



Wing Fung Group Asia Limited 榮豐集團亞洲有限公司

(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: 8526

2021

ANNUAL REPORT

年報

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本報告乃遵照聯交所 GEM 證券上市規則（「GEM 上市規則」）之規定而提供有關榮豐集團亞洲有限公司（「本公司」）及其附屬公司（統稱「本集團」）的資料，本公司董事（「董事」）願就本報告共同地及個別地承擔全部責任。董事經作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均為準確及完整，且無誤導或欺詐成分，及並無遺漏任何其他事項致使當中所載任何陳述或本報告產生誤導。

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chung Chi Keung (*Chairman*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

COMPANY SECRETARY

Mr. Law Pak Hin Edward

COMPLIANCE OFFICER

Mr. Chung Chi Keung

AUTHORISED REPRESENTATIVES

Mr. Chung Chi Keung
Mr. Law Pak Hin Edward

AUDIT COMMITTEE

Mr. Choy Hiu Fai Eric (*Chairman*)
Mr. Lei For
Mr. Lai Wai Ming

REMUNERATION COMMITTEE

Mr. Lai Wai Ming (*Chairman*)
Mr. Chung Chi Keung
Mr. Choy Hiu Fai Eric

NOMINATION COMMITTEE

Mr. Lei For (*Chairman*)
Mr. Chung Chi Keung
Mr. Lai Wai Ming

AUDITOR

Mazars CPA Limited

董事會

執行董事

鍾志強先生 (*主席*)
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

公司秘書

羅柏妍先生

合規主任

鍾志強先生

授權代表

鍾志強先生
羅柏妍先生

審核委員會

蔡曉輝先生 (*主席*)
利科先生
黎偉明先生

薪酬委員會

黎偉明先生 (*主席*)
鍾志強先生
蔡曉輝先生

提名委員會

利科先生 (*主席*)
鍾志強先生
黎偉明先生

核數師

中審眾環(香港)會計師事務所有限公司

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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Grand Cayman
KY1-1104
Cayman Islands

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China Construction Bank Corporation Macau Branch
Industrial and Commercial Bank of China (Macau) Limited
Nanyang Commercial Bank, Limited

WEBSITE ADDRESS

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STOCK CODE

8526

註冊辦事處

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香港證券登記及過戶分處

卓佳證券登記有限公司
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主要往來銀行

中國銀行(香港)有限公司
中國建設銀行股份有限公司澳門分行
中國工商銀行(澳門)股份有限公司
南洋商業銀行有限公司

網站

www.wingfunggroup.com

股份代號

8526

CHAIRMAN'S STATEMENT 主席報告

Dear Shareholders,

On behalf of the board of Directors (the "Board") of the Company, I hereby present the audited financial statements of the Group for the year ended 31 December 2021.

REVIEW AND RESULTS

The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of mechanical ventilation and air-conditioning ("MVAC") system for various types of private and public building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau.

In 2021, while we witnessed the global economy staying on the recovery track, the momentum has slowed in the last quarter of 2021 amid the surge in Delta and Omicron variant infections. Despite Hong Kong also recorded a visible recovery in its economy in 2021, the recovery had been uneven across different industries and the lingering of the COVID-19 pandemic has continued to impact on the general economy of Hong Kong and Macau. There has been prolonged delay on tendering process for works in both public and private sectors and keen competition in the construction market. The sporadic outbreaks of a more contagious but less virulent Omicron COVID-19 variant in Hong Kong and other parts of China towards the end of 2021 has continued to cast uncertainties over the longer-term economic outlook, and hinder the pace of recovery in the Hong Kong and Macau construction industry.

The total revenue of the Group decreased by approximately HK\$46.4 million or 21.0% from approximately HK\$221.2 million for the year ended 31 December 2020 to approximately HK\$174.8 million for the year ended 31 December 2021. Gross loss of the Group was approximately HK\$7.2 million for the year ended 31 December 2021 while gross profit of the Group was approximately HK\$41.7 million for the year ended 31 December 2020.

致各位股東：

本人謹此代表本公司董事會（「董事會」）呈報截至二零二一年十二月三十一日止年度本集團的經審核財務報表。

回顧及業績

本集團主要以分包商的身份在香港及澳門提供各類私人及公共樓宇項目（包括基建、商業及住宅樓宇項目）的機械通風及空調系統（「機械通風及空調系統」）供應、安裝及裝修服務。

於二零二一年，我們見證全球經濟復甦更步入正軌，但因Delta及Omicron變異感染急升令二零二一年最後季度復甦動力放緩。儘管香港二零二一年經濟復甦明顯，各行業復甦並非均衡，且COVID-19疫情持續籠罩港澳地區，對其整體經濟造成影響。公營及私營界別的工程招標程序長期延誤，建築市場的競爭更為激烈。香港及中國其他地區零星爆發的COVID-19，加上臨近2021年底傳染性更強但毒性較弱的COVID-19的變異病毒株Omicron的威脅，繼續給長期的經濟前景帶來不確定性，並阻礙香港及澳門建築業的復甦步伐。

本集團的總收益由截至二零二零年十二月三十一日止年度的約221.2百萬港元減少約46.4百萬港元或21.0%至截至二零二一年十二月三十一日止年度的約174.8百萬港元。本集團於截至二零二一年十二月三十一日止年度的毛損約為7.2百萬港元，而本集團於截至二零二零年十二月三十一日止年度的毛利約為41.7百萬港元。

CHAIRMAN'S STATEMENT

主席報告

OUTLOOK

Looking ahead, the Group holds a cautious view on the recovery of the construction sector and related industries in Hong Kong and Macau for 2022. The recent exponential outbreak of the Omicron variant prompted the Hong Kong government to impose the strictest social distancing measures to-date, bringing a halt to a wide range of business activities in the city and posing a setback to the recovery of local economy. The fifth wave of COVID-19 infections has led to temporary suspension of construction works in Hong Kong in February and March 2022, and disruption in cross-border transportation has resulted in delay in delivery of construction materials. Prolonged uncertainties over the pandemic and stricter containment measures set to weigh on business sentiment and put pressure on the local economy and the construction industry in the near term. The financial results of the Group for the year ending 2022 may potentially be affected as a result of the aforementioned uncertainties. Nonetheless, the Group will stay vigilant and continue to drive sustainable growth by constantly reviewing its business and tendering strategies and enhancing its operational efficiency, with a view to creating long-term value to shareholders and investors of the Company.

A NOTE OF APPRECIATION

On behalf of the Board, I wish to take this opportunity to express my deep gratitude to our Shareholders, clients, business partners, suppliers and subcontractors for their continuous support. I would also like to express our sincere appreciation to the Group's management and staff for their commitment, contribution and dedication throughout the years.

Wing Fung Group Asia Limited
Chung Chi Keung
Chairman and Executive Director

Hong Kong, 22 March 2022

展望

展望未來，本集團對港澳建造業及相關行業在二零二二年的復甦態勢持審慎態度。最近奧密克戎病毒株的幾何級數式爆發促使香港政府實施迄今為止最嚴格的社交隔離措施，使得香港廣泛的商業活動中止及阻礙當地經濟復甦。第五波 COVID-19 感染情況，已導致香港二零二二年二月及三月的建築工程暫時停工，而跨境運輸中斷已導致建築材料的交付延期。疫情的長期不確定性及更嚴格的遏制措施將拖累商業氣氛，並在短期內給當地經濟及建築業帶來壓力。本集團截至二零二二年的財務業績可能因上述不明朗因素而受到影響。然而，本集團將保持警惕及不斷檢討業務及投標策略，提升營運效率，以繼續推動可持續增長，務求為本公司股東及投資者締造長遠價值。

致謝

本人謹代表董事會借此機會對股東、客戶、業務夥伴、承包商及供應商的持續支持表示深切謝意。本人亦謹此對本集團管理層及員工多年來的努力、貢獻及投入表示誠摯感激。

榮豐集團亞洲有限公司
主席兼執行董事
鍾志強

香港，二零二二年三月二十二日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of MVAC system for various types of private and public building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau.

The lingering of the COVID-19 pandemic has continued to negatively impact on the general economy of Hong Kong and Macau. There has been prolonged delay on tendering process for works in both public and private sectors and keen competition in the construction market. The sporadic outbreaks of a more contagious but less virulent Omicron COVID-19 variant in Hong Kong and other parts of China towards the end of 2021 has continued to cast uncertainties over the longer-term economic outlook, and hinder the pace of recovery in the Hong Kong and Macau construction industry.

During the year ended 31 December 2021 (the "Relevant Period"), the Group recorded a loss of approximately HK\$21.8 million and a decrease in revenue of approximately 21.0% as compared to the corresponding period in 2020. As mentioned in the announcement of the Company dated 7 March 2022, the Group's result had been materially affected by prolonged completion of various projects of the Group leading to overrun of project costs and a drop in number of ongoing projects undertaken by the Group which were revenue generating during the Relevant Period. This coupled with an increase in the subcontracting charges in the Relevant Period has primarily contributed to the loss suffered by the Group. It is expected that the Group will continue to face challenges brought by prolonged delay in the tendering process, fierce competition in securing tenders for future projects from competitors with aggressive pricing strategies and a rising material costs, subcontracting charges and labour costs.

管理層討論及分析

業務回顧及展望

本集團主要以分包商的身份在香港及澳門提供各類私人及公共樓宇項目(包括基建、商業及住宅樓宇項目)的機械通風及空調系統供應、安裝及裝修服務。

COVID-19疫情持續籠罩港澳地區，對其整體經濟造成負面影響。公營及私營界別的工程招標程序長期延誤，建築市場的競爭更為激烈。香港及中國其他地區零星爆發的COVID-19，加上臨近2021年底傳染性更強但毒性較弱的COVID-19的變異病毒株Omicron的威脅，繼續給長期的經濟前景帶來不確定性，並阻礙香港及澳門建築業的復甦步伐。

於截至二零二一年十二月三十一日止年度(「相關期間」)，本集團錄得虧損約21.8百萬港元及收益較二零二零年同期減少約21.0%。誠如本公司於二零二二年三月七日的公佈所述，本集團的業績受到本集團多個項目延期竣工導致項目成本超支的重大影響，及本集團在相關期間進行的有收益在建項目數量下降。加上相關期間的分包費用增加，皆是導致本集團承受虧損的主要原因。投標程序拖延多時，從具備進取定價政策的競爭者中取得未來項目的投標競爭激烈，而材料成本、分包費用及勞工成本亦日益上漲，預期本集團將繼續面臨以上情況所帶來的挑戰。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Looking ahead, the Group holds a cautious view on the recovery of the construction sector and related industries in Hong Kong and Macau for 2022. The recent exponential outbreak of the Omicron variant prompted the Hong Kong government to impose the strictest social distancing measures to-date, bringing a halt to a wide range of business activities in the city and posing a setback to the recovery of local economy. The fifth wave of COVID-19 infections has led to temporary suspension of construction works in Hong Kong in February and March 2022, and disruption in cross-border transportation has resulted in delay in delivery of construction materials. Prolonged uncertainties over the pandemic and stricter containment measures set to weigh on business sentiment and put pressure on the local economy and the construction industry in the near term. The financial results of the Group for the year ending 2022 may potentially be affected as a result of the aforementioned uncertainties. Nonetheless, the Group will stay vigilant and continue to drive sustainable growth by constantly reviewing its business and tendering strategies and enhancing its operational efficiency, with a view to creating long-term value to shareholders and investors of the Company.

Financial Review**Revenue**

Our revenue decreased from approximately HK\$221.2 million for the year ended 31 December 2020 to approximately HK\$174.8 million for the Relevant Period, representing a decrease of approximately 21.0%. The decrease in our revenue during the Relevant Period as compared to the corresponding period in 2020 mainly due to a drop in number of ongoing projects undertaken by the Group which were revenue generating during the Relevant Period as a result of the continuous outbreak of COVID-19 and the weak business sentiment. In particular, while the Group recorded (i) an increase in revenue of approximately HK\$7.1 million from new projects (in particular two new projects located at Kai Tak and Taipa in Macau which collectively contributed to an increase in revenue of approximately HK\$5.9 million); and (ii) an increase in revenue of approximately HK\$110.5 million due to the increase in the amount of work under our existing projects as compared with the year ended 31 December 2020 (in particular, the projects located at Yau Ma Tei and Tai Wai), the aforesaid increments were offset by (i) a decrease in revenue of approximately HK\$146.8 million resulting from the completion of certain projects during the Relevant Period; and (ii) a decrease in revenue of approximately HK\$17.2 million due to the decrease in the amount of work under our existing projects as compared with the year ended 31 December 2020 (in particular, the other two projects located at Kai Tak together accounted for a decrease in revenue of approximately HK\$16.6 million).

展望未來，本集團對港澳建造業及相關行業在二零二二年的復甦態勢持審慎態度。最近 Omicron 病毒株的幾何級數式爆發促使香港政府實施迄今最嚴格的社交隔離措施，使香港各種商業活動停止並對當地經濟復蘇構成阻礙。第五波 COVID-19 感染情況不斷惡化，已導致香港二零二二年二月及三月的建築工程暫時停工，且跨境運輸中斷導致建築材料交付延遲。疫情的長期不確定性及更嚴格的遏制措施打壓商業情緒，並在短期內給香港經濟及建築業帶來壓力。本集團截至二零二二年的財務業績可能因上述不明朗因素而受到影響。然而，本集團將保持警惕及不斷檢討業務及投標策略，提升營運效率，以繼續推動可持續增長，務求為本公司股東及投資者締造長遠價值。

財務回顧**收益**

收益由截至二零二零年十二月三十一日止年度約 221.2 百萬港元減少至相關期間約 174.8 百萬港元，減幅約 21.0%。我們於相關期間之收入較二零二零年同期減少，主要是由於 COVID-19 持續爆發及業務氣氛疲弱導致本集團於相關期間進行之在建項目數目減少所致。具體而言，本集團已錄得 (i) 來自新項目的收益增加約 7.1 百萬港元，尤其是位於啟德及澳門氹仔的兩個新項目，合共帶來收益增幅約 5.9 百萬港元；及 (ii) 我們在現有項目下工程金額較截至二零二零年十二月三十一日止年度增加，尤其是位於油麻地及大圍的項目，令收益增加約 110.5 百萬港元，惟上述增長因下列各項而抵銷：(i) 於相關期間若干項目完成導致收益減少約 146.8 百萬港元；及 (ii) 我們在現有項目下工程金額較截至二零二零年十二月三十一日止年度減少，尤其是另外兩個位於啟德的項目，合共佔收益減少約 16.6 百萬港元，令收益下跌約 17.2 百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析**Cost of Sales**

Our cost of sales increased from approximately HK\$179.6 million for the year ended 31 December 2020 to approximately HK\$182.0 million for the Relevant Period, representing an increase of approximately 1.3%. Such increase was mainly attributable to the increase in our subcontracting charges as a result of unexpected prolonged completion of the Group's certain projects during the Relevant Period.

Gross Loss/Profit and Gross Loss/Profit Margin

Gross loss of the Group was approximately HK\$7.2 million for the Relevant Period while gross profit of the Group was approximately HK\$41.7 million for the year ended 31 December 2020. The change was mainly driven by the combined effect of decrease in revenue and increase in cost of sales for the Relevant Period as discussed above.

The overall gross loss margin was approximately 4.1% for the Relevant Period while gross profit margin of the Group was approximately 18.8% for the year ended 31 December 2020. Such turnaround was primarily attributable to (i) the combined effect of the decrease in revenue and increase in subcontracting charges as mentioned above, and (ii) the substantial completion of our project located at Chek Lap Kok in 2020 (under which the Group could charge a higher premium due to a tight construction schedule imposed by the customer). In addition, due to the increase in subcontracting charges, a few projects recorded losses for the Relevant Period.

Administrative Expenses

Our administrative expenses increased by approximately HK\$1.5 million, or approximately 9.8%, from approximately HK\$15.3 million for the year ended 31 December 2020 to approximately HK\$16.8 million for the Relevant Period, mainly attributable to the increase in the staff costs.

銷售成本

銷售成本由截至二零二零年十二月三十一日止年度約179.6百萬港元增加至相關期間約182.0百萬港元，增幅約1.3%。該增加乃主要由於本集團若干項目延期完成，出乎意料，導致分包費用於相關期間增加。

毛損／毛利及毛損／毛利率

本集團於相關期間的毛損約為7.2百萬港元，而本集團截至二零二零年十二月三十一日止年度的毛利約為41.7百萬港元。有關變動主要由於上文所述之收益減少及銷售成本於相關期間增加的綜合影響。

相關期間的整體毛損率約為4.1%，而本集團截至二零二零年十二月三十一日止年度的毛利率約為18.8%。扭盈為虧主要歸因於(i)上文所述的收益減少及分包費用增加的綜合影響，及(ii)我們位於赤鱸角的項目於二零二零年已基本竣工（由於客戶要求的施工進度緊張，本集團可能就此收取較高溢價）。此外，由於分包費用的增加，若干項目在相關期間錄得虧損。

行政開支

行政開支由截至二零二零年十二月三十一日止年度約15.3百萬港元增加約1.5百萬港元或約9.8%至相關期間約16.8百萬港元，主要由於員工成本增加。

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Expenses in Relation to the Transfer of Listing

The Company submitted an application for a transfer of listing from GEM to the Main Board of the Stock Exchange (the "Proposed Transfer of Listing") on 14 May 2020 and the said application was renewed on 23 November 2020. Nonetheless, the Company has decided not to proceed further with the Proposed Transfer of Listing, details of which have been set out in the announcement of the Company published on 25 May 2021.

During the Relevant Period, our Group recognised non-recurring professional service fees of approximately HK\$0.4 million (2020: HK\$4.4 million) in connection with the Proposed Transfer of Listing.

Income Tax Credit/Expense

The Group recorded income tax credit of approximately HK\$3.1 million for the Relevant Period while the Group recorded income tax expense of approximately HK\$3.1 million for the year ended 31 December 2020. Such change was primarily attributable to the loss before tax for the Relevant Period as compared with profit before tax for the corresponding period in 2020.

Loss/Profit for the Year

As a result of the foregoing, our Group recognised a loss of approximately HK\$21.8 million for the Relevant Period as compared with a profit of approximately HK\$22.6 million for the corresponding period in 2020.

Liquidity and Financial Resources

As at 31 December 2021, the Group had total assets of approximately HK\$188.1 million (2020: approximately HK\$216.6 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK\$75.0 million (2020: approximately HK\$91.8 million) and approximately HK\$113.1 million (2020: approximately HK\$124.8 million), respectively.

The total interest-bearing borrowings (including bank borrowings and bank overdrafts) of the Group decreased from approximately HK\$38.2 million as at 31 December 2020 to approximately HK\$26.8 million as at 31 December 2021. Current ratio increased from 2.3 times as at 31 December 2020 to approximately 2.5 times as at 31 December 2021.

轉板上市開支

本公司已於二零二零年五月十四日遞交申請，由聯交所GEM轉至主板上市（「建議轉板上市」），而上述申請已於二零二零年十一月二十三日重續。儘管如此，本公司決定不再繼續進行建議轉板上市，有關詳情載於本公司於二零二一年五月二十五日刊發的公佈。

於相關期間，本集團就建議轉板上市確認非經常性的專業服務費用約0.4百萬港元（二零二零年：4.4百萬港元）。

所得稅抵免／開支

本集團於相關期間錄得所得稅抵免約3.1百萬港元，而本集團於截至二零二零年十二月三十一日止年度錄得所得稅開支約3.1百萬港元。該等變動主要歸因於相關期間出現除稅前虧損，而二零二零年同期出現除稅前溢利所致。

年內虧損／溢利

由於前文所述，本集團於相關期間確認虧損約21.8百萬港元，而於二零二零年同期溢利約為22.6百萬港元。

流動資金及財務資源

於二零二一年十二月三十一日，本集團的總資產約為188.1百萬港元（二零二零年：約216.6百萬港元），分別以負債總額及股東權益（包括股本及儲備）約75.0百萬港元（二零二零年：約91.8百萬港元）及約113.1百萬港元（二零二零年：約124.8百萬港元）撥資。

本集團的計息借貸總額（包括銀行借貸及銀行透支）由二零二零年十二月三十一日的約38.2百萬港元減少至二零二一年十二月三十一日的約26.8百萬港元。流動比率由二零二零年十二月三十一日的2.3倍上升至二零二一年十二月三十一日的約2.5倍。

MANAGEMENT DISCUSSION AND ANALYSIS
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The Group's borrowing and bank balances are mainly denominated in Hong Kong dollars and there was no significant exposure to foreign exchange rate fluctuations during the year.

The Group's gearing ratio, which is calculated by dividing the total interest-bearing borrowings and lease liabilities by total equity at the year-end date, decreased from approximately 31.7% as at 31 December 2020 to approximately 24.5% as at 31 December 2021, primarily due to (i) the decrease in the total interest-bearing borrowings; and (ii) the decrease in total equity resulting from the decrease in retained earnings attributable to recording a net loss for the Relevant Period.

Principal Risks and Uncertainties

The management of the Company considers that the following are the principal risks and uncertainties faced by the Group:

- (i) the outbreak of any pandemic such as COVID-19 pandemic could adversely affect the Group's business operations and financial performance by potentially causing suspension of works, delay in delivery of construction materials and other interruption to the operation of the Group;
- (ii) the business of the Group relies on successful tenders and any failure of the Group to secure tender contracts would affect the operations and financial results of the Group;
- (iii) erroneous or inaccurate estimation of project duration and the costs involved for the determination of tender price may adversely affect the profitability and financial performance of the Group;
- (iv) the Group's historical revenue and profit margin may not be indicative of its future revenue and profit margin; and
- (v) any delay or defects of the works of the suppliers and subcontractors of the Group would adversely affect its operations and financial results.

For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus issued by the Company dated 12 February 2018 (the "Prospectus").

本集團的借貸及銀行結餘主要以港元計值，年內並無外匯匯率波動之重大風險。

本集團的資本負債比率(按年結日的計息借貸總額及租賃負債除以權益總額計算)由二零二零年十二月三十一日的約31.7%減至二零二一年十二月三十一日的約24.5%，乃主要由於(i)計息借貸總額減少；及(ii)權益總額減少，原因為相關期間因錄得虧損淨額令保留盈利減少。

主要風險及不確定因素

本公司管理層認為下列各項為本集團面對的主要風險及不確定因素：

- (i) 任何如同COVID-19一般的大流行病爆發，均將對本集團的業務營運及財務表現造成不利影響，乃因導致工程停工、建築材料交延期以及本集團營運的其他中斷所致；
- (ii) 本集團的業務倚賴競標成功，而本集團未能取得競標合約會影響本集團的營運及財務業績；
- (iii) 釐定競標價格時對項目時長及成本的錯誤或不準確的估計或會對本集團的盈利能力及財務表現產生不利影響；
- (iv) 本集團的過往收益及利潤率未必可作為日後收益及利潤率的指標；及
- (v) 本集團供應商及分包商的工程有任何延誤或缺陷將對其經營及財務業績造成不利影響。

有關本集團所面對的其他風險及不確定因素，請參閱本公司日期為二零一八年二月十二日的招股章程(「招股章程」)「風險因素」一節。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Relationship with customers, suppliers, subcontractors and employees

Customers

The Group's customers mainly include main contractors and subcontractors of various types of building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau. The Group has maintained business relationship with the top customers for a period ranging from approximately 2 years to over 10 years. The Directors believe the Group has established good relationship with its customers and receives invitations from the repeat customers to submit tenders from time to time.

Suppliers and Subcontractors

During the Relevant Period, the suppliers and subcontractors of the Group included (i) suppliers of air conditioning equipment and materials; (ii) suppliers of processing services on the Group's equipment and materials; (iii) machinery rental service providers; and (iv) subcontractors engaged by the Group to perform the site works. The Group engaged the suppliers and subcontractors on a regular basis.

The Group maintains an internal list of approved suppliers and subcontractors. The Group selects suppliers based on a number of factors such as their prices, quality of the goods and services supplied, past performances and timeliness of delivery. While engaging subcontractors, the Group selects the subcontractors for a project by taking into account their availability of resources and manpower, experience, track record, service quality, safety performance, timeliness of delivery, reputation and fee quotations.

The Group did not encounter any material difficulty in sourcing equipment and materials and services from our suppliers or assigning subcontractors during the Relevant Period.

Employees

The Group respects its employees and endeavours to provide better working conditions for its employees. We offer competitive remuneration and a fair, flexible and transparent recruitment process to attract and retain talents and promotes equal opportunities among employees. Further details can also be found in section headed "Environmental, Social and Governance Report" of this annual report.

與客戶、供應商、分包商及僱員的關係

客戶

本集團的客戶主要包括香港及澳門各種樓宇項目（包括基建、商業及住宅樓宇項目）的總承建商及分包商。本集團與主要客戶保持介乎約2年至10年以上的業務關係。董事認為，本集團已與客戶建立良好關係，並不時獲回頭客邀請提交標書。

供應商及分包商

於相關期間，本集團的供應商及分包商包括：(i) 空調設備及材料供應商；(ii) 本集團設備及材料的加工服務供應商；(iii) 機械租賃服務供應商；及(iv) 獲本集團委聘進行地盤工程的分包商。本集團定期委聘供應商及分包商。

本集團備存一份認可供應商及分包商的內部名單。本集團根據多項因素甄選供應商，例如價格、所提供貨物及服務質素、過往表現及準時交付能力。委聘分包商時，本集團會考慮彼等可供使用的資源及人力、經驗、往績、服務質素、安全表現、準時交付能力、聲譽及報價，為項目甄選分包商。

於相關期間，本集團向供應商採購設備及材料及服務或指派分包商時並無遇到任何重大困難。

僱員

本集團尊重員工，致力為員工提供更佳的工作條件。我們提供具競爭力的薪酬以及公平、靈活及透明的招聘流程，以吸引及挽留人才並促進員工之間的平等機會。更多詳情亦可見本年報「環境、社會及管治報告」一節。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析**Capital Structure**

The shares of the Company (the "Shares") were successfully listed on GEM of the Stock Exchange on 27 February 2018 (the "Listing"). Immediately upon Listing, the total issued share capital of the Company was HK\$5,740,000 divided into 574,000,000 Shares of par value of HK\$0.01 each. On 19 November 2021, 75,000,000 shares of par value HK\$0.01 each of the Company were issued at a price of HK\$0.144 by way of placing under general mandate as detailed below. The share capital of the Group comprises only ordinary shares.

As at 31 December 2021, the Company's issued share capital was HK\$6,490,000 (2020: HK\$5,740,000) divided into 649,000,000 (2020: 574,000,000) ordinary Shares of par value of HK\$0.01 each.

Placing of 75,000,000 Placing Shares under General Mandate

On 22 October 2021, the Company and Brilliant Norton Securities Company Limited (the "Placing Agent") entered into a placing agreement (the "Placing Agreement"), pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 75,000,000 placing shares (the "Placing Share(s)"), at a price of HK\$0.144 per Placing Share (the "Placing"). As set out in the interim report of the Company for the six months ended 30 June 2021, the Group has been facing challenges brought by fierce competition in securing tenders for future projects and a rising raw material costs, subcontracting charges and labour costs brought by the continuing effect of COVID-19. In light of the instability of the global economy and local business environment, the Board is of the view that it is important to enable the Group to have greater financing flexibility to replenish its cash reserve in a timely and efficient manner to sustain the smooth operations of the Group during the global economic downturn. In light of the above, the Directors consider that the Placing is a suitable financing option to raise capital for the business operations of the Group, will strengthen the Group's liquidity position and provide further working capital for the Group.

資本結構

本公司股份（「股份」）於二零一八年二月二十七日成功在聯交所GEM上市（「上市」）。緊隨上市後，本公司之已發行股本總額為5,740,000港元，分為574,000,000股每股面值0.01港元之股份。誠如下文所詳述，於二零二一年十一月十九日，本公司每股面值0.01港元的75,000,000股股份根據一般授權配售方式按價格0.144港元發行。本集團的股本僅由普通股組成。

於二零二一年十二月三十一日，本公司之已發行股本為6,490,000港元（二零二零年：5,740,000港元），分為649,000,000（二零二零年：574,000,000）股每股面值0.01港元之普通股。

根據一般授權配售75,000,000股配售股份

於二零二一年十月二十二日，本公司與億聲證券有限公司（「配售代理」）訂立配售協議（「配售協議」），據此，本公司已有條件同意透過配售代理按盡力基準配售最多75,000,000股配售股份（「配售股份」），價格為每股配售股份0.144港元（「配售事項」）。如本公司截至二零二一年六月三十日止六個月的中期報告所載，取得未來項目的投標競爭激烈，加上因COVID-19疫情持續影響導致原材料成本、分包費用及勞工成本亦日益上漲，本集團一直在此方面面臨挑戰。鑒於全球經濟及本地營商環境未有穩定，董事會認為，本集團增加融資靈活性能力實屬重要，可及時有效補充現金儲備，維持本集團於全球經濟低迷時期順利運營。鑒於上述情況，董事認為配售事項實屬合適融資方式，可為本集團業務營運籌集資金，將加強本集團的流動資金狀況，並為本集團提供更多營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Placing was completed on 19 November 2021 and the Placing Agent successfully placed an aggregate of 75,000,000 Placing Shares, representing approximately 11.56% of the issued share capital of the Company as enlarged by the issue of 75,000,000 Placing Shares to not less than six independent placees at the placing price of HK\$0.144 per Placing Share. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their respective ultimate beneficial owners (if any) are professional, institutional, or other investors who are independent third parties. None of the Placees has become a substantial shareholder of the Company immediately after completion of the Placing.

The Placing Price of HK\$0.144 per Placing Share represents (i) a discount of approximately 14.8% to the closing price of HK\$0.169 per Share as quoted on the Stock Exchange on 22 October 2021, the last trading day; and (ii) a discount of approximately 10.6% to the average of the closing prices per Share of approximately HK\$0.161 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The gross proceeds from the Placing was approximately HK\$10.8 million and the net proceeds from the Placing, after deduction of the placing commission and other related expenses, amounted to approximately HK\$10.2 million (representing a net issue price of approximately HK\$0.135 per Placing Share). The net proceeds for the Placing was fully utilised as intended as the general working capital to support the business operations of the Group during the Relevant Period. For further information in relation to the Placing, please refer to the announcements of the Company dated 22 October 2021, 12 November 2021 and 19 November 2021.

Capital Commitments

As at 31 December 2021 and 2020, the Group did not have any capital commitments contracted but not provided for.

Future Plans for Material Investments and Capital Assets

Save as disclosed in this annual report, the Group did not have any plans for material investments or capital assets as at 31 December 2021.

配售事項已於二零二一年十一月十九日完成，且配售代理成功向不少於六名獨立承配人配售合共75,000,000股配售股份（相當於本公司經發行75,000,000股配售股份擴大後已發行股本約11.56%），配售價為每股配售股份0.144港元。據董事經作出一切合理查詢後所知、所悉及所信，承配人及其各自最終實益擁有人（如有）為專業、機構或其他獨立第三方投資者。概無承配人於緊隨配售事項完成後成為本公司的主要股東。

配售價每股配售股份0.144港元，較(i)於二零二一年十月二十二日（最後交易日）股份在聯交所所報的收市價每股0.169港元折讓約14.8%；及(ii)緊接配售協議日期前連續五個交易日股份在聯交所所報的平均收市價每股約0.161港元折讓約10.6%。

配售事項所得款項總額為約10.8百萬港元，配售事項所得款項淨額（扣除配售佣金及其他相關開支後）為約10.2百萬港元（相當於每股配售股份淨發行價約0.135港元）。配售事項所款項淨額於相關期間按擬定悉數用作一般營運資金以支持本集團的業務運營。有關配售事項的進一步資料，請參閱本公司日期為二零二一年十月二十二日、二零二一年十一月十二日及二零二一年十一月十九日的公佈。

資本承擔

於二零二一年及二零二零年十二月三十一日，本集團並無任何已訂約但未計提撥備的資本承擔。

重大投資及資本資產的未來計劃

除本年報所披露者外，於二零二一年十二月三十一日，本集團並無任何重大投資或資本資產的計劃。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析**Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

During the Relevant Period, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

Contingent Liabilities

Save as disclosed in note 26 of the notes to the consolidated financial statements, as at 31 December 2021 and 31 December 2020, the Group did not have other material contingent liabilities.

Foreign Exchange Exposure

The Group's revenue generating operations are mainly transacted in Hong Kong dollars and Macau Pataca. The Directors consider the impact of foreign exchange exposure to the Group is minimal and the Group did not engage in any derivatives agreements nor commit to any financial instrument to hedge its foreign exchange exposure during the Relevant Period.

Pledge of Assets

Save for the pledged bank deposits as disclosed in note 18 of the notes to the consolidated financial statements, as at 31 December 2021 and 2020, the Group did not have other pledge of assets.

Employees and Remuneration Policies

As at 31 December 2021, the Group employed a total of 339 (31 December 2020: 527) employees, of whom 275 (31 December 2020: 458) were labour workers nominated by subcontractors. The decrease in the number of employees was mainly attributable to the decrease of labour workers nominated by subcontractors resulting from the drop in the number of on-going projects undertaken by the Group during the Relevant Period. The relevant cost of employing the labour workers nominated by subcontractors was classified as subcontracting charges and the staff costs, including Directors' emoluments, of the Group were approximately HK\$26.8 million for the Relevant Period (2020: approximately HK\$23.7 million).

附屬公司、聯營公司及合營企業之重大收購及出售

於相關期間，本集團並無任何附屬公司及聯屬公司之重大收購或出售。

或然負債

除綜合財務報表附註的附註26所披露者外，於二零二一年十二月三十一日及二零二零年十二月三十一日，本集團並無其他重大或然負債。

外匯風險

本集團產生收益的營運主要以港元及澳門幣交易。董事認為外匯風險對本集團的影響極微，於相關期間，本集團並無訂立任何衍生工具協議，亦無承擔任何財務工具，以對沖其外匯風險。

資產抵押

除綜合財務報表附註的附註18所披露已抵押銀行存款外，於二零二一年及二零二零年十二月三十一日，本集團概無其他資產抵押。

僱員及薪酬政策

於二零二一年十二月三十一日，本集團合共僱用339名(二零二零年十二月三十一日：527名)僱員，其中275名(二零二零年十二月三十一日：458名)為由分包商提名的工人。僱員人數減少乃主要由於本集團於相關期間進行的在建項目數目減少令分包商提名的工人減少。僱用由分包商提名的工人的相關成本已被分類為分包費用，而相關期間，本集團的員工成本(包括董事酬金)約為26.8百萬港元(二零二零年：約23.7百萬港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefits, medical benefits and sponsorship of training courses.

Events after the Reporting Period

On 3 December 2021, the Board proposed that every four (4) issued and unissued existing shares of the Company of par value HK\$0.01 each in the share capital of the Company would be consolidated into one (1) consolidated share of par value HK\$0.04 each in the share capital of the Company (the "Share Consolidation").

The Share Consolidation was approved by the Shareholders at the extraordinary general meeting of the Company on 19 January 2022 and became effective on 21 January 2022. Immediately after the Share Consolidation becoming effective on 21 January 2022, the authorised share capital of the Company has become HK\$1,000,000,000 divided into 25,000,000,000 consolidated shares of par value HK\$0.04 each, of which 162,250,000 consolidated shares would be in issue which are fully paid or credited as fully paid.

For details of the Share Consolidation, please refer to the Company's announcements dated 3 December 2021 and 19 January 2022 and the Company's circular dated 30 December 2021.

本集團根據個人表現及於所任職位的發展潛力晉升僱員。為吸引及挽留高質素員工，本集團向僱員提供具競爭力的薪酬組合（參考市場常規及個別僱員的表現、資格及經驗）。除了基本薪金，本集團或會按本集團的表現以及個人表現發放花紅。其他員工福利包括提供退休福利、醫療福利及贊助培訓課程。

報告期後事項

於二零二一年十二月三日，董事會建議將本公司股本中每四(4)股面值為0.01港元的已發行及未發行現有股份合併為一(1)股本公司股本中每股面值0.04港元的合併股份（「股份合併」）。

股份合併於二零二二年一月十九日獲本公司股東於股東特別大會上批准，並於二零二二年一月二十一日生效。緊隨股份合併於二零二二年一月二十一日生效後，本公司的法定股本為1,000,000,000港元，分為25,000,000,000股每股面值0.04港元的合併股份，其中162,250,000股繳足或入賬列作繳足合併股份將為已發行。

有關股份合併詳情，請參閱本公司於日期為二零二一年十二月三日及二零二二年一月十九日的公佈以及本公司日期為二零二一年十二月三十日的通函。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICE

The Directors and the management of the Group recognise the importance of sound corporate governance to the long-term success and continuing development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures, so as to enhance the accountability system and transparency of the Group, protect the interests of the Company's stakeholders and create value for shareholders of the Company.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (version up to 31 December 2021) (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules. Throughout the year ended 31 December 2021 (the "Relevant Period"), the Company has adopted and complied with, where applicable, the CG Code to ensure that the Group's business activities and decision-making processes are regulated in a proper and prudent manner, except for Code Provision A.2.1 (which has been re-numbered to C.2.1 since 1 January 2022) of the CG Code.

Pursuant to Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Chung is currently the chairman of the Board and the chief executive officer of the Company, responsible for formulating the overall business strategies and overseeing the business and operation of the Group. Considering that Mr. Chung has been responsible for the overall management and operation of the Group since its inception, the Board believes that it is in the best interest of the Group to have Mr. Chung taking up both roles for effective management and business development.

BOARD OF DIRECTORS

Overall Management

The Board is responsible for the overall management of the business of the Group, formulating the Group's overall strategic direction and corporate governance and maintaining appropriate levels of review, challenge and guidance in its relationship with the management. The management is delegated with the authority and responsibility by the Board for the day-to-day management and administration of the Group.

