, assessed the performance of executive Directors and reviewed the remuneration package of the executive Directors and senior management and recommended to the Board on the remuneration packages of the executive Directors and senior management. No share option has been granted during the year ended 31 December 2023.

For the year ended 31 December 2023, two meetings of the Remuneration Committee were held and all members attended the meetings.

員工多元化

於二零二三年十二月三十一日，本集團共有875名員工，其中77%（675名員工）為男性，23%（200名員工）為女性。

儘管我們認為我們未來的員工招聘應主要以績效為基礎，並且認為不宜對我們的員工設定任何目標性別比例，但我們認可並確認擁有多元化員工隊伍裨益，並將繼續加強我們員工的多樣性（視乎合適人選的可供選擇性而定）。

薪酬委員會

薪酬委員會由三名成員（即陳平先生、詹建宙先生及陳昌先生）組成。詹建宙先生為薪酬委員會主席。大部分成員為獨立非執行董事。

薪酬委員會的主要職能是就董事及高級管理層的薪酬向董事會提供建議，代表董事會釐定董事及高級管理層的具體薪酬待遇及聘用條件，以及審閱及／或批准上市規則第17章所述有關股份計劃的事宜。有關薪酬將參考其職責及職權範圍，以及市場慣例及市況釐定。概無董事批准其本身之薪酬。

於年內及截至本年報日期，薪酬委員會已審閱本集團的薪酬政策、評估執行董事的表現及審閱執行董事和高級管理層的薪酬待遇以及就執行董事及高級管理層之薪酬待遇向董事會提出推薦意見。截至二零二三年十二月三十一日止年度，概無授出購股權。

於截至二零二三年十二月三十一日止年度，薪酬委員會舉行了兩次會議，而所有成員均有出席該等會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Function

The Board is responsible for performing the corporate governance duties of the Company. Terms of reference adopted by the Board include the duties of the Board on corporate governance functions to develop and review the Group's policies and practices on corporate governance, to review and monitor the training and continuous professional development of the Directors and the senior management and to review the Group's compliance with the CG Code and disclosure in this Corporate Governance Report.

The attendance of individual members of the Board and other Board Committees meetings for the financial year ended 31 December 2023 is set out in the table below:

		AGM 股東週年大會	Meeting attended/held 出席/舉行會議			
			Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會
Executive Directors	執行董事					
Mr Chen Chang (Chairman of the Board)	陳昌先生(董事會主席)	1/1	4/4	N/A 不適用	3/3	2/2
Mr Chen Guo Xiong (Vice Chairman of the Board) (resigned on 5 December 2023)	陳國雄先生(董事會副主席) (於二零二三年十二月五 日辭任)	1/1	3/4	N/A 不適用	N/A 不適用	N/A 不適用
Ms Chen Zhao Nian	陳兆年女士	1/1	4/4	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-executive Directors	獨立非執行董事					
Mr Chen Ping	陳平先生	1/1	4/4	4/4	3/3	2/2
Mr Tian Xiao Ren (resigned on 1 September 2023)	田曉韜先生(於二零二三年 九月一日辭任)	1/1	3/4	3/4	2/3	2/2
Mr Au Yeung Kwong Wah	歐陽廣華先生	1/1	4/4	4/4	N/A 不適用	N/A 不適用
Mr Zhan Jian Zhou (appointed on 1 September 2023)	詹建宙先生(於二零二三年 九月一日獲委任)	N/A 不適用	1/4	1/4	1/3	N/A 不適用

Chairman of the Board had a meeting with the independent non-executive Directors without the presence of other Executive Directors (save as the chairman himself) during the year ended 31 December 2023.

企業管治職能

董事會負責執行本公司之企業管治職能。董事會採納之職權範圍包括董事會對企業管治職能之責任，包括制定及檢討本集團關於企業管治之政策及常規，審視及監督董事及高級管理層之培訓及持續專業發展，以及審視本集團遵守企業管治守則的情況及於本企業管治報告作出的披露。

截至二零二三年十二月三十一日止財政年度，董事會及其他董事委員會成員出席會議情況載列如下：

董事會主席於截至二零二三年十二月三十一日止年度與獨立非執行董事舉行過一次沒有其他執行董事在場(除主席本身外)的會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

(C) Accountability and Audit

Financial Reporting

The Board, supported by the chief financial officer and the finance department of the Group, is responsible for the preparation of the financial statements of the Company and the Group. In the preparation of financial statements, IFRS Accounting Standards have been adopted and the appropriate accounting policies and statutory requirements have been consistently complied with. The Board aims to present a clear and balanced assessment of the Group's performance in the annual and interim reports to the shareholders, and make appropriate disclosure and announcements in a timely manner.

Directors' Responsibility on the Financial Statements

The Directors are responsible for overseeing the preparation of financial statements for the year ended 31 December 2023 with a view to ensuring that such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The Company's accounts are prepared in accordance with all relevant statutory requirements and suitable accounting standards.

The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; judgements and estimates made are prudent and reasonable; and the financial statements are prepared on a going concern basis.

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 106 to 116 of this annual report.

Management had provided monthly updates to Directors for giving a balanced and understandable assessment of the Company's performance, position and prospects to enable the Directors to discharge their duties.

(C) 問責及核數

財務匯報

董事會負責在本集團財務總監及財務部的協助下編製本公司及本集團的財務報表。於編製財務報表過程中，已採納國際財務報告準則會計準則並貫徹遵守適當會計政策及法律規定。董事會旨在於年度及中期報告中向股東呈列對本集團業績的清晰及公正的評估，並及時作出適當披露及公佈。

董事對財務報表的責任

董事負責監督截至二零二三年十二月三十一日止年度財務報表的編製，以確保該等財務報表真實、公平反映本集團的事務狀況以及該期間的業績及現金流量。本公司的賬目乃根據所有相關法律規定及適用會計準則編製。

董事負責確保選擇及一致應用適當會計政策；作出審慎及合理的判斷及評估；以及根據持續經營基準編製財務報表。

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年報第106至116頁「獨立核數師報告」。

管理層已向董事提供每月最新資訊，為本公司之表現、狀況及前景提供公正及易於理解的評估，以便董事履行其職務。

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Auditors

During the year ended 31 December 2023, the remuneration paid or payable to the independent auditors, CCTH CPA Limited, for services rendered is broken down below:

		2023 二零二三年 HKD'000 千港元
Audit services	核數服務	1,480
Other	其他	200
Total		1,680

(D) Internal Controls and Risk Management

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The Company has an internal audit department to ensure effective internal control system of the Group. The Group's system of internal control includes a defined management structure with limits of authority, and is designed to help the Group achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

The internal audit department conducts internal audit throughout the year. The internal audit process includes conducting supervision and examination on financial management and contract management, identifying problems and overseeing the rectification and correction of these problems, and reporting to the Audit Committee and the Board any material issues identified in the internal audit and the rectification and correction thereof for their review.

獨立核數師

於截至二零二三年十二月三十一日止年度，就所提供服務已付或應付獨立核數師中正天恆會計師有限公司的酬金明細如下：

(D) 內部監控及風險管理

董事會全權負責維持本集團健全和有效之內部監控系統。本公司已成立內部審核部門從而確保有效的本集團內部監控系統。本集團內部監控系統包括界定管理架構及其相關之權限，以協助本集團達致其業務目標、保障其資產以防未經授權之使用或處理、確保備存適當之會計紀錄以提供可靠之財務資料供內部使用或對外刊發，並確保符合相關法例與法規。該系統旨在提供合理（而非絕對）保證不會出現嚴重誤報或損失的情況，並管理（而非消除）本集團經營系統失誤及未能達到本集團業務目標的風險。

內部審核部門全年開展內部審核工作。內部審核流程包括對財務管理及合同管理方面進行監督檢查，發現問題並監督整改，並將內部審核工作中發現的重大問題及整改情況提交予審核委員會及董事會審閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board has reviewed the internal audit report on quarterly basis and assessed the effectiveness (according to its magnitude and significance) of the Group's internal control system which covered all material controls, including financial, operational and compliance controls as well as risk management functions during the year ended 31 December 2023. The Board is of the view that risk management and internal control systems are adequate. No major risk was identified which affect operation of the Group.

The Company is in strict compliance with the related requirements of the Listing Rules, the SFO and the Guidelines on Disclosure of Inside Information issued by the Securities and Futures Commission. The Company discloses inside information to the public as soon as reasonably practicable. Before the information is fully disclosed to the public, the Company ensures the information is kept strictly confidential.

(E) Company Secretary

The Board appoints its Company Secretary in accordance with the Company's Articles of Association and in compliance with the requirements of the Listing Rules. Biographical details of the current Company Secretary is set out in the section headed "Profile of Directors and senior management" on page 37 to 48 of this annual report. The Company Secretary has complied with the professional training requirement as set out in the Rule 3.29 of the Listing Rules during the year ended 31 December 2023.

(F) Shareholders' Rights

The Board welcomes shareholders to present their views and shareholders may at any time submit their questions and concerns about the Group. Enquiries may be put to the Board by contacting the Company Secretary through our shareholders' email at ir@pck.com.cn. Shareholder(s) holding not less than one-tenth of Company's paid-up capital may request the Board to convene an extraordinary general meeting. The objects of the meeting must be stated in the related requisition deposited at the Company's registered office and addressing to the Company Secretary at the Company's principal place of business in Hong Kong. The extraordinary general meeting will be held within 2 months after the deposition of such requisition.

於截至二零二三年十二月三十一日止年度，董事會已每季度審閱內部審核報告及評估本集團內部監控系統之效能（根據幅度及重要性），該系統涵蓋所有重大監控（包括財務、營運及合規監控）以及風險管理職能。董事會認為風險管理及內部監控系統足夠。目前並無發現影響本集團營運之重大風險。

本公司嚴格遵守上市規則、證券及期貨條例及證券及期貨事務監察委員會發表的《內幕消息披露指引》的相關規定。本公司在合理切實可行的情況下，盡快向公眾披露內幕消息。本公司在向公眾全面披露消息前，會確保消息嚴格保密。

(E) 公司秘書

董事會根據本公司組織章程細則及遵守上市規則之要求委任公司秘書。現任公司秘書的簡歷詳情載於本年報第37至48頁的「董事及高級管理層履歷」一節。截至二零二三年十二月三十一日止年度，公司秘書已遵守上市規則第3.29條有關專業培訓的規定。

(F) 股東權利

董事會樂意聆聽股東的意見，並歡迎股東於任何時間對本集團提出質詢。股東可透過股東電郵 ir@pck.com.cn 聯絡公司秘書，將查詢提呈至董事會。持有本公司繳足股本不少於十分之一的股東，可要求董事會召開股東特別大會。相關提請必須列明召開會議的目的，並送交本公司註冊辦事處，註明收件人為公司秘書，地址為本公司於香港之主要營業地址。股東特別大會將於呈交相關提請後兩個月內舉行。

Procedures for a shareholder to propose a person for election as a Director

Subject to the applicable laws and the provisions of the Company's Articles of Association, the Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an additional Director. A shareholder may propose a person for election as a Director by lodging the following documents to the Board or Company Secretary at our Hong Kong office at Unit 605–606, 6/F., Tower III, Enterprise Square, No. 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong: 1) a notice in writing of the intention to propose that person (with full name and biographical details as required by Rule 13.51(2) of the Listing Rules) for election as a Director; and 2) a notice in writing by that person of his willingness to be elected as a Director. Such notices shall be lodged at least 7 clear days before the date of the general meeting and the period for lodgement of such notices shall commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and shall be at least 7 clear days in length.

To safeguard shareholder interests and rights, a separate resolution is proposed for each substantial separate issue at shareholder meetings, including the election of individual Directors.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

(G) Investor Relations and Communication With Shareholders

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

股東提名人選參選董事的程序

本公司可不時在股東大會通過普通決議案選舉任何人士作為董事以填補臨時空缺或作為新增董事，惟受制於適用法例及本公司組織章程細則條款。股東可交存以下文件至董事會或公司秘書，請送交香港辦事處（地址為香港九龍九龍灣常悅道9號企業廣場第三座6樓605–606室），提名人士參選董事：1) 書面通知，表明提名該人士（全名及上市規則第13.51(2)條規定的履歷詳情）參選董事的意向；及2) 該人士的書面通知，表明其有意參選董事。該等通知必須於相關股東大會日期前不少於7個整日交存，該等通知的交存期由不早於選舉董事的相關股東大會的通知發出後一日開始，為期不得少於7個整日。

為保障股東的利益及權利，本公司會於股東大會上就每項獨立重大事項，包括選舉個別董事，提出獨立決議案。

於股東大會上提呈之所有決議案將根據上市規則按股數投票表決，投票結果將於每個股東大會結束後於本公司及聯交所網站刊登。

(G) 投資者關係及與股東的溝通

本公司認為，與股東之有效溝通對加強投資者關係及投資者對本集團業務表現及策略之理解非常重要。本公司亦確認透明度和及時披露公司資料之重要性，其使股東及投資者可作出最佳投資決定。

CORPORATE GOVERNANCE REPORT

企業管治報告

To promote effective communication, the Company maintains a website at <http://www.pck.com.cn>, where up-to-date information and updates on the Company's business operations and developments, financial information, corporate governance practices and other information are posted. A shareholder communication policy is in place to ensure that shareholders are provided with ready, equal and timely access to information of the Company. The policy is available on the Company's website.

The Shareholders may at any time send enquiries and requests for publicly available information and provide comments and suggestions to the Company. Such enquiries, requests, comments and suggestions can be sent by email to ir@pck.com.cn or to the Company Secretary by mail to the Company's address as shown in the "Contact Investor Relations" section of the Company's website.

For enquiries about their shareholdings in the Company, the Shareholders can direct the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong or by email to info@hk.tricorglobal.com, who has been appointed by the Company to handle the Shareholders' share registration and related matters.

During the year ended 31 December 2023, an annual general meeting of the Company was held on 16 June 2023.

The Company endeavours to maintain an on-going dialogue with its shareholders and in particular, through AGMs or other general meetings to communicate with the shareholders. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf. The chairman of the Board as well as the chairman of the Audit Committee, Nomination Committee and Remuneration Committee will make themselves available at the AGM to meet with the shareholders.

為促進有效溝通，本公司設有網站 <http://www.pck.com.cn>，可於網站取得本公司業務經營及發展、財務資料、企業管治常規及其他之最新資料及更新資料。本公司已制訂股東通訊政策，確保股東可及時獲得全面、相同及適時的本公司資料。上述政策刊載於本公司網站。

股東可隨時向本公司提出查詢及索取公開資料的要求，以及提供意見及建議。該等查詢、要求、意見及建議可以電郵的方式發送至 ir@pck.com.cn 或郵寄至本公司網站「聯絡投資者關係」一欄所示的公司地址聯絡公司秘書。

倘股東欲查詢其於本公司的持股情況，可向本公司在香港的股份過戶登記分處卓佳投資者服務有限公司（已獲本公司委任處理股東的股份登記及相關事宜）查詢，地址為香港夏慤道16號遠東金融中心17樓，或電郵至 info@hk.tricorglobal.com。

截至二零二三年十二月三十一日止年度，本公司已於二零二三年六月十六日舉行一次股東週年大會。

本公司努力維持與其股東的持續交流，特別是透過股東週年大會或其他股東大會與股東進行溝通。本公司鼓勵股東參與股東大會，或委任受委代表代其出席股東大會及投票。董事會主席、審核委員會主席、提名委員會主席及薪酬委員會主席將出席股東週年大會與股東會面。

CORPORATE GOVERNANCE REPORT

企業管治報告

The forthcoming AGM of the Company will be held on Friday, 21 June 2024. The notice of AGM will be sent to shareholders at least 20 clear business days before the AGM.

The Company attended conferences, roadshows and media interviews to keep the Shareholders and potential investors informed of the latest development of the Group. The head of investor relation will be the primary contact point for communications with investors and analysts.

The Board has reviewed the implementation and effectiveness of the shareholders communication policy. Having considered the multiple channels of communication and engagement in place, it is satisfied that the shareholders communication policy was effective during the year ended 31 December 2023.

The Company will continue to maintain an open and effective investor communication policy and to update investors on relevant information on the Group's business in a timely manner, subject to relevant regulatory requirements.

Memorandum and Articles of Association

There was no change in the constitutional documents of the Company during the year. The latest version of the Memorandum and Articles of Association of the Company is posted on the Company's website.

2023 Annual General Meeting

The Board is committed to the constructive use of the AGM as a forum to meet shareholders. The chairman of the Board and the chairmen of the Audit Committee and Nomination Committee, members of the Remuneration Committee and the external auditors attended the 2023 AGM.

本公司即將於二零二四年六月二十一日(星期五)舉行股東週年大會。股東週年大會通告將最少於股東週年大會前20個完整營業日前寄發予股東。

本公司多次參與會議、路演及媒體採訪，以讓股東及潛在投資者了解本集團的最新發展狀況。投資者關係部總監將擔任主要聯絡人士，負責與投資者及分析員溝通。

董事會已檢討股東通訊政策之實施及成效。經考慮現有溝通及聯繫之多個渠道後，董事會信納股東通訊政策截至二零二三年十二月三十一日止年度已具有成效。

本公司將繼續維持開放、有效的投資者溝通政策，並遵照相關監管規定及時向投資者提供有關本集團業務的最新資料。

組織章程大綱及組織章程細則

年內本公司之憲章文件並無任何變動。本公司最新版本之組織章程大綱及組織章程細則均已上載至本公司網站。

二零二三年股東週年大會

董事會致力將股東週年大會發揮建設性用途，作為會見股東之場合。董事會主席以及審核委員會、薪酬委員會主席及提名委員會之成員及外聘核數師均有出席二零二三年股東週年大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

At the 2023 AGM, the Company proposed separate resolutions on the issues considered. Resolutions passed at the 2023 AGM were as follows: (i) received the audited consolidated financial statements for the year ended 31 December 2022 together with the reports of the Directors and auditors of the Company; (ii) re-elected Mr Chen Guo Xiong as executive Director, Mr Chen Ping and Mr Au Yeung Kwong Wah as independent non-executive Directors and authorised the Board to fix the Directors' remuneration; (iii) reappointed CCTH CPA Limited as auditors of the Company and authorised the Directors to fix its remuneration; (iv) approved a general mandate for the Directors to allot and issue of new shares of an amount not exceeding 20 per cent of the issued share capital of the Company as at the date of the 2023 AGM; (v) approved a general mandate for the Directors to repurchase shares of an amount not exceeding 10 per cent of the aggregate nominal amount of the Company's issued share capital as at the date of the 2023 AGM; (vi) extended the general mandate granted to the Directors of the Company to allot, issue, and deal with additional shares in the share capital of the Company by an amount not exceeding the amount of the shares repurchased by the Company; and (vii) approved and adopt the amended and restated articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company and to authorise the Directors to do all things necessary to implement the adoption of the new amended and restated articles of association of the Company. All resolutions were passed by way of a poll conducted by the Company's registrar. The poll results of the 2023 AGM were available on the Company's website.

The 2024 annual general meeting ("2024 AGM") of the Company will be held at 1/F., China Building, 29 Queen's Road Central, Hong Kong on Friday, 21 June 2024 at 10:30 a.m.

All Shareholders are encouraged to attend the 2024 AGM and exercise their rights to vote. Shareholders are invited to ask questions relating to the business of the meeting. Details of the resolutions to be considered in the 2024 AGM will be set out in a circular to be sent out to the Shareholders together with the 2023 annual report.

於二零二三年股東週年大會上，本公司就考慮事項提呈獨立決議案。於二零二三年股東週年大會通過之決議案如下：(i)省覽本公司截至二零二二年十二月三十一日止年度之經審核綜合財務報表及董事會報告書與核數師報告；(ii)重選陳國雄先生為執行董事，陳平先生及歐陽廣華先生為獨立非執行董事及授權董事會釐定董事酬金；(iii)續聘中正天恆會計師有限公司為本公司核數師，並授權董事釐定其酬金；(iv)批准授予董事一般授權，以配發及發行不超過本公司於二零二三年股東週年大會日期已發行股本20%的新股份；(v)批准授予董事一般授權，以購回不超過本公司於二零二三年股東週年大會日期已發行股本面值總額10%的股份；(vi)擴大授予本公司董事的一般授權，以配發、發行及處理本公司股本中的額外股份，惟數目不得超過本公司所購回的股份數目；及(vii)批准及採納本公司經修訂及重列組織章程細則，取代並廢除本公司現有組織章程細則，並授權董事作出為實施採納本公司新的經修訂及重列組織章程細則的所有必要事宜。在本公司股份過戶登記處主持下，所有決議案均以投票表決方式通過。二零二三年股東週年大會之投票表決結果可於本公司網站覽閱。

本公司將於二零二四年六月二十一日(星期五)上午十時三十分假座香港皇后大道中29號華人行1樓舉行二零二四年股東週年大會(「二零二四年股東週年大會」)。

全體股東均獲鼓勵出席二零二四年股東週年大會及行使投票權，也歡迎股東在大會上提出關於業務之問題。於二零二四年股東週年大會考慮之決議案詳情將載入通函，以及將連同二零二三年年報寄送予股東。

CORPORATE GOVERNANCE REPORT

企業管治報告

(H) Others

Share Interests of Senior Management

As confirmed with the senior management of the Company, they did not hold shares of the Company as at 31 December 2023.

Sufficiency of Public Float

The Company has maintained the prescribed public float under the Listing Rules as at 31 December 2023.

(I) Dividend Policy

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 28 March 2019 (“Dividend Policy”).

According to the Dividend Policy, when determining whether to declare any dividend in the future 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.

(H) 其他事項

高級管理層之股份權益

經向本公司高級管理層確認後，彼等於二零二三年十二月三十一日並無持有本公司股份。

充足公眾持股量

本公司於二零二三年十二月三十一日已維持上市規則規定之公眾持股量。

(I) 股息政策

為提升本公司之透明度及促使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三月二十八日採納一項股息政策（「股息政策」）。

根據股息政策，當未來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。

CORPORATE GOVERNANCE REPORT

企業管治報告

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.

(J) Anti-corruption and Whistle-blowing Procedures

The Group maintains and effectively implements a comprehensive system of internal control and stringent policies for anti-corruption, and is committed to preventing and monitoring any malpractices or unethical practice.

The Group is in compliance with all applicable anti-bribery and corruption laws including the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) in Hong Kong. The Group has also applied the Corporate Governance Code as the basis in formulating the internal rules and regulations for integrity discipline and clean administration. The Group will adhere to its corporate ethics and uphold its reputation to prevent corruption.

To prevent corruptive practices and raise employees' awareness regarding such matter, the expectations and appropriate procedures of engaging third parties, and standards relating to anti-bribery and anti-corruption are set out in the anti-corruption and bribery policy of the Group.

Employees, who are found breaching the Group's code and policies will be investigated and may be subject to warning, suspension, termination of contract, dismissal and disciplinary discharge.

In addition, a whistleblowing policy has been established to provide employees with guidance and channels for the reporting of fraud, corruption, bribery, criminal offences, conflict of interest, harassment, workplace bullying and other non-compliances with the laws, regulations and internal controls or other forms of misconducts without fear of adverse consequences.

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。

(J) 反腐敗及舉報程式

本集團設有並有力地執行周全之內部監控系統以及嚴格之反貪污政策，並致力防止並監察任何瀆職或不道德行為。

本集團遵守所有適用反賄賂及貪污法律，包括香港《防止賄賂條例》(香港法例第201章)。本集團亦已應用企業管治守則作為基礎，以制定有關誠信紀律及廉潔行政之內部規則及規例。本集團將恪守其企業道德並守護其聲譽，對抗貪污。

為防止貪污行為並提高僱員在此方面之意識，本集團將聘用第三方之期望及合適程序以及反賄賂及反貪污準則載入其反貪污及賄賂政策。

遭發現違反本集團守則及政策之僱員將須接受調查，並可能面對警告、停職、終止合約、解僱及紀律處分。

此外，本集團已制定舉報政策，為僱員提供指引和渠道舉報欺詐、貪污、賄賂、刑事罪行、利益衝突、騷擾、職場欺凌、以及其他違反法律、法規及內部監控或其他形式之不當行為，而毋須憂慮招致不利後果。

CORPORATE GOVERNANCE REPORT

企業管治報告

The policy provides a set of transparent and confidential procedures for dealing with the concerns raised by each employee and is fully supported by management and approved by the Board.

Suspected non-compliance issues may be reported to the chairman of the Audit Committee, the assistant to chairman of the Company, immediate supervisor or the head of department who is also required to notify any concerns to the Audit Committee on a timely basis. According to this policy, the identities of employees who reported in good faith will be kept confidentially and protected by the Group without any form of retaliation, harassment or victimization.

Anti-corruption training material had been circulated among all Directors and employees of the Group during the Year in accordance with the applicable laws of the relevant jurisdictions to enhance their knowledge and awareness on such issue.

該政策提供一套透明及保密程序以處理每一名僱員提出之關注事項，並獲管理層全力支持及經董事會批准。

僱員可向審核委員會主席、本公司主席助理、直屬上司或部門主管舉報懷疑不合規事件，彼等亦須盡快將關注事項通知審核委員會。根據該政策，真誠舉報的僱員之身份將被保密，並受本集團保護免受任何形式之報復、騷擾或迫害。

於本年度，本集團全體董事及僱員已按照相關司法權區適用法律傳閱反貪污培訓材料，以提升其於有關議題之知識及意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Board is committed to the long-term sustainability of the environment and communities in which the Group operates and continually enhances investment value to stakeholders through proper and effective internal control systems and ESG risk management measures throughout its operations. The Board maintains oversight of and approves the identification and assessment of ESG issues and confirms that to the best of its knowledge, this report addresses the material topics related to the operations of the Group and fairly presents its ESG performance and impacts.

The Group's management is responsible for monitoring and reviewing the compliance with local laws and regulations with regards to ESG-related issues. The management is also responsible for establishment of sustainability strategies, policies and measures to implement sustainability initiatives, provide sustainability reporting and prepare the ESG report.

This section is prepared in accordance with Appendix 27 Environmental, Social and Governance Reporting Guide (the "ESG Guide") of the Listing Rules. The Board is pleased to present our performance and progress on the environmental and social aspects from 1 January 2023 to 31 December 2023.

This ESG section would separate into two subject areas — (A) environmental and (B) social and each subject area included relevant aspects as follow:

A. ENVIRONMENTAL

The Group is committed to energy saving and environmental protection. The Group is trying to keep the damage to the environmental at a minimal level by reducing pollutants and hazardous wastes during the manufacturing process and ensuring our activities and operations are to be energy, water and resources saving, and to prevent pollution, reduce wastes and minimize the negative impacts on and harmonize with the environment. The Group has set up procedures and systems to comply with the rules and impose control on emissions.

董事會致力於本集團經營所在地的環境及社區的長遠可持續發展，並透過適當及有效的內部監控系統和環境、社會及管治風險管理措施於整個營運過程中不斷提升持份者的投資價值。董事會一直監察環境、社會及管治問題及批准有關問題的識別和評估，並確認就其所深知，本報告涉及與本集團營運相關的重大議題，並公平地呈現其環境、社會及管治表現和影響。

本集團管理層負責監控和審查對當地有關環境、社會及管治相關問題的法例和法規的遵守情況。管理層亦負責建立可持續發展戰略、政策和措施，以實施可持續發展舉措、提供可持續發展報告和編備環境、社會及管治報告。

本報告乃根據上市規則附錄27《環境、社會及管治報告指引》(「環境、社會及管治報告指引」)編製。董事會欣然呈列我們於二零二三年一月一日至二零二三年十二月三十一日期間在環境及社會方面的表現及進展。

本環境、社會及管治報告章節分為(A)環境及(B)社會兩個主要範疇呈列，每個主要範疇均有多個層面，詳情如下：

A. 環境

本集團致力於節能及環保。本集團在生產過程中通過減少污染物及有害廢棄物及確保我們的活動及運作將節約能源、水及資源，以及防止污染、減少廢棄物及最大程度降低對環境的負面影響並與環境和諧相處，以將對環境的破壞降至最低。本集團已設有遵守規則及對排放物施加控制的程序及系統。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group is complying with the following laws and regulations that are most relevant to the Group:

- Law of the PRC on the Environmental Protection* (中華人民共和國環境保護法);
- Law of the PRC on the Water Pollution Prevention and Control* (中華人民共和國水污染防治法);
- Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste* (中華人民共和國固體廢物污染環境防治法);
- Law of the PRC on the Prevention and Control of Air Pollution* (中華人民共和國大氣污染防治法);
- Law of the PRC on the Prevention and Control of Environmental Noise Pollution* (中華人民共和國環境雜訊污染防治法);
- Law of the PRC on the Energy Conservation* (中華人民共和國節約能源法);
- Law of the PRC on the Cleaner Production Promotion* (中華人民共和國清潔生產促進法);
- Regulations on Environmental Protection Management of Construction Projects* (建設項目環境保護管理條例);
- Measures for the Administration of Hazardous Waste Transfer Forms* (危險廢物轉移聯單管理辦法);
- Regulations on the Safety Management of Hazardous Chemicals* (危險化學品安全管理條例)

A.1 Emissions

Types of emissions from the Group were mainly carbon dioxide, methane, nitrous oxide etc. emitted during operation of production lines.

Scope 1 greenhouse gas emissions in 2023 were primarily generated from natural gas, diesel oil and gasoline.

本集團遵守與本集團最為相關的以下法律法規：

- 中華人民共和國環境保護法；
- 中華人民共和國水污染防治法；
- 中華人民共和國固體廢物污染環境防治法；
- 中華人民共和國大氣污染防治法；
- 中華人民共和國環境雜訊污染防治法；
- 中華人民共和國節約能源法；
- 中華人民共和國清潔生產促進法；
- 建設項目環境保護管理條例；
- 危險廢物轉移聯單管理辦法；
- 危險化學品安全管理條例

A.1 排放物

本集團排放物類型主要包括於生產線運行期間排放的二氧化碳、甲烷及一氧化氮等。

範圍1二零二三年溫室氣體排放主要來自天然氣、柴油及汽油。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Scope 2 greenhouse gases emissions were associated with the electricity purchase in PRC are provided by the relevant provider of electricity.

範圍2於中國所購買電力涉及的溫室氣體排放乃由相關電力供應商提供。

Greenhouse gas emissions	CO ₂ equivalent emissions	Intensity CO ₂ equivalent emission per tonne
溫室氣體排放	二氧化碳當量排放	每噸二氧化碳當量排放
	2023	2023
	二零二三年	二零二三年
Scope 1	28,052	0.05
範圍1	kg/kWh	kg/kWh
	28,052	0.05
	千克/千瓦時	千克/千瓦時
Scope 2	27.6 million	50
範圍2	kg/kWh	kg/kWh
	27.6百萬	50
	千克/千瓦時	千克/千瓦時

The greenhouse gases emissions are calculated with reference to the “Greenhouse Gas Emission Accounting Method and Reporting Guidelines for Enterprises Power Generation Facilities (2022 Revised Edition)” 《企業溫室氣體排放核算方法與報告指南發電設施(2022年修訂版)》 issued by the Ministry of Ecology and Environment of the People's Republic of China (中華人民共和國生態環境部門).

溫室氣體排放是參照中華人民共和國生態環境部門發佈的《企業溫室氣體排放核算方法與報告指南發電設施(2022年修訂版)》計算。

Hazardous waste

Hazardous wastes were produced during production, including waste oil, waste sludge, waste mineral oil, paint, paint residue, waste grease, waste grease drum, waste paint drum, waste emulsion drum, waste activated carbon, waste organic solvent, waste developer, and fixer. Total hazardous waste produced in 2023 was approximately 261 tonnes and 0.0005 tonnes of hazardous waste was produced for each tonne of product.

有害廢棄物

生產期間產生的有害廢棄物包括廢油、廢油泥、廢礦物油、油漆、漆渣、廢油脂、廢油脂桶、廢漆桶、廢乳化液桶、廢活性炭、廢有機溶劑、廢顯影液及定影液。於二零二三年產生的總有害廢棄物為約261噸，每噸產品產生0.0005噸有害廢棄物。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Non-hazardous waste

Non-hazardous wastes were produced during production including welding slag, iron filings, scrap steel. Total non-hazardous waste produced in 2023 was approximately 2,490 tonnes and 0.005 tonnes of non-hazardous waste was produced for each tonne of product.

Emissions are proportional to the production level. Therefore, total emissions in 2023 increased as compared to 2022. Intensity amount per each tonne of product in 2023 decreased as compared to 2022. Nevertheless, in an aim to reduce emission of greenhouse gas, the Group has implemented the policies as follow:

- 1) The factory in Lianyungang and Zhuhai is designed to let in more natural light and allow for natural ventilation in order to reduce use of electricity;
- 2) Solar photovoltaic power generation equipment are installed on the roof of the factories of Lianyungang and Zhuhai factories in order to facilitate the use of clean energy;
- 3) The light and equipment would be turned off during luncheon rest time.

Treatment of hazardous and non-hazardous wastes

1. The Group has set up procedures in the collection, storage, transportation and disposal of polluting wastes to prevent scattering, draining, leakage. Authorization is need for dumping, stacking, discarding or scattering the wastes;
2. The Group has identified specific rubbish bins for different types of wastes like scrap steel, industrial wastes, domestic wastes, oil-bearing wastes, and delivered the wastes to units with waste treatment qualification for waste disposal or recycling;
3. The Group has strengthened training for employees to enhance their skills and knowledge of handling waste;
4. Hazardous wastes are disposed to qualified and designated institutions with special care.

The Group has received no cases of environmental pollution or complaints in 2023.

無害廢棄物

生產期間產生的無害廢棄物包括焊渣、鐵屑、廢鋼類。於二零二三年產生的總無害廢棄物為約2,490噸，每噸產品產生0.005噸無害廢棄物。

排放量與生產水平成正比。因此，於二零二三年的總排放量較二零二二年有所增加。於二零二三年每噸產品數量的密度較二零二二年有所減少。然而，為減少溫室氣體排放，本集團已實施以下政策：

- 1) 連雲港及珠海工廠採用增加自然採光及自然通風的設計，以達到節省電力的目的；
- 2) 連雲港及珠海工廠均在廠房頂面鋪設太陽能光伏發電設備，推動清潔能源的使用；
- 3) 於午餐休息時間關閉照明燈具及設備。

有害及無害廢棄物的治理

1. 本集團已設有在收集、存儲、運輸及處置污染廢棄物方面防揚散、防丟失及防滲透的程序。嚴禁擅自傾倒、堆放、丟棄或遺散；
2. 本集團已為不同類型的鐵屑、工業垃圾、生活垃圾、含油廢棄物等廢棄物設置標識明確的垃圾箱，並交給有處理資質的單位處置或回收利用；
3. 本集團已加強僱員培訓以提升其處理廢棄物的技能及知識；
4. 有害廢棄物由合資格及指定機構處置。

本集團於二零二三年並無收到環境污染或投訴的案例。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A.2 Use of Resources

The major resources used by the Group relates to electricity, water, petrol and natural gas. The Group aims at and has been reducing consumption of various resources. Resources consumption by the Group during the year is listed in the table below:

Resources Consumption	Unit	Total amount in 2023	Intensity Amount per each tonne of product in 2023
		於二零二三年 總數量	於二零二三年 每噸產品數量
資源消耗	單位		密度
Electricity consumption 耗電	kWh 千瓦時	47,500,000	86
Water consumption 耗水	Tons 噸	437,000	0.8
Petrol 汽油	Litre 升	98,000	0.2
Natural gas 天然氣	M ³ 立方米	171,000	0.3
Packaging material 包裝材料	Tons 噸	182	0.0003

Measures on efficient use of resources:

1. The Company will assess the performance of its staff based on the resource efficiency of the department;
2. The factory in Lianyungang and Zhuhai is designed let in more natural light and allow for natural ventilation in order to reduce use of electricity;
3. The light and equipment would be turned off during luncheon rest time;
4. Use of energy efficient lighting products;
5. Increase the awareness of employees on energy saving by training.

A.2 資源使用

本集團使用的資源主要為電力、水、汽油及天然氣。本集團致力並一直持續減少各種資源消耗。下表載列年內本集團的資源消耗：

Unit	Total amount in 2023	Intensity Amount per each tonne of product in 2023
	於二零二三年 總數量	於二零二三年 每噸產品數量
單位		密度
kWh 千瓦時	47,500,000	86
Tons 噸	437,000	0.8
Litre 升	98,000	0.2
M ³ 立方米	171,000	0.3
Tons 噸	182	0.0003

有效使用資源的政策：

1. 本公司將根據部門的資源效率評核其員工的表現；
2. 連雲港及珠海工廠採用增加自然採光及自然通風的設計，以達到節省電力的目的；
3. 於午餐休息時間關閉照明燈具及設備；
4. 使用具有能源效益的照明產品；
5. 通過培訓提升僱員節能意識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Use of resources like electricity is proportional to the production level. Therefore, electricity usage in 2023 increased as compared to that of 2022. Intensity amount per each tonne of product in 2023 decreased as compared to that of 2022.

