



NHH

Ngai Hing Hong Company Limited
毅興行有限公司

(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 : 1047)



Interim Report

中期報告

22/23

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The Board of Directors (the "Board") of Ngai Hing Hong Company Limited (the "Company") presents the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (the "Group") for the six months ended 31st December 2022 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

毅興行有限公司(「本公司」)之董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零二二年十二月三十一日止六個月之未經審核簡明綜合中期財務資料如下：

簡明綜合收益表

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核		
		Six months ended 31st December 截至十二月三十一日止六個月		
			2022	2021
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Revenue from contracts with customers	客戶合約之收入	6	637,858	931,125
Cost of sales	銷售成本		(565,862)	(770,502)
Gross profit	毛利		71,996	160,623
Other income	其他收入		6,263	3,848
Other gains/(losses), net	其他收益/(虧損)－淨額	7	4,099	(193)
Distribution costs	分銷成本		(42,533)	(45,872)
Administrative expenses	行政支出		(60,853)	(65,961)
Operating (loss)/profit	經營(虧損)/溢利	8	(21,028)	52,445
Finance income	財務收益	9	597	507
Finance costs	財務費用	9	(8,290)	(3,691)
Finance costs, net	財務費用－淨額		(7,693)	(3,184)
(Loss)/profit before income tax	除稅前(虧損)/溢利		(28,721)	49,261
Income tax expense	稅項支出	10	(6,588)	(10,881)
(Loss)/profit for the period	本期(虧損)/溢利		(35,309)	38,380

CONDENSED CONSOLIDATED INCOME STATEMENT (Continued)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

簡明綜合收益表(續)

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
	Note 附註		
Attributable to:	以下人士應佔：		
Equity holders of the Company	公司股東	(34,092)	33,979
Non-controlling interests	非控制權益	(1,217)	4,401
		(35,309)	38,380
(Loss)/earnings per share for (loss)/profit attributable to the equity holders of the Company during the period (expressed in HK cent per share)	本期公司股東應佔(虧損)/溢利之每股(虧損)/盈利(以每股港仙計)		
– Basic	– 基本	12	9.20
– Diluted	– 攤薄	12	9.20

The above condensed consolidated income statement should be read in conjunction with the accompanying notes.

上述簡明綜合收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

簡明綜合全面收益表

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
(Loss)/profit for the period	本期(虧損)/溢利	(35,309)	38,380
Other comprehensive (loss)/income:	其他全面(虧損)/收益：		
<u>Item that will not be reclassified subsequently to income statement:</u>	<u>期後不會被重新分類至 收益表之項目：</u>		
Fair value (loss)/gain of financial asset at fair value through other comprehensive income ("FVOCI")	按公允價值計入其他全面收益的 財務資產之公允價值 (虧損)/收益	(452)	188
<u>Item that may be reclassified subsequently to income statement:</u>	<u>期後可被重新分類至 收益表之項目：</u>		
Currency translation differences	匯兌差額	(39,042)	14,820
Other comprehensive (loss)/income for the period	本期其他全面(虧損)/收益	(39,494)	15,008
Total comprehensive (loss)/income for the period	本期全面(虧損)/收益總額	(74,803)	53,388
Total comprehensive (loss)/income attributable to:	全面(虧損)/收益總額歸屬於：		
Equity holders of the Company	公司股東	(72,496)	48,558
Non-controlling interests	非控制權益	(2,307)	4,830
		(74,803)	53,388

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合全面收益表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 31ST DECEMBER 2022

簡明綜合資產負債表

於二零二二年十二月三十一日

			Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日	Audited 經審核 30th June 2022 於二零二二年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	102,659	111,503
Right-of-use assets	使用權資產	13	27,168	30,826
Investment properties	投資物業	13	153,493	155,160
Intangible assets	無形資產		—	—
Financial asset at fair value through other comprehensive income	按公允價值計入其他全面收益 的財務資產		2,491	2,943
Deferred income tax assets	遞延稅項資產		7,888	9,090
Deposits and prepayment for property, plant and equipment and renovation costs	物業、廠房及設備與裝修 預付款及按金		5,294	4,118
			298,993	313,640
Current assets	流動資產			
Inventories	存貨		306,473	413,468
Trade and bills receivables	貿易應收款及應收票據	14	190,286	233,142
Other receivables, prepayments and deposits	其他應收款、預付款及按金	15	29,783	48,824
Income tax recoverable	可收回稅項		1,363	861
Restricted bank deposits	受限制的銀行存款		36,414	38,797
Cash and bank balances	現金及銀行結餘		132,477	178,926
			696,796	914,018
Total assets	資產總額		995,789	1,227,658

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2022

簡明綜合資產負債表(續)

於二零二二年十二月三十一日

			Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日	Audited 經審核 30th June 2022 於二零二二年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
EQUITY	權益			
Capital and reserves attributable to the Company's equity holders	公司股東 應佔股本及儲備			
Share capital	股本	19	36,920	36,920
Share premium	股本溢價		62,466	62,466
Other reserves	其他儲備		22,877	61,281
Retained earnings	保留溢利		423,116	464,592
			545,379	625,259
Non-controlling interests	非控制權益		22,140	33,787
Total equity	權益總額		567,519	659,046

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

AS AT 31ST DECEMBER 2022

簡明綜合資產負債表(續)

於二零二二年十二月三十一日

			Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日	Audited 經審核 30th June 2022 於二零二二年 六月三十日
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Deferred income tax liabilities	遞延稅項負債		8,077	6,261
Lease liabilities	租賃負債		5,519	8,201
Provision for reinstatement costs	修復成本撥備		884	884
			14,480	15,346
Current liabilities	流動負債			
Trade payables	貿易應付款	16	38,639	87,336
Other payables, deposits received and accruals	其他應付款及預提費用	17	45,505	51,506
Lease liabilities	租賃負債		5,265	5,013
Bank borrowings	銀行借貸	18	314,656	392,827
Derivative financial instruments	衍生金融工具		—	296
Income tax payable	應付稅項		9,725	16,288
			413,790	553,266
Total liabilities	負債總額		428,270	568,612
Total equity and liabilities	權益及負債總額		995,789	1,227,658
Net current assets	淨流動資產		283,006	360,752
Total assets less current liabilities	資產總額減流動負債		581,999	674,392

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

上述簡明綜合資產負債表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

簡明綜合權益變動表

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核 Attributable to equity holders of the Company 公司股東應佔部分								
		Other reserves 其他儲備								
		Share capital 股本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Financial asset at fair value through other comprehensive income reserve 按公允價值計入其他全面收益的財務資產儲備	Exchange fluctuation 匯兌波動儲備	Retained earnings 保留溢利	Non-controlling interests 非控制權益	Total 總額
						HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st July 2022	於二零二二年七月一日	36,920	62,466	(3,119)	9,640	1,988	52,772	464,592	33,787	659,046
Comprehensive loss	全面虧損									
Loss for the period	本期虧損	—	—	—	—	—	—	(34,092)	(1,217)	(35,309)
Other comprehensive loss	其他全面虧損									
Currency translation differences	匯兌差額	—	—	—	—	—	(38,079)	—	(963)	(39,042)
Fair value loss of financial asset at FVOCI	按公允價值計入其他全面收益的財務資產之公允價值虧損	—	—	—	—	(325)	—	—	(127)	(452)
Total comprehensive loss	全面虧損總額	—	—	—	—	(325)	(38,079)	(34,092)	(2,307)	(74,803)
Transactions with owners	與所有者之交易									
2021/2022 final dividend paid	支付二零二一/二零二二年度末期股息	—	—	—	—	—	—	(7,384)	—	(7,384)
Dividends paid to non-controlling interests	支付予非控制權益之股息	—	—	—	—	—	—	—	(9,340)	(9,340)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—	—	(7,384)	(9,340)	(16,724)
At 31st December 2022	於二零二二年十二月三十一日	36,920	62,466	(3,119)	9,640	1,663	14,693	423,116	22,140	567,519

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

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

簡明綜合權益變動表(續)

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核								
		Attributable to equity holders of the Company 公司股東應佔部分								
		Other reserves 其他儲備								
		Share capital 股本 HK\$'000 千港元	Share premium 股本溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Revaluation reserve 重估儲備 HK\$'000 千港元	Financial asset at fair value through other comprehensive income reserve 按公允價值 計入其他 全面收益的 財務資產儲備 HK\$'000 千港元	Exchange fluctuation 匯兌 波動儲備 HK\$'000 千港元	Retained earnings 保留溢利 HK\$'000 千港元	Non- controlling interests 非控制權益 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2021	於二零二一年七月一日	36,920	62,466	(3,119)	9,640	1,472	52,738	428,300	31,727	620,144
Comprehensive income	全面收益									
Profit for the period	本期溢利	—	—	—	—	—	—	33,979	4,401	38,380
Other comprehensive income	其他全面收益									
Currency translation differences	匯兌差額	—	—	—	—	—	14,444	—	376	14,820
Fair value gain of financial asset at FVOCI	按公允價值計入其他 全面收益的財務資產 之公允價值收益	—	—	—	—	135	—	—	53	188
Total comprehensive income	全面收益總額	—	—	—	—	135	14,444	33,979	4,830	53,388
Transactions with owners	與所有者之交易									
2020/2021 final dividend and special dividend paid	支付二零二零/二零二一年 度末期股息及特別股息	—	—	—	—	—	—	(14,768)	—	(14,768)
Dividends paid to non-controlling interests	支付予非控制權益之股息	—	—	—	—	—	—	—	(7,997)	(7,997)
Total transactions with owners	與所有者之交易總額	—	—	—	—	—	—	(14,768)	(7,997)	(22,765)
At 31st December 2021	於二零二一年十二月三十一日	36,920	62,466	(3,119)	9,640	1,607	67,182	447,511	28,560	650,767

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

上述簡明綜合權益變動表應與隨附附註一併閱讀。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31ST DECEMBER 2022

簡明綜合現金流量表

截至二零二二年十二月三十一日止六個月

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營業務之現金流		
Cash generated from operations	經營業務所產生之現金	83,382	62,145
Hong Kong profits tax paid	已繳香港利得稅	(6,255)	(1,364)
Mainland China income tax paid	已繳中國內地所得稅	(4,204)	(11,165)
Interest received	已收利息	273	507
Net cash generated from operating activities	經營業務所產生之淨現金	73,196	50,123
Cash flows from investing activities	投資業務之現金流		
Purchase of property, plant and equipment	購買物業、廠房及設備	(4,452)	(8,533)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款	—	165
Prepayments for property, plant and equipment and renovation costs	物業、廠房及設備與裝修預付款	(1,395)	(2,859)
Net cash used in investing activities	投資業務所使用之淨現金	(5,847)	(11,227)
Cash flows from financing activities	融資業務之現金流		
Proceeds from bank loans	新增銀行貸款	50,138	13,331
Repayment of bank loans	償還銀行貸款	(21,945)	(41,378)
(Decrease)/increase in trust receipt loans	信託收據貸款(減少)/增加	(104,791)	55,481
Repayment of lease liabilities (principals and interests)	租賃負債之還款(本金及利息)	(2,818)	(2,998)
Dividends paid to non-controlling interests	支付予非控制權益之股息	(9,340)	(7,997)
Dividends paid	支付股息	(7,384)	(14,768)
Interest paid	借貸利息	(8,049)	(3,518)
Net cash used in financing activities	融資業務所使用之淨現金	(104,189)	(1,847)
Net (decrease)/increase in cash and cash equivalents	現金及現金等額之淨額(減少)/增加	(36,840)	37,049
Cash and cash equivalents at 1st July	於七月一日之現金及現金等額	178,926	206,579
Effect of foreign exchange rate changes	外幣匯率變動影響	(9,609)	4,386
Cash and cash equivalents at 31st December	於十二月三十一日之現金及現金等額	132,477	248,014

