

Man Shun Group (Holdings) Limited 萬順集團(控股)有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1746

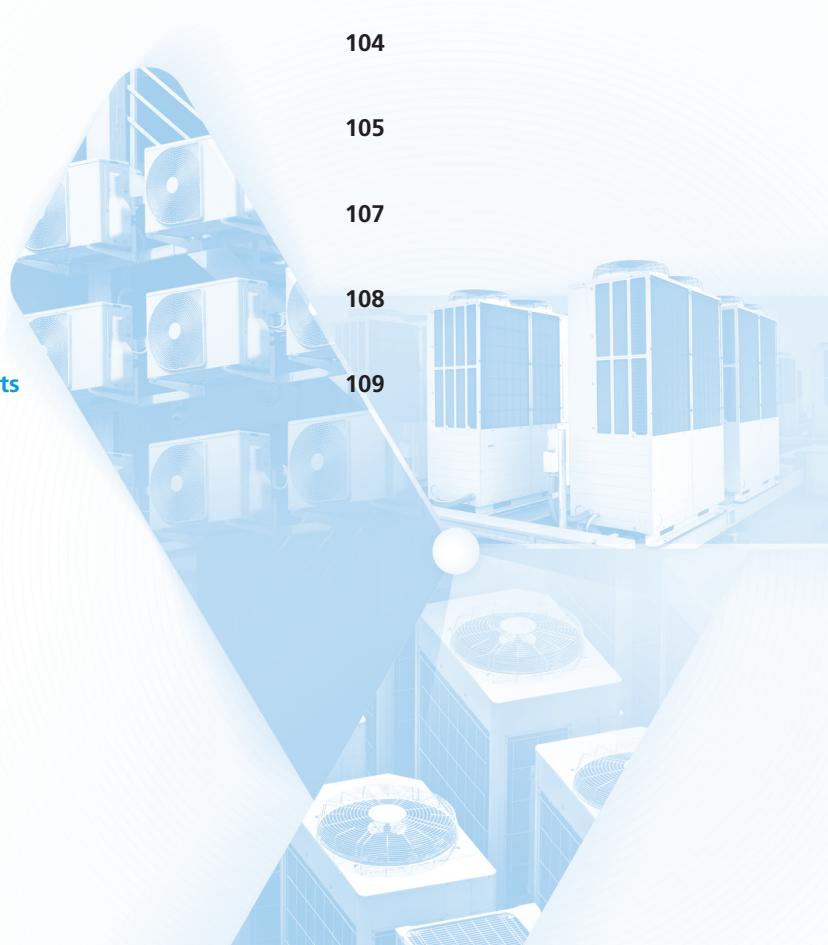
2023

Annual Report 年報



Contents 目錄

Corporate Information 公司資料	2
Financial Summary 財務概要	4
Chairman's Statement 主席報告	5
Management Discussion and Analysis 管理層討論及分析	7
Biographies of Directors and Senior Management 董事及高級管理人員履歷	17
Directors' Report 董事會報告	24
Environmental, Social and Governance Report 環境、社會及管治報告	36
Corporate Governance Report 企業管治報告	83
Independent Auditor's Report 獨立核數師報告	96
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	104
Consolidated Statement of Financial Position 綜合財務狀況表	105
Consolidated Statement of Changes in Equity 綜合權益變動表	107
Consolidated Cash Flow Statement 綜合現金流量表	108
Notes to the Consolidated Financial Statements 綜合財務報表附註	109



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. CHEUNG Yuen Tung (*Chairman*)

Mr. CHEUNG Yuen Chau

Independent non-executive Directors

Mr. PANG Kam Fai, Dickson

Mr. LAW Chung Lam, Nelson

Mr. LAU Yu Ching

AUDIT COMMITTEE

Mr. LAU Yu Ching (*Chairman*)

Mr. PANG Kam Fai, Dickson

Mr. LAW Chung Lam, Nelson

REMUNERATION COMMITTEE

Mr. PANG Kam Fai, Dickson (*Chairman*)

Mr. LAU Yu Ching

Mr. LAW Chung Lam, Nelson

NOMINATION COMMITTEE

Mr. LAW Chung Lam, Nelson (*Chairman*)

Mr. PANG Kam Fai, Dickson

Mr. LAU Yu Ching

AUTHORISED REPRESENTATIVE

Mr. CHEUNG Yuen Tung

Ms. LO Wan Man

COMPANY SECRETARY

Ms. LO Wan Man

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Nanyang Commercial Bank, Limited

董事會

執行董事

張元通先生(主席)

張元秋先生

獨立非執行董事

彭錦輝先生

羅頌霖先生

劉裕正先生

審核委員會

劉裕正先生(主席)

彭錦輝先生

羅頌霖先生

薪酬委員會

彭錦輝先生(主席)

劉裕正先生

羅頌霖先生

提名委員會

羅頌霖先生(主席)

彭錦輝先生

劉裕正先生

授權代表

張元通先生

盧韻雯女士

公司秘書

盧韻雯女士

主要往來銀行

中國銀行(香港)有限公司

南洋商業銀行有限公司

CORPORATE INFORMATION

公司資料

AUDITOR

D & PARTNERS CPA LIMITED
Certified Public Accountants
Registered Public Interest Entity Auditor
Room 2201, 22/F, West Exchange Tower
322 Des Voeux Road Central
Sheung Wan
Hong Kong

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1908, 19th Floor
Cheung Fung Industrial Building
Nos. 23–39 Pak Tin Par Street
Tsuen Wan, New Territories
Hong Kong

HONG KONG SHARE REGISTRAR

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

STOCK CODE

01746

COMPANY'S WEBSITE

<http://www.manshungroup.com.hk>

核數師

德博會計師事務所有限公司
執業會計師
註冊公眾利益實體核數師
香港
上環
德輔道中322號
西區電訊大廈22樓2201室

註冊辦事處

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港
新界荃灣
白田壩街23–39號
長豐工業大廈
19樓1908室

香港股份過戶登記處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

股份代號

01746

公司網站

<http://www.manshungroup.com.hk>

FINANCIAL SUMMARY

財務概要

PROFIT/(LOSS) FOR THE YEAR

年內溢利／(虧損)

		For the year ended 31 December 截至十二月三十一日止年度				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		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	收入	152,950	125,087	121,672	127,588	114,489
Profit(loss) before taxation	除稅前溢利／(虧損)	703	252	(2,225)	(8,599)	2,310
Income tax (expense)/credit	所得稅(開支)／抵免	(23)	(14)	-	135	(1,303)
Profit(loss) for the year	年內溢利／(虧損)	680	238	(2,225)	(8,464)	1,007
Profit(loss) attributable to equity shareholders of the Company	本公司權益股東應佔溢利／(虧損)	680	238	(2,225)	(8,464)	1,007

ASSETS AND LIABILITIES

資產及負債

		As at 31 December 於十二月三十一日				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		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
Current assets	流動資產	170,597	161,952	168,716	164,539	183,870
Non-current assets	非流動資產	2,116	2,419	2,779	3,842	2,663
Current liabilities	流動負債	20,364	12,968	20,021	13,777	23,601
Non-current liabilities	非流動負債	521	255	564	1,469	1,333
Net assets	資產淨值	151,828	151,148	150,910	153,135	161,599
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	151,828	151,148	150,910	153,135	161,599
Total equity	權益總額	151,828	151,148	150,910	153,135	161,599

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Man Shun Group (Holdings) Limited (the “**Company**”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2023.

For the year ended 31 December 2023, the Group recorded a revenue of approximately HK\$152,950,000, which was a year-on-year increase of 22.3% compared to approximately HK\$125,087,000 recorded in the previous financial year. The profit attributable to the equity shareholders of the Company was approximately HK\$680,000 (2022: approximately HK\$238,000).