企業管治常規

本集團董事及管理層肯定健全企業管治對本集團的長遠成功及持續發展極為重要。因此，董事會一直致力維持優良企業標準及程序，以改善本集團的問責制度及提高透明度，保障本公司股東利益及為本公司股東創造價值。

本公司的企業管治常規乃基於GEM上市規則附錄十五所載企業管治守則及企業管治報告(截至二零二一年十二月三十一日的版本)(「企業管治守則」)所訂明的原則及守則條文。於截至二零二一年十二月三十一日止年度整年(「有關期間」)，本公司已採納及遵從企業管治守則條文(如適用)，確保本集團的業務活動及決策過程受恰當和審慎方式規管(企業管治守則條文第A.2.1(自二零二二年一月一日起重新編號為C.2.1)條除外)。

根據企業管治守則的守則條文第A.2.1條，主席及行政總裁的角色應有區分，並不應由一人同時兼任。鍾先生現為董事會主席兼本公司行政總裁，負責制定本集團的整體業務策略及監控業務及營運。鑒於鍾先生自本集團成立以來一直負責其整體管理及營運，董事會相信，鍾先生同時承擔兩個角色就有效管理及業務發展而言符合本集團的最佳利益。

董事會

總體管理

董事會負責全面管理本集團業務、制定本集團整體策略方向及企業管治及對其與管理層的關係維持適當水平的審核、質疑及指引。管理層獲董事會轉授權限及責任執行本集團日常管理及行政事宜。

CORPORATE GOVERNANCE REPORT
企業管治報告

The Board is provided with the updates from management to give a balanced and understandable assessment of the performance, recent development and prospects of the Group on a regular basis. The Board is the ultimate decision-making body for all matters material to the Group and discharges its responsibilities on corporate governance either by itself or the Board Committees set out in Code Provision D.3.1 (which has been re-numbered to A.2.1 since 1 January 2022) of the CG Code which include the following:

1. to develop and review the policies and practice on corporate governance of the Group and make recommendations;
2. to review and monitor the training and continuous professional development of the Directors and senior management;
3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees; and
5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company.

Composition of the Board

As at 31 December 2021, the Board comprises five Directors, including two executive Directors and three independent non-executive Directors (the "INED") as set out below:

Executive Directors

Mr. Chung Chi Keung (*Chairman and Chief Executive Officer*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

Biographical details of the Directors are set out in "Biographical Details of Directors and Senior Management" on pages 49 to 54 of this annual report.

董事會定期獲管理層提供更新資料，以對本集團的表現、最新發展及前景作出公正及易於理解的評估。董事會是對本集團重大的所有事項的最終決策機構，並自行或透過董事委員會履行企業管治守則的守則條文第D.3.1（自二零二二年一月一日起重新編號為A.2.1）條所載其有關企業管治的責任，其中包括以下各項：

1. 制定及審閱有關本集團企業管治的政策及常規，並作出推薦建議；
2. 審閱及監督董事及高級管理層的培訓及持續職業發展；
3. 審閱及監督本集團有關法律及監管規定合規的政策及常規；
4. 制定、審閱及監督董事及僱員的適用行為準則及合規手冊；及
5. 審閱本公司是否遵守企業管治守則及本公司企業管治報告所載披露。

董事會組成

於二零二一年十二月三十一日，董事會包括五名董事，其中有兩名執行董事以及三名獨立非執行董事（「獨立非執行董事」）：

執行董事

鍾志強先生（*主席兼行政總裁*）
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

董事履歷詳情載於本年度報告第49至54頁「董事及高級管理層履歷」。

CORPORATE GOVERNANCE REPORT
企業管治報告

In compliance with Rules 5.05A, 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed three INEDs representing not less than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. The Company has received from each INED an annual confirmation of his independence, and the Board, through the nomination committee of the Company (the "Nomination Committee"), has assessed and considered the INEDs to be independent during the Relevant Period in accordance with Rule 5.09 of the GEM Listing Rules.

The Board considers that the balance of power and authority, accountability and independent decision-making under our present arrangement will not be impaired because of the diverse background and experience of our INEDs. Furthermore, all Board Committees including the audit committee of the Company (the "Audit Committee") has free and direct access to the Company's external auditor or independent professional adviser(s) when they consider necessary.

To the best knowledge of the Board, there are no other relationship (including financial business, family, and other material/relevant relationships) among the members of the Board as of the date of this report.

Diversity

The composition of the Board is well balanced with each Director having skills, experience and expertise complementing the business operations and development of the Group and from a variety of backgrounds. There is diversity of education, professional background, functional expertise, gender, age, culture and industrial experience.

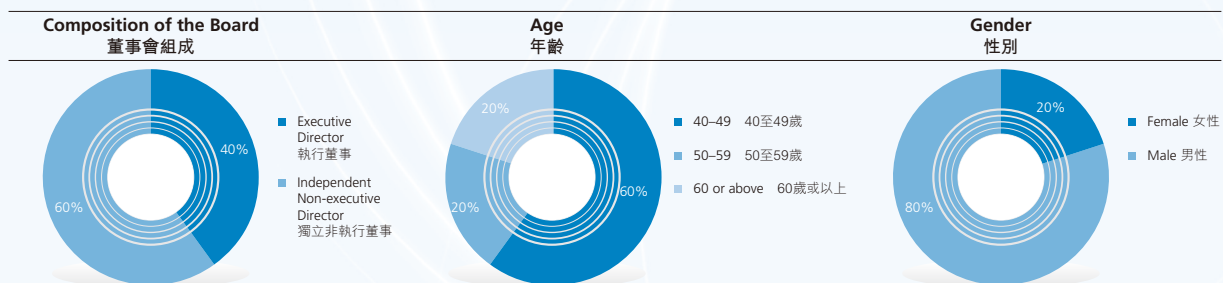
根據GEM上市規則第5.05A、5.05(1)及(2)條，本公司已委任三名獨立非執行董事，佔不少於董事會三分之一，且其中至少一名具備適當專業資質、或會計或相關財務管理專長。本公司已接獲各獨立非執行董事對各自獨立性的年度確認書，而根據GEM上市規則第5.09條，董事會透過本公司提名委員會（「提名委員會」），已評估及認為獨立非執行董事於有關期間當屬獨立。

董事會認為，由於獨立非執行董事的背景及經驗多元化，故現有安排下的權力與職權制衡、問責性及獨立決策將不受影響。此外，所有董事委員會（包括本公司審核委員會（「審核委員會」））可自由而直接地與本公司的外部核數師及獨立專業顧問聯繫。

就董事會所深知，截至本報告日期，董事會成員之間並無其他關係（包括財務事項、家屬及其他重大／相關關係）。

多元化

各董事具備與本集團業務營運及發展相輔相成的技能、經驗及專長且來自不同背景，故董事會組成已達致良好平衡。各董事的教育、專業背景、專業知識、性別、年齡、文化及行業經驗呈現多元化。



(As at 31 December 2021)

(於二零二一年十二月三十一日)

CORPORATE GOVERNANCE REPORT

企業管治報告

A board diversity policy of the Company (the “Board Diversity Policy”) was adopted in preparation for the Listing and amended in December 2018 by the Board. The Board Diversity Policy sets out the approach to achieve diversity on the Board and the factors (including but not limited to skills, regional and industry experience, professional experience, background, education, race, gender, age, culture and other qualities, etc.) to be considered in determining the composition of the Board so as to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and to maximise the Board’s effectiveness.

Board Process and Meetings

The Board meets regularly to determine overall strategies, receive management updates, approve business plans as well as financial results and to consider other significant matters to the Group. Management also provides updates to the Board with respect to the business activities and development of the Group on a regular basis.

Each Director ensures that he/she can give sufficient time and attention to the affairs of the Company and contribute to the Group’s development through their constructive and informed comments. All of the members of the Board have also disclosed and updated their number and nature of offices held and time involved in handling the matters of the Company on a regular basis.

During the Relevant Period, the Board had held four meetings to approve, among other things, matters relating to the quarterly, interim and annual financial results, the scope of services and related fees to the external auditors and to review the business strategies and consider the reports from each Board Committee. The Board also considered and approved various matters, among other things, including the engagement of consultant to internal control function, the matters in relation to the application for a transfer of listing from GEM to the Main Board of the Stock Exchange, the change of auditors, placing of new shares under general mandate and the share consolidation which had become effective on 21 January 2022. The Directors’ attendance records of the Board meetings held during the Relevant Period are set out below. An annual general meeting (“AGM”) and a private meeting between the Chairman and the INEDs as required by Code A.2.7 (which has been re-numbered to C.2.7 since 1 January 2022) of the CG Code had been held during the Relevant Period.

本公司的董事會多元化政策（「董事會多元化政策」）已經董事會為籌備上市而採納並於二零一八年十二月修訂。董事會多元化政策載列董事會為達致成員多元化而採取的方針及釐定董事會組合的考慮因素（包括但不限於技能、宗教及行業經歷、專業經驗、背景、教育、種族、性別、年齡、文化及其他資質），從而確保董事會成員在技能、經驗及觀點與角度多樣化方面保持適當的平衡，以支持其業務策略的執行及令董事會有效運作。

董事會流程及會議

董事會定期舉行會議，以釐定整體策略，接收管理層更新，批准業務規劃以及財務業績，並考慮本集團其他重大事項。管理層亦定期向董事會提供有關本集團業務活動及發展的最新進展。

各董事確保其能夠投入足夠的時間及精力處理本公司事務，並透過提出具建設性及明智的意見，為本集團的發展作出貢獻。董事會所有成員亦定期披露及更新其所擔任職位的數目及性質，以及處理本公司事務所投入的時間。

於有關期間，董事會舉行四次會議以批准（其中包括）季度、中期及年度財務業績、外部核數師的服務範圍及相關費用及審閱業務策略並考慮各董事委員會提呈的報告。董事會亦考慮及批准多項事宜，其中包括委聘內部監控職能顧問、申請從聯交所GEM轉至主板上市相關事宜、更換核數師、根據一般授權配售新股份以及已於二零二二年一月二十一日生效的股份合併。董事於有關期間出席董事會會議的記錄載於下文。股東週年大會（「股東週年大會」）及根據企業管治守則第A.2.7條守則（自二零二二年一月一日起重新編為C.2.7）規定之主席與獨立非執行董事間的非公開會議已於有關期間舉行。

CORPORATE GOVERNANCE REPORT
企業管治報告

Members of the Board

董事會成員

Attendance of Board and Committee Meeting, Annual General Meeting and Training during the Relevant Period

於有關期間出席董事會及委員會會議、股東週年大會及培訓情況

| Name of Directors 董事姓名 | No. of Board meetings attended/eligible to attend 已出席/合資格出席董事會會議次數 | No. of Audit Committee meetings attended/eligible to attend 已出席/合資格出席審核委員會會議次數 | No. of Remuneration Committee meetings attended/eligible to attend 已出席/合資格出席薪酬委員會會議次數 | No. of Nomination Committee meetings attended/eligible to attend 已出席/合資格出席提名委員會會議次數 | Annual General Meeting | Training ^{Note 1} 培訓 ^{附註1} |
|---|---|---|--|--|--|---|
| | | | | | (8 June 2021) 股東週年大會 (二零二一年六月八日) | |
| Executive Directors 執行董事 | | | | | | |
| Mr. Chung Chi Keung 鍾志強先生 | 4/4 | N/A 不適用 | 1/1 | 1/1 | ✓ | ✓ |
| Ms. Lai Suk Fun 黎淑芬女士 | 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. Choy Hiu Fai Eric 蔡曉輝先生 | 4/4 | 4/4 | 1/1 | N/A 不適用 | ✓ | ✓ |
| Mr. Lei For 利科先生 | 4/4 | 4/4 | N/A 不適用 | 1/1 | ✓ | ✓ |
| Mr. Lai Wai Ming 黎偉明先生 | 4/4 | 4/4 | 1/1 | 1/1 | ✓ ^{Note 2} 附註2 | ✓ |

Notes:

- (1) This includes attending briefings, seminars, conferences, forum relevant to the directors' duties and responsibilities, the Group's business, development, strategies, etc. arranged by the Company or external organisations or reading regulatory/corporate governance updates.
- (2) Attended the AGM via tele-conference.

附註:

- (1) 包括參加由本公司或外部組織安排的與董事職責及責任、本集團業務、發展、策略相關的簡會、研討會、協商會、論壇，或閱讀監管/企業管治更新資料。
- (2) 以電話會議方式出席股東週年大會。

CORPORATE GOVERNANCE REPORT
企業管治報告**Terms of Appointment and Re-election of Directors**

Each of the executive Directors have entered into a service agreement, and each of the INEDs signed a letter of appointment with, the Company. Both the said service agreements and letters of appointment are for a term of three years from 27 February 2018, being the date on which the Shares are listed on GEM, subject to further renewal and re-election in accordance with amended and restated Articles of Association of the Company, as amended from time to time, (the "Articles") and termination in accordance with their respective terms. The service agreement of each executive Director and the letter of appointment of each INED have been renewed for another term of 3 years commencing from 27 February 2021 on the same terms and conditions.

Pursuant to Article 16.18 of the Articles, one-third of the Directors shall retire from office by rotation at each AGM of the Company and every Director shall be subject to retirement by rotation at least every three years. However, a retiring Director shall be eligible for re-election. Any Director who is appointed by the Board to fill a casual vacancy and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall be eligible for re-election at that meeting pursuant to Article 16.2 of the Articles.

As such, Mr. Lei For and Mr. Lai Wai Ming will retire from office as Directors and, being eligible, will offer themselves for re-election at the forthcoming AGM of the Company which is scheduled to be held on Wednesday, 1, June 2022 in accordance with the Articles and relevant code provision under the CG Code.

Code of Conduct for Securities Transactions by Directors

The Group has adopted a code of conduct regarding securities transactions by the Directors on the terms no less exacting than the required standard of dealing set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all the Directors and all Directors confirmed that they had complied with the required standard of securities dealings regarding transactions during the Relevant Period. The Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the Relevant Period.

董事委任及重選連任條款

執行董事各自已與本公司訂立服務協議，而獨立非執行董事各自已與本公司簽訂委任書。上述服務協議及委任書的初步年期均為自二零一八年二月二十七日（即股份於GEM上市日期）起計三年，惟可重續及根據本公司不時修訂的經修訂及經重列組織章程細則（「細則」）可膺選連任及根據各自的條款終止。各執行董事之服務協議及各獨立非執行董事之委任函均根據相同條款及條件重續，由二零二一年二月二十七日起計，為期三年。

根據細則第16.18條，三分之一董事須於本公司每屆股東週年大會上輪值退任，且每名董事須至少每三年輪值退任一次。然而，退任董事合資格膺選連任。任何獲董事會委任填補臨時空缺的董事及任何獲董事會委任加入現有董事會的董事僅可任職至本公司下屆股東大會止，並合資格根據細則第16.2條於該大會膺選連任。

因此，根據細則及企業管治守則之相關守則條文，利科先生及黎偉明先生將於本公司計劃訂於二零二二年六月一日（星期三）舉行的應屆股東週年大會上退任董事職務，並合資格且願意膺選連任。

董事進行證券交易的行為守則

本集團已採納有關董事進行證券交易的行為守則，其條款的嚴格程度不遜於GEM上市規則第5.48至5.67條所載的規定買賣準則。本公司亦已向全體董事作出具體查詢及所有董事確認彼等於有關期間已遵守有關證券交易的規定交易準則。本公司獲悉，於有關期間內，概無任何違反有關董事進行證券交易的規定買賣準則。

CORPORATE GOVERNANCE REPORT
企業管治報告**Directors' Training and Professional Development**

The Group acknowledges the importance of continuing professional development for the Directors to extend and refresh their knowledge and skills. Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and developments of the Company.

The Directors are fully aware of the requirement under the Code Provision A.6.5 (which has been re-numbered to C.1.4 since 1 January 2022) of the CG Code regarding professional development. During the Relevant Period, the Company had provided and circulated regulatory updates and training materials to the Directors from time to time to ensure that all Directors keep abreast of the latest development in the regulatory areas relating to the Group. All Directors had provided their training records during the Relevant Period to the Company. Details of the training records are set out on page 21 of this annual report.

Board Committees

The Board established three Board committees, namely the Audit Committee, Remuneration Committee and Nomination Committee by resolutions of Directors passed on 31 January 2018, for overseeing particular aspects of the Group's affairs. All Board committees were established with written terms of reference in compliance with the relevant code provisions of the CG Code, which are available at the GEM's website (www.hkgem.com) and the Company's website (www.wingfunggroup.com).

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses. The duties and work done by the foregoing Board committees for the Relevant Period are detailed below.

Audit Committee

The Audit Committee was established on 31 January 2018. The Audit Committee currently consists of three members, namely Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Lai Wai Ming, all of whom are our INEDs. Mr. Choy Hiu Fai Eric is the chairman of the Audit Committee, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

董事培訓及專業發展

本集團深諳持續專業發展對董事拓展及補充知識及技能的重要性。各董事均恪守作為本公司董事的責任，並時刻緊貼本公司的操守、業務活動及發展。

董事全面知悉企業管治守則的守則條文第A.6.5（自二零二二年一月一日起重新編號為C.1.4）條有關專業發展的規定。於有關期間，本公司已提供並不時向董事傳閱監管最新資料及培訓材料以確保全體董事及時了解與本集團有關的監管範疇的最新進展。全體董事已向本公司提供其於有關期間培訓記錄。培訓記錄的詳情載於本年報第21頁。

董事委員會

董事會透過於二零一八年一月三十一日通過的董事決議案設立三個董事委員會，即審核委員會、薪酬委員會及提名委員會，以監管本集團特定事宜。所有董事委員會均根據企業管治守則之有關守則條文設立，並有書面職權範圍（可於GEM網站(www.hkgem.com)及本公司網站(www.wingfunggroup.com)查閱）。

所有董事委員會均獲提供足夠資源以履行其職責，並可應合理要求在適當情況下尋求獨立專業意見，費用由本公司承擔。上述董事委員會於有關期間的職責及工作詳述如下。

審核委員會

審核委員會於二零一八年一月三十一日設立。審核委員會現由三名成員組成，即獨立非執行董事蔡曉輝先生、利科先生及黎偉明先生。蔡曉輝先生為審核委員會主席，持有GEM上市規則第5.05(2)條及第5.28條規定的適當專業資格。

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The primary duties of the Audit Committee are to make recommendations to the Board on the appointment or re-appointment and removal of external auditor; review financial statements/information of the Company and judgments in respect of financial reporting; oversee the effectiveness of the procedures of the internal control procedures and risk management of the Group; and review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Four Audit Committee meetings were held during the Relevant Period. Details of the attendance records of each Audit Committee's member are set out on page 21 of this annual report. During the said meetings, the Audit Committee had reviewed and made recommendations on various matters including the annual, interim and quarterly financial results and the respective financial reporting of the Group, status on the internal control, financial control and risk management, the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions, discussed with the management and the external auditor on the accounting principles and practices adopted by the Group, the auditor's independence status of, audit and non-audit services provided by the auditor and re-appointment of the external auditor. The Committee also reviewed and made recommendation to the Board regarding the engagement of consultant to the internal control function and change of auditor during the Relevant Period. More information about the internal control and risk management can be found on pages 28 to 29 of this annual report.

The Audit Committee had reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2021 and was of the opinion that the said audited consolidated financial statements have been prepared in compliance with the applicable accounting standards and the GEM Listing Rules.

During the Relevant Period, the Audit Committee members also met the external auditor in the absence of the executive Directors and management to discuss the audit related matters.

Remuneration Committee

The remuneration committee of the Company (the "Remuneration Committee") was established on 31 January 2018. The Remuneration Committee consists of three members and is chaired by an INED and comprises a majority of INEDs in accordance with the requirements under Rule 5.34 of the GEM Listing Rules. This includes Mr. Lai Wai Ming who is the chairman of the Remuneration Committee and Mr. Choy Hiu Fai Eric, both of whom are our INEDs, and our executive Director, Mr. Chung.

審核委員會的主要職責為(其中包括)就外部核數師的委任、重新委任及罷免向董事會提供建議;審閱本公司的財務報表/資料及有關財務匯報的判斷;監察本集團內部監控程序及風險管理的程序成效;以及審閱本公司企業管治守則的遵守情況及於企業管治報告的披露資料。

於有關期間已舉行四次審核委員會會議。各審核委員會成員的出席記錄詳情載於本年報第21頁。於上述會議期間,審核委員會已就各項事宜進行檢討及提出建議,包括年度、中期及季度財務業績及本集團相關財務報告、內部監控、財務控制及風險管理情況、資源充足性、員工資歷及經驗、培訓項目及會計預算、內部核數及財務報告職能、與管理層及外部核數師就本集團採納的會計原則及常規進行討論、核數師的獨立性、核數師提供的審核及非審核服務及重新委聘外部核數師。委員會亦審視委聘內部監控職能顧問及於有關期間更換核數師,並就此向董事會提出建議。更多內部監控及風險管理的更多資料,請參閱本年報第28至29頁。

審核委員會已審閱本集團截至二零二一年十二月三十一日止年度的經審核綜合財務報表,並認為上述經審核綜合財務報表已根據適用會計準則及GEM上市規則編製。

於有關期間,審核委員會成員亦在執行董事及管理層缺席的情況下,與外部核數師會面,討論審核相關事宜。

薪酬委員會

本公司於二零一八年一月三十一日設立薪酬委員會(「薪酬委員會」)。薪酬委員會由三名成員組成,根據GEM上市規則第5.34條,由一名獨立非執行董事擔任主席及絕大部分成員為獨立非執行董事,包括獨立非執行董事黎偉明先生(薪酬委員會主席)、蔡曉輝先生以及執行董事鍾先生。

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The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors, senior management and general staff of the Group assessing the performance of executive Directors, approving the terms of executive Directors' service contracts and to ensure that none of the Directors or any their associates determine their own remuneration.

One Remuneration Committee meeting was held during the Relevant Period to review the remuneration structure of the Directors. Details of the attendance records of each Remuneration Committee members are set out on page 21 of this annual report.

Directors and Senior Management's Remuneration

Particulars of the Directors' remuneration for the year ended 31 December 2021 are set out in note 10 to the consolidated financial statements.

Pursuant to code provision B.1.5. (which has been re-numbered to E.1.5) of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" of this annual report for the year ended 31 December 2021 by band is set out below.

薪酬委員會的主要職責為就本集團全體董事、高級管理層及普通員工的整體薪酬政策及架構向董事會提供建議，評估執行董事的表現、批准執行董事服務合約的條款及確保董事或其任何聯繫人不得參與釐定自己的薪酬。

於有關期間，薪酬委員會舉行了一次會議以審閱董事薪酬架構。薪酬委員會各成員的出席記錄載於本年報第21頁。

董事及高級管理層之薪酬

有關截至二零二一年十二月三十一日止年度之董事薪酬詳情載於綜合財務報表附註10。

根據企業管治守則守則條文第B.1.5. (已重新編號為E.1.5) 條，截至二零二一年十二月三十一日止年度高級管理層成員(不包括董事)之薪酬(詳情載於本年報「董事及高級管理層履歷詳情」一節)範圍列載如下：

| Remuneration Band (in HK\$) | Number of Individual 人數 | | |
|-----------------------------|--|--|---|
| | For the year ended 31 December 2021 截至二零二一年 十二月三十一 止年度 | For the year ended 31 December 2020 截至二零二零年 十二月三十一 止年度 | |
| Nil to 1,000,000 | 零至1,000,000 | 1 | 1 |
| 1,000,001 to 1,500,000 | 1,000,001 至 1,500,000 | 1 | 1 |

CORPORATE GOVERNANCE REPORT
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The Nomination Committee was established on 31 January 2018. The Nomination Committee consists of three members and is chaired by an INED and comprises a majority of INEDs in accordance with the requirements under Code Provision A.5.1 of the CG Code. This includes Mr. Lei For who is the chairman of the Nomination Committee and Mr. Lai Wai Ming, both of whom are our INEDs, and our executive Director, Mr. Chung.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board annually by reference to the factors as set out in the Board Diversity Policy, identify individuals suitably qualified to become Board members; assess independence of independent non-executive Directors and make recommendations to the Board on matters relating to the appointment and re-appointment of Directors with reference to the Nomination Policy.

To enhance the nomination process for a director candidate, a Nomination Policy was adopted as a guidance on the selection process and board succession planning. The Nomination Committee utilises various methods for identifying director candidates, including recommendations from the Board members, management, and professional search firms and may review of resume and job history, conduct personal interviews and verification of professional and personal references or perform the background checks, etc. On evaluation of the director candidates including incumbents and candidates nominated by the Shareholders, the Board and the Nomination Committee will take into account whether a candidate has the qualifications, skills and experience, gender diversity, etc. that can add to and complement the range of skills, experience and background of the existing Directors and may consider the following qualifications are at a minimum to be required of a director candidate in recommending to the Board potential new Director, or the continued service of existing Director:

- the highest personal and professional ethics and integrity;
- proven achievement and competence in the nominee's field and the ability to exercise sound business judgment;
- skills that are complementary to those of the existing Board;
- the ability to assist and support management and make significant contributions to the Company's success;

提名委員會

本公司於二零一八年一月三十一日設立提名委員會。提名委員會由三名成員組成，根據企業管治守則的守則條文第A.5.1條，由一名獨立非執行董事擔任主席。提名委員會絕大部分成員為獨立非執行董事，包括獨立非執行董事利科先生（提名委員會主席）及黎偉明先生以及執行董事鍾先生。

提名委員會的主要職責為每年參考董事會多元化政策所載因素檢討董事會的架構、規模及組成，物色具備合適資格可擔任董事會成員的人士；評核獨立非執行董事的獨立性以及就董事委任或重新委任的相關事宜向董事會提供建議（參考提名政策）。

為完善董事候選人的提名程序，本公司採納提名政策作為選拔程序及董事會繼任計劃的指引。提名委員會採用多項方法物色董事候選人，包括來自董事會成員、管理層及專業獵頭公司的建議，並審閱簡歷及工作經驗、進行個人面談及驗證專業及個人推薦或進行背景調查等。於評估董事候選人（包括股東提名的在任董事及候選人）時，董事會及提名委員會將考慮候選人是否具備資格、技能及經驗、性別多樣性等可以增加及補足現任董事技能、經驗及背景的範圍，並考慮要求董事候選人向董事會推薦潛在新董事，或現任董事繼任時至少具備的資格如下：

- 擁有最高水平的個人及專業操守及誠信；
- 在被提名人的領域中擁有實際成就及能力，以及作出良好業務判斷的能力；
- 擁有與現行董事會相輔相成的技能；
- 協助及支持管理的能力，並為本公司成功作出重大貢獻；

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- an understanding of the fiduciary responsibilities that is required of a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities; and
- independence as required by the GEM Listing Rules.
- 了解董事會成員所須的誠信責任以及履行該等責任所需的時間及精力；及
- 具備GEM上市規則規定的獨立性。

During the Relevant Period, one Nomination Committee meeting was held to review the structure, size and composition of the Board by reference to the criteria as mentioned above, assess the independence of the INEDs and make recommendation on the re-election of the Directors at the annual general meeting of the Company held on 8 June 2021. The Nomination Committee also reviewed the terms of appointment for the Directors and recommended to the Board for approval.

Summary of the Board Diversity Policy and its implementation can be found on pages 19 to 20 of this annual report. Details of the attendance records of each Nomination Committee member are set out on page 21 of this annual report.

COMPANY SECRETARY

Mr. Law Pak Hin Edward was appointed as Company Secretary of the Company on 14 February 2017. Please refer to the section "Biographical details of Directors and Senior Management" for his biographical information.

During the Relevant Period, Mr. Law undertook more than 15 hours of professional training as required by the Rule 5.15 of the GEM Listing Rules to update his skills and knowledge.

DIRECTORS' AND EXTERNAL AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the financial statements which give a true and fair of the state of affairs of the Group. In preparing the financial statements which give a true and fair view, it is fundamental that appropriate accounting policies should be selected and applied consistently.

The statement of external auditor about its reporting responsibilities on the consolidated financial statements is set out in the independent auditor's report on pages 73 to 80 of this annual report.

於有關期間，提名委員會舉行一次會議，以參考上述標準審閱董事會架構、規模及組成、評估獨立非執行董事之獨立性及於本公司於二零二一年六月八日舉行的股東週年大會上就董事重選提供建議。提名委員會亦審閱董事委任的條款並向董事會作出推薦以供其審批。

董事會多元化政策及其實施載於本年報第19頁至20頁。提名委員會各成員的出席記錄載於本年報第21頁。

公司秘書

羅柏妍先生於二零一七年二月十四日獲委任為本公司之公司秘書。有關羅先生之履歷資料，請參閱「董事及高級管理層之履歷詳情」一節。

於有關期間，羅先生已根據GEM上市規則第5.15條的規定，接受了超過15個小時的專業培訓，以更新其技能及知識。

董事及外部核數師就財務報表須承擔之責任

董事確認其須就編製公平及真實反映本集團狀況之財務報表承擔責任。於編製真實公平之財務資料時，選擇及採用一致之會計政策尤為重要。

有關外部核數師就其對綜合財務報表承擔之申報責任之聲明載於本年報第73至80頁之獨立核數師報告。

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INTERNAL CONTROL AND RISK MANAGEMENT

The Group and the Board recognises the importance of good internal control procedures including the procedures for handling and dissemination of inside information and its effectiveness in safeguarding the Shareholders' interests. The Group has strictly prohibited unauthorised use of confidential or inside information or any use of such information for the advantage of any individual. The Board also acknowledges its responsibility for the risk management and internal control systems and discharges its responsibilities to oversee management in design, implementation and monitoring of the risk management and internal control system and its effectiveness. As delegated by the Board, the Audit Committee will review of the Company's financial controls, risk management and internal control system and its effectiveness and report to the Board on a regular basis and at least annually.

The Group also established a set of risk management policies and measures. The Group's risk management process starts with identifying the major risks associated with its business, industry and market in the ordinary course of business. The Board and senior management are responsible for identifying the analysing the risk associated with their respective function, preparing and measuring risk mitigation plans and reporting the status of risk management. More information about the principal risks and uncertainties faced by the Group can be found on page 11 of this annual report.

The Group has maintained internal control guidance covering the Group's operation processes relating to subcontract, purchase and expenditure and human resources, etc. and overseen their operations by the senior management. In view of the size and business nature of the Group, the Company does not establish a standalone internal audit function but has engaged an external independent consultant to review and assess our internal control systems (including financial, operational and management systems, compliance and governance matters) during the Relevant Period. No material internal control deficiency was identified by the external consultant and the Group's management had worked with the external consultant to enhance the Group's internal control system.

During the Relevant Period, the Audit Committee, has conducted a review of the effectiveness of the risk management and internal control system of the Group. The external internal control consultant also reported to the Audit Committee on their factual findings and recommendation for improvements on our internal control systems over the above-mentioned processes and procedures.

內部監控及風險管理

本集團及董事會明白良好內部監控程序(包括處理及發佈內幕消息的程序)及其對保障股東權益的效用的重要。本集團嚴禁未經授權使用機密或內幕消息或利用該等消息為任何人士謀取利益。董事會亦承認其對風險管理及內部控制系統的責任，並履行其監督風險管理及內部控制系統在設計、實施及監控以及其有效性方面的職責。經董事會授權審核委員會將定期及最少每年一次審閱本公司財務監控措施、風險管理及內部監控系統及其有效性，並向董事會報告。

本集團亦已制訂一套風險管理政策及措施。本集團的風險管理程序開始於業務的一般過程中識別與其業務、行業及市場有關的重大風險。董事會及高級管理層負責識別及分析與其各自職能有關的風險、編製及衡量緩解風險計劃並匯報風險管理狀況。有關本集團面臨的主要風險及不確定因素的更多資料，請參閱本年報第11頁。

本集團設有內部監控指引，涵蓋本集團與分包、採購及支出，以及人力資源等有關的運作程序，並由高級管理層監督其運作。鑒於本集團的規模及業務性質，本公司並未設立獨立內部審計職能，而是聘請外部獨立顧問，於相關期間內審核及評估我們的內部監控系統(包括財務、運營及管理系統、合規及管治事項)。外部顧問並無在內部監控系統中發現重大不足之處，本集團的管理層與外部顧問攜手合作，提升本集團內部監控系統。

於有關期間，審核委員會對本集團風險管理及內部監控制度的有效性進行審閱。外聘內部監控顧問亦向審核委員會呈報，說明評審所發現的實況，以及就上述內部監控制度的流程與程序提出改進建議。

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The Group has implemented the necessary internal control measures based on the recommendation of the external internal control consultant. The external internal control consultant confirmed such modified and new internal control procedures are satisfactorily implemented upon the conduct of follow-up review. The Audit Committee was satisfied and considers that the Group's risk management and internal control procedures are sufficient to meet the Company's needs in its current business environment and in terms of practicability.

DIVIDEND POLICY

The Company considers stable and sustainable returns to the Shareholders to be its goal and endeavours to maintain a dividend policy to achieve such goal.

The Company has adopted a Dividend Policy as a guidance on the payment of the dividend. In deciding whether to propose a dividend and in determining the dividend amount, the Board would take into account the Group's results of operations, earnings performance, cashflows, financial condition, future prospects, as well as statutory and regulatory restrictions on the payment of dividends, and other factors that the Board may consider relevant. And the Board will review from time to time the suitability of a dividend proposal with the above factors taken into account, there can be no assurance that dividends will be declared or paid in any particular amount for any given period.

EXTERNAL AUDITOR

Mazars CPA Limited is the external auditor of the Company which was appointed by the Board on 29 October 2021 following the resignation of PricewaterhouseCoopers on the same date.

The Audit Committee is responsible for making recommendation to the Board on the resignation, appointment or re-appointment and removal of the external auditor, which is subject to the approval by the Board and/or at the general meetings of the Company by its shareholders. The Audit Committee would consider various factors including the independence, experience and qualification of auditor, their fee, terms of engagement and staffing plan for recommendation to the Board for the appointment or re-appointment of the auditor of the Company.

本集團已根據外部內控顧問的建議，實施必要的內部監控措施。外部內控顧問確認，於進行跟進檢討後，該等經修訂及新訂內部監控程序已予充分落實。審核委員會信納並認為本集團風險管理及內部監控程序足以滿足本集團現時營商環境及實際需要。

股息政策

本公司視為本公司股東帶來穩定及可持續的回報為目標，並致力維持股息政策以達成此目標。

本公司已採納股息政策，作為派付股息的指引。於釐定是否建議派付股息及釐定股息金額時，董事會將考慮本集團的經營業績、盈利表現、現金流量、財務狀況、未來前景及派付股息的法定及監管限制以及董事會認為相關的其他因素。此外，經計及上述因素後，董事會將不時進審閱股息建議適用性，概不保證任何特定期間將宣派或派付任何特定金額的股息。

外部核數師

中審眾環(香港)會計師事務所有限公司為本公司外部核數師，在羅兵咸永道會計師事務所於二零二一年十月二十九日辭任後，其於同日獲董事會委任。

審核委員會負責就外部核數師的辭任、委任、重新委任及罷免向董事會提供建議，惟須經董事會及／或股東於本公司股東大會上批准。審核委員會考慮多項因素(包括核數師的獨立性、經驗及資歷、其費用、聘用條款及員工計劃)，就委任或續聘本公司核數師向董事會提出推薦建議。

CORPORATE GOVERNANCE REPORT
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For the year ended 31 December 2021, the fee paid or payable in respect of the statutory audit services and non-audit services of the Group are as follows:

截至二零二一年十二月三十一日止年度，本集團法定審核服務及非審核服務的已付或應付費用如下：

| | | Fee paid or payable for services rendered 所提供服務的已付或應付費用 | |
|--|------------|--|--------------------|
| | | FY2021 二零二一財政年度 | FY2020 二零二零財政年度 |
| Statutory audit services | 法定審核服務 | 680 | 1,100 |
| Non-audit services for tax advisory | 稅務諮詢的非審核服務 | 22 | 68 |
| Fee in relation to the transfer of listing | 轉板上市費用 | - | 500 |

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

General Meeting

As one of the measures to safeguard the Shareholders' interests and rights, separate resolutions will be proposed at Shareholders' meeting on each substantial issue including the re-election of individual directors. All resolutions put forward at the Shareholders' meeting will be conducted by poll pursuant to the GEM Listing Rules and the poll voting results will be published on the GEM website (www.hkgem.com) and the Company's website (www.wingfunggroup.com). During the Relevant Period, an AGM of the Company was held on 8 June 2021 to seek the Shareholders' approval on, among other things, the granting the general mandates to issue and repurchase the Company's shares and re-election of the Directors. The Board member's attendance record is set out in page 21 to this annual report.

The forthcoming AGM is scheduled to be held on Wednesday, 1 June 2022 and notice of the meeting will be sent to the Shareholders in accordance with the relevant requirements under the Articles.

股東權利及投資者關係

股東大會

作為其中一項保障股東權益及權利之措施，本公司於股東大會上就每項重大事宜（包括重選個別董事）提呈獨立決議案。根據GEM上市規則，於股東大會上提呈之所有決議案均以投票方式表決，投票表決結果將刊載於GEM網站(www.hkgem.com)及本公司網站(www.wingfunggroup.com)。於有關期間，本公司之股東週年大會於二零二一年六月八日舉行了股東週年大會，以取得股東批准（其中包括）授出一般性授權發行及購回本公司股份及重選董事。董事會成員的出席記錄載於本年報第21頁。

應屆股東週年大會計劃將於二零二二年六月一日（星期三）舉行，會議通告將根據細則項下的相關規定寄發予股東。

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**Procedures and Right for Shareholders to Convene
Extraordinary General Meeting**

The following procedures for shareholders to convene an extraordinary general meeting (the “EGM”) are subject to the Articles, and the applicable legislation and regulation, in particular the GEM Listing Rules:

1. If any one or more Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at the general meetings of the Company, such Shareholder(s) may submit a written requisition to the Board or the secretary of the Company to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within three (3) months after the deposit of such requisition.
2. The Board should within 21 days from the date of the deposit for the requisition proceed duly to convene the EGM to be held within a further 21 days. If the Board fails to do so, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may also make reference to Article 12 of the Articles.

Shareholders who have enquiries regarding the above procedures may write to the company secretary of the Company at Unit D, 21/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

股東召開股東特別大會之程序及權利

以下股東召開股東特別大會（「股東特別大會」）之程序遵守細則及適用法律及法規，尤其是 GEM 上市規則：

1. 任何一位或以上於遞呈要求當日持有不少於本公司繳足股本（具本公司股東大會之投票權）十分之一的股東可透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求中指定的任何事務；且該大會應於遞呈該要求後三(3)個月內舉行。
2. 董事會應於提交要求當日起計21日內正式召開將於其後21日內舉行之股東特別大會。若於遞呈當日起21日內，董事會沒有開展召開有關大會之程序，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會之缺失而產生的所有合理開支應由本公司向遞呈要求人償付。

股東亦可參照細則第12條。

有意查詢上述程序之股東可致函本公司之公司秘書，地址為香港九龍九龍灣宏光道1號億京中心B座21樓D室。

CORPORATE GOVERNANCE REPORT
企業管治報告**Procedures for Shareholders to Propose a Person for Election as a Director of the Company**

If a Shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with the appointment or election of Director(s), wishes to propose a person for election as a Director at that meeting, he/she may lodge a written notice at the Company's principal place of business in Hong Kong at Unit D, 21/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong for the attention of the company secretary of the Company. Detailed procedures for Shareholders to propose a person for election as a Director of the Company can be found on the Company's website (www.wingfunggroup.com).