Water source

The water source that is fit for purpose of the Company and is the running water supplied by the government which guarantees reliable quality and supply. There has been no suspension of water supply.

Water was consumed mainly for office general use, hydrostatic pressure test and ultrasonic tests.

Measures to enhance water efficiency:

1. Reuse water for production;
2. Use of water-saving taps and sanitary wares with sensor;
3. Increase awareness of employees on water saving by training.

Water consumption efficiency was improved. Total water consumption in 2023 was similar to that of 2022.

Package material

The Group uses packing rope, packing tape and dunnage for packaging final products.

A.3 The Environmental and Natural Resources

In an aim to minimize surplus materials, the Group would estimate the materials needed for production prior to procurement. In addition, the Group puts in place a scrap metal recycling mechanism to sell the wasted steel produced in our production process to recycling companies.

使用電力等資源與生產水平成正比。因此，於二零二三年的用電量較二零二二年有所增加。於二零二三年每噸產品數量的密度較二零二二年有所減少。

水源

本公司適用的水源為政府提供的自來水，質量可靠，水量充足，未出現無故停水事件。

本公司水消耗主要為辦公室一般用途、水壓試驗及超聲檢驗。

採取了以下提高用水效益的措施：

1. 生產用水循環利用；
2. 使用「人用即開，人走即停」的節能水龍頭及衛生潔具；
3. 通過培訓提高僱員節水意識。

用水效益得到了提高。於二零二三年的總用水量與二零二二年大致相當。

包裝材料

本集團使用包裝繩、包裝膠帶及墊材打包成品。

A.3 環境及天然資源

為減少剩餘材料，本集團將於採購前估算生產所需的材料。另外，本集團設有廢鐵回收機制，將在生產過程中產生的廢棄鋼材售予回收商。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A.4 Climate Change

Extreme weather events are becoming more frequent and severe and tackling climate change has become a global consensus. The Group has realized that climate change will affect its business operations. The Group regularly reviews global and local government policies, regulatory updates and market trends to identify potential climate-related risks which may have impact on the Group's business operation.

In accordance to the reporting framework developed by the Task Force on Climate-related Financial Disclosures, there are two major categories of climate-related risks, physical and transition risks. Climate change can pose threats to the Group, such as business disruption, physical damage and rise in operational costs due to severe and extreme weather events. The Group has insurance policies in place to mitigate such risks.

B. SOCIAL

B.1 Employment

The Group has committed in cultivating a good workplace practice free from discrimination and providing equal opportunities for all regardless of age, gender, race, colour, sexual orientation, disability or marital status to increase employee satisfaction.

The Group has also adopted principles in hiring new employees regardless of colour, religion, gender, nationality, race for selection, hiring, training, compensation and promotion.

A.4 氣候變化

極端天氣事件發生概率日趨頻繁及嚴重，同時應對氣候變化已成為全球共識。本集團意識到氣候變化將影響其業務運營。本集團定期審閱全球及地方政府政策、監管更新及市場趨勢，以識別可能影響本集團業務運營的潛在氣候相關風險。

根據氣候相關財務披露工作組制定的報告框架，氣候相關風險分為物理及過渡風險兩大類。氣候變化會給本集團帶來威脅，如嚴重及極端天氣事件造成的業務中斷、物質損失及運營成本上升。本集團已制定保險政策以減輕此類風險。

B. 社會

B.1 僱傭

本集團致力營造無歧視的良好工作環境，令員工不論年齡、性別、種族、膚色、性傾向、殘疾或婚姻狀況均能獲得平等機會，從而提高員工滿意度。

本集團在招聘新員工時亦不設膚色、宗教、性別、國籍、種族等限制，在員工甄選、僱用、培訓、報酬及晉升方面秉持一視同仁的原則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has complied with the all the relevant laws and regulations in the PRC and Hong Kong, including but not limited to:

- Labour Law of the People's Republic of China 《中華人民共和國勞動法》;
- Labour Contract Law of People's Republic of China 《中華人民共和國勞動合同法》;
- Social Insurance Law of the People's Republic of China 《中國社會保險法》;
- Employment Ordinance (Cap. 57 of the Laws of Hong Kong);
- Mandatory Provident Fund Schemes Ordinance (Cap.485 of the Laws of Hong Kong).

Our employment contract specified the terms, including compensation and dismissal, working hours, rest periods and other benefits and welfare of our staff. The Group's employee handbook distributed to employees also includes information of policies on compensation and dismissal, employment benefits, rights on termination, business conduct and leave benefits.

In relation to 2023, the Group was not aware of any material non-compliance with the relevant labour laws and regulations in to compensation and dismissal, recruitment and promotion, working hours, rest periods, and other benefits and welfare that have a significant impact on the Group.

本集團已遵守所有於中國及香港的相關法律法規，包括但不限於：

- 《中華人民共和國勞動法》;
- 《中華人民共和國勞動合同法》;
- 《中國社會保險法》;
- 《僱傭條例》(香港法例第57章);
- 《強制性公積金計劃條例》(香港法例第485章)。

僱傭合同明確規定員工的薪酬及解僱、工作時數、假期以及其他利益及福利等條款。本集團分發給員工的員工手冊亦載有薪酬及解僱、僱員福利、終止權利、商業操守及休假福利政策等資料。

就二零二三年而言，本集團並無任何嚴重違反有關薪酬及解僱、招聘及晉升、工作時數、假期以及其他待遇及福利並對本集團有重大影響的相關勞動法律及法規的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

As at 31 December 2023, the Group had 875 (2022: 824) employees. The demographics of the Group's workforce was as follows:

於二零二三年十二月三十一日，本集團共有員工875名(二零二二年：824名)。本集團的員工分佈資料如下：

		Percentage of each group to total employment 各組別佔總人數的百分比
By gender	按性別	
• male	• 男性	77%
• female	• 女性	23%
By age group	按年齡組別	
• 20–30	• 20至30歲	13%
• 31–40	• 31至40歲	36%
• 41–50	• 41至50歲	32%
• 51–60	• 51至60歲	17%
• 61 or above	• 61歲或以上	2%
By category	按類別	
• office management members	• 辦公室管理人員	35%
• production operation	• 生產營運	65%
By geographical location	按地區	
• PRC	• 中國內地	99%
• Hong Kong	• 香港	1%

The following table shows the employee turnover rate by gender and age group:

下表列示按性別及年齡組別劃分的員工流失率：

		Turnover rate 流失率
By gender	按性別	
• male	• 男性	77%
• female	• 女性	23%
By age group	按年齡組別	
• 20–30	• 20至30歲	36%
• 31–40	• 31至40歲	30%
• 41–50	• 41至50歲	26%
• 51–60	• 51至60歲	8%
• 61 or above	• 61歲或以上	0%
By geographical location	按地區	
• PRC	• 中國內地	100%
• Hong Kong	• 香港	0%

B.2 Health and Safety

The Group has complied with the laws and regulations and adopted the Health Safety and Environmental (“HSE”) management policy, in an effort to prevent pollution, ensure health and safety of our employees, and promote sustainable development. Our target is to achieve zero accidents, zero injuries and zero losses in order to meet the international HSE management standard.

The Group’s employees reside in the neighbourhood areas. Within our plant zone, there are gardening landscape, fish ponds and recreational facilities, which offer a comfortable environment and a sports ground for our employees.

Occupational Safety

We have adopted the HSE risk identification, risk assessment and control procedures to manage our occupational safety risk. The Group’s management is responsible for organising periodic risk identification and evaluation exercises, and is responsible for sorting, aggregation and distribution of relevant information, which includes the identification of risk factors for occupational safety and health, risk assessment on operating conditions, possibility of accidents, the formulation of operational control procedures, contingency plans, safety level standards, as well as training and education issues.

The Group has kept records and documents relating to risk management, including the “Control procedures of the new, rebuilding and extension projects”, “Risk sources identification and risk evaluation form” and “List of major risks” for staff reference.

The Group always finds great importance in occupational safety and regularly provides training for staff. In 2023, the Group hosted trainings and rehearsals in productions bases for fire alert, so as to enhance safety awareness and emergency response, and held hazards identification programs and assemblies of risk management activities.

B.2 健康與安全

本集團一直遵守法律法規並採納健康安全環保（「HSE」）管理政策，防止污染，確保員工的健康安全，促進持續發展。我們致力追求零事故、零傷害、零損失，以達到國際HSE的管理水準。

本集團的員工均在鄰近地區居住。廠區內設置園藝、魚池及康樂設施供員工觀賞及運動。

職業安全

公司使用HSE的風險辨識、風險評估控制程式管理職業安全風險。本集團的管理層負責定期組織風險辨識和評估活動，並負責相關資料的整理、匯總和分發。當中內容包括：職業安全健康風險因素的辨識；作業條件風險評估法；發生事故的可能性；制定運行控制程式；應變方法；安全等級標準；培訓及教育等事項。

本集團備有風險管理的相關記錄及文件，包括《新改擴建項目控制程式》、《風險源辨識和風險評估表》及《重大風險清單》，供員工參考。

本集團一直十分重視職業安全並定時為員工提供培訓。於二零二三年，本集團在各生產基地進行消防培訓及演練，以加強安全意識及應對突發事件能力，並舉辦崗位危害因素辨識與風險管控活動的匯報大會。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Work-related injuries and fatalities of the Group for last three years:

近三年本集團因工傷亡情況：

Year	年份	Work-related injuries (individual) 工傷人數 (人)	Work-related fatalities (individual) 因工死亡人數 (人)	Proportion (%) 佔比 (%)	Working days lost (day) 損失工作日數 (天)
2021	二零二一年	7	0	0.01	85
2022	二零二二年	9	0	0.01	292
2023	二零二三年	6	0	0.01	551

B.3 Development and Training

Staff Development and Training

Through meetings, trainings and notifications on notice board, the Group promotes its safety philosophy and amiable working environment among various departments and teams. We offer our employees access to learning and understanding about the Group, so that each employee and contractors of the Group or visitors can recognize their responsibilities and obligations in the aspect of improving the environment and enhancing occupational health and safety performance. We make great efforts on improving the environment and occupational safety.

Our adherence to the HSE management policy is a testimony of the greatest commitment of the Group towards environment and occupational health and safety. This policy is available for review by employees at any time. In the year, the Group further improved site management standards, achieved the goal of dedicated management, and further promoted the 6S management model in the Company. Project meetings were kicked off in the production sites of Zhuhai and Lianyungang.

B.3 發展及培訓

員工發展與培訓

本集團通過會議、培訓、板報宣傳等方式，將本集團的安全理念、良好工作環境的訊息傳達到各部門及各自班組，組織員工學習、了解本集團，使本集團的每個員工、承包商或到訪人員均認識到自己在改善環境和加強職業健康安全表現方面的職責和應盡的義務，努力改善環境和職業安全。

本集團以HSE管理方針，對環境及職業健康安全作出最高的承諾。該方針是公開性文件，任何員工均可隨時閱讀。年內，本集團進一步提高現場管理水準，達到精細化管理的目標，進一步加強企業6S管理模式的應用推廣。專案大會亦在珠海及連雲港生產基地舉行。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group endeavours to enhance the skills of each employee in various aspects by providing staff trainings, which include the “Weekly Star” and “Weekly Talk”. A wide array of training courses are provided for employees to strengthen their work-related knowledge and skills. Also, the Group hosted an “advanced employee’s election”, whereby each of the employees obtaining a certificate of honorary was offered an outdoor training opportunity. To enable excellent employees to take up management positions and to bolster our team’s management capabilities, the Company also organised the “team leader for production and management training” courses during the year.

The Group has set up a labour union to further promote spiritual positive energy with various social activities.

To reinforce the employees’ sense of belonging to the Group, a wide range of sport events are provided by the Group for its employees every year, including basketball and table tennis contests and a game of tug-of-war, etc. In addition, we have provided activities that are of educational significance and served to enhance the work performance of our employees, including the “Business Oral English”, “Training and Assembly for Fire”, “Sales Training”, “Joint Training and Team Building Program for Financial Department”, and “Annual Sales Meeting”, etc. The Zhuhai Company of the Group also held the third quarter award ceremony of “Set an example around you and consolidate the strength of the Company”. The Company honored the advanced teams and individuals emerging from various functions with great ceremony, and called on all employees to learn from such advanced teams and individuals. The Zhuhai Company also organized a warm spring trip for the 8th March Women’s Day.

We encourage our employees to take an active part in local community activities, including the “Green Enterprise Cup” Table Tennis and Badminton Tournament of Panyu District Youth Entrepreneur Association and the private enterprises working concern group activities. Various events were held, including the second “We Are Family • PCK” friendly wall donation, the hike of female employees for the 8th March International Women’s Day, the Lantern Festival Fair jointly held by the Lianyungang base of Chu Kong Steel Pipe and the Community Workstation of the Neighborhood Center of Xuwei New Area, and the employee-oriented “1st May Caring Show” organized by the Artistic Association of Zhuhai Trade Union.

本集團致力提升各員工不同方面的技能，積極推行員工培訓，包括「每週一星」及「每週一講」。透過為員工提供不同的培訓課程，讓各員工配備實用的工作知識及技能。本集團亦主辦「先進員工選舉」，並為獲得榮譽證書的員工提供戶外拓展訓練活動的機會。為培養優秀員工晉升管理崗位及培養團隊管理能力，本公司在年內亦組織「班組長生產管理培訓」課程。

本集團已設有工會，透過各項社區活動傳遞精神文化正能量。

為提高員工對本集團的歸屬感，本集團每年會為員工組織各類運動，包括籃球比賽、乒乓球賽、拔河比賽等；另有其他具教育意義及提升員工對工作表現的相關活動，包括「商務英語口語培訓課程」、「消防培訓及演練」、「銷售系統培訓」、「集團財務部聯合會議」及「銷售年會」等。本集團的珠海公司亦舉辦了第三季度「樹立身邊先進凝聚公司力量」，先進表彰大會上，公司隆重表彰了各條戰線上湧現出來的先進團隊及個人，號召全體員工向受表彰的先進團隊和先進個人學習。珠海公司亦安排了三八婦女節暖春之旅。

本公司鼓勵員工積極參加當地社區活動，包括番禺區青年企業家協會「青企杯」乒乓球及羽毛球聯誼賽及民營企業關工小組活動。舉辦了第二屆「We Are Family • PCK」友善之牆捐贈活動、三八國際婦女節組織女職工開展踏青賞花活動、珠江鋼管連雲港基地聯合徐圩新區鄰里中心社區工作站舉辦元宵游園會、珠海市工會藝術團承辦的情系職工「五一•慰問演出」等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Performance of professional trainings

專業培訓表現

Item	類別	By gender 按性別劃分		By employment type 按僱傭類型劃分		
		Male 男性	Female 女性	Senior management 高級管理層	Middle-level management 中級管理層	Employee 僱員
Percentage	百分比	97%	3%	3%	9%	88%
Average training hours	平均培訓小時	9	31	28	16	8

B.4 Labour Standards

The Group has complied with the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), Labour Contract Law of People's Republic of China (《中華人民共和國勞動合同法》), the Law of the PRC on Prohibition of Using Child Labour* (《禁止使用童工規定》) and other relevant laws. The Group has specified staff recruitment procedures which avoid the recruitment of child labour and ensure the fulfilment of entry requirements by recruited staff through examining their identification card and certificate. The Company is required to enter into written labour contracts with employees upon their entry. There is no forced labour within the Group. The Group has not employed any staff aged under 16.

Staff Code

The staff code of the Group is prepared based on the PRC labour law and is in line with the national standards of the PRC. The Group has also been providing its staff with guidance in accordance with the national legislation.

B.5 Supply Chain Management

The Group has maintained proven track records of high production efficiency and timely delivery. We have established deep and cordial relationships with our suppliers. The Group keeps a list of qualified suppliers, whose appraisal is based on their track record of compliance with international standards and the Group's past cooperation relationship with them. The Group also consider factors such as compliance with environmental requirements in our supplier vendor assessment, selection and evaluation process.

For the year ended 31 December 2023, the Group has 1,673 suppliers which are located in the PRC.

B.4 勞工準則

本集團已遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《禁止使用童工規定》及其他相關法律。本集團制定具體的員工招聘程序，以避免招聘童工，並通過審查員工的身份證及證書確保所招聘員工符合入職要求。本公司要求員工入職時與彼等簽訂書面勞動合同。本集團內部不存在強迫勞動。本集團並無僱用任何未滿16歲人員。

員工守則

本集團的員工守則乃根據中國勞動法制定，符合中國國家標準要求。本集團亦一直根據國家法例，為員工提供指引。

B.5 供應鏈管理

本集團一直保持高生產效能並及時付運的往績，與各供應商保持良好合作關係。本集團內部亦備有一份合資格供應商的名單，考核過程以該供應商符合國際標準的往績及本集團過往與其合作關係作參考。本集團在評估、選擇及評價供應商的過程中，亦考慮遵守環境要求等因素。

截至二零二三年十二月三十一日止年度，本集團有1,673家供應商位於中國。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has adopted the following procedures to select and evaluate suppliers:

1. Evaluating their product quality and company background including but not limited to the environment, health and safety awareness;
2. Comparing historical level and test results of products;
3. Evaluating the standards of their products;
4. Evaluating their production capacity, delivery time and stability, reputation, cost and services;
5. Inspecting the sample of purchased products fulfilling the requirements;
6. Checking the products fulfilling the specific requirements under the laws and regulations or supply contracts.

B.6 Product Responsibility

Product quality

With its state-of-art technology, equipment, management and well-established reputation, the Group is dedicated to the provision of high-quality products and services that satisfy customers' needs. Our product quality has met a number of international standards. We are also the only domestic welded steel pipe manufacturer being granted five honors, namely the "Superior Quality Award for Actual Quality of Metallurgical Products", "Gold Cup Prize for Actual Quality of Metallurgical Products", "High and New Technology Enterprise", "Province-recognised Enterprise Technology Center", and "National Key New Products" and hosts a "Academician Workstation". We are the main drafter of the national standard for longitudinal welded steel pipes in China. Meanwhile, with the setting up of the "Post-doctoral Research Station" and "Academician Workstation", the Company strives to further enhance its product quality and extend the application of its products.

本集團已採用以下程序來選擇及評估供應商：

1. 評估其產品質量及公司背景，包括但不限於環境、健康及安全意識；
2. 比較產品的過往水準及測試結果；
3. 評估其產品標準；
4. 評估彼等生產能力、交貨時間及穩定性、聲譽、成本及服務；
5. 檢查符合要求的採購產品樣本；
6. 檢查產品是否符合法律法規或供應合同的具體要求。

B.6 產品責任

產品質量

本集團以先進技術、設備、管理和良好的信譽保證提供高品質的產品和服務，深受客戶滿意。產品品質符合不同的國際標準，亦是中國目前唯一一家同時擁有「中國冶金產品實物質量特優獎」、「中國冶金產品實物質量金杯獎」、「高新技術企業」、「省級認定企業技術中心」和「國家重點新產品」五項榮譽於一身的焊管製造商及設有「院士工作站」，是國家直縫焊管標準的主要起草單位。同時，本公司設有「博士後科研工作站」和「院士工作站」，不斷提升產品的品質和拓展產品的適用領域。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Quality assurance process

The Group strictly upholds the ISO9001 quality management system. With the use of advanced testing equipment, and the conduct of on-line and off-line testing as well as mechanical and chemical properties testing, we inspect the products at each production process stage in accordance with the highest product quality requirements through a myriad of tests, such as steel ultrasonic testing, ultrasonic welding detection, weld X-ray inspection system, hydrostatic testing and flattening test. Upon obtaining post-test data, we will make a rigorous analysis on product quality, so as to ensure that each product meets customer requirements. We have built a testing center in compliance with the national standards and the center has been recognised by China National Accreditation Service for Conformity Assessment (CNAS). The Group's testing center is equipped with a wide variety of laboratory equipment, including universal materials testing machine, low temperature impact material testing machine, drop weight tear test (DWTT) machine, hydrogen induced cracking (HIC) testing, sulfide stress corrosion cracking (SSC), crack tip opening displacement (CTOD) test, computer-controlled chemical composition vacuum direct reading spectrometer and microscope. Achieving six standards, our measuring chamber has passed through the ISO10012: 2003 AAA measurement management system certification. This proves that our measuring instruments are of high qualification and effectiveness. The Group's testing centre has passed the "National safety quality standardisation" and obtained the "TUV SUD Metal Materials Laboratory Accreditation Certificate". Our products, an unfailing symbol of quality, are blessed with unparalleled reputation in the international market under the "PCK" brand.

In 2023, return of products sold or delivered due to safety and health reasons was zero. The Group would repair the products to customers if there are problems.

質量檢定過程

本集團嚴格執行ISO9001品質管理體系，採用先進檢測設備，通過線上和離線檢測以及機械和化學性能測試等方法，嚴格按最高產品質量要求檢驗每個生產過程的產品品質，通過鋼板超聲波檢測、焊縫超聲波檢測、焊縫X光檢測系統、水壓試驗和壓扁試驗等檢測。在取得檢測資料後，還會對產品品質作嚴格的分析，確保每件產品均符合客戶的要求。公司擁有達到國家標準的檢測中心，獲中國合格評定國家認可委員會(CNAS)認可。本集團檢測中心配備包括萬能材料試驗機、低溫衝擊材料試驗機、落錘撕裂試驗(DWTT)機、氫致開裂(HIC)檢測、硫化物應力腐蝕開裂(SSC)檢測、裂紋尖端張開位移(CTOD)試驗、電腦控制化學成份真空直讀光譜儀和金相顯微鏡等實驗設備。公司計量室通過ISO10012:2003測量管理體系AAA認證，具備六項建標，可保證計量器具合格有效。本集團的檢測中心已通過《國家級安全標準化企業達標評審》、《TUV南德頒金屬材料實驗室認可證書》。產品質素極具保證，以「PCK」品牌在國際市場上享有極高的知名度。

於二零二三年，因安全及健康原因而退回已售出或交付產品的情況為零。若產品出現問題，本集團會為客戶維修產品。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group put emphasis on product quality and customer satisfaction. The Group will handle any product complaints immediately. Our staff will identify, evaluate and record every product complaint and reply and address the issues as soon as possible. In 2023, the Group did not receive any product complaints.

Intellectual property rights

The Group is an industry pioneer, particularly strong in research and development, holding 120 patents (including 41 invention patents). The Group treasures its intellectual property rights. To protect our proprietary rights, the Group rely on the applicable patent and trademark laws, laws relating to protection of other intellectual property rights, and impose confidentiality obligations on our employees. The Group also protects our know-how by requiring our employees, in particular, the technical and mechanical personnel, to enter into confidentiality and non-competition undertakings with the Group. In addition, in order to improve the Company's intellectual property protection system, strengthen the company's core competitiveness, promote technological innovation, promote technological progress, encourage employees to invent and create, and increase employees' enthusiasm for applying for independent intellectual property rights, the Group rewards employees for independent research and development on intellectual property rights.

Consumer data protection

The Group respects the values and rights of the customers' information assets, and in the process of providing our customers with products, we strictly comply with the customers' information security management systems and standards. The Group has classified the business-related information as highly confidential and requires employees not to disclose confidential information to third parties to ensure that the data will not be leaked. The Group has also formulated the rules and regulations in relation to data protection in the employee handbook for employees to perform their duties.

本集團注重產品質量及客戶滿意度。本集團將立即處理任何產品投訴。我們的員工將識別、評估及記錄所有產品投訴，並盡快回覆並解決問題。於二零二三年，本集團並未收到任何產品投訴。

知識產權

本集團作為行業先驅者，於研發方面尤為強勁，擁有120項專利（包括41項發明專利）。本集團尤為重視其知識產權。本集團依據適用的專利及商標法律，有關保護其他知識產權之法律並要求我們的僱員履行保密責任以保護我們的知識產權。本集團亦要求我們的僱員，尤其是技術及機械人員，與本集團訂立保密及競業禁止承諾書，以保護我們的專有技術。此外，為完善本公司知識產權保護體系，增強公司的核心競爭力，促進技術創新，推動技術升級，鼓勵僱員發明創造，並提高僱員申請自主知識產權的積極性，本集團會對僱員自主研發知識產權進行獎勵。

消費者數據保護

本集團尊重客戶信息資產的價值和權益，在向客戶提供產品的過程中，嚴格遵守客戶的信息安全管理制度和規範。本集團將業務往來相關的資料列為高度機密，要求僱員不得對第三方透露機密資料，確保數據不會外洩。本集團亦於員工手冊中制定有關數據保護的規則及規例，以供僱員履行其職責。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.7 Anti-corruption

The operation of various departments of the Group is in compliance with legal regulations and legislations. We have established a whistle blowing policy, which enables our employees to express their views to the management anonymously. The Group conducts stringent management on procurement and tender process. Various approval on contract review and tender process is adopted, reviewed and monitored. In addition, the Group has formulated the “Good Professional Conduct” policy on conflict of interests, which are included in the employee handbook for employees to perform their duties with the highest level of integrity and professional attitude. All employees are not allowed to engage in any activities that conflict with the interests of the Group. Employees must report any activities and situations that may lead to conflict of interest to the Group. Relevant activities can only be carried out with the consent of the Group. Employees failing to report potential conflicts of interests may be subject to disciplinary actions. In 2023, the Group did not encounter any corruption procedures or cases.

B.8 Community Investment

Contribution to the Community

The Group has been playing an active role in charitable activities in Panyu, Guangdong Province, China and other regions in which we operate. With the organisation of a couple of educational, sports, cultural and charitable activities, we promoted the exuberance of Guangzhou City, thus enhancing foreign interest in Guangzhou and fostering urban development. These activities included:

- Sponsoring Panyu District “PCK Cup” 1st, 2nd and 3rd Table Tennis Contest
- Sponsoring Zhujiang “PCK Cup” 1st and 2nd World Go Team Championships
- Sponsoring “Golden Dragon City Cup” 1st and 2nd Dragon Boats Championships
- Sponsoring the 9th Table Tennis Competition of “Mayor’s Cup” of Guangzhou

B.7 反貪污

本集團一直按照法律法規管理公司各部門的運作，並設有舉報機制，員工可以不記名方式向管理層反映意見。本集團嚴格管理採購及招標過程。於合約審查及招標過程的各種批准已獲採納、審查及監督。此外，本集團已制訂利益衝突「良好職業操守」政策，該政策載於員工手冊中，以供員工以最忠實的誠信和專業態度履行職責。所有僱員均不可參與任何與本集團利益相衝突的活動。僱員必須向本集團申報任何可能產生利益衝突的活動及情況。相關活動只有在獲得本集團同意的情況下方可展開。倘僱員沒有申報潛在利益衝突，則可能會受紀律處分。於二零二三年，本集團尚未發現任何貪污程序或案例。

B.8 社區投資

回饋社區

本集團一直積極參與中國廣東省番禺及其他業務區內的慈善活動，以回饋社區。公司舉辦不同的教育、體育、文藝及慈善活動，宣傳廣州市的特色，吸引外界對廣州更多了解，促進城市發展。活動包括：

- 贊助番禺區「珠鋼杯」第一、二、三屆乒乓球賽
- 贊助珠江「珠鋼杯」第一、二屆世界圍棋團體錦標賽
- 贊助「金龍城杯」第一、二屆龍舟賽
- 贊助廣州市第九屆「市長杯」乒乓球百姓系列和諧賽

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

- Exclusively supporting the 2nd National Calligraphy Poster Exhibition and Invited Exhibition, to promote the art of calligraphy and inherit national cultures.

In addition, the Group also participated in the assessment by the government and other organisations. We participated in:

- Supporting the events related to Chinese Bonsai Art organized by the Flower Bonsai Society of China
- Supporting the events organized by Baiyue Art Association of Panyu District
- “Panyu District Mayor Quality Award Assessment Management Approach” granted with the Quality Award by the provincial government
- “Guangdong Enterprise with integrity”

The Group has also encouraged its employees to actively participate in community activities in Guangdong Province, including:

- Participating the seventh “Guangzhou’s Mayor Cup” for table tennis tournament sponsored by Chu Kong Steel Pipe Group
- Joining the photographic contest arranged by the district
- Participating the “Charity Hiking” activity arranged by the City of Guangzhou
- Arranging a “Paternity Day” on the Nation’s Day
- Arranging the “Mid-Autumn Celebration” activity
- Joining the “International Dragon Boat” competition arranged by the City of Guangzhou
- Participating in the Charity Projects of Guangzhou Association of Women Entrepreneurs

- 獨家支持全國第二屆書法臨帖作品展及特邀展，弘揚書法藝術，傳承民族文化。

另外，本集團亦參與政府及其他機構舉辦的評審。我們參與：

- 支持中國花卉盆景雜誌社開展的中國盆景藝術相關活動
- 支持番禺區百越藝術協會活動
- 《番禺區區長質量獎評審管理辦法》獲省政府質量獎
- 《廣東省守合同重信用企業》榮譽稱號

本集團亦一直鼓勵員工積極參與廣東省內組織的社區活動，包括：

- 參加珠江鋼管廣州市第七屆「市長杯」乒乓球百姓系列和諧賽
- 參與區內舉辦的攝影徵文比賽
- 參加廣州市舉辦的「為愛攀登」慈善登山活動
- 舉辦「珠鋼伴你，與子同行」— 珠江鋼管國慶親子活動日
- 舉辦「歡慶中秋」遊園中秋活動
- 參與廣州「國際龍舟」邀請賽
- 參加廣州市女企業家協會公益項目

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

- Participating in the poverty alleviation activities organized by Guangzhou Federation of Industry and Commerce, Guangzhou Women's Federation, Guangzhou Association Of Women Entrepreneurs and District Federation of Industry and Commerce
- Participating in the poverty alleviation projects organized by Guangdong Women And Children's Foundation, Guangzhou Women's Federation and Guangzhou Association Of Women Entrepreneurs
- 參加廣州市工商聯、市婦聯、市女企、區工商聯等社團組織的扶貧活動
- 參加廣東省婦女兒童基金會、市婦聯及女企協會等社團組織開展的扶貧項目

Charity Fund

In April 2013, the Group established a charitable fund, named as the "Chu Kong Steel Pipe Group Co., Ltd. — Blessing Charity Fund", aiming to improve the living environment of single mothers and orphans and assisting single mothers for seeking job.

慈善基金

於二零一三年四月，本集團設立名為「珠江鋼管集團有限公司 — 幸福基金」的慈善基金，旨在協助單親媽媽及孤兒改善生活環境，以及協助單親媽媽求職。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



CCTH CPA LIMITED
中正天恆會計師有限公司

To the shareholders of Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 117 to 258, 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 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 IFRS Accounting Standards as issued by the International Accounting Standards Board (the "IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("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.

致珠江石油天然氣鋼管控股有限公司全體股東

(於開曼群島註冊成立的有限公司)

意見

吾等已審核載於第117至258頁的珠江石油天然氣鋼管控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，此等財務報表包括於二零二三年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括重要會計政策資料)。

吾等認為，綜合財務報表已根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則會計準則真實而公平地反映 貴集團於二零二三年十二月三十一日的綜合財務狀況以及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

意見之基礎

吾等乃按照香港會計師公會(「香港會計師公會」)頒佈之香港審計準則(「香港審計準則」)進行審核工作。吾等於該等準則項下之責任在本報告中核數師就審核綜合財務報表須承擔的責任一節進一步詳述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，吾等乃獨立於 貴集團，並已按照守則履行其他道德責任。吾等相信，吾等所取得的審核憑證屬充分及恰當，可為吾等的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2.1 to the consolidated financial statements, which indicates that the Group had net current liabilities of approximately RMB845,744,000 as at 31 December 2023. The above events and conditions indicate that a material uncertainty exists which may cast significant doubt on the Company's ability to continue as a going concern. As set out in note 2.1 to the consolidated financial statements, the directors of the Company have implemented a number of plans and measures to improve the Group's liquidity and consider that the Group will have sufficient funds to meet its financial obligations for at least the next twelve months from the date of approval of these consolidated financial statements. Our opinion is not modified in respect of this matter.

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.

有關持續經營之重大不確定因素

我們提請注意綜合財務報表附註2.1，當中顯示 貴集團於二零二三年十二月三十一日的流動負債淨額約為人民幣845,744,000元。上述事項及情況顯示存在重大不確定因素，可能對 貴公司持續經營的能力構成重大疑問。誠如綜合財務報表附註2.1所載， 貴公司董事已實施多項計劃及措施以改善 貴集團的流動資金，並認為 貴集團將有充足資金履行其自該等綜合財務報表獲批准當日起計未來至少十二個月的財務義務。吾等就此事項的意見並未作出修訂。

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核本期綜合財務報表中最重要的事項。該等事項均在吾等審核整體綜合財務報表及出具意見時進行處理，而吾等不會就該等事項單獨發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter

關鍵審核事項

Write-down of completed properties held for sale

落成待售物業之撇減

Refer to note 17 and the material accounting policies in note 2.4 to the consolidated financial statements.

請參閱綜合財務報表附註17及附註2.4所載之重大會計政策。

The carrying amount of completed properties held for sale was approximately RMB2,022,678,000 as at 31 December 2023, represented 31.5% of total assets.

於二零二三年十二月三十一日，落成待售物業的賬面值約為人民幣2,022,678,000元，相當於總資產的31.5%。

These completed properties held for sale are carried at the lower of cost and net realisable value. Determination of net realisable value involved key judgements and estimates made by management by reference to the estimated selling prices provided by an independent professional valuer.

該等落成待售物業按成本與可變現淨值兩者中的較低者列賬。釐定可變現淨值涉及管理層參考獨立專業估值師提供的估計銷售價格而作出的主要判斷及估計。

We have identified the write-down of the completed properties held for sale as a key audit matter due to the magnitude of the properties and the management judgments involved in the estimation of the net realisable value.

吾等將落成待售物業撇減識別為關鍵審核事項，原因為物業數額重大及估計可變現淨值涉及管理層判斷。

關鍵審核事項(續)

How our audit addressed the key audit matter

吾等的審核如何處理關鍵審核事項

We performed the following procedures to address this matter:

吾等已執行以下程序以解決此問題：

- Obtained an understanding of the design, implementation and operating effectiveness of key internal controls around the property development cycle with particular focus on controls over cost budgeting and periodic review, sources of data and calculation of cost and net realisable value;
- 了解物業發展週期主要內部監控之設計、執行情況及運作成效，特別是對監控成本預算及定期檢討、數據來源以及成本及可變現淨值之計算；
- Evaluated the competence, capability and objectivity of the independent valuer engaged by the management for the estimation of selling prices of the properties;
- 已就物業售價之估計評估管理層委聘的獨立估值師的資歷、能力及客觀性；
- Assessed the methodologies used by the management and external valuer for the estimation of the net realisable value of the properties;
- 評估管理層及外聘估值師估計物業可變現淨值所用之方法；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

Key audit matter

關鍵審核事項

Write-down of completed properties held for sale (Continued)

落成待售物業之撇減(續)

Impairment non-financial assets

非金融資產之減值

As at 31 December 2023, the carrying amount of the net assets of the Group was more than its market capitalisation, that was an indication that an asset may be impaired. The impairment assessment was performed to ensure that the Group's assets are not carried at more than their recoverable amount.

於二零二三年十二月三十一日，貴集團資產淨值之賬面值高於其市值，此為資產可能會出現減值跡象。進行減值評估是為確保貴集團資產不會以超過其可回收金額之價值列賬。

How our audit addressed the key audit matter

吾等的審核如何處理關鍵審核事項

- Compared the carrying values of properties for the forecast of future sales, on a sample basis, to the market prices of the properties with comparable locations and conditions, where applicable; and
- 就抽樣比較有關物業未來銷售預測而言之賬面值與位置及狀況可資比較之物業之市價(如適用)；及
- Checked the reasonableness and calculation of the net realisable value of the properties prepared by the management.
- 檢查管理層所編製物業可變現淨值之合理性及計算。

We performed the following procedures to address this matter:

吾等已執行以下程序以解決此問題：

- Reviewed the management's assessment on the recoverability of the assets and the reasonableness of the judgements and estimates used by the management in the value in use calculations made by the independent valuer;
- 審閱管理層對該等資產的可收回性的評估，以及管理層在獨立估價師進行的使用價值計算中所使用的判斷及估計的合理性；
- Discussed the indication of possible impairment with the management and, where such indication were identified by the management, assessed the impairment testing performed by the management;
- 與管理層討論可能出現的減值跡象，如管理層發現有關跡象，評估管理層進行的減值測試；
- Tested the cash flows projections on whether they were agreed to the budgets approved by the directors of the Company and compared with actual results available up to the report date;
- 測試現金流量預測是否與貴公司董事批准的預算一致，並與截至報告日期的實際結果進行比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter

關鍵審核事項

Impairment of non-financial assets (Continued)

非金融資產之減值(續)

Management estimated the recoverable amounts of the cash-generating unit of steel pipes using the value in use model. The estimated value in use was dependent on management's determination on the Group's future events and its measures to improve its efficiency of cash flow management, macroeconomic assumptions about future demands of steel pipe products, the discount rate and exchange rates as well as the production levels and operating costs. These estimates were particularly significant due to the uncertain economic outlook, product price volatility, forecasted future production and market demand. The outcome of impairment assessment can vary significantly when different assumptions are applied.