A contractor of the Company announced liquidation in early March 2024. The Company has been impacted as there are receivables of retention and variable orders due from that contractor as at 31 December 2023 of approximately HK\$1,590,000. The related project was completed and provision was made for the whole receivable amount. The Company has communicated with the developer and will approach the liquidator of that contractor and take appropriate actions to recover the outstanding balance.

Despite of the coronavirus disease situation is stabilized or subsided in early 2023, the global and Hong Kong economic landscapes are continuously exhibiting considerable volatility. Hong Kong real estate transactions are quiet and the property market is weak which affect the speed of housing construction by developers. There will continue to be many challenges ahead due to the labour shortages and building material costs inflation which lead to the increase in cost, under the keen competition. Facing the resulting uncertainties, the Group will mitigate and manage the risks by closely monitor the situation and take appropriate measures to ensure that the Group can minimize the direct cost and strive to keep up relationships with its suppliers and existing customers and actively explore potential development opportunities, which in turn will enhance the Group's future profitability and scale for maximizing returns for shareholders.

本人謹代表萬順集團(控股)有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零二三年十二月三十一日止年度的年度報告。

截至二零二三年十二月三十一日止年度，本集團錄得收入約152,950,000港元，較上一財政年度錄得之約125,087,000港元同比增加22.3%。本公司權益股東應佔溢利約680,000港元(二零二二年：約238,000港元)。

本公司的承包商宣布於二零二四年三月初進行清算。於二零二三年十二月三十一日，本公司因有該承包商的應收保留金及工程變更款項約為1,590,000港元而受到影響。相關項目已竣工，而本公司已為全部應收款項作出撥備。本公司已與開發商進行溝通，並將與該承建商的清算人接洽及採取適當行動收回欠款。

儘管冠狀病毒疫情於二零二三年年初穩定或消退，但全球及香港的經濟繼續呈現動盪態勢。香港房地產交投淡靜，樓市疲弱，影響發展商建樓速度。在競爭激烈下勞工短缺及建築材料成本上漲導致成本上升，我們未來依然將會面臨重重挑戰。因此，面對各種不明朗因素，本集團將藉密切關注形勢發展減低並管理風險，採取適當措施確保本集團可盡量降低直接成本，並會繼續努力維持與供應商及現有客戶的關係並積極發掘潛在的發展機會，藉此提升本集團未來的盈利能力及規模，為股東創造最大回報。

CHAIRMAN'S STATEMENT

主席報告

Looking ahead, with the promise of the increase of the land supply for the development of the infrastructures by the Government of the Hong Kong Special Administration Region and the cancellation of Special Stamp Duty and Buyer's Stamp Duty with effect on 28 February 2024, we are hopeful that the Hong Kong economy and the construction industry will be restored gradually.

The Group will continue to focus on enhancing the business operations and managing the financial position, internal control and corporate governance. Meanwhile, we will constantly show perseverance in its development to obtain new projects.

I would like to extend my heartfelt gratitude to all the Directors, management team and all staff for their diligence over the past year, and to the Company's shareholders, customers, suppliers and partners from various sectors for their ongoing great support.

Chairman of the Board
Cheung Yuen Tung

Hong Kong, 27 March 2024

展望未來，香港特別行政區政府承諾增加土地供應發展基建，以及自二零二四年二月二十八日起取消特別印花稅及買家印花稅，我們希望香港經濟及建造業能逐步恢復上升勢頭。

本集團將繼續集中加強業務營運，管理財務狀況、內部監控及企業管治。與此同時，我們將繼續堅持不懈，力求發展，務求獲取新項目。

本人衷心感謝各位董事、管理團隊以及全體員工過去一年的辛勤努力，衷心感謝公司股東以及客戶、供應商、各方合作夥伴過去一直以來給予的大力支持。

董事會主席
張元通

香港，二零二四年三月二十七日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is an established HVAC electrical and mechanical (“HVAC E&M”) engineering services provider in Hong Kong with a long business history dating back to 1996. The Group generally focuses on serving new residential property developments projects as a first-tier or second-tier subcontractor in Hong Kong. The HVAC E&M engineering services typically involve installation of HVAC systems, which refers to heat, ventilation and air-conditioning systems.

The Group is registered as a Registered Electrical Contractor under the Electrical and Mechanical Services Departments of the Government, a minor works contractor (company) of Type A (Classes II and III), Type D (Classes II and III) and Type E (Classes II and III) under the Building Authority and a registered subcontractor under the Subcontractor Registration Scheme operated by the Construction Industry Council.

In order to strengthen the market position as a prime HVAC E&M engineering services provider and become the preferred choice of first-tier HVAC E&M engineering subcontractor for property developers in Hong Kong, the Group continues to strengthen the financial management and licensing qualifications, securing the positioning in the property development value chain and pursuing new business opportunities directly with property developers and/or their designated main contractors.

FINANCIAL REVIEW

Revenue

By timing of revenue recognition:

業務回顧

本集團為香港歷史悠久的暖通空調機電（「暖通空調機電」）工程服務供應商，業務歷史可追溯至一九九六年。本集團一般以首層或次層分包商身份主力為香港新型住宅物業發展項目提供服務。暖通空調機電工程服務通常涉及安裝暖通空調系統（即暖氣、通風及空調系統）。

本集團已註冊為機電工程署轄下註冊電業承辦商、建築事務監督轄下A類型（第II及III級別）、D類型（第II及III級別）及E類型（第II及III級別）小型工程承建商（公司）以及建造業議會轄下分包商註冊制度的註冊分包商。

為鞏固作為優質暖通空調機電工程服務供應商的市場定位，並成為香港物業發展商的首選首層暖通空調機電工程分包商，本集團繼續加強財務管理及牌照資格，鞏固物業發展價值鏈的定位，並向物業發展商及／或其指定總承建商直接爭取新商機。

財務回顧

收入

按收入確認時間劃分：

		Year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Services transferred over time	隨時間轉移的服務	121,873	80	105,803	85
Products transferred at a point in time	於某時間點轉移的產品	31,077	20	19,284	15
		152,950	100	125,087	100

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

By type of services:

按服務類型劃分：

		Year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Installation services only	淨安裝服務	70,568	46	84,640	68
Installation services with HVAC systems procurements	安裝服務連暖通空調 系統採購	82,382	54	40,447	32
		152,950	100	125,087	100

During the year ended 31 December 2023, the Group's revenue increased by approximately HK\$27,863,000 or 22.3% to approximately HK\$152,950,000. The revenue during the year was derived from the respective projects execution progress.

截至二零二三年十二月三十一日止年度，本集團的收入增加約27,863,000港元或22.3%至約152,950,000港元。年內收入乃衍生自各項目的執行進度。

Cost of services

服務成本

		Year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Subcontracting fees	分包費用	51,306	38	41,143	39
Materials and consumables	物料及耗材	54,724	41	45,340	43
Direct labour	直接勞工	17,377	13	17,282	16
Storage fee	存放費用	5,267	4	–	–
Others	其他	5,069	4	2,616	2
		133,743	100	106,381	100

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's cost of services mainly represented the cost of HVAC systems and other ancillary consumables such as pipes and fittings and subcontracting charges for completing on-site works. The cost of services increased by approximately HK\$27,362,000 or 25.7% to approximately HK\$133,743,000 for the year ended 31 December 2023, as compared to approximately HK\$106,381,000 for the year ended 31 December 2022. The increase was mainly due to the increase in revenue and additional storage fee for ventilation fans and air conditioners.

Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$501,000 or 2.7% from approximately HK\$18,706,000 for the year ended 31 December 2022 to approximately HK\$19,207,000 for the year ended 31 December 2023. The Group's gross profit margin decreased from approximately 15.0% for the year ended 31 December 2022 to approximately 12.6% for the year ended 31 December 2023. The decrease in the gross profit margin was mainly due to the additional storage fee and lower profit margin for projects with HVAC system procurements.