Procedure for Putting Forward Proposals at Shareholders' Meetings

There are no provisions allowing Shareholders to make proposals or move resolutions at Shareholders' meeting under the Articles or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene an EGM in accordance with the "Procedures and Rights for Shareholders to Convene Extraordinary General Meeting" set out above.

Investors Relations

The Board recognises the importance of maintaining an ongoing dialogue with the Shareholders through various channels including general meetings and corporate communications such as announcements, quarterly, interim and annual reports and circulars. Latest information of the Group is also available on the Company's website.

The Company has adopted its Shareholders' communications policy. Enquiries and proposals from Shareholders, investors and all stakeholders are welcomed. Enquires to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong at Unit D, 21/F., Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong. Such written enquires or proposal with full name, contact details and identification must deposit and send to said address.

Any enquires in relation to the Company's shareholdings, share transfer or registration may contact the Company's share registrar. Their contact details are set out in the section headed "Corporate Information" of this annual report.

股東提名人選參選本公司董事之程序

倘合資格出席並於為委任或選舉董事而召開之股東大會上投票之股東擬於會上提議推選個人人士為董事，彼或須遞交書面通知至本公司香港主要營業地點（地址為香港九龍九龍灣宏光道1號億京中心B座21樓D室），以提請本公司之公司秘書注意。有關股東提名人選參選本公司董事之詳細程序可於本公司網站(www.wingfunggroup.com)查閱。

於股東大會提呈草案之程序

細則或開曼群島法律項下並無條文允許股東於股東大會上提呈草案或擬將動議之決議案。然而，有意提呈草案或擬將動議之決議案的股東可根據上文所載「股東召開股東特別大會之程序及權利」召開股東特別大會。

投資者關係

董事會確認透過多個渠道（包括股東大會及公司通訊（如公告、季度、中期及年度報告及通函））維持與股東持續溝通的重要性。本集團最新資訊亦可於本公司網站查閱。

本公司已採納其股東溝通政策。歡迎股東、投資者及所有持份者查詢及提議。向董事會或本公司作出之查詢可郵寄至本公司香港主要營業地點（地址為香港九龍九龍灣宏光道1號億京中心B座21樓D室）。有關附有全名、聯繫方式及身份證明之書面問詢或提議須郵寄至所述地址。

任何有關本公司股權、股份轉讓或註冊之問詢，可聯繫本公司股份過戶登記處。其聯繫方式載於本年報「公司資料」一節。

CORPORATE GOVERNANCE REPORT
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CONSTITUTIONAL DOCUMENTS

The Company first adopted its memorandum and articles of association on 29 September 2016. Save for the adoption of the amended and restated memorandum and articles of association of the Company for the purpose of the Listing on 31 January 2018, during the Relevant Period, there had been no significant changes in the constitutional documents of the Company. The latest version of the memorandum and articles of association of the Company is available at the Company's website and the website of the Stock Exchange.

章程文件

本公司於二零一六年九月二十九日首次採納組織章程大綱及細則。除於二零一八年一月三十一日就上市而採納本公司經修訂及重列組織章程大綱及細則外，於有關期間，本公司章程文件概無發生重大變動。本公司組織章程大綱及細則之最新版本可於本公司網站及聯交所網站查閱。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

The objective of this Environmental, Social and Governance (“ESG”) Report is to highlight the Group’s ESG performance for the purpose of assisting all stakeholders in understanding the Group’s ESG concepts and practices in achieving sustainable development for the future. The Group is pleased to present its fifth ESG report for the reporting period from 1 January 2021 to 31 December 2021 (“Reporting Period”), which demonstrates the Group’s approach and performance in terms of ESG management and corporate sustainable development for the Reporting Period.

REPORTING STANDARD

The Report complies with the disclosure requirements set out in the ESG Reporting Guide as described in Appendix 20 of the GEM Listing Rules. An assessment of the applicability and materiality of the relevant key performance indicators (“KPIs”) under the ESG Reporting Guide had been conducted.

REPORTING PRINCIPLES

The following principles are adopted in the Report:

- **Materiality:** Important and relevant information to stakeholders on different ESG aspects is covered in the Report. A materiality assessment was conducted to determine material ESG issues with results approved by the Board.
- **Quantitative:** The relevant standards, methodologies and assumptions used to prepare the quantitative information is disclosed, as appropriate. Quantitative information is provided with narrative and comparative figures, where possible.
- **Consistency:** Consistent methodologies are used to prepare and present ESG data in the Report, unless otherwise specified, to allow for meaningful comparisons.
- **Balance:** The information is presented without the inappropriate use of selections, omissions or other forms of manipulation that would influence a decision or judgment by the reader.

有關本報告

本環境、社會及管治（「環境、社會及管治」）報告的目的重點陳述本集團環境、社會及管治的績效，以協助所有持份者理解本集團實現未來可持續發展的環境、社會及管治的概念及常規。本集團欣然呈報二零二一年一月一日至二零二一年十二月三十一日報告期間（「報告期間」）的第五份環境、社會及管治報告，展示於報告期間內本集團在環境、社會及管治管理及企業可持續發展方面的方針和表現。

報告標準

本報告遵守GEM上市規則附錄20所述環境、社會及管治報告指引所載的披露規定。已對環境、社會及管治報告指引中有關關鍵績效指標（「關鍵績效指標」）的適用性及重要性進行評估。

報告原則

報告採用以下主要原則：

- **重要性：**本報告涵蓋於各環境、社會及管治方面對持份者而言屬重要且相關的資料。我們已進行重要性評估以釐定重要環境、社會及管治事宜，且評估結果獲董事會批准。
- **量化：**用於編製量化資料的相關標準、方法及假設已酌情披露。在可能情況下，通過敘述及比較數字提供量化資料。
- **一致性：**除另有指明外，本報告使用一致的方法編製及呈列環境、社會及管治數據，以便進行有意義的比較。
- **平衡：**資料的呈列並無不恰當使用影響讀者決策或判斷的選擇、遺漏或其他形式的操縱。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

GOVERNANCE ON ESG ASPECTS

The Board has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks, and ensuring that appropriate and effective ESG risk management and internal control systems are in place. Our management are delegated the responsibility of coordinating the implementation of the Group's environment, employment and service quality assurance policies.

ESG MANAGEMENT APPROACH

The Board leads and provides direction to management by instituting ESG policies and initiatives, supervising their implementation and monitoring ESG performance. The Board continues to explore ways to further strengthen the ESG governance of the Group. The Board reviews ESG affairs regularly, including environmental protection, employment and labour practices, operating practices, and community investment, and implements appropriate measures to enhance the ESG performance of the Group.

STAKEHOLDER ENGAGEMENT

The Group actively engages with stakeholders to identify ESG issues that need to be addressed. Stakeholder engagement is the process by which an organisation involves parties who may be affected by the decision it makes or can influence the implementation of its decisions. The management had performed the following:

- generated a full and complete list of stakeholders by consulting various departments within the Group;
- relied on the on-going communication channels and day-to-day interactions and dedicated meetings (whenever deemed necessary) to engage these stakeholders; and

環境、社會及管治範疇

董事會全權負責本集團的環境、社會及管治策略及匯報工作。董事會負責評估及釐定本集團在環境、社會及管治方面的風險，並確保設有合適有效的環境、社會及管治風險管理及內部監控系統。管理層負責協調落實本集團的環境、僱傭、服務質量保證政策。

環境、社會及管治管理方式

董事會透過制定環境、社會及管治政策及措施、監督其執行及監管環境、社會及管治表現，帶領及指導管理層。董事會持續開拓加強本集團環境、社會及管治管理的方法。董事會定期審核環境、社會及管治事宜，包括環境保護、僱傭及勞工慣例、營運慣例及社區投資，並實施適當措施加強本集團的環境、社會及管治表現。

持份者參與

本集團積極與持份者合作，以確定需要處理的環境、社會及管治事宜。持份者參與是組織讓可能受其決策影響或可能影響其決策實施的各方參與的過程。管理層已執行以下操作：

- 經諮詢本集團內各部門後列出一份完整的持份者名單；
- 依賴持續溝通渠道及日常互動以及專責會議（在認為必要時）讓該等持份者參與；及

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- reduced the list of stakeholders into a workable size, and complete the Stakeholder Influence – Dependency Matrix to work out a list of key stakeholders.
- 將持份者名單縮減至可行規模，並完成《權益人影響 – 依賴程度矩陣》制定一份主要持份者名單。

| Stakeholders 持份者 | Communication channels 溝通渠道 |
|--|--|
| Government/regulatory organisations 政府／監管機構 | <ul style="list-style-type: none"> Announcement and other regulatory reports 公告及其他監管報告 |
| Shareholders/ investors 股東／投資者 | <ul style="list-style-type: none"> Information disclosed on the HKEX website and corporate website Annual general meeting and other shareholders' meetings 在港交所網站及公司網站上披露的資料 股東週年大會及其他股東大會 |
| Employees 僱員 | <ul style="list-style-type: none"> Employee performance evaluation On-the-job training Internal e-mail 僱員表現評估 在職培訓 內部電郵 |
| Customer 客戶 | <ul style="list-style-type: none"> Corporate website Customer service hotline 公司網站 客戶服務熱線 |
| Community 社區 | <ul style="list-style-type: none"> Industry events Corporate social responsibility activities 行業活動 企業社會責任活動 |

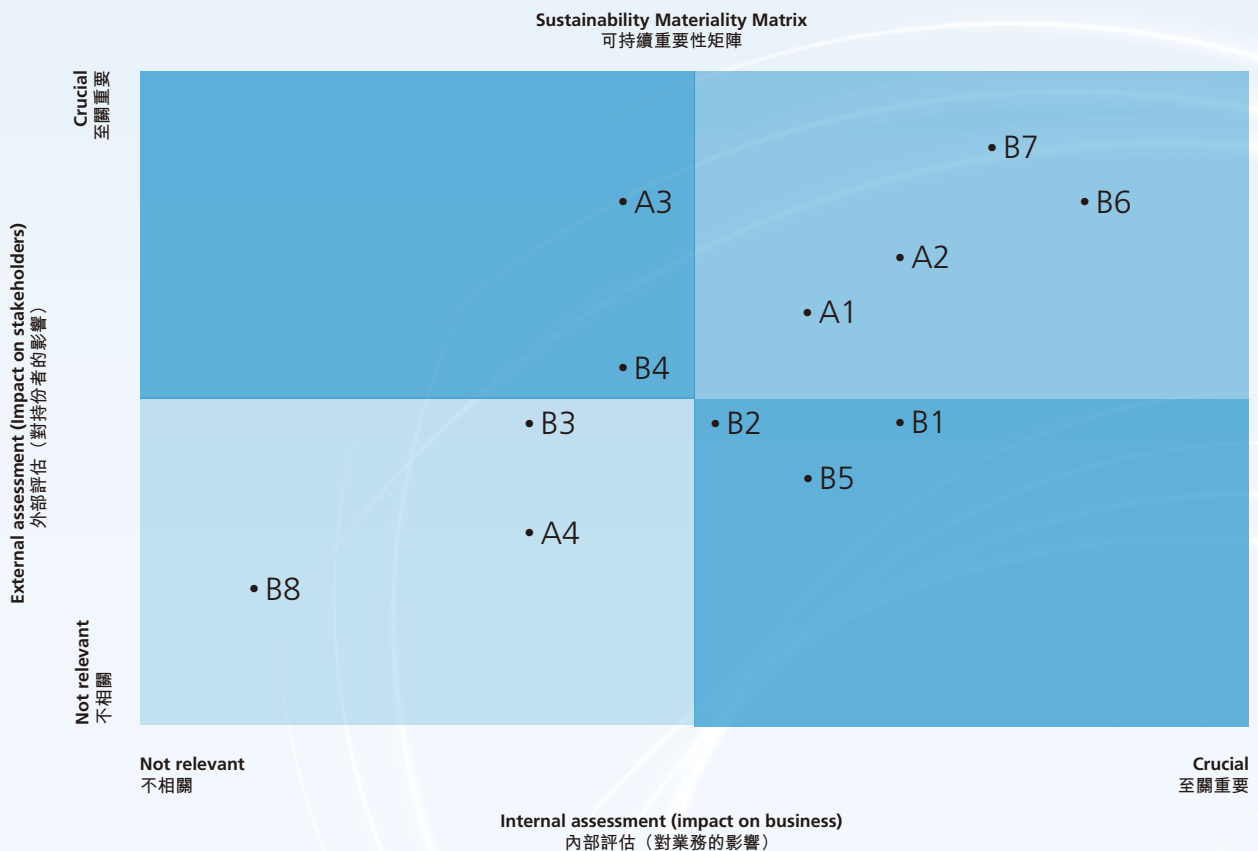
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

MATERIALITY ASSESSMENT

During the Reporting Period, the Group has evaluated a number of environmental, social and operating items, and assessed their importance to stakeholders and the Group through various channels. This assessment helps to ensure that the Group's business objectives and development direction satisfy with the stakeholders' expectations and requirements. The Group's and stakeholders' matters of concern are listed out in the following materiality matrix:

重要性評估

於報告期間，本集團已評估多項環境、社會及營運項目，並透過多種渠道評估其對持份者及本集團的重要性。是項評估有助確保本集團業務目標及發展方向符合持份者的期望及要求。本集團及持份者關注的事項載於以下重要性矩陣中：



- A1: Environmental 環境
- A2: Use of resources 資源使用
- A3: The environment and natural resource
環境及天然資源
- A4: Climate change 氣候變化

- B1: Employment 僱傭
- B2: Health and safety 健康與安全
- B3: Development and training
發展及培訓
- B4: Labour standards 勞工準則
- B5: Supply chain management 供應鏈管理
- B6: Product responsibility 產品責任
- B7: Anti-corruption 反貪污
- B8: Community investment 社區投資

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

ENVIRONMENTAL

The Group does not have any factory operations nor engage in any operations that have a substantial effect on the environment, aside from consumption of resources by the office administrative operations. Nevertheless, the Group pays due consideration and effort towards compliance with applicable laws and regulations in Hong Kong and Macau, and actively cooperate with the main contractor in meeting the environmental protection requirements. The majority of the work of the Group is conducted through its sub-contractors, whereby as part of the project delivery, apart from confirming construction quality, the project team will also monitor the environmental performance of its subcontractors. One of the measures includes regularly check to ensure that environmental protection requirements imposed upon various parties, including the main contractor, the construction site, and the Group, are met.

Emissions management

As a subcontractor for the provision of supply, installation and fitting-out services of MVAC systems for buildings in Hong Kong and Macau, the installation activity does not cause any material emissions or pollution generated from the Company's operations at construction sites.

In order to minimise the production of air pollutants by motor vehicles, the Group promotes the use of public transport and car-pooling.

Air emissions
氣體排放量

Nitrogen oxides
二氧化氮
Sulphur oxides
二氧化硫
Respiratory suspended particles
可吸入懸浮粒子

環境

除了辦公室行政作業的資源消耗外，本集團並無任何廠房營運，亦無從事任何對環境造成重大影響的業務。儘管如此，本集團作出周詳考慮並致力遵守香港及澳門的適用法律及法規，同時積極與總承建商合作遵守環境保護規定。本集團大部分工程經由其分包商進行，而作為項目交付一部分，除了確認建築工程品質外，項目團隊亦會監督其分包商的環保表現。其中一項措施包括定期檢查以確保各方（包括總承建商、地盤及本集團）被施加的環保規定得以遵守。

排放管理

作為在香港及澳門提供樓宇機械通風及空調系統的供應、安裝及裝修服務的分包商，安裝活動並無導致本公司於建築地盤的業務產生任何重大排放或污染。

為減低汽車所產生的空氣污染物，本集團鼓勵使用公共交通及共乘。

| Air emissions 氣體排放量 | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 |
|--|------------|---------------|---------------|
| Nitrogen oxides 二氧化氮 | g 公克 | 1,455 | 2,213 |
| Sulphur oxides 二氧化硫 | g 公克 | 21 | 32 |
| Respiratory suspended particles 可吸入懸浮粒子 | g 公克 | 107 | 163 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
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| Greenhouse gas emissions 溫室氣體排放 | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 |
|---|--|---------------|---------------|
| Scope 1 – petrol consumption 第1類 – 移動燃燒源 | Tonne 公噸 | 3.5 | 5.4 |
| Scope 2 – electricity consumption 第2類 – 購買電力 | Tonne 公噸 | 10.3 | 11.4 |
| Total emissions 總排放量 | Tonne 公噸 | 13.8 | 16.8 |
| Emission intensity 排放密度 | Tonne per million dollars of revenue 公噸／百萬元收益 | 0.08 | 0.08 |

During the Reporting Period, the Group did not encounter any non-compliance in relation to air pollution, water pollution, waste and chemical waste that would have a significant impact on the environment.

Hazardous and non-hazardous waste

The major source of waste comes from construction works, whereby the Group abides by the regulations imposed by the main contractor and the respective site. The staff and work team follow on-site regulations on waste disposal, and would always inquire with the project management team when any difficulties are encountered. The project team would also ensure the compliance with the applicable provisions of the Waste Disposal Ordinance (Chapter 359 of the Laws of Hong Kong) and its subsidiary regulations, particularly the Waste Disposal (Charges for Disposal of Construction Waste) and the Waste Disposal (Chemical Waste) (General) Regulations.

Although the operation does not involve handling hazardous waste directly, we also establish policies and guidelines for both our staff and our sub-contractors, for example, hazardous waste is stored separately in special containers before being collected by a licenced chemical waste collector.

Waste production was mainly attributed to the discarded packaging materials and domestic wastes of office. The operation of the Group does not involve any production of hazardous waste. All materials and wastes disposed at the worksites are collected by the authorised collectors by the local government. During the Reporting Period, the Group did not notice any non-compliance issues about waste disposal.

於報告期間，本集團並無遇到任何有關空氣污染、水污染、廢棄物及化學廢棄物的不合規事宜，以致對環境造成重大影響。

有害及無害廢棄物

廢棄物的主要來源來自建築工程，而本集團已遵守總承建商及相關地盤實施的規定。員工及施工團隊遵循現場廢棄物處置規定，並時常在遇到困難時向項目管理團隊查詢。項目團隊亦會確保遵守《廢物處置條例》(香港法例第359章)適用條文及其附屬規例，尤其是《廢物處置(建築廢物處置收費)規例》及《廢物處置(化學廢物)(一般)規例》。

儘管營運並無涉及直接處理有害廢棄物，我們亦為員工及分包商制定政策及指引，如有害廢棄物在持牌化學廢棄物收集商前來收集前，須獨立存放於特別容器內。

廢棄物的產生主要來自辦公室已廢棄的包裝物料及家居廢棄物。本集團運營不涉及任何危險廢棄物的產生。所有棄置在工地的材料及廢棄物均由當地政府授權的收集者收集。於報告期間，本集團並不知悉任何有關處置廢棄物的不合規事宜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

Use of resources

Driven by the belief in maintaining sustainability, the Group strives to ensure efficient use of resources, including energy, materials and auxiliary materials. It is the Group's policy that material ordered is 'just right' for the intended project, and the Group endeavours to employ excess material to reduce wastage. In view of the pandemic, the office administration had maximised the office's air circulation by opening the windows instead of relying on the air-conditioning system. Decreased petrol usage was as a result of taking public transportation and the use of video-conferencing. Going forward, the administration would focus on ensuring resources wastage is at a minimum.

During the Reporting Period, our office in Hong Kong has been moved to a commercial unit whereby water service (such as tap and toilet facilities) is not available. Therefore, water consumption is no longer measurable.

資源使用

本集團堅決維持可持續發展，致力確保有效使用資源，包括能源、物料及附屬物料。本集團制定政策確保訂購的物料剛好用作擬定項目，本集團亦致力運用多餘物料以減少浪費。鑑於疫情，辦公室行政部門通過打開窗戶而非依靠空調系統盡量增加辦公室的空氣流通。乘坐公共交通及使用視頻會議令汽油用量減少。展望未來，行政部門將專注於確保資源浪費盡量減至最低。

於報告期間，我們的香港辦事處已遷移至一個並無供水服務（如飲用水及廁所設施）的商業單位。因此用水量不再予以計算。

| Resources utilisation 資源使用 | Unit 單位 | Consumption 消耗量 | | Intensity (per million dollars of revenue) 密度(每百萬元收益) | |
|-------------------------------|-------------|--------------------|---------------|---|---------------|
| | | 2021 二零二一年 | 2020 二零二零年 | 2021 二零二一年 | 2020 二零二零年 |
| Electricity 電力 | kWh 千瓦時 | 26,533 | 22,432 | 152 | 101 |
| Water 水 | Tonne 公噸 | - | 62 | - | 0.3 |
| Unleaded petrol 無鉛汽油 | L 升 | 1,299 | 1,975 | 7 | 9 |

As the operation of the Group does not produce any tangible products that require packaging during the Reporting Period, hence no packaging materials were used in this regard.

The Group has implemented the following schemes to reduce consumption of energy and natural resources:

- encourage duplex printing and reuse single-side printed paper;
- idle electrical appliances are switched off;
- regular maintenance and repair for electrical appliances to lower energy waste;
- reduce the use of disposable and non-recyclable products and
- regular maintenance and inspection of company vehicles.

於報告期間，由於本集團的業務並不產生任何需要包裝的有形產品，因此並無就此使用任何包裝物料。

本集團已實施以下政策以減低能源及自然資源的消耗：

- 鼓勵雙面列印及重用已單面列印的紙張；
- 關掉不使用的電器；
- 定期保養及維修電器以減低能源浪費；
- 減少使用即棄及不可回收的產品；及
- 定期保養及檢查公司車輛。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**Environmental and natural resources**

There are several environmental concerns that are of particular relevance, affecting the materials and services used by the Group, such as, air conditioning, refrigeration and heat pump technologies which are increasingly switching to more environmentally friendly refrigerant gases with lower ozone depletion potential and lower global warming potential. The Group is determined to stay abreast of development in resources and technologies benefitting the environment with the higher requirements being imposed on MVAC equipment and installation process. In delivering the works, the project team would ensure that all services are conducted in an environmentally responsible manner and ensure strict adherence to the applicable laws in Hong Kong and Macau, such as the Noise Control Ordinance (Chapter 40 of the Laws of Hong Kong).

Several other specific regulations directly related to the operations, including the requirement of using lead-free solders for copper pipes at freshwater Inside Services, are specified in the standard as stipulated in the Waterworks Regulations. Another regulation example that the Group complies with is the VOC regulation imposed by the Environmental Protection Department. VOCs (volatile organic compounds) are found in a wide variety of everyday products such as solvent-based paints/coatings, adhesives, sealants, printing inks, many consumer products, organic solvents and petroleum products.

Climate Change

Building operations, including cooling, account for a significant portion of the world's total greenhouse gas emissions. As historically abnormal climates, hotter summers and colder, longer winters became the new norm, demand for air conditioning, its efficiency, and its impact on sustainability became increasingly crucial. We recognise the impact of operations of air conditioning. It uses a significant amount of electricity and has the potential to leak potent greenhouse gases into the atmosphere. The production processes of and material used in the production of insulation material, pipings, could also have a significant impact on the environment.

環境及天然資源

多項環境問題尤其息息相關，其影響本集團所用物料及服務，例如空調、冷藏及熱泵技術正漸轉為更加環保的製冷氣體，以降低臭氧破壞潛勢及全球暖化潛勢。本集團堅決緊貼有利環境的資源及技術發展，並對機械通風及空調設備及安裝程序施加的更高要求。於交付工程時，項目團隊會確保所有服務按環保負責的方式進行，並確保嚴格遵守香港及澳門的適用法律，例如《噪音管制條例》(香港法例第40章)。

另有多項特殊規定與營運直接相關，包括規定淡水銅管使用無鉛焊料。內部水管須符合《水務設施規例》所規定的標準。其他本集團遵守的規定例如是環境保護署實施的揮發性有機化合物規例。很多日常用品都含有VOC(揮發性有機化合物)，例如溶劑漆料/塗料、黏合劑、密封劑、印墨、多種消費品、有機溶劑及石油產品等。

氣候變化

包括冷卻在內的樓宇運營，佔全球溫室氣體排放總量重大部分。隨著過往異常氣候、更炎熱的夏天及更寒冷更漫長的冬天成為新常態，對空調的需求、其效率及其對可持續性的影響日益關鍵。我們認識到空調運行的影響。其使用大量電力，並有可能向大氣層洩漏強效的溫室氣體。絕緣材料、管道的生產過程及使用的材料，可能對環境產生重大影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

Since the establishment of our firm, we have always been keen and eager to adopt innovations and paradigms, and sustainability has always been among our top priorities. Considerations of how the installations could impact the environment and how it could cope with the climate changes have been intrinsically embedded in our business models. Each member of our team provides constructive feedback and advice at every step of the installation, including design, supplier screening, installation. Though it will be possible to tease out individual steps relevant to sustainability, for efficiency, we would highlight and summarise our endeavours into three key areas, research and training, open discussions and timely feedback, due diligence. The key in managing climate risk, we believe, lies in the mindset of our team.

Environmental Targets Setting

| | |
|-----------------|---|
| FY 2021 | Reviewed the Group's past environmental performance |
| FY 2022 | Explore improvement methods and resources available |
| FY 2023 onwards | Develop measures and set targets Evaluate and monitor performance against baseline and targets regularly |

自本公司成立以來，我們一直熱衷並渴望採用創新及範例，而可持續發展一直是我們其中一項首要任務。對安裝如何影響環境以及如何應對氣候變化的考慮已植根於我們的商業模式中。我們團隊的每名成員在安裝各個步驟提供建設性反饋及建議，包括設計、供應商篩選、安裝。儘管可能梳理與可持續發展相關的個別步驟，但為提高效率，我們會將工作強調並總結為三個關鍵領域，研究及培訓、公開討論與及時反饋、盡職調查。我們認為，管理氣候風險的關鍵在於我們團隊的思維方式。

環境目標設定

| | |
|----------|-----------------------------------|
| 二零二一財年 | 回顧本集團過往環境表現 |
| 二零二二財年 | 探索改進方法及可用資源 |
| 二零二三財年以後 | 制定措施並設定目標 根據基綫及目標定期評估並 監測表現 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

SOCIAL

Employment

The Group promotes equal opportunity and opposes any form of discrimination in the hiring process. Personal attributes like race, religion, nationality, age or gender are not considered in the hiring process. Besides discrimination, any act of sexual harassment is also strictly prohibited. As at 31 December 2021, the Group had 5 (2020: 5) directors and 334 (2020: 522) employees, including 275 (2020: 458) labour workers nominated by sub-contractors. The table below shows the details of our workforce distribution:

| | | No. of staff 員工人數 |
|----------------------------|-------------|----------------------|
| <i>Gender</i> | <i>性別</i> | |
| Male | 男性 | 320 |
| Female | 女性 | 19 |
| <i>Age Group</i> | <i>年齡組別</i> | |
| 19-40 | 19歲至40歲 | 142 |
| 41-60 | 41歲至60歲 | 152 |
| 61 or above | 61歲以上 | 45 |
| <i>Geographical region</i> | <i>地理地區</i> | |
| Macau | 澳門 | 322 |
| Hong Kong | 香港 | 17 |
| <i>Employment type</i> | <i>僱傭類型</i> | |
| Full-time | 全職 | 338 |
| Part-time | 兼職 | 1 |

The Group welcomes any age range of people to join the Group as long as they are keen to learn and participate. Although the Group treated all application irrespective of gender, due to the laborious nature of the majority of their operation at the construction sites, the majority of the potential and successful application tends to be male.

社會

僱傭

本集團推廣平等機會，且反對招聘過程中任何形式的歧視。種族、宗教信仰、國籍、年齡或性別等個人因素並不會列入招聘程序的考慮之列。除了歧視外，我們亦嚴格禁止任何性騷擾行為。於二零二一年十二月三十一日，本集團有5名（二零二零年：5名）董事及334名（二零二零年：522名）僱員，包括分包商提名的275名（二零二零年：458名）勞工。下表列示員工分佈詳情：

只要應徵者樂意學習及參與，本集團歡迎不同年齡層的人士加入本集團。儘管本集團不論性別平等對待任何應徵申請，但由於地盤的大部分營運屬勞動性工作，故大多數潛在及成功應徵者傾向為男性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

The Group strives to maintain employee turnover rate at an acceptable level so as to facilitate the accumulation of professional skills and experience. During the Reporting Period, the permanent staff turnover rate was about 14 %, which was categorised by gender, age group and geographical location as follows:

| Gender 性別 | | Age Group 年齡組別 | | | Location 地區 | |
|--------------|--------------|-------------------|------------------|----------------------|-----------------|-------------|
| Male 男性 | Female 女性 | 19–40 19歲至40歲 | 41–60 41歲至60歲 | 61 or above 61歲以上 | Hong Kong 香港 | Macau 澳門 |
| 16% | – | 23% | 4% | – | 16% | 6% |

本集團致力將員工離職率維持在可接受的水平，以促進專業技能及經驗的積累。於報告期間，長期員工流動率約為14%，按性別、年齡組別及地理地區分類如下：

Compensation and dismissal

The Group offers competitive remuneration to attract and retain talented staff members. Remuneration packages are reviewed periodically to ensure consistency with the employment market. Laws and regulations on minimum wage and statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, pregnancy, disability, age or family status.

Recruitment and promotion

The Group attracts talent through fair, flexible and transparent recruitment strategy. The recruitment process includes the application for recruitment, description of the position, collection of job applications, interview, selection, approval, and job offers. Promotion is based on performance and suitability.

Working hours, rest periods, benefits and welfare

Employees' working hours, rest periods, benefits and welfare, including social security benefits, mandatory provident fund, and labour pension, are required to be in compliance with employment or labour laws and regulations. Selected benefit programs, including medical coverage, are also provided.

補償及解僱

本集團提供具競爭力的薪酬以吸引及挽留能幹的員工。我們定期審閱薪酬待遇以確保與勞動市場一致。最低工資及法定社會福利的法律及法規須予遵守。解僱必須遵守勞工法律及法規，並遵守內部政策及程序，包括防止僅由於僱員性別、婚姻狀況、懷孕、殘障、年齡或家庭狀況而將其解僱的政策。

招聘及晉升

本集團透過公平、具彈性及透明度的招聘策略吸引人才。招聘過程包括應徵、職位描述、收集職位申請、面試、甄選、批准及聘用。晉升乃根據表現及適任程度而定。

工時、休息時間、利益及福利

僱員的工時、休息時間、利益及福利，包括社會保障福利、強積金及勞工退休金，均需遵守僱傭或勞工法律及法規。我們亦提供精選福利計劃，包括醫療保障。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**Equal opportunities, diversity and anti-discrimination**

The Group is an equal opportunity employer. The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, age, or other measures of diversity.

During the Reporting Period, the Group was not aware of any non-compliance relating to Employment Ordinance, Minimum Wage Ordinance, Mandatory Provident Fund Schemes Ordinance and Anti-discrimination Ordinance in Hong Kong and Labour Relations Law in Macau.

Health and safety

The Group is committed to strict compliance with all relevant health and safety legislation. Although the works carried out by the Group and its sub-contractors do not involve heavy machinery or manual handling of hazardous materials, the staff teams are exposed to relatively higher health and safety risks. The project management team is committed to conducting on-going risk assessments to identify and manage these risks, with the objectives of achieving the goal of zero accidents.

In most cases, the main contractor or the management of the construction site would already have developed and deployed to the staff teams sets of site safety plans and instructions and requires compliance by all subcontractors. Management of the Group works to ensure that the subcontractors strictly observe these safety plans and directives. Safety instructions for different operations are well-communicated to the employees. In accordance with the safety requirements of the Labour Department and the main contractor, we provide the site staff with qualified safety equipment, including safety helmets, goggles and other necessary safety precautions to ensure the occupational safety of the staff. Personal protective equipment specific to the type of work being performed is made available and distributed. The site foremen are responsible for ensuring proper use and maintenance of the equipment. The Group extends the considerations and assessments to the subcontractors, and the project team maintains close communication to provide the staff and subcontractors with the latest safety information.

平等機會、多元化及反歧視

本集團是平等機會僱主。本集團致力為僱員提供公平的工作環境，及遵守平等及零歧視的原則。招聘、薪酬、升遷及福利須根據客觀評估、平等機會及零歧視處理，不論性別、種族、年齡或其他多元化計量因素。

於報告期內，本集團並不知悉任何有關香港《僱傭條例》、《最低工資條例》、《強制性公積金計劃條例》及《反歧視條例》以及澳門《勞動關係法》的不合規情況。

健康及安全

本集團致力嚴格遵守所有相關健康及安全法例。雖然本集團及其分包商執行的工程不涉及重型機械或人手處理有害物料，惟員工團隊承受相對較大的健康及安全風險。項目管理團隊致力進行持續風險評估以識別及管理該等風險，目標是達到零意外。

於多數情況，總承建商或建築地盤的管理層應已制定及向員工團隊派發地盤安全規劃及指引，所有分包商必須遵守。本集團管理層致力確保分包商嚴格遵守該等安全規劃及指引。不同運作的安全指引會向僱員清楚傳達。根據勞工處及總承建商的安全規定，我們向地盤員工提供合資格安全設備，包括安全帽、護目鏡及其他所需安全預防措施，確保員工的職業安全。我們亦提供及派發針對指定類別工作的個人保護裝備。地盤工頭負責確保裝備獲妥善利用及保養。本集團的顧慮及評估延展至分包商，而項目團隊維持緊密聯繫以提供最新安全資訊予員工及分包商。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
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The Group places safety at the highest priority. Investigation is carried out after every incident, and recommendations or corrective actions are taken if necessary. Management will continue to maintain constant communication with field operations. Going forward, the Group will reinforce the effort to strive towards the ultimate objective of zero accident and zero injury rate during operations. The Group was not subject to any material administrative penalties or fines for any breach of laws or regulations relating to the provision of a safe working environment or the protection of employees against occupational hazards during the Reporting Period.

本集團將安全放在第一位，在每次事件發生後進行調查，並在必要時採取建議或採取糾正行動，管理層將繼續與現場操作保持持續溝通。展望未來，本集團將加緊努力，以實現營運零事故及零傷亡的最終目標。於報告期間，本集團並無因違反有關提供安全工作環境或保障僱員免受職業危害的任何法律或法規而遭受任何重大行政處罰或罰款。

| Occupational health and safety statistics | 職業健康及安全數據 | 2021 | 2020 | 2019 |
|---|-------------------|-------|-------|-------|
| | | 二零二一年 | 二零二零年 | 二零一九年 |
| Number of lost days due to work injury | 因工傷而導致的損失日數 | 359 | 301 | 200 |
| Number of work-related fatal accidents | 工作相關的致命事故數目 | — | — | — |
| Number of work injuries accidents | 工傷事故數目 | 3 | 7 | 2 |
| Accident rate per 1,000 workers (Hong Kong) | 每1,000名工人的意外率(香港) | 11 | 14 | 12 |
| Accident rate per 1,000 workers (Macau) | 每1,000名工人的意外率(澳門) | — | 54 | — |

Development and training

The Group is devoted to creating a learning culture among the teams, so as to enable the staff in developing their career and enabling them to reach their goals. The Group therefore, from time to time, organises the teams to attend external training, such as the BIM induction course, ISO 26000 Guidance on Social Responsibility course, and the Corporate Social Capital in Practice workshop. Training is also provided to management with the aim to maintain and enhance the technical knowledge and professional skills possessed. Training for labours and staff in construction sites mainly includes safety precautions in the construction industry and case studies of accidents that happened before.

Labour standards

The Group strictly prohibits the use of forced and child labour. The Group complies with relevant regulations and laws to safeguard the rights of our employees, and will not tolerate labour exploitation. During the recruitment process, we verify the age of applicants and the practice is extended to the workers hired by our sub-contractors. The Group prevents hiring child labour by conducting an identification check of every new employee. Without exception, during the Reporting Period, the Group was not aware of any material non-compliance with laws and regulations regarding child labour and forced labour.

發展及培訓

本集團致力在團隊中營造學習文化，讓員工發展事業及達到目標。因此，本集團不時組織團隊參與外部培訓，例如建築資訊模型介紹課程、ISO 26000社會責任指導課程及企業社會資本常規工作坊。我們亦為管理層提供培訓，旨在維持及提高既有技術知識及專業技能。勞工及地盤員工培訓主要包括建造業安全預防措施及過往意外的個案研究。

勞工標準

本集團嚴格禁止聘用強制勞工及童工。本集團遵守相關法規及法律以保障僱員權利，且絕不容忍剝削勞工。於招聘過程中，我們會查核求職者的年齡，分包商所聘用的工人亦採取有關做法。本集團透過對每名新入職僱員進行身份查核以防止聘用童工。在並無例外情況下，於報告期間，本集團並不知悉任何有關童工及強制勞工的法律及法規的重大違規事件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告

Supply chain management

The materials used by the Group are mainly pipes and other fittings. To fulfil the Group's responsibility to the society, guidelines regarding environmental protections have been set and constantly reviewed by Management. The guideline includes disposal of wastes and sewage, uses of chemicals and minimising pollutions that may be caused. All works and materials used by sub-contractors have to comply with the policy.

Sub-contractors are assessed continuously based on performances, time of completion and services provided during the retention period of the project. Suppliers are assessed continuously based on delivery time, quality of materials and after-sales services. To ensure the delivery of materials, the geographical region of the supplier is also concerned. As at 31 December 2021, the Group had 219 (2020: 212) qualified materials suppliers and 85 (2020: 82) qualified sub-contractors.

During the Reporting Period, no major complaints on the quality of materials used and the performance of works have been received.

Product responsibility

The Group is responsible to the main contractor for the works the Group had completed, and has not encountered any issues of a product recall or quality issue. Wing Fung Engineering (H.K.) Limited ("Wing Fung HK") was accredited with ISO 9001: 2008 (quality management) quality management system standard for its quality management system since 2013. The Group implements a series of quality control measures to ensure the quality of work:

- Trainings are provided to our project management teams and our subcontracted workers to ensure their understanding of, and compliance with, our quality standards.
- Onsite inspections and rectification are carried out at each construction site. Immediate rectification measures would be taken if any quality control issues are identified. Upon rectification, we re-inspect the quality control issues to ensure that such issues have been resolved; and
- We require sub-contractors to fully abide by our quality control measures when performing work for our construction projects.

Data privacy

As stipulated in the Group's Code of Conduct, the Group properly manages and protects the data of its employees, customers, subcontractors and suppliers to ensure their privacy and confidentiality. All tender documents, service contracts, related licenses, employees' personal data are neatly secured and archived.