管理層採用使用價值模型估計鋼管的現金產生單位的可回收金額。估計使用價值取決於管理層對貴集團未來事件及改善其現金流量管理效率之措施、有關鋼管產品未來需求之宏觀經濟假設、貼現率及匯率以及生產水平及運營成本之決定。由於經濟前景、產品價格波動、預測未來生產及市場需求不確定，該等估計尤為重要。減值評估之結果可能會因應用不同假設而造成顯著差異。

Relevant disclosures are included in note 2.4 "Material accounting policies" and note 3 "Significant accounting judgements and estimates" to the consolidated financial statements.

有關披露載於綜合財務報表附註2.4之「重大會計政策」及附註3之「重要會計判斷及估計」。

關鍵審核事項(續)

How our audit addressed the key audit matter

吾等的審核如何處理關鍵審核事項

- Challenged the appropriateness of the management judgements and estimates used in the cash flows projections, including the sales growth rates and gross profit margins;
- 對現金流量預測中使用的管理層判斷及估計的適當性提出質疑，包括銷售增長率及毛利率；
- Challenged the discount rates adopted in the value in use calculations by reviewing its basis of calculations and comparing the input data to market sources;
- 通過審閱其計算基準及比較輸入數據與市場來源來質疑使用價值計算中採用的折現率；
- Assessed the valuation methodology used and the appropriateness of the key assumptions and checked on sample basis, the accuracy and the relevance of the input data adopted in management's value in use calculations; and
- 評估所使用估值方法及關鍵假設的適當性，並以抽樣方式檢查管理層計算使用價值時採用的輸入數據的準確性及相關性；及
- Assessed the adequacy of the relevant disclosures in the Group's financial statements.
- 評估貴集團財務報表相關披露是否充分。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審核事項(續)

Key audit matter

關鍵審核事項

Impairment of trade receivables

貿易應收賬款之減值

As at 31 December 2023, the Group had trade receivables of gross carrying amount of approximately RMB371,628,000, of which impairment allowance of approximately RMB83,159,000 was provided.

於二零二三年十二月三十一日，貴集團擁有貿易應收賬款賬面總值約人民幣371,628,000元，其中約人民幣83,159,000元已作出減值撥備。

The calculation of the expected credit losses (“ECLs”) for trade receivables, including the assessment of the historical observed default rates and forecast economic conditions involves significant management judgements and estimates.

計算貿易應收賬款之預期信貸虧損(「預期信貸虧損」)(包括評估過往觀察到的違約率及預測經濟狀況)，涉及重大的管理層判斷及估計。

Specific factors which management would consider include the ageing of the balances, past collection history and other available information related to the forecast economic conditions. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions.

管理層考慮的具體因素包括結餘賬齡、過往催收記錄以及獲得的其他有關預測經濟條件的資料。預期信貸虧損之金額對環境變化及預測經濟條件較為敏感。

How our audit addressed the key audit matter

吾等的審核如何處理關鍵審核事項

We performed the following procedures to address this matter:

吾等已執行以下程序以解決此問題：

- Reviewed and assessed the application of the Group's policy for calculating the ECL;
- 審閱及評估 貴集團計算預期信貸虧損政策的應用；
- Evaluated techniques and methodology adopted by the management in the ECL model against the requirements of IFRS 9;
- 根據國際財務報告準則第9號的規定，評估管理層於預期信貸虧損模型中採用的技術及方法；
- Assessed the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances;
- 評估管理層對虧損撥備估計的合理性，方法是檢查管理層用於形成有關判斷的資料，包括測試歷史違約數據的準確性，評估歷史虧損率是否根據當前經濟條件及前瞻性資料進行適當的調整，並檢查本財政年度記錄的實際虧損，評估在確認虧損撥備時是否有管理層偏向的跡象；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter

關鍵審核事項

Impairment of trade receivables (Continued)

貿易應收賬款之減值(續)

Relevant disclosures are included in note 2.4 “Material accounting policies”, note 3 “Significant accounting judgements and estimates” and note 19 “Trade and bills receivables” to the consolidated financial statements.

有關披露載於綜合財務報表附註2.4之「重大會計政策」、附註3之「重要會計判斷及估計」及附註19之「貿易應收賬款及應收票據」。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, 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.

關鍵審核事項(續)

How our audit addressed the key audit matter

吾等的審核如何處理關鍵審核事項

- Inquired management for the status of each of the material trade receivables past due as at year end and corroborated explanations from management with supporting evidence, such as understanding ongoing business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and
- 向管理層查詢於年結日每筆逾期的重大貿易應收賬款的情況，並以支持證據證實管理層的解釋，例如根據貿易記錄了解與客戶的持續業務關係，檢查客戶的歷史及後續結算記錄以及與客戶的其他通訊；及
- Checked, on a sample basis, the ageing profile of the trade receivables as at 31 December 2023 to the underlying financial records and post year-end settlement to bank receipts.
- 以抽樣方式檢查截至二零二三年十二月三十一日的貿易應收賬款的賬齡情況與相關財務記錄及年終結算後的銀行收據。

年報所載的其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載資料，但不包括綜合財務報表及吾等就此發出的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不會就其發表任何形式的鑒證結論。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT (Continued)

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 IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

年報所載的其他資料(續)

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或吾等在審核過程中所了解的情況有重大不符，或者似乎有重大錯誤陳述。基於吾等已執行的工作，如果吾等認為其他資料有重大錯誤陳述，吾等需要報告有關事實。就此而言，吾等無需報告任何事項。

董事和負責管治者就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則會計準則和香港公司條例的披露要求編製綜合財務報表，以令綜合財務報表作出真實而公平的反映及落實董事認為必要的內部控制，以確保綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

負責管治者履行彼等監督 貴集團財務報告過程的責任。

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 our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, 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的責任

吾等的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括吾等按委聘條款協定之意見之核數師報告。吾等僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按香港審計準則進行的審核總能發現存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期錯誤陳述個別或匯總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審核的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的合適性及作出會計估計及相關披露資料的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

(Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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.

核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所得的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者關注綜合財務報表中的相關披露資料，假若有關披露資料不足，則吾等須出具非無保留意見的核數師報告。吾等的結論是基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否公允反映相關交易及事項。
- 就貴集團實體或業務活動的財務資料獲取充分、適當的審核憑證，以對綜合財務報表發表意見。吾等負責指導、監督及執行集團審核。吾等對審核意見承擔全部負責。

吾等與負責管治者溝通計劃審核範圍、時間安排、重大審核發現等事項，包括吾等於審核期間識別出內部控制的任何重大缺陷。

吾等亦向負責管治者提交聲明，說明吾等已符合有關獨立性的相關道德要求，並與彼等溝通所有合理地被認為會影響吾等獨立性的關係及其他事項，及(倘適用)已採取消除威脅的行動或所運用的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

(Continued)

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

CCTH CPA Limited

Certified Public Accountants

Hong Kong, 27 March 2024

Ng Kam Fai

Practising Certificate Number: P06573

Unit 1510-1517, 15/F., Tower 2

Kowloon Commerce Centre

No. 51 Kwai Cheong Road, Kwai Chung

New Territories, Hong Kong

核數師就審核綜合財務報表須承擔的責任(續)

就與負責管治者溝通的事項而言，吾等釐定哪些事項對本期綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等於核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期於吾等報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在報告中溝通該事項。

中正天恆會計師有限公司

執業會計師

香港，二零二四年三月二十七日

吳錦輝

執業證書編號：P06573

香港新界

葵涌葵昌路51號

九龍貿易中心

2座15樓1510-1517室

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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
REVENUE	收入	5	2,650,852	2,362,015
Cost of sales and services	銷售及服務成本		(2,096,642)	(1,891,392)
Gross profit	毛利		554,210	470,623
Other income and gains	其他收入及收益	5	15,979	238,743
Selling and distribution expenses	銷售及分銷開支		(65,500)	(55,062)
Administrative expenses	行政費用		(270,059)	(245,826)
Exchange gain, net	匯兌收益·淨額		15,106	16,416
Other expenses	其他費用	6	(187,899)	(209,786)
Fair value loss on investment properties	投資物業之公平值虧損	7	(2,000)	(8,000)
Finance costs	融資成本	8	(94,548)	(44,643)
Gain on disposal of investment in a joint venture	出售於一間合營公司之投資之收益	32	73,790	—
PROFIT BEFORE TAX	除稅前溢利	7	39,079	162,465
Income tax credit	所得稅抵免	11	144,699	569
PROFIT FOR THE YEAR, ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔本年度 溢利		183,778	163,034
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔每股 盈利		RMB 人民幣元	RMB 人民幣元
— Basic and diluted	— 基本及攤薄	12	0.18	0.16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
PROFIT FOR THE YEAR, ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔本年度溢利	183,778	163,034
OTHER COMPREHENSIVE LOSS	其他全面虧損		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>	於後續期間可能重新分類至損益的 其他全面虧損：		
Exchange differences on translation of foreign operations	折算外幣業務產生的匯兌差額	(40,345)	(68,152)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	於後續期間可能重新分類至損益的 其他全面虧損淨額	(40,345)	(68,152)
<i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:</i>	於後續期間將不重新分類至損益的 其他全面收益：		
Exchange differences on translation of the Company's financial statements into the presentation currency	換算本公司財務報表呈列貨幣產生的 匯兌差額	1,703	10,541
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	於後續期間將不重新分類至損益的 其他全面收益淨額	1,703	10,541
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	本年度扣除稅項後其他全面虧損	(38,642)	(57,611)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔本年度全面收益 總額	145,136	105,423

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

		Notes 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
NON-CURRENT ASSETS 非流動資產				
Property, plant and equipment	物業、廠房及設備	13	1,839,427	1,769,994
Investment properties	投資物業	14	360,000	362,000
Right-of-use assets	使用權資產	15	631,830	646,013
Long term prepayments and deposits	長期預付款項及按金	16	61,550	72,406
Total non-current assets	非流動資產總值		2,892,807	2,850,413
CURRENT ASSETS 流動資產				
Completed properties held for sale	落成待售物業	17	2,022,678	2,212,824
Inventories	存貨	18	583,474	402,694
Trade and bills receivables	貿易應收賬款及應收票據	19	311,953	378,856
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產	20	572,588	679,102
Pledged and restricted bank balances	已抵押及受限制銀行結餘	21	5,730	14,920
Cash and cash equivalents	現金及現金等價物	21	32,191	16,128
Total current assets	流動資產總值		3,528,614	3,704,524
Non-current asset classified as held for sale	分類為持作出售之非流動資產	32	—	—
Total current assets	流動資產總值		3,528,614	3,704,524
CURRENT LIABILITIES 流動負債				
Trade and bills payables	貿易應付賬款及應付票據	22	942,593	636,069
Other payables and accruals	其他應付款項及應計費用	23	601,614	838,326
Contract liabilities	合約負債	24	742,784	704,255
Fixed rate bonds and notes	定息債券及票據	25	61,678	85,330
Interest-bearing bank and other borrowings	計息銀行及其他借貸	26	1,616,860	880,409
Due to a director	應付董事款項	36	64,353	390,195
Tax payable	應付稅項		294,512	43,823
Provision	撥備	27	49,964	49,283
Total current liabilities	流動負債總額		4,374,358	3,627,690
NET CURRENT (LIABILITIES)/ASSETS	流動(負債)/資產淨額		(845,744)	76,834
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		2,047,063	2,927,247

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

		Notes	2023	2022
		附註	二零二三年 RMB'000 人民幣千元	二零二二年 RMB'000 人民幣千元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	26	153,816	810,239
Deferred tax liabilities	遞延稅項負債	28	183,770	294,289
Long-term tax payable	長期應付稅項	11	486,614	789,187
Government grants	政府補貼	29	146,788	102,593
Total non-current liabilities	非流動負債總額		970,988	1,996,308
Net assets	資產淨值		1,076,075	930,939
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued capital	已發行股本	30	88,856	88,856
Reserves	儲備	31	987,219	842,083
Total equity	權益總額		1,076,075	930,939

CHEN CHANG

陳昌

Director

董事

CHEN ZHAO NIAN

陳兆年

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued capital (note 30) 已發行股本 (附註30) RMB'000 人民幣千元	Share premium* 股份溢價* RMB'000 人民幣千元	Asset revaluation reserve** 資產 重估儲備** RMB'000 人民幣千元	Contributed surplus* (note (a)) 實繳盈餘* (附註(a)) RMB'000 人民幣千元	Capital reserve* (note (b)) 資本儲備* (附註(b)) RMB'000 人民幣千元	Statutory reserve fund* (note (c)) 法定公積金* (附註(c)) RMB'000 人民幣千元	Accumulated losses* 累計虧損* RMB'000 人民幣千元	Exchange fluctuation reserve* 匯率 波動儲備* RMB'000 人民幣千元	Total RMB'000 人民幣千元
At 1 January 2023	於二零二三年一月一日	88,856	767,097	612,661	224,589	53,934	274,185	(1,077,741)	(12,642)	930,939
Profit for the year	本年度溢利	—	—	—	—	—	—	183,778	—	183,778
Other comprehensive income for the year	本年度其他全面收益									
Exchange differences on translation of foreign operations	折算外幣業務產生的匯兌差額	—	—	—	—	—	—	—	(40,345)	(40,345)
Exchange differences on translation of the Company's financial statements into the presentation currency	換算本公司財務報表呈列貨幣產生的匯兌差額	—	—	—	—	—	—	—	1,703	1,703
Total comprehensive income/(losses) for the year	本年度全面收益/(虧損)總額	—	—	—	—	—	—	183,778	(38,642)	145,136
Transfer of asset revaluation reserve upon the sales of relevant properties	自相關物業出售後，轉撥資產重估儲備	—	—	—	—	—	—	—	—	—
At 31 December 2023	於二零二三年十二月三十一日	88,856	767,097	612,661	224,589	53,934	274,185	(893,963)	(51,284)	1,076,075

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued capital (note 30) 已發行股本 (附註30) RMB'000 人民幣千元	Share premium* 股份溢價* RMB'000 人民幣千元	Asset revaluation reserve** 資產 重估儲備** RMB'000 人民幣千元	Contributed surplus* (note (a)) 實繳盈餘* (附註(a)) RMB'000 人民幣千元	Capital reserve* (note (b)) 資本儲備* (附註(b)) RMB'000 人民幣千元	Statutory reserve fund* (note (c)) 法定公積金* (附註(c)) RMB'000 人民幣千元	Accumulated losses* 累計虧損* RMB'000 人民幣千元	Exchange fluctuation reserve* 匯率 波動儲備* RMB'000 人民幣千元	Total RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	88,856	767,097	612,661	224,589	53,934	274,185	(1,240,775)	44,969	825,516
Profit for the year	本年度溢利	—	—	—	—	—	—	163,034	—	163,034
Other comprehensive income for the year	本年度其他全面收益									
Exchange differences on translation of foreign operations	折算外幣業務產生的匯兌差額	—	—	—	—	—	—	—	(68,152)	(68,152)
Exchange differences on translation of the Company's financial statements into the presentation currency	換算本公司財務報表呈列貨幣產生的匯兌差額	—	—	—	—	—	—	—	10,541	10,541
Total comprehensive income/(losses) for the year	本年度全面收益/(虧損)總額	—	—	—	—	—	—	163,034	(57,611)	105,423
At 31 December 2022	於二零二二年十二月三十一日	88,856	767,097	612,661	224,589	53,934	274,185	(1,077,741)	(12,642)	930,939

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

The asset revaluation reserve arose from a change in use from an owner-occupied property to an investment property carried at fair value.

* These reserve accounts comprise the consolidated reserves of approximately RMB987,219,000 (2022: RMB842,083,000) in the consolidated statement of financial position.

Notes:

- (a) The contributed surplus of the Group represents the difference between the nominal value of shares of the subsidiaries acquired pursuant to the Group Reorganisation before the Company listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in 2010, and the nominal value of the Company's shares issued in exchange therefor.
- (b) Capital reserve represents the excess capital paid over the registered capital of Panyu Chu Kong Steel Pipe Co., Ltd. by Lessonstart Enterprises Limited.
- (c) In accordance with the Company Law of the People's Republic of China (the "PRC"), the Company's subsidiaries registered in the PRC are required to appropriate 10% of the annual statutory net profit after tax (after offsetting any prior years' losses) to the statutory reserve fund. When the balance of an entity's reserve fund reaches 50% of its registered capital, any further appropriation is optional. The statutory reserve fund can be utilised to offset prior years' losses or to increase the registered capital. However, such balance of the statutory reserve fund must be maintained at a minimum of 25% of the registered capital after such usage.

自用物業因用途變更轉為按公平值列賬的投資物業而產生資產重估儲備。

* 該等儲備賬目包括綜合財務狀況表中綜合儲備約人民幣987,219,000元(二零二二年：人民幣842,083,000元)。

附註：

- (a) 本集團的實繳盈餘指本公司於二零一零年在香港聯合交易所有限公司(「聯交所」)上市前，根據集團重組所收購附屬公司股份的面值與本公司所發行以作為交換股份面值的差額。
- (b) 資本儲備指由利事達集團有限公司支付的資本超過番禺珠江鋼管有限公司註冊資本的金額。
- (c) 根據中華人民共和國(「中國」)公司法，本公司於中國註冊的附屬公司，須將除稅後年度法定淨溢利(抵銷過往年度的任何虧損後)的10%撥入法定公積金。當一個實體的公積金結餘達到其註冊資本的50%時，可選擇是否繼續撥入法定公積金。法定公積金可用於抵銷過往年度虧損，或增加註冊資本。然而，將法定公積金用於上述用途後所剩的餘額，最低限度須保持註冊資本的25%。

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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前溢利	39,079	162,465
Adjustments for:	就下列各項調整：		
Bank interest income	銀行利息收入	5 (180)	(3,741)
Subsidy income from the PRC government	中國政府的補貼收入	5 (6,663)	(231,636)
Finance costs	融資成本	8 94,548	44,643
Depreciation of property, plant and equipment	物業、廠房及設備折舊	13 25,881	61,432
Depreciation of right-of-use assets	使用權資產折舊	15 15,656	14,431
Gain on disposal of investment in a joint venture	出售於一間合營公司之投資之 收益	(73,790)	—
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之 收益，淨額	(1,101)	(1,752)
Gain on deregistration of subsidiaries	註銷附屬公司之收益	(17)	—
Write-off of property, plant and equipment	物業、廠房及設備撇銷	2	225
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	6 3,812	—
Fair value loss on investment properties	投資物業之公平值虧損	14 2,000	8,000
Impairment of trade receivables, net	貿易應收賬款減值，淨額	19 66,715	24,225
Impairment of other receivables	其他應收款項減值	20 11,814	2,184
		177,756	80,476
(Increase)/decrease in inventories	存貨(增加)/減少	(184,593)	14,191
Decrease in properties under development	發展中物業減少	—	2,255,293
Decrease/(increase) in completed properties held for sale	落成待售物業減少/(增加)	190,146	(1,827,621)
Decrease in trade and bills receivables	貿易應收賬款及應收票據減少	188	100,025
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他 資產減少	105,556	284,904
Decrease in pledged and restricted bank balances	已抵押及受限制銀行結餘減少	9,190	234,799
Increase/(decrease) in trade and bills payables	貿易應付賬款及應付票據 增加/(減少)	306,524	(653,566)
Decrease in contract liabilities, other payables and accruals	合約負債、其他應付款項及應計 費用減少	(169,921)	(353,052)
Increase in provision	撥備增加	681	18,795

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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash generated from operations	經營所得現金		435,527	154,244
Interest received	已收利息		180	3,741
Interest paid	已付利息		(52)	(57)
Corporate income tax paid	已付企業所得稅		(146)	(335)
Land appreciation tax paid	已付土地增值稅		(4,442)	(3,525)
Net cash flows from operating activities	經營活動所得現金流量淨額		431,067	154,068
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量			
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目		(96,260)	(13,312)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項		2,045	57,722
Proceeds from disposal of items of right-of-use assets	出售使用權資產項目所得款項		—	150,312
Proceeds from disposal of investment in a joint venture	出售一間合營公司投資所得款項	32	34,675	—
Receipt in advance from disposal of non-current asset classified as held for sale	出售分類為持作出售之非流動資產預收款項		—	41,378
Refund of capital injection from a potential investor	潛在投資者的注資退款		—	(50,967)
Receipt of government grants	收取政府補貼	29	50,858	4,022
Land resumption costs paid	已付土地收儲成本		—	(150,986)
Net cash flows (used in)/from investing activities	投資活動(所用)/所得現金流量淨額		(8,682)	38,169
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量			
New bank loans and other borrowings	新增銀行貸款及其他借貸		658,250	523,585
Repayment of bank loans and other borrowings	償還銀行貸款及其他借款		(578,561)	(554,814)
Proceeds from issue of bonds	發行債券所得款項		—	6,013
Repayment of bonds and notes	償還債券及票據		(24,723)	(19,450)
Interest paid	已付利息		(94,496)	(44,586)
Decrease in an amount due to a director	應付董事款項減少		(325,842)	(58,916)
Principal portion of lease payments	租賃付款之本金部分		(661)	(934)
Net cash flows used in financing activities	融資活動所用現金流量淨額		(366,033)	(149,102)

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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額			
Effect of foreign exchange rate changes, net	外匯利率變動之影響淨值		56,352	43,135
Cash and cash equivalents at beginning of year	年初現金及現金等價物		(40,289)	(47,595)
			16,128	20,588
Cash and cash equivalents at end of year	年末現金及現金等價物		32,191	16,128
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	21	32,191	16,128

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

Chu Kong Petroleum and Natural Gas Steel Pipe Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 9 January 2008 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company and its subsidiaries (together, the “Group”) are involved in the following principal activities:

- manufacture and sale of welded steel pipes and the provision of related manufacturing services; and
- property development and investment.

In the opinion of the directors, the holding company and the ultimate holding company of the Company is Bournam Profits Limited (“Bournam”), which was incorporated in the British Virgin Islands.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Lessonstart Enterprises Limited (“Lessonstart”) 利事達集團有限公司 (「利事達」)	British Virgin Islands 英屬處女群島	300 shares of US\$1 each 300股 每股面值1美元股份	100	—	Investment holding 投資控股
Lucknow Consultants Limited (“Lucknow”) Lucknow Consultants Limited (「Lucknow」)	British Virgin Islands 英屬處女群島	10 shares of US\$1 each 10股 每股面值1美元股份	—	100	Investment holding 投資控股

1. 公司及集團資料

珠江石油天然氣鋼管控股有限公司 (「本公司」) 於二零零八年一月九日根據開曼群島法例第22章公司法 (一九六一年第3號法例，經綜合及修訂) 在開曼群島註冊成立為獲豁免的有限公司。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司及其附屬公司 (統稱「本集團」) 主要從事以下業務活動：

- 製造及銷售焊接鋼管及提供相關製造服務；及
- 物業發展及投資。

董事認為，本公司的控股公司及最終控股公司為 Bournam Profits Limited (「Bournam」)，該公司於英屬處女群島註冊成立。

關於附屬公司之資料

本公司主要附屬公司之詳情如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

1. 公司及集團資料(續)

關於附屬公司之資料(續)

本公司主要附屬公司之詳情如下：(續)

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Crown Central Holdings Limited ("Crown Central") 光中集團有限公司(「光中」)	Hong Kong 香港	1,000 ordinary shares of HK\$1 each 1,000股 每股面值1港元普通股	—	100	Trading of steel pipes 鋼管貿易
Chu Kong Steel Pipe Group Co., Ltd. ("CKSPG") 珠江鋼管集團有限公司 (「珠江鋼管集團」)	Hong Kong 香港	100,000 ordinary shares of HK\$1 each 100,000股 每股面值1港元普通股	—	100	Investment holding and trading of steel pipes 投資控股及鋼管貿易
Panyu Chu Kong Steel Pipe Co., Ltd. ("PCKSP") 番禺珠江鋼管有限公司 (「番禺珠江鋼管」)	The PRC/ Mainland China 中國/中國內地	HK\$1,957,070,700 1,957,070,700港元	—	100	Manufacture and sale of welded steel pipes 製造及銷售焊接鋼管
Guangzhou Pearl River Petrol- Fittings Co., Ltd. 廣州珍珠河石化管件有限公司	The PRC/ Mainland China 中國/中國內地	RMB104,870,000 人民幣104,870,000元	—	100	Manufacture and sale of petrol fittings 製造及銷售石化管件
Guangzhou Pearl River OCTG Co., Ltd. 廣州珍珠河石油套管有限公司	The PRC/ Mainland China 中國/中國內地	RMB18,860,000 人民幣18,860,000元	—	100	Manufacture and sale of oil country tubular goods 製造及銷售石油管材
Guangzhou Pearl River Petroleum Steel Pipe Coating Co., Ltd. 廣州珍珠河石油鋼管防腐有限公司	The PRC/ Mainland China 中國/中國內地	RMB8,980,000 人民幣8,980,000元	—	100	Steel pipe casing and lining services 鋼管防護及內壁塗層服務

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

1. 公司及集團資料(續)

關於附屬公司之資料(續)

本公司主要附屬公司之詳情如下：(續)

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Guangzhou Zhenzhuhe Petroleum Steel Tubes Co., Ltd. (formerly known as Guangzhou Pearl River Petroleum Steel Pipe Co., Ltd.) ("GZPST")	The PRC/ Mainland China	HK\$50,000,000	—	100	Manufacture and sale of welded steel pipes
廣州珠鋼管業集團有限公司(前稱 廣州珍珠河石油鋼管有限公司) (「廣州珠鋼管業」)	中國/中國內地	50,000,000港元	—	100	製造及銷售焊接鋼管
Panyu Chu Kong Steel Pipe (Lianyungang) Co., Ltd. ("PCKSP (Lianyungang)")	The PRC/ Mainland China	RMB1,110,000,000	—	100	Manufacture and sale of welded steel pipes
番禺珠江鋼管(連雲港)有限 公司(「番禺珠江鋼管 (連雲港)」)	中國/中國內地	人民幣1,110,000,000元	—	100	製造及銷售焊接鋼管
Guangzhou Panyu Chu Kong Hualong Petroleum Steel Pipe Anti-Corrosion Co., Ltd.	The PRC/ Mainland China	RMB20,600,000	—	100	Steel pipe casing and lining services
廣州市番禺珠江華龍石油鋼 管防腐有限公司	中國/中國內地	人民幣20,600,000元	—	100	鋼管防護及內壁塗層服務
Panyu Chu Kong Steel Pipe (Zhuhai) Co., Ltd. ("PCKSP (Zhuhai)")	The PRC/ Mainland China	HK\$1,088,402,072	—	100	Manufacture and sale of welded steel pipes
番禺珠江鋼管(珠海)有限公司 (「番禺珠江鋼管(珠海)」)	中國/中國內地	1,088,402,072港元	—	100	製造及銷售焊接鋼管

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

1. 公司及集團資料(續)

關於附屬公司之資料(續)

本公司主要附屬公司之詳情如下：(續)

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Lianyungang Kaidi Heavy Equipment Technology Co., Ltd. ("Kaidi") 連雲港凱帝重工科技有限公司 (「凱帝」)	The PRC/ Mainland China 中國/中國內地	RMB470,000,000 人民幣470,000,000元	—	100	Manufacture and sale of steel pipe equipment and metallurgy equipment 製造及銷售鋼管設備及冶金設備
Lianyungang Pearl River Petrol-Fittings Co., Ltd. ("LYG Petrol-Fittings") 連雲港珍珠河石化管件有限公司 (「連雲港石化管件」)	The PRC/ Mainland China 中國/中國內地	HK\$303,000,000 303,000,000港元	—	100	Manufacture and sale of tubular piles 製造及銷售管件
Lianyungang Zhugang Coating Engineering Co., Ltd. ("LYG Zhugang Coating") 連雲港珠鋼防腐保溫工程有限公司 (「連雲港珠鋼防腐」)	The PRC/ Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	—	100	Steel pipe casing and lining service 鋼管防護及內壁塗層服務
Guangdong Pearl Steel Investment Management Co., Ltd. ("Pearl Steel Investment") 廣東珠鋼投資管理有限公司 (「珠鋼投資」)	The PRC/ Mainland China 中國/中國內地	RMB50,000,000 人民幣50,000,000元	—	100	Property development and investment 物業開發及投資
Nanjing Rongyu Group Co., Ltd. ("Nanjing Rongyu Group") 南京鎔裕集團有限公司 (「南京鎔裕集團」)	The PRC/ Mainland China 中國/中國內地	RMB75,000,000 人民幣75,000,000元	—	100	Manufacture and sale of welded steel products 製造及銷售焊接鋼材產品
Nanjing City Qixia Hill Roll Steeling Co., Ltd. 南京市棲霞山軋鋼有限公司	The PRC/ Mainland China 中國/中國內地	RMB20,316,500 人民幣20,316,500元	—	100	Manufacture and sale of screw-thread steels 製造及銷售螺紋鋼材

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

1. CORPORATE AND GROUP INFORMATION

(Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name 公司名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Particulars of issued and paid-up capital 已發行及 繳足股本的詳情	Percentage of equity attributable to the Company 本公司 應佔股權百分比		Principal activities 主要業務
			Direct 直接 %	Indirect 間接 %	
Zhuhai Zhugang Wharf Co., Ltd. 珠海珠鋼碼頭物流有限公司	The PRC/ Mainland China 中國/中國內地	RMB10,000,000 人民幣10,000,000元	—	100	Port services 港口服務
Chu Kong Steel Pipe (Yunfu) Co., Ltd. 珠江鋼管(雲浮)有限公司	The PRC/ Mainland China 中國/中國內地	RMB36,010,360 人民幣36,010,360元	—	100	Sale of welded steel pipes 銷售焊接鋼管
View Sharp International Limited 景鋒國際有限公司	Hong Kong 香港	10,000 ordinary shares of HK\$1 each 10,000股每股面值 1港元普通股	—	100	Investment holding 投資控股
PT Chu Kong Steel Indonesia 珠江鋼鐵印尼有限公司	Indonesia 印度尼西亞	10,000,000 shares of IDR11,532 each 10,000,000股每股面值 11,532印尼盾股份	—	100	Property holding 物業持有

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

1. 公司及集團資料(續)

關於附屬公司之資料(續)

本公司主要附屬公司之詳情如下：(續)

上表載列董事認為主要影響年內業績或構成本集團資產淨值的主要部分之本公司附屬公司名單。董事認為，列出其他附屬公司詳情將導致列表過於冗長。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (which include all International Accounting Standards (“IASs”), International Financial Reporting Standards (“IFRSs”) and interpretations) issued by the International Accounting Standards Board (“IASB”), and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2023. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

2. 會計政策

2.1 編製基準

本集團綜合財務報表乃根據國際會計準則理事會(「國際會計準則理事會」)所頒佈的國際財務報告準則會計準則(當中包括所有國際會計準則(「國際會計準則」)、國際財務報告準則(「國際財務報告準則」)及詮釋)及香港公司條例之披露要求編製。其乃以歷史成本慣例編製，惟投資物業按公平值計量除外。該等財務報表以人民幣(「人民幣」)呈列，除另有列明者外，所有數值已湊整至最接近千元。

綜合基準

綜合財務報表包括本集團截至二零二三年十二月三十一日止年度之財務報表。附屬公司指本公司直接或間接控制之實體(包括結構性實體)。當本集團能透過其參與承擔或享有投資對象可變回報之風險或權利，並能夠向投資對象使用其權力影響回報金額(即現有權利可使本集團能於當時指揮投資對象之相關活動)，即代表本集團擁有投資對象之控制權。

當本公司直接或間接擁有少於投資對象大多數投票權或類似權利時，於評估本集團對該投資對象是否擁有權力時，本集團考慮所有相關事實及情況，包括：

- (a) 與該投資對象之其他投票權擁有人之合約安排；
- (b) 其他合約安排產生之權利；及
- (c) 本集團之投票權及潛在投票權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Basis of consolidation (Continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

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

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. 會計政策(續)

2.1 編製基準(續)

綜合基準(續)

附屬公司財務報表的報告期間與本公司相同，並採用一致的會計政策編製。附屬公司的業績由本集團取得控制權之日起綜合計算，直至不再擁有上述控制權之日為止。

損益及其他全面收益的各組成部分歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益有虧絀結餘。所有有關本集團各成員公司間之相關交易之集團內部公司間資產及負債、權益、收入、開支及現金流量會於綜合計算時全數抵銷。

倘事實及情況顯示如上文所述三項控制因素之一項或多項出現變化，本集團會重新評估其是否控制投資對象。並無失去控制權之附屬公司擁有權權益變動以股本交易入賬。

倘本集團失去對附屬公司之控制權，則終止確認(i)該附屬公司之資產(包括商譽)及負債，(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計匯兌差額；及確認(i)已收代價之公平值，(ii)所保留任何投資之公平值及(iii)損益中任何因此產生之盈餘或虧損。先前已於其他全面收益內確認之本集團應佔部分重新分類至損益或留存溢利(如適用)，基準與本集團直接出售相關資產或負債所需使用之基準相同。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern basis

As at 31 December 2023, the Group maintained cash and cash equivalents of approximately RMB32,191,000 (2022: RMB16,128,000) and recorded net current liabilities of approximately RMB845,744,000 (2022: net current assets of approximately RMB76,834,000). In view of these circumstances, the directors of the Company have considered the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern.

In order to improve the Group's liquidity and cash flows to sustain the Group as a going concern, the Group implemented or is in the process of implementing the following measures:

(1) Active negotiation with banks to obtain adequate bank borrowings to finance the Group's operations

As at 31 December 2023, the Group have obtained sufficient unutilised general facility granted by financial institutions, and the Group are expected to have sufficient financial support to pay off debts in the next 12 months, so the consolidated financial statements are prepared on the basis of going concern.

Subsequent to 31 December 2023 and up to the date of this report, the renewal of the loan amounted to RMB790,000,000 is under negotiation and the Group expects that the renewal of the loan could be renewed with related bank for five years. The Group continues to actively negotiate with the banks for the renewal of the Group's borrowings when they fall due or obtain additional sources of finance to meet the Group's working capital and financial requirements in the near future. The directors of the Company have evaluated all the relevant facts available to them and are of the opinion that they have a good track record and relationship with the banks and considered that the Group would be able to renew the Group's loans upon expiry.

2. 會計政策(續)

2.1 編製基準(續)

持續經營基準

於二零二三年十二月三十一日，本集團維持現金及現金等價物約為人民幣32,191,000元(二零二二年：人民幣16,128,000元)及錄得流動負債淨值約人民幣845,744,000元(二零二二年：流動資產淨值約人民幣76,834,000元)。鑒於該等情況，本公司董事已考慮本集團之未來流動資金及表現以及其可用融資來源，以評估本集團是否將具備足夠財務資源持續經營。

為改善本集團的流動資金及現金流量，使本集團得以持續經營，本集團已實施或正在實施以下措施：

(1) 與銀行進行積極協商，以獲取充足的銀行借款，為本集團的運營提供資金

於二零二三年十二月三十一日，本集團已獲充足的金融機構授予的尚未使用的綜合授信額度，本集團預計在未來的12個月內將有足夠的資金支持以清償債務，因此本綜合財務報表以持續經營為基礎編製。

於二零二三年十二月三十一日後及直至本報告日期，本集團正在磋商續貸人民幣790,000,000元，且預計可與相關銀行續貸五年。本集團繼續與銀行積極磋商，以便在借款到期時重續或獲得額外資金來源，以滿足本集團於不久將來的營運資金及財務需求。本公司董事已評估彼等可利用的所有有關事實，並認為彼等與銀行有良好的往績記錄及關係，且認為本集團將能夠在貸款到期時續借其貸款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

Going concern basis (Continued)

(2) Improvement of the Group's operating cash flows

The Group is taking measures to tighten cost control over various production costs and expenses with an aim to attain profitable and positive cash flow operations. The eventual outcome of the above measures is inherently uncertain and cannot be estimated with reasonable certainty.