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述簡明綜合現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

I GENERAL INFORMATION

Ngai Hing Hong Company Limited (the “Company”) and its subsidiaries (together the “Group”) are principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong dollars, unless otherwise stated, and has been approved for issue by the Board of Directors on 27th February 2023.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 31st December 2022 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. This condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30th June 2022, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

簡明綜合中期財務資料附註

I 一般資料

毅興行有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事塑膠原料、色粉、着色劑、混料及工程塑料之製造及買賣。

本公司是於百慕達註冊之一間有限責任公司。公司註冊地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

本公司之股票於香港聯合交易所有限公司之主版上市。

除非已另外列明，本簡明綜合中期財務資料乃以港幣列示。本簡明綜合中期財務資料已於二零二三年二月二十七日被董事局批准。

2 編製基準

截至二零二二年十二月三十一日止六個月的簡明綜合中期財務資料已根據香港會計準則第34號「中期財務報告」編製。本簡明綜合中期財務資料並不包括所有一般需於年度財務報表包含之附註種類。因此，簡明綜合中期財務資料應與截至二零二二年六月三十日止年度的年度財務報表一併閱讀，該財務報表已根據香港財務報告準則編製。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30th June 2022, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3.1 Amended standards adopted by the Group

The Group has applied the following new standards and amendments to standards for the first time for the annual period beginning on 1st July 2022:

HKFRS 3, HKAS 16 and HKAS 37
香港財務報告準則第3號、
香港會計準則第16號及
香港會計準則第37號

Narrow-scope amendment
適用範圍較窄的修訂

Accounting Guideline 5 (Revised)
會計指引第5號(修訂)

Merger Accounting for Common Control Combinations
共同控制合併之合併會計法

Annual Improvements Project
年度改進計劃

Annual Improvements 2018-2020 Cycle
二零一八年至二零二零年的年度改進

The adoption of the above new standards and amendments to standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3.2 Impact of standards issued but not yet applied by the Group

The following new and amended HKFRSs have been issued, but are not effective for the Group's accounting period beginning on 1st July 2022 and have not been early adopted:

簡明綜合中期財務資料附註(續)

3 會計政策

除下文所述者外，所採用之會計政策與截至二零二二年六月三十日止年度的年度財務報表所採用的會計政策(如該等年度財務報表所述)一致。

本中期期間的所得稅按照預期年度總盈利適用的稅率累計。

3.1 本集團所採納經修訂準則

本集團已於自二零二二年七月一日起的年報期間首次應用以下新準則和對準則的修訂：

採納上文所列的新準則和對準則的修訂對於過往期間確認的金額並無任何影響，且期間不會對目前及未來期間產生重大影響。

3.2 已頒佈但本集團未採納的準則之影響

下列新訂及經修訂之香港財務報告準則已頒佈，惟尚未於本集團於二零二二年七月一日開始之會計期間生效及並無提早採納：

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

3 ACCOUNTING POLICIES (Continued)

3.2 Impact of standards issued but not yet applied by the Group
(Continued)

HKFRS 17 香港財務報告準則第 17 號	Insurance Contracts ¹ 保險合約 ¹
HKFRS 17 (Amendment) 香港財務報告準則第 17 號(修訂本)	Initial Application of HKFRS 17 and HKFRS 9 - Comparative Information ¹ 首次採納香港財務報告準則第 17 號及香港財務報告準則 第 9 號 – 比較資料 ¹
HKAS 1 (Amendment) and HKFRS Practice Statement 2 香港會計準則第 1 號(修訂本)及香港財務報告準則 實務公告第 2 號	Disclosure of Accounting Policies ¹ 會計政策的披露 ¹
HKAS 1 (Amendment) 香港會計準則第 1 號(修訂本)	Classification of Liabilities as Current or Non-current ² 將負債分類為流動或非流動 ²
HKAS 8 (Amendment) 香港會計準則第 8 號(修訂本)	Definition of Account Estimates ¹ 會計估計定義 ¹
HKAS 12 (Amendment) 香港會計準則第 12 號(修訂本)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹ 單一交易產生之資產及負債相關遞延稅項 ¹
Hong Kong - Interpretation 5 (2020) (Amendment) 香港詮釋第 5 號(2020)(修訂本)	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ² 財務報表之呈列 – 借款人對含有按要求償還條款之定期貸款之分類 ²
HKFRS 16 (Amendment) 香港財務報告準則第 16 號(修訂本)	Lease Liability in a Sales and Leaseback ² 售後回租之租賃負債 ²
HKFRS 10 and HKAS 28 (Amendment) 香港財務報告準則第 10 號及香港會計準則 第 28 號(修訂本)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ 投資者與其聯營公司或合營公司之間之資產出售或注資 ³

(1) Effective for annual periods beginning on or after 1st January 2023

(2) Effective for annual periods beginning on or after 1st January 2024

(3) To be determined

3 會計政策(續)

3.2 已頒佈但本集團未採納的準則之影
響(續)

(1) 自二零二三年一月一日起的年報期間生效

(2) 自二零二四年一月一日起的年報期間生效

(3) 仍未確定

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

3 ACCOUNTING POLICIES (Continued)

3.2 Impact of standards issued but not yet applied by the Group (Continued)

The Group has commenced, but not yet completed, an assessment of the impact of the new standards and amendments to standards on its results of operations and financial position. However, none of the above new standards and amendments to standards is expected to have a significant effect on the Group's financial performance and position.

4 ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 30th June 2022.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30th June 2022.

There have been no changes in the risk management department since year end or in any risk management policies since the year end.

簡明綜合中期財務資料附註(續)

3 會計政策(續)

3.2 已頒佈但本集團未採納的準則之影響(續)

本集團已開始(但並未完成)就此等新準則及對準則的修訂對本集團之業績及財務狀況的影響進行評估。此等新準則及對準則的修訂預期不會對本集團的綜合財務報表造成重大影響。

4 估計及判斷

編製中期財務資料要求管理層對影響會計政策的應用和所報告資產和負債以及收支的數額作出判斷、估計和假設。實際結果或會與此等估計不同。

在編製此等簡明綜合中期財務資料時，管理層應用本集團會計政策時作出的重大判斷和估計不確定性的關鍵來源，與截至二零二二年六月三十日止年度財務報表所應用的相同。

5 財務風險管理及金融工具

5.1 財務風險因素

本集團的活動承受著多種的財務風險：市場風險(包括匯率風險、現金流量及公允價值利率風險及價格風險)、信用風險及流動性風險。

簡明綜合中期財務資料並未包括年度財務報表規定的所有財務風險管理資訊和披露，此中期財務資料應與本集團截至二零二二年六月三十日止年度的年度財務報表一併閱讀。

自年底以來風險管理部或風險管理政策並無任何變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.2 Liquidity risk

Compared to year end, there have been no material changes to the policies and practices for the Group's liquidity and funding risk management as described in the annual financial statements for the year ended 30th June 2022.

As at 31st December 2022, the Group had cash and cash equivalents of HK\$132,477,000 (30th June 2022: HK\$178,926,000) of which approximately 77% was held in Renminbi, 15% was held in US Dollar, 8% was held in HK Dollar. The gearing ratio of the Group as at 31st December 2022 (defined as the net debt divided by total equity plus net debt, where net debt is defined as borrowings less cash and cash equivalents) was approximately 24% (30th June 2022: approximately 25%).

簡明綜合中期財務資料附註(續)

5 財務風險管理及金融工具(續)

5.2 流動性風險

本集團的流動性及資金風險管理與截至二零二二年六月三十日之年度財務報表所披露之政策及實施並無重大變動。

於二零二二年十二月三十一日，本集團擁有現金及現金等價物132,477,000港元(二零二二年六月三十日：178,926,000港元)，當中約77%、15%、8%分別以人民幣、美元及港元持有。於二零二二年十二月三十一日，本集團的資產負債比率(定義為淨債務除以權益總額加淨債務(其中淨債務定義為借貸減現金及現金等價物))約為24%(二零二二年六月三十日：約25%)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

5.3 Fair value estimation

According to HKFRS 7 “Financial Instruments: Disclosures”, financial instruments measured in the condensed consolidated balance sheet at fair value are required to disclose the fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

There were no transfers of financial asset between categories during the period. There were no other changes in valuation technique during the period.

As at 31st December 2022, the Group's financial asset and liabilities that are measured at fair value are categorised as level 3 financial instruments. The following table presents the changes in level 3 instruments for the period ended 31st December 2022.

簡明綜合中期財務資料附註(續)

5 財務風險管理及金融工具(續)

5.3 公允價值估計

根據香港財務報告準則第7號「金融工具：披露」，有關金融工具在簡明綜合資產負債表的公允價值計量需按下列公允價值計量架構披露：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)

本期間內分類之間並無財務資產的重大轉撥。本期間內並無任何估值技術的變動。

於二零二二年十二月三十一日，本集團以公允價值計量的財務資產和負債已全部分類作第3層金融工具。以下為於截至二零二二年十二月三十一日止期間內第3層金融工具的變動表。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL
INSTRUMENTS (Continued)

5 財務風險管理及金融工具(續)

5.3 Fair value estimation (Continued)

5.3 公允價值估計(續)

		Financial asset at fair value through other comprehensive income 按公允價值 計入其他全面 收益的財務資產 HK\$'000 千港元	Derivative financial instruments 衍生金融工具 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1st July 2022	於二零二二年七月一日	2,943	(296)	2,647
Settlements	結算	—	296	296
Loss recognised in other comprehensive income	在其他全面收益 確認的虧損	(452)	—	(452)
At 31st December 2022	於二零二二年 十二月三十一日	2,491	—	2,491

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. Fair value of unlisted investment was determined by the Directors by close to the net assets value of such company based on its unaudited financial statements for the period ended 31st December 2022. Specific valuation technique used to value the derivative financial instruments includes using forward exchange rates at the balance sheet date to discount back to the present value. The key unobservable data includes the interbank forward exchange rate and the volatility of forward exchange rate. Changes in subjective input assumptions can materially affect the fair value estimate. There is no change in valuation technique during the period.