供應鏈管理

本集團使用的物料主要為管道及其他配件。為履行本集團對社會的責任，管理層已制定及定期檢討有關環境保護的指引。指引包括處置廢物及污水、使用化學品及盡量減低可能產生的污染。分包商的所有工作及所用物料均須符合該政策。

分包商乃根據表現、完成時間及於項目保固期間提供的服務持續評估。供應商乃根據交付時間、物料品質及售後服務持續評估。為確保物料交付，供應商的地區亦予考慮。於二零二一年十二月三十一日，本集團有219名(二零二零年：212名)合資格物料供應商及85名(二零二零年：82名)合資格分包商。

於報告期間，概無接獲有關所用物料品質或工程表現的重大投訴。

產品責任

本集團就其完成的工程向總承建商負責，且並無遇到任何產品召回或品質事宜。榮豐工程(香港)有限公司(「榮豐香港」)的品質管理系統自二零一三年獲得ISO 9001: 2008(質量管理)質量管理系統標準認證。本集團實施一系列品質監控措施以確保工作品質：

- 向我們的項目管理團隊及分包工人提供培訓，以確保彼等明白及遵循我們的品質標準。
- 於各建築地盤進行現場檢查及整改。倘識別任何品質監控問題，將立即採取整改措施。整改後，我們將重新檢查質量監控問題以確保該等問題已得到解決；及
- 我們要求分包商在為我們的建築項目施工時，完全遵守我們的品質監控措施。

資料私隱

誠如本集團行為守則所訂明，本集團妥善管理及保護其僱員、客戶、分包商及供應商的資料，保障其私隱並確保資料保密。所有投標文件、服務合約、相關牌照、僱員個人資料均井然保管及存檔。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
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The Group complies with the Personal Data (Privacy) Ordinance and is strictly abided by the regulation in the collection, disclosure, usage, retention, and storage of data to ensure data integrity and safety. Customer information is only collected when necessary. We constantly conduct regular review on our data management and provide trainings to our employees.

Intellectual properties

Our operational process mainly consists of installation and fitting our services of MVAC system, which does not involve any advertising and labelling practices. The information relating to advertising and labelling is immaterial to our Group.

The Group did not receive any significant complaints relating to our services provided and works due to safety and health reasons during the Reporting Period. Furthermore, the Group was not aware of any incidents of non-compliance with laws and regulations that bring significant impact to the Group concerning health and safety advertising and labelling relating to products and privacy matters relating to customers.

Anti-corruption

Any forms of bribery, forgery and misappropriation of materials, including intellectual property, extortion, fraud and money laundering, are strictly prohibited. The staff manual provides guidance on employees' behaviours, for example the acceptance of gifts and conflict of interests, to further enhance the awareness of employees. The Group encourages staff to report suspected corruption cases. The whistle-blowing policy protects the whistle-blower from possible retaliation. Reported incidents will be thoroughly investigated and any misconduct would result in disciplinary actions.

During the Reporting Period, the Group was not aware of any material non-compliance relating to dishonest and corruption activities according to the Penal Code of Macau and the Prevention of Bribery Ordinance of Hong Kong.

Community investment

The Group strongly believes in the concept of community co-building to help create a coherent and harmonious community. The Group intends to lead by example of demonstrating the importance of community investment and encourage our staff to participate in community initiatives through charity events, volunteering events and donations.

本集團遵守個人資料(私隱)條例，並於收集、披露、使用、保留及儲存資料時嚴格遵從規則，以確保資料完整及安全。我們僅於必要時方會收集客戶資料。我們不斷對資料管理進行定期檢查，並為僱員提供培訓。

知識產權

我們的業務流程主要包括機械通風及空調系統的安裝及裝修，該系統不涉及任何廣告及標籤操作。有關廣告及標籤的資料對本集團而言並不重要。

於報告期間，本集團並無因為安全及健康理由接獲任何有關所提供服務及工程的重大投訴。此外，本集團並無發現任何違反法律及法規而對本集團造成重大影響的事件，包括與產品有關的健康及安全廣告及標籤，以及與客戶有關的私隱事宜。

反貪污

本集團嚴禁任何形式的賄賂、偽造及挪用物料(包括知識產權、敲詐、欺詐及洗錢)。員工手冊就員工行為提供指引，例如收受禮物及利益衝突，以進一步加強僱員的警覺性。本集團鼓勵員工舉報懷疑貪污事件。舉報政策保障舉報人免於遭到可能報復。我們將全面調查舉報事件，而任何不當行為將導致紀律處分。

於報告期間，根據澳門《刑法典》及香港《防止賄賂條例》，本集團並不知悉有任何與不誠實及貪污活動有關的重大違規事件。

社區投資

本集團堅信社區共建概念能締造有序和諧的社區。本集團將以身作則展現社區投資的重要之處，並透過慈善活動、義務活動及捐獻，鼓勵員工參與社區計劃。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

DIRECTORS

Executive Directors

Mr. CHUNG Chi Keung (鍾志強), aged 65, is our executive Director, the chairman of our Board and the chief executive officer of our Company. He is also the co-founder of our Group in 1996. He was appointed as director of the Company on 29 September 2016. Mr. Chung is primarily responsible for formulating the overall business strategies and overseeing the business and operation of our Group. Mr. Chung is also a director of all members of our Group.

Mr. Chung has over 46 years of experience in the supply, installation and fitting-out of MVAC system. In March 1974, Mr. Chung joined Young's Engineering Co., Ltd as an apprentice and received training at the Major Air-conditioning Service Department. Upon the completion of his apprenticeship, he continued to work in the same department until July 1980. In 1987, Mr. Chung co-founded Wing Fung Engineering Limited. In July 1996 and March 2007, Mr. Chung established Wing Fung HK and Boto Macau, respectively and has been managing the business and operation of the two companies in Hong Kong and Macau. From 2003 to 2006, Mr. Chung was a member of the senior management of Dickson Group Holdings Limited (currently known as Richly Field China Development Limited), a company listed on the main board of the Stock Exchange (stock code: 313), and was responsible for managing the operation of certain construction projects in Hong Kong.

As at the date of this report, Mr. Chung owns all the issued share capital of Wing Fung Capital Limited, one of the substantial Shareholders, which owns 83,062,500 consolidated shares of the Company, representing approximately 51.19% of all issued shares of the Company. Accordingly, Mr. Chung is deemed to be interested in all the Shares owned by Wing Fung Capital Limited under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("SFO").

董事

執行董事

鍾志強先生，65歲，為本公司執行董事、董事會主席兼行政總裁。於一九九六年，彼亦為本集團聯合創辦人。彼於二零一六年九月二十九日獲委任為本公司董事。鍾先生主要負責制定整體業務策略及監督本集團的業務及營運。鍾先生亦為本集團所有成員公司的董事。

鍾先生於機械通風及空調系統的供應、安裝及裝修方面擁有逾46年經驗。於一九七四年三月，鍾先生加入景福工程有限公司擔任學徒並於主要空調部門接受培訓。完成學徒訓練後，彼繼續於同一部門工作至一九八零年七月。於一九八七年，鍾先生聯合創辦Wing Fung Engineering Limited。於一九九六年七月及二零零七年三月，鍾先生分別成立榮豐香港及寶創澳門並於香港及澳門管理兩家公司的業務及營運。自二零零三年至二零零六年，鍾先生為德信集團控股有限公司（現稱為裕田中國發展有限公司，一間於聯交所主板上市的公司（股份代號：313））的高級管理層成員，負責香港若干建設項目的營運管理。

於本報告日期，鍾先生擁有Wing Fung Capital Limited的全部已發行股本，後者為擁有本公司的83,062,500股合併股份（相當於本公司全部已發行股份約51.19%）的控股股東之一。因此，根據香港法例第571章證券及期貨條例（「證券及期貨條例」），鍾先生被視為於Wing Fung Capital Limited所擁有的全部股份中持有權益。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷詳情

Ms. LAI Suk Fan (黎淑芬), aged 59, was appointed as our executive Director on 24 March 2017. She is primarily responsible for overseeing the administration and human resources functions of our Group.

Ms. Lai studied at Lee Wai Lee Technical Institute of the Vocational Training Council on a part-time basis and was awarded a certificate for accounting technicians in August 1998. In 1998, Ms. Lai obtained a certificate in Accounting—Third Level issued by the London Chamber of Commerce and Industry Examinations Board. Ms. Lai also joined a distance-learning programme and received a Higher Certificate in Business Management from the Hong Kong Management Association in June 2009.

Ms. Lai has over 40 years of experience in administration, accounting and human resources. Ms. Lai has worked as a junior clerk at Teamlight Enterprises (HK) Ltd. from June 1980 to March 1982, then she joined Shirtmaster Limited as a purchasing clerk from May 1982 to February 1987. During June 1987 to July 1999, Ms. Lai has been working in Wing Fung Engineering Limited and Wing Fung HK and her last position was an administration officer when she left the companies in July 1999. From February 2001 to June 2011, Ms. Lai worked at Artsuc M&E Limited as the administration manager. In July 2011, Ms. Lai rejoined our Group as the administration manager of Wing Fung HK.

黎淑芬女士，59歲，於二零一七年三月二十四日獲委任為我們的執行董事。彼主要負責監督本集團行政及人力資源職能。

黎女士在職業訓練局李惠利工業學院修讀兼讀制課程，並於一九九八年八月獲頒財務會計員證書。於一九九八年，黎女士獲倫敦工商會考試局頒發第三級會計證書。黎女士亦報讀遙距課程，並於二零零九年六月取得香港管理專業協會頒發的商業管理高級函授證書。

黎女士於行政、會計及人力資源方面擁有逾40年經驗。於一九八零年六月至一九八二年三月，黎女士於Teamlight Enterprises (HK) Ltd. 任職初級文員，其後彼於一九八二年五月至一九八七年二月加入領威製衣有限公司擔任採購文員。於一九八七年六月至一九九九年七月，黎女士於Wing Fung Engineering Limited及榮豐香港任職，彼於一九九九年七月離任時為行政主任。於二零零一年二月至二零一一年六月，黎女士於藝成機電有限公司任職行政經理。於二零一一年七月，黎女士重返本集團擔任榮豐香港的行政經理。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷詳情**Independent Non-executive Directors**

Mr. CHOY Hiu Fai Eric (蔡曉輝), aged 44, was appointed as our independent non-executive Director on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Choy has more than 18 years of experience in accounting. Mr. Choy obtained a Bachelor of Business Administration in Accounting and Finance from the University of Hong Kong in November 2000. Upon graduation, he joined Arthur Andersen & Co, an accounting firm, in September 2000. Mr. Choy then continued his career with PricewaterhouseCoopers as a senior associate in the assurance and business advisory services department in July 2002. In 2004, Mr. Choy joined Procon CPA Limited as a managing director and he is now the head of the company's operation in Hong Kong and Shenzhen.

Mr. Choy has been a member of the Hong Kong Institute of Certified Public Accountants since February 2005. He was also admitted as a member of the American Institute of Certified Public Accountants in the United States in June 2002. Mr. Choy has been a Certified Tax Adviser of the Taxation Institute of Hong Kong since 30 September 2010.

Mr. Choy has been an independent non-executive Director of CCIAM Future Energy Limited (formerly known as The Hong Kong Building and Loan Agency Limited), a company currently listed on the Main Board of the Stock Exchange (Stock Code: 145) since July 2016.

獨立非執行董事

蔡曉輝先生，44歲，於二零一八年一月三十一日獲委任為我們的獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

蔡先生於會計領域擁有逾18年經驗。蔡先生於二零零零年十一月獲得香港大學工商管理學士（會計及金融學）學位。畢業後，彼於二零零零年九月加入一間會計師事務所安達信會計師事務所。蔡先生其後於二零零二年七月繼續執業，於羅兵咸永道會計師事務所核證及業務諮詢服務部門擔任高級會計師。於二零零四年，蔡先生加入博爾會計師有限公司擔任董事總經理，現為香港及深圳的公司營運主管。

蔡先生自二零零五年二月起為香港會計師公會會員。彼亦於二零零二年六月被接納為美國註冊會計師協會會員。自二零一零年九月三十日起，蔡先生為香港稅務學會的註冊稅務師。

自二零一六年七月起，蔡先生為信能低碳有限公司（前稱為香港建屋貸款有限公司）的獨立非執行董事，該公司現為聯交所主板上市公司（股份代號：145）。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷詳情

Mr. LEI For (利科), aged 44, was appointed as our independent non-executive Director on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Lei has more than 19 years of experience in investment banking, corporate finance and investment and management matters. Mr. Lei obtained his Bachelor of Social Science from the Chinese University of Hong Kong in November 2001. He started his career with L.P. Lammas Asia Limited from September 2001 to October 2002. After that, he worked in MasterLink Securities (Hong Kong) Corporation Limited as an executive from December 2002 to February 2005. In February 2005, Mr. Lei joined Haitong International Capital Limited (previously known as Taifook Capital Limited and Tai Fook Capital Limited) as an executive, and he left as a manager in May 2007. From June 2007 to October 2010, he was appointed as the senior manager and then the vice president of the corporate finance department in ABCI Securities Company Limited. Mr. Lei then carried on his career with Cinda (BVI) Limited as the corporate finance director of Cinda International Capital Limited from October 2010 to April 2011. In April 2011 to December 2016, he joined CIMB Securities Limited as a director in investment banking. From 2017 to 2019, he joined Apastron Capital Limited with his last position as managing director. Mr. Lei is currently the director of Hongsong Limited.

利科先生，44歲，於二零一八年一月三十一日獲委任為我們的獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

利先生於投資銀行、企業融資及投資及管理事宜方面擁有超過19年經驗。利先生於二零零一年十一月獲香港中文大學頒授社會科學學士。於二零零一年九月至二零零二年十月，彼於豐裕興業有限公司開展事業。其後，於二零零二年十二月至二零零五年二月，彼於元富證券(香港)有限公司擔任行政人員。於二零零五年二月，利先生加盟海通國際資本有限公司(前稱大福融資有限公司)出任行政人員，於二零零七年五月離任時職至經理。於二零零七年六月至二零一零年十月，彼先後獲委任為農銀國際證券有限公司企業融資部高級經理及副總裁。其後，利先生在Cinda (BVI) Limited繼續其事業，於二零一零年十月至二零一一年四月任信達國際融資有限公司企業融資董事。於二零一一年四月至二零一六年十二月，彼加入聯昌證券有限公司擔任投資銀行的董事。自二零一七年至二零一九年，彼加入Apastron Capital Limited，最後職位為董事總經理。利先生目前為Hongsong Limited的董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷詳情

Mr. LAI Wai Ming (黎偉明), aged 46, was appointed as our independent non-executive Director on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Lai graduated from the Hong Kong Polytechnic University in November 1997 and was awarded a Bachelor of Science degree in Building Technology and Management. Then he obtained a Master of Science in Real Estate from the University of Hong Kong in December 1999. In February 2002, Mr. Lai further obtained a diploma in building surveying from the College of Estate Management in the United Kingdom, which is a long-distance programme. Mr. Lai was also certified as a registered professional engineer by the Engineer Registration Board in April 2006, and he was admitted as a member of the Hong Kong Institution of Engineers and the Chartered Institute of Building in December 2004 and May 2005, respectively.

Mr. Lai has over 23 years of experience in building service and engineering. Mr. Lai joined Gammon Construction Limited in July 1998 and he was the assistant project manager when he left the company in November 2007. He then worked at Hongkong Land Limited, a property investment, management and development group listed in London, Bermuda and Singapore, from November 2007 to July 2011 as an assistant project manager. In July 2011, Mr. Lai joined a property developer as a project manager in Hong Kong and he was a senior project manager when he left the company in August 2017. In February 2018, Mr. Lai has joined a construction company in Hong Kong as a project director.

黎偉明先生，46歲，於二零一八年一月三十一日獲委任為獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

黎先生於一九九七年十一月在香港理工大學畢業，獲頒建築科技及管理學理學士學位。彼其後於一九九九年十二月獲香港大學頒授房地產理學碩士。於二零零二年二月，黎先生再於英國College of Estate Management取得建築測量學文憑，該文憑為遙距課程。黎先生亦於二零零六年四月獲工程師註冊管理局認可成為註冊專業工程師，彼分別於二零零四年十二月及二零零五年五月獲認為香港工程師學會及英國特許建造學會會員。

黎先生於屋宇裝備及工程擁有逾23年經驗。黎先生於一九九八年七月加入金門建築有限公司，彼於二零零七年十一月離職時擔任助理項目經理。彼其後於二零零七年十一月至二零一一年七月在Hongkong Land Limited（一間於倫敦、百慕達及新加坡上市的物業投資、管理及發展集團）任職助理項目經理。於二零一一年七月，黎先生加入香港一家地產發展商出任項目經理，彼於二零一七年八月離開該公司時正任職高級項目經理。於二零一八年二月，黎先生加入香港一間建築公司擔任項目總監。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

SENIOR MANAGEMENT

The following are the senior management team of the Group:

Mr. LAW Pak Hin Edward (羅柏妍), aged 35, joined our Group and was appointed as the chief financial officer of our Group on 12 September 2016, and as our Company Secretary on 14 February 2017. Mr. Law is primarily responsible for overseeing the finance and accounting functions of our Group.

In July 2010, Mr. Law obtained a Bachelor of Commerce from the Australian National University in Australia. He was admitted as an associate of the CPA Australia in August 2010 and was further admitted as a full member in July 2013. Mr. Law has more than 11 years of experience in finance and accounting. Before joining our Group, Mr. Law has joined BDO Limited as an associate in December 2010 and he was an assistant manager when he left BDO Limited in December 2014. Then he carried on his career with Ernst & Young in December 2014 and he was a senior accountant in the assurance department when he left the firm in August 2016.

Mr. CHAN Kai Ho (陳啟豪), aged 37, was appointed as a project manager at Wing Fung Engineering (H.K.) Limited in January 2018 and primarily responsible for overseeing and managing project execution and operation.

Mr. Chan obtained a Master's degree in Construction Law and Dispute Resolution at The Hong Kong Polytechnic University in 2018 and a Bachelor's degree in Building Services Engineering at The Hong Kong Polytechnic University in 2009. Mr. Chan has more than 12 years of experience in engineering including the experience in relation to MVAC services. Mr. Chan began his engineering career as an assistant engineer with a Hong Kong based company specialised in construction and engineering related services from July 2009 to July 2010. He then worked at Paul Y. (E&M) Contractors Limited from 2010 to 2017 with his last position being a project building services engineer.

高級管理層

以下為本集團的高級管理層：

羅柏妍先生，35歲，於二零一六年九月十二日加入本集團及獲委任為本集團財務總監，並於二零一七年二月十四日獲委任為公司秘書。羅先生主要負責監督本集團的財務及會計職能。

於二零一零年七月，羅先生在澳洲的澳洲國立大學取得商業學士學位。彼於二零一零年八月獲澳洲會計師公會認可為會員，並於二零一三年七月獲認可為正式會員。羅先生於財務及會計擁有超過11年經驗。加入本集團前，羅先生於二零一零年十二月加入香港立信德豪會計師事務所有限公司擔任審計員，彼於二零一四年十二月離職時為助理經理。其後，彼於二零一四年十二月於安永會計師事務所繼續其事業，彼於二零一六年八月離職時為核證部門高級會計師。

陳啟豪先生，37歲，於二零一八年一月獲委任為榮豐工程(香港)有限公司的項目經理，主要負責監督及管理項目的執行及營運。

陳先生於二零一八年獲香港理工大學頒授建築法及爭議解決學碩士學位，並於二零零九年獲香港理工大學頒授屋宇設備工程學學士學位。陳先生在工程方面擁有逾12年經驗，包括有關機械通風空調系統服務的經驗。陳先生於二零零九年七月至二零一零年七月在一間立足香港從事建築及工程相關服務的公司擔任助理工程師，開始其工程職業生涯。彼其後於二零一零年至二零一七年在保華機電工程有限公司任職，離職前擔任項目屋宇服務工程師。

Report of Directors

董事會報告

The Directors hereby presented their report and audited consolidated financial statements for the year ended 31 December 2021.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 29 September 2016 under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) (the “Companies Law”) of the Cayman Islands.

The companies now comprising the Group underwent a reorganisation (the “Reorganisation”) to rationalise the structure of the Group in preparation for the Listing. Pursuant to the Reorganisation, the Company became the holding company of the subsidiaries now comprising the Group. Further details of the Reorganisation are set out in the section headed “History, Development and Reorganisation” in the Prospectus. The Shares were listed on the GEM of the Stock Exchange on 27 February 2018 (the “Listing”).

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of MVAC systems for buildings in Hong Kong and Macau. The projects of the Group can generally be categorised into private sector projects and public sector projects. A list of the subsidiaries of the Company and details of their principal activities are set out in note 28 to the consolidated financial statements. There were no significant changes to the Group’s principal activities during the year.

For discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”), including a fair review of business, its key relationship with employees, customers, suppliers and subcontractors, an indication of likely future developments in the Group’s business and an analysis of the Group’s performance during the year using financial key performance indicators, can be found in sections headed “Management Discussion and Analysis” set out on pages 7 to 16 of this annual report and the discussion of its environmental policies and performance, can be found in section headed “Environmental, Social and Governance Report” of this annual report.

董事謹此提呈彼等於截至二零二一年十二月三十一日止年度的報告及經審核綜合財務報表。

企業重組

本公司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」）於二零一六年九月二十九日在開曼群島註冊成立為一家獲豁免有限公司。

為籌備上市，現組成本集團之公司已進行重組（「重組」），以精簡本集團之架構。根據重組，本公司成為本集團現時各附屬公司之控股公司。重組之進一步詳情載於本招股章程「歷史、歷史及重組」一節。本公司股份已於二零一八年二月二十七日在聯交所GEM上市（「上市」）。

主要活動及業務回顧

本公司的主要活動為投資控股。本集團主要從事以分包商的身份在香港及澳門提供樓宇機械通風及空調系統的供應、安裝及裝修服務。本集團的項目大致可分為私營界別項目及公營界別項目。本公司附屬公司列表及其主要業務詳情載於綜合財務報表附註28。於本年度，本集團的主要活動並無重大變動。

根據香港法例第622章《香港公司條例》（「公司條例」）附表5規定對該等活動之討論及分析，包括公平審閱業務、其與僱員、客戶、供應商及分包商的關係、本集團業務未來可能發展的指標以及利用關鍵績效指標對本集團年內表現進行的分析，均可於本年報第7至16頁所載「管理層討論及分析」一節，而其環境政策及表現之討論，均載於本年報「環境、社會及管治報告」一節。

Report of Directors
董事會報告

The Group has established a set of risk management policies and measures. The Group's risk management process starts with identifying the major risks associated with its business, industry and market in the ordinary course of business. The Board and senior management are responsible for identifying and analysing the risk associated with their respective function, preparing and measuring risk mitigation plans and reporting the status of risk management. Details of principal risks and uncertainties faced by the Group are set out on page 11 of this annual report.

For the year ended 31 December 2021, the Group had continued to engage an independent internal control consultant to review the effectiveness of the Group's internal control system and directly report to the Audit Committee. For details, please refer to the paragraph headed "Internal Control and Risk Management" under the section headed "Corporate Governance Report" in this annual report.

COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

For the year ended 31 December 2021, the Group's operations were mainly carried out in Hong Kong and Macau. The Group shall accordingly comply with relevant laws and regulations in Hong Kong and Macau and the respective places of incorporation of the Company and its subsidiaries. During the year and up to the date of this report, the Board was not aware of any non-compliance with relevant laws and regulations that have a significant impact on the business and operations of the Group.

SEGMENT INFORMATION

An analysis of the Group's performance for the year ended 31 December 2021 by operating segment is set out in note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2021 are set out in the consolidated statement of comprehensive income on page 81 of this annual report.

The Board did not recommend the payment of final dividend of the Company for the year ended 31 December 2021 to the Shareholders.

本集團已設立一套風險管理政策及措施。本集團風險管理程序的第一步為識別日常業務過程中與其業務、產業及市場有關的主要風險。董事會及高級管理層負責識別及分析與彼等各職能有關的風險、編製及調整風險減低計劃以及呈報風險管理狀態。本集團所面臨主要風險及不確定因素的詳情載於本年報第11頁。

於截至二零二一年十二月三十一日止年度，本集團已持續委聘一名獨立內部監控顧問，以檢討本集團內部監控系統的有效性，及直接向審核委員會報告。詳情請參閱本年報「企業管治報告」一節「內部監控及風險管理」一段。

遵守適用法律及法規

截至二零二一年十二月三十一日止年度，本集團主要於香港及澳門經營業務。故此，本集團須遵守香港及澳門以及本公司及其附屬公司各自的註冊成立地點的相關法律及法規。年內及直至本報告日期，董事會並不知悉任何違反相關法律及法規，對本集團業務及經營產生重大影響的情況。

分部資料

本集團於截至二零二一年十二月三十一日止年度按經營分部劃分的表現分析載於綜合財務報表附註5。

業績及分派

本集團於截至二零二一年十二月三十一日止年度的業績載於本年報第81頁的綜合損益及其他全面收益表。

董事會建議不向股東派發本公司截至二零二一年十二月三十一日止年度的末期股息。

Report of Directors
董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years, as extracted from the consolidated financial statements, is set out on page 164 of this annual report.

PLANT AND EQUIPMENT

Details of the movements during the year ended 31 December 2021 in the plant and equipment of the Group are set out in note 14 to the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements including the details regarding the placing of 75,000,000 shares of par value HK\$0.01 each of the Company during the year ended 31 December 2021 in the share capital of the Company are set out in note 22 to the consolidated financial statements.

On 3 December 2021, the Board proposed that every four (4) issued and unissued existing shares of the Company of par value HK\$0.01 each in the share capital of the Company would be consolidated into one (1) consolidated share of par value HK\$0.04 each in the share capital of the Company (the "Share Consolidation"). The Share Consolidation became effective on 21 January 2022. Immediately after the Share Consolidation becoming effective on 21 January 2022, the authorised share capital of the Company has become HK\$1,000,000,000 divided into 25,000,000,000 consolidated shares of par value HK\$0.04 each, of which 162,250,000 consolidated shares would be in issue which are fully paid or credited as fully paid. For details of the Share Consolidation, please refer to the Company's announcements dated 3 December 2021 and 19 January 2022 and the Company's circular dated 30 December 2021.

RESERVES

As at 31 December 2021, the Company's reserve available for distribution to the shareholders, calculated in accordance with the Companies Law of the Cayman Islands amounted to approximately HK\$32,643,000.

EQUITY LINKED AGREEMENT

No equity-linked agreement was entered into by the Group or existed during the year ended 31 December 2021.

財務概要

本集團於最近五個年度的業績以及資產及負債的概要(摘錄自綜合財務報表), 載於本年報第164頁。

廠房及設備

本集團物業、廠房及設備於截至二零二零年十二月三十一日止年度的變動詳情, 載於本年報綜合財務報表附註14。

股本

本公司股本於截至二零二一年十二月三十一日止年度變動(包括配售本公司每股面值0.01港元的75,000,000股股份的詳情)的詳情載於綜合財務報表附註22。

於二零二一年十二月三日, 董事會建議將本公司股本中每四(4)股每股面值0.01港元的本公司已發行及未發行現有股份合併為一(1)股本公司股本中每股面值0.04港元的合併股份(「股份合併」)。股份合併於二零二二年一月二十一日生效。緊隨股份合併於二零二二年一月二十一日生效後, 本公司的法定股本為1,000,000,000港元, 分為25,000,000,000股每股面值0.04港元的合併股份, 其中162,250,000股合併股份將以繳足或入賬列作繳足方式發行。有關股份合併詳情, 請參閱本公司日期為二零二一年十二月三日及二零二二年一月十九日的公佈以及本公司日期為二零二一年十二月三十日的通函。

儲備

於二零二一年十二月三十一日, 本公司可供分派予股東的儲備(根據開曼群島公司法予以計算)約為32,643,000港元。

股權相關協議

於截至二零二一年十二月三十一日止年度, 本集團並未訂立股權相關協議, 或存在股權相關協議。

Report of Directors
董事會報告

DISCLOSURE OF INTERESTS

(I) Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures

As at 31 December 2021, the interests and short positions of the Directors and chief executive of the Company in the Shares, the underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)(the "SFO")), which were required to be notified the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests or short positions which any such director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to standard of dealings by Directors referred in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

| Name of Director | Capacity/ Nature of Interest | Number of the Shares held/ interested in 所持有/ 擁有權益的 股份數目 | Long/short position 好/淡倉 | Percentage of Shareholding 持股百分比 |
|------------------|---|---|--------------------------------|--|
| Mr. Chung | Interest in controlled corporation (Note 1) | 332,250,000 | Long position | 51.19% (Note 2) |
| 鍾先生 | 受控制法團權益(附註1) | | 好倉 | (附註2) |

Notes:

- (1) The 332,250,000 Shares are held by Wing Fung Capital Limited, which is an associated corporation of the Company and wholly-owned by Mr. Chung. Therefore, Mr. Chung is deemed to be interested in all the Shares held by Wing Fung Capital Limited for the purposes of the SFO. Mr. Chung is our executive Director, Chairman and Chief Executive Officer and the controlling shareholder of the Company.
- (2) Based on the total number of issued shares of the Company as at 31 December 2021.

權益披露

(I) 董事及最高行政人員於股份、相關股份或債權證的權益及淡倉

於二零二一年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債權證中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關規定彼等被當作或被視為擁有的權益或淡倉），或根據證券及期貨條例第352條記錄於該條所指的登記冊內的權益及淡倉，或根據GEM上市規則第5.46至5.67條所指依據董事的交易標準須知會本公司及聯交所的權益及淡倉如下：

附註：

- (1) 該332,250,000股股份由Wing Fung Capital Limited持有，該公司為本公司聯營公司，由鍾先生全資擁有。因此，就證券及期貨條例而言，鍾先生被視為於Wing Fung Capital Limited所持有的所有股份中擁有權益。鍾先生為執行董事、主席兼行政總裁及為本公司控股股東。
- (2) 根據二零二一年十二月三十一日本公司已發行股份的總數目。

Report of Directors
董事會報告

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executive of the Company had registered any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

(II) Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures

So far as the Directors are aware, as at 31 December 2021, the following persons/entities (other than the Directors and chief executive of the Company) had or were deemed to have taken an interest or short position in the Shares or underlying Shares which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules.

除上文所披露者外，於二零二一年十二月三十一日，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有須(i)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關規定彼等被當作或被視為擁有的權益或淡倉）；或(ii)根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉。

(II) 主要股東及其他人士於股份、相關股份或債權證中的權益及淡倉

據董事所知，於二零二一年十二月三十一日，以下人士／實體（董事及本公司最高行政人員除外）於股份或相關股份中，擁有或被視為當作擁有記錄於本公司根據證券及期貨條例第336條須予存置的權益登記冊內，或根據證券及期貨條例第XV部第2及第3分部的條文及GEM上市規則須予披露的權益或淡倉。

| Name of Shareholder | Capacity/ Nature of Interest | Number of the Shares held/ interested in | Long/short position | Percentage of Shareholding |
|---------------------------|---------------------------------|--|------------------------|-------------------------------|
| 董事姓名 | 身份／權益性質 | 所持有／ 擁有權益的 股份數目 | 好／淡倉 | 持股百分比 |
| Wing Fung Capital Limited | Beneficial owner | 332,250,000 | Long position | 51.19% (Note) (附註) |
| Wing Fung Capital Limited | 實益擁有人 | | 好倉 | |

Note:

Based on the total number of issued shares of the Company as at 31 December 2021.

附註：

根據二零二一年十二月三十一日本公司已發行股份的總數目計算。

Report of Directors
董事會報告

Save as disclosed above, as at 31 December 2021, no person, other than the Directors and chief executive of the Company whose interests are set out in the section “Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares or Debentures” above, had notified the Company of an interest or short position in the Shares, underlying Shares or debenture of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries or any of its associated corporation a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of the Shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of 18, had any right to subscribe for the Shares in, or debentures of, the Company, or had exercised any such rights.

MAJOR CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

During the year ended 31 December 2021, so far as the Company is aware, the aggregate revenue attributable to our five largest customers and the largest customer accounted for approximately 99.1% (2020: 99.8%) and 57.9% (2020: 36.4%), respectively, of the Group’s total revenue for the year ended 31 December 2021. Our Directors consider our Group’s business model is sustainable as we have been actively tendering for projects and securing awards of contracts placed by various main contractors. Purchases from the Group’s five largest suppliers accounted for approximately 63.5% (2020: 47.7%) of the Group’s total costs of materials for the year ended 31 December 2021 and the purchase from the largest supplier included therein amounted to approximately 27.1% (2020: 11.9%). Sub-contracting fees from the Group’s five largest subcontractors accounted for approximately 67.7% (2020: 37.4%) of the Group’s total subcontractor costs for the year ended 31 December 2021 and the sub-contracting fee from the largest sub-contractor included therein amounted to approximately 32.0% (2020: 11.6%).

除上文所披露者外，於二零二一年十二月三十一日，除上述「董事及最高行政人員於股份、相關股份或債權證中的權益及淡倉」所載董事及本公司最高行政人員的權益外，概無人士已向本公司知會須記錄於本公司根據證券及期貨條例第336條須予存置的權益登記冊的任何權益或淡倉，或未根據證券及期貨條例第XV部第2及第3分部的條文須予披露的任何權益或淡倉。

購買股份或債券之安排

於本年度任何時間，本公司或其任何附屬公司或其任何相聯法團並無作為任何一方訂立任何安排致使董事可藉認購本公司或任何其他法人團體之股份或債務證券（包括債券）而從中獲益，且概無董事或彼等的配偶或未滿18歲子女擁有任何認購本公司股份或債權證的權利，或已行使任何有關權利。

主要客戶、供應商及分包商

截至二零二一年十二月三十一日止年度，據本公司所知，來自五大客戶及最大客戶的收益總額分別佔本集團截至二零二一年十二月三十一日止年度的總收益約99.1%（二零二零年：99.8%）及57.9%（二零二零年：36.4%）。董事認為，本集團的業務模式仍屬可持續，因我們一直積極競投項目及取得各總承建商授出的合約。來自本集團五大供應商的採購額佔於截至二零二一年十二月三十一日止年度本集團總材料成本約63.5%（二零二零年：47.7%），而計入採購額的來自最大供應商的採購額約為27.1%（二零二零年：11.9%）。來自本集團五大分包商的分包費佔於截至二零二一年十二月三十一日止年度本集團總分包商成本約67.7%（二零二零年：37.4%），而計入分包費的支付予最大分包商的分包費約為32.0%（二零二零年：11.6%）。

Report of Directors
董事會報告

None of the Directors nor any of his/her close associates (as defined under the GEM Listing Rules) or shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any interest in the Group's five largest customers, suppliers and subcontractors during the year ended 31 December 2021.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

DIRECTORS

The Directors during the year ended 31 December 2021 and up to the date of this report were:

Executive Directors

Mr. Chung Chi Keung (*Chairman and Chief Executive Officer*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

Further information regarding Directors' emoluments is set out in note 10 to the consolidated financial statements.

An annual confirmation of independence pursuant to the requirements under Rule 5.09 the GEM Listing Rules has been received from each of the INEDs.

於截至二零二一年十二月三十一日止年度，概無本公司董事或其任何緊密聯繫人（定義見GEM上市規則）或股東（據董事所深知，持有本公司已發行股份5%以上）於本集團五大客戶、供應商及分包商擁有任何權益。

上市證券持有人的稅務減免

本公司並不知悉任何因持有本公司證券而提供予本公司股東的稅務寬減或減免。

董事

於截至二零二一年十二月三十一日止年度及直至本報告日期的董事如下：

執行董事

鍾志強先生 (*主席及行政總裁*)
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

與董事酬金有關之進一步資料載於綜合財務報表附註10。

根據GEM上市規則第5.09條規定之年度獨立確認函已從各獨立非執行董事取得。

Report of Directors
董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS AND CHANGES IN INFORMATION OF DIRECTORS

Updated biographical details of the Directors are set out on pages 49 to 53 of this annual report.

DIRECTORS' SERVICES CONTRACTS

Each of the executive Directors has entered into a service agreement with Company for a term of three years from 27 February 2018, being the date on which the Shares are listed on GEM, subject to further renewal, and will continue thereafter unless and until terminated by the Company or Director or the Director has not been re-elected as a director of the Company or has been removed by shareholders of the Company at any of its general meeting or is disqualified from acting as a director of the Company in accordance with the articles of association of the Company. Each INED was appointed under a letter of appointment for a term of three years, subject to further renewal and unless terminated by the Company or the INED in accordance with the terms as set out in the letter of appointment. All Directors are also subject to retirement by rotation at least once every three years pursuant to the requirements of the Articles and the applicable Listing Rules. The service agreement of each executive Director and the letter of appointment of each INED have been renewed for another term of 3 years commencing from 27 February 2021 on the same terms and conditions.

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming annual general meeting of the Company ("AGM") has or is proposed to have any service contracts with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than the statutory compensation.

董事的履歷詳情及董事資料的變動

董事的最新履歷詳情簡介均載於本年報第49至53頁。

董事的服務合約

各執行董事已與本公司訂立服務協議，執行董事各自已與本公司訂立服務協議，自二零一八年二月二十七日（即股份於GEM上市日期）起計，為期三年，可予重續及其後將續任，除非及直至本公司或董事終止協議為止，或董事未獲重選為本公司董事或已被本公司股東於其任何股東大會罷免或根據本公司組織章程細則不符合資格擔任本公司董事。各獨立非執行董事根據委任函獲委任，為期三年，可予重續及除非本公司或獨立非執行董事根據委任函所載條款予以終止為止。全體董事亦須根據章程細則及適用上市規則之規定，最少每三年輪席退任一次。各執行董事之服務協議及各獨立非執行董事之委任函均根據相同條款及條件重續，由二零二一年二月二十七日起計，為期三年。

除上文所披露者外，概無擬於應屆股東週年大會（「股東週年大會」）上膺選連任的董事與本公司或其任何附屬公司訂立或擬訂立不可由本集團於一年內終止而免付賠償（法定賠償除外）的任何服務合約。

Report of Directors
董事會報告**DIRECTORS' RETIREMENT AND RE-ELECTION**

Pursuant to Article 16.18 of the Articles, at every annual general meeting, one third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Pursuant to Article 16.2 of the Articles, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Further, according to Article 16.3 of the Articles, the Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Law of the Cayman Islands, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

In accordance with Article 16.18 of the Articles, our independent non-executive Directors, Mr. Lei For and Mr. Lai Wai Ming, shall retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election at the forthcoming AGM.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS, CONTRACTS OF SIGNIFICANCE

Save as disclosed in the Prospectus and elsewhere in this annual report, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted at any time during the year ended 31 December 2021.