Other income

The other income mainly consisted of bank interest income and other services income, which principally included repairing and other installation services recognised for the year ended 31 December 2023.

Administrative expenses

Administrative expenses mainly comprised staff costs, meals and entertainment expenses, depreciation expenses, transportation expenses and others. Administrative expenses increased from approximately HK\$24,691,000 for the year ended 31 December 2022 to approximately HK\$28,465,000 for the year ended 31 December 2023. The increase in administrative expenses of the Group was mainly due to the increase in the cost of repairing and other installation services and the impairment of expected credit loss on trade and other receivables and contract assets.

Finance costs

Finance costs of approximately HK\$65,000 (2022: approximately HK\$60,000) for the year ended 31 December 2023 represented interest expenses on lease liabilities.

本集團的服務成本主要指暖通空調系統及其他輔助耗材(例如喉管及配件)成本,以及完成施工的分包費用。截至二零二三年十二月三十一日止年度,服務成本增加約27,362,000港元或25.7%至約133,743,000港元,而截至二零二二年十二月三十一日止年度則約106,381,000港元。增加主要是由於收入增加以及換氣扇及空調的額外的存放費用所致。

毛利及毛利率

本集團的毛利由截至二零二二年十二月三十一日止年度的約18,706,000港元增加約501,000港元或2.7%至截至二零二三年十二月三十一日止年度的約19,207,000港元。本集團的毛利率由截至二零二二年十二月三十一日止年度的約15.0%減少至截至二零二三年十二月三十一日止年度的約12.6%。毛利率下降主要由於額外存放費用及採購暖通空調系統的項目利潤率較低。

其他收入

其他收入主要由銀行利息收入及其他服務收入組成,其主要包括截至二零二三年十二月三十一日止年度確認的維修及其他安裝服務。

行政開支

行政開支主要包括員工成本、餐飲及酬酢開支、折舊開支、交通開支及其他。行政開支由截至二零二二年十二月三十一日止年度約24,691,000港元增加至截至二零二三年十二月三十一日止年度約28,465,000港元。本集團行政開支增加主要由於維修及其他安裝服務成本,以及貿易及其他應收款項及合約資產預期信貸虧損減值增加所致。

財務成本

截至二零二三年十二月三十一日止年度,財務成本約65,000港元(二零二二年:約60,000港元),指租賃負債的利息開支。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Income tax expense

No provision for Hong Kong Profits Tax has been made as the Company and its subsidiaries in Hong Kong have either sustained losses for tax purpose or their unused tax losses were sufficient to cover their estimated assessable profits for the years ended 31 December 2023 and 2022.

Total comprehensive income attributable to equity shareholders of the Company

For the year ended 31 December 2023, the Group's profit and total comprehensive income attributable to equity shareholders of the Company was approximately HK\$680,000 (2022: approximately HK\$238,000).

Dividend

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

Trade and other receivables

Trade receivables decreased by approximately HK\$15,667,000 from approximately HK\$37,391,000 as at 31 December 2022 to approximately HK\$21,724,000 as at 31 December 2023. As at 31 December 2022, the trade receivable balance included payment certificate of approximately HK\$9,500,000 issued near the end of the financial year which contributed to a larger trade receivable balance when compared with that as 31 December 2023.

Retention receivables increased by approximately HK\$368,000 from approximately HK\$26,357,000 as at 31 December 2022 to approximately HK\$26,725,000 as at 31 December 2023. The slightly increase in retention receivables was the net effect of retention recovered and addition of retention according to the progress of the projects.

Deposits, prepayment and other receivables decreased by approximately HK\$1,599,000 from approximately HK\$4,413,000 as at 31 December 2022 to approximately HK\$2,814,000 as at 31 December 2023. The decrease in the balance was mainly due to decrease in wages paid on behalf of the contractor and the decrease in warehouse storage fee paid on behalf of the contractor near the end of financial year as at 31 December 2023.

所得稅開支

由於本公司及其於香港的附屬公司就稅項而言產生虧損或其未動用稅項虧損足以彌補其截至二零二三年及二零二二年十二月三十一日止年度之估計應課稅溢利，故並無就香港利得稅作出撥備。

本公司權益股東應佔全面收益總額

截至二零二三年十二月三十一日止年度，本公司權益股東應佔本集團溢利及全面收益總額約680,000港元(二零二二年：約238,000港元)。

股息

董事會不建議派付截至二零二三年十二月三十一日止年度的末期股息(二零二二年：無)。

貿易及其他應收款項

貿易應收款項由二零二二年十二月三十一日的約37,391,000港元減少約15,667,000港元至二零二三年十二月三十一日的約21,724,000港元。於二零二二年十二月三十一日，貿易應收款項結餘包括臨近財政年度結束時簽發了約9,500,000港元的糧款證書，因此貿易應收款項結餘比二零二三年十二月三十一日較高。

於二零二三年十二月三十一日，應收保留金由二零二二年十二月三十一日約26,357,000港元增加約368,000港元至約26,725,000港元。應收保留金輕微增加乃收回保留金以及根據項目進度增加保留金的淨影響。

於二零二三年十二月三十一日，按金、預付款項及其他應收款項由二零二二年十二月三十一日約4,413,000港元減少約1,599,000港元至約2,814,000港元。結餘減少主要由於在二零二三年十二月三十一日接近財政年度結束時代分包商支付的工資減少以及代分包商支付的倉儲費減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Trade and other payables

Trade payables increased by approximately HK\$7,989,000 from approximately HK\$3,782,000 as at 31 December 2022 to approximately HK\$11,771,000 as at 31 December 2023. The increase was mainly due to the Group made large purchase of HVAC systems for projects installation near the end of financial year as at 31 December 2023.

FUTURE PROSPECTS

Looking forward, the Group will further expand the service capabilities to capture business opportunities and provide customers with comprehensive HVAC E&M engineering services with a prudent financial management strategy, pursuing a long-term healthy business growth and stable return to the shareholders.

The property market has become more active with an increase in transactions after the cancellation of Special Stamp Duty and Buyer's Stamp Duty on 28 February 2024. Nonetheless, the odds are not to be underestimated. For example, interest rates are expected to remain at a relatively high level for a longer period than anticipated. In addition, the city's recovery from the pandemic has been weaker than anticipated. So the developers may carry out new development projects after deliberation and lead to reduction of tendering and keen competition.

Despite the adverse commercial environment and the overall uncertainties in the recent times, our management's strong capabilities and sound track record are expected to enable us to be competitive in these potential tenders. In addition, we are constantly evaluating our team and fleet to ensure that we are optimizing our competitiveness with a view to getting more projects.

貿易及其他應付款項

於二零二三年十二月三十一日，貿易應付款項由二零二二年十二月三十一日約3,782,000港元增加約7,989,000港元至約11,771,000港元。該增加主要是由於本集團在二零二三年十二月三十一日接近財政年度結束時大量採購暖通空調系統用於項目安裝。

未來前景

展望未來，本集團將進一步擴大服務能力以把握商機及向客戶提供全面的暖通空調機電工程服務，並採取審慎財務管理策略，以追求長遠穩健的業務增長及為股東帶來穩定回報。

於二零二四年二月二十八日取消特別印花稅及買家印花稅後，交易量增加，可見房地產市場變得更加活躍。儘管如此，我們不會低估其中風險。舉例而言，預計利率將維持於相對較高水平，時間長於預期。此外，香港自疫情中復甦的程度亦遜於預期。因此，發展商可能會經深思熟慮後才展開新發展項目，引致招標減少及競爭激烈。

儘管近期商業環境不利，整體環境存在不明朗因素，我們管理層的強大能力以及良好的往績表現預期將使我們能夠於該等潛在投標中具有競爭力。此外，我們持續評估我們的團隊，以確保競爭力得以優化，力求爭取更多項目。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

The Group had net current assets of approximately HK\$150,233,000 as at 31 December 2023 (2022: approximately HK\$148,984,000). The quick ratio of the Group was approximately 8.3 times as at 31 December 2023 (2022: approximately 12.2 times). The Group generally financed its daily operations by its internal resources. The remaining unused net proceeds as at 31 December 2023 were placed as interest-bearing deposits with licensed banks in Hong Kong.