沒有在活躍市場買賣的金融工具的公允價值利用估值技術釐定。非上市投資之公允價值由董事根據該公司截至二零二二年十二月三十一日止期間之未經審核財務報表之資產淨值計算。用以估值衍生金融工具的特定估值技術包括利用資產負債表日期的遠期匯率釐定，而所得價值折算至現值。關鍵不可觀察假設包括銀行間遠期匯率及遠期匯率之波動性。此等主觀假設的變動將重大影響公允價值估算。本期間內並無任何估值技術的變動。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION

6 客戶合約之收入及分部資料

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Revenue from contracts with customers	客戶合約之收入		
Sales of goods	銷售貨品	637,858	931,125

The Group is principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The Group derived revenue from the sales of goods at a point in time.

The chief operating decision-maker ("CODM") has been identified as the Executive Directors of the Company. Management has determined the operating segments based on the reports reviewed by the CODM that are used to assess performance and allocate resources. The CODM considers the business from the operations nature and the type of products perspective, including the trading of plastic materials ("Trading"), manufacturing and sale of colorants, pigments and compounded plastic resins ("Colorants"), manufacturing and sale of engineering plastic products ("Engineering plastic") and other corporate and business activities ("Others").

本集團之主要業務為塑膠原料、色粉、着色劑、混料和工程塑料之製造及買賣。

本集團於某一時間點錄得來自銷售貨品的收入。

首席經營決策者被認定為本公司之執行董事。首席經營決策者審視本集團的內部報告以評估表現和分配資源。管理層已決定根據此等報告釐定經營分部。首席經營決策者從經營性質及產品角度考慮業務，當中包括塑膠原料之買賣(「貿易」)；着色劑、色粉及混料之製造及買賣(「着色劑」)、工程塑料之製造及買賣(「工程塑料」)及其他企業及業務活動(「其他」)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION *(Continued)*

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND SEGMENT INFORMATION *(Continued)*

Each of the Group's operating segments represents a strategic business unit that is managed by different business unit leaders. Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Information provided to the CODM is measured in a manner consistent with that in the condensed consolidated interim financial information.

The CODM assesses the performance of the operating segments based on a measure of revenue from contracts with customers and operating profit including corporate expenses, which is in a manner consistent with that of the condensed consolidated interim financial information.

簡明綜合中期財務資料附註(續)

6 客戶合約之收入及分部資料(續)

本集團每一經營分部代表一策略性業務單位，並由不同之業務單位主管管理。分部間銷售按照公平交易原則的相對等條款進行。向首席經營決策者報告的計量方法與簡明綜合中期財務資料內方法一致。

首席經營決策者據對客戶合約之收入及經營溢利(包括企業支出)的計量評估營運分部的表現，方式與簡明綜合中期財務資料相符。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2022 is as follows:

截至二零二二年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	Group 本集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	446,175	157,061	64,279	—	667,515
– Inter-segment revenue	– 分部間銷售	(28,812)	(835)	(10)	—	(29,657)
Revenue from external customers	外部客戶收益	417,363	156,226	64,269	—	637,858
Operating (loss)/profit	經營(虧損)/溢利	(25,018)	7,332	(1,048)	(2,294)	(21,028)
Finance income	財務收益	378	194	25	—	597
Finance costs	財務費用	(6,888)	(392)	(696)	(314)	(8,290)
(Loss)/profit before income tax	除稅前(虧損)/溢利	(31,528)	7,134	(1,719)	(2,608)	(28,721)
Other information:	其他資料：					
Capital expenditures	資本開支	24	4,550	2,072	36	6,682
Depreciation of property, plant and equipment	物業、廠房及設備折舊	274	4,632	2,999	223	8,128
Depreciation of rights-of-use assets	使用權資產折舊	224	2,276	486	55	3,041
Provision for/(reversal of) impairment of inventories, net	存貨減值準備/(撥回) – 淨額	2,849	(240)	742	—	3,351
(Reversal of)/provision for loss allowance on trade receivables, net	貿易應收款虧損(撥回)/撥備 – 淨額	(548)	422	87	—	(39)
Fair value gains on derivative financial instruments	衍生金融工具公允價值收益	560	—	—	—	560

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments as at 31st December 2022 is as follows:

於二零二二年十二月三十一日提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Engineering				Group
		Trading 貿易	Colorants 着色劑	plastic 工程塑料	Others 其他	本集團
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment assets	分部資產	369,962	332,209	151,559	142,059	995,789
Segment liabilities	分部負債	(47,859)	(40,930)	(20,758)	(4,067)	(113,614)
Segment borrowings	分部借貸	(254,465)	(22,475)	(29,255)	(8,461)	(314,656)
		(302,324)	(63,405)	(50,013)	(12,528)	(428,270)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2021 is as follows:

截至二零二一年十二月三十一日止六個月提供給首席經營決策者之可呈列報告分部資料如下：

		Unaudited 未經審核				
		Trading	Colorants	Engineering	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from contracts with customers	客戶合約之收入					
– Gross revenue	– 分部總銷售	634,696	188,352	142,942	—	965,990
– Inter-segment revenue	– 分部間銷售	(32,428)	(2,231)	(206)	—	(34,865)
Revenue from external customers	外部客戶收益	602,268	186,121	142,736	—	931,125
Operating profit/(loss)	經營溢利/(虧損)	29,183	1,031	23,650	(1,419)	52,445
Finance income	財務收益	221	224	62	—	507
Finance costs	財務費用	(2,918)	(351)	(422)	—	(3,691)
Profit/(loss) before income tax	除稅前溢利/(虧損)	26,486	904	23,290	(1,419)	49,261
Other information:	其他資料：					
Capital expenditures	資本開支	468	5,619	3,931	145	10,163
Depreciation of property, plant and equipment	物業、廠房及設備 折舊	318	5,231	3,863	254	9,666
Depreciation of rights-of-use assets	使用權資產折舊	239	2,633	—	39	2,911
(Reversal of)/provision for impairment of inventories, net	存貨減值(撥回)/ 準備–淨額	(654)	4,306	(369)	—	3,283
(Reversal of)/provision for loss allowance on trade receivables, net	貿易應收款虧損 (撥回)/撥備 –淨額	(166)	1,064	(133)	—	765

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

6 REVENUE FROM CONTRACTS WITH CUSTOMERS AND
SEGMENT INFORMATION (Continued)

6 客戶合約之收入及分部資料(續)

The segment information provided to the CODM for the reportable segments as at 30th June 2022 is as follows:

於二零二二年六月三十日提供給首席經營決策者之可呈列報告分部資料如下：

		Audited 經審核				
		Engineering				
		Trading	Colorants	plastic	Others	Group
		貿易	着色劑	工程塑料	其他	本集團
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment assets	分部資產	508,823	378,951	197,245	142,639	1,227,658
Segment liabilities	分部負債	(86,677)	(50,460)	(36,422)	(2,226)	(175,785)
Segment borrowings	分部借貸	(334,081)	(9,973)	(30,159)	(18,614)	(392,827)
		(420,758)	(60,433)	(66,581)	(20,840)	(568,612)

The entity is domiciled in Hong Kong. The revenue from external customers from Hong Kong for the six months ended 31st December 2022 is approximately HK\$197,096,000 (six months ended 31st December 2021: HK\$411,802,000) and the total of its revenue from external customers from other locations (mainly in Mainland China) is approximately HK\$440,762,000 (six months ended 31st December 2021: HK\$519,323,000).

本實體以香港為基地。截至二零二二年十二月三十一日止六個月來自香港之外部客戶收益約為197,096,000港元(截至二零二一年十二月三十一日止六個月：411,802,000港元)，而來自其他地區(主要為中國內地)之外部客戶收益約為440,762,000港元(截至二零二一年十二月三十一日止六個月：519,323,000港元)。

At 31st December 2022, the total of non-current assets other than financial instruments and deferred income tax assets located in Hong Kong is approximately HK\$171,545,000 (as at 30th June 2022: HK\$175,233,000) and the total of these non-current assets located in other locations (mainly in Mainland China) is approximately HK\$117,069,000 (as at 30th June 2022: HK\$126,374,000).

於二零二二年十二月三十一日，除金融工具及遞延稅項資產外位於香港之非流動資產約為171,545,000港元(於二零二二年六月三十日：175,233,000港元)，而位於其他地區(主要為中國內地)之此等非流動資產約為117,069,000港元(於二零二二年六月三十日：126,374,000港元)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

7 OTHER GAINS/(LOSSES), NET

7 其他收益／(虧損)－淨額

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Net exchange gain/(loss)	外匯收益／(虧損)	2,534	(1,395)
Fair value gains from derivative financial instruments	衍生金融工具公允價值收益	560	—
Others	其他	1,005	1,202
		4,099	(193)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

8 OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging/(crediting) the following:

8 經營(虧損)/溢利

經營(虧損)/溢利乃經扣除/(計入)下列各項後列賬：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Cost of inventories recognised as expenses included in cost of sales	確認作開支並包括於銷售成本之 出售存貨成本	511,405	723,785
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,128	9,666
Depreciation of rights-of-use assets	使用權資產折舊	3,041	2,911
Short-term lease rentals in respect of land and buildings	土地及樓宇之短期租賃租金	4,849	3,030
Employee benefit expenses, including Directors' emoluments (Note)	僱員福利支出(包括董事酬金) (附註)	67,199	69,081
(Reversal of)/provision for loss allowance on trade receivables, net	貿易應收款虧損準備(撥回)/ 撥備－淨額	(39)	765
Provision for impairment of inventories, net	存貨減值準備－淨額	3,351	3,283

Note:

During the six months ended 31st December 2022, the Hong Kong Special Administrative Region Government has launched the "Employment Support Scheme" (ESS) providing wage subsidies to eligible subsidiaries of the Group. Government grants amounted to HK\$1,843,000 (six months ended 31st December 2021: Nil) are deducted in the employee benefit expenses. There are no unfulfilled conditions or other contingencies attached to the grants.

附註：

於截至二零二二年十二月三十一日止六個月，香港特別行政區政府推出「保就業」計劃提供工資補貼予本集團之合資格附屬公司。政府補助共1,843,000港元（截至二零二一年十二月三十一日止六個月：無）用於扣減僱員福利支出，並無任何補助附帶的未達成條件或其他或然事項。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

9 FINANCE INCOME AND COSTS

9 財務收益及費用

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Finance income:	財務收益：		
– Interest income from bank deposits	– 銀行存款利息收入	273	507
– Net exchange gains on financing activities	– 融資業務之外匯收益淨額	324	—
		597	507
Finance costs:	財務費用：		
– Interests on bank borrowings	– 銀行借貸之利息	(8,049)	(3,514)
– Interests on lease liabilities	– 租賃負債之利息	(241)	(173)
– Net exchange losses on financing activities	– 融資業務之外匯虧損淨額	—	(4)
		(8,290)	(3,691)
Finance costs, net	財務費用—淨額	(7,693)	(3,184)

10 INCOME TAX EXPENSE

No Hong Kong profits tax has been provided as the Group has no estimated assessable profit in Hong Kong for the period (Hong Kong profits tax has been provided for at the rate of 16.5% for the six months ended 31st December 2021). Income tax on the Group's subsidiaries established and operate in Mainland China has been calculated on the estimated assessable profit for the period at the rates of taxation as applicable to the relevant subsidiaries.

