



SHOUGANG CONCORD GRAND (GROUP) LIMITED 首長四方 (集團) 有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 730

2021 年報 ANNUAL REPORT



CONTENTS

目錄

- | | | | |
|-----|---|-----|--|
| 2 | Corporate Information 公司資料 | 121 | Independent Auditor's Report 獨立核數師報告書 |
| 4 | Directors' Biographies 董事簡介 | | Audited Consolidated Financial Statements 經審核綜合財務報告 |
| 9 | Main Operational Structure 主要業務架構 | 130 | Consolidated Statement of Comprehensive Income 綜合全面收益表 |
| 10 | Financial Highlights 財務摘要 | 132 | Consolidated Statement of Financial Position 綜合財務狀況表 |
| 11 | Chairman's Statement 主席報告書 | 134 | Consolidated Statement of Changes in Equity 綜合權益變動表 |
| 14 | Management Discussion and Analysis 管理層論述與分析 | 137 | Consolidated Statement of Cash Flows 綜合現金流量表 |
| 22 | Corporate Governance Report 企業管治報告 | 139 | Notes to the Consolidated Financial Statements 綜合財務報告附註 |
| 52 | Environmental, Social and Governance Report 環境、社會及管治報告 | 271 | Five-Year Financial Summary 五年財務摘要 |
| 100 | Report of the Directors 董事會報告書 | | |

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Xu Liang (*Chairman*)
Liang Hengyi (*Managing Director*)
Tian Gang (*Executive Director*)
Huang Donglin (*Non-executive Director*)
Zhang Jianxun (*Non-executive Director*)
Tam King Ching, Kenny (*Independent Non-executive Director*)
Zhang Xingyu (*Independent Non-executive Director*)
Ng Man Fung, Walter (*Independent Non-executive Director*)
On Danita (*Independent Non-executive Director*)

EXECUTIVE COMMITTEE

Xu Liang (*Chairman*)
Liang Hengyi
Tian Gang

AUDIT COMMITTEE

Tam King Ching, Kenny (*Chairman*)
Huang Donglin
Zhang Xingyu
Ng Man Fung, Walter
On Danita

NOMINATION COMMITTEE

Xu Liang (*Chairman*)
Huang Donglin
Tam King Ching, Kenny
Zhang Xingyu
Ng Man Fung, Walter
On Danita

REMUNERATION COMMITTEE

Tam King Ching, Kenny (*Chairman*)
Xu Liang
Huang Donglin
Zhang Xingyu
Ng Man Fung, Walter
On Danita

董事會

徐 量(*主席*)
梁衡義(*董事總經理*)
田 剛(*執行董事*)
黃冬林(*非執行董事*)
張建勳(*非執行董事*)
譚競正(*獨立非執行董事*)
張興禹(*獨立非執行董事*)
伍文峯(*獨立非執行董事*)
安殷霖(*獨立非執行董事*)

執行委員會

徐 量(*主席*)
梁衡義
田 剛

審核委員會

譚競正(*主席*)
黃冬林
張興禹
伍文峯
安殷霖

提名委員會

徐 量(*主席*)
黃冬林
譚競正
張興禹
伍文峯
安殷霖

薪酬委員會

譚競正(*主席*)
徐 量
黃冬林
張興禹
伍文峯
安殷霖

COMPANY SECRETARY

Li Po Ki

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building, Central
Hong Kong

PRINCIPAL REGISTRAR

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

PRINCIPAL OFFICE IN HONG KONG

5/F., Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

STOCK CODE

730

WEBSITE

www.shougang-grand.com.hk

公司秘書

李寶琪

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師
香港
中環太子大廈22樓

主要過戶登記處

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

香港主要辦事處

香港
灣仔
告士打道56號
東亞銀行港灣中心5樓

股份代號

730

網址

www.shougang-grand.com.hk

DIRECTORS' BIOGRAPHIES

董事簡介

DIRECTORS

Mr. Xu Liang, aged 56, was appointed as an Executive Director of the Company in January 2017 and the Chairman of the board of directors of the Company (the "Board") since June 2017, and acted as the Managing Director of the Company from January 2021, in order to re-comply with the requirement under code provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in relation to the roles of chairman and the chief executive should not be performed by the same individual, he has resigned as the Managing Director of the Company with effect from 29 March 2021. Mr. Xu is also the Chairman of each of the Executive Committee and the Nomination Committee, as well as a member of the Remuneration Committee of the Company. He is also the chairman of the board of directors of Beijing West Business Factoring Company Limited* ("Beijing West Factoring", 京西商業保理有限公司), Beijing West Factoring is held as to 41.41% equity interests by the Company. Mr. Xu joined the group of Shougang Group Co., Ltd ("Shougang Group") in 1988 and held various senior positions. He is the managing director of Shougang Holding (Hong Kong) Limited ("Shougang Holding"). Shougang Holding is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") while Shougang Group is the holding company of Shougang Holding. Mr. Xu is also an executive director and the member of the executive committee of Shoucheng Holdings Limited ("Shoucheng Holdings"). He is currently the chairman and an executive director, and the chairman of the executive committee and the nomination committee, and the vice chairman of the remuneration committee of Global Digital Creations Holdings Limited ("GDC"). The shares of Shoucheng Holdings and GDC is listed on the Main Board and the GEM of the Stock Exchange, respectively. Mr. Xu is a senior accountant, graduated from Fudan University and obtained a bachelor degree in statistics and a master degree in business administration from Tsinghua University. He has extensive experience in management.

董事

徐量先生，五十六歲，高級會計師，於二零一七年一月獲委任為本公司執行董事及自二零一七年六月獲委任為本公司董事會(「董事會」)主席，並自二零二一年一月起兼任本公司董事總經理，為重新遵守香港聯合交易所有限公司(「聯交所」)證券上市規則附錄十四所載之企業管治守則第A.2.1條守則條文有關主席與行政總裁不應由一人同時兼任的規定，彼已辭任本公司董事總經理，自二零二一年三月二十九日起生效。徐先生為本公司執行委員會及提名委員會主席，以及薪酬委員會成員。彼亦為京西商業保理有限公司(「京西保理」)董事長，本公司持有京西保理41.41%股權。徐先生於一九八八年加入首鋼集團有限公司(「首鋼集團」)，曾擔任多個高級職位。彼為首鋼控股(香港)有限公司(「首鋼控股」)董事總經理。首鋼控股為本公司之主要股東(根據證券及期貨條例(「證券及期貨條例」)第XV部賦予之涵義)而首鋼集團為首鋼控股之控股公司。徐先生亦為首程控股有限公司(「首程控股」)執行董事及執行委員會成員。彼現亦為環球數碼創意控股有限公司(「環球數碼」)主席兼執行董事，並為執行委員會及提名委員會主席，以及為薪酬委員會副主席。首程控股及環球數碼之股份分別於聯交所主板及創業板上市。徐先生為高級會計師，畢業於復旦大學並獲得數理統計學學士學位，並於清華大學獲得工商管理碩士學位。彼於管理方面具有豐富的經驗。

Mr. Liang Hengyi, aged 48, was appointed as an Executive Director, Managing Director and a member of Executive Committee of the Company in March 2022. Mr. Liang joined the Company in March 2021 served as a General Manager. He served as a managing director, an executive director and a member of each of the executive committee and the nomination committee of Shoucheng Holdings. Mr. Liang also served as a managing director of Shougang Fund, the general manager of non-fare business unit of Beijing Infrastructure Investment Co., Ltd. (北京市基礎設施投資有限公司), the general manager of Beijing Capital Investment Rail Transit Assets Management Company (北京京投軌道交通資產經營管理有限公司) and the president of Beijing Urban Underground Space Development and Construction Co., Ltd. (北京城投地下空間開發建設有限公司). He holds a master degree in Economics and a Doctor of Philosophy degree in Management and is a senior economist.

Mr. Tian Gang, aged 52, was appointed as an Executive Director of the Company in March 2021 and is a member of Executive Committee. Mr. Tian joined the Company in July 2017 and is currently the deputy general manager of the Company and the managing director of South China International Leasing Co., Ltd., a non-wholly owned subsidiary of the Company. He worked at China Construction Bank Beijing Branch from August 1990 to July 2017. Mr. Tian successively served as branch accountant, deputy director and director of the business department, manager of the real estate credit department, director of the company and institutional business center, assistant to the president and branch president. He obtained a postgraduate degree (on-the-job) from the Party School of the Central Committee of the Chinese Communist Party. Mr. Tian has worked in the financial field for more than 30 years and has extensive experience in the financial industry.

Mr. Huang Donglin, aged 61, was appointed as a Non-executive Director of the Company in May 2018 and is a member of each of the Remuneration Committee and the Nomination Committee, he was also appointed as a member of the Audit Committee in March 2021. Mr. Huang held positions in The People's Bank of China, Industrial and Commercial Bank of China and Bank of China. He has worked in the finance industry for over thirty years and led the equity reorganization and restructuring of a number of domestic companies. Mr. Huang holds an executive master of business administration from Shanghai Jiao Tong University and a doctor's degree from United Business Institutes in Belgium. He has extensive experience in finance, and has been engaged in relevant enterprise management and diagnosis for a long time.

梁衡義先生，四十八歲，於二零二二年三月獲委任為本公司執行董事、董事總經理及執行委員會成員。梁先生於二零二一年三月加入本公司出任總經理。彼曾任首程控股董事總經理、執行董事兼執行委員會及提名委員會成員。梁先生曾任職首鋼基金董事總經理、北京市基礎設施投資有限公司多種經營事業部總經理、北京京投軌道交通資產經營管理有限公司總經理及北京城投地下空間開發建設有限公司董事長等職務。彼持有經濟學碩士及管理學博士學位，並為高級經濟師。

田剛先生，五十二歲，於二零二一年三月獲委任為本公司執行董事及執行委員會成員。田先生於二零一七年七月加入本公司，現任本公司副總經理及本公司非全資附屬公司南方國際租賃有限公司董事總經理。彼於一九九零年八月至二零一七年七月於中國建設銀行北京分行任職。田先生歷任支行會計師、營業部副主任及主任、房地產信貸部經理、公司及機構業務中心主任、行長助理及支行行長。彼獲得中共中央黨校在職研究生學歷。田先生於金融領域工作超過三十年，於金融行業擁有豐富的經驗。

黃冬林先生，六十一歲，於二零一八年五月獲委任為本公司非執行董事，並為薪酬委員會及提名委員會成員，彼亦於二零二一年三月獲委任為審核委員會成員。黃先生曾於中國人民銀行、中國工商銀行及中國銀行任職。彼從事金融工作逾三十年，曾主導多間國內公司之股權重整及重組。黃先生持有上海交通大學高級管理人員工商管理碩士學位及比利時聯合商學院博士學位。彼於財務方面具有豐富的經驗，長期從事相關企業管理及企業診斷工作。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Zhang Jianxun, aged 42, was appointed as a Non-executive Director of the Company in March 2021. Mr. Zhang is currently the managing director of Beijing Shougang Fund Co., Ltd.* (北京首鋼基金有限公司, "Shougang Fund"), the Chairman and General Manager of Jingxi Holdings Co., Ltd. ("Jingxi Holdings"). Shougang Fund and Jingxi Holdings are the substantial shareholders of the Company within the meaning of Part XV of the SFO, Shougang Group is the holding company of Shougang Fund, while Shougang Fund is the holding company of Jingxi Holdings. Mr. Zhang had served as the deputy general manager of Beijing E-Town International Investment & Development Co., Ltd., the chairman of Beijing E-Town International Industrial Investment Management Co., Ltd., and the general manager of Cultural Investment Holdings Co., Ltd. (stock code: SH600715, formerly named as Song Liao Automotive Co., Ltd.), the shares of which are listed on the Shanghai Stock Exchange, the director of China Integrated Circuit Industry Investment Fund Co., Ltd., the director of AVIC Automotive Systems Holdings Co., Ltd., the director of Nexteer Automotive Group Limited (stock code: 1316), the shares of which are listed on the Main Board of the Stock Exchange, the director of Beijing Sicheng Semiconductor Co., Ltd.* (北京矽成半導體有限公司) and the director of Integrated Silicon Solution Inc.. He holds a master degree of engineering from Tianjin University and a master degree of science from the University of Leeds. Mr. Zhang has extensive experience in mergers and acquisitions and capital operation of listed companies.

Mr. Tam King Ching, Kenny, aged 72, was appointed as an Independent Non-executive Director of the Company in February 1996 and is the Chairman of each of the Audit Committee and the Remuneration Committee, as well as a member of the Nomination Committee. Mr. Tam is a practising Certified Public Accountant in Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam is a Past President of The Society of Chinese Accountants and Auditors. He also serves as an independent non-executive director of certain listed companies on the Main Board of the Stock Exchange, namely, BeijingWest Industries International Limited, CCT Fortis Holdings Limited, GBA Holdings Limited (formerly known as Greater Bay Area Investments Group Holdings Limited), Kingmaker Footwear Holdings Limited, Starlite Holdings Limited, Hong Kong Shanghai Alliance Holdings Limited, West China Cement Limited and Wisdom Education International Holdings Company Limited. Mr. Tam holds a bachelor degree in commerce from Concordia University, Canada.

張建勳先生，四十二歲，於二零二一年三月獲委任為本公司非執行董事。張先生現任北京首鋼基金有限公司(「首鋼基金」)董事總經理、京西控股有限公司(「京西控股」)董事長及總經理。首鋼基金及京西控股均為本公司之主要股東(根據證券及期貨條例第XV部賦予之涵義)，首鋼集團為首鋼基金之控股公司，而首鋼基金為京西控股之控股公司。張先生曾擔任北京亦莊國際投資發展有限公司副總經理、北京亦莊國際產業投資管理有限公司董事長、文投控股股份有限公司(股份代號：SH600715，前稱鬆遼汽車股份有限公司)總經理，其股份於上海證券交易所上市、國家集成電路產業投資基金股份有限公司董事、中國航空汽車系統控股有限公司董事、耐世特汽車系統集團有限公司(股份代號：1316)董事，其股份於聯交所主板上市、北京矽成半導體有限公司董事及Integrated Silicon Solution Inc.董事。彼持有天津大學工學工程碩士學位及利茲大學理學碩士學位。張先生於公司併購及上市公司資本運作方面具有豐富的經驗。

譚競正先生，七十二歲，於一九九六年二月獲委任為本公司獨立非執行董事，並為審核委員會及薪酬委員會主席，以及提名委員會成員。譚先生為香港執業會計師。彼為香港會計師公會資深會員及加拿大安大略省特許專業會計師公會會員。譚先生為香港華人會計師公會前任會長。彼亦擔任聯交所主板若干上市公司之獨立非執行董事，即京西重工國際有限公司、中建富通集團有限公司、GBA集團有限公司(前稱大灣區投資控股集團有限公司)、信星鞋業集團有限公司、星光集團有限公司、滬港聯合控股有限公司、中國西部水泥有限公司及光正教育國際控股有限公司(前稱睿見教育國際控股有限公司)。譚先生持有加拿大康戈迪亞大學商學士學位。

Mr. Zhang Xingyu, aged 37, was appointed as an Independent Non-executive Director of the Company in March 2020 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Zhang currently serves as the chief strategy officer of Gaoteng Global Asset Management Limited. He had served as the department cadre and confidential secretary of main leader of National Council for Social Security Fund and the vice president and the special assistant to the chairman of Shanghai Zhaogang Netcom Corporation Limited. Mr. Zhang holds a bachelor degree of management from China Youth University of Political Studies and master degree of economics from Renmin University of China. He has extensive experience in company strategy, government affairs, assets management and capital operation etc.

Mr. Ng Man Fung, Walter, aged 54, was appointed as an Independent Non-executive Director of the Company in March 2021 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Ng is an executive director of Mingfa Group (International) Co., Ltd. (stock code: 846), the shares of which are listed on the Main Board of the Stock Exchange and its main business is real estate development and investment in the People's Republic of China. He had served as an analyst in CEF Brokerage Limited from July 1996 to June 1998 and a vice president of research department in GK Goh Securities Limited from December 1998 to July 1999, responsible for the analysis of the internet, retail and traditional manufacturing companies and their related markets. In addition, Mr. Ng served as the head of corporate finance of Nan Hai Corporation Limited (stock code: 680) from July 1999 to January 2015, responsible for mergers and acquisitions and corporate financing activities. The shares of Nan Hai Corporation Limited are listed on the Main Board of the Stock Exchange. He also served as the chief financial officer of MEML Holdings Limited and DoDoPal Holdings Limited from March 2015 to September 2017 and from September 2017 to September 2019 respectively. Mr. Ng holds a bachelor degree in economics from Oregon University.

張興禹先生，三十七歲，於二零二零年三月獲委任為本公司獨立非執行董事，並為審核委員會、薪酬委員會、以及提名委員會成員。張先生現任高騰國際資產管理有限公司首席戰略官。彼曾擔任全國社會保障基金理事會幹部及主要領導機要秘書及上海找鋼網絡信息科技股份有限公司副總裁。張先生持有中國青年政治學院管理學學士學位及中國人民大學經濟學碩士學位。彼於公司戰略、政府事務、資產管理及資本運作等方面具有豐富的經驗。

伍文峯先生，五十四歲，於二零二一年三月獲委任為本公司獨立非執行董事，並為審核委員會、薪酬委員會，以及提名委員會成員。伍先生為明發集團(國際)有限公司(股份代號：846)執行董事，其股份於聯交所主板上市及主要業務為中國房地產開發及投資。彼於一九九六年七月至一九九八年六月於加怡證券經紀有限公司擔任分析員及於一九九八年十二月至一九九九年七月於新加坡GK Goh證券有限公司擔任研究部副總裁，負責互聯網、零售和傳統製造業公司及其相關市場之分析工作。此外，伍先生於一九九九年七月至二零一五年一月於南海控股有限公司(股份代號：680)擔任企業融資總監，負責收購合併及企業融資活動。南海控股有限公司之股份於聯交所主板上市。彼亦分別於二零一五年三月至二零一七年九月及二零一七年九月至二零一九年九月於弘毅控股有限公司及都都寶控股有限公司擔任首席財務官一職。伍先生持有美國俄勒岡大學經濟學學士學位。

DIRECTORS' BIOGRAPHIES

董事簡介

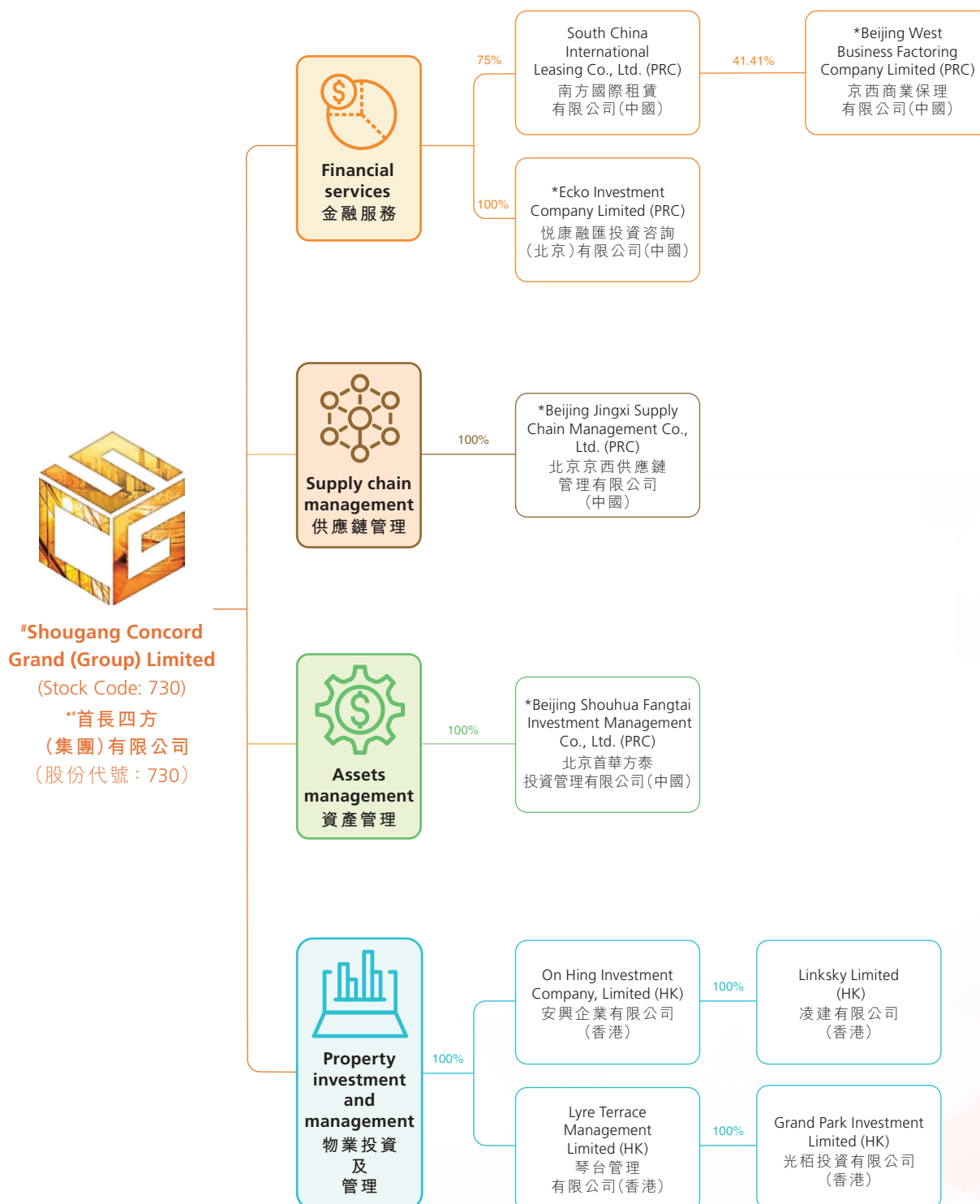
Ms. On Danita, aged 45, was appointed as an Independent Non-executive Director of the Company in March 2021 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Ms. On is currently the investor and corporate communications director of Chow Tai Fook Jewellery Company Limited (stock code: 1929). She has worked in PricewaterhouseCoopers, Morgan Stanley, Citadel Investment Group and Ying Sheng Science Co., Ltd. (stock code: 209). The shares of both Chow Tai Fook Jewellery Co., Ltd. and Ying Sheng Science Co., Ltd. are listed on the Main Board of the Stock Exchange. Ms. On holds a bachelor degree in business administration from the Chinese University of Hong Kong and a master degree in finance from the London School of Business. She is a member of the Hong Kong Institute of Certified Public Accountants. Ms. On has more than 20 years of experience in auditing, management consultation, securities research, asset management and investor relations.

安殷霖女士，四十五歲，於二零二一年三月獲委任為本公司獨立非執行董事、並為審核委員會、薪酬委員會，以及提名委員會成員。安女士現為周大福珠寶有限公司(股份代號：1929)的投資者及企業傳訊總監。彼曾於羅兵咸永道會計師事務所、摩根士丹利、Citadel Investment Group及瀛晟科學有限公司(股份代號：209)任職。周大福珠寶有限公司及瀛晟科學有限公司之股份均於聯交所主板上市。安女士持有香港中文大學工商管理學士學位及倫敦商業院財經碩士學位。彼為香港會計師公會會員。安女士於審核、管理諮詢、證券研究、資產管理及投資者關係方面具有超過二十年的經驗。

MAIN OPERATIONAL STRUCTURE

主要業務架構

AS AT 31 DECEMBER 2021 於二零二一年十二月三十一日



Notes:

Listed company

* For identification purpose only

附註:

上市公司

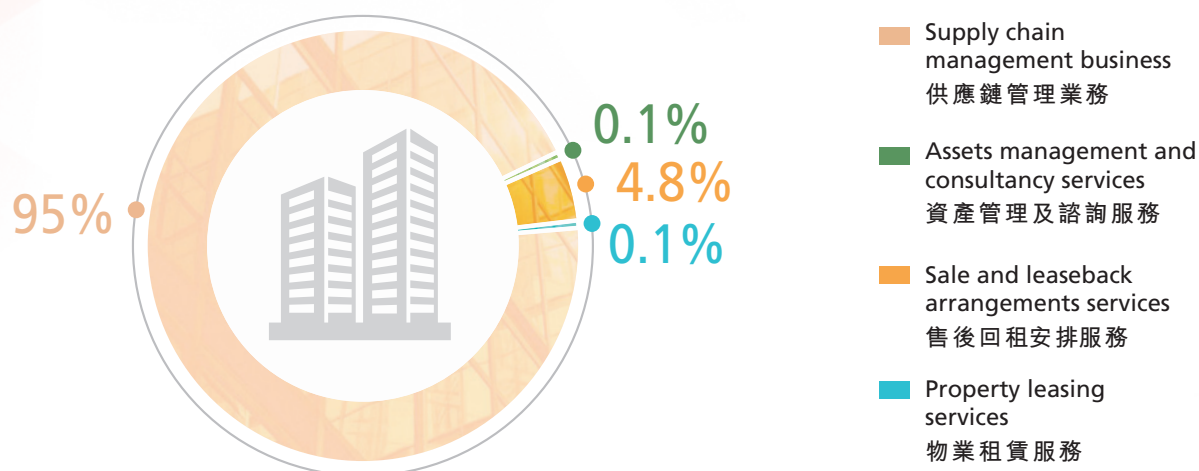
* 僅供識別

FINANCIAL HIGHLIGHTS

財務摘要

TURNOVER BY PRINCIPAL ACTIVITY FOR THE YEAR 2021

二零二一年按主要業務分類之收益



TURNOVER BY GEOGRAPHICAL LOCATION FOR THE YEAR 2021

二零二一年按經營地區分類之收益



For the purpose of this report, "Mainland China" refers to the mainland of the People's Republic of China and does not include Hong Kong, Macau and Taiwan
就本報告而言，「中國內地」指中華人民共和國內地，不包括香港、澳門及台灣

I am pleased to present the 2021 annual report of the Group. Adhering closely to the development philosophy of empowering industrial upgrading through financial services, Shougang Concord Grand deeply developed its financial services along the supply chain of the steel industry. On the basis of providing satisfactory service to the upstream and downstream customers of Shougang Group, we actively targeted the core enterprises of other industries, and enhanced the Group's capability to manage supply chains and provide financial services.

In 2021, the Group adhered closely to its key strategy of carrying out foundation work, paying attention to the efficient allocation of resources and steady growth of effectiveness, as it continued to achieve excellent operating results of substantial year-on-year growth in both revenue and profit. We overcame the negative impact of the pandemic, with the revenue and business scale of each of our business units maintaining growth momentum. Our profitability improved significantly, while the asset quality and structure of our business segments remained at a high level. We worked hard together to overcome hurdles, thus achieving remarkable operating results and providing substantial dividend returns to our shareholders for the first time in many years.

We also convened a special general meeting in January 2022 to change the name of the Company to "Capital Industrial Financial Services Group Limited" (referred hereafter as "Capital Industrial Financial Services"), with a view to better reflecting the Group's future strategic positioning and business development. With the advancement of internet technologies, the field of bulk commodity trade is seeing a sea change. Driven by the forces of policy support, technology push, transformation of the banking industry as well as the changes of the industry, supply chain financing has become the best aid for bulk commodity trade. Therefore, Capital Industrial Financial Services is committed to forging a "three-in-one" product system, who provides solutions that combine new finances, new technologies and new services and gives full play to the potential of supply chain financing in real economy, thereby realizing the brand's vision of "understanding its way and amplifying its effects".

Looking back on 2021, with unwavering confidence and pragmatic actions, we effectively turned our business tasks into specific plans and specific measures. We stressed our efforts in key aspects and strove to achieve operating results and growth results through effective implementation. With the innovative implementation and the support of information technology, we were committed to building a professional industrial financial service platform which integrates numerous industrial enterprises, financial institutions and other participating parties. With improved means of connection between upstream and downstream enterprises as well as better means of financing and risk control for them, we worked hard on promoting synergy, improving efficiency and reducing costs. Linked by capital and with a win-win as their common goal, the financial industry and other industries complemented each other and developed together, from which each participant could benefit.

本人欣然提呈集團於二零二一年年度報告。首長四方緊緊圍繞金融服務賦能產業升級的發展思路，以深耕鋼鐵業供應鏈金融服務為抓手，在服務好首鋼集團上下游客戶的基礎上，積極拓展其他行業的核心企業，提升集團供應鏈管理與金融服務能力。

於二零二一年，集團緊扣發展基礎工作主線，注重資源高效配置，注重效益穩步提高，持續實現營業收入和溢利同比顯著增長的經營佳績。我們克服了疫情的負面影響，各業務單位收入與業務規模均保持增長的勢頭，盈利能力大幅提升並保持優良的資產質量與結構。在大家同心協力下，排除各種困難獲得顯著的經營成果，並多年來首次恢復向股東提供實質的股息回報。

我們亦於二零二二年一月份召開了股東特別大會，將公司名稱更改為首惠產業金融服務集團有限公司(以下簡稱「首惠產融」)以更清晰反映本集團未來戰略定位及業務發展。隨着互聯網技術的日益成熟，大宗商品流通領域迎來重大變革，在政策鼓勵、技術推動、銀行轉型、產業變革四種力量推動下，供應鏈金融成為產業最強助力。因此，首惠產融努力打造「三位一體」產品體系，提出新金融、新科技、新服務相結合的解決方案，發揮供應鏈金融服務實體經濟能力，實現「明其道，助其效」的品牌精髓。

回顧二零二一年，憑藉堅定的信心、我們務實行動，切實將各業務工作部署，化為具體方案，變成具體措施，在關鍵點上發力見效，以執行效力爭創經營結果和發展業績。在信息技術的創新實踐及助推下，我們致力打造專業的產業金融服務平台將眾多的產業企業、金融機構和其他參與方整合在一起。上下游企業之間擁有了更好的連接手段、融通手段及風控手段，在促進協同、提高效率、降低成本等方面下功夫，以資本為紐帶，以共贏為目標，金融和產業互補發展，令各參與者皆可獲益。

CHAIRMAN'S STATEMENT 主席報告書

In 2021, we achieved remarkable results by focusing on steel companies and domestic conglomerates as well as their upstream and downstream customers. The financial leasing business to domestic conglomerates continued to grow steadily in terms of project scale. A supply chain management company achieved breakthrough in terms of revenue from steel companies and their upstream and downstream customers and continued to expand in scale. The assets management business model of asset securitization was further optimized and underwent expansion. The commercial factoring business also continued to generate profit. During the year, we endeavored to expand our strategic customer and strategic partner base to enhance project scale and improve profitability. While putting emphasis on business expansion, the Group also attached great importance to business quality and asset safety. As a result, the asset of each business segment was ensured to be of good quality. In addition to pushing ahead with cost reduction and efficiency enhancement, we strengthened system and mechanism building, exercised stringent cost control, continuously optimized financial structure, and enhanced capital utilization efficiency.

Looking forward to 2022, in the context of industrial transformation and upgrading as well as rapid technological iteration, finance will provide strong support for industrial upgrading and development. As the integration of the financial industry and other industries continues to deepen and evolve, it will form a new ecosystem along the industrial chain. We will continue to focus on the provision of financial leasing, commercial factoring, supply chain management, asset securitization and other portfolios of services and products to steel companies and domestic conglomerates as well as their upstream and downstream customers, in order to provide customized financial service solutions to core enterprises, meet the strategic needs of core enterprises and their upstream and downstream companies for industrial upgrading and give full play to the important role of financial services in empowering real economy and proactively facilitate the linkage between the business segments so as to strengthen our customer service capabilities.

In recent years, the asset quality of Capital Industrial Financial Services has been gradually optimized and its capital scale has significantly increased. We will continue to optimize our customer structure, risk control management, and handling of historical bad debts, thus paving the way for our future development. In respect of business expansion, we will broaden the scale of market-oriented business while deeply developing its steel industry. In view of our existing business approach, we will regroup our customer structure and focus on serving central and state-owned enterprises such as Shougang Group. The financial leasing business will be carried out mainly with the Group and its subsidiaries, while the external market business will focus on local government customers. We will also enhance the review and management of the whole process of project implementation, and strictly control risks.

堅持瞄準鋼鐵產業和國內大型企業集團及其上下游客戶，於二零二一年我們獲得可喜的成績。融資租賃業務為國內大型企業集團項目規模持續穩健增長，供應鏈管理公司圍繞鋼鐵行業及其上下游產業實現創收突破且規模在日益擴大，資產證券化資管業務模式進一步優化及進行拓展，商業保理業務亦持續貢獻利潤。年內，我們致力拓展戰略客戶和戰略合作夥伴進而提升項目規模和盈利水平。集團在注重業務拓展的同時，亦注重業務質量及資產安全性，各業務板塊的資產質量良好。我們亦持續着力推進降本增效同時加強制度和機制建設，嚴控成本支出，持續優化財務結構，提升資金使用效率。

展望二零二二年，在產業轉型升級、科技快速迭代的大環境下，金融為產業升級與發展提供了有力的支持，產融結合不斷深入演進，形成產業鏈生態共創。我們將繼續重點圍繞鋼鐵產業和國內大型企業集團及其上下游客戶提供融資租賃、商業保理、供應鏈管理、資產證券化等組合服務產品，賦予核心企業定制化的金融服務解決方案，滿足核心企業及其上下游產業升級的戰略訴求，發揮出金融服務賦能實體經濟的重要作用和能力，積極推動業務板塊之間的聯動，從而增強我們對客戶的服務能力。

近年來，首惠產融資產質量得到逐步優化，資本規模顯著提升，優化客戶結構、風控管理、處理歷史壞賬，為未來發展奠定基礎。在業務拓展上，在深耕集團鋼鐵主業的基礎上，我們將拓展更多市場化業務。針對現有業務方向，我們將重新聚集客戶結構，聚焦服務首鋼集團等央企、國企，融資租賃業務主要圍繞集團及下屬企業展開，外部市場業務以地方政府客戶為主，加強項目執行全過程的審查及管理，嚴格控制風險。

In respect of developing new business, the focus will be on the Group's positioning regarding the supply chain financial technology platform, the domestic and foreign financing platform and the pre-listing guidance platform for new industries. We will carry out our supply chain financial business mainly with the upstream and downstream companies of central and state-owned enterprises such as Shougang Group, striving to become an "amplifier" for the revenue of core enterprises, an "accelerator" for their business development and a "stabilizer" for their customer loyalty. Through diverse financing tools (both domestic and overseas) and different market and currency cycles, we will bring low-cost funds and equity capital to central and state-owned enterprises such as Shougang Group, and help conglomerates reduce debts and optimize their capital structure. We will also actively leverage the advantages of internal investment banks to assist Shougang Group in promoting mixed-ownership reform, transformation and sowing industrial seeds for innovative development. Guided by the above expansion approaches, the Group will achieve sustainable growth in its business scale and create greater business value for its customers, shareholders and society.

The Group attaches great importance to risk control and has implemented various risk management measures. While striving to expand its business, the Group constantly optimizes its risk management system, coordinates the establishment of its risk management system and improve its risk management framework. In particular, the Group focuses on enhancing its ability to identify and prevent risks in key areas and critical processes. The Group firmly believes that a sound and stable risk management and governance framework is an important basis for realizing long-term development of the Company and safeguarding the interests of shareholders. With a sound risk management framework, the Group will combine strategic targets with risk management and actively use various resources to seize market opportunities while keeping risks under control, focus on the development of segmented industries and respond to customer demands.

Finally, on behalf of the Board, I would like to extend my sincere thanks to our customers, suppliers and shareholders for their continuous support to the Group. I would also like to extend my gratitude and appreciation to the management and staff for their hard work and dedication throughout the year.

Xu Liang
Chairman

Hong Kong, 25 March 2022

在新業務方向的拓展上，緊緊圍繞集團關於供應鏈金融科技平台、境內外資金融通平台和新產業上市培育平台的定位。圍繞首鋼集團等央企、國企的上下游開展供應鏈金融業務，成為核心企業收益的「放大器」、業務推進的「加速器」以及客戶粘性的「穩定器」。通過境內外多元的融資工具及不同的市場和貨幣週期，給首鋼集團等央企、國企帶來低成本資金和權益性資本，幫助大企業集團降負債，優化資本結構。主動發揮內部投行優勢，協助首鋼集團推進混改、轉型以及培育創新發展的產業種子。以上拓展方向將帶領集團業務規模實現可持續增長，為客戶、股東、社會創造更大的商業價值。

集團高度重視風險管控，落實各項風險管理措施。在業務拓展的同時，不斷優化風險管理制度，統籌風險管理體系建設，完善風險管理架構，着重加強對關鍵領域及重點環節的風險識別及防範能力。本集團堅信，良好穩固的風險管理及管治框架是實現公司長遠發展及保障股東利益的重要基礎。本集團在穩健的風險管理框架下，將戰略目標與風險管理相結合，積極利用各種資源，在風險可控的範圍內把握市場商機，深耕細分產業，響應客戶需求。

最後，本人謹代表董事會對各客戶、供應商及股東一直以來給予本集團支持致以衷心謝意；同時，本人對集團之管理層及員工過往一年之努力不懈及齊心協力深表感謝及讚賞。

徐量
主席

香港，二零二二年三月二十五日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

In 2021, Shougang Concord Grand continued to push ahead the development philosophy of financial leasing, commercial factoring, supply chain management services and assets management services as core businesses, and endeavored to build an integrated service platform with financial empowerment. In 2021, adhering to our philosophy of persistence in pandemic prevention and control as well as operational development, we monitored closely key business functions and the implementation and enhancement of risk control measures. As the revenue and business scale of each of our business units maintained growth momentum, we continued to achieve year-on-year growth in both revenue and profit.

首長四方二零二一年繼續全力推進以融資租賃、商業保理、供應鏈管理服務和資產管理服務為核心業務的發展思路，致力打造具金融賦能的綜合服務平台。二零二一年仍然堅持疫情防控和營運建設兩不誤的信念，緊釘關鍵業務節點及風險控制措施的執行與推進，各業務單位收入與業務規模均保持增長的勢頭、持續獲取了營業收入、利潤同比雙增長的經營業績。

KEY FINANCIAL PERFORMANCE INDICATORS

The key financial performance indicators are analysed as below:

主要財務業績指標

主要財務業績指標分析如下：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 | + / (-) Change 變動 |
|--|---------------|-----------------------------------|-----------------------------------|-------------------------|
| Financial performance | 財務業績 | | | |
| Revenue | 收益 | 1,898,003 | 85,378 | 2,123% |
| Gross profit margin (%) | 毛利率(%) | 6% | 86% | -80% |
| Profit for the year | 年度溢利 | 42,493 | 18,194 | 134% |
| Profit attributable to owners of the Company | 本公司持有人應佔溢利 | 27,294 | 5,980 | 356% |
| Key financial indicators | 主要財務指標 | | | |
| Total cash | 總現金 | 387,095 | 318,818 | 21% |
| Total assets | 總資產 | 2,325,595 | 2,161,473 | 8% |
| Total liabilities | 總負債 | 435,216 | 397,484 | 9% |
| Bank borrowings | 銀行借款 | 290,922 | 290,303 | 0% |
| Capital and reserves attributable to owners of the Company | 本公司持有人應佔股本及儲備 | 1,537,657 | 1,445,637 | 6% |
| Current ratio | 流動比率 | 528% | 458% | 70% |
| Basic earnings per share (HK cent) | 每股基本盈利(港仙) | 0.68 | 0.15 | 353% |

FINANCIAL OVERVIEW

The Group recorded profit attributable to owners of the Company of approximately HK\$27,294,000 for the year ended 31 December 2021, as compared with profit attributable to owners of the Company of approximately HK\$5,980,000 for the year ended 31 December 2020, which was mainly due to an increase in profit from the sale and leaseback arrangements services segment and the supply chain management business segment, and fair value of investment properties. Revenue of the Group for the year ended 31 December 2021 was approximately HK\$1,898,003,000, which represented an increase of approximately 22 folds when compared with that of approximately HK\$85,378,000 for the year 2020. The increase was mainly attributable to an increase in revenue from the supply chain management business segment. The Group recorded a gross profit of approximately HK\$105,100,000 for the year ended 31 December 2021, representing an increase of approximately 42% when compared with the gross profit of approximately HK\$73,760,000 for the year 2020. The Group recorded a gross profit margin of approximately 6% for the year ended 31 December 2021, representing a significant decrease when compared with the gross profit margin of approximately 86% for the year 2020. Basic earnings per share of the Group for the year ended 31 December 2021 was HK0.68 cent (2020: basic earnings per share was HK0.15 cent).

Revenue for the year ended 31 December 2021 was approximately HK\$1,898,003,000, representing an increase of approximately 22 folds when compared with that of approximately HK\$85,378,000 for the year 2020. The increase was mainly attributable to the significant increase in revenue from the commencement of business covering full-process services including steel product trading and logistics under the supply chain management business segment by approximately HK\$1,797,751,000. Meanwhile, the sale and leaseback arrangements services segment also recorded an increase in revenue of 17% to approximately HK\$91,816,000.

The Group recorded a gross profit of approximately HK\$105,100,000 for the year ended 31 December 2021, representing an increase of 42%, when compared with the gross profit of approximately HK\$73,760,000 for the year 2020. The Group recorded a gross profit margin of approximately 6% for the year ended 31 December 2021, representing a significant decrease when compared with the gross profit margin of approximately 86% for the year 2020, which was mainly attributable to the lower gross profit margin of the supply chain management business segment.

Other income for the year ended 31 December 2021 amounted to approximately HK\$5,998,000 (2020: HK\$12,388,000), representing a decrease of approximately 52%. The decrease was mainly due to the decrease in interest income from deposits.

財務回顧

本集團截至二零二一年十二月三十一日止年度錄得本公司持有人應佔溢利約港幣27,294,000元，與截至二零二零年十二月三十一日止年度錄得本公司持有人應佔溢利約港幣5,980,000元主要來自售後回租安排服務分部和供應鏈管理業務分部之溢利增加及投資物業公允值所致。本集團截至二零二一年十二月三十一日止年度之收益約為港幣1,898,003,000元，與二零二零年約港幣85,378,000元相比，增加約22倍。該增幅主要來自供應鏈管理業務分部收入增加。本集團截至二零二一年十二月三十一日止年度錄得之毛利約為港幣105,100,000元，與二零二零年之毛利約港幣73,760,000元比較增長約42%。本集團截至二零二一年十二月三十一日止年度錄得之毛利率約6%，與二零二零年之毛利率約86%比較大幅下降。本集團截至二零二一年十二月三十一日止年度之每股基本盈利為0.68港仙(二零二零年：每股基本盈利0.15港仙)。

截至二零二一年十二月三十一日止年度之收益約為港幣1,898,003,000元，與二零二零年約港幣85,378,000元相比，增長約22倍。該增幅主要來自供應鏈管理業務分部開展覆蓋鋼鐵產品交易及物流等全流程服務的業務致令收入大幅增加約港幣1,797,751,000元。與此同時，售後回租安排服務分部亦錄得收入增長17%至約港幣91,816,000元。

本集團截至二零二一年十二月三十一日止年度錄得之毛利約為港幣105,100,000元，與二零二零年之毛利約港幣73,760,000元比較增長約42%。本集團截至二零二一年十二月三十一日止年度錄得之毛利率約6%，與二零二零年之毛利率約86%比較大幅下降乃主要由於供應鏈管理業務分部之毛利率較低所致。

截至二零二一年十二月三十一日止年度之其他收入約為港幣5,998,000元(二零二零年：港幣12,388,000元)，減少約52%。減少主要由於存款利息收入減少。

FINANCIAL OVERVIEW (Continued)

Administrative expenses for the year ended 31 December 2021 amounted to approximately HK\$60,938,000 (2020: HK\$68,079,000), representing a decrease of approximately 10%. The decrease was mainly due to the reduction in staff cost.

For the year ended 31 December 2021, share of profit of associates amounted to approximately HK\$2,328,000 (2020: HK\$1,258,000), as our associates continued to make contributions to the Group's profit.

BUSINESS REVIEW AND OUTLOOK

Closely following the strategy of integration of industry and finance for its core business and market competitiveness, we built an integrated financial service platform with financial empowerment leveraging on the business synergies arising from the financial leasing, commercial factoring, supply chain management and assets management businesses. Taking the provision of supply chain management services, financial services and assets management services as our core businesses and competitive strengths in the market, the Group endeavors to provide financial leasing, commercial factoring, supply chain management, investment and financing advisory services and other portfolios of financial products to the two groups of target core enterprises including steel companies and domestic conglomerates, as well as their upstream and downstream customers, in order to provide customized financial service solutions for core enterprises, meet the strategic needs of core enterprises and their upstream and downstream companies for industrial upgrading and give full play to the important role of financial services in empowering real economy.

During the year, revenue from the sale and leaseback arrangements services segment increased by approximately 17% to approximately HK\$91,816,000 (2020: HK\$78,691,000), and the segment recorded a profit of approximately HK\$67,501,000 (2020: HK\$65,976,000). The increase in revenue from the sale and leaseback arrangements services segment was mainly due to the increase in new projects while the slowdown of the segment's performance was mainly due to the investment of more resources in research and development of products, risk control and compliance to develop the C-end business.

財務回顧(續)

截至二零二一年十二月三十一日止年度之行政開支約為港幣60,938,000元(二零二零年：港幣68,079,000元)，減少約10%。費用減少主要由於人工成本減少所致。

截至二零二一年十二月三十一日止年度，應佔聯營公司之溢利約為港幣2,328,000元(二零二零年：港幣1,258,000元)，持續為集團貢獻利潤。

業務回顧及展望

緊跟為核心業務和市場競爭力的產融結合戰略，搭建起以融資租賃、商業保理、供應鏈管理及資產管理等業務協同具金融賦能的金融綜合服務平台。本集團致力於通過以供應鏈管理服務、金融服務及資產管理服務為我們的核心業務及市場競爭優勢，重點圍繞鋼鐵產業和國內大型企業集團兩類目標核心企業集團兩類目標企業及其上下游客戶提供融資租賃、商業保理、供應鏈管理、投融資諮詢服務等組合金融產品，賦予核心企業定制化的金融服務解決方案，滿足核心企業及其上下游產業升級的戰略要求，發揮金融服務賦能實體經濟的重要作用和能力。

年內，來自售後回租安排服務分部之收入增加約17%至約港幣91,816,000元(二零二零年：港幣78,691,000元)，而分部業績則錄得溢利約港幣67,501,000元(二零二零年：港幣65,976,000元)。售後回租安排服務分部之收入增加主要由於新項目增長而分部業績放緩則主要由於為開拓C端業務而投放更多資源於產品研發、風險控制及合規方面。

BUSINESS REVIEW AND OUTLOOK (Continued)

During the year, revenue from the supply chain management business segment was approximately HK\$1,803,045,000 (2020: HK\$5,294,000). The supply chain management business segment recorded a profit of approximately HK\$8,525,000 (2020: HK\$2,431,000). Our supply chain management business segment considers the business scenarios of the target companies and makes detailed analyses of the capital flow, information flow, product flow and logistics of the industry chain on which these companies operate, and then provides the most accessible and diversified products to them, thereby satisfying their capital and management needs. In this way, the segment also helps to reduce the transaction cost incurred on the industry chain and thus empowers the industry. With its newly commenced business which covers full-process services including steel product trading and logistics, the supply chain management business segment saw a significant increase in both revenue and segment results.

During the year, revenue from the assets management and consultancy services segment was approximately HK\$2,409,000 (2020: HK\$1,054,000), and the segment recorded a loss of approximately HK\$136,000 (2020: HK\$5,259,000). The increase in revenue from the assets management and consultancy services segment and the reduction in segment loss were mainly due to the commencement of the consultancy business.

During the year, revenue from the property leasing services segment increased to approximately HK\$733,000 (2020: HK\$339,000), and the segment recorded a profit of approximately HK\$796,000 (2020: loss of approximately HK\$970,000). The increase in revenue from the property leasing services segment was mainly attributable to the improved vacancy rate. The significant increase in segment results was mainly attributable to an increase in fair value of investment properties of the Group of approximately HK\$300,000 (2020: decrease in fair value of investment properties of approximately HK\$1,000,000).

業務回顧及展望(續)

年內，供應鏈管理業務分部錄得之收入約港幣1,803,045,000元(二零二零年：港幣5,294,000元)。供應鏈管理業務分部業績錄得溢利約港幣8,525,000元(二零二零年：港幣2,431,000元)。供應鏈管理業務分部基於目標企業的業務場景，仔細分析到目標企業所在產業鏈的資金流、信息流、商流、物流等，以最便捷及多樣化的產品解決客戶資金及管理需求，減低產業鏈的交易成本及賦能產業。供應鏈管理業務分部開展了覆蓋鋼鐵產品交易及物流等全流程服務的業務致令收入及分部業績大幅提升。

年內，資產管理及諮詢服務分部之收入為約港幣2,409,000元(二零二零年：港幣1,054,000元)，而分部業績則錄得虧損約港幣136,000元(二零二零年：港幣5,259,000元)。資產管理及諮詢服務分部收入增長及分部虧損收窄乃主要開展諮詢業務所致。

年內，來自物業租賃服務分部之收入增長至約港幣733,000元(二零二零年：港幣339,000元)，而分部業績則錄得溢利約港幣796,000元(二零二零年：虧損約港幣970,000元)。物業租賃服務分部之收入增加主要由於空置率改善。分部業績大幅增加主要由於本集團投資物業之公允值增長。本集團投資物業之公允值於本年度上升約港幣300,000元(二零二零年：公允值下跌約港幣1,000,000元)。

BUSINESS REVIEW AND OUTLOOK (Continued)

Looking ahead into 2022, under the policy environment and market environment of promoting financial innovation, Shougang Concord Grand will grasp opportunities brought by the policies in relation to China's innovation of modern supply chain area and the upgrading strategies of industries in which target core enterprises operate to provide innovative financial products and service portfolios to those target core enterprises and their upstream and downstream customers, so as to serve the real economy. We will strive to capitalize on the advantage of cross-border operation while actively exploring new models of innovative financial service business and taking advantage of Hong Kong's excellent geographical location and favorable financing environment as an international financial market. Through diverse financing tools (both domestic and overseas) and different market and currency cycles, we will bring low cost funds and equity capital to our customers and optimize their capital structure, help the Group to achieve sustainable growth in its business scale and create greater business value for our customers, shareholders and society.

In terms of risk management infrastructure, prudent and effective risk management can help in untapping the commercial value of long-term investments, as well as laying a solid foundation for the Group's sustainable development. We will put emphasis on strengthening our risk control system, introducing information technology platform, and adjusting our management and control strategies in a timely manner and continuously improving our management by improving and optimizing our risk control mechanism. In addition, we will also continue to promote the development of our online risk management platform based on asset securitization and industry supply chain business so as to provide an effective tool for the Group's risk management.

業務回顧及展望(續)

展望來年，在金融創新的政策環境及市場環境下，首長四方將緊抓中國創新現代供應鏈領域的政策機遇和目標核心企業所在行業的產業升級戰略，為目標核心企業及其上下游客戶群提供創新型組合金融產品服務實體經濟。積極拓展創新金融服務新模式的同時盡力發揮跨境優勢，借助香港優越地理位置及國際金融市場便利的融資條件，通過境內外多元的融資工具及不同的市場和貨幣週期，為客戶帶來低成本資金和權益性資本、優化資本結構，帶領集團業務規模實現可持續增長，為客戶、股東、社會創造更大的商業價值。

在風險管理基礎設施方面，審慎而有效的風險管理能協助發掘長線投資的商業價值，亦為集團的可持續增長發展建立一個穩健的基礎。我們將重點強化風險控制體系、引入信息技術平台，在加強和完善風險控制機制的基礎上，及時調整管控策略並將繼續優化管理，同時我們會繼續着力推進基於資產證券化和行業供應鏈業務的在線風控系統的建設，為集團的風控管理提供一個高效的輔助工具。

LIQUIDITY, FINANCING RESOURCES AND FINANCING ACTIVITIES

流動資金、財政資源及融資活動

The Group aims to maintain stable funding sources and financing is arranged to balance between business requirements and cash flows. The financial leverage of the Group as at 31 December 2021 as compared to 31 December 2020 is summarized below:

本集團一直專注於維持穩定的資金來源，融資安排將盡可能配合業務特點及現金流量情況。本集團於二零二一年十二月三十一日，對比二零二零年十二月三十一日的財務負債比率臚列如下：

| | | 31 December 2021 二零二一年 十二月三十一日 HK\$'000 港幣千元 | 31 December 2020 二零二零年 十二月三十一日 HK\$'000 港幣千元 |
|---------------------------|-----------|---|---|
| Total borrowings | 總借款 | | |
| Current borrowings | 流動借款 | 196,603 | 143,308 |
| Non-current borrowings | 非流動借款 | 94,319 | 146,995 |
| Sub-total | 小計 | 290,922 | 290,303 |
| Total cash | 總現金 | | |
| Cash and cash equivalents | 現金及現金等值項目 | 387,095 | 318,818 |
| Total equity | 總權益 | 1,890,379 | 1,763,989 |
| Total assets | 總資產 | 2,325,595 | 2,161,473 |
| Financial Leverage | 財務負債比率 | | |
| Current ratio | 流動比率 | 528% | 458% |

As at 31 December 2021, the Group had cash and cash equivalents of approximately HK\$387,095,000 (31 December 2020: HK\$318,818,000), which were mainly denominated in Hong Kong dollars, US dollars and Renminbi. The increase was mainly attributable to the net cash generated from operating activities of approximately HK\$48,956,000, net bank borrowings of approximately HK\$6,708,000 and proceeds from the disposal of debt instruments of approximately HK\$15,957,000.

於二零二一年十二月三十一日，本集團之現金及現金等值約為港幣387,095,000元(二零二零年十二月三十一日：港幣318,818,000元)主要以港幣，美元及人民幣定值。數額增加主要由於經營活動所得現金淨額約港幣48,956,000元、銀行貸款淨額約港幣6,708,000元及收到出售債務工具所得款約港幣15,957,000元。

LIQUIDITY, FINANCING RESOURCES AND FINANCING ACTIVITIES (Continued)

As at 31 December 2021, the Group's borrowings amounted to approximately HK\$290,922,000 (2020: HK\$290,303,000), of which approximately HK\$196,603,000 (2020: HK\$143,308,000) were repayable within twelve months from 31 December 2021 and approximately HK\$94,319,000 (2020: HK\$146,995,000) were repayable after twelve months from 31 December 2021. During the year, the Group obtained new bank borrowings of approximately HK\$148,382,000 (2020: HK\$283,683,000) for the financial leasing business and working capital of the Group. All borrowings bore interest at market rates.

CAPITAL STRUCTURE

The capital and reserves attributable to owners of the Company amounted to approximately HK\$1,537,657,000 as at 31 December 2021 (31 December 2020: HK\$1,445,637,000). The increase was mainly due to the profit attributable to owners of the Company of approximately HK\$27,294,000 for the year ended 31 December 2021, the exchange differences arising on translation of approximately HK\$32,379,000 in total, and revaluation of buildings upon transfer from property, plant and equipment and right-of-use assets to investment properties of approximately HK\$42,274,000 during the year. The Company did not issue any new shares during the year. The issued share capital of the Company was approximately HK\$39,846,000 (represented by approximately 3,984,640,000 issued ordinary shares).

MATERIAL ACQUISITION, DISPOSALS AND SIGNIFICANT INVESTMENT

During the year, the Group had no material acquisitions, disposals and significant investment.

流動資金、財政資源及融資活動(續)

於二零二一年十二月三十一日，本集團之貸款約達港幣290,922,000元(二零二零年：港幣290,303,000元)，其中約港幣196,603,000元(二零二零年：港幣143,308,000元)須於二零二一年十二月三十一日起計十二個月內償還及約港幣94,319,000元(二零二零年：港幣146,995,000元)須於二零二一年十二月三十一日起計十二個月後償還。年內，本集團取得新增銀行貸款約港幣148,382,000元(二零二零年：港幣283,683,000元)用於融資租賃業務及集團營運流動資金。所有貸款均按市場利率計算利息。

資本結構

於二零二一年十二月三十一日，本公司持有人應佔股本及儲備約港幣1,537,657,000元(二零二零年十二月三十一日：港幣1,445,637,000元)。該增幅主要由本公司持有人應佔截至二零二一年十二月三十一日止年度之溢利約港幣27,294,000元、年內換算產生之匯兌差額共約港幣32,379,000元及由物業、廠房及設備以及使用權資產轉撥至投資物業時重估樓宇約港幣42,274,000元所致。本公司於年內並無發行新股。本公司之已發行股本約為港幣39,846,000元(已發行普通股約3,984,640,000股)。

重大收購、出售及重要投資

年內，本集團並無任何重大收購、出售及重要投資事項。

CHARGE ON ASSETS

As at 31 December 2021, the Group had the following charge on assets:

- (i) The Group's investment properties with an aggregate carrying value of approximately HK\$38,400,000 were pledged to banks to secure for bank borrowings with outstanding amount of approximately HK\$5,315,000.
- (ii) The Group's receivables under sale and leaseback arrangements with a carrying value of approximately HK\$243,289,000 were pledged to banks to secure for bank borrowings with outstanding amount of approximately HK\$205,607,000.

FOREIGN EXCHANGE EXPOSURE

The normal operations and investments of the Group are mainly in Hong Kong and Mainland China, with revenue and expenditure denominated in Hong Kong dollars and Renminbi. The Directors believe that the Group does not have significant foreign exchange exposure. However, if necessary, the Group will consider using forward exchange contracts to hedge against foreign exchange exposures. As at 31 December 2021, the Group had no significant foreign exchange exposure.

CONTINGENT LIABILITIES

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

EMPLOYEES

As at 31 December 2021, the Group employed 47 (31 December 2020: 50) full time employees (excluding those under the payroll of associates of the Group). The Group remunerated its employees mainly with reference to the prevailing market practice, individual performance and work experience. Other benefits such as medical coverage, insurance plan, mandatory provident fund, discretionary bonus and employees share option scheme are also available to employees of the Group. Remuneration packages are reviewed either annually or through special increment.

During the year ended 31 December 2021, the Company and its subsidiaries have not paid or committed to pay to any individual any amount as an inducement to join or upon joining the Company and/or its subsidiaries.

資產抵押

於二零二一年十二月三十一日，本集團擁有下列資產抵押：

- (i) 賬面總值約港幣38,400,000元之本集團投資物業已抵押予銀行，作為未償還銀行借款約港幣5,315,000元之抵押。
- (ii) 賬面值約港幣243,289,000元之本集團售後回租安排項下之應收款項已抵押予銀行，作為未償還銀行借款約港幣205,607,000元之抵押。

外匯風險

本集團主要於香港及中國內地經營日常業務及投資，而收支乃以港幣及人民幣定值。董事相信，本集團並無重大外匯風險。然而，在必要時，本集團將考慮使用遠期外匯合約以對沖外匯風險。於二零二一年十二月三十一日，本集團並無重大外匯風險。

或然負債

於二零二一年十二月三十一日，本集團並無任何重大或然負債。

僱員

於二零二一年十二月三十一日，本集團有僱員47名(二零二零年十二月三十一日：50名)全職僱員(不包括本集團聯營公司之僱員)。本集團主要乃參照市場慣例、個人表現及工作經驗而釐定其僱員之薪酬。本集團向僱員提供之其他福利包括醫療保險、保險計劃、強制性公積金、酌情花紅及僱員購股權計劃。薪酬組合乃按年或個別檢討。

截至二零二一年十二月三十一日止年度，本公司及其附屬公司並無支付或承諾支付任何款項予任何人士，作為加入本公司及／或其附屬公司或於加入後之獎勵。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining good corporate governance standard and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) during the financial year ended 31 December 2021.

NON-COMPLIANCE WITH RULES 3.10(1), 3.10A, 3.21 AND 3.25 OF THE LISTING RULES AND PART 1 MANDATORY DISCLOSURE REQUIREMENTS B(F) OF THE CG CODE

Following the pass away of Mr. Wan Siu Wah, Wilson as an Independent Non-executive Director on 8 January 2021, the Company only had two Independent Non-executive Directors, thus the number of the Independent Non-executive Directors fell below the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. As a result of the insufficient number of Independent Non-executive Directors, the Company had also failed to comply with the requirements set out in Rules 3.21 and 3.25 of the Listing Rules and Part 1 Mandatory Disclosure Requirements B(f) of the CG Code with regard to the minimum number of members and the composition of the Audit Committee, Remuneration Committee and Nomination Committee.

Mr. Ng Man Fung, Walter (“Mr. Ng”) and Ms. On Danita (“Ms. On”) were appointed as Independent Non-executive Directors on 19 March 2021, which was within three months from the date of pass away of Mr. Wan Siu Wah, Wilson as required by Rules 3.11 and 3.23 of the Listing Rules.

Upon the appointment of Mr. Ng and Ms. On as Independent Non-executive Directors on 19 March 2021, the number of Independent Non-executive Directors satisfied the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. In addition, the Company had complied with the requirements set out under Rules 3.21 and 3.25 of the Listing Rules and Code Provision Part 1 Mandatory Disclosure Requirements B(f) of the CG Code with regard to the composition of the Audit Committee, Remuneration Committee and Nomination Committee.

本公司致力維持良好企業管治準則及程序，以維護全體股東利益，並提高問責性及透明度。

企業管治常規

本公司於截至二零二一年十二月三十一日止財政年度內已遵守聯交所證券上市規則(「上市規則」)附錄十四所載的企業管治守則(「企業管治守則」)的守則條文。

未能符合上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則第一部份強制披露要求B(F)條守則條文之規定

自獨立非執行董事溫兆華先生於二零二一年一月八日離世後，本公司僅有兩名獨立非執行董事，故獨立非執行董事人數低於上市規則第3.10(1)及3.10A條對最低人數之規定。由於獨立非執行董事之人數不足，本公司亦未能符合上市規則第3.21及3.25條及企業管治守則第一部份強制披露要求B(f)條守則條文所載對審核委員會、薪酬委員會及提名委員會成員的最低人數及組成之規定。

根據上市規則第3.11及3.23條規定，伍文峯先生(「伍先生」)及安殷霖女士(「安女士」)於二零二一年三月十九日(即溫兆華先生離世日期起三個月內)獲委任為獨立非執行董事。

隨著伍先生及安女士於二零二一年三月十九日獲委任為獨立非執行董事，獨立非執行董事人數符合上市規則第3.10(1)及3.10A條規定的最低人數。此外，本公司已符合上市規則第3.21及3.25條，以及企業管治守則第一部份強制披露要求B(f)條守則條文所載有關審核委員會、薪酬委員會及提名委員會組成的規定。

BOARD OF DIRECTORS

Composition

The Board currently comprises a total of nine Directors, being three Executive Directors, two Non-executive Directors and four Independent Non-executive Directors. The list of Directors is set out in the section headed "Report of the Directors" of this annual report. In addition, an updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

The Board is characterised by significant diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company. The Directors' biographical information is set out in the section headed "Directors' Biographies" of this annual report.

The Directors give sufficient time and attention to the affairs of the Company and its subsidiaries (the "Group"). All Directors are required to disclose to the Company at the time of their appointment and annually the number and the nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved.

Save for those as disclosed in the section headed "Directors' Biographies" as set out on pages 4 to 8 of this annual report, the Board members have no other financial, business, family or other material/relevant relationships with each other.

The Board includes a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) so that there is a sufficient independent element on the Board, which can effectively exercise independent judgement.

The Non-executive Directors are of sufficient number and calibre for their views to carry weight. The functions of Non-executive Directors include:

- bringing an independent judgement at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinising the Company's performance and monitoring performance reporting.

董事會

組成

董事會現時共有九名董事，由三名執行董事、兩名非執行董事及四名獨立非執行董事組成。董事名單載列於本年報「董事會報告書」一節。此外，最新的董事名單及其角色與職能分別刊登於聯交所及本公司網站。

董事會成員具顯著的多元化特色，並具備本公司業務所需的適當技巧及經驗。董事的履歷載列於本年報「董事簡介」一節。

董事均付出足夠時間及精神以處理本公司及其附屬公司（「本集團」）的事務。所有董事須於接受委任時及每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並提供其擔任有關職務所涉及的時間。

除於本年報第4頁至第8頁之「董事簡介」一節內所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

董事會中執行董事與非執行董事（包括獨立非執行董事）的組合均衡，使董事會具備足夠的獨立元素，能有效地作出獨立判斷。

非執行董事具有足夠人數及才幹，其意見具有影響力。非執行董事的職能包括：

- 於董事會會議上提供獨立的意見；
- 在出現潛在利益衝突時發揮牽頭引導作用；
- 應邀出任董事會轄下委員會成員；及
- 仔細檢查本公司的表現，並監察匯報公司表現的事宜。

BOARD OF DIRECTORS (Continued)

Composition (Continued)

The Non-executive Directors (including Independent Non-executive Directors) have made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

Composition of the Board is disclosed, and the Independent Nonexecutive Directors are identified, in all corporate communications to shareholders.

Board diversity

The Company adopted a board diversity policy (the "Board Diversity Policy") which sets out its approach to achieve diversity on the Board with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

During the year, the board of directors consisted of two Executive Directors, two Non-executive Directors, and four Independent Nonexecutive Directors, of which 87.5% are male and 12.5% are female. In addition, 37.5% of our directors aged between 30-49 years old and 62.5% of our Directors aged 50 or above. The members of the Board have extensive business and professional backgrounds, and have a diverse range of business, financial services and accounting experience.