CAPITAL STRUCTURE

There is no change in the Company's share capital during the year.

FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of the settlement of its trade payables and financing obligations, and its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in both the short and long terms.

GEARING RATIO AND DEBT TO EQUITY RATIO

The Group's gearing ratio, which is calculated based on the total debt divided by total equity (defined as lease liabilities as at the respective year divided by the total equity as at the respective corresponding year) was approximately 1.0% as at 31 December 2023 (2022: 0.9%).

The Group's debt to equity ratio, which is calculated based on the total debt (defined as the lease liabilities minus cash and cash equivalents as at the respective year end divided by total equity as at the respective corresponding year) was not applicable due to the Group recorded net cash position as at 31 December 2023.

流動資金及財務資源

於二零二三年十二月三十一日，本集團流動資產淨值約150,233,000港元（二零二二年：約148,984,000港元）。於二零二三年十二月三十一日，本集團速動比率約8.3倍（二零二二年：約12.2倍）。本集團一般以內部資源為其日常營運提供資金。於二零二三年十二月三十一日，餘下未動用所得款項淨額已作為計息存款存放於香港持牌銀行。

資本架構

年內，本公司概無資本架構之變動。

財務政策

本集團承受有關結算其貿易應付款項及融資責任以及其現金流量管理的流動資金風險。本集團的政策為定期監控現時及預期的流動資金需要，以確保維持足夠現金儲備，從而滿足短期及長期的流動資金需要。

資產負債比率及債務對權益比率

於二零二三年十二月三十一日，本集團的資產負債比率（按債務總額除權益總額（定義為各年度的租賃負債除各相應年度的權益總額）計算）約1.0%（二零二二年：0.9%）。

於二零二三年十二月三十一日，由於本集團錄得現金淨額狀況，本集團的債務對權益比率（按債務總額（定義為各年末的租賃負債減現金及現金等價物除各相應年度的權益總額）計算）並不適用。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL EXPENDITURE

During the year ended 31 December 2023, the Group invested approximately HK\$1,874,000 (2022: approximately HK\$1,723,000) in property, plant and equipment, mainly represented motor vehicles, computer and office equipment and other properties leased for own use.

CAPITAL COMMITMENTS

As at 31 December 2023, the Group had no significant capital commitments (2022: Nil).

CONTINGENT LIABILITIES

As at 31 December 2023, contingent liabilities not provided for in the consolidated financial statements were as follows:

資本開支

截至二零二三年十二月三十一日止年度，本集團投資額約1,874,000港元（二零二二年：約1,723,000港元）於物業、機器及設備，主要為汽車、電腦及辦公室設備及其他供自用的租賃物業。

資本承擔

於二零二三年十二月三十一日，本集團概無重大資本承擔（二零二二年：無）。

或然負債

於二零二三年十二月三十一日，綜合財務報表內並無計提撥備的或然負債如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Performance bonds given to customers for due and proper performance of projects undertaken by the Group's subsidiaries	就妥善執行本集團附屬公司所承接項目而向客戶作出的履約保證金	-	3,848
Court proceedings (Note)	法律訴訟(附註)	872	872
		872	4,720

Note:

In 2020, a subcontractor (“the plaintiff”) sued Man Tung Air-Conditioning Works Limited (“Man Tung AC Works”), a subsidiary of the Company for the amount due of HK\$871,664 for the ventilation fans installation works. Currently, Man Tung AC Works is waiting for 1st court session. Based on the legal advice and after consideration of possible business and financial impact, the directors believe stand a reasonable chance of success in defending the action and securing the counterclaims, therefore there is no present obligation to make any provision for the case at this stage.

附註：

二零二零年，一名分包商（「原告」）起訴本公司的一間附屬公司萬通冷氣工程有限公司（「萬通冷氣工程」），要求支付就換氣扇安裝工程的應付款項871,664港元。目前，萬通冷氣工程正在等待第一次開庭。基於法律建議並考慮可能的業務和財務影響後，董事認為有合理的機會成功捍衛訴訟並獲得反訴，因此現階段並無義務為該案件作出任何準備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CHARGES ON THE GROUP'S ASSETS

No property, plant and equipment has been pledged as at 31 December 2023 and 2022.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2023, the Group did not have any significant investment, material acquisition nor disposal of subsidiaries and affiliated companies (2022: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 28 June 2018 (the "Prospectus"), the Group did not have other future plans for material investments or capital assets.

FOREIGN EXCHANGE RISK MANAGEMENT

The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars. The Group is not significantly exposed to foreign currency risk arising from monetary assets and liabilities that are denominated in currencies other than the functional currencies of the respective group entities.

The Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered to be insignificant. However, the management will continue to closely monitor the Group's foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

INFORMATION ON EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2023, the Group had 71 employees (2022: 71 employees) with total staff costs (including Directors' emoluments) of approximately HK\$32,157,000 incurred for the year ended 31 December 2023 (2022: approximately HK\$32,285,000). The Group's remuneration packages are generally structured with reference to market terms and individual merits. The remuneration committee of the Company makes recommendations to the Board on the overall remuneration policy and structure for the Directors and senior management.

本集團資產抵押

於二零二三年及二零二二年十二月三十一日，尚未抵押任何物業、機器及設備。

附屬公司的重大投資、重大收購及出售

截至二零二三年十二月三十一日止年度，本集團並無任何附屬公司及聯屬公司的重大投資、重大收購或出售(二零二二年：無)。

重大投資或資本資產的未來計劃

除本公司日期為二零一八年六月二十八日的招股章程(「招股章程」)所披露者外，本集團並無其他重大投資或資本資產的未來計劃。

外匯風險管理

本集團的貨幣資產、負債及交易主要以港元計值。本集團並無承受以各集團實體功能貨幣以外的貨幣計值的貨幣資產及負債所產生的重大外幣風險。

本集團目前並無外幣對沖政策，乃由於外幣風險被視為不重大。然而，管理層將繼續密切監察本集團的外匯風險，並將於有需要時考慮對沖重大外匯風險。

僱員資料及薪酬政策

於二零二三年十二月三十一日，本集團有71名僱員(二零二二年：71名僱員)，而截至二零二三年十二月三十一日止年度的員工成本總額(包括董事酬金)則約32,157,000港元(二零二二年：約32,285,000港元)。本集團的薪酬待遇一般經參考市場條款及個別情況而釐定。本公司薪酬委員會就董事及高級管理人員的整體薪酬政策和結構向董事會提出建議。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

DEED OF NON-COMPETITION

The controlling shareholders of the Company, namely Mr. Cheung Yuen Tung, Mr. Cheung Yuen Chau and Prime Pinnacle Limited (collectively, the “**Controlling Shareholders**”) entered into a deed of non-competition dated 8 June 2018 (“**Deed of Non-competition**”) in favour of the Company (for itself and as trustee for each of its subsidiaries). For details of the Deed of Non-competition, please refer to the section headed “Relationship with the Controlling Shareholders — Deed of Non-competition” in the Prospectus of the Company. Each of the Controlling Shareholders has confirmed that none of them is engaged in or interested in any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group. The independent non-executive Directors have also reviewed the status of compliance and written confirmation from each of the Controlling Shareholders, and confirmed that all the undertakings under the Deed of Non-competition have been complied with by each of the Controlling Shareholders since 11 July 2018 and up to the date of this report.