10 稅項支出

本集團期內概無來自香港的估計應課稅溢利，因此並無就香港利得稅作出撥備（香港利得稅乃根據本集團於截至二零二一年十二月三十一日止六個月內之估計應課稅溢利按稅率百分之十六點五計算）。中國所得稅乃根據於中國內地經營之附屬公司於本期間內之估計應課稅溢利按該等附屬公司所在地之適用稅率計算撥備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

10 INCOME TAX EXPENSE (Continued)

The amount of income tax charged to the interim consolidated income statement represents:

10 稅項支出(續)

中期簡明綜合收益表之稅項支出為：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Current income tax	本期稅項		
– Hong Kong profits tax	– 香港利得稅	—	1,985
– Mainland China corporate income tax	– 中國內地企業所得稅	3,900	11,813
		3,900	13,798
Deferred income tax	遞延稅項	2,688	(2,917)
		6,588	10,881

Deferred income tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable. At 31st December 2022, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$367,825,000 (as at 30th June 2022: HK\$326,277,000). Aside from tax losses generated from certain subsidiaries incorporated in Mainland China amounted to HK\$33,239,000 (as at 30th June 2022: HK\$17,037,000) with expiry dates from 2022 to 2026, the remaining tax losses have no expiry date. The potential deferred income tax assets in respect of these tax losses which have not been recognised amounted to approximately HK\$63,517,000 (as at 30th June 2022: HK\$55,284,000).

就結轉的稅務虧損而確認的遞延所得稅資產僅限於有關之稅務利益有可能透過未來應課稅盈利實現的部分。於二零二二年十二月三十一日，本集團並無就可結轉以抵銷未來應課稅收益的稅務虧損約367,825,000港元(於二零二二年六月三十日：326,277,000港元)確認遞延所得稅資產約63,517,000港元(於二零二二年六月三十日：55,284,000港元)。於中國內地成立的附屬公司所產生由二零二二年至二零二六年到期的稅務虧損約為33,239,000港元(於二零二二年六月三十日：17,037,000港元)，其餘稅務虧損並無到期日。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

II DIVIDENDS

On 28th September 2021, the Directors proposed a final dividend of HK1.0 cent per share, totalling HK\$3,692,000 for the year ended 30th June 2021, which was paid during the six months ended 31st December 2021.

On 28th September 2021, the Directors proposed a special dividend of HK3.0 cents per share, totalling HK\$11,076,000 for the year ended 30th June 2021, which was paid during the six months ended 31st December 2021.

On 24th February 2022, the Directors declared an interim dividend of HK1.5 cents per share, totalling HK\$5,538,000 for the six months ended 31st December 2021.

On 29th September 2022, the Directors proposed a final dividend of HK2.0 cents per share, totalling HK\$7,384,000 for the year ended 30th June 2022, which was paid during the six months 31st December 2022.

On 27th February 2023, the Directors resolved not to declare any interim dividend for the six months ended 31st December 2022.

簡明綜合中期財務資料附註(續)

II 股息

於二零二一年九月二十八日，董事建議就截至二零二一年六月三十日止年度派發末期股息每股1.0港仙，共3,692,000港元。此項股息已於截至二零二一年十二月三十一日止六個月內支付。

於二零二一年九月二十八日，董事建議就截至二零二一年六月三十日止年度派發特別股息每股3.0港仙，共11,076,000港元。此項股息已於截至二零二一年十二月三十一日止六個月內支付。

於二零二二年二月二十四日，董事宣佈就截至二零二一年十二月三十一日止六個月派發中期股息每股1.5港仙，共5,538,000港元。

於二零二二年九月二十九日，董事建議就截至二零二二年六月三十日止年度派發末期股息每股2.0港仙，共7,384,000港元。此項股息已於截至二零二二年十二月三十一日止六個月內支付。

於二零二三年二月二十七日，董事議決不就截至二零二二年十二月三十一日止六個月宣派任何中期股息。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

12 (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the loss attributable to equity holders of the Company for the period of HK\$34,092,000 (profit attributable to equity holders of the Company for six months ended 31st December 2021: HK\$33,979,000) and 369,200,000 (six months ended 31st December 2021: 369,200,000) ordinary shares in issue during the period.

Dilutive (loss)/earnings per share for the period ended 31st December 2022 and 2021 equal basic (loss)/earnings per share as there was no dilutive potential ordinary share as at the period ended 31st December 2022 and 2021.

簡明綜合中期財務資料附註(續)

12 每股(虧損)/盈利

每股基本(虧損)/盈利乃根據本期公司股東應佔(虧損)34,092,000港元(截至二零二一年十二月三十一日止六個月：公司股東應佔溢利33,979,000港元)及期內已發行普通股369,200,000股(截至二零二一年十二月三十一日止六個月：369,200,000股)計算。

於二零二二年十二月三十一日及二零二一年十二月三十一日，本公司並無具攤薄潛力之普通股，因此，於截至二零二二年十二月三十一日及二零二一年十二月三十一日兩個期間，每股攤薄(虧損)/盈利相等於每股基本(虧損)/盈利。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

13 PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE
ASSETS AND INVESTMENT PROPERTIES

13 物業、廠房及設備、使用權資產和
投資物業

		Unaudited 未經審核		
		Property, plant and equipment 物業、廠房及 設備 HK\$'000 千港元	Right-of-use assets 使用權資產 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元
Net book value as at 1st July 2022	於二零二二年七月一日之 賬面淨額	111,503	30,826	155,160
Currency translation differences	匯兌差額	(5,170)	(1,481)	(1,667)
Additions	增加	4,642	864	—
Disposal	出售	(188)	—	—
Depreciation (Note 8)	折舊(附註8)	(8,128)	(3,041)	—
Net book value as at 31st December 2022	於二零二二年十二月三十一日 之賬面淨額	102,659	27,168	153,493
Net book value as at 1st July 2021	於二零二一年七月一日之 賬面淨額	113,126	27,107	155,013
Currency translation differences	匯兌差額	1,926	332	631
Additions	增加	10,163	—	—
Disposal	出售	(165)	—	—
Depreciation (Note 8)	折舊(附註8)	(9,666)	(2,911)	—
Net book value as at 31st December 2021	於二零二一年十二月三十一日 之賬面淨額	115,384	24,528	155,644

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

14 TRADE AND BILLS RECEIVABLES

14 貿易應收款及應收票據

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Trade receivables	貿易應收款	167,790	214,196
Less: loss allowance	減：虧損撥備	(4,930)	(5,305)
		162,860	208,891
Bills receivables	應收票據	27,426	24,251
		190,286	233,142

At 31st December 2022, the aging analysis of trade receivables, based on invoice date, is as follows:

於二零二二年十二月三十一日貿易應收款根據發票日期之賬齡分析如下：

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	162,271	197,952
91-180 days	91—180日	1,199	11,083
Over 180 days	超過180日	4,320	5,161
		167,790	214,196

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

14 TRADE AND BILLS RECEIVABLES (Continued)

The majority of the Group's sales are with credit terms of 30 to 90 days. The remaining amounts are on letter of credit or documents against payment.

Bill receivables are mainly with maturity period within 180 days.

At 31st December 2022, there are bills of exchange of HK\$12,915,000 (as at 30th June 2022: HK\$12,735,000) transferred to banks with recourse in exchange for cash. The transactions had been accounted for as collateralised bank advances (Note 18).

15 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

Other receivables	其他應收款項
Prepayments	預付款
Deposits	按金

		29,783	48,824
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簡明綜合中期財務資料附註(續)

14 貿易應收款及應收票據(續)

本集團大部份銷售的信貸期為三十至九十日，其餘以信用狀或付款交單方式進行。

應收票據之到期日主要為一百八十日內。

於二零二二年十二月三十一日，並無任何附追索權之貼現票據轉讓予若干銀行以換取現金12,915,000港元(於二零二二年六月三十日：12,735,000港元)。有關交易已列為抵押化的銀行墊款(附註18)。

15 其他應收款項、預付款及按金

Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
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Other receivables	其他應收款項	10,358	13,006
Prepayments	預付款	17,450	33,829
Deposits	按金	1,975	1,989
		29,783	48,824

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

16 TRADE PAYABLES

At 31st December 2022, the aging analysis of trade payables, based on invoice date, is as follows:

16 貿易應付款

於二零二二年十二月三十一日貿易應付款根據發票日期之賬齡分析如下：

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Below 90 days	90日內	37,633	85,730
91-180 days	91—180日	197	750
Over 180 days	超過180日	809	856
		38,639	87,336

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

17 OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUALS

17 其他應付款及預提費用

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Contract liabilities	合約負債	7,670	15,682
Provision for litigation (Note)	訴訟撥備(附註)	3,285	3,520
Other payable and accruals	其他應付款及預提費用	34,550	32,304
		45,505	51,506

Note:

In accordance to a judgement dated 29th January 2021 from Wenling City People's Court of Zhejiang Province, the Group was held liable to pay a customer compensation amounted to RMB2,957,000 (equivalent to approximately HK\$3,285,000). Full provision against such amount has been made.

附註：

根據浙江省溫嶺市人民法院於二零二一年一月二十九日的判決，裁定本集團需就客戶賠償支付共2,957,000人民幣(等價約3,285,000港元)。本集團已就此賠償作出全額撥備。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

18 BANK BORROWINGS

18 銀行借貸

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Bank loans due for repayment within one year - secured	需於一年內償還之銀行貸款 — 有抵押	101,447	75,007
Trust receipt loans due for repayment within one year - secured	需於一年內償還之信託收據貸款 — 有抵押	200,294	305,085
Bank advances for discounted bills (Note 14)	銀行貼現票據墊款(附註14)	12,915	12,735
Total borrowings	總借貸	314,656	392,827

Movements in borrowings are analysed as follows:

借貸變動分析如下：

		Unaudited 未經審核 six months ended 31st December 截至十二月三十一日止六個月 2022 HK\$'000 千港元	2021 HK\$'000 千港元
Opening amount as at 1st July	於七月一日之期初金額	392,827	319,708
Currency translation differences	匯兌差額	(1,573)	129
Repayment of borrowings	償還借貸	(21,945)	(41,378)
Drawdown of new borrowings	新借貸款	50,138	13,331
(Decrease)/increase in trust receipt loans	信託收據貸款(減少)/增加	(104,791)	55,481
Closing amount as at 31st December	於十二月三十一日之期末金額	314,656	347,271

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

18 BANK BORROWINGS (Continued)

The Group has the following undrawn borrowing facilities:

		Unaudited 未經審核	Audited 經審核
		31st December 2022	30th June 2022
		於二零二二年 十二月三十一日	於二零二二年 六月三十日
		HK\$'000 千港元	HK\$'000 千港元
Floating rate	浮動利率	321,704	297,734

Notes:

- (a) Bank borrowings of the Group are secured by certain property, plant and equipment, rights-of-use assets, investment properties and restricted cash with carrying amounts of HK\$31,068,000 (as at 30th June 2022: HK\$33,369,000), HK\$4,007,000 (as at 30th June 2022: HK\$4,222,000), HK\$39,698,000 (as at 30th June 2022: HK\$39,698,000) and HK\$36,414,000 (as at 30th June 2022: HK\$38,797,000), respectively.
- (b) As at 31st December 2022, the Company had provided guarantees in respect of banking facilities made available to its subsidiaries amounting to HK\$301,740,000 (as at 30th June 2022: HK\$382,814,000).