The directors of the Company have prepared a cash flow forecast for the Group which covers a period of eighteen months from the end of the reporting period. Taking into account the positive cash flows from the Group's steel pipes business and the continued sale of the Group's existing real estate projects, the directors considered that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. Accordingly, the consolidated financial statements of the Group have been prepared on a going concern basis.

Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at amounts other than those which are currently recorded in the consolidated statement of financial position. In addition, the Group may have to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2. 會計政策(續)

2.1 編製基準(續)

持續經營基準(續)

(2) 改善本集團的經營現金流量

本集團正採取縮緊各類生產成本及開支的成本控制措施，以獲取盈利及增加經營現金流量。上述措施的最終結果帶有不確定因素，無法合理估計確定性。

本公司董事已編製本集團涵蓋由報告期末起計十八個月期間的現金流量預測。考慮到本集團鋼管業務帶來正現金流量以及持續銷售本集團的現有房地產項目，董事認為本集團將具備足夠的營運資金以撥付其營運所需及履行其到期財務責任。因此，已按持續經營基準編製本集團的綜合財務報表。

倘持續經營的假設並不恰當，則可能需要作出調整以反映資產可能須按並非目前於綜合財務狀況表入賬的金額變現的情況。此外，本集團可能須就任何可能產生之進一步負債作出撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整之影響並無於綜合財務報表內反映。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(i) Changes in accounting policies and disclosures

The Group has adopted the following new and revised IFRS Accounting Standards for the first time for the current year's financial statements.

IFRS 17	<i>Insurance Contracts and related Amendments</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform — Pillar Two Model Rules</i>

The nature and the impact of the new and revised IFRS Accounting Standards are described below:

(a) Insurance contracts — IFRS 17

IFRS 17, which replaces IFRS 4, sets out the recognition, measurement, presentation and disclosure requirements applicable to issuers of insurance contracts. The standard does not have a material impact on these financial statements as the Group does not have contracts within the scope of IFRS 17.

2. 會計政策(續)

2.2(i) 會計政策變動及披露

本集團已就本年度的財務報表首次採納以下新訂及經修訂國際財務報告準則會計準則。

國際財務報告準則	保險合約及相關修訂本
第17號	
國際會計準則	披露會計政策
第1號及國際	
財務報告準則	
實務聲明第2號	
修訂本	
國際會計準則	會計估計的定義
第8號修訂本	
國際會計準則	與單一交易產生的資產及
第12號修訂本	負債相關的遞延稅項
國際會計準則	國際稅收改革 — 支柱二
第12號修訂本	立法模板

新訂及經修訂國際財務報告準則會計準則之性質及影響載述如下：

(a) 保險合約 — 國際財務報告準則第17號

國際財務報告準則第17號取代國際財務報告準則第4號，載列適用於保險合約發行人的確認、計量、呈列及披露的規定。由於本集團並無國際財務報告準則第17號範圍內的合約，因此該準則不會對該等財務報表產生重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(i) Changes in accounting policies and disclosures (Continued)

(b) *Presentation of financial statements and IFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies — Amendments to IAS 1*

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.

(c) *Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates — Amendments to IAS 8*

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. 會計政策(續)

2.2(i) 會計政策變動及披露(續)

(b) *財務報表的呈列及國際財務報告準則實務聲明第2號 — 作出有關重要性之判斷：披露會計政策 — 國際會計準則第1號修訂本*

該等修訂本規定實體須披露重要會計政策資料並為將重要性概念應用於會計政策披露提供指引。本集團已重新審視一直以來披露的會計政策資料，並認為該等資料與修訂本保持一致。

(c) *會計政策、會計估計變更及錯誤：會計估計之定義 — 國際會計準則第8號修訂本*

該等修訂本為區分會計政策變更及會計估計變更提供進一步指引。由於本集團區分會計政策變更及會計估計變更的方法與修訂本的方法保持一致，因此該等修訂本不會對該等財務報表產生重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(i) Changes in accounting policies and disclosures (Continued)

(d) *Income taxes: Deferred tax related to assets and liabilities arising from a single transaction — Amendments to IAS 12*

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.

Prior to the amendments, the Group did not apply the initial recognition exemption to lease transactions and had recognised the related deferred tax, except that the Group previously determined the temporary difference arising from a right-of-use asset and the related lease liability on a net basis on the basis they arise from a single transaction. Following the amendments, the Group has determined the temporary differences in relation to right-of-use assets and lease liabilities separately. The change 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 IAS 12.

2. 會計政策(續)

2.2(i) 會計政策變動及披露(續)

(d) *所得稅：與單一交易產生的資產及負債相關的遞延稅項 — 國際會計準則第12號修訂本*

該等修訂本收窄初始確認豁免的範圍，使其不適用於在初始確認產生相等且可抵銷暫時性差額的交易，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己呈列的最早比較期間開始時確認，並於該日將任何累計影響確認為保留盈利或其他權益組成部分的調整。就所有其他交易而言，該等修訂本適用於已呈列的最早期間開始後進行的交易。

在修訂之前，本集團並未將初始確認豁免適用於租賃交易，並已確認了相關的遞延稅項，惟本集團先前已根據單一交易產生的淨額基準釐定使用權資產及相關租賃負債產生的暫時性差額。於修訂後，本集團分別確定了與使用權資產及租賃負債相關的暫時性差額。該變更不影響綜合財務狀況表中呈列的整體遞延稅項結餘，因為相關遞延稅項結餘符合國際會計準則第12號項下的抵銷條件。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(i) Changes in accounting policies and disclosures (Continued)

(e) *Income taxes: International tax reform — Pillar Two model rules — Amendments to IAS 12*

The amendments introduce a temporary mandatory exception from deferred tax accounting for the income tax arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (“OECD”) (income tax arising from such tax laws is hereafter referred to as “Pillar Two income taxes”), including tax laws that implement qualified domestic minimum top-up taxes described in those rules. The amendments also introduce disclosure requirements about such tax including the estimated tax exposure to Pillar Two income taxes. The amendments are immediately effective upon issuance and require retrospective application. After assessment, the amendments does not have a material impact on these financial statements.

2. 會計政策(續)

2.2(i) 會計政策變動及披露(續)

(e) *所得稅：國際稅收改革 — 支柱二立法模板 — 國際會計準則第12號修訂本*

該修訂本引入遞延稅項會計的暫時強制性例外，適用於為實施經濟合作暨發展組織(「經合組織」)發佈的支柱二立法模板而頒佈或實質性頒佈稅法產生的所得稅(此類稅法所產生的所得稅以下簡稱為「支柱二所得稅」)，包括實施該等規則所述的合格國內最低補足稅的稅法。該等修訂本亦引入關於此類稅項的披露要求，包括支柱二所得稅的估計稅務風險。該等修訂本自發佈之日起立即生效，並要求追溯應用。經評估，該等修訂對財務報表並無重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(ii) 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”) gazette 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. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP.

2. 會計政策(續)

2.2(ii) 香港會計師公會就取消強積金 — 長期服務金抵銷機制的會計影響發出的新指引

香港特別行政區政府(「政府」)於二零二二年六月於憲報刊登《二零二二年僱傭及退休計劃法例(抵銷安排)(修訂)條例》(《修訂條例》)，該條例將於二零二五年五月一日(「過渡日期」)生效。《修訂條例》一旦生效，自過渡日期起，僱主不得再使用其向強制性公積金(「強積金」)計劃的強制性供款所產生的任何累算權益，以減少僱員服務的長期服務金(「長期服務金」)(即取消「抵銷機制」)。此外，過渡日期前服務的長期服務金將根據僱員在過渡日期前的月薪及截至該日期的服務年限計算。

香港會計師公會於二零二三年七月刊發《香港取消強積金 — 長期服務金抵銷機制的會計影響》，就抵銷機制及取消抵銷機制提供會計指引。具體而言，該指導意見指出，實體可以將強制性強積金供款產生的應計利益作為僱傭對長期服務金的視同供款，預計該等供款將用於減少應付予僱員的長期服務金。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.2(ii) New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism (Continued)

However, applying this approach, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 that previously allowed such deemed contributions to be recognised as reduction of service cost (negative service cost) in the period the contributions were made; instead these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit.

To better reflect the substance of the abolition of the offsetting mechanism, the Group has changed its accounting policy in connection with its LSP liability and has applied the above HKICPA guidance retrospectively. The cessation of applying the practical expedient in paragraph 93(b) of HKAS 19 in conjunction with the enactment of the Amendment Ordinance resulted in a catch-up profit or loss adjustment in June 2022 for the service cost up to that date and consequential impacts on current service cost, interest expense and remeasurement effects from changes in actuarial assumptions for the rest of 2022 with the corresponding adjustment to the comparative carrying amount of the LSP liability. This change in accounting policy did not have any impact on the opening balance of equity at 1 January 2022, and the cash flows and earnings per share amounts for the year ended 31 December 2022. It also did not have a material impact on the company-level statement of financial position as at 31 December 2022 and 31 December 2023.

2. 會計政策(續)

2.2(ii) 香港會計師公會就取消強積金 — 長期服務金抵銷機制的會計影響發出的新指引(續)

然而，於二零二二年六月《修訂條例》頒佈後採納該方法，且不再允許採用香港會計準則第19號第93(b)段中的實際權宜之計，該段此前允許將此類視同供款確認為供款期間服務成本(負服務成本)的減少；相反，該等視同供款應以與長期服務金總收益相同的方式歸因於服務期。

為了更好地反映取消抵銷機制的實質內容，本集團已變更與長期服務金負債相關的會計政策，並追溯採納上述香港會計師公會的指導意見。香港會計準則第19號第93(b)段中的實際權宜之計自《修訂條例》的頒佈後而不再適採用，導致二零二二年六月對截至該日的服務成本進行了彌補損益調整，並對當前服務成本產生相應影響，二零二二年剩餘時間精算假設變化產生的利息支出及重新計量影響，並對長期服務金負債的相對帳面值進行相應調整。會計政策的變化對截至二零二二年一月一日的期初權益餘額及截至二零二二年十二月三十一日止年度的現金流及每股收益並無任何影響，其亦並無對於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的公司級財務狀況表產生重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.3 Issued but not yet effective international financial reporting standards

The Group has not applied the following revised IFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 10 and IAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i> ¹
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendment")</i> ^{1, 4}
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendment")</i> ^{1, 4}
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangement</i> ¹
Amendments to IAS 21	<i>Lack of exchangeability</i> ²

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

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

³ No mandatory effective date yet determined but available for adoption

⁴ As a consequence of the 2022 Amendments, the effective date of the 2020 Amendments was deferred to annual periods beginning on or after 1 January 2024

2. 會計政策(續)

2.3 已頒佈但尚未生效之國際財務報告準則

於此等財務報表中，本集團並無應用以下已頒佈但尚未生效之經修訂國際財務報告準則會計準則。

國際財務報告準則第10號及國際會計準則第28號修訂本(二零一一年)	於投資者與其聯營公司或合營公司之間出售或注入資產 ³
國際財務報告準則第16號修訂本	售後租回的租賃負債 ¹
國際會計準則第1號修訂本	流動或非流動負債的分類(「二零二零年修訂本」) ^{1, 4}
國際會計準則第1號修訂本	附帶契約的非流動負債(「二零二二年修訂本」) ^{1, 4}
國際會計準則第7號及國際財務報告準則第7號修訂本	供應商融資安排 ¹
國際會計準則第21號修訂本	缺乏交換性 ²

¹ 由二零二四年一月一日或之後開始之年度期間生效

² 由二零二五年一月一日或之後開始之年度期間生效

³ 尚未釐定強制生效日期，惟可供採納

⁴ 作為於二零二二年修訂本的結果，二零二零年修訂本的生效日期推遲至二零二四年一月一日或之後開始的年度期間

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.3 Issued but not yet effective international financial reporting standards (Continued)

Further information about those IFRS Accounting Standards that are expected to be applicable to the Group is as follows:

Amendments to IFRS 10 and IAS 28 (2011) address an inconsistency between the requirements in IFRS 10 and in IAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 (2011) was removed by the IASB in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual periods beginning on or after 1 January 2024 and shall be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16 (i.e. 1 January 2019). Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2. 會計政策(續)

2.3 已頒佈但尚未生效之國際財務報告準則(續)

預期將適用於本集團的該等國際財務報告準則會計準則的進一步資料如下：

國際財務報告準則第10號及國際會計準則第28號修訂本(二零一一年)提出國際財務報告準則第10號及國際會計準則第28號(二零一一年)有關處理投資者與其聯營公司或合營公司進行資產出售或注資的規定時的不一致情況。該等修訂本規定當投資者與其聯營公司或合營公司進行的資產出售或注資構成一項業務時，需全數確認下游交易產生的收益或虧損。就涉及不構成一項業務的資產交易而言，交易產生的收益或虧損於投資者的損益內確認，並僅以無關聯投資者於該聯營公司或合營公司的權益為限。該等修訂本將按預期基準應用。國際會計準則理事會已於二零一六年一月廢除國際財務報告準則第10號及國際會計準則第28號修訂本(二零一一年)之前的強制生效日期，而新強制生效日期將於完成對聯營公司及合營公司會計處理作更廣泛檢討後釐定。然而，該等修訂本現時可供採納。預期該等修訂本不會對本集團的財務報表產生任何重大影響。

國際財務報告準則第16號修訂本訂明賣方一承租人於計量售後租回交易產生的租賃負債所用方法的規定，以確保賣方一承租人不曾確認與其所保留使用權有關的任何損益金額。該等修訂本於二零二四年一月一日或之後開始的年度期間生效，並應追溯應用於國際財務報告準則第16號的初始應用日期(即二零一九年一月一日)後訂立的售後租回交易。允許提早應用該等修訂本。預期該等修訂本不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.3 Issued but not yet effective international financial reporting standards (Continued)

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current* clarify the requirements for classifying liabilities as current or non-current. The 2020 Amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The 2020 Amendments also clarify the situations that are considered a settlement of a liability. The 2020 Amendments are effective for annual periods beginning on or after 1 January 2024 and shall be applied retrospectively. Earlier application is permitted. However, an entity that applies the 2020 Amendments early is also required to apply the 2022 Amendments, and vice versa. The 2020 Amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 1 *Non-current Liabilities with Covenants* clarify how to treat liabilities that are subject to covenants to be complied with, at a date subsequent to the reporting period. The 2022 Amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants. The 2022 Amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current. The 2022 Amendments are effective for annual periods beginning on or after 1 January 2024 and shall be applied retrospectively. Earlier application of the 2022 Amendments is permitted. The 2022 Amendments are not expected to have any significant impact on the Group's financial statements.

2. 會計政策(續)

2.3 已頒佈但尚未生效之國際財務報告準則(續)

國際會計準則第1號修訂本流動或非流動負債的分類明確了將負債分類為流動負債或非流動負債的要求。二零二零年修訂本規定，如果一個實體推遲償還負債的權利受該實體遵守指定條件的約束，則該實體有權在報告期末推遲償還負債，前提是該實體於報告日符合這些條件。實體將行使其推遲償還負債的權利的可能性不會影響負債的分類。二零二零年修訂本同時闡明了被視為債務清償的情況。二零二零年修訂本自二零二四年一月一日或之後開始的年度期間生效，並應追溯適用，且允許提前採用。然而，提早應用二零二零年修訂本的實體亦被要求應用二零二二年修訂本，反之亦然。二零二零年修訂本預期不會對本集團的財務報表造成重大影響。

國際會計準則第1號修訂本附帶契約的非流動負債明確了處理於報告期後某日必須遵守契約的負債的方法。二零二二修訂本改進了實體於遵守契約的情況下延遲結算負債至少十二個月的權利時所提供的信息。二零二二年修訂本明確，只有實體於報告日或之前必須遵守的契約，方會影響負債分類為流動或非流動。二零二二年修訂本自二零二四年一月一日或之後開始的年度期間生效，並須追溯應用。二零二二年修訂本獲准提早應用。預計二零二二年修訂本不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.3 Issued but not yet effective international financial reporting standards (Continued)

Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Earlier application of the amendments is permitted. The amendments provide certain transition reliefs regarding comparative information and quantitative information as at the beginning of the annual reporting period and interim disclosures. Based on a preliminary assessment, the amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. Earlier application is permitted. When applying the amendments, an entity cannot restate the comparative information. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained profits or to the cumulative amount of translation differences accumulated in a separate component of equity, where appropriate, at the date of initial application. Based on a preliminary assessment, the amendments are not expected to have any significant impact on the Group's financial statements.

2. 會計政策(續)

2.3 已頒佈但尚未生效之國際財務報告準則(續)

國際會計準則第7號及國際財務報告準則第7號修訂本闡明供應商融資安排的特點，並規定須就該等安排作出額外披露。該等修訂本的披露規定旨在協助財務報表使用者了解供應商融資安排對實體的負債、現金流量及流動資金風險的影響。允許提早應用該等修訂本。該等修訂本就於年度報告期及中期披露期初的比較資料及定量資料提供若干過渡性減免。根據初步評估，預期該等修訂本不會對本集團的財務報表產生任何重大影響。

國際會計準則第21號修訂本訂明實體應如何評估某種貨幣是否可兌換為另一種貨幣，以及在缺乏可兌換性的情況下，實體應如何估計於計量日期的即期匯率。該等修訂本要求披露讓財務報表使用者能夠了解貨幣不可兌換的影響的資料，允許提早應用。於應用該等修訂本時，實體不能重列比較資料。初始應用該等修訂本的任何累計影響應於初始應用當日確認為對保留溢利期初結餘的調整或對權益單獨組成部分中累積的匯兌差額累計金額的調整(如適用)。根據初步評估，預期該等修訂本不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies

Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of a joint venture is included in the consolidated statement of profit or loss and consolidated statement of comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's investment in the joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of the joint venture is included as part of the Group's investment in a joint venture.

2. 會計政策(續)

2.4 重大會計政策

於合營公司之投資

合營公司為一項合營安排，據此，擁有安排共同控制權的人士均有權享有合營公司的資產淨值。共同控制為合約協定應佔安排控制權，其僅在相關活動決策必須獲應佔控制權的人士一致同意方存在。

本集團於合營公司之投資乃根據權益會計法計算本集團所佔資產淨值減去任何減值虧損後在綜合財務狀況表上列賬。

本集團所佔合營公司的收購後業績及其他全面收益，分別計入綜合損益表及綜合全面收益表內。此外，倘合營公司權益項內直接確認一項變動，本集團於綜合權益變動表內確認任何有關變動的所佔部分(如適用)。本集團與其合營公司進行交易所產生的未變現盈虧乃按本集團於合營公司投資之相關部分作抵銷，惟未變現虧損證明已轉讓資產出現減值情況則除外。收購合營公司產生之商譽納入作為本集團對合營公司之部分投資。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investment in a joint venture (Continued)

If an investment in a joint venture becomes an investment in an associate or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

2. 會計政策(續)

2.4 重大會計政策(續)

於合營公司之投資(續)

倘若於合營公司之投資變成於聯營公司之投資(反之亦然)，則保留權益不予以重新計量。相反，該投資繼續按權益法計算入賬。在其他所有情況下，於失去對聯營公司的重大影響力或對合營公司共同控制的情況下，本集團按其公平值計量及確認其任何剩餘投資。聯營公司或合營公司於失去重大影響力或共同控制時的賬面值與剩餘投資及出售所得款項的公平值之間的任何差額乃於損益內確認。

業務合併及商譽

業務合併採用收購法入賬。轉讓之代價乃以收購日期之公平值計量，該公平值為本集團轉讓之資產、本集團向被收購方之前度擁有人承擔之負債，及本集團就換取被收購方控制權所發行股權於收購日期之公平值總額。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方的非控股權益(為現時所有權權益並賦予持有人權利於清盤時按比例分佔實體的資產淨值)。非控股權益之一切其他部分乃按公平值計量。收購相關成本於產生時支銷。

當所收購的一組活動及資產包括一項資源投入及一項實質過程，而兩者對創造產出的能力有重大貢獻時，本集團認為其已收購一項業務。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Business combinations and goodwill (Continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2. 會計政策(續)

2.4 重大會計政策(續)

業務合併及商譽(續)

當本集團收購一項業務時，會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之金融資產及負債，以作出適合之分類及指定，其中包括將被收購方主合約中之嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前所持股權按其收購日期之公平值重新計量，及任何因此所得盈虧於損益確認。

收購方將予轉讓之任何或然代價將於收購日期按公平值確認。分類為一項資產或負債的或然代價按公平值計量，公平值變動於損益確認。分類為權益的或然代價將不予重新計量及其後結算於權益中入賬。

商譽初步按成本計算，即已轉讓總代價、已就非控股權益確認的數額及本集團先前持有被收購方股權之任何公平值總額，超過所收購可識別資產淨值及所承擔負債之差額。如有關代價及其他項目總額低於所收購資產淨值的公平值，於重新評估後其差額將於損益內確認為議價收購收益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Business combinations and goodwill (Continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2. 會計政策(續)

2.4 重大會計政策(續)

業務合併及商譽(續)

於初始確認後，商譽按成本減任何累計減值虧損計量。每年對商譽的賬面值有否出現減值進行測試，或如出現任何事件或情況轉變而顯示賬面值可能出現減值，則更頻密地進行測試。本集團於十二月三十一日對商譽進行年度減值測試。就減值測試而言，在業務合併所收購的商譽自收購當日起分配至本集團預期會受惠於合併的協同效益的各個現金產生單位或各組現金產生單位，而不論本集團其他資產或負債有否指定撥往該等單位或單位組別。

減值數額通過評估與商譽有關的現金產生單位(或現金產生單位組別)的可收回金額而釐定。倘若現金產生單位(或現金產生單位組別)的可收回金額低於賬面值，則確認減值虧損。已確認的商譽減值虧損不會於其後期間撥回。

倘若商譽分配至現金產生單位(或現金產生單位組別)及出售單位內業務的一部分，則於釐定出售時的盈虧時，有關所出售業務的商譽將計入業務的賬面值。在此情況下出售的商譽根據所出售業務的相關價值及所保留的現金產生單位部分而計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Fair value measurement

The Group measures its investment properties at fair value at the end of each reporting period. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. 會計政策(續)

2.4 重大會計政策(續)

公平值計量

本集團於各報告期末按公平值計量旗下投資物業。公平值乃在市場參與者於計量日期進行之有序交易中出售資產所收取或轉移負債所支付之價格。公平值計量乃基於假設出售資產或轉移負債的交易於資產或負債的主要市場或於未有主要市場的情況下，則於資產或負債的最有利市場進行。主要或最有利市場須為本集團能進入的市場。資產或負債的公平值乃基於市場參與者為資產或負債定價所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

非金融資產之公平值計量考慮市場參與者可從使用該資產得到之最高及最佳效用，或把該資產售予另一可從使用該資產得到最高及最佳效用之市場參與者所產生經濟效益之能力。

本集團使用適用於不同情況的估值方法，而其有足夠資料計量公平值，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. 會計政策(續)

2.4 重大會計政策(續)

公平值計量(續)

公平值於財務報表計量或披露的所有資產及負債基於對公平值計量整體屬重要的最低輸入數據水平按如下所述在公平值層級中分類：

第一級 — 根據相同資產或負債於活躍市場中所報價格(未調整)

第二級 — 根據對公平值計量有重大影響之可直接或間接觀察最低輸入數據之估值方法

第三級 — 根據對公平值計量有重大影響之不可觀察最低輸入數據之估值方法

對於在本財務報表以經常性方式確認之資產及負債，本集團於各報告期末根據對於公平值計量整體有重大影響之最低輸入數據通過重估分類以確定各層級之間是否出現轉移。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties, goodwill, non-current asset classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2. 會計政策(續)

2.4 重大會計政策(續)

非金融資產減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、遞延稅項資產、金融資產、投資物業、商譽、分類為持作出售之非流動資產除外)，則會估計資產之可收回金額。資產之可收回金額按資產或現金產生單位之使用價值及其公平值減出售成本(以較高者為準)計算，並就個別資產而釐定，除非有關資產不能在很大程度上獨立於其他資產或資產組別產生現金流入，在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

僅當資產之賬面值高於其可收回金額時方會確認減值虧損。在評估使用價值時，估計之未來現金流量乃按稅前折現率折現至其現值，而稅前折現率乃反映現行市場就貨幣時間價值及資產特定風險之評估。減值虧損將自其產生期間於損益表與減值資產相應之開支類別中扣除。

在各報告期末均會評估有無過往已確認之減值虧損可能不再存在或可能減少之跡象。倘出現該等跡象，則會估計可收回金額。僅當用以釐定資產可收回金額之估計出現變動時，方會將以往確認之資產(商譽除外)減值虧損撥回，但有關價值並不可高於在過往年度並無就該資產確認任何減值虧損的情況下該資產本來釐定之賬面值(扣除任何折舊/攤銷)。該等減值虧損撥回將於產生期間計入損益表中，惟按重估價值列賬之資產除外，在該情況下，減值虧損撥回乃根據該重估資產之有關會計政策入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

2. 會計政策(續)

2.4 重大會計政策(續)

關連方

在下列情況下，有關人士將視為本集團的關連方：

- (a) 有關人士為符合下列情況的人士或該名人士的近親
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 有關人士為符合下列任何條件的實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體的聯營公司或合營公司(或屬另一實體的母公司、附屬公司或同系附屬公司的聯營公司或合營公司)；
 - (iii) 該實體及本集團均為同一第三方的合營公司；
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
 - (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Related parties (Continued)

(b) (Continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (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 parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2. 會計政策(續)

2.4 重大會計政策(續)

關連方(續)

(b) (續)

- (vi) 該實體由(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 該實體或其任何集團成員公司提供主要管理人員服務予本集團或本集團之母公司。

物業、廠房及設備及折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損入賬。物業、廠房及設備項目的成本包括其購買價及任何使資產達致擬定用途運作狀況及地點而直接應計的成本。

物業、廠房及設備項目投入運作後產生的開支，例如維修保養開支，一般於產生期間自損益表中扣除。倘達到確認標準，則重大檢查的開支於該資產的賬面值資本化為重置資產。倘須定期替換大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期的個別資產並相應地進行折舊。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives and residual values used for this purpose are as follows:

	Estimated useful lives 估計可使用 年期	Residual values 剩餘價值
Buildings 樓宇	5~45 years 5~45年	5%~10% 5%~10%
Plant and machinery 廠房及機器	3~16 years 3~16年	1%~10% 1%~10%
Office and other equipment 辦公室及其他設備	3~16 years 3~16年	1%~10% 1%~10%
Motor vehicles 汽車	4~10 years 4~10年	5%~10% 5%~10%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2. 會計政策(續)

2.4 重大會計政策(續)

物業、廠房及設備及折舊(續)

折舊按各物業、廠房及設備項目的估計可使用年期以直線法計算，以撇銷成本至其剩餘價值。就此而言，估計可使用年期及剩餘價值如下：

	Estimated useful lives 估計可使用 年期	Residual values 剩餘價值
Buildings 樓宇	5~45 years 5~45年	5%~10% 5%~10%
Plant and machinery 廠房及機器	3~16 years 3~16年	1%~10% 1%~10%
Office and other equipment 辦公室及其他設備	3~16 years 3~16年	1%~10% 1%~10%
Motor vehicles 汽車	4~10 years 4~10年	5%~10% 5%~10%

當物業、廠房及設備項目的部分各有不同可使用年期，該項目的成本按合理基準在各部分中分配，而各部分個別折舊。剩餘價值、可使用年期及折舊方法至少在每個財政年度年結日進行檢討和調整(如適用)。

當出售初步確認的物業、廠房及設備項目包括任何重大部分，或預期使用或出售後不能帶來未來經濟利益時，則其將被終止確認。在終止確認該項資產的同一年度於損益表中確認的出售或報廢的任何盈虧，指有關資產出售所得款項淨額與其賬面值的差額。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Property, plant and equipment and depreciation (Continued)

Construction in progress represents buildings, plant and machinery under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold property held as right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

2. 會計政策(續)

2.4 重大會計政策(續)

物業、廠房及設備及折舊(續)

在建工程指正在建設中的樓宇、廠房及機器，其按成本減任何減值虧損列賬，且不會折舊。成本包括建設期間的直接建設成本及有關借貸資金之資本化借貸成本。在建工程於工程完成後並備用時，將重新歸入適當類別的物業、廠房及設備。

投資物業

投資物業指於土地及樓宇之權益(包括持有作使用權資產之租賃物業，其符合一項投資物業之定義)，其持有以賺取租金收入及/或作資本增值，而非用作生產或供應商品或服務或作行政用途；或於一般業務過程中作銷售。該等物業初步按成本計值，當中包括交易成本。隨初始確認後，於報告期末投資物業會以公平值入賬以反映市場狀況。

投資物業公平值變更所帶來之收益或虧損於產生年度計入損益表內。

報廢或出售投資物業之任何收益或虧損於報廢或出售之年度於損益表內確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investment properties (Continued)

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under “Property, plant and equipment and depreciation” for owned property and/or accounts for such property in accordance with the policy stated under “Right-of-use assets” for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under “Property, plant and equipment and depreciation” above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortised.

2. 會計政策(續)

2.4 重大會計政策(續)

投資物業(續)

就投資物業轉撥至自有物業或存貨而言，其後入賬方法是以物業於更改用途之日的公平值作為其成本。如本集團擁有之物業由自有物業轉變為投資物業，本集團則就自有物業根據於「物業、廠房及設備及折舊」所述之政策將該物業入賬，及／或就持有作使用權資產之物業根據於「使用權資產」所述之政策將該物業入賬，直至更改用途之日為止，而於當日有關該物業之賬面值及公平值之任何差額作為重估，根據於上文「物業、廠房及設備及折舊」所述之政策入賬。就存貨轉撥至投資物業而言，物業於該日期之公平值與其先前賬面值之任何差額乃於損益表內確認。

持作出售的非流動資產及出售集團

倘非流動資產及出售集團的賬面值可主要透過出售交易而非透過持續使用而收回，則會分類為持作出售。此情況僅限於資產或出售集團可於現況下即時出售（惟須受出售該等資產或出售集團之一般習慣條款所規限）及很有可能達成該出售。分類為出售集團的附屬公司之所有資產及負債會重新分類為持作出售，不論本集團在出售後是否在其前附屬公司保留非控股權益。

分類為持作出售的非流動資產及出售集團（不包括投資物業及金融資產）乃按其賬面值以及公平值減出售成本兩者中之較低者計量。分類為持作出售的物業、廠房及設備以及無形資產不予折舊或攤銷。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Leases

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

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	10 to 50 years
Buildings	2 to 3 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2. 會計政策(續)

2.4 重大會計政策(續)

租賃

本集團於合約開始時評估合約是否屬於或包含租賃。倘合約賦予權利可控制特定資產於一段時間之用途以換取代價，即表示該合約屬於或包含租賃。

本集團作為承租人

本集團就所有租賃應用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團確認租賃負債以作出租金，而使用權資產指使用相關資產的權利。

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可使用日期)確認。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就租賃負債的任何重新計量作出調整。使用權資產的成本包括已確認租賃負債金額、已產生初始直接成本及在租賃開始日期或之前已支付的租金減任何已收取的租賃優惠。使用權資產於資產的租期及估計可使用年期(以較短者為準)按直線法折舊，如下：

租賃土地	10至50年
樓宇	2至3年

倘於租期結束時租賃資產的擁有權轉讓至本集團或成本反映購買選擇權的行使，折舊則根據資產的估計可使用年期計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Leases (Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

2. 會計政策 (續)

2.4 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

租賃負債於租賃開始日期按將在租期內支付的租金的現值確認。租金包括固定付款(包括實質固定付款)減任何應收租賃優惠、基於某一指數或比率的可變租金及根據剩餘價值保證預計將支付的金額。租金亦包括本集團合理確定將行使的購買選擇權的行使價及終止租賃支付的罰款(倘租賃期反映本集團行使終止租賃選擇權)。並非基於某一指數或比率的可變租金在觸發付款的事件或條件發生期間確認為開支。

在計算租金的現值時，由於租賃的隱含利率不易確定，本集團會使用租賃開始日期的增量借貸利率。開始日期後，租賃負債的金額會就累計利息作出增加並就已支付租金作出扣減。此外，倘租賃發生修訂、租期變動、租金變動(例如，因某一指數或比率變動而導致未來租金變動)或購買相關資產的選擇權評估變動，則租賃負債的賬面值予以重新計量。

本集團的租賃負債乃計入計息銀行及其他借貸。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Leases (Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2. 會計政策(續)

2.4 重大會計政策(續)

租賃(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於其機器及設備的短期租賃(即自開始日期起計租期為12個月或以下,並且不包含購買選擇權的租賃)。租賃確認豁免亦應用於被視為價值低的低價值資產。

短期租賃及低價值資產租賃的租金於租期內按直線法確認為開支。

本集團作為出租人

倘本集團作為出租人,在租賃開始時(或租賃修訂時),本集團將租賃分類為經營租賃或融資租賃。

本集團並未轉移資產所有權附帶之絕大部分風險及回報之租賃,均分類為經營租賃。如合約包含租賃和非租賃部分,本集團按相對獨立售價基準將合約代價分配至各個部分。租金收入於租期內以直線法列賬並根據其經營性質於損益表內列為收入。磋商及安排經營租賃所產生初步直接成本計入租賃資產賬面值,並按與租金收入相同之基準於租期內確認。或然租金於賺取期間確認為收入。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Completed properties held for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost includes all development expenditure, applicable borrowing costs and other direct costs attributable to such properties. Cost is determined by an apportionment of the total costs of land and buildings attributable to unsold properties. Net realisable value is determined by the directors based on the prevailing market prices on an individual property basis less costs to be incurred in selling the property.

If an item of completed property held for sale becomes owner-managed, it is transferred to property, plant and equipment at the carrying amount.