董事會(續)

組成(續)

非執行董事(包括獨立非執行董事)亦透過提供獨立、富建設性及有根據的意見，對制定本公司策略及政策作出正面貢獻。彼等透過定期出席董事會及董事會轄下委員會的會議，並積極參與會務，以其技能、專業知識、不同的背景及資格作出貢獻。

董事會的組成及獨立非執行董事的身份於所有致股東的公司通訊文件內披露。

董事會成員多元化

本公司採納董事會成員多元化政策(「董事會成員多元化政策」)，當中列載本公司為達致董事會成員多元化而採取之方針，以達致本公司持續及均衡發展。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。本公司亦將根據本身的業務模式及不時的特定需要去考慮各種因素。最終將按候選者的長處及可為董事會作出的貢獻而作決定。

本年度內，董事會由兩名執行董事、兩名非執行董事及四名獨立非執行董事組成，男性董事佔87.5%，而女性董事佔12.5%。另外，37.5%董事年齡介乎30-49歲，而62.5%董事為50歲或以上。董事會成員具備廣泛業務及專業背景，於商業、金融服務、會計等專業擁有多元化專長。

BOARD OF DIRECTORS (Continued)

Board diversity (Continued)

The composition, experience and balance of skills in the Board are regularly reviewed and assessed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside with new Director(s) to be appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The Nomination Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. Following the appointment of Mr. Ng Man Fung, Walter and Ms. On Danita as Independent Non-executive Directors during the year, the Nomination Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and demonstrates a thorough consideration of the factors for achieving board diversity.

The Board Diversity Policy is posted on the website of the Company.

Role and function of the Board and the management

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Company to the Executive Committee and senior management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these committees are set out in this report.

Board meetings

The Board meets regularly and holds at least four Board meetings a year. Additional meetings will be arranged, if and when required. The Directors can attend meetings in person or through electronic means of communication in accordance with the bye-laws of the Company (the "Bye-laws").

董事會(續)

董事會成員多元化(續)

董事會定期檢討並評估其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。繼本年度委任伍文峯先生及安殷霖女士為獨立非執行董事後，提名委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會成員多元化政策登載於本公司網站。

董事會及管理層的角色及職能

董事會負責制訂本集團的整體策略及監察其表現。董事會授權執行委員會及高級管理人員在董事會設定的監控及授權框架內處理本公司日常營運事宜。另外，董事會亦授權審核委員會、薪酬委員會及提名委員會執行不同職責。該等委員會的進一步詳情載於本報告。

董事會會議

董事會定期舉行會議，並每年召開至少四次會議。有需要時亦會另行安排會議。董事可親身出席或根據本公司的公司細則(「細則」)規定透過電子通訊方法參與會議。

BOARD OF DIRECTORS (Continued)

Board meetings (Continued)

The Company Secretary assists the Chairman in drawing up the agenda of each Board meeting. Draft agenda of each regular Board meeting will be sent to all Directors for review before the agenda is issued and all Directors may request for inclusion of other matters in the agenda. The Chairman will take into account the matters proposed by the Directors and where appropriate, approve the inclusion of such matters in the agenda of the Board meeting. Generally, at least 14-day notice of a regular Board meeting is given and the Company aims at giving reasonable notice for all other Board meetings. The Company also aims at sending the agenda and the accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it, to all Directors at least 3 days before the intended date of a Board meeting. Where queries are raised by Directors, prompt and full responses will be given if possible.

There has been procedure in place to enable Directors to seek independent professional advice in appropriate circumstances at the Company's expenses. The Board shall resolve to, upon reasonable request, provide separate independent professional advice to Directors to assist them in performing their duties to the Company.

The Company Secretary is responsible for taking minutes of Board meetings and Board committee meetings, draft and final versions of which would be sent to Directors for comments and records respectively, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views (if any) expressed. Minutes of Board meetings and Board committees meetings are kept by the Company Secretary and are open for inspection by any Director/committee member.

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board has determined to be material, the matter will be dealt with by a physical Board meeting, rather than a written resolution. Independent Non-executive Directors who, and whose close associates, have no material interest in the transaction should be present at the Board meeting.

董事會(續)

董事會會議(續)

公司秘書協助主席訂定每次董事會會議的議程。發出董事會各定期會議的議程前，會先把初稿發送予各董事審閱，各董事可要求於議程上加入其他事項。主席會考慮董事提議加入議程的事項，並在適當情況下批准把該等事項加入董事會議的議程。董事會的定期會議一般發出至少十四天通知，本公司亦致力就一切其他董事會會議發出合理通知。本公司會盡力將議程及相關會議文件在擬定舉行的董事會會議日期至少三天前送交全體董事，而其形式及素質亦足以讓董事會就供彼等商議的事項作出有根據的決定。若有董事提出問題，本公司必定盡力作出迅速及全面的回應。

董事會已有既定的程序，讓董事可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會須應合理要求議決另外為董事提供獨立專業意見，以協助彼等履行其對本公司的責任。

公司秘書負責撰寫董事會及其轄下委員會的會議紀錄。在每次會議結束後，會議紀錄的初稿及最終定稿會於合理時間內先後送交董事，初稿供董事表達意見，最終定稿則作記錄之用。會議紀錄對會議上所考慮事項及達致的決定有足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見(如有)。董事會及其轄下委員會的會議紀錄由公司秘書備存，並供任何董事／委員會成員查閱。

若有主要股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突(包括與關連人士進行的重大交易)，該事項將以舉行董事會會議的方式處理，而不會以書面決議的方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事須出席有關的董事會會議。

BOARD OF DIRECTORS (Continued)

Board meetings (Continued)

Except for those circumstances permitted by the Bye-laws and all applicable laws, rules and regulations, a Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates (or associates where the transaction or arrangement is a connected transaction under Chapter 14A of the Listing Rules) has a material interest nor shall he be counted in the quorum present at the meeting.

Attendance records

During the financial year ended 31 December 2021, the Directors have made active contribution to the affairs of the Group and seven physical Board meetings were held to consider, among other things, various projects contemplated by the Group and to review and approve the interim results and annual results of the Group.

Details of the Directors' attendances in 2021 are as follows:

董事會(續)

董事會會議(續)

除在細則及所有適用法律、規則及規例允許之情況外，若董事或其任何緊密聯繫人(若下文所述有關交易或安排屬於上市規則第14A章所指的關連交易，則指聯繫人)於任何合約、安排或任何其他建議中佔有重大利益，有關董事不得就通過該合約、安排或建議的董事會決議案進行表決，亦不會被計入該次會議出席的法定人數。

出席記錄

於截至二零二一年十二月三十一日止財政年度內，董事積極參與本集團的事務，並曾舉行七次董事會議，以考慮(其中包括)本集團擬進行的各種項目，以及審議和批准本集團的中期業績及全年業績。

董事於二零二一年的出席記錄如下：

| Directors | 董事 | Number of meeting(s) attended/eligible to attend 出席會議次數/ 合資格出席會議次數 | Note(s) 附註 |
|--|---------|--|---------------|
| Executive Directors | | | |
| 執行董事 | | | |
| Xu Liang (Chairman) | 徐 量(主席) | 7/7 | |
| Tian Gang | 田 剛 | 6/6 | 1 |
| Su Guifeng | 蘇桂鋒 | 1/1 | 2 |
| Li Jing | 李 婧 | 1/1 | 3 |
| Non-executive Directors | | | |
| 非執行董事 | | | |
| Huang Donglin | 黃冬林 | 7/7 | |
| Zhang Jianxun | 張建勳 | 6/6 | 4 |
| You Wenli | 游文麗 | 1/1 | 5 |
| Independent Non-executive Directors | | | |
| 獨立非執行董事 | | | |
| Tam King Ching, Kenny | 譚競正 | 7/7 | |
| Zhang Xingyu | 張興禹 | 7/7 | |
| Ng Man Fung, Walter | 伍文峯 | 6/6 | 6 |
| On Danita | 安殷霖 | 6/6 | 7 |
| Wan Siu Wah, Wilson | 溫兆華 | 0/0 | 8 |

BOARD OF DIRECTORS (Continued)

Attendance records (Continued)

Notes:

1. Mr. Tian Gang appointed as a Director with effect from 24 March 2021.
2. Mr Su Guifeng resigned as a Director with effect from 19 March 2021.
3. Ms. Li Jing resigned as a Director with effect from 24 March 2021.
4. Mr. Zhang Jianxun appointed as a Director with effect from 24 March 2021.
5. Ms. You Wenli resigned as a Director with effect from 24 March 2021.
6. Mr. Ng Man Fung, Walter appointed as a Director with effect from 19 March 2021.
7. Ms. On Danita appointed as a Director with effect from 19 March 2021.
8. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

Access to information

The Board is supplied with sufficient explanation and information by the management to enable the Board to make an informed assessment of financial and other information put before it for approval. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. Where any Director requires more information than is volunteered by the management, each Director has the right to separately and independently access to the Company's senior management to make further enquiries if necessary.

Appointment and re-election of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. In considering the candidates for directorship, the Nomination Committee will provide adequate consideration to the Board Diversity Policy, review the profiles of the candidates and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. The Nomination Committee will make recommendations to the Board on the appointment, re-appointment and nomination of Directors for consideration and approval.

董事會(續)

出席記錄(續)

附註：

1. 田剛先生自二零二一年三月二十四日起獲委任為董事。
2. 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
3. 李婧女士自二零二一年三月二十四日起辭任董事。
4. 張建勳先生自二零二一年三月二十四日起獲委任為董事。
5. 游文麗女士自二零二一年三月二十四日起辭任董事。
6. 伍文峯先生自二零二一年三月十九日起獲委任為董事。
7. 安殷霖女士自二零二一年三月十九日起獲委任為董事。
8. 溫兆華先生於二零二一年一月八日離世。

資料之使用

管理層應向董事會提供充分的解釋及資料，讓董事會可就提交予彼等批准的財務及其他資料，作出有根據的評審。管理層每月向董事會全體成員提供更新的資料，讓董事會整體及各董事獲得充足資料使彼等可對本公司的表現、狀況及前景有公正及易於理解的評估，以便履行職務。倘任何董事需要管理層主動提供的資料以外的額外資料，各董事均有權於有需要時自行接觸本公司高級管理人員作進一步查詢。

委任及重選董事

委任新董事的事宜由提名委員會審議。於考慮董事人選時，提名委員會將充分考慮董事會成員多元化政策，以及審查候選人的簡歷，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。提名委員會將就董事的委任、重新委任及提名向董事會提出建議以供董事會考慮及批准。

BOARD OF DIRECTORS (Continued)

Appointment and re-election of Directors (Continued)

According to the Bye-laws, any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company who shall then be eligible for re-election at such general meeting. Every Director, except for the Chairman, is subject to retirement by rotation at least once every three years. In order to comply with applicable laws of Bermuda, the Bye-laws do not require the Chairman to retire by rotation. However, they will voluntarily retire and offer themselves for re-election at least once every three years in order to comply with part 2 of code provision B.2.2 of the CG Code.

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

All Directors (including all Non-executive Directors) have entered into service agreements or engagement letters with the Company for a term of not more than three years.

Independent Non-executive Directors

During the year, pursuant to Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules, the Company has appointed four Independent Non-executive Directors, represents not less than one-third of the Board, with one of them has appropriate professional qualifications or accounting or related financial management expertise.

The Board confirms that the Company has received from each of the Independent Non-executive Directors a confirmation of independence for the year ended 31 December 2021 pursuant to Rule 3.13 of the Listing Rules and considers such Directors to be independent.

Pursuant to code provision B.2.3 of the CG Code, any re-election of an independent non-executive director who has served the board for more than nine years, his/her further appointment should be subject to a separate resolution to be approved by shareholders.

董事會(續)

委任及重選董事(續)

根據細則，任何為填補臨時空缺而獲董事會委任的董事，其任期至本公司下一次股東大會終止；若為增加董事會成員數目而獲委任的董事，其任期至本公司下屆股東週年大會終止，並有資格於該股東大會上膺選連任。每名董事(除主席外)須至少每三年輪值退任一次。為了符合百慕達適用法例，細則沒有規定主席輪值退任。然而，為了符合企業管治守則第B.2.2條的第二部份守則條文，彼等將自願至少每三年退任及膺選連任一次。

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

本公司與所有董事(包括所有非執行董事)均已簽訂任期不多於三年之服務協議或委聘書。

獨立非執行董事

本年度內，根據上市規則第3.10(1)、3.10(2)及3.10A條，本公司已委任四名獨立非執行董事，佔董事會人數至少三分之一，而當中一名獨立非執行董事具備適當的專業資格或在會計或相關財務管理方面的專長。

董事會確認，本公司已接獲各獨立非執行董事根據《上市規則》第3.13條規定就其各自於截至二零二一年十二月三十一日止年度內之獨立性出具之確認書，並認為該等董事均具獨立性。

根據企業管治守則第B.2.3條，凡服務董事會超過九年的獨立非執行董事，須獲股東以獨立決議案批准方可續任。

BOARD OF DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Where an individual is proposed to be elected as an Independent Non-executive Director at the general meeting, the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting will include:

- the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
- if the proposed Independent Non-executive Director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

Insurance for directors' and officers' liability

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group.

Directors' training and professional development

Every newly appointed Director will be given an introduction of regulatory requirements. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company Secretary facilitates induction and professional development of Directors and the Company is responsible for arranging and funding suitable training for the Directors.

董事會(續)

獨立非執行董事(續)

倘擬於股東大會上建議選任某人士為獨立非執行董事，則有關股東大會通告所隨附之致股東通函及／或說明函件中將包括：

- 用以物色該名人士的流程，董事會認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的原因；
- 倘候任獨立非執行董事將出任第七間(或以上)上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
- 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
- 該名人士如何促進董事會成員多元化。

董事及高級職員之責任保險

本公司已為董事及高級職員購買合適的責任保險，就彼等因本集團業務承擔的風險提供保障。

董事培訓及專業發展

每名新委任的董事均獲提供相關法規要求的簡介。本公司亦會不斷向董事更新上市規則、法律及其他監管規定要求的最新發展，以確保彼等遵守及維持良好的企業管治常規。本公司亦鼓勵董事參與持續專業發展，發展並更新彼等的知識及技能。公司秘書協助安排董事的就任須知及專業發展，而本公司負責為董事安排合適的培訓並提供經費。

BOARD OF DIRECTORS (Continued)

董事會(續)

**Directors' training and professional development
(Continued)**

董事培訓及專業發展(續)

During the year, the Directors as at 31 December 2021 have provided to the Company they have participated in training, and the summary is as follow:

於二零二一年十二月三十一日之董事向本公司提供彼等於年內參與培訓的概要情況如下：

| Directors | 董事 | Continuous professional development 持續專業發展 | | Note(s) 附註 |
|-----------------------|-----|---|----------------------------|---------------|
| | | Type (Note 1) 種類(註1) | Subject (Note 2) 內容(註2) | |
| Xu Liang | 徐 量 | A, B | I, II | |
| Tian Gang | 田 剛 | B | I, II | 3 |
| Huang Donglin | 黃冬林 | B | I, IV | |
| Zhang Jianxun | 張建勳 | B | I | 4 |
| Tam King Ching, Kenny | 譚競正 | A, B | I, II, IV | |
| Zhang Xingyu | 張興禹 | A | I, III | |
| Ng Man Fung, Walter | 伍文峯 | A, B | I, II, III | 5 |
| On Danita | 安殷霖 | A, B | I | 6 |

Notes:

附註：

1. A. Attending seminars, conferences, forums, in-house briefings or in-house training
B. Reading newspapers, journals and updates
2. I. Laws, rules and regulations
II. Finance, accounting or taxation
III. Management
IV. Business relating to the Group

1. A. 出席研討會、會議、論壇、內部簡介會或內部培訓
B. 閱讀報章、刊物及更新資料
2. I. 法例、法規及規則
II. 財務、會計或稅務
III. 管理
IV. 與本集團有關的業務

BOARD OF DIRECTORS (Continued)

Directors' training and professional development (Continued)

Notes: (Continued)

3. Mr. Tian Gang appointed as a Director with effect from 24 March 2021.
4. Mr. Zhang Jianxun appointed as a Director with effect from 24 March 2021.
5. Mr. Ng Man Fung, Walter appointed as a Director with effect from 19 March 2021.
6. Ms. On Danita appointed as a Director with effect from 19 March 2021.

CHAIRMAN AND MANAGING DIRECTOR

The roles of Chairman and Managing Director are separate and exercised by different individuals to reinforce their independence and accountability. During the year, Mr. Xu Liang is the Chairman and Mr. Liang Hengyi served as the General Manager of the Company since 29 March 2021 and is currently the Managing Director of the Company. The Chairman provides leadership for the Board and ensures that the Board works effectively and performs its responsibilities. The Managing Director has overall chief executive responsibility for the Group's business development and day-to-day management generally. The division of responsibilities between the Chairman and the Managing Director is clearly established and set out in writing. Since Mr. Liang Hengyi was appointed as the General Manager, he has been performing the duties of Managing Director.

During the period from 1 January 2021 to 28 March 2021, due to the resignation of Mr. Su Guifeng as the Managing Director of the Company, the time needed by the Company to identify suitable candidate to fill the vacancy, Mr. Xu Liang served as the Chairman and the Managing Director of the Board at the same time.

董事會(續)

董事培訓及專業發展(續)

附註：(續)

3. 田剛先生自二零二一年三月二十四日起獲委任為董事。
4. 張建勳先生自二零二一年三月二十四日起獲委任為董事。
5. 伍文峯先生自二零二一年三月十九日起獲委任為董事。
6. 安殷霖女士自二零二一年三月十九日起獲委任為董事。

主席及董事總經理

為加強主席與董事總經理的獨立性及問責性，彼等的角色已予區分，並由不同人士擔任。本年度內，徐量先生擔任主席，而梁衡義先生則自二零二一年三月二十九日起為本公司總經理，現任本公司董事總經理。主席負責領導董事會，確保董事會有效地運作，且履行其職責；董事總經理則肩負行政總裁整體的職務，負責本集團整體的業務發展及日常管理。主席與董事總經理之間職責的分工已予清楚界定並以書面列載。自梁衡義先生獲委任為總經理以來，他一直履行董事總經理職責。

於二零二一年一月一日至二零二一年三月二十八日期間，由於蘇桂鋒先生辭任本公司董事總經理，本公司需要時間物色合適人選以填補空缺，徐量先生同時出任主席及董事總經理的職位。

CHAIRMAN AND MANAGING DIRECTOR (Continued)

The responsibilities of the Chairman include, amongst other things:

- taking primary responsibility for ensuring that good corporate governance practices and procedures are established;
- ensuring that all Directors are properly briefed on issues arising at Board meetings, and ensuring that Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;
- encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interest of the Company;
- encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
- ensuring that appropriate steps are taken to provide effective communications with shareholders and that their views are communicated to the Board as a whole; and
- promoting a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive and Non-executive Directors.

During the year, the Chairman met with the Independent Non-executive Directors without the presence of the Executive Directors.

BOARD COMMITTEES

The Board has established the following committees to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All committees have their own terms of reference. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

Executive Committee

An Executive Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties.

主席及董事總經理(續)

主席的職責(其中)包括：

- 在確保本公司制定良好的企業管治常規及程序方面負主要責任；
- 確保董事會會議上所有董事均適當知悉當前的事項，以及確保董事適時收到充分的資訊，而有關資訊亦必須準確清晰及完備可靠；
- 鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；
- 鼓勵持不同意見的董事表達本身關注的事宜、給予充足時間討論該等事宜，以及確保董事會的決定能公正反映董事會的共識；
- 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會；及
- 提倡公開、積極討論的文化，促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

年內，主席曾在沒有執行董事在場的情況下與獨立非執行董事會面。

董事會轄下委員會

董事會已成立下列委員會，以監察本公司特定範疇的事務及協助董事會執行其職務。全部委員會均有其職權範圍。委員會通過的所有決議案均須於下次董事會會議上向董事會匯報。

執行委員會

董事會轄下的執行委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。

BOARD COMMITTEES (Continued)

Executive Committee (Continued)

The Executive Committee has been conferred with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties as follows:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

The Executive Committee comprises all Executive Directors of the Company.

During the year, five physical meetings of the Executive Committee were held. Amongst those meetings, one meeting was held for the purpose of performing the corporate governance duties. The attendances of the members of the Executive Committee at those meetings are as follows:

董事會轄下委員會(續)

執行委員會(續)

執行委員會獲授董事會的一般權力(惟特別保留予董事會的事項除外)以管理及監督本集團的營運，以及負責履行下列企業管治職責：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊(如有)；
- 檢討本公司遵守企業管治守則的情況及企業管治報告內的披露；及
- 遵守董事會不時規定或本公司組織章程所載或法例規定的任何規定、指引或規則。

執行委員會由本公司全體執行董事組成。

年內，執行委員會曾舉行五次會議，當中有一次會議為履行企業管治職責而召開。執行委員會各成員於該等會議的出席記錄如下：

| Committee members | 委員會成員 | Number of meeting(s) attended/eligible to attend 出席會議次數／合資格出席會議次數 | Note(s) 附註 |
|---|------------|--|---------------|
| Xu Liang (<i>chairman of the committee</i>) | 徐 量(委員會主席) | 5/5 | |
| Tian Gang | 田 剛 | 4/4 | 1 |
| Su Guifeng | 蘇桂鋒 | 1/1 | 2 |
| Li Jing | 李 婧 | 1/1 | 3 |

BOARD COMMITTEES (Continued)

Executive Committee (Continued)

Notes:

1. Mr. Tian Gang appointed as a member of the Executive Committee with effect from 24 March 2021.
2. Mr. Su Guifeng resigned as a member of the Executive Committee with effect from 19 March 2021.
3. Ms. Li Jing resigned as a member of the Executive Committee with effect from 24 March 2021.

The major work in relation to the corporate governance of the Group performed by the Executive Committee during the year includes, among other things, the following:

- reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company for the year ended 31 December 2021.

Audit Committee

An Audit Committee of the Board was established with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Audit Committee include, amongst other things:

- overseeing the relationship with the Company's auditor;
- reviewing the interim and annual financial statements of the Group;
- reviewing the Company's financial reporting system, risk management and internal control systems; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee has explicit authority to investigate any activity within its terms of reference and the authority to obtain outside legal or other independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. It is given access to and assistance from the employees and reasonable resources to perform its duties properly.

董事會轄下委員會(續)

執行委員會(續)

附註：

1. 田剛先生自二零二一年三月二十四日起獲委任為執行委員會成員。
2. 蘇桂鋒先生自二零二一年三月十九日起辭任執行委員會成員。
3. 李靖女士自二零二一年三月二十四日起辭任執行委員會成員。

執行委員會於年內履行有關本集團企業管治的主要工作(其中包括)如下：

- 檢討本公司截至二零二一年十二月三十一日止年度遵守企業管治守則的情況及審閱企業管治報告內的披露。

審核委員會

董事會轄下的審核委員會已成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。審核委員會的職權範圍分別登載於聯交所及本公司網站。

審核委員會的主要職責(其中包括)：

- 監察與本公司核數師之間的關係；
- 審閱本集團中期及年度財務報表；
- 審查本公司的財務申報系統、風險管理及內部監控系統；及
- 檢討本公司僱員可在保密的情況下就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注之有關安排。

審核委員會具有明確權力，可按其職權範圍調查任何事宜，並有權在有需要時獲取外部法律或其他獨立專業意見，以履行其職責，費用由本公司支付。審核委員會亦可獲僱員提供支援及協助，取得合理的資源以妥善履行其職務。

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

The chairman of the Audit Committee is an Independent Non-executive Director and the Audit Committee comprised all Independent Non-executive Directors of the Company. None of the members of the Audit Committee are former partners of the auditor of the Company.

During the year, two physical meetings of the Audit Committee were held and the attendances of the members of the Audit Committee at those meetings are as follows:

| Committee members | 委員會成員 | Number of meeting(s) attended/eligible to attend 出席會議次數/ 合資格出席會議次數 | Note(s) 附註 |
|--|------------|--|---------------|
| Tam King Ching, Kenny (<i>chairman of the committee</i>) | 譚競正(委員會主席) | 2/2 | |
| Huang Donglin | 黃冬林 | 1/1 | 1 |
| Zhang Xingyu | 張興禹 | 2/2 | |
| Ng Man Fung, Walter | 伍文峯 | 1/1 | 2 |
| On Danita | 安殷霖 | 1/1 | 3 |
| Wan Siu Wah, Wilson | 溫兆華 | 0/0 | 4 |

Notes:

1. Mr. Huang Donglin appointed as a member of the Audit Committee with effect from 19 March 2021.
2. Mr. Ng Man Fung, Walter appointed as a member of the Audit Committee with effect from 19 March 2021.
3. Ms. On Danita appointed as a member of the Audit Committee with effect from 19 March 2021.
4. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

董事會轄下委員會(續)

審核委員會(續)

審核委員會的主席由一名獨立非執行董事擔任，審核委員會由本公司全體獨立非執行董事組成。概無審核委員會成員為本公司核數師的前任合夥人。

年內，審核委員會曾舉行兩次會議，審核委員會各成員於該等會議的出席記錄如下：

附註：

1. 黃冬林先生自二零二一年三月十九日起獲委任為審核委員會成員。
2. 伍文峯先生自二零二一年三月十九日起獲委任為審核委員會成員。
3. 安殷霖女士自二零二一年三月十九日起獲委任為審核委員會成員。
4. 溫兆華先生於二零二一年一月八日離世。

The major work performed by the Audit Committee during the year included, amongst other things, the following:

- reviewed the final results of the Group for the financial year ended 31 December 2020;
- reviewed the interim results of the Group for the six months ended 30 June 2021;

審核委員會於年內履行的主要工作(其中包括)如下：

- 審閱本集團截至二零二零年十二月三十一日止財政年度的全年業績；
- 審閱本集團截至二零二一年六月三十日止六個月的中期業績；

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

- reviewed the reports on the risk management and internal control systems of the Group; and
- monitoring, analyzing and reviewing connected transactions entered into by the Group during the year.

During the year, the Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditor.

Nomination Committee

A Nomination Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Nomination Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Nomination Committee include, amongst other things:

- reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- assessing the independence of Independent Non-executive Directors; and
- reviewing the Board Diversity Policy, as appropriate; and reviewing the measurable objectives that have been set for implementing the Board Diversity Policy, and reviewing the progress on achieving the objectives.

董事會轄下委員會(續)

審核委員會(續)

- 審閱本集團的風險管理及內部監控系統報告；及
- 監察、分析及檢討本集團於年內訂立的關連交易。

董事會於年內概無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。

提名委員會

董事會轄下的提名委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。提名委員會的職權範圍分別登載於聯交所及本公司網站。

提名委員會的主要職責(其中包括)：

- 檢討董事會的架構、人數及組成，並就任何為配合本公司策略而擬對董事會作出之變動提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 就董事委任或重新委任以及董事繼任計劃向董事會提出建議；
- 評核獨立非執行董事的獨立性；及
- 在適當的情況下檢討董事會成員多元化政策；以及檢討董事會為執行董事會成員多元化政策而制定的可計量目標及檢討達標進度。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Where vacancies exist at the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

The Nomination Committee has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The chairman of the Nomination Committee is the Chairman of the Board and the Independent Non-executive Directors of the Company constitute the majority of the Nomination Committee.

During the year, two physical meetings of the Nomination Committee were held and the attendances of the members of the Nomination Committee at those meetings are as follows:

董事會轄下委員會(續)

提名委員會(續)

董事會出現空缺時，獲提名的候選人提交提名委員會審議。提名委員會的建議其後會提交董事會審批。提名委員會於考慮提名新董事時，會充分考慮董事會成員多元化政策，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。董事會在決定董事的獨立性時會遵循上市規則所載規定。

提名委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外部獨立專業意見，以履行其職責，費用由本公司支付。

提名委員會的主席由董事會主席擔任。本公司的獨立非執行董事佔提名委員會的大多數。

年內，提名委員會曾舉行兩次會議，提名委員會各成員於該等會議的出席記錄如下：

| Committee members | 委員會成員 | Number of meeting(s) attended/eligible to attend 出席會議次數／合資格出席會議次數 | Note(s) 附註 |
|---|------------|--|---------------|
| Xu Liang (<i>chairman of the committee</i>) | 徐 量(委員會主席) | 2/2 | |
| Huang Donglin | 黃冬林 | 2/2 | |
| Tam King Ching, Kenny | 譚競正 | 2/2 | |
| Zhang Xingyu | 張興禹 | 2/2 | |
| Ng Man Fung, Walter | 伍文峯 | 1/1 | 1 |
| On Danita | 安殷霖 | 1/1 | 2 |
| Wan Siu Wah, Wilson | 溫兆華 | 0/0 | 3 |

Notes:

1. Mr. Ng Man Fung, Walter appointed as a member of the Nomination Committee with effect from 19 March 2021.
2. Ms. On Danita appointed as a member of the Nomination Committee with effect from 19 March 2021.
3. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

附註：

1. 伍文峯先生自二零二一年三月十九日起獲委任為提名委員會成員。
2. 安殷霖女士自二零二一年三月十九日起獲委任為提名委員會成員。
3. 溫兆華先生於二零二一年一月八日離世。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

The major work performed by the Nomination Committee during the year included, amongst other things, the following:

- assessing the independence of the Independent Non-executive Directors;
- considering and making recommendations to the Board on the re-election of Directors at the annual general meeting;
- considering and making recommendations to the Board for the appointment of Mr. Tian Gang as an Executive Director, the appointment of Mr. Zhang Jianxun as a Non-executive Director, and the appointments of Mr. Ng Man Fung, Walter and Ms. On Danita as Independent Non-executive Directors of the Company, and the appointments of Mr. Ng Man Fung, Walter and Ms. On Danita as a member of each the Audit Committee, Nomination Committee and the Remuneration Committee respectively; and
- reviewing the structure and composition of the Board with due regard for the benefits of diversity on the Board.

Remuneration Committee

A Remuneration Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Remuneration Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Remuneration Committee include, amongst other things:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group;
- reviewing and approving the management's remuneration proposals with reference to the Company's goals and objectives;
- determining, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and making recommendations to the Board on the remuneration of Non-executive Directors;

董事會轄下委員會(續)

提名委員會(續)

提名委員會於年內履行的主要職責(其中包括)如下:

- 評核獨立非執行董事的獨立性;
- 考慮及就於股東週年大會上重選董事向董事會提出建議;
- 考慮並向董事會提出建議, 委任田剛先生為本公司執行董事、委任張建勳先生為本公司非執行董事, 以及委任伍文峯先生及安殷霖女士為本公司獨立非執行董事, 並分別委任伍文峯先生及安殷霖女士為審核委員會、提名委員會及薪酬委員會成員; 及
- 檢討董事會的架構及組成, 同時充分顧及董事會成員多元化的裨益。

薪酬委員會

董事會轄下的薪酬委員會於二零零五年九月成立, 委員會具書面訂明的職權範圍, 清楚說明其職權及責任。薪酬委員會的職權範圍分別登載於聯交所及本公司網站。

薪酬委員會的主要職責(其中包括):

- 就本公司對本集團董事及高級管理人員的全體薪酬政策及架構, 向董事會提出建議;
- 因應本公司方針及目標而檢討及審批管理層的薪酬建議;
- 獲董事會轉授責任, 釐定個別執行董事及高級管理人員的薪酬待遇, 並就非執行董事的酬金向董事會提出建議;

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

- reviewing and approving compensation payable to Executive Directors and senior management and compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

The Remuneration Committee may consult the Chairman of the Board and/or the General Manager of the Company about their remuneration proposals for other Executive Directors. It has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The remuneration policies for the Company as well as the Directors are market alignment and reward for performance. The Company reviews the remuneration package annually taking into consideration of the market practice, competitive market position and individual performance.

The chairman of the Remuneration Committee is an Independent Nonexecutive Director and the Independent Non-executive Directors of the Company constitute the majority of the Remuneration Committee.

During the year, three physical meetings of the Remuneration Committee were held and the attendances of the members of the Remuneration Committee at those meetings are as follows:

董事會轄下委員會(續)

薪酬委員會(續)

- 檢討及審批應付予執行董事及高級管理人員的賠償，以及董事因行為不當而被辭退或免職時的賠償安排；及
- 確保任何董事或其任何聯繫人不得自行釐訂薪酬。

薪酬委員會可就其他執行董事的薪酬建議諮詢董事會主席及／或本公司總經理的意見。薪酬委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外部獨立專業意見，以履行其職責，費用由本公司支付。

本公司及董事的薪酬政策均與市場水平及工作表現掛鉤。本公司會考慮市場慣例、市場上的競爭狀況及個人表現，按年檢討薪酬組合。

薪酬委員會的主席由一名獨立非執行董事擔任。本公司的獨立非執行董事佔薪酬委員會的大多數。

年內，薪酬委員會曾舉行三次會議，薪酬委員會各成員於該等會議的出席記錄如下：

| Committee members | 委員會成員 | Number of meeting(s) attended/eligible to attend | Note(s) 附註 |
|--|------------|--|---------------|
| | | 出席會議次數/ 合資格出席會議次數 | |
| Tam King Ching, Kenny (<i>chairman of the committee</i>) | 譚競正(委員會主席) | 3/3 | |
| Xu Liang | 徐量 | 3/3 | |
| Huang Donglin | 黃冬林 | 3/3 | |
| Zhang Xingyu | 張興禹 | 3/3 | |
| Ng Man Fung, Walter | 伍文峯 | 2/2 | 1 |
| On Danita | 安殷霖 | 2/2 | 2 |
| Wan Siu Wah, Wilson | 溫兆華 | 0/0 | 3 |

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

Notes:

1. Mr. Ng Man Fung, Walter appointed as a member of the Remuneration Committee with effect from 19 March 2021.
2. Ms. On Danita appointed as a member of the Remuneration Committee with effect from 19 March 2021.
3. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

The major work performed by the Remuneration Committee during the year included, amongst other things, the following:

- considering, reviewing and determining the remuneration and the terms of service agreement/engagement letters of Mr. Tian Gang, Mr. Zhang Jianxun, Mr. Ng Man Fung, Walter and Ms. On Danita;
- considering, reviewing and determining the bonuses for the year 2021 and the remuneration for the year 2022 for Executive Directors;
- considering, reviewing and determining the Director's fee for Non-executive Directors and Independent Non-executive Directors of the Company; and
- considering, reviewing and determining the bonuses for the year 2021 and the remuneration for the year 2022 for General Manager.

Details of remuneration paid to Directors and senior management for the year are set out in notes 35 and 9 to the consolidated financial statements.

COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman and/or the General Manager of the Company on corporate governance and the implementation of the CG Code. The Company Secretary is an employee of the Company and has day-to-day knowledge of the Group's affairs.

董事會轄下委員會(續)

薪酬委員會(續)

附註：

1. 伍文峯先生自二零二一年三月十九日起獲委任為薪酬委員會成員。
2. 安殷霖女士自二零二一年三月十九日起獲委任為薪酬委員會成員。
3. 溫兆華先生於二零二一年一月八日離世。

薪酬委員會於年內履行的主要工作(其中包括)如下：

- 考慮、檢討及釐定田剛先生、張建勳先生、伍文峯先生及安殷霖女士之酬金及服務協議／委聘書之條款；
- 考慮、檢討及釐定本公司執行董事二零二一年度之花紅及二零二二年之酬金；
- 考慮、檢討及釐定本公司非執行董事及獨立非執行董事之袍金；及
- 考慮、檢討及釐定本公司總經理二零二一年度之花紅及二零二二年度之酬金。

年內向董事及高級管理人員支付的薪酬之詳情載列於綜合財務報告附註35及9。

公司秘書

公司秘書支援董事會，確保董事會成員之間資訊交流良好，以及董事會政策及程序得以遵循。公司秘書亦負責透過主席及／或本公司總經理向董事會就企業管治情況及企業管治守則之施行事宜提供意見。公司秘書為本公司的僱員，對本集團的日常事務甚有認識。

COMPANY SECRETARY (Continued)

The Company Secretary reports to the Chairman and the General Manager. All Directors have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations are followed. The selection, appointment and dismissal of the Company Secretary are subject to the Board approval.

The Company Secretary has confirmed that she has taken no less than 15 hours of relevant professional training during the year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is of the opinion that an appropriate and effective risk management and internal control system will contribute to the operational effectiveness and efficiency of the Group and to the safeguard of the Group's assets as well as the shareholders' investment.

The Board of the Group acknowledges its accountability to the risk management and internal control system and its responsibility to review the effectiveness of the system. The Board also clarifies that the system is purported to manage, but not eliminate, the risk of failure to fulfill business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Our risk management and internal control system is embedded within our business processes so that it functions as an integral part of the overall operation of the Group. The system comprises a comprehensive organization structure with assignment of definite accountabilities and delegation of corresponding authorities to each post. Based on our organization structure, a reporting system has been developed including reporting channels from division heads of every principal business unit to the Executive Committee.

Business plans, the responsibility statement of business objectives, and budgets are prepared by division heads of every principal business unit annually. In preparing them, our management identifies and evaluates any potential risks. Measures will be put in place to ultimately manage, control, or lessen such risks.

公司秘書(續)

公司秘書向主席及總經理匯報。所有董事可取得公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規例得以遵守。公司秘書的遴選、委任與撤職須經董事會批准。

公司秘書確認其於年內接受不少於十五小時的相關專業培訓。

風險管理及內部監控

董事會認為合適及有效的風險管理及內部監控系統能提高本集團的營運效益及效率，亦有助於保障本集團的資產及股東的投資。

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等制度的有效性。董事會亦應闡釋該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會出現重大的失實陳述或損失作出合理而非絕對的保證。

本集團的風險管理及內部監控系統已納入業務程序中，成為本集團整體營運中不可分割的一部份。該系統包括一個全面的組織架構，當中每個崗位都委以明確的責任，並授予相應的權力。本集團根據組織架構建立了匯報制度，當中包括每個主要業務單位的主管向執行委員會匯報的渠道。

每個主要業務單位的主管須每年編製業務計劃、公司經營目標責任書、及預算案，在訂立業務計劃及預算案時，管理層會辨識及評估任何潛在風險，對應的措施將予實施，務求最終能管理、控制或降低該等風險。

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

These business plans and budgets are also subject to review and approval by the Executive Committee. The Executive Committee reviews monthly management reports on the operational and financial results of every principal business unit and measures the actual performance of the Group against the business plans and budgets concerned. In this course, the Executive Committee also reviews and assesses the effectiveness of all material controls and ensures the adequacies of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The Executive Committee holds meetings with the senior management of every principal business unit on a regular or irregular basis to address the issues in such controls, identify areas of improvement and put the appropriate measures in place.

The internal control systems of the Group are documented and, if any revision is required, such information will be submitted to the Audit Committee for evaluation.

The Audit Committee assists the Board to fulfill its oversight role over the Group's risk management and internal control function by reviewing and evaluating the effectiveness of our overall risk management and internal control system at least annually.

The Company set up an Internal Audit Department in February 2006, and re-appointed the professional internal auditor to further strengthen the internal control in the year, which assists the Board and the Audit Committee to discharge its duties in risk management and internal control aspects. The Internal Audit, independent to the operational departments of the Group, is responsible for conducting regular audits on the major activities of the Group and carrying out the analysis and independent appraisal of the adequacy and effectiveness of the risk management and internal control system of the Group to cover all material controls, including financial, operational and compliance controls as well as risk management, are in place and functioning reasonably and effectively, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Internal Audit Department and professional internal auditors report to the Board and the Audit Committee with its findings and makes recommendations to improve the risk management and internal control systems of the Group.

風險管理及內部監控(續)

有關業務計劃及預算案需提交執行委員會審閱及批准。此外，執行委員會亦審閱每個主要業務單位每月營運及財務表現的管理報告，並對應相關的業務計劃及預算案來衡量本集團的實際表現。在此過程中，執行委員會會檢討及評估所有重大監控方面的成效，以確保本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。執行委員會與每個主要業務單位的高級管理人員定期或不定期舉行會議，以處理內部監控事宜，識別可予以改善之處及採取適當的改善措施。

本集團的內部監控系統通過書面記載，如需修訂，亦會把相關的資料呈交審核委員會作評審。

審核委員會協助董事會履行其在本集團風險管理及內部監控功能上的監管角色，每年至少一次審閱及評估風險管理及內部監控系統的整體效果。

本公司於二零零六年二月成立內部審計部門，並於本年度續聘專業內部審計機構，進一步加強風險管理和內部監控制工作，以協助董事會及審核委員會履行相關責任。內部審計職能獨立於本集團的營運部門，負責對本集團的主要業務定期進行審核，並對本集團的風險管理及內部監控系統是否足夠和有效作出分析及獨立評估，務求涵蓋所有重要的監控，包括財務監控、運作監控、合規監控以及風險管理功能能合理地有效運作，且在重大錯誤陳述或數據遺漏方面只能提供合理但非絕對的保證。內部審計部門及專業內部審計機構向董事會及審核委員會匯報其工作結果，並就改善本集團的風險管理及內部監控系統提出建議。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

The framework of risk management and internal control systems



Based on the risk-based approach, the Internal Audit Department and professional internal auditor continuously review and monitor the sufficiency of the risk control measures of every business unit of the Group and to examine if relevant measures have been implemented. The procedures involve assuring of the existence of related risks in the first place, then assessing the levels to which the potential risks are attributed based on the following two risk factors, i.e., the possibility of occurrence and the level of significance of the risk, and carrying out internal and external communications. After these procedures, audit recommendations will be made and further discussed with the relevant management.

In addition, each key business unit of the Group has put in place a risk control mechanism specializing in risk management and internal control in respect of project approval and subsequent follow-up works of the business unit. The mechanism will be improved and optimized continuously in response to the development of the Group's business. The Internal Audit Department and professional internal auditor will review on a regular and irregular basis the performance of the risk control personnel of each key business unit and will report to the management of the Group and members of the Audit Committee any audit issues found, the potential risks and appropriate audit recommendations in the internal audit reports every half a year.

At the same time, it is the duty of the General Manager of the Group to review whether or not the Group's overall risk management and internal control system is under appropriate and effective management, and to provide a written statement in this regard to the Board during the yearend audit.

風險管理及內部監控(續)

風險管理及內部監控系統之框架

內部審計部門及專業內部審計機構以風險基礎為原則持續回顧並監控本集團每個主要業務單位的風險控制措施是否充足及相關措施已被落實執行。回顧程序包括先確立潛在風險的存在性，然後根據風險事項發生的可能性和發生後所帶來的影響性評定潛在風險事項的風險等級，進行內部和外部溝通，再作出審計建議並與相關管理層進行探討。

此外，本集團的主要業務單位均設有運作中的風險管理機制，專責為業務單位的項目審批及後續工作進行風險管理及內部監控把關工作，並持續因應業務的發展加以改進和完善。內部審計部門及專業內部審計機構負責定期或不定期回顧主要業務單位負責風險控制人員的工作，並於每半年的內部審計報告當中向本集團管理層及審計委員會成員匯報審計發現、潛在風險及作出適當的審計建議。

與此同時，本集團總經理負責檢討集團整體的風險管理和內部監控是否已獲得適當而有效的管理，並於每年年終審計時向董事會作出書面陳述。

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Based on the said written statement as provided by the General Manager, the advices provided by the Audit Committee and the audit recommendations as set forth in the reports issued by the Internal Audit Department and professional internal auditor, the Board will continue to oversee management of the Group in supervising the relevant departments to set up initiatives to handle various kinds of deficiencies found in risk management and internal control. Regular reviews on the improvement progress will be conducted by the Internal Audit Department and professional internal auditor, and the result of which will be reported to the Audit Committee and the Board.

The Board considers that it is an ongoing and continuous process for the Group to review and improve its risk management and internal control systems in order to ensure that they can deal with the dynamic and ever changing business environment.

For the year ended 31 December 2021, the Board has been, through the Executive Committee and the Audit Committee with the assistance from the Internal Audit Department and professional internal auditor, continuously reviewing the effectiveness of the Group's risk management and internal control systems based on the following considerations:

- the changes, since the last review, in the nature and extent of significant risks and the Group's ability to respond to changes in business and the external environment;
- the scope and quality of management's ongoing monitoring of risks and of the internal control systems;
- the extent and frequency of communication of monitoring results to the Audit Committee and the Board which enables them to assess control of the Group and the effectiveness of risk management; and
- the effectiveness of the Group's processes for financial reporting and Listing Rules compliance.

During the year, internal audit reports in respect of the risk management and internal control system of the Group have been submitted by the Internal Audit Department and professional internal auditor to the Audit Committee and the Board for review. The Board considered that the risk management and internal control system of the Group is adequate and effective. The Group has adopted appropriate audit recommendations to further improve its risk management and internal control system.

風險管理及內部監控(續)

董事會根據總經理的書面陳述、審核委員會意見及內部審計部門及專業內部審計機構所出報告提及的審計建議，持續監測集團管理層督導相關部門定下方案以解決各種風險管理及內部監控缺失，並由內部審計部門及專業內部審計機構定期回顧其改進進度及向審核委員會及董事會作出匯報。

董事會認為本集團須持續不斷地檢討及改善風險管理及內部監控系統，以確保本集團的內部監控系統能應付瞬息萬變的商業環境。

截至二零二一年十二月三十一日止年度內，董事會透過執行委員會及審核委員會，並在內部審計部門及專業內部審計機構的協助下，基於以下考慮因素持續檢討本集團風險管理及內部監控系統的成效：

- 自上年檢討後，重大風險的性質及嚴重程度的轉變、以及本集團應對其業務轉變及外在環境轉變的能力；
- 管理層持續監察風險及內部監控系統的工作範疇及素質；
- 向審核委員會及董事會傳達監控結果的詳盡程度及次數，此有助彼等評核本集團的監控情況及風險管理的有效程度；及
- 本集團有關財務報告及遵守上市規則規定的程序是否有效。

於年內，內部審計部門及專業內部審計機構已就本集團的風險管理及內部監控系統向審核委員會及董事會提呈報告，報告經彼等審閱。董事會認為本集團的風險管理和內部監控系統乃有效及足夠。本集團已採納合適的審計建議，以進一步提升風險管理及內部監控系統。

INSIDE INFORMATION DISCLOSURE POLICY

The Company adopted an inside information disclosure policy (the “Inside Information Disclosure Policy”) on 21 December 2015 which sets out the procedures for the handling and dissemination of inside information with a view to preventing uneven, inadvertent or selective dissemination of inside information and ensuring shareholders and the public are provided with full, accurate and timely information about the activities and the financial condition of the Group. The Inside Information Disclosure Policy covers the following:

- setting out the processes for identifying, assessing and escalating potential inside information to the Board;
- setting out the responsibilities of officers in preserving the confidentiality of inside information, escalating upwards any such potential information and cascading down the message and responsibilities to relevant staff; and
- identifying who are the Company’s authorized spokespersons and their responsibilities for communications with stakeholders of the Company.

In addition, the Company has communicated to all relevant staff regarding the implementation of the Inside Information Disclosure Policy.

The Board considers that the Company’s existing measures are effective and appropriate compliance mechanisms to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

The Inside Information Disclosure Policy is posted on the website of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules as a code of conduct of the Company for Directors’ securities transactions.

Having made specific enquiry of all Directors, they have complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions throughout the year ended 31 December 2021.

Employees who are likely to possess inside information in relation to the Company or its shares are required to prohibit from dealing in shares of the Company during the black-out period.

內幕消息披露政策

本公司於二零一五年十二月二十一日採納內幕消息披露政策(「內幕消息披露政策」)，當中列載處理及發佈內幕消息的程序，旨在避免不公平、不慎或選擇性發佈內幕消息及確保股東及公眾獲得有關本集團的業務及財務狀況的全面、準確及適時消息或資料。內幕消息披露政策涵蓋以下內容：

- 說明識別、評估及向董事會提交潛在的內幕消息之程序；
- 說明高級職員的責任，要對內幕消息保密，向上級提交潛在的內幕消息及向相關員工傳達訊息及其責任；及
- 識別本公司授權的發言人及列明其與本公司利益相關者溝通的責任。

此外，本公司已向所有相關員工傳達有關實施內幕消息披露政策。

董事會認為本公司現有措施屬有效及合適的合規機制，足以保障本公司及其高級職員履行內幕消息的披露責任。

內幕消息披露政策登載於本公司網站。

進行證券交易的標準守則

本公司已就董事進行證券交易而採納上市規則中上市發行人董事進行證券交易的標準守則(「標準守則」)作為其本身的行為守則。

在向所有董事作出特定查詢後，彼等於截至二零二一年十二月三十一日止年度內已遵守標準守則及本公司有關董事進行證券交易的行為守則所規定的標準。

任何可能管有關於本公司或與其股份有關的內幕消息的僱員，均不得於禁售期內買賣本公司股份。

AUDITOR'S REMUNERATION

During the year, the remuneration paid/payable to the auditors of the Company is set out as follows:

核數師酬金

年內已支付／應付予本公司核數師的酬金載列如下：

| Services rendered | 所提供服務 | HK\$'000 港幣千元 |
|---------------------|--------|------------------|
| Audit services | 審計服務 | 1,200 |
| Non-audit services: | 非審計服務： | |
| Interim review | 中期審閱 | 480 |
| Others | 其他 | 460 |
| | | 2,140 |

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the annual and interim reports and other financial disclosures required under the Listing Rules, the Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects.

The statement of the auditor of the Company, PricewaterhouseCoopers, about its reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 121 to 129 of this annual report.

董事於財務報告的責任

董事承認彼等有責任編製本集團財務報告，以持續經營基準真實及公平地呈列本集團的事務。另於呈列年度報告及中期報告及上市規則所要求的其他財務披露時，董事須致力平衡、清晰及明白地評估本集團的狀況及前景。

本公司之核數師羅兵咸永道會計師事務所已於本年報第121頁至第129頁的獨立核數師報告中就彼於本集團綜合財務報告的申報責任作出聲明。

COMMUNICATION WITH SHAREHOLDERS

The Company endeavours to develop and maintain continuing relationships and effective communication with its Shareholders and investors. Since 22 March 2012, the Board adopted a Shareholders' Communication Policy reflecting the current practices of the Company for communication with its shareholders. Such policy aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company.

與股東的溝通

本公司致力發展及維繫本公司與其股東及投資者之間之持續關係與有效的溝通。為促進及加強溝通，自二零一二年三月二十二日起，董事會採納一項反映本公司現時與股東通訊之常規的股東通訊政策。該政策旨在確保本公司股東均可適時取得全面、相同及容易理解的本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東可與本公司積極交流。

COMMUNICATION WITH SHAREHOLDERS (Continued)

The Company provides comprehensive information to Shareholders and the investors through its annual and interim reports and announcements, all of which have been published on the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.shougang-grand.com.hk).

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend. External auditor is also available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

The auditor of the Company, PricewaterhouseCoopers, attended the annual general meeting of the Company held on 18 May 2021 (the "2021 AGM") during the year. Details of the Directors' attendances at the 2021 AGM are as follows:

與股東的溝通(續)

本公司透過年報、中期報告及公告向股東及投資者提供全面的資料，所有資料並已分別刊載於香港交易及結算所有限公司網站(www.hkexnews.hk)及本公司網站(www.shougang-grand.com.hk)。

本公司股東週年大會為股東提供與董事會交流意見的有用平台。全體董事均會盡可能抽空出席，外聘核數師亦出席股東週年大會回答股東的提問。在任何批准關連交易或任何其他須經獨立股東批准之交易的股東大會上，獨立董事委員會成員亦會盡可能抽空出席回答股東的提問。

本公司的核數師羅兵咸永道會計師事務所出席了本公司於二零二一年五月十八日舉行之股東週年大會(「二零二一年股東週年大會」)。董事於二零二一年股東週年大會之出席記錄如下：

| Directors | 董事 | Attendance at the 2021 AGM 出席二零二一年 股東週年大會 | Note(s) 附註 |
|--|----------------|--|---------------|
| Executive Directors | 執行董事 | | |
| Xu Liang (Chairman) | 徐 量(主席) | ✓ | |
| Tian Gang | 田 剛 | ✓ | 1 |
| Su Guifeng | 蘇桂鋒 | | 2 |
| Li Jing | 李 婧 | | 3 |
| Non-executive Directors | 非執行董事 | | |
| Huang Donglin | 黃冬林 | ✓ | |
| Zhang Jianxun | 張建勳 | ✓ | 4 |
| You Wenli | 游文麗 | | 5 |
| Independent Non-executive Directors | 獨立非執行董事 | | |
| Tam King Ching, Kenny | 譚競正 | ✓ | |
| Zhang Xingyu | 張興禹 | ✓ | |
| Ng Man Fung, Walter | 伍文峯 | ✓ | 6 |
| On Danita | 安殷霖 | ✓ | 7 |
| Wan Siu Wah, Wilson | 溫兆華 | | 8 |

COMMUNICATION WITH SHAREHOLDERS (Continued)

Notes:

1. Mr. Tian Gang appointed as a Director with effect from 24 March 2021.
2. Mr. Su Guifeng resigned as a Director with effect from 19 March 2021.
3. Ms. Li Jing resigned as a Director with effect from 24 March 2021.
4. Mr. Zhang Jianxun appointed as a Director with effect from 24 March 2021.
5. Ms. You Wenli resigned as a Director with effect from 24 March 2021.
6. Mr. Ng Man Fung, Walter appointed as a Director with effect from 24 March 2021.
7. Ms. On Danita appointed as a Director with effect from 24 March 2021.
8. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

During the year, all notices of general meetings despatched by the Company to its shareholders for meetings held were sent for annual general meeting at least 20 clear business days before the meeting and at least 10 clear business days for all other general meetings. Separate resolutions were proposed at general meetings on each substantially separate issue, including the election of individual Directors, and all resolutions put to the vote of the general meetings were taken by way of a poll. At the general meetings, the chairman of the meetings explained the procedures for conducting a poll and answered questions from shareholders on voting by poll, if any. The results of the poll were published on the websites of the Stock Exchange and the Company respectively.

與股東的溝通(續)

附註：

1. 田剛先生自二零二一年三月二十四日起獲委任為董事。
2. 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
3. 張建勳先生自二零二一年三月二十四日獲委任為董事。
4. 李靖女士自二零二一年三月二十四日起辭任董事。
5. 游文麗女士自二零二一年三月二十四日起辭任董事。
6. 伍文峯先生自二零二一年三月十九日起獲委任為董事。
7. 安殷霖女士自二零二一年三月十九日起獲委任為董事。
8. 溫兆華先生於二零二一年一月八日離世。

年內，本公司就召開的股東大會，如屬股東週年大會，已於大會舉行前至少足二十個營業日向股東發送通知，而就所有其他股東大會而言，則已在大會舉行前至少足十個營業日發送通知。本公司就股東大會上每項實際獨立的事宜提出個別的決議案，包括個別董事的提名，而股東大會上提呈的所有決議案均以投票方式表決。於股東大會上，大會主席已解釋以投票方式進行表決的程序，並回答股東有關以投票方式表決的提問(如有)。投票結果分別刊登於聯交所及本公司網站。

SHAREHOLDERS' RIGHTS

Convene a special general meeting

Shareholder(s) holding not less than one-tenth (10%) of the paid up capital of the Company carrying the right of voting at general meetings of the Company can make a requisition to convene a special general meeting pursuant to Clause 74 of the Companies Act 1981 of Bermuda (as amended). The requisition must state the purposes of the meeting, and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company.

Put forward proposals at shareholders' meetings

Shareholder(s) representing not less than one-twentieth (5%) of the total voting rights of all the shareholders of the Company or of not less than 100 shareholders of the Company may by requisition, at their own expense unless the Company otherwise resolves, to put forward proposals at general meetings of the Company pursuant to Clauses 79 and 80 of the Companies Act 1981 of Bermuda (as amended). A written notice to that effect signed by the shareholder(s) concerned together with a sum reasonably sufficient to meet the expenses in giving effect thereto must be deposited at the registered office of the Company not less than six weeks before the meeting for requisition(s) requiring notice of a resolution, or not less than one week before the meeting for any other requisition(s).

Shareholders' enquiries

Shareholders may at any time send their specific enquiries or suggestions to the Board or the Company Secretary in writing at the Company's principal office in Hong Kong or by email to the Company. In addition, shareholders may contact Tricor Tengis Limited, the Company branch share registrar and transfer office in Hong Kong, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 3 of this annual report.

股東權利

召開股東特別大會

根據百慕達一九八一年公司法(經修訂)第74條，持有不少於在本公司股東大會上有表決權的本公司已繳足股本十分之一(10%)的股東可提出請求召開股東特別大會。請求書須列明會議的目的，由有關呈請股東簽署，並送交本公司註冊辦事處。

在股東大會提出建議

根據百慕達一九八一年公司法(經修訂)第79條及第80條，代表不少於全體股東表決權的二十分之一(5%)的本公司股東，或為數不少於100名本公司股東可以請求於本公司任何股東大會上提呈動議任何決議案，費用概由彼等承擔，惟本公司另有議決者除外。提出該呈請的股東須在有關會議舉行前不少於六個星期(如須就要求發出決議案通告)或在有關會議舉行前不少於一個星期(如為任何其他事宜)，將已簽署之請求書並連同一筆足以應付本公司為履行其要求所產生開支的合理款項送交本公司註冊辦事處。

股東查詢

倘股東有特別查詢或建議，可致函本公司之香港主要辦事處予董事會或公司秘書或電郵至本公司。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的香港股份過戶登記分處卓佳登捷時有限公司，有關聯絡詳情載於本年報第3頁。

DIVIDEND POLICY

On 21 December 2018, the Company adopted a Dividend Policy. Such policy aims at providing stable and sustainable returns to shareholders through paying stable dividends.

Under the Dividend Policy, the Company intends to provide Shareholders with interim or final dividends, and to declare special dividends from time to time. The Company intends to pay out an annual dividend payment at a payout ratio of not less than 35% of the Group's consolidated net profit after tax for the then financial year after taking into consideration of, inter alia, the following factors:

the Group's

- current & future operations;
- earnings;
- financial position;
- cash requirements, cash expenditure & availabilities;
- investment requirements;
- future development prospects; and
- other factors as it may deem relevant at such time.

The recommendation of the payment of dividend is subject to the absolute discretion of the Board, and any declaration of final dividend for the year will be subject to the approval of our Shareholders.

Whilst the Dividend Policy reflects the Board's current views on the financial and cash flow position of the Group, such Dividend Policy will continue to be reviewed from time to time and it is subject to change. The Board will consider the dividends, if declared, will be paid in any particular amount for any given period. The payment of dividend is also subject to any restrictions under the Laws of Hong Kong, the Laws of Bermuda, and the Company's Bye-laws.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year.

股息政策

於二零一八年十二月二十一日，本公司採納股息政策。該政策旨在通過支付穩定的股息為股東提供穩定及可持續的回報。

根據股息政策，本公司擬向股東提供中期或末期股息，並不時宣派特別股息。本公司擬於考慮(其中包括)以下因素後按不少於本集團於當時財政年度除稅後綜合淨溢利35%之派付比率支付年度股息：

本集團之

- 實際及未來營運狀況；
- 盈利；
- 財務狀況；
- 流動資金需求、現金支出及流動資金充裕程度；
- 投資需求；
- 未來發展前景；及
- 個別可能相關之因素。

支付股息的建議金額視乎董事會的絕對酌情權而定，而任何年度的末期股息宣佈須待股東批准後方可作實。

股息政策反映董事會對本集團財務及現金流狀況的現時看法，惟有關股息政策仍會不時檢討，並可能會有變動。倘已宣派股息，董事會將考慮在任何特定時期以任何特定金額支付。本公司能否派付股息亦受香港法律、百慕達法律及本公司細則規定所規限。

組織章程文件

本公司的組織章程文件於年內並無變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE GROUP

Shougang Concord Grand (Group) Limited and its subsidiaries (collectively referred to as the “Group” or “we” or “us”) are principally engaged in financial services, property investment and management, assets management, and supply chain management. Our headquarters is located in Hong Kong, with three operating points set up in Beijing and Shenzhen, China. Our main subsidiaries, located in Mainland China and Hong Kong, are as follows:

關於集團

首長四方(集團)有限公司與其附屬公司(以下統稱「本集團」及「我們」)為一家主要以金融服務、物業投資及管理、資產管理以及供應鏈管理作為核心業務的集團公司。本集團的總部設於香港，並分別在中國的北京及深圳設置三個營運點。本集團位於中國內地及香港的主要附屬公司如下：

Shougang Concord Grand (Group) Limited 首長四方(集團)有限公司

| | | | |
|-------------------------------|---|--|---|
| Hong Kong headquarters office | South China International Leasing Co., Ltd. | Beijing Shouhua Fangtai Investment Management Co., Ltd.* | Beijing Jingxi Supply Chain Management Co., Ltd.* |
| 香港總部辦公室 | 南方國際租賃有限公司 | 北京首華方泰投資管理有限公司 | 北京京西供應鏈管理有限公司 |

This report is the annual environmental, social and governance (“ESG”) report (the “ESG Report”) published by the Group, which aims to describe the Group’s sustainable development policies, measures, performance as well as its management approach to coping with climate change risk. This report has been prepared in both Chinese and English and uploaded to the website of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (www.hkexnews.hk) and the Company’s website (<http://www.shougang-grand.com.hk>).

本報告為本集團刊發的年度環境、社會及管治(「ESG」)報告(「ESG報告」)，旨在闡述本集團的可持續發展方面的政策、措施、績效，以及面對氣候變化風險之管理方針。本報告以中、英文編寫，並已上載至及香港聯合交易所有限公司(「聯交所」)網站(www.hkexnews.hk)及本公司網站(<http://www.shougang-grand.com.hk>)。

* For identification purposes

ABOUT THIS REPORT

Scope of this Report

This report covers the operations of the Group's core businesses (including financial services, property investment and management, asset management, and supply chain management) in Beijing, Shenzhen and Hong Kong, China during the period from 1 January 2021 to 31 December 2021 (the "Reporting Period" or "2021"). The disclosures in this report are generally made at the group level, with the disclosure of environmental performance indicators adjusted according to the actual situation of our different operating points. For the actual scope, please refer to the notes in the relevant section.

Reporting Standard

The ESG Report has been prepared in accordance with the latest version of the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 27 to the Listing Rules issued by the Stock Exchange, and in compliance with the reporting principles of materiality, quantitative, consistency and balance.

Materiality Based on industry characteristics, the Group's operations as well as stakeholder opinions, we have identified and ranked material issues, which form the disclosure framework of the report, to ensure that the report has been prepared in accordance with the materiality principle. For the process and results of our materiality assessment, please refer to the section headed "Assessment of Key Issues and Materiality Assessment".

Quantitative To evaluate and understand the Group's performance more effectively, we have followed the recommendation of the ESG Reporting Guide to disclose the relevant KPIs as well as the standards, methods, assumptions and reference data used for each quantitative indicator, such as the source of the conversion factors for calculating carbon emissions.

Consistency To ensure meaningful comparison, the scope and boundary of disclosure in this report remain the same as those in our last report, and the methodology adopted for this report is consistent with that adopted for our last report.

Balance To ensure that all stakeholders can obtain comprehensive information on, and correctly understand, the Group's performance, we have made comprehensive disclosure in this report in an impartial manner without concealing any performance data regarding any material issue.

關於本報告

本報告的覆蓋範圍

本報告覆蓋本集團由二零二一年一月一日至二零二一年十二月三十一日止期間(「報告期」或「二零二一年」)的核心業務(包括金融服務、物業投資及管理、資產管理以及供應鏈管理業務)位於中國的北京、深圳及香港的營運。報告整體的披露內容以集團層面為基礎，其中環境績效指標的披露則由於不同營運點之實際情況而有所調整，實際覆蓋範圍請詳見相應部分之註解。

報告原則

ESG報告乃根據聯交所頒佈的上市規則附錄二十七所載《環境、社會及管治報告指引》(「《ESG報告指引》」)最新版而編製，並遵循重要性、量化、一致性及平衡的報告原則。

重要性 本集團基於行業特性、集團營運及持份者意見等方面，識別出關鍵議題並排序，以作為報告的披露框架，確保報告已根據重要性原則編寫。重要性評估的過程及結果，請參閱「關鍵議題評估與重要性分析」章節。

量化 為了更有效地評估及理解集團的表現，報告內已按照ESG報告指引的建議，披露相應的關鍵績效指標，以及各量化指標所採用的標準、方法、假設及參考數據，例如碳排放換算因子的來源。

一致性 為確保有意義的比較，本報告的披露範圍及邊界保持與去年一直，並保持已採用一致的編製方法。

平衡 為確保各持份者能夠掌握全面的資料並正確理解集團的表現，本集團在報告內不偏不倚地披露全面內容，不會對重要議題的表現有所隱瞞。

ABOUT THIS REPORT (Continued)

Reporting Standard (Continued)

The ESG Report has fully complied with the “mandatory disclosure requirements” and the “comply or explain” requirement in the ESG Reporting Guide. Except for provisions that the Group considers are inapplicable to our business operations or provide partial disclosure, explanations have been provided in the relevant sections. A summary of the environmental KPIs and performance data are set out in the section headed “Summary of Environmental Performance Data”. The information and data contained in the ESG Report are derived from the Group’s internal documents, records and estimates. The content of this report has been reviewed and confirmed by the Board.