董事退任及膺選連任

根據細則第16.18條，於每屆股東週年大會上當時三分之一在任董事（或如人數並非三或三之倍數，則最接近但不少於三分之一之人數）須輪值退任，惟每名董事須最少每三年輪席退任一次。於計算須輪席告退的董事時，任何根據細則第16.2條或細則第16.3條委任之董事不應計算在內。退任的董事將任職至其退任的會議結束為止，並且有資格重新參選。本公司在任何董事退任的股東週年大會上，可選舉相同人數的人士出任董事以填補空缺。

根據細則第16.2條，董事會有權不時及隨時委任任何人士為董事，以填補董事會空缺或新加入成員。任何獲委任之董事任期僅直至本公司下屆股東大會舉行時屆滿，屆時可於該會上膺選連任。此外，根據細則第16.3條，本公司可不時在股東大會上通過增加或者減少董事人數的普通決議，但是無論如何增減，董事人數不應少於兩人。受制於該等細則以及開曼群島公司法的規定，本公司可以，為填補董事會的臨時職位空缺或為任命新任董事，通過普通決議選舉任何人為董事。任何以該等方式任命的董事僅能任職至本公司下一屆股東大會召開之前，並合資格可以在該會議上被重新選舉為董事。

根據細則第16.18條，我們的獨立非執行董事利科先生及黎偉明先生將於應屆股東週年大會上輪值退任，並合資格且願意於應屆股東週年大會上膺選連任。

董事於交易、安排、合約的重大權益

除招股章程及本年報其他部分所披露者外，於截至二零二一年十二月三十一日止年度任何時間，概無本公司或其任何附屬公司為訂約方而董事或與董事關連的實體直接或間接擁有重大權益的與本集團業務有關的重大交易、安排及合約。

Report of Directors
董事會報告

CONTROLLING SHAREHOLDERS' INTERESTS

During the year ended 31 December 2021, there were no contracts of significance between the Company or any of its subsidiaries and any controlling Shareholders or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

EMOLUMENTS OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of Directors and the five highest paid individuals of the Group are set out in notes 9 and 10 to the consolidated financial statements in this annual report.

EMOLUMENT POLICY

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for making recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group. The remunerations of the Directors are determined by reference to the Group's operating results, comparable market statistics, the responsibilities and duties assumed by each Director as well as their individual performance.

COMPETING INTERESTS

The Directors are not aware of any business or interest of Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any conflicts of interests which any such person has or may have with the Group during the year ended 31 December 2021.

NON-COMPETITION UNDERTAKING

The Company confirms that the non-competition undertaking given by, amongst other, Mr. Chung and Wing Fung Capital Limited, details of which were set out in the Prospectus, has been fully complied and enforced since the Listing and up to the date of this report. The Board also confirms that there are no other matters in relation to the aforesaid undertaking which should be brought to the attention of the Shareholders and the potential investors.

控股股東權益

截至二零二一年十二月三十一日止年度，本公司或其任何附屬公司與控股股東或其任何附屬公司概無訂立重大合約，或控股股東或其任何附屬公司概無訂立向本公司或其任何附屬公司提供服務的任何重大合約。

董事及五名最高薪酬人士的酬金

董事及本集團五名最高薪酬人士酬金的詳情載於本年報的綜合財務報表附註9及10。

薪酬政策

本公司已設立薪酬委員會對本集團的薪酬政策及架構進行審閱，以對與本集團全體董事及高級管理層相關的整體薪酬政策及架構向董事會作出推薦建議。董事的薪酬乃參照本集團的營運業績、可資比較市場統計數據、各董事承擔的職責以及彼等的個人表現所釐定。

競爭性權益

於截至二零二一年十二月三十一日止年度，董事概不知悉董事及本公司控股股東及任何彼等各自的緊密聯繫人（定義見GEM上市規則）之任何業務或權益與本集團的業務出現或可能出現競爭，亦不知悉任何該等人士已經或可能與本集團出現任何利益衝突。

不競爭承諾

本公司確認，（其中包括）鍾先生及Wing Fung Capital Limited之間所作出的不競爭承諾（其詳情載於招股章程）於上市日期起及直至本報告日期已完全遵守及執行。董事會亦確認，概無其他與上述承諾相關的事項須提請股東及潛在投資者垂注。

Report of Directors
董事會報告

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

購買、出售或贖回上市證券

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

COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the Prospectus and the Company's announcement regarding the placing of new shares under general mandate and change in use of proceeds from the Listing dated 22 October 2021 (the "Announcement") with the Group's actual business progress for the period from the date of the Listing to 31 December 2021 is set out below:

業務目標與實際業務進展比較

下表載列招股章程及本公司日期為二零二一年十月二十二日有關根據一般授權配售新股份及更改上市所得款項用途的公佈（「該公佈」）所載之業務目標與本集團由上市日期起至二零二一年十二月三十一日期間之實際業務進展之比較分析：

| Business strategies as stated in the Prospectus 招股章程所述之業務策略 | Implementation plan as stated in the Prospectus 招股章程所述之實施計劃 | Actual business progress up to 31 December 2021 截至二零二一年十二月三十一日之實際業務進展 |
|--|---|---|
| Employment of additional staff and provision of relevant training 增聘員工及提供相關培訓 | Payroll for newly employed staff 增聘員工的薪金 | The Company has incurred staff costs of approximately HK\$16.3 million as at 31 December 2021 for all 18 new headcounts in our project team and one administrative staff recruited by the Group since the Listing. 於二零二一年十二月三十一日，本公司就本集團上市後招聘的項目團隊的全部18名新員工及一名行政人員產生員工成本約16.3百萬港元。 |
| | Sponsor project team to attend technical seminars and occupational health and safety courses 贊助項目團隊參加技術研討會及職業健康與安全課程 | As at 31 December 2021, the Group has paid approximately HK\$7,000 to sponsor its engineering staff to attend technical seminars and occupational health and safety courses organised by third parties and reallocated the remaining of approximately HK\$0.1 million to working capital on 22 October 2021. 於二零二一年十二月三十一日，本集團已支付約7,000港元以贊助其工程人員參加由第三方組織的技術研討會及職業健康與安全課程並於二零二一年十月二十二日將餘下約0.1百萬港元重新分配至營運資金。 |

Report of Directors
董事會報告

| Business strategies as stated in the Prospectus 招股章程所述之業務策略 | Implementation plan as stated in the Prospectus 招股章程所述之實施計劃 | Actual business progress up to 31 December 2021 截至二零二一年十二月三十一日之實際業務進展 |
|--|--|---|
| | Purchase building information modeling BIM software 購買建築資訊模型(BIM)軟件 | As at 31 December 2021, the Group acquired BIM software in the amount of approximately HK\$36,000 and reallocated the remaining of approximately of HK\$0.8 million to working capital on 22 October 2021. 於二零二一年十二月三十一日，本集團已購買BIM軟件約36,000港元並於二零二一年十月二十二日將餘下約0.8百萬港元重新分配至營運資金。 |
| | Provide training to staff for the BIM software 就BIM軟件向員工提供培訓 | As at 31 December 2021, the Group has paid approximately HK\$18,000 to sponsor its engineering staff to attend training for BIM software and reallocated the remaining of approximately of HK\$0.2 million to working capital on 22 October 2021. 於二零二一年十二月三十一日，本集團已支付約18,000港元資助其工程人員參與BIM軟件培訓並於二零二一年十月二十二日將餘下約0.2百萬港元重新分配至營運資金。 |
| Leasing of a new office and employment of additional staff in Macau 租賃新辦事處及增聘澳門員工 | Rental for new Macau office 租用新澳門辦事處 | The Group has leased a new office located in Cotai, Macau in May 2018 and has utilised approximately HK\$0.6 million for the relevant rental expenses as at 31 December 2021 and reallocated the remaining of approximately of HK\$0.2 million to working capital on 22 October 2021. 本集團於二零一八年五月租賃位於澳門路氹的新辦公室，並於二零二一年十二月三十一日就相關租賃開支動用約0.6百萬港元並於二零二一年十月二十二日將餘下約0.2百萬港元重新分配至營運資金。 |

Report of Directors
董事會報告

| Business strategies as stated in the Prospectus 招股章程所述之業務策略 | Implementation plan as stated in the Prospectus 招股章程所述之實施計劃 | Actual business progress up to 31 December 2021 截至二零二一年十二月三十一日之 實際業務進展 |
|---|---|--|
| | <p>Payroll for newly employed administrative staff in Macau</p> <p>於澳門增聘行政職員的薪金</p> | <p>The Group has hired two administrative staff in Macau thereby incurring additional staff cost of approximately HK\$0.7 million as at 31 December 2021 and reallocated the remaining of approximately of HK\$0.5 million to working capital on 22 October 2021.</p> <p>本集團已於澳門增聘兩名行政員工，因而於二零二一年十二月三十一日產生額外員工成本約0.7百萬港元並於二零二一年十月二十二日將餘下約0.5百萬港元重新分配至營運資金。</p> |
| | <p>Purchase leasehold improvement, purchase of furniture and fixtures for the new Macau office</p> <p>為新澳門辦事處購置租賃裝修、購置傢俬及固定裝置</p> | <p>As at 31 December 2021, the Group has purchased furniture and fixtures in the amount of approximately HK\$0.2 million for the new Macau office and reallocated the remaining of approximately of HK\$0.2 million to working capital on 22 October 2021.</p> <p>於二零二一年十二月三十一日，本集團已為新澳門辦事處購買傢俬及固定裝置約0.2百萬港元並於二零二一年十月二十二日將餘下約0.2百萬港元重新分配至營運資金。</p> |

Report of Directors
董事會報告

USE OF PROCEEDS

The Shares were listed on GEM on 27 February 2018 pursuant to the initial public offering of the Company. The net proceeds from the Listing (after deducting the underwriting fees and expenses related to the Listing) amounted to approximately HK\$27.2 million. To cope with the increasingly challenging external business environment and ongoing uncertainties over the severity and duration of the COVID-19 pandemic, the Board resolved to change and re-allocate the uses of the unutilised net proceeds from the Listing on 22 October 2021. For more details including the reasons and benefits for the said change, please refer to the Announcement. As at 31 December 2021, the Group had fully utilised the net proceeds from the Listing in accordance to the plans disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus and the Announcement.

Up to 31 December 2021, the net proceeds had been utilised as follows:

所得款項用途

根據本公司首次公開發售，股份於二零一八年二月二十七日在GEM上市。上市所得款項淨額(扣除包銷費及上市相關開支後)約為27.2百萬港元。為應對更趨嚴峻的外部營商環境及COVID-19疫情嚴重程度和持續時間的持續不確定性，董事會於二零二一年十月二十二日議決變更及重新分配未動用的上市所得款項淨額之用途。有關更多詳情(包括上述變更的理由及裨益)，請參閱該公佈。於二零二一年十二月三十一日，本集團已根據招股章程「未來計劃及所得款項用途」一節及該公佈所披露的計劃悉數動用上市所得款項淨額。

截至二零二一年十二月三十一日，所得款項淨額已按下列方式動用：

| | Allocation of total net proceeds as stated in the Prospectus | Actual use of net proceeds up to 22 October 2021 | Unutilised net proceeds as at 22 October 2021 | Revised allocation of total net proceeds as at 22 October 2021 | Actual use of net proceeds from 23 October 2021 to 31 December 2021 | Unutilised net proceeds as at 31 December 2021 |
|---|--|--|---|--|---|--|
| | 按招股章程所述分配總所得款項淨額 | 截至二零二一年十月二十二日所得款項淨額的實際用途 | 於二零二一年十月二十二日未動用所得款項淨額 | 於二零二一年十月二十二日經修訂分配總所得款項淨額 | 由二零二一年十月二十三日至二零二一年十二月三十一日所得款項淨額的實際用途 | 於二零二一年十二月三十一日未動用所得款項淨額 |
| | HK\$ million 百萬港元 | HK\$ million 百萬港元 | HK\$ million 百萬港元 | HK\$ million 百萬港元 | HK\$ million 百萬港元 | HK\$ million 百萬港元 |
| Acquisition of performance bond for new projects | | 為新項目購買履約保證金 | 7.2 | 7.2 | - | - |
| Employment of additional staff and provision of relevant training | | 增聘員工及提供相關培訓 | 17.4 | 16.3 | 1.1 | - |
| Leasing of a new office and employment of additional staff in Macau | | 租賃新辦事處及增聘澳門員工 | 2.4 | 1.5 | 0.9 | - |
| Working capital | | 營運資金 | 0.2 | 0.2 | - | 2.0 |
| Total | | 總計 | 27.2 | 25.2 | 2.0 | 2.0 |

PERMITTED INDEMNITY PROVISIONS

Every Director shall be entitled under the Company's Articles to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him or her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour, or in which he or she is acquitted. Such provision was in force since the adoption of the Articles upon the date of the Listing and remains in force as at the date of this report.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the Directors.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2021 are set out in note 27 to the consolidated financial statements in this annual report. None of the related party transactions constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction as defined under the GEM Listing Rules during the year ended 31 December 2021.

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on the information that is publicly available to the Company, at least 25% of the Company's issued capital was held by public as at the date of this report.

獲准許彌償條文

根據本公司的細則，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。有關條文自細則採納起至上市日期生效，並於本報告日期維持有效。

本公司已就董事在任何訴訟中進行辯護而可能招致的相關責任及費用投購保險。

關聯方交易

本集團於截至二零二一年十二月三十一日止年度的關聯方交易詳情載於本年報綜合財務報表附註27。於截至二零二一年十二月三十一日止年度，關聯方交易均不構成GEM上市規則所界定須予披露的非豁免關聯交易或非豁免持續關聯交易。

足夠公眾持股量

據董事所深知及根據本公司公開所得資料，於本報告日期，至少25%的本公司已發行股本由公眾人士持有。

Report of Directors
董事會報告**AUDITOR**

Deloitte Touche Tohmatsu (“Deloitte”) had been independent auditor of the Company (the “Auditor”) since the Listing. On 28 November 2019, Deloitte resigned as the Auditor. On 13 December 2019, the Board appointed PricewaterhouseCoopers (“PwC”) to fill the casual vacancy resulting from the resignation of Deloitte. Further details can be found on the Company’s announcements published on 28 November 2019 and 13 December 2019.

On 29 October 2021, PwC resigned as the Auditor. On the same date, the Board appointed Mazars CPA Limited (“Mazars”) to fill the casual vacancy resulting from the resignation of PwC and to hold office until the conclusion of the next annual general meeting of the Company. Further details can be found on the Company’s announcement published on 29 October 2021.

Save for the above, there were no other changes in the Company’s auditor in the past three years.

The consolidated financial statements for the year ended 31 December 2021 have been audited by Mazars. Mazars shall retire at the forthcoming AGM and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Mazars as the Auditor and to authorise the Directors to fix their remuneration will be proposed at the forthcoming AGM.

CORPORATE GOVERNANCE

During the year ended 31 December 2021 and up to the date of this annual report, the Company has complied with the applicable code provisions of the Corporate Governance Code (version up to 31 December 2021) (the “CG Code”) as set out in Appendix 15 of the GEM Listing Rules expect for the code A.2.1 (which has been re-numbered to C.2.1 since 1 January 2022). For further details regarding the compliance of the CG Code can be found in the section headed “Corporate Governance Report” on pages 17 to 33 of this annual report.

核數師

自本公司上市以來，德勤•關黃陳方會計師行(「德勤」)一直為本公司之獨立核數師(「核數師」)。於二零一九年十一月二十八日，德勤辭任核數師。於二零一九年十二月十三日，董事會委任羅兵咸永道會計師事務所(「羅兵咸永道」)，以填補德勤辭任而出現的臨時空缺。更多詳情載於本公司於二零一九年十一月二十八日及二零一九年十二月十三日刊發的公佈。

於二零二一年十月二十九日，羅兵咸永道辭任核數師一職。於同日，董事會委任中審眾環(香港)會計師事務所有限公司(「中審眾環」)，以填補羅兵咸永道辭任而出現的臨時空缺，並會一直出任直至本公司下屆股東週年大會結束為止。更多詳情載於本公司於二零二一年十月二十九日刊發的公佈。

除上文所披露者外，本公司核數師於過去三年並無其他變動。

截至二零二一年十二月三十一日止年度的綜合財務報表已由中審眾環進行審核。中審眾環將於應屆股東週年大會上退任，並合資格且願意應選連任。一項決議案將於應屆股東週年大會上提呈以重新委任中審眾環為本公司核數師及授權董事釐定其薪酬。

企業管治

於截至二零二一年十二月三十一日止年度及截至本年報日期，本公司已遵守GEM上市規則附錄15所載的企業管治守則(截至二零二一年十二月三十一日的版本)(「企業管治守則」)的適用守則條文，惟守則A.2.1(自二零二二年一月一日起已重新編號為C.2.1)除外。有關遵守企業管治守則的進一步詳情，請參閱本年報第17至33頁「企業管治報告」一節。

Report of Directors
董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands which oblige the Company to offer new shares on a pro rata basis to existing shareholders.

MANAGEMENT CONTRACTS

No contracts concerning management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2021.

CHARITABLE DONATIONS

During the year ended 31 December 2021, our Group did not make any charitable or other donations (2020: Nil).

EVENTS AFTER THE REPORTING PERIOD

On 3 December 2021, the Board proposed that every four (4) issued and unissued existing shares of the Company of par value HK\$0.01 each in the share capital of the Company would be consolidated into one (1) consolidated share of par value HK\$0.04 each in the share capital of the Company.

The Share Consolidation was approved by the Shareholders at the extraordinary general meeting of the Company on 19 January 2022 and became effective on 21 January 2022. Immediately after the Share Consolidation becoming effective on 21 January 2022, the authorised share capital of the Company has become HK\$1,000,000,000 divided into 25,000,000,000 consolidated shares of HK\$0.04 each, of which 162,250,000 consolidated shares would be in issue which are fully paid or credited as fully paid.

For details of the Share Consolidation, please refer to the Company's announcements dated 3 December 2021 and 19 January 2022 and the Company's circular dated 30 December 2021.

優先購買權

根據細則或開曼群島法例，概無載列任何有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

管理合約

於截至二零二一年十二月三十一日止年度，概無訂立或存在任何與本集團業務中全部或任何重大部分有關之管理及行政合約。

慈善捐贈

於截至二零二一年十二月三十一日止年度，本集團並未作出任何慈善或其他捐贈（二零二零年：無）。

報告期後事項

於二零二一年十二月三日，董事會建議將本公司股本中每四(4)股面值為0.01港元的已發行及未發行現有股份合併為一(1)股本公司股本中每股面值0.04港元的合併股份。

股份合併於二零二二年一月十九日獲本公司股東於股東特別大會上批准，並於二零二二年一月二十一日生效。緊隨股份合併於二零二二年一月二十一日生效後，本公司的法定股本已變為1,000,000,000港元，分為25,000,000,000股每股0.04港元的合併股份，其中162,250,000股合併股份將按繳足股款發行或入賬列為繳足。

有關股份合併詳情，請參閱本公司日期為二零二一年十二月三日及二零二二年一月十九日的公佈以及本公司日期為二零二一年十二月三十日的通函。

Report of Directors
董事會報告

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 27 May 2022 to Wednesday, 1 June 2022, both days inclusive, during which period no transfer of the shares of the Company will be registered. Shareholders of the Company are reminded to ensure all properly executed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 pm on Thursday, 26 May 2022.

On behalf of the Board
Wing Fung Group Asia Limited
CHUNG Chi Keung
Chairman

Hong Kong, 22 March 2022

暫停辦理股份過戶登記手續

為釐定出席股東週年大會及於大會上投票的資格，本公司將於二零二二年五月二十七日（星期五）至二零二二年六月一日（星期三）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。本公司股東務須確保，所有填妥的股份過戶表格連同相關股票，最遲須於二零二二年五月二十六日（星期四）下午4時30分前交回本公司的香港過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心54樓）。

代表
榮豐集團亞洲有限公司
主席
鍾志強

香港，二零二二年三月二十二日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

mazars
中 审 众 环

To the members of
Wing Fung Group Asia Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Wing Fung Group Asia Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 81 to 163, which comprise the consolidated statement of financial position at 31 December 2021, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

MAZARS CPA LIMITED
中 审 眾 環 (香 港) 會 計 師 事 務 所 有 限 公 司
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18 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道18號中環廣場42樓
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Website 網址 : www.mazars.hk

致
榮豐集團亞洲有限公司列位股東
(於開曼群島註冊成立的有限公司)

意見

本核數師(「吾等」)已審核榮豐集團亞洲有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第81至第163頁之綜合財務報表，其包括二零二一年十二月三十一日之綜合財務狀況表，以及截至該日止年度之綜合全面收益表、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，其中包括主要會計政策概要。

吾等認為，綜合財務報表已根據由香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公允地反映 貴集團於二零二一年十二月三十一日之財務狀況及 貴集團截至該日止年度之業績及其現金流量，並已按照公司條例的披露規定妥為編製。

意見之基礎

吾等已根據香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審核工作。吾等於該等準則項下的責任在吾等的報告中之核數師就審核綜合財務報表須承擔的責任一節中詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已遵循守則履行吾等其他道德責任。吾等相信，吾等已取得充分恰當之審核憑證，為吾等之審核意見建立基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Key audit matters

關鍵審核事項

Revenue recognition on construction contracts

建築合約收益確認

Refer to notes 2.18, 4 and 5 to the consolidated financial statements.

見綜合財務報表附註2.18、4及5。

For the year ended 31 December 2021, the Group's revenue as recognised from construction contracts amounted to approximately HK\$174.8 million.

截至二零二一年十二月三十一日止年度，貴集團自建建築合約確認的收益為約174.8百萬港元。

Revenue on construction contracts is recognised over time by measuring the progress towards completion of the Group's performance obligations as set out in respective contracts. The Group has used the output method to estimate the progress of each performance obligation satisfied over time by reference to the value of construction works completed to date (as certified by external surveyors or evaluated by internal project managers) as a proportion of the total contract value of the relevant construction contracts. In addition, contract value may also be subject to changes due to variations of works, claims or disputes with customers.

建築合約的收益乃透過計量貴集團於相關合約所載履約責任的完成進度隨時間確認。貴集團使用輸出法估計隨時間完成履約責任的進度，當中參照至今完成的建築工程價值（獲外部測量師認證或內部項目經理評估）佔相關建築合約的總合約價值比例。此外，合約價值亦可能因工程修訂、申索或與客戶的糾紛而變動。

We identified the revenue recognition on construction contracts as a key audit matter due to the significance of the amounts involved and the significant degree of management's judgement on the estimation of the total outcome of construction contracts as well as the progress towards completion of construction work.

由於所涉及金額的重要性以及建築合約總收入的估計以及建築工程完成進度的判斷程度較高，我們將建築合約的收益確認確定為關鍵審核事項。

關鍵審核事項

根據吾等之專業判斷，關鍵審核事項為吾等審核本期綜合財務報表中之最重要事項。吾等於審核綜合財務報表並就此形成意見時已從整體上處理此等事項，而不會就此等事項單獨發表意見。

How our audit addressed the key audit matter

吾等之審核如何處理關鍵審核事項

Our key procedures, among others, included:

吾等的主要程序(其中包括)包括：

- (a) obtaining an understanding of the Group's control processes and key controls over revenue recognition on construction contracts;
了解貴集團的監控程序及建築合約收益確認的關鍵監控；
- (b) enquiring the Group's internal project managers and check to the internal project manager's evaluation reports on the status of projects under construction as selected on a sample basis to evaluate the reasonableness of the progress towards completion of the selected projects and to identify if there are any variations of works, claims or disputes with customers which may vary the revenue recognition on the contracts;
向貴集團內部項目經理查詢及於內部項目經理的評估報告查核抽樣挑選在建項目的狀況，以評估選定項目的完成進度是否合理及辨識是否有任何工程修訂、申索或與客戶的糾紛，以致合約收益確認可能變動；
- (c) agreeing the total contract value to the respective signed contracts, variation orders or correspondence with customers, on a sample basis;
抽樣核對總合約價值與相關簽署合約、工程修訂令或與客戶的通訊；

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告**Key audit matters**
關鍵審核事項**How our audit addressed the key audit matter**
吾等之審核如何處理關鍵審核事項

- (d) verifying whether the value of work has been reasonably recognised as contract revenue by checking to the completion status specified in external surveyor's reports and/or internal project managers' evaluation reports, on a sample basis, to the value of construction works as recognised by the Group; and
核實工程價值是否已合理確認為合約收益，方法為抽樣檢查外部測量師報告及／或內部項目經理評估報告所述完成狀況與 貴集團確認的建築工程價值；及
- (e) evaluating the competence, capabilities and objectivity of the external surveyors who issued surveyor's reports for our selected samples of construction contracts.
評估為選定建築合約樣本發出測量師報告的外部測量師的適任能力、實力及客觀程度。

Impairment assessment of trade receivables and contract assets
貿易應收款項及合約資產減值評估

Refer to notes 2.10, 3.1, 4, 16 and 17 to the consolidated financial statements.
見綜合財務報表附註2.10、3.1、4、16及17。

At 31 December 2021, the Group's gross trade receivables and contract assets amounted to approximately HK\$38.6 million and HK\$118.4 million respectively and the provisions for impairment loss allowance on these trade receivables and contract assets amounted to approximately HK\$2.0 million and HK\$1.0 million respectively.

於二零二一年十二月三十一日，貴集團的貿易應收款項及合約資產總額分別為約38.6百萬港元及118.4百萬港元及該等貿易應收款項及合約資產的減值虧損撥備分別為約2.0百萬港元及1.0百萬港元。

Our key procedures, among others, included:
吾等的主要程序(其中包括)包括：

- (a) understanding the internal controls relating to credit control, debt collection and the ECL Assessment (including the assessment on the methodology of impairment and estimation of expected credit loss allowance);
了解有關信貸監控、收債及預期信貸虧損評估的內部監控(包括評估減值及預期信貸虧損撥備估計的方法)；
- (b) evaluating the reasonableness of the historical credit loss rates as adopted by management in the ECL. Assessment by checking, on a sample basis, the past settlement history and subsequent settlement information;
評估管理層於預期信貸虧損評估採用的過往信貸虧損率是否合理，方法為抽樣檢查過往償付記錄及其後償付資料；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matters

關鍵審核事項

The Group applied the HKFRS 9 simplified approach to assess lifetime expected credit loss allowance for trade receivables and contract assets (the "ECL assessment"). For the ECL assessment, management grouped trade receivables and contract assets with similar credit risk characteristics and estimated the expected credit losses allowance to be recognised by considering the aging profile of overdue balances, the repayment and default histories of different customers, the historical credit loss rates, the post-year end subsequent settlements from respective customers, on-going business relationship with the relevant customers and forward-looking information relevant to customers' ability to repay the outstanding balances.

貴集團採用香港財務報告準則第9號簡明方法評估貿易應收款項及合約資產之預期信貸虧損評估（「預期信貸虧損評估」）。就預期信貸虧損評估而言，管理層將具有類似信貸風險特徵之貿易應收款項及合約資產分組，並透過考慮逾期結餘之賬齡概況、不同客戶之還款及壞賬記錄、過往信貸虧損率、各客戶之年末其後償付、與相關客戶之持續業務關係及與客戶償還未償還結餘能力相關之前瞻性資料，估計將予確認之預期信貸虧損撥備。

We identified the impairment assessment of trade receivables and contract assets as a key audit matter due to the significance of the amounts involved and the use of judgement and estimates by the management in assessing the ECL Assessment.

由於所涉及金額的重要性以及管理層於評估預期信貸虧損評估時使用之判斷及估計，我們將貿易應收款項及合約資產之減值評估確定為關鍵審核事項。

How our audit addressed the key audit matter

吾等之審核如何處理關鍵審核事項

(c) checking the aging profile of the trade receivables and contract assets at 31 December 2021 and the post year-end subsequent settlements from customers, on a sample basis, to underlying accounting records and supporting documents;

抽樣檢查於二零二一年十二月三十一日貿易應收款項及合約資產的賬齡情況及客戶於年結日後的其後償付與相關會計記錄及支持文件；

(d) understanding the Group's on-going business relationship with the relevant customers through discussion with management and corroborated the information as provided by management to the status of underlying projects, public information and correspondence with the relevant customers; and
透過與管理層討論以了解貴集團與相關客戶的持續業務關係及核證管理層所提供資料與相關項目的狀況、公開資料及與相關客戶的通訊；及

(e) understanding and evaluating the management's process in identifying the relevant forward-looking information for the ECL Assessment.

了解及評估管理層對識別預期信貸虧損評估的相關前瞻性資料的程序。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告**OTHER INFORMATION**

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2021 annual report of the Company but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括 貴公司二零二一年年報中所包含的資料，惟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作出的意見並未涵蓋其他資料且吾等不對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任是閱讀其他資料，並從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為該其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則及公司條例的披露規定，負責編製可作出真實而公允呈列的合併財務報表；並就董事認為必需的內部監控，以確保綜合財務報表的編製不存在因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，貴公司董事須負責評估 貴集團的持續經營能力，並披露與持續經營有關的事項（如適用）。除非董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

治理層負責監督 貴集團財務報告流程的責任。

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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

**核數師就審核綜合財務報表須承
擔的責任**

吾等的目標是合理確定整體上綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述並發出包含吾等作為整體致閣下的意見的核數師報告。本報告僅向閣下整體作出，除此之外，別無其他用途。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。

合理確定屬高層次的核證，但不能保證根據香港核數準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，被視為重大錯誤陳述。

作為根據香港核數準則所進行審核的一部分，吾等運用專業判斷並於整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估合併財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程式，獲得充足及適當審核證據為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 瞭解與審核有關的內部控制，以設計合適的審核程序，但並非旨在對貴集團內部控制的有效性發表意見。
- 評估所採用的會計政策是否恰當，以及貴公司董事所作會計估算及相關披露是否合理。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核證據，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核證據為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括披露）的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就貴集團內各實體及業務活動的財務資料獲得充足的審核證據，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

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

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

吾等與治理層就（其中包括）計劃審核範圍、時間安排、重大審核發現等事項進行溝通，包括吾等在審核期間識別出內部控制的任何重大缺陷。

吾等亦向治理層提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性的關係及其他事項，以及為消除威脅而採取的行動或已採納防範措施（倘適用）。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

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

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 22 March 2022

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

Fong Chin Lung
Practising Certificate number: P07321

從與治理層溝通的事項中，吾等決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。吾等在核數師報告中描述這些事項，惟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吾等的報告中溝通該事項。

中審眾環(香港)會計師事務所有限公司
執業會計師
香港，二零二二年三月二十二日

出具本獨立核數師報告的審計項目董事是：
方展龍
執業證書編號：P07321

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|--|-------------|----------------------------------|----------------------------------|
| Revenue | 收益 | 5 | 174,824 | 221,225 |
| Cost of sales | 銷售成本 | 7 | (182,044) | (179,561) |
| Gross (loss) profit | 毛(損)利 | | (7,220) | 41,664 |
| Other income, net | 其他收入淨額 | 6 | 1,087 | 5,332 |
| Reversal (Provision) of impairment losses on trade receivables and contract assets | 貿易應收款項及合約資產的減值虧損撥回(撥備) | 7 | 374 | (590) |
| Administrative expenses | 行政開支 | 7 | (16,826) | (15,311) |
| Expenses in relation to the transfer of listing | 轉板上市開支 | 7 | (448) | (4,403) |
| Operating (loss) profit | 經營(虧損)溢利 | | (23,033) | 26,692 |
| Finance costs | 財務成本 | 8 | (1,873) | (980) |
| (Loss) Profit before income tax | 除所得稅前(虧損)溢利 | | (24,906) | 25,712 |
| Income tax credit (expense) | 所得稅抵免(開支) | 11 | 3,083 | (3,141) |
| (Loss) Profit for the year | 年內(虧損)溢利 | | (21,823) | 22,571 |
| Other comprehensive (expenses) income for the year, net of tax | 年內其他全面(開支)收入, 扣除稅項 | | | |
| <i>Item that may be reclassified to profit or loss:</i> | <i>可能重新分類至損益的項目:</i> | | | |
| – Exchange differences on translation of a foreign operation | – 換算海外業務的匯兌差額 | | (44) | 95 |
| Total comprehensive (expenses) income for the year | 年內全面(開支)收益總額 | | (21,867) | 22,666 |
| | | | | (Restated) (經重列) |
| Basic and diluted (loss) earnings per share for (loss) profit attributable to the ordinary equity holders of the Company (HK cents per share) | 就本公司普通權益持有人應佔(虧損)溢利的每股基本及攤薄(虧損)盈利(每股港仙) | 13 | (14.98) | 15.73 |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes. 以上綜合全面收益表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2021 於二零二一年十二月三十一日

| | | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|-------------------|-------------|----------------------------------|----------------------------------|
| | | Notes 附註 | | |
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Plant and equipment | 廠房及設備 | 14 | 505 | 895 |
| Right-of-use assets | 使用權資產 | 15 | 863 | 1,265 |
| Deferred income tax assets | 遞延所得稅資產 | 23 | 3,071 | 367 |
| | | | 4,439 | 2,527 |
| Current assets | 流動資產 | | | |
| Contract assets | 合約資產 | 16 | 117,361 | 100,566 |
| Trade and other receivables, deposits and prepayments | 貿易及其他應收款項、按金及預付款項 | 17 | 39,546 | 74,595 |
| Current income tax assets | 即期所得稅資產 | | 853 | - |
| Pledged and restricted bank deposits | 已抵押及受限制銀行存款 | 18 | 15,258 | 20,212 |
| Cash and cash equivalents | 現金及現金等價物 | 18 | 10,653 | 18,718 |
| | | | 183,671 | 214,091 |
| Total assets | 資產總額 | | 188,110 | 216,618 |
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | 15 | 132 | 536 |
| | | | 132 | 536 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

At 31 December 2021 於二零二一年十二月三十一日

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|-------------------------------------|-------------|-------------|----------------------------------|----------------------------------|
| Current liabilities | 流動負債 | | | |
| Trade and retention payables | 貿易應付款項及保固金 | 19 | 41,227 | 40,953 |
| Other payables and accrued expenses | 其他應付款項及應計費用 | 20 | 6,112 | 5,758 |
| Lease liabilities | 租賃負債 | 15 | 749 | 737 |
| Current income tax liabilities | 即期所得稅負債 | | – | 5,620 |
| Bank borrowings | 銀行借款 | 21 | 26,815 | 38,224 |
| | | | 74,903 | 91,292 |
| Total liabilities | 負債總額 | | 75,035 | 91,828 |
| Net assets | 資產淨值 | | 113,075 | 124,790 |
| EQUITY | 權益 | | | |
| Share capital | 股本 | 22 | 6,490 | 5,740 |
| Reserves | 儲備 | | 106,585 | 119,050 |
| Total equity | 總權益 | | 113,075 | 124,790 |

The consolidated financial statements on pages 81 to 163 were approved and authorised for issue by the Board of Directors on 22 March 2022 and are signed on its behalf by:

第81至163頁的綜合財務報表已獲董事會於二零二二年三月二十二日批准及授權刊發並由以下人士代表簽署：

Chung Chi Keung
Director

Lai Suk Fan
Director

鍾志強
董事

黎淑芬
董事

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

以上綜合財務狀況表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

| | | Share capital 股本 HK\$'000 千港元 | Share premium 股份溢價 HK\$'000 千港元 | Exchange translation reserve 匯兌儲備 HK\$'000 千港元 | Capital reserve 資本儲備 HK\$'000 千港元 (Note 22(a)) (附註22(a)) | Other reserve 其他儲備 HK\$'000 千港元 (Note 22(b)) (附註22(b)) | Retained profits 保留溢利 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--------------------------|--|--|---|---|---|---|--------------------------------|
| Balance at 1 January 2020 | 於二零二零年一月一日的結餘 | 5,740 | 41,147 | (618) | 11,676 | (12,941) | 57,120 | 102,124 |
| Profit for the year | 年內溢利 | - | - | - | - | - | 22,571 | 22,571 |
| Other comprehensive income – Item that may be reclassified to profit or loss | 其他全面收入 – 可能重新分類至損益的項目 | - | - | - | - | - | - | - |
| Exchange differences arising on translation of a foreign operation | 換算海外業務產生的匯兌差額 | - | - | 95 | - | - | - | 95 |
| Total comprehensive income for the year | 年內全面收益總額 | - | - | 95 | - | - | 22,571 | 22,666 |
| Balance at 31 December 2020 | 於二零二零年十二月三十一日的結餘 | 5,740 | 41,147 | (523) | 11,676 | (12,941) | 79,691 | 124,790 |
| Balance at 1 January 2021 | 於二零二一年一月一日的結餘 | 5,740 | 41,147 | (523) | 11,676 | (12,941) | 79,691 | 124,790 |
| Loss for the year | 年內虧損 | - | - | - | - | - | (21,823) | (21,823) |
| Other comprehensive expenses – Item that may be reclassified to profit or loss | 其他全面開支 – 可能重新分類至損益的項目 | - | - | - | - | - | - | - |
| Exchange differences arising on translation of a foreign operation | 換算海外業務產生的匯兌差額 | - | - | (44) | - | - | - | (44) |
| Total comprehensive expenses for the year | 年內全面開支總額 | - | - | (44) | - | - | (21,823) | (21,867) |
| Transaction with owners Contributions and distributions | 與擁有人的交易 供款及分派 | - | - | - | - | - | - | - |
| Issue of shares upon placing of shares (Note 22) | 於配售股份後發行股份 (附註22) | 750 | 10,050 | - | - | - | - | 10,800 |
| Transaction costs incurred in connection with placing of shares | 就配售股份產生的交易成本 | - | (648) | - | - | - | - | (648) |
| | | 750 | 9,402 | - | - | - | - | 10,152 |
| Balance at 31 December 2021 | 於二零二一年十二月三十一日的結餘 | 6,490 | 50,549 | (567) | 11,676 | (12,941) | 57,868 | 113,075 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

以上綜合權益變動表應連同隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

| | | Notes 附註 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|---------------------------|-------------|----------------------------------|----------------------------------|
| OPERATING ACTIVITIES | 經營活動 | | | |
| Cash used in operations | 經營所用現金 | 25(a) | (3,103) | (30,703) |
| Income taxes paid | 已付所得稅 | | (6,094) | (1,928) |
| Net cash used in operating activities | 經營活動所用現金淨額 | | (9,197) | (32,631) |
| INVESTING ACTIVITIES | 投資活動 | | | |
| Placement of pledged and restricted bank deposits | 存放已抵押及受限制銀行存款 | | (157) | (17,642) |
| Release of pledged and restricted bank deposits | 解除已抵押及受限制銀行存款 | | 5,100 | 10,837 |
| Payments for plant and equipment | 機器及設備付款 | | (18) | (108) |
| Interest received | 已收利息 | | 85 | 37 |
| Net cash from (used in) investing activities | 投資活動所得(所用)現金淨額 | | 5,010 | (6,876) |
| FINANCING ACTIVITIES | 融資活動 | | | |
| Net proceeds from issue of shares upon placing of shares | 於配售股份後發行股份所得款項淨額 | 22 | 10,152 | – |
| Proceeds from bank borrowings | 銀行借款所得款項 | | 99,617 | 54,723 |
| Repayments of bank borrowings | 償還銀行借款 | | (108,091) | (32,411) |
| Repayments of lease liabilities | 償還租賃負債 | 25(c) | (857) | (724) |
| Interest paid | 已付利息 | | (1,779) | (933) |
| Net cash (used in) from financing activities | 融資活動(所用)所得現金淨額 | | (958) | 20,655 |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | | (5,145) | (18,852) |
| Cash and cash equivalents at the beginning of the reporting period | 報告期初現金及現金等價物 | | 9,257 | 28,071 |
| Effects of exchange rate changes on cash and cash equivalents | 匯率變動對現金及現金等價物的影響 | | 15 | 38 |
| Cash and cash equivalents at the end of the reporting period (net of overdrafts) | 報告期末現金及現金等價物(扣除透支) | 18 | 4,127 | 9,257 |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes. 以上綜合現金流量表應連同隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

Wing Fung Group Asia Limited (the “Company”) was incorporated in the Cayman Islands on 29 September 2016 as an exempted company with limited liability under 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 PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business is Unit D, 21st Floor, Tower B, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company and its subsidiaries (together, the “Group”) are principally engaged in the provision of supply, installation and fitting-out services of mechanical ventilation and air-conditioning (“MVAC”) system for buildings. The Company’s immediate and ultimate holding company is Wing Fung Capital Limited, a private company incorporated in the British Virgin Islands (the “BVI”).