For a transfer from an item of completed property held for sale to investment property that will be carried at fair value as its use has changed as evidenced by the commencement of an operating lease, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in the statement of profit or loss.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

2. 會計政策(續)

2.4 重大會計政策(續)

落成待售物業

落成待售物業按成本值與可變現淨值兩者之較低者列賬。成本包括所有發展開支、適用貸款成本及該等物業應佔之其他直接成本，根據未售出物業應佔土地及樓宇總成本之比例釐定。可變現淨值由董事按個別物業之現行市價減銷售該物業將產生之成本釐定。

倘一項落成待售物業為業主管理，則其將按賬面值轉撥至物業、廠房及設備。

倘一項落成待售物業項目因開始經營租賃而用途發生改變，其將轉撥至按公平值入賬之投資物業，該物業於轉撥當日之公平值與其先前賬面值之任何差額於損益表中確認。

投資及其他金融資產

首次確認及計量

金融資產於初步確認時分類為其後按攤銷成本、按公平值計入其他全面收益及按公平值計入損益計量。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2. 會計政策(續)

2.4 重大會計政策(續)

投資及其他金融資產(續)

首次確認及計量(續)

於初步確認時，金融資產分類取決於金融資產的合約現金流量特徵及本集團管理金融資產的業務模式。除並無包含重大融資成分或本集團已應用簡易實務處理方法不對重大融資成分的影響作出調整的貿易應收賬款外，本集團初步按公平值加上(倘金融資產並非按公平值計入損益)交易成本計量金融資產。並無包含重大融資成分或本集團已應用簡易實務處理方法的貿易應收賬款根據以下「收入確認」所載之政策按國際財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或按公平值計入其他全面收益分類及計量，金融資產須產生純粹為未償還本金的本金及利息付款(「SPPI」)的現金流量。帶有並非SPPI的現金流量的金融資產按公平值計入損益分類及計量，而不論業務模式為何。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2. 會計政策(續)

2.4 重大會計政策(續)

投資及其他金融資產(續)

首次確認及計量(續)

本集團管理金融資產的業務模式指其管理其金融資產以產生現金流量的方式。業務模式決定現金流量是否通過收取合約現金流量、出售金融資產或兩者並行的方式產生。按攤銷成本分類及計量的金融資產於持有金融資產目的為收取合約現金流量的業務模式內持有，而按公平值計入其他全面收益分類及計量的金融資產於持有金融資產的目的為收取合約現金流量及出售的業務模式內持有。並非於上述業務模式內持有的金融資產按公平值計入損益分類及計量。

所有以常規方式買賣的金融資產均於交易日(即本集團承諾買賣該資產當日)予以確認。常規方式買賣指規定須於一般市場規例或慣例確立之期間內交付資產的金融資產買賣。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investments and other financial assets (Continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

2. 會計政策(續)

2.4 重大會計政策(續)

投資及其他金融資產(續)

其後計量

金融資產之其後計量根據其分類如下：

按攤銷成本計量的金融資產(債務工具)

按攤銷成本計量的金融資產其後使用實際利率法計量，並須受減值影響。當資產終止確認、修訂或減值時，收益及虧損於損益表中確認。

按公平值計入其他全面收益的金融資產(債務工具)

就按公平值計入其他全面收益的債務投資而言，利息收入、外匯重估及減值虧損或撥回於損益表中確認，並按與按攤銷成本計量的金融資產相同的方式計量。其餘公平值變動於其他全面收益中確認。終止確認時，於其他全面收益中確認的累計公平值變動將回流至損益表。

按公平值計入損益的金融資產

按公平值計入損益的金融資產按公平值於財務狀況表列賬，而公平值變動淨額於損益表中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets at fair value through profit or loss (Continued)

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

2. 會計政策(續)

2.4 重大會計政策(續)

投資及其他金融資產(續)

其後計量(續)

按公平值計入損益的金融資產(續)

該類別包括本集團並無不可撤回地選擇分類為按公平值計入其他全面收益之股本投資。當確立支付權及與股息相關的經濟利益很可能流入本集團且股息金額能可靠計量時，分類為按公平值計入損益之金融資產的股本投資之股息亦於損益表中確認為其他收入。

終止確認金融資產

金融資產(或(如適用)一項金融資產的一部分或一組同類金融資產的一部分)主要在下列情況將被終止確認(即自本集團之綜合財務狀況表中剔除):

- 收取該項資產所得現金流量的權利已經屆滿; 或
- 本集團已轉讓其收取該項資產所得現金流量的權利, 或根據「轉手」安排承擔在沒有嚴重延誤的情況下向第三方悉數支付所得現金流量的責任, 且(a)本集團已轉讓該項資產的絕大部分風險及回報, 或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報, 但已轉讓該項資產的控制權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Investments and other financial assets (Continued)

Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2. 會計政策(續)

2.4 重大會計政策(續)

投資及其他金融資產(續)

終止確認金融資產(續)

倘本集團已轉讓其自資產收取現金流量的權利或訂立轉手安排，會評估其有否保留該項資產擁有權的風險及回報，以及保留程度。倘本集團並無轉讓或保留該項資產的絕大部分風險及回報，亦無轉讓該項資產的控制權，則本集團繼續以本集團持續參與程度為限確認轉讓資產。於該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按能反映本集團所保留權利及責任的基準計量。

就已轉讓資產作出擔保之形式的持續參與乃按資產之原賬面值與本集團須償還之代價上限之較低者計量。

金融資產減值

本集團確認對並非按公平值計入損益的所有債務工具預期信貸虧損(「預期信貸虧損」)的撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Impairment of financial assets (Continued)

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

2. 會計政策(續)

2.4 重大會計政策(續)

金融資產減值(續)

一般法

預期信貸虧損分兩個階段進行確認。就自初始確認起未有顯著增加的信貸風險而言，預期信貸虧損就未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)計提撥備。就自初始確認起經已顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

本集團在各報告日期評估相關金融工具的信貸風險自初始確認後是否已顯著增加。於作出此項評估時，本集團將報告日期財務工具出現違約事件之風險與首次確認日期財務工具出現違約事件之風險進行比較並考慮毋須花費過度成本或精力獲取的合理有據資料，包括過往及前瞻性資料。

對於按公平值計入其他全面收益的債務投資，本集團採用低信貸風險簡化法。於各報告日期，本集團使用所有毋須花費過度成本或精力即可獲取的合理有據資料評估債務投資是否被視為信貸風險較低。在進行評估時，本集團重新評估債務投資的外部信貸評級。此外，本集團認為，當合約付款逾期超過30天時，信貸風險將大幅增加。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade and bills receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs.

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs.

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs.

2. 會計政策(續)

2.4 重大會計政策(續)

金融資產減值(續)

一般法(續)

本集團會在合約付款逾期90天時考慮金融資產違約。然而，在若干情況下，當內部或外部資料反映，在未計及本集團持有的任何信貸提升措施前，本集團不大可能悉數收到未償還合約款項，則本集團亦可認為金融資產違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按公平值計入其他全面收益的債務投資及按攤銷成本入賬之金融資產在一般法下可能會出現減值，且會在以下階段進行分類以計量預期信貸虧損，惟應用簡化法之貿易應收賬款及應收票據及合約資產(誠如下文所詳述)除外。

第一階段 — 自首次確認以來信貸風險並無顯著增加，且虧損撥備乃按相等於12個月預期信貸虧損的金額計量之金融工具。

第二階段 — 自首次確認以來信貸風險顯著增加(惟並非信貸減值金融資產)，且虧損撥備乃按相等於全期預期信貸虧損的金額計量之金融工具。

第三階段 — 於報告日期出現信貸減值(惟並非購買或產生信貸減值)，且虧損撥備乃按相等於全期預期信貸虧損的金額計量之金融資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade and bills receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For trade and bills receivables that contain a significant financing component and lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, a derivative financial instrument, financial liabilities included in other payables and accruals and interest-bearing bank and other borrowings.

2. 會計政策(續)

2.4 重大會計政策(續)

金融資產減值(續)

簡化法

就不包含重大融資成分的貿易應收賬款及應收票據而言，或當本集團應用不就重大融資成分的影響作出調整的實際權宜方法時，本集團會應用簡化法計算預期信貸虧損。根據簡化法，本集團並無追蹤信貸風險的變化，反而於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已根據其過往信貸虧損經驗建立撥備矩陣，並就債務人及經濟環境的特定前瞻性因素作出調整。

就包含重大融資成分的貿易應收賬款及應收票據及應收租賃款項，本集團選擇其會計政策採用簡化法計算上述政策的預期信貸虧損。

金融負債

初步確認及計量

金融負債於初步確認時可分類為按公平值計入損益的金融負債、貸款及借貸，或應付款項(如適用)。

所有金融負債於初步確認時以公平值計算，而貸款及借貸以及應付款項則扣除直接應佔交易成本。

本集團的金融負債包括貿易應付賬款及應付票據、衍生金融工具、計入其他應付款及應計費用的金融負債、計息銀行以及其他借貸。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Financial liabilities (Continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2. 會計政策(續)

2.4 重大會計政策(續)

金融負債(續)

其後計量

金融負債之其後計量根據其分類如下：

按攤銷成本計量的金融負債(貸款及借貸)

於初步確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，除非貼現的影響微不足道，在此情況下則按成本列賬。終止確認負債及透過實際利率攤銷過程中產生的盈虧於損益表中確認。

計算攤銷成本時會考慮收購所產生的任何折讓或溢價，亦包括作為實際利率一部分的費用或成本。實際利率攤銷計入損益表中的融資成本。

財務擔保合約

本集團發行之財務擔保合約乃規定於特定債務人未能按照債務工具條款於到期時支付款項時須支付款項以補償持有人所蒙受損失。財務擔保合約初始按公平值確認為負債，並按與發出擔保有直接關係的交易成本予以調整。於初步確認之後，本集團對財務擔保合約的計量乃按以下列兩者之較高者計算：(i)根據「金融資產減值」所載政策釐定之預期信貸虧損撥備；及(ii)初始確認金額減(如適用)已確認之累計收入金額。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Financial liabilities (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

2. 會計政策(續)

2.4 重大會計政策(續)

金融負債(續)

終止確認金融負債

當負債項下的責任被解除或取消或屆滿，將終止確認金融負債。

當現有金融負債被同一貸款人以與原有負債條款有重大差別的金融負債取代，或現有負債條款經重大修訂，則上述取代或修訂將視為終止確認原有負債，並確認新負債，而有關賬面值的差額在損益表中確認入賬。

抵銷金融工具

倘現時存在可依法強制執行的權利抵銷已確認金額，且有意以淨額結算或同時變現資產及清償債務，則金融資產及金融負債互相抵銷，並將淨額列入財務狀況表內。

衍生金融工具

初步確認及其後計量

衍生金融工具初步以訂立衍生工具合約當日的公平值確認，並隨後以公平值再計量。倘公平值為正數，衍生工具以資產入賬，而倘公平值為負數，則以負債入賬。

因衍生工具之公平值變動而產生之任何收益或虧損直接計入損益表，惟現金流量對沖有效部分除外，該部分於其他全面收益確認，並於其後在對沖項目影響損益之情況下重新分類至損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

Raw materials	Purchase cost on the weighted average basis
Work in progress and finished goods	Cost of direct materials, direct labour and an appropriate proportion of overheads

Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2. 會計政策(續)

2.4 重大會計政策(續)

存貨

存貨按成本值與可變現淨值兩者中的較低者列賬。將各項產品達致當前位置及狀況所產生的成本按以下方式列賬：

原材料	以加權平均基準計算的採購成本
在製品及製成品	直接物料、直接勞工成本及按適當比例計算的間接費用

可變現淨值乃根據估計售價減任何完成及出售時所產生的估計成本計算。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知金額的現金，所涉及的價值變動風險屬不重大且一般於購入後三個月內到期的短期高流通量投資減須按要償還之銀行透支，該等項目為本集團現金管理不可分割的部分。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及定期存款等銀行存款以及與現金性質類似而並無限制其用途的資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Provisions and contingent liabilities

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Income tax

Income tax comprises current and deferred income tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2. 會計政策(續)

2.4 重大會計政策(續)

撥備及或然負債

倘因過往事件已產生現時責任(法律或推定)，且將來極可能需要流出資源以履行有關責任時，則確認撥備，惟能就責任所涉及數額作出可靠估計。

當貼現的影響屬重大時，所確認撥備的數額乃為預期履行責任所需的未來開支於報告期末的現值。因時間流逝而導致貼現的現值增加的數額，計入損益表的融資成本。

倘經濟利益流出的可能性較低，或是無法對有關數額作出可靠的估計，便會將該責任披露為或然負債，惟流出經濟利益的可能性極低則除外。倘本集團的可能責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，除非流出經濟利益的可能性極低則除外。

所得稅

所得稅包括即期及遞延所得稅。與於損益以外確認的項目有關的所得稅於損益以外確認，即於其他全面收益或直接於權益確認。

即期稅項資產及負債乃根據於報告期末已經頒佈或實質上已頒佈的稅率(及稅法)，並考慮本集團營運所在國家通行的詮釋及慣例，按預期可自稅務當局收回或向其支付的金額計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Income tax (Continued)

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (a) when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- (b) in respect of taxable temporary differences associated with investments in subsidiaries and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future;
- (c) taxable temporary differences arising on the initial recognition of goodwill; and
- (d) those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development.

The group recognised deferred tax assets and deferred tax liabilities separately in relation to its lease liabilities and right-of-use assets.

2. 會計政策(續)

2.4 重大會計政策(續)

所得稅(續)

遞延稅項按負債法根據於報告期末資產與負債的稅基及其就財務報告而言的賬面值的所有暫時性差異撥備。

所有應課稅暫時性差異均會確認遞延稅項負債，惟下列情況除外：

- (a) 倘遞延稅項負債乃在交易中初步確認商譽或資產或負債時產生，而該交易並非業務合併，且於交易時並不影響會計溢利或應課稅溢利或虧損；
- (b) 就與於附屬公司及一間合營公司之投資有關的應課稅暫時性差異而言，如暫時性差異的轉回時間可以控制，及暫時性差異於可見將來可能不會被轉回的情況；
- (c) 商譽的初始確認導致的應納稅暫時性差異；及
- (d) 與為實施經濟合作暨發展組織發佈的支柱二立法模板而頒佈或實質性頒佈稅法產生的所得稅相關的情況。

本集團就其租賃負債及使用權資產分別確認遞延稅項資產及遞延稅項負債。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- (a) when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (b) in respect of deductible temporary differences associated with investments in subsidiaries and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2. 會計政策(續)

2.4 重大會計政策(續)

所得稅(續)

所有可扣減暫時性差異及未動用稅項抵免與任何未動用稅務虧損的結轉均被確認為遞延稅項資產。已確認遞延稅項資產的條件為可利用應課稅溢利抵扣可扣減暫時性差異、可動用未動用稅項抵免及未動用稅務虧損的結轉，惟下列情況除外：

- (a) 倘有關可扣減暫時性差額的遞延稅項資產乃在交易中初步確認資產或負債時產生，而該交易並非業務合併，且於交易時並不影響會計溢利或應課稅溢利或虧損；及
- (b) 就與於附屬公司及一間合營公司之投資有關的可扣減暫時性差異而言，只有在暫時差額有可能在可見將來撥回，而且日後有可能出現應課稅溢利以抵扣該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值於每個報告期末作出審核，並扣減至當不再可能有足夠應課稅溢利令所有或部分遞延稅項資產被動用為止。未確認的遞延稅項資產於每個報告期末被重估，如有足夠的應課稅溢利可供動用以收回所有或部分遞延稅項資產，則會作出確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Income tax (Continued)

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed. Where the grant relates to an asset, the fair value is credited to deferred income account and deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

2. 會計政策(續)

2.4 重大會計政策(續)

所得稅(續)

遞延稅項資產及負債根據於報告期末已經頒佈或實質上已頒佈的稅率(及稅法)，以預期適用於相關資產變現或相關負債償還的期間的稅率計算。

僅當本集團有可合法強制執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債的不同稅務實體徵收的所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

政府補貼

政府補貼於可合理保證將收到有關補貼及將符合所有附帶條文時按其公平值確認。如補貼與開支項目有關，則會按系統基準於擬用作補償的成本支銷期間確認為收入。倘補貼與資產有關，則其公平值會計入遞延收益賬，並自該項資產的賬面值中扣除並透過減少折舊開支方式撥入損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Government grants (Continued)

Where the Group receives government loans granted with no or at a below-market rate of interest for the construction of a qualifying asset, the initial carrying amount of the government loans is determined using the effective interest rate method, as further explained in the accounting policy for “Financial liabilities” above. The benefit of the government loans granted with no or at a below-market rate of interest, which is the difference between the initial carrying value of the loans and the proceeds received, is treated as a government grant and released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

2. 會計政策(續)

2.4 重大會計政策(續)

政府補貼(續)

當本集團獲得不含利息或利息低於市場利率的政府貸款以建設一項合格資產時，如同上述「金融負債」的會計政策的進一步闡明，政府貸款的初始賬面值以實際利率法釐定。由不含利息或利息低於市場利率的政府貸款所獲取利益，即貸款的初始賬面值與實收收益的差異，作為政府補助處理並在相關資產預算可使用年期按年平均分配計入損益表。

收入確認

來自客戶合約之收入

來自客戶合約之收入於貨品或服務的控制權轉移至客戶時確認，而該金額反映本集團預期就提供該等貨品或服務有權獲得的代價。

當合約包含就轉移貨品或服務為客戶帶來超過一年重大融資利益之融資成分時，則收入以應收款項現值計量，而現值乃使用可反映於合約開始時本集團與該客戶之單獨融資交易的折現率來折現。當合約包含為本集團提供超過一年重大融資利益之融資部分時，則該合約項下之已確認收入包括根據實際利率法計算的合約負債所產生的利息費用。就客戶付款與轉移承諾產品或服務之期限為一年或更短之合約而言，交易價格不會根據國際財務報告準則第15號所提供之實際權宜方法就重大融資部分之影響作出調整。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers

(Continued)

Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Sale of properties

Revenue from the sale of properties is recognised at the point in time when the purchasers obtained the physical possession of the completed property and the Group has a present right to payment and the collection of the consideration is probable.

Manufacturing services

Revenue from the provision of manufacturing services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises revenue based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the manufacturing services.

2. 會計政策(續)

2.4 重大會計政策(續)

收入確認(續)

來自客戶合約之收入(續)

銷售貨品

銷售貨品的收入於資產的控制權已轉移至客戶(一般為交付貨品)時確認。

銷售物業

銷售物業的收入於購買者獲得已完工物業的實物所有權且本集團已獲得現時的付款請求權並很可能收回代價時確認。

製造服務

來自提供製造服務的收入乃隨著時間的推移而確認，使用一種輸入法來衡量對服務完全滿意的進度，因為本集團的業績創造或提升了資產時，客戶控制的資產在創建或提升。輸入法根據產生的實際成本與履行製造服務的估計總成本的比例確認收入。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Revenue recognition (Continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are incurred.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

2. 會計政策(續)

2.4 重大會計政策(續)

收入確認(續)

其他來源收入

租金收入乃按佔租期時間比例的基準確認。並非依據指數或利率的可變租賃款項將於產生可變租金的會計期間確認為收入。

其他收入

利息收入按累計基準使用實際利率法確認，透過採用將金融工具在預期可使用年期或較短期間(如適用)之估計未來現金收入準確貼現至金融資產之賬面淨值的比率予以確認。

合約負債

合約負債於本集團轉讓相關貨品或服務前自客戶收到付款或付款到期時(以較早者為準)確認。合約負債於本集團履行合約(即向客戶轉讓相關貨品或服務的控制權)時確認為收入。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in central pension schemes operated by the local municipal government. These subsidiaries are required to contribute certain percentages of their payroll costs to the central pension schemes. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension schemes.

Other benefits

The Group contributes on a monthly basis to defined contribution housing, medical and other benefit plans organised by the PRC government. The PRC government undertakes to assume the benefit obligations of all existing and retired employees under these plans. Contributions to these plans by the Group are expensed as incurred. The Group has no further obligations for benefits for their qualified employees under these plans.

2. 會計政策(續)

2.4 重大會計政策(續)

僱員福利

退休金計劃

本集團根據強制性公積金計劃條例為合資格參加定額供款強制性公積金退休福利計劃(「強積金計劃」)的僱員設立強積金計劃。供款乃根據僱員底薪的若干百分比釐定，並於其根據強積金計劃條例成為應付時在損益中扣除。強積金計劃的資產乃與本集團的資產分開，由一家獨立管理的基金持有。本集團的僱主供款於向強積金計劃供款後即全屬僱員所有。

本集團於中國內地營運的附屬公司的僱員均須參與由當地市政府設立的中央退休福利計劃。該等附屬公司須向中央退休福利計劃作出佔其薪金成本若干比例的供款。供款於根據中央退休福利計劃的規則應付時自損益表中扣除。

其他福利

本集團每月向由中國政府管理的定額供款住房、醫療及其他福利計劃供款。中國政府保證承擔該等計劃下所有現職及退休僱員的福利責任。本集團對該等計劃的供款於產生時支銷。本集團就該等計劃對其合資格僱員並無其他福利方面的責任。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in RMB. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2. 會計政策(續)

2.4 重大會計政策(續)

借貸成本

收購、興建或生產合資格資產(即需要大量時間準備以作擬定用途或銷售的資產)應佔的直接借貸成本將會被撥充資本作為該等資產的部分成本。倘資產大致可作擬定用途或出售,則該等借貸成本將會停止撥充資本。特定借貸於撥作合資格資產的支出前用作短暫投資所賺取的投資收入,會從撥充資本的借貸成本中扣除。所有其他借貸成本均於產生期間支銷。借貸成本包括利息及實體因借入資金而產生的其他成本。

外幣

該等財務報表均以人民幣呈列。本集團各實體會釐定其各自之功能貨幣,而載於各實體財務報表之項目均採用功能貨幣計量。本集團實體之外幣交易初步採用交易當日現有之功能貨幣匯率記錄。以外幣列值之貨幣資產及負債乃按報告期末之現行外幣匯率換算。貨幣項目結算或換算產生之差額於損益表內確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

2. ACCOUNTING POLICIES (Continued)

2.4 Material accounting policies (Continued)

Foreign currencies (Continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2. 會計政策(續)

2.4 重大會計政策(續)

外幣(續)

按某外幣之歷史成本計量之非貨幣項目乃採用初步交易當日之匯率換算。按某外幣之公平值計量之非貨幣項目乃採用釐定公平值當日之匯率換算。換算非貨幣項目產生之盈虧與確認該項目公平值變動之盈虧作一致處理(即公平值盈虧於其他全面收益或損益表確認之項目之換算差額亦分別於其他全面收益或損益表確認)。

釐定有關資產於初步確認時，終止確認與預付代價有關的非貨幣性資產或非貨幣性負債產生的開支或收入的匯率時，初步交易日期為本集團初步確認因預付代價而產生非貨幣性資產或非貨幣性負債的日期。倘存在多次付款或預收款項，本集團釐定預付代價各付款或收款交易日期。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgement

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 重要會計判斷及估計

編製本集團財務報表需要管理層作出判斷、估計及假設，此等判斷、估計及假設會影響收入、支出、資產及負債及其附帶披露的報告款項以及或然負債的披露。該等假設及估計的不確定性可能導致須對未來受影響的資產或負債賬面值作出重大調整。

判斷

於採用本集團的會計政策時，除牽涉估計外，管理層亦作出以下對綜合財務報表確認金額有最重大影響的判斷：

估計的不確定因素

涉及日後的主要假設及於報告期末估計不確定因素的其他主要來源（該等假設及不確定因素均存在導致下個財政年度的資產及負債的賬面值出現大幅調整的重大風險）闡述如下。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use 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. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重要會計判斷及估計(續)

估計的不確定因素(續)

投資物業之公平值估計

倘缺乏同類物業於活躍市場之現有價格，則本集團會考慮從多個途徑所搜集資料，包括：

- (a) 不同性質、狀況或地點之物業於活躍市場之現有價格(經調整以反映各項差異)；
- (b) 活躍程度稍遜之市場所提供同類物業近期價格(經調整以反映自按該等價格進行交易當日以來經濟狀況之任何變動)；及
- (c) 根據未來現金流量所作可靠估計之經貼現現金流量預測，此項預測以任何現有租約及其他合約之條款以及(在可行情況下)外部證據(如地點及狀況相同之類似物業現有市場租賃)為憑證，並採用可反映有關現金流量金額及時間不明朗因素當時市場評估之貼現率。

非金融資產減值(商譽除外)

本集團於各報告期末評估是否有任何跡象顯示所有非金融資產(包括使用權資產)減值。非金融資產於有跡象顯示可能無法收回賬面值時進行減值測試。當資產或現金產生單位的賬面值超出其可收回金額(即其公平值減出售成本及其使用價值之間較高者)，則出現減值。公平值減出售成本乃以同類資產公平交易的約束性銷售交易公開數據或可觀察市場價格減出售該資產的增量成本為基準計算。當進行使用價值計算時，管理層必須估計資產或現金產生單位的預期未來現金流量及選擇合適的貼現率以計算該等現金流量的現值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Useful lives and residual values of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from the previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised, based on all available evidence. Recognition primarily involves significant management's judgements regarding the future performance of a particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portions or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised. The carrying amounts of the deferred tax assets and related financial models and budgets are reviewed at the end of the reporting period and to the extent that there is insufficient convincing evidence that sufficient taxable profits will be available within the utilisation periods to allow the utilisation of the carryforward of tax losses, and that the asset balance will be reduced and charged to profit or loss.

3. 重要會計判斷及估計 (續)

估計的不確定因素 (續)

物業、廠房及設備的可使用年期及餘值

於釐定物業、廠房及設備項目的可用年期及餘值時，本集團須考慮各項因素，包括因生產改變或改進引致技術或商業過時、或因對資產的產品或服務輸出的市場需求改變、資產的預期使用情況、預期物理耗損、資產的維修保養及資產的使用受法律或其他類似限制。資產可使用年期的估計是本集團根據以往對用途相若的類似資產的經驗得出。倘物業、廠房及設備項目的估計可使用年期及／或餘值與以往的估計有差異，將計提額外折舊。可使用年期及餘值於每個財政年度年結日根據環境轉變作出檢討。

遞延稅項資產

所有未動用稅項虧損可確認為遞延稅項資產，惟以根據所有可得的證據，有足夠未來應課稅溢利可動用未動用稅項虧損為限。遞延稅項資產的確認主要涉及有關法定實體或稅務申報相聯實體的未來表現，由管理層作出重大判斷。其他不同因素亦予以評估，以考慮是否有有力的憑證證明部分或全部遞延稅項資產最終有可能會變現，例如存在應課稅暫時性差異、稅務規劃策略及可動用估計稅項虧損的期間。遞延稅項資產的賬面值及有關財務模式與預算會於報告期末檢討，若無足夠有力的憑證證明在可動用期內有足夠應課稅溢利以扣減結轉稅項虧損，屆時將調低資產餘值，並計入損益中。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Write-down of inventories to net realisable value

A write-down of inventories to net realisable value is made based on the estimated net realisable value of inventories. The assessment of the write-down involves management's judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will have an impact on the carrying amount of inventories and the write-down/write-back of inventories in the period in which such estimate has been changed. Further details are given in note 18 to the financial statements.

Provision for expected credit losses on trade receivables

The Group applies the provision matrix method in the assessment of the ECLs on trade receivables at each reporting period. This method studies the probability of default to arrive at the ECLs of trade receivables.

The provision matrix method is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation among historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 19 to the financial statements.

3. 重要會計判斷及估計(續)

估計的不確定因素(續)

撇減存貨至可變現淨值

撇減存貨至可變現淨值乃基於該存貨的估計可變現淨值作出。該撇減的評估涉及管理層判斷及估計。倘實際結果或未來的預期不同於原定估計，則該等差額將於該估計已變更期間內影響該存貨的賬面值及撇減/撥回存貨。更多詳情載於財務報表附註18。

貿易應收賬款預期信貸虧損撥備

於各報告期間，本集團應用撥備矩陣法評估貿易應收賬款的預期信貸虧損。該方法研究違約可能性，以得出貿易應收賬款的預期信貸虧損。

撥備矩陣法最初基於本集團的過往觀察得出的違約率而釐定。本集團將通過就前瞻性資料對歷史信貸虧損經驗作出調整，調校有關矩陣。例如，倘預測經濟狀況(如國內生產總值)將在未來一年惡化，這可能導致製造業違約數量增加，故對歷史違約率作出調整。於各報告日期，會對過往觀察所得違約率進行更新，並對前瞻性估計的變動作出分析。

對過往觀察所得違約率、預測經濟狀況及預期信貸虧損之間的相關性評估乃為一項重要估計。預期信貸虧損的金額易受環境及預測經濟狀況變化影響。本集團的歷史信貸虧損經驗及對經濟狀況的預測亦未必代表客戶於未來的實際違約情況。有關本集團貿易應收賬款之預期信貸虧損資料於財務報表附註19披露。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Recognition and allocation of construction costs of properties under development

Development costs of properties are recorded as properties under development during the construction stage and will be transferred to completed properties held for sale upon completion. Apportionment of these costs will be recognised in the consolidated statement of profit or loss upon the recognition of the sale of the properties. Before the final settlement of the development costs and other costs relating to the sale of the properties, these costs are accrued by the Group based on management's best estimate.

When developing properties, the Group may divide the development projects into phases. Specific costs directly related to the development of a phase are recorded as the cost of such phase. Costs that are common to different phases are allocated to individual phases based on the estimated saleable area of the entire project.

Where the final settlement of costs and the related cost allocation is different from the initial estimates, any increase or decrease in the development costs and other costs would affect the profit or loss in future years.

3. 重要會計判斷及估計(續)

估計的不確定因素(續)

發展中物業確認及分配建築成本

物業的開發成本記錄為在建階段的發展中物業，並將在竣工時轉移至落成待售物業。該等成本的分攤將在確認物業出售時在綜合損益表中確認。在最終支付開發成本及與該物業銷售有關的其他成本之前，本集團根據管理層的最佳估計預提該等成本。

在開發物業時，本集團可能會將開發項目分為幾個階段。與階段的開發直接相關的特定成本記錄為該階段的成本。不同階段共有的成本根據整個項目的估計可售面積分配給各個階段。

倘最終成本結算及相關成本分配與初步估計有所不同，則開發成本及其他成本的任何增減都會影響未來年度的損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Revenue from the provision of manufacturing services

Revenue in respect of manufacturing services is recognised over time using input method to measure progress towards complete satisfaction of the service. In addition, revenue and profit recognition is dependent on estimating the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the manufacturing services. Based on the Group's recent experience and the nature of the activity undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. Based on the latest information available in respect of the market environment, the Group prepares budgets for contracts individually and the budget, which is used in the Group's financial reporting, is reviewed regularly. Onerous contracts are provided for when identified. Material adjustments to the budgeted costs may occur in future if there is a significant change in the market environment.

PRC land appreciation tax

The Group is subject to land appreciation tax in Mainland China. The provision for land appreciation tax is based on management's best estimates according to its understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual land appreciation tax liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its land appreciation tax calculations and payments with the tax authorities for certain property development projects.

The final outcome could be different from the amounts that were initially recorded, and any differences will impact the land appreciation tax expenses and the related provision in the period in which the differences are realised.

3. 重要會計判斷及估計(續)

估計的不確定因素(續)

來自提供製造服務的收入

有關製造服務的收入隨著時間的推移而確認，使用輸入法衡量服務完成進度。此外，收入及溢利確認依靠估計實際產生的成本相對於滿足製造服務的估計總成本的比例。根據本集團的近期經驗及本集團進行的業務的性質，本集團會估計其認為業務已充分預付以致能可靠估計完成成本及收入的時間點。本集團根據最新可得的市場環境資料，為合約逐個編製預算，而該預算用於本集團的財務呈報，並定期進行審閱。虧損性合約於獲識別時計提撥備。倘市場環境發生重大變動，預算成本或會作出重大調整。

中國土地增值稅

本集團須於中國內地繳納土地增值稅。土地增值稅的撥備乃根據管理層對中國有關稅法及法規所載規定的了解而根據最佳估計作出。土地增值稅的實際負債，由房地產開發項目竣工後，由稅務機關確定。本集團尚未就若干房地產開發項目與稅務機關最終確定其土地增值稅計算及付款。

最終結果可能與最初記錄的金額不同，任何差異都會影響實現差異期間的土地增值稅支出及相關準備金。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable and operating segments, as follows:

- (a) the steel pipes segment engages in the manufacture and sale of welded steel pipes and the provision of related manufacturing services; and
- (b) the property development and investment segment engages in development of properties for sale and property investment for its rental income potential.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that head office and corporate expenses are excluded from such measurement.

Segment assets exclude unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

There were no intersegment sales during the years ended 31 December 2023 and 2022.

4. 營運分部資料

就管理而言，本集團按其產品及服務劃分為多個業務單位，並擁有兩個可報告及營運分部，載列如下：

- (a) 鋼管分部從事製造及銷售焊接鋼管及提供相關製造服務；及
- (b) 物業開發及投資分部從事發展待售物業及就潛在物業租金收入進行物業投資。

管理層獨立監察本集團營運分部的業績，以就資源分配及表現評估作出決定。分部表現乃根據可報告分部的溢利／虧損進行評估，而此乃經調整除稅前溢利／虧損之計量。經調整除稅前溢利／虧損乃一貫以本集團的除稅前溢利／虧損計量，惟相關計量並無計及總部及公司的開支。

分部資產不包括未分配總部及公司資產（因該等資產按集團基準管理）。

分部負債不包括未分配總部及公司負債（因該等負債按集團基準管理）。

截至二零二三年及二零二二年十二月三十一日止年度，概無分部間銷售。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2023

4. 營運分部資料(續)

截至二零二三年十二月三十一日止年度

		Steel pipes 鋼管 RMB'000 人民幣千元	Property development and investment 物業開發與投資 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (note 5)	分部收入(附註5)			
Sales to external customers	向外部客戶銷售	2,390,855	259,997	2,650,852
Segment results	分部業績			
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated income	公司及其他未分配收入			97
Corporate and other unallocated expenses	公司及其他未分配開支			(6,571)
Unallocated finance costs	未分配融資成本			(12,406)
Profit before tax	除稅前溢利			39,079
Segment assets	分部資產	3,333,750	3,312,366	6,646,116
<i>Reconciliation:</i>	<i>對賬:</i>			
Elimination of intersegment receivables	抵銷分部間應收款項			(523,405)
Corporate and other unallocated assets	公司及其他未分配資產			298,710
Total assets	總資產			6,421,421
Segment liabilities	分部負債	3,659,616	2,069,013	5,728,629
<i>Reconciliation:</i>	<i>對賬:</i>			
Elimination of intersegment payables	抵銷分部間應付款項			(523,405)
Corporate and other unallocated liabilities	公司及其他未分配負債			140,122
Total liabilities	總負債			5,345,346
Other segment information	其他分部資料			
<i>Amounts included in the measure of segment results or segment assets:</i>	<i>計入分部業績或分部資產計量的金額:</i>			
Subsidiary income from PRC government	中國政府補助收入	6,647	16	6,663
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	1,085	16	1,101
Write-down of inventories to net realisable value	撇減存貨至可變現淨值	(3,812)	—	(3,812)
Impairment of trade receivables	貿易應收賬款減值	(66,706)	(9)	(66,715)
Impairment of other receivables	其他應收賬款減值	(11,814)	—	(11,814)
Compensation	賠償	(8,192)	(23,803)	(31,995)
(Provision)/reversal of claim arising from litigation	訴訟產生之索償(撥備)/撥回	(5,201)	665	(4,536)
Finance costs	融資成本	(100,066)	17,924	(82,142)
Depreciation and amortisation	折舊及攤銷	(41,524)	(13)	(41,537)
Capital expenditure*	資本開支*	96,260	—	96,260

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

4. OPERATING SEGMENT INFORMATION

(Continued)

Year ended 31 December 2022

4. 營運分部資料(續)

截至二零二二年十二月三十一日止年度

		Steel pipes 鋼管 RMB'000 人民幣千元	Property development and investment 物業 開發與投資 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue (note 5)	分部收入(附註5)			
Sales to external customers	向外部客戶銷售	1,810,097	551,918	2,362,015
Segment results	分部業績	206,311	(46,982)	159,329
<i>Reconciliation:</i>	<i>對賬:</i>			
Corporate and other unallocated income	公司及其他未分配收入			14,758
Corporate and other unallocated expenses	公司及其他未分配開支			(8,252)
Unallocated finance costs	未分配融資成本			(3,370)
Profit before tax	除稅前溢利			162,465
Segment assets	分部資產	3,166,119	3,927,937	7,094,056
<i>Reconciliation:</i>	<i>對賬:</i>			
Elimination of intersegment receivables	抵銷分部間應收款項			(874,825)
Corporate and other unallocated assets	公司及其他未分配資產			335,706
Total assets	總資產			6,554,937
Segment liabilities	分部負債	3,786,909	2,551,962	6,338,871
<i>Reconciliation:</i>	<i>對賬:</i>			
Elimination of intersegment payables	抵銷分部間應付款項			(874,825)
Corporate and other unallocated liabilities	公司及其他未分配負債			159,952
Total liabilities	總負債			5,623,998
Other segment information	其他分部資料			
<i>Amounts included in the measure of segment results or segment assets:</i>	<i>計入分部業績或分部資產計量的金額:</i>			
Subsidy income from the PRC government	中國政府的補貼收入	231,517	119	231,636
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	1,752	—	1,752
Impairment of trade receivables	貿易應收賬款減值	(24,225)	—	(24,225)
(Impairment)/reversal of impairment of other receivables	其他應收賬款(減值)/減值撥回	(2,412)	228	(2,184)
Compensation	賠償	(63)	(22,995)	(23,058)
Reversal of/(provision of) claim arising from litigation	訴訟產生的索賠撥回/(撥備)	19,920	(38,715)	(18,795)
Land resumption costs	土地收儲成本	(108,450)	—	(108,450)
Finance costs	融資成本	(41,273)	—	(41,273)
Depreciation and amortisation	折舊及攤銷	(75,841)	(22)	(75,863)
Capital expenditure*	資本開支*	14,598	—	14,598

* Capital expenditure consists of additions to property, plant and equipment and right-of-use assets.

* 資本開支包括添置物業、廠房及設備及使用權資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

4. OPERATING SEGMENT INFORMATION

(Continued)

Information about steel pipe products and services

The revenue from the major products and services is analysed as follows:

4. 營運分部資料(續)

鋼管產品及服務資料

主要產品及服務的收入分析如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Manufacture and sale of steel pipes:	製造及銷售鋼管：		
LSAW steel pipes	直縫埋弧焊管	1,495,494	1,171,679
SSAW steel pipes	螺旋埋弧焊管	612,023	287,111
ERW steel pipes	電阻焊管	24,630	4,983
Steel pipe manufacturing services:	鋼管製造服務：		
LSAW steel pipes	直縫埋弧焊管	158,451	231,123
SSAW steel pipes	螺旋埋弧焊管	25,050	34,088
Others*	其他*	75,207	81,113
		2,390,855	1,810,097
Sale of properties	銷售物業	259,997	551,918
		2,650,852	2,362,015

* Others mainly represented the trading of steel plates, sales of steel fittings and sales of scrap materials.

* 其他主要指買賣鋼板、銷售鋼質管件及銷售廢料。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

4. OPERATING SEGMENT INFORMATION

(Continued)

Geographical information

- (a) The revenue information based on the locations of the customers is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Sales to external customers:	向外部客戶銷售：		
Mainland China	中國內地	1,280,359	1,701,332
Africa	非洲	411,220	157,774
Europe	歐洲	1,269	8,007
Middle East	中東	534,549	263,318
Asia and other Asian countries	亞洲及其他亞洲國家	319,666	226,601
South America	南美洲	103,789	4,983
		2,650,852	2,362,015

- (b) Over 90% of the Group's non-current assets and capital expenditure are located in Mainland China.