Contact and Feedback

We attach great importance to stakeholder opinions, and therefore actively communicate with stakeholders through different channels and platforms, with a view to helping the Group establish better sustainable development governance and strategies in the future. If you have any comments or suggestions on this report, please contact us through the following channels:

Shougang Concord Grand (Group) Limited
5/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road,
Wanchai, Hong Kong
Telephone: (852) 2877 4500
E-mail: csr@shougang-grand.com.hk

關於本報告(續)

報告原則(續)

ESG報告已全面遵守《ESG報告指引》中之「強制披露規定」及「不遵守就解釋」的規定。除本集團認為不適用於我們業務營運或提供部分披露的條文外，有關解釋已載列於相應部分。環境關鍵績效指標及表現數據摘要載於「環境數據及表現摘要」部分。ESG報告內所載的資料及數據均來自與集團的內部文檔、記錄及估算，董事會已審閱並確認本報告的內容。

聯絡及反饋

本集團高度重視持份者意見，故積極透過不同渠道和平台與持份者保持溝通，以助本集團未來建立更完善的可持續發展管治及策略。如閣下對本報告的內容如有意見或建議，歡迎透過以下聯絡方式與本集團聯繫：

首長四方(集團)有限公司
香港灣仔
告士打道56號東亞銀行港灣中心5樓
電話：(852) 2877 4500
電郵：csr@shougang-grand.com.hk

ABOUT THE GROUP'S SUSTAINABILITY STRATEGIES

Organizations and companies around the world have been exploring and working towards sustainable development. The Board also believes that sustainable development is crucial to the future development of the Company, and thus attached great importance to our sustainable development performance and plans during the Reporting Period. The Board believes that a company's sustainable development should start with its internal management. Therefore, according to the actual situation of our internal operations, we identify and manage those of our operational activities that have an impact on the environment and society. In this way, we can reduce the Group's operational risks and, at the same time, improve its operational efficiency, and establish a stable value chain for stakeholders in the long run.

The Board undertakes to assume overall responsibility for formulating and monitoring the direction and strategies of the Group's sustainable development, and actively engage with stakeholders to ensure that the Group's ESG performance meets their expectations. During the Reporting Period, the Board helped our ESG task force (the "ESG Task Force") to discharge its duties through internal reviews, stakeholder engagement and policymaking, thus enhancing the Group's performance in sustainable development.

Governance Structure

To effectively enhance the elements of sustainable development in the Group's governance structure, we established an ESG task force (the "ESG Task Force") under the leadership of the Board during the Reporting Period. The ESG Task Force is responsible for overseeing our ESG-related risk management and internal control systems and incorporating sustainable development management, tier by tier, into our corporate governance structure. Comprising senior management, functional departments and employee representatives of our subsidiaries, the ESG Task Force is responsible for collecting performance data on the Group's overall ESG measures, and reviews relevant performance and reports to the Board on a regular basis. The ESG Task Force also maintains effective communication with stakeholders to identify material ESG-related issues and monitor and manage these issues.

關於集團的可持續發展策略

可持續發展成為全球不同機構及企業積極探討的實踐方向，董事會亦相信其對公司未來發展極為重要，故在報告期內非常重視集團的可持續發展表現及計劃。董事會相信企業的可持續發展應源自於內部管理，針對內部營運實際情況，識別出為環境及社會帶來影響的營運環節並加以管理，以降低集團的營運風險並同時提高效率，長遠為持份者建立穩定的價值鏈。

董事會承諾肩負制定及監管集團可持續發展方向和策略的整體責任，並會積極與不同持份者溝通，確保集團在環境、社會及管治方面的表現合乎他們的期望。董事會在報告期內積極透過內部檢視、持份者溝通及政策制定，協同環境、社會及管治工作小組（「ESG工作小組」）的實踐工作，提高集團在可持續發展方面的表現。

管治架構

為了能有效地加強可持續發展元素於集團管治架構中，本集團在董事會的領導下於報告期內成立了環境、社會及管治工作小組（「ESG工作小組」），負責監管集團環境、社會及管治相關的風險管理及內控系統，將可持續發展管理逐層納入集團的企業管治架構中。此ESG工作小組由集團高級管理層、職能部門及各子公司代表員工組成，負責收集有關集團整體ESG措施的績效及數據，並會定期審查相關的表現，再向董事會作出定期匯報。ESG工作小組同時會與持份者保持有效的溝通，以識別環境、社會及管治相關之關鍵議題，並對這些議題進行監察及管理。

ABOUT THE GROUP'S SUSTAINABILITY STRATEGIES (Continued)

ESG Risk Management

Through communication with internal and external stakeholders, we have become aware of the uncertainties that sustainability risks bring to our business operations. Therefore, the Group continuously reviews its operational risks, identifies and evaluates potential material risks related to ESG, and takes into account ESG-related factors in its risk response strategies and management procedures. For example, we have now included in our Procurement Guidelines policies to regulate suppliers' sustainability performance to ensure that ESG risks along the supply chain can be effectively prevented, identified and addressed.

Among these risks, we understand that climate change risk may bring more uncertainties to our future development, and we must therefore formulate corresponding policies and measures to ensure the long-term development of our business. As a result, in the Environmental Policy Statement made by the Group during the year, we undertake to actively incorporate climate change-related factors into our risk management, strive to adapt to the impact caused by climate change and try our best to reduce the impact of our business operations on the environment.

In the future, the Group will continue to formulate a more comprehensive and targeted ESG risk management framework, conduct regular reviews on relevant ESG risks, and update relevant policies, measures and goals so as to improve the Group's sustainable development and risk management and build a high-performance governance team.

關於集團的可持續發展策略(續)

環境、社會及管治風險管理

透過與不同的內部及外部持份者溝通，本集團瞭解到可持續發展風險對業務營運帶來的不穩定因素。因此，本集團會持續檢討集團的營運風險，識別和評估與環境、社會和管治相關的潛在重大風險，並在風險應對策略及管理程式中同時考慮了ESG相關元素。例如，本集團已在《採購指引》中添加規管供應商可持續發展表現的政策，以確保能夠有效防範、識別及應對供應鏈上的ESG風險。

其中，本集團瞭解到氣候變化風險有機會為集團未來發展帶來更多不穩定性，因此必須制定相應政策及措施，以確保業務能長遠發展。為此，在本集團於年內制定的《環境政策聲明》中，我們承諾將積極把氣候變化相關的因素納入風險管理中，致力適應風險帶來的影響之餘，盡力減少自身業務營運對環境帶來的影響。

未來，本集團將持續制定更完善及具針對性的ESG風險管理框架，並為相關的ESG風險作定期檢討，更新相關政策、措施及目標，以達致完善集團的可持續發展及風險管理，營造高效能之管治團隊。

ABOUT THE GROUP'S SUSTAINABILITY STRATEGIES (Continued)

Our Development Goals

The Group will set appropriate sustainability goals based on its actual operating conditions, stakeholder opinions as well as changes in the external environment. For the coming year, we will focus on improving the Group's operational compliance, health and safety, customer satisfaction and other issues, and propose solutions and actions in response to the concerns of stakeholders. In addition, the Group will also conduct a preliminary climate risk assessment to understand the climate risks facing it, identify financial and non-financial impacts, and make preparation for the formulation of relevant risk mitigation measures.

In terms of environmental goals, each member of the ESG Task Force is responsible for identifying, analysing and evaluating the environmental impacts related to our operations, setting appropriate environmental goals, and reporting to the Board and reviewing the Group's risk management and environmental policies and measures on a regular basis to ensure their relevance and validity.

ASSESSMENT OF KEY ISSUES AND MATERIALITY ASSESSMENT

The Group attaches great importance to the opinions of stakeholders. We hope to enhance their understanding of the Group's operational performance and target-setting by knowing their concerns, and to guide the Group's sustainability direction by collecting their opinions. During the Reporting Period, besides regular communication channels such as meetings and interviews, the Group appointed an independent sustainability consultant to conduct a survey with stakeholders to further understand their expectations of and opinions on the Group in different areas.

During the year, when trying to identify material issues, the Group invited internal and external stakeholders as well as the management to share their thoughts, so that we could understand the importance of different sustainability issues to stakeholders and the impact of those issues on them. According to the Group's actual operations, the main stakeholders we have identified include the Directors, senior management, employees, investors/shareholders, suppliers/contractors/subcontractors, and customers/business partners.

關於集團的可持續發展策略(續)

我們的發展目標

本集團將根據實際營運狀況、持份者的意見及外部環境的改變，設立合適的可持續發展目標。來年工作目標將重點專注改善集團的運營合規、健康與安全、客戶滿意度等議題，並提出解決方法及相應行動，以回應持份者的關注重點。此外，集團亦將進行初步氣候風險評估，以瞭解面對的氣候風險，識別財務及非財務影響，為制定相應的風險緩解措施做好準備。

在環境目標方面，ESG工作小組各成員需負責識別、分析及評估運營相關的環境影響，並設定適當的環境目標，定期向董事會匯報及檢討集團之風險管理及環境政策與措施，以確保其相關性和有效性。

關鍵議題評估與重要性分析

本集團重視持份者的意見，希望能透過掌握他們關注的事項，促進他們對集團營運表現及目標設定的理解，同時透過收集他們的意見引領集團的可持續發展方向。除了各項日常溝通渠道外，例如會議及訪談等方式，本集團在報告期間委託了獨立可持續發展顧問向各持份者進行問卷調查，以進一步了解他們對集團在各範疇之期望及意見。

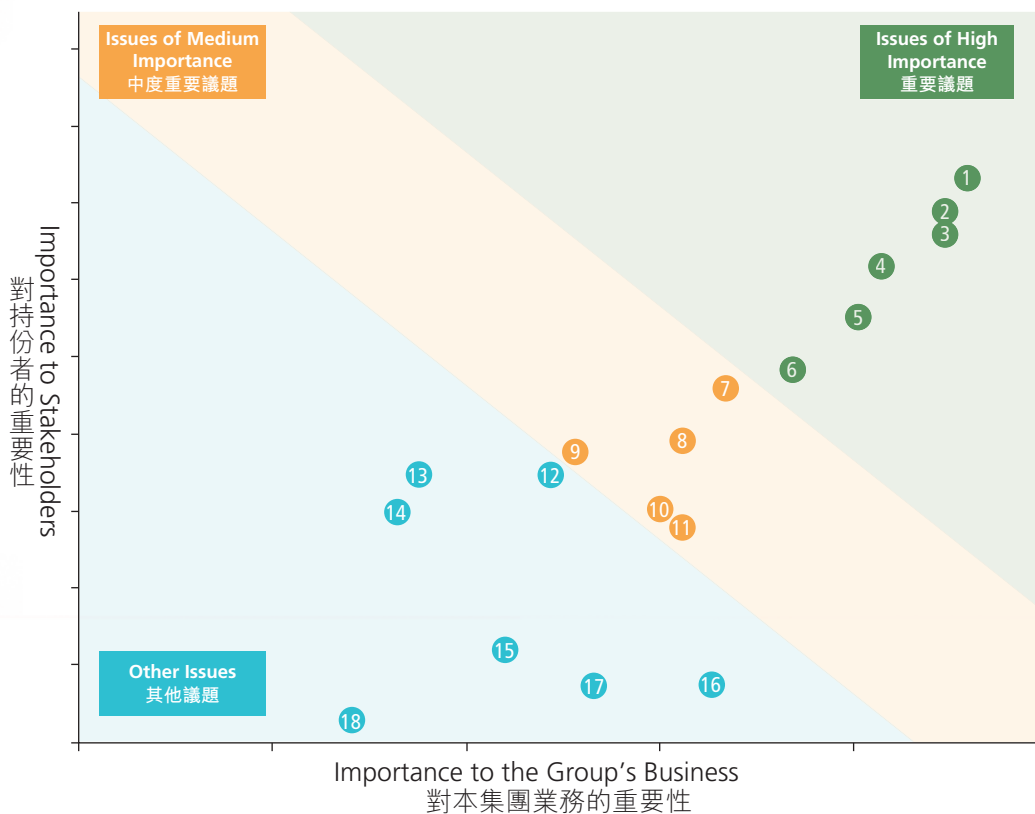
在識別本年度重要議題的過程中，除了管理層外，集團更邀請了不同的內、外部持份者提出意見，以瞭解各項可持續發展議題對持份者的重要性及影響。根據集團的實際營運情況，我們已識別的主要持份者包括董事、高級管理人員、僱員、投資者／股東、供應商／承包商／分判商、客戶／商業夥伴等。

ASSESSMENT OF KEY ISSUES AND MATERIALITY ASSESSMENT (Continued)

關鍵議題評估與重要性分析(續)

According to the requirements under the latest guideline issued by the Stock Exchange, our consultant assisted the Group in identifying 18 ESG issues most relevant to the Group's operations, which cover the four areas of Environmental Protection, Employment and Labour Practices, Operational Practices and Community. The stakeholder survey was conducted online, with a total of 44 valid questionnaires received. The results of the materiality assessment are as follows:

顧問根據香港交易所最新的指引要求，協助集團整合了18項與集團營運最為相關的ESG議題，內容涵蓋「環境保護」、「僱傭及勞工常規」、「營運慣例」及「社區」四大範疇。是次持份者問卷調查以線上問卷的方式進行，共收到44份有效問卷，其重要性評估結果如下：



| Issues of High Importance 重要議題 | Issues of Medium Importance 中度重要議題 | Other Issues 其他議題 |
|---|---------------------------------------|---|
| 1 Employment System 僱傭制度 | 7 Employee Satisfaction 員工滿意度 | 12 Water Resources 水資源 |
| 2 Training and Development 培訓與發展 | 8 Green Procurement 綠色採購 | 13 Greenhouse Gases and Air Emissions 溫室氣體及空氣污染物 |
| 3 Anti-corruption 反貪污 | 9 Energy 能源 | 14 Waste 廢棄物 |
| 4 Occupational Health and Safety 職業健康與安全 | 10 Supply Chain Management 供應鏈管理 | 15 The Environment and Natural Resources 環境及天然資源 |
| 5 Product Responsibility 產品責任 | 11 Climate Change 氣候變化 | 16 Community Investment 社區投資 |
| 6 Fair and Open Procurement 公平及公開的採購 | | 17 Child and Forced Labour 童工及強制勞工 |
| | | 18 Raw Material 原材料 |

ASSESSMENT OF KEY ISSUES AND MATERIALITY ASSESSMENT (Continued)

As shown in the above materiality matrix, a total of 6 material issues have been identified on this occasion of stakeholder communication, namely:

Material ESG Issues

(in descending order of importance)

1. Employment System
2. Training and Development
3. Anti-corruption
4. Occupational Health and Safety
5. Product Responsibility
6. Fair and Open Procurement

The material issues identified on this occasion of stakeholder communication fall under two major areas, namely Employment and Labour Practices and Operational Practices. For Operational Practices, anti-corruption, product responsibility as well as fair and open procurement are new material issues. For Employment and Labour Practices, occupational health and safety continues to be a concern for all stakeholders, while employment system and training and development are new material issues.

In the future, we will continue to expand the collection of opinions from stakeholders through more communication channels. We also undertake to fully consider the needs and concerns of stakeholders when making decisions to help us determine our future governance approach and realise our vision of sustainable business development.

關鍵議題評估與重要性分析(續)

在以上的重要性矩陣中顯示，此次持份者溝通共識別出6項重要議題，分別為：

重大環境、社會及管治議題

(按重要程度由高到低排列)

1. 僱傭制度
2. 培訓與發展
3. 反貪污
4. 職業健康與安全
5. 產品責任
6. 公平及公開的採購

是次持份者溝通所識別的重要議題最終偏重於「僱傭及勞工常規」及「營運慣例」兩大範疇。其中，在「營運慣例」當中，反貪污、產品責任和公平及公開的採購為新增的重要議題；而在「僱傭及勞工常規」中，職業健康與安全繼續成為各持份者所關注的議題，而僱傭制度及培訓與發展則為新增的重要議題。

未來，集團將繼續透過更多不同的溝通渠道，擴大收集持份者的意見，並承諾在進行決策時，將充分考慮到持份者的需要和關注事項，以助我們釐定未來的管治方針及實現業務可持續發展之願景。

ANNUAL SUSTAINABILITY PERFORMANCE

The framework of this report is based on the results of the materiality analysis above to ensure meaningful disclosures of different issues on a compliance basis. During the Reporting Period, the Group continued to implement its philosophy of sustainable development, comprehensively review and improve its policies, measures and regulatory performance in ESG-related areas, with a view to laying a solid foundation for sustainable development and paving the way for future actions.

Employment and Labour Practices

The Group believes that employees are the most valuable assets of an enterprise, and their efforts and contributions are one of the main drivers behind the Company's long-term development. Therefore, the Group is committed to establishing a diverse, inclusive and respectful working environment for our employees, and enhancing their development by providing them with a sound employment system.

During the Reporting Period, the Group reviewed and improved its existing policies and measures, and updated its Employee Handbook to describe the Group's policies on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

As at 31 December 2021, the Group employed 47 employees. During the Reporting Period, the Group did not violate any relevant laws and regulations on compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.

年度可持續發展表現

本報告的框架乃根據以上的重要性分析結果而建立，以確保在合規的基礎上就不同議題進行有意義的披露。在報告期內，本集團繼續貫徹其可持續發展理念，全面審視並改善在環境、社會及管治相關範疇的政策、措施及監管表現，以建立穩健的可持續發展基礎，並為未來的行動作好準備。

僱傭及勞工常規

本集團相信員工為企業最寶貴的資產，他們的努力和貢獻是推動公司邁向長遠發展的主要源泉之一。因此，集團致力建立一個多元共融及互相尊重的工作環境給予我們的員工，透過提供健全的僱傭制度，促進員工發展。

本集團已在報告期間檢視及改善現有政策和措施，並更新《員工手冊》，敘述本集團在薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的規定及安排。

於二零二一年十二月三十一日，本集團聘有47名員工。於報告期內，本集團沒有違反任何有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利等相關法律及規例。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Employment System

僱傭制度

• Compensation and Dismissal

The Group is committed to providing employees with competitive remuneration and benefits to enhance their work performance and sense of belonging to the Company with a view to attracting and retaining talents. The Group monitors closely the prevailing wage rates, and regularly conducts remuneration reviews through an open and fair employee performance appraisal process, taking into account employee attendance records, work performance, years of service and other factors. Quantitative performance indicators such as attendance records, employee performance, years of service, overall market conditions and other relevant factors are used during the appraisal process to ensure a fair evaluation of employee performance.

High-performing employees will receive discretionary bonuses and other development opportunities to ensure that their efforts are rewarded and their contributions to the Group are appreciated. On the contrary, if an employee is found to have misbehaved, committed fraud, provided false information, forged documents, or is often negligent in his or her duties, he or she will be dismissed and paid according to and in full compliance with relevant laws and regulations.

• Recruitment and Promotion

The Group always recruits and promotes employees on a meritorious basis. During the recruitment and screening processes, we abide by the Group's Recruitment Policies and Anti-Discrimination Policies to provide equal opportunities to everyone. For example, the Group uses quantitative performance indicators to evaluate the performance of employees, and provides each employee with open and equal opportunities for training and promotion based on his or her performance.

• 薪酬及解僱

本集團致力為員工們提供具競爭力的薪酬福利，以提高員工的工作表現及對公司的歸屬感，以達到吸引及挽留人才的作用。除了緊貼市場薪酬水平外，本集團亦會考慮員工出勤記錄、工作表現、服務年期及其他因素，定期透過公開及公平的員工績效評估程序進行薪酬檢討。評估的過程包括了量化的績效指標如根據出勤記錄、員工表現、服務年期、整體市況及其他相關因素，以公正地評估員工的表現。

表現優秀的員工將獲得酌情花紅及其他發展機會，確保他們的付出有所回報，同時感謝他們對本集團的貢獻。相反，若在評估的過程中發現職員有任何行為不檢、欺詐、提供虛假資料、偽造文件或經常疏於職守者，公司將依法給予解僱及結算薪酬，確保全面合規。

• 招聘及晉升

本集團一直以「用人唯才，知人善任」的原則去招聘及晉升合適的員工，並在招聘篩選過程中，遵守集團的《招聘政策》及《反歧視政策》提供平等的就業機會。例如，集團透過量化的績效指標去評估員工的表現，然後再根據其表現，為每位員工提供公開及平等的培訓和升職機會。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Employment and Labour Practices (Continued)

Employment System (Continued)

- **Recruitment and Promotion (Continued)**

We also promote diversity and inclusiveness. When looking for suitable candidates to fill job vacancies, we undertake to select applicants or employees based on objective criteria only, such as work experience, academic qualifications and abilities, and not on age, gender, sexual orientation, disability, race, marital status, religion or political background. Any discrimination against any applicant or employee is strictly prohibited. If there are violations of employees' personal rights, they can report to management through various communication channels, such as the Company's internal mailbox.

- **Working Hours and Rest Periods**

The Group arranges working hours in accordance with its Employee Handbook and implements a standard working hour system. Employees may work irregular shifts and/or work for a total number of hours according to the nature of their position, and their working hours must comply with local laws and regulations. If employees work overtime in urgent cases and due to actual business needs, overtime pay or compensation leave will be given to them in accordance with relevant labour laws and regulations. The Group also provides different kinds of leave for employees. Employees can enjoy annual leave, sick leave, marriage leave, bereavement leave, maternity leave, etc. according to their position. If there are violations of employees' personal rights, they can report to management through various communication channels.

年度可持續發展表現(續)

僱傭及勞工常規(續)

僱傭制度(續)

- **招聘及晉升(續)**

我們亦推動多元共融發展，承諾只憑申請人或員工的工作經驗、學歷及能力等客觀標準去進行評選，不會以其年齡、性別、性取向、殘疾、種族、婚姻狀況、宗教或政治背景去定義該申請人是否勝任有關職位空缺，亦嚴禁對任何應徵者或在職同事們作出任何歧視行為。倘出現侵犯員工個人權利的情況，相關員工可通過不同的溝通渠道向管理層報告，例如公司內部的通訊郵箱。

- **工作時數及假期**

本集團根據《員工手冊》安排員工工作時間，並推行標準工時制度。員工可根據其崗位性質進行不定時輪班及／或綜合計算工作時數，其工作時數須符合當地法律法規。倘因緊急情況及實際業務需要而導致員工超時工作，將根據相關勞動法律法規向員工發放超時補償或補假。同時，本集團亦為員工提供不同的假期，員工可根據其職位享有年假、病假、婚假、喪假、產假等。倘出現侵犯員工個人權利的情況，員工可通過不同的溝通渠道向管理層報告。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Employment System (Continued)

僱傭制度(續)

- Other Benefits and Welfare

- 其他待遇及福利

We care about and value our employees, providing statutory benefits to them based on their location. Therefore, we provide the Mandatory Provident Fund (“MPF”) to our employees in Hong Kong, and endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance and housing provident fund to our employees in Mainland China. In addition, we have an employee recognition programme. The Group will grant employees with long years of service a certificate of long service, a long service award as well as souvenirs to recognise their contributions. We also have a special care programme to extend our care to our employees’ families. For example, we send gifts to those of our employees who are newlywed or have become parents to share their joy. Through these programs, the Group strives to foster a corporate culture that treats the whole company as a big family and to express our sincere care and gratitude to our employees.

本集團關懷員工及重視員工，並會因應不同經營所在地，依法提供法定福利，例如：為香港員工提供強制性公積金（「強積金」）計劃；為內地員工提供「五險一金」，分別是養老保險、醫療保險、失業保險、工傷保險、生育保險及住房公積金。我們設有員工表彰計劃，對於服務年資較長的員工，本集團會提供服務年資證明，服務年獎，而及送贈紀念品予以表揚。我們同時亦設有特別關懷計劃，把關懷延伸至員工的家人，如為員工致送結婚禮物，為員工的配偶致送小孩出生禮物，共同分享喜悅。透過該等計劃，本集團致力形成大家庭的企業文化，以表達我們對員工的真誠關懷及感謝。



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Employment and Labour Practices (Continued)

Employment System (Continued)

• Other Benefits and Welfare (Continued)

As at 31 December 2021, the Group had 47 employees, including 47 full-time employees. The following table provides a breakdown of our total workforce by gender, age group, employment type and geographical region:

年度可持續發展表現(續)

僱傭及勞工常規(續)

僱傭制度(續)

• 其他待遇及福利(續)

截至二零二一年十二月三十一日，本集團有47名員工，包括47名全職員工。下表列示按性別、年齡組別、僱傭類型及地區劃分的員工總數明細：

| | | 2021 二零二一年 | |
|-------------------------------|---------|--------------------------------|---|
| | | Number of employees 員工人數 | Employee turnover rate (%) 員工流失比率(%) |
| Total | 總計 | 47 | 31.91 |
| By gender | 按性別劃分 | | |
| Male | 男性 | 26 | 38.46 |
| Female | 女性 | 21 | 23.81 |
| By age group | 按年齡組別劃分 | | |
| Below 30 | 30歲以下 | 8 | 50.00 |
| 30-50 | 30至50歲 | 35 | 28.57 |
| Over 50 | 50歲以上 | 4 | 25.00 |
| By geographical region | 按地區劃分 | | |
| Hong Kong | 香港 | 14 | 28.57 |
| China | 中國內地 | 33 | 33.33 |

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Development and Training

發展及培訓

We care about the career path and development of our employees and believe that good training can help them improve their work quality and become integrated into the Company as soon as possible, thereby enhancing the overall development and competitiveness of the Group. Therefore, we are committed to cultivating and unleashing the potential of our employees. We provide different training courses and activities for employees of different ranks, such as induction training, internal comprehensive training, departmental training and external training. We also invite experts to hold special seminars according to the specific needs of our employees. All training activities are organised by relevant departments or the human resources and administration departments, covering management systems and regulations, market trends, as well as industry-related expertise.

本集團關心員工的職業計劃與發展，並認為提供良好的培訓能有助提升他們的工作質素及盡快融入企業，從而增強集團的整體發展及綜合競爭力。因此，本集團致力培育及發掘員工的潛能，為不同職級的員工提供各類培訓課程與活動，如入職培訓、內部綜合培訓、部門培訓、外部培訓，並根據特定需求邀請專家舉辦專題研討會等活動。所有培訓活動均由相關部門或人力資源及行政部舉辦，內容涵蓋管理制度及法規、市場趨勢及與行業相關的專業知識等。

During the Reporting Period, we held various training activities, including 6S management workshops, seminars related to auto industry financing, electronic financial technology products, supply chain asset management and financing, for our employees to help them acquire management skills and understand the latest trends in the market. When a training course is completed, we will collect the opinions of the participating employees on the course in order to evaluate it. We will then review the results and effectiveness of the course based on our employees' feedback and continuously optimise our training arrangement.

於報告期內，我們舉行了不同的培訓活動，其中包括：6S企業管理工作坊、汽車行業融資、電子金融科技產品、供應鏈資產管理及融資研討會等相關培訓，讓員工掌握管理技能，分享行業市場的最新消息。當培訓課程完成後，我們將收集參與員工對培訓內容之意見為培訓進行評估，並會依據員工們的反饋檢討培訓內容的結果及成效，持續優化培訓安排。



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Development and Training (Continued)

發展及培訓(續)

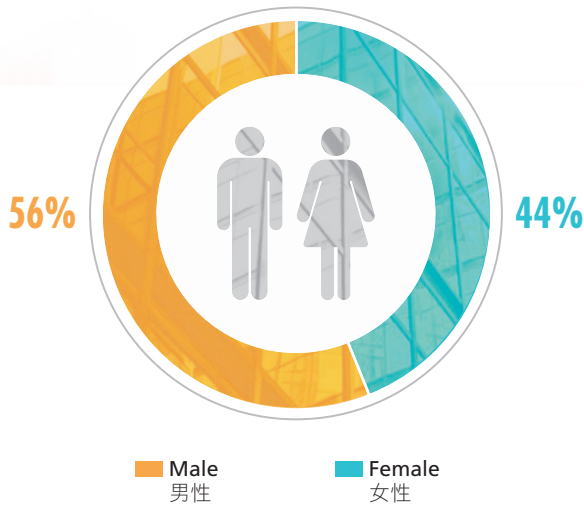
The data about the Group's employee training during the Reporting Period are as follows:

於報告期內，本集團員工培訓相關數據如下：

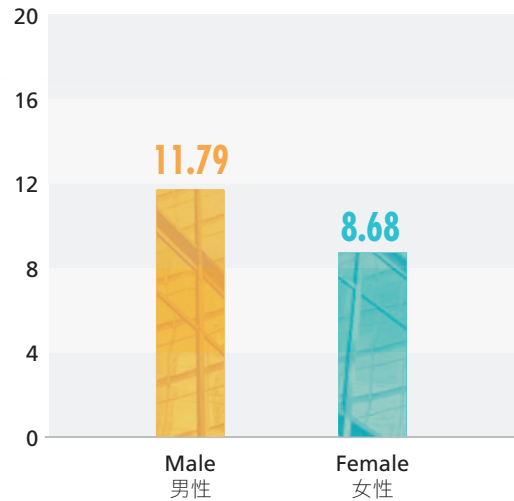
| | | 2021 二零二一年 | |
|--------------|-----------|---|--|
| | | Percentage of employees trained 接受培訓的員工百分比 | Average training hours per employee 平均每位員工的培訓時數(小時) |
| Total | 總計 | 87.23 | 10.40 |

Percentage of employees trained by gender in 2021
 2021年按性別劃分的受訓員工比例

Employees trained by gender
 按性別劃分的受訓員工



Average training hours per employee
 平均每位員工受訓時數



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

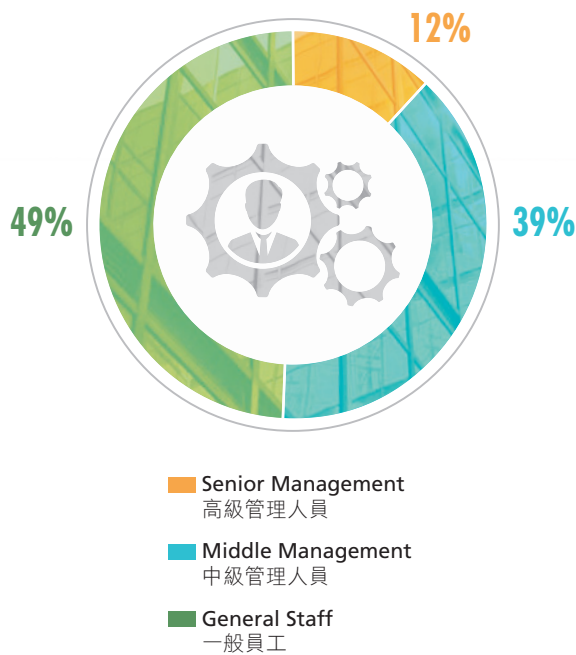
僱傭及勞工常規(續)

Development and Training (Continued)

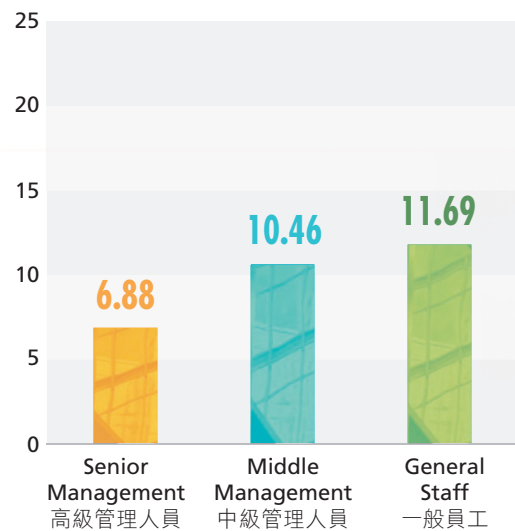
發展及培訓(續)

Percentage of employees trained by employee category in 2021
2021年按員工類別劃分的受訓員工比例

Employees trained by employee category
按員工類別劃分的受訓員工



Average training hours per employee
平均每位員工受訓時數



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Employment and Labour Practices (Continued)

Occupational Health and Safety

We are committed to providing a safe, efficient and harmonious working environment to our employees to protect their physical as well as mental health and safety. We also advocate a work-life balance lifestyle. Therefore, outside of work, we actively organise various sports and fitness activities for our employees, such as badminton and yoga. We also provide fitness equipment to our employees to encourage them to keep fit and healthy, thereby enhancing their vitality at work and overall work efficiency.

年度可持續發展表現(續)

僱傭及勞工常規(續)

職業健康與安全

本集團致力提供一個安全、高效及和諧的工作環境給予我們的員工，以保障他們的身心健康與安全。我們更提倡工作與生活平衡的生活方式，故在工作以外的時間，積極地為員工們組織各類的體育健身活動，如羽毛球及瑜伽，更會提供健身器材，以鼓勵員工追求健康，從而增強工作活力，提高整體工作效率及效益。



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Occupational Health and Safety (Continued)

職業健康與安全(續)

The health and safety of our employees is the very foundation of the stable operation of the Group. Therefore, we try to maintain a working environment that is safe and healthy in all aspects to promote the physical and mental health of our employees. During the Reporting Period, we further improved the Group's safety management procedures and provided our employees with necessary personal protective equipment to prevent work-related injuries. If any serious accident with major risks occurs and our employees feel unwell or need first aid, we will first calm them down and then provide them with necessary assistance until the arrival of professional paramedics. We also maintain first aid kits and common over-the-counter medicines in the human resources and administration departments of our subsidiaries for the treatment of minor injuries.

員工之健康與安全是本集團穩定營運的基礎，故我們一直多方面營造安全、健康的工作環境，促進員工的身心健康。其中，我們在報告期內進一步完善了集團的安全管理方法，並為員工配備必要的勞動保護用品，以預防工傷發生。倘若發現有重大風險的嚴重事故發生，而員工出現身體不適或需要急救，我們會先穩定同事情緒並提供必要協助，直至相關專業救護人員到達為止。本集團也在各附屬公司的人力資源及行政部設有急救箱及普通成藥備用，作處理輕傷之用。

As to preventive measures, the Group encourages its employees to participate in fire drills regularly organised by property management companies to familiarise themselves with evacuation routes and raise their emergency awareness so that, when accidents occur, they will be able to respond to and deal with them promptly and reduce losses and casualties. During the year, the Group did not have any accident resulting in work-related injury or death.

在意外預防方面，本集團鼓勵員工參與物業管理公司定期組織的消防演習，熟悉疏散路線及提高彼等對實際緊急情況的意識，以在發生事故時能夠及早應對及處理，減輕經濟損失及人命傷亡。本年度，本集團未有發生任何安全事故導致因工傷亡事件。

| | | 2021 二零二一年 | 2020 二零二零年 | 2019 二零一九年 |
|--|---------------------|---------------|---------------|---------------|
| Work-related fatalities during the past three years (including the Reporting Period) | 過去三年(包括報告期)工作相關死亡人數 | 0 | 0 | 0 |
| Lost days due to work injury | 工傷導致失去的工作天數 | 0 | 0 | 0 |

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Employment and Labour Practices (Continued)

Occupational Health and Safety (Continued)

In response to the ever-changing situation of the COVID-19 pandemic, the Group set up a special task force in its Hong Kong office as well as in each of its subsidiaries during the Reporting Period. The task force is responsible for the overall pandemic prevention and control work to reduce the risk of our employees being infected. The Group has taken the following preventive measures in its subsidiaries to minimise the risk of infection and the spread of COVID-19:

- Keep the environment clean and regularly disinfect frequently touched surfaces such as doorknobs, furniture and shared items
- Require employees to undergo daily temperature checks to ensure they are fit for work and to maintain good personal hygiene
- Ask employees to stay home, seek medical advice, and report to relevant authorities if they feel unwell and/or have symptoms of COVID-19
- Circulate/attach hygiene advice and updates on the COVID-19 situation via email and notice boards to remind employees to maintain hand hygiene and cough etiquette to prevent COVID-19 infection
- Try to replace physical meetings with online meetings or teleconferencing
- If it is necessary to attend physical meetings or events, employees are advised to maintain appropriate social distancing during meals and meetings

The above measures were effectively implemented during the Reporting Period. We will continue to encourage our employees to comply with these and other measures to minimise the risk of infection and protect their health.

年度可持續發展表現(續)

僱傭及勞工常規(續)

職業健康與安全(續)

面對新冠肺炎疫情反覆不定的情況，本集團在報告期內於香港辦公室及各附屬公司均設立了專責工作小組，負責整體疫情防控工作，以減低員工受感染的風險。本集團已於附屬公司採取以下主要預防措施，以盡量降低新冠肺炎傳染及傳播的風險，詳情如下：

- 保持環境清潔，並定期對經常接觸的表面(如門把手、家具及共享物品)進行消毒
- 要求員工每日進行體溫檢測，以確保其適合工作及保持良好的個人衛生
- 要求員工在感到不適及／或出現新冠肺炎症狀時留在家中，尋求醫療協助，並向相關部門報告以作記錄
- 透過電郵及告示板傳閱／隨附有關新冠肺炎疫情的衛生建議及最新消息，以提醒員工保持手部衛生、咳嗽禮儀及預防感染新冠肺炎
- 盡量以線上會議或電話會議取代實體會議
- 若有需要出席實體會議或活動，建議員工應在用餐及會議時保持適當的社交距離

以上措施在報告期內均得到有效落實，本集團亦將繼續鼓勵員工遵循各項措施，盡量將傳染的可能減低，守護員工的健康。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Employment and Labour Practices (Continued)

僱傭及勞工常規(續)

Labour Standards

勞工準則

The Group protects and respects human rights, and strictly prohibits the employment of child labour and any form of forced labour. To prevent the employment of underaged persons by mistake, we strictly follow the recruitment policy as set out in our Employee Handbook and conduct background checks on applicants and new hires during the recruitment process. We require all applicants and new hires to provide identification documents for the easy access and verification by our human resources and administration departments to ensure that the age of the employed person is not lower than the legal working age and meets local labour laws and regulations.

本集團保障及尊重人權，嚴禁聘用童工及禁止任何形式的強制勞動。為防止誤聘童工的情況發生，我們嚴格跟從《員工手冊》中的招聘政策，在招聘過程中對申請人及新聘用人士進行背景調查。所有申請人及新聘用人士必須提供他們的身份證明文件，以方便人力資源及行政部查閱及核實，確保受僱人的年齡符合法定工作年齡及當地的勞動法律法規。

The Group also prohibits forced labour. All new recruits are required to sign an employment contract to ensure that they are employed voluntarily and legally. If there are suspected violations or violations of employees' personal rights, they can report to management through various communication channels. The Group will first suspend the work of the involved employees, conduct in-depth investigations, and will review and improve the relevant systems to plug any loopholes.

本集團亦禁止強制勞工，所有新聘用人士入職時須簽署僱傭契約，以確保他們均在合法的情況下自願受僱。一旦發現疑似違規或出現侵犯員工個人權利的情況，員工可通過不同的溝通渠道向管理層報告。集團會先暫停相關員工的工作，並對相關個案作深入調查，同時會檢討及改善相關制度，以堵塞漏洞。

During the year, there were no cases of violations of laws and regulations on child or forced labour.

在本年度並無發現與童工或強制勞動相關的違法違規個案。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management

Anti-corruption

The Group has zero tolerance for any form of corruption including bribery, extortion, fraud and money laundering. To crack down on corruption and protect the Group's reputation and long-term business development, we regularly review the Group's disciplinary code, formulate corporate corruption prevention policies and implement a corruption prevention management system, thereby reducing the probability of corruption in a comprehensive manner.

To prevent commercial bribery and maintain good business discipline, we require our employees in Mainland China to sign an Anti-Commercial Bribery Agreement or Confidentiality, Intellectual Property and Non-compete Agreement with our subsidiaries according to the nature of their business, thereby protecting the Group's legal rights and interests. In addition, we also require all units and departments of the Group to include clauses on integrity and self-discipline when entering into business contracts and contracts related to economic activities, and to sign the business-related Integrity Clause and abide by our Employee Handbook and employee contracts. Our employees are strictly prohibited from accepting unnecessary hospitality and gratuities such as gifts, accommodations, or food. To avoid actual or apparent conflicts of interest, we also require our employees to complete a written conflict of interest declaration, disclose all relevant interests or relationships that may involve actual or potential conflicts of interest, and report to our human resources department for management review.

年度可持續發展表現(續)

營運管理

反貪污

本集團對任何形式的賄賂、勒索、欺詐及洗黑錢等貪污行為採取零容忍的態度。為嚴打貪污舞弊，保障集團之聲譽及業務的長遠發展，我們定期為集團的紀律守則進行檢討，並制定各項企業防貪政策及實施防貪管理系統，以全面降低貪腐案件發生的可能性。

為防止商業賄賂及維持良好的商業紀律，我們規定中國內地的員工須根據業務性質與附屬公司簽訂「反商業賄賂協議書」或「保密、知識產權及競業限制承諾協議」，以保障集團之合法權利及權益。此外，我們亦要求集團各單位及部門在簽訂業務合同及與經濟活動相關的合作時，均需附帶廉潔自律相關條款，並簽署業務《廉潔條款》和遵守員工手冊及員工合約，嚴格禁止員工接受不必要的款待和餽贈，如禮物、住宿或食物供應等。為避免發生實際或表面上的利益衝突，我們亦要求員工填寫利益衝突的書面聲明，披露所有可能涉及實際或潛在利益衝突的相關利益或關係，並向人力資源部匯報以供管理層審閱。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Anti-corruption (Continued)

The Group will handle all corruption reports seriously and formulate a report management policy to provide employees and relevant stakeholders with clear reporting guidelines and channels, such as phone calls, emails and letters. To protect the personal information of whistleblowers and their legal rights, all our whistleblowing procedures are conducted anonymously, thus preventing whistleblowers from any unfair treatment and retaliation. Upon receipt of relevant reports and complaints, the Group will appoint designated personnel or establish special committees to investigate and verify the reported incidents and take timely remedial measures if necessary. If the reported incident of corruption is found to have occurred, we will, depending on the seriousness of the case, take disciplinary action against the offender or refer the case to the judicial authorities for their handling.

During the Reporting Period, the Group was not aware of any legal cases regarding corrupt practices brought against the Group or its employees.

To maintain its high ethical standards of integrity and self-discipline in the process of business development, the Group provided more anti-corruption training to its employees during the Reporting Period, thereby helping them and management to have a better understanding of relevant laws and regulations and enhancing their anti-corruption awareness. For this purpose, we made our employees watch training videos produced by the Independent Commission Against Corruption (ICAC) of the Hong Kong Special Administrative Region, and conducted group discussions after that, so as to enhance our employees' understanding of the scope and importance of anti-corruption.

年度可持續發展表現(續)

營運管理(續)

反貪污(續)

本集團將嚴謹處理所有貪污舉報，並制定舉報管理政策，為員工及相關持份者提供清晰的舉報指引及渠道，例如電話、電郵及信函等。為保障舉報者的個人信息及其合法權益，所有檢舉程序以匿名方式進行，以防止舉報者受到任何不公平待遇及報復。當接獲有關舉報及投訴，本集團將委任指定人員或成立特別委員會，以調查及核實所舉報事件，並於必要時及時採取補救措施。如貪污舉報屬實，我們更會視乎案件的嚴重性，將有關人員作出紀律處分或將相關案件移送至司法機關處理。

在報告期內，集團並無發現任何針對本集團及員工的貪污訴訟案件。

為維持集團在業務發展過程中秉持高度廉潔自律的道德標準，本集團在報告期內加強為員工提供反貪污培訓，以協助員工及管理層更清晰瞭解相關的法例法規，強化相關意識。因此，本集團特別組織員工共同觀看香港特別行政區廉政公署的培訓資料視頻，並在觀看視頻後進行小組討論，以助加深員工對反貪污培訓內容之理解及明白其重要性。



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Anti-corruption (Continued)

The data about the Group's anti-corruption training during the Reporting Period are as follows:

年度可持續發展表現(續)

營運管理(續)

反貪污(續)

報告期內，本集團所舉辦與反貪污相關的培訓資料如下：

2021
二零二一年

| | | |
|---|---------------------|-----|
| Hours of anti-corruption training provided to employees | 為員工舉辦反貪污相關的培訓時數(小時) | 1.5 |
| Hours of anti-corruption training provided to the Board | 為董事會舉辦的反貪污培訓時數(小時) | 1.5 |

Service Responsibility

The Group understands that for an enterprise with service management as its core business, the provision of stable and high-quality services is one of the main drivers behind its success. We are committed to providing high-quality services to our customers, ensuring that each project or service meets quality requirements and meets their needs and expectations.

• Quality Management

To maintain its management service in high quality, the Group has implemented system management in each of its business segments, including service quality management, project control and monitoring mechanisms, customer data management and internal risk management control, thereby enhancing management efficiency and satisfying customers' needs. The Group has also implemented a quality management system certified by the international standard of ISO 9001:2015 in its subsidiaries engaged in supply chain management business to carry out systematic quality management of their business, thereby improving the efficiency of their business operations and reducing the risk of their quality management.

服務責任

本集團深明以服務管理為核心業務的企業，提供穩定的優質服務是帶領企業邁向成功道路的主要因素之一。我們致力為客戶提供優質服務，確保每個項目或服務均能符合質量要求及滿足他們的需要與期望。

• 質量管理

為保持集團優質的管理服務質素，本集團已在各業務分部實行制度管理，當中包括服務質量管理、項目控制及監控機制、客戶數據管理及內部風險管理控制等，以提高管理效果及滿足客戶需求。本集團亦已在從事供應鏈管理業務的附屬公司推行ISO 9001:2015國際標準認證的質量管理體系，對業務進行系統化質量管理，以提高業務營運的工作效率及降低質量管理的風險水平。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Service Responsibility (Continued)

• Customer Service

To ensure that our customers are satisfied with our services and overall performance, we appreciate customers' feedback on the Group's services, which helps us maintain a professional service level and enhance external competitiveness. We have set up a dedicated department to handle complaints, and undertake to respond immediately and take prompt actions, including comprehensive assessments of problems and seeking solutions, as well as measures to prevent similar incidents from happening again. During the Reporting Period, the Group did not receive any complaints.

• Customer Privacy

To fully protect customer privacy and intellectual property rights, all employees of the Group are required to accept and abide by the confidentiality clauses contained in the Employment Contract and Confidentiality Agreement. All confidential data can only be accessed on a "need-to-know" basis by authorised and designated departments or personnel. We also change our network service passwords regularly to improve network security and ensure that customer privacy is protected. When entering into employment contracts, the Group also requires its employees to sign the Confidentiality, Intellectual Property and Non-compete Agreement and to pledge that, unless authorised by the Group, they will not use any of the Group's confidential and sensitive information (including but not limited to information on the Group's transactions, trade secrets or other confidential information of its customers) or disclose such information to any unauthorised third parties. In the event of any breach of confidentiality (such as the violation of customer privacy and the leakage of contract information), the person involved may be subject to disciplinary actions and liability.

During the Reporting Period, the Group was not aware of any violation of relevant laws and regulations on service responsibility and customer privacy that had a significant impact on the Group.

年度可持續發展表現(續)

營運管理(續)

服務責任(續)

• 客戶服務

為確保客戶對本集團的服務及整體表現感到滿意，我們歡迎客戶就集團之服務提供反饋，並藉此保持專業的服務水平和提高對外競爭力。我們已成立專責部門負責處理投訴問題，承諾於即日給予回應，並採取及時行動，包括對問題進行全面評估及尋找解決方法，同時採取措施防止類似事件再次發生。報告期內，本集團並沒有接獲任何投訴。

• 客戶私隱

為確保客戶私隱及其知識產權安全無虞，本集團所有員工均須接受並遵守《僱傭合約》、《保密協議》所載的保密責任。所有保密數據僅由獲授權的指定部門或人員按「需要知情」基準存取。我們亦會不定期更換網絡服務密碼，提高網絡安全度，確保客戶的私隱得到保障。本集團在簽訂員工勞動合同時，亦會要求員工填寫《保密、知識產權及競業限制承諾協議》，承諾除非得到雙方同意，否則嚴禁向未經授權第三方披露、泄露及使用任何公司機密及敏感數據，包括但不限於本集團的交易、商業機密或客戶的其他保密資料。如發現任何違反侵犯客戶私隱及合同等公司機密資料的情況，相關人士將可能會受到紀律處分及需承擔法律責任。

於報告期內，本集團並無發現違反就服務責任及客戶隱私事項的相關法律法規而對本集團有重大影響的情況。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Service Responsibility (Continued)

- Advertising

Due to the nature of its business, the Group considers that advertising or labelling does not have a significant impact on its daily operations, so this report does not provide disclosure of relevant policies and measures.

Supply Chain Management

The Group is committed to providing high-quality services to its customers and aims to be their professional and trusted business partner. Therefore, the Group insists on the strict selection of suitable and high-quality intermediaries and suppliers for cooperation to standardise and strengthen the service quality of its group companies and ensure that the intermediaries or suppliers we work with are not only in compliance with laws and regulations, but also share our sustainability vision. We also actively maintain close communication with intermediaries and suppliers to identify their impact on society and the environment during the production processes or along the supply chain. In accordance with the Group's Procurement Guidelines, procurement applicants regularly monitor the performance of the relevant suppliers and make appropriate procurement suggestions to management as and when necessary.

To further identify the operational and governance risks along the supply chain, we have conducted a comprehensive review of our supply chain management system to ensure that there are no systemic problems and to effectively maintain the stable operation of the supply chain. When selecting partners along the supply chain, we will evaluate their qualifications and capabilities based on their internal management system (such as their quality management system), training qualifications, equipment conditions, service quality, social reputation, after-sales service and other related professional skills to ensure that their service quality is qualified, stable and reliable and to achieve full compliance without any adverse effects.

During the Reporting Period, the Group engaged 70 suppliers, including 45 suppliers in Mainland China and 25 suppliers in Hong Kong.

年度可持續發展表現(續)

營運管理(續)

服務責任(續)

- 廣告

由於業務性質，本集團認為廣告或標籤並沒有對其日常營運產生重大影響，因此本報告未有提供相關政策及措施披露。

供應鏈管理

本集團致力為客戶提供優質的服務，並以成為他們的專業及值得信賴的商業夥伴為目標。因此，集團堅持嚴選合適且高素質的中介機構及供應商合作，以規範和加強集團公司的服務質素，確保我們採用的中介機構或供應商符合法規之餘，更持有與我們一致的可持續發展理念。我們亦積極與各中介機構及供應商維持緊密溝通，去識別其在生產或供應鏈過程中對社會及環境所產生的影響，並按照集團的《採購指引》，由相關採購申請人持續監察，適時向管理層作出適當的採購建議。

為進一步識別供應鏈的營運及管治風險，我們就供應鏈管理系統進行了全面的檢視，以確保沒有系統性漏洞，確保有效維持供應鏈的穩定運作。就選取供應鏈上的合作夥伴，我們會從其內部管理體系(如質量管理體系)、培訓資格、設備狀況、服務質素、社會信譽、售後服務及其他相關專業技能等方面，去評估其資質及能力，務求確保服務質量合格穩定、可靠，確保能達到全面合規，且無不良情況發生。

於報告期內，本集團已委聘70家供應商，包括中國內地45家供應商及香港25家供應商。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Supply Chain Management (Continued)

- Fair and Open Procurement**

The Group carries out its procurement based on the principles of justness, fairness and openness, and selects intermediaries and suppliers through price comparison, invitation to tender or public tender to ensure that procurement risks are controlled on the basis of equality and mutual benefit, thereby establishing long-term and stable cooperation with suppliers. To ensure that intermediaries and suppliers can provide high-quality services and meet the needs and expectations of our customers, we only cooperate with intermediaries and suppliers with high ethical standards. We also encourage suppliers and intermediaries to adopt and implement the Group's relevant policies and procedures to prevent any breach of policies or contractual provisions established between us. To safeguard the best interests of the Group and its customers, if any irregularities are found, the Group will terminate or consider terminating its cooperation with the supplier until the supplier takes remedial actions.

- Green Procurement**

To promote the sustainable development of the industry more actively, the Group revised its Procurement Guidelines during the Reporting Period, with a view to improving the sustainability performance of the industry in the long run by promoting improvements along the supply chain. When selecting suppliers, we will endeavour to promote "green procurement", actively exert our influence, and adhere to the principle of purchasing environmentally friendly products with lower carbon emissions. Therefore, the Group expressly states in the revised provisions of its Procurement Guidelines that, when selecting suppliers, it will refer to their relevant internal documents to review their environmental protection performance, while encouraging them to implement energy saving and carbon reduction measures. We will also follow the suppliers' environmental protection policy set out in the Procurement Guidelines to give priority to the procurement of products and equipment that cause less pollution, as long as their quality is good and the prices are reasonable.

年度可持續發展表現(續)

營運管理(續)

供應鏈管理(續)

- 公平及公開的採購**

本集團重視以「公正、公平、公開」的原則進行採購，並透過比價、招標邀請或公開招標等方式去甄選中介機構及供應商，確保在平等互惠的基礎上控制採購風險，以共同建立長期及穩定的合作關係。為保證中介機構及供應商有能力提供優質的服務及滿足客戶的需要與期望，本集團僅與具備道德價值及標準的中介機構及供應商合作。我們亦鼓勵供應商及中介機構採納集團相關政策和流程並予以實施，以防有機會違反我們之間所制立的政策或合約規定。倘若發現任何違規之行為，本集團將終止或考慮終止與其合作，直至對方採取措施糾正有關情況為止，以保障集團及客戶的最佳利益。

- 綠色採購**

為了更積極地推動行業的可持續發展，本集團在報告期內修訂了《採購指引》，希望透過促進供應鏈上的改進，長遠改善行業的可持續發展表現。在選擇供應商時，我們會盡力推動「綠色採購」，積極發揮自身影響力，堅持選購較低碳排放的環保產品原則。因此，本集團在《採購指引》的修訂條文中明文規定，會在甄選供應商時參考他們之相關內部文件，以檢視其環境保護績效，同時鼓勵他們實施節能減碳的措施。我們亦會按照《採購指引》供貨商之環境保護政策，在維持採購項目質素及價格合理的情況下，承諾將優先採購較少污染的產品及設備。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Operational Management (Continued)

Compliance Management

Compliance with all applicable laws and regulations is a basic requirement for the Group's operations. The Group understands that violation of laws and regulations will have an impact on the Group's business operations, for example tarnish its reputation, incur penalties, or drag it into litigation. With the continuous refinement and implementation of laws, regulations and policies in China, the Group will continue to regard ensuring operational compliance as an important goal. We have also formulated and implemented a series of internal policies and systems to strengthen compliance management. Our Audit Committee is responsible for overseeing the Group's policies and practices regarding compliance with legal and regulatory requirements, while the Board reviews the Group's compliance performance annually.

During the Reporting Period, the Group had no violations of laws and regulations related to ESG matters. For a detailed look at the Group's ESG-related policies and its compliance with ESG-related laws and regulations, please refer to Appendix II.

Environmental Protection

To facilitate the implementation of its sustainable development and the fulfillment of its responsibility for environmental protection, the Group will continue to review, identify and assess potential major risks related to the environment, and implement environmental management-related policies and measures, thereby reducing the negative impact of its operations on the environment. The Group also undertakes to continue to promote environmental protection among its employees and stakeholders, and to help and encourage them to reduce emissions and save energy in different aspects of life, thereby contributing to environmental protection.

年度可持續發展表現(續)

營運管理(續)

合規管理

遵守所有適用的法律及法規是本集團於營運中的基本要求。本集團明白違反法律及規例將為本集團帶來不同層面的影響，如業務經營、信譽、刑罰及訴訟等。隨著國家法律法規政策不斷細化實施，本集團將繼續把確保營運合規視為重要目標，並已制定及實施一系列內部政策及制度，強化合規管理。審核委員會負責監督本集團有關遵守法律及監管要求的政策及常規，董事會則每年審閱本集團合規情況。

於報告期內，本集團概無與環境、社會及管治各範疇相關之違法違規個案。集團詳細的環境、社會及管治政策及合規內容請參閱附錄二。

環境保護

為配合集團的可持續發展及對環境保護之責任，本集團將持續檢討、識別和評估與環境相關的潛在重大風險，並透過推行及實施各種環境管理有關的政策與措施，以減少集團在業務營運上對環境所造成的負面影響。本集團亦承諾將繼續向集團所有員工及持份者推廣更多有關環境保護的訊息，以及協助和鼓勵他們在生活不同領域中減少排放和節約能源，從而為環境作出貢獻。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Environmental Protection (Continued)

Climate Change

The Group understands that environmental risks will bring uncertainties to its sustainable development. Therefore, during the year we formulated the Environmental Policy Statement, in which we undertake to identify the environmental impacts caused by our operations and reduce energy consumption and pollutant emissions. We hope to take into account the factor of climate change in our business operations by formulating policies and measures related to climate change, thereby being in line with China's goal of achieving carbon neutrality by 2050 and reducing the impact of our business on climate change.

As demonstrated by the Environmental Policy Statement, the Group aims to improve the monitoring of its energy consumption performance, enhance the efficiency of its resource utilization and resource recycling, create a more healthy and safe working environment, minimise its impact on climate change, and raise the environmental awareness of its employees, thereby laying a solid foundation for its long-term development.

Use of Resources

To protect the environment and enhance the efficient use of resources at the Group's operating points, the Group has formulated and implemented measures related to the use of resources, such as encouraging our employees to pay attention to the details of energy conservation as well as minimising waste, thereby improving energy efficiency and avoiding waste.

To further improve the effect of energy saving and waste reduction, the Group has conducted internal discussions on target setting, and will carry out preliminary data collation and analysis. The Group undertakes to, after a comprehensive review of the data and the formation of basic policies, draw up and disclose more plans and targets on energy conservation and emission reduction, thus contributing to the national and global efforts to reduce carbon emissions.

During the Reporting Period, the Group's resource consumption mostly included electricity, water, paper used in its offices and gasoline used by its own vehicles. For the above resources, the Group has formulated various policies and measures to actively reduce their consumption.

年度可持續發展表現(續)

環境保護(續)

氣候變化

本集團瞭解到環境風險會為集團的可持續發展帶來更多不穩定性，因此我們於年內制定了《環境政策聲明》，承諾將致力識別與運營相關的環境影響，並在運營過程中致力改善能源消耗及減少污染物排放。本集團期望透過制定氣候變化相關的政策及措施，在業務營運中考慮到氣候變化的因素，以全力配合國家2050年實現碳中和的目標，同時減少自身業務對氣候變化帶來的影響。

在此《環境政策聲明》中，本集團旨在針對能耗表現監測、資源利用效率、資源循環再用、健康與安全的工作環境、氣候變化的影響以及員工環保意識等多方面，改善集團現有的表現，為集團的長遠發展制定良好的基礎。

資源使用

為改善環境和提高集團營運點在資源使用上的效用，本集團已制定及實行多項與資源使用有關的措施，包括鼓勵員工注意節約能源的細節，並盡量減少產生廢物，以提高能源效益，同時杜絕浪費。

為了進一步提高節能減廢的效果，本集團就目標設定展開了內部討論，並將進行前期的數據整理及分析工作。待完成全面的數據檢視及基礎政策制定後，本集團承諾將制定及披露更多有關落實節能減排計劃及目標，為全國及全球碳減排的目標出一分力。

報告期內，本集團的資源消耗主要為辦公室所使用的電、水、紙張及自有車輛的汽油。針對以上各項資源消耗，本集團制定了多方面的政策與措施，積極改善現有表現。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Environmental Protection (Continued)

Use of Resources (Continued)

• Energy Efficiency

The Group is committed to optimising its operational processes to save energy, and thus strives to raise its employees' awareness of energy conservation through administrative measures and encouragement. The details of the measures are as follow:

- Maintain indoor temperature at a comfortable and energy-efficient level between 24°C and 26°C;
- Use automated electricity management systems;
- Encourage employees to switch off office appliances and devices, such as air conditioners, computers, personal electronic devices and common office equipment after work or when not in use;
- Purchase office equipment and electrical appliances with higher energy efficiency (such as those with a Grade 1 energy label or the China Energy Label) to reduce the use of electricity; and
- Put up "green reminders" and energy-saving signs near office equipment, light switches and main entrance to further enhance employees' environmental awareness.

年度可持續發展表現(續)

環境保護(續)

資源使用(續)

• 能源效益

本集團致力優化其營運流程以節省能源，因此致力提高員工意識，期望透過行政手段及鼓勵的方式，以節約能源。詳情如下：

- 將室內溫度維持在舒適的攝氏24至26度的節能水平；
- 使用自動化電力管理系統；
- 鼓勵員工下班後或不使用時關閉辦公室電器及設備，如空調、電腦、個人電子設備及公共辦公設備；
- 購買能源效益較高的辦公設備及電器(如帶有「一級能源標誌」或帶有「國家能源標誌」的設備)，以減少耗電量；及
- 在辦公設備、照明開關及主入口附近貼上「環保提示」及節能標誌，以進一步提醒員工。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Environmental Protection (Continued)

環境保護(續)

Use of Resources (Continued)

資源使用(續)

• Energy Efficiency (Continued)

• 能源效益(續)

The Group's electricity consumption during the Reporting Period is as follows:

本集團於報告期內的用電量如下：

| | | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|--|------------------------|---------------|---------------|--------------|
| Electricity consumption ³ (MWh) | 用電量 ³ (兆瓦時) | 55.34 | 74.89 | N/A不適用 |
| Intensity (MWh/employee) | 密度(兆瓦時/ 每名員工) | 1.18 | 1.44 | |

| | | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|------------------------------|----------------|---------------|---------------|--------------|
| Gasoline consumption (litre) | 汽油用量(升) | 4,440.94 | 8,968.22 | -50.48% |
| Intensity (litre/employee) | 密度(升/ 每名員工) | 94.49 | 172.47 | -45.21% |

Besides electricity, gasoline is also commonly used by the Group, mostly by its vehicles. As we take public transport for commuting purposes whenever possible and have switched to video conferencing for most of our meetings due to the pandemic, our use of vehicles became less frequent, resulting in a significant decrease in overall gasoline consumption as compared to 2020.

除了用電外，汽油亦是本集團常用的燃料，主要用於車輛駕駛。由於盡可能採用公共交通工具出行，以及大部分的會議因疫情關係已轉為視像形式進行，本集團的車輛使用率亦因此而下降，整體汽油消耗水平較二零二零年大幅下跌。

The Group's total energy consumption during the Report Period is as follows.

整體而言，本集團報告期的能源使用總量如下：

| | | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|---------------------------------------|-------------------------|---------------|---------------|--------------|
| Energy consumption ⁴ (MWh) | 能源耗量 ⁴ (兆瓦時) | 95.09 | 161.80 | N/A不適用 |
| Intensity (MWh/employee) | 密度(兆瓦時/ 每名員工) | 2.02 | 3.11 | |

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Environmental Protection (Continued)

Use of Resources (Continued)

- Energy Efficiency (Continued)**

In the future, the Group will continue to monitor its energy consumption performance and, according to actual needs, develop more systematic guidelines to implement further energy saving and carbon reduction plans. Moreover, we require our employees to report regularly to management on the progress of their energy saving efforts, thereby enhancing efficiency and reducing the consumption of energy and resources through effective oversight and control.

- Water Conservation**

The Group's business does not require a large amount of water, and our daily water consumption is mainly water for our offices and drinking water for our employees. Therefore, we aim to achieve water saving mostly by encouraging our employees to cherish water and raising their awareness of water saving. For example, we put up water saving signs in pantries and toilets. The Group's water consumption during the Reporting Period is as follows:

| | | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|--|------------------------|---------------|---------------|--------------|
| Water consumption ⁵ (cubic metre) | 用水量 ⁵ (立方米) | 13.25 | 272.67 | N/A不適用 |
| Intensity (cubic metre/employee) | 密度(立方米/ 每名員工) | 0.28 | 5.24 | |

We will continue to enhance the responsibility of our employees for water saving and their awareness of it to avoid water waste.

年度可持續發展表現(續)

環境保護(續)

資源使用(續)

- 能源效益(續)**

未來，本集團將持續關注能源使用表現，並按實際情況制定更有系統的指引，落實進一步的節能減碳計劃。此外，本集團亦要求員工定期向管理層報告節能工作的進展，期望透過有效的監督及管控，提升效能，減低能源及資源的消耗。

- 節約用水**

本集團的業務並無需要大量用水，日常用水主要為辦公室用水及員工飲用水。因此，本集團主要透過鼓勵員工珍惜用水，提高省水意識，達到節約用水的效果，例如在茶水間及洗手間張貼節約用水標誌。本集團於報告期內的用水量如下：

未來，本集團將繼續致力於加強員工在節約用水的責任及意識，避免浪費用水。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Environmental Protection (Continued)

環境保護(續)

Use of Resources (Continued)

資源使用(續)

• Paper Use

We advocate green office policies and keep encouraging our employees to reduce waste through paper saving. Therefore, we strive to promote digital and paperless offices. We encourage our employees to carefully select the documents to be printed, and to consider using electronic files to transmit documents whenever possible. If printing is necessary, they should choose double-sided printing. They should also reuse single-sided printouts for document drafting and collect double-sided printouts for recycling.