COMPETING INTEREST

Since the Listing and up to the date of this report, none of the Directors or the Controlling Shareholders of the Company or their close associates are interested in any business which competes or may compete, either directly or indirectly, with the business of the Group nor any conflicts of interest which has or may have with the Group.

USE OF PROCEEDS

The Company successfully listed on the Stock Exchange on 11 July 2018 and 250,000,000 ordinary shares were issued at HK\$0.52 per share by way of share offer (the “**Share Offer**”). Net proceeds from the Share Offer was approximately HK\$102.4 million (after deducting the underwriting fees and other related expenses).

不競爭契據

本公司控股股東張元通先生、張元秋先生及 Prime Pinnacle Limited (統稱為「**控股股東**」)以本公司為受益人(為其本身及作為其各附屬公司的受託人)訂立日期為二零一八年六月八日的不競爭契據(「**不競爭契據**」)。有關不競爭契據的詳情，請參閱本公司之招股章程「與控股股東的關係 — 不競爭契據」一節。各控股股東已確認，彼等概無參與任何直接或間接與本集團業務構成競爭或可能構成競爭的業務(本集團除外)或於當中擁有權益。獨立非執行董事亦已檢討合規情況及審閱各控股股東的確認書，並確認各控股股東自二零一八年七月十一日起及截至本報告日期止已遵守不競爭契據項下的所有承諾。

競爭權益

自上市起及截至本報告日期止，概無本公司董事或控股股東或彼等的緊密聯繫人於任何直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有權益，或與本集團有或可能有任何利益衝突。

所得款項用途

於二零一八年七月十一日，本公司已成功於聯交所上市，並已透過股份發售(「**股份發售**」)按每股0.52港元發行250,000,000股普通股。股份發售所得款項淨額約102,400,000港元(經扣除包銷費用及其他相關開支)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The net proceeds used for the intended purposes as was set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus. Set out below is the actual utilisation of net proceeds up to the date of this report:

所得款項淨額用作招股章程「未來計劃及所得款項用途」一節所載的擬定用途。以下載列截至本報告日期止的所得款項淨額實際動用情況：

		Net proceeds 所得款項 淨額 HK\$'000 千港元	Utilised 已動用 HK\$'000 千港元	Unutilised 未動用 HK\$'000 千港元	Expected timeline 預期時間
Procurement of HVAC systems	採購暖通空調系統	87,654	87,654	-	
Taking out surety bonds	投購擔保債券	4,608	4,226	382	End of 2024 二零二四年末
General working capital	一般營運資金	10,138	10,138	-	
		102,400	102,018	382	

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

EXECUTIVE DIRECTORS

Mr. CHEUNG Yuen Tung (“Mr. Tony Cheung”)

Mr. Tony Cheung, aged 64, is the chairman of the Board, an executive Director and one of the Controlling Shareholders. He was appointed as a Director on 4 November 2017 and redesignated as an executive Director on 12 March 2018. He is also a director of Man Tung Air-Conditioning Works Limited (“**Man Tung AC Works**”) and Man Tung Air-Conditioning E&M Limited (“**Man Tung AC E&M**”), both indirect wholly-owned subsidiaries of the Company. Mr. Tony Cheung is primarily responsible for the overall strategic planning, business development, and corporate management and sales and marketing of the Group.

Mr. Tony Cheung has over 20 years of experience in air-conditioning E&M engineering services industry. Mr. Tony Cheung established a sole proprietorship in 1986 in the trade name of “Man Tung Air-conditioning Works” to carry on the business of providing air-conditioning installation services. He is the co-founder of Man Tung AC Works and Shun Tung Engineering Company Limited (“**Shun Tung**”), an indirect wholly-owned subsidiary of the Company and has been a director of Man Tung AC Works since its incorporation on 19 November 1996. Mr. Tony Cheung established Man Tung AC E&M in April 2008 and has been a director of the company since then. Mr. Tony Cheung, together with Mr. Gary Cheung, has been responsible for formulating and determining corporate and business strategies and making major operation decisions, monitoring the business operations, reviewing and approving significant contracts and investment, appointment and appraisal of senior management of the Group.

Mr. Tony Cheung is the brother of Mr. Gary Cheung, the executive Director of the Company.

執行董事

張元通先生 (「張元通先生」)

張元通先生，64歲，為董事會主席、執行董事及控股股東之一。彼於二零一七年十一月四日獲委任為董事，後於二零一八年三月十二日調任執行董事。彼亦為本公司間接全資附屬公司萬通冷氣工程有限公司（「**萬通冷氣工程**」）及萬通冷氣機電有限公司（「**萬通冷氣機電**」）的董事。張元通先生主要負責本集團整體策略規劃、業務發展、企業管理以及銷售及市場推廣。

張元通先生投身空調機電工程服務業逾20年。張元通先生於一九八六年以「萬通冷氣工程」的商號成立獨資企業，從事提供空調安裝服務的業務。彼為萬通冷氣工程及本公司間接全資附屬公司順通冷氣機電工程有限公司（「**順通**」）的共同創辦人，自一九九六年十一月十九日萬通冷氣工程註冊成立以來一直擔任其董事。張元通先生於二零零八年四月成立萬通冷氣機電，自此擔任該公司董事。張元通先生聯同張元秋先生負責制定及確立企業及營運策略、作出重大經營決策、監察業務營運、審批重大合約與投資以及委任與評核本集團高級管理人員。

張元通先生為本公司執行董事張元秋先生的胞兄。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. CHEUNG Yuen Chau (“Mr. Gary Cheung”)

Mr. Gary Cheung, aged 59, is the chief executive officer of the Company, an executive Director and one of the Controlling Shareholders. He was appointed as a Director on 4 November 2017 and redesignated as an executive Director of the Company on 12 March 2018. Mr. Gary Cheung is responsible for the general management and supervising day-to-day operation of the Group.

Mr. Gary Cheung has approximately 20 years of experience in air-conditioning E&M engineering services industry. Prior to joining the Group, Mr. Gary Cheung was involved in the operation of the sole proprietorship “Man Tung Air-conditioning Works” established by Mr. Tony Cheung in the provision of air-conditioning installation services. He is the co-founder of Man Tung AC Works and Shun Tung and has been a director of Shun Tung since its incorporation on 6 November 1998. Mr. Gary Cheung, together with Mr. Tony Cheung, has been responsible for formulating and determining corporate and business strategies and making major operation decisions, monitoring the business operations, reviewing and approving significant contracts and investment, appointment and appraisal of senior management of the Group.

Mr. Gary Cheung is the brother of Mr. Tony Cheung, the executive Director of the Company.

張元秋先生(「張元秋先生」)

張元秋先生，59歲，為本公司行政總裁、執行董事及控股股東之一。彼於二零一七年十一月四日獲委任為董事，後於二零一八年三月十二日調任本公司執行董事。張元秋先生負責本集團整體管理及監督日常營運。

張元秋先生投身空調機電工程服務業接近20年。於加入本集團之前，張元秋先生曾參與經營張元通先生所成立提供空調安裝服務的獨資企業「萬通冷氣工程」。彼為萬通冷氣工程及順通的共同創辦人，自一九九八年十一月六日順通註冊成立以來一直擔任其董事。張元秋先生聯同張元通先生負責制定及確立企業及營運策略、作出重大經營決策、監察業務營運、審批重大合約與投資以及委任與評核本集團高級管理人員。

張元秋先生為本公司執行董事張元通先生的胞弟。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. PANG Kam Fai, Dickson

Mr. Pang, aged 67, was appointed as an independent non-executive Director on 8 June 2018. Mr. Pang is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of the business operation.