Information about major customers

Revenue of approximately RMB420,456,000 (2022: RMB168,023,000) was derived from sales by the steel pipe segment to a single customer, including sales to a group of entities which are known to be under common control with that customer.

4. 營運分部資料(續)

地區資料

- (a) 收入資料按客戶所在地區劃分如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Sales to external customers:		
Mainland China	1,280,359	1,701,332
Africa	411,220	157,774
Europe	1,269	8,007
Middle East	534,549	263,318
Asia and other Asian countries	319,666	226,601
South America	103,789	4,983
	2,650,852	2,362,015

- (b) 本集團的非流動資產及資本開支逾90%位於中國內地。

主要客戶資料

鋼管分部向一名單一客戶的銷售產生收入約人民幣420,456,000元(二零二二年：人民幣168,023,000元)，包括向一組據悉受該客戶共同控制的實體進行的銷售。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the invoiced value of goods sold and services rendered, net of value-added tax (“VAT”) and other sales taxes, during the year.

An analysis of the Group’s revenue, other income and gains is as follows:

5. 收入、其他收入及收益

收入，指年內已售貨品和所提供服務的發票價值，扣除增值稅（「增值稅」）及其他銷售稅。

本集團的收入、其他收入及收益分析如下：

	Note 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue from contracts with customers			
Manufacture and sale of seam welded steel pipes and the provision of related manufacturing services	來自客戶合約之收入 製造及銷售有縫焊接鋼管及提供相關製造服務	2,390,855	1,810,097
Sale of properties	出售物業	259,511	551,518
		2,650,366	2,361,615
Revenue from lease contracts			
Rental income	來自租賃合約之收入 租賃收入	486	400
		2,650,852	2,362,015
Other income and gains			
Bank interest income	其他收入及收益 銀行利息收入	180	3,741
Subsidy income from the PRC government	中國政府的補貼收入	6,663	231,636
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 收益	1,101	1,752
Gain on deregistration of subsidiaries	註銷附屬公司之收益	17	—
Others	其他	8,018	1,614
		15,979	238,743

Note:

- (a) The subsidy income represents subsidies granted by the local finance bureaus to PCKSP, Pearl Steel Investment, Kaidi, Nanjing Rongyu Group, LYG Zhugang Coating, GZPST, LYG Petrol-Fitting and PCKSP (Zhuhai) as awards for their products and PCKSP (Lianyungang) as awards for investment. There are no unfulfilled conditions or contingencies relating to such subsidies.

附註：

- (a) 補貼收入乃地方財政局授予番禺珠江鋼管、珠鋼投資、凱帝、南京鎔裕集團、連雲港珠鋼防腐、廣州珠鋼管業、連雲港石化管件及番禺珠江鋼管（珠海）的補貼，作為其產品獎勵及作為番禺珠江鋼管（連雲港）的投資獎勵。該等補貼沒有未達成的條件或任何有關連的或然事項。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS

(Continued)

Revenue from contracts with customers

(i) *Disaggregated revenue information*

For the year ended 31 December 2023

5. 收入、其他收入及收益(續)

來自客戶合約之收入

(i) *分類收入資料*

截至二零二三年十二月三十一日止年度

		Steel pipes 鋼管 RMB'000 人民幣千元	Property development and investment 物業開發與投資 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Sale of goods/properties	銷售商品／物業	2,207,354	259,511	2,466,865
Rendering of services	提供服務	183,501	—	183,501
Total revenue from contracts with customers	來自客戶合約之總收入	2,390,855	259,511	2,650,366
Geographical markets	地區市場			
Mainland China	中國內地	1,020,362	259,511	1,279,873
Africa	非洲	411,220	—	411,220
Europe	歐洲	1,269	—	1,269
Middle East	中東	534,549	—	534,549
Asia and Other Asian countries	亞洲及其他亞洲國家	319,666	—	319,666
South America	南美洲	103,789	—	103,789
Total revenue from contracts with customers	來自客戶合約之總收入	2,390,855	259,511	2,650,366
Timing of revenue recognition	收入確認時間			
Goods/properties transferred at a point in time	商品／物業於某一時間點轉移	2,207,354	259,511	2,466,865
Services transferred over time	隨時間轉移服務	183,501	—	183,501
Total revenue from contracts with customers	來自客戶合約之總收入	2,390,855	259,511	2,650,366

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS

(Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

For the year ended 31 December 2022

5. 收入、其他收入及收益(續)

來自客戶合約之收入(續)

(i) 分類收入資料(續)

截至二零二二年十二月三十一日止年度

		Steel pipes 鋼管 RMB'000 人民幣千元	Property development and investment 物業 開發與投資 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Sale of goods/properties	銷售商品/物業	1,544,886	551,518	2,096,404
Rendering of services	提供服務	265,211	—	265,211
Total revenue from contracts with customers	來自客戶合約之總收入	1,810,097	551,518	2,361,615
Geographical markets	地區市場			
Mainland China	中國內地	1,149,414	551,518	1,700,932
Africa	非洲	157,774	—	157,774
Europe	歐洲	8,007	—	8,007
Middle East	中東	263,318	—	263,318
Asia and Other Asian countries	亞洲及其他亞洲國家	226,601	—	226,601
South America	南美洲	4,983	—	4,983
Total revenue from contracts with customers	來自客戶合約之總收入	1,810,097	551,518	2,361,615
Timing of revenue recognition	收入確認時間			
Goods/properties transferred at a point in time	商品/物業於某一時間點轉移	1,544,886	551,518	2,096,404
Services transferred over time	隨時間轉移服務	265,211	—	265,211
Total revenue from contracts with customers	來自客戶合約之總收入	1,810,097	551,518	2,361,615

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS

(Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in the current periods:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	計入於報告期初合約負債之已確認收入：		
Manufacture and sale of seam welded steel pipes and the provision of related manufacturing services	製造及銷售有縫焊接鋼管及提供相關製造服務	106,677	218,251
Sale of properties	物業銷售	259,512	551,518
		366,189	769,769

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of steel pipes

For sale of steel pipes, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (delivery). Transportation and handling activities that occur before customer obtain control are considered as fulfilment activities. Following the delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. Payment is generally due 30 days to 90 days from the invoice date, except for new customers, where payment in advance is normally required.

5. 收入、其他收入及收益(續)

來自客戶合約之收入(續)

(i) 分類收入資料(續)

下表列示於本報告期已確認收入中計入於報告期初合約負債及就於目前期間已達成履約責任確認之金額：

(ii) 履約責任

有關本集團履約責任之資料概述如下：

鋼管銷售

就鋼管銷售而言，收入於貨物的控制權轉移時即貨物被運至客戶指定地點(交付)確認。在客戶獲得控制權之前發生的運輸及處理活動被認為屬履行活動。交付後，客戶對銷售貨物的方式及價格有全面的決定權，在銷售貨物時負有主要責任，並承擔與貨物有關的廢棄及損失的風險。付款通常於發票日期起計30日至90日到期，惟新客戶通常須提前付款。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

5. REVENUE, OTHER INCOME AND GAINS

(Continued)

Revenue from contracts with customers (Continued)

(ii) Performance obligations (Continued)

Sale of properties

The performance obligation is satisfied upon the physical possession of the completed property is obtained by the purchasers.

Manufacturing services

The Group provides manufacturing services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these manufacturing services based on the stage of completion of the contract using input method. Payment is generally due within 50 days from the date of delivery or customer acceptance of the product processed.

The Group generally offers one-year warranties for its product. The Group recognised retention money as contract assets as the Group's entitlement to the consideration was conditional on satisfactory completion of the warranty period. The retention money will be recognised as trade receivables at the end of warranty period.

The Group does not recognise the warranty service as a separate performance obligation in a single contract as the warranty service is assurance type, and the Group's obligation to repair or replace faulty products under the warranty terms is recognised as a provision, if any.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

Since most of the sales contracts of the Group are for periods of one year or less. The transaction price allocated to these unsatisfied contracts is not disclosed.

5. 收入、其他收入及收益(續)

來自客戶合約之收入(續)

(ii) 履約責任(續)

物業銷售

履約責任乃於買方獲得已完工物業的實物所有權時達成。

製造服務

本集團向客戶提供製造服務。當本集團創造或提升客戶於創造或提升資產時已控制的資產時，該等服務乃確認為隨著時間推移而達成的履約責任。該等製造服務的收入乃根據合約的完成階段採用輸入法確認。付款通常為在交付或客戶接受加工產品之日起50日內支付。

本集團通常為其產品提供一年質保。本集團將保留金確認為合約資產，因本集團獲得該代價的權利乃以質保期的圓滿完成為條件。保留金將於質保期結束時確認為貿易應收賬款。

本集團並無將質保服務確認為單一合約中的獨立履約責任，因質保服務屬保證類型，本集團根據質保條款維修或更換有問題產品的責任乃確認為撥備(如有)。

(iii) 分配至與客戶合約的餘下履約責任的交易價格

由於本集團的大部分銷售合約的期限為一年或更短，並無披露分配至該等未履行合約的交易價格。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

6. OTHER EXPENSES

6. 其他費用

			2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	Notes 附註			
Compensation		賠償	31,995	23,058
Provision of claim arising from litigations	27	訴訟產生的索賠撥備	4,536	18,795
Write-down of inventories to net realisable value		撇減存貨至可變現淨值	3,812	—
Land resumption costs		土地收儲成本	—	108,450
Impairment of trade receivables	19	貿易應收賬款減值	66,715	24,225
Impairment of other receivables	20	其他應收款項減值	11,814	2,184
Others		其他	69,027	33,074
			187,899	209,786

7. PROFIT BEFORE TAX

7. 除稅前溢利

The Group's profit before tax is arrived at after charging:

本集團的除稅前溢利乃經扣除下列各項後達至：

			2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	Notes 附註			
Employee benefit expenses (including directors' remuneration):		僱員福利開支(包括董事 薪酬)：		
Fees, wages and salaries		袍金、工資及薪金	151,428	123,652
Retirement benefit scheme contributions		退休福利計劃供款	5,539	6,570
			156,967	130,222
Cost of inventories sold		已售存貨成本	1,758,440	1,221,533
Cost of services provided		提供服務成本	118,990	174,624
Cost of properties sold		已售物業成本	219,212	495,235
Auditor's remuneration		核數師酬金	1,332	1,283
Depreciation of property, plant and equipment	13	物業、廠房及設備折舊	25,881	61,432
Depreciation of right-of-use assets	15	使用權資產折舊	15,656	14,431
Impairment of trade receivables	19	貿易應收賬款減值	66,715	24,225
Impairment of other receivables	20	其他應收款項減值	11,814	2,184
Fair value loss on investment properties	14	投資物業之公平值虧損	2,000	8,000
Research and development costs		研發成本	107,636	64,283

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

8. FINANCE COSTS

An analysis of finance costs is as follows:

8. 融資成本

融資成本分析如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Interest on bank and other borrowings (including bonds and notes)	銀行及其他借貸利息 (包括債券及票據)	93,818	88,378
Interest on lease liabilities	租賃負債利息	52	57
Interest on discounted bills	已貼現票據利息	678	1,486
Total interest expenses on financial liabilities not at fair value through profit or loss	並非按公平值計入損益 之金融負債所涉及 利息開支總額	94,548	89,921
Less: Interest capitalised	減：資本化利息	(a) —	(45,278)
		94,548	44,643

Note:

- (a) Interest capitalised during the year ended 31 December 2022 arose on the specific borrowings for properties under development.

附註：

- (a) 截至二零二二年十二月三十一日止年度資本化利息乃就發展中物業的特定借款而產生。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

9. DIRECTORS' REMUNERATION

Details of directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Stock Exchange, section 383(1)(a),(b),(c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Fees	袍金	594	585
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,943	1,954
Retirement benefit scheme contributions	退休福利計劃供款	76	74
		2,019	2,028
		2,613	2,613

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Mr Chen Ping	陳平先生	198	198
Mr Au Yeung Kwong Wah	歐陽廣華先生	198	189
Mr Tian Xiao Ren (resigned on 1 September 2023)	田曉韜先生(於二零二三年九月一日辭任)	132	198
Mr Zhan Jian Zhou (appointed on 1 September 2023)	詹建宙先生(於二零二三年九月一日獲委任)	66	—
		594	585

There were no other emoluments payable to the independent non-executive directors during the year (2022: Nil).

9. 董事薪酬

年內，董事薪酬之詳情根據聯交所證券上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露如下：

(a) 獨立非執行董事

於年內，已付獨立非執行董事之袍金如下：

於年內，概無應付予獨立非執行董事的其他酬金(二零二二年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

9. DIRECTORS' REMUNERATION (Continued) (b) Executive directors

9. 董事薪酬(續) (b) 執行董事

		Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total remuneration
		袍金	薪金、津貼及實物福利	退休福利計劃供款	薪酬總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2023	截至二零二三年十二月三十一日止年度				
Executive directors:	執行董事：				
Mr Chen Chang	陳昌先生	—	1,028	—	1,028
Mr Chen Guo Xiong (resigned on 5 December 2023)	陳國雄先生(於二零二三年十二月五日辭任)	—	253	30	283
Ms Chen Zhao Nian	陳兆年女士	—	662	46	708
		—	1,943	76	2,019

		Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total remuneration
		袍金	薪金、津貼及實物福利	退休福利計劃供款	薪酬總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Year ended 31 December 2022	截至二零二二年十二月三十一日止年度				
Executive directors:	執行董事：				
Mr Chen Chang	陳昌先生	—	997	—	997
Mr Chen Guo Xiong	陳國雄先生	—	261	29	290
Ms Chen Zhao Nian	陳兆年女士	—	696	45	741
		—	1,954	74	2,028

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

9. DIRECTORS' REMUNERATION (Continued)

(b) Executive directors (Continued)

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

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included one director (2022: two directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining four (2022: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

9. 董事薪酬(續)

(b) 執行董事(續)

於年內並無任何董事放棄或同意放棄任何薪酬的安排。

上述執行董事的酬金主要涉及彼等於管理本公司及本集團事務方面的服務。上述獨立非執行董事的酬金主要涉及彼等作為本公司董事所提供的服務。

10. 五名最高薪僱員

本年度五位最高薪僱員包括一位(二零二二年：兩位)董事，彼等薪酬詳情已列於上文附註9。年內餘下四位(二零二二年：三位)最高薪酬僱員(非本公司董事或主要行政人員)的薪酬詳情載列如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	3,921	2,128
Retirement benefit scheme contributions	退休福利計劃供款	—	77
		3,921	2,205

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

10. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of non-director and non-chief executive highest paid employees whose remuneration which fell within the following band is as follows:

		Number of employees 僱員數目	
		2023 二零二三年	2022 二零二二年
Nil to HK\$1,000,000	零至1,000,000港元	2	3
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	2	—

During the year, no remuneration was paid by the Group to the directors or any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

11. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Corporate income tax (“CIT”)

The Company, which was incorporated in the Cayman Islands, is not subject to CIT.

Lessonstart and Lucknow, which were incorporated in the British Virgin Islands, are not subject to CIT. Crown Central, CKSPG and View Sharp International Limited, which were incorporated in Hong Kong, were subject to profits tax at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2022: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2022: 8.25%) and the remaining assessable profits are taxed at 16.5% (2022: 16.5%).

10. 五名最高薪僱員(續)

下列薪酬範圍的非董事及非主要行政人員最高薪僱員人數如下：

於年內，本集團概無向該等董事或五名最高薪僱員任何一名支付任何酬金作為吸引加入本集團或加入本集團的獎勵或離職補償。

11. 所得稅

本集團須就本集團成員公司所處及經營的司法權區所產生或賺取的溢利，按實體基準繳納所得稅。

企業所得稅(「企業所得稅」)

本公司於開曼群島註冊成立，毋須繳納企業所得稅。

利事達及Lucknow於英屬處女群島註冊成立，毋須繳納企業所得稅。光中、珠江鋼管集團及景鋒國際有限公司(均在香港註冊成立)於年內在香港產生的估計應課稅溢利須按16.5%的稅率繳納利得稅，惟本集團一家附屬公司除外，其屬兩級制利得稅制度下的合資格實體。該附屬公司首2,000,000港元(二零二二年：2,000,000港元)的應課稅利潤按8.25%(二零二二年：8.25%)稅率繳稅，而餘下的應課稅利潤則按16.5%(二零二二年：16.5%)稅率繳稅。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

11. INCOME TAX (Continued)

Corporate income tax (“CIT”) (Continued)

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the year.

PCKSP (Zhuhai), as a High and New Technology Enterprise (“HNTE”) qualified on 30 September 2015 and with the qualification renewed in 31 December 2021, is entitled to a reduced tax rate of 15% from 1 January 2021 to 31 December 2023. PCKSP (Lianyungang), as a HNTE qualified on 5 December 2019, is entitled to a reduced tax rate of 15% from 1 January 2019 to 31 December 2021. For the year ended 31 December 2022, PCKSP (Lianyungang) was subject to CIT at a rate of 25%. PCKSP (Lianyungang), as a HNTE qualified on 6 November 2023, is entitled to a reduced tax rate of 15% from 1 January 2023 to 31 December 2025.

According to the PRC corporate income tax law and its relevant regulations issued in 2019 and renewed policy issued in 2023, entities that qualified as Small and Micro Enterprises are entitled to a preferential income tax rate of 5% for taxable income less than RMB3,000,000 (2022: 2.5% for taxable income less than RMB1,000,000 or 5% for taxable income ranged between RMB1,000,000 to RMB3,000,000). During the year ended 31 December 2023, 13 (2022: 13) subsidiaries of the Group are qualified as small and low profit enterprise and enjoyed a preferential tax rate of 5% (2022: 2.5%), whereas applicable.

11. 所得稅(續)

企業所得稅(「企業所得稅」)(續)

由於本集團於年內並無在香港產生或賺取任何應課稅溢利，故此並無作出香港利得稅撥備。

番禺珠江鋼管(珠海)於二零一五年九月三十日獲評為高新技術企業(「高新技術企業」)，並於二零二一年十二月三十一日獲延續有關資格，由二零二一年一月一日至二零二三年十二月三十一日有權享有15%的減免稅率。番禺珠江鋼管(連雲港)於二零一九年十二月五日獲評為高新技術企業，由二零一九年一月一日至二零二一年十二月三十一日有權享有15%的減免稅率。截至二零二二年十二月三十一日止年度，番禺珠江鋼管(連雲港)須按25%的稅率繳納企業所得稅。番禺珠江鋼管(連雲港)於二零二三年十一月六日獲評為高新技術企業，由二零二三年一月一日至二零二五年十二月三十一日有權享有15%的減免稅率。

根據二零一九年頒佈的中國企業所得稅法及其相關法規以及二零二三年發佈的更新政策，符合小微企業的實體有權享有5%(應課稅所得額小於人民幣3,000,000元)(二零二二年：2.5%(應課稅所得額小於人民幣1,000,000元)或5%(應課稅所得額介乎人民幣1,000,000元至人民幣3,000,000元))的優惠所得稅稅率。於截至二零二三年十二月三十一日止年度，本集團十三家(二零二二年：十三家)附屬公司符合小微企業的資格，享有5%(二零二二年：2.5%)的優惠稅率(如適用)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

11. INCOME TAX (Continued)

Corporate income tax (“CIT”) (Continued)

Pursuant to the PRC CIT Law and the respective regulations, except for the above-mentioned preferential tax treatments, the companies of the Group which operate in Mainland China were subject to CIT at a rate of 25% on their respective taxable income for the years ended 31 December 2023 and 2022.

Taxes on profits assessable in Mainland China have been calculated at the prevailing tax rates, based on existing legislation, interpretations and practices in respect thereof.

Land appreciation tax (“LAT”)

According to the requirements of the Provisional Regulations of the PRC on LAT effective from 1 January 1994 and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights and buildings in Mainland China (being the proceeds from the sale of properties less deductible expenditures including borrowing costs and property development expenditures) is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation of land value with an exemption provided for property sales of ordinary residential properties if their appreciation values do not exceed 20% of the sum of the total deductible items.

The Group estimated and made provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the LAT determined by the tax authorities might be different from the basis on which the provision for LAT is calculated.

11. 所得稅(續)

企業所得稅(「企業所得稅」)(續)

根據中國企業所得稅法及相關法規，除上述優惠稅務待遇外，本集團旗下於中國內地經營之公司須按25%的稅率就其各自截至二零二三年及二零二二年十二月三十一日止年度之應課稅收入繳交企業所得稅。

根據有關該等稅項的現行法律、詮釋及慣例，中國內地的應課稅溢利的稅項按現行稅率計算。

土地增值稅(「土地增值稅」)

根據一九九四年一月一日生效的《中華人民共和國土地增值稅暫行條例》和一九九五年一月二十七日生效的《中華人民共和國土地增值稅暫行條例實施細則》的要求，全部國有土地出讓收入中國大陸的使用權和建築物(即出售房地產所得的收入減去可扣減支出(包括借貸成本和房地產開發支出))應按土地價值增值的30%至60%的累進稅率徵稅，並就普通住宅物業銷售提供免稅額(如果普通住宅物業的增值額不超過可扣除項目總額的20%)。

本集團根據中國有關稅法和法規的規定估計並計提了土地增值稅。實際土地增值稅負債由房地產開發項目竣工時由稅務機關確定，而稅務機關確定的土地增值稅可能不同於計算土地增值稅準備金的依據。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

11. INCOME TAX (Continued)

Long-term tax payable

Certain subsidiaries of the Company relocate their factories and offices during the year ended 31 December 2020. During the year ended 31 December 2021, the tax authority in the PRC agreed their CIT and LAT payables can be paid within 5 years or upon completion of the relocations, whichever is earlier. In the opinion of the directors, the relocations will be completed after 1 year from the reporting date. Therefore, the relevant tax payables amounted to approximately RMB486,614,000 (2022: RMB789,187,000) as at 31 December 2023 are classified as non-current liabilities.

The major components of the income tax (credit)/expense for the year are as follows:

11. 所得稅(續)

長期應付稅項

本公司的若干附屬公司已於截至二零二零年十二月三十一日止年度內搬遷其工廠及辦公室。於截至二零二一年十二月三十一日止年度內，中國稅務機關同意其應付的企業所得稅及土地增值稅可在五年內或搬遷完成後(以較早者為準)支付。董事認為，搬遷將自報告日期起計一年後完成。因此，於二零二三年十二月三十一日，有關應付稅項約為人民幣486,614,000元(二零二二年：人民幣789,187,000元)，並分類為非流動負債。

年內所得稅(抵免)/費用的主要組成部分如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Current — Mainland China	即期 — 中國內地		
PRC CIT charge for the year	年內中國企業所得稅支出	9,085	54,720
PRC CIT overprovision in prior years	過往年度中國企業所得稅 超額撥備	(51,050)	—
PRC LAT	中國土地增值稅	7,785	—
Deferred tax (note 28)	遞延稅項(附註28)	(110,519)	(55,289)
Total income tax credit for the year		(144,699)	(569)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

11. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory tax rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the Group's effective tax rates, and a reconciliation of the applicable rates to the effective tax rates, are as follows:

11. 所得稅(續)

適用於計算除稅前溢利的稅項費用(按本公司及其大部分附屬公司所在的國家的法定稅率計算)與本集團按實際稅率計算的稅項費用的對賬及適用稅率與實際稅率的對賬如下:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	39,079	162,465
Tax at the statutory tax rates	按法定稅率計算的稅項	10,828	38,173
Tax effect of:	稅務影響:		
Lower tax rate enacted by local authority	當地機關頒佈之較低稅率	(6,032)	(58,594)
Expenses not deductible for tax	不可扣稅開支	20,427	12,127
Income not subject to tax	毋須課稅收入	(40,169)	(22,468)
Temporary difference not recognised in the current year	本年度未確認之暫時性差異	—	(4)
Utilisation of tax loss not recognised in prior years	動用過往年度未確認的稅項虧損	(185,214)	(23,473)
Provision for LAT	土地增值稅撥備	7,785	—
Tax loss not recognised in the current year	本年度未確認稅項虧損	47,676	53,670
Tax credit at the Group's effective tax rate	按本集團實際稅率計算之稅項抵免	(144,699)	(569)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

12. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of ordinary shares of 1,011,142,000 (2022: 1,011,142,000) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2023 and 2022.

12. 本公司擁有人應佔每股盈利

每股基本盈利乃根據本公司擁有人應佔年度溢利及年內已發行普通股加權平均數1,011,142,000股(二零二二年: 1,011,142,000股)計算。

本集團並無於截至二零二三年及二零二二年十二月三十一日止年度發行潛在攤薄普通股。

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Plant and machinery 廠房及設備 RMB'000 人民幣千元	Office and other equipment 辦公室及其他設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2023	於二零二三年十二月三十一日						
At 1 January 2023	於二零二三年一月一日						
Cost	成本	674,320	2,016,014	20,076	26,570	99,236	2,836,216
Accumulated depreciation and impairment	累計折舊及減值	(174,088)	(853,447)	(17,482)	(21,205)	—	(1,066,222)
Net carrying amount	賬面淨值	500,232	1,162,567	2,594	5,365	99,236	1,769,994
At 1 January 2023, net of accumulated depreciation and impairment	於二零二三年一月一日，扣除累計折舊及減值	500,232	1,162,567	2,594	5,365	99,236	1,769,994
Additions	添置	—	4,426	540	1,780	89,514	96,260
Disposals	出售	—	(46)	(11)	—	(887)	(944)
Depreciation provided during the year	年內折舊撥備	(13,142)	(11,636)	(200)	(903)	—	(25,881)
Transfers from construction in progress	轉撥自在建工程	75,534	16,565	—	—	(92,099)	—
Write-off	撤銷	—	—	(2)	—	—	(2)
At 31 December 2023, net of accumulated depreciation and impairment	於二零二三年十二月三十一日，扣除累計折舊及減值	562,624	1,171,876	2,921	6,242	95,764	1,839,427
At 31 December 2023	於二零二三年十二月三十一日						
Cost	成本	749,854	2,036,741	20,492	28,348	95,764	2,931,199
Accumulated depreciation and impairment	累計折舊及減值	(187,230)	(864,865)	(17,571)	(22,106)	—	(1,091,772)
Net carrying amount	賬面淨值	562,624	1,171,876	2,921	6,242	95,764	1,839,427

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

13. 物業、廠房及設備(續)

		Buildings	Plant and machinery	Office and other equipment 辦公室及其他設備	Motor vehicles	Construction in progress	Total
		樓宇	廠房及設備	其他設備	汽車	在建工程	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 31 December 2022	於二零二二年十二月三十一日						
At 1 January 2022	於二零二二年一月一日						
Cost	成本	660,837	2,004,646	20,872	27,585	168,479	2,882,419
Accumulated depreciation and impairment	累計折舊及減值	(162,538)	(806,571)	(18,241)	(20,760)	—	(1,008,110)
Net carrying amount	賬面淨值	498,299	1,198,075	2,631	6,825	168,479	1,874,309
At 1 January 2022, net of accumulated depreciation and impairment	於二零二二年一月一日，扣除累計折舊及減值	498,299	1,198,075	2,631	6,825	168,479	1,874,309
Additions	添置	333	3,411	122	274	9,172	13,312
Disposals	出售	—	(1,222)	(16)	(243)	(54,489)	(55,970)
Depreciation provided during the year	年內折舊撥備	(11,550)	(48,248)	(143)	(1,491)	—	(61,432)
Transfers from construction in progress	轉撥自在建工程	13,150	10,776	—	—	(23,926)	—
Write-off	撇銷	—	(225)	—	—	—	(225)
At 31 December 2022, net of accumulated depreciation and impairment	於二零二二年十二月三十一日，扣除累計折舊及減值	500,232	1,162,567	2,594	5,365	99,236	1,769,994
At 31 December 2022	於二零二二年十二月三十一日						
Cost	成本	674,320	2,016,014	20,076	26,570	99,236	2,836,216
Accumulated depreciation and impairment	累計折舊及減值	(174,088)	(853,447)	(17,482)	(21,205)	—	(1,066,222)
Net carrying amount	賬面淨值	500,232	1,162,567	2,594	5,365	99,236	1,769,994

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Details of the Group's property, plant and equipment pledged to secure the Group's bank loans are set out in note 26.

Certificates of ownership in respect of certain buildings of the Group located in Lianyungang with a total net carrying amount of approximately RMB13,079,000 (2022: RMB13,079,000) as at 31 December 2023 have not yet been issued by the relevant PRC authorities. As at the end of the reporting period, the directors of the Company were still in the process of obtaining these certificates.

Impairment testing of property, plant and equipment

When any indicators of impairment are identified, property, plant and equipment are reviewed for impairment based on each CGU. The CGU is an individual plant or operating entity. The carrying values of these individual plants or entities were compared to the recoverable amounts of the CGUs, which were based predominantly on value in use. Value in use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the same cash flow projections of the fifth year. Other key assumptions applied in the impairment tests include the expected product price, demand for the products, product cost, finance costs and other related expenses, with the consideration of the possible significant decrease in finance costs following the measures adopted by management.

13. 物業、廠房及設備(續)

本集團抵押其物業、廠房及設備以擔保本集團銀行貸款的詳情載於附註26。

於二零二三年十二月三十一日，本集團位於連雲港的若干樓宇尚未獲相關中國政府部門頒發所有權證，該等樓宇的賬面淨值合計約為人民幣13,079,000元(二零二二年：人民幣13,079,000元)。於報告期末，本公司董事仍在辦理該等證書的申請手續。

物業、廠房及設備之減值測試

倘有出現任何減值跡象，則將根據各現金產生單位對物業、廠房及設備作減值評估。現金產生單位為單個廠房或營運實體。該等單個廠房或實體的賬面值與現金產生單位的可收回金額作比較，而現金產生單位之可收回金額乃主要根據使用價值計算。使用價值乃根據管理層已批准之五年財政預算採用稅前現金流量預測計算。超出五年期之現金流量乃採用第五年相同的現金流量預測進行推測。考慮到管理層採取措施後融資成本很可能大幅減少，減值測試所應用之其他關鍵假設包括預期產品價格、產品需求、產品成本、融資成本及其他相關開支。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Impairment testing of property, plant and equipment (Continued)

Management determined that these key assumptions were based on past performance and their expectations on market development. Further, the Group adopts a pre-tax rate of 15% (2022: 15%) that reflects specific risks related to CGUs as the discount rate. The assumptions above are used in analysing the recoverable amounts of CGUs within the operating segments.

As a result of the impairment assessment, no impairment loss had been recognised against the property, plant and equipment in the steel pipes segment for the years ended 31 December 2023 and 2022.

14. INVESTMENT PROPERTIES

Commercial properties in Mainland China, the PRC	於中國內地之商用物業
Carrying amount as at 1 January	於一月一日之賬面值
Net loss from fair value adjustments	公平值調整之淨虧損

Carrying amount as at 31 December

於十二月三十一日之賬面值

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元

362,000	370,000
(2,000)	(8,000)

360,000	362,000
---------	---------

The Group's investment properties consist of commercial properties in Mainland China, which are held under medium term leases. The directors of the Company have determined that the investment properties are commercial assets, based on the nature, characteristics and risks of the properties.

13. 物業、廠房及設備(續)

物業、廠房及設備之減值測試(續)

管理層認為該等關鍵假設乃以過往表現及其對市場發展之預期為依據。此外，本集團採用能夠反映相關現金產生單位特定風險之稅前利率15%（二零二二年：15%）作為貼現率。上述假設乃用於分析經營分部內現金產生單位之可收回金額。

根據減值評估之結果，截至二零二三年及二零二二年十二月三十一日止年度，並無確認鋼管分部之物業、廠房及設備之減值虧損。

14. 投資物業

本集團的投資物業包括位於中國內地的商用物業，按中期租約持有。基於物業的性質、特徵及所承受的風險，本公司董事將投資物業釐定為商用資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

14. INVESTMENT PROPERTIES (Continued)

Based on the valuation by RHL Appraisal Limited, an independent professional qualified valuer, as at 31 December 2023, the fair value of investment properties of the Group, which were mainly shops of Golden Dragon City Fortune Plaza (金龍城財富廣場) ("GDC") Phase I shops, was RMB360,000,000 (2022: RMB362,000,000). The Group's property manager and the chief financial officer decided, upon approval from the audit committee of the Company, to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's property manager and the chief financial officer have discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

Maturity analysis of lease payments from investment properties

Within one year	一年內
In the second year	第二年
In the third year	第三年
In the fourth year	第四年
Total	總計

Rental income received from investment properties for the year ended 31 December 2023 was approximately RMB486,000 (2022: RMB400,000) which was included in revenue (note 5). There were no direct operating expenses (including repairs and maintenance) included in cost of sales for the years ended 31 December 2023 and 2022. Profit arising from investment properties carried at fair value for the year ended 31 December 2023 was approximately RMB486,000 (2022: RMB400,000).

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

14. 投資物業(續)

根據獨立專業合資格估值師永利行評值顧問有限公司之估值，於二零二三年十二月三十一日，本集團的投資物業，即金龍城財富廣場(「金龍城」)第一期店舖的主要店舖，其公平值為人民幣360,000,000元(二零二二年：人民幣362,000,000元)。本集團的物業經理及財務總監決定外聘估值師之人選，經獲得本公司審核委員會批准後，委任其負責本集團物業之外部估值。甄選條件包括市場知識、聲譽、獨立性及能否維持專業水準。本集團的物業經理及財務總監每年於中期及年度財務報告進行估值時，與估值師就估值假設及估值結果進行兩次討論。

投資物業租賃付款的到期情況分析

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within one year	960	510
In the second year	960	960
In the third year	800	960
In the fourth year	—	800
Total	2,720	3,230

截至二零二三年十二月三十一日止年度，自投資物業收取之租金收入約為人民幣486,000元(二零二二年：人民幣400,000元)，已列入收入(附註5)。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(計入銷售成本)產生的直接經營支出(包括維修及維護)。截至二零二三年十二月三十一日止年度以公平值計量的投資物業產生的利潤約為人民幣486,000元(二零二二年：人民幣400,000元)。

本集團對其投資物業的可變現性並無限制，且並無購買、建設或開發投資物業，或有關維修、維護或升級的合約責任。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

14. 投資物業(續)

公平值等級

下表說明本集團投資物業之公平值計量層級：

		Fair value measurement using 使用輸入值計量之公平值			
		Quoted prices in active markets (Level 1) 於活躍市場 所報價格 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable input (Level 3) 重大不可觀察 輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2023	於二零二三年 十二月三十一日				
Recurring fair value measurement for:	經常性公平值計量：				
Commercial property	商用物業	—	—	360,000	360,000

		Fair value measurement using 使用輸入值計量之公平值			
		Quoted prices in active markets (Level 1) 於活躍市場 所報價格 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable input (Level 3) 重大不可觀察 輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 31 December 2022	於二零二二年 十二月三十一日				
Recurring fair value measurement for:	經常性公平值計量：				
Commercial property	商用物業	—	—	362,000	362,000

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2022: Nil).

於年內，第一級與第二級之間並無公平值計量之轉撥，亦無自第三級轉入或轉出(二零二二年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

14. INVESTMENT PROPERTIES (Continued)

Fair value hierarchy (Continued)

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Carrying amount as at 1 January	於一月一日之賬面值	362,000	370,000
Net loss from fair value adjustments	公平值調整之淨虧損	(2,000)	(8,000)
Carrying amount as at 31 December	於十二月三十一日之賬面值	360,000	362,000

Below is a summary of the valuation technique used and the key input to the valuation of investment properties:

對投資物業估值所使用的估值技術及主要輸入值的概要載列如下：

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入值	Range or weighted average 範圍或加權平均						
Commercial properties 商用物業	Direct comparison method 直接比較法	Market unit sale rate (RMB/sq.m.) 市場單位售價 (人民幣/每平方米)	<table border="1"> <thead> <tr> <th style="text-align: right;">2023 GDV Phase I Shops 二零二三年 GDV 第一期店舖</th> <th style="text-align: right;">2022 GDV Phase I Shops 二零二二年 GDV 第一期店舖</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">20,170–24,619</td> <td style="text-align: right;">21,731–23,323</td> </tr> <tr> <td style="text-align: right;">20,170–24,619</td> <td style="text-align: right;">21,731–23,323</td> </tr> </tbody> </table>	2023 GDV Phase I Shops 二零二三年 GDV 第一期店舖	2022 GDV Phase I Shops 二零二二年 GDV 第一期店舖	20,170–24,619	21,731–23,323	20,170–24,619	21,731–23,323
2023 GDV Phase I Shops 二零二三年 GDV 第一期店舖	2022 GDV Phase I Shops 二零二二年 GDV 第一期店舖								
20,170–24,619	21,731–23,323								
20,170–24,619	21,731–23,323								

The valuations of investment properties were arrived at using the direct comparison method with reference to the comparable sale prices in the relevant locality, adjusted for a premium or discount specific to the quality of the Group's properties compared to recent sales of comparable transactions. A higher discount for lower quality properties will result in a lower fair value measurement.