The Group's paper consumption during the Reporting Period is as follows:

• 紙張使用

本集團提倡綠色辦公室政策，持續鼓勵員工節約用紙，減少浪費。為此，本集團致力在辦公室推廣數碼化及無紙化工作間，鼓勵員工在打印前謹慎選擇所需要打印的文件，並盡可能先考慮使用電子檔案形式傳遞文件。如必須要打印，亦盡量選擇雙面打印或循環使用單面打印的紙張作文件起草之用，以及收集雙面用過的紙張回收。

本集團於報告期內的用紙量如下：

| | | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|----------------------------|------------|---------------|---------------|--------------|
| Paper consumption (tonne) | 用紙量(噸) | 0.83 | 0.82 | 1.22% |
| Intensity (tonne/employee) | 密度(噸/每名員工) | 0.02 | 0.02 | -11.70% |

The Group's paper consumption during the Reporting Period was comparable to that of the previous year, although the consumption per employee decreased significantly. We undertake to continue to promote paper reduction in our offices.

於報告期內，本集團的用紙總量較往年相若，但人均消耗量較明顯降低，我們承諾將持續在辦公室內推廣減少用紙。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Environmental Protection (Continued)

Emissions Management

The Group is principally engaged in the businesses of finance services, property investment and management, assets management and supply chain management, and our operations are within an office setting without any manufacturing activities involved. Hence, the greenhouse gases generated from our operations are mainly due to the electricity use in our offices, the fuel consumption by our vehicles and the business travels of our employees. We encourage our employees to take public transport when commuting and adopt videoconferencing or teleconferencing for meetings to replace business trips, thereby reducing the greenhouse gases generated by vehicles and planes.

- Greenhouse Gases and Air Pollutants**

The Group endeavours to monitor and reduce direct and indirect greenhouse gas emissions, it calculates its greenhouse gas emissions in accordance with the guideline set out in the Greenhouse Gas Protocol as well as appropriate regional emission factors.

The Group's greenhouse gas emissions during the Reporting Period are as follows:

| Greenhouse gas emissions ¹ | 溫室氣體排放 ¹ | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|---|---------------------|---------------|---------------|---------------------------------|
| Scope 1 (tCO ₂ e) | 範圍一(噸二氧化碳當量) | 13.57 | 24.28 | N/A (Please refer to the Notes) |
| Scope 2 (tCO ₂ e) | 範圍二(噸二氧化碳當量) | 35.32 | 64.63 | 不適用 (原因請見附註) |
| Scope 3 (tCO ₂ e) | 範圍三(噸二氧化碳當量) | 10.45 | 28.45 | |
| Total (tCO ₂ e) | 總量(噸二氧化碳當量) | 59.34 | 117.36 | |
| Intensity (tCO ₂ e/employee) | 密度(噸二氧化碳當量/每名員工) | 1.26 | 2.26 | |

| Air emissions ² | 廢氣排放 ² | 2021 二零二一年 | 2020 二零二零年 | Change 變化 |
|----------------------------|-------------------|---------------|---------------|--------------|
| Nitrogen oxides (kg) | 氮氧化物(千克) | 1.04 | 4.17 | -75.06% |
| Sulphur oxides (kg) | 硫氧化物(千克) | 0.082 | 0.13 | -36.92% |
| Particles (kg) | 顆粒物(千克) | 0.11 | 0.31 | -64.52% |

年度可持續發展表現(續)

環境保護(續)

排放物管理

本集團主要從事提供金融服務、物業投資及管理、資產管理及供應鏈管理業務，而運營環境主要為辦公室，並不涉及任何生產活動。故此，我們業務營運所產生的溫室氣體等排放物主要來自辦公室的電力使用、自有車輛的燃料消耗及員工出差。本集團亦鼓勵員工上班時多選乘公共交通工具，並盡可能以視像或電話會議取代商務差旅活動，以減少因乘坐私家車及飛機出差而產生之溫室氣體排放。

- 溫室氣體及空氣污染物**

為致力監察及減少直接及間接的溫室氣體排放，本集團已根據《溫室氣體議定書》的指引及適合了地區排放系數，計算集團之溫室氣體排放數據。

於報告期內，本集團於報告期內的溫室氣體排放量如下：

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

年度可持續發展表現(續)

Environmental Protection (Continued)

環境保護(續)

Emissions Management (Continued)

排放物管理(續)

Greenhouse Gases and Air Pollutants (Continued)

溫室氣體及空氣污染物(續)

The Group's air emissions are mostly due to its use of vehicles. During the Report Period, as we switched to video conferencing for most of our meetings due to the pandemic, our use of vehicles became much less frequent, resulting in a significant reduction in air emissions.

在廢氣排放方面，本集團主要的排放源來自於車輛的使用。由於疫情的影響，報告期內我們以視像會議替代了大部分的面對面會議，導致本集團的車輛使用率大幅下降，故廢氣排放量的下降亦較為明顯。

In the future, the Group will continue to encourage the use of webconferencing or teleconferencing and invest more resources in the enhancement of electricity efficiency and green travel to reduce carbon emissions.

未來，集團將繼續鼓勵使用線上或電話會議的應用，並將在提升用電效能及綠色出行方面，投入更多資源，以減少相關的碳排放。

Waste

廢棄物

The Group has adopted relevant waste management measures to minimise the negative impact of waste on the environment. During the Reporting Period, the waste produced by the Group was mainly domestic waste and office waste produced by our employees, and a small amount of hazardous waste such as toner cartridges and ink cartridges, which were handed over to qualified recyclers for disposal. To further reduce the amount of waste produced, we have placed recycling bins in different parts of our offices (for example, next to copiers, in workplaces and pantries) to collect recyclable waste such as paper, metal and plastic.

本集團已制定相關廢物管理措施，以減低廢棄物對環境造成負面的影響。報告期內，本集團所生產的廢棄物主要來自於員工的生活垃圾及辦公室垃圾，另有少量有害廢棄物，例如碳粉匣及墨盒等，並均已交由合資格回收商處理。為了進一步減少整體廢棄物的產生量，我們已在各辦公室不同的地方，如複印機旁、員工工作間及茶水間放置回收箱，以便收集紙張、金屬及塑料等可回收廢物。



ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Environmental Protection (Continued)

Emissions Management (Continued)

- **Waste (Continued)**

Since the Group is not in a highly polluting industry and does not generate a large amount of waste and, according to the materiality assessment, stakeholders do not attach great importance to this issue, we believe that this issue is not a material issue and have not disclosed the relevant data in this report.

The Environment and Natural Resources

The Group's business, because of its nature, has no significant impact on the environment and natural resources. However, we believe that the cultivation of environmental awareness is essential for protecting environmental resources. No matter what industry a company is in, it should have the awareness to ensure that potential impact is minimised in each of its business processes. Therefore, we continue to pay attention and attach great importance to environmental protection issues, and actively strengthen the environmental protection awareness of our employees and business-related stakeholders. We hope to use our actions as a starting point to promote environmental awareness along the supply chain and across the industry and join hands with all walks of life to create a green society.

To ensure that the Group is always aware of the impact of our business on the environment, we annually review, identify and evaluate the environmental and natural resource risks related to our operations and enhance relevant policies and measures to increase their effectiveness. We will continue to fulfill our social responsibility during the process of our sustainable business development, thereby contributing to environmental protection.

年度可持續發展表現(續)

環境保護(續)

排放物管理(續)

- **廢棄物(續)**

由於本集團並非處於高污染行業，未有產生大量廢棄物，加上持份者在關鍵議題評估中對此議題顯示較低的的重視程度，故我們認為此議題並非實質性議題，將不在報告中披露相關數據。

環境及天然資源

本集團的業務性質對環境及天然資源並無重大影響。然而，我們相信環保意識的培養是保護環境資源的基礎，不論處於任何行業，均應具備相關意識，確保在每次的業務執行過程中，盡力將潛在的影響降到最低。因此，本集團持續關注並重視環境保護議題，積極加強員工與業務相關持份者之環保意識，期望以集團的行動為起點，推動供應鏈及行業的意識提升，與各界攜手共創綠色社會。

為確保本集團時刻了解業務對環境的影響，我們每年均會重新檢視、識別及評估與營運相關的環境及天然資源風險，並強化相關的政策與措施，以加強其有效性，繼續於業務可持續發展過程中履行社會責任和義務，為支持環保作出貢獻。

ANNUAL SUSTAINABILITY PERFORMANCE (Continued)

Community Investment

We believe that a company should give back to society and use part of its profit to help building communities, so that all walks of life can develop sustainably. Therefore, we always keep in mind our corporate social responsibility and strive to make contributions to communities. Moreover, we actively promoted the development of the industry and contributed to the establishment of industry standards.

The Group believes that the development of the industry is closely tied to the development of the Group's business and is thus committed to promoting the healthy and standardised development of the industry. During the Reporting Period, Beijing Jingxi Supply Chain Management Co., Ltd. ("Beijing Jingxi Supply Chain"), one of our subsidiaries, served as Vice-president Unit of Beijing Metal Materials Circulation Industry Association and Beijing Federation of Industry and Commerce Metal Materials Industry Chamber of Commerce, as we hope to promote the development of industry standards through holding public offices and ensure that the industry will move towards the direction of sustainable development. Beijing Jingxi Supply Chain also won the third edition of the China Supply Chain (Finance Industry) Role Model Awards – Best Supply Chain (Finance) Best Growth Value Award. This award recognises our long-term contributions to the supply chain financial services in the steel industry as well as our efforts.

Beijing Jingxi Supply Chain will continue to actively create good financial credit ecology along the supply chain in the steel industry and hopes to enhance the self-regulatory system of the industry, thereby enhancing the reputation and social influence of the industry. Meanwhile, we hope to reduce systemic risks of the industry and promote its sustainable development by sharing our own experiences as well as our perspectives and opinions on regulatory measures.

年度可持續發展表現(續)

社區投資

本集團重視企業對於社會的回饋，相信應將所得的部分投入於社會建設，讓各界均能持續發展。因此，首長四方從不忘履行我們的企業社會責任，為社區作出貢獻，更積極推動行業發展，為建立行業標準出力。

本集團相信行業發展與集團業務發展休戚相關，故致力於持續促進行業健康規範發展。集團旗下附屬公司——北京京西供應鏈管理有限公司(「北京京西供應鏈」)於報告期內，擔任北京金屬材料流通行業協會及北京市工商聯金屬材料行業商會之副理事長單位，期望透過擔任公職推動行業標準的制定，確保行業能夠朝著可持續發展的方向邁進。此外，北京京西供應鏈更榮獲「第三屆中國供應鏈金融行業標兵大獎—最佳供應鏈金融最具成長價值獎」，顯示業界認同我們在鋼鐵供應鏈金融服務業務一直以來的貢獻，更是對我們所付出的肯定。

北京京西供應鏈會將持續積極創建良好的鋼鐵供應鏈金融信用生態，並希望藉此加強行業自律制度，從而提高行業聲譽及社會影響力。同時，本集團亦主動透過分享我們對監管措施的觀點和意見，希望能透過自身經驗減少行業的系統性風險，促進行業可持續發展，建立更長遠的價值。



SUMMARY OF ENVIRONMENTAL PERFORMANCE
DATA

環境數據及表現摘要

| | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 | 2019 二零一九年 |
|---|---|---------------|---------------|---------------|
| Greenhouse gas emissions¹ | | | | |
| 溫室氣體排放量¹ | | | | |
| Scope 1 範圍一 | tCO ₂ e 噸二氧化碳當量 | 13.57 | 24.28 | 30.06 |
| Scope 2 範圍二 | tCO ₂ e 噸二氧化碳當量 | 35.32 | 64.63 | 73.45 |
| Scope 3 範圍三 | tCO ₂ e 噸二氧化碳當量 | 10.45 | 28.45 | 57.29 |
| Total greenhouse gas emission 溫室氣體總排放量 | tCO ₂ e 噸二氧化碳當量 | 59.34 | 117.36 | 160.80 |
| Intensity 密度 | tCO ₂ e/employee 噸二氧化碳當量/ 每名員工 | 1.26 | 2.26 | 2.87 |
| Air emission² | | | | |
| 廢氣總排放量² | | | | |
| Nitrogen oxides 氮氧化物 | Kg 千克 | 1.04 | 4.17 | 5.63 |
| Sulphur oxides 硫氧化物 | Kg 千克 | 0.082 | 0.13 | 0.16 |
| Particles 顆粒物 | Kg 千克 | 0.11 | 0.31 | 0.14 |
| Energy consumption | | | | |
| 能源消耗量 | | | | |
| Gasoline 汽油 | L 公升 | 4,440.94 | 8,968.22 | 11,099 |
| Intensity 密度 | L/employee 公升/每名員工 | 94.49 | 172.47 | 198.20 |
| Electricity ³ 電力 ³ | MWh 兆瓦時 | 55.34 | 74.89 | 81.65 |
| Intensity 密度 | MWh/employee 兆瓦時/每名員工 | 1.18 | 1.44 | 1.46 |
| Total energy intensity ⁴ 能源總密度 ⁴ | MWh 兆瓦時 | 95.09 | 161.80 | - |
| Intensity 密度 | MWh/employee 兆瓦時/每名員工 | 2.02 | 3.11 | - |
| Water consumption ⁵ 水資源消耗量 ⁵ | m ³ 立方米 | 13.25 | 272.67 | 212.24 |
| Intensity 密度 | m ³ /employee 立方米/每名員工 | 0.28 | 5.24 | 3.79 |
| Paper consumption 紙張消耗量 | Tonne 噸 | 0.83 | 0.82 | 1.28 |
| Intensity 密度 | Tonne/employee 噸/每名員工 | 0.02 | 0.02 | 0.02 |

SUMMARY OF ENVIRONMENTAL PERFORMANCE DATA (Continued)

Notes :

1. The Group's greenhouse gas emissions come from electricity consumption and fuel consumption of its vehicles. When calculating these emissions, we have mainly referred to How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs (revised version, 2021) published by the Stock Exchange, the emission factors for electricity in the Sustainability Report 2020 of HK Electric Investments as well as the average emission factors for electricity published by the Ministry of Ecology and Environment of the People's Republic of China.
2. The main source of air emissions is the consumption of gasoline by our vehicles. When calculating the total emissions, we have mainly referred to How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange and the emission factors set out in the Technical Guidelines for the Preparation of Air Emissions Inventory for Road Vehicles published by the Ministry of Ecology and Environment of the People's Republic of China.
3. The Group moved to its new offices in Beijing and Shenzhen during the Reporting Period and the property management company responsible for the management of these offices was unable to provide the raw data on our electricity consumption, so we are unable to disclose the relevant data in this year's report. The Group will continue to communicate with the property management company and actively encourage it to improve its existing data processing methods, with a view to providing more comprehensive disclosure of data in the future.
4. The Group's energy consumption is mainly due to the consumption of gasoline and electricity. When calculating our overall energy consumption, we have mainly referred to the relevant conversion factors set out in How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs published by the Stock Exchange.
5. The Group moved to its new offices in Beijing and Shenzhen during the Reporting Period and the property management company responsible for the management of these offices was unable to provide the raw data on our water consumption, so we are unable to disclose the relevant data in this year's report. The Group will continue to communicate with the property management company and actively encourage it to improve its existing data processing methods, with a view to providing more comprehensive disclosure of data in the future.

環境數據及表現摘要(續)

附註：

1. 集團的溫室氣體排放來自消耗電力及車輛燃油，其排放量的計算主要參考了港交所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》二零二一年修訂版、二零二零年港燈可持續發展報告發佈之電力排放系數及中華人民共和國生態環境部發佈之電力平均排放因子。
2. 此廢氣主要來源為車輛消耗汽油所產生，總排放量的計算主要參考了港交所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》及中華人民共和國生態環境部《道路機動車大氣污染物排放清單編製技術指南》所列表載之排放因子。
3. 鑑於本集團報告期內搬遷至新的北京及深圳辦公室，其物業管理公司未能提供相關的用電量原始數據，故未能在今年度的報告中進行披露。本集團將持續與物業管理公司溝通，積極推動他們改善現有的數據處理方式，以期在未來能夠更全面地披露數據。
4. 集團的能源使用主要來自汽油及電力的耗量，其整體能源耗量的計算主要參考了港交所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》所列表載之相關轉換因子。
5. 鑑於本集團在報告期內搬遷至新的北京及深圳辦公室，其物業管理公司未能提供相關的用水量原始數據，故未能在今年度的報告中進行披露。本集團將持續與物業管理公司溝通，積極推動他們改善現有的數據處理方式，以期在未來能夠更全面地披露數據。

APPENDIX

附錄

Appendix 1: Overview of KPIs

附錄一：關鍵績效指標總覽

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|----------------------------|---|--------------------------|
| A1 Emissions 排放物 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。 | pp.84-86 第84至 86頁 |
| A1.1 | The types of emissions and respective emissions data. 排放物種類及相關排放數據。 | pp.84, 88 第84、 88頁 |
| A1.2 | Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 直接(範圍1)及能源間接(範圍2)溫室氣體排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 | pp.84, 88 第84、 88頁 |
| A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 | pp.85-86 第85至 86頁 |
| A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 | pp.85-86 第85至 86頁 |
| A1.5 | Description of measures to mitigate emissions and results achieved. 描述所訂立的排放量目標及為達到這些目標所採取的步驟。 | p.85 第85頁 |
| A1.6 | Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。 | pp.85-86 第85至 86頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|--|--|--------------------------|
| A2 Use of Resources 資源使用 | | |
| General Disclosure 一般披露 | Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。 | pp.79-83 第79至 83頁 |
| A2.1 | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。 | pp.81, 88 第81、 88頁 |
| A2.2 | Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。 | pp.82, 88 第82、 88頁 |
| A2.3 | Description of energy use efficiency initiatives and results achieved. 描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。 | pp.79-82 第79至 82頁 |
| A2.4 | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟。 | p.82 第82頁 |
| A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。 | pp.83, 88 第83、 88頁 |
| A3 The Environment and Natural Resources 環境及天然資源 | | |
| General Disclosure 一般披露 | Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。 | p.86 第86頁 |
| A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 | p.86 第86頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|----------------------------------|---|-------------------------|
| A4 Climate Change 氣候變化 | | |
| General Disclosure 一般披露 | Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。 | p.56 第56頁 |
| A4.1 | Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them. 描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。 | pp.56-57 第56至 57頁 |
| B1 Employment 僱傭 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | pp.60-64 第60至 64頁 |
| B1.1 | Total workforce by gender, employment type (e.g. full- or part-time), age group and geographical region. 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。 | p.64 第64頁 |
| B1.2 | Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率。 | p.64 第64頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|---|--|-------------------------|
| B2 Health and Safety 健康與安全 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | pp.68-70 第68至 70頁 |
| B2.1 | Number and rate of work-related fatalities occurred in each of the past three years (including the reporting year). 過去三年(包括匯報年度)每年因工亡故的人數及比率。 | p.69 第69頁 |
| B2.2 | Lost days due to work injury. 因工傷損失工作日數。 | p.69 第69頁 |
| B2.3 | Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。 | pp.68-70 第68至 70頁 |
| B3 Development and Training 發展及培訓 | | |
| General Disclosure 一般披露 | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 | pp.65-67 第65至 67頁 |
| B3.1 | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層)劃分的受訓僱員百分比。 | p.67 第67頁 |
| B3.2 | The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。 | p.66 第66頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|--|--|-------------------------|
| B4 Labour Standards 勞工準則 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | p.71 第71頁 |
| B4.1 | Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。 | p.71 第71頁 |
| B4.2 | Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。 | p.71 第71頁 |
| B5 Supply Chain Management 供應鏈管理 | | |
| General Disclosure 一般披露 | Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。 | pp.76-77 第76至 77頁 |
| B5.1 | Number of suppliers by geographical region. 按地區劃分的供應商數目。 | p.76 第76頁 |
| B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。 | pp.76-77 第76至 77頁 |
| B5.3 | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。 | pp.76-77 第76至 77頁 |
| B5.4 | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。 | p.77 第77頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|--|---|-------------------------|
| B6 Product Responsibility 產品責任 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | pp.74-76 第74至 76頁 |
| B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。 | p.75 第75頁 |
| B6.2 | Number of products and service-related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。 | p.75 第75頁 |
| B6.3 | Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。 | p.75 第75頁 |
| B6.4 | Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。 | p.75 第75頁 |
| B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。 | p.75 第75頁 |

APPENDIX (Continued)

附錄(續)

Appendix 1: Overview of KPIs (Continued)

附錄一：關鍵績效指標總覽(續)

| Material Aspect 層面 | Content 概況 | Page Index 頁次 |
|--|---|-------------------------|
| B7 Anti-corruption 反貪污 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | pp.72-74 第72至 74頁 |
| B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。 | p.73 第73頁 |
| B7.2 | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。 | pp.72-73 第72至 73頁 |
| B7.3 | Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。 | pp.72-74 第72至 74頁 |
| B8 Community Investment 社區投資 | | |
| General Disclosure 一般披露 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | p.87 第87頁 |
| B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。 | p.87 第87頁 |
| B8.2 | Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。 | p.87 第87頁 |

APPENDIX (Continued)

附錄(續)

Appendix 2: The Group's Compliance with Laws and Regulations

附錄二：集團所遵守的法例法規

| Areas 範疇 | Issues 議題 | The Group's Policies 本集團政策 | Laws and Regulations (including but not limited to) 法例法規(包括但不限於) |
|-----------------|-----------------------------------|--|---|
| Employees 員工 | Employment 僱傭 | Employee Handbook Recruitment Policies Anti-Discrimination Policies 《員工手冊》 《招聘政策》 《反歧視政策》 | Employment Ordinance Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Minimum Wage Ordinance 《僱傭條例》 《中華人民共和國勞動法》 《中華人民共和國勞動合同法》 《中華人民共和國社會保險法》 《最低工資條例》 |
| | Health and Safety 健康與安全 | Retail Safety Management Procedures 《零售安全管理規程》 | Occupational Safety and Health Ordinance Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases 《職業安全及健康條例》 《中華人民共和國職業病防治法》 |
| | Development and Training 發展與培訓 | Employee Handbook 《員工手冊》 | N/A 不適用 |
| | Labour Standards 勞工準則 | Employee Handbook 《員工手冊》 | Personal Data (Privacy) Ordinance and various anti-discrimination ordinances 《個人資料(私隱)條例》及各種歧視條例 |

APPENDIX (Continued)

附錄(續)

Appendix 2: The Group's Compliance with Laws and Regulations (Continued)

附錄二：集團所遵守的法例法規(續)

| Areas 範疇 | Issues 議題 | The Group's Policies 本集團政策 | Laws and Regulations (including but not limited to) 法例法規(包括但不限於) |
|-------------------------|----------------------------------|---|--|
| Operation 營運 | Supply Chain Management 供應鏈管理 | Procurement Guidelines Supplier Management Procedures 《採購指引》 《供應商管理規程》 | Law of the People's Republic of China on Bid Invitation and Bidding 《中華人民共和國招標投標法》 |
| | Product Responsibility 產品責任 | Employee Handbook 《員工手冊》 | Product Quality Law of the People's Republic of China Law of the People's Republic of China on the Protection of Consumer Rights and Interests Company Law of the People's Republic of China Contract Law of the People's Republic of China Personal Data (Privacy) Ordinance 《中華人民共和國產品質量法》 《中華人民共和國消費者權益保護法》 《中華人民共和國公司法》 《中華人民共和國合同法》 《個人資料(私隱)條例》 |
| Business Ethics 商業道德 | Anti-Corruption 反貪污 | Employee Handbook Employment Contract Integrity Clause Confidentiality, Intellectual Property and Non-compete Agreement Anti-Commercial Bribery Agreement 《員工手冊》 《僱傭合約》 《廉潔條款》 《保密、知識產權及 競業限制承諾協議》 《反商業賄賂協議書》 | Prevention of Bribery Ordinance Personal Data (Privacy) Ordinance Criminal Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China 《防止賄賂條例》 《個人資料(私隱)條例》 《中華人民共和國刑法》 《中華人民共和國反洗錢法》 《中華人民共和國反不正當競爭法》 |

APPENDIX (Continued)

附錄(續)

Appendix 2: The Group's Compliance with Laws and Regulations (Continued)

附錄二：集團所遵守的法例法規(續)

| Areas 範疇 | Issues 議題 | The Group's Policies 本集團政策 | Laws and Regulations (including but not limited to) 法例法規(包括但不限於) |
|-------------------|--|--|--|
| Environment 環境 | Emissions 排放物 | Environmental Policy Statement 《環境政策聲明》 | Environmental Protection Law of the People's Republic of China Motor Vehicle Idling (Fixed Penalty) Ordinance Greenhouse Gas Protocol 《中華人民共和國環境保護法》 《汽車引擎空轉(定額罰款)條例》 《溫室氣體議定書》 |
| | Use of Resources 資源使用 | Environmental Policy Statement 《環境政策聲明》 | N/A 不適用 |
| | The Environment and Natural Resources 環境及天然資源 | Environmental Policy Statement 《環境政策聲明》 | N/A 不適用 |

REPORT OF THE DIRECTORS

董事會報告書

The Board of directors of the Company (the “Board”) herein present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries and associates are set out in notes 19 and 36 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2021 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 130 to 270 of this annual report.

The Board has resolved to recommend a final dividend in the total amount of HK\$11.95 million for the year ended 31 December 2021 (2020: HK\$Nil), payable to shareholders whose names appear on the register of members of the Company at the close of business on Friday, 27 May 2022. Based on 3,984,639,703 ordinary shares of the Company in issue, such a final dividend would amount to HK0.3 cent per ordinary share.

Subject to shareholders’ approval of the proposed final dividend at the Company’s annual general meeting to be held on Friday, 20 May 2022, the final dividend is expected to be paid on or about Friday, 15 July 2022. For determining the entitlement to the final dividend, the register of members of the Company will be closed from Monday, 30 May 2022 to Tuesday, 31 May 2022, inclusive, during such period no transfer of shares will be registered. In order to be qualified for the final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Tengis Limited, Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 27 May 2022.

本公司董事會「董事會」謹此提呈董事會報告書及本集團截至二零二一年十二月三十一日止年度之經審核綜合財務報告，以供省覽。

主要業務

本公司之主要業務為投資控股。各主要附屬公司及聯營公司之業務載列於綜合財務報告附註19及36。

業績

本集團截至二零二一年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第130頁至第270頁之綜合財務報告。

董事會決議建議派截至二零二一年十二月三十一日止年度之末期股息合共港幣11.95百萬元(二零二零年：港幣零元)予於二零二二年五月二十七日(星期五)營業時間結束時名列於本公司股東名冊內之股東。按本公司已發行之普通股股份總數3,984,639,703股，該末期股息將為每股普通股0.3港仙。

待股東於二零二二年五月二十日(星期五)舉行之本公司股東週年大會上批准擬派發之末期股息後，預計末期股息將於二零二二年七月十五日(星期五)前後派發。本公司將於二零二二年五月三十日(星期一)至二零二二年五月三十一日(星期二)(包括首尾兩日)暫停辦理股份過戶登記，以確定獲派發末期股息之資格，期間將不會辦理本公司股份登記事宜。為符合資格獲派發末期股息，所有過戶文件連同相關股票必須於二零二二年五月二十七日(星期五)下午四時三十分前交回本公司之香港股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理股份過戶登記。

RESULTS (Continued)

The financial performance of the Group has improved since 2020, both the revenue and business scale maintained a growth momentum, and the profitability increased significantly. The Board will resume regular dividend payment, from time to time according to the results performance, aiming to reward Shareholders continuously and create returns for Shareholders so as to reflect the value of the Group's services to Shareholders. The Company is confident of delivering sustainable results to support the resumption of regular dividend payments.

For the avoidance of doubt, the Board reserves the right in its discretion to declare and pay dividends of any specified amount and the manner in which dividends are paid for any specified period. In deciding whether to recommend the payment of dividends, the Board will continue to take into account the factors set out in the dividend policy, which currently include the Group's actual and future operating conditions, profit, financial condition, liquidity requirements, cash disbursement and liquidity adequacy, investment needs, future prospects and individual factors that may be relevant.

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2021 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 11 to 13 and pages 14 to 21 of this annual report respectively.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the pass five financial years is set out on pages 271 to 272 of this annual report.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year are set out in note 17 to the consolidated financial statements.

SHARE CAPITAL

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

DONATIONS

No charitable donation was made by the Group during the year (2020: Nil).

業績(續)

二零二零年起，本集團之財務表現已有改善，收入與業務規模均保持增長的勢頭、盈利能力大幅提升。董事會將不時根據業績增長情況，恢復定期派息，以持續回報股東並為股東創造收益，以體現本集團服務股東之價值。本公司有信心創造可持續的業績以支持恢復定期派息。

為避免產生疑問，董事會保留對任何特定期間內任何特定金額股息的宣派和支付以及股息支付方式的全權酌情權。董事會在決定是否建議派發股息時，將繼續考慮載於股息政策中的因素，這些因素目前包括：本集團之實際和未來營運狀況、利潤、財務狀況、流動資金需求、現金支出及流動資金充裕程度、投資需求、未來前景及個別可能相關之因素。

業務回顧

本集團截至二零二一年十二月三十一日止年度之業務回顧分別載於本年報第11頁至第13頁之「主席報告書」及第14頁至第21頁之「管理層論述與分析」。

五年財務摘要

本集團過去五個財政年度之公佈業績及資產與負債摘要載列於本年報第271頁至第272頁。

投資物業

於本年度內，本集團投資物業變動之詳情載列於綜合財務報告附註17。

股本

於本年度內，本公司股本變動之詳情載列於綜合財務報告附註30。

捐款

於本年度內，本集團並無作出慈善捐款(二零二零年：無)。

REPORT OF THE DIRECTORS 董事會報告書

DIRECTORS

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

Executive Directors

Xu Liang
Tian Gang (appointed with effect from 24 March 2021)
Liang Hengyi (appointed with effect from 25 March 2022)
Su Guifeng (resigned with effect from 19 March 2021)
Li Jing (resigned with effect from 24 March 2021)

Non-executive Directors

Huang Donglin
Zhang Jianxun (appointed with effect from 24 March 2021)
You Wenli (resigned with effect from 24 March 2021)

Independent Non-executive Directors

Tam King Ching, Kenny
Zhang Xingyu
Ng Man Fung, Walter (appointed with effect from 19 March 2021)
On Danita (appointed with effect from 19 March 2021)
Wan Siu Wah, Wilson (passed away on 8 January 2021)

RE-ELECTION OF DIRECTORS

In accordance with clause 102(B) of the Bye-laws of the Company, Mr. Liang Hengyi will retire by rotation at the forthcoming annual general meeting of the Company (AGM) and, being eligible, offer himself for re-election.

In accordance with clause 99 of the Bye-laws of the Company, Mr. Xu Liang and Mr. Zhang Jianxun, will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

In accordance with clause 99 of the Bye-laws of the Company and Code Provisions B.2.2 and B.2.3 in Appendix 14 of the Listing Rules, Mr. Tam King Ching, Kenny will retire by rotation at the forthcoming AGM and, being eligible, offer himself for re-election.

DIRECTORS' INDEMNITIES AND INSURANCE

Pursuant to the Bye-laws of the Company and subject to the provisions of the Companies Ordinance, every Director or other officers of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Company during the year.

董事

於本年度內及截至本報告日期的本公司董事如下：

執行董事

徐量
田剛(自二零二一年三月二十四日起獲委任)
梁衡義(自二零二二年三月二十五日起獲委任)
蘇桂鋒(自二零二一年三月十九日起辭任)
李靖(自二零二一年三月二十四日起辭任)

非執行董事

黃冬林
張建勳(自二零二一年三月二十四日起獲委任)
游文麗(自二零二一年三月二十四日起辭任)

獨立非執行董事

譚競正
張興禹
伍文峯(自二零二一年三月十九日起獲委任)
安殷霖(自二零二一年三月十九日起獲委任)
溫兆華(於二零二一年一月八日離世)

重選董事

根據本公司細則第102(B)條，梁衡義先生將於應屆本公司股東週年大會(「股東週年大會」)上輪席告退，惟彼符合資格並願意膺選連任。

根據本公司細則第99條，徐量先生及張建勳先生將於應屆股東週年大會上輪席告退，惟彼等均符合資格並願意膺選連任。

根據本公司細則第99條及《上市規則》附錄十四守則條文第B.2.2條及B.2.3條，譚競正先生將於應屆股東週年大會上輪席告退，惟彼符合資格並願意膺選連任。

董事的彌償及保險

根據本公司細則及《公司條例》規定，本公司須就各董事或其他高級職員可能因履行其職責或其他與此有關的情況下而蒙受或招致的一切損失或責任，均有權從本公司的資產中獲得彌償。於年內，本公司已為本公司董事及高級職員購買適當的董事及高級職員責任保險。

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract that is not determinable by the Company or its subsidiaries within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

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

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

As at 31 December 2021, none of the Directors or chief executives of the Company or any of their associates had 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 Securities and Futures Ordinance (the "SFO")), which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register required to be kept pursuant to Section 352 of the SFO, or as otherwise notified the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the sections headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Schemes" herein, at no time during the year was the Company, any of its holding companies, or any of their subsidiaries was a party to any arrangement to enable the Company's Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

董事之服務合約

擬於即將舉行之股東週年大會上膺選連任之董事，概無與本公司或其任何附屬公司訂立任何由本公司或其任何附屬公司於一年內終止而須支付賠償(法定賠償除外)之尚未屆滿服務合約。

管理合約

本年度內本公司並無簽訂或存在有關管理或經營本公司全部或任何主要部份業務之合約。

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零二一年十二月三十一日，本公司各董事、最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團(定義見《證券及期貨條例》(《證券及期貨條例》)第XV部)之股份、相關股份或債權證中擁有任何根據《證券及期貨條例》第XV部第7及第8分部須通知本公司及香港聯交所之權益或淡倉(包括根據《證券及期貨條例》之該等條文，彼等被當作或視為擁有之權益及淡倉)，或根據《證券及期貨條例》第352條須登記於本公司備存的登記冊內之權益或淡倉，或根據《上市規則》附錄十所載之《上市發行人董事進行證券交易的標準守則》須通知本公司及聯交所之權益或淡倉。

董事購買股份或債權證之權利

除本年報「董事及最高行政人員於股份、相關股份及債權證之權益及淡倉」及「購股權計劃」兩節所披露者外，於本年度內任何時間，本公司、其任何控股公司、或彼等之任何附屬公司概無參與訂立任何安排，使本公司董事或彼等各自之配偶或未滿十八歲的子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

No transactions, arrangements and contracts that are significant in relation to the business of the Company, any of its holding companies, or any of their subsidiaries was a party, in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於交易、安排或合約之權益

於年末或年內任何期間，本公司、其任何控股公司、或彼等之任何附屬公司概無簽訂任何與本公司業務有關之任何重要交易、安排或合約，且本公司董事於當中(直接或間接)擁有重大權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Pursuant to Rule 8.10 of the Listing Rules, the following Director has declared interests in the following business (other than those businesses where the Directors of the Company were appointed as directors to represent the interests of the Company and/or any member of the Group) which is considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group during the year:

董事於競爭業務之權益

根據上市規則第8.10條，以下董事已宣告彼於以下業務持有權益(並不包括本公司董事獲委任為有關公司之董事以代表本公司及/或本集團任何成員公司權益之業務)，而該業務被視為於本年度內與本集團業務構成直接或間接競爭或可能構成競爭：

| Name of Director | Name of entity whose business are considered to compete or likely to compete with the businesses of the Group 業務被視為與本集團業務構成競爭或可能構成競爭之實體之名稱 | Description of business of the entity which is considered to compete or likely to compete with the businesses of the Group 業務被視為與集團業務構成競爭或可能構成競爭之實體之資料 | Nature of interest of the Director in the entity 董事於實體持有之權益之性質 |
|------------------|---|---|---|
| Xu Liang 徐量 | Shougang Holding# 首鋼控股# | Property investment 物業投資 | Director 董事 |

Such business may be carried out through the subsidiaries or associates of the entity concerned or by way of other forms of investments.

該物業可能是透過有關實體之附屬公司或聯營公司或其他投資方式進行。

The Board of the Company is independent from the board of the abovementioned entity and is accountable to the Company's shareholders. Coupled with the diligence of its Independent Non-executive Directors whose views carry significant weight in the Board's decisions, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of this entity.

本公司董事會獨立於上述實體之董事會，並須向本公司股東負責。本集團之獨立非執行董事克盡己職，對董事會之決策提供舉足輕重之意見，因此本集團能夠按公平原則與該實體各自經營本身之業務。

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

So far as the Directors and chief executives of the Company are aware, as at 31 December 2021, the following companies and persons had interests or short positions in the shares and/or underlying shares of the Company that were required to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO, or that were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long positions in the shares/underlying shares of the Company as at 31 December 2021

根據證券及期貨條例須予披露之股東權益及淡倉

就本公司董事及最高行政人員所知，於二零二一年十二月三十一日，下列公司及人士於本公司股份及／或相關股份中擁有根據《證券及期貨條例》第XV部第2及第3分部條文須向本公司披露之權益或淡倉，或根據《證券及期貨條例》第336條規定須登記於本公司備存的登記冊內之權益或淡倉：

於二零二一年十二月三十一日於本公司股份／相關股份之好倉

| Name of shareholder 股東名稱 | Capacity 身份 | Number of shares/underlying shares held 持有股份／ 相關股份數目 | Approximate percentage of the total number of issued shares 約佔已發行股份 總數之百分比(%) | Note(s) 附註 |
|--|---|--|---|---------------|
| Shougang Group 首鋼集團 | Interests of controlled corporations 受控法團之權益 | 2,425,736,972 | 60.88% | 1 |
| Shougang Holding 首鋼控股 | Interests of controlled corporations 受控法團之權益 | 2,025,736,972 | 50.84% | 1 |
| Wheeling Holdings Limited ("Wheeling") | Beneficial owner 實益擁有人 | 2,025,736,972 | 50.84% | 1 |
| Shougang Fund 首鋼基金 | Interests of controlled corporations 受控法團之權益 | 400,000,000 | 10.04% | 1 |
| Jingxi Holdings Limited ("Jingxi Holdings") 京西控股有限公司(「京西控股」) | Beneficial owner 實益擁有人 | 400,000,000 | 10.04% | 1 |
| Yip Wang Ngai 葉弘毅 | Interests of controlled corporations 受控法團之權益 | 213,600,000 | 5.36% | 2 |
| HY Holdings Limited ("HY Holdings") | Beneficial owner 實益擁有人 | 213,600,000 | 5.36% | 2 |
| Mak Siu Hang Viola 麥少嫻 | Interests of controlled corporations 受控法團之權益 | 254,413,000 | 6.38% | 3 |

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

(Continued)

Long positions in the shares/underlying shares of the
Company as at 31 December 2021 (Continued)

根據證券及期貨條例須予披露之股
東權益及淡倉(續)

於二零二一年十二月三十一日於本公司
股份／相關股份之好倉(續)

| Name of shareholder | Capacity | Number of shares/underlying shares held 持有股份／ 相關股份數目 | Approximate percentage of the total number of issued shares 約佔已發行股份 總數之百分比(%) | Note(s) 附註 |
|--|---------------------------|--|--|---------------|
| VMS Investment Group Limited ("VMS Investment") 鼎珮投資集團有限公司 (「鼎珮投資」) | Beneficial owner 實益擁有人 | 254,413,000 | 6.38% | 3 |

Notes:

- Shougang Group indicated in its disclosure form dated 30 July 2019 (being the latest disclosure form filed up to 31 December 2021) that as at 30 July 2019, its interest in the Company was held by Shougang Holding and Shougang Fund respectively, wholly owned subsidiaries of Shougang Group. Shougang Holding's interest in the Company was the Shares held by Wheeling, a wholly owned subsidiary of Shougang Holding, and Shougang Fund's interest in the Company was the Shares held by Jingxi Holdings, a wholly-owned subsidiary of Shougang Fund.
- Mr. Yip Wang Ngai indicated in his disclosure form dated 1 August 2019 (being the latest disclosure form filed up to 31 December 2021) that as at 30 July 2019, his interest in the Company was held by HY Holdings which in turn was held as to 80% by Mr. Yip Wang Ngai.
- Ms. Mak Siu Hang Viola indicated in her disclosure form dated 20 January 2021 (being the latest disclosure form filed up to 31 December 2021) that as at 20 January 2021, her interest in the Company was held by VMS Investment which in turn was held as to 100% by Ms. Mak Siu Hang Viola.

附註：

- 首鋼集團在其二零一九年七月三十日的披露表格(此乃截至二零二一年十二月三十一日止前最後呈交的披露表格)中顯示，於二零一九年七月三十日，首鋼集團於本公司之權益分別由首鋼集團之全資附屬公司首鋼控股及首鋼基金持有。首鋼控股於本公司之權益為由首鋼控股之全資附屬公司Wheeling持有的股份，以及首鋼基金於本公司之權益為由首鋼基金之全資附屬公司京西控股持有的股份。
- 葉弘毅先生在其二零一九年八月一日的披露表格(此乃截至二零二一年十二月三十一日止前最後呈交的披露表格)中顯示，於二零一九年七月三十日，其於本公司之權益由HY Holdings持有，而葉弘毅先生持有HY Holdings 80%權益。
- 麥少嫻女士在其二零二一年一月二十日的披露表格(此乃截至二零二一年十二月三十一日止前最後呈交的披露表格)中顯示，於二零二一年一月二十日，其於本公司之權益由鼎珮投資持有，而麥少嫻女士持有鼎珮投資100%權益。

Save as disclosed above, as at 31 December 2021, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the shares and/or underlying shares of the Company who was required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文所披露者外，於二零二一年十二月三十一日，本公司並無接獲任何其他人士(本公司董事及最高行政人員除外)通知，表示其於本公司股份及／或相關股份中擁有權益或淡倉，根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露，或根據證券及期貨條例第336條規定已列入本公司須予備存之登記冊內之權益或淡倉。

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" below, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholder (as defined under the Listing Rules) or any of its subsidiaries entered into any contract of significance or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, there is a sufficiency of public float of the Company's securities as required under the Listing Rules as at the date of this annual report.

SHARE OPTION SCHEMES

On 7 June 2002, the shareholders of the Company adopted the 2002 Scheme which would be valid for a period of ten years. On 25 May 2012, the shareholders of the Company approved the termination of the 2002 Scheme (to the effect that no further share option shall be granted by the Company under the 2002 Scheme) and the adoption of a new share option scheme (the "2012 Scheme"), which became effective on 29 May 2012 upon the Listing Committee of the Stock Exchange granting its approval to the listing of, and permission to deal in, the shares of the Company which may fall to be issued upon exercise of the options to be granted under the 2012 Scheme.

A summary of the principal terms of the 2012 Scheme is set out below:

The purpose of the 2012 Scheme is to replace the 2002 Scheme and to continue to enable the Company to grant share options to selected participants as incentives or rewards for their contribution or potential contribution to the Company and/or any of its subsidiaries and/or any entity in which any member of the Group holds any equity interest (the "Invested Entities"). The 2012 Scheme shall be valid and effective for the period of ten years commencing on 25 May 2012, being the date on which the 2012 Scheme was conditionally adopted by the shareholders of the Company, and ending on 25 May 2022 (both dates inclusive).

控股股東於重要交易之權益

除下文「關連交易」一節所披露者外，本公司或其任何附屬公司在本年度任何時間內，概無與控股股東（按上市規則給予的涵義）或其任何附屬公司之間訂立任何重要合約或有關控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的重要合約。

公眾持股量

根據本公司所獲得之公開資料及就本公司董事所知，於本年報刊發日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

購股權計劃

於二零零二年六月七日，本公司股東採納二零零二年計劃，有效期為十年。於二零一二年五月二十五日，本公司股東批准終止二零零二年計劃（致使本公司不得根據二零零二年計劃進一步授出購股權），並採納一個新購股權計劃（「二零一二年計劃」）。二零一二年計劃自二零一二年五月二十九日（即於聯交所上市委員會授出批准因行使根據二零一二年計劃授出之購股權而可能發行之本公司股份上市及買賣當日）起生效。

二零一二年計劃之主要條款概述如下：

二零一二年計劃旨在取代二零零二年計劃並使本公司能繼續向選定參與者授出購股權，作為激勵或獎勵彼等對本公司及／或其任何附屬公司及／或本集團任何成員公司持有任何股權之任何實體（「投資實體」）作出之貢獻或潛在貢獻。二零一二年計劃自二零一二年五月二十五日（即二零一二年計劃獲本公司股東有條件採納的日期）起至二零二二年五月二十五日止有效及生效（包括首尾兩日），為期十年。

SHARE OPTION SCHEMES (Continued)

Under the 2012 Scheme, the Board may, at its discretion, offer full-time or part-time employees, executives, officers or directors (including executive and non-executive directors) of the Company or any of its subsidiaries or any of the Invested Entities, and any advisors, consultants, agents, suppliers, customers and distributors, who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries and/or any of the Invested Entities, share options to subscribe for shares of the Company.

No share option has been granted under the 2012 Scheme since its adoption. The maximum number of shares of the Company available for issue upon exercise of all share options which may be granted under the 2012 Scheme is 115,219,246, representing approximately 2.89% of the issued share capital of the Company as at the date of this annual report. The total number of shares of the Company issued and which may fall to be issued upon the exercise of share options to be granted under the 2012 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting. In addition, any share options granted to a substantial shareholder or an Independent Non-executive Director of the Company, or to any of their associates, which would result in the shares of the Company issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant (a) representing in aggregate over 0.1% of the shares of the Company in issue on the date of the grant; and (b) having an aggregate value of in excess of HK\$5,000,000 (based on the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of each grant), such further grant of options shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting on a poll at which the grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour of the resolution concerning the grant of such options, and/or such other requirements prescribed under the Listing Rules from time to time. A connected person of the Company will be permitted to vote against the grant only if his intention to do so has been stated in the circular. Any grant of share options to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, is required to be approved by the Independent Non-executive Directors (excluding the Independent Non-executive Director who is the grantee of the options).

購股權計劃(續)

根據二零一二年計劃，董事會可酌情向本公司或任何其附屬公司或任何投資實體之全職或兼職僱員、行政人員、職員或董事(包括執行及非執行董事)，以及在董事會全權認為將對或曾對本公司及／或任何其附屬公司及／或任何投資實體作出貢獻之任何諮詢人、顧問、代理人、供應商、客戶和分銷商授出購股權以認購本公司股份。

自採納二零一二年計劃起，概無根據此計劃授出購股權。因悉數行使根據二零一二年計劃可能授出之購股權而可發行之最高本公司股份數目為115,219,246股，佔本公司於本年報刊發日期已發行股本約2.89%。各承授人於授出日期前任何十二個月期間因行使二零一二年計劃及本公司任何其他購股權計劃，將予獲授之購股權(包括已行使、註銷及尚未行使之購股權)而經已發行及將予發行之本公司股份總數不得超過於授出日期本公司已發行股本之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。此外，向本公司之主要股東或獨立非執行董事或任何彼等之聯繫人授出之任何購股權，會導致有關人士於授出日期前十二個月期間(包括提出授出日期)所有已獲授及將予獲授之購股權(包括已行使、已註銷及尚未行使之購股權)予以行使後已發行及將予發行之本公司股份：(a)合計超過於授出日期本公司已發行股份0.1%；及(b)根據各授出日期本公司股份載於聯交所日報表之收市價計算總值超過港幣5,000,000元，則須待本公司發出通函並經股東在股東大會上以投票表決方式批准，而承授人、其聯繫人及本公司所有核心關連人士均須就授出該等購股權的決議案放棄投贊成票，及／或遵守上市規則不時規定之其他要求，始可進一步授出購股權。本公司關連人士有權投票反對授出購股權，惟通函內須表明其意向。向本公司董事、最高行政人員或主要股東或任何彼等之聯繫人授出任何購股權，須經獨立非執行董事(不包括為有關購股權承授人之獨立非執行董事)批准。

SHARE OPTION SCHEMES (Continued)

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted under the 2012 Scheme. There is no requirement that a share option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of offer of any share options.

The exercise price in relation to each share option will be determined by the Board at its absolute discretion and shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of offer of share options; (ii) the average closing price of the shares of the Company as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of a share of the Company on the date of offer of share options. Each of the grantees is required to pay HK\$1.00 as a consideration for his acceptance of the grant of share options in accordance with the 2012 Scheme. The offer of share options must be accepted within 30 days from the date of the offer.

Share options to be granted under the 2012 Scheme do not confer rights on the holders to dividends or to vote at general meetings.

No share option has been granted under the 2012 Scheme since its adoption. Accordingly, as at 31 December 2021, there was no share option outstanding under the 2012 Scheme.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections headed "Share Option Schemes" herein, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year.

購股權計劃(續)

董事會可全權釐定購股權之行使期限，惟不得於根據二零一二年計劃授出購股權之日期起計超過十年後行使。並無規定購股權可予行使前必須持有之最短期限，惟董事會有權於授出任何購股權時酌情釐定該最短期限。

各購股權之行使價將由董事會全權酌情釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份載於聯交所日報表之收市價；(ii)緊接授出購股權日期前五個營業日本公司股份載於聯交所日報表之平均收市價；及(iii)於授出購股權日期本公司股份之面值。根據二零一二年計劃，各承授人須支付港幣1.00元作為接納獲授購股權之代價。提出授出之購股權須於提出日期起計三十日內獲接納。

根據二零一二年計劃將予授出之購股權並不授予持有人獲派股息或於股東大會上投票之權利。

自採納二零一二年計劃起，概無根據此計劃授出購股權。因此，於二零二一年十二月三十一日，概無根據二零一二年計劃授出之尚未行使購股權。

股票掛鈎協議

除於本年報「購股權計劃」一節所披露者外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立將會或可導致本公司發行股份的任何協議。

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無在聯交所或任何其他證券交易所購買、出售或贖回本公司之任何上市證券。

PRE-EMPTIVE RIGHTS

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

DISTRIBUTABLE RESERVES

At the end of the reporting period, the Company had distributable reserves of approximately HK\$549,598,000.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, revenue from sales of goods and rendering of services to the Group's five largest customers accounted for approximately 82% of the total revenue from sales of goods and rendering of services for the year and revenue from sales of goods and rendering of services to the largest customer included therein amounted to approximately 35%. Purchases from the Group's five largest suppliers accounted for approximately 99% of the total cost of sales for the year and cost of sales from the largest supplier included therein amounted to approximately 67%. None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued shares of the Company) had any beneficial interest in the Group's five largest customers and suppliers.

優先購買權

本公司細則或百慕達法例並無有關優先購買權之規定，強制本公司須按比例向其現有股東提呈發售新股份。

可供分派儲備

於報告期結束時，本公司可供分派之儲備約為港幣549,598,000元。

主要客戶及供應商

於回顧年度內，本集團向五位最大客戶銷售貨品及提供服務的收入佔本年度銷售貨品及提供服務的總收入約82%，而向當中最大客戶銷售貨品及提供服務的收入佔本年度銷售貨品及提供服務的總收入約35%。本集團向五位最大供應商採購額佔本年度總銷售成本額約99%，而向當中最大供應商採購額佔本年度總銷售成本額約67%。本公司董事或其任何緊密聯繫人士或就董事所知悉擁有本公司已發行股份數目5%以上權益之任何股東，概無於本集團五大客戶及供應商中擁有任何實益權益。

CONNECTED TRANSACTIONS

The following connected transactions were entered during the year and up to the date of this annual report:

(i) Formation of Joint Venture

On 26 December 2018, Eldex Investment Company Limited (“Eldex Investment”), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Chengdu Shougang Silk Road Equity Investment Fund Co., Ltd.* (成都首鋼絲路股權投資基金有限公司, “Shougang Silk Road”) and Chengdu Wuhou Capital Investment Management Group Co., Ltd.* (成都武侯資本投資管理集團有限公司, “Wuhou Capital”) to establish a joint venture, namely Shoucheng Finance Lease (Chengdu) Co., Ltd.* (首成融資租賃(成都)有限公司, “Shoucheng Finance Lease”) to engage in the business of finance lease and related services. Shougang Silk Road is a corporate fund 50% owned by Shougang Fund which is a wholly-owned subsidiary of Shougang Group. Wuhou Capital and its ultimate owners are independent of and not connected with the Company and its connected persons. Shoucheng Finance Lease would have a registered capital of RMB100,000,000, which has been determined by the parties after arm’s length negotiations by reference to its expected capital requirement. According to the joint venture agreement, the amount of registered capital to be contributed by Eldex Investment, Shougang Silk Road and Wuhou Capital were RMB25,000,000, RMB40,000,000 and RMB35,000,000 respectively. In view of the changes in market environment and policies, Shoucheng Finance Lease has been unable to carry out business, therefore, the board of directors of Shoucheng Finance Lease intends to liquidate Shoucheng Finance Lease. For the details of the transaction, please refer to announcement of the Company dated 26 December 2018.

(ii) Tenancy Agreement

On 27 October 2021, Long Cosmos Investment Limited (an indirect wholly owned subsidiary of the Company), as tenant entered into the Tenancy Agreement with Billioncorp Development Limited (an indirect wholly owned subsidiary of Shougang Holding (Hong Kong) Limited), as landlord, in relation to the renewal of the lease of the Premises at a monthly rent of HK\$195,500, exclusive of rates and management fees (Long Cosmos Investment Limited will enjoy a rent-free period of one month during the thirteenth month of the term), for a term of three years commencing on 1 November 2021 and ending on 31 October 2024. For the details of the transaction please refer to the announcement of the Company dated 27 October 2021.

關連交易

以下為於本年度內及截至本年報刊發日期已訂立之關連交易：

(i) 成立合資公司

於二零一八年十二月二十六日，義達投資有限公司(「義達投資」，本公司之全資附屬公司)與成都首鋼絲路股權投資基金有限公司(「首鋼絲路」)及成都武侯資本投資管理集團有限公司(「武侯資本」)訂立一份合資協議，以成立從事融資租賃及相關服務業務之合資公司，首成融資租賃(成都)有限公司(「首成融資租賃」)。首鋼絲路是由首鋼基金持股50%的公司基金，而首鋼基金為首鋼集團之全資附屬公司。武侯資本及其最終擁有人均獨立於本公司及其關連人士，且與彼等並無關連。首成融資租賃的註冊資本為人民幣100,000,000元，乃由訂約各方參考其預期的資本需求後按公平原則磋商而釐定。根據該合資協議，義達投資、首鋼絲路及武侯資本將予注資的註冊資本金額分別為人民幣25,000,000元、人民幣40,000,000元及人民幣35,000,000元。鑑於市場環境及政策出現變化，首成融資租賃一直未能開展業務，因此首成融資租賃董事會擬清算註銷首成融資租賃。有關交易的詳情，請參閱本公司日期為二零一八年十二月二十六日的公告。

(ii) 租賃協議

於二零二一年十月二十七日，長亨投資有限公司(本公司之間接全資附屬公司)，作為承租人，與兆佳發展有限公司(首鋼控股(香港)有限公司之間接全資附屬公司)，作為業主，就物業租賃續期訂立租賃協議，每月租金為港幣195,500元，不包括差餉及管理費(長亨投資有限公司將於第十三個月享有一個月免租期)，自二零二一年十一月一日至二零二四年十月三十一日止，為期三年。有關交易之詳情，請參閱本公司日期為二零二一年十月二十七日之公告。

CONNECTED TRANSACTIONS (Continued)

The following continuing connected transactions were recorded during the year and up to the date of this annual report:

(i) Shougang Group – Master Facility Agreement

As the 2015 Master Facilities Agreement between the Company and the Shougang Group in relation to the provision by the Group of the 2015 facilities to the Shougang Group expired on 18 June 2018, the Company entered into another master facilities agreement with Shougang Group on 8 June 2018 (the “2018 Master Facility Agreement”).

Pursuant to the 2018 Master Facility Agreement, the Company has agreed to provide, or procure its subsidiaries to provide facilities by way of entrusted payment, finance lease and/or credit financing to Shougang Group and/or its subsidiaries in an amount of up to RMB5,000,000,000 for a term of 3 years from 8 June 2018, the date on which the condition precedent for the 2018 Master Facility Agreement was fulfilled and the 2018 Master Facility Agreement became effective (the “2018 Facilities”).

For the 2018 Facilities provide by way of entrusted payment, finance lease and/or credit financing, the interest rate payable by the borrower or the lessee shall be at a rate equal to the cost of lending of the Company (or its subsidiaries) plus 1% to 5%, subject to a cap of 10%.

The annual cap of the 2018 Facilities for each of the financial years ending 31 December 2018 to 2024 shall be RMB1,500,000,000 each year, taken into account of the expected level of financing required by Shougang Group and its subsidiaries based on published public information on Shougang Group, and the amount of financing that the Group is expected to be able to secure to finance the 2018 Facilities, for each relevant year.

The entering into of the 2018 Master Facility Agreement will enable the Group to earn a net interest income under the 2018 Master Facility Agreement.

關連交易(續)

以下為於本年度內及截至本年報刊發日期所記錄之持續關連交易：

(i) 首鋼集團 – 授信總協議

由於本公司與首鋼集團所訂立內容有關本集團向首鋼集團提供二零一五年授信的二零一五年授信總協議於二零一八年六月十八日屆滿，因此於二零一八年六月八日，本公司與首鋼集團訂立另一份授信總協議（「二零一八年授信總協議」）。

根據二零一八年授信總協議，本公司已同意自行或促使其附屬公司通過委託付款、融資租賃及／或信貸融資向首鋼集團及／或其附屬公司提供總額最多為人民幣5,000,000,000元之授信，自二零一八年六月八日（為二零一八年授信總協議先決條件獲滿足及二零一八年授信總協議生效之日期）起，為期三年（「二零一八年授信」）。

就二零一八年授信以委託付款、融資租賃及／或信貸融資方式提供之授信，借款人或承租人應付之利率將相等於本公司（或其附屬公司）之借貸成本加1%至5%，上限為10%。

有關二零一八年授信之每個年度上限（即截至二零一八年至二零二四年十二月三十一日止各財政年度）為人民幣1,500,000,000元，經考慮首鋼集團及其附屬公司根據首鋼集團公佈的公開信息所需的預期融資水平，以及本集團於每個相關年度預期可就二零一八年授信提供的融資金額。

訂立二零一八年授信總協議將令本集團可根據二零一八年授信總協議賺取淨利息收入。

CONNECTED TRANSACTIONS (Continued)

(i) Shougang Group – Master Facility Agreement (Continued)

As at the date of the 2018 Master Facility Agreement, Shougang Group was the holding company of Shougang Holding which in turn was a controlling shareholder and connected person of the Company. As such, the transactions contemplated under the 2018 Master Facility Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the transactions contemplated under the 2018 Master Facility Agreement (including the annual caps) exceed 5%, the 2018 Master Facility Agreement constituted a non-exempt continuing connected transaction for the Company under the Listing Rules.

The 2018 Master Facility Agreement was subject to approval by the independent shareholders of the Company in accordance with the requirements of the Listing Rules.

The 2018 Master Facility Agreement and the annual caps thereunder were approved, confirmed and ratified by the independent shareholders of the Company on 7 December 2018.

As the 2018 Master Facilities Agreement between the Company and the Shougang Group in relation to the provision by the Group of the 2018 facilities to the Shougang Group expired on 18 June 2021, the Company entered into another master facilities agreement with Shougang Group on 2 August 2021 (the “2021 Master Facilities Agreement”).

Pursuant to the 2021 Master Facilities Agreement, the Company has agreed to provide, or procure its subsidiaries to provide facilities by way of entrusted payment, finance lease and/or credit financing to Shougang Group and/or its subsidiaries in an amount of up to RMB2,000,000,000 for a term of 3 years from 2 August 2021 (the date on which the condition precedent for the 2021 Master Facilities Agreement was fulfilled) and the 2021 Master Facilities Agreement became effective (the “2021 Facilities”).

For the 2021 Facilities provide by way of entrusted payment, finance lease and/or credit financing, the interest rate payable by the borrower or the lessee shall be at a rate equal to the cost of lending of the Company (or its subsidiaries) plus 1% to 5%, subject to a cap of 10%.

關連交易(續)

(i) 首鋼集團 – 授信總協議(續)

於二零一八年授信總協議日期，由於首鋼集團為首鋼控股之控股公司，而首鋼控股為本公司之控股股東及關連人士。因此，根據二零一八年授信總協議擬進行之交易構成上市規則第14A章下本公司之持續關連交易。由於根據二零一八年授信總協議擬進行之交易(包括年度上限)之一項或多項適用百分比率超過5%，根據上市規則，二零一八年授信總協議構成本公司一項非豁免持續關連交易。

二零一八年授信總協議須根據上市規則之規定取得本公司獨立股東之批准。

二零一八年授信總協議及據此之年度上限已於二零一八年十二月七日獲本公司獨立股東批准、確認及追認。

由於本公司與首鋼集團所訂立內容有關本集團向首鋼集團提供二零一八年授信的二零一八年授信總協議於二零二一年六月十八日屆滿，因此於二零二一年八月二十三日，本公司與首鋼集團訂立另一份授信總協議(「二零二一年授信總協議」)。

根據二零二一年授信總協議，本公司已同意自行或促使其附屬公司通過委託付款、融資租賃及／或信貸融資向首鋼集團及／或其附屬公司提供總額最多為人民幣2,000,000,000元之授信，自二零二一年八月二十三日(為二零二一年授信總協議先決條件獲滿足及二零二一年授信總協議生效之日期)起，為期三年(「二零二一年授信」)。

就二零二一年授信以委託付款、融資租賃及／或信貸融資方式提供之授信，借款人或承租人應付之利率將相等於本公司(或其附屬公司)之借貸成本加1%至5%，上限為10%。

CONNECTED TRANSACTIONS (Continued)

(i) Shougang Group – Master Facility Agreement (Continued)

The annual cap of the 2021 Facilities for each of the financial years ending 31 December 2021 to 2027 shall be RMB1,500,000,000 each year, taken into account of the expected level of financing required by Shougang Group and its subsidiaries based on published public information on Shougang Group, and the amount of financing that the Group is expected to be able to secure to finance the 2021 Facilities, for each relevant year.

The entering into of the 2021 Master Facilities Agreement will enable the Group to earn a net interest income under the 2021 Master Facilities Agreement.

As at the date of the 2021 Master Facilities Agreement, Shougang Group was the holding company of Shougang Holding which in turn was a controlling shareholder and connected person of the Company. As such, the transactions contemplated under the 2021 Master Facilities Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the transactions contemplated under the 2021 Master Facilities Agreement (including the annual caps) exceed 5%, the 2021 Master Facilities Agreement constituted a non-exempt continuing connected transaction for the Company under Listing Rules.

The 2021 Master Facilities Agreement was subject to approval by the independent shareholders of the Company in accordance with the requirements of the Listing Rules.

The 2021 Master Facilities Agreement and the annual caps thereunder were approved, confirmed and ratified by the independent shareholders of the Company on 25 January 2022.

For the details of the transaction, please refer to the announcements of the Company dated 8 June 2018, 20 November 2018 and 23 August 2021 and in the circular of the Company dated 20 November 2018 and 24 December 2021.

關連交易(續)

(i) 首鋼集團 – 授信總協議(續)

有關二零二一年授信之每個年度上限(即截至二零二一年至二零二七年十二月三十一日止各財政年度)為人民幣1,500,000,000元,經考慮首鋼集團及其附屬公司根據首鋼集團公佈的公開信息所需的預期融資水平,以及本集團於每個相關年度預期可就二零二一年授信提供的融資金額。

訂立二零二一年授信總協議將令本集團可根據二零二一年授信總協議賺取淨利息收入。

於二零二一年授信總協議日期,由於首鋼集團為首鋼控股之控股公司,而首鋼控股為本公司之控股股東及關連人士。因此,根據二零二一年授信總協議擬進行之交易構成上市規則第14A章下本公司之持續關連交易。由於根據二零二一年授信總協議擬進行之交易(包括年度上限)之一項或多項適用百分比率超過5%,根據上市規則,二零二一年授信總協議構成本公司一項非豁免持續關連交易。

二零二一年授信總協議須根據上市規則之規定取得本公司獨立股東之批准。

二零二一年授信總協議及據此之年度上限已於二零二二年一月二十五日獲本公司獨立股東批准、確認及追認。

有關交易的詳情,請參閱本公司日期為二零一八年六月八日、二零一八年十一月二十日及二零二一年八月二十三日之公告及本公司日期為二零一八年十一月二十日及二零二一年十二月二十四日之通函。

CONNECTED TRANSACTIONS (Continued)

(ii) Tenancy Agreement and Master Services Agreement

As stated in the announcement of the Company dated 31 October 2018, the Company entered into the following transactions on 31 October 2018:

- (A) Long Cosmos Investment Limited (an indirect wholly-owned subsidiary of the Company), as tenant, entered into a tenancy agreement with Billioncorp Development Limited (an indirect wholly-owned subsidiary of Shougang Holding) as landlord, in relation to the lease of office premise at a monthly rent of HK\$195,500, exclusive of rates and management fees, for the three years ending 31 October 2021 (the "Tenancy Agreement"). The payment under the Tenancy Agreement should be made in advance on the first day of each and every calendar month without deduction. The annual cap of the tenancy agreement for each of the years ending 31 October 2019, 31 October 2020, and 31 October 2021 is HK\$2,541,500, HK\$2,346,000 and HK\$2,346,000 respectively, taken into account of the payment commitment of monthly rent under the tenancy agreement. The Tenancy Agreement was expired on 31 October 2021.
- (B) the Company entered into a master services agreement with Shougang Holding for a term of three years commencing from 31 October 2018 to 31 October 2021 (the "Master Services Agreement"). Under which, Shougang Holding would provide to the Company advisory services covering areas in business and operational, investment management and financial management disciplines, treasury and risk management, key managerial recruitment and retention as well as other operating practices and procedures, accounting, corporate advisory, legal, company secretarial and other services. The Company agreed to reimburse the actual costs of the services incurred by Shougang Holding by reference to a specified percentage of the remuneration of members of the staff providing the Services to the Company, with annual payment capped at HK\$2,880,000 each of the three years ending 31 October 2019, 31 October 2020, and 31 October 2021. The annual caps were determined after taken the maximum payment obligation under the Master Services Agreement.