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

The Company listed its shares on GEM of The Stock Exchange of Hong Kong Limited on 27 February 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by Hong Kong Institute of Certified Public Accountants (“HKICPA”) and disclosure requirements of the Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention.

1. 一般資料

榮豐集團亞洲有限公司(「本公司」)於二零一六年九月二十九日根據開曼群島一九六一年第3號法例第22章公司法(經綜合及修訂)於開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處的地址為PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands及主要營業地點為香港九龍九龍灣宏光道一號億京中心B座21樓D室。

本公司為投資控股公司及其附屬公司(統稱「本集團」)主要從事提供樓宇機械通風及空調(「機械通風及空調」)系統的供應、安裝及裝修工程服務。本公司的直接及最終控股公司為於英屬維爾京群島(「英屬維爾京群島」)註冊成立的私人公司Wing Fung Capital Limited。

綜合財務資料以本公司功能貨幣港元(「港元」)呈列。

本公司股份於二零一八年二月二十七日在香港聯合交易所有限公司GEM上市。

2. 主要會計政策概要

編製該等綜合財務報表所採用的主要會計政策載於下文。除另有指明外，此等政策貫徹應用於所有呈列年度。

2.1 編製基準

本公司的綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)(此統稱包括所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)及公司條例(香港法例第622章)的披露規定編製。綜合財務報表根據歷史成本常規編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1 Basis of preparation (Continued)**

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 to the consolidated financial statements.

(a) New/revised HKFRSs applied by the Group

The Group has applied the following new/revised HKFRSs for the first time for their annual reporting period commencing on 1 January 2021:

| | |
|---|--|
| Amendments to HKFRS 16 | Covid-19-Related Rent Concessions |
| Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16 | Interest Rate Benchmark Reform – Phase 2 |

The adoption of the amendments did not have any significant impact on the significant accounting policies of the Group and the presentation of these consolidated financial statements.

2. 主要會計政策概要(續)**2.1 編製基準(續)**

根據香港財務報告準則編製綜合財務報表須使用若干重大會計估計，亦要求管理層於應用本集團會計政策過程中作出判斷。涉及高度判斷或高度複雜性的範疇，或涉及對綜合財務報表作出重大假設及估計的範疇於綜合財務報表附註4披露。

(a) 本集團採納的新訂／經修訂香港財務報告準則

本集團於二零二一年一月一日開始的年度報告期間首次採納下列新訂／經修訂香港財務報告準則：

| | |
|--|----------------|
| 香港財務報告準則第16號(修訂本) | Covid-19相關租金寬減 |
| 香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號(修訂本) | 利率基準改革 – 第二階段 |

採納上述修訂本對本集團重大會計政策及呈列該等綜合財務報表並無任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1 Basis of preparation (Continued)****(b) New/revised HKFRSs that are not yet effective and have not been early adopted by the Group**

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

| | |
|------------------------------------|--|
| Amendments to HKFRS 16 | Covid-19-Related Rent Concessions Beyond 30 June 2021 ¹ |
| Amendments to HKAS 16 | Proceeds before Intended Use ² |
| Amendments to HKAS 37 | Cost of Fulfilling a Contract ² |
| Amendments to HKFRS 3 | Reference to the Conceptual Framework ² |
| Annual Improvements to HKFRSs | 2018–2020 Cycle ² |
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current ³ |
| Amendments to HKAS 1 | Disclosure of Accounting Policies ³ |
| Amendments to HKAS 8 | Definition of Accounting Estimates ³ |
| Amendments to HKAS 12 | Deferred Tax related to Assets and Liabilities arising from a Single Transaction ³ |
| HKFRS 17 | Insurance Contracts ³ |
| Amendments to HKFRS 17 | Initial Application of HKFRS 17 and HKFRS 9 – Comparative Information ³ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |

2. 主要會計政策概要(續)**2.1 編製基準(續)****(b) 尚未生效及本集團未提早採納的新訂／經修訂香港財務報告準則**

於授權該等綜合財務報表日期，香港會計師公會已頒佈以下於本年度尚未生效且本集團未提早採納的新訂／經修訂香港財務報告準則：

| | |
|------------------------------|---|
| 香港財務報告準則第16號(修訂本) | 於二零二一年六月三十日後 Covid-19相關租金寬減 ¹ |
| 香港會計準則第16號(修訂本) | 擬定用途前之所得款項 ² |
| 香港會計準則第37號(修訂本) | 履行合約之成本 ² |
| 香港財務報告準則第3號(修訂本) | 對概念框架的提述 ² |
| 香港財務報告準則年度改進 | 二零一八年至二零二零年週期 ² |
| 香港會計準則第1號(修訂本) | 負債分類流動或非流動 ³ |
| 香港會計準則第1號(修訂本) | 會計政策披露 ³ |
| 香港會計準則第8號(修訂本) | 會計估計的定義 ³ |
| 香港會計準則第12號(修訂本) | 與從單一交易產生的資產及負債有關的遞延稅項 ³ |
| 香港財務報告準則第17號 | 保險合約 ³ |
| 香港財務報告準則第17號(修訂本) | 香港財務報告準則第17號及香港財務報告準則第9號的初步應用—比較資料 ³ |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營企業之間的資產出售或注入 ⁴ |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.1 Basis of preparation (Continued)****(b) New/revised HKFRSs that are not yet effective and have not been early adopted by the Group (Continued)**

- ¹ Effective for annual periods beginning on or after 1 April 2021
- ² Effective for annual periods beginning on or after 1 January 2022
- ³ Effective for annual periods beginning on or after 1 January 2023
- ⁴ The effective date to be determined

The Group will apply the above new/revised HKFRSs when they become effective. The Directors do not anticipate that the adoption of these new/revised HKFRSs in future periods will have any material impact on the Group's consolidation financial statements.

2.2 Subsidiaries and principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. 主要會計政策概要(續)**2.1 編製基準(續)****(b) 尚未生效及本集團未提早採納的新訂／經修訂香港財務報告準則(續)**

- ¹ 於二零二一年四月一日或之後開始的年度期間生效
- ² 於二零二二年一月一日或之後開始的年度期間生效
- ³ 於二零二三年一月一日或之後開始的年度期間生效
- ⁴ 生效日期待定

本集團將於上述新訂／經修訂香港財務報告準則生效後應用該等準則。董事預計未來期間採納該等新訂／經修訂香港財務報告準則將不會對本集團的綜合財務報表產生任何重大影響。

2.2 附屬公司及綜合入賬原則

附屬公司均為本集團對其有控制權的實體(包括結構實體)。於本集團藉對實體的參與而面臨可變回報的風險或有權取得可變回報，並藉其主導該實體的活動的權力而有能力影響該等回報時，本集團即為對該實體擁有控制權。附屬公司自控制權轉移至本集團當日起全面綜合入賬，並由控制權終止當日起停止綜合入賬。

所有集團內公司間交易、結餘及集團公司之間交易的未變現收益均予對銷。未變現虧損亦會對銷，除非該交易提供證據顯示所轉讓資產出現減值則作別論。附屬公司的會計政策已作出必要變動，以確保與本集團所採納的政策貫徹一致。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.3 Foreign currency translation****(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within other income, net.

2. 主要會計政策概要(續)**2.3 外幣換算****(i) 功能及呈列貨幣**

載於本集團旗下各實體的財務報表的項目均按實體經營地區的主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以港元(即本公司的功能及呈列貨幣)呈列。

(ii) 交易及結餘

外幣交易以交易當日的匯率換算為功能貨幣。結算該等交易及按期末匯率換算以外幣計值的貨幣資產及負債所產生的匯兌收益及虧損一般於損益內確認。

與借貸有關的匯兌收益及虧損於綜合全面收益表內的財務成本呈列。所有其他匯兌收益及虧損以淨額於綜合全面收益表內的其他收入淨額呈列。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.3 Foreign currency translation (Continued)****(iii) Group companies**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets.

2. 主要會計政策概要(續)**2.3 外幣換算(續)****(iii) 集團公司**

功能貨幣異於呈列貨幣的境外業務(概無擁有處於嚴重通脹經濟體系的貨幣)的業績及財務狀況按下列方式換算為呈列貨幣:

- 所呈列的各財務狀況表的資產及負債按該財務狀況表日期的收市匯率換算;
- 各全面收益表的收支按平均匯率換算(除非此平均匯率不足以合理地概括反映交易日通行匯率的累計影響,在此情況下,收支則按交易日的匯率換算);及
- 一切因此而產生的匯兌差額均於其他全面收益內確認。

2.4 獨立財務報表

於附屬公司的投資按成本扣除減值入賬。成本包括投資的直接歸屬成本。本公司將附屬公司的業績按已收及應收股息基準入賬。

倘自附屬公司收取的股息超出該附屬公司於宣派股息期間的綜合收益總額,或該項投資於獨立財務報表的賬面價值超出合併財務狀況表所示被投資方的淨資產的賬面價值,則須於收取該股息時對於附屬公司的該等投資進行減值測試。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.5 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the controlling shareholder and executive director of the Group who make strategic decisions. Details refer to Note 5 to the consolidated financial statements.

2.6 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives or, as follows:

| | |
|--------------------------------|--------------|
| Motor vehicles | 4 to 5 years |
| Furniture and office equipment | 5 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

2. 主要會計政策概要(續)**2.5 分部呈報**

經營分部的呈報方式與向主要營運決策人提供的內部呈報所用的方式一致。主要營運決策人負責分配資源及評估經營分部的表現，其已獲認定為作出決策的本集團控股股東及執行董事。詳情請參閱綜合財務報表附註5。

2.6 機器及設備

機器及設備按歷史成本減累計折舊列賬。歷史成本包括收購項目的直接應佔開支。

其後成本僅在集團有可能獲得與該項目相關的未來經濟利益及能可靠計量該項目的成本時，計入資產賬面值或確認為獨立資產(如適用)。作為獨立資產入賬的任何部分的賬面值於重置時終止確認。所有其他維修及保養費用在其產生的報告期間於損益扣除。

折舊使用直線法計算，以在其估計可使用年內將其成本分配至其剩餘價值，又或按下列方式計算：

| | |
|----------|------|
| 汽車 | 4至5年 |
| 傢俬及辦公室設備 | 5年 |

資產的剩餘價值及可使用年期於各報告期末檢視及作出調整(如適用)。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.6 Plant and equipment (Continued)**

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.7).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2. 主要會計政策概要(續)**2.6 機器及設備(續)**

倘資產的賬面值高於其估計可收回金額，資產的賬面值即時撇減至其可收回金額(附註2.7)。

出售的收益及虧損乃將所得款項與賬面值進行比較後釐定。有關金額計入損益。

2.7 非財務資產的減值

具有無限可使用年期的資產毋須攤銷，並每年進行減值測試，或當發生事件或情況變化顯示其有可能減值時更頻繁地進行減值測試。當任何事件發生或情況變化顯示其賬面值可能無法收回時，則對其他資產進行減值測試。當該資產的賬面值超過其可收回金額時，會就超出金額確認減值虧損。資產的可收回金額為公平值減出售成本與其使用價值兩者的較高者。為評估減值時，資產按可單獨識別且大致上獨立於其他資產或資產組別的現金流量的最低現金流量水平(現金產生單位)進行分類。非財務資產出現減值時，會於每個報告期末檢討減值撥回的可能性。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 Financial assets****(i) Classification**

The Group classifies its financial assets to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The Group's financial assets at amortised cost comprise of trade receivables, other receivables and deposits, pledged and restricted bank deposits and cash and cash equivalents.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2. 主要會計政策概要(續)**2.8 財務資產****(i) 分類**

本集團將其財務資產分類為按攤銷成本計量。

分類取決於實體管理財務資產的業務模式及現金流量的合約條款。

按攤銷成本列賬的財務資產為附帶固定或可釐定付款，且在活躍市場中並無報價的非衍生財務資產。倘款項預期於一年或以內收回，則列為流動資產。否則列為非流動資產。本集團按攤銷成本列賬的財務資產包括貿易應收款項、其他應收款項及按金、已抵押及受限制銀行存款及現金及現金等價物。

(ii) 確認及終止確認

常規購買及出售財務資產於交易日(即本集團承諾購買或出售資產的日期)確認。在收取來自財務資產的現金流量的權利已屆滿或已轉移，且本集團已實質上將擁有權的所有風險及回報轉移時，有關財務資產予以終止確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 Financial assets (Continued)****(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest method.

2. 主要會計政策概要(續)**2.8 財務資產(續)****(iii) 計量**

於初步確認時，本集團按公平值(倘為並非按公平值計入損益的財務資產)加直接歸屬於收購該財務資產的交易成本計量財務資產。按公平值計入損益列賬的財務資產的交易成本於損益支銷。

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。對於其後按攤銷成本計量且不屬於對沖關係一部分的債務投資，其收益或虧損於該資產終止確認或減值時於損益確認。該等財務資產的利息收入按實際利率法計入其他收入。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 Financial assets (Continued)****(iv) Impairment**

The Group assess on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables and contract assets, the Group applied the simplified approach permitted under HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables and deposits, it is measured at either 12-month expected credit losses or lifetime expected loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

For cash and cash equivalents, pledged and restricted bank deposits, it is also subject to impairment requirements under HKFRS 9, yet the impairment loss is immaterial because the Group only transacts with reputable international financial institutions with high credit ratings assigned by international credit-rating agencies.

2. 主要會計政策概要(續)**2.8 財務資產(續)****(iv) 減值**

本集團按前瞻性基準評估與其以攤銷成本列賬的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。

就貿易應收款項及合約資產而言，本集團採用香港財務報告準則第9號所允許的簡化方法，該方法規定自初步確認應收款項起確認預期全期虧損。

就其他應收款項及按金而言，其按12個月預期信貸虧損或全期預期虧損計量，視乎信貸風險自初步確認起是否有顯著增加。倘應收款項的信貸風險自初步確認起出現顯著增加，則減值計量為全期預期信貸虧損。

就現金及現金等價物、已抵押及受限制銀行存款而言，其亦須遵守香港財務報告準則第9號的減值規定，惟減值虧損並不重大，因為本集團僅會與獲國際信貸評級機構評定為具有高信貸評級的知名國際金融機構進行交易。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.8 Financial assets (Continued)****(v) Write-off policy**

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position where the Group or group entities currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2. 主要會計政策概要(續)**2.8 財務資產(續)****(v) 撇銷政策**

當有資料顯示交易對方發生重大財務困難而日後回收不可實現，例如交易對方已清盤或進入破產程序或就貿易應收款項而言，當款項逾期超過三年（以較早發生者為準），本集團會將財務資產撇銷。於適當情況下考慮法律意見後，已撇銷的財務資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事件。任何其後收回款項會於損益中確認。

2.9 抵銷財務工具

當本集團或集團實體目前有可法定可執行權利抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付債務，則財務資產及負債互相抵銷，並於財務狀況表呈報其淨額。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.10 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days to 45 days and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.11 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits held at call with financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

2.12 Pledged bank deposits

Pledged bank deposits represent the amounts of cash pledged as collateral to the banks for project bidding and issuing performance bonds.

Pledged bank deposits are separately presented from cash and cash equivalents.

2. 主要會計政策概要(續)**2.10 貿易應收款項**

貿易應收款項為日常業務過程中就已出售貨品或已提供服務應收客戶的款項。該等款項一般於30日至45日內到期結付，因此一概分類為流動。

貿易應收款項初步按無條件代價金額確認，除非其包含重大融資部分，則按公平值確認。本集團持有貿易應收款項，其目的為收取合約現金流量，因此其後使用實際利率法按攤銷成本計量該等款項。

2.11 現金及現金等價物

就綜合現金流量表的呈列而言，現金及現金等價物包括手頭現金以及存放於金融機構、原來期限為三個月或以下可即時轉換為已知金額現金的通知存款(價值變化風險並不重大)及銀行透支。銀行透支於財務狀況表流動負債內的借貸列示。

2.12 已抵押銀行存款

已抵押銀行存款指質押予銀行作為項目招標及發出履約保證金的抵押品的現金金額。

已抵押銀行存款與現金及現金等價物分開呈列。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.13 Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new share or options are shown in equity as a deduction, net of tax, from the proceeds.

2.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Borrowings and borrowing costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2. 主要會計政策概要(續)**2.13 股本**

普通股歸類為權益。

與發行新股份或購股權直接有關的增量成本在權益列示作自所得款項的扣減(扣除稅項)。

2.14 貿易及其他應收款項

貿易應付款項為日常業務過程中向供應商購買商品或服務而應支付的款項。須於一年或以內(或如為較長時間,在正常業務營運週期中)支付的貿易及其他應付款項分類為流動負債;否則將呈列為非流動負債。

貿易及其他應付款項初步按公平值確認,其後以實際利率法按攤銷成本計量。

2.15 借貸及借貸成本

借貸最初按公平值扣除所產生的交易成本確認。其後借貸按攤銷成本計量。所得款項(扣除交易成本後)與贖回金額之間的任何差額於借貸期內採用實際利率法在損益中確認。

在很可能部分或全部提取貸款的情況下,設立貸款融資所支付的費用確認為貸款交易成本。在此情況下,該費用遞延至提取貸款為止。如無法證明很可能部分或全部提取該貸款,該費用計入資本作為流動資金服務的預付款項,並於有關融資期間攤銷。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.15 Borrowings and borrowing costs (Continued)**

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities for at least 12 months after the reporting period.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get 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 eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred income tax assets and liabilities attributable to temporary differences and to unused tax losses.

2. 主要會計政策概要(續)**2.15 借貸及借貸成本(續)**

除非本集團有權無條件將負債償還遞延至報告期結束後最少12個月，否則借貸將歸類為流動負債。

直接歸屬於收購、興建或生產合資格資產的一般及特定借款成本於需要完成及籌備該資產以作擬定用途或出售的一段時間內撥充資本。合資格資產必須經一段長時間處理以作其擬定用途或銷售。

就特定借款，因有待合資格資產的支出而臨時投資賺取的投資收入，應自合資格資本化的借款成本中扣除。

其他借款成本於產生期內支銷。

2.16 即期及遞延所得稅

期內所得稅開支或抵免乃根據各司法權區適用所得稅稅率按當期應課稅收入計算的應付稅項，有關稅項乃根據暫時差額及未動用稅項虧損產生的遞延所得稅資產及負債變動作出調整。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.16 Current and deferred income tax (Continued)****(i) Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

2. 主要會計政策概要(續)**2.16 即期及遞延所得稅(續)****(i) 即期所得稅**

即期所得稅支出根據本公司及其附屬公司營運所在及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅法計算。管理層就適用稅務法規詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

(ii) 遞延所得稅

遞延所得稅使用負債法就資產和負債的稅基與其在綜合財務報表之賬面值的暫時性差額悉數撥備。然而，若遞延所得稅負債因初步確認商譽而產生，則不予確認；若遞延所得稅因在交易（不包括業務合併）中初步確認資產或負債而產生，而在交易時不影響會計損益或應課稅損益，則不作記賬。遞延所得稅以於報告期末已頒佈或實質頒佈的稅率（及稅法）釐定，並預期於變現相關遞延所得稅資產或償還遞延所得稅負債時應用。

僅於可能出現未來應課稅款項可利用暫時性差額及虧損時，方會確認遞延所得稅資產。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.16 Current and deferred income tax (Continued)****(ii) Deferred income tax (Continued)**

Deferred income tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current income tax assets and liabilities and where the deferred income tax balances relate to the same taxation authority. Current income tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2. 主要會計政策概要(續)**2.16 即期及遞延所得稅(續)****(ii) 遞延所得稅(續)**

倘本公司能控制撥回暫時差額的時間，且該等差額可能不會於可見將來撥回，則不會就海外業務投資賬面值與稅基之間的暫時差額確認遞延所得稅負債及資產。

當有法定執行權利將即期所得稅資產與負債抵銷，且遞延所得稅結餘涉及同一稅務機構時，則遞延所得稅資產與負債抵銷。在實體有執行抵銷的法定權利且有意按淨額基準結算或同時變現資產及清償負債時，即期所得稅資產與稅項負債會抵銷。

即期及遞延所得稅於損益中確認，除非倘其與其他全面收益或直接於權益中所確認的項目有關。在此情況下，稅項亦分別於其他全面收益或直接於權益中確認。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.17 Provisions**

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2. 主要會計政策概要(續)**2.17 撥備**

如本集團因過往事件須承擔現時法定或推定責任，承擔該責任可能須動用資源且有關金額能可靠地估計時，則予以確認法定賠償、服務保證及責任承擔的撥備。未來經營虧損不會確認撥備。

如出現多項類似責任，而承擔該等責任是否須動用資源乃在考慮該等責任的整體類別後釐定。

即使同類別責任中任何一項可能須動用資源的機會不大，仍會確認撥備。

撥備根據管理層對於報告期末履行現時責任所需支出的最佳估計以現值計量。用以釐定現值的貼現率即為反映當前市場對貨幣時間價值及負債具體風險之評估的稅前利率。隨著時間過去導致的撥備增加確認為利息開支。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 Revenue recognition***Revenue from contracts with customers*

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same. Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

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

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

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

2. 主要會計政策概要(續)**2.18 收益確認***客戶合約收益*

履約責任指個別貨品或服務(或一組貨品或服務)或一系列個別貨品或服務大致上相同。倘以下其中一項準則獲達成,則控制權會隨著時間轉移,而收益經參考完成履行相關履約責任的進度後隨時間確認:

- 客戶於本集團履約時同時接受及使用本集團履約所提供的利益;
- 本集團的履約為創造及增強一項於本集團履約時由客戶控制的資產;或
- 本集團的履約並無創造對本集團而言具替代用途的資產,且本集團對迄今完成的履約具有可執行付款權利。

否則,收益會在客戶獲得明確貨品或服務控制權時確認。

合約資產是指本集團已向客戶轉讓商品或服務而有權收取對價的權利,且該權利取決於時間流逝之外的其他因素。相反,應收款項是指本集團擁有無條件的向客戶收取對價的權利,即該權利僅取決於時間流逝的因素。

合約負債是指本集團已收或應收客戶對價而應向客戶轉讓商品或服務的義務。

與同一合約有關的合約資產和合約負債按淨額入賬並列報。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 Revenue recognition (Continued)*****Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation***

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

Transaction price: significant financing components

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

The Group has applied the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for the effect of the significant financing component if the period of financing is one year or less.

2. 主要會計政策概要(續)**2.18 收益確認(續)*****隨時間確認收益：按照履約責任的完成情況計量進度***

完全達成履約責任期間的進度乃根據輸出法計量，即根據直接計量迄今已轉讓予客戶的商品或服務的價值，相對於合約項下承諾提供的餘下商品或服務的價值確認收益，而此方法最能反映本集團於轉讓商品或服務控制權方面的履約情況。

交易價格：重大融資部分

倘合約包括重大融資部分(即向客戶轉讓貨品或服務為客戶或本集團帶來重大利益)，本集團於釐定交易價格時就金額時間值之影響而調整已承諾之代價金額。重大融資部分之影響與來自客戶合約之收益分開於損益中確認為利息收入或利息開支。

本集團根據合約中隱含利率(即將貨品或服務之現金售價與預付或拖欠金額折扣之利率)、現行市場利率、本集團之借貸利率及本集團客戶之其他相關信譽資料(視適用者而定)於合約開始時釐定本集團與其客戶之獨立融資交易所反映比率相應之利率。

本集團已應用香港財務報告準則第15號第63段所載之實際權宜方法，且並無調整對融資期為一年或以內之重大融資部分之影響之代價。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 Revenue recognition (Continued)*****Variable consideration***

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. The variable consideration is estimated by using either the expected-value or the most-likely-amount method whichever is better to predict the entitled amount. The estimated variable consideration is then included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised of the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

2.19 Employee benefits**(a) Pension schemes**

Payments to defined contribution retirement benefit plans and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

(b) Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the service. All short term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset. A liability is recognised in respect for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

2. 主要會計政策概要(續)**2.18 收益確認(續)*****可變代價***

倘合約所承諾的代價包括可變金額，本集團會估計換取將承諾貨品或服務轉讓予客戶的代價金額。通過使用預期價值或最可能發生金額的方法中較佳方法來估計可變代價，以預測有權金額。隨後，僅當可變代價的不確定因素獲解決，合約中已確認的累計收入金額於將來很大可能不會發生重大撥回時，估計的可變代價包含在交易價格中。

2.19 僱員福利**(a) 退休金計劃**

向定額供款退休福利計劃及強積金計劃作出的付款於僱員提供服務而享有供款時確認為開支。

(b) 短期僱員福利

短期僱員福利按僱員提供服務時預期將支付的福利未貼現金額確認。所有短期僱員福利確認為開支，除非其他香港財務報告準則要求或准許將福利納入資產的成本。於扣除任何已付金額後就應付僱員福利(例如工資及薪金、年假及病假)確認負債。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.19 Employee benefits (Continued)****(c) Termination benefits**

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination.

(d) Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholder. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.20 Leases

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of property for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

2. 主要會計政策概要(續)**2.19 僱員福利(續)****(c) 離職福利**

離職福利於本集團不能撤回提供該等福利時及本集團確認重組成本並涉及支付離職福利時(以較早日期為準)確認。

(d) 花紅計劃

本集團根據一項公式就花紅確認負債及開支，該公式會考慮本公司股東應佔溢利。當有合約責任或過往慣例引致推定責任時，本集團會確認撥備。

2.20 租賃

租賃確認為使用權資產，並在租賃資產可供本集團使用之日確認相應負債。

合約可包含租賃及非租賃部分。本集團根據其相對獨立的價格將合約的代價分配至租賃及非租賃部分。然而，就本集團作為承租人租賃物業而言，其已選擇不區分租賃及非租賃部分，相而將該等租賃入賬作為單一租賃部分。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.20 Leases (Continued)**

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

2. 主要會計政策概要(續)**2.20 租賃(續)**

租賃所產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 基於指數或利率並於開始日期按指數或利率初步計量的可變租賃付款；
- 剩餘價值擔保下的本集團預期應付款項；
- 購買選擇權的行使價(倘本集團合理確定行使該選擇權)；及
- 支付終止租賃的罰款(倘租期反映本集團行使權利終止租約)。

根據合理確定擴大選擇權作出的租賃付款亦計入負債的計量。

租賃付款採用租賃所隱含的利率予以貼現。倘無法釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人增量借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.20 Leases (Continued)**

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liabilities for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

2. 主要會計政策概要(續)**2.20 租賃(續)**

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就本集團所持有租賃的信貸風險（最近並無第三方融資）調整無風險利率；及
- 進行特定於租約的調整，例如期限、國家、貨幣及抵押。

租賃付款於本金及財務成本之間作出分配。財務成本在租賃期間於損益扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包括以下各項：

- 初始計量租賃負債的金額；
- 在開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 任何初始直接成本；及
- 復原成本。

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.20 Leases (Continued)**

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

2.21 Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's or operating companies' shareholders or directors, where appropriate.

2.22 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

2. 主要會計政策概要(續)**2.20 租賃(續)**

使用權資產一般於資產的可使用年限及租賃期(以較短者為準)內按直線法予以折舊。與短期設備及車輛租賃以及所有低價值資產租賃相關的付款按直線法於損益確認為費用。短期租賃指租賃期為12個月或以下的租賃。

2.21 股息分派

向本公司股東分派的股息在股息獲本公司或營運公司的股東或董事(倘適用)批准的期間於本集團的綜合財務報表確認為負債。

2.22 政府補助

於能夠合理保證將收到政府補助，且本集團將符合所有附加條件時，有關補助按公平值確認。

與成本有關的政府補助於需要匹配其擬補償的相關成本期間遞延及於損益確認。

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3. FINANCIAL RISK MANAGEMENT**3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: interest rate risk, currency risk, credit risk and liquidity risk. The Group's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk*(i) Interest rate risk*

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances and restricted bank deposits as disclosed in Note 18 to the consolidated financial statements and bank borrowings as disclosed in Note 21 to the consolidated financial statements due to the fluctuation of the prevailing market interest rate. The Group is also exposed to fair value interest rate risk in relation to the Group's fixed-rate pledged bank deposits as disclosed in Note 18 to the consolidated financial statements. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Hong Kong Prime Rate quoted by the lending bank arising from the Group's HK\$ denominated borrowings. The Group aims at keeping borrowings at variable rates. The Group currently does not have a policy on hedging interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

3. 財務風險管理**3.1 財務風險因素**

本集團業務承受各種財務風險：利率風險、貨幣風險、信貸風險及流動資金風險。本集團整體的風險管理方式乃集中於不可預測的金融市場，並尋求降低對本集團財務表現的潛在負面影響。

(a) 市場風險*(i) 利率風險*

本集團的現金流量利率風險主要指綜合財務報表附註18所披露的浮息銀行結餘及受限制銀行存款和綜合財務報表附註21披露的銀行借款因現行市場利率波動而引致的風險。本集團亦面臨有關本集團固定利率已抵押銀行存款的公平值利率風險（於綜合財務報表附註18披露）。本集團的現金流利率風險主要集中於源於本集團港元計值借貸的銀行結餘利率及借款銀行所報香港最優惠利率波動。本集團的目標為維持以可變利率獲得借貸。本集團現時並無利率風險對沖政策。然而，管理層監察利率風險並於必要時考慮對沖重大利率風險。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(a) Market risk (Continued)***(i) Interest rate risk (Continued)*

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings. The analysis is prepared assuming the amount of liability outstanding at each reporting period end was outstanding for the whole year. A 100 basis point increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 100 basis points (2020: 100 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2021 would increase/decrease by HK\$268,000 (2020: profit for the year would decrease/increase by HK\$382,000).

No sensitivity analysis has been prepared for the exposure to interest rate risk on the Group's bank balances and restricted bank deposits as the directors of the Company consider that the exposure is minimal.

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(a) 市場風險 (續)***(i) 利率風險 (續)*

敏感度分析

以下敏感度分析乃基於浮息銀行借款所面對的利率風險釐定。編製該分析時假設各報告期末未償還的負債為全年未償還。該分析方法使用上升或下降100個基點表示管理層對利率合理可能變動的評估。倘利率上升/下降100個基點(二零二零年: 100個基點)而所有其他變量維持不變,則本集團截至二零二一年十二月三十一日止年度的虧損將增加/減少268,000港元(二零二零年:本年度溢利減少/增加382,000港元)。

概無就本集團銀行結餘及受限制銀行存款的利率風險編製敏感度分析,因為本公司董事認為有關風險屬極微。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(a) Market risk (Continued)****(ii) Currency risk**

The Group's exposure to currency risk mainly arises from the fluctuation of HK\$ against the functional currency of a subsidiary of the Company that has adopted Macau Pataca ("MOP") as functional currency and has foreign currency denominated monetary assets denominated in HK\$. The management closely monitors foreign exchange exposure to mitigate the foreign currency risk. As MOP is pegged to HK\$, the Group's foreign currency risk exposure is not considered to be significant.

(b) Credit risk

Credit risk of the Group mainly arises from trade receivables, contract assets, other receivables and deposits, pledged and restricted bank deposits, cash and cash equivalents. The carrying amounts of these balances except cash on hand in the consolidated statement of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

Cash and cash equivalents and pledged and restricted bank deposits

The majority of the Group's bank balances are placed in financial institutions which are independently rated with high credit ratings. Management does not expect any losses from non-performance by these financial institutions as they have no default history in the past.

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(a) 市場風險 (續)****(ii) 貨幣風險**

本集團的貨幣風險主要源於港元兌本集團附屬公司功能貨幣的波動，該附屬公司已採納澳門幣（「澳門幣」）為功能貨幣且持有以港元計值的外幣計值貨幣資產。管理層緊密監察外匯風險以減少外幣風險。由於澳門幣與港元掛鈎，本集團的外幣風險被視為並不重大。

(b) 信貸風險

本集團之信貸風險主要來自貿易應收款項、合約資產、其他應收款項及按金、已抵押及受限制銀行存款、現金及現金等價物。綜合財務狀況表內該等結餘（手頭現金除外）的賬面值代表本集團就其金融資產所承受的最高信貸風險。

現金及現金等價物及已抵押及受限制銀行存款

本集團大部分銀行結餘存放於獲獨立評級的高信貸評級的金融機構。由於該等金融機構過往並無違約記錄，故管理層預期我們不會因該等機構不履行責任而蒙受任何損失。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)***Other receivables and deposits*

Other receivables and deposits are also subject to the impairment requirements under HKFRS 9. It is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, impairment is measured as lifetime expected credit losses. The Group also take into account forward-looking information in the impairment of the other receivables and deposits. At 31 December 2021 and 2020, the identified impairment loss for other receivables and deposits is assessed to be minimal.

Trade receivables and contract assets

For trade receivables and contract assets, the Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables and contract assets without financing components.

To measure the expected credit losses, trade receivables have been assessed based on credit risk characteristics of the customers with reference to a wide range of factors such as default rates of customers, aging profile of overdue balances, the repayment and default histories of different customers, on-going business relationship with the relevant customers and forward-looking information that affecting the customers' ability to repay the outstanding balances.

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)***其他應收款項及按金*

其他應收款項及按金亦受香港財務報告準則第9號的減值規定所規限。減值按12個月預期信貸虧損或全期預期信貸虧損計算，視乎自首次確認後信貸風險是否顯著增加而定。倘應收款項之信貸風險自初步確認後大幅增加，則按全期預期信貸虧損計量。本集團在計算其他應收款項及按金的減值時，亦會考慮到前瞻性資料。於二零二一年及二零二零年十二月三十一日，其他應收款項及按金的已識別減值虧損被評估為極低。

貿易應收款項及合約資產

就貿易應收款項及合約資產而言，本集團採用香港財務報告準則第9號簡明方法計量預期信貸虧損，對所有貿易應收款項及不含融資成分之合約資產採用全期預期信貸虧損撥備。

為計量預期信貸虧損，貿易應收款項已根據客戶之信貸風險特徵進行評估，並參考多項因素，例如客戶之壞賬率、逾期結餘之賬齡情況、不同客戶之還款及壞賬記錄、與相關客戶之持續業務關係及影響客戶償還未償還結餘能力之前瞻性資料。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)***Trade receivables and contract assets (continued)*

The Group has separated a customer with doubtful credit rating from the other customers with low risk credit rating in the determination of the expected credit losses and fully provided for the trade receivables of HK\$1,773,000 (2020: HK\$1,774,000) for the year. For the other customers, the loss allowance at 31 December 2021 and 2020 were determined as follows for trade receivables:

| | | Expected loss rate 預期虧損率 | Gross carrying amount 賬面總值 HK\$'000 千港元 | Loss allowance 虧損撥備 HK\$'000 千港元 | Net carrying amount 賬面淨值 HK\$'000 千港元 | Credit- impaired 信貸減值 |
|---|---------------------------------------|--------------------------------|--|--|---|-----------------------------|
| Trade receivables at 31 December 2021 | 於二零二一年十二月 三十一日之貿易 應收款項 | | | | | |
| Not past due | 未逾期 | 0.3% | 30,169 | (90) | 30,079 | No 無 |
| Within 30 days overdue | 逾期30天內 | 0.6% | 2,120 | (13) | 2,107 | No 無 |
| 30 days to one year overdue | 逾期30天至一年 | 2.9% | 830 | (24) | 806 | No 無 |
| Over one year overdue | 逾期超過一年 | 2.9% | 3,721 | (108) | 3,613 | No 無 |
| Balances excluding a customer fully provided for | 就客戶作出全數撥備 以外的結餘 | | 36,840 | (235) | 36,605 | |

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)***貿易應收款項及合約資產 (續)*

在釐定預期信貸虧損時，本集團已將一名信貸評級為可疑的客戶與其他信貸評級為低風險的客戶分開，並於年內就貿易應收款項1,773,000港元（二零二零年：1,774,000港元）作出全數撥備。就其他客戶而言，於二零二一年及二零二零年十二月三十一日，貿易應收款項的虧損撥備釐定如下：

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)***Trade receivables and contract assets (continued)*

| | | Expected loss rate 預期虧損率 | Gross carrying amount 賬面總值 HK\$'000 千港元 | Loss allowance 虧損撥備 HK\$'000 千港元 | Net carrying amount 賬面淨值 HK\$'000 千港元 | Credit- impaired 信貸減值 |
|---|---------------------------------------|--------------------------------|--|--|---|-----------------------------|
| Trade receivables at 31 December 2020 | 於二零二零年十二月 三十一日之貿易 應收款項 | | | | | |
| Not past due | 未逾期 | 0.3% | 45,720 | (137) | 45,583 | No 無 |
| Within 30 days overdue | 逾期30天內 | 0.6% | 8,126 | (49) | 8,077 | No 無 |
| 30 days to one year overdue | 逾期30天至一年 | 2.6% | 18,103 | (475) | 17,628 | No 無 |
| Over one year overdue | 逾期超過一年 | 0.0% | - | - | - | No 無 |
| Balances excluding a customer fully provided for | 就客戶作出全數撥備 以外的結餘 | | 71,949 | (661) | 71,288 | |

The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit losses below also incorporate forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables.