投資物業的估值乃採用直接比較法並參照有關地區可比較的銷售價格而達致，且已就本集團物業質量之特定溢價或折讓（與近期可比較銷售交易比較所得）作出調整。較低質素物業之較高折讓將導致較低之公平值計量數值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

15. LEASES

The Group as a lessee

The Group has lease contracts for office premises used in its operations. Leases of a factory and office premises generally have a lease term of 2 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. In addition, lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 50 years, and no ongoing payments will be made under the terms of these land leases.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Leasehold land 租賃土地 RMB'000 人民幣千元	Buildings 樓宇 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	660,882	290	661,172
Additions	添置	—	1,286	1,286
Depreciation charge	折舊開支	(13,507)	(924)	(14,431)
Exchange realignment	匯兌調整	(2,057)	43	(2,014)
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	645,318	695	646,013
Additions	添置	—	—	—
Lease modification	租賃修訂	—	937	937
Depreciation charge	折舊開支	(15,066)	(590)	(15,656)
Exchange realignment	匯兌調整	539	(3)	536
At 31 December 2023	於二零二三年 十二月三十一日	630,791	1,039	631,830

15. 租賃

本集團作為承租人

本集團有用於其業務營運的辦公室物業的租賃合約。工廠和辦公場所的租賃通常具有2年的租賃期。一般而言，本集團不得向本集團外部轉讓及分租租賃資產。此外，已提前作出一次性付款已向擁有人收購租賃土地，租期為50年，而根據該等土地租賃的條款，將不會繼續支付任何款項。

(a) 使用權資產

年內，本集團使用權資產的賬面值及相關變動如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

15. LEASES (Continued)

The Group as a lessee (Continued)

(a) Right-of-use assets (Continued)

Note:

As at 31 December 2023, certain of the Group's leasehold land with an aggregate carrying amount of approximately RMB481,645,000 (2022: RMB489,399,000) were pledged to secure certain bank loans granted to the Group (note 26).

(b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the year are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日之賬面值	722	325
New leases	新增租賃	—	1,286
Accretion of interest recognised during the year	年內確認的應計利息	52	57
Payments	付款	(713)	(991)
Lease modification	租賃修訂	937	—
Exchange realignment	匯兌調整	(3)	45
Carrying amount at 31 December	於十二月三十一日之賬面值	995	722
Analysed into:	按以下分析為：		
Current portion	即期部分	463	686
Non-current portion	非即期部分	532	36

The maturity analysis of lease liabilities is disclosed in note 39 to the financial statements.

15. 租賃(續)

本集團作為承租人(續)

(a) 使用權資產(續)

附註：

於二零二三年十二月三十一日，本集團若干賬面總值約為人民幣481,645,000元(二零二二年：人民幣489,399,000元)之租賃土地已用作抵押，以取得授予本集團之若干銀行貸款(附註26)。

(b) 租賃負債

年內，租賃負債的賬面值(計入計息銀行及其他借貸項下)及變動如下：

租賃負債的到期情況分析於財務報表附註39披露。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

15. LEASES (Continued)

The Group as a lessee (Continued)

(c) *The amounts recognised in profit or loss in relation to leases are as follows:*

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Interest on lease liabilities	租賃負債利息	52	57
Depreciation charge of right-of-use assets	使用權資產折舊開支	15,656	14,431
Total amount recognised in profit or loss	於損益確認之總額	15,708	14,488

15. 租賃(續)

本集團作為承租人(續)

(c) 就租賃於損益確認之款項如下：

16. LONG TERM PREPAYMENTS AND DEPOSITS

Prepayments for property, plant and equipment 物業、廠房及設備之預付款項 | 58,772 | 69,558 |

Deposits paid

已付按金

2,778

2,848

| | | 61,550 | 72,406 |

16. 長期預付款項及按金

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

17. COMPLETED PROPERTIES HELD FOR SALE

The Group's completed properties held for sale are located in Mainland China. All completed properties held for sale are stated at the lower of cost and net realisable value. No write-down of completed properties held for sale has been made as the net realisable value of the properties was higher than their carrying amount.

As at 31 December 2023, certain of the Group's completed properties held for sale with an aggregate carrying amount of approximately RMB1,002,989,000 (2022: RMB913,698,000) were pledged to secure certain bank loans granted to the Group (note 26).

18. INVENTORIES

Raw materials	原材料		
Work in progress	在製品		
Finished goods	製成品		
Less: Provision against slow-moving and obsolete inventories		減：滯銷及陳舊存貨撥備	

17. 落成待售物業

本集團的落成待售物業均位於中國內地。所有落成待售物業均按成本與可變現淨值較低者呈列。由於持作出售的已落成物業的可變現淨值高於其賬面值，故並無撇減該等物業。

於二零二三年十二月三十一日，本集團若干賬面總值約為人民幣1,002,989,000元（二零二二年：人民幣913,698,000元）之落成待售物業已用作抵押，以取得授予本集團之若干銀行貸款（附註26）。

18. 存貨

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Raw materials	原材料	247,949	134,249
Work in progress	在製品	72,886	79,168
Finished goods	製成品	276,300	202,938
Less: Provision against slow-moving and obsolete inventories		597,135	416,355
		(13,661)	(13,661)
		583,474	402,694

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

19. TRADE AND BILLS RECEIVABLES

19. 貿易應收賬款及應收票據

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Trade receivables	貿易應收賬款	371,628	407,709
Impairment allowance	減值撥備	(83,159)	(28,853)
Trade receivables, net	貿易應收賬款淨額	288,469	378,856
Bills receivable	應收票據	23,484	—
		311,953	378,856

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 30 days to 90 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

本集團與其客戶的貿易條款主要為信貸，惟新客戶一般需要預付貨款除外。信貸期一般為期30日至90日。每名客戶有最高信貸限額。本集團擬繼續嚴格監控其未收回應收款額，務求將信貸風險減至最低。逾期結餘由高級管理人員定期審閱。基於上述情況及本集團之貿易應收賬款與大量分散客戶有關，故並無重大信貸集中風險。本集團在其貿易應收賬款結餘方面並無持有任何抵押品或其他提升信用的保障。貿易應收賬款為不計息。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

19. TRADE AND BILLS RECEIVABLES (Continued)

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within 60 days	60日內	140,259	153,001
61 to 90 days	61日至90日	43,639	17,342
91 to 180 days	91日至180日	5,209	58,830
181 to 365 days	181日至365日	31,848	18,282
1 to 2 years	1至2年	58,664	57,804
2 to 3 years	2至3年	8,850	7,456
Over 3 years	超過3年	—	66,141
		288,469	378,856

The movements in the loss allowance for impairment of trade receivables are as follows:

貿易應收賬款減值虧損撥備變動如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At 1 January	於一月一日	28,853	13,516
Impairment losses recognised	已確認減值虧損	66,715	24,225
Amount written off as uncollectible	撇銷為未收回金額	(12,409)	(8,888)
		83,159	28,853

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

19. TRADE AND BILLS RECEIVABLES (Continued)

The Group applied the provision matrix method in the assessment of the ECLs on trade receivables at each reporting period. This method studies the probability of default to arrive at the ECLs of trade receivables. The process involves a review of, among others, the Group's historical sales recordings and trade receivables, in order to determine the default rate of the debtors.

The Group have considered and conducted, among other things, the following key steps:

- Define a period of sales and bad debts relating to those sales;
- Collect the historical data of trade receivables;
- Calculate the historical default loss percentage; and
- Calculate the ECL using the default rate determined aforementioned.

The provision matrix method involves the definition of an appropriate period of time to analyse the proportion of receivables written off as bad debts. Based on the best estimation of the management, over 3 years unpaid trade receivables as at each reporting date have been defined in this exercise.

As at 31 December 2022, the Group had trade receivables of approximately RMB54,240,000 and RMB179,943,000 due from a debtor (the "Debtor") and state-owned enterprises respectively (the "Specific Debtors"). Based on management's experience and best estimation, as a business partner, there was a high likelihood that the amount payables held by a subsidiary due to the Debtor could provide coverage against the potential financial losses embedding in trade receivables due from the Debtor. Meanwhile, as the state-owned enterprises were normally with lower credit risk, it was assumed by the management that their default probability was insignificant. Therefore, the trade receivables from the Specific Debtors had been deducted from ECLs. As at 31 December 2023, all the trade receivables of the Group have been reasonably investigated and assessed for ECLs regardless of Specific Debtors after management considered the economic situation. Based on management's experience and best estimation, the amount payables held by the subsidiary due to the Debtor have a relatively high likelihood to loss. Therefore, impairment loss of 100% on the trade receivables from the Debtor have been recognised.

19. 貿易應收賬款及應收票據(續)

本集團於各報告期間採用撥備矩陣法評估貿易應收賬款的預期信貸虧損。該方法研究違約可能性，以得出貿易應收賬款的預期信貸虧損。該過程涉及審查(其中包括)本集團的歷史銷售記錄及貿易應收賬款，以釐定債務人的違約率。

本集團已考慮並進行(其中包括)以下主要步驟：

- 定義銷售週期及於該等銷售相關的壞賬；
- 收集貿易應收賬款的歷史數據；
- 計算歷史違約虧損百分比；及
- 使用上述釐定的違約率計算預期信貸虧損。

撥備矩陣法涉及定義一個適當的時間段，以分析作為壞賬撇銷的應收賬款比例。根據管理層的最佳估計，於各報告日期超過三年的未付貿易應收賬款已於此項工作中定義。

於二零二二年十二月三十一日，本集團應收債務人(「債務人」)及國有企業(「特定債務人」)的貿易應收賬款分別約為人民幣54,240,000元及人民幣179,943,000元。根據管理層的經驗及最佳估計，作為業務夥伴，附屬公司持有的應付債務人款項極有可能彌補應收債務人貿易應收賬款中的潛在財務虧損。同時，由於國有企業通常具有較低的信用風險，管理層假設其違約可能性不大。因此，來自特定債務人的貿易應收賬款已自預期信貸虧損中扣除。於二零二三年十二月三十一日，經管理層考慮經濟形勢後本集團所有貿易應收賬款(除特定債務人外)均已就預期信貸虧損進行合理的調查及評估。根據管理層經驗及最佳估算，附屬公司持有的應付債務人款項極有可能產生虧損。因此，已確認來自債務人的貿易應收賬款100%之減值虧損。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

19. TRADE AND BILLS RECEIVABLES (Continued)

Based on the provisional matrix method, the Group has analysed the historical observed default rate from 2015 to 2023, assuming outstanding payment 3-year after credit terms is written-off. The amount of outstanding receivable amount at the end of each time bucket could then be determined until the point the bad debt is written off.

Set out below is the information about the credit risk exposure on the Group's trade receivables using the provision matrix method:

As at 31 December 2023

Expected credit loss rate	預期信貸虧損率
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)

As at 31 December 2022

Expected credit loss rate	預期信貸虧損率	4.1%	20.9%	47.8%	100%	
Gross carrying amount (RMB'000)	總賬面值(人民幣千元)	252,246	65,275	11,866	78,322	407,709
Less: Specific Debtors (RMB'000)	減：特定債務人 (人民幣千元)	(135,944)	(29,465)	(2,633)	(66,141)	(234,183)
Net carrying amount (RMB'000)	賬面淨值(人民幣千元)	116,303	35,810	9,232	12,181	173,526
Expected credit losses (RMB'000)	預期信貸虧損 (人民幣千元)	4,791	7,471	4,410	12,181	28,853

19. 貿易應收賬款及應收票據(續)

根據撥備矩陣法，本集團已分析二零一五年至二零二三年的歷史觀察違約率，假設撇銷信貸期後三年的尚未償還款項。然後可釐定每個時段結束時的尚未償還應收賬款金額，直至壞賬撇銷。

以下載列有關本集團採用撥備矩陣法計量的貿易應收賬款的信貸風險資料：

於二零二三年十二月三十一日

Age of trade receivable					Total
貿易應收賬款賬齡					
Within 1 year 一年內	1 to 2 years 一至兩年	2 to 3 years 兩至三年	Over 3 years 超過三年		
3.7%	12.2%	33.7%	100%		
229,513	66,837	13,353	61,925		371,628
8,559	8,173	4,502	61,925		83,159

於二零二二年十二月三十一日

Age of trade receivable					Total
貿易應收賬款賬齡					
Within 1 year 一年內	1 to 2 years 一至兩年	2 to 3 years 兩至三年	Over 3 years 超過三年		
4.1%	20.9%	47.8%	100%		
252,246	65,275	11,866	78,322		407,709
(135,944)	(29,465)	(2,633)	(66,141)		(234,183)
116,303	35,810	9,232	12,181		173,526
4,791	7,471	4,410	12,181		28,853

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

19. TRADE AND BILLS RECEIVABLES (Continued)

As at 31 December 2023, the Group endorsed certain bills receivable accepted by banks in Mainland China (the “Derecognised Bills”) to certain of its suppliers in order to settle the trade payables due to such suppliers with an aggregate carrying amount of RMB64,975,000. The Derecognised Bills had a maturity of one to nine months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the “Continuing Involvement”). In the opinion of the directors of the Company, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills and the associated trade payables. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills was equal to their carrying amounts. In the opinion of the directors of the Company, the fair values of the Group’s Continuing Involvement in the Derecognised Bills were not significant.

During the year ended 31 December 2023, the Group had not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year and cumulatively. The endorsement had been made evenly throughout the year.

There was no Derecognised Bill during the year ended 31 December 2022.

19. 貿易應收賬款及應收票據(續)

於二零二三年十二月三十一日，本集團背書若干中國內地銀行接受的應收票據(「終止確認票據」)予其若干供應商，以結清應付該等供應商的賬面值合共人民幣64,975,000元的貿易應付款項。於報告期末，終止確認票據的到期日為一至九個月。根據中國的流通票據法，倘中國的銀行違約，則終止確認票據的持有人有權對本集團提出追索權(「持續參與」)。本公司董事認為，本集團已轉移與終止確認票據有關之絕大部分風險及回報。因此，其已終止確認終止確認票據的全部賬面值和相關貿易應付賬款。本集團持續參與終止確認票據所產生的最大虧損風險以及購回這些終止確認票據的未折現現金流量等於其賬面值。本公司董事認為，本集團持續參與終止確認票據的公平值並不重大。

截至二零二三年十二月三十一日止年度，本集團於轉讓終止確認票據之日未確認任何損益。在本年度及累計期間，沒有從持續參與中確認任何損益。全年均進行背書。

截至二零二二年十二月三十一日止年度，並無終止確認票據。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

20. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

20. 預付款項、其他應收款項及其他資產

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Prepayments	預付款項	327,446	418,305
Deposits and other receivables	按金及其他應收款項	265,139	275,867
Tax recoverable	可收回稅項	16,618	9,731
		609,203	703,903
Impairment allowance	減值撥備	(36,615)	(24,801)
		572,588	679,102

The movements in the loss allowance for impairment of deposits and other receivables are as follows:

按金及其他應收款項減值虧損撥備變動如下：

		Note 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At 1 January	於一月一日		24,801	163,686
Impairment losses recognised	已確認減值虧損	6	11,814	2,184
Amount written off as uncollectible	撇銷為未收回金額		—	(141,069)
At 31 December	於十二月三十一日		36,615	24,801

Based on management's experience and best estimation, other receivables grouped by nature as at each reporting date have been separately assumed in the assessment of the ECLs on other receivables.

根據管理層的經驗及最佳估計，於各報告日期按性質分組的其他應收賬款已於其他應收賬款的預期信貸虧損評估中單獨假設。

The financial assets included in the above balance were categorised in stage 1 as at 31 December 2023 and 2022. Except for the default receivables, the Group estimated that the expected credit loss rate of other receivables is minimal.

計入上述結餘的金融資產於二零二三年及二零二二年十二月三十一日分類至第一階段。除拖欠應收款項外，本集團估計其他應收款項的預期信貸虧損率極小。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

21. CASH AND CASH EQUIVALENTS AND PLEDGED AND RESTRICTED BANK BALANCES

21. 現金及現金等價物以及已抵押及受限制銀行結餘

		Notes 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘		32,191	16,128
Pledged and restricted bank balances	已抵押及受限制銀行結餘		5,730	14,920
			37,921	31,048
Less:	減：			
Pledged and restricted bank balances — current	已抵押及受限制銀行結餘 — 即期			
— Restricted cash	— 受限制現金	(a)	(3,514)	(12,117)
— Pledged for bank acceptance notes	— 就銀行承兌票據已抵押		(2,200)	(2,800)
— Pledged for letters of guarantee	— 就擔保函已抵押		(16)	(3)
			(5,730)	(14,920)
Cash and cash equivalents	現金及現金等價物	(b)	32,191	16,128

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

21. CASH AND CASH EQUIVALENTS AND PLEDGED AND RESTRICTED BANK BALANCES (Continued)

Notes:

- (a) Pursuant to the relevant regulations in the PRC, certain property development companies of the Group are required to place at designated bank accounts certain amounts of pre-sales proceeds of properties as guarantee deposits for the construction of the related properties. The deposits can only be used for purchases of construction materials and payments of construction fees for the relevant property projects. As at 31 December 2023, such guarantee deposits amounted to approximately RMB984,000 (2022: RMB12,117,000).
- (b) As at 31 December 2023, the Group's cash and cash equivalents denominated in US\$ amounted to approximately RMB1,051,000 (2022: RMB4,534,000) and denominated in RMB amounted to approximately RMB30,627,000 (2022: RMB11,415,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

21. 現金及現金等價物以及已抵押及受限制銀行結餘(續)

附註：

- (a) 根據中國相關規例，本集團若干物業發展公司須於指定銀行賬戶存入若干金額的預售物業所得款項作為建設相關物業的保證金。該存款僅可用於就有關物業項目購置建設材料及支付建設費用。於二零二三年十二月三十一日，該保證金約為人民幣984,000元(二零二二年：人民幣12,117,000元)。
- (b) 於二零二三年十二月三十一日，本集團以美元計值的現金及現金等價物約為人民幣1,051,000元(二零二二年：人民幣4,534,000元)及以人民幣計值的現金及現金等價物約為人民幣30,627,000元(二零二二年：人民幣11,415,000元)。人民幣不可自由兌換為其他貨幣，但根據中國內地的外匯管制條例及結匯、售匯及付匯管理規定，本集團可透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行現金按銀行存款利率為基準的浮動利率賺取利息。銀行結餘及已抵押存款乃存置於信譽卓著且近期並無拖欠記錄的銀行。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

22. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Trade payables	貿易應付賬款		
Within 90 days	90日內	627,595	372,595
91 to 180 days	91日至180日	55,490	51,645
181 to 365 days	181日至365日	64,566	35,803
1 to 2 years	1年至2年	35,642	44,972
2 to 3 years	2年至3年	31,463	33,622
Over 3 years	3年以上	68,786	66,548
		883,542	605,185
Bills payable	應付票據	59,051	30,884
		942,593	636,069

The trade payables are non-interest-bearing and are normally settled within a year. The maturity dates of all the bills payable are within 365 days.

22. 貿易應付賬款及應付票據

於報告期末，根據發票日期計算的貿易應付賬款及應付票據賬齡分析如下：

貿易應付賬款為不計息，且一般須於一年內支付。所有應付票據均於365日內到期。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

23. OTHER PAYABLES AND ACCRUALS

		Notes	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Deposits received	已收按金	(a)	12,606	59,434
Other payables	其他應付款項	(b)	373,132	503,012
Payroll payables	應付薪酬		30,558	23,074
Accruals and other liabilities	應計費用及其他負債		171,842	216,061
Other tax payables	其他應付稅項		13,476	36,745
			601,614	838,326

Notes:

- (a) Receipt in advance from disposal of non-current assets classified as held for sale of approximately RMB41,378,000 was included in the carrying amount of deposited received as at 31 December 2022.
- (b) Other payables are non-interest-bearing and have an average term of two to three months.

附註：

- (a) 於二零二二年十二月三十一日出售分類為持作出售之非流動資產預收款項約為人民幣41,378,000元計入已收按金之賬面值。
- (b) 其他應付款項為不計息及平均期限為兩至三個月。

24. CONTRACT LIABILITIES

Details of contract liabilities at the end of the reporting period are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Short-term advances received from customers	已收客戶的短期預付款		
Manufacture and sale of seam welded steel pipes and the provision of related manufacturing services	製造及銷售有縫焊接鋼管及提供相關製造服務	439,159	262,514
Sale of properties	銷售物業	303,625	441,741
Total contract liabilities	合約負債總額	742,784	704,255

Contract liabilities include sales proceeds received from buyers in connection with the Group's pre-sale of steel pipes and properties.

24. 合約負債

於報告期末，合約負債詳情如下：

合約負債包括因本集團預售鋼管及物業而自買方收取的銷售所得款項。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

24. CONTRACT LIABILITIES (Continued)

Changes in contract liabilities during the year are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At 1 January	於一月一日	704,255	1,351,558
Revenue recognised that was included in the contract liabilities at the beginning of the year	計入年初合約負債之 已確認收入	(366,189)	(769,769)
Increases due to cash received, excluding amounts recognised as revenue during the year	已收現金導致的增加 (不包括年內已確認為 收入之金額)	404,718	122,466
At 31 December	於十二月三十一日	742,784	704,255

24. 合約負債(續)

年內合約負債之變動如下：

25. FIXED RATE BONDS AND NOTES

25. 定息債券及票據

		2023 二零二三年				2022 二零二二年			
		Principal at original currency 'million 原貨幣 本金百萬	Contractual interest rate (%) per annum 合約年利率(%)	Maturity 到期日	RMB'000 人民幣千元	Principal at original currency 'million 原貨幣 本金百萬	Contractual interest rate (%) per annum 合約年利率(%)	Maturity 到期日	RMB'000 人民幣千元
Current	流動								
2017 Bonds A	二零一七年 債券A	US\$0.25 0.25美元	7.0	2023	1,867	US\$1.1 1.1美元	7.0	2023	7,615
2020 Notes	二零二零年 票據	HK\$61 61港元	12.0	2023	55,280	HK\$80 80港元	12.0	2023	71,462
2022 Bonds A	二零二二年 債券A	N/A 不適用	N/A 不適用	N/A 不適用	—	HK\$1 1港元	6.0	2023	893
2022 Bonds B	二零二二年 債券B	HK\$2 2港元	8.0	2025	1,812	HK\$2 2港元	6.0	2023	1,787
2022 Bonds C	二零二二年 債券C	HK\$3 3港元	8.0	2024	2,719	HK\$3 3港元	6.0	2023	2,680
2022 Bonds D	二零二二年 債券D	N/A 不適用	N/A 不適用	N/A 不適用	—	HK\$1 1港元	6.0	2023	893
					61,678				85,330

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

25. FIXED RATE BONDS AND NOTES (Continued) US\$3,000,000 7% bonds due in 2023 (2017 Bonds A)

On 28 April 2017, the Company issued bonds with a principal amount of US\$3,000,000 to an individual investor (the “2017 Bonds A”). The bonds should be repayable in full by 28 April 2020 but the expiry date could be extended to 30 June 2022 and further extended to 31 March 2023 and 30 September 2023 by the Company and the investor. The bonds bear interest at a fixed coupon interest rate of 7% per annum, payable semiannually in arrears commencing on 28 October 2017. The bonds are unsecured. The 2017 Bonds A matured on 30 September 2023 and was not repaid by the Company upon the maturity date. Interest on the 2017 Bonds A carried interest at 7% per annum was recognised in the profit and loss of the Group and the related interests payable were included in other payables and accruals (note 23). As at December 2023, the Company had partially redeemed the 2017 Bonds A with a principal amount of US\$2,750,000. At the end of the reporting period, the 2017 Bonds A with the principal amount of US\$250,000 remained outstanding. The Company had fully redeemed the 2017 Bonds A on 16 January 2024.

HK\$140,000,000 12% notes due in 2023 (2020 Notes)

On 27 April 2020, the Company issued 12% notes due on 27 April 2022 but the expiry date could be extended to 30 September 2022 with a principal amount of HK\$140,000,000 to an investment fund (the “2020 Notes”). The notes bear interest at a fixed rate of 12% per annum, payable semiannually in arrears. Pursuant to the purchase agreement, specific performance obligations are imposed on the controlling shareholder of the Group. Any breach of the specific performance obligations may constitute a breach under the note purchase agreement, pursuant to which the investment fund is entitled to redeem the 2020 Notes in accordance with the terms and conditions. The Company and the noteholder mutually agreed to extend the maturity date to 22 December 2023. The 2020 Notes matured on 22 December 2023 and was not repaid by the Company upon the maturity date. Interest on the 2020 Notes carried interest at 12% per annum was recognised in the profit and loss of the Group and the related interests payable were included in other payables and accruals (note 23). As at December 2023, the Company had partially redeemed the 2020 Notes with a principal amount of HK\$79,000,000. At the end of the reporting period, the 2020 Notes with the principal amount of HK\$61,000,000 remained outstanding. Subsequent to 31 December 2023 and up to the date of this report, the Company will continue to actively negotiate with the investor for the extension of the 2020 Notes to be repaid within two years by instalments.

25. 定息債券及票據(續) 3,000,000美元於二零二三年到期之年利率 7%債券(二零一七年債券A)

於二零一七年四月二十八日，本公司向一名個人投資者發行本金額為3,000,000美元之債券(「二零一七年債券A」)。債券須於二零二零年四月二十八日前悉數償付但本公司及投資者可將到期日延遲至二零二二年六月三十日，並進一步延長至二零二三年三月三十一日及二零二三年九月三十日。債券按固定年票息率7%計息，自二零一七年十月二十八日起須每半年期末支付。債券為無抵押。二零一七年債券A於二零二三年九月三十日到期，而未獲本公司於到期日償還。按年利率7厘計息之二零一七年債券A利息乃於本集團損益確認且相關應付利息乃計入其他應付款項及應計費用(附註23)。於二零二三年十二月，本公司已部分贖回二零一七年債券A，本金為2,750,000美元。於報告期末，本金額為250,000美元之二零一七年債券A仍未償還。本公司已於二零二四年一月十六日悉數贖回二零一七年債券A。

140,000,000港元於二零二三年到期之年利率 12%票據(二零二零年票據)

於二零二零年四月二十七日，本公司向投資基金發行本金額為140,000,000港元之12%票據(「二零二零年票據」)於二零二二年四月二十七日前悉數償付但到期日可延遲至二零二二年九月三十日。票據按固定年息率12%計息，須每半年期末支付。根據購買協議，本集團控股股東須履行特定履約責任。任何違反特定履約責任可能構成票據購買協議下的違約行為，在此情況下，投資基金有權根據條款及條件立即贖回二零二零年票據。本公司及票據持有者相互協定將到期日延長至二零二三年十二月二十二日。二零二零年票據於二零二三年十二月二十二日到期，而未獲本公司於到期日償還。按年利率12厘計息之二零二零年票據利息乃於本集團損益確認且相關應付利息乃計入其他應付款項及應計費用(附註23)。於二零二三年十二月，本公司已部分贖回二零二零年票據，本金為79,000,000港元。於報告期末，本金額為61,000,000港元之二零二零年票據仍未償還。於二零二三年十二月三十一日後及直至本報告日期，本公司將繼續積極與投資者就二零二零年票據的延期(於兩年內分期償還)進行協商。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

25. FIXED RATE BONDS AND NOTES (Continued)

HK\$1,000,000 6% bonds due in 2023 (2022 Bonds A)

On 3 January 2022, the Company issued bonds with a principal amount of HK\$1,000,000 to an individual investor (the “2022 Bonds A”). The bonds should be repayable in full by 4 January 2023. The bonds bear interest at a fixed coupon interest rate of 6% per annum, payable monthly in arrears. The bonds are unsecured. As at 31 December 2023, the Company had fully redeemed the 2022 Bonds A.

HK\$2,000,000 8% bonds due in 2025 (2022 Bonds B)

On 8 January 2022, the Company issued bonds with a principal amount of HK\$2,000,000 to an individual investor (the “2022 Bonds B”). The bonds should be repayable in full by 9 January 2023 but the expiry date has been extended to 9 January 2024 and further extended to 9 January 2025 by the Company and the investor. The bonds bear interest at a fixed coupon interest rate of 6% per annum, payable monthly in arrears. From 9 January 2023, the interest rate of the 2022 Bonds B increased from 6% per annum to 8% per annum. The bonds are unsecured.

HK\$3,000,000 8% bonds due in 2024 (2022 Bonds C)

On 8 January 2022, the Company issued bonds with a principal amount of HK\$3,000,000 to an individual investor (the “2022 Bonds C”). The bonds should be repayable in full by 9 January 2023 but the expiry date has been extended to 11 April 2024 by the Company and the investor. The bonds bear interest at a fixed coupon interest rate of 6% per annum, payable monthly in arrears. From 9 January 2023, the interest rate of the 2022 Bonds C increased from 6% per annum to 8% per annum. The bonds are unsecured.

HK\$1,000,000 6% bonds due in 2023 (2022 Bonds D)

On 30 September 2022, the Company issued bonds with a principal amount of HK\$1,000,000 to an individual investor (the “2022 Bonds D”). The bonds should be repayable in full by 1 October 2023. The bonds bear interest at a fixed coupon interest rate of 6% per annum, payable monthly in arrears. The bonds are unsecured. As at 31 December 2023, the Company had fully redeemed the 2022 Bonds D.

25. 定息債券及票據(續)

1,000,000港元於二零二三年到期之年利率6%債券(二零二二年債券A)

於二零二二年一月三日，本公司向一名個人投資者發行本金額為1,000,000港元之債券(「二零二二年債券A」)。債券須於二零二三年一月四日前悉數償付。債券按固定年票息率6%計息，須每月底支付。債券為無抵押。於二零二三年十二月三十一日，本公司已悉數贖回二零二二年債券A。

2,000,000港元於二零二五年到期之年利率8%債券(二零二二年債券B)

於二零二二年一月八日，本公司向一名個人投資者發行本金額為2,000,000港元之債券(「二零二二年債券B」)。債券須於二零二三年一月九日前悉數償付，但本公司及投資人已把到期日延長至二零二四年一月九日，並進一步延長至二零二五年一月九日。債券按固定年票息率6%計息，為期須每月底支付。自二零二三年一月九日，二零二二年債券B年利率從6%增加至8%。債券為無抵押。

3,000,000港元於二零二四年到期之年利率8%債券(二零二二年債券C)

於二零二二年一月八日，本公司向一名個人投資者發行本金額為3,000,000港元之債券(「二零二二年債券C」)。債券須於二零二三年一月九日前悉數償付，但本公司及投資人已把到期日延長至二零二四年四月十一日。債券按固定年票息率6%計息，須每月底支付。自二零二三年一月九日，二零二二年債券C年利率從6%增加至8%。債券為無抵押。

1,000,000港元於二零二三年到期之年利率6%債券(二零二二年債券D)

於二零二二年九月三十日，本公司向一名個人投資者發行本金額為1,000,000港元之債券(「二零二二年債券D」)。債券須於二零二三年十月一日前悉數償付。債券按固定年票息率6%計息，須每月底支付。債券為無抵押。於二零二三年十二月三十一日，本公司已悉數贖回二零二二年債券D。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

26. INTEREST-BEARING BANK AND OTHER BORROWINGS

26. 計息銀行及其他借貸

		2023 二零二三年			2022 二零二二年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元
Current	流動						
Lease liabilities (note 15)	租賃負債(附註15)	9.13	2024 二零二四年	463	2.51	2023 二零二三年	686
Bank loans	銀行貸款						
— secured	— 有抵押	7.00	2024 二零二四年	489,110	3.50-5.88	2023 二零二三年	373,928
— unsecured	— 無抵押	4.70-5.44	2024 二零二四年	57,500	4.70-5.44	2023 二零二三年	59,622
Other borrowings	其他借貸						
— secured	— 有抵押	6.40-9.09	2024 二零二四年	71,734	N/A 不適用	N/A 不適用	—
— unsecured	— 無抵押	11.20	2024 二零二四年	202,419	11.20	2023 二零二三年	265,173
Current portion of long term bank loans	長期銀行貸款流動部分						
— secured	— 有抵押	4.90-5.39	2024 二零二四年	795,634	4.90-5.88	2023 二零二三年	181,000
Subtotal	小計			1,616,860			880,409
Non-current	非流動						
Lease liabilities (note 15)	租賃負債(附註15)	9.13	2026 二零二六年	532	2.51	2024 二零二四年	36
Bank loans	銀行貸款						
— secured	— 有抵押	4.90-5.39	2025-2028 二零二五年至二零二八年	126,000	4.90-5.88	2024-2028 二零二四年至二零二八年	810,203
Other borrowings	其他借貸						
— secured	— 有抵押	6.40-9.09	2025 二零二五年	27,284	N/A 不適用	N/A 不適用	—
Subtotal	小計			153,816			810,239
				1,770,676			1,690,648

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

26. 計息銀行及其他借貸(續)

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Analysed into:	按以下分析為：		
Bank loans repayable:	須於以下期限償還的銀行貸款：		
Within one year	一年內	1,342,244	614,550
In the second year	第二年	4,000	680,203
In the third to fifth years, inclusive	第三年至第五年 (包括首尾兩年)	12,000	—
Beyond five years	超過五年	110,000	130,000
		1,468,244	1,424,753
Other borrowings repayable:	須於以下期限償還的其他借貸：		
Within one year	一年內	274,153	265,173
In the second year	第二年	27,284	—
		301,437	265,173
Lease liabilities repayable:	須於以下期限償還的租賃負債：		
Within one year	一年內	463	686
In the second year	第二年	532	36
		995	722
		1,770,676	1,690,648

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Certain of the Group's bank loans are secured by:

- (a) the pledge of certain of the Group's property, plant and equipment with a net carrying amount of approximately RMB696,393,000 (2022: RMB598,109,000) as at the end of the reporting period;
- (b) the pledge of certain of the Group's leasehold land with a net carrying amount of approximately RMB481,645,000 (2022: RMB489,399,000) as at the end of the reporting period;
- (c) the pledge of certain of the Group's completed properties held for sale amounting to approximately RMB1,002,989,000 (2022: RMB913,698,000) as at the end of the reporting period.

Except for the other borrowings of approximately RMB2,950,000 (2022: RMB2,494,000) as at 31 December 2023, which are denominated in HK\$, the borrowings of the Group are denominated in RMB.

The Group had the following undrawn banking facilities:

		Note	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Floating rate	浮動利率			
— expiring within one year	— 一年內到期		103,290	975,052
— expiring beyond one year	— 一年後到期		738,366	714,797
Total undrawn banking facilities	未提取銀行融資總額	(a)	841,656	1,689,849

26. 計息銀行及其他借貸(續)

本集團若干銀行貸款由下列各項作為抵押：

- (a) 抵押本集團於報告期末賬面淨值約為人民幣696,393,000元(二零二二年：人民幣598,109,000元)的若干物業、廠房及設備；
- (b) 抵押本集團於報告期末賬面淨值約為人民幣481,645,000元(二零二二年：人民幣489,399,000元)的若干租賃土地；
- (c) 抵押本集團於報告期末金額約為人民幣1,002,989,000元(二零二二年：人民幣913,698,000元)的若干落成待售物業。

於二零二三年十二月三十一日，本集團除其他借貸約人民幣2,950,000元(二零二二年：人民幣2,494,000元)以港元列值外，全部借貸均以人民幣列值。

本集團有下列尚未提取銀行信貸：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

Note:

- (a) Pursuant to the relevant contract, certain of the Group's undrawn banking facilities of approximately RMB708,366,000 (2022: RMB681,797,000) can only be used for property development projects and are repayable based on the pre-sale progress of such properties.

27. PROVISION

Legal proceedings:	法律訴訟：
At 1 January	於一月一日
Provision for the year	本年度撥備
Utilised during the year	年內已動用
At 31 December	於十二月三十一日

Certain subsidiaries of the Group are defendants in lawsuits brought by third parties alleging that the subsidiaries breached and repudiated certain purchase and construction contracts. The claims are subject to the legal arbitration and are expected to be finalised in 2024. During the year ended 31 December 2023, a provision of approximately RMB4,536,000 (2022: RMB18,795,000) (including related interest) was recognised in profit or loss based on directors' estimation of the expected probable outcome.