關連交易(續)

(ii) 租賃協議及服務總協議

誠如本公司日期為二零一八年十月三十一日的公告所述，本公司於二零一八年十月三十一日訂立以下交易：

- (A) 長亨投資有限公司(本公司的間接全資附屬公司)(作為租戶)與兆佳發展有限公司(首鋼控股的間接全資附屬公司)(作為業主)訂立租賃協議，內容有關租賃辦公室物業，月租為港幣195,500元(不包括差餉及管理費)，為期三年，截至二零二一年十月三十一日為止(「租賃協議」)。租賃協議項下的付款須於每個曆月第一日預付而不獲任何扣減。經考慮租賃協議項下每月租金的付款承擔，截至二零一九年十月三十一日、二零二零年十月三十一日及二零二一年十月三十一日止各年度的租賃協議年度上限分別為港幣2,541,500元、港幣2,346,000元及港幣2,346,000元。租賃協議已於二零二一年十月三十一日到期。
- (B) 本公司與首鋼控股訂立服務總協議，由二零一八年十月三十一日起至二零二一年十月三十一日止，為期三年(「服務總協議」)。據此，首鋼控股將為本公司提供諮詢服務，涵蓋範圍包括業務及營運、投資管理及財務管理、財資及風險管理、主要管理人員職位招聘及挽留以及其他營運常規及程序、會計、企業諮詢、法律、公司秘書及其他服務。本公司同意參考向本公司提供該等服務的員工的薪酬的指定百分比，償付首鋼控股所產生的實際服務成本，而截至二零一九年十月三十一日、二零二零年十月三十一日及二零二一年十月三十一日止三個年度各年的年度付款上限為港幣2,880,000元。該年度上限乃經考慮服務總協議項下的最高付款責任而釐定。

CONNECTED TRANSACTIONS (Continued)

(ii) Tenancy Agreement and Master Services Agreement (Continued)

On 27 October 2021, the Company entered into the Master Services Agreement with Shougang Holding, pursuant to which Shougang Holding has agreed to provide to the Company with business and operational advisory, investment management and financial management disciplines, treasury and risk management, key managerial recruitment and retention as well as other operating practices and procedures, accounting, corporate advisory, legal, company secretarial and other services (the "Services"). The Company has agreed to reimburse the actual costs of the Services incurred by Shougang Holding by reference to a specified percentage of the remuneration of the Shougang Holding staff who provides the Services to the Company. Such percentage would be determined by reference to the percentage of the time currently estimated to be devoted by the individual staff members to the affairs of the Company against the amount of time they would otherwise devote to the affairs of Shougang Holding as full time employees of Shougang Holding. The annual cap of the Master Services Agreement for each of the year ending 31 October 2022, 31 October 2023 and 31 October 2024 is HK\$2.88 million.

As one or more of the applicable percentage ratios as defined under the Listing Rules in respect of the Master Services Agreement is more than 0.1% but are all less than 5%, the Master Services Agreement is subject to the reporting, annual review and announcement requirements, but is exempt from the circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For details, please refer to the announcements of the Company dated 31 October 2018 and 27 October 2021.

關連交易(續)

(ii) 租賃協議及服務總協議(續)

於二零二一年十月二十七日，本公司與首鋼控股(香港)有限公司訂立服務總協議，據此，首鋼控股(香港)有限公司同意向本公司提供業務及營運諮詢、投資管理及財務管理、財資及風險管理、主要管理人員職位招聘及挽留以及其他營運常規及程序、會計、企業諮詢、法律、公司秘書及其他服務(「服務」)。本公司同意參考為本公司提供該等服務之首鋼控股員工之薪酬之指定百分比償付首鋼控股所產生之實際服務成本。有關百分比將參考個別員工目前估計就本公司事務所投放之時間之百分比與彼等作為首鋼控股全職員工於首鋼控股事務上所投放之時間相比而釐定。截至二零二二年十月三十一日、二零二三年十月三十一日及二零二四年十月三十一日止各年度之付款上限為每年港幣2.88百萬元。

由於服務總協議之一項或多項適用百分比率(定義見上市規則)高於0.1%，但所有百分比率均低於5%，根據上市規則第14A章，服務總協議須遵守申報、年度審核及公佈規定，惟獲豁免通函及獨立股東批准之規定。

有關詳情，請參閱本公司日期為二零一八年十月三十一日及二零二一年十月二十七日之公告。

CONNECTED TRANSACTIONS (Continued)

(iii) Master Purchase Agreement

On 23 August 2021, Beijing Jingxi Supply Chain, an indirect wholly owned subsidiary of the Company, entered into the Master Purchase Agreement with Beijing Shougang under which Beijing Jingxi Supply Chain agreed to purchase steel products from Beijing Shougang for a term of three financial years ending 31 December 2023 (the "Master Purchase Agreement").

The annual cap of the Master Purchase Agreement for each of the financial year ending 31 December 2021 to 2023 is RMB1,000,000,000.

Beijing Shougang is a non-wholly owned subsidiary of Shougang Group, which is in turn the holding company of Shougang Holding, the controlling Shareholder of the Company. Beijing Shougang is hence a connected person of the Company and the transactions contemplated under the Master Purchase Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the annual transaction amount under the Master Purchase Agreement are expected to be more than 5%, the transactions contemplated under the Master Purchase Agreement are subject to the announcement, reporting and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Master Purchase Agreement and the annual caps thereunder were approved, confirmed and ratified by the Independent Shareholders of the Company on 25 January 2022.

For the details of the transaction, please refer to the announcement of the Company dated 23 August 2021 and the circular dated 24 December 2021.

關連交易(續)

(iii) 購買總協議

於二零二一年八月二十三日，本公司間接全資附屬公司北京京西供應鏈與北京首鋼訂立購買總協議，據此，北京京西供應鏈同意向北京首鋼購買鋼鐵產品，年期為截至二零二三年十二月三十一日止三個財政年度(「購買總協議」)。

有關購買總協議截至二零二一年至二零二三年十二月三十一日之每個年度上限為每年人民幣1,000,000,000元。

北京首鋼為首鋼集團的非全資附屬公司，而首鋼集團則為本公司控股股東首鋼控股的控股公司。因此，北京首鋼為本公司的關連人士，根據上市規則第14A章，根據購買總協議擬進行的交易構成本公司的持續關連交易。

由於購買總協議項下年度交易額之適用百分比率預期超過5%，因此購買總協議項下擬進行交易須遵守上市規則第14A章有關公告、申報及獨立股東批准規定。

購買總協議及據此之年度上限已於二零二二年一月二十五日獲本公司獨立股東批准、確認及追認。

有關交易之詳情，請參閱本公司日期為二零二一年八月二十三日之公告及本公司日期為二零二一年十二月二十四日之通函。

CONNECTED TRANSACTIONS (Continued)

Pursuant to Rule 14A.55 of the Listing Rules, the independent nonexecutive directors of the Company must review the continuing connected transactions carried out under the 2018 Master Facility Agreement, the 2021 Master Facilities Agreement, the Master Services Agreement and the Master Purchase Agreement during the year and confirm whether the transactions thereunder had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

The auditors of the Company have provided a letter to (the Board of Directors of the Company) confirming the matters stated in Rule 14A.56 of the Listing Rules in respect of the continuing connected transactions under the 2018 Master Facility Agreement, the 2021 Master Facilities Agreement, the Master Services Agreement and the Master Purchase Agreement took place during the year.

The transactions regarding revenue under sale and leaseback arrangements set out in note 34(b) to the consolidated financial statements and the outstanding balance arising from sale and leaseback business set out in note 34(c) to the consolidated financial statements were connected transactions which had been approved by the independent shareholders of the Company.

The transactions regarding consultancy services expenses, management fee expenses and lease payments set out in note 34(b) to the consolidated financial statements were connected transactions which were exempt from circular and shareholders' approval requirements under the Listing Rules.

The transactions set out in notes 34(d) and 34(e) to the consolidated financial statements under the heading of "Related Party Transactions" did not constitute connected transactions under the Listing Rules.

As far as the transactions set out in note 34(a) to the consolidated financial statements are concerned, the remuneration of the Directors as determined pursuant to the service contracts entered into between the Directors and the Group were connected transactions which were exempt from any disclosure and shareholders' approval requirements under the Listing Rules.

關連交易(續)

根據上市規則第14A.55條，本公司之獨立非執行董事須審閱本年度根據二零一八年授信總協議、二零二一年授信總協議、服務總協議及購買總協議進行之持續關連交易，並確認該等交易：

- (i) 在本集團的日常業務中訂立；
- (ii) 按照一般商務條款或更佳條款進行；及
- (iii) 根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

本公司核數師已就本年度內就二零一八年授信總協議、二零二一年授信總協議、服務總協議及購買總協議進行之持續關連交易向本公司董事會致函確認上市規則第14A.56條所述事項。

載列於綜合財務報告附註34(b)及34(c)下有關係後回租安排項下之收益之交易及售後回租業務產生的未償還結餘乃關連交易，該等交易已獲本公司獨立股東批准。

載列於綜合財務報告附註34(b)下有關係諮詢服務開支、管理費開支及租賃付款之交易乃關連交易，惟該等交易獲豁免根據上市規則的通函及獲股東批准之要求。

根據上市規則，載列於綜合財務報告附註34(d)及34(e)「關連人士交易」一節項下之交易皆不構成關連交易。

就載列於綜合財務報告附註34(a)項下之交易而言，根據董事與本集團訂立的服務合約而釐訂的董事酬金乃關連交易，惟該等交易獲豁免根據上市規則予以披露及獲股東批准。

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

根據上市規則第13.18條作出之披露

- Pursuant to the facility letter entered into between SCG Finance Corporation Limited (“SCG Finance”) and Chong Hing Bank Limited (“CHB”) on 23 December 2020 in relation to a revolving term loan facility of HK\$70,000,000 (the “Facility”), Shougang Group and Shougang Holding shall remain as the largest shareholder (directly or indirectly) of the Company during the term of the Facility. Breach of such condition will constitute an event of default upon which CHB may cancel the Facility or terminate the Facility and demand all outstanding amount under the Facility be immediately due and payable. The availability of the Facility is subject to CHB’s periodic review and overriding right of repayment on demand. The Facility was terminated on 23 December 2021, and the Facility was repaid in full on that day.
 - Pursuant to the facility letter (the “Facility Letter”) entered into between the Company and Chong Hing Bank Limited on 28 December 2021 in relation to a one-year revolving term loan facility in the amount of HK\$80,000,000 (the “RTL Facility”), the Company has undertaken to, throughout the term of the RTL Facility, procure that Shougang Group and Shougang Holding shall remain as the largest single shareholder (directly or indirectly) of the Company and maintain control over the management of the Company. It shall be an event of default under the Facility Letter if the Company breaches such undertakings and upon the occurrence of which, the Bank shall be entitled to (i) cancel the RTL Facility or terminate the RTL Facility; and (ii) demand all outstanding amount under the RTL Facility be immediately due and payable.
 - Pursuant to the facility letter (the “2022 Facility Letter”) entered into between the Company and Chong Hing Bank Limited on 22 March 2022 in relation to a revolving term loan facility in the amount of HK\$70,000,000 (the “2022 RTL Facility”) which will expire on 23 December 2022, the Company has undertaken to, throughout the term of the 2022 RTL Facility, procure that Shougang Group and Shougang Holding shall remain as the largest single shareholder (directly or indirectly) of the Company and maintain control over the management of the Company. It shall be an event of default under the 2022 Facility Letter if the Company breaches such undertakings and upon the occurrence of which, the Bank shall be entitled to (i) cancel the 2022 RTL Facility or terminate the 2022 RTL Facility; and (ii) demand all outstanding amount under the 2022 RTL Facility be immediately due and payable.
- 根據首長四方財務有限公司(「首長四方財務」)與創興銀行有限公司(「創興銀行」)於二零二零年十二月二十三日就有關港幣70,000,000元的定期循環貸款(「該貸款」)簽訂的貸款函，於該貸款期間內，首鋼集團及首鋼控股須(直接或間接)繼續作為本公司最大的股東。違反這項條件將構成違約事件，當發生該違約事件時，創興銀行有權取消該貸款或終止該貸款及要求立即償還所有該貸款之未償還款項。該貸款的可用受限於創興銀行之定期審閱及要求隨時償還之絕對權利。該貸款已於二零二一年十二月二十三日終止，並已於當日悉數償還該貸款。
 - 根據本公司與創興銀行有限公司於二零二一年十二月二十八日就有關港幣80,000,000元的一年期循環定期貸款(「循環定期貸款」)訂立貸款函(「貸款函」)，本公司承諾，於整個貸款期限內，促使首鋼集團及首鋼控股繼續作為本公司最大的單一股東(直接或間接)並維持管理控制本公司。倘本公司違反該等承諾，則屬貸款函項下之違約事件，於此情況下，銀行有權(i)取消循環定期貸款或終止循環定期貸款；及(ii)要求循環定期貸款項下一切未償還款項即時到期並須予償還。
 - 根據本公司與創興銀行有限公司於二零二二年三月二十二日就有關港幣70,000,000元的循環定期貸款(「二零二二年循環定期貸款」)訂立貸款函(「二零二二年貸款函」)，該貸款將於二零二二年十二月二十三日期到，本公司承諾，於整個貸款期限內，促使首鋼集團及首鋼控股繼續作為本公司最大的單一股東(直接或間接)並維持管理控制本公司。倘本公司違反該等承諾，則屬二零二二年貸款函項下之違約事件，於此情況下，銀行有權(i)取消二零二二年循環定期貸款或終止二零二二年循環定期貸款；及(ii)要求二零二二年循環定期貸款項下一切未償還款項即時到期並須予償還。

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 22 to 51 of this annual report.

ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the financial year ended 31 December 2021 are set out in the Environmental, Social and Governance Report on pages 52 to 99 of this annual report.

INDEPENDENT AUDITOR

The Consolidated Financial Statements for the year ended 31 December 2021 have been audited by PricewaterhouseCoopers who will retire at the forthcoming AGM, and being eligible, offer themselves for reappointment.

EVENTS AFTER THE REPORTING DATE

1. The special resolution of the Proposed Change of Company Name to change the English name of the Company from "Shougang Concord Grand (Group) Limited" to "Capital Industrial Financial Services Group Limited" and adopt the Chinese name "首惠產業金融服務集團有限公司" for identification purpose only, has been approved by Shareholders on the special general meeting held on 25 January 2022.
2. The Company and Chong Hing Bank Limited entered into a facility letter in relation to a revolving term loan facility in the amount of HK70,000,000 on 22 March 2022, which will expire on 23 December 2022.

By Order of the Board
Xu Liang
Chairman

Hong Kong, 25 March 2022

企業管治

本公司之企業管治常規載於本年報第22頁至第51頁之企業管治報告。

環境及社會事宜

本公司於截至二零二一年十二月三十一日止財政年度遵守上市規則附錄二十七所載《環境、社會及管治報告指引》的相關條文將載於本年報第52頁至第99頁之環境、社會及管治報告內。

獨立核數師

截至二零二一年十二月三十一日止年度之綜合財務報告已由羅兵咸永道會計師事務所審核，彼將於應屆股東週年大會上任滿告退，惟其合資格並願意膺選連任。

報告期後事項

1. 有關將本公司英文名稱由「Shougang Concord Grand (Group) Limited」更改為「Capital Industrial Financial Services Group Limited」，並採用僅供識別中文名稱「首惠產業金融服務集團有限公司」之建議更改公司名稱特別決議案已於二零二二年一月二十五日舉行之股東特別大會上獲得股東批准。
2. 本公司與創興銀行有限公司於二零二二年三月二十二日就金額為港幣70,000,000元的循環定期貸款訂立貸款函，該貸款函將於二零二二年十二月二十三日到期。

承董事會命
主席
徐量

香港，二零二二年三月二十五日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



羅兵咸永道

To the Shareholders of Shougang Concord Grand (Group) Limited
(incorporated in Bermuda with limited liability)

致首長四方(集團)有限公司全體股東
(於百慕達註冊成立之有限公司)

OPINION

What we have audited

The consolidated financial statements of Shougang Concord Grand (Group) Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 130 to 270, comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Our opinion

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

我們已審核的內容

首長四方(集團)有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載列於第130頁至第270頁的綜合財務報表，包括：

- 於二零二一年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策及其他解釋信息。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零二一年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

BASIS FOR OPINION (Continued)

Independence

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.

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 identified in our audit are summarised as follows:

- Provision for expected credit losses of receivables under sale and leaseback arrangements
- Impairment assessments of goodwill

Key Audit Matter

關鍵審計事項

Provision for expected credit losses of receivables under sale and leaseback arrangements

售後回租安排項下之應收款項之預期信貸虧損撥備

Refer to Notes 3.1(b), Note 4(a) and Note 20 to the consolidated financial statements.
請參閱綜合財務報告附註3.1(b)、附註4(a)及附註20。

As at 31 December 2021, the balance of the receivables under sale and leaseback arrangements amounted to approximately HK\$1,350,372,000, net of provision for expected credit loss ("ECL") of HK\$25,757,000, which represented approximately 58.1% of the total assets of the Group. For the year ended 31 December 2021, a net provision for expected credit losses of receivables under sale and leaseback arrangements of HK\$2,751,000 has been recognised in the consolidated statement of comprehensive income.

於二零二一年十二月三十一日，售後回租安排項下之應收款項結餘約為港幣1,350,372,000元(扣除預期信貸虧損(「預期信貸虧損」)撥備港幣25,757,000元)，佔貴集團總資產約58.1%。截至二零二一年十二月三十一日止年度，售後回租安排項下應收款項之預期信貸虧損撥備淨額港幣2,751,000元已於綜合全面收益表內確認。

意見的基礎(續)

獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。

關鍵審計事項

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

我們在審計中識別的關鍵審計事項概述如下：

- 售後回租安排項下之應收款項之預期信貸虧損撥備
- 商譽減值評估

How our audit addressed the Key Audit Matter

本行的審計如何處理關鍵審計事項

Our procedures performed in relation to the expected credit loss allowance of receivables under sale and leaseback arrangements included:

本行就售後回租安排項下之應收款項之預期信貸虧損撥備採取的程序包括：

- Understood, evaluated and validated on a sample basis the key controls over the expected credit loss assessment of the receivables under sale and leaseback arrangements, including the reversal of brought forward provisions, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;
- 抽樣了解、評估及驗證對售後回租安排項下之應收款項的預期信貸虧損評估的主要控制措施，包括撥回已結轉撥備，並透過考慮估計不確定性的程度及其他既有風險因素的水平評估重大失實陳述的既有風險；

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

本行的審計如何處理關鍵審計事項

Provision for expected credit losses of receivables under sale and leaseback arrangements (Continued)

售後回租安排項下之應收款項之預期信貸虧損撥備(續)

The Group assesses whether the credit risk of receivables under sale and leaseback arrangements have increased significantly since their initial recognition and applies a three-stage impairment model to calculate the ECL. The Group measured expected credit losses based on an individual assessment of each borrower, after considering their credit profile with reference to credit ratings assigned by independent credit-rating agencies.

貴集團評估售後回租安排項下之應收款項的信貸風險自初始確認以來是否大幅增加，並採用三階段減值模型計算其預期信貸虧損。貴集團經考慮各借款人的信貸結構，基於各借款人的個別評估，參照獨立信貸評級機構的估計虧損率來計量預期信貸虧損。

The measurement model of expected credit losses involves significant management judgement and assumptions, primarily including the following:

預期信貸虧損的計量模型涉及重大的管理判斷及假設，主要包括以下方面：

- (1) Criteria for determining whether or not there was a significant increase in credit risk, or a default or impairment loss was incurred;
- (1) 確定信貸風險是否明顯增加或違約或減值虧損的標準；
- (2) Economic indicators for forward-looking measurements;
- (2) 前瞻性計量的經濟標準；
- (3) The estimated future cash flows for credit impaired receivables in stage 3.
- (3) 第三階段已發生信貸減值的應收款項的估計未來現金流量。

In addition, the receivables under sale and leaseback arrangements and provisions are significant to the consolidated financial statements and the estimates of ECL involved a significant level of judgement and assumptions made by management and all these are subject to certain level of estimation uncertainty and inherent risk of subjectivity. In view of these reasons, we identified this as a key audit matter.

此外，售後回租安排項下之應收款項及撥備對綜合財務報告而言屬重大，而管理層在估計預期信貸虧損時須作出重大程度的判斷及假設，此等判斷及假設均受一定程度的估計不確定性及既有主觀風險所影響。鑒於該等原因，本行將此項識別為一項關鍵審計事項。

- Evaluated the outcome of prior period assessment of expected credit loss allowance of receivables under sale and leaseback arrangements to assess the effectiveness of management's estimation process;
- 評估過往期間售後回租安排項下之應收款項之預期信貸虧損撥備評估的結果，從而評估管理層估計程序的有效性；
- Evaluated the significant judgements and assumptions involved in the expected credit losses measurement model, including management's assessment of credit risk of each borrower, considering their credit profiles, historical repayment patterns, publicly available information of these borrowers, reports from independent credit rating agencies and forward looking factors such as market conditions and economic growth, and assessed the reasonableness of the judgements and assumptions adopted, including the reversal made;
- 經考慮各借款人的信貸結構、過往還款模式、該等借款人的公開可得資料、獨立信貸評級機構的報告以及市場狀況及經濟增長等前瞻性因素後，評估預期信貸虧損計量模型涉及的重大判斷及假設，包括管理層對各借款人信貸風險的評估，及評估所採納判斷及假設的合理性，包括所作撥回；
- Evaluated the appropriateness of management assessment of the ECL on credit impaired receivables under sale and leaseback arrangements in stage 3, taking into account the legal possession status and other uncertainties on realising the relevant underlying assets; and
- 經考慮法律擁有地位及變現相關基礎資產的其他不確定性因素後，評估管理層是否適當評估第三階段的售後回租安排項下之已發生信貸減值應收款項的預期信貸虧損；及
- Performed recalculation of the ECL model to assess the mathematical accuracy.
- 使用預期信貸虧損模型重新計算，以評估算術準確性；

Based on our procedures performed, the significant judgements and assumptions adopted by management in the ECL assessment were supportable by available evidence.

根據本行所採取的程序，管理層在評估預期信貸虧損時所採納的重大判斷及假設均得到現有證據支持。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
本行的審計如何處理關鍵審計事項

Impairment assessments of goodwill
商譽減值評估

Refer to Notes 2.10 and Note 18 to the consolidated financial statements.
請參閱綜合財務報告附註2.10及附註18。

As at 31 December 2021, the goodwill of the Group amounted to HK\$61,497,000 related to business acquisitions in the previous years.
於二零二一年十二月三十一日，貴集團之商譽為港幣61,497,000元，與過往年度業務收購有關。

The Group's goodwill was allocated to three subsidiaries, being the lowest level within the Group at which the goodwill is monitored for internal management purpose.
貴集團之商譽分配至三間附屬公司(即貴集團出於內部管理目的而對有關商譽進行監控的內部最低層級)。

The Group tests goodwill for impairment at least annually. In carrying out the goodwill impairment assessments, management determines the recoverable amount of each group of cash-generating units ("CGUs") by using value-in-use calculation ("VIU"). In assessing the VIU, management applied the discounted cash flow method. These assessments involved significant management judgement and estimates in the discounted cash flow calculation and the application of assumptions in the models, including interest rate spread and gross profit margin for the coming five years, terminal growth rates and discount rates used in the projection periods. Based on the management's assessment, there is no impairment required for goodwill for the current year.

貴集團至少每年測試一次商譽減值。為進行商譽減值評估，管理層透過使用在用價值(「在用價值」)釐定各組別現金產生單位(「現金產生單位」)的可收回金額。管理層採用貼現現金流量法評估在用價值。該等評估涉及貼現現金流量計算中管理層重大判斷及估計及在模型中採用假設，包括未來五年的利率差及毛利率、預測期間所用終止增長率及貼現率。根據管理層的評估，本年度商譽毋須作出減值。

Our procedures performed in relation to management's goodwill impairment assessment include:
本行就管理層商譽減值評估採取的程序包括：

- Obtained an understanding of the management's internal control and assessment process of goodwill impairment assessment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors;
- 理解管理層對商譽減值評估進行的內部監控及評估程序，並透過考慮估計不確定性的程度及其他既有風險因素的水平評估重大失實陳述的既有風險；
- Evaluated the outcome of prior period assessment of goodwill impairment to assess the effectiveness of management's estimation process;
- 評估過往期間商譽減值評估的結果，從而評估管理層估計程序的有效性；
- Evaluated and tested, on a sample basis, the key controls over the goodwill impairment assessment;
- 抽樣評估及驗證對商譽減值評估的主要控制措施；
- Evaluated the composition of the Group's future cash flow forecasts in developing the VIU calculations of each group of CGUs, and the process by which they were drawn up, including comparing the forecasts to the latest budgets approved by management;
- 評估貴集團就各組別現金產生單位之使用價值計算及其擬訂之過程(包括與管理層最近批准之預算案預測比較)之未來現金流量預測組合；
- Involved our internal valuation experts to assess the discount rates applied by management in the valuation;
- 內部估值專家參與評估管理層在估值中所採用的貼現率；

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 本行的審計如何處理關鍵審計事項

Impairment assessments of goodwill (Continued) 商譽減值評估(續)

We focused on this area due to the size of goodwill balance and the impairment assessment involved significant judgement and estimates made by management.

由於商譽結餘之規模，且減值評估涉及管理層作出的重大判斷及估計，因此本行集中於此範疇。

- Challenged management's key assumptions in the assessment including the interest rate spread and gross profit margin for the coming five years in the forecasts, the terminal growth rates, by making reference to the historical performance and future business plans of each group of CGUs and benchmarking the assumptions used with our market analysis;
- 經參考各組別現金產生單位的過往表現及未來業務計劃以及本行的市場分析所用假設的基準後，質疑管理層評估所用主要假設，包括預測未來五年的利率差及毛利率、終止增長率；
- Evaluated the sensitivity analysis performed by management around the interest rate spread and gross profit margin for the coming five years, terminal growth rates and discount rates to ascertain that the extent and likelihood of such changes have been appropriately considered; and
- 評估管理層對未來五年的利率差及毛利率、終止增長率及貼現率進行之敏感性分析，以確定該等變動已獲適當考慮之程度及可能性；及
- Checked the mathematical accuracy of management's value-in-use calculations.
- 核對管理層在用價值計算的數學準確性。

Based on the procedures performed, we found the judgements and estimates made by management in relation to the impairment assessment were supportable by available evidence.

跟據所採取的程序，本行發現管理層就減值評估之判斷及估計均有證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

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. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下(作為整體)報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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

(Continued)

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

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

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

核數師就審計綜合財務報表承擔的 責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況相關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表的整體列報方式、結構及內容，包括披露，以及綜合財務報表是否中肯反映交易及事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

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

(Continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Ka Ho.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 25 March 2022

核數師就審計綜合財務報表承擔的 責任(續)

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具獨立核數師報告的審計項目合夥人為吳家豪。

羅兵咸永道會計師事務所
執業會計師

香港，二零二二年三月二十五日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

| | | Notes 附註 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|------------------------|-------------|-----------------------------------|-----------------------------------|
| Revenue under sale and leaseback arrangements | 售後回租安排項下之收益 | 5 | 91,104 | 78,691 |
| Revenue from supply chain management business | 來自供應鏈管理業務之收益 | 5 | 1,803,045 | 4,634 |
| Consultancy service income and property leasing income | 諮詢服務收入及物業租賃收入 | 5 | 3,854 | 2,053 |
| Total revenue | 總收益 | | 1,898,003 | 85,378 |
| Cost of sale and leaseback arrangements and consultancy services | 售後回租安排及諮詢服務成本 | 8 | (12,373) | (11,618) |
| Cost of supply chain management business | 供應鏈管理業務成本 | 8 | (1,780,530) | – |
| Gross profit | 毛利 | | 105,100 | 73,760 |
| Other income | 其他收入 | 6 | 5,998 | 12,388 |
| Other gains, net | 其他收益淨額 | 7 | 77 | 13,734 |
| Selling expenses | 出售開支 | 8 | (2,780) | (1,420) |
| Administrative expenses | 行政開支 | 8 | (60,938) | (68,079) |
| Changes in fair value of investment properties | 投資物業之公允值變動 | 17 | 5,244 | (1,000) |
| Changes in fair value of financial assets at fair value through profit or loss | 透過損益賬按公允值處理之金融資產之公允值變動 | 24 | 1,492 | 272 |
| (Provision for)/reversal of provision for impairment of receivables, net | 應收款項減值(撥備)/撥備撥回淨額 | 10 | (2,927) | 5,916 |
| Operating profit | 經營溢利 | | 51,266 | 35,571 |
| Finance costs | 融資成本 | 11 | (3,530) | (1,676) |
| Share of profit of associates | 應佔聯營公司溢利 | 19 | 2,328 | 1,258 |
| Profit before income tax | 除所得稅前溢利 | | 50,064 | 35,153 |
| Income tax expense | 所得稅開支 | 12 | (7,571) | (16,959) |
| Profit for the year | 年度溢利 | | 42,493 | 18,194 |
| Profit is attributable to: | 以下人士應佔溢利： | | | |
| Owners of the Company | 本公司持有人 | | 27,294 | 5,980 |
| Non-controlling interests | 非控股權益 | | 15,199 | 12,214 |
| | | | 42,493 | 18,194 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

| | Note 附註 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|------------------------------|-----------------------------------|-----------------------------------|
| Profit for the year | | 42,493 | 18,194 |
| Other comprehensive (loss)/income | | | |
| <i>Items that have been/may be reclassified to profit or loss:</i> | <i>已經/可能重新分類至損益之項目:</i> | | |
| Changes in fair value of debt instruments at fair value through other comprehensive income | 透過其他全面收益按公允值處理之債務工具之公允值變動 | (397) | (173) |
| Transfer to profit or loss on disposal of debt instrument at fair value through other comprehensive income | 出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬 | 12 | (29) |
| Revaluation of buildings upon transfer from property, plant and equipment and right-of-use assets to investment properties | 由物業、廠房及設備以及使用權資產轉撥至投資物業時重估樓宇 | 56,353 | — |
| Income tax relating to the revaluation of buildings | 有關重估樓宇之所得稅 | (14,079) | — |
| <i>Items that will not be reclassified to profit or loss:</i> | <i>將不會重新分類至損益之項目:</i> | | |
| Currency translation differences | 貨幣換算差額 | 40,069 | 92,120 |
| Share of currency translation difference of associates for using equity method | 因使用權益法分佔聯營公司貨幣換算差額 | 2,236 | 5,273 |
| Other comprehensive income for the year | 年度其他全面收益 | 84,194 | 97,191 |
| Total comprehensive income for the year | 年度全面收益總額 | 126,687 | 115,385 |
| Total comprehensive income attributable to: | 以下人士應佔全面收益總額: | | |
| Owners of the Company | 本公司持有人 | 92,680 | 83,230 |
| Non-controlling interests | 非控股權益 | 34,007 | 32,155 |
| | | 126,687 | 115,385 |
| Earnings per share | 每股盈利 | | |
| Basic and diluted (HK cent) | 基本及攤薄(港仙) | 14 | 0.15 |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述綜合全面收益表應與隨附附註一併閱讀。

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

| | Notes 附註 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-------------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 15 | 1,516 | 22,371 |
| Right-of-use assets | 16 | 16,807 | 39,543 |
| Investment properties | 17 | 144,498 | 23,700 |
| Intangible assets | 18 | 67,107 | 68,364 |
| Interests in an associate | 19 | 92,930 | 91,362 |
| Receivables under sale and leaseback arrangements | 20 | 319,749 | 771,927 |
| Debt instrument at fair value through other comprehensive income | 21 | - | 15,886 |
| Financial assets at fair value through profit or loss | 24 | 4,339 | 2,847 |
| Prepayments | 22 | 4,226 | 4,201 |
| Deferred tax assets | 29 | 2,661 | 2,399 |
| Total non-current assets | | 653,833 | 1,042,600 |
| Current assets | | | |
| Receivables under sale and leaseback arrangements | 20 | 1,030,623 | 608,522 |
| Inventories | 23 | 3,542 | - |
| Trade and bill receivables | 22 | 31,489 | 36,132 |
| Prepayments, deposits and other receivables | 22 | 219,013 | 155,401 |
| Cash and cash equivalents | 25 | 387,095 | 318,818 |
| Total current assets | | 1,671,762 | 1,118,873 |
| Total assets | | 2,325,595 | 2,161,473 |
| EQUITY | | | |
| Share capital | 30 | 39,846 | 39,846 |
| Reserves | | 1,497,811 | 1,405,791 |
| Capital and reserves attributable to owners of the Company | | 1,537,657 | 1,445,637 |
| Non-controlling interests | | 352,722 | 318,352 |
| Total equity | | 1,890,379 | 1,763,989 |

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 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--------------------------------------|-------------|-----------------------------------|-----------------------------------|
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Secured bank borrowings | 28 | 94,319 | 146,995 |
| Security deposits received | 20 | – | 5,952 |
| Lease liabilities | 16 | 13,686 | – |
| Deferred tax liabilities | 29 | 10,850 | – |
| Total non-current liabilities | | 118,855 | 152,947 |
| Current liabilities | | | |
| Other payables and accruals | 26 | 68,502 | 62,014 |
| Current tax liabilities | | 31,425 | 31,346 |
| Secured bank borrowings | 28 | 196,603 | 143,308 |
| Security deposits received | 20 | 6,098 | 5,952 |
| Contract liabilities | | 10,115 | – |
| Lease liabilities | 16 | 3,618 | 1,917 |
| Total current liabilities | | 316,361 | 244,537 |
| Total liabilities | | 435,216 | 397,484 |
| Total equity and liabilities | | 2,325,595 | 2,161,473 |

The consolidated financial statements on pages 130 to 270 were approved by the Board of Directors on 25 March 2022 and were signed on its behalf.

董事會於二零二二年三月二十五日批准第130至270頁之綜合財務報告，並由下列董事代表簽署。

Xu Liang
徐量
Director
董事

Tian Gang
田剛
Director
董事

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

上述綜合財務狀況表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

| | | Attributable to owners of the Company 本公司持有人應佔 | | | | | | | | | | Non-controlling interests 非控股權益 | Total 總計 |
|--|------------------------------|---|-----------------------|--|--|---------------------------------------|-----------------------------|--------------------------------|-----------------------|---------------------------|------------------|------------------------------------|------------------|
| | | Share capital 股本 | Share premium 股份溢價 | Property revaluation reserve 物業重估儲備 | Investment revaluation reserve 投資重估儲備 | Contributed surplus reserve 繳入盈餘儲備 | Translation reserve 換算儲備 | Share options reserve 購股權儲備 | Other reserve 其他儲備 | Retained earnings 保留盈利 | Sub-total 小計 | | |
| | | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 | HK\$'000 港幣千元 |
| Balance at 1 January 2020 | 二零二零年一月一日結餘 | 39,846 | 766,818 | 7,392 | 587 | 115,576 | (78,199) | 686 | 44,580 | 457,863 | 1,355,149 | 388,349 | 1,743,498 |
| Comprehensive income | 全面收益 | | | | | | | | | | | | |
| Profit for the year | 年度溢利 | - | - | - | - | - | - | - | - | 5,980 | 5,980 | 12,214 | 18,194 |
| Other comprehensive income/(loss) | 其他全面收益/(虧損) | | | | | | | | | | | | |
| Currency translation difference | 貨幣換算差額 | - | - | - | - | - | 73,498 | - | - | - | 73,498 | 18,622 | 92,120 |
| Share of currency translation difference of an associate by using equity method | 透過使用權益法分佔一間聯營公司貨幣換算差額 | - | - | - | - | - | 3,954 | - | - | - | 3,954 | 1,319 | 5,273 |
| Changes in fair value of debt instruments at fair value through other comprehensive income | 透過其他全面收益按公允值處理之債務工具之公允值變動 | - | - | - | (173) | - | - | - | - | - | (173) | - | (173) |
| Transfer to profit or loss on disposal of debt instrument at fair value through other comprehensive income | 出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬 | - | - | - | (29) | - | - | - | - | - | (29) | - | (29) |
| Other comprehensive income/(loss) for the year | 年度其他全面收益/(虧損) | - | - | - | (202) | - | 77,452 | - | - | - | 77,250 | 19,941 | 97,191 |
| Total comprehensive income/(loss) for the year | 年度全面收益/(虧損)總額 | - | - | - | (202) | - | 77,452 | - | - | 5,980 | 83,230 | 32,155 | 115,385 |
| Transactions with owners in their capacity as owners | 與持有人(以其持有人身份)進行的交易 | | | | | | | | | | | | |
| Dividend paid | 已付股息 | - | - | - | - | - | - | - | - | - | - | (4,329) | (4,329) |
| Lapse of share options | 購股權失效 | - | - | - | - | - | - | (686) | - | 686 | - | - | - |
| Acquisition shares from non-controlling interests | 來自非控股權益收購股份 | - | - | - | - | - | - | - | 7,258 | - | 7,258 | (16,005) | (8,747) |
| Capital reduction in a subsidiary | 一間附屬公司減資 | - | - | - | - | - | - | - | - | - | - | (81,818) | (81,818) |
| Subtotal | 小計 | - | - | - | - | - | - | (686) | 7,258 | 686 | 7,258 | (102,152) | (94,894) |
| Balance at 31 December 2020 | 二零二零年十二月三十一日結餘 | 39,846 | 766,818 | 7,392 | 385 | 115,576 | (747) | - | 51,838 | 464,529 | 1,445,637 | 318,352 | 1,763,989 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

| | | Attributable to owners of the Company 本公司持有人應佔 | | | | | | | | | | | |
|--|------------------------------|---|---------------|------------------------------|--------------------------------|-----------------------------|---------------------|----------------------|---------------|-------------------|-----------|---------------------------|-----------|
| | | Share capital | Share premium | Property revaluation reserve | Investment revaluation reserve | Contributed surplus reserve | Translation reserve | Share option reserve | Other reserve | Retained earnings | Sub-total | Non-controlling interests | Total |
| | | 股本 | 股份溢價 | 物業重估儲備 | 投資重估儲備 | 撥入盈餘儲備 | 換算儲備 | 購股權儲備 | 其他儲備 | 保留盈利 | 小計 | 非控股權益 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| | | | | | | | | (Note (a)) | (Note (c)) | | | | |
| | | | | | | | | (附註(a)) | (附註(c)) | | | | |
| Balance at 1 January 2021 | 二零二一年一月一日結餘 | 39,846 | 766,818 | 7,392 | 385 | 115,576 | (747) | - | 51,838 | 464,529 | 1,445,637 | 318,352 | 1,763,989 |
| Comprehensive income | 全面收益 | | | | | | | | | | | | |
| Profit for the year | 年度溢利 | - | - | - | - | - | - | - | - | 27,294 | 27,294 | 15,199 | 42,493 |
| Other comprehensive income/(loss) | 其他全面收益/(虧損) | | | | | | | | | | | | |
| Currency translation difference | 貨幣換算差額 | - | - | - | - | - | 32,379 | - | - | - | 32,379 | 7,690 | 40,069 |
| Share of currency translation difference of an associate by using equity method | 透過使用權益法分佔一間聯營公司貨幣換算差額 | - | - | - | - | - | 1,677 | - | - | - | 1,677 | 559 | 2,236 |
| Changes in fair value of debt instrument at fair value through other comprehensive income | 透過其他全面收益按公允值處理之債務工具之公允值變動 | - | - | - | (397) | - | - | - | - | - | (397) | - | (397) |
| Transfer to profit or loss on disposal of debt instrument at fair value through other comprehensive income | 出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬 | - | - | - | 12 | - | - | - | - | - | 12 | - | 12 |
| Revaluation of buildings upon transfer from property, plant and equipment and right-of-use assets to investment properties | 由物業、廠房及設備以及使用權資產轉撥至投資物業時重估樓宇 | - | - | 42,274 | - | - | - | - | - | - | 42,274 | 14,079 | 56,353 |
| Income tax relating to the revaluation of buildings | 有關重估樓宇之所得稅 | - | - | (10,559) | - | - | - | - | - | - | (10,559) | (3,520) | (14,079) |
| Other comprehensive income/(loss) for the year | 年度其他全面收益/(虧損) | - | - | 31,715 | (385) | - | 34,056 | - | - | - | 65,386 | 18,808 | 84,194 |
| Total comprehensive income/(loss) for the year | 年度全面收益/(虧損)總額 | - | - | 31,715 | (385) | - | 34,056 | - | - | 27,294 | 92,680 | 34,007 | 126,687 |
| Transactions with owners in their capacity as owners | 與持有人(以其持有人身份)進行的交易 | | | | | | | | | | | | |
| Capital injection in a subsidiary | 於一間附屬公司注資 | - | - | - | - | - | - | - | (660) | - | (660) | 363 | (297) |
| Subtotal | 小計 | - | - | - | - | - | - | - | (660) | - | (660) | 363 | (297) |
| Balance at 31 December 2021 | 二零二一年十二月三十一日結餘 | 39,846 | 766,818 | 39,107 | - | 115,576 | 33,309 | - | 51,178 | 491,823 | 1,537,657 | 352,722 | 1,890,379 |

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

上述綜合權益變動表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

Notes:

- (a) The contributed surplus reserve represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in 1991 over the nominal value of the Company's shares issued in exchange, and the transfer and utilisation as mentioned in Note (b) below.
- (b) A special resolution was passed by shareholders of the Company at the special general meeting of the Company held on 6 June 2008 and completed thereafter that an amount of approximately HK\$425,259,000 standing to the credit of the share premium account of the Company as at 31 December 2007 be reduced, with the credit arising there being transferred to the contributed surplus reserve of the Company. Upon the said transfer becoming effective, an amount of approximately HK\$311,818,000 standing to the credit of the contributed surplus reserve of the Company has been applied to eliminate the accumulated losses of the Company as at 31 December 2007. The Company has complied with the requirements of section 46(2) of The Companies Act 1981 of Bermuda (as amended). Details of which were set out in the circular of the Company dated 9 May 2008.
- (c) The other reserve mainly represents a deemed capital contribution. The disposal of 40.78% equity interest in Global Digital Creations Holdings Limited was completed on 8 January 2019. The difference between the carrying amount of non-current asset classified as held for sale and the sales proceeds, which amounted to HK\$44,580,000 has been recognised in equity as a deemed capital contribution from the intermediate holding company upon completion of the Disposal with Shougang Holding. The property revaluation reserve amounted to HK\$18,673,000 and translation reserve amounted to HK\$17,670,000 derived from share of associate's reserves in prior periods was reclassified to retained earnings upon disposal.

附註：

- (a) 繳入盈餘儲備指根據一九九一年之集團重組，本公司所收購附屬公司之股份面值與作為代價而發行之本公司股份面值兩者之差額及下文附註(b)所述之轉撥及動用。
- (b) 於二零零八年六月六日舉行之本公司股東特別大會上，本公司股東通過一項特別決議案並於其後完成決議案內容，於二零零七年十二月三十一日本公司股份溢價賬之進賬金額約港幣425,259,000元被削減，所產生之進賬將轉撥至本公司之繳入盈餘儲備。於上述轉撥生效後，本公司繳入盈餘儲備之進賬金額約港幣311,818,000元已用以抵銷本公司於二零零七年十二月三十一日之累計虧損。本公司已遵守百慕達一九八一年公司法(經修訂)第46(2)條之規定。有關詳情載列於本公司日期為二零零八年五月九日之通函。
- (c) 其他儲備主要為一項視作注資。出售環球數碼創意控股有限公司40.78%股權之事項已於二零一九年一月八日完成。分類為持作出售之非流動資產的賬面值與出售所得款項之間的差額港幣44,580,000元已於首鋼控股出售事項完成後在權益中確認為視作中間控股股東注資。自過往期間應佔聯營公司儲備中產生的物業重估儲備港幣18,673,000元及匯兌儲備港幣17,670,000元於出售事項後重新分類至保留盈利。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

| | | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|---------------------------|----|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | 經營活動現金流量 | | | |
| Cash generated from/(used in) operations | 經營所得/(所用)現金 | 33 | 73,584 | (128,774) |
| Interest paid | 已付利息 | | (12,747) | (11,371) |
| Income tax paid | 已付所得稅 | | (11,881) | (6,198) |
| Net cash generated from/(used in) operating activities | 經營活動所得/(所用)現金淨額 | | 48,956 | (146,343) |
| Cash flows from investing activities | 投資活動現金流量 | | | |
| Proceeds from redemption of term deposits with initial term over three months | 贖回初始期限超過三個月的定期存款所得款項 | | - | 1,888,015 |
| Dividends received from an associate | 已收一間聯營公司之股息 | | 2,996 | 1,863 |
| Interest received | 已收利息 | | 3,821 | 10,636 |
| Net cash flow from dissolution of an associate | 解散一間聯營公司之現金流量淨額 | | - | 1,667 |
| Proceeds from disposal of property, plant and equipment and intangible asset | 出售物業、廠房及設備以及無形資產之所得款項 | | - | 1,882 |
| Payments for acquisition of shares of a subsidiary | 收購一間附屬公司股份之付款 | | (297) | (8,747) |
| Payments for term deposits with initial term over three months | 初始期限超過三個月的定期存款之付款 | | - | (1,793,545) |
| Proceeds on disposal of debt instruments at fair value through other comprehensive income | 出售透過其他全面收益按公允值處理之債務工具所得款項 | | 15,957 | 15,506 |
| Payments for property, plant and equipment | 物業、廠房及設備之付款 | | (1,179) | (46) |
| Payments for intangible asset | 無形資產之付款 | | (34) | - |
| Net cash generated from investing activities | 投資活動所得現金淨額 | | 21,264 | 117,231 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|---------------------------|-----------------------------------|-----------------------------------|
| Cash flow from financing activities | 融資活動現金流量 | | |
| Repayment of bank borrowings | 償還銀行借款 | (141,674) | (470,963) |
| Proceeds from bank borrowings | 銀行借款所得款項 | 148,382 | 283,683 |
| Repayment of lease liabilities | 償還租賃負債 | (2,567) | (2,346) |
| Payments to non-controlling interests | 向非控股權益付款 | (4,162) | (81,818) |
| Net cash used in financing activities | 融資活動所用現金淨額 | (21) | (271,444) |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等值項目增加／(減少)淨額 | 70,199 | (300,556) |
| Cash and cash equivalents at beginning of the year | 於年初之現金及現金等值項目 | 318,818 | 607,782 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | (1,922) | 11,592 |
| Cash and cash equivalents at end of the year | 於年終之現金及現金等值項目 | 387,095 | 318,818 |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述綜合現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報告附註

1 GENERAL INFORMATION

Shougang Concord Grand (Group) Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its controlling shareholder, which is defined under the Rules Governing the Listing of Securities on the Stock Exchange as a person which is entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of an issuer, is Shougang Holding (Hong Kong) Limited (“Shougang Holding”), a company incorporated in Hong Kong with limited liability, and the ultimate holding company of Shougang Holding is Shougang Group Co., Ltd., a company established in the People’s Republic of China (the “PRC”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The Company is an investment holding company. The principal activities of its significant subsidiaries are provision of sale and leaseback arrangements services, property leasing services, supply chain management business, assets management and consultancy services.

The functional currency of the Company is Renminbi (“RMB”) as the primary economic environment in which the Company’s subsidiaries operate is the Mainland China (for the purpose of this report, “Mainland China” refers to the mainland of the PRC and does not include Hong Kong, Macau and Taiwan). The consolidated financial statements are presented in thousands of units of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

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 (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment properties which are carried at fair value.

1 一般資料

首長四方(集團)有限公司(「本公司」)為一間於百慕達註冊成立的獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司控股股東(根據聯交所證券上市規則之定義，指有權於發行人之股東大會上行使或控制行使30%或以上投票權之人士)為首鋼控股(香港)有限公司(「首鋼控股」)，一間於香港註冊成立之有限公司，而首鋼控股之最終控股公司為首鋼集團有限公司，為一間於中華人民共和國(「中國」)成立之公司。本公司之註冊辦事處及主要營業地點之地址於本年報「公司資料」一節中披露。

本公司為一間投資控股公司。其主要附屬公司之主要業務為提供售後回租安排服務、物業租賃服務、供應鏈管理業務、資產管理及諮詢服務。

由於本公司附屬公司營運所在的主要經濟環境為中國內地(就本報告而言，「中國內地」指中國內地，不包括香港、澳門及台灣)，本公司之功能貨幣為人民幣(「人民幣」)。除另有說明外，綜合財務報告以港幣千元(「港幣千元」)呈列。

2 重大會計政策概要

編製該等綜合財務報告所應用之主要會計政策載列如下。除另有說明外，該等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本公司之綜合財務報告乃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」)及香港公司條例(第622章)的披露規定而編製。綜合財務報告按歷史成本法編製，並就重估透過損益賬按公允值處理之金融資產、透過其他全面收益按公允值處理之金融資產及按公允值入賬之投資物業作出修訂。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of the consolidated financial statements in conformity with HKFRS 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.

(a) New standards, amendments and interpretations adopted by the Group

The following amendments to standards apply for the first time to financial reporting period commencing on or after 1 January 2021:

Amendments to HKFRS 16
香港財務報告準則第16號之修訂
Amendments to HKFRS 9, HKAS 39, HKFRS 7,
HKFRS 4 and HKFRS 16
香港財務報告準則第9號、香港會計準則第39號、
香港財務報告準則第7號、香港財務報告準則
第4號及香港財務報告準則第16號之修訂

The amendments listed above did not have any material impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

2 重大會計政策概要(續)

2.1 編製基準(續)

在遵照香港財務報告準則編製綜合財務報告時，須採用若干重大會計估計，管理層亦須在應用本集團會計政策之過程中作出判斷。附註4披露涉及較多判斷或較複雜之範疇或假設及估計對綜合財務報告有重大影響之範疇。

(a) 本集團採納的新準則、修訂及詮釋

以下準則修訂於二零二一年一月一日或之後開始之財務報告期間首次適用：

Covid-19-Related Rent Concession
有關新型冠狀病毒之租金優惠
Interest Rate Benchmark Reform Phase 2
利率基準改革第二階段

上文所列的修訂對過往期間確認的金額並無任何重大影響及預期不會重大影響本期間或未來期間。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations not yet adopted

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納的新準則、修訂及詮釋

| | | Effective for accounting periods beginning on or after 於下列日期或其後 開始之會計期間生效 |
|---|--|--|
| Amendments to Accounting Guideline 5 會計指引第5號之修訂 | Merger Accounting for Common Control Combinations 共同控制合併之合併會計法 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKFRS 3 香港財務報告準則第3號之修訂 | Update reference to the Conceptual Framework 更新概念框架之提述 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKAS 16 香港會計準則第16號之修訂 | Property, Plant and Equipment: Proceeds before Intended Use 物業、廠房及設備：作擬定用途前之所得款項 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKAS 37 香港會計準則第37號之修訂 | Onerous Contracts – Costs of Fulfilling a Contract 虧損合約 – 履行合約之成本 | 1 January 2022 二零二二年一月一日 |
| Annual Improvements 年度改進 | Annual Improvements to HKFRS Standards 2018–2020 Cycle 香港財務報告準則二零一八年至二零二零年週期之年度改進 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKAS 8 香港會計準則第8號之修訂 | Definition of Accounting Estimates 會計估計之定義 | 1 January 2023 二零二三年一月一日 |
| Amendments to HKAS 1 and HKFRS Practice Statement 2 香港會計準則第1號及香港財務報告準則作業準則第2號之修訂 | Disclosure of Accounting Policies 會計政策之披露 | 1 January 2023 二零二三年一月一日 |
| HKFRS 17 香港財務報告準則第17號 | Insurance Contract 保險合約 | 1 January 2023 二零二三年一月一日 |

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations not yet adopted (Continued)

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納的新準則、修訂及詮釋(續)

| | | Effective for accounting periods beginning on or after 於下列日期或其後 開始之會計期間生效 |
|------------------------------------|---|--|
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current | 1 January 2023 |
| 香港會計準則第1號之修訂 | 負債分類為流動或非流動 | 二零二三年一月一日 |
| Hong Kong Interpretation 5 | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause | 1 January 2023 |
| 香港詮釋第5號 | 財務報表的呈列 – 借款人對含有按要求償還條款之定期貸款之分類 | 二零二三年一月一日 |
| Amendments to HKAS 12 | Deferred Tax relate to Assets and Liabilities arising from a Single Transaction | 1 January 2023 |
| 香港會計準則第12號之修訂 | 與單一交易產生之資產及負債相關之遞延稅項 | 二零二三年一月一日 |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Ventures | To be determined |
| 香港財務報告準則第10號及香港會計準則第28號之修訂 | 投資者與其聯營公司或合資公司之間之資產出售或投入 | 待釐定 |

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting period and have not been early adopted by the Group. The Group is still assessing what the impact of the new standards, interpretations and amendments will be in the period of initial application. It is not yet in a position to state whether these new standards, interpretations and amendments will have a significant impact on the Group's results of operations and financial position.

本集團並無提早採納若干已頒佈但並非於二零二一年十二月三十一日的報告期間強制生效的新會計準則、會計準則修訂及詮釋。本集團仍在評估該等新準則、詮釋及修訂於首次應用期間將造成的影響。本集團仍未能表示該等新準則、詮釋及修訂是否會對本集團的經營業績及財務狀況造成重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting

(a) Subsidiaries

Subsidiaries are all 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.

The acquisition method of accounting is used to account for business combinations by the Group.

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.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則

(a) 附屬公司

附屬公司為本集團控制的所有實體。倘本集團須承擔或享有因參與實體活動所產生可變回報的風險或權利，且有能力透過其指揮實體活動之權利影響該等回報，本集團對該實體擁有控制權。附屬公司自控制權轉至本集團之日起綜合入賬並於控制權終止之日起終止綜合入賬。

本集團採用收購會計法將業務合併入賬。

本集團各成員公司間之交易、交易結餘及未變現收益均予對銷。除非有關交易為所轉讓資產之減值提供憑證，否則未變現虧損亦作對銷。附屬公司會計政策已作出必要變動，以確保與本集團採納之政策一致。

附屬公司業績及股本中的非控股權益分別於綜合全面收益表、綜合權益變動表及綜合財務狀況表中單獨呈列。

(b) 聯營公司

聯營公司指本集團對其擁有重大影響力但無控制權或聯合控制權的所有實體。一般情況下，本集團持有20%至50%投票權。於聯營公司的投資於初步按成本確認後採用權益會計法入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.10.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則(續)

(c) 權益法

根據權益會計法，有關投資初步按成本確認，隨後予以調整並於損益賬確認本集團應佔被投資公司的收購後溢利或虧損及於其他全面收益確認本集團應佔被投資公司的其他全面收益之變動。來自聯營公司的已收或應收股息會確認為投資賬面值減少。

倘本集團應佔一項按權益會計法入賬的投資虧損相等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，惟本集團須對其他實體承擔責任或代表其他實體作出付款者除外。

本集團與其聯營公司進行交易的未變現收益僅以本集團於該等實體的權益為限予以對銷。未變現虧損會予以對銷，惟若該交易提供所轉讓資產減值的憑證則除外。按權益會計法入賬的被投資公司的會計政策已作出必要變動，以確保與本集團採納的政策貫徹一致。

按權益會計法入賬的投資賬面值根據附註2.10所述政策進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified or permitted by applicable HKFRSs.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則(續)

(d) 所有權權益變動

本集團將與非控股權益的交易(並不導致喪失控制權)視作與本集團權益持有人交易。所有權權益變動導致控股權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司持有人應佔權益中的獨立儲備內確認。

倘本集團失去控制權或重大影響力，導致不再綜合入賬或按權益會計法入賬投資，其於該實體之任何保留權益按其公允值重新計算，而賬面值變動則於損益賬內確認。就其後入賬列作聯營公司或金融資產之保留權益，其公允值為初始賬面值。此外，先前於其他全面收益確認與該實體有關之任何金額，按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他全面收益確認之金額在適用香港財務報告準則所指明或允許下重新分類至損益賬或轉撥至另一權益類別。

倘於聯營公司之所有權權益減少但重大影響力獲保留，則僅有應佔先前於其他全面收益內確認之金額之若干比例會重新分類至損益賬(如適用)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangements; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2 重大會計政策概要(續)

2.3 業務合併

收購會計法將所有業務合併入賬，不論是否已收購股權工具或其他資產。收購一間附屬公司所轉讓的代價包括：

- 所轉讓資產的公允值；
- 被收購業務的前任持有人所產生負債；
- 本集團已發行股權；
- 或然代價安排產生的任何資產或負債的公允值；及
- 附屬公司任何先前存在的股權的公允值。

在業務合併過程中購入的可識別資產以及承擔的負債及或然負債，均於收購日期按其公允值初步計量（少數例外情況除外）。本集團按逐項收購基準，按公允值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本乃於產生時支銷。

超逾：

- 所轉讓代價；
- 於被收購實體的任何非控股權益金額；及
- 任何先前於被收購實體的股權於收購日期的公允值。

所收購可識別資產淨值公允值的差額，乃入賬列作商譽。倘該等金額低於所收購業務可識別資產淨值的公允值，則該差額會直接於損益賬確認為議價購買。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

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 including goodwill.

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 Managing Director of the Company that makes strategic decisions.

2 重大會計政策概要(續)

2.3 業務合併(續)

倘任何部分現金代價的結算獲遞延，日後應付金額貼現至其於兌換日期的現值。所用的貼現率乃本集團的遞增借款利率，即根據相若的條款及條件可從獨立金融機構獲得同類借款的利率。或然代價分類為權益或金融負債。分類為金融負債的金額隨後按公允值重新計量，其公允值變動於損益賬內確認。

倘業務合併分階段進行，則收購方先前在被收購方持有的股權於收購日期的賬面值乃於收購日期重新計量為公允值。因該重新計量產生的任何收益或虧損乃於損益中確認。

2.4 單獨財務報告

於附屬公司的投資乃按成本扣除減值列賬。成本包括投資直接應佔成本。對於附屬公司業績，本公司按已收及應收股息基準入賬。

倘於附屬公司投資產生的股息超過附屬公司於宣派股息期間的全面收益總額或倘該投資於單獨財務報告內的賬面值超過被投資公司資產淨值(包括商譽)於綜合財務報告內的賬面值，則於收到該等投資的股息後須對該等於附屬公司的投資進行減值測試。

2.5 分部報告

經營分部的報告方式與提供予主要經營決策者的內部報告方式一致。負責分配資源及評估經營分部表現的主要經營決策者已確定為作出戰略決策的本公司董事總經理。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group 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\$. The functional currency of the Company is RMB.

(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 year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

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 administrative expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity instruments classified as fair value through other comprehensive income are recognised in other comprehensive income.

2 重大會計政策概要(續)

2.6 外幣換算

(i) 功能及呈列貨幣

本集團旗下各實體的財務報告內所載項目，乃按該實體經營所在地的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報告以港幣呈列。本公司的功能貨幣為人民幣。

(ii) 交易及結餘

外幣交易採用交易日期的匯率換算為功能貨幣。結算此等交易產生的以及將外幣計值的貨幣資產及負債以年終匯率值折算所產生的匯兌收益及虧損一般於損益確認。倘以合資格現金流量對沖及符合淨投資對沖的情況或與海外業務投資淨值的部分相關者則於權益遞延。

與借款有關的匯兌收益及虧損在綜合全面收益表內的融資成本中列報。所有其他匯兌收益及虧損在綜合全面收益表內的行政開支中按淨額基準列報。

按公允值計量的外幣非貨幣性項目，採用公允值確定日的匯率換算。按公允值計量的資產及負債換算差額呈報為部分公允值收益或虧損。例如，非貨幣性資產及負債（例如所持透過損益賬按公允值處理的股權工具）的換算差額於損益賬內確認為公允值收益或虧損的一部分及非貨幣性資產（例如分類為透過其他全面收益按公允值處理的股權工具）的換算差額於其他全面收益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 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.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2 重大會計政策概要(續)

2.6 外幣換算(續)

(iii) 集團公司

功能貨幣有別於呈列貨幣的所有海外業務(該等業務概無擁有嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況，均按以下方式換算為呈列貨幣：

- 各財務狀況表呈列的資產及負債乃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乃按平均匯率換算(除非該匯率並非在有關交易日期通行匯率累積影響的合理估計內，則在該情況下，收支於有關交易日期換算)；及
- 所有因而產生的匯兌差額於其他全面收益內確認。

於編製綜合賬目時，換算海外實體任何投資淨額以及指定為該等投資之對沖項目之借款及其他金融工具產生之匯兌差額於其他全面收益內確認。於出售海外業務或償還組成投資淨額一部分之任何借款時，相關匯兌差額重新分類至損益，作為出售損益之一部分。

因收購海外業務而產生的商譽及公允值調整，均視作海外業務的資產及負債，並按收市匯率換算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

(iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less 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.

2 重大會計政策概要(續)

2.6 外幣換算(續)

(iv) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務之全部權益，或涉及喪失對某一包含海外業務附屬公司控制權之出售，或涉及喪失對某一包含海外業務聯營公司重大影響力之出售)時，就歸屬於公司持有人之業務於權益中累計之所有貨幣換算差額均重新分類至損益賬。

倘此乃部分出售並不導致本集團喪失對包含海外業務之附屬公司的控制權，則按比例分佔累計貨幣換算差額重新計入非控股權益且不在損益賬中確認。就所有其他部分出售(即不會導致本集團喪失重大影響之本集團於聯營公司之擁有權權益減少)，則按比例分佔累計匯兌差額重新分類至損益賬。

2.7 物業、廠房及設備

物業、廠房及設備按過往成本減折舊列賬。過往成本包括購入項目直接應佔開支。

僅於本集團有可能獲得項目相關的未來經濟效益，且項目成本能夠可靠計量時，則其後成本計入資產賬面值或確認為獨立資產(倘適用)。作為單獨資產入賬的任何組件的賬面值於被更換時終止確認。所有其他維修及保養乃於其產生的報告期間自損益賬扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

| | |
|-----------------------------------|--|
| Buildings | Over the shorter of terms of the lease of the land or 50 years |
| Leasehold improvements | Over the shorter of terms of the lease or 5 years |
| Motor vehicles | 4 years |
| Furniture, fitting and equipments | 3 to 10 years |

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

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 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in consolidated statement of comprehensive income.

2.8 Investment properties

Investment properties, principally the residential property units, are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss as part of consolidated statement of comprehensive income.

2 重大會計政策概要(續)

2.7 物業、廠房及設備(續)

折舊按直線法計算，以於其估計可使用年期內，或倘為租賃物業裝修及若干已租賃的廠房及設備則於以下較短租期內分配其成本或重估金額(扣除其剩餘價值)：

| | |
|----------|----------------------|
| 樓宇 | 土地租期或50年 (較短期者為準) |
| 租賃物業裝修 | 租期或5年(較短期者為準) |
| 汽車 | 4年 |
| 傢俱、裝置及設備 | 3至10年 |

資產的剩餘價值及可使用年期於各報告期末審閱，並在適當情況下作出調整。

倘資產賬面值高於其估計可收回金額時，該資產的賬面值將即時撇減至其可收回金額(附註2.10)。

出售盈虧乃透過比較所得款項與賬面值而釐定，並於綜合全面收益表列賬。

2.8 投資物業

投資物業(主要為住宅物業單位)乃為長期租賃收益而持有，且不由本集團佔用。投資物業初步按成本(包括相關的交易成本及借款成本(倘適用))計量。其後，其按公允值計量。公允值變動作為綜合全面收益表的一部分計入損益賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets

(i) Goodwill

Goodwill is measured as described in Note 2.3. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which is not larger than an operating segment.

(ii) Software platform

The acquired software platform is stated at cost less accumulated amortisation and impairment loss. Amortisation is calculated using the straight-line method to allocate the cost over their estimated lives of 5 years.