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)***貿易應收款項及合約資產 (續)*

合約資產與正在進行的未開票工作有關，作為同類合約的貿易應收款項風險大致相同。因此，本集團得出結論認為，貿易應收款項的預期虧損率乃合約資產虧損率的合理近似值。以下預期信貸虧損亦納入前瞻性資料，如影響客戶結付應收款項的宏觀經濟因素。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.1 Financial risk factors (Continued)****(b) Credit risk (Continued)***Trade receivables and contract assets (continued)*

The Group has separated a customer with doubtful credit rating from the other customers with low risk credit rating in the determination of the expected credit losses and fully provided for the contract assets of HK\$689,000 (2020: HK\$689,000) for the year. For the other customers, the loss allowance at 31 December 2021 and 2020 were determined as follows for contract assets.

3. 財務風險管理 (續)**3.1 財務風險因素 (續)****(b) 信貸風險 (續)***貿易應收款項及合約資產 (續)*

本集團釐定預期信貸虧損時將一名具呆賬信貸評級的客戶與其他具低風險信貸評級的客戶分開，並就年內合約資產 689,000 港元 (二零二零年：689,000 港元) 作出全數撥備。就其他客戶而言，於二零二一年及二零二零年十二月三十一日，合約資產虧損撥備釐定如下：

| | Gross carrying amount 總賬面值 HK\$'000 千港元 | Weighted average expected loss rates 加權平均 預期虧損率 | Loss allowance 虧損撥備 HK\$'000 千港元 | Net carrying amount 賬面淨值 HK\$'000 千港元 |
|--|--|---|---|--|
| Contract assets at 31 December 2021 | | | | |
| Balances excluding a customer fully provided for | 117,714 | 0.3% | 353 | 117,361 |
| | | | | |
| Contract assets at 31 December 2020 | | | | |
| Balances excluding a customer fully provided for | 100,869 | 0.3% | 303 | 100,566 |

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3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the directors of the Company, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3. 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險

本公司董事負有流動資金風險管理之最終責任，並已就本集團之短期、中期及長期資金管理及流動資金管理要求建立適當之流動資金風險管理框架。本集團透過持續監察預測及實際現金流量及配對財務資產及負債的到期情況，通過維持充足之儲備及借貸融資來管理流動資金風險。

下表將本集團的財務負債按照由綜合財務狀況表結算日至合約到期日的剩餘期限分成相關的到期組別進行分析。下表披露的金額為合約未貼現現金流量。由於貼現影響並不重大，於12個月內到期的結餘等於其賬面結餘。

| | On demand or less than 1 year 按要求或 少於1年 HK\$'000 千港元 | Between 1 and 2 years 1至2年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|---|--------------------------------|
| At 31 December 2021 於二零二一年十二月三十一日 | | | |
| Trade and retention payables 貿易應付款項及應付保固金 | 30,895 | 10,332 | 41,227 |
| Other payables 其他應付款項 | 1,754 | - | 1,754 |
| Bank borrowings 銀行借款 | 20,718 | - | 20,718 |
| Lease liabilities 租賃負債 | 766 | 144 | 910 |
| Bank overdrafts 銀行透支 | 6,526 | - | 6,526 |
| | 60,659 | 10,476 | 71,135 |

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3. FINANCIAL RISK MANAGEMENT
(CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

| | On demand or less than 1 year 按要求或 少於1年 HK\$'000 千港元 | Between 1 and 2 years 1至2年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|---|--------------------------------|
| At 31 December 2020 於二零二零年十二月三十一日 | | | |
| Trade and retention payables 貿易應付款項及應付保固金 | 34,122 | 6,831 | 40,953 |
| Other payables 其他應付款項 | 2,941 | – | 2,941 |
| Bank borrowings 銀行借款 | 29,004 | – | 29,004 |
| Lease liabilities 租賃負債 | 790 | 550 | 1,340 |
| Bank overdrafts 銀行透支 | 9,461 | – | 9,461 |
| | 76,318 | 7,381 | 83,699 |

Bank borrowings with a repayment on demand clause are included in the "on demand or less than 1 year" time band in the above maturity analysis. At 31 December 2021, the aggregate undiscounted principal amounts of bank borrowings and overdrafts amounted to approximately HK\$27,244,000 (2020: HK\$38,465,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the bank will exercise its discretionary right to demand immediate repayment. The directors believe that such bank borrowings and overdrafts will be repaid in one to two years (2020: one year) after the end of the reporting period in accordance with the scheduled repayment dates set out in the bank borrowing agreements.

以上到期日分析中，設有按要求償還條款的銀行借款「按要求或少於1年」時間組別。於二零二一年十二月三十一日，銀行借貸及透支的未貼現本金總額為約27,244,000港元（二零二零年：38,465,000港元）。經考慮本集團的財務狀況，董事認為銀行不大可能會行使其酌情權要求即時還款。董事認為，根據銀行借款協議所載預定還款日期，有關銀行借貸及透支將於報告期末後一至兩年（二零二零年：一年）償還。

| | | At 31 December 於十二月三十一日 | |
|------------------------------|----------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| On demand or within one year | 按要求或於一年內 | 23,287 | 38,465 |
| 1 to 2 years | 1至2年 | 3,957 | – |
| | | 27,244 | 38,465 |

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.2 Capital risk management**

The Group manages capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

Total capital of the Group is calculated as total equity plus total borrowings (including total interest-bearing borrowings and lease liabilities). The Group's gearing ratio, which is calculated by dividing the total borrowings by total equity at the year-end date. The gearing ratio of the Group was as follows:

| | | At 31 December 於十二月三十一日 | |
|------------------|--------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Total borrowings | 總借款 | 27,696 | 39,497 |
| Total equity | 總權益 | 113,075 | 124,790 |
| Gearing ratio | 資本負債比率 | 24.5% | 31.7% |

The gearing ratio decreased from approximately 31.7% at 31 December 2020 to approximately 24.5% at 31 December 2021, primarily due to the decrease in the total interest-bearing borrowings which was due to the repayment of revolving loans and bank overdrafts during the year and the decrease in total equity resulting from the decrease in retained profits attributable to recording a net loss for the year ended 31 December 2021.

3. 財務風險管理 (續)**3.2 資本風險管理**

本集團管理其資本以確保本集團旗下實體將能按持續經營基準營運，同時透過優化債務及股權平衡盡量擴大股東回報。本集團的整體策略自先前年度以來維持不變。

本集團的總資本乃按總權益加總借款(包括計息借款總額及租賃負債)計算。本集團的資本負債比率乃按年度結算日的總借款除以總權益計算。本集團的資產負債比率如下：

資產負債比率由二零二零年十二月三十一日的約31.7%減少至二零二一年十二月三十一日的約24.5%，主要由於計息借貸總額減少，原因為於年內償還銀行借貸及銀行透支；及權益總額減少，原因為截至二零二一年十二月三十一日止年度因錄得淨虧損令保留溢利減少。

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**3. FINANCIAL RISK MANAGEMENT
(CONTINUED)****3.2 Capital risk management (Continued)**

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of the risk associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts or repayment of existing debts.

3.3 Fair value estimation

The carrying values of trade receivables, other receivables and deposits, trade and retention payables, accruals and other payables, bank borrowings and lease liabilities are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

3. 財務風險管理 (續)**3.2 資本風險管理 (續)**

本公司董事定期檢討資本架構。該檢討的一部分為本公司董事省覽各個資本類別的相關成本及風險。根據本公司董事的推薦建議，本集團將透過支付股息、發行新股份以及發行新債務或償還現有債務平衡其整體資本架構。

3.3 公平值估計

貿易應收款項、其他應收款項及存款、貿易應付款項及應付保固金、應計費用及其他應付款項、銀行借款及租賃負債的賬面值為其公平值的合理概約數值。作為披露用途，財務負債的公平值乃按本集團就類似財務工具可得的當時市場利率將日後約定現金流量貼現而估計。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Construction contracts

Management measures the progress towards completion of the Group's performance obligations based on output method, which is to recognise revenue on the basis of measuring the progress of each performance obligation satisfied over time by reference to the value of construction works completed to date as a portion of the total contract value of the relevant construction contracts. The management's estimate of revenue and the progress of construction works requires significant judgement and has a significant impact on the amount and timing of revenue recognised.

Management periodically measures the value of the construction works completed for each construction project based on results as certified by external surveyors or evaluated by internal project managers and estimates the value of works completed but yet to be certified at the end of each reporting period. Management estimated the value of uncertified works based on surveys carried out by internal project managers and certain projects may be revisited with reference to certification subsequently performed by external surveyors. Management's estimation of the value of the works may also be subject to changes due to variations of works, claims or disputes with customers. The Group regularly reviews and revises the estimation of construction contract progresses whenever there is any change in circumstances.

4. 重要會計估計及判斷

本集團對未來作出估計及假設，所得的會計估計如其定義，很少會與其實際結果相同。引致下個財政年度內的資產及負債的賬面值有重大調整主要風險的估計及假設論述如下：

(a) 建築合約

管理層以產量法計量本集團完成履約責任的進度，即透過參照迄今已完成建築工程價值佔相關建築合約總合約價值的部份隨時間計量達成各履約責任進度確認收益。管理層估計收益及建築工程進度需要重大判斷，並對已確認收益的金額及時間有著重大影響。

於各報告期末，管理層根據外部測量師核實或內部項目經理評估的結果不時就每項建築項目計量已完成建築工程的價值，並估計已完成惟未經核實的工程價值。管理層根據內部項目經理進行的測量估計未經核實工程的價值，及若干項目可參照外部測量師其後進行的核實重新審查。管理層對工程價值的估計或受工程變更、索償或與客戶的糾紛而引起的變動所影響。本集團定期審閱及在任何情況變動時修訂估計建築合約的進度。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)**(b) Impairment of trade receivables and contract assets**

The Group follows the guidance of HKFRS 9 to determine the expected credit loss for trade receivables and contract assets. Significant judgement is exercised on the assessment of the lifetime expected credit losses for the trade receivables and contract assets (i.e. ECL assessment). For the ECL assessment, the Group has grouped trade receivables and contract assets with similar credit risk characteristics and estimated the expected credit losses allowance by considering a wide range of factors such as aging profile of overdue balances, the repayment and default histories of different customers, the historical credit loss rates, the post-year end subsequent settlements from respective customers, ongoing business relationship with the relevant customers and forward-looking information that affecting the customers' ability to repay the outstanding balances. At every reporting date, the expected credit losses are reassessed and changes in the forward-looking information are considered. Details of the assumptions and inputs used are discussed in Note 3 to the consolidated financial statements.

5. REVENUE AND SEGMENT INFORMATION

The Group's revenue are derived from the provision of supply, installation, and fitting-out services of MVAC system for buildings to external customers in Hong Kong and Macau during the year. For the purposes of resources allocation and performance assessment, the chief operating decision maker reviews the overall results and financial position of the Group as a whole prepared based on the accounting policies as set out in Note 2 to the consolidated financial statements. The Group has only one single operating segment and no further analysis of this single segment is presented.

4. 重要會計估計及判斷(續)**(b) 貿易應收款項及合約資產的減值**

本集團遵照香港財務報告準則第9號的指引釐定貿易應收款項及合約資產的預期信貸虧損。評估貿易應收款項及合約資產的全期預期信貸虧損時行使重大判斷(即預期信貸虧損評估)。就預期信貸虧損評估而言,本集團將具有類似信貸風險特徵之貿易應收款項及合約資產分組,並透過考慮逾期結餘之賬齡情況、不同客戶之還款及違約歷史、過往信貸虧損率、各客戶之年末其後償付、與相關客戶的持續業務關係及影響客戶償還未償還結餘能力的前瞻性資料等多項因素,估計預期信貸虧損撥備。於各報告日期,本集團重新評估預期信貸虧損及考慮前瞻性資料的變動。所使用的假設及輸入數據詳情於綜合財務報表附註3討論。

5. 收益及分部資料

本集團的收益來自年內為香港及澳門外部客戶的樓宇提供機械通風及空調系統的供應、安裝及裝修服務。就資源分配及績效評估而言,主要營運決策人審閱本集團的整體業績及財務狀況(根據綜合財務報表附註2所載的會計政策編製)。本集團只有單一經營分部及並無呈列該單一分部的其他分析。

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5. REVENUE AND SEGMENT INFORMATION
(CONTINUED)

5. 收益及分部資料(續)

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|-------------------------------------|--------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Revenue from construction contracts | 建築合約收益 | 174,824 | 221,225 |

The Group's revenue is recognised over time for the years ended 31 December 2021 and 2020.

於截至二零二一年及二零二零年十二月三十一日止年度，本集團隨時間確認收益。

Unsatisfied construction contracts

未履行建築合約

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) at 31 December 2021 and 2020 and the expected timing of recognising revenue are as follows:

於二零二一年及二零二零年十二月三十一日分配至餘下履約責任(未達成或部分未達成)的交易價及確認收益的預期時間如下：

| | | At 31 December 於十二月三十一日 | |
|--|-------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Revenue from construction contracts to be recognised | 將予確認的建築合約收益 | | |
| Within one year | 一年內 | 237,709 | 280,971 |
| More than one year | 超過一年 | 25,661 | 336,402 |

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5. REVENUE AND SEGMENT INFORMATION
(CONTINUED)

Geographical information

The following table provides an analysis of the Group's revenue from external customers based on geographical location of the customers:

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|-----------|----|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Hong Kong | 香港 | 163,068 | 163,156 |
| Macau | 澳門 | 11,756 | 58,069 |
| | | 174,824 | 221,225 |

The following is an analysis of the carrying amounts of non-current assets, excluding deferred income tax assets, analysed by the geographical area in which the assets are located:

| | | At 31 December 於十二月三十一日 | |
|-----------|----|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Hong Kong | 香港 | 746 | 1,566 |
| Macau | 澳門 | 622 | 594 |
| | | 1,368 | 2,160 |

5. 收益及分部資料(續)

地理資料

下表載列根據客戶地理位置列示的本集團外部客戶收益分析：

下表為按資產所在的地理位置劃分的非流動資產(不包括遞延所得稅資產)的賬面值分析：

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5. REVENUE AND SEGMENT INFORMATION
(CONTINUED)

Information about major customers

Revenue from customers contributing over 10% of total revenue of the Group are as follows:

| | |
|------------|------|
| Customer A | 客戶 A |
| Customer B | 客戶 B |
| Customer C | 客戶 C |
| Customer D | 客戶 D |

¹ Revenue from the customer is less than 10% of the total revenue of the Group for the year ended 31 December 2021.

5. 收益及分部資料(續)

主要客戶資料

來自為本集團貢獻總收益10%以上的客戶收益如下：

| Year ended 31 December 截至十二月三十一日止年度 | |
|--|----------------------------------|
| 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| 101,281 | 80,590 |
| 51,116 | 68,467 |
| N/A 不適用 ¹ | 44,333 |
| N/A 不適用 ¹ | 25,408 |

¹ 截至二零二一年十二月三十一日止年度客戶收益少於本集團總收益的10%。

6. OTHER INCOME, NET

| | |
|-----------------------------|------------|
| Bank interest income | 銀行利息收入 |
| Government subsidies (Note) | 政府補貼(附註) |
| Net exchange (loss) gain | 匯兌(虧損)收益淨額 |

Note: The amounts represented (i) the anti-epidemic fund received from the Hong Kong SAR government amounted to HK\$666,000 (2020: from the Hong Kong SAR government and the Macau SAR government amounted to HK\$5,070,000) and (ii) the relief fund received from the Construction Industry Council amounted to HK\$267,000 (2020: Nil) for the year ended 31 December 2021.

6. 其他收入淨額

| Year ended 31 December 截至十二月三十一日止年度 | |
|--|----------------------------------|
| 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| 165 | 214 |
| 933 | 5,070 |
| (11) | 48 |
| 1,087 | 5,332 |

附註：金額分別指截至二零二一年十二月三十一日止年度：(i)自香港特區政府獲得的防疫抗疫基金666,000港元(二零二零年：自香港特區政府及澳門特區政府獲得的防疫抗疫基金5,070,000港元)及(ii)自建造業議會收到的救濟基金267,000港元(二零二零年：無)。

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7. EXPENSES BY NATURE

7. 按性質劃分的開支

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|---|-------------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Costs of materials | 材料成本 | 55,949 | 61,929 |
| Subcontractor costs | 分包商成本 | 102,999 | 92,566 |
| Employee benefit expenses (Note 9) | 僱員福利開支(附註9) | | |
| – directors' remuneration (Note 10) | – 董事薪酬(附註10) | 6,822 | 4,309 |
| – direct labour | – 直接勞工 | 16,986 | 16,986 |
| – administrative staff | – 行政員工 | 3,008 | 2,376 |
| (Reversal) Provision of impairment losses on trade receivables | 貿易應收款項減值虧損(撥回)撥備 | (425) | 317 |
| Provision of impairment losses on contract assets | 合約資產減值虧損撥備 | 51 | 273 |
| Auditor's remuneration | 核數師薪酬 | | |
| – Audit services | – 核數服務 | 680 | 1,100 |
| – Non-audit services | – 非核數服務 | 22 | 68 |
| Depreciation of plant and equipment (Note 14) | 廠房及設備折舊(附註14) | 407 | 379 |
| Depreciation of right-of-use assets (Note 15) | 使用權資產折舊(附註15) | 812 | 685 |
| Operating lease rentals in respect of minimum lease payments of rented premises | 租賃物業最低租賃付款的經營租賃租金 | 379 | 1,317 |
| Expenses in relation to the transfer of listing | 轉板上市開支 | 448 | 4,403 |
| Write-off of plant and equipment | 廠房及設備撇銷 | – | 12 |
| Legal and professional fees | 法律及專業費用 | 2,321 | 2,674 |
| Travelling expenses | 差旅開支 | 452 | 699 |
| Other expenses | 其他開支 | 8,033 | 9,772 |
| | | 198,944 | 199,865 |

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8. FINANCE COSTS

8. 財務成本

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|---|----------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Finance costs | 財務成本 | | |
| - Interest on bank borrowings | - 銀行借款利息 | 1,351 | 662 |
| - Interest on bank overdrafts | - 銀行透支利息 | 467 | 285 |
| - Interest on lease liabilities (Note 15) | - 租賃負責利息(附註15) | 55 | 33 |
| | | 1,873 | 980 |

9. EMPLOYEE BENEFIT EXPENSES

9. 僱員福利開支

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|--------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Wages, salaries, bonuses and allowances | 工資、薪金、花紅及津貼 | 26,137 | 23,023 |
| Pension cost – defined contribution scheme | 退休金成本—界定供款計劃 | 679 | 648 |
| | | 26,816 | 23,671 |

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**9. EMPLOYEE BENEFIT EXPENSES
(CONTINUED)**

The Group participates in a defined contribution scheme which is registered under the Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Schemes Ordinance. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. For members of the MPF Scheme, the Group contributes at the lower of HK\$1,500 per month or 5% of relevant payroll costs each month to the MPF Scheme, which contribution is matched by the employee.

The Group operates a defined contribution retirement scheme for eligible employee in Macau. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

The total expenses recognised in profit or loss of HK\$679,000 for the year ended 31 December 2021 (2020: HK\$648,000) represents contributions paid and payable by the Group at rates as specified in the respective rules of the above mentioned schemes.

9. 僱員福利開支(續)

本集團參與根據強制性公積金計劃條例設立的強制性公積金計劃(「強積金計劃」)註冊的定額供款計劃。該計劃的資產與本集團的資產分開持有，由信託人以基金託管。就強積金計劃成員而言，本集團每月按1,500港元或相關薪酬成本之5%(以較低者為準)向強積金計劃供款，而僱員亦作出同等金額的供款。

本集團為澳門合資格僱員設置界定供款退休計劃。該計劃的資產由獨立信託人管理的基金與本集團分開持有。供款一經支付，本集團再無其他付款責任。供款於到期時確認為僱員福利開支，並按該等僱員於悉數歸屬供款前離開計劃所沒收的供款而減少。

截至二零二一年十二月三十一日止年度於損益確認的開支總額679,000港元(二零二零年：648,000港元)指本集團按上述計劃相關規例所列明付款率已付及應付的供款。

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**9. EMPLOYEE BENEFIT EXPENSES
(CONTINUED)****Five highest paid individuals**

The five highest paid individuals of the Group included two directors for the year ended 31 December 2021 (2020: two directors), details of whose remunerations are set out in Note 10 to the consolidated financial statements. Details of the remuneration for the year of the remaining highest paid employees who are neither director nor chief executive officer of the Company are as follows:

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|----------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Salaries and other benefits | 薪金及其他福利 | 2,548 | 2,293 |
| Contribution to retirement benefits scheme | 退休福利計劃供款 | 54 | 54 |
| | | 2,602 | 2,347 |

The number of the highest paid employees who are not the director or chief executive officer of the Company whose remuneration fell within the following bands is as follows:

| | | Number of employees 僱員數目 | |
|--------------------------------|-------------------------|-----------------------------|---------------|
| | | 2021 二零二一年 | 2020 二零二零年 |
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 2 | 2 |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至1,500,000港元 | 1 | 1 |

During the year, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

9. 僱員福利開支(續)**五名最高薪酬人士**

截至二零二一年十二月三十一日止年度，本集團五名最高薪酬人士包括兩名董事（二零二零年：兩名董事），其薪酬的詳情載於綜合財務報表附註10。年內，其餘最高薪酬僱員（並非本公司董事或最高行政人員）的薪酬詳情如下：

並非本公司董事或最高行政人員且薪酬屬於以下組別的最高薪酬僱員的數目如下：

年內，本集團概無向本公司董事或五名最高薪酬人士（包括董事及僱員）支付酬金，作為加入或加入本集團後的獎勵或作為離職補償。

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10. BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE COMPANIES ORDINANCE (CAP.622) AND COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP.622G)**(a) Directors' emoluments (included as key management compensation)**

The remuneration of the directors is set out below:

*For the year ended 31 December 2021***10. 董事利益及權益 (根據香港《公司條例》(香港法例第622章)第383條及《公司(披露董事利益資料)規則》(香港法例第622G章)的要求披露)****(a) 董事酬金 (計入作為主要管理層報酬)**

董事薪酬載列如下：

截至二零二一年十二月三十一日止年度

| | Executive directors 執行董事 | | Independent non-executive directors 獨立非執行董事 | | | Total 總計 |
|--|-----------------------------|--------------------------|--|---------------------|---------------------------|-----------------|
| | Mr. Chung* 鍾先生* | Ms. Lai Suk Fan 黎淑芬女士 | Mr. Choy Hiu Fai, Eric 蔡曉輝先生 | Mr. Lei For 利科先生 | Mr. Lai Wai Ming 黎偉明先生 | |
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Fees 袍金 | - | - | 180 | 180 | 180 | 540 |
| Other emoluments 其他酬金 | | | | | | |
| - Salaries and other benefits - 薪金及其他福利 | 3,669 | 1,095 | - | - | - | 4,764 |
| - Discretionary bonus - 酌情花紅 | 1,000 | 471 | - | - | - | 1,471 |
| - Contribution to retirement benefits scheme - 退休福利計劃供款 | 13 | 34 | - | - | - | 47 |
| Total | 4,682 | 1,600 | 180 | 180 | 180 | 6,822 |

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10. BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE COMPANIES ORDINANCE (CAP.622) AND COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP.622G) (CONTINUED)**(a) Directors' emoluments (included as key management compensation) (Continued)***For the year ended 31 December 2020*

| | Executive directors 執行董事 | | Independent non-executive directors 獨立非執行董事 | | | Total 總計 |
|--|-----------------------------|--------------------------|--|---------------------|---------------------------|-----------------|
| | Mr. Chung* 鍾先生* | Ms. Lai Suk Fan 黎淑芬女士 | Mr. Choy Hiu Fai, Eric 蔡曉輝先生 | Mr. Lei For 利科先生 | Mr. Lai Wai Ming 黎偉明先生 | |
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Fees 袍金 | - | - | 180 | 180 | 180 | 540 |
| Other emoluments 其他酬金 | | | | | | |
| - Salaries and other benefits - 薪金及其他福利 | 2,733 | 970 | - | - | - | 3,703 |
| - Discretionary bonus - 酌情花紅 | - | - | - | - | - | - |
| - Contribution to retirement benefits scheme - 退休福利計劃供款 | 33 | 33 | - | - | - | 66 |
| Total 總計 | 2,766 | 1,003 | 180 | 180 | 180 | 4,309 |

* Mr. Chung is the Chief Executive Officer of the Group for the years ended 31 December 2021 and 2020

Discretionary bonus was determined with reference to the Group's operating results and individual performance.

During the years ended 31 December 2021 and 2020, both executive directors of the Company reduced part of their remuneration for the respective years; while none of the independent non-executive directors of the Company waived or agreed to waive any remuneration for the years ended 31 December 2021 and 2020.

10. 董事利益及權益 (根據香港《公司條例》(香港法例第622章)第383條及《公司(披露董事利益資料)規則》(香港法例第622G章)的要求披露) (續)**(a) 董事酬金 (計入作為主要管理層報酬) (續)***截至二零二零年十二月三十一日止年度*

* 鍾先生為截至二零二一年及二零二零年十二月三十一日止年度本集團的行政總裁。

酌情花紅乃參考本集團的經營業績及個人表現而釐定。

於截至二零二一年及二零二零年十二月三十一日止年度，本公司兩名執行董事均減少各自年度的部分薪酬；而本公司獨立非執行董事概無放棄或同意放棄截至二零二一年及二零二零年十二月三十一日止年度的任何薪酬。

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10. BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE COMPANIES ORDINANCE (CAP.622) AND COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP.622G) (CONTINUED)**(b) Directors' retirement benefits and termination benefits**

Save as disclosed in Note 10(a) to the consolidated financial statements, the directors did not receive any other retirement benefits or termination benefits during the year (2020: Nil).

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 December 2021, the Group did not pay consideration to any third parties for making available the directors' services (2020: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of the directors, bodies corporate controlled by and connected entities with such directors

At 31 December 2021, there are no loans, quasi-loans and other dealing arrangements in favour of the directors, bodies corporate controlled by and controlled entities with such directors (2020: Nil).

(e) Director's material interests in transactions, arrangements or contracts

Save as disclosed in Note 27 to the consolidated financial statements, no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2021 (2020: Nil).

10. 董事利益及權益 (根據香港《公司條例》(香港法例第622章)第383條及《公司(披露董事利益資料)規則》(香港法例第622G章)的要求披露) (續)**(b) 董事的退休福利及離職福利**

除綜合財務報表附註10(a)所披露者外，董事於年內並無收取任何其他退休福利或離職福利(二零二零年：無)。

(c) 就獲得董事服務而向第三方提供的代價

截至二零二一年十二月三十一日止年度，本集團並無就獲得董事服務而向任何第三方支付代價(二零二零年：無)。

(d) 有關以董事、董事的受控制法團及關連實體為受益人的貸款、準貸款及其他交易的資料

於二零二一年十二月三十一日，概無以董事、董事的受控制法團及受控制實體為受益人的貸款、準貸款及其他交易安排(二零二零年：無)。

(e) 董事於交易、安排或合約中的重大權益

除綜合財務報表附註27所披露者外，本公司董事概無於年末或截至二零二一年十二月三十一日止年度的任何時間存續的以本集團作為訂約方且與本集團業務有關的重大交易、安排及合約中擁有直接或間接的重大權益(二零二零年：無)。

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11. INCOME TAX (CREDIT) EXPENSE

The amount of income tax (credit) expense credited/charged to the consolidated statement of comprehensive income represents:

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|-------------------------------|-------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Current income tax: | 即期所得稅： | | |
| Hong Kong profits tax | 香港利得稅 | - | 4,145 |
| Macau complementary tax | 澳門所得補充稅 | - | 196 |
| Over provision in prior years | 過往年度超額撥備 | (379) | (314) |
| | | (379) | 4,027 |
| Deferred income tax (Note 23) | 遞延所得稅(附註23) | (2,704) | (886) |
| Income tax (credit) expense | 所得稅(抵免)開支 | (3,083) | 3,141 |

(i) Hong Kong profits tax

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% (2020: 16.5%).

11. 所得稅(抵免)開支

於綜合全面收益表內計入／扣除的所得稅(抵免)開支金額：

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|-------------------------------|-------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Current income tax: | 即期所得稅： | | |
| Hong Kong profits tax | 香港利得稅 | - | 4,145 |
| Macau complementary tax | 澳門所得補充稅 | - | 196 |
| Over provision in prior years | 過往年度超額撥備 | (379) | (314) |
| | | (379) | 4,027 |
| Deferred income tax (Note 23) | 遞延所得稅(附註23) | (2,704) | (886) |
| Income tax (credit) expense | 所得稅(抵免)開支 | (3,083) | 3,141 |

(i) 香港利得稅

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)(「該法案」)，引入兩級利得稅率制度。該法案於二零一八年三月二十八日簽署成為法律且於翌日刊登憲報。根據兩級利得稅制度，合資格集團實體的首2,000,000港元溢利將以8.25%的稅率徵稅，而超過2,000,000港元之溢利將以16.5%的稅率徵稅。未有符合兩級利得稅率制度資格的集團實體的溢利繼續按浮動稅率16.5%(二零二零年：16.5%)徵稅。

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**11. INCOME TAX (CREDIT) EXPENSE
(CONTINUED)****(ii) Macau Complementary Tax**

Pursuant to a tax incentive approved under Section 20 of Decree Law No. 11/2016, Macau Complementary Tax is levied at a fixed rate of 12% (2020: 12%) on the taxable income above MOP600,000 (approximately HK\$586,000) of the Group's operations in Macau. On 29 April 2021, the Legislative Assembly approved an additional tax incentive to reduce the 2020 complementary tax payment by MOP300,000 (approximately HK\$293,000) as a relief measure for the negative impacts of COVID-19.

The income tax (credit) expense for the year can be reconciled to the (loss) profit before income tax per the consolidated statement of comprehensive income as follows:

11. 所得稅(抵免)開支(續)**(ii) 澳門所得補充稅**

根據澳門法令第11/2016號第20節所批准之稅務優惠，澳門所得補充稅對超過600,000澳門幣(約586,000港元)的本集團澳門業務的應課稅收入按12%(二零二零年：12%)固定稅率徵收。於二零二一年四月二十九日，立法會通過額外稅務優惠，將二零二零年所得補充稅付款下調300,000澳門幣(約293,000港元)，作為COVID-19負面影響的紓緩措施。

年內所得稅(抵免)開支可與綜合全面收益表所載除所得稅前(虧損)溢利對賬如下：

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|-------------|--|--|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| (Loss) Profit before income tax | 除所得稅前(虧損)溢利 | (24,906) | 25,712 |
| Tax calculated at the applicable tax rates | 按適用稅率計算的稅項 | (3,779) | 3,943 |
| Expenses not deductible for tax purpose | 不可扣稅開支 | 1,138 | 2,006 |
| Income not subject to tax | 毋須課稅收入 | (154) | (2,222) |
| Over provision in prior years | 過往年度超額撥備 | (379) | (314) |
| Others | 其他 | 91 | (272) |
| Income tax (credit) expense | 所得稅(抵免)開支 | (3,083) | 3,141 |

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12. DIVIDENDS

No dividend was declared or paid by the Company during the year ended 31 December 2021 (2020: Nil).

13. BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

Basic (loss) earnings per share is calculated by dividing the (loss) profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

12. 股息

本公司於截至二零二一年十二月三十一日止年度並無宣派或支付任何股息(二零二零年：無)。

13. 每股基本及攤薄(虧損)盈利

每股基本(虧損)盈利按本公司擁有人應佔(虧損)溢利除以年內已發行普通股加權平均數計算得出。

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|---|---------------------|---|--------------------------------------|
| | | 2021 二零二一年 | 2020 二零二零年 (Restated) (經重列) |
| (Loss) Profit attributable to owners of the Company (in HK\$'000) | 本公司擁有人應佔(虧損)溢利(千港元) | (21,823) | 22,571 |
| Weighted average number of ordinary shares in issue (Note) | 已發行普通股加權平均數(附註) | 145,708,904 | 143,500,000 |
| Basic (loss) earnings per share (HK cents per share) | 每股基本(虧損)盈利(每股港仙) | (14.98) | 15.73 |

Diluted (loss) earnings per share is equal to the basic (loss) earnings per share since the Company has no dilutive potential shares during the year ended 31 December 2021 (2020: Nil).

每股攤薄(虧損)盈利等於每股基本(虧損)盈利，因為本公司於截至二零二一年十二月三十一日止年度沒有具潛在攤薄效應的股份(二零二零年：無)。

Note: This is derived from the weighted average number of ordinary shares of 582,835,616 in issue during the year ended 31 December 2021 (2020: 574,000,000) after taking into account the effect of the share consolidation with effect on 21 January 2022 (Note 30).

附註：此乃根據截至二零二一年十二月三十一日止年度已發行普通股之加權平均數582,835,616股(二零二零年：574,000,000股)計算，並計及股份合併於二零二二年一月二十一日生效之影響(附註30)。

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

14. PLANT AND EQUIPMENT

14. 機器及設備

| | | Motor vehicles | Furniture and office equipment | Total |
|------------------------------------|------------------------------------|---------------------------|---|----------------|
| | | 汽車 | 傢俬及 辦公室設備 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| Year ended 31 December 2020 | 截至二零二零年 十二月三十一日 止年度 | | | |
| At 1 January 2020 | 於二零二零年 一月一日 | 764 | 413 | 1,177 |
| Exchange differences | 匯兌差異 | – | 1 | 1 |
| Additions | 添置 | – | 108 | 108 |
| Write-off | 撇銷 | (12) | – | (12) |
| Depreciation | 折舊 | (249) | (130) | (379) |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | 503 | 392 | 895 |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | | | |
| Cost | 成本 | 1,211 | 761 | 1,972 |
| Accumulated depreciation | 累計折舊 | (708) | (369) | (1,077) |
| Net book amount | 賬面淨值 | 503 | 392 | 895 |
| Year ended 31 December 2021 | 截至二零二一年 十二月三十一日 止年度 | | | |
| At January 2021 | 於二零二一年 一月一日 | 503 | 392 | 895 |
| Exchange differences | 匯兌差異 | (1) | – | (1) |
| Additions | 添置 | – | 18 | 18 |
| Depreciation | 折舊 | (273) | (134) | (407) |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 229 | 276 | 505 |
| At 31 December 2021 | 於二零二一年十二月 三十一日 | | | |
| Cost | 成本 | 1,211 | 779 | 1,990 |
| Accumulated depreciation | 累計折舊 | (982) | (503) | (1,485) |
| Net book amount | 賬面淨值 | 229 | 276 | 505 |

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14. PLANT AND EQUIPMENT (CONTINUED)

During the year ended 31 December 2021, depreciation of HK\$407,000 (2020: HK\$379,000) were charged to “administrative expenses” in the consolidated statement of comprehensive income.

During the year ended 31 December 2020, plant and equipment with cost of HK\$24,000 and accumulated depreciation of HK\$12,000 were written off.

15. LEASES**(i) Amounts recognised in the consolidated statement of financial position relating to leases**

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------|--------------|----------------------------------|----------------------------------|
| Right-of-use assets | 使用權資產 | | |
| At 1 January | 於一月一日 | 1,265 | 812 |
| Additions | 添置 | 410 | 1,138 |
| Depreciation | 折舊 | (812) | (685) |
| At 31 December | 於十二月三十一日 | 863 | 1,265 |
| Cost | 成本 | 2,068 | 2,408 |
| Accumulated depreciation | 累計折舊 | (1,205) | (1,143) |
| Net book amount | 賬面淨值 | 863 | 1,265 |
| Lease liabilities | 租賃負債 | | |
| Current | 流動 | 749 | 737 |
| Non-current | 非流動 | 132 | 536 |
| | | 881 | 1,273 |

During the year ended 31 December 2021, additions to the right-of-use assets were HK\$410,000 (2020: HK\$1,138,000).

14. 機器及設備 (續)

截至二零二一年十二月三十一日止年度，折舊407,000港元(二零二零年：379,000港元)自綜合全面收益表的「行政開支」扣除。

截至二零二零年十二月三十一日止年度，成本24,000港元的廠房及設備和累計折舊12,000港元被撇銷。

15. 租賃**(i) 就租賃於綜合財務狀況表確認的金額**

截至二零二一年十二月三十一日止年度，添置的使用權資產為410,000港元(二零二零年：1,138,000港元)。

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

15. LEASES (CONTINUED)

(ii) Amounts recognised in the consolidated statement of comprehensive income relating to leases

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|--------------------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Depreciation of right-of-use assets – office premises (included in administrative expenses) | 使用權資產折舊 – 辦公室物業 (計入行政開支) | 7 | |
| Interest expense (included in finance costs) | 利息開支 (計入財務成本) | 8 | 685 |
| Expense related to short-term leases (included in cost of sales and administrative expenses) | 與短期租賃有關的開支 (計入銷售成本及行政開支) | 7 | 33 |
| | | 379 | 1,317 |

During the year ended 31 December 2021, the total cash outflow for leases were HK\$1,236,000 (2020: HK\$2,041,000).

截至二零二一年十二月三十一日止年度，租賃的現金流出總額為1,236,000港元（二零二零年：2,041,000港元）。

(iii) The Group's leasing activities and how these are accounted for

The Group leases office premises. Rental contracts are typically made for fixed periods of 1 to 2 years with no extension option.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

(iii) 本集團的租賃活動及其入賬方式

本集團租用辦公室物業。租約一般按1至2年的固定年期訂立，不設重續權。

租賃條款按個別基準協商且包含多項不同條款及條件。租賃協議並無施加任何契約，惟租賃資產的抵押權益由出租人持有。租賃資產不得用作借款的抵押品。

15. 租賃(續)

(ii) 就租賃於綜合全面收益表確認的金額

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16. CONTRACT ASSETS

16 合約資產

| | | At 31 December 於十二月三十一日 | |
|---|----------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Construction contracts | 建築合約 | 118,403 | 101,558 |
| Less: Provision for impairment loss allowance | 減：減值虧損撥備 | (1,042) | (992) |
| | | 117,361 | 100,566 |

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditional on the Group's future performance. Included in contract assets are retention receivables. Retention receivables arise from the Group's construction project and are held by customers in order to provide the customers with assurance that the Group will complete its obligations satisfactorily under the contracts, rather than to provide financing to the customers. They are generally settled within a period ranging from one to two years upon the completion of construction work. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically reclassifies contract assets to trade receivables on the date of payment certificates issued by the customers when such right of collections becomes unconditional other than the passage of time.