簡明綜合中期財務資料附註(續)

18 銀行借貸(續)

本集團有以下未使用之借貸額度：

		Unaudited 未經審核	Audited 經審核
		31st December 2022	30th June 2022
		於二零二二年 十二月三十一日	於二零二二年 六月三十日
		HK\$'000 千港元	HK\$'000 千港元
Floating rate	浮動利率	321,704	297,734

附註：

- (a) 本集團之銀行貸款以部分物業、廠房及設備、使用權資產、投資物業及受限制的銀行存款為抵押，其賬面值分別為31,068,000港元(於二零二二年六月三十日：33,369,000港元)、4,007,000港元(於二零二二年六月三十日：4,222,000港元)、39,698,000港元(於二零二二年六月三十日：39,698,000港元)及36,414,000港元(於二零二二年六月三十日：38,797,000港元)。
- (b) 於二零二二年十二月三十一日本公司就其附屬公司之銀行信貸提供合共301,740,000港元(截至二零二二年六月三十日：382,814,000港元)之擔保。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

19 SHARE CAPITAL

19 股本

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Authorised:	法定股本：		
800,000,000 (30th June 2022: 800,000,000) ordinary shares of HK\$0.10 each	800,000,000 (於二零二二年 六月三十日：800,000,000) 每股面值0.10港元之普通股	80,000	80,000
Issued and fully paid:	已發行及繳足股本：		
369,200,000 (30th June 2022: 369,200,000) ordinary shares of HK\$0.10 each	369,200,000 (於二零二二年 六月三十日：369,200,000) 每股面值0.10港元之普通股	36,920	36,920

20 COMMITMENTS

Capital commitments

20 承擔

資本承擔

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Property, plant and equipment: Contracted but not provided for	物業、廠房及設備： 已授權但未簽約	977	976

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION (Continued)

21 RELATED PARTY TRANSACTIONS

The Group is controlled by Good Benefit Limited, a company incorporated in the British Virgin Islands, which owns 53.3% of the Company's shares. The remaining 46.7% of the shares were widely held. Substantially all of the shares of Good Benefit Limited are beneficially owned by certain Directors of the Company.

Details of compensation paid to key management of the Group (all being Executive Directors of the Company) are as follows:

簡明綜合中期財務資料附註(續)

21 關連人士交易

本集團由 Good Benefit Limited (在英屬處女群島註冊成立之公司) 控制，其擁有本公司百分之五十三點三股權，其餘之百分之四十六點七股權為廣泛持有。Good Benefit Limited 實質上大部分股權由本公司之部分董事實益持有。

支付予本集團主要管理人員(均為本公司之執行董事)之酬金詳情如下：

		Unaudited 未經審核	
		six months ended 31st December 截至十二月三十一日止六個月	
		2022	2021
		HK\$'000	HK\$'000
		千港元	千港元
Basic salaries, allowances and other benefits in kind	基本薪酬、津貼及其他實物利益	6,488	6,330
Pensions - defined contribution plans	退休金－界定供款計劃	54	54
		6,542	6,384

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

21 RELATED PARTY TRANSACTIONS (Continued)

In addition to key management compensation disclosed above, the following transactions were carried out with related parties:

21 關連人士交易(續)

除主要管理人員之酬金外，與關連人士進行的交易如下：

		Unaudited 未經審核	
		Six months ended 31st December 截至十二月三十一日止六個月	
		2022 HK\$'000 千港元	2021 HK\$'000 千港元
Lease payment to related parties:	交付予關聯人士之應付租賃款項：		
– Build Fair Limited (Note i)	– 景聰有限公司(附註i)	494	522
– Shine Systems Plastic Material Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註ii)	481	489
– Mr. HUI Sai Chung (Note iii)	– 許世聰先生(附註iii)	153	169
		1,128	1,180
Addition of right-of-use assets from related parties	來自關聯人士之使用權資產增加		
– Mr. HUI Sai Chung (Note iii)	– 許世聰先生(附註iii)	864	—

NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION (Continued)

簡明綜合中期財務資料附註(續)

21 RELATED PARTY TRANSACTIONS (Continued)

21 關連人士交易(續)

		Unaudited 未經審核 31st December 2022 於二零二二年 十二月三十一日 HK\$'000 千港元	Audited 經審核 30th June 2022 於二零二二年 六月三十日 HK\$'000 千港元
Lease liabilities to related parties:	予關聯人士之租賃負債：		
– Build Fair Limited (Note i)	– 景聰有限公司(附註i)	1,298	1,775
– Shine Systems Plastic Material Company Limited (Note ii)	– 百亮塑膠原料有限公司 (附註ii)	480	959
– Mr. HUI Sai Chung (Note iii)	– 許世聰先生(附註iii)	841	135
		2,619	2,869

Notes:

- (i) Build Fair Limited is a company wholly owned by Mr. HUI Sai Chung, a Director of the Company.
- (ii) Shine Systems Plastic Material Company Limited is a company wholly owned by Mr. HUI Kwok Kwong, a Director of the Company.
- (iii) Mr. HUI Sai Chung is a Director of the Company.

Lease payments made to related parties are on mutually agreed basis.

附註：

- (i) 景聰有限公司由本公司董事許世聰先生全資擁有。
- (ii) 百亮塑膠原料有限公司由本公司董事許國光先生全資擁有。
- (iii) 許世聰先生為本公司董事。

支付予有關連人士的應付租賃款項根據一般商業條款及條件訂立。

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 31st December 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The global landscape in the second half of 2022 remained complex and volatile, with geopolitical tensions persisting. Externally, the impact of the conflict between Russia and Ukraine and COVID-19 on international shipping and supply chains has not been fully eradicated. In Asia, the epidemic has been recurrent and the outbreak in Mainland China has changed over the period. Some regions in Mainland China tightened their prevention measures to contain the spread of the virus until the government announced a nationwide relaxation of epidemic prevention measures in December. A combination of adverse factors, including soaring global inflation and aggressive interest rate hikes by central banks in Europe and the US to curb market demand, all contributed to a stagnant global economy and increased fears of a recession.

In the face of an uncertain macroeconomic environment, customers remained cautious in placing orders and adopted low inventory strategies, which affected the Group's overall sales volume. In addition, international crude oil prices dropped significantly during the period under review, with a corresponding decline in plastic raw material prices. As a result of the drop in prices and sales volume, the Group recorded a total turnover of HK\$637,858,000 for the six months ended 31st December 2022 (2021: HK\$931,125,000), a decrease of 31.5% over the same period last year.

During the period under review, the Group's overall gross profit decreased to HK\$71,996,000 (2021: HK\$160,623,000), mainly due to the decline in overall sales volume and selling prices. The gross profit margin also decreased by 6 percentage points to 11.3% from the same period of the previous year. Loss attributable to equity holders of the Company was HK\$34,092,000 (2021: profit attributable to equity holders of the Company: HK\$33,979,000). The decrease was primarily due to the fall in turnover and gross profit margin as well as the increase in finance costs. Basic loss per share was HK9.23 cents (2021: basic earnings per share: HK9.20 cents).

To reserve funds for business development, the Board of Directors does not recommend the payment of an interim dividend (2021: interim dividend of HK1.5 cents per share).

中期股息

董事會議決不就截至二零二二年十二月三十一日止六個月宣派任何中期股息。

管理層討論及分析

業務回顧

回顧二零二二年下半年，國際局勢依舊錯綜複雜，地緣政治衝突仍在。外圍方面，俄烏衝突以及新型冠狀病毒(COVID-19)疫情對國際航運及供應鏈的影響尚未完全消除。亞洲方面，COVID-19疫情反覆，中國大陸的疫情在期內有不同的變化，部份地區收緊防疫措施，以控制疫情擴展，直至十二月才宣布全國性放寬防疫措施。諸多不利因素夾擊下，全球通貨膨脹飆升，歐美央行激進加息抑制市場需求，全球經濟陷入停滯引發衰退擔憂。

由於宏觀環境未見明朗，客戶下單審慎並採取低存貨策略，集團之整體銷量受到衝擊。此外，國際原油價格於回顧期內顯著回調，塑膠原料價格亦有所回落。受到價量齊跌之雙重影響下，截至二零二二年十二月三十一日止六個月，本集團之總營業額為637,858,000港元(二零二一年：931,125,000港元)，較去年同期下降百分之三十一點五。

回顧期內，本集團整體毛利下跌至71,996,000港元(二零二一年：160,623,000港元)，主要由於整體銷量及售價下降所致。毛利率較去年同期下降六個百分點至百分之十一點三。公司股東應佔虧損為34,092,000港元(二零二一年：公司股東應佔溢利33,979,000港元)，下跌主要由於營業額和毛利率下降及財務成本攀升所致。每股基本虧損為9.23港仙(二零二一年：每股基本盈利9.20港仙)。

為保留充裕資金以發展業務，董事會建議不派發中期股息(二零二一年：中期股息每股1.5港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)*BUSINESS REVIEW (Continued)*

Regarding the colorant, pigment and compounded plastic resin business, geopolitical issues prompted some overseas customers to redirect their orders back to domestic production during the period under review. The Group seized these opportunities, but as the external situation disrupted overall demand, turnover from this business segment fell to HK\$156,226,000 (2021: HK\$186,121,000). However, related expenses also declined and gross profit margin fell only slightly by 1.3 percentage points, and together with the reduction in inventory provision, profit before taxation increased by more than six times to HK\$7,134,000 (2021: HK\$904,000). The business segment has also built up a stable customer base in sectors such as automotive applications, food packaging and construction materials.

Clouded by the external environment, the decline in market demand dragged down the turnover and gross profit margin of the engineering plastic business to HK\$64,269,000 (2021: HK\$142,736,000), and by 11.2 percentage points, respectively. Loss before income tax was HK\$1,719,000 (2021: profit before income tax HK\$23,290,000). The end products of this business include general household appliances such as domestic appliances and high-end kitchenware, the demand for which is susceptible to changes in market conditions. Customers have to clear the inventory that they added during the pandemic, so an obvious improvement will only be seen once the market stabilises.

The period under review saw a decline in both prices and volumes. Although the sales team successfully expanded its customer base last year and received new project orders for new generation new energy vehicles and high-end personal care appliances, market demand was extremely weak during the period. Turnover from the plastic trading business decreased by 30.7% to HK\$417,363,000 (2021: HK\$602,268,000) compared with the same period last year, and gross profit margin dropped by 4.9 percentage points. A loss before income tax of HK\$31,528,000 was recorded (2021: profit before income tax HK\$26,486,000) as a result of increased finance costs and foreign exchange losses due to the depreciation of the Renminbi and a more cautious inventory provision estimate was adopted owing to recent economic uncertainty.