2.10 Impairment of non-financial assets

Goodwill that has an indefinite useful life is not subject to amortisation and is 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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2 重大會計政策概要(續)

2.9 無形資產

(i) 商譽

商譽按附註2.3所述計量。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻密減值測試，並按成本減去累計減值虧損列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次確認，而不大於經營分部。

(ii) 軟件平台

所購軟件平台以成本減去累計攤銷和減值虧損後列示。攤銷使用直線法按其估計可使用年期五年分配成本。

2.10 非金融資產的減值

無確定可使用年期的商譽毋須計提攤銷，但須每年作減值測試；倘有事件或情況變動顯示可能出現減值時，則進行更頻密的減值測試。其他資產於事件出現或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允值減出售成本以及使用價值兩者之間較高者為準。於評估減值時，資產按獨立可辨認現金流入(大致獨立於其他資產或資產組合的現金流入)的最低層次(現金產生單位)分組。出現減值的非金融資產(除商譽外)於各報告期末檢討可否撥回減值。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those 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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“FVOCI”).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(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 重大會計政策概要(續)

2.11 投資及其他金融資產

(i) 分類

本集團將金融資產分為以下計量類別：

- 其後按公允值計量的金融資產(不論計入其他全面收益(「其他全面收益」)或計入損益賬)；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合約年期而定。

就按公允值計量的資產而言，收益及虧損將於損益賬或其他全面收益記賬。就並非持作買賣的股權工具投資而言，則視乎本集團於初步確認之時有否作出不可撤回的選擇，將股本投資以透過其他全面收益按公允值處理(「透過其他全面收益按公允值處理」)的方式入賬。

當且僅當本集團管理該等資產的業務模式改變時，方會對債務投資進行重新分類。

(ii) 確認及終止確認

常規購入及出售的金融資產於交易日期(即本集團承諾購入或出售該資產之日期)予以確認。倘從金融資產收取現金流量之權利已到期或已轉讓，而本集團已將其擁有權之絕大部分風險及回報轉移時，則終止確認金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other 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 ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains, net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量

於初步確認時，本集團按其公允值加上(倘金融資產並非透過損益賬按公允值處理(「透過損益賬按公允值處理」))收購金融資產直接應佔的交易成本計量金融資產。透過損益賬按公允值處理列賬的金融資產的交易成本於損益賬中支銷。

債務工具

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。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：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。來自該等金融資產的利息收入採用實際利率法計入融資收入。終止確認產生的任何收益或虧損直接於損益賬中確認，並與匯兌收益及虧損於其他收益淨額列示。減值虧損於綜合全面收益表內作為單獨項目列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains, net. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains, net and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains, net in the period in which it arises.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 透過其他全面收益按公允值處理：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產透過其他全面收益按公允值處理。賬面值變動乃透過其他全面收益確認，惟就確認減值收益或虧損而言，利息收入及匯兌收益及虧損於損益賬確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益淨額中確認。來自該等金融資產的利息收入採用實際利率法計入融資收入。匯兌收益及虧損於其他收益淨額呈列，而減值虧損於綜合全面收益表內作為單獨項目列示。
- 透過損益賬按公允值處理：不符合攤銷成本或透過其他全面收益按公允值處理之標準的資產，以透過損益賬按公允值處理計量。其後以透過損益賬按公允值處理計量之債務投資的收益或虧損於損益賬內確認，並於其產生期間內於其他收益淨額以淨值列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(Continued)

(iii) Measurement (Continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

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

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量(續)

股權工具

本集團其後按公允值計量所有股本投資。倘本集團管理層已選擇在其他全面收益內呈列股本投資的公允值收益及虧損，則其後在終止確認有關投資後不會將公允值收益及虧損重新分類至損益賬。該等投資的股息在本集團收取付款的權利確立後繼續於損益賬確認為其他收入。

透過損益賬按公允值處理的金融資產的公允值變動於綜合全面收益表確認(如適用)。以透過其他全面收益按公允值處理計量的股本投資的減值虧損(及減值虧損撥回)不會與公允值的其他變動分開呈報。

(iv) 減值

本集團按前瞻性基準評估與其以攤銷成本計量及透過其他全面收益按公允值處理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。

就應收貿易賬款而言，本集團應用香港財務報告準則第9號允許之簡化方法，該方法規定全期預期虧損將於初步確認應收款項時確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position where the Group 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. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2.13 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 to 90 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.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, calculated on the first-in-first-out basis, comprises costs of purchases including the purchase price and other directly attributable costs. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable estimated variable selling expenses.

2 重大會計政策概要(續)

2.12 抵銷金融工具

倘本集團目前擁有合法強制執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表呈報其淨額。本集團亦曾訂立不符合抵銷標準但仍容許相關款項在若干情況下抵銷的安排，例如破產或合約終止。

2.13 應收貿易賬款

應收貿易賬款為於一般業務過程中就銷售商品或提供服務應收客戶款項，一般於30日至90日內進行結算，因此分類為流動項目。

應收貿易賬款初步按無條件代價款項確認，除非包含重大融資部分，則按公允值確認。本集團持有應收貿易賬款，旨在收取合約現金流量，因此，其後使用實際利率法按攤銷成本計量該等應收貿易賬款。

2.14 存貨

存貨按成本與可變現淨值兩者之較低者列賬。成本按先進先出基準計算，包括採購成本(包括購買價及其他直接應佔成本)，但不包括借款成本。可變現淨值為日常業務過程中之估計售價減去適用之估計可變銷售開支。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

2.16 Share capital

Ordinary shares are classified as equity.

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

Where any Group company purchases the Company's equity instruments, for example as the result of a share buy-back plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued.

2.17 Other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2 重大會計政策概要(續)

2.15 現金及現金等值項目

綜合現金流量表之呈列中，現金及現金等值項目包括手頭現金及金融機構通知存款。

2.16 股本

普通股分類為權益。

發行新股份直接應佔之增量成本於權益內列作所得款項之扣減(扣除稅項)。

倘任何集團公司購買本公司股權工具(如因股份回購計劃而購買)，已付代價(包括任何直接應佔增量成本(扣除所得稅))自本公司持有人應佔權益作為庫存股份扣減直至股份被註銷或重新發行。

2.17 其他應付款項

該等款項為於財政年度結束前向本集團提供之商品及服務的未支付負債。除非其他應付款項並非於報告期後12個月內到期應付，否則呈列為流動負債。其他應付款項初步按公允值確認，隨後使用實際利率法按攤銷成本計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Borrowings

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.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

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

2 重大會計政策概要(續)

2.18 借款

借款初始按公允值扣除所產生的交易成本予以確認。借款其後按攤銷成本計量。所得款項(扣除交易成本)與贖回款項間的任何差額使用實際利率法於借款期間在損益賬內確認。在貸款融資很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取融資發生時。在並無跡象顯示該貸款融資很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

當有關合約內指定之責任獲解除、取消或屆滿時，借款乃自綜合財務狀況表剔除。已失效或轉移至另一方的金融負債的賬面值與已付代價間的差額(包括已轉移之非現金資產或承擔之負債)於損益賬內確認為融資成本。

倘金融負債的條款已獲重新磋商，且實體向債權人發行股權工具以註銷全部或部分負債(權益掉期債務)，則收益或虧損於損益賬內確認，並按金融負債的賬面值與已發行股權工具的公允值間的差額計量。

借款分類為流動負債，除非本集團擁有無條件權利於報告期後至少12個月內延期結算負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Borrowing cost

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.

Borrowing costs are expensed in the period in which they are incurred.

2.20 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 tax assets and liabilities attributable to temporary differences and to unused tax losses.

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 and associates 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.

2 重大會計政策概要(續)

2.19 借款成本

與購置、建造或生產合資格資產直接相關的一般和特定借款成本在完成和準備資產以作其預期使用或出售所需的期間內予以資本化。合資格資產是指必須花費大量時間才能準備好用於其預期用途或出售的資產。

在特定借款用於合資格資產的支出之前其暫時投資所賺取的投資收入從符合資本化條件的借款成本中扣除。

借款成本於其產生期間支銷。

2.20 當期及遞延所得稅

期內所得稅開支或抵免是根據各司法權區之適用所得稅率計算之本期間應課稅收入之應付稅項，並且按歸屬於暫時差異以及歸屬於未動用稅務虧損的遞延稅項資產及負債之變動作出調整。

當期所得稅

當期所得稅開支根據本公司及其附屬公司以及聯營公司營運及產生應課稅收入之國家於報告期末已頒佈或實質上已頒佈之稅務法例計算。管理層定期就適用稅項法規有待詮釋之情況而評估報稅立場。其根據預期將支付予稅務機關之數額在適當情況計提撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Current and deferred income tax (Continued)

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 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.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

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

Deferred 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 tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current 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 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 重大會計政策概要(續)

2.20 當期及遞延所得稅(續)

遞延所得稅

遞延所得稅採用負債法就資產及負債之稅基與其在綜合財務報告之賬面值的暫時差異全數計提撥備。然而，倘若源自商譽之初始確認，則不會確認遞延稅項負債。倘若源自資產或負債在業務合併以外交易之初始確認而在交易發生時既不影響會計或應課稅溢利或虧損，亦不會確認遞延所得稅。遞延所得稅採用於報告期末前已頒佈或實質上已頒佈並預期於相關遞延所得稅資產實現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

與按公允值計量的投資物業相關的遞延稅項負債乃假設該物業將透過出售完全收回而釐定。

遞延稅項資產僅在很有可能將未來應課稅金額用於抵銷該等暫時差額及虧損的情況下確認。

倘本公司可控制暫時差額的撥回時間及很有可能在可預見未來不會撥回有關差額的情況下，則不會就於海外業務投資的賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

倘有合法可強制執行的權利以即期稅項資產抵銷負債，以及當遞延稅項結餘乃涉及同一稅務機構，遞延稅項資產與負債則互相抵銷。倘實體有合法可強制執行抵銷的權利，並有意按淨額基準結算或同時變現資產和清償負債時，即期稅項資產與稅項負債則相互抵銷。

即期及遞延稅項於損益賬確認，惟於與在其他全面收益或直接在權益確認的項目有關者除外。在該情況下，稅項亦分別在其他全面收益或直接在權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Employee benefits

(i) Short-term obligations

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

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

(ii) Pension obligation

The Group operates a defined contribution plans for its employees in Hong Kong and Mainland China. A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly or privately administrated pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods. The contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

In addition, pursuant to the relevant regulations of the PRC government, the subsidiaries in Mainland China participate in local municipal government retirement benefits schemes (the "Schemes"), whereby the subsidiaries in the PRC are required to contribute a certain percentage of the basic salaries of its employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefits obligations of those employees of the subsidiaries in the PRC. Contributions under the Schemes are charged to the consolidation statement of comprehensive income as incurred.

There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

2 重大會計政策概要(續)

2.21 僱員福利

(i) 短期責任

短期僱員福利於僱員提供服務時就預計將支付福利的未貼現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金、年假及病假)確認負債。

(ii) 退休金責任

本集團為香港及中國內地僱員設立界定供款計劃。界定供款計劃為本集團向公開或私人管理之退休金保險計劃作出強制、合約或自願性質之界定供款之退休金計劃。倘基金所持有資產並不足以支付所有僱員有關僱員於當期及過往期間服務之福利，本集團並無法律或推定責任作進一步供款。供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

此外，根據中國政府之有關法規，中國內地附屬公司參與當地市政府之退休福利計劃(「計劃」)，據此，中國附屬公司須按其僱員基本薪金之若干百分比，向計劃作出退休福利供款。當地市政府承諾會承擔中國附屬公司僱員之退休福利責任。根據計劃作出之供款於產生時在綜合全面收益表內扣除。

概無已沒收供款(由僱主代在有關供款悉數歸屬前退出計劃的僱員作出)可供抵銷界定供款計劃項下的現有供款。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Employee benefits (Continued)

(iii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.22 Provisions

Provisions 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.

2 重大會計政策概要(續)

2.21 僱員福利(續)

(iii) 溢利分享及花紅計劃

本集團根據一項公式就花紅及溢利分享確認負債及開支，該公式計及經若干調整後的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，本集團則確認撥備。

(iv) 終止福利

終止福利是指集團在正常退休日期前終止僱傭或僱員自願接受裁員以換取福利的應付福利。本集團於下列日期(以較早者為準)確認終止福利：(i)本集團不可撤回提供該等福利之日；及(b)實體確認重組成本屬香港會計準則第37號範圍內並涉及支付終止福利之日。在提出建議以鼓勵自願接受裁員的情況下，終止福利乃根據預期接受建議的僱員人數計量。於報告期末後12個月以上到期的福利貼現至現值。

2.22 撥備

本集團因當前的法律責任或由於過往事件導致的推定責任，且較可能需要有資源流出以償付責任，以及金額可靠估計時，會確認撥備。不會就未來的經營虧損確認撥備。

如有多項類似責任，償付責任而引致資源流出的可能性，是根據責任的類別作出整體考慮。即使相同類別責任中任何一個項目引致資源流出的可能性不大，仍會確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Provisions (Continued)

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.

2.23 Revenue recognition

Revenue is measured at the transaction price which is the amount of consideration to which the Group is entitled to in exchange for transferring promised services or goods to the customer. The Group allocates the transaction price to each performance obligation based on the relative standalone selling prices. Revenue for each performance obligation is then recognised when the Group satisfies the performance obligation by transferring the promised goods or services to the customer.

(a) Revenue under sale and leaseback arrangements

The Group enters into sale and leaseback arrangements with individual customers, in which, the Group acts as buyer-lessor and the customers act as seller-lessee. As the transfer of the asset does not qualify as a sale in accordance with HKFRS 15, the transaction is in substance a collateral financing and the Group recognises a receivable from sale and leaseback arrangements and related interest revenue is recognised over the lease period using the effective interest rate method.

(b) Property leasing income

Property leasing income from investment properties is recognised on a straight line basis over the terms of the respective leases.

2 重大會計政策概要(續)

2.22 撥備(續)

撥備按管理層於報告期末對履行現有責任所需開支的最佳估計的現值計量。用於釐定現值的貼現率為反映當時市場對金錢時間價值和有關負債特有風險評估的稅前利率。隨著時間過去而增加的撥備確認為利息費用。

2.23 收益確認

收益以本集團有權向客戶交付所承諾服務或貨品的對價為交易價格計量。本集團根據單獨售價分配交易價格至每項履約責任。每項履約責任的收益於本集團向客戶交付所承諾的貨品或服務以履行責任時確認。

(a) 售後回租安排項下之收益

本集團與個別客戶簽訂售後回租安排，其中，本集團作為買方一出租人，而客戶則作為賣方一承租人。由於資產轉讓不符合香港財務報告準則第15號的銷售規定，交易實質上是抵押品融資，本集團確認售後回租安排應收款項，有關利息收益使用實際利率法於租期內確認。

(b) 物業租賃收入

投資物業的物業租賃收入乃按直線法於各相關租期內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Revenue recognition (Continued)

(c) Consultancy service income

Consultancy service income is generated from advisory services to the customers in relation to the financing activities. The revenue is recognised either on a straight line basis or at the point of performance obligation have been satisfied base on the contract terms.

(d) Supply chain management service income

Supply chain management service income is generated from the provision of steel buying agency services in the PRC. The revenue is recognised at the point of performance obligation have been satisfied.

(e) Revenue from trading of goods

The Group engages in trading of steel materials in the PRC. Revenue is recognised at the point in time when control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

2.24 Dividend income

Dividends are received from financial assets measured at FVPL and FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

2 重大會計政策概要(續)

2.23 收益確認(續)

(c) 諮詢服務收入

諮詢服務收入乃來自向客戶提供有關融資活動的諮詢服務。該收益以直線法或於根據合約條款已履行責任時予以確認。

(d) 供應鏈管理服務收入

供應鏈管理服務收入乃來自於中國提供鋼材採購代理服務。該收益於已達成履行責任時予以確認。

(e) 商品貿易收益

本集團於中國從事鋼材貿易。收益於產品控制權轉移之時間點(即產品交付予客戶且並無可能影響客戶接納產品之未履行責任時)確認。

2.24 股息收入

股息來自以透過損益賬按公允值處理及透過其他全面收益按公允值處理計量之金融資產。股息於收取付款之權利確立時於損益賬內確認為其他收入。即使股息自收購前溢利撥付，此亦適用，除非股息明確代表收回部分投資成本。於該情況下，倘股息與以透過其他全面收益按公允值處理計量之投資有關，則於其他全面收益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, and
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 重大會計政策概要(續)

2.25 每股盈利

(i) 每股基本盈利

每股基本盈利乃通過除以下列各項計算：

- 本公司持有人應佔溢利(不包括普通股以外之任何權益成本)，及
- 於財政年度內已發行普通股之加權平均數，並就年內發行之普通股之紅利元素作出調整且不包括庫存股份。

(ii) 每股攤薄盈利

每股攤薄盈利調整用於釐定每股基本盈利的數字，以計及：

- 與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響，及
- 假設所有潛在攤薄普通股獲轉換，則原應已發行之額外普通股之加權平均數。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Leases

Leases are recognised as a right-of-use asset and a corresponding liability 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 real estate 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.

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.

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 payment 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; and
- 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 liability.

2 重大會計政策概要(續)

2.26 租賃

租賃於租賃資產可供本集團使用日期確認為使用權資產及相應負債。

合約可能包含租賃及非租賃成分。本集團按照租賃及非租賃成分相應的獨立價格，將合約代價分配至租賃及非租賃成分。然而，對本集團為承租人的房地產租賃而言，其選擇將租賃及非租賃成分視為單一租賃成分，並無將兩者區分。

租賃條款按個別基準磋商且包含多種不同條款及條件。租賃協議並無施加任何契約，惟出租人所持租賃資產的抵押權益除外。租賃資產不得用作借款的抵押品。

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之淨現值：

- 固定付款(包括實質固定付款)減任何租賃激勵應收款項；
- 基於指數或利率並於開始日期使用指數或利率初步計量的可變租賃付款；
- 剩餘價值擔保下集團預期應付款項；及
- 購買選擇權的行使價(倘集團合理確定行使該選擇權)，及支付終止租賃的罰款(倘租期反應集團行使該選擇權)。

根據合理確定延期選項作出的租賃付款亦計入負債的計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Leases (Continued)

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.

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, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

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 liability 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 重大會計政策概要(續)

2.26 租賃(續)

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率(集團的租賃一般屬此類情況)，則使用承租人遞增借款利率，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。

為釐定遞增借款利率，本集團

- 在可能的情況下，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，及
- 對租賃作出特定調整，如年期、國家、貨幣及擔保。

倘個別承租人可透過近期融資或市場數據獲得即時觀察攤銷貸款利率，且其付款情況與租賃類似，則集團實體使用該利率作為出發點釐定遞增借款利率。

租賃付款於本金及融資成本之間作出分配。融資成本在租期於損益賬扣除，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，包含以下各項：

- 初始計量租賃負債的金額，
- 在開始日期或之前支付的任何租賃付款減去收到的租賃激勵，
- 任何初始直接成本，及
- 修復成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 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. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment 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 without a purchase option.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.27 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.28 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 重大會計政策概要(續)

2.26 租賃(續)

使用權資產一般於資產的可使用年期及租期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則在相關資產可使用年期內對使用權資產計提折舊。本集團在對其土地及樓宇(於物業、廠房及設備內呈列)進行重新估值時，已選擇不就本集團所持有的使用權樓宇行使購買選擇權。

與設備之短期租賃及所有低價值資產租賃相關的付款按直線法於損益賬確認為開支。短期租賃指租期為12個月或以下並無購買選擇權的租賃。

本集團為出租人的經營租賃的租金收入在租期內按直線法確認為收入。於獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租期內按與租賃收入相同的基準確認為開支。各個租賃資產按其性質計入財務狀況表。由於採用了新的租賃準則，本集團無需對持有作出租人的資產的會計進行任何調整。

2.27 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(須經適當授權及再不由實體酌情決定)作出撥備。

2.28 政府補助

政府補貼在合理保證會收到補貼且本集團符合所有附帶條件時按公允值確認。

與成本相關的政府補貼會遞延至須與擬補貼的成本相應入賬的期間於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.29 Interest income

Interest income from financial assets at FVPL is included in the change in fair value of FVPL.

Interest income on financial assets at amortised cost (other than sale and leaseback arrangements) and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

3 FINANCE RISK MANAGEMENT

3.1 Finance risk factors

The Group's financial instruments include debt instruments at FVOCI, receivables under sale and leaseback arrangements and trade and bill receivables, other receivables and deposits, term deposits with initial term over three months, cash and cash equivalents, secured bank borrowings, other payables, security deposits received and other deposits received. The risks associated with these financial instruments include market risk (i.e. foreign exchange risk, cash flow and fair value interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

2 重大會計政策概要(續)

2.29 利息收入

倘利息收入來自透過損益賬按公允值處理之金融資產，則計入透過損益賬按公允值處理之公允值變動。

使用實際利率法計算的按攤餘成本計量的金融資產(並不包括售後回租安排)和透過其他全面收益按公允值處理的金融資產的利息收入在損益賬中確認為其他收入的一部分。

利息收入通過對金融資產的賬面總額應用實際利率來計算，但隨後被信貸減值的金融資產除外。對於被信貸減值的金融資產則按實際利率應用於該金融資產的賬面淨額(扣除損失準備金後)。

3 財務風險管理

3.1 財務風險因素

本集團之金融工具包括透過其他全面收益按公允值處理之債務工具、售後回租安排項下之應收款項及應收貿易賬款及應收票據、其他應收款項及按金、初始期限超過三個月的定期存款、現金及現金等值項目、已抵押銀行借款、其他應付款項、已收保證按金及已收其他按金。與該等金融工具有關之風險包括市場風險(即外匯風險、現金流量及公允值利率風險以及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The normal operations and investments of the Group are mainly in Hong Kong and Mainland China, with revenue and expenditure denominated in HK\$ and RMB which are primarily transacted using functional currencies of the respective group entities. The Group is exposed to the United States Dollars (“US\$”) denominated cash and cash equivalents and the debt instrument at fair value through other comprehensive income.

In the opinion of the directors of the Company (the “Directors”), HK\$ are pegged against with US\$ under the Linked Exchange Rate System, and therefore, the Group does not have any significant foreign exchange risk in respect of transactions or balances denominated in US\$. Accordingly, no sensitivity analysis is performed.

(ii) Cash flow and fair value interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of market interest rate on variable-rate receivables under sale and leaseback arrangements, cash in banks, and secured bank borrowings as disclosed. It is the Group’s policy to keep majority of its receivables under sale and leaseback arrangements and bank borrowings at floating rates of interest so as to minimise the fair value interest rate risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本集團日常營運及投資主要位於香港及中國內地，其主要使用各集團實體的功能貨幣進行交易的收益及開支以港幣及人民幣計值。以美元(「美元」)計值的現金及現金等值項目及透過其他全面收益按公允值處理之債務工具使本集團面臨風險。

本公司董事(「董事」)認為，在聯繫匯率制度下，港幣與美元掛鈎，因此，本集團並無有關以美元計值之交易或結餘方面的任何重大外匯風險。因此，並無進行敏感度分析。

(ii) 現金流量及公允值利率風險

由於所披露的售後回租安排項下之應收款項、銀行現金及已抵押銀行借款浮息利率的市場利率波動，本集團面臨現金流量利率風險。本集團的政策為保持大部分售後回租安排項下之應收款項及銀行借款的浮息利率以盡量降低公允值利率風險。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk (Continued)

The Group is also exposed to fair value interest rate risk in relation to variable rate receivables under sale and leaseback arrangements and bank borrowings.

The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management will consider hedging significant interest rate exposure should the need arise.

At 31 December 2021, if interest rates had been 50 basis points (2020: 50 basis points) higher/lower and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2021 would increase/decrease by approximately HK\$1,784,000 (2020: pre-tax profit would increase/decrease by approximately HK\$1,141,000).

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允值利率風險(續)

本集團亦就浮動利率的售後回租安排項下之應收款項及銀行借款面臨公允值利率風險。

本集團現時並無使用任何衍生合約對沖其利率風險。然而，倘若有需要，管理層將考慮對沖重大利率風險。

於二零二一年十二月三十一日，倘利率已上升/下跌50個基點(二零二零年：50個基點)，而所有其他變數保持不變，則本集團截至二零二一年十二月三十一日止年度之除稅前溢利將增加/減少約港幣1,784,000元(二零二零年：除稅前溢利將增加/減少約港幣1,141,000元)。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk (Continued)

(iii) Price risk

The Group is exposed to equity price risk through its investments in listed bonds and equity securities. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments of entities operating in Hong Kong which are quoted in stock exchanges in Hong Kong. The Group currently does not use any derivative contracts to hedge its exposure to other price risk. Management closely monitors the price risk and will consider hedging the risk exposure should that needs arise.

At 31 December 2021, if the prices of the respective equity instruments at fair value through profit or loss had been 10% (2020: 10%) higher/lower, pre-tax profit for the year ended 31 December 2021 would increase/decrease by HK\$434,000 (2020: pre-tax profit would increase/decrease by HK\$285,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

The Group's exposure to other price risk for debt instruments at FVOCI is not included in the above analysis as the management considers that such exposure is insignificant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 價格風險

本集團因上市債券及股本證券之投資而面對股本價格風險。管理層通過維持帶有不同風險之投資組合控制該等風險。本集團之股本價格風險主要來自在香港營運且於香港證券交易所報價之實體之股權工具。本集團現時並無使用任何衍生合約對沖其他價格風險。管理層密切監測價格風險並將於有需要時考慮對沖有關風險。

於二零二一年十二月三十一日，倘若透過損益賬按公允值處理之相關股權工具價格上升/下跌10%(二零二零年：10%)，則截至二零二一年十二月三十一日止年度之除稅前溢利將透過損益賬按公允值處理之金融資產之公允值變動而增加/減少港幣434,000元(二零二零年：除稅前溢利將增加/減少港幣285,000元)。

上述分析並未包括本集團就透過其他全面收益按公允值處理之債務工具所面臨之其他價格風險，因管理層認為該風險並不重大。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk

Credit risk arises from the cash at banks, debt instrument at fair value through other comprehensive income, term deposits with initial term over three months, trade and bill receivables, deposits and other receivables as well as credit exposure to receivables under sale and leaseback arrangements.

(i) Risk management

In order to minimise the credit risk, management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

Before accepting any new customers, the Group would assess the credit quality of each potential customer and define limits for each customer. The Group also demands certain customers to place security deposits and/or pledge assets with the Group at the time the sale and leaseback arrangements is entered into. The Group would also review the repayment history of customers payments for each customers with reference to the repayment schedule from the date of sale and leaseback and entrusted loan was initially granted up to the reporting date to determine the recoverability of receivables under sale and leaseback arrangements and entrusted loan payment receivable. Furthermore, the Group would assess and review the fair value of the pledged assets continuously to ensure the value of the relevant collateral could well cover the borrowings granted to the customers and any outstanding receivables under sale and leaseback arrangements.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

信貸風險產生於銀行現金、透過其他全面收益按公允值處理之債務工具、初始期限超過三個月的定期存款、應收貿易賬款及應收票據、按金及其他應收款項及售後回租安排項下之應收款項面臨的信貸敞口。

(i) 風險管理

為將信貸風險減至最低，管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期末付之債項。

於接受任何新客戶前，本集團會評估各潛在客戶之信用度，並規定各客戶之限額。本集團亦於簽訂售後回租安排時要求若干客戶向本集團提供保證按金及／或抵押資產。本集團亦會參照自售後回租及委託貸款首次授出之日至釐定售後回租安排項下之應收款項及應收委託貸款款項之收取情況之報告日期期間之還款時間表，以審閱各客戶之還款記錄。此外，本集團會持續評估及審閱已抵押資產的公允值，以確保相關抵押品的價值將足以覆蓋授予客戶的借款及任何未付之售後回租安排項下之應收款項。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The credit quality of the deposits and other receivables has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The Group considers that credit risk associated with deposits and other receivables is low with reference to historical information about the counterparties default rates.

The Group applies expected credit loss (“ECL”) model for impairment assessment. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis. Certain receivable with significant credit risk have been credit impaired as at 31 December 2021 and 2020. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the year ended date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligation
- actual or expected significant changes in the operating results of the same counter party

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

按金及其他應收款項之信貸質素已參考有關對手方違約率及對手方財務狀況的過往資料進行評估。本集團經參考有關對手方違約率之過往資料後認為與按金及其他應收款項有關之信貸風險較低。

本集團對減值評估應用預期信貸虧損(「預期信貸虧損」)模式。本集團在初始確認資產時考慮違約可能性及持續考慮信貸風險是否大幅增加。於二零二一年及二零二零年十二月三十一日，若干應收款項有重大信貸風險並被信貸減值。在評估信貸風險是否大幅增加時，本集團將年終時資產發生違約的風險與初始確認時發生違約的風險進行比較，同時也考慮可獲得的合理及支持性前瞻性資料，特別是結合了以下指標：

- 內部信貸評級
- 外部信貸評級
- 業務、財務或經濟狀況實際或者預期發生重大不利變化，預期導致對手方償還債務的能力產生重大變化
- 同一對手方的經營業績實際或者預期發生重大變化

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

- significant changes in the value of the collateral supporting the obligation or in the quality of third-part guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the counter party, including changes in the payment status of customers in the Group and changes in the operating results of the counter party.

ECL model for the receivables under sale and leaseback arrangements, as summarised below:

- The receivables under sale and leaseback arrangements that is not credit-impaired on initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Group. The ECL is measured on a 12-month basis.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

- 擔保責任的抵押品價值或第三方擔保質素或信貸評級發生重大變化
- 對手方預期表現及行為發生重大變化，包括集團內客戶付款情況的變化和對手方經營業績的變化。

售後回租安排項下之應收款項的預期信貸虧損模式概述如下：

- 於初始確認時並無發生信貸減值的售後回租安排項下之應收款項，分類為「第一級」及本集團會持續監查其信貸風險。預期信貸虧損按12個月基準計量。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

ECL model for the receivables under sale and leaseback arrangements, as summarised below:
(Continued)

- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired. The ECL is measured on lifetime basis.
- If the financial instrument is credit-impaired, the financial instrument is then moved to “Stage 3”. The ECL is measured on lifetime basis.
- In Stages 1 and 2, interest income is calculated on the gross carrying amount (without deducting the loss allowance). If a financial asset subsequently becomes credit-impaired (Stage 3), the Group is required to calculate the interest income by applying the effective interest method in subsequent reporting periods to the amortised cost of the financial asset (the gross carrying amount net of loss allowance) rather than the gross carrying amount.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

售後回租安排項下之應收款項的預期信貸虧損模式概述如下：(續)

- 倘發現初始確認以來信貸風險大幅增加，金融工具轉移至「第二級」，但尚未被視為已發生信貸減值。預期信貸虧損按全期基準計量。
- 倘金融工具發生信貸減值，則轉移至「第三級」。預期信貸虧損按全期基準計量。
- 於第一級及第二級中，利息收入按賬面總值(並無扣除虧損撥備)計算。倘金融資產其後發生信貸減值(第三級)，本集團須於後續報告期間對金融資產的攤銷成本(扣除虧損撥備後的賬面總值)而非賬面總值應用實際利率法計算利息收入。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

ECL model for the receivables under supply chain management business, as summarised below:

- The receivables under supply chain management business includes the trade and bill receivables and the other receivables in relation to the purchase cost paid on behalf of the customers.
- The receivables that is not credit-impaired on initial recognition is classified in “Stage 1” and has its credit risk continuously monitored by the Group. The ECL is measured on a 12-month basis.
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired. The ECL is measured on lifetime basis.
- If the financial instrument is credit-impaired, the financial instrument is then moved to “Stage 3”. The ECL is measured on lifetime basis.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

供應鏈管理業務項下之應收款項的預期信貸虧損模式概述如下：

- 供應鏈管理業務項下之應收款項包括應收貿易賬款及應收票據以及與代表客戶支付之採購成本有關之其他應收款項。
- 於初始確認時並無發生信貸減值的應收款項，分類為「第一級」且本集團持續監察其信貸風險。預期信貸虧損按12個月基準計量。
- 倘發現初始確認以來信貸風險大幅增加，金融工具轉移至「第二級」，但尚未被視為已發生信貸減值。預期信貸虧損按全期基準計量。
- 倘金融工具發生信貸減值，則金融工具轉移至「第三級」。預期信貸虧損按全期基準計量。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The impairment of the receivables under sale and leaseback arrangements and supply chain management business was provided based on the “three-stages” model by referring to the changes in credit quality since initial recognition.

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below:

(1) Significant increase in credit risk (“SICR”)

The Group considers the receivables to have experienced a significant increase in credit risk when backstop criteria have been met. A backstop is applied and the receivables considered to have experienced a significant increase in credit risk if the borrower or customer is past due on its contractual payments.

(2) Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, when the borrower or customers is more than 90 days past due on its contractual payments or the counterparty is in the process of liquidation or insolvency.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

售後回租安排及供應鏈管理業務項下之應收款項乃按「三級」模式經參考自初始確認以來的信貸質素變動計提減值撥備。

本集團就有關準則之規定採納之關鍵判斷及假設於下文論述：

(1) 信貸風險大幅增加(「信貸風險大幅增加」)

於達到後備標準時，本集團認為應收款項的信貸風險已大幅增加。倘借款人或客戶的合約付款已逾期，則應用後備標準且應收款項被視為信貸風險已大幅增加。

(2) 違約及已發生信貸減值資產的定義

若借款人或客戶的合約付款期限逾期超過90日，或對手方正在清算或破產中，本集團將金融工具定義為違約。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below: (Continued)

(3) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL are the discounted product of the Probability of Default (“PD”), Exposure at Default (“EAD”) and Loss Given Default (“LGD”).

(4) Forward-looking information incorporated in the ECL models

The calculation of ECL incorporates forward-looking information. The forward-looking factor included the market conditions and economic growth. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for the receivable portfolio. Judgement has been applied in this process of determining the key economic variables and their associated impact in the loss rate.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

本集團就有關準則之規定採納之關鍵判斷及假設於下文論述：(續)

(3) 計量預期信貸虧損 – 輸入數據、假設及估計方法的解釋

視乎信貸風險自初始確認以來有否大幅增加或資產是否被視為已發生信貸減值，預期信貸虧損按12個月或全期基準計量。預期信貸虧損為具違約或然率(「違約或然率」)、違約風險承擔(「違約風險承擔」)及違約損失率(「違約損失率」)三者的乘積貼現結果。

(4) 預期信貸虧損模式涉及的前瞻性資料

計算預期信貸虧損涉及前瞻性資料。前瞻性因素包括市場狀況及經濟增長。本集團進行了歷史分析並識別影響了應收款項組合的信貸風險及預期信貸虧損的關鍵經濟變量。在確定關鍵經濟變量及對損失率的相關影響時，應用了判斷。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The credit risk on term deposits with initial terms over three months and bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group only invests in debt securities with low credit risk. The Group's debt instruments at FVOCI mainly comprise listed bonds that are graded in the high credit rating and therefore are considered to be low credit risk investments.

The Group's concentration of credit risk by geographical locations is mainly in Mainland China, which accounted for 100% (2020: 100%) of the receivables under sale and leaseback arrangements, trade and bill receivables as well as deposits and other receivables as at 31 December 2021.

The Group's concentration of credit risk by related parties accounted for 44% (2020: 50%) of the receivables under sale and leaseback arrangements as at 31 December 2021.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

由於對手方為國際信貸評級機構給予高信貸評級的銀行，因此有關初始期限超過三個月的定期存款及銀行結存的信貸風險有限。

本集團僅投資於低信貸風險的債務證券。本集團的透過其他全面收益按公允值處理之債務工具主要包括以高信貸評級的上市債券，因此被視為低信貸風險投資。

本集團按地區劃分的信貸風險主要集中於中國內地，佔於二零二一年十二月三十一日的售後回租安排項下之應收款項、應收貿易賬款及應收票據以及按金及其他應收款項的100%(二零二零年：100%)。

本集團按關連人士劃分的信貸風險集中佔於二零二一年十二月三十一日的售後回租安排項下之應收款項的44%(二零二零年：50%)。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

As at 31 December 2021 as 36% (2020: 34%) and 96% (2020: 98%) of the total receivables under sale and leaseback arrangements was due from the Group's largest sale and leaseback customer and the five largest sale and leaseback customers. The Group's five largest sale and leaseback customers are spread across diverse industries such as manufacturing industries and property development. Over 99% (2020: 99%) of balance of the sale and leaseback customers have good repayment history with no record of late payment. For those sale and leaseback customers with late payment, the management of the Group has delegated a team to monitor the level of exposure to ensure that follow up actions and/or corrective actions and/or legal actions are taken promptly to lower the risk exposure or to recover the overdue balances. Furthermore, the Group would negotiate with certain customers with late payment by means of debt restructuring, to recover the overdue debts by instalments.

(ii) Security

For some receivables under sale and leaseback arrangements the Group may obtain security in the form of guarantees, term deposits, deeds of undertaking, pledged of land and building as well as secured over the leased asset which can be called upon if the counterparty is in default under the terms of the agreement.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

於二零二一年十二月三十一日，36%(二零二零年：34%)及96%(二零二零年：98%)售後回租安排項下之應收款項來自本集團最大售後回租客戶及五大售後回租客戶。本集團五大售後回租客戶來自各行各業，例如製造業及物業開發。餘下的售後回租客戶中，超過99%(二零二零年：99%)擁有良好還款記錄，並無延遲付款記錄。就該等延遲付款的售後回租客戶，本集團管理層已委派一組人員監察風險水平，以確保及時執行跟進措施及／或糾正措施及／或法律行動，以降低風險或收回逾期款項。此外，本集團會與若干延遲付款的客戶商討債務重組，以分期收回逾期債務。

(ii) 擔保

對於部分售後回租安排項下之應收款項，本集團可獲取擔保、定期存款、承諾契據、土地及樓宇抵押以及租賃資產擔保為抵押。如果對手方違反協議條款，本集團可要求其履行抵押義務。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets

The Group has four types of financial assets that are subject to the ECL model:

- receivables under sale and leaseback arrangements;
- trade and bill receivables;
- debt investments carried at FVOCI; and
- deposits and other receivables.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Receivables under sale and leaseback arrangements

As part of the Group's credit risk management, the Group regularly monitors the internal credit rating based on available information at each reporting date for its receivables under sale and leaseback arrangements and entrusted loan payment receivables. The following table provides information about the exposure to credit risk and ECL for receivables under sale and leaseback arrangements and entrusted loan payment receivables as at 31 December 2021 and 2020.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值

本集團持有以下四種在預期信貸虧損模型適用範圍內的金融資產：

- 售後回租安排項下之應收款項；
- 應收貿易賬款及應收票據；
- 透過其他全面收益按公允值處理之債務投資；及
- 按金及其他應收款項。

儘管現金及現金等值項目亦受限於香港財務報告準則第9號的減值要求，已識別減值虧損並不重大。

售後回租安排項下之應收款項

作為本集團信貸風險管理的一部分，本集團依據於各報告日期可得的資料，定期監察其售後回租安排項下之應收款項及應收委託貸款款項之內部信貸評級。下表載列於二零二一年及二零二零年十二月三十一日售後回租安排項下之應收款項及應收委託貸款款項的信貸風險敞口及預期信貸虧損之資料。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Receivables under sale and leaseback arrangements (Continued)

The Group writes off a receivable under sale and leaseback arrangements when there is information indicating that the sale and leaseback borrower is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the sale and leaseback borrower has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier.

As at 31 December 2021

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

售後回租安排項下之應收款項(續)

當有資料顯示售後回租借款人面臨嚴重財困且並無實際可回收機會的情況下，例如售後回租借款人被清盤或已進入破產程序時(以較早發生者為準)，本集團會將售後回租安排項下之應收款項撇銷。

於二零二一年十二月三十一日

| Internal credit rating 內部信貸評級 | 12-month or lifetime ECL 12個月或全期 預期信貸虧損 | Stage 級別 | Average loss rate 平均損失率 | Gross carrying amount 2021 二零二一年 賬面總值 HK\$'000 港幣千元 | Impairment loss allowance 2021 二零二一年 減值虧損撥備 HK\$'000 港幣千元 |
|----------------------------------|--|----------------|-------------------------------|--|--|
| A3 to Aaa A3至Aaa | 12-month ECL 12個月預期信貸虧損 | Stage 1 第一級 | 0.04% | 568,500 | (249) |
| B3 to Baa1 B3至Baa1 | 12-month ECL 12個月預期信貸虧損 | Stage 1 第一級 | 0.62% | 772,413 | (4,765) |
| C3 to Caa1 C3至Caa1 | 12-month ECL 12個月預期信貸虧損 | Stage 1 第一級 | 5.35% | 15,291 | (818) |
| | | | | 1,356,204 | (5,832) |
| Credit impaired 信貸減值 | | Stage 3 第三級 | | 19,925 | (19,925) |
| | | | | 1,376,129 | (25,757) |

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Receivables under sale and leaseback arrangements (Continued)

As at 31 December 2020

| Internal credit rating | 12-month or lifetime ECL 12個月或全期 預期信貸虧損 | Stage | Average loss rate 平均損失率 | Gross carrying amount 2020 二零二零年 賬面總值 HK\$'000 港幣千元 | Impairment loss allowance 2020 二零二零年 減值虧損撥備 HK\$'000 港幣千元 |
|-------------------------|---|----------------|----------------------------|--|--|
| A3 to Aaa | 12-month ECL | Stage 1 | 0.05% | 691,760 | (320) |
| A3至Aaa | 12個月預期信貸虧損 | 第一級 | | | |
| B3 to Baa1 | 12-month ECL | Stage 1 | 0.30% | 671,252 | (2,017) |
| B3至Baa1 | 12個月預期信貸虧損 | 第一級 | | | |
| C to Caa1 | 12-month ECL | Stage 1 | 3.16% | 20,418 | (644) |
| C至Caa1 | 12個月預期信貸虧損 | 第一級 | | | |
| | | | | 1,383,430 | (2,981) |
| Credit impaired 信貸減值 | | Stage 3 第三級 | | 19,451 | (19,451) |
| | | | | 1,402,881 | (22,432) |

During the years ended 31 December 2021 and 2020, there was no movement between stage 1, stage 2 and stage 3.

截至二零二一年及二零二零年十二月三十一日止年度，第一級、第二級與第三級之間概無變動。

During the year, there was a provision for impairment of receivables under sale and leaseback arrangements of HK\$2,751,000 (2020: reversal of impairment provision of HK\$5,887,000) recognised in profit or loss.

年內，於損益內確認售後回租安排項下應收款項減值撥備港幣2,751,000元(二零二零年：撥回減值撥備港幣5,887,000元)。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Trade and bills receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade and bills receivables.

Given the track record of regular repayment of trade and bills receivables and good credit profiles of customers, the directors are of the opinion that the risk of default by these customers is not significant, taking into account forward-looking information on macroeconomic factors. Therefore, ECL rate of trade and bills receivables amounted to HK\$22,000 (2020: HK\$Nil) was recognised as at 31 December 2021. During the year, impairment provision on trade and bills receivables of HK\$22,000 (2020: HK\$Nil) were recognised in profit or loss.

Debt instruments at FVOCI

All of the Group's debt investments at FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. Management consider "low credit risk" for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

應收貿易賬款及應收票據

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，就所有應收貿易賬款及應收票據使用全期預期虧損撥備。

鑒於定期償還應收貿易賬款及應收票據的往績記錄及客戶的良好信貸記錄，經考慮有關宏觀經濟因素的前瞻性資料，董事認為該等客戶的違約風險並不重大。因此，於二零二一年十二月三十一日已就應收貿易賬款及應收票據確認預期信貸虧損港幣22,000元(二零二零年：港幣零元)。年內，已就應收貿易賬款及應收票據於損益賬計提減值撥備港幣22,000元(二零二零年：港幣零元)。

透過其他全面收益按公允值處理之債務工具

本集團所有透過其他全面收益按公允值處理之債務投資均被視為信貸風險較低，因此於期內確認的虧損撥備僅限於12個月預期虧損。管理層認為上市債券的「低信貸風險」為至少有一家主要評級機構的投資級信貸評級。其他工具在違約風險較低及發行人在短期內具有較強的履行合約現金流量義務的能力時被視為低信貸風險。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Deposit and other receivables

Deposit and other receivables mainly include purchase cost paid on behalf of customers under supply chain management services in which the Group was acting as an agent and other receivables. Given the track record of regular repayment and good credit profiles of customers and counterparties, the directors are of the opinion that the risk of default by these customers and counterparties is not significant, taking into account forward-looking information on macroeconomic factors. Therefore, ECL of deposit and other receivables amounted to HK\$174,000 (2020: HK\$Nil) was recognised as at 31 December 2021. During the year, impairment provision on deposit and other receivables of HK\$172,000 (2020: HK\$Nil) were recognised in profit or loss.

(c) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and credit facilities deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

按金及其他應收款項

按金及其他應收款項主要包括本集團擔任代理之供應鏈管理服務項下代表客戶支付的採購成本及其他應收款項。鑒於客戶及交易對手一向按時還款加上信貸結構良好，並考慮到宏觀經濟因素的前瞻性資料，董事認為該等客戶及交易對手的違約風險並不重大。因此，於二零二一年十二月三十一日已就按金及其他應收款項確認預期信貸虧損港幣174,000元(二零二零年：港幣零元)。年內，已就按金及其他應收款項於損益賬計提減值撥備港幣172,000元(二零二零年：港幣零元)。

(c) 流動資金風險

在管理流動資金風險時，本集團監察及維持管理層認為合適之現金及現金等值項目及信貸融資水平，以便為本集團業務提供資金，並減低現金流量波動之影響。管理層監察銀行借款之動用情況及確保遵守貸款契約。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

The following table discloses the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rates, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

| | | Weighted average interest rate 加權 平均利率 % | On demand or less than 3 months 按要求時或 不足三個月 HK\$'000 港幣千元 | 3 months to 1 year 三個月 至一年 HK\$'000 港幣千元 | 1-5 years 一年 至五年 HK\$'000 港幣千元 | Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元 | Carrying amount 賬面值 HK\$'000 港幣千元 |
|---|---------------------------|---|---|---|---|--|---|
| Non-derivative finance liabilities | 非衍生金融負債 | | | | | | |
| Other payables | 其他應付款項 | - | 560 | 40,189 | - | 40,749 | 40,749 |
| Security deposits | 保證按金 | 5.00 | - | 6,098 | - | 6,098 | 6,098 |
| Lease liabilities | 租賃負債 | 4.09 | 921 | 3,348 | 14,907 | 19,176 | 17,304 |
| Secured bank borrowings | 已抵押銀行借款 | 4.29 | 112,416 | 91,710 | 98,365 | 302,491 | 290,922 |
| As at 31 December 2021 | 於二零二一年 十二月三十一日 | | 113,897 | 141,345 | 113,272 | 368,514 | 355,073 |

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表披露本集團非衍生金融負債之餘下合約到期日。此表乃根據本集團於可被要求償還金融負債之最早日期之未貼現現金流量編製。具體而言，不論銀行是否有可能選擇行使其權利，具有須按要求償還條款之銀行借款均計入最早時間範圍。其他非衍生金融負債之到期日則為議定還款日期。此表包括利息及本金現金流量。倘利息流量為浮動利率，則未貼現金額按報告期結束時之加權平均利率計算。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

| | | Weighted average interest rate 加權 平均利率 % | On demand or less than 3 months 按要求時或 不足三個月 HK\$'000 港幣千元 | 3 months to 1 year 三個月 至一年 HK\$'000 港幣千元 | 1 – 5 years 一年 至五年 HK\$'000 港幣千元 | Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元 | Carrying amount 賬面值 HK\$'000 港幣千元 |
|---|-------------------|---|---|---|---|--|---|
| Non-derivative finance liabilities | 非衍生金融負債 | | | | | | |
| Other payables | 其他應付款項 | - | 4,880 | 13,231 | - | 18,111 | 18,111 |
| Security deposits | 保證按金 | 5.00 | - | 5,952 | 6,250 | 12,202 | 11,904 |
| Lease liabilities | 租賃負債 | 4.32 | 586 | 1,369 | - | 1,955 | 1,917 |
| Secured bank borrowings | 已抵押銀行借款 | 4.36 | 95,904 | 55,942 | 156,132 | 307,978 | 290,303 |
| As at 31 December 2020 | 於二零二零年 十二月三十一日 | | 101,370 | 76,494 | 162,382 | 340,246 | 322,235 |

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 3 months” time band in the above maturity analysis. As at 31 December 2021 and 2020, the aggregate principal amounts of these bank borrowings amounted to HK\$85,315,000 and HK\$78,170,000 respectively. Taking into account the Group’s financial position, the Directors believe that it is probable that the banks will not exercise their discretionary rights to demand immediate repayment. The Directors believe that these bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

附有須按要求償還條款之銀行借款在上述到期日分析計入「按要求時或不足三個月」之時間範圍內。於二零二一年及二零二零年十二月三十一日，該等銀行借款之本金總額分別合共為港幣85,315,000元及港幣78,170,000元。計及本集團之財務狀況後，董事相信銀行不會行使其要求即時還款之酌情權。董事相信，該等銀行借款將根據貸款協議所載議定還款日期償還。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

The following table details the Group's aggregate principal and interest cash outflows for bank borrowings (with a repayment on demand clause) based on scheduled repayments. To the extent that interest flows are floating rate, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

| | | Weighted average interest rate 加權 平均利率 % | Less than 3 months 不足 三個月 HK\$'000 港幣千元 | 3 months to 1 year 三個月 至一年 HK\$'000 港幣千元 | 1-5 years 一年 至五年 HK\$'000 港幣千元 | Total contractual cash flows 合約現金 流量總額 HK\$'000 港幣千元 | Carrying amount 賬面值 HK\$'000 港幣千元 |
|--|----------------------------|--|--|---|---|--|---|
| | | | | | | | |
| Secured bank borrowings with repayment on demand clause | 附有須按要求償還 條款之已抵押 銀行借款 | | | | | | |
| As at 31 December 2021 | 於二零二一年 十二月三十一日 | 2.57 | 81,793 | 2,242 | 3,055 | 87,090 | 85,315 |
| As at 31 December 2020 | 於二零二零年 十二月三十一日 | 2.61 | 71,701 | 2,274 | 5,520 | 79,495 | 78,170 |

3.2 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders, to support the Group's stability and growth, and to strengthen the Group's financial management capability. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表詳列本集團附有基於還款時間表(須按要求償還條款)之銀行借款本金及利息現金流出總額。倘利率為浮動利率，則未貼現金額按報告期結束時之加權平均利率計算。

3.2 資本風險管理

本集團管理其資本以確保本集團內各實體將能夠按持續經營基準營運，同時為股東爭取最大回報，以維持本集團之穩定及增長，並加強本集團之財務管理能力。為保持及調整資本架構，本集團或會調整派付予股東的股息額、返回資本予股東、發行新股份或出售資產以削減債項。

3 FINANCE RISK MANAGEMENT (Continued)

3.2 Capital risk management (Continued)

The Directors review the capital structure regularly and manage its capital structure to ensure an optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Directors monitor capital mainly using net debt to total equity ratio and current ratio. These ratios as at 31 December 2021 and 2020 were as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|-------------------------------|-------------------|-----------------------------------|-----------------------------------|
| Total borrowings | 總借款 | 290,922 | 290,303 |
| Total equity (Note (i)) | 總權益(附註(i)) | 1,890,379 | 1,763,989 |
| Gearing ratio (%) (Note (ii)) | 資產負債比率(%)(附註(ii)) | 15 | 16 |
| Current assets | 流動資產 | 1,671,762 | 1,118,873 |
| Current liabilities | 流動負債 | 316,361 | 244,537 |
| Current ratio (%) | 流動比率(%) | 528 | 458 |

The Directors considered that the Group maintained healthy capital as at 31 December 2021 and 2020 as the Group has excess of current assets over current liabilities.

Notes:

- (i) Total equity equals to all capital and reserves of the Group including non-controlling interests.
- (ii) Gearing ratio equals total interest bearing borrowings divided by total equity and multiplied by 100%.

3 財務風險管理(續)

3.2 資本風險管理(續)

董事經計及本集團日後資金需求、預期營運現金流量、預期資本開支及預期策略投資機會，定期檢討資本架構及管理其資本架構，以確保維持最理想之資本架構及股東回報。董事主要透過債務淨額與總權益比率及流動比率監控資金。於二零二一年及二零二零年十二月三十一日，該等比率如下：

董事認為，由於本集團之流動資產超逾流動負債，本集團於二零二一年及二零二零年十二月三十一日維持穩健資本。

附註：

- (i) 總權益相等於本集團所有股本及儲備，包括非控股權益。
- (ii) 資產負債比率相等於計息借款總額除以總權益再乘以100%。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation

(a) Financial assets and liabilities

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The Group's financial assets that are measured at fair values at 31 December 2021:

3 財務風險管理(續)

3.3 公允值估算

(a) 金融資產及負債

(i) 公允值架構

本節闡釋於釐定綜合財務報告中按公允值確認及計量的金融工具的公允值時所作的判斷及估計。為說明用於釐定公允值輸入數據的可靠性，本集團已將其金融工具分類為會計準則下規定的三個級別。各級別的闡釋如下表所示。

於二零二一年十二月三十一日本集團以公允值計量之金融資產：

| | | Level 1 第一級 HK\$'000 港幣千元 | Level 2 第二級 HK\$'000 港幣千元 | Level 3 第三級 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|--------------------------|--------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| Financial assets | 金融資產 | | | | |
| Financial assets at FVPL | 透過損益賬按公允 值處理之金融 資產 | 4,339 | - | - | 4,339 |

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

The Group's financial assets that are measured at fair values at 31 December 2020:

| | | Level 1 第一級 HK\$'000 港幣千元 | Level 2 第二級 HK\$'000 港幣千元 | Level 3 第三級 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|--------------------------|-----------------------------|------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| Financial assets | 金融資產 | | | | |
| Financial assets at FVPL | 透過損益賬按公允 值處理之金融 資產 | 2,847 | - | - | 2,847 |
| Debt instrument at FVOCI | 透過其他全面收益 按公允值處理之 債務工具 | 15,886 | - | - | 15,886 |
| | | 18,733 | - | - | 18,733 |

There were no transfers between levels 1, 2 and 3 during the year ended 31 December 2021 (2020: Nil).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

截至二零二一年十二月三十一日止年度第一級、第二級及第三級之間概無轉移(二零二零年：無)。

本集團的政策是確認於報告期末公允值架構級別之間發生的轉入及轉出。

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(i) 公允值架構(續)

於二零二零年十二月三十一日本集團以公允值計量之金融資產：

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded debt, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(i) 公允值架構(續)

第一級： 活躍市場（如公開買賣債務及股本證券）買賣的金融工具的公允值按報告期末的市場報價列賬。本集團持有的金融資產所用的市場報價為當時買盤價。該等工具列入第一級。

第二級： 並非於活躍市場買賣的金融工具的公允值採用估值技術釐定，該等估值技術盡量利用可觀察市場數據而盡可能少依賴實體的特定估計。倘計算工具公允值所需全部重大輸入數據均為可觀察數據，則該工具列入第二級。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

(ii) Valuation techniques used to determine fair values

In relation with debt instruments at FVOCI and financial assets at FVPL, the fair values are determined by using quoted market prices. In relation with equity instrument at FVOCI, the fair value was determined by income approach. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(iii) Valuation inputs and relationship to fair value

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

3 財務風險管理(續)

3.3 公允價值估算(續)

(a) 金融資產及負債(續)

(i) 公允價值架構(續)

第三級： 如一項或多項重大輸入數據並非根據可觀察市場數據得出，則該工具列入第三級。非上市股權工具即屬此情況。

(ii) 釐定公允價值所用估值技術

就透過其他全面收益按公允價值處理之債務工具及透過損益賬按公允價值處理之金融資產而言，公允價值採用市場報價釐定。就透過其他全面收益按公允價值處理之股權工具而言，公允價值採用收入法釐定。本集團持續就所作估計及相關假設作出評估。會計估計之修訂如只影響當期，則有關會計估計修訂於當期確認。如該項會計估計之修訂影響當期及往後期間，則有關修訂於當期及往後期間確認。

(iii) 估值輸入數據及與公允價值之關係

本集團部分金融資產按各報告期末之公允價值計量。下表列示有關如何釐定該等金融資產公允價值(尤其是所使用之估值技術及輸入數據)之資料，以及公允價值計量所屬公允價值架構級別(第一級至第三級)(根據公允價值計量輸入數據可觀察程度分類)。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(iii) Valuation inputs and relationship to fair value (Continued)

| Financial assets | Fair value as at | | Fair value hierarchy | Valuation technique and key inputs | Relationship of unobservable inputs to fair value |
|---|--|--|----------------------|---|---|
| 金融資產 | 公允值 | | 公允值架構 | 估值技術及主要輸入數據 | 無法觀察輸入數據與公允值之關係 |
| | 31 December 2021 於二零二一年十二月三十一日 | 31 December 2020 於二零二零年十二月三十一日 | | | |
| Financial assets at FVPL 透過損益賬按公允值處理之金融資產 | Listed equity securities: - in Hong Kong: HK\$4,339,000 上市股本證券： - 於香港： 港幣4,339,000 | Listed equity securities: - in Hong Kong: HK\$2,847,000 上市股本證券： - 於香港： 港幣2,847,000元 | Level 1 第一級 | Quoted bid prices in an active market 活躍市場所報之買入價 | N/A 不適用 |
| Debt instrument at FVOCI 透過其他全面收益按公允值處理之債務工具 | - | Listed Bond: - in Hong Kong: HK\$15,886,000 上市債券： - 於香港： 港幣15,886,000元 | Level 1 第一級 | Quoted bid prices in an active market 活躍市場所報之買入價 | N/A 不適用 |

(b) Non-financial assets and liabilities

See Note 17 for disclosure of the investment properties that are measured of fair value.

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(iii) 估值輸入數據及與公允值之關係(續)

(b) 非金融資產及負債

有關按公允值計量的投資物業的披露，見附註17。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Expected credit loss allowance of receivables under sale and leaseback arrangements

The provision for expected credit losses of receivables under sale and leaseback arrangements is based on assumptions about risk of default and expected loss rates. The impairment loss recognised or reversed is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective financial instrument.

The Group applies a three-stage impairment model to calculate the expected credit losses and the impairment model that involved significant judgement and assumption from the management. In determining the credit risk stage of each borrower, the Group takes into consideration the credit profiles, historical repayment patterns, publicly available information of these borrowers, reports from international credit rating agencies and forward looking factors such as market conditions and economic growth. The Group measures expected credit losses based on individual assessment of each borrower, after considering their credit profile with reference to credit ratings assigned by international credit-rating agencies. Judgement is required to determine whether a borrower experienced significant increase in credit risk.

4 主要會計估計及判斷

編製綜合財務報告須使用會計估計，根據定義，該等估計很少等於實際結果。管理層亦需對應用本集團會計政策作出判斷。

估計及判斷獲持續評估。其乃基於過往經驗及其他因素，包括可能對本集團造成財務影響及於有關情況下，認為屬合理之對未來事件之預期。

(a) 售後回租安排項下之應收款項的預期信貸虧損撥備

售後回租安排項下之應收款項的預期信貸虧損撥備乃基於有關違約風險及預期損失率的假設作出。減值虧損確認或撥回在考慮到相關金融工具的預期未來信貸虧損按資產賬面值與預計未來現金流現值的差額計算。

本集團採用三階段減值模型計算其預期信貸虧損，且減值模型涉及管理層作出的重大判斷及假設。在確定各借款人的信貸風險階段時，本集團考慮該等借款人的信貸結構、過往還款模式、該等借款人的公開可得資料、國際信貸評級機構的報告以及市場狀況及經濟增長等前瞻性因素。本集團經考慮各借款人的信貸結構，基於各借款人的個別評估，參照國際信貸評級機構的信貸評級來計量預期信貸虧損。本集團須於確定借款人的信貸風險是否顯著增加時作出判斷。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Impairment of goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. For the years ended 31 December 2021 and 2020, the recoverable amount of cash-generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in Note 18.

(c) Income taxes and deferred income tax

Significant judgements are required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred income tax provision in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

(d) Estimation of the fair values of investment properties

Information about the valuation of land and buildings and investment properties is provided in Note 17.

4 主要會計估計及判斷(續)

(b) 商譽減值

本集團每年測試商譽是否遭受任何減值。於截至二零二一年及二零二零年十二月三十一日止年度，現金產生單位(「現金產生單位」)的可收回金額乃根據需要使用假設的使用價值計算釐定。計算使用基於管理層批准的五年期財務預算的現金流量預測。

減值費用、主要假設及主要假設可能變動的影響詳情於附註18披露。

(c) 所得稅及遞延所得稅

釐定所得稅撥備時需要作出重大判斷。在日常業務過程中有諸多交易及計算的最終釐定乃具不確定性。倘該等事宜的最終稅務結果有別於初始記錄的金額，該等差額將影響作出有關決定期間的所得稅及遞延所得稅撥備。

有關若干暫時差額及稅項虧損的遞延所得稅資產於管理層認為未來應課稅溢利可能用於抵銷可動用的暫時差額或稅項虧損時予以確認。暫時差額或稅項虧損的實際動用結果可能不同。

(d) 投資物業的公允值估計

有關土地及樓宇以及投資物業估值的資料載於附註17。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(e) Principal versus agent consideration in revenue recognition

Under supply chain management business segment, the Group is engaged in provision of supply chain management services and trading of goods by entering into (i) agency contracts and (ii) sales contracts with customers, respectively. In determining whether the Group is acting as a principal or as an agent under supply chain management business segment requires judgement and consideration of all relevant facts and circumstances. The Group is acting as a principal if it controls a promised good or service before transferring that good or service to the customer and reports revenue on the gross inflows of economic benefits. In evaluation of the Group acting as a principal, the Group considers whether the Group (i) is primarily responsible for fulfilling the promise to provide the specified good or service; (ii) has inventory risk before the specified good or service has been transferred to a customer or after the transfer of control to the customer; and (iii) has discretion in establishing the price for the specified good or service. Conversely, the Group is an agent when it does not control a promised good or service before transferring that good or service to the customer and reports revenue on the net inflows of economic benefits (that is, net of the amounts collected on behalf of the principal).

Having considered the relevant facts and circumstances, the Directors has determined that the Group is an agent for the supply chain management services under agency contracts and accordingly, the related revenue is reported on a net basis.

The Directors has also determined that the Group is the principal for the sales contract in which the Group are the primary obligator to provide the promised goods to customers, are subject to inventory risks before transferring promised goods to customers and the Group has discretion in in establishing the price for the promised goods. And accordingly, the related revenue is presented on a gross basis.

4 主要會計估計及判斷(續)

(e) 在確認收益時有關主事人與代理人的考慮因素

在供應鏈管理業務分部項下，本集團分別透過與客戶訂立(i)代理合約及(ii)銷售合約，從事提供供應鏈管理服務及商品貿易。在釐定本集團在供應鏈管理業務分部項下是作為主事人抑或代理人行事時，須要運用判斷並考慮所有相關事實及情況。倘本集團在向客戶轉移已承諾貨品或服務前擁有貨品或服務的控制權，則本集團是作為主事人行事，按經濟利益的總流入呈報收益。在評估本集團是否作為主事人行事時，本集團會考慮本集團是否(i)就履行提供指定貨品或服務的承諾方面負有主要責任；(ii)在向客戶轉移指定貨品或服務前或向客戶轉移控制權後面對存貨風險；及(iii)有權酌情為指定貨品或服務定價。反之，倘本集團在向客戶轉移已承諾貨品或服務前並無貨品或服務的控制權，則本集團是作為代理人行事，按經濟利益的淨流入(即扣除代主事人收取的款項)呈報收益。

經考慮所有相關事實及情況後，董事將本集團釐定為代理合約項下的供應鏈管理服務代理人，因此相關收益按淨額基準呈報。

在根據銷售合約本集團就向客戶提供已承諾貨品負有主要責任、在向客戶轉移已承諾貨品前面對存貨風險並有權酌情為已承諾貨品定價的情況下，董事將本集團釐定為該等銷售合約項下的主事人。因此，相關收益按總額基準呈列。

5 SEGMENT INFORMATION

Information reported to the Managing Director, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group is currently organised into four operating divisions: sale and leaseback arrangements services, property leasing services, assets management and consultancy services and supply chain management business.

Sale and leaseback arrangements service is engaging in collateral financing activities. Property leasing service is engaging in rental of properties. Assets management and consultancy service is engaging in provision of referral and corporate financial advisory services.

During the year, the Group renamed the supply chain management services to supply chain management business and changed of its identification of this segment. The Group extended its supply chain management business to trading of goods. Since the trading of goods is a new revenue stream for the year, no prior period segment revenue information is restated for comparative purpose.

Segment results represent the profit or loss of each segment without allocation of central administration costs, (loss)/gain on disposal of debt instruments at FVOCI, reversal for impairment losses in debt instruments at FVOCI, changes in fair value of financial assets at FVPL, finance costs, and share of profit of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

5 分部資料

向董事總經理(即主要經營決策者(「主要經營決策者」))呈報以供進行資源分配及分部表現評估之資料著重於提供的服務類別。在確定本集團的須呈報分部時，主要經營決策者識別的經營分部並未合併計算。

本集團現時分為四個經營分部：售後回租安排服務、物業租賃服務、資產管理及諮詢服務以及供應鏈管理業務。

售後回租安排服務從事抵押融資活動。物業租賃服務從事物業租賃。資產管理及諮詢服務從事提供轉介和企業的財務諮詢服務。

年內，本集團將供應鏈管理服務更名為供應鏈管理業務，並更改其對該分部之識別。本集團將其供應鏈管理業務擴展至商品貿易。由於商品貿易為年內之新收入來源，故並無就比較目的重列過往期間分部收益資料。

分部業績指各分部之溢利或虧損，當中並無分配中央行政成本、出售透過其他全面收益按公允值處理之債務工具之(虧損)/收益、透過其他全面收益按公允值處理之債務工具減值虧損撥回、透過損益賬按公允值處理之金融資產之公允值變動、融資成本及應佔聯營公司之溢利。此乃就資源分配及表現評估而向主要經營決策者呈報之計量方法。

5 SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by operating and reportable segments. Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current and prior years.