26. 計息銀行及其他借貸(續)

附註：

- (a) 根據有關合約，本集團金額約為人民幣708,366,000元(二零二二年：人民幣681,797,000元)之若干未提取銀行融資僅可用於物業發展項目，並按有關物業之預售進度償還。

27. 撥備

Note	2023	2022
附註	二零二三年	二零二二年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	49,283	30,488
6	4,536	18,795
	(3,855)	—
	49,964	49,283

本集團若干附屬公司為第三方提出的訴訟之被告，該第三方聲稱該等附屬公司違反及不履行若干購買及建造合約。該申索須待司法仲裁後方可決定及預期將於二零二三年審定。截至二零二三年十二月三十一日止年度，根據董事估計的預期可能結果，已於損益中確認約人民幣4,536,000元(二零二二年：人民幣18,795,000元)(包括相關利息)之撥備。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

28. DEFERRED TAX

Deferred tax liabilities

28. 遞延稅項

遞延稅項負債

		Changes in/ realisation of fair value of GDC properties* 金龍城物業* 之公平值 變動/變現 RMB'000 人民幣千元	Accelerated tax depreciation 加速稅項折舊 RMB'000 人民幣千元	Withholding tax 預扣稅 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	342,949	4,364	2,265	349,578
Deferred tax credited to the consolidated statement of profit or loss during the year	年內於綜合損益表計入的遞延稅項	(55,289)	—	—	(55,289)
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	287,660	4,364	2,265	294,289
Deferred tax credited to the consolidated statement of profit or loss during the year	年內於綜合損益表計入的遞延稅項	(110,519)	—	—	(110,519)
At 31 December 2023	於二零二三年十二月三十一日	177,141	4,364	2,265	183,770

* GDC properties include investment properties, properties under development and completed properties held for sale.

* 金龍城物業包含投資物業、發展中物業及落成待售物業。

Pursuant to the PRC CIT Law, a 10% (or a lower rate if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors) withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

根據中國企業所得稅法，倘於中國大陸成立的外資企業向海外投資者宣派股息，須繳納10%（或倘中國內地與外國投資者所屬司法權區的稅務條約規定較低稅率）預扣稅。此規定於二零零八年一月一日生效，並適用於二零零七年十二月三十一日後賺取的盈利。因此，本集團須就中國大陸成立之該等附屬公司就二零零八年一月一日起產生之盈利分派的股息繳納預扣稅。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

28. DEFERRED TAX (Continued)

Deferred tax liabilities (Continued)

Since 2011, no deferred tax has been recognised by the Group for withholding taxes that would be payable on the unremitted earnings of those subsidiaries that are subject to withholding taxes as management considered that it is not probable that those subsidiaries will distribute any earnings in the foreseeable future.

Deferred tax assets

As at 31 December 2023, the Group had tax losses arising in Hong Kong of approximately RMB641,251,000 (2022: RMB442,276,000), which are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Mainland China of approximately RMB280,150,000 (2022: RMB1,708,331,000) that will expire in one to five years for offsetting against future taxable profits. No deferred tax assets were recognised in respect of the tax losses of the Group as at 31 December 2023 and 2022.

29. GOVERNMENT GRANTS

At 1 January	於一月一日		
Grants received during the year	年內獲發補貼		
Recognised as income during the year	年內確認為收入	5	
At 31 December	於十二月三十一日		

Government grants have been received as encouragement for technological innovation and improvements, the construction of production plants and rewards for investment encouragement. There are no unfulfilled conditions and other contingencies attaching to these grants that have been recognised as income during the year. Related assets associated with the above grants have not yet been completed.

28. 遞延稅項 (續)

遞延稅項負債 (續)

自二零一一年起，本集團概無就須繳付預扣稅之該等附屬公司之未匯出盈利之應付繳納預扣稅確認遞延稅項，因為管理層認為該等附屬公司不大可能在可見未來分派任何盈利。

遞延稅項資產

於二零二三年十二月三十一日，本集團於香港產生稅項虧損約人民幣641,251,000元（二零二二年：人民幣442,276,000元），該等稅項虧損可無限期用作抵銷出現虧損的公司的未來應課稅溢利。本集團亦於中國內地產生稅項虧損約人民幣280,150,000元（二零二二年：人民幣1,708,331,000元），將於一至五年內到期，以抵銷未來應課稅溢利。於二零二三年及二零二二年十二月三十一日，本集團概無就稅項虧損確認遞延所得稅資產。

29. 政府補貼

	Note	2023	2022
	附註	二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January		102,593	330,207
Grants received during the year		50,858	4,022
Recognised as income during the year	5	(6,663)	(231,636)
At 31 December		146,788	102,593

本集團已獲發政府補貼，以鼓勵技術創新及提升、興建生產廠房及作為投資的獎勵。該等補貼概無附帶未達成條件或或然事項，已在本年度確認為收入。與上述補貼有關之相關資產尚未竣工。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

30. ISSUED CAPITAL

Authorised:
10,000,000,000 (2022: 10,000,000,000)
ordinary shares of HK\$0.10 each

法定：
10,000,000,000股
(二零二二年：
10,000,000,000股)
每股面值0.10港元之普通股

Issued and fully paid:
1,011,142,000 (2022: 1,011,142,000)
ordinary shares of HK\$0.10 each

已發行及繳足：
1,011,142,000股
(二零二二年：
1,011,142,000股)
每股面值0.10港元之普通股

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
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878,335	878,335
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88,856	88,856
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31. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the financial statements.

32. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

On 26 April 2022, PCKSP, an indirect wholly-owned subsidiary of the Company, entered into the disposal agreement with the joint venture partner, Abdel Hadi Abdullah Al Qahtani & Sons, Co. (the "AHQ"), pursuant to which AHQ has conditionally agreed to purchase, and PCKSP had conditionally agreed to sell, the 50% equity interest in the JV Company. The consideration paid by AHQ was SR41.5 million (or equivalent to approximately RMB76,053,000 of which approximately RMB41,378,000 (note 23) received in last year). After Completion, the Group ceased to hold any interests in the JV Company. Investment in a joint venture was classified as non-current asset classified as held for sale as at 31 December 2022.

The transaction for disposal of investment in the JV Company had been completed during the year as all conditions fulfilled and the Group recognised a gain on disposal of investment in a joint venture of approximately RMB73,790,000, after deducting costs of disposal of approximately RMB2,263,000.

30. 已發行股本

31. 儲備

本集團於本年度及以往年度的儲備金額及變動呈列於財務報表之綜合權益變動表內。

32. 分類為持作出售之非流動資產

於二零二二年四月二十六日，本公司之間接全資附屬公司番禺珠江鋼管與合營公司合夥人Abdel Hadi Abdullah Al Qahtani & Sons, Co. (「AHQ」)訂立出售協議，據此，AHQ有條件地同意購買，而番禺珠江鋼管有條件地同意出售合營公司的50%股權。AHQ應付之代價為沙特里亞爾41,500,000元（或相當於約人民幣76,053,000元，其中約人民幣41,378,000元（附註23）已於上年收取）。於完成後，本集團不再持有合營公司的任何權益。於二零二二年十二月三十一日，於一間合營公司之投資獲分類為持作出售之非流動資產。

由於所有條件均已滿足，故出售於一間合營公司之投資之交易已於年內完成，而本集團確認出售於一間合營公司投資之收益約人民幣73,790,000元（經扣除出售成本約人民幣2,263,000元）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Changes in liabilities arising from financing activities

33. 綜合現金流量表附註

(a) 融資活動產生之負債變動

Year ended 31 December 2023	截至二零二三年 十二月三十一日 止年度	Lease liabilities	Bank and other borrowings (other than lease liabilities)	Fixed rate bonds and notes	Due to a director
		RMB'000 人民幣千元	銀行及其他 借貸(租賃負債 除外) RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2023	於二零二三年 一月一日	722	1,689,926	85,330	390,195
Changes from financing cash flows	融資現金流量 變動	(661)	79,689	(24,723)	(325,842)
Lease modification	租賃修訂	937	—	—	—
Interest expense	利息開支	52	—	—	—
Interest paid classified as operating cash flows	分類為經營現金 流量之已付 利息	(52)	—	—	—
Foreign exchange movement	外匯變動	(3)	66	1,071	—
At 31 December 2023	於二零二三年 十二月三十一日	995	1,769,681	61,678	64,353

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Changes in liabilities arising from financing activities (Continued)

33. 綜合現金流量表附註(續)

(a) 融資活動產生之負債變動(續)

Year ended 31 December 2022	截至二零二二年 十二月三十一日 止年度	Lease liabilities 租賃負債 RMB'000 人民幣千元	Bank and other borrowings (other than lease liabilities) 銀行及其他 借貸(租賃負債 除外)	Fixed rate bonds and notes 定息債券 及票據 RMB'000 人民幣千元	Due to a director 應付董事款項 RMB'000 人民幣千元
			RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2022	於二零二二年 一月一日	325	1,720,974	88,930	449,111
Changes from financing cash flows	融資現金流量 變動	(934)	(31,229)	(13,437)	(58,916)
New leases	新增租賃	1,286	—	—	—
Interest expense	利息開支	57	—	—	—
Interest paid classified as operating cash flows	分類為經營現金 流量之已付 利息	(57)	—	—	—
Foreign exchange movement	外匯變動	45	181	9,837	—
At 31 December 2022	於二零二二年 十二月三十一日	722	1,689,926	85,330	390,195

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Total cash outflow for leases

The total cash outflow for leases during the reporting period included in the consolidated statement of cash flows is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within operating activities	經營活動	(52)	(57)
Within investing activities	投資活動	—	—
Within financing activities	融資活動	(661)	(934)
		(713)	(991)

34. FINANCIAL GUARANTEES

The financial guarantee contracts are measured at the higher of the ECL allowance and the amount initially recognised less the cumulative amount of income recognised. The ECL allowance is measured by estimating the cash shortfalls, which are based on the expected payments to reimburse the holders for a credit loss that it incurs less any amounts that the Group expects to receive from the debtor. The amount initially recognised represents the fair value at initial recognition of the financial guarantees.

At the end of the reporting period, financial guarantees not provided for in the financial statements were as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Guarantees in respect of mortgage facilities provided for certain purchasers of the Group's properties	就按揭融資為本集團物業的若干買方提供的擔保	27,430	36,887

33. 綜合現金流量表附註(續)

(b) 租賃現金流出總額

於報告期間計入綜合現金流量表之租賃現金流出總額如下：

34. 財務擔保

財務擔保合約乃按預期信貸虧損撥備與初始確認金額減已確認之累計收入金額之較高者進行計量。預期信貸虧損撥備乃通過估計按償還持有人所產生信貸虧損的預計款項減本集團預計自債務人收取的任何金額之現金差額計量。初始確認金額指於初始確認財務擔保時的公平值。

於報告期末，財務報表中未撥備之財務擔保如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

34. FINANCIAL GUARANTEES (Continued)

As at 31 December 2023, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, in the event of default on mortgage payments by these purchasers before the expiry of the guarantees, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owed by the defaulted purchasers to the banks, net of any auction proceeds as described below.

Pursuant to the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans, and in the event of default on mortgage repayments by these purchasers, the banks are entitled to take over the legal titles and will realise the pledged properties through open auction. The Group is responsible for repaying the banks when the proceeds from the auction of the properties cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

The Group's guarantee period starts from the date of grant of the relevant mortgage loans and ends upon the issuance of real estate ownership certificates to the purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties.

The fair value of the guarantees is not significant and the directors of the Company consider that in the event of default on payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalties, and therefore, no provision has been made in the financial statements for the guarantees.

34. 財務擔保(續)

於二零二三年十二月三十一日，本集團就若干銀行向本集團物業若干買方提供按揭貸款而授予的按揭融資提供擔保。根據擔保的條款，於擔保期屆滿之前，倘上述買方於按揭還款上違約，本集團負責向銀行償還違約買方結欠的未償還按揭本金連同應計利息及罰款（扣除下文所述的任何拍賣收益）。

根據上述安排，相關物業已作為按揭貸款的抵押物抵押予銀行，及倘上述買方於按揭還款上違約，銀行有權取得合法業權，並通過公開拍賣變現抵押物業。若拍賣物業所得的收益不足以償還未償還的按揭本金連同應計利息及罰款，則本集團負責向銀行償還款項。

本集團的擔保期於授予相關按揭貸款之日起計至買方獲發房地產所有權證書（通常於買方持有有關物業後一至兩年內可以獲得）時止。

擔保的公平值並不重大，且本公司董事認為，於還款違約的情況下，有關物業的可變現淨值足以償還未償還的按揭本金連同應計利息及罰款，因此，財務報表中並無就擔保作出撥備。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

35. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但未撥備：		
Construction of buildings	興建樓宇	80,885	105,157
Construction of plant and machinery	興建廠房及機器	30,230	35,047
		111,115	140,204

At the end of the reporting period, the Company did not have any other significant commitments.

35. 承擔

於報告期末，本集團有以下資本承擔：

於報告期末，本公司並無任何其他重大承擔。

36. RELATED PARTY TRANSACTIONS

(a) Name and relationship of related parties

The directors of the Company are of the view that the following companies are related parties:

Name of related parties

關聯方名稱

Guangzhou City Pearl River Machine Tool Works
Co., Ltd.

廣州市珠江機床廠有限公司

Relationship

關係

GZMT is a company of which Mr Chen Chang is the
ultimate equity owner

珠江機床乃由陳昌先生為最終股權擁有人之公司

36. 關聯方交易

(a) 關聯方名稱及關係

本公司董事認為以下公司為關聯方：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

36. RELATED PARTY TRANSACTIONS (Continued)

(b) Transaction with related parties

The Group had no transactions with related parties during the year ended 31 December 2023 (2022: Nil).

(c) Balances with related parties

Outstanding balance at the end of the reporting period with a director of the Company is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Due to a director	應付董事款項		
Mr Chen Chang	陳昌先生	64,353	390,195

The outstanding balance with a director is unsecured, interest-free and has no fixed terms of repayment.

與董事的未支付結餘乃無抵押、免息且並無固定還款期。

(d) Compensation of key management personnel of the Group during the year is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Fees, salaries, allowances and benefits in kind	袍金、薪金、津貼及實物福利	3,599	3,566
Retirement benefit scheme contributions	退休福利計劃供款	92	89
Total compensation paid to key management personnel	支付主要管理人員薪酬總額	3,691	3,655

Further details of directors' emoluments are included in note 9 to the financial statements.

(d) 年內本集團主要管理人員的薪酬如下：

董事酬金的進一步詳情載於財務報表之附註9。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

37. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Financial assets at amortised cost:	按攤銷成本計量的金融資產：		
Financial assets included in long term prepayments and deposits	計入長期預付款項及按金的金融資產	2,778	2,848
Trade and bills receivables	貿易應收賬款及應收票據	311,953	378,856
Financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產	228,524	251,066
Pledged deposits	已抵押按金	5,730	14,920
Cash and cash equivalents	現金及現金等價物	32,191	16,128
		581,176	663,818

Financial liabilities

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Financial liabilities at amortised cost:	按攤銷成本計量的金融負債：		
Trade and bills payables	貿易應付賬款及應付票據	942,593	636,069
Lease liabilities	租賃負債	995	722
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用的金融負債	544,974	719,073
Due to a director	應付董事款項	64,353	390,195
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借貸 (租賃負債除外)	1,769,681	1,689,926
Fixed rate bonds and notes	定息債券及票據	61,678	85,330
		3,384,274	3,521,315

37. 金融工具的分類

於報告期末，各類別金融工具的賬面值如下：

金融資產

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
2,778	2,848
311,953	378,856
228,524	251,066
5,730	14,920
32,191	16,128
581,176	663,818

金融負債

2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
942,593	636,069
995	722
544,974	719,073
64,353	390,195
1,769,681	1,689,926
61,678	85,330
3,384,274	3,521,315

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

38. 金融工具之公平值及公平值層級

除賬面值與其公平值合理相若的金融工具外，本集團金融工具的賬面值及公平值如下：

		Carrying amounts		Fair value	
		賬面值		公平值	
		2023	2022	2023	2022
		二零二三年	二零二二年	二零二三年	二零二二年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial liabilities:	金融負債：				
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借貸 (租賃負債除外)	1,769,681	1,689,926	1,707,908	1,727,178
Fixed rate bonds and notes	定息債券及票據	61,678	85,330	61,678	85,330
		1,831,359	1,775,256	1,769,586	1,812,508

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade and bills receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals, lease liabilities and an amount due to a director approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

管理層已評估現金及現金等價物、已抵押存款、貿易應收賬款及應收票據、貿易應付賬款及應付票據、計入預付款項、其他應收款項及其他資產的金融資產、計入其他應付款項及應計費用之金融負債、租賃負債及應付董事款項之公平值，與其賬面值相若，主要因為該等工具於短期內到期。

金融資產及負債之公平值以自願交易方(強迫或清盤出售除外)當前交易中該工具之可交易金額入賬。下列方法及假設用於估計公平值：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The fair values of the interest-bearing bank and other borrowings and fixed rate bonds and notes have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank and other borrowings and fixed rate bonds and notes as at 31 December 2023 and 2022 were assessed to be insignificant. The carrying amounts of these financial instruments carried at amortised cost were not materially different from their fair values as at 31 December 2023 and 2022.

The fair value of warrants was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the warrants were granted.

Fair value hierarchy

The Group did not have any financial assets measured at fair value as at 31 December 2023 (2022: Nil).

The Group did not have any financial liabilities measured at fair value as at 31 December 2023 (2022: Nil).

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2022: Nil).

38. 金融工具之公平值及公平值層級(續)

計息銀行及其他借貸及定息債券及票據之公平值，乃以條款、信貸風險及餘下期限類似之工具現時可取得折現率，折現預期未來現金流計算。於二零二三年及二零二二年十二月三十一日，本集團就計息銀行及其他借貸及定息債券及票據之自有不履約風險導致之公平值變動評估為不重大。於二零二三年及二零二二年十二月三十一日，該等按攤銷成本入賬之金融工具之賬面值與其公平值並無重大差異。

認股權證的公平值乃於授出日期使用二項式模型估計，並考慮授出認股權證的條款及條件估計。

公平值層級

於二零二三年十二月三十一日，本集團並無任何按公平值計量之金融資產(二零二二年：無)。

於二零二三年十二月三十一日，本集團並無任何按公平值計量之金融負債(二零二二年：無)。

年內，第一級及第二級之間概無有關金融資產及金融負債之公平值計量轉移，亦無轉入第三級或自第三級轉出(二零二二年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

38. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

Liabilities for which fair values are disclosed:

38. 金融工具之公平值及公平值層級(續)

公平值層級(續)

按公平值披露的負債：

		Fair value measurement using 使用下列各項進行公平值計量			
		Quoted prices in active markets (Level 1) 活躍市場 所報價格 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) RMB'000 人民幣千元	Significant unobservable input (Level 3) 重大不可觀察 輸入值 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
2023	二零二三年				
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借貸 (租賃負債除外)	—	1,707,908	—	1,707,908
Fixed rate bonds and notes	定息債券及票據	—	61,678	—	61,678
2022	二零二二年				
Interest-bearing bank and other borrowings (other than lease liabilities)	計息銀行及其他借貸 (租賃負債除外)	—	1,727,178	—	1,727,178
Fixed rate bonds and notes	定息債券及票據	—	85,330	—	85,330

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments include bank and other borrowings, fixed rate bonds and notes, cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group also has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Generally, the Group introduces prudent strategies on its risk management. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below:

(a) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank loans and government loans with floating interest rates. The Group is also exposed to fair value interest rate risk in relation to fixed-rate bank and other borrowings.

The Group regularly reviews and monitors the mix of fixed and floating interest rate borrowings in order to manage its interest rate risk. Interest-bearing loans, cash and short term deposits are stated at amortised cost and not revalued on a periodic basis. Floating rate interest income and expenses are credited/charged to the statement of profit or loss as earned/incurred.

If there was a general increase/decrease in the interest rate of bank and other borrowings with floating interest rates by one percentage point, with all other variables held constant, the consolidated operating results would have decreased/increased by approximately RMB12,559,000 (2022: RMB11,700,000), and there would have been no impact on other components of the consolidated equity, except for accumulated losses, of the Group.

39. 財務風險管理目標及政策

本集團主要的金融工具包括銀行及其他借貸、定息債券及票據、現金及短期存款。該等金融工具的主要目的是籌集本集團的經營融資。本集團亦有各種其他金融資產及負債，如直接由經營產生的貿易應收賬款及貿易應付賬款等。

由本集團的金融工具產生的主要風險有利率風險、外幣風險、信貸風險及流動資金風險。一般而言，本集團在其風險管理中引入審慎的策略。董事會審閱並協定管理該等風險各自的政策，概述如下：

(a) 利率風險

本集團承受的市場利率變動風險主要與本集團按浮動利率計息的銀行貸款及政府貸款有關。本集團亦面臨有關定息銀行及其他借貸的公平值利率風險。

本集團定期審查並監察固定及浮動利率混合借貸，以管理其利率風險。計息貸款、現金及短期存款按攤銷成本列值，而不定期重估。浮動利率利息收入及開支按賺取／產生時在損益表計入／扣除。

若按浮動利率計算的銀行及其他借貸整體加息／減息一個百分點，而所有其他變量不變，則綜合經營業績將減少／增加約人民幣12,559,000元（二零二二年：人民幣11,700,000元），對本集團綜合權益的其他成分並無影響（惟累計虧損除外）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Foreign currency risk

The Group has transactional currency exposures. These exposures arise from sales by operating units in currencies other than the units' functional currencies. Approximately 52% (2022: 24%) of the Group's sales were mainly denominated in United States ("US") dollars, which is other than the functional currencies of the operating units making the sale.

The carrying amounts of the Group's foreign currencies denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Assets	資產		
US dollar	美元	27,764	83,965
Liabilities	負債		
US dollar	美元	309,420	164,707

The following table demonstrates the sensitivity as at the end of the reporting period to a reasonably possible change in the US dollar exchange rate, with all other variables held constant, of the Group's profit before tax.

Effect on profit before tax

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Increase in the US dollar rate of 3%	美元匯率增加3%	(8,449)	(2,422)
Decrease in the US dollar rate of 3%	美元匯率減少3%	8,449	2,422

39. 財務風險管理目標及政策(續)

(b) 外幣風險

本集團面臨交易貨幣風險。該等風險來自經營單位以單位的功能貨幣以外的貨幣進行的銷售。本集團銷售中約52%(二零二二年: 24%)主要以進行銷售的經營單位的功能貨幣以外的貨幣美元(「美元」)計值。

於報告期末本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下:

下表顯示於報告期末本集團除稅前溢利在所有其他變量保持不變情況下對於美元匯率的合理可能變動的敏感度。

對除稅前溢利的影響

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the Head of Credit Control.

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December.

The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

39. 財務風險管理目標及政策(續)

(c) 信貸風險

本集團僅與獲認可及信譽良好之第三方進行交易。本集團之政策為所有擬以信貸方式進行交易之客戶均須通過信貸評核程序。此外，應收款項結餘會受持續監控而本集團的壞賬風險並不重大。就不以相關營運單位的功能貨幣計值的交易而言，本集團在未獲信貸監控主管特批的情況下不提供信貸期。

最高風險及年末階段

下表顯示根據本集團信貸政策(主要基於逾期資料，除非毋須花費過度成本或精力即可取得其他資料)的信貸質素及最高信貸風險，以及於十二月三十一日的年末階段分類。

所呈列的金額為金融資產的賬面總值及就財務擔保合約承擔的信貸風險。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2023

39. 財務風險管理目標及政策(續)

(c) 信貸風險(續)

最高風險及年末階段(續)

於二零二三年十二月三十一日

			12-month ECLs Stage 1 12個月預期信貸 虧損第一階段 RMB'000 人民幣千元	Lifetime ECLs Simplified approach 全期預期信貸 虧損簡化法 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets included in long term prepayments and deposits	計入長期預付款項及按金之金融資產		2,778	—	2,778
Trade receivables	貿易應收賬款	(i)	—	371,628	371,628
Bills receivable	應收票據		—	23,484	23,484
Financial assets included in prepayments, other receivables and other assets — Normal	計入預付款項、其他應收款項及其他資產之金融資產 — 正常	(ii)	265,139	—	265,139
Pledged deposits — Not yet past due	已抵押按金 — 尚未逾期		5,730	—	5,730
Cash and cash equivalents — Not yet past due	現金及現金等價物 — 尚未逾期		32,191	—	32,191
Guarantees in respect of mortgage facilities provided for certain purchasers of the Group's properties	就若干本集團物業購買者提供之按揭融資提供擔保				
— Facilities drawn by certain purchasers of the Group's properties	— 若干本集團物業購買者已提取之融資		27,430	—	27,430
			333,268	395,112	728,380

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2022

39. 財務風險管理目標及政策(續)

(c) 信貸風險(續)

最高風險及年末階段(續)

於二零二二年十二月三十一日

			12-month ECLs Stage 1 12個月預期信貸 虧損第一階段	Lifetime ECLs Simplified approach 全期預期信貸 虧損簡化法	Total 總計
	Notes 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Financial assets included in long term prepayments and deposits			2,848	—	2,848
Trade receivables	(i)		—	407,709	407,709
Financial assets included in prepayments, other receivables and other assets — Normal	(ii)	275,867		—	275,867
Pledged deposits — Not yet past due			14,920	—	14,920
Cash and cash equivalents — Not yet past due			16,128	—	16,128
Guarantees in respect of mortgage facilities provided for certain purchasers of the Group's properties — Facilities drawn by certain purchasers of the Group's properties			36,887	—	36,887
			346,650	407,709	754,359

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

Notes:

- (i) For trade receivables to which the Group applies the simplified approach for impairment, information based on provision matrix is disclosed in note 19.
- (ii) The credit quality of the financial assets included in prepayments, other receivables and other assets is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 19 to the financial statements.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

(d) Liquidity risk

The Group's objective is to ensure continuity of sufficient funding and flexibility by utilising a variety of bank and other borrowings with debt maturities spreading over a range of periods, thereby ensuring that the Group's outstanding borrowing obligation is not exposed to excessive repayment risk in any one year. Due to the capital intensive nature of the Group's businesses, the Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements.

39. 財務風險管理目標及政策(續)

(c) 信貸風險(續)

最高風險及年末階段(續)

附註：

- (i) 就本集團應用減值之簡化法的貿易應收賬款而言，以撥備矩陣為基礎的資料於附註19內披露。
- (ii) 計入預付款項、其他應收款項及其他資產的金融資產的信貸質素，在未逾期且並無資料顯示金融資產的信貸風險自首次確認以來出現大幅增加的情況下被視為「正常」。

有關本集團因貿易應收賬款而產生的信貸風險的進一步定量數據於財務報表附註19內披露。

由於本集團僅與公認且信譽良好的第三方進行交易，因此無需抵押。信貸風險的集中度由客戶／交易對手、地理區域和行業部門管理。由於本集團貿易應收賬款的客戶群廣泛分佈於不同領域及行業，因此本集團內部沒有重大的信貸風險集中。

(d) 流動資金風險

本集團的目標是，利用債務到期日各有不同的各種銀行及其他借貸，確保持續獲得足夠融資及具備靈活性，從而確保本集團尚未償還的借貸債務在任何一年不會承受過多的償還風險。由於本集團業務的資本密集性，本集團確保維持足夠現金及信用限額以滿足其流動資金要求。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Liquidity risk (Continued)

The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations as they fall due, and its ability to obtain external financing to meet its committed future capital expenditure. With regard to its future capital commitments and other financing requirements, the Group has already obtained banking facilities with several banks of up to an amount of approximately RMB2,365,190,000 as at 31 December 2023, of which an amount of approximately RMB1,523,534,000 has been utilised.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

39. 財務風險管理目標及政策(續)

(d) 流動資金風險(續)

本集團的流動資金主要依賴其業務維持足夠現金流入以應付到期應付負債，以及取得外來資金撥付其日後承擔的資本開支的能力。鑒於本集團日後資本承擔和其他融資需要，於二零二三年十二月三十一日，本集團已取得多家銀行提供達約人民幣2,365,190,000元的銀行信貸，其中約人民幣1,523,534,000元已被使用。

於報告期末，本集團基於已訂約未折現付款的金融負債的到期情況如下：

		31 December 2023 二零二三年十二月三十一日			
		On demand	Less than 1 year	Over 1 year	Total
		按要求	少於一年	一年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade and bills payables	貿易應付賬款及 應付票據	—	942,593	—	942,593
Other payables	其他應付款項	—	544,974	—	544,974
Due to a director	應付董事款項	64,353	—	—	64,353
Lease liabilities	租賃負債	—	542	560	1,102
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他 借貸(不包括 租賃負債)	—	1,685,222	184,462	1,869,684
Fixed rate bonds and notes	定息債券及票據	—	76,002	—	76,002
		64,353	3,249,333	185,022	3,498,708
Financial guarantees issued:	已發出之融資擔保：				
Maximum amount guaranteed	最高擔保金額	27,430	—	—	27,430

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Liquidity risk (Continued)

		31 December 2022 二零二二年十二月三十一日			
		On demand	Less than 1 year	Over 1 year	Total
		按要求	少於一年	一年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade and bills payables	貿易應付賬款及 應付票據	—	636,069	—	636,069
Other payables	其他應付款項	—	719,073	—	719,073
Due to a director	應付董事款項	390,195	—	—	390,195
Lease liabilities	租賃負債	—	707	36	743
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他 借貸(不包括 租賃負債)	—	940,107	848,394	1,788,501
Fixed rate bonds and notes	定息債券及票據	—	95,045	—	95,045
		390,195	2,391,001	848,430	3,629,626
Financial guarantees issued:	已發出之融資擔保：				
Maximum amount guaranteed	最高擔保金額	36,887	—	—	36,887

(e) Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group monitors capital using a gearing ratio, which is total debts divided by total assets. Total debts include interest-bearing bank and other borrowings and fixed rate bonds and notes. The gearing ratio as at 31 December 2023 was 28.5% (2022: 27.1%).

39. 財務風險管理目標及政策(續)

(d) 流動資金風險(續)

		31 December 2022 二零二二年十二月三十一日			
		On demand	Less than 1 year	Over 1 year	Total
		按要求	少於一年	一年以上	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Trade and bills payables	貿易應付賬款及 應付票據	—	636,069	—	636,069
Other payables	其他應付款項	—	719,073	—	719,073
Due to a director	應付董事款項	390,195	—	—	390,195
Lease liabilities	租賃負債	—	707	36	743
Interest-bearing bank and other borrowings (excluding lease liabilities)	計息銀行及其他 借貸(不包括 租賃負債)	—	940,107	848,394	1,788,501
Fixed rate bonds and notes	定息債券及票據	—	95,045	—	95,045
		390,195	2,391,001	848,430	3,629,626
Financial guarantees issued:	已發出之融資擔保：				
Maximum amount guaranteed	最高擔保金額	36,887	—	—	36,887

(e) 資本管理

本集團資本管理的主要目標是維持本集團持續經營的能力及穩健資本比率，以支持其業務並使股東價值最大化。

本集團利用資產負債比率監控資本，該比率為總債務除以總資產。總債務包括計息銀行及其他借貸及定息債券及票據。於二零二三年十二月三十一日資產負債比率為28.5% (二零二二年：27.1%)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

40. 本公司之財務狀況表

本公司於報告期末之財務狀況表資料如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司之投資	49,591	49,591
Total non-current assets	非流動資產總值	49,591	49,591
CURRENT ASSETS	流動資產		
Prepayments	預付款項	213	210
Due from subsidiaries	應收附屬公司款項	206,336	285,928
Cash and bank balances	現金及銀行結餘	57	17
Total current assets	流動資產總值	206,606	286,155
CURRENT LIABILITIES	流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	2,969	2,497
Other payables and accruals	其他應付款項及應計費用	4,813	2,512
Due to subsidiaries	應付附屬公司款項	70,610	69,601
Fixed rate bonds and notes	定息債券及票據	61,678	85,330
Total current liabilities	流動負債總額	140,070	159,940
NET CURRENT ASSETS	流動資產淨值	66,536	126,215
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	116,127	175,806
Net assets	資產淨值	116,127	175,806
EQUITY	權益		
Issued capital	已發行股本	88,856	88,856
Reserves (note)	儲備(附註)	27,271	86,950
Total equity	權益總額	116,127	175,806

NOTES TO FINANCIAL STATEMENTS

財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium	Contributed surplus	Accumulated losses	Exchange fluctuation reserve	Total
		股份溢價	實繳盈餘	累計虧損	匯率波動儲備	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 31 December 2021	於二零二一年十二月三十一日	824,219	1,712,731	(2,420,456)	(43,222)	73,272
Total comprehensive income for the year	本年度全面收益總額	—	—	3,137	10,541	13,678
At 31 December 2022	於二零二二年十二月三十一日	824,219	1,712,731	(2,417,319)	(32,681)	86,950
Total comprehensive income/ (loss) for the year	本年度全面收益/ (虧損)總額	—	—	(61,100)	1,421	(59,679)
At 31 December 2023	二零二三年十二月三十一日	824,219	1,712,731	(2,478,419)	(31,260)	27,271

40. 本公司之財務狀況表(續)

附註：

本公司之儲備概要如下：

41. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 27 March 2024.

41. 批准財務報表

財務報表已於二零二四年三月二十七日獲董事會批准及授權刊發。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

SUMMARY FINANCIAL INFORMATION

A summary of the published results and of the assets and liabilities of the Group for the last five financial years prepared on the basis set out in the note below is as follows:

Results

		Year ended 31 December 截至十二月三十一日止年度				
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元	2021 二零二一年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入	2,650,852	2,362,015	1,813,370	1,141,807	1,193,961
Cost of sales and services	銷售及服務成本	(2,096,642)	(1,891,392)	(1,617,854)	(935,120)	(981,769)
Gross profit	毛利	554,210	470,623	195,516	206,687	212,192
Other income and gains	其他收入及收益	15,979	238,743	1,580,778	1,911,272	441,747
Selling and distribution expenses	銷售及分銷開支	(65,500)	(55,062)	(52,906)	(34,808)	(55,821)
Administrative expenses	行政費用	(270,059)	(245,826)	(263,635)	(287,638)	(336,042)
Other expenses	其他費用	(187,899)	(209,786)	(376,014)	(300,702)	(69,388)
Exchange gain/(loss), net	匯兌收益/(虧損)淨額	15,106	16,416	(33,476)	(120,098)	23,528
Finance costs	融資成本	(94,548)	(44,643)	(144,253)	(475,384)	(450,058)
Impairment of property, plant and equipment	物業、廠房及設備減值	—	—	(596,765)	—	—
Fair value (loss)/gain on investment properties	投資物業之公平值(虧損)/收益	(2,000)	(8,000)	(17,000)	(20,000)	78,008
Fair value gain on a derivative financial instrument	衍生金融工具之公平值收益	—	—	—	—	19,260
Share of loss of a joint venture	應佔一間合營公司之虧損	—	—	(15,020)	(2,668)	(18,655)
Gain on disposal of investment in a joint venture	出售於一間合營公司之投資之收益	73,790	—	—	—	—
Profit/(loss) before tax	除稅前溢利/(虧損)	39,079	162,465	277,225	876,661	(155,229)
Income tax credit/(expense)	所得稅抵免/(費用)	144,699	569	(371,579)	(253,750)	13,140
Profit/(loss) for the year	年內溢利/(虧損)	183,778	163,034	(94,354)	622,911	(142,089)
Other comprehensive (loss)/income for the year, net of tax	年內扣除稅項後其他全面(虧損)/收益	(38,642)	(57,611)	63,175	178,815	(21,323)
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	145,136	105,423	(31,179)	801,726	(163,412)
Earnings/(loss) per share — basic and diluted	每股盈利/(虧損) — 基本及攤薄	RMB 人民幣 0.18元	RMB 人民幣 0.16元	RMB 人民幣 (0.09)元	RMB 人民幣 0.62元	RMB 人民幣 (0.14)元

財務資料概要

本集團按下文附註所載的基準編製過去五個財政年度的已公佈業績及資產與負債概要如下：

業績

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

Assets and Liabilities

資產與負債

		As at 31 December 於十二月三十一日				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Non-current assets	非流動資產	2,892,807	2,850,413	2,966,975	4,034,502	4,435,885
Current assets	流動資產	3,528,614	3,704,524	4,956,147	4,507,026	4,053,921
Current liabilities	流動負債	(4,374,358)	(3,627,690)	(4,809,986)	(5,457,229)	(3,913,293)
Non-current liabilities	非流動負債	(970,988)	(1,996,308)	(2,287,620)	(2,227,604)	(4,521,544)
Total equity	權益總額	1,076,075	930,939	825,516	856,695	54,969



CHU KONG PETROLEUM AND NATURAL GAS STEEL PIPE HOLDINGS LIMITED
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