Mr. Pang has over 41 years of experience in the legal profession in Hong Kong. Mr. Pang has been a partner of Y.C. Lee, Pang, & Kwok, Solicitors (formerly known as Y.C. Lee, Pang, Kwok & Ip, Solicitors) since July 1987. Prior to joining Y.C. Lee, Pang & Kwok Solicitors, Mr. Pang was an assistant solicitor at Gallant Y.T. Ho & Co., Solicitors & Notaries from March 1983 to March 1986. From March 1986 to June 1987, Mr. Pang served as an assistant solicitor at Deacons, Solicitors & Notaries. Mr. Pang has been a legal adviser of Kwun Tong Resident Association, Kwun Tong Association for Elderly Limited and Shun Lee Yin Ngai Society Limited since July 2005, February 2010 and July 2013, respectively.

Mr. Pang was appointed as a Kwun Tong District board member from April 1985 to September 1994. From April 1989 to May 1991, Mr. Pang was an urban councillor. He acted as the district affairs adviser of the News China Agency from March 1994 to June 1997, responsible for advising on district affairs. Since 2012, Mr. Pang has been the vice-president of East Kowloon Region of the Scout Association of Hong Kong, who is responsible for managing the financial affairs of East Kowloon Region Scout Association of Hong Kong. He was the school manager of Kit Sum Lam Bing Yin Secondary School since 2003 up to August 2017.

Mr. Pang obtained a bachelor of laws degree from The University of Hong Kong in November 1980. He was admitted as a solicitor of the Supreme Court of Hong Kong in March 1983, a solicitor of England & Wales in June 1989 and a barrister of High Court of Australia in December 1989. He was appointed as a civil celebrant of marriages in June 2006.

獨立非執行董事

彭錦輝先生

彭先生，67歲，於二零一八年六月八日獲委任為獨立非執行董事。彭先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

彭先生在香港法律界累積逾41年經驗。彭先生自一九八七年七月起成為李宇祥、彭錦輝、郭威、霍健琳律師事務所（前稱李宇祥、彭錦輝、郭威、葉澤深律師事務所）的合夥人。於加入李宇祥、彭錦輝、郭威、霍健琳律師事務所之前，彭先生於一九八三年三月至一九八六年三月於何耀棣律師事務所擔任助理律師。於一九八六年三月至一九八七年六月，彭先生於的近律師行擔任助理律師。彭先生分別自二零零五年七月、二零一零年二月及二零一三年七月擔任觀塘民聯會、觀塘敬愛會有限公司及順利賢毅社有限公司的法律顧問。

彭先生於一九八五年四月至一九九四年九月期間獲委任為觀塘區議會議員。彭先生於一九八九年四月至一九九一年五月為市政局議員。彼於一九九四年三月至一九九七年六月擔任新華社的區事顧問，負責就地區事務提供意見。彭先生自二零一二年起擔任香港童軍總會東九龍地域副會長，負責管理香港童軍總會東九龍地域的財政事務。彼於二零零三年至二零一七年八月擔任潔心林炳炎中學校董。

彭先生於一九八零年十一月取得香港大學法律學士學位，先後於一九八三年三月獲認可為香港最高法院律師、於一九八九年六月獲認可為英格蘭及威爾斯律師及於一九八九年十二月獲認可為澳洲高等法院大律師。彼於二零零六年六月獲委任為婚姻監禮人。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. LAU Yu Ching

Mr. Lau, aged 60, was appointed as an independent non-executive Director on 8 June 2018. Mr. Lau is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of our business operation.

Mr. Lau has over 29 years of experience in accounting and finance. Mr. Lau joined Asia Aluminum Holdings Limited, a company which engages in aluminium profile extrusion and aluminium panel manufacturing in April 1996 with his last position as a chief financial officer. Mr. Lau then joined Asiaalum Holdings Limited in August 2009 as its chief financial controller until July 2014, responsible for corporate management, major business decisions plans and direction of strategic decisions. From July 2014 to June 2015, Mr. Lau was an independent non-executive director of Kirin Group Holdings Limited (formerly known as Creative Energy Solutions Holdings Limited) (stock code: 8109), a company listed on GEM of the Stock Exchange and principally carries on the business of providing energy efficiency solutions and engineering solutions and engineering services in the PRC, insurance brokerage and money lending services in Hong Kong and information technology services in the Philippines. Mr. Lau has been a director of Aceleap Consulting, a company which carries on the business of the provision of private equity consultancy services since January 2015.

Mr. Lau graduated from the University of Western Ontario in Canada with a bachelor's degree of science in 1989. He is currently an associate member of the Hong Kong Institute of Certified Public Accountants ("HKICPA"). He has been admitted as a member of the HKICPA in June 1997.

劉裕正先生

劉先生，60歲，於二零一八年六月八日獲委任為獨立非執行董事。劉先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

劉先生於會計及財務方面累積逾29年經驗。劉先生於一九九六年四月加入從事鋁型材及鋁板製造的亞洲鋁業控股有限公司，離職前職位為首席財務主管。劉先生隨後於二零零九年八月加入亞鋁集團有限公司擔任首席財務總監，直至二零一四年七月為止，負責企業管理、重大業務決定規劃及決策方向。劉先生於二零一四年七月至二零一五年六月期間為麒麟集團控股有限公司(前稱科瑞控股有限公司，股份代號：8109)獨立非執行董事；該公司於聯交所GEM上市，主要業務為在中國提供能源效益解決方案及工程解決方案及工程服務、在香港提供保險經紀及放債服務以及在菲律賓提供資訊科技服務。劉先生自二零一五年一月起擔任提供私募股權顧問服務的Aceleap Consulting的董事。

劉先生於一九八九年畢業於加拿大西安大略大學(University of Western Ontario)，獲理學士學位。彼現為香港會計師公會(「香港會計師公會」)會員。彼於一九九七年六月獲認可為香港會計師公會會員。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

Mr. LAW Chung Lam, Nelson (formerly known as Law Chi Cheong)

Mr. Law, aged 61, was appointed as an independent non-executive Director on 8 June 2018. Mr. Law is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of our business operation.

Mr. Law has over 38 years of experience in banking and corporate finance industry. Mr. Law joined Manufacturers Hanover Trust Company in March 1982 with his last position as an officer-in-charge of the regional processing centre, responsible for training, quality control and daily operation. From June 1989 to December 1989, Mr. Law worked as an account officer at the First Interstate Bank of California. From November 1991 to August 1998, he worked at Fillpark Limited with his last position as a general manager. Mr. Law joined Rank Charm Development Limited as a general manager from 1994 to 1996. He also worked as a general manager in Wholewin Group, a company specialised in digital marketing from 2005 to 2008. Since 2008, Mr. Law has been an associate director of JP Advisory Limited, a company specialise in corporate finance. Since September 2013, he has also been the chairman of Angel Fund Co. Ltd.. From September 2013 to December 2019, Mr. Law was a non-executive director of Wealth Glory Holdings Limited (stock code: 8269), a company listed on GEM of the Stock Exchange which principally carries on natural resources trading and financial businesses. Since February 2014, he was employed as a chief operating officer of Cheung Sheng Global Holdings Limited and was responsible for overseeing general operation of the company. Since July 2015, Mr. Law has been a director, chairman and chief financial officer of Sealand Capital Galaxy Limited (United Kingdom stock code: SGCL), a company listed on the London Stock Exchange, responsible for the management of the company and strategic business development. Mr. Law has been an independent non-executive director of K Group Holdings Limited (stock code: 8475), a company listed on GEM of the Stock Exchange since July 2018 up to June 2023. Mr. Law completed secondary school education in Hong Kong in 1979.

Save as disclosed above, each of the Directors (i) has not held any directorships in any public companies (the securities of which are listed on any securities market in Hong Kong or overseas) in the last three years; (ii) does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (iii) does not hold any positions in the Company or other members of the Group.