5 分部資料(續)

下列為本集團按經營分部及須呈報分部劃分之收益及業績分析。上述呈報之分部收益均來自外界客戶。於本年度及過往年度並無分部之間的銷售。

| | | Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元 | Property leasing services 物業 租賃服務 HK\$'000 港幣千元 | Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 | Supply chain management business 供應鏈 管理業務 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|------------------------------------|---|---|---|---|---------------------------------|
| During the year ended 31 December 2021 | 截至二零二一年 十二月三十一日 止年度 | | | | | |
| Revenue under sale and leaseback arrangements | 售後回租安排 項下之收益 | 91,104 | - | - | - | 91,104 |
| Revenue from supply chain management services | 來自供應鏈管理 服務之收益 | - | - | - | 14,772 | 14,772 |
| Revenue from trading of goods | 商品貿易收益 | - | - | - | 1,788,273 | 1,788,273 |
| Property leasing income | 物業租賃收入 | 712 | 733 | - | - | 1,445 |
| Consultancy service income | 諮詢服務收入 | - | - | 2,409 | - | 2,409 |
| Segment revenue | 分部收益 | 91,816 | 733 | 2,409 | 1,803,045 | 1,898,003 |
| Segment results | 分部業績 | 67,501 | 796 | (136) | 8,525 | 76,686 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報告附註

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

| | | Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元 | Property leasing services 物業 租賃服務 HK\$'000 港幣千元 | Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 | Supply chain management business 供應鏈 管理業務 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|------------------------------------|---|---|---|---|---------------------------------|
| During the year ended 31 December 2020 | 截至二零二零年 十二月三十一日 止年度 | | | | | |
| Revenue under sale and leaseback arrangements | 售後回租安排 項下之收益 | 78,691 | - | - | - | 78,691 |
| Revenue from supply chain management services | 來自供應鏈管理 服務之收益 | - | - | - | 4,634 | 4,634 |
| Property leasing income | 物業租賃收入 | - | 339 | - | - | 339 |
| Consultancy service income | 諮詢服務收入 | - | - | 1,054 | 660 | 1,714 |
| Segment revenue | 分部收益 | 78,691 | 339 | 1,054 | 5,294 | 85,378 |
| Segment results | 分部業績 | 65,976 | (970) | (5,259) | 2,431 | 62,178 |

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-------------------------------|-----------------------------------|-----------------------------------|
| Segment results | 分部業績 | 76,686 | 62,178 |
| Unallocated | 未分配 | | |
| Central administration costs | 中央行政成本 | (29,552) | (29,648) |
| Changes in fair value of financial assets at FVPL | 透過損益賬按公允值處理之金融資產之公允值變動 | 1,492 | 272 |
| (Loss)/gain on disposal of debt instruments at FVOCI | 出售透過其他全面收益按公允值處理之債務工具之(虧損)/收益 | (12) | 29 |
| Other income (Note) | 其他收入(附註) | 1,055 | 2,711 |
| Reversal for impairment losses in debt instruments at FVOCI | 透過其他全面收益按公允值處理之債務工具之減值虧損撥回 | 18 | 29 |
| Finance costs | 融資成本 | (1,951) | (1,676) |
| Share of profit of associates | 應佔聯營公司之溢利 | 2,328 | 1,258 |
| Profit before tax | 除稅前溢利 | 50,064 | 35,153 |

Note: Unallocated other income represents interest income from debt instruments at FVOCI, bank deposits held by investment holding companies and government grant received from the Government of the Hong Kong Special Administrative Region under the Employment Support Scheme.

附註：未分配其他收入指透過其他全面收益按公允值處理之債務工具之利息收入、投資控股公司所持銀行存款及根據「保就業」計劃自香港特別行政區政府收取之政府補貼。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報告附註

5 SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

5 分部資料(續)

以下為按經營分部及須呈報分部劃分之
本集團資產及負債分析：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-------------------------|-----------------------------------|-----------------------------------|
| Segment assets | 分部資產 | | |
| Sale and leaseback arrangements services | 售後回租安排服務 | 1,699,823 | 1,576,469 |
| Supply chain management business | 供應鏈管理業務 | 325,913 | 274,395 |
| Property leasing services | 物業租賃服務 | 38,784 | 24,718 |
| Assets management and consultancy services | 資產管理及諮詢服務 | 58,696 | 71,175 |
| Total segment assets | 分部資產總額 | 2,123,216 | 1,946,757 |
| Interests in an associate | 於一間聯營公司之權益 | 92,930 | 91,362 |
| Debt instrument at FVOCI | 透過其他全面收益按公允值處理之 債務工具 | - | 15,886 |
| Financial assets at FVPL | 透過損益賬按公允值處理之金融 資產 | 4,339 | 2,847 |
| Other unallocated assets | 其他未分配資產 | 105,110 | 104,621 |
| Consolidated assets | 綜合資產 | 2,325,595 | 2,161,473 |
| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| Segment liabilities | 分部負債 | | |
| Sale and leaseback arrangements services | 售後回租安排服務 | 292,669 | 292,052 |
| Supply chain management business | 供應鏈管理業務 | 42,003 | 19,223 |
| Property leasing services | 物業租賃服務 | 169 | 224 |
| Assets management and consultancy services | 資產管理及諮詢服務 | 673 | 1,395 |
| Total segment liabilities | 分部負債總額 | 335,514 | 312,894 |
| Unallocated secured bank borrowings | 未分配已抵押銀行借款 | 85,315 | 78,170 |
| Other unallocated liabilities | 其他未分配負債 | 14,387 | 6,420 |
| Consolidated liabilities | 綜合負債 | 435,216 | 397,484 |

5 SEGMENT INFORMATION (Continued)

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than interests in an associate, debt instrument at FVOCI, financial assets at FVPL and other unallocated assets (including primarily unallocated property, plant and equipment, cash and cash equivalents and prepayments).
- all liabilities are allocated to reportable segments other than unallocated secured bank borrowings not for sale and leaseback arrangements services and other unallocated liabilities.

5 分部資料(續)

為監察分部表現及於分部之間分配資源：

- 所有資產均分配予須呈報分部，不包括於一間聯營公司之權益、透過其他全面收益按公允值處理之債務工具、透過損益賬按公允值處理之金融資產及其他未分配資產(主要包括未分配物業、廠房及設備、現金及現金等值項目以及預付款項)。
- 所有負債均分配予須呈報分部，不包括不屬售後回租安排服務之未分配已抵押銀行借款及其他未分配負債。

5 SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 December 2021

5 分部資料(續)

其他分部資料

截至二零二一年十二月三十一日止年度

| | | Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元 | Property leasing services 物業租賃 服務 HK\$'000 港幣千元 | Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 | Supply chain management business 供應鏈 管理業務 HK\$'000 港幣千元 | Unallocated 未分配 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|--|---|---|---|---|--|---------------------------------|
| Additions to non-current assets (Note) | 非流動資產之增加(附註) | 1,142 | 3 | - | - | 34 | 1,179 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 294 | 289 | 175 | 102 | 454 | 1,314 |
| Amortisation charge on intangible asset | 無形資產攤銷費用 | - | - | - | 2,927 | - | 2,927 |
| Interest income from bank deposits, term deposits with initial term over three months and debt instruments at FVOCI | 銀行存款、初始期限超過三個月的定期存款及透過其他全面收益按公允值處理之債務工具之利息收入 | 1,884 | - | 177 | 893 | 867 | 3,821 |
| Provision for impairment loss of receivables under sale and leaseback arrangements, net | 售後回租安排項下應收款項之減值虧損撥備淨額 | 2,751 | - | - | - | - | 2,751 |
| Provision for impairment loss of trade and bill receivables and other receivables | 應收貿易賬款及應收票據以及其他應收款項減值虧損撥備 | - | - | - | 194 | - | 194 |
| Reversal of provision for impairment loss of debt instruments at FVOCI | 透過其他全面收益按公允值處理之債務工具之減值虧損撥備撥回 | - | - | - | - | 18 | 18 |

5 SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2020

5 分部資料(續)

其他分部資料(續)

截至二零二零年十二月三十一日止年度

| | | Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元 | Property leasing services 物業租賃 服務 HK\$'000 港幣千元 | Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 | Supply chain management business 供應鏈 管理業務 HK\$'000 港幣千元 | Unallocated 未分配 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|--|--|---|---|---|---|--|---------------------------------|
| Additions to non-current assets (Note) | 非流動資產之增加 (附註) | 32 | - | - | - | 14 | 46 |
| Depreciation of property, plant and equipment | 物業、廠房及設備 折舊 | 334 | 87 | 163 | 386 | 1,150 | 2,120 |
| Amortisation charge on intangible asset | 無形資產攤銷費用 | - | - | - | 2,956 | - | 2,956 |
| Interest income from bank deposits, term deposits with initial term over three months and debt instruments at FVOCI | 銀行存款、初始期限 超過三個月的定期 存款及透過其他 全面收益按公允值 處理之債務工具之 利息收入 | 1,719 | - | 1,433 | 5,869 | 1,615 | 10,636 |
| Reversal of provision for impairment loss of receivables under sale and leaseback arrangements, net | 售後回租安排項下 應收款項之減值 虧損撥備撥回淨額 | 5,887 | - | - | - | - | 5,887 |
| Reversal of provision for impairment loss of debt instruments at FVOCI | 透過其他全面收益 按公允值處理之 債務工具之減值 虧損撥備撥回 | - | - | - | - | 29 | 29 |

Note: Non-current assets exclude goodwill, interests in an associate, financial assets, deferred tax assets and right-of-use assets.

附註：非流動資產不包括商譽、於一間聯營公司之權益、金融資產、遞延稅項資產以及使用權資產。

5 SEGMENT INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas – Mainland China and Hong Kong.

The Group's revenue from external customers by location of the relevant subsidiary's operations and information about its non-current assets by location of assets are detailed below:

5 分部資料(續)

地區資料

本集團業務位於兩個主要地區 – 中國內地及香港。

本集團按相關附屬公司之經營地點劃分來自外界客戶之收益，及按資產所處位置劃分其非流動資產之資料詳述如下：

| | | Revenue from external customers 來自外界客戶之收益 | | Non-current assets (Note) 非流動資產(附註) | |
|----------------|------|---|-----------------------------------|--|-----------------------------------|
| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| Mainland China | 中國內地 | 1,896,703 | 84,756 | 117,318 | 19,702 |
| Hong Kong | 香港 | 1,300 | 622 | 38,532 | 38,902 |
| | | 1,898,003 | 85,378 | 155,850 | 58,604 |

Note: Non-current assets exclude goodwill, interests in an associate, financial assets, deferred tax assets and right-of-use assets.

附註：非流動資產不包括商譽、於一間聯營公司之權益、金融資產、遞延稅項資產以及使用權資產。

5 SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group under reportable segments for the corresponding years are as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------|-----------------------------------|-----------------------------------|
| Sale and leaseback arrangements services: | 售後回租安排服務： | | |
| Customer A | 客戶A | (Note) (附註) | 32,434 |
| Customer B | 客戶B | (Note) (附註) | 15,965 |
| Customer C | 客戶C | (Note) (附註) | 11,796 |
| Customer D | 客戶D | (Note) (附註) | 8,638 |
| Supply chain management business: | 供應鏈管理業務： | | |
| Customer E | 客戶E | 668,488 | — |
| Customer F | 客戶F | 291,429 | — |
| Customer G | 客戶G | 266,857 | — |
| Customer H | 客戶H | 256,015 | — |

Note: The corresponding revenue did not contribute over 10% of the total revenue of the Group.

附註：相應收益概無對本集團總收益貢獻10%以上。

Revenue recognised in relation to contract liabilities

As at 31 December 2021, contract liabilities amounted to HK\$10,115,000 (2020: HK\$Nil). There was no revenue recognised that was included in the contract liabilities balance at the beginning of the year.

確認有關合約負債之收益

於二零二一年十二月三十一日，合約負債為港幣10,115,000元(二零二零年：港幣零元)。概無於年初計入合約負債結餘的已確認收益。

6 OTHER INCOME

6 其他收入

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------------|-----------------------------------|-----------------------------------|
| Interest income | 利息收入 | | |
| - bank deposits | - 銀行存款 | 3,184 | 4,053 |
| - term deposits with initial term over three months | - 初始期限超過三個月的定期存款 | - | 5,603 |
| - debt instruments at FVOCI | - 透過其他全面收益按公允值處理之債務工具 | 637 | 980 |
| | | 3,821 | 10,636 |
| Government grant (Note) | 政府補貼(附註) | 1,883 | 1,309 |
| Others | 其他 | 294 | 443 |
| | | 5,998 | 12,388 |

Note: During the year, no government grant was received from the Government of the Hong Kong Special Administrative Region under the Employment Support Scheme (2020: HK\$918,000). The remaining subsidies and awards of HK\$1,883,000 (2020: HK\$391,000) was received from the relevant authorities in the PRC which is an incentive payment to the Group whereby no future related cost is required or expected to be made.

附註：年內，並無根據「保就業」計劃自香港特別行政區政府收取政府補貼(二零二零年：港幣918,000元)。其餘為自中國有關部門取得之補貼及獎勵港幣1,883,000元(二零二零年：港幣391,000元)，為向本集團支付之激勵金，毋須且預計不會就此產生任何未來相關成本。

7 OTHER GAINS, NET

7 其他收益淨額

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-------------------------------|-----------------------------------|-----------------------------------|
| (Loss)/gain on disposal of debt instruments at FVOCI | 出售透過其他全面收益按公允值處理之債務工具之(虧損)/收益 | (12) | 29 |
| Loss on disposal of property, plant and equipment and intangible asset, net | 出售物業、廠房及設備以及無形資產之虧損淨額 | (1) | (10) |
| Recovery of receivables under sale and leaseback arrangements previously written-off | 收回先前撇銷的售後回租安排項下之應收款項 | 90 | 13,715 |
| | | 77 | 13,734 |

8 EXPENSES BY NATURE

8 按性質劃分之開支

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|---|-----------------------------------|-----------------------------------|
| Cost of goods sold | 銷售商品成本 | 1,778,325 | – |
| Cost of sale and leaseback arrangements | 售後回租安排成本 | 12,373 | 11,618 |
| Auditor's remuneration | 核數師薪酬 | | |
| – Audit services | – 審計服務 | 1,200 | 1,200 |
| – Non-audit services | – 非審計服務 | 940 | 710 |
| Employee benefit expenses (Note 9) | 僱員福利開支(附註9) | 38,453 | 40,888 |
| Depreciation of property, plant and equipment (Note 15) | 物業、廠房及設備折舊(附註15) | 1,314 | 2,120 |
| Depreciation of right-of-use assets (Note 16) | 使用權資產折舊(附註16) | 3,799 | 3,403 |
| Amortisation of intangible assets (Note 18) | 無形資產攤銷(附註18) | 2,927 | 2,956 |
| Legal and professional fees | 法律及專業費用 | 3,337 | 3,339 |
| Consultancy and management fees charged by Shougang Holding (Note 34) | 首鋼控股收取的諮詢及管理費(附註34) | 2,880 | 2,880 |
| Short term lease expenses | 短期租賃費用 | 602 | 821 |
| Insurance | 保險 | 465 | 497 |
| Annual listing fees | 年度上市費用 | 579 | 554 |
| Building and management fees | 樓宇及管理費 | 475 | 476 |
| Printing and stationery | 印刷及文具 | 173 | 293 |
| Exchange (gain)/loss, net | 匯兌(收益)/虧損淨額 | (1,214) | 125 |
| Office expenses | 辦公室開支 | 2,870 | 2,729 |
| Others | 其他 | 7,123 | 6,508 |
| Total (including cost of sale and leaseback arrangements and consultancy services, cost of supply chain management business, selling expenses and administrative expenses) | 總額(包括售後回租安排及諮詢服務成本、供應鏈管理業務成本、出售開支及行政開支) | 1,856,621 | 81,117 |

Note: During the year, cost of sale and leaseback arrangements included HK\$9,441,000 (2020: HK\$10,192,000) interest on bank borrowings (Note 11).

附註：年內，售後回租安排成本包括銀行借款利息港幣9,441,000元(二零二零年：港幣10,192,000元)(附註11)。

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENT)

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------|-----------------------------------|-----------------------------------|
| Wages, salaries and other benefits | 工資、薪金及其他福利 | 33,704 | 39,210 |
| Directors' fee | 董事袍金 | 1,190 | 1,005 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 3,559 | 673 |
| Total employee benefit expenses | 僱員福利開支總額 | 38,453 | 40,888 |

Five highest paid individuals

The five highest paid employees of the Group during the year included two directors (2020: three directors), details of whose remuneration are set out in the disclosures above. Details of the remuneration for the year of the remaining three (2020: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

五名最高薪人士

年內，本集團五名最高薪僱員包括兩名董事(二零二零年：三名董事)，有關彼等的酬金詳情於上文披露。於本年度內，最高薪僱員中的餘下三名人士(二零二零年：兩名)並非本公司董事或最高行政人員，有關酬金詳情如下：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|------------|-----------------------------------|-----------------------------------|
| Wages, salaries and other benefits | 工資、薪金及其他福利 | 4,679 | 2,455 |
| Retirement benefit schemes contributions | 退休福利計劃供款 | 50 | 36 |
| | | 4,729 | 2,491 |

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENT) (Continued)

Five highest paid individuals (Continued)

The number of the highest paid employees who are not the Directors and whose remuneration fell within the following bands is as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|--------------------------------|---------------------------|---------------|---------------|
| Nil to HK\$1,000,000 | 零至港幣1,000,000元 | - | - |
| HK\$1,000,001 to HK\$1,500,000 | 港幣1,000,001元至港幣1,500,000元 | 2 | 2 |
| HK\$1,500,001 to HK\$2,000,000 | 港幣1,500,001元至港幣2,000,000元 | - | - |
| HK\$2,000,001 to HK\$2,500,000 | 港幣2,000,001元至港幣2,500,000元 | 1 | - |

During the year, no remuneration was paid by the Group to the Directors of the Company or the five highest paid 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(包括董事薪酬)(續)

五名最高薪人士(續)

酬金介乎以下範圍內且並非董事之最高薪僱員人數如下：

年內，本集團並無支付任何酬金予本公司董事或五名最高薪僱員作為加入或於加入本集團後之獎勵或作為離職補償。

10 (PROVISION FOR)/REVERSAL OF PROVISION FOR IMPAIRMENT OF RECEIVABLES, NET

10 應收款項減值(撥備)/撥備撥回淨額

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------------|-----------------------------------|-----------------------------------|
| Impairment loss (provided)/reversed: | 減值虧損(撥備)/撥回： | | |
| - Receivables under sale and leaseback arrangements | - 售後回租安排項下應收款項 | (2,751) | 5,887 |
| - Trade and bill receivables | - 應收貿易賬款及應收票據 | (22) | - |
| - Other receivables | - 其他應收款項 | (172) | - |
| - Debt instruments at FVOCI | - 透過其他全面收益按公允值處理之債務工具 | 18 | 29 |
| | | (2,927) | 5,916 |

11 FINANCE COSTS

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|------------------|-----------------------------------|-----------------------------------|
| Interest on bank borrowings | 銀行借款之利息 | 12,747 | 11,733 |
| Less: amounts included in cost of sale and leaseback arrangements | 減：已計入售後回租安排成本之款項 | (9,441) | (10,192) |
| | | 3,306 | 1,541 |
| Interest on lease liabilities | 租賃負債利息 | 224 | 135 |
| | | 3,530 | 1,676 |

11 融資成本

12 INCOME TAX EXPENSE

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|-------------------------------|-------------|-----------------------------------|-----------------------------------|
| Current tax: | 即期稅項： | | |
| – Hong Kong | – 香港 | 2 | 5 |
| – The PRC | – 中國 | 11,117 | 9,115 |
| | | 11,119 | 9,120 |
| Deferred income tax (Note 29) | 遞延所得稅(附註29) | (3,548) | 7,839 |
| Income tax expense | 所得稅開支 | 7,571 | 16,959 |

12 所得稅開支

Notes:

- (a) 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 profit 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%.
- (b) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for 2021 (2020: 25%).

附註：

- (a) 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)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊登憲報。根據利得稅兩級制，合資格集團實體首港幣2,000,000元溢利將按8.25%的稅率徵稅，及超過港幣2,000,000元的溢利將按16.5%的稅率徵稅。不符合利得稅兩級制資格的集團實體的溢利將繼續按16.5%之劃一稅率徵收稅項。
- (b) 根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於二零二一年，中國附屬公司之稅率為25%(二零二零年：25%)。

12 INCOME TAX EXPENSE (Continued)

The taxation for the year is reconciled to profit before income tax per the consolidated statement of comprehensive income as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|------------------------------|-----------------------------------|-----------------------------------|
| Profit before income tax | 除所得稅前溢利 | 50,064 | 35,153 |
| Tax calculated at the PRC statutory income tax rate of 25% | 按中國法定所得稅稅率25%計算之稅項 | 12,516 | 8,788 |
| Tax effect of amount which are not deductible/(taxable) in calculating taxable income: | 在計算應課稅收入時不可扣減／(不應課稅)金額的稅務影響： | | |
| Share of results of associates | 佔聯營公司的業績 | (582) | (315) |
| Expenses not deductible for taxation purposes | 不可扣稅開支 | 1,032 | 227 |
| Income not subject to taxation | 毋須繳稅收入 | (1,555) | (1,079) |
| Tax losses for which no deferred income tax was recognised | 未確認遞延所得稅的稅項虧損 | 307 | 5,642 |
| Recognition of tax loss (Note) | 確認稅項虧損(附註) | (2,630) | - |
| Utilisation of previously unrecognised tax loss | 動用先前未確認的稅項虧損 | (2,100) | - |
| Effect of different tax rates of subsidiaries operating in other jurisdiction | 於其他司法權區經營業務之附屬公司不同稅率之影響 | 343 | 2,430 |
| Withholding tax on dividends of the PRC subsidiaries | 中國附屬公司股息之預扣稅 | 240 | 1,266 |
| Expense for the year | 年度開支 | 7,571 | 16,959 |

Note:

Following a significant improvement in financial performance in supply chain management business segment in 2021, the Group reviewed previously unrecognised tax losses and determined that it was now probable that taxable profits will be available against which the tax losses can be utilised. As a consequence, a deferred tax asset of HK\$2,630,000 was recognised for these losses in 2021.

附註：

由於供應鏈管理業務分部於二零二一年的財務表現大幅改善，本集團審閱了先前未確認的稅項虧損，並認為很可能會有能與稅項虧損抵銷的應課稅溢利。因此，於二零二一年就該等虧損確認遞延稅項資產港幣2,630,000元。

13 DIVIDENDS

The Board has resolved to recommend a final dividend in the total amount of HK\$11.95 million for the year ended 31 December 2021 (2020: HK\$Nil), payable to shareholders whose names appear on the register of members of the Company at the close of business on Friday, 27 May 2022. Based on 3,984,639,703 ordinary shares of the Company in issue, such a final dividend would amount to HK0.3 cent per ordinary share. The final dividend is subject to the shareholders' approval at the forthcoming annual general meeting. The final dividend proposed after 31 December 2021 has not been recognised as a liability as at 31 December 2021.

14 EARNINGS PER SHARE

(a) Basic

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|----------------------|------------------|---------------|
| Profit attributable to owners of the Company (HK\$'000) | 本公司持有人應佔溢利 (港幣千元) | 27,294 | 5,980 |
| Weighted average number of ordinary shares (thousand) | 普通股加權平均股數(千股) | 3,984,640 | 3,984,640 |
| Basic earnings per share (expressed in HK cent per share) | 每股基本盈利(每股港仙) | 0.68 | 0.15 |

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. No diluted earnings per share for the years ended 31 December 2021 and 2020 as there was no dilutive potential shares during the year.

13 股息

董事會決議建議派發截至二零二一年十二月三十一日止年度之末期股息合共港幣11.95百萬元(二零二零年：港幣零元)予於二零二二年五月二十七日(星期五)營業時間結束時名列於本公司股東名冊內之股東。按本公司已發行之普通股股份總數3,984,639,703股，該末期股息將為每股普通股0.3港仙。該末期股息須待即將舉行之本公司股東週年大會上獲股東批准。於二零二一年十二月三十一日後擬派發之末期股息於二零二一年十二月三十一日並未確認為負債。

14 每股盈利

(a) 基本

本公司持有人應佔每股基本及攤薄盈利乃基於以下數據計算：

(b) 攤薄

每股攤薄盈利乃透過調整發行在外普通股加權平均數，以假設轉換所有潛在攤薄普通股而計算。由於年內並無潛在攤薄股份，故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每股攤薄盈利。

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

| | | Buildings 樓宇 HK\$'000 港幣千元 | Leasehold improvements 租賃 物業裝修 HK\$'000 港幣千元 | Motor Vehicles 汽車 HK\$'000 港幣千元 | Furniture, fitting and equipment 傢俱、裝置 及設備 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|------------------------------------|-------------------|-------------------------------------|---|---|--|---------------------------------|
| At 1 January 2020 | 於二零二零年一月一日 | | | | | |
| Cost | 成本 | 22,299 | 857 | 2,036 | 6,904 | 32,096 |
| Accumulated depreciation | 累計折舊 | (927) | (311) | (1,252) | (4,237) | (6,727) |
| Net book amount | 賬面淨值 | 21,372 | 546 | 784 | 2,667 | 25,369 |
| Year ended 31 December 2020 | 截至二零二零年十二月三十一日止年度 | | | | | |
| Opening net book amount | 年初賬面淨值 | 21,372 | 546 | 784 | 2,667 | 25,369 |
| Exchange difference | 匯兌差額 | 381 | - | (9) | 40 | 412 |
| Addition | 添置 | - | - | - | 46 | 46 |
| Depreciation charge | 折舊費用 | (585) | (266) | (569) | (700) | (2,120) |
| Disposal | 出售 | - | - | - | (1,336) | (1,336) |
| Closing net book amount | 年末賬面淨值 | 21,168 | 280 | 206 | 717 | 22,371 |
| At 31 December 2020 | 於二零二零年十二月三十一日 | | | | | |
| Cost | 成本 | 22,720 | 860 | 2,050 | 5,130 | 30,760 |
| Accumulated depreciation | 累計折舊 | (1,552) | (580) | (1,844) | (4,413) | (8,389) |
| Net book amount | 賬面淨值 | 21,168 | 280 | 206 | 717 | 22,371 |

15 PROPERTY, PLANT AND EQUIPMENT (Continued)

15 物業、廠房及設備(續)

| | | Buildings | Leasehold improvements | Motor Vehicles | Furniture, fitting and equipment | Total |
|---|------------------|---------------|------------------------|----------------|----------------------------------|---------------|
| | | 樓宇 | 租賃物業裝修 | 汽車 | 傢俱、裝置及設備 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| At 1 January 2021 | 於二零二一年一月一日 | | | | | |
| Cost | 成本 | 22,720 | 860 | 2,050 | 5,130 | 30,760 |
| Accumulated depreciation | 累計折舊 | (1,552) | (580) | (1,844) | (4,413) | (8,389) |
| Net book amount | 賬面淨值 | 21,168 | 280 | 206 | 717 | 22,371 |
| Year ended 31 December 2021 | 截至二零二一年十二月三十一日年度 | | | | | |
| Opening net book amount | 年初賬面淨值 | 21,168 | 280 | 206 | 717 | 22,371 |
| Exchange difference | 匯兌差額 | 77 | - | - | 78 | 155 |
| Transfer to investment properties (Note 17) | 轉撥至投資物業(附註17) | (20,874) | - | - | - | (20,874) |
| Addition | 添置 | - | 1,028 | - | 151 | 1,179 |
| Depreciation charge | 折舊費用 | (371) | (301) | (206) | (436) | (1,314) |
| Disposal | 出售 | - | - | - | (1) | (1) |
| Closing net book amount | 年末賬面淨值 | - | 1,007 | - | 509 | 1,516 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | | | | | |
| Cost | 成本 | - | 1,889 | 2,060 | 5,317 | 9,266 |
| Accumulated depreciation | 累計折舊 | - | (882) | (2,060) | (4,808) | (7,750) |
| Net book amount | 賬面淨值 | - | 1,007 | - | 509 | 1,516 |

At 31 December 2020, all of the Group's buildings were located in Hong Kong and Mainland China with the remaining lease terms of 40 and 30 years.

Depreciation expense of HK\$1,314,000 (2020: HK\$2,120,000) was charged in administrative expenses.

於二零二零年十二月三十一日，本集團所有樓宇均位於香港及中國內地，剩餘租期為40年及30年。

折舊開支港幣1,314,000元(二零二零年：港幣2,120,000元)已計入行政開支內。

16 LEASES

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|----------------------------|--------------|-----------------------------------|-----------------------------------|
| Right-of-use assets | 使用權資產 | | |
| Office premises | 辦公樓 | 16,807 | 1,837 |
| Land use right | 土地使用權 | - | 37,706 |
| | | 16,807 | 39,543 |
| Lease liabilities | 租賃負債 | | |
| Current portion | 流動部分 | 3,618 | 1,917 |
| Non-current portion | 非流動部分 | 13,686 | - |
| | | 17,304 | 1,917 |

During the year ended 31 December 2021, the land use right being part of commercial building property amounted to HK\$37,155,000 was transferred to investment properties (Note 17).

16 租賃

(a) 於綜合財務狀況表確認之金額

綜合財務狀況表列載以下與租賃相關之金額：

截至二零二一年十二月三十一日止年度，部分商業樓宇物業的土地使用權港幣37,155,000元已轉撥至投資物業(附註17)。

16 LEASES (Continued)

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|----------------------|-----------------------------------|-----------------------------------|
| Depreciation charge of right-of-use assets | 使用權資產折舊費用 | | |
| Office premises | 辦公樓 | 2,754 | 2,205 |
| Land use right | 土地使用權 | 1,045 | 1,198 |
| | | 3,799 | 3,403 |
| Interest on lease liabilities (included in finance cost) | 租賃負債利息 (計入融資成本) | 224 | 135 |
| Expenses relating to short-term leases (included in administrative expenses) | 短期租賃相關開支 (計入行政開支) | 602 | 821 |

The total cash outflow for leases during the year ended 31 December 2021 was HK\$2,567,000 (2020: HK\$2,346,000).

(c) The Group's leasing activities and how these are accounted for

The Company leases various properties in Hong Kong and Mainland China. Rental contracts are typically made for fixed periods of 1 year to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

16 租賃(續)

(b) 於綜合全面收益表確認之金額

綜合全面收益表列載以下與租賃相關之金額：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|----------------------|-----------------------------------|-----------------------------------|
| Depreciation charge of right-of-use assets | 使用權資產折舊費用 | | |
| Office premises | 辦公樓 | 2,754 | 2,205 |
| Land use right | 土地使用權 | 1,045 | 1,198 |
| | | 3,799 | 3,403 |
| Interest on lease liabilities (included in finance cost) | 租賃負債利息 (計入融資成本) | 224 | 135 |
| Expenses relating to short-term leases (included in administrative expenses) | 短期租賃相關開支 (計入行政開支) | 602 | 821 |

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港幣2,567,000元(二零二零年：港幣2,346,000元)。

(c) 本集團的租賃活動以及如何進行會計處理

本公司於香港及中國內地租賃多項物業。租賃合約通常為1年至5年之固定期限。租賃條款乃按個別情況磋商並包含各種不同的條款及條件。

17 INVESTMENT PROPERTIES

17 投資物業

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------------|-----------------------------------|-----------------------------------|
| At fair value | 按公允值 | | |
| At 1 January | 於一月一日 | 23,700 | 24,700 |
| Transfer from property, plant and equipment (Note 15) | 自物業、廠房及設備轉入(附註15) | 20,874 | - |
| Transfer from right-of-use assets (Note 16) | 自使用權資產轉入(附註16) | 37,155 | - |
| Revaluation upon transfer from property, plant and equipment and right-of-use assets | 自物業、廠房及設備以及使用權資產轉入時重估 | 56,353 | - |
| Changes in fair value recognised in the consolidated statement of comprehensive income | 於綜合全面收益表確認之公允值變動 | 5,244 | (1,000) |
| Exchange differences | 匯兌差額 | 1,172 | - |
| At 31 December | 於十二月三十一日 | 144,498 | 23,700 |

Amounts recognised in the consolidated statement of comprehensive income for investment properties:

就投資物業於綜合全面收益表確認之金額：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Rental income | 租金收入 | 1,445 | 339 |
| Direct operating expenses from properties that generated rental income | 產生租金收入物業之直接經營成本 | (115) | (82) |

As at 31 December 2021, the Group had no unprovided contractual obligations for future repairs and maintenance (2020: Nil).

於二零二一年十二月三十一日，本集團並無有關未來維修及保養之未撥備合約義務(二零二零年：無)。

17 INVESTMENT PROPERTIES (Continued)

Fair value hierarchy

The following table analyses the investment properties carried at fair value, by valuation method.

17 投資物業(續)

公允值架構

下表按估值方法分析按公允值列賬的投資物業。

| | | Significant unobservable inputs (Level 3) 重大無法觀察輸入數據(第三級) | |
|---|---------------|---|-----------------------------------|
| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| Recurring fair value measurements | 經常性公允值計量 | | |
| Residential property units located in Hong Kong | 位於香港的住宅物業單位 | 38,400 | 23,700 |
| Commercial property units located in Mainland China | 位於中國內地的商業物業單位 | 106,098 | — |
| | | 144,498 | 23,700 |

There were no transfers between Level 1, 2 and 3 during the year.

於年內，第一級、第二級及第三級之間並無轉移。

17 INVESTMENT PROPERTIES (Continued)
Fair value measurements using significant unobservable inputs (Level 3)

17 投資物業(續)
使用重大無法觀察輸入數據之公允
值計量(第三級)

| | | Residential property units located in Hong Kong | Commercial property units located in Mainland China | Total |
|--|---------------------------|--|--|------------------------|
| | | 位於香港的 住宅物業單位 HK\$'000 港幣千元 | 位於中國內地的 商業物業單位 HK\$'000 港幣千元 | 總計 HK\$'000 港幣千元 |
| For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度 | | | | |
| Opening balance at 1 January 2020 | 於二零二零年一月一日的 年初結餘 | 24,700 | - | 24,700 |
| Changes in fair value recognised in the consolidated statement of comprehensive income | 於綜合全面收益表確認之 公允值變動 | (1,000) | - | (1,000) |
| Closing balance at 31 December 2020 | 於二零二零年十二月 三十一日之年末結餘 | 23,700 | - | 23,700 |
| For the year ended 31 December 2021 截至二零二一年十二月三十一日止年度 | | | | |
| Opening balance at 1 January 2021 | 於二零二一年一月一日的 年初結餘 | 23,700 | - | 23,700 |
| Transfer from property, plant and equipment (Note 15) | 自物業、廠房及設備轉入 (附註15) | 14,363 | 6,511 | 20,874 |
| Transfer from right-of-use assets (Note 16) | 自使用權資產轉入 (附註16) | - | 37,155 | 37,155 |
| Revaluation upon transfer from property, plant and equipment and right-of-use assets | 自物業、廠房及設備以及 使用權資產轉入時重估 | 37 | 56,316 | 56,353 |
| Changes in fair value recognised in the consolidated statement of comprehensive income | 於綜合全面收益表確認之 公允值變動 | 300 | 4,944 | 5,244 |
| Exchange differences | 匯兌差額 | - | 1,172 | 1,172 |
| Closing balance at 31 December 2021 | 於二零二一年十二月 三十一日之年末結餘 | 38,400 | 106,098 | 144,498 |

17 INVESTMENT PROPERTIES (Continued)

Transfer from property, plant and equipment to investment properties

During the year ended 31 December 2021, Group's own occupied properties were transferred to investment properties. Market comparable approach has been adopted for valuing the abovementioned properties. One of the key inputs used in valuing the properties were the price per square feet or price per square meter, which are HK\$23,723 per square feet and HK\$63,496 per square meter, respectively.

Valuation processes of the Group

The fair values of the Group's investment properties at 31 December 2021 and 2020 have been arrived at on the basis of a valuation carried out on those dates by Greater China Appraisal Limited, an independent qualified professional valuer not connected with the Group. Greater China Appraisal Limited is a registered firm of the Hong Kong Institute of Surveyors, and has appropriate qualifications and experience. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same location and conditions and where appropriate by capitalisation of rental income from properties.

Market comparable approach has been adopted for valuing the Group's residential and commercial property units. One of the key inputs used in valuing the Group's residential and commercial property units was the price per square feet or price per square meter, which ranged from HK\$17,014 to HK\$23,921 per square feet (2020: HK\$17,014 to HK\$23,561 per square feet) and HK\$65,011 per square meter (2020: not applicable) for residential and commercial property units respectively. An increase in the price per square feet and per square meter used would result in an increase in fair value measurement of the residential property units and commercial property units, and vice versa.

17 投資物業(續)

由物業、廠房及設備轉撥至投資物業

截至二零二一年十二月三十一日止年度，本集團自用物業已轉撥至投資物業。評估上述物業時採用了市場比較法。評估該等物業時所使用的主要輸入數據之一是每平方呎價格或每平方米價格，分別為每平方呎港幣23,723元及每平方米港幣63,496元。

本集團之估值程序

本集團投資物業於二零二一年及二零二零年十二月三十一日之公允值乃按與本集團並無關聯之獨立合資格專業估值師漢華評值有限公司於該等日期進行之估值計算。漢華評值有限公司為香港測量師學會登記公司及擁有適當資格及經驗。估值乃參考位於相同位置及環境之類似物業交易價之市場憑證，並資本化物業租賃收入(倘適用)計算。

評估本集團的住宅及商業物業單位時採用了市場比較法。評估本集團的住宅及商業物業單位時所使用的主要輸入數據之一是每平方呎價格或每平方米價格，分別介乎每平方呎港幣17,014元至港幣23,921元(二零二零年：每平方呎港幣17,014元至港幣23,561元)及每平方米港幣65,011元(二零二零年：不適用)。使用的每平方呎及每平方米價格上升將導致住宅物業單位及商業物業單位的公允值計算上升，反之亦然。

17 INVESTMENT PROPERTIES (Continued)

Valuation processes of the Group (Continued)

There were no changes to the valuation techniques during the year.

The following table analyses the level 3 investment properties carried at fair value, by valuation techniques.

17 投資物業(續)

本集團之估值程序(續)

於年內，估值技術並無變動。

下表按估值技術分析按公允值入賬之第三級投資物業。

| Property 物業 | Fair value at 31 December 於十二月三十一日 之公允值 | | Valuation technique(s) 估值技術 | Unobservable inputs 無法觀察輸入數據 | Range of unobservable inputs 無法觀察輸入數據範圍 | | Relationship of unobservable inputs to fair value 無法觀察輸入數據 與公允值之關係 |
|--|--|-----------------------------------|--|--------------------------------------|---|--|--|
| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 | | | 2021 二零二一年 HK\$ 港幣元 | 2020 二零二零年 HK\$ 港幣元 | |
| | Residential property units located in Hong Kong 位於香港的住宅物業單位 | 38,400 | | | 23,700 | Market comparable approach 市場比較法 | |
| Commercial property units located in Mainland China 位於中國內地的商業 物業單位 | 106,098 | – | Market comparable approach 市場比較法 | Market unit sales price 市場單位售價 | 65,011 | – | The higher the unit selling price, the higher the fair value 單位售價越高，公允值 越高 |

18 INTANGIBLE ASSETS

18 無形資產

| | | Goodwill (Note (a)) 商譽 (附註(a)) HK\$'000 港幣千元 | Supply chain financing platform (Note (b)) 供應鏈融資平台 (附註(b)) HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|------------------------------------|-------------------------------|---|---|---------------------------------|
| At 1 January 2020 | 於二零二零年一月一日 | | | |
| Cost | 成本 | 56,660 | 12,589 | 69,249 |
| Accumulated amortisation | 累計攤銷 | - | (1,216) | (1,216) |
| Net book value | 賬面淨值 | 56,660 | 11,373 | 68,033 |
| Year ended 31 December 2020 | 截至二零二零年 十二月三十一日止年度 | | | |
| Opening net book amount | 年初賬面淨值 | 56,660 | 11,373 | 68,033 |
| Disposal | 出售 | - | (556) | (556) |
| Amortisation charge | 攤銷費用 | - | (2,956) | (2,956) |
| Exchange difference | 匯兌差額 | 3,372 | 471 | 3,843 |
| Closing net book value | 年末賬面淨值 | 60,032 | 8,332 | 68,364 |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | | | |
| Cost | 成本 | 60,032 | 12,738 | 72,770 |
| Accumulated amortisation | 累計攤銷 | - | (4,406) | (4,406) |
| Net book value | 賬面淨值 | 60,032 | 8,332 | 68,364 |
| Year ended 31 December 2021 | 截至二零二一年 十二月三十一日止年度 | | | |
| Opening net book amount | 年初賬面淨值 | 60,032 | 8,332 | 68,364 |
| Addition | 添置 | - | 34 | 34 |
| Amortisation charge | 攤銷費用 | - | (2,927) | (2,927) |
| Exchange difference | 匯兌差額 | 1,465 | 171 | 1,636 |
| Closing net book value | 年末賬面淨值 | 61,497 | 5,610 | 67,107 |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | | | |
| Cost | 成本 | 61,497 | 13,083 | 74,580 |
| Accumulated amortisation | 累計攤銷 | - | (7,473) | (7,473) |
| Net book value | 賬面淨值 | 61,497 | 5,610 | 67,107 |

Amortisation expense of HK\$2,927,000 (2020: HK\$2,956,000) was charged in administrative expenses.

攤銷開支港幣2,927,000元(二零二零年：港幣2,956,000元)已計入行政開支內。

18 INTANGIBLE ASSETS (Continued)

(a) Goodwill

Goodwill is tested for impairment on an annual basis or when there are indications the carrying amount may be impaired. For the purpose of impairment testing, the Group allocates its goodwill to the relevant CGUs or group of CGUs, and compares the recoverable amounts of these CGUs or group of CGUs to their respective carrying amounts. A summary of goodwill allocation for each group of CGUs of the Group is as follows:

| | | Sale and leaseback arrangements services segment 售後回租 安排服務分部 South China Leasing 南方租賃 HK\$'000 港幣千元 | Assets management and consultancy services segment 資產管理及 諮詢服務分部 Shouhua Fangtai 首華方泰 HK\$'000 港幣千元 | Supply Chain management business segment 供應鏈 管理業務分部 Beijing Jingxi Supply Chain 北京京西供應鏈 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|----------------------------|-------------------|--|--|---|---------------------------------|
| At 1 January 2020 | 於二零二零年 一月一日 | 49,366 | 911 | 6,383 | 56,660 |
| Exchange difference | 匯兌差額 | 2,938 | 54 | 380 | 3,372 |
| At 31 December 2020 | 於二零二零年 十二月三十一日 | 52,304 | 965 | 6,763 | 60,032 |
| Exchange difference | 匯兌差額 | 1,276 | 24 | 165 | 1,465 |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 53,580 | 989 | 6,928 | 61,497 |

Goodwill impairment assessment

The recoverable amount is calculated based on the higher of value-in-use calculation or fair value less costs of disposal.

18 無形資產(續)

(a) 商譽

商譽會每年或於出現賬面值可能發生減值的跡象時接受減值測試。就減值測試而言，本集團將其商譽分配至相關現金產生單位或現金產生單位組別，並將該等現金產生單位或現金產生單位組別的可收回金額與其各自的賬面值進行比較。本集團各組別現金產生單位的商譽分配概要如下：

商譽減值評估

可收回金額乃以在用價值計算方式或公允值減出售成本之較高者計算。

18 INTANGIBLE ASSETS (Continued)

(a) Goodwill (Continued)

Goodwill impairment assessment (Continued)

South China Leasing

The recoverable amount of South China Leasing is determined based on value-in-use calculations. The value-in-use calculations used cash flow projection based on financial budgets prepared by management covering a five-year period. The interest rate spread in the value-in-use calculations is 2% (2020: 2%). The discount rate used of approximately 11% (2020: 11%) is pre-tax and reflects the specific risks related to the relevant business.

Any reasonably possible change in any of these key assumptions would not result in an impairment of the goodwill.

Beijing Jingxi Supply Chain

The recoverable amount of Beijing Jingxi Supply Chain is determined based on discounted cash flows calculations. This calculation uses cash flow projections based on five-year financial budgets, with reference to past performance and expectations for market development, approved by management. The annual revenue growth rate during the projection period is 3% (2020: 3%) whereas the cash flows beyond the five-year period are extrapolated with an estimated terminal growth rate of 1% (2020: 1%). The discount rate used of approximately 17.5% (2020: 17.5%) is pre-tax and reflects the specific risks related to the relevant business.

Any reasonably possible change in any of these key assumptions would not result in an impairment of the goodwill.

(b) Supply chain financing platform

The Supply chain financing platform is a software platform to support the supply chain management business of the Group.

As at 31 December 2021, the directors were not aware of any events or changes in circumstances which would indicate that the carrying amount of the intangible assets may not be recoverable.

18 無形資產(續)

(a) 商譽(續)

商譽減值評估(續)

南方租賃

南方租賃之可收回金額乃基於在用價值計算釐定。所用在用價值計算乃基於管理層所編製涵蓋五年期財務預算之現金流量預測。在用價值計算之利率息差為2%(二零二零年：2%)。所用貼現率約11%(二零二零年：11%)為稅前貼現率，反映與相關業務有關的特定風險。

任何該等主要假設的任何合理可能變動將不會導致商譽減值。

北京京西供應鏈

北京京西供應鏈之可收回金額乃基於貼現現金流量計算釐定。該計算使用基於管理層批准之五年期財務預算之現金流量預測，並參考過往表現及對市場發展的預期。預測期間之年度收益增長率為3%(二零二零年：3%)，而五年期間後之現金流量則按估計最終增長率1%(二零二零年：1%)推算。所用貼現率約17.5%(二零二零年：17.5%)為稅前貼現率，反映與相關業務有關的特定風險。

任何該等主要假設的任何合理可能變動將不會導致商譽減值。

(b) 供應鏈融資平台

供應鏈融資平台是一個軟件平台，支持本集團的供應鏈管理業務。

於二零二一年十二月三十一日，董事不知悉任何事件或情況變化表明無形資產的賬面價值可能無法收回。

19 INTERESTS IN AN ASSOCIATE

Set out below are the associates of the Group as at 31 December 2021. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. All of these associates are accounted for using the equity method in these consolidated financial statements.

| Name of entity 實體名稱 | Nature of relationship 關係的性質 | Principal activities 主要業務活動 | Place of business/ country of incorporation 營業地點/ 註冊成立國家 | Effective % of ownership interest 所有權權益實際百分比 | | Carrying amount 賬面值 | |
|---|---------------------------------|---|---|---|--------------------|-----------------------------------|-----------------------------------|
| | | | | 2021 二零二一年 % | 2020 二零二零年 % | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| 黑龍江首和創業投資管理 企業(有限合夥) ("Shouhe Venture Capital") (Note) | Associate | Investment management | The PRC | - | - | - | - |
| 黑龍江首和創業投資管理 企業(有限合夥) (「首和創業」)(附註) | 聯營公司 | 投資管理 | 中國 | | | | |
| 京西商業保理有限公司 (Beijing West Business Factoring Company Limited*) ("Beijing West Business Factoring") | Associate | Provision of factoring services in PRC | The PRC | 41.41% | 41.41% | 92,930 | 91,362 |
| 京西商業保理有限公司 (「京西商業保理」) | 聯營公司 | 於中國提供 保理服務 | 中國 | | | | |
| | | | | | | 92,930 | 91,362 |

Note:

On 15 December 2020, Shouhe Venture Capital was dissolved and all the investment cost was returned to the Group.

附註：

於二零二零年十二月十五日，首和創業解散並向本集團退還所有投資成本。

* For identification purpose only

* 僅供識別用途

19 INTERESTS IN AN ASSOCIATE (Continued)

19 於一間聯營公司之權益(續)

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|--------------------|-----------------------------------|-----------------------------------|
| Cost of investments in associates: | 於聯營公司之投資成本： | | |
| As at 1 January | 於一月一日 | 91,362 | 88,361 |
| Dissolution of an associate during the year | 年內解散一間聯營公司 | - | (1,667) |
| As at 31 December | 於十二月三十一日 | 91,362 | 86,694 |
| Share of operating profits | 應佔經營溢利 | 2,328 | 1,258 |
| Share of other comprehensive income | 應佔其他全面收益 | 2,236 | 5,273 |
| Dividend received | 已收股息 | (2,996) | (1,863) |
| Interests in an associate | 於一間聯營公司之權益 | 92,930 | 91,362 |

Goodwill

As at 31 December 2021, included in the cost of investment in Beijing West Business Factoring, an associate of the Group, is goodwill of approximately HK\$26,376,000 (2020: HK\$25,748,000) arising from the acquisition during the year.

商譽

於二零二一年十二月三十一日，於京西商業保理(本集團之聯營公司)之投資成本當中包括年內收購產生的商譽約港幣26,376,000元(二零二零年：港幣25,748,000元)。

19 INTERESTS IN AN ASSOCIATE (Continued)
Summarised financial information of the material associate

Summarised financial information in respect of the Group's material associate is set out below.

Beijing West Business Factoring

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------|-----------------------------------|-----------------------------------|
| Current assets | 流動資產 | 926,280 | 637,602 |
| Non-current assets | 非流動資產 | 12,423 | 12,358 |
| Current liabilities | 流動負債 | (777,982) | (473,460) |
| Net asset | 資產淨值 | 160,721 | 176,500 |
| Less: Non-controlling interests | 減：非控股權益 | - | (18,050) |
| | | 160,721 | 158,450 |
| Revenue | 收益 | 212,492 | 343,531 |
| Expenses, including income tax | 開支(包括所得稅) | (206,869) | (340,311) |
| Profit for the year | 年度溢利 | 5,623 | 3,220 |
| Profit for the year contributed to the owner of Beijing West Business Factoring | 京西商業保理持有人應佔年度溢利 | 5,623 | 3,039 |

The information above reflects the amounts represented in the financial statements of Beijing West Business Factoring (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associate.

19 於一間聯營公司之權益(續)
主要聯營公司的財務資料概要

關於本集團主要聯營公司的財務資料概要列載如下。

京西商業保理

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------|-----------------------------------|-----------------------------------|
| Current assets | 流動資產 | 926,280 | 637,602 |
| Non-current assets | 非流動資產 | 12,423 | 12,358 |
| Current liabilities | 流動負債 | (777,982) | (473,460) |
| Net asset | 資產淨值 | 160,721 | 176,500 |
| Less: Non-controlling interests | 減：非控股權益 | - | (18,050) |
| | | 160,721 | 158,450 |
| Revenue | 收益 | 212,492 | 343,531 |
| Expenses, including income tax | 開支(包括所得稅) | (206,869) | (340,311) |
| Profit for the year | 年度溢利 | 5,623 | 3,220 |
| Profit for the year contributed to the owner of Beijing West Business Factoring | 京西商業保理持有人應佔年度溢利 | 5,623 | 3,039 |

上述資料反映京西商業保理的財務報告的金額(並非本集團應佔金額)，已就本集團與該聯營公司的會計政策差異進行調整。

19 INTERESTS IN AN ASSOCIATE (Continued)
Summarised financial information of the material associate (Continued)

Beijing West Business Factoring (Continued)

Movements of interests in Beijing West Business Factoring are as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|----------------------------------|-------------------|-----------------------------------|-----------------------------------|
| Interests in an associate | 於一間聯營公司之權益 | | |
| At 1 January | 於一月一日 | 91,362 | 86,788 |
| Share of results | 應佔業績 | 2,328 | 1,258 |
| Dividend received | 已收股息 | (2,996) | (1,863) |
| Exchange differences | 匯兌差額 | 2,236 | 5,179 |
| At 31 December | 於十二月三十一日 | 92,930 | 91,362 |

Reconciliation of the summarised financial information presented to the carrying amount of its interests in Beijing West Business Factoring is as follows:

19 於一間聯營公司之權益(續)
主要聯營公司的財務資料概要(續)

京西商業保理(續)

於京西商業保理之權益變動如下：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|---------------|-----------------------------------|-----------------------------------|
| Summarised financial information | 財務資料概要 | | |
| Opening net assets on 1 January | 於一月一日之年初資產淨值 | 158,450 | 150,229 |
| Post-acquisition profit for the period | 期內收購後溢利 | 5,623 | 3,039 |
| Dividend paid | 已付股息 | (7,236) | (4,498) |
| Exchange differences | 匯兌差額 | 3,884 | 9,680 |
| Closing net assets | 年末資產淨值 | 160,721 | 158,450 |
| Group's share in % | 本集團應佔百分比 | 41.41% | 41.41% |
| Interests in the associate | 於聯營公司之權益 | 66,554 | 65,614 |
| Goodwill | 商譽 | 26,376 | 25,748 |
| Carrying amount as at 31 December | 於十二月三十一日之賬面值 | 92,930 | 91,362 |

所呈列財務資料概要與於京西商業保理之權益之賬面值之對賬如下：

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS

20 售後回租安排項下之應收款項

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--------------------|-------|-----------------------------------|-----------------------------------|
| Current assets | 流動資產 | 1,030,623 | 608,522 |
| Non-current assets | 非流動資產 | 319,749 | 771,927 |
| | | 1,350,372 | 1,380,449 |

At 31 December, the Group's receivables under sale and leaseback arrangements were repayable as follows:

於十二月三十一日，本集團售後回租安排項下之應收款項償還如下：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|----------------|-----------------------------------|-----------------------------------|
| Within one year | 一年內 | 1,030,623 | 608,522 |
| Between 1 and 2 years | 一至兩年 | 296,499 | 576,436 |
| Between 2 and 3 years | 兩至三年 | 23,250 | 195,491 |
| | | 1,350,372 | 1,380,449 |
| Overdue receivables under sale and leaseback arrangements | 售後回租安排項下應收逾期款項 | - | - |
| | | 1,350,372 | 1,380,449 |

20 RECEIVABLES UNDER SALE AND LEASEBACK
ARRANGEMENTS (Continued)

20 售後回租安排項下之應收款項
(續)

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|----------------------------|-----------------------------------|-----------------------------------|
| Analysed as: | 分析： | | |
| Current receivables under sale and leaseback arrangements (receivable within 12 months) | 售後回租安排項下應收流動款項 (於十二個月內應收) | 1,054,994 | 629,626 |
| Non-current receivables under sale and leaseback arrangements (receivable after 12 months) | 售後回租安排項下應收非流動款項 (於十二個月後應收) | 321,135 | 773,255 |
| | | 1,376,129 | 1,402,881 |
| Provision of impairment loss allowance | 減值虧損撥備 | (25,757) | (22,432) |
| | | 1,350,372 | 1,380,449 |
| Fixed-rate receivables under sale and leaseback arrangements | 售後回租安排項下應收定息款項 | 702,706 | 862,040 |
| Variable-rate receivables under sale and leaseback arrangements | 售後回租安排項下應收浮息款項 | 647,666 | 518,409 |
| | | 1,350,372 | 1,380,449 |

The interest rates represent prevailing People's Bank of China Renminbi Lending Rate ("PBC rate") or Offshore Chinese Renminbi Hong Kong Interbank Offered Rate ("CNH HIBOR") as at 31 December 2021 and 2020, respectively.

利率代表於二零二一年及二零二零年十二月三十一日分別採用現行中國人民銀行人民幣貸款利率 (「人民銀行貸款利率」) 或離岸香港銀行同業人民幣拆息 (「香港銀行同業人民幣拆息」)。

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS (Continued)

Effective interest rates per annum of the above receivables under sale and leaseback arrangements for the year are as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---------------------------|--------|---|-----------------------------------|
| Effective interest rates | 實際利率 | | |
| Fixed-rate receivables | 應收定息款項 | 5.0% to 12.0% 5.0厘至12.0厘 | 5.0% to 12.0% 5.0厘至12.0厘 |
| Variable-rate receivables | 應收浮息款項 | 5.5% to 6.7% 5.5厘至6.7厘 | 5.5% to 6.7% 5.5厘至6.7厘 |

Interest rate of variable-rate receivables is reset when there is a change of the prevailing PBC rate or CNH HIBOR.

As at 31 December 2021, carrying value of the receivables under sale and leaseback arrangements of HK\$243,289,000 (2020: HK\$321,283,000) have been pledged against specific bank borrowings granted to the Group (Note 28). The pledges will be released upon the settlement of bank borrowings.

(i) Movement in provision of impairment loss allowance for receivables under sale and leaseback arrangements

| | | HK\$'000 港幣千元 |
|--|-----------------------------|------------------|
| At 1 January 2020 | 於二零二零年一月一日 | 49,588 |
| Net reversal for the year | 年度撥回淨額 | (5,887) |
| Write-off | 撇銷 | (22,557) |
| Exchange differences | 匯兌差額 | 1,288 |
| 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 | 22,432 |
| Provision for the year | 年度撥備 | 2,751 |
| Exchange differences | 匯兌差額 | 574 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 25,757 |

20 售後回租安排項下之應收款項 (續)

於本年度，上述售後回租安排項下應收款項之實際年利率如下：

應收浮息款項的利率於現行人民銀行貸款利率或香港銀行同業人民幣拆息出現變動時重設。

於二零二一年十二月三十一日，售後回租安排項下應收款項的賬面值港幣243,289,000元(二零二零年：港幣321,283,000元)已抵押予銀行作為授予本集團的特定銀行借款之抵押(附註28)。抵押將於銀行借款償還後解除。

(i) 售後回租安排項下應收款項減值虧損撥備變動

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS (Continued)

(i) Movement in provision of impairment loss allowance for receivables under sale and leaseback arrangements (Continued)

The provision for receivables under sale and leaseback arrangements amounted to HK\$25,757,000 (2020: HK\$22,432,000) of which an amount of HK\$19,925,000 (2020: HK\$19,451,000) is related to credit-impaired receivables under sale and leaseback arrangements and those borrowers were either under severe financial difficulties, placed in liquidation or in legal proceedings. In the opinion of the directors, these amounts cannot be recovered due to the debtors' default in payment.

(ii) Security deposits received

Security deposits of HK\$6,098,000 (2020: HK\$11,904,000) have been received by the Group to secure the receivables under sale and leaseback arrangements and classified into current liabilities and non-current liabilities based on the final lease instalment due date stipulated in the sale and leaseback agreements.

Analysed as: 分析為：

Security deposits received 已收保證按金
– due with one year – 一年內到期
Security deposits received 已收保證按金
– due after one year – 一年後到期

| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| | 6,098 | 5,952 |
| | – | 5,952 |
| | 6,098 | 11,904 |

In addition to security deposits, the receivables under sale and leaseback arrangements are secured over the leased assets mainly real estate, machineries and build and transfer project of a scenic belt as at 31 December 2021 and 2020.

20 售後回租安排項下之應收款項 (續)

(i) 售後回租安排項下應收款項減值虧損撥備變動(續)

售後回租安排項下應收款項撥備為港幣25,757,000元(二零二零年：港幣22,432,000元)，其中港幣19,925,000元(二零二零年：港幣19,451,000元)與發生信貸減值的售後回租安排項下應收款項有關，而相關借款人發生嚴重財務困難、進行清盤或牽涉進法律訴訟。董事認為，因債務人付款違約，該等款項不能收回。

(ii) 已收保證按金

本集團已收取保證按金港幣6,098,000元(二零二零年：港幣11,904,000元)，作為售後回租安排項下應收款項的擔保，並根據售後回租協議訂明之最後租賃分期付款到期日而將其歸類為流動負債及非流動負債。

| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| | 6,098 | 5,952 |
| | – | 5,952 |
| | 6,098 | 11,904 |

除了保證按金外，售後回租安排項下應收款項於二零二一年及二零二零年十二月三十一日以租賃資產(主要為房地產、機器及風光帶建設及轉讓項目)作為抵押。

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS (Continued)

(ii) Security deposits received (Continued)

The Group is not permitted to sell or repledge the collateral of the receivables under sale and leaseback arrangements in the absence of default by the lessee. Estimates of fair value of collateral are made during the credit approval process, determined using valuation techniques commonly used for the corresponding assets. These estimates of valuations are made at the inception of sale and leaseback, and management would review it periodically. The Group also takes into consideration the financial positions and the guarantors of the relevant customers and the expected timing, legal possession status and other uncertainties on realising the pledged assets in the impairment assessment.

21 DEBT INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------------------------|-----------------------------------|
| Listed bond, with fixed interest of 5.30% 上市債券，按定息5.30厘 | - | 15,886 |

During the year ended 31 December 2021, the Group had disposed of a listed bond with sales proceed of HK\$15,957,000 (2020: HK\$15,506,000).

The fair value of an investment in a listed bond is determined by reference to the quoted market bid prices available and a loss on changes in fair value on a listed bond of HK\$397,000 has been recognised in other comprehensive income during the year ended 31 December 2021 (2020: loss of HK\$173,000).

Details of impairment assessment and risk exposure are set out in Note 3.1.

20 售後回租安排項下之應收款項 (續)

(ii) 已收保證按金(續)

倘承租人並無違約，本集團不得出售或再質押該等售後回租安排項下應收款項的抵押品。於信貸審批過程中，抵押品的公允值估計是使用相應資產常用的估值方法確定。該等價值估計乃於售後回租開始時作出，並由管理層定期審閱。於減值評估時，本集團亦會考慮相關客戶之財務狀況及擔保人以及變現已抵押資產之預計時間、法律佔有地位及其他不確定因素。

21 透過其他全面收益按公允值處理之債務工具

截至二零二一年十二月三十一日止年度，本集團已出售上市債券，銷售所得款項為港幣15,957,000元(二零二零年：港幣15,506,000元)。

上市債券投資的公允值乃參考可得的市場買入價報價釐定，並已於截至二零二一年十二月三十一日止年度的其他全面收益就上市債券公允值變動確認虧損港幣397,000元(二零二零年：虧損港幣173,000元)。

減值評估及風險敞口之詳情載於附註3.1。

22 TRADE AND BILL RECEIVABLES AND PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES

22 應收貿易賬款及應收票據以及預付款項、按金及其他應收款項

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|----------------|-----------------------------------|-----------------------------------|
| Trade and bill receivables | 應收貿易賬款及應收票據 | 31,511 | 36,132 |
| Provision for impairment loss allowance | 減值虧損撥備 | (22) | - |
| | | 31,489 | 36,132 |
| Prepayments (Note (i)) | 預付款項(附註(i)) | 16,251 | 22,742 |
| Other receivables (Note (ii)) | 其他應收款項(附註(ii)) | 205,714 | 135,950 |
| Deposits | 按金 | 1,448 | 910 |
| Provision for impairment loss allowance | 減值虧損撥備 | (174) | - |
| | | 254,728 | 195,734 |
| Non-current | 非流動 | 4,226 | 4,201 |
| Current | 流動 | 250,502 | 191,533 |
| | | 254,728 | 195,734 |

Notes:

- (i) As at 31 December 2021, prepayment of HK\$7,000,000 (2020: HK\$17,142,000) was paid to the supplier in relation to the supply chain management services.
- (ii) As at 31 December 2021, other receivables of HK\$203,783,000 (2020: HK\$132,746,000) was receivable in relation to the purchase cost paid on behalf of customers under supply chain management services in which the Group was acting as an agent.

附註：

- (i) 於二零二一年十二月三十一日，已就供應鏈管理服務向供應商支付預付款項港幣7,000,000元(二零二零年：港幣17,142,000元)。
- (ii) 於二零二一年十二月三十一日，其他應收款項港幣203,783,000元(二零二零年：港幣132,746,000元)為有關本集團擔任代理之供應鏈管理服務項下代表客戶支付之採購成本的應收款項。

22 TRADE AND BILL RECEIVABLES AND PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES (Continued)

(a) Trade and bill receivables

The credit terms of trade receivables are normally 30 to 90 days as at 31 December 2021. The maturity periods of bill receivables are normally 6 to 12 months as at 31 December 2021. The aging analysis of trade receivables and bill receivables based on invoice date is as follows:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|-----------------|--------|-----------------------------------|-----------------------------------|
| Within 3 months | 三個月內 | 2,966 | 36,035 |
| 4-6 months | 四至六個月 | 26,768 | 97 |
| 7-9 months | 七至九個月 | 1,050 | - |
| 10-12 months | 十至十二個月 | 727 | - |
| | | 31,511 | 36,132 |

Due to the short-term nature of the trade and bill receivables, their carrying amounts are considered to be the same as their fair value.

The carrying amounts of the Group's trade and bill receivables are denominated in RMB.

(i) Movement in provision of trade and bill receivables

| | | HK\$'000 港幣千元 |
|--|-----------------------------------|------------------|
| At 1 January 2020, 31 December 2020 and 1 January 2021 | 於二零二零年一月一日、二零二零年十二月三十一日及二零二一年一月一日 | - |
| Provision for the year | 年度撥備 | 22 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 22 |

22 應收貿易賬款及應收票據以及預付款項、按金及其他應收款項(續)

(a) 應收貿易賬款及應收票據

於二零二一年十二月三十一日，應收貿易賬款之信貸期一般為30至90日。於二零二一年十二月三十一日，應收票據之到期期限一般為6至12個月。按發票日期之應收貿易賬款及應收票據之賬齡分析如下：

| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|-----------------|-----------------------------------|-----------------------------------|
| Within 3 months | 2,966 | 36,035 |
| 4-6 months | 26,768 | 97 |
| 7-9 months | 1,050 | - |
| 10-12 months | 727 | - |
| | 31,511 | 36,132 |

由於應收貿易賬款及應收票據屬短期性質，其賬面值被視為與其公允值相同。

本集團應收貿易賬款及應收票據之賬面值以人民幣計值。

(i) 應收貿易賬款及應收票據撥備變動

22 TRADE AND BILL RECEIVABLES AND PREPAYMENT, DEPOSIT AND OTHER RECEIVABLES (Continued)

(b) Other receivables

As at 31 December 2021 and 2020, other receivables are secured, interest-free and repayable within one year from the end of reporting period.