管理層討論及分析 (續)*業務回顧* (續)

着色劑、色粉及混料業務方面，地緣政治問題令部份海外客戶訂單於回顧期內回流至國內生產，集團適時把握當中機遇，然而由於外圍局勢影響整體需求，令此業務於期內之營業額下跌至156,226,000(二零二一年：186,121,000港元)。然而，相關費用亦錄得下跌，毛利率輕微下跌一點三個百分點，加上存貨撥備減少，除稅前溢利大幅上升逾六倍至7,134,000港元(二零二一年：904,000港元)。本集團着色劑、色粉及混料業務已建立穩固客戶群，行業包括汽車應用、食品包裝及建築材料等。

外圍環境陰霾籠罩之下，市場需求減少導致工程塑料業務的營業額下跌至64,269,000港元(二零二一年：142,736,000港元)，毛利率錄得十一點二個百分點的跌幅，除稅前虧損為1,719,000港元(二零二一年：除稅前盈利23,290,000港元)。此業務終端產品包括一般家庭電器如家居電器、高端廚具等，此等用品需求較受市況變化影響，加上疫情期間客戶已加大庫存，故需採取清存貨策略，預計待市場環境回穩後才會有明顯改善。

由於回顧期內價量齊跌，儘管銷售團隊於去年成功開拓客源，接獲新一代新能源汽車和高級個人護理小家電的新項目訂單，但市場需求於期內極為疲弱，塑膠原料貿易業務營業額較去年同期下降百分之三十點七至417,363,000港元(二零二一年：602,268,000港元)，毛利率錄得四點九個百分點的跌幅。另外，財務費用上升、人民幣貶值導致匯兌虧損，以及因近期經濟尚未明朗而採取較為謹慎的存貨撥備估算，除稅前虧損為31,528,000港元(二零二一年：除稅前盈利26,486,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS

In the previous annual results announcement, the Group had predicted a complex external situation and expected that its business would inevitably be impacted during the period. A number of negative factors duly emerged during the period. However, the US Federal Reserve's interest rate hike cycle has gradually peaked. The situation in Russia and Ukraine has stabilised, as have international oil prices and plastic raw material prices. Supply chains in various regions have slowly recovered. We believe that the external environment will become stable over time. With the relaxation of domestic COVID-19 prevention and control measures, domestic production lines are anticipated to resume operations in an orderly manner after the Chinese New Year holiday. Although it will take time for market demand to recover, the central government is likely to issue a series of policies to stimulate demand or support industrial development, thereby accelerating the pace of economic recovery. Therefore, the management is cautiously optimistic about future developments.

In response to the challenges posed by the tough market conditions, the Group has leveraged its experience to actively seize various business opportunities and achieved quite satisfactory results in the past two years despite the difficult environment, striking while the iron was hot. Over the past two years, in addition to maintaining relations with customers such as traditional home appliances and large toy manufacturers, the Group has made efforts to drum up new customers and have secured orders with high value-added potential and higher gross profit margins from new end-user customers, such as those for high-end sanitary products, premium kitchenware, and smart appliances. The Group also noticed that customers have continued to look for alternatives. The Group believe that engineering plastics will replace more types of raw materials in the future. Although market conditions weakened in the second half of 2022, the Group has built solid business ties with its customer base. We believe that when the market picks up, customer orders will recover.

In terms of cost control, the Group continued to implement stringent measures, including reducing administrative expenses, distribution costs and manufacturing costs, and enhancing overall administrative efficiency by sharing internal resources to achieve greater synergies. The Group will also continue to uphold its corporate ethos of focusing on the business, keeping abreast of the market, preparing for and managing risks, including implementing rigorous inventory control and maintaining capital strength to meet the challenges and opportunities that may arise in more testing circumstances.

管理層討論及分析(續)

展望

本集團在去年全年業績公布時已預判外圍情況複雜，亦預計本集團於期內的業務將無可避免地受到衝擊。期內一系列負面因素均已浮現，然而近期美國聯邦儲備局加息週期已逐步見頂，俄烏局勢趨於平穩，國際油價、塑膠原料價格逐漸企穩，各地供應鏈逐步恢復，相信在未來一段時間之內外圍環境趨於穩定。隨著國內防疫政策放寬，相信在春節假期之後，國內生產線將有序投產。雖然需求端的復甦仍需時間，但是預期中央政府有望於未來頒布一系列政策提振需求或扶持產業發展，加速經濟復甦的步伐。管理層對未來發展持審慎樂觀之態度。

應對嚴峻時局帶來的諸多挑戰，本集團善用過去累積的經驗，積極把握各種商機，並在挑戰重重的環境下在過去兩年成功取得較理想表現，未雨綢繆。過去兩年內，本集團除了維護與生產傳統家電產品及與大型玩具商等客戶的關係外，努力開拓新客戶群，獲得更多終端客戶如高端衛浴產品、高端廚具用品及智能設備等具較高增值潛力及毛利率較高的產品訂單。本集團還留意到客戶繼續尋找替代用品，相信工程塑料在未來能替代更多不同種類的原材料。雖然二零二二年下半年市況轉趨疲弱，然而本集團已與客戶群建立穩固業務關係，相信當市場回暖時，客戶的訂單亦能回流。

成本控制方面，本集團繼續嚴格執行成本控制措施，包括降低行政、分銷費用以及生產成本，並通過內部資源互享提升整體行政效率以發揮更大的協同效益。本集團也將繼續秉持專注本業的企業精神，緊貼市場脈搏，做好防範與管理風險的各項準備，包括嚴謹控制存貨，保持資本實力，以迎接可能出現更為嚴峻時局的挑戰和機遇。

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECTS (Continued)

Having been in this industry for over 50 years, the Group has experienced numerous turbulences in the market but has still forged ahead, hence the management team is confident that it can lead all employees forward and set the Group apart in the market. During the period, the Group has overcome many difficulties and achieved sustainable development, due to the diligence of its professional management team over the years and the dedication of all employees; and therefore, we would like to express our sincere gratitude to all of them. The Group, as always, will adopt a prudent business strategy and, with decades of industry experience and the leadership of a professional management team, will achieve long-term stable development as well as deliver returns to shareholders over the long term.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cashflow and banking facilities provided by its principal bankers. As at 31st December 2022, the Group has available aggregate bank loan facilities of approximately HK\$623,444,000 of which HK\$301,740,000 have been utilised and were secured by corporate guarantee issued by the Group and legal charges on certain leasehold land and buildings, investment properties and machinery and equipment in Mainland China and Hong Kong owned by the Group. The Group's cash and bank balances as at 31st December 2022 amounted to approximately HK\$132,477,000. The Group's gearing ratio as at 31st December 2022 was approximately 57.7%, based on the total bank borrowings of approximately HK\$314,656,000 and the shareholders' funds of approximately HK\$545,379,000.

Details of the Group's capital commitments are disclosed in Note 20 to the condensed consolidated interim financial information.

管理層討論及分析(續)

展望(續)

本集團已在行業深耕五十多年，經歷無數市場風浪仍奮進向前，管理團隊有信心能夠帶領全體員工繼續砥礪前行，令本集團在市場中脫穎而出。期內集團克服諸多困難並實現持續發展，全賴本集團不辭勞苦的專業管理團隊多年的努力，以及全體員工們的辛勞貢獻，僅此表示誠摯的謝意。本集團會一如既往地採取穩健的經營策略，以數十年行業經驗及專業管理團隊之帶領下，實現長期穩定發展，為股東帶來長遠回報。

流動資金及財務資源

本集團一般以內部流動現金及主要銀行提供銀行貸款作為營運資金。於二零二二年十二月三十一日，本集團可動用銀行貸款約623,444,000港元，經已動用合共約301,740,000港元，該等貸款乃由本集團發出的擔保及本集團擁有之若干中國內地及香港租賃土地及樓宇、投資物業及機器及設備之法定抵押作擔保。本集團於二零二二年十二月三十一日之現金及銀行結餘約為132,477,000港元。根據銀行貸款總額約314,656,000港元及股東資金約545,379,000港元計算，本集團於二零二二年十二月三十一日之資產負債比率約為百分之五十七點七。

有關本集團之資本承擔已刊載於簡明綜合中期財務資料附註20。

FOREIGN EXCHANGE RISK

The Group's bank borrowings and cash and cash equivalents are primarily denominated in Hong Kong dollars, Renminbi and US dollars. The Group's purchases were principally denominated in US dollars. The Group closely monitors currency fluctuations and manages its exchange risk by entering into forward exchange contracts from time to time.

As at 31st December 2022, the Group did not have any outstanding forward foreign exchange contracts.

EMPLOYEE INFORMATION

As at 31st December 2022, the Group employed a total of approximately 588 full-time employees. The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually. The Group has an incentive scheme which is geared to the profit of the Group and the performance of its employees, as an incentive to motivate its employees to increase their contribution to the Group. The Group also provides social and medical insurance coverage, and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

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

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

SHARE OPTIONS

On 17th November 2022, the Company has adopted a share option scheme (the "Scheme") and terminated the share option scheme adopted by the Company on 22nd November 2012. Under the terms of the Scheme, the Directors may, at their discretion, invite eligible participants to take up Share Options to subscribe for the shares of the Company subject to the terms and conditions stipulated therein.

No Share Options under the Scheme were granted, exercised or cancelled during the period.

外匯風險

本集團之銀行借貸及現金及現金等額主要為港元、人民幣及美元。本集團的採購主要以美元計算。本集團不時密切監察匯率波動情況及透過對沖遠期外匯合約管理匯率波動風險。

於二零二二年十二月三十一日，本集團未有任何未交收外匯遠期合約。

僱員資料

於二零二二年十二月三十一日，本集團有合共約588名全職僱員。本集團之酬金政策乃按個別僱員之表現而制訂，並每年定期檢討。本集團亦為其僱員提供一個獎勵計劃，以鼓勵員工增加對公司之貢獻，惟須視本集團之溢利及僱員之表現而定。本集團不同地區之僱員亦獲提供社會及醫療保險保障以及公積金計劃。

購買、出售及贖回本公司之上市證券

本公司於期內並無贖回其股票。本公司或其任何附屬公司於期內亦無購買或出售本公司之上市證券。

購股權

本公司之股東於二零二二年十一月十七日採納了購股權計劃（「購股權計劃」），並同日取消了本公司之股東於二零一二年十一月二十二日接納之購股權計劃。根據購股權計劃之條款及條件，董事會可酌情邀請合資格參與者接納可認購本公司股份之購股權。

於期內概無根據購股權計劃授出、行使或取消任何購股權。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

At 31st December 2022, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Ordinary shares of HK\$0.10 each in the Company

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉

於二零二二年十二月三十一日，本公司各董事及最高行政人員於本公司或其任何相關法團(定義見證券及期貨條例(「證券期貨條例」)第XV部)須向本公司申報之權益或已登記於根據證券期貨條例第352條存置之名冊之股份，相關股份及債券之權益及淡倉，或根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)之上市公司董事進行證券交易的標準守則(「標準守則」)已向本公司及聯交所申報者如下：

本公司每股面值0.10港元之普通股

Name of Directors	董事姓名		Number of shares of the Company beneficially held			
			Personal interests	Corporate interests	Family interests	Other interests
			個人權益	法團權益	家屬權益	其他權益
Mr. HUI Sai Chung	許世聰先生	Long Positions 好倉	20,137,600	202,721,500(a)	—	—
Mr. HUI Kwok Kwong	許國光先生	Long Positions 好倉	19,850,400	198,803,500(b)	—	—
Mr. HUI Yan Kuen	許人權先生	Long Positions 好倉	—	—	—	(c)
Mr. HUI Yan Lung Geoffrey	許人龍先生	Long Positions 好倉	—	—	—	(d)
Mr. HUI Man Wai	許文偉先生	Long Positions 好倉	250,000	—	—	(e)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes:

- (a) 196,721,500 of these shares are held by Good Benefit Limited ("Good Benefit"), a company in which Ever Win Limited ("Ever Win") holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly.