羅頌霖(前稱羅熾昌)先生

羅先生，61歲，於二零一八年六月八日獲委任為獨立非執行董事。羅先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

羅先生於銀行及企業融資業累積逾38年經驗。羅先生於一九八二年三月加入Manufacturers Hanover Trust Company，離職前職位為分區處理中心主管，負責培訓、質量控制及日常運作。於一九八九年六月至一九八九年十二月，羅先生於First Interstate Bank of California擔任客戶主任。於一九九一年十一月至一九九八年八月，彼任職於僑栢有限公司，離職前職位為總經理。羅先生於一九九四年至一九九六年加入穎昌發展有限公司擔任總經理。於二零零五年至二零零八年期間，彼亦於專門從事數碼營銷的Wholewin Group擔任總經理。自二零零八年起，羅先生於專門從事企業融資的JP Advisory Limited擔任副總監。自二零一三年九月起，彼一直擔任天使基金有限公司主席。二零一三年九月至二零一九年十二月期間，羅先生於富譽控股有限公司(股份代號：8269)擔任非執行董事；該公司在聯交所GEM上市，主要從事天然資源貿易及金融業務。彼自二零一四年二月起獲Cheung Sheng Global Holdings Limited聘任為首席營運主管，負責監督公司一般運作。自二零一五年七月起，羅先生擔任倫敦證券交易所上市公司Sealand Capital Galaxy Limited(英國股份代碼：SGCL)的董事、主席兼首席財務主管，負責該公司的管理及策略業務發展。羅先生自二零一八年七月至二零二三年六月擔任聯交所GEM上市公司千盛集團控股有限公司(股份代號：8475)的獨立非執行董事。羅先生於一九七九年在香港完成中學課程。

除上述所披露者外，各董事(i)於過往三年內並無擔任任何上市公司(其證券於香港或海外任何證券市場上市)的任何董事職務；(ii)與任何其他董事、本公司高級管理人員或主要股東或控股股東概無關連；及(iii)並無於本公司或本集團其他成員公司擔任任何職位。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

SENIOR MANAGEMENT

Mr. YIP Kam Ming

Mr. Yip, aged 41, is the project director of the Group. Mr. Yip has over 15 years of experience in E&M engineering services industry. He joined the Group in May 2006 as an assistant engineer and was subsequently promoted as a project manager. Mr. Yip is responsible for management and technical direction of the Group's projects and overseeing project design, development and overall project performance of the Group. Mr. Yip graduated from The Hong Kong Polytechnic University with a bachelor's degree of engineering in building services engineering in October 2012. In February 2023, he further obtained a master degree of science in engineering management from The City University of Hong Kong.

Mr. CHEUNG Ting Fun, Andy

Mr. Cheung, aged 39, is the project director of the Group. Mr. Cheung joined the Group in July 2008 as an assistant engineer and was subsequently promoted as a project manager. Mr. Cheung is responsible for management and technical direction of the Group's projects and overseeing project design, development and overall project performance of the Group.

Mr. Cheung graduated from McMaster University in Canada with a bachelor degree of engineering, majoring in mechanical engineering in November 2008. In November 2014, he further obtained a master degree of science in building services engineering from The University of Hong Kong. He has been a member of American Society of Heating Refrigerating and Air-Conditioning Engineers since November 2008. Mr. Cheung has over 13 years of experience in E&M engineering services industry. Mr. Cheung was an engineering trainee in Honda of Canada from September 2007 to November 2008 prior to joining the Group. Mr. Cheung is the son of Mr. Tony Cheung, the executive Director.

高級管理人員

葉金明先生

葉先生，41歲，為本集團的項目總監。葉先生在機電工程服務業累積逾15年經驗。彼於二零零六年五月加入本集團擔任助理工程師，其後晉升為項目經理。葉先生負責本集團項目的管理及技術指導，以及監督本集團的項目設計、發展及整體項目表現。葉先生於二零一二年十月畢業於香港理工大學，獲頒屋宇設備工程學工學士學位。彼再於二零二三年二月取得香港城市大學理學碩士(工程管理學)。

張庭勳先生

張先生，39歲，為本集團的項目總監。張先生於二零零八年七月加入本集團擔任助理工程師，其後晉升為項目經理。張先生負責本集團項目的管理及技術指導，以及監督本集團的項目設計、發展及整體項目表現。

張先生於二零零八年十一月畢業於加拿大麥克馬斯特大學(McMaster University)，獲頒工學士學位，主修機械工程。彼再於二零一四年十一月取得香港大學屋宇設備工程理學碩士學位。彼自二零零八年十一月起成為美國採暖、製冷與空調工程師學會(American Society of Heating Refrigerating)會員。張先生在機電工程服務業累積逾13年經驗。於加入本集團之前，張先生於二零零七年九月至二零零八年十一月期間在加拿大本田擔任工程見習生。張先生為執行董事張元通先生之子。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員履歷

COMPANY SECRETARY

Ms. LO Wan Man

Ms. Lo, aged 49, has over 20 years of experience in the area of accounting, auditing and financial management for both listed and private companies in Hong Kong and the People's Republic of China by working in an international accounting firm and other listed companies. She obtained a master of science in finance from City University of Hong Kong in November 2006. She has been working at Acclime Corporate Services Limited as director since October 2022. Since May 2019, she has been appointed as the independent non-executive Director of Risecomm Group Holdings Limited, a company listed on the main board of the Stock Exchange of Hong Kong Limited (stock code: 1679). In October 2022, she has been further appointed as the company secretary and authorized representative of K. H. Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1557). In November 2022, Ms. Lo has been appointed as an independent non-executive director of Sky Light Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3882). Ms. Lo has been a member of HKICPA since January 2003.

公司秘書

盧韻雯女士

盧女士，49歲，透過任職於國際會計師行及其他上市公司，在處理香港及中華人民共和國之上市公司及私人公司之會計、核數及財務管理範疇擁有逾20年經驗。彼於二零零六年十一月取得香港城市大學之理學碩士（金融學）。自二零二二年十月起，彼在凱晉企業服務有限公司擔任董事。自二零一九年五月起，彼獲委任為香港聯合交易所有限公司（股份代號：1679）主板上市公司瑞斯康集團控股有限公司之獨立非執行董事。二零二二年十月，她進一步獲委任為聯交所主板上市公司劍虹集團控股有限公司（股份代號：1557）之公司秘書及授權代表。二零二二年十一月，盧女士獲委任為聯交所主板上市公司天彩控股有限公司（股份代號：3882）之獨立非執行董事。盧女士自二零零三年一月起為香港會計師公會之會員。

DIRECTORS' REPORT

董事會報告

The board (the “**Board**”) of directors (the “**Directors**”) of Man Shun Group (Holdings) Limited (the “**Company**”) have the pleasure in submitting their report together with the audited financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and its subsidiaries are principally engaged in provision of installation of heat, ventilation and air-conditioning system (the “**HVAC**”) business in Hong Kong. Details of the activities and other particulars of its principal subsidiaries are set out in Note 13 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the year ended 31 December 2023 and a discussion on the Group’s future business development, and also the Group’s performance during the year ended 31 December 2023 using financial key performance indicators are set out in the “Management Discussion and Analysis” on pages 7 to 16 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Environmental, Social and Governance Report of the Company for the year ended 31 December 2023 contained the information required under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) is set out on pages 36 to 82 of this report.

COMPLIANCE WITH LAWS AND REGULATIONS

As an entity incorporated in the Cayman Islands and listed in Hong Kong, the Company is mainly governed by the Companies Law of the Cayman Islands, the Companies Ordinance (Cap. 622), the Securities and Futures Ordinance (Cap. 571) and the Listing Rules. The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules, and each of its committee has its own term of reference defining their respective rights, duties and obligation.

During the year ended 31 December 2023, to the best of the Directors’ knowledge, there is no material breach of or non-compliance with applicable laws and regulations by the Group which has a significant impact on its business and operations.