Analysed by denominated currency:

| | | 2021 二零二一年 | 2020 二零二零年 |
|------|-----|----------------|---------------|
| HK\$ | 港幣 | 74 | 286 |
| RMB | 人民幣 | 205,466 | 135,664 |
| | | 205,540 | 135,950 |

22 應收貿易賬款及應收票據以及預付款項、按金及其他應收款項(續)

(b) 其他應收款項

於二零二一年及二零二零年十二月三十一日，其他應收款項為有抵押、免息及須於報告期末起計一年內償還。

按計值貨幣分析：

(i) Movement in provision of other receivables

(i) 其他應收款項撥備變動

| | | HK\$'000 港幣千元 |
|--|-----------------------------------|------------------|
| At 1 January 2020, 31 December 2020 and 1 January 2021 | 於二零二零年一月一日、二零二零年十二月三十一日及二零二一年一月一日 | - |
| Provision for the year | 年度撥備 | 172 |
| Exchange differences | 匯兌差額 | 2 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 174 |

23 INVENTORIES

23 存貨

| | | 2021 二零二一年 HK\$'000 港幣千元 |
|----------------|-----|-----------------------------------|
| Finished goods | 製成品 | 3,542 |
| | | 3,542 |

For the year ended 31 December 2021, the cost of inventories recognised as expense and included in cost of goods sold amounted to approximately HK\$1,778,325,000 (2020: HK\$Nil).

截至二零二一年十二月三十一日止年度，金額約為港幣1,778,325,000元(二零二零年：港幣零元)的存貨成本確認為開支，並計入銷售商品成本。

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

24 透過損益賬按公允值處理之金融資產

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|--------------------------------|-----------------------------------|-----------------------------------|
| Listed equity securities measured at FVPL – Hong Kong | 透過損益賬按公允值處理之 上市股本證券 – 香港 | 4,339 | 2,847 |

The fair value of the listed equity securities is determined by reference to the quoted market bid prices available and gain on changes in fair value on the listed equities of HK\$1,492,000 has been recognised in profit or loss during the year ended 31 December 2021 (2020: gain of HK\$272,000).

上市股本證券的公允值乃參考可得的市場買入價報價釐定，且已於截至二零二一年十二月三十一日止年度的損益賬就上市股本公允值變動確認收益港幣1,492,000元(二零二零年：收益港幣272,000元)。

Information about the Group's exposure to price risk is provided in Note 3.1. For information about the methods and assumptions used in determining fair value refer to Note 3.3.

本集團所面臨價格風險的相關資料載於附註3.1。有關釐定公允值時所使用之方法及假設資料，請參閱附註3.3。

25 CASH AND CASH EQUIVALENTS

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|-----------------------------------|----------|-----------------------------------|-----------------------------------|
| Cash at banks and in hand | 銀行存款及現金 | 387,095 | 318,818 |
| Analysed by denominated currency: | 按計值貨幣分析： | | |
| HK\$ | 港幣 | 92,778 | 72,597 |
| RMB | 人民幣 | 291,912 | 241,109 |
| USD | 美元 | 2,405 | 5,112 |
| | | 387,095 | 318,818 |

The Group's deposits carry interest rate at prevailing bank deposit rates ranging from 0.01% to 2.88% (2020: 0.01% to 0.51%) per annum. The conversion of the RMB-denominated balances into foreign currencies and the remittance of funds out of the Mainland China is subject to the rules and regulations of foreign exchange control promulgated by the Government of the PRC.

本集團之存款按現行銀行存款年利率介乎0.01厘至2.88厘(二零二零年：0.01厘至0.51厘)計息。人民幣計值結餘轉換成外幣及從中國內地匯出資金須遵守中國政府頒佈的外匯管控規則及法規。

26 OTHER PAYABLES AND ACCRUALS

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|------------------|-----------------------------------|-----------------------------------|
| Accrued salaries and bonuses | 應計薪金及花紅 | 16,624 | 15,417 |
| Accrued legal and professional fees | 應計法律及專業費用 | 2,431 | 2,132 |
| Other tax payables | 其他應付稅項 | 10,956 | 12,408 |
| Interest payables | 應付利息 | 539 | 517 |
| Receipt in advance from customers (Notes (i)) | 預先收取客戶之款項(附註(i)) | 173 | 16,078 |
| Others (Notes (ii)) | 其他(附註(ii)) | 37,779 | 15,462 |
| | | 68,502 | 62,014 |

Notes:

- (i) The balance represents receipt in advance from customers under supply chain management services in which the Group was acting as an agent.
- (ii) As at 31 December 2021, included in others HK\$25,896,000 (2020: HK\$2,493,000) was payable in relation to the purchase cost payable to suppliers under supply chain management services in which the Group was acting as an agent.

附註：

- (i) 有關結餘為本集團擔任代理之供應鏈管理服務項下預先收取客戶之款項。
- (ii) 於二零二一年十二月三十一日，計入其他的港幣25,896,000元(二零二零年：港幣2,493,000元)為有關本集團擔任代理之供應鏈管理服務項下應付供應商之採購成本之應付款項。

27 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

27 按類別劃分之金融工具

本集團持有以下之金融工具：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|---------------------|-----------------------------------|-----------------------------------|
| Financial assets | 金融資產 | | |
| Financial assets at amortised cost | 按攤銷成本計量之金融資產 | | |
| – Receivables under sale and leaseback arrangements | – 售後回租安排項下應收款項 | 1,350,372 | 1,380,449 |
| – Trade and bill receivables | – 應收貿易賬款及應收票據 | 31,489 | 36,132 |
| – Other receivables and deposits | – 其他應收款項及按金 | 206,988 | 136,860 |
| – Cash and cash equivalents | – 現金及現金等值項目 | 387,095 | 318,818 |
| Debt instrument at fair value through other comprehensive income | 透過其他全面收益按公允值處理之債務工具 | – | 15,886 |
| Financial assets at fair value through profit or loss | 透過損益賬按公允值處理之金融資產 | 4,339 | 2,847 |
| | | 1,980,283 | 1,890,992 |
| Financial liabilities | 金融負債 | | |
| Financial liabilities at amortised cost | 按攤銷成本計量之金融負債 | | |
| – Other payables | – 其他應付款項 | 40,749 | 18,111 |
| – Secured bank borrowings | – 已抵押銀行借款 | 290,922 | 290,303 |
| – Security deposits received | – 已收保證按金 | 6,098 | 11,904 |
| – Lease liabilities | – 租賃負債 | 17,304 | 1,917 |
| | | 355,073 | 322,235 |

28 SECURED BANK BORROWINGS

28 已抵押銀行借款

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|----------------------------|--------------|-----------------------------------|-----------------------------------|
| Non-current portion | 非即期部分 | | |
| Secured bank borrowings | 已抵押銀行借款 | 94,319 | 146,995 |
| Current portion | 即期部分 | | |
| Secured bank borrowings | 已抵押銀行借款 | 196,603 | 143,308 |
| | | 290,922 | 290,303 |

As at 31 December 2021 and 2020, the Group's borrowings were repayable in accordance with scheduled repayment dates as follows:

於二零二一年及二零二零年十二月三十一日，本集團應按計劃還款日期償還之借款如下：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|---------------------------------|-----------------------------------|-----------------------------------|
| Carrying amount repayable: | 應償還賬面值： | | |
| Within 1 year | 一年內 | 111,288 | 65,138 |
| Between 1 and 2 years | 一至兩年 | 94,319 | 84,419 |
| Between 2 and 3 years | 兩至三年 | - | 62,576 |
| | | 205,607 | 212,133 |
| Carrying amount of bank borrowings that contain a repayable on demand clause (shown under current liabilities) but repayable: | 包含須按要求償還條款之銀行借款賬面值（列作流動負債）但償還於： | | |
| Within 1 year | 一年內 | 82,885 | 72,852 |
| Between 1 and 2 years | 一至兩年 | 2,430 | 2,886 |
| Between 2 and 3 years | 兩至三年 | - | 2,432 |
| | | 85,315 | 78,170 |
| | | 290,922 | 290,303 |

28 SECURED BANK BORROWINGS (Continued)

At 31 December 2021, the borrowing of HK\$85,315,000 (2020: HK\$78,170,000) and HK\$205,607,000 (2020: HK\$212,133,000) were denominated in HK\$ and RMB respectively.

The bank borrowings pledged by certain assets are disclosed in Note 31.

The ranges of effective interest rates on the Group's secured bank borrowings are as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------------------|-----------|---|-------------------------------|
| Effective interest rate: | 實際利率： | | |
| Variable-rate secured bank borrowings | 浮息已抵押銀行借款 | 1.19% to 5.00% 1.19厘至5.00厘 | 1.18% to 5.00% 1.18厘至5.00厘 |

The interest rates for the Group's bank borrowings vary from different subsidiaries. The interest rates vary from Hong Kong banks' prime rate minus 2.75%, Hong Kong Interbank Offered Rate ("HIBOR") plus 1% to 2.4% and variable Loan Prime rate ("LPR") plus a percentage spread of 1.15% (2020: Hong Kong banks' prime rate minus 2.75%, HIBOR plus 1% to 2.4% and variable LPR plus a percentage spread of 1.15%). Secured bank borrowings of HK\$85,315,000 (2020: HK\$78,170,000) are exposed to the fluctuations of HIBOR and Hong Kong banks' prime rate while the remaining HK\$205,607,000 (2020: HK\$212,133,000) are exposed to the fluctuation of PBC rate. The interest is repriced every month for secured bank borrowings of HK\$5,315,000 (2020: HK\$8,170,000), and repriced every quarter for secured bank borrowings of HK\$285,607,000 (2020: HK\$282,133,000). The proceeds were used as funding for sale and leaseback and general working capital for the Group for the years ended 31 December 2021 and 2020.

28 已抵押銀行借款(續)

於二零二一年十二月三十一日，港幣85,315,000元(二零二零年：港幣78,170,000元)及港幣205,607,000元(二零二零年：港幣212,133,000元)之借款分別以港幣及人民幣計值。

以若干資產抵押的銀行借款於附註31披露。

本集團已抵押銀行借款實際利率範圍如下：

本集團於不同附屬公司之銀行借款利率均有所不同。利率介乎香港銀行最優惠利率減2.75厘、香港銀行同業拆息(「香港銀行同業拆息」)加1厘至2.4厘及浮動貸款市場報價利率(「貸款市場報價利率」)上浮1.15厘(二零二零年：香港銀行最優惠利率減2.75厘、香港銀行同業拆息加1厘至2.4厘及浮動貸款市場報價利率上浮1.15厘)。已抵押銀行借款港幣85,315,000元(二零二零年：港幣78,170,000元)須承受香港銀行同業拆息及香港銀行最優惠利率波動之風險，而餘下之港幣205,607,000元(二零二零年：港幣212,133,000元)則須承受人民幣貸款利率波動之風險。已抵押銀行借款港幣5,315,000元(二零二零年：港幣8,170,000元)之利息每月重新定價而已抵押銀行借款港幣285,607,000元(二零二零年：港幣282,133,000元)之利息則每季重新定價。截至二零二一年及二零二零年十二月三十一日止年度，所得款項已用作本集團售後回租資金及一般營運資金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報告附註

28 SECURED BANK BORROWINGS (Continued)

During the year ended 31 December 2021, there was no secured bank borrowings early repaid (2020: HK\$168,697,000).

For assets pledged as security for bank borrowing, please refer to Note 31.

29 DEFERRED INCOME TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

28 已抵押銀行借款(續)

截至二零二一年十二月三十一日止年度，並無提早償還已抵押銀行借款(二零二零年：港幣168,697,000元)。

有關為銀行借款抵押資產的詳情，請參閱附註31。

29 遞延所得稅

為於綜合財務狀況表內呈列，若干遞延稅項資產及負債已予以抵銷。下列為遞延稅項結餘就財務呈報目的而言之分析：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--------------------------|--------|-----------------------------------|-----------------------------------|
| Deferred tax assets | 遞延稅項資產 | 17,563 | 13,869 |
| Deferred tax liabilities | 遞延稅項負債 | (25,752) | (11,470) |
| | | (8,189) | 2,399 |

29 DEFERRED INCOME TAX (Continued)

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current and prior years:

29 遞延所得稅(續)

以下為已確認之主要遞延稅項資產/(負債)以及其於本年度及過往年度之變動：

| | | Provision of loss allowance for receivables under sale and leaseback arrangements 計提售後 回租安排 項下之應收款 項虧損撥備 HK\$'000 港幣千元 | Withholding tax on undistributed profits of the Mainland China subsidiaries 中國內地 附屬公司 未分派溢利 之預扣稅 HK\$'000 港幣千元 | Revaluation of property 物業重估 HK\$'000 港幣千元 | Tax loss 稅項虧損 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
|---|--|---|---|--|--------------------------------------|---------------------------------|
| Movements | 變動 | | | | | |
| At 1 January 2020 | 於二零二零年一月一日 | 20,036 | - | (9,948) | - | 10,088 |
| (Charged)/credited to consolidated statement of comprehensive income | 於綜合全面收益表 (扣除)/計入 | (6,885) | (1,266) | 312 | - | (7,839) |
| Exchange differences | 匯兌差額 | 718 | - | (568) | - | 150 |
| 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 | 13,869 | (1,266) | (10,204) | - | 2,399 |
| Credited/(charged) to profit or loss | 於損益計入/(扣除) | 687 | (754) | 985 | 2,630 | 3,548 |
| Charged to other comprehensive income | 於綜合全面收益扣除 | - | - | (14,079) | - | (14,079) |
| Exchange differences | 匯兌差額 | 346 | (39) | (395) | 31 | (57) |
| At 31 December 2021 | 於二零二一年 十二月三十一日 | 14,902 | (2,059) | (23,693) | 2,661 | (8,189) |

29 DEFERRED INCOME TAX (Continued)

At the end of the reporting period, the Group has the following unutilised tax losses available for offsetting against future taxable profits for which no deferred tax asset is recognised:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|----------------------|---------------|-----------------------------------|-----------------------------------|
| Tax losses expiring: | 於以下期間到期之稅項虧損： | | |
| Within 5 years | 五年內 | 7,345 | 14,193 |
| Without expiry date | 無到期日 | 475,173 | 475,664 |
| | | 482,518 | 489,857 |

No deferred tax asset has been recognised in respect of the above tax losses due to unpredictability of future profit streams.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the Group's subsidiaries in Mainland China from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary difference attributable to the retained earnings earned by the subsidiaries in Mainland China amounting to HK\$83 million as at 31 December 2021 (2020: HK\$65 million) as the Group controls the dividend policy of these PRC subsidiaries and it is probable that these temporary differences will not reverse in the foreseeable future.

29 遞延所得稅(續)

於報告期末，本集團有以下未動用稅項虧損可供抵銷未來應課稅溢利，且並無就其確認遞延稅項資產：

由於無法預測未來溢利來源，故並無就上述稅項虧損確認遞延稅項資產。

根據中國企業所得稅法，由二零零八年一月一日起，就本集團於中國內地之附屬公司所賺取溢利宣派之股息須繳交預扣稅。於二零二一年十二月三十一日，由於本集團控制該等中國內地附屬公司的股息政策，且該等暫時差額可能不會於可見將來撥回，故並無於綜合財務報告就中國內地附屬公司賺取之保留盈利應佔暫時差額港幣83,000,000元(二零二零年：港幣65,000,000元)作出遞延稅項撥備。

30 SHARE CAPITAL

30 股本

| | | Number of shares 股份數目 | Amount 金額 HK\$'000 港幣千元 |
|---|--|-----------------------------|----------------------------------|
| Ordinary shares of HK\$0.01 each | 每股面值港幣0.01元之普通股 | | |
| Authorised: | 法定： | | |
| At 1 January 2020, 31 December 2020 and 31 December 2021 | 於二零二零年一月一日、 二零二零年十二月三十一日 及二零二一年十二月三十一日 | 10,000,000,000 | 100,000 |
| Issued and fully paid: | 已發行及已繳足： | | |
| At 1 January 2020, 31 December 2020 and 31 December 2021 | 於二零二零年一月一日、 二零二零年十二月三十一日 及二零二一年十二月三十一日 | 3,984,639,703 | 39,846 |

31 ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for non-current assets are:

31 抵押資產

已予抵押作為非流動資產的抵押品之資產賬面值為：

| | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------------------------|-----------------------------------|
| Investment properties (Note (a)) | 38,400 | 23,700 |
| Property, plant and equipment (Note (a)) | - | 14,549 |
| Receivables under sale and leaseback arrangements (Note (b)) | 243,289 | 321,283 |
| | 281,689 | 359,532 |

Notes:

- (a) The Group's investment properties with an aggregate carrying value of HK\$38,400,000 (2020: HK\$23,700,000) and the Group's building with carrying value of HK\$Nil (2020: HK\$14,549,000) were pledged to banks to secure for bank borrowings with outstanding amount of HK\$5,315,000 (2020: HK\$8,170,000).
- (b) The Group's receivables under sale and leaseback arrangements with a carrying value of HK\$243,289,000 (2020: HK\$321,283,000) were pledged to banks to secure for bank borrowings with outstanding amount of HK\$205,607,000 (2020: HK\$212,133,000).

附註：

- (a) 賬面總值港幣38,400,000元(二零二零年：港幣23,700,000元)之本集團投資物業及賬面值為港幣零元(二零二零年：港幣14,549,000元)之本集團樓宇已抵押予銀行，作為未償還銀行借款港幣5,315,000元(二零二零年：港幣8,170,000元)之抵押。
- (b) 賬面值港幣243,289,000元(二零二零年：港幣321,283,000元)之本集團售後回租安排項下之應收款項已抵押予銀行，作為未償還銀行借款港幣205,607,000元(二零二零年：港幣212,133,000元)之抵押。

32 SHARE OPTION SCHEMES

The Company has two share option schemes, which were approved and adopted on 7 June 2002 (the “2002 Scheme”) and 25 May 2012 (the “2012 Scheme”) respectively, pursuant to which share options may be granted to directors (including executive and non-executive directors), executives, officers, employees or shareholders of the Company or any of its subsidiaries or any of its associated companies and any suppliers, customers, consultants, advisers, agents, partners or business associates to subscribe for the shares of the Company. Both share option schemes are valid and effective for a period of ten years commencing on the adoption date of the scheme.

The 2002 Scheme was terminated on 29 May 2012, no further options can be granted under the 2002 Scheme. The share options granted under the 2002 Scheme prior to its termination shall continue to be valid and exercisable in accordance with the 2002 Scheme. During the year, all the outstanding 3,586,880 share options granted under the 2002 Scheme were lapsed. Accordingly, no shares of the Company may be issued under the 2002 Scheme as at the date of this annual report.

Under the 2012 Scheme, the maximum number of shares of the Company available for issue upon exercise of all share options is 115,219,246, representing 4.31% of the issued share capital of the Company at the commencement date of the 2012 Scheme. The total number of shares of the Company issued and which may fall to be issued upon the exercise of share options to be granted under the 2012 Scheme to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders’ approval in a general meeting. No share options has been granted under the 2012 Scheme.

32 購股權計劃

本公司有兩項購股權計劃，分別於二零零二年六月七日（「二零零二年計劃」）及二零一二年五月二十五日（「二零一二年計劃」）獲批准並採納，據此，購股權可能被授予本公司或其任何附屬公司或其任何聯營公司之董事（包括執行及非執行董事）、行政人員、高級職員、僱員或股東及任何供應商、客戶、諮詢人、顧問、代理、合夥人或業務聯繫人以認購本公司股份。兩項購股權計劃均有效且於該計劃獲採納日期起計十年期間生效。

二零零二年計劃於二零一二年五月二十九日終止，概不能再根據二零零二年計劃進一步授出購股權。於二零零二年計劃終止前根據該計劃授出之購股權將繼續有效，並可根據二零零二年計劃予以行使。於本年度，根據二零零二年計劃授出之尚未行使3,586,880份購股權已失效。因此，於本年報刊發日期，本公司並無股份可根據二零零二年計劃而予以發行。

根據二零一二年計劃，因悉數行使購股權而可發行之本公司最高股份數目為115,219,246股，佔本公司於二零一二年計劃開始日期已發行股本4.31%。各承授人於授出日期前任何十二個月期間因行使根據二零一二年計劃將予授出之購股權而已經發行及將予發行之本公司股份總數，不得超過於授出日期本公司已發行股本之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。概無購股權已根據二零一二年計劃授出。

32 SHARE OPTION SCHEMES (Continued)

Under both share option schemes, the exercise price in relation to each share option is determined by the Board of Directors at its absolute discretion and shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotation sheet of the Stock Exchange on the date of offer of share options; (ii) the average of the closing prices of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of the share of the Company on the date of offer of share options. Each grantee is required to pay HK\$1.00 as consideration for the grant of share options. The offer of share options must be accepted within 60 days and 30 days from the date of the offer, under the 2002 Scheme and the 2012 Scheme respectively.

The following table discloses the details of the share options and movements in the share options under the 2002 Scheme during the years ended 31 December 2021 and 2020:

For the year ended 31 December 2021

| Category of grantees | Date of grant | Exercise period | Exercise price per share | Number of share options 購股權數目 | | | At 31 December 2021 於二零二一年 十二月 三十一日 |
|---------------------------------|-------------------------------------|---|--------------------------|--|--------------------------------------|---|--|
| | | | | At 1 January 2021 於 二零二一年 一月一日 | Lapsed during the year 年內失效 | Adjustment as a result of the rights issue 基於供股而 作出的調整 (Note) (附註) | |
| Employees of the Group 本集團僱員 | 14 December 2010 二零一零年十二月 十四日 | 14 December 2010 – 13 December 2020 二零一零年十二月 十四日至二零二零年 十二月十三日 | HK\$0.53 港幣0.53元 | - | - | - | - |

32 購股權計劃(續)

根據兩項購股權計劃，各購股權之行使價乃由董事會全權酌情釐定，惟該價格不得少於以下之最高者：(i)於要約授出購股權日期本公司股份於聯交所每日報價表所報之收市價；(ii)緊接要約授出購股權日期前五個營業日本公司股份於聯交所每日報價表所報之平均收市價；及(iii)於要約授出購股權日期本公司股份之面值。各承授人須支付港幣1.00元作為獲授予購股權之代價。根據二零零二年計劃及二零一二年計劃，所授予之購股權須分別於提出要約日期起計60日及30日內接納。

下表披露於截至二零二一年及二零二零年十二月三十一日止年度，二零零二年計劃項下購股權及購股權變動之詳情：

截至二零二一年十二月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報告附註

32 SHARE OPTION SCHEMES (Continued)

For the year ended 31 December 2020

| Category of grantees | Date of grant | Exercise period | Exercise price per share | At 1 January 2020 | Lapsed during the year | Number of share options | | At 31 December 2020 |
|------------------------|------------------|-------------------------------------|--------------------------|-------------------|------------------------|-------------------------|--|---------------------|
| | | | | | | 購股權數目 | Adjustment as a result of the rights issue | |
| 承授人類別 | 授出日期 | 行使期 | 每股行使價 | 於二零二零年一月一日 | 年內失效 | 基於供股而作出的調整 | (Note) (附註) | 於二零二零年十二月三十一日 |
| Employees of the Group | 14 December 2010 | 14 December 2010 – 13 December 2020 | HK\$0.53 | 3,586,880 | (3,586,880) | - | - | - |
| 本集團僱員 | 二零二零年十二月十四日 | 二零二零年十二月十四日至二零二零年十二月十三日 | 港幣0.53元 | | | | | |

Note: As a result of the Rights Issue which was completed on 31 October 2018, the relevant exercise prices were adjusted from HK\$0.54 to HK\$0.53 under the 2002 Scheme and the numbers of outstanding share options were adjusted accordingly.

附註：由於供股已於二零一八年十月三十一日完成，二零二零年計劃下相關行使價已由港幣0.54元調整至港幣0.53元，尚未行使購股權數目亦獲相應調整。

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

尚未行使購股權數目及其相關加權平均行使價變動如下：

| | | 2021 二零二一年 | | 2020 二零二零年 | |
|----------------|----------|--|--|--|--|
| | | Average exercise price in HK\$ per share option 每份購股權的平均行使價 (港幣) | Number of share options (thousands) 購股權數目 (千份) | Average exercise price in HK\$ per share option 每份購股權的平均行使價 (港幣) | Number of share options (thousands) 購股權數目 (千份) |
| At 1 January | 於一月一日 | - | - | 0.53 | 3,587 |
| Lapsed | 已失效 | - | - | 0.53 | (3,587) |
| At 31 December | 於十二月三十一日 | - | - | - | - |

33 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

33 綜合現金流量表附註

(a) Cash generated from/(used in) operations

(a) 經營所得／(所用)現金

| | Notes 附註 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-------------------------------|-----------------------------------|-----------------------------------|
| Profit before income tax | 除所得稅前溢利 | 50,064 | 35,153 |
| Adjustments for: | 調整： | | |
| Changes in fair value of financial assets at FVPL | 透過損益賬按公允值處理之金融資產之公允值變動 | (1,492) | (272) |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 15 1,314 | 2,120 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 16 3,799 | 3,403 |
| Amortisation of intangible assets | 無形資產攤銷 | 18 2,927 | 2,956 |
| Loss on disposal of property, plant and equipment and intangible asset, net | 出售物業、廠房及設備以及無形資產之虧損淨額 | 7 1 | 10 |
| Loss/(gain) on disposal of debt instruments at FVOCI | 出售透過其他全面收益按公允值處理之債務工具之虧損／(收益) | 12 | (29) |
| Provision for/(reversal of provision for) impairment of receivables, net | 應收款項減值撥備／(撥備撥回)淨額 | 2,927 | (5,916) |
| Changes in fair values of investment properties | 投資物業之公允值變動 | (5,244) | 1,000 |
| Finance costs | 融資成本 | 11 12,971 | 11,868 |
| Interest income | 利息收入 | (3,821) | (10,636) |
| Share of profit of associates | 應佔聯營公司溢利 | (2,328) | (1,258) |
| Net exchange difference | 匯兌差額淨值 | (1,214) | 125 |
| Operating cash flows before movements in working capital | 營運資金變動前之經營現金流量 | 59,916 | 38,524 |
| Changes in working capital: | 營運資金變動： | | |
| Receivables under sale and leaseback arrangements | 售後回租安排項下應收款項 | 60,291 | (5,824) |
| Inventories | 存貨 | (2,393) | - |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款項 | (57,433) | (175,922) |
| Other payables and accruals | 其他應付款項及應計費用 | 9,117 | 33,122 |
| Contract liabilities | 合約負債 | 10,115 | - |
| Security deposits received | 已收保證按金 | (6,029) | (18,674) |
| Cash generated from/(used in) operations | 經營所得／(所用)現金 | 73,584 | (128,774) |

33 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Cash generated from/(used in) operations (Continued)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|----------------------------|-----------------------------------|-----------------------------------|
| Net book amount | 賬面淨值 | | |
| - Property, plant and equipment (Note 15) | - 物業、廠房及設備(附註15) | 1 | 1,336 |
| - Intangible asset (Note 18) | - 無形資產(附註18) | - | 556 |
| | | 1 | 1,892 |
| Loss on disposals of property, plant and equipment and intangible asset, net (Note 7) | 出售物業、廠房及設備以及無形資產之虧損淨額(附註7) | (1) | (10) |
| Proceeds from disposal of property, plant and equipment and intangible asset | 出售物業、廠房及設備以及無形資產之所得款項 | - | 1,882 |

(b) Changes in liabilities arising from financing activities

This section sets out an analysis of net cash and the movements in net cash for the years ended 31 December 2021 and 2020 presented.

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---------------------------|-----------|-----------------------------------|-----------------------------------|
| Cash and cash equivalents | 現金及現金等值項目 | 387,095 | 318,818 |
| Borrowings | 借款 | (290,922) | (290,303) |
| Lease liabilities | 租賃負債 | (17,304) | (1,917) |
| Net cash | 現金淨額 | 78,869 | 26,598 |

33 綜合現金流量表附註(續)

(a) 經營所得/(所用)現金(續)

在綜合現金流量表中，出售物業、廠房及設備之所得款項包括：

(b) 融資活動產生之負債變動

本節載列所示截至二零二一年及二零二零年十二月三十一日止年度現金淨額及現金淨額變動之分析。

33 NOTES TO CONSOLIDATED STATEMENT OF
CASH FLOWS (Continued)

(b) Changes in liabilities arising from financing
activities (Continued)

33 綜合現金流量表附註(續)

(b) 融資活動產生之負債變動(續)

| | | Other assets 其他資產 | | Liabilities from financing activities 融資活動產生之負債 | | |
|---------------------------------|------------------------|---|---|--|---------------------------------|---------------------------------|
| | | Cash and cash equivalents 現金及現金 等值項目 HK\$'000 港幣千元 | Term deposits with initial term over three months 初期限 超過三個月 之定期存款 HK\$'000 港幣千元 | Borrowings 借款 HK\$'000 港幣千元 | Lease 租賃 HK\$'000 港幣千元 | Total 總計 HK\$'000 港幣千元 |
| Net cash as at 1 January 2020 | 於二零二零年一月一日之 現金淨額 | 607,782 | 94,382 | (465,557) | (4,128) | 232,479 |
| Cash flows | 現金流量 | (300,541) | (94,470) | 187,280 | 2,346 | (205,385) |
| Foreign exchange adjustments | 外匯調整 | 11,577 | 88 | (12,026) | - | (361) |
| Other charge | 其他費用 | - | - | - | (135) | (135) |
| Net cash as at 31 December 2020 | 於二零二零年十二月 三十一日之現金淨額 | 318,818 | - | (290,303) | (1,917) | 26,598 |
| Cash flows | 現金流量 | 70,949 | - | 6,708 | 2,567 | 80,224 |
| Foreign exchange adjustments | 外匯調整 | (2,672) | - | (7,327) | - | (9,999) |
| New leases | 新租賃 | - | - | - | (17,730) | (17,730) |
| Other charge | 其他費用 | - | - | - | (224) | (224) |
| Net cash as at 31 December 2021 | 於二零二一年十二月 三十一日之現金淨額 | 387,095 | - | (290,922) | (17,304) | 78,869 |

34 RELATED PARTY DISCLOSURE

The Controlling Shareholder of the Company defined under the Listing Rules is Shougang Holding which is a wholly-owned subsidiary of Shougang Group Co., Ltd., a state-owned enterprise under the direct supervision of the State Council of the PRC. Accordingly, the Company and the Group are controlled by Shougang Group Co., Ltd. and its subsidiaries (collectively referred as "Shougang Group"). The transactions and those balances with Shougang Group and other PRC government-related financial institutions are disclosed below:

(a) Key management personnel compensation

Key management personnel includes directors (executive, non-executive and external directors) and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

34 關連人士披露

根據上市規則之定義，本公司之控股股東為首鋼控股，而首鋼控股則為首鋼集團有限公司(由中國國務院直接控制之國有企業)旗下之全資附屬公司。因此，本公司及本集團受首鋼集團有限公司及其附屬公司(統稱為「首鋼集團」)控制。與首鋼集團及其他中國政府相關金融機構進行之交易及結餘披露如下：

(a) 主要管理人員薪酬

主要管理人員包括董事(執行董事、非執行董事及外部董事)及本集團高級管理人員。就僱員服務已付或應付主要管理人員薪酬如下所示：

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Wages, salaries and other benefit | 工資、薪金及其他福利 | 9,634 | 8,237 |
| Retirement benefit scheme contribution | 退休福利計劃供款 | 50 | 50 |
| Total employee benefit expenses | 僱員福利開支總額 | 9,684 | 8,287 |

34 RELATED PARTY DISCLOSURE (Continued)
(b) Transactions with related parties

34 關連人士披露(續)
(b) 與關連人士之交易

| | | Year ended 31 December 截至十二月三十一日止年度 | |
|--|-----------------------------|--|-----------------------------------|
| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| Revenue under sale and leaseback arrangements (Note (ii)) | 售後回租安排項下之收益 (附註(ii)) | | |
| Subsidiaries of Shougang Group | 首鋼集團之附屬公司 | 38,536 | 53,295 |
| Associate of Shougang Holding | 首鋼控股之聯營公司 | 800 | – |
| | | 39,336 | 53,295 |
| Consultancy services income (Note (i)) | 諮詢服務收入(附註(i)) | | |
| Associate of Shougang Holding | 首鋼控股之聯營公司 | 2,191 | 1,003 |
| Management fee expenses (Note (i)) | 管理費用開支(附註(i)) | | |
| Shougang Holding | 首鋼控股 | 2,880 | 2,880 |
| Lease payments (Note (i)) | 租賃付款(附註(i)) | | |
| Subsidiary of Shougang Holding | 首鋼控股之附屬公司 | 2,346 | 2,346 |

34 RELATED PARTY DISCLOSURE (Continued)
(b) Transactions with related parties (Continued)

34 關連人士披露(續)
(b) 與關連人士之交易(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 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| Technical support services expense (Note (i)) | 技術支援服務費用(附註(i)) | | |
| Subsidiary of Shougang Group | 首鋼集團之附屬公司 | 647 | — |
| Sales of property, plant and equipment and Intangible asset (Note (i)) | 銷售物業、廠房及設備以及 無形資產(附註(i)) | | |
| Subsidiary of Shoucheng Holdings Limited | 首程控股有限公司之 附屬公司 | — | 1,882 |

Notes:

- (i) The transactions were carried out in accordance with the relevant lease and other agreements.
- (ii) The transactions were carried out in accordance with relevant sale and leaseback and loan agreements summarised as below:
- (1) Pursuant to the sale and leaseback agreement, South China Leasing provided sale and leaseback amounting to RMB20,000,000 to Tengzhou Eastern Steel Cord Co. Ltd, an associate of Shougang Holding, for a term of 18 months commenced from June 2021.
- (2) The Company entered into the master facility agreement with Shougang Group Co., Ltd., pursuant to which the Company has conditionally agreed to provide or procure its subsidiaries to provide the uncommitted facilities to Shougang Group Co., Ltd. and/or its subsidiaries in an aggregate principal amount of up to RMB5,000,000,000 for a term of 3 years commenced from June 2018.

附註：

- (i) 該等交易根據有關租賃及其他協議進行。
- (ii) 該等交易根據有關售後回租及貸款協議進行，概要如下：
- (1) 根據售後回租協議，南方租賃向滕州東方鋼索有限公司(首鋼控股之聯營公司)提供售後回租金額為人民幣20,000,000元，為期十八個月，自二零二一年六月開始。
- (2) 本公司與首鋼集團有限公司訂立授信總協議，據此，本公司已有條件地同意提供或促使其附屬公司向首鋼集團有限公司及/或其附屬公司提供本金總額最多為人民幣5,000,000,000元之非承諾授信，為期三年，自二零一八年六月開始。

34 RELATED PARTY DISCLOSURE (Continued)

(c) Outstanding balance arising from sale and leaseback business

Included in receivables under sale and leaseback arrangements of the Group as disclosed in Note 20, there are receivables under sale and leaseback arrangements from subsidiaries of Shougang Group with total carrying amount of HK\$568,252,000 (2020: HK\$691,440,000) as at 31 December 2021.

(d) Investment in related companies

At 31 December 2021, the Group's financial assets at FVPL included listed securities of 12,370,000 shares (2020: 12,370,000 shares) of Shougang Century Holdings Limited ("Shougang Cent", formerly known as Shougang Concord Century Holdings Limited) with carrying amount of HK\$4,268,000 (2020: HK\$2,746,000), and 46,000 shares (2020: 46,000 shares) of Shoucheng Holdings Limited ("Shoucheng") with carrying amount of HK\$71,000 (2020: HK\$101,000). Shougang Cent and Shoucheng are associates of Shougang Holding.

(e) Transaction and balance with other PRC government-related entities

Apart from the transactions and balances with the Shougang Group as disclosed in Note 34(b) and 34(c), and the investments in related companies as disclosed in Note 34(d), the Group has entered into various transactions in its ordinary course of business including deposit placements, borrowings and other general banking facilities, with certain banks and financial institutions which are government-related entities. As at 31 December 2021, 100% and 98% (2020: 99% and 97%), respectively, of bank balances and bank borrowings are held with these government-related financial institutions.

34 關連人士披露(續)

(c) 售後回租業務產生的未償還結餘

於二零二一年十二月三十一日，於附註20所披露的本集團售後回租安排項下應收款項包括來自首鋼集團之附屬公司售後回租安排項下應收款項賬面總值為港幣568,252,000元(二零二零年：港幣691,440,000元)。

(d) 於關連公司之投資

於二零二一年十二月三十一日，本集團透過損益賬按公允值處理之金融資產包括上市證券首佳科技製造有限公司(「首佳科技」，前稱首長寶佳集團有限公司)之12,370,000股股份(二零二零年：12,370,000股股份)賬面值為港幣4,268,000元(二零二零年：港幣2,746,000元)及首程控股有限公司(「首程控股」)之46,000股股份(二零二零年：46,000股股份)賬面值為港幣71,000元(二零二零年：港幣101,000元)。首佳科技及首程控股為首鋼控股之聯營公司。

(e) 與其他中國政府相關實體之交易及結餘

除附註34(b)及34(c)所披露與首鋼集團之交易及結餘及附註34(d)所披露於關連公司之投資外，本集團於其日常業務過程中與屬政府相關實體之若干銀行及金融機構訂立多項交易，包括存款、借款及其他一般銀行融資。於二零二一年十二月三十一日，銀行結存及銀行借款分別由此等政府相關金融機構持有100%及98%(二零二零年：99%及97%)。

35 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

The remuneration of every director and the chief executive for the year ended 31 December 2021 is set out below:

35 董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則所規定的披露)

截至二零二一年十二月三十一日止年度各董事及最高行政人員之薪酬載列如下：

| | | Fees 袍金 HK\$'000 港幣千元 | Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元 | Contributions to retirement benefit scheme 退休福利計劃供款 HK\$'000 港幣千元 | Total 2021 總計 二零二一年 HK\$'000 港幣千元 |
|---|-------------------|--------------------------------|--|--|---|
| 2021 | 二零二一年 | | | | |
| Executive directors of the Company | 本公司執行董事 | | | | |
| Xu Liang | 徐量 | - | 3,360 | 18 | 3,378 |
| Tian Gang (Note (i)) | 田剛(附註(i)) | - | 2,236 | 15 | 2,251 |
| Su Guifeng (Note (ii)) | 蘇桂鋒(附註(ii)) | - | 672 | 3 | 675 |
| Li Jing (Note (iii)) | 李靖(附註(iii)) | - | - | - | - |
| Non-executive directors of the Company | 本公司非執行董事 | | | | |
| Huang Donglin | 黃冬林 | 247 | - | - | 247 |
| Zhang Jianxun (Note (iv)) | 張建勳(附註(iv)) | - | - | - | - |
| You Wenli (Note (v)) | 游文麗(附註(v)) | - | - | - | - |
| Independent Non-executive directors of the Company | 本公司獨立非執行董事 | | | | |
| Tam King Ching, Kenny | 譚競正 | 264 | - | - | 264 |
| Zhang Xingyu | 張興禹 | 264 | - | - | 264 |
| Ng Man Fung, Walter (Note (vi)) | 伍文峯(附註(vi)) | 204 | - | - | 204 |
| On Danita (Note (vii)) | 安殷霖(附註(vii)) | 204 | - | - | 204 |
| Wan Siu Wah, Wilson (Note (viii)) | 溫兆華(附註(viii)) | 7 | - | - | 7 |
| Total emoluments | 酬金總額 | 1,190 | 6,268 | 36 | 7,494 |

Notes:

- (i) Tian Gang was appointed on 24 March 2021.
- (ii) Su Guifeng resigned on 19 March 2021.
- (iii) Li Jing resigned on 24 March 2021.
- (iv) Zhang Jianxun was appointed on 24 March 2021. Under the engagement letter, Mr. Zhang will not receive any emolument.
- (v) You Wenli resigned on 24 March 2021.
- (vi) Ng Man Fung, Walter was appointed on 19 March 2021.
- (vii) On Danita was appointed on 19 March 2021.
- (viii) Wan Siu Wah, Wilson passed away on 8 January 2021.

附註：

- (i) 田剛於二零二一年三月二十四日獲委任。
- (ii) 蘇桂鋒於二零二一年三月十九日辭任。
- (iii) 李靖於二零二一年三月二十四日辭任。
- (iv) 張建勳於二零二一年三月二十四日獲委任。根據委聘書，張先生不會收取任何酬金。
- (v) 游文麗於二零二一年三月二十四日辭任。
- (vi) 伍文峯於二零二一年三月十九日獲委任。
- (vii) 安殷霖於二零二一年三月十九日獲委任。
- (viii) 溫兆華於二零二一年一月八日離世。

35 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

The remuneration of every director and the chief executive for the year ended 31 December 2020 is set out below:

35 董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則所規定的披露)(續)

截至二零二零年十二月三十一日止年度各董事及最高行政人員之薪酬載列如下：

| | | Fees 袍金 HK\$'000 港幣千元 | Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元 | Contributions to retirement benefit scheme 退休福利計劃供款 HK\$'000 港幣千元 | Total 2020 總計 二零二零年 HK\$'000 港幣千元 |
|---|--------------------------|--------------------------------|--|--|---|
| 2020 | | | | | |
| Executive directors of the Company | 二零二零年 本公司執行董事 | | | | |
| Xu Liang | 徐量 | — | 3,360 | 18 | 3,378 |
| Su Guifeng | 蘇桂鋒 | — | 2,883 | 18 | 2,901 |
| Li Jing | 李婧 | — | 990 | 14 | 1,004 |
| Non-executive directors of the Company | 本公司非執行董事 | | | | |
| Liu Dongsheng (Note (i)) | 劉東升(附註(i)) | 58 | — | — | 58 |
| Huang Donglin | 黃冬林 | 190 | — | — | 190 |
| You Wenli | 游文麗 | — | — | — | — |
| Independent Non-executive directors of the Company | 本公司獨立非執行董事 | | | | |
| Tam King Ching, Kenny | 譚競正 | 252 | — | — | 252 |
| Fei Jianjiang (Note (vi)) | 費建江(附註(vi)) | 55 | — | — | 55 |
| Zhang Xingyu (Note (vii)) | 張興禹(附註(vii)) | 198 | — | — | 198 |
| Wan Siu Wah, Wilson | 溫兆華 | 252 | — | — | 252 |
| Total emoluments | 酬金總額 | 1,005 | 7,233 | 50 | 8,288 |

Notes:

- (i) Liu Dongsheng ceased to be managing director and was appointed to be non-executive director on 22 August 2019. Mr. Liu was subsequently ceased to be non-executive director on 21 May 2020.
- (ii) Su Guifeng was appointed on 19 September 2019.
- (iii) Li Jing was appointed on 22 August 2019.
- (iv) You Wenli was appointed on 31 May 2019.
- (v) Yip Kin Man, Raymond resigned on 1 January 2020.
- (vi) Fei Jianjiang resigned on 20 March 2020.
- (vii) Zhang Xingyu was appointed on 20 March 2020.

附註：

- (i) 劉東升於二零一九年八月二十二日不再為董事總經理並獲委任為非執行董事。劉先生其後於二零二零年五月二十一日不再為非執行董事。
- (ii) 蘇桂鋒於二零一九年九月十九日獲委任。
- (iii) 李婧於二零一九年八月二十二日獲委任。
- (iv) 游文麗於二零一九年五月三十一日獲委任。
- (v) 葉健民於二零二零年一月一日辭任。
- (vi) 費建江於二零二零年三月二十日辭任。
- (vii) 張興禹於二零二零年三月二十日獲委任。

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of principal subsidiaries at 31 December 2021 and 2020 are as follows:

36 本公司主要附屬公司之詳情

於二零二一年及二零二零年十二月三十一日之主要附屬公司詳情如下：

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點 | Issued and fully paid share capital/register and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i)) | Proportion of ownership interest held by the Company 本公司所持擁有權權益之比例 | | Principal activities 主要業務 |
|---|---|---|---|-------------------------------|--|
| | | | 2021 二零二一年 | 2020 二零二零年 | |
| Direct subsidiaries 直接附屬公司 | | | | | |
| Gold Cosmos Development Limited 金鵬發展有限公司 | Hong Kong 香港 | HK\$10,000 港幣10,000元 | 100% (Note (iv)) (附註(iv)) | 100% | Investment holding 投資控股 |
| Jeckman Holdings Limited | British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」) | US\$100 100美元 | 100% | 100% | Investment holding 投資控股 |
| SCG Investment (BVI) Limited | BVI 英屬處女群島 | HK\$100,000 港幣100,000元 | 100% | 100% | Investment holding 投資控股 |
| Indirect subsidiaries 間接附屬公司 | | | | | |
| Grand Park Investment Limited 光栢投資有限公司 | Hong Kong 香港 | HK\$2 港幣2元 | 100% | 100% | Property investment 物業投資 |
| Long Cosmos Investment Limited 長亨投資有限公司 | Hong Kong 香港 | HK\$2 港幣2元 | 100% | 100% | Provision of administrative and management services 提供行政及管理服務 |
| Lyre Terrace Management Limited 琴台管理有限公司 | Hong Kong 香港 | HK\$1,000,000 港幣1,000,000元 | 100% | 100% | Property investment 物業投資 |
| On Hing Investment Company, Limited 安興企業有限公司 | Hong Kong 香港 | HK\$1,000 (ordinary) HK\$2,000,000 (non-voting deferred) 港幣1,000元 (普通股) 港幣2,000,000元 (無投票權遞延股) | 100% (Note (v)) (附註(v)) | 100% (Note (v)) (附註(v)) | Property investment and investment holding 物業投資及投資控股 |
| Linksky Limited 凌建有限公司 | Hong Kong 香港 | HK\$2 港幣2元 | 100% | 100% | Property investment 物業投資 |

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF
THE COMPANY (Continued)

36 本公司主要附屬公司之詳情(續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點 | Issued and fully paid share capital/register and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i)) | Proportion of ownership interest held by the Company 本公司所持擁有權 權益之比例 | | Principal activities 主要業務 |
|--|--|--|--|--------------------|---|
| | | | 2021 二零二一年 | 2020 二零二零年 | |
| | | | Indirect subsidiaries (Continued) 間接附屬公司(續) | | |
| SCG Capital Corporation Limited 首長四方融資有限公司 | Hong Kong 香港 | HK\$20 港幣20元 | 100% | 100% | Investment holding 投資控股 |
| SCG Finance Corporation Limited 首長四方財務有限公司 | Hong Kong 香港 | HK\$20 港幣20元 | 100% | 100% | Provision of financial services 提供金融服務 |
| SCG Financial Investment Limited | BVI 英屬處女群島 | US\$1,000 1,000美元 | 0% (Note (viii)) (附註(viii)) | 100% | Investment holding 投資控股 |
| SCG Leasing Corporation Limited 首長四方租賃有限公司 | Hong Kong 香港 | HK\$2 港幣2元 | 0% (Note (viii)) (附註(viii)) | 100% | Inactive 暫無營業 |
| South China International Leasing Co., Ltd. ("South China Leasing") 南方國際租賃有限公司(「南方租賃」) | The PRC (Note (ii)) 中國(附註(ii)) | US\$162,000,000 (Registered capital) 162,000,000美元 (註冊股本) | 75% | 75% | Provision of sale and leaseback services 提供售後回租服務 |
| Tin Fung Investment Company, Limited | Hong Kong | HK\$975,000 (ordinary) HK\$210,000 (non-voting deferred) | 100% (Note (v)) (附註(v)) | 100% (Note (v)) | Inactive |
| 天豐置業有限公司 | 香港 | 港幣975,000元 (普通股) 港幣210,000元 (無投票權遞延股) | (附註(v)) | (附註(v)) | 暫無營業 |
| Valuework Investment Holdings Limited | BVI 英屬處女群島 | US\$100 100美元 | 100% | 100% | Investment holding 投資控股 |

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

36 本公司主要附屬公司之詳情(續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點 | Issued and fully paid share capital/register and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i)) | Proportion of ownership interest held by the Company 本公司所持擁有權權益之比例 | | Principal activities 主要業務 |
|--|---|---|---|---------------------------------|--|
| | | | 2021 二零二一年 | 2020 二零二零年 | |
| | | | Indirect subsidiaries (Continued) 間接附屬公司(續) | | |
| Ecko Investment Company Limited* 悦康融匯投資諮詢(北京)有限公司 | The PRC (Note (iii)) 中國(附註(iii)) | HK\$261,700,000 (Registered capital) 港幣261,700,000元 (註冊股本) | 100% | 100% | Investment holding 投資控股 |
| Beijing Shouhua Fangtai Investment Management Co., Ltd.* ("Shouhua Fangtai") 北京首華方泰投資管理有限公司 (「首華方泰」) | The PRC (Note (iii)) 中國(附註(iii)) | RMB70,000,000 (Registered capital) 人民幣70,000,000元 (註冊股本) | 100% (Note (vii)) (附註(vii)) | 86.71% | Provision of corporate financial advisory services 提供企業融資顧問服務 |
| Beijing Jingxi Supply Chain Management Co., Ltd.* ("Beijing Jingxi Supply Chain") 北京京西供應鏈管理有限公司 (「北京京西供應鏈」) | The PRC (Note (iii)) 中國(附註(iii)) | RMB60,000,000 人民幣60,000,000元 | 100% | 100% (Note (vi)) (附註(vi)) | Provision of supply chain management services 提供供應鏈管理服務 |

Notes:

- (i) All issued share capital are ordinary shares unless otherwise stated.
- (ii) This entity is sino-foreign equity joint venture.
- (iii) These entities are limited liability enterprises.
- (iv) These entities have become direct subsidiaries during the year.
- (v) Interests only refer to ordinary shares which are voting shares.
- (vi) During the year ended 31 December 2020, the Group entered into a sale and purchase agreement with 北京首鋼基金有限公司 (Beijing Shougang Fund Co., Ltd*), a non-controlling shareholder of Beijing Jingxi Supply Chain, to acquire the remaining 30% equity interest with the consideration of HK\$8,747,000. After the acquisition, the Group owns 100% equity interest on Beijing Jingxi Supply Chain.
- (vii) During the year ended 31 December 2021, the Group entered into a sale and purchase agreement with Fangyuan Financial (Hong Kong) Limited, a non-controlling shareholder of Shouhua Fangtai, to acquire the remaining 13.29% equity interest with the consideration of HK\$297,000. After the acquisition, the Group owns 100% equity interest on Shouhua Fangtai.
- (viii) During the year ended 31 December 2021, these entities were deregistered.

* For identification purpose only

附註：

- (i) 除非另有說明，否則所有已發行股本均為普通股。
- (ii) 該實體為中外合資企業。
- (iii) 該等實體為有限責任公司。
- (iv) 該等實體於年內成為直接附屬公司。
- (v) 指於有投票權之普通股股份的權益。
- (vi) 截至二零二零年十二月三十一日止年度，本集團與北京京西供應鏈的非控股股東北京首鋼基金有限公司訂立買賣協議，以收購餘下30%股權，代價為港幣8,747,000元。於收購後，本集團擁有北京京西供應鏈100%股權。
- (vii) 截至二零二一年十二月三十一日止年度，本集團與首華方泰的非控股股東方圓金融(香港)有限公司訂立買賣協議，以收購餘下13.29%股權，代價為港幣297,000元。於收購後，本集團擁有首華方泰100%股權。
- (viii) 截至二零二一年十二月三十一日止年度，該等實體已撤銷註冊。

* 僅供識別用途

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affect the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of Directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

Details of non-wholly-owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

| Name of subsidiary 附屬公司名稱 | Place of establishment and operation 成立及營運地點 | Principal activities 主要業務 | Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權益及投票權之比例 | | Profit for the year allocated to non-controlling interests 分配至非控股權益之年度溢利 | | Accumulated non-controlling interests 累計非控股權益 | |
|---|---|--|---|--------------------|---|-----------------------------------|--|-----------------------------------|
| | | | 2021 二零二一年 % | 2020 二零二零年 % | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
| | | | South China Leasing 南方租賃 | The PRC 中國 | Provision of sale and leaseback arrangements services 提供售後回租安排服務 | 25 | 25 | 15,199 |
| Beijing Jingxi Supply Chain 北京京西供應鏈 | The PRC 中國 | Provision of supply chain management services 提供供應鏈管理服務 | - | - | - | 49 | - | - |
| Individually immaterial subsidiaries with non-controlling interests 個別非重大而擁有非控股權益之附屬公司 | | | | | | | - | (397) |
| | | | | | | | 352,722 | 318,352 |

36 本公司主要附屬公司之詳情(續)

上表僅載列董事認為對本集團之業績或資產及負債有主要影響之本集團附屬公司。董事認為載列其他附屬公司詳情將令篇幅過於冗長。

於本年度結束時及年內任何時間並無附屬公司持有任何債務證券。

擁有重大非控股權益之非全資附屬公司詳情

下表載列擁有重大非控股權益之本集團非全資附屬公司之詳情：

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests (Continued)

South China Leasing is the non-listed company established in Mainland China and provides sale and leaseback services in Mainland China.

The Group has indirect ownership interest of 75% (2020: 75%) in South China Leasing at 31 December 2021, which is held by wholly owned subsidiaries of the Group. The remaining 25% non-controlling interests is held by Shougang Holding.

Beijing Jingxi Supply Chain is the private company established in Mainland China and provides supply chain management services in Mainland China.

The Directors conclude that the Group has a sufficiently dominant voting interest to direct the relevant activities of both subsidiaries on the basis of the Group's absolute size of equity interest and the relative size of the interest owned by the other equity owners.

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

South China Leasing Summarised balance sheet

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|----------------|-----------------------------------|-----------------------------------|
| Current assets | 流動資產 | 1,210,825 | 702,932 |
| Current liabilities | 流動負債 | (218,894) | (188,935) |
| Current net assets | 流動資產淨值 | 991,931 | 513,997 |
| Non-current assets | 非流動資產 | 531,552 | 913,946 |
| Non-current liabilities | 非流動負債 | (112,595) | (152,947) |
| Non-current net assets | 非流動資產淨值 | 418,957 | 760,999 |
| Net assets | 資產淨值 | 1,410,888 | 1,274,996 |
| Accumulated non-controlling interests | 累計非控股權益 | 352,722 | 318,749 |

36 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)

南方租賃為於中國內地成立之非上市公司，於中國內地提供售後回租服務。

本集團於二零二一年十二月三十一日於南方租賃擁有75%(二零二零年:75%)間接擁有權益，而南方租賃由本集團多間全資附屬公司持有。餘下25%非控股權益由首鋼控股持有。

北京京西供應鏈為於中國內地成立之私人公司，於中國內地提供供應鏈管理服務。

董事之結論為，基於本集團之絕對股權規模及其他股權所有人擁有之相對權益規模，本集團擁有足夠主導性投票權，以指引兩間附屬公司之有關活動。

有關擁有重大非控股權益之本集團附屬公司財務資料概要載列如下。下文概述之財務資料指集團內公司間對銷前之金額。

南方租賃 資產負債表概要

36 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests (Continued)
South China Leasing (Continued)
Summarised statement of comprehensive income

36 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)
南方租賃(續)
全面收益表概要

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|---|-----------------|-----------------------------------|-----------------------------------|
| Revenue | 收益 | 91,816 | 78,691 |
| Profit for the year | 年內溢利 | 60,656 | 51,548 |
| Other comprehensive income | 其他全面收益 | 75,372 | 77,988 |
| Total comprehensive income | 全面收益總額 | 136,028 | 129,536 |
| Total comprehensive income allocated to non-controlling interests | 分配至非控股權益之全面收益總額 | 34,007 | 32,384 |

Summarised cash flow

現金流量概要

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|-----------------|-----------------------------------|-----------------------------------|
| Net cash generated from operating activities | 經營活動所得現金淨額 | 77,146 | 51,937 |
| Net cash generated from/(used in) investing activities | 投資活動所得/(所用)現金淨額 | 742 | (7,282) |
| Net cash used in financing activities | 融資活動所用現金淨額 | (658) | (99,872) |
| Net cash inflow/(outflow) | 現金流入/(流出)淨額 | 77,230 | (55,217) |

37 STATEMENT OF FINANCIAL POSITION AND
RESERVE MOVEMENT OF THE COMPANY

37 本公司財務狀況表及
儲備變動表

| | | 2021 二零二一年 HK\$'000 港幣千元 | 2020 二零二零年 HK\$'000 港幣千元 |
|--|--------------------|-----------------------------------|-----------------------------------|
| Assets | 資產 | | |
| Non-current assets | 非流動資產 | | |
| Investments in subsidiaries, net (Note) | 於附屬公司之投資淨額(附註) | 521,484 | 509,068 |
| Amounts due from subsidiaries, net (Note) | 應收附屬公司款項淨額(附註) | 1,098,786 | 563,203 |
| | | 1,620,270 | 1,072,271 |
| Current assets | 流動資產 | | |
| Prepayment, deposits and other receivables | 預付款項、按金及其他應收款項 | 193 | 193 |
| Bank balances and cash | 銀行結存及現金 | 102 | 202 |
| | | 295 | 395 |
| Total assets | 資產總值 | 1,620,565 | 1,072,666 |
| Liabilities | 負債 | | |
| Current liabilities | 流動負債 | | |
| Bank borrowing | 銀行借款 | 80,000 | - |
| Other payables and accruals | 其他應付款項及應計費用 | 119 | 102 |
| Total liabilities | 負債總額 | 80,119 | 102 |
| Net current (liabilities)/assets | 流動(負債)/資產淨值 | (79,824) | 293 |
| Net assets | 資產淨值 | 1,540,446 | 1,072,564 |
| Capital and reserves | 股本及儲備 | | |
| Share capital | 股本 | 39,846 | 39,846 |
| Reserves | 儲備 | 1,500,600 | 1,032,718 |
| Total equity | 總權益 | 1,540,446 | 1,072,564 |

37 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

Note: As at 31 December 2021, the amounts due from subsidiaries with carrying amount of HK\$1,098,786,000 (2020: HK\$563,203,000) is unsecured, interest free and repayable on demand. In the opinion of the Directors, the Company will not demand for repayment within one year from the end of reporting period and the amount due from a subsidiary is therefore considered as non-current. Interest-free advance is measured at amortised cost and the related effective interest income of HK\$8,628,000 (2020: HK\$35,105,000), which is non-distributable, was recognised in profit or loss for the current year and accumulated effective interest income of approximately HK\$148,637,000 (2020: HK\$140,010,000), which is non-distributable, was recognised in retained earnings.

37 本公司財務狀況表及儲備變動表(續)

附註：於二零二一年十二月三十一日，應收附屬公司款項賬面值港幣1,098,786,000元(二零二零年：港幣563,203,000元)為無抵押、免息及須按要求償還。董事認為，本公司將不會於報告期期末後一年內提出還款要求，因此認為應收一間附屬公司款項為非流動。免息墊款按攤銷成本計量而相關實際利息收入港幣8,628,000元(二零二零年：港幣35,105,000元)為非供分派且已於本年度損益賬內確認而累計實際利息收入約港幣148,637,000元(二零二零年：港幣140,010,000元)為非供分派且已於保留盈利內確認。

Movement in the Company's reserves

本公司儲備變動

| | | Share premium | Contributed surplus reserve | Share options reserve | Exchange reserve | Retained earnings | Total |
|---|----------------------|----------------|-----------------------------|-----------------------|------------------|-------------------|------------------|
| | | 股份溢價 | 繳入盈餘儲備 | 購股權儲備 | 匯兌儲備 | 保留盈利 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| At 1 January 2020 | 於二零二零年一月一日 | 766,818 | 113,441 | 686 | (11,356) | 90,394 | 959,983 |
| Lapse of share options | 購股權失效 | - | - | (686) | - | 686 | - |
| Exchange difference arising on translation into presentation currency | 換算為呈列貨幣產生之匯兌差額 | - | - | - | 34,496 | - | 34,496 |
| Profit for the year | 年度溢利 | - | - | - | - | 38,239 | 38,239 |
| At 31 December 2020 | 於二零二零年十二月三十一日 | 766,818 | 113,441 | - | 23,140 | 129,319 | 1,032,718 |
| Exchange difference arising on translation into presentation currency | 換算為呈列貨幣產生之匯兌差額 | - | - | - | 12,406 | - | 12,406 |
| Profit for the year | 年度溢利 | - | - | - | - | 455,476 | 455,476 |
| At 31 December 2021 | 於二零二一年十二月三十一日 | 766,818 | 113,441 | - | 35,546 | 584,795 | 1,500,600 |

38 EVENTS AFTER THE REPORTING PERIOD

Given the development of Coronavirus Disease 2019 (“COVID-19”) in early 2022, a series of tightened precautionary and control measures have been and continued to be implemented across Hong Kong and the Mainland China. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group. As at the date on which this set of financial statements were authorised for issue, the Group was not aware of any material adverse effects on the financial statements as a result of the COVID-19.

38 報告期後事項

鑒於2019冠狀病毒病(「疫情」)在二零二二年初的發展，香港及中國內地收緊了各項防控措施，而措施至今依然生效。本集團將密切注意疫情發展，並評估疫情對本集團財務狀況及經營業績的影響。於本財務報表獲授權刊發當日，本集團並不知悉有任何疫情對財務報表造成的重大不利影響。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 December

截至十二月三十一日止年度

| | | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------------------------|----------|-----------|----------|----------|--------------------|
| | | 二零一七年 | 二零一八年 | 二零一九年 | 二零二零年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| RESULTS | 業績 | | | | | |
| Revenue | 收益 | 109,512 | 96,623 | 77,702 | 85,378 | 1,898,003 |
| Cost of sales | 銷售成本 | (50,380) | (42,427) | (20,058) | (11,618) | (1,792,903) |
| Gross profit | 毛利 | 59,132 | 54,196 | 57,644 | 73,760 | 105,100 |
| Other income | 其他收入 | 4,389 | 15,620 | 21,191 | 12,388 | 5,998 |
| Other gains, net | 其他收益淨額 | 285 | 2,824 | 1,094 | 13,734 | 77 |
| Selling expenses | 出售開支 | (993) | (418) | (402) | (1,420) | (2,780) |
| Administrative expenses | 行政開支 | (40,530) | (58,798) | (65,232) | (68,079) | (60,938) |
| Changes in fair value of investment properties | 投資物業之公允價值變動 | 10,781 | 3,147 | 2,400 | (1,000) | 5,244 |
| Changes in fair value of financial assets at fair value through profit or loss | 透過損益賬按公允價值處理之金融資產之公允價值變動 | 67 | (641) | 204 | 272 | 1,492 |
| Reversal/(provision) of impairment of provision, net | 減值撥備撥回/(撥備)淨額 | 672 | 1,242 | 1,887 | 5,916 | (2,927) |
| Finance costs | 融資成本 | (2,445) | (5,823) | (5,987) | (1,676) | (3,530) |
| Share of (loss)/profit of associates | 應佔聯營公司(虧損)/溢利 | (11,947) | (122,547) | 2,614 | 1,258 | 2,328 |
| (Provision)/reversal of impairment of provision on interests in an associate | 一間聯營公司之權益之減值撥備(撥備)/撥回 | (9,626) | 75,640 | - | - | - |
| Profit before income tax | 除所得稅前溢利 | 9,785 | (35,558) | 15,413 | 35,153 | 50,064 |
| Income tax expense | 所得稅開支 | (12,206) | (14,531) | (14,830) | (16,959) | (7,571) |
| (Loss)/profit for the year | 年度(虧損)/溢利 | (2,421) | (50,089) | 583 | 18,194 | 42,493 |
| Attributable to: | 以下人士應佔： | | | | | |
| Owners of the Company | 本公司持有人 | (11,332) | (58,882) | (7,921) | 5,980 | 27,294 |
| Non-controlling interests | 非控股權益 | 8,911 | 8,793 | 8,504 | 12,214 | 15,199 |
| | | (2,421) | (50,089) | 583 | 18,194 | 42,493 |

FIVE-YEAR FINANCIAL SUMMARY
五年財務摘要

As at 31 December
於十二月三十一日

| | | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---------------|-------------|-----------|-----------|-----------|------------------|
| | | 二零一七年 | 二零一八年 | 二零一九年 | 二零二零年 | 二零二一年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 | 港幣千元 |
| ASSETS AND LIABILITIES | 資產及負債 | | | | | |
| Total assets | 資產總額 | 2,630,955 | 2,218,214 | 2,294,032 | 2,161,473 | 2,325,595 |
| Total liabilities | 負債總額 | (1,051,498) | (592,124) | (550,534) | (397,484) | (435,216) |
| | | 1,579,457 | 1,626,090 | 1,743,498 | 1,763,989 | 1,890,379 |
| Capital and reserves attributable to owners of the Company | 本公司持有人應佔股本及儲備 | 1,281,917 | 1,339,688 | 1,355,149 | 1,445,637 | 1,537,657 |
| Non-controlling interests | 非控股權益 | 297,540 | 286,402 | 388,349 | 318,352 | 352,722 |
| | | 1,579,457 | 1,626,090 | 1,743,498 | 1,763,989 | 1,890,379 |