50,001 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Sai Chung. Mr. HUI Sai Chung and his spouse further own 33,957 and 5 class A non-convertible redeemable preferred shares of no par value in Ever Win respectively.

- (b) 196,721,500 of these shares are held by Good Benefit, a company in which Evergrow Company Limited ("Evergrow") holds a 45.1% interest (note (e)). In addition, 2,082,000 shares are held by Evergrow directly.

50,000 ordinary shares of one Canadian dollar each in Evergrow are held by Mr. HUI Kwok Kwong. Mr. HUI Kwok Kwong further owns 30,823 class A non-convertible redeemable preferred shares of no par value in Evergrow.

- (c) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Kuen.

- (d) 196,721,500 of these shares are held by Good Benefit, a company in which Ever Win holds a 45.1% interest (note (e)). In addition, 6,000,000 shares are held by Ever Win directly. 333 ordinary shares of one Canadian dollar each in Ever Win are held by Mr. HUI Yan Lung Geoffrey.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：

- (a) 該等股份中之196,721,500股乃由 Good Benefit Limited (「Good Benefit」) 持有。Ever Win Limited (「Ever Win」) 持有 Good Benefit 百分之四十五點一權益(附註(e))。此外，6,000,000股股份由 Ever Win 直接持有。

Ever Win 每股面值1加元之普通股份50,001股由許世聰先生持有。許世聰先生及其配偶另分別擁有 Ever Win A級無面值不可兌換可贖回優先股份33,957股及5股。

- (b) 該等股份中之196,721,500股乃由 Good Benefit 持有。Evergrow Company Limited (「Evergrow」) 持有 Good Benefit 百分之四十五點一權益(附註(e))。此外，2,082,000股股份由 Evergrow 直接持有。

Evergrow 每股面值1加元之普通股份50,000股由許國光先生持有。許國光先生另擁有 Evergrow A級無面值不可兌換可贖回優先股份30,823股。

- (c) 該等股份中之196,721,500股乃由 Good Benefit 持有。Ever Win 持有 Good Benefit 百分之四十五點一權益(附註(e))。此外，6,000,000股股份由 Ever Win 直接持有。Ever Win 每股面值1加元之普通股份333股由許人權先生持有。

- (d) 該等股份中之196,721,500股乃由 Good Benefit 持有。Ever Win 持有 Good Benefit 百分之四十五點一權益(附註(e))。此外，6,000,000股股份由 Ever Win 直接持有。Ever Win 每股面值1加元之普通股份333股由許人龍先生持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Notes: (Continued)

- (e) The beneficial interests of the Directors in the share capital of Good Benefit, which held 196,721,500 shares of the Company as at 31st December 2022 are as follows:

Name of Directors	董事姓名	Number of shares 股份數目	Percentage of holding 持股百分比
Mr. HUI Sai Chung	許世聰先生	4,510	45.1%
Mr. HUI Kwok Kwong	許國光先生	4,510	45.1%
Mr. HUI Man Wai	許文偉先生	360	3.6%
Others	其他	620	6.2%
		10,000	100.0%

At 31st December 2022, the following Directors owned interests in non-voting deferred shares in Ngai Hing Hong Plastic Materials Limited, which are subject to an option granted to Ngai Hing (International) Company Limited to acquire the said non-voting deferred shares.

Name of Directors	董事姓名	Number of non-voting deferred shares held 持有無投票權遞延股份數目	
		Personal interests 個人權益	Other interests 其他權益
Mr. HUI Sai Chung	許世聰先生	200,000	50,000 (i)
Mr. HUI Kwok Kwong	許國光先生	200,000	50,000 (ii)

Notes:

- (i) These shares are held by Ever Win.
(ii) These shares are held by Evergrow.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

附註：(續)

- (e) 董事在Good Benefit(於二零二二年十二月三十一日持有本公司196,721,500股股份)股本之實益權益如下：

於二零二二年十二月三十一日，下列董事擁有毅興塑膠原料有限公司無投票權遞延股份權益，而該公司並已授予Ngai Hing (International) Company Limited可購買上述無投票權遞延股份之購股權。

附註：

- (i) 該等股份由Ever Win持有。
(ii) 該等股份由Evergrow持有。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION *(Continued)*

Save as disclosed above and other than certain nominee shares in the subsidiaries of the Company held by certain Directors of the Company in trust for the Group as at 31st December 2022, none of the Directors and chief executives have any beneficial or non-beneficial interests in the share capital of the Company and associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed under the section headed by "Share Options" above,

- (a) at no time during the period was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate; and
- (b) none of the Directors, chief executives, their spouses or children under the age of 18 had been granted any right to subscribe for shares in or debentures of the Company, or exercised any such right.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31st December 2022, the register of substantial shareholders maintained under Section 336 of the SFO shows that the Company had not been notified of any substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital, other than those of the Directors and chief executives as disclosed above.

董事及最高行政人員於本公司或其任何相聯法團股份、相關股份及債券之權益及淡倉(續)

除上文所披露及本公司若干董事以信託方式代本集團持有本公司若干附屬公司代理人股份外，於二零二二年十二月三十一日，根據證券期貨條例第352條規定存置之名冊所記錄或根據標準守則而向本公司及聯交所作出的知會，各董事及最高行政人員於本公司及相關法團(具有證券期貨條例第XV部的涵義)之股本中概無擁有任何根據證券期貨條例須予披露之實益或非實益權益。

除上述「購股權」一段所列外：

- (a) 於本期間任何時間內，本公司、其控股公司或其任何附屬公司並無參與訂立任何安排，致使本公司董事或最高行政人員可藉購買本公司或任何其他法人團體之股份或債券而獲益；及
- (b) 各董事、最高行政人員、其配偶或十八歲以下之子女概無獲授予可認購本公司股份或債券之權利，或已行使此等權利。

主要股東於本公司股份及相關股份之權益及淡倉

除上文所披露有關董事之權益外，根據本公司按證券期貨條例第336條而存置之主要股東名冊所顯示，本公司概無接獲任何人士於二零二二年十二月三十一日擁有本公司已發行股本百分之五或以上權益及淡倉之通知。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors' securities transaction. The Company has made specific enquiry to all Directors and all Directors confirmed that they had complied with the required standard of dealings set out therein during the period.

CORPORATE GOVERNANCE PRACTICE

The Company is committed to the establishment of good corporate governance practices and procedures which serve as an important element of risk management throughout the growth and expansion of the Company. The Company emphasises on maintaining and carrying out sound, solid and effective corporate governance principles and structures.

The Company has complied with all the applicable code provisions as set out in Corporate Governance Code and Corporate Governance Report to the Appendix 14 of the Listing Rules (the "CG Code") throughout the six months ended 31st December 2022, except for the deviation as mentioned below.

According to the code provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Up to the date of this interim report, the Board has not appointed any individual to be the chief executive. The roles of the chief executive have been performed collectively by all the executive directors, including the chairman, of the Company. The Board considers that this arrangement allows contributions from all executive directors with different expertise and is beneficial to the continuity of the Company's policies and strategies. Going forward, the Board will periodically review the effectiveness of this arrangement and considers appointing an individual to chief executive when it thinks appropriate.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the audit committee of the Company (the "Audit Committee") in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

遵守董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之標準守則作為董事進行證券交易之標準守則。本公司已向所有董事作出特定查詢，而全體董事已確認彼等於期內均有遵守當中所要求之買賣標準。

企業管治常規

本公司致力建立良好企業管治常規及程序，在擴大本公司的業務中，該常規及程序為風險管理之重要元素。本公司著重維持及執行優良、穩健及有效的良好企業管治常規及架構。

除下文所述的偏離外，截至二零二二年十二月三十一日止六個月，本公司一直遵守上市規則附錄14《企業管治守則》及《企業管治報告》(「守則」)所載列之所有適用守則條文。

根據守則條文第A.2.1條，主席及行政總裁之職能應分開，不應由一人同時兼任。直至本中期報告日期，董事會尚未委任任何人士擔任行政總裁。行政總裁之職責乃由本公司所有執行董事(包括主席)共同擔任。董事會認為，該安排讓各位擁有不同專業的執行董事共同決策，亦可貫徹執行本公司之政策及策略，故符合本集團利益。展望未來，董事會將定期檢討該安排之成效，及考慮於適當時候委任行政總裁。

就加強風險管理及內部監控系統，本公司已委聘外界顧問負責協助董事會及本公司的審核委員會(「審核委員會」)以持續監控及執行本集團之內部審核功能，並將發現內部監控設計及執行之缺失及提供改善建議。重大內部監控缺失將適時向董事會及審核委員匯報以確保儘快執行整改行動。

CORPORATE GOVERNANCE PRACTICE (Continued)

The Board has reviewed and considered the Group's risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

NOMINATION COMMITTEE

The Company has formulated written terms of reference for the nomination committee of the Company (the "Nomination Committee") in accordance with the requirements of the Stock Exchange. The Nomination Committee consists of all Independent Non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong and an Executive Director, Mr. HUI Sai Chung.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board (including the skills, knowledge and experience) on a regular basis and make recommendations to the Board regarding any proposed changes; identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; assessing the independence of Independent Non-executive Directors; and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee would review the Board's composition from time to time where Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of services. The Nomination Committee meets at least once a year to assess the structure, size and composition of the Board.

企業管治常規(續)

本期間內董事會已檢討本集團的風險管理及內部監控系統的有效性，並認為已足夠。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標之風險，並只合理而非絕對保證可防範重大失實陳述或損失。

提名委員會

本公司根據聯交所之規定擬定本公司的提名委員會(「提名委員會」)的職權範圍。提名委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)及一名執行董事(許世聰先生)組成。

提名委員會負責定期檢討董事會的架構、規模及組合(包括技術、知識及經驗)，並就任何建議變更向董事會提出意見；識別具合適資格成為董事會成員的個人及就獲提名成為董事的個人作出篩選或向董事會作出選擇建議；評定獨立非執行董事的獨立性；及就有關董事的委任或再委任及董事的接任計劃之相關事項向董事會提供建議。提名委員會不時檢討董事會之組成，從多個方面考慮董事會成員多元化，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、知識以及服務年期。提名委員會每年最少就董事會的架構、規模及組合舉行一次會議。

NOMINATION COMMITTEE (Continued)

Board Diversity Policy

The Board has updated a board diversity policy (the "Board Diversity Policy") in July 2022 which sets out the approach to achieve diversity on the Board.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service.