At the end of the reporting period, the contract assets that are expected to be recovered after more than 12 months are HK\$22,070,000 (2020: HK\$19,742,000), which represented the retention receivables. The remaining contract assets are expected to be recovered within 12 months.

合約資產主要與本集團就已竣工及未付款之工程收取代價之權利有關，因為該權利取決於本集團的日後表現。合約資產包括應收保固金。應收保固金乃產生自本集團之建築項目及由客戶持有，藉以向客戶保證本集團將根據合約滿意地完成責任，而並非向客戶提供融資。一般於建築工程竣工後介乎一年至兩年內結付。當該權利成為無條件時，合約資產轉移至貿易應收款項。本集團通常在客戶發出付款證書當日在該收款權利成為無條件（隨著時間過去除外）時將合約資產重新分類為貿易應收款項。

於報告期末，預計在超過12個月後收回的合約資產為22,070,000港元（二零二零年：19,742,000港元），指應收保固金。剩餘合約資產預期將於12個月內收回。

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

16. CONTRACT ASSETS (CONTINUED)

The movements of contract assets (before loss allowance and excluding those arising from increases and decrease both occurred within the same year) from contracts with customers within HKFRS 15 during the year are as follows:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------------|-----------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 101,558 | 29,965 |
| Transferred to trade receivables | 轉移至貿易應收款項 | (11,803) | (5,377) |
| Recognition of revenue | 收益確認 | 28,648 | 76,970 |
| At 31 December | 於十二月三十一日 | 118,403 | 101,558 |

Movements in the loss allowance on contract assets are as follow:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|----------------------------|----------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 992 | 718 |
| Impairment loss recognised | 已確認減值虧損 | 51 | 273 |
| Exchange differences | 匯兌差異 | (1) | 1 |
| At 31 December | 於十二月三十一日 | 1,042 | 992 |

Details of the impairment assessment for the years ended 31 December 2021 and 2020 are set out in Note 3.1(b) to the consolidated financial statements.

16 合約資產(續)

於本年度香港財務報告準則第15號界定之客戶合約資產之變動(扣除虧損撥備前, 不包括同一年度內產生之增加及減少所引致之變動)如下:

合約資產虧損撥備的變動如下:

截至二零二一年及二零二零年十二月三十一日止年度的減值評估詳情載於綜合財務報表附註3.1(b)。

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

16. CONTRACT ASSETS (CONTINUED)

The retention receivables (net of loss allowance) to be settled, based on the expiry of retention period, at the end of the reporting period are:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|-----------------|-------|----------------------------------|----------------------------------|
| Within one year | 一年內到期 | 12,830 | 9,395 |
| After one year | 一年後到期 | 22,070 | 19,742 |
| | | 34,900 | 29,137 |

16 合約資產(續)

於報告期末，根據保留期屆滿待結清的應收保固金(扣除虧損撥備)為：

17. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS**17. 貿易及其他應收款項、按金及預付款項**

| | | At 31 December 於十二月三十一日 | |
|---|-----------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Trade receivables (Note i) | 貿易應收款項(附註i) | 38,613 | 73,723 |
| Less: Provision for impairment loss allowance | 減：減值虧損撥備 | (2,008) | (2,435) |
| | | 36,605 | 71,288 |
| Other receivables and deposits (Note ii) | 其他應收款項及按金(附註ii) | 1,291 | 1,188 |
| Prepayments | 預付款項 | 1,650 | 2,119 |
| | | 39,546 | 74,595 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

**17. TRADE AND OTHER RECEIVABLES,
DEPOSITS AND PREPAYMENTS
(CONTINUED)****(i) Trade receivables**

Trade receivables arise from the provision of supply, installation and fitting-out services of MVAC system for buildings. The Group grants a credit period ranged from 30 to 45 days to its customers. The following is an aging analysis of trade receivables based on valuation dates of payment certificates or reports net of provision for impairment loss allowance at the end of the reporting period:

| | | At 31 December 於十二月三十一日 | |
|-----------------|----------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| 0 to 30 days | 0至30日 | 12,826 | 30,072 |
| 31 to 60 days | 31至60日 | 19,360 | 22,698 |
| 61 to 90 days | 61至90日 | - | 891 |
| 91 to 180 days | 91至180日 | - | 1,486 |
| 181 to 365 days | 181至365日 | 806 | 5,368 |
| 1 to 2 years | 一至兩年 | 3,613 | 10,773 |
| | | 36,605 | 71,288 |

The fair value of trade receivables approximate their carrying values.

**17. 貿易及其他應收款項、按金及
預付款項(續)****(i) 貿易應收款項**

貿易應收款項源於提供樓宇機械通風及空調系統的供應、安裝及裝修服務。本集團向其客戶授出的信貸期介乎30日至45日。下文為於報告期末根據付款證明或報告估值日期的貿易應收款項賬齡分析(扣除減值虧損撥備)：

貿易應收款項的公平值與其賬面值相若。

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**17. TRADE AND OTHER RECEIVABLES,
DEPOSITS AND PREPAYMENTS
(CONTINUED)****(i) Trade receivables (Continued)**

The carrying amounts of trade receivables are denominated in the following currencies:

| | | At 31 December 於十二月三十一日 | |
|------|-----|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| HK\$ | 港元 | 30,226 | 58,883 |
| MOP | 澳門幣 | 6,379 | 12,405 |
| | | 36,605 | 71,288 |

Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits granted to customers are reviewed periodically. Management of the Group closely monitors the credit quality of trade receivables and considers the majority of the Group's trade receivables that are past due but not impaired have good credit quality with reference to respective settlement history.

**17. 貿易及其他應收款項、按金及
預付款項(續)****(i) 貿易應收款項(續)**

貿易應收款項的賬面值以下列貨幣計值：

| | | At 31 December 於十二月三十一日 | |
|------|-----|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| HK\$ | 港元 | 30,226 | 58,883 |
| MOP | 澳門幣 | 6,379 | 12,405 |
| | | 36,605 | 71,288 |

接納任何新客戶前，本集團會評估潛在客戶的信貸質素及按客戶界定信貸限額，並定期檢討授予客戶的信貸限額。本集團管理層密切監察貿易應收款項的信貸質素，並根據相關償付記錄，認為本集團大部分已逾期但未減值的貿易應收款項屬信貸質素良好。

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**17. TRADE AND OTHER RECEIVABLES,
DEPOSITS AND PREPAYMENTS
(CONTINUED)****(i) Trade receivables (Continued)**

Movements of the provision for impairment loss allowance on trade receivables are as follows:

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---------------------------------------|-------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 2,435 | 2,115 |
| (Reversal) Impairment loss recognised | 已確認(撥回)減值虧損 | (425) | 317 |
| Exchange differences | 匯兌差異 | (2) | 3 |
| At 31 December | 於十二月三十一日 | 2,008 | 2,435 |

Details of impairment assessment for the years ended 31 December 2021 and 2020 are set out in Note 3.1(b) to the consolidated financial statements.

(ii) Other receivables and deposits

The fair value of other receivables and deposits approximate to their carrying values.

Details of impairment assessment for the other receivables and deposits for the years ended 31 December 2021 and 2020 are set out in Note 3.1(b) to the consolidated financial statements.

**17. 貿易及其他應收款項、按金及
預付款項(續)****(i) 貿易應收款項(續)**

貿易應收款項減值虧損撥備的變動如下：

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---------------------------------------|-------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 2,435 | 2,115 |
| (Reversal) Impairment loss recognised | 已確認(撥回)減值虧損 | (425) | 317 |
| Exchange differences | 匯兌差異 | (2) | 3 |
| At 31 December | 於十二月三十一日 | 2,008 | 2,435 |

截至二零二一年及二零二零年十二月三十一日止年度的減值評估詳情載於綜合財務報表附註3.1(b)。

(ii) 其他應收款項及按金

其他應收款項及按金的公平值與其賬面值相若。

截至二零二一年及二零二零年十二月三十一日止年度，其他應收款項及按金的減值評估詳情載於綜合財務報表附註3.1(b)。

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18. PLEDGED AND RESTRICTED BANK DEPOSITS
AND CASH AND CASH EQUIVALENTS18. 已抵押及受限制銀行存款以
及現金及現金等價物

| | | At 31 December 於十二月三十一日 | |
|---|--------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Pledged bank deposits | 已抵押銀行存款 | 12,028 | 11,927 |
| Restricted bank deposits | 受限制銀行存款 | 3,230 | 8,285 |
| | | 15,258 | 20,212 |
| Cash and cash equivalents | 現金及現金等價物 | 10,653 | 18,718 |
| Bank overdrafts (Note 21) | 銀行透支(附註21) | (6,526) | (9,461) |
| Balances per consolidated statement of cash flows | 每份綜合現金流量表的結餘 | 4,127 | 9,257 |

The pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group (including overdraft and trade facilities) with maturity within one year from the end of the reporting period and is therefore classified as a current asset. The pledged bank deposits carried interest at a fixed rate ranging from 0.6% to 1.55% per annum at 31 December 2021 (2020: 1.5% to 1.55% per annum).

The restricted bank deposits represent cash held at banks as security for due performance under several service contracts of MVAC system for buildings with prevailing market interest rate ranging from 0.01% to 0.25% per annum at 31 December 2021 (2020: 0.01% to 2.1% per annum) (Note 26).

已抵押銀行存款指已抵押予銀行以擔保本集團獲授銀行信貸(包括透支及貿易設施)的存款，於報告期末起計一年內到期，因此被分類為流動資產。於二零二一年十二月三十一日，已抵押銀行存款按介乎0.6%至1.55%的固定年利率計息(二零二零年：年利率1.5%至1.55%)。

受限制銀行存款指存放於銀行的現金，作為樓宇機械通風及空調系統的若干服務合約的履約保證金擔保，於二零二一年十二月三十一日的現行市場年利率介乎0.01%至0.25%(二零二零年：年利率0.01%至2.1%)(附註26)。

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18. PLEDGED AND RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (CONTINUED)

The carrying amounts of pledged and restricted bank deposits and cash and cash equivalents approximate their fair values and are denominated in the following currencies:

18. 已抵押及受限制銀行存款以及現金及現金等價物(續)

已抵押及受限制銀行存款及現金及現金等價物的賬面值與公平值相若，並以下列貨幣計值：

| | | At 31 December 於十二月三十一日 | |
|------|-----|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| HK\$ | 港元 | 12,935 | 24,414 |
| MOP | 澳門幣 | 6,450 | 5,055 |
| | | 19,385 | 29,469 |

19. TRADE AND RETENTION PAYABLES

Trade payables
Retention payables

貿易應付款項
應付保固金

At 31 December
於十二月三十一日

| 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|--|----------------------------------|
|--|----------------------------------|

| | |
|---------------|--------|
| 25,370 | 30,359 |
|---------------|--------|

| | |
|---------------|--------|
| 15,857 | 10,594 |
|---------------|--------|

| | |
|---------------|--------|
| 41,227 | 40,953 |
|---------------|--------|

The credit period of trade payables granted by subcontractors and suppliers range from 30 to 60 days upon the issue of invoices or application of interim payment generally.

分包商及供應商就貿易應付款項授出的信貸期一般介乎出具發票或申請中期付款後30至60日。

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**19. TRADE AND RETENTION PAYABLES
(CONTINUED)**

The following is an aging analysis of trade payables based on the invoice dates or the dates of application of interim payment, as appropriate.

| | | At 31 December 於十二月三十一日 | |
|--------------------|---------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| 0 to 30 days | 0至30日 | 15,587 | 21,988 |
| 31 to 60 days | 31至60日 | 5,155 | 5,270 |
| 61 to 90 days | 61至90日 | 1,264 | 190 |
| 91 to 180 days | 91至180日 | 17 | 140 |
| 181 days to 1 year | 181日至一年 | 642 | 98 |
| Over 1 year | 超過一年 | 2,705 | 2,673 |
| | | 25,370 | 30,359 |

Retention payables to subcontractors are interest-free and payable at the end of the defect liability period of individual contracts, normally one year from the completion date of the respective project.

**19. 貿易應付款項及應付保固金
(續)**

以下列載根據發票日期或申請中期付款日期(倘適用)的貿易應付款項賬齡分析：

| | | At 31 December 於十二月三十一日 | |
|--------------------|---------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| 0 to 30 days | 0至30日 | 15,587 | 21,988 |
| 31 to 60 days | 31至60日 | 5,155 | 5,270 |
| 61 to 90 days | 61至90日 | 1,264 | 190 |
| 91 to 180 days | 91至180日 | 17 | 140 |
| 181 days to 1 year | 181日至一年 | 642 | 98 |
| Over 1 year | 超過一年 | 2,705 | 2,673 |
| | | 25,370 | 30,359 |

應付分包商的保固金為免息及須於個別合約保修期完結時(一般為相關項目完成日期起計一年)支付。

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**19. TRADE AND RETENTION PAYABLES
(CONTINUED)**

The retention payables are expected to be settled, based on the expiry date of the defect liability period, at the end of the reporting period as follows:

| | | At 31 December 於十二月三十一日 | |
|---------------------|-------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Due within one year | 一年內到期 | 5,525 | 3,763 |
| Due after one year | 一年後到期 | 10,332 | 6,831 |
| | | 15,857 | 10,594 |

The carrying amounts of trade and retention payables approximate their fair values and are denominated in the following currencies:

| | | At 31 December 於十二月三十一日 | |
|------|-----|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| HK\$ | 港元 | 34,267 | 34,230 |
| MOP | 澳門幣 | 6,960 | 6,723 |
| | | 41,227 | 40,953 |

**19. 貿易應付款項及應付保固金
(續)**

根據保修期屆滿日期，應付保固金預期於報告期末的結付情況如下：

貿易應付款項及應付保固金的賬面值與其公平值相若，並以下列貨幣計值：

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20. OTHER PAYABLES AND ACCRUED EXPENSES**20. 其他應付款項及應計費用**

| | | At 31 December 於十二月三十一日 | |
|-----------------------|--------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Accrued staff costs | 應計員工成本 | 4,358 | 2,817 |
| Other accrued charges | 其他應計費用 | 1,340 | 1,742 |
| Other payables | 其他應付款項 | 414 | 1,199 |
| | | 6,112 | 5,758 |

The carrying amounts of other payables and accrued expenses, net of accrued salaries, approximate their fair values due to their short maturities. Other payables and accrued expenses are denominated in the following currencies:

其他應付款項及應計費用(扣除應計薪金)的公平值與其賬面值相若,因為其期限較短。其他應付款項及應計費用以下列貨幣計值:

| | | At 31 December 於十二月三十一日 | |
|------|-----|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| HK\$ | 港元 | 5,175 | 4,911 |
| MOP | 澳門幣 | 937 | 847 |
| | | 6,112 | 5,758 |

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21. BANK BORROWINGS

21. 銀行借款

| | | At 31 December 於十二月三十一日 | |
|-------------------|--------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Secured: | 有抵押： | | |
| – Bank borrowings | – 銀行借款 | 20,289 | 28,763 |
| – Bank overdrafts | – 銀行透支 | 6,526 | 9,461 |
| | | 26,815 | 38,224 |

The fair value of the bank borrowings approximates their carrying amount as the impact of discounting is not significant.

貼現微不足道，故銀行借款的公平值與其賬面價值相近。

The bank borrowings and overdrafts due for repayment are as follows:

銀行借款及透支到期償還的情況如下：

| | | At 31 December 於十二月三十一日 | |
|------------------------------|----------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| On demand or within one year | 按要求或於一年內 | 26,815 | 38,224 |

The bank borrowings at 31 December 2021 carried interest at Hong Kong Prime Rate plus interest rate ranging from 0.25% to 0.5% (2020: 0.25% to 0.5%). The effective interest rate on the bank borrowings (which is also equal to contracted interest rate) is ranging from 5.25% to 5.5% per annum (2020: 5.25% to 5.5% per annum). The bank overdrafts at 31 December 2021 carried interest at Hong Kong Prime Rate and the effective interest rate is 5% per annum (2020: 5% per annum). The Group's bank borrowings are denominated in HK\$.

於二零二一年十二月三十一日，銀行借款按香港最優惠利率加0.25%至0.5%的利率計息（二零二零年：0.25%至0.5%）。銀行借款的實際利率（亦等於合約利率）介乎每年5.25%至5.5%（二零二零年：每年5.25%至5.5%）。於二零二一年十二月三十一日，銀行透支按香港最優惠利率計息，實際年利率為5%（二零二零年：年利率5%）。本集團的銀行借款以港元為單位。

At 31 December 2021, the bank borrowings were secured by a corporate guarantee of HK\$57,971,000 as issued by the Company (2020: HK\$47,971,000).

於二零二一年十二月三十一日，銀行借款由本公司出具的公司擔保57,971,000港元（二零二零年：47,971,000港元）作抵押。

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21. BANK BORROWINGS (CONTINUED)

Analysis of the amounts due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follows:

| | | At 31 December 於十二月三十一日 | |
|-----------------|------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Within one year | 一年內 | 22,942 | 38,224 |
| 1 to 2 years | 1至2年 | 3,873 | - |
| | | 26,815 | 38,224 |

21. 銀行借款(續)

根據貸款協議中所載的預定付款日期(忽略任何按要求償還條款的影響)到期金額的分析如下:

22. SHARE CAPITAL AND RESERVES**(i) Share capital**

The movements in the Company's authorised and issued ordinary share capital are as follows:

| | | Nominal value per share 每股面值 | Number of shares 股份數目 | Total 總計 HK\$'000 千港元 |
|---|---------------------------------------|------------------------------------|-----------------------------|--------------------------------|
| Authorised: | 法定: | | | |
| At 1 January 2020, 31 December 2020 and 2021 | 於二零二零年一月一日、 二零二零年及二零二一 年十二月三十一日 | HK\$0.01 0.01 港元 | 100,000,000,000 | 1,000,000 |
| Issued and fully paid: | 已發行及繳足: | | | |
| At 1 January 2020 and 31 December 2020 | 於二零二零年一月一日及 二零二零年十二月 三十一日 | HK\$0.01 0.01 港元 | 574,000,000 | 5,740 |
| Issue of shares (Note) | 發行股份(附註) | HK\$0.01 0.01 港元 | 75,000,000 | 750 |
| At 31 December 2021 | 於二零二一年十二月 三十一日 | HK\$0.01 0.01 港元 | 649,000,000 | 6,490 |

Note: On 19 November 2021, the Company issued 75,000,000 ordinary shares by way of placing (the "Placing"), at a placing price of HK\$0.144 per share. The net proceeds from the Placing after deducting of related expenses were HK\$10,152,000 and were used as additional general working capital. These shares rank pari passu with all existing shares in all respects.

22. 股本及儲備**(i) 股本**

本公司的法定及已發行普通股股本的變動如下:

附註: 於二零二一年十一月十九日, 本公司以配售方式發行 75,000,000 股普通股(「配售」), 配售價為每股 0.144 港元。於扣除相關開支後的配售所得款項淨額為 10,152,000 港元, 並用作額外一般營運資金。該等股份於各方面與現有股份享有同等地位。

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**22. SHARE CAPITAL AND RESERVES
(CONTINUED)****(ii) Reserves****(a) Capital reserve**

Capital reserve represents the waived dividends declared and approved by the Company to the shareholders in 2017, which are deemed as capital contribution from shareholders and credited to the capital reserve of the Company.

(b) Other reserve

Other reserve of the Group represented the difference between the share capital of the subsidiaries acquired pursuant to the reorganisation as completed in December 2016 and the nominal value of the share capital of the Company issued in exchange thereof.

23. DEFERRED INCOME TAX ASSETS

The following is the analysis of the deferred income tax assets for financial reporting purposes:

22. 股本及儲備 (續)**(ii) 儲備****(a) 資本儲備**

資本儲備指本公司於二零一七年向股東宣派及批准的豁免股息，有關款項被視為股東的資本出資並計入本公司資本儲備。

(b) 其他儲備

本集團其他儲備指根據於二零一六年十二月完成的重組所收購附屬公司的股本與本公司就交換而言所發行股本面值的差異。

23. 遞延所得稅資產

以下為用作財務申報用途的遞延所得稅資產分析：

| | | 於十二月三十一日 At 31 December | |
|----------------------------|---------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Deferred income tax assets | 遞延所得稅資產 | 3,071 | 367 |

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**23. DEFERRED INCOME TAX ASSETS
(CONTINUED)**

The following is an analysis of deferred income tax assets (liabilities) recognised and their movements during the year:

23. 遞延所得稅資產(續)

以下為於年內確認的遞延所得稅資產(負債)及其變動的分析：

| | | Expected credit loss provision 預期信貸 虧損撥備 HK\$'000 千港元 | Tax losses 稅項虧損 HK\$'000 千港元 | Timing differences on costs recognition 成本 確認時差 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|----------------|---|---------------------------------------|---|--------------------------------|
| At 1 January 2020 | 於二零二零年一月一日 | 211 | - | (730) | (519) |
| Credited to consolidated statement of comprehensive income | 計入綜合全面收益表 | 156 | - | 730 | 886 |
| At 31 December 2020 | 於二零二零年十二月三十一日 | 367 | - | - | 367 |
| (Charged) credited to consolidated statement of comprehensive income | (扣除自)計入綜合全面收益表 | (74) | 2,778 | - | 2,704 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 293 | 2,778 | - | 3,071 |

Despite the Group has suffered losses in the current period, a deferred tax asset arising from the unused tax losses of HK\$18,748,000 (2020: Nil) has been recognised during the year in excess of the profits arising from the reversal of existing taxable temporary differences. Of the total unused tax losses, HK\$6,992,000 (2020: Nil) may be carried forward for three years from the year of incurring the loss, and the remaining unused tax losses have no expiry dates. The Group has concluded that the deferred tax asset will be recoverable using the estimated future taxable income based on the approved business plans and budgets. The Group is expected to generate taxable income from 2022 onwards.

儘管本集團於本期間錄得虧損，但因未用稅項虧損18,748,000港元(二零二零年：無)而產生的遞延稅項資產，已於年內確認超出來自撥回現有應課稅暫時差額之溢利。未用稅項虧損總額中，6,992,000港元(二零二零年：無)可自產生虧損的年度起結轉三年，其餘未用稅項虧損並無到期日。本集團得出結論，遞延資產將根據批准的業務計劃及預算，使用估計的未來應課稅收益予以收回。預計本集團將自2022年起產生應課稅收益。

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24. FINANCIAL INSTRUMENTS BY CATEGORY

24. 按類別劃分的財務工具

| | | At 31 December 於十二月三十一日 | |
|--|----------------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Financial assets | 財務資產 | | |
| Financial assets at amortised cost | 按攤銷成本計量的財務資產 | | |
| – Trade receivables (Note 17) | – 貿易應收款項(附註17) | 36,605 | 71,288 |
| – Other receivables and deposits (Note 17) | – 其他應收款項及按金(附註17) | 1,291 | 1,188 |
| – Pledged and restricted bank deposits (Note 18) | – 已抵押及受限制銀行存款(附註18) | 15,258 | 20,212 |
| – Cash and cash equivalents (Note 18) | – 現金及現金等價物(附註18) | 10,653 | 18,718 |
| | | 63,807 | 111,406 |
| Financial liabilities | 財務負債 | | |
| Financial liabilities at amortised cost | 按攤銷成本計量的財務負債 | | |
| – Trade and retention payables (Note 19) | – 貿易應付款項及應付保固金(附註19) | 41,227 | 40,953 |
| – Other payables (Note 20) | – 其他應付款項(附註20) | 1,754 | 2,941 |
| – Bank borrowings (Note 21) | – 銀行借款(附註21) | 26,815 | 38,224 |
| – Lease liabilities (Note 15) | – 租賃負債(附註15) | 881 | 1,273 |
| | | 70,677 | 83,391 |

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25. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS **25. 綜合現金流量表附註****(a) Cash flows used in operations****(a) 經營所用現金流量**

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|-------------------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Cash flows used in operations | 經營所用現金流量 | | |
| (Loss) Profit before tax | 除稅前(虧損)溢利 | (24,906) | 25,712 |
| Adjustments for: | 經以下各項調整： | | |
| (Reversal) Impairment losses on trade receivables | 貿易應收款項(撥回)減值虧損 | (425) | 317 |
| Impairment losses on contract assets | 合約資產減值虧損 | 51 | 273 |
| Depreciation of plant and equipment | 機器及設備折舊 | 407 | 379 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 812 | 685 |
| Write-off of plant and equipment | 撇銷機器及設備 | - | 12 |
| Interest expense | 利息開支 | 1,873 | 980 |
| Interest income | 利息收入 | (165) | (214) |
| Operating (loss) profit before working capital changes | 營運資金變動前的經營(虧損)溢利 | (22,353) | 28,144 |
| Increase in contract assets | 合約資產增加 | (16,886) | (71,568) |
| Decrease (increase) in trade and other receivables, deposits and prepayments | 貿易及其他應收款項、按金及預付款項減少(增加) | 35,543 | (6,869) |
| Increase in trade and retention payables | 貿易應付款項及應付保固金增加 | 277 | 17,758 |
| Increase in other payables and accrued expenses | 其他應付款項及應計費用增加 | 316 | 1,832 |
| Cash used in operations | 經營所用現金 | (3,103) | (30,703) |

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25. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) **25. 綜合現金流量表附註(續)****(b) Non-cash investing and financing activities****(b) 非現金投資及融資活動**

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|---|-------------------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Additions to right-of-use assets (Note 15) | 添置使用權資產 (附註15) | 410 | 1,138 |

(c) Net debt reconciliation**(c) 債務淨額對賬**

| | | At 31 December 於十二月三十一日 | |
|--|-------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Cash and cash equivalents | 現金及現金等價物 | 10,653 | 18,718 |
| Bank borrowings – variable interest rate | 銀行借款 – 浮動利率 | (20,289) | (28,763) |
| Lease liabilities – fixed interest rate | 租賃負債 – 固定利率 | (881) | (1,273) |
| Net debt | 負債淨額 | (10,517) | (11,318) |

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25. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) **25. 綜合現金流量表附註(續)****(c) Net debt reconciliation (Continued)****(c) 債務淨額對賬(續)**

| | | Liabilities from financing activities 融資活動所得負債 | | | |
|------------------------------|------------------------|--|----------------------------|------------------------------|-----------------|
| | | Cash and cash equivalents | Bank borrowings | Lease liabilities | Total |
| | | 現金及 現金等價物 | 銀行借款 | 租賃負債 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Net cash at 1 January 2020 | 於二零二零年 一月一日之現金淨額 | 28,071 | (6,451) | (826) | 20,794 |
| Non-cash interest expenses | 非現金利息開支 | - | - | (33) | (33) |
| Addition from new leases | 來自新租賃的添置 | - | - | (1,138) | (1,138) |
| Cash flows | 現金流量 | (9,391) | (22,312) | 724 | (30,979) |
| Foreign exchange adjustments | 外匯調整 | 38 | - | - | 38 |
| Net debt at 31 December 2020 | 於二零二零年十二月 三十一日之負債淨額 | 18,718 | (28,763) | (1,273) | (11,318) |
| Non-cash interest expenses | 非現金利息開支 | - | - | (55) | (55) |
| Addition from new leases | 來自新租賃的添置 | - | - | (410) | (410) |
| Cash flows | 現金流量 | (8,080) | 8,474 | 857 | 1,251 |
| Foreign exchange adjustments | 外匯調整 | 15 | - | - | 15 |
| Net debt at 31 December 2021 | 於二零二一年十二月 三十一日之負債淨額 | 10,653 | (20,289) | (881) | (10,517) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

26. CONTINGENCIES

26. 或然負債

| | | At 31 December 於十二月三十一日 | |
|------------------------------|-------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Performance bonds (Note a) | 履約保證金 (附註a) | 12,254 | 17,343 |
| Corporate guarantee (Note b) | 企業擔保 (附註b) | 12,371 | 4,376 |

Note a:

Certain customers require the Group to procure performance bonds to be provided by a bank in favour of them as security for due performance and observance of the obligations under the contracts. In procuring such performance bonds, the Groups is usually required to place a required amount of deposit with such bank. If the Group fails to provide satisfactory services to the customers, the customers are entitled to seek compensation from the bank for the amount of financial losses incurred not exceeding the amount of the performance bonds. The Group will then become liable to compensate the bank accordingly. During the years ended 31 December 2021 and 2020, no call was made on any performance bonds of the Group. Typically, the estimated consideration is not constrained for revenue recognition.

Note b:

At 31 December 2021, the Group provided corporate guarantee amounted to approximately HK\$12,371,000 (2020: HK\$4,376,000) to a customer as an indemnity for two construction contracts (2020: one). During the years ended 31 December 2021 and 2020, no corporate guarantee was being enforced. Typically, the estimated consideration is not constrained for revenue recognition.

附註a:

若干客戶要求本集團安排銀行提供以彼等為受益人之履約保證，作為到期履行及遵守合約項下責任之擔保。在安排有關履約保證時，本集團通常需要向有關銀行存放一筆規定金額之存款。倘本集團未能向客戶提供合意的服務，則客戶有權就所產生財務損失金額向銀行尋求賠償，但不超過履約保證金額。然後，本集團將須對銀行作出相應賠償。於截至二零二一年及二零二零年十二月三十一日止年度，概無追討本集團的任何履約保證金。一般而言，估計代價不受收益確認限制。

附註b:

於二零二一年十二月三十一日，本集團向一名客戶提供企業擔保約12,371,000港元（二零二零年：4,376,000港元），作為兩份建築合約（二零二零年：一份）的彌償。截至二零二一年及二零二零年十二月三十一日止年度，並無強制執行任何公司擔保。一般而言，估計代價不受收益確認限制。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

27. RELATED PARTY DISCLOSURES**Compensation of key management personnel**

Key management personnel are deemed to be the members of the board of directors and senior management of the Company who have the responsibility for the planning and controlling the activities of the Group. The remuneration of directors and the senior management during the year is as follows:

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|----------|--|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Salaries and other benefits | 薪金及其他福利 | 6,636 | 5,375 |
| Discretionary bonus | 酌情花紅 | 1,471 | — |
| Contribution to retirement benefits scheme | 退休福利計劃供款 | 83 | 102 |
| | | 8,190 | 5,477 |

27. 關聯方披露**主要管理人員報酬**

主要管理人員被視為本公司董事會及高級管理層成員，彼等負責規劃及控制本集團的活動。董事及高級管理層於年內的薪酬如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度

28. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

28. 本公司附屬公司的詳情

The Company has direct and indirect equity interests in the following subsidiaries:

本公司於以下附屬公司擁有直接及間接股權：

| Name of subsidiaries 附屬公司名稱 | Place and date of incorporation 註冊成立地點及日期 | Principal place of business 主要營業地點 | Issued and fully paid share capital/quota capital 已發行及繳足股本/限額股本 | Equity interest attributable to the Group 本集團應佔股權 | | Principal activities 主要活動 |
|--|--|---------------------------------------|--|--|-------|--|
| | | | | 2021 | 2020 | |
| | | | | 二零二一年 | 二零二零年 | |
| Botop Engineering (Macau) Limited* | Macau, 5 March 2007 | Macau | MOP25,000 | 100% | 100% | Provision of supply, installation and fitting-out services of MVAC system for buildings in Macau |
| 寶創工程(澳門)一人有限公司* | 澳門, 二零零七年三月五日 | 澳門 | 25,000澳門元 | 100% | 100% | 於澳門為樓宇提供機械通風及空調系統的供應、安裝及裝修服務 |
| Wing Fung Engineering (H.K.) Limited# | Hong Kong, 25 July 1996 | Hong Kong | HK\$700 | 100% | 100% | Provision of supply, installation and fitting-out services of MVAC system for buildings in Hong Kong |
| 榮豐工程(香港)有限公司# | 香港, 一九九六年七月二十五日 | 香港 | 700港元 | 100% | 100% | 於香港為樓宇提供機械通風及空調系統的供應、安裝及裝修服務 |
| Wing Fung Investment Management Limited# | The BVI, 22 September 2016 | Hong Kong | US\$1 | 100% | 100% | Investment holding |
| Wing Fung Investment Management Limited# | 英屬維爾京群島, 二零一六年九月二十二日 | 香港 | 1美元 | 100% | 100% | 投資控股 |

* Subsidiary indirectly held by the Company and is the subsidiary of Wing Fung Investment Management Limited

* 本公司間接持有的附屬公司，並為Wing Fung Investment Management Limited的附屬公司

Subsidiaries directly held by the Company

本公司直接持有的附屬公司

All of the above subsidiaries are limited liability companies. None of the subsidiaries had issued any debt securities during the year or at the end of the year.

所有上述附屬公司均為有限公司。於本年度或於年結日，該等附屬公司概無發行任何債券證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Pursuant to the disclosure requirements of the Companies Ordinance (Cap. 622), the statement of financial position of the Company and the movements in its reserves is set out below:

29. 本公司財務狀況表

根據公司條例(第622章)的披露規定，本公司的財務狀況表及其儲備變動載列如下：

| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Non-current assets | 非流動資產 | | |
| Investments in subsidiaries | 於附屬公司的投資 | 37,966 | 37,966 |
| Right-of-use assets | 使用權資產 | 521 | 1,089 |
| Amount due from subsidiaries (Note a) | 應收附屬公司款項(附註a) | 6,614 | 4,045 |
| | | 45,101 | 43,100 |
| Current assets | 流動資產 | | |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | 1,512 | 1,505 |
| Cash and cash equivalents | 現金及現金等價物 | 888 | 483 |
| | | 2,400 | 1,988 |
| Total assets | 資產總額 | 47,501 | 45,088 |
| Non-current liabilities | 非流動負債 | | |
| Lease liabilities | 租賃負債 | - | 536 |
| Amount due to a subsidiary (Note b) | 應付一間附屬公司款項(附註b) | 5,918 | 6,082 |
| | | 5,918 | 6,618 |
| Current liabilities | 流動負債 | | |
| Other payables and accrued expenses | 其他應付款項及應計費用 | 1,914 | 2,138 |
| Lease liabilities | 租賃負債 | 536 | 556 |
| | | 2,450 | 2,694 |
| Total liabilities | 負債總額 | 8,368 | 9,312 |
| Net assets | 資產淨值 | 39,133 | 35,776 |
| Equity | 權益 | | |
| Share capital (Note 22) | 股本(附註22) | 6,490 | 5,740 |
| Reserves (Note c) | 儲備(附註c) | 32,643 | 30,036 |
| Total equity | 總權益 | 39,133 | 35,776 |

This statement of financial position was approved and authorised for issue by the Board of Directors on 22 March 2022 and are signed on its behalf by:

本財務狀況表已獲董事會於二零二二年三月二十二日批准及授權刊發並由以下人士代表簽署：

Chung Chi Keung
Director

Lai Suk Fan
Director

鍾志強
董事

黎淑芬
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

29. STATEMENT OF FINANCIAL POSITION OF
THE COMPANY (CONTINUED)

Note a: The amount is unsecured, non-interest bearing and is expected to be recovered after twelve months from the end of the reporting period.

Note b: The amount is unsecured, non-interest bearing and is expected to be repaid after twelve months from the end of the reporting period.

Note c: Movement in the Company's reserves

29. 本公司財務狀況表(續)

附註a: 該款項為無抵押，不計息並預期將於報告期末起計十二個月後收回。

附註b: 該款項為無抵押，不計息並預期將於報告期末起計十二個月後償還。

附註c: 本公司儲備的變動

| | | Share premium 股份溢價 HK\$'000 千港元 | Capital reserve 資本儲備 HK\$'000 千港元 | Accumulated losses 累計虧損 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|---------------------------------|---|---|--|--------------------------------|
| At 1 January 2020 | 於二零二零年一月一日 | 41,147 | 11,676 | (14,938) | 37,885 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面 開支總額 | - | - | (7,849) | (7,849) |
| At 31 December 2020 and 1 January 2021 | 於二零二零年十二月 三十一日及 二零二一年一月一日 | 41,147 | 11,676 | (22,787) | 30,036 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支 總額 | - | - | (6,795) | (6,795) |
| Issue of shares upon placing of shares | 配售股份時發行股份 | 10,050 | - | - | 10,050 |
| Transaction costs incurred in connection with placing of shares | 就配售股份產生的 交易成本 | (648) | - | - | (648) |
| At 31 December 2021 | 於二零二一年十二月 三十一日 | 50,549 | 11,676 | (29,582) | 32,643 |

30. EVENTS AFTER THE REPORTING PERIOD

Pursuant to an ordinary resolution passed by shareholders at the extraordinary general meeting held on 19 January 2022, every four (4) issued and unissued shares of HK\$0.01 each would be consolidated into one (1) consolidated share of HK\$0.04 each and became effective on 21 January 2022.

30. 報告期後事項

根據股東於二零二二年一月十九日舉行的股東特別大會上通過的普通決議案，每四(4)股每股面值0.01港元的已發行及未發行股份將合併為一(1)股每股面值0.04港元的合併股份，並於二零二二年一月二十一日生效。

FINANCIAL SUMMARY

財務概要

For the five years ended 31 December 2017, 2018, 2019, 2020 and 2021 截至二零一七年、二零一八年、二零一九年、二零二零年及二零二一年十二月三十一日止五個年度

RESULTS

業績

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | | |
|------------------------------------|-----------------|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| Consolidated results | 綜合業績 | | | | | |
| Revenue | 收益 | 174,824 | 221,225 | 190,486 | 200,635 | 166,082 |
| Gross (loss) profit | (毛損) 毛利 | (7,220) | 41,664 | 45,244 | 38,334 | 32,569 |
| (Loss) Profit before income tax | 除所得稅前(虧損) 溢利 | (24,906) | 25,712 | 26,171 | 13,039 | 8,030 |
| (Loss) Profit for the year | 年內(虧損)溢利 | (21,823) | 22,571 | 21,311 | 10,140 | 5,211 |

ASSETS AND LIABILITIES

資產及負債

| | | At 31 December 於十二月三十一日 | | | | |
|--|---------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| Consolidated assets and liabilities | 綜合資產及 負債 | | | | | |
| Total assets | 總資產 | 188,110 | 216,618 | 140,739 | 130,598 | 74,046 |
| Total liabilities | 總負債 | (75,035) | (91,828) | (38,615) | (49,944) | (52,349) |
| Net assets | 資產淨值 | 113,075 | 124,790 | 102,124 | 80,654 | 21,697 |