The Board has reviewed the current composition and is committed to achieve gender diversity on the Board by maintaining an appropriate level of female members on the Board and to provide the Company with a good balance and diversity of skills and experience appropriate to the requirements of its business. The Board plans to appoint at least one female Director by 31st December 2024. The Board will continue to review its composition from time to time taking into consideration specific needs for the Group's business.

Independence

The Board includes a balanced composition of Executive, Non-executive and Independent Non-executive Directors so that there is a strong element of independence in the Board. The Independent Non-executive Directors shall be of sufficient caliber and stature for their views to carry weight.

Gender and age

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, race, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

提名委員會(續)

董事會成員多元化政策

董事會已經於二零二二年七月更新董事會成員多元化政策(「董事會成員多元化政策」)，當中列出董事會成員多元化達標的方法。

為達致可持續的均衡發展，本公司視董事會層面日益多元化為支持其達到策略目標及維持可持續發展的關鍵元素。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

在構思董事會之組成時，董事會成員多元化已從多個方面進行考慮，包括但不限於性別、年齡、文化和教育背景、專業經驗、技能、知識以及服務任期。

董事會已檢討目前的成員組合以及致力於董事會保持適當水平的女性成員以實現董事會性別多元化，並提供切合本公司業務所需的均衡及多元化技能和經驗。董事會計劃於二零二四年十二月三十一日前任命至少一位女性董事。董事會會繼續按本集團的業務需要不時檢討其成員組合。

獨立性

董事會中執行董事、非執行董事，以及獨立非執行董事的組合應保持均衡，以確保董事會具備高度的獨立性。獨立非執行董事需具備充分才幹及視野，其意見才具影響力。

性別及年齡

本公司承諾在所有營運業務範疇提供一個不論性別相互尊重的環境，並致力維持一個不受滋擾或不存有任任何性別、身體或精神狀況、種族、國籍、宗教、年齡或家庭狀況歧視的工作間。同樣的原則也適用於董事候選人的甄選。

NOMINATION COMMITTEE *(Continued)*

Skills and experience

The Board members should possess a balance of skills appropriate for the requirements of the business of the Group, including the Independent Non-executive Directors possessing professional accounting and other qualifications. The Directors have a mix of finance, academic and management backgrounds that taken together provide the Group with considerable experience in a range of activities including varied industries, education, government, investment and the professions.

AUDIT COMMITTEE

The Company has formulated written terms of reference for the Audit Committee in accordance with the requirements of the Stock Exchange. The Audit Committee consists of all Independent Non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong.

The principal duties of the Audit Committee are to ensure the objectivity and credibility of financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company. The terms of reference of the Audit Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2022 with the Directors.

REMUNERATION COMMITTEE

The Company has updated the written terms of reference for the remuneration committee of the Company (the "Remuneration Committee") in December 2022 in accordance with the requirements of the Stock Exchange. The Remuneration Committee consists of three Independent Non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong and an Executive Director, Mr. HUI Sai Chung.

提名委員會(續)

技能及經驗

董事會成員應具備配合本集團業務需要的不同技能，當中包括具備專業會計及其他資格的獨立非執行董事。結合擁有金融、學術和管理背景的董事，為本集團提供了不同業務範疇(包括不同的工業、教育、政界、投資和專業服務)的豐富經驗。

審核委員會

本公司根據聯交所之規定擬定審核委員會之職權範圍。審核委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)組成。

審核委員會主要職責為確保財務報告及內部監控程序之客觀性及可信度，以及與本公司外聘的核數師保持良好關係。審核委員會的職權範圍與香港會計師公會頒布的《審核委員會有效運作指引》及上市規則內載的建議相符。

審核委員會已經與管理層審閱本集團所採納之會計原則及方法，並與董事討論有關內部監控及財務匯報事宜，包括審閱截至二零二二年十二月三十一日止六個月之未經審核簡明綜合中期財務資料。

薪酬委員會

本公司根據聯交所之規定已於二零二二年十二月更新本公司的薪酬委員會(「薪酬委員會」)之職權範圍。薪酬委員會由三位獨立非執行董事(何偉志先生、程如龍先生及余志光先生)及一位執行董事(許世聰先生)組成。

REMUNERATION COMMITTEE (Continued)

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and making recommendations to the Board on the remuneration packages of the individual executive Director and senior management. This includes benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. It takes into consideration on factors such as salaries paid by comparable companies, time commitment and responsibilities of Directors and senior management. The Remuneration Committee meets at least once a year to assess the performance and review the annual salaries and bonus of the senior executives.

Remuneration Policy

The remuneration of employees (including the Directors and Senior Management) of the Group are generally structured by reference to market terms and individual merits, which is reviewed on a regular basis. The Group also provides various other benefits to designated staff, including discretionary bonus, social insurance or medical insurance, share option scheme, continuing education and training programmes. The Group also launched key performance indicators assessment scheme and annual bonus scheme to boost individual performance and operational efficiency.

CORPORATE GOVERNANCE COMMITTEE

The Company has formulated written terms of reference for the corporate governance committee of the Company (the "Corporate Governance Committee") in accordance with the CG Code. The Corporate Governance Committee consists of all Independent Non-executive Directors, namely Mr. HO Wai Chi, Paul, Mr. CHING Yu Lung and Mr. YU Chi Kwong.

The Corporate Governance Committee is responsible for developing and reviewing the policies and practices on corporate governance of the Group and making recommendations to the Board; reviewing and monitoring the training and continuous professional development of Directors and senior management; reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and reviewing the Group's compliance with the CG Code and disclosure in the Corporate Governance Report of the Company. The Corporate Governance Committee meets at least once a year to review the corporate governance functions.

薪酬委員會(續)

薪酬委員會負責確保正式及具透明度之薪酬政策制訂程序，及向董事會就個別執行董事及高級管理層之薪酬組合提出建議，這包括實物利益、退休金權利及補償(當中包括因失去或中止其職務或委任引致之任何應付補償)。薪酬委員會考慮之因素包括可比較公司之薪金水平、各董事及高級管理人員所投入之時間及職責等。薪酬委員會每年最少舉行一次會議以評估表現及審閱高級管理人員每年之薪酬及獎金。

薪酬政策

本集團僱員(包括董事及高層管理人員)之薪酬一般乃參照市場條款及個人資歷而釐定，並定期作出檢討。本集團亦向特定員工提供多項其他福利，包括酌情花紅、社會保險或醫療保險、購股權計劃、持續進修及培訓課程。本集團亦推行關鍵績效指標評核計劃及年度獎勵計劃，以提升僱員個人表現及營運效率。

企業管治委員會

本公司根據守則之規定擬定本公司的企業管治委員會(「企業管治委員會」)的職權範圍。企業管治委員會由全體獨立非執行董事(何偉志先生、程如龍先生及余志光先生)組成。

企業管治委員會負責發展及檢討本集團企業管治的政策及實施並向董事會提出意見；檢討及監察董事及高級管理人員的培訓及持續專業進修；檢討及監察本集團就法律及規則的合規性要求的政策及實施；發展、檢討及監察適用於員工及董事的行為準則及合規手冊(如有)；及檢討本集團就守則的合規性及本公司於企業管治報告的披露。企業管治委員會每年最少就企業管治功能舉行一次會議。

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for overseeing the risk management and internal control systems of the Group and reviewing their effectiveness. The Group has formulated and adopted a risk management process which includes risk identification, risk evaluation, risk mitigation, risk monitoring and reporting. At least on an annual basis, the management of the Company identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritises the identified risks according to a set of standard criteria. Risk mitigation plans are then established for those risks considered to be significant, which include regular reporting to the Audit Committee and the Board.

The management of the Company has established a set of comprehensive policies, standards and procedures in areas of operational, financial and risk controls for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for ensuring the reliability of financial information to achieve a satisfactory level of assurance against the likelihood of the occurrence of fraud and errors. In addition, the Group has established internal control protocols and control self-assessment process on major operations. Assessment results are submitted to the Board for ongoing monitoring purpose.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the Audit Committee in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

The Board has reviewed and considered the Group's risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

內部監控及風險管理

董事會需負責監察本集團的風險管理及內部監控系統及檢討其效能。本集團已制定及採納風險管理程序，包括風險識別、風險評估、風險轉移、風險監控及匯報。本公司管理層每年最少進行一次識別對達致本集團目標有不良影響之風險，並根據一系列標準規範評估已發現風險及排列優先次序，然後就視作重大的風險建立風險轉移計劃，當中包括向審核委員會及董事會匯報。

本公司的管理層已制定一套完善的政策、標準及程序，範圍包括運作監控、財務監控及風險監控，以保證資產得到保護並免受未經授權的使用或處置；保持適當的會計紀錄；及確保財務資料的可靠性，以達致滿意程度的保證，防止欺詐或錯誤的情況出現。此外，本集團已就主要經營建立內部監控協定及監控自我評估程序，評估結果提交予董事會以作持續監控。

就加強風險管理及內部監控系統，本公司已委聘外界顧問負責協助董事會及審核委員以持續監控及執行本集團之內部審核功能，並將發現內部監控設計及執行之缺失及提供改善建議。重大內部監控缺失將適時向董事會及審核委員匯報以確保儘快執行整改行動。

本期間內董事會已檢討本集團的風險管理及內部監控系統的有效性，並認為已足夠。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標之風險，並只合理而非絕對保證可防範重大失實陳述或損失。

WHISTLE BLOWING POLICY

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. The Company has formulated the Whistle Blowing Policy in accordance with the requirements of the Stock Exchange. It was approved and adopted by the Board of Directors of the Company, with the authority and responsibility being delegated to the Audit Committee. Details of the Whistle Blowing Policy of the Company are disclosed on the Company's corporate website <https://www.nhh.com.hk>.

External parties may raise concerns about the relevant matter against the Company by using below channel:

Email: auditcommittee@nhh.com.hk

ANTI-CORRUPTION POLICY

The Group is committed to achieving the highest standards of business conduct and has zero tolerance for corruption and related malpractice. The Company has formulated the Anti-Corruption Policy and it was approved and adopted by the Board of Directors of the Company in accordance with the requirements of the Stock Exchange. Details of the Anti-Corruption Policy of the Company are disclosed on the Company's corporate website <https://www.nhh.com.hk>.

On behalf of the Board

HUI Sai Chung

Chairman

Hong Kong,

27th February 2023

舉報政策

本集團致力達到並維持最高水平的透明、廉潔及問責制度。本公司根據聯交所之規定擬定舉報政策。舉報政策經由本公司董事會通過而採納，並賦於審核委員會權力執行。有關本公司之舉報政策詳情已於本公司網站<https://www.nhh.com.hk>內披露。

外部人士可利用以下渠道投訴／舉報涉及本公司之相關事項：

電郵： auditcommittee@nhh.com.hk

反貪腐政策

本集團致力達致最高的商業行為標準，對貪腐和任何舞弊行為零容忍。本公司根據聯交所之規定擬定並經由本公司董事會通過而採納之反貪腐政策。有關本公司之反貪腐政策詳情已於本公司網站<https://www.nhh.com.hk>內披露。

代表董事會

主席

許世聰

香港，

二零二三年二月二十七日



NHH

Ngai Hing Hong Company Limited
毅興行有限公司