萬順集團(控股)有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈董事會報告以及本公司及其附屬公司(統稱「本集團」)截至二零二三年十二月三十一日止年度的經審核財務報表。

主要業務

本公司及其附屬公司主要於香港從事提供暖氣、通風及空調系統安裝服務業務(「暖通空調」)。主要附屬公司的業務詳情及其他資料載於綜合財務報表附註13。

業務回顧

本集團截至二零二三年十二月三十一日止年度的業務回顧、本集團未來業務發展的討論以及本集團採用財務關鍵績效指標計量截至二零二三年十二月三十一日止年度的表現載於本年報第7至16頁的「管理層討論及分析」。

環境政策及表現

環境政策及表現本公司截至二零二三年十二月三十一日止年度的環境、社會及管治報告載有香港聯合交易所有限公司證券上市規則(「上市規則」)附錄27所規定的資料，全文載於本報告第36至82頁。

遵守法律及法規

作為於開曼群島註冊成立及於香港上市的實體，本公司主要受開曼群島公司法、公司條例(第622章)、證券及期貨條例(第571章)及上市規則所規管。董事會已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，各委員會亦設有職權範圍以界定其各自的權利、職責及義務。

截至二零二三年十二月三十一日止年度，就董事所深知，本集團概無嚴重違反或不遵守適用法律及法規，以致對其業務及營運產生重大影響。

DIRECTORS' REPORT

董事會報告

RELATIONSHIPS WITH STAKEHOLDERS

The Group understands that it is important to maintain good relationship with its employees, customers, suppliers, governments and business associates to fulfil its long-term goals and development. To enhance its competitiveness, the Group aims at delivering high quality services to its customers constantly and to continue establishing a caring environment to employees and emphasis the personal development of its employees. During the year ended 31 December 2023, there was no material or significant dispute between the Group and its stakeholders.

PRINCIPAL RISKS AND UNCERTAINTIES

Risks and uncertainties involved in the business operations of the Group may affect the Group's financial conditions or growth prospects. The Group has been focusing on the control of risks and uncertainties with the aim of understanding and addressing the concerns of stakeholders. Key risks and uncertainties faced by the Group are listed below:

- the revenue is mainly derived from HVAC E&M engineering projects which are non-recurrent in nature and any failure of our Group to secure tender contracts would affect our operations and financial results;
- error or inaccurate estimation of project execution timeframe and/or project duration and/or costs may result in substantial loss incurred by us or adversely affect our revenue and profitability;
- reliance on the major customers;
- the revenue and profit margin are subject to fluctuations driven by various factors including but not limited to variation orders, and the past revenue and profit margin may not be indicative of our future financial performance;
- the strategy to undertake more projects as first-tier HVAC E&M subcontractor and diversify the customer base could lead to lower gross and net profit margin going forward; and
- may not be able to bill and receive the full amount of gross amount due from customers for contract work, if progress payment or retention money is not paid in full as a result of disputes over the work done, the liquidity position may be adversely affected.

與持份者的關係

本集團重視與僱員、客戶、供應商、政府及業務夥伴維持良好關係，從而實現長遠目標及發展。為提升競爭力，本集團致力向客戶持續提供優質服務，同時為僱員建立關愛環境，強調彼等個人發展。截至二零二三年十二月三十一日止年度，本集團與持份者之間概無出現嚴重或重大糾紛。

主要風險及不確定因素

本集團的業務營運涉及風險及不確定因素，可能會影響本集團的財務狀況或增長前景。本集團一直專注於控制風險及不確定因素，藉此了解及消除持份者的憂慮。本集團面對的主要風險及不確定因素載列如下：

- 收入主要來自非經常性暖通空調機電工程項目，而本集團未能取得投標合約將影響我們的營運及財務業績；
- 錯誤或不正確估計項目執行時間表及／或項目所需時間及／或成本可能導致我們產生重大虧損或對我們的收入及盈利能力造成不利影響；
- 對主要客戶的依賴；
- 收入及溢利率受各種因素（包括但不限於工程變更指令）所引起的波動影響，過往收入及溢利率不一定為未來財務表現的指標；
- 以首層暖通空調機電分包商身份承接更多項目及多元拓展客戶基礎的策略可能導致未來毛利率及純利率下降；及
- 未必能夠結算及收回全部應收客戶合約工程款項總額。倘我們所進行工程涉及糾紛導致我們未能獲悉數支付進度款或保留金，流動資金狀況或會受到不利影響。

DIRECTORS' REPORT

董事會報告

EVENTS AFTER THE REPORTING PERIOD

No event has occurred after 31 December 2023 and up to the date of this report which would have a material effect on the Group.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 December 2023 and the Group's financial position as at that date are set out in the consolidated financial statements on pages 104 to 106 of this annual report.

The Board does not recommend to declare a final dividend for the year ended 31 December 2023 (2022: Nil).

The Board do not have a fixed dividend policy and the Company does not have any predetermined dividend pay-out ratio. The payment and the amount of any future dividends will be at the discretion of the Board and will depend on a number of factors, including but not limited to the operations and earnings, capital requirements and surplus, cash flow position, general financial condition and other factors that the Directors deem relevant. Investors should note that historical dividend distributions are not indicative of the Company's future dividend distribution policy.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Thursday, 6 June 2024 (the "AGM"). A notice convening the AGM has been issued to the Shareholders together with this annual report, which is also available on the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at www.hkexnews.hk and the Company's website www.manshungroup.com.hk.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 3 June 2024 to Thursday, 6 June 2024 (both days inclusive), for the purpose of determining Shareholders' entitlement to attend and vote at the annual general meeting. In order to be eligible to attend and to vote at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Friday, 31 May 2024.

報告期間後事項

於二零二三年十二月三十一日後及直至本報告日期，概無發生任何對本集團有重大影響的事項。

業績及股息

本集團截至二零二三年十二月三十一日止年度的業績及本集團於當日的財務狀況載於本年報第104至106頁的綜合財務報表。

董事會不建議宣派截至二零二三年十二月三十一日止年度的末期股息(二零二二年：無)。

董事會並無固定股息政策，本公司亦無任何預定派息比率。未來任何股息的派付及金額將由董事會酌情決定，並將取決於多項因素，包括但不限於營運及盈利、資本需求及盈餘、現金流狀況、一般財務狀況及董事視為相關的其他因素。投資者務請注意，過往股息分派並非本公司日後股息分派政策的指標。

股東週年大會

本公司將於二零二四年六月六日(星期四)舉行股東週年大會(「股東週年大會」)。召開股東週年大會的通知已連同本年報寄發予股東，亦可於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www.manshungroup.com.hk查閱。

暫停辦理股東登記

本公司將於二零二四年六月三日(星期一)至二零二四年六月六日(星期四)(包括首尾兩日)暫停辦理股份過戶登記手續，以釐定股東出席股東週年大會及於會上表決之權力。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票，須不遲於二零二四年五月三十一日(星期五)下午四時三十分送交本公司之股份過戶登記處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓，方為有效。

DIRECTORS' REPORT

董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 4 of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

FIXED ASSETS

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2023 are set out in Note 12 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital during the year ended 31 December 2023 are set out in Note 22(b) to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2023 are set out in Note 22(a) to the consolidated financial statements and in the consolidated statement of changes in equity on page 107 of this annual report respectively.

DISTRIBUTABLE RESERVES

As at 31 December 2023, the aggregate amount of the reserves attributable to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association was HK\$73,660,000 (2022: HK\$76,439,000).

財務概要

本集團過往五個財政年度的業績以及資產及負債概要載於本年報第4頁。

優先購買權

本公司的組織章程細則或開曼群島(即本公司註冊成立所在的司法權區)法律並無有關優先購買權的條文。

購買、出售或贖回上市證券

截至二零二三年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回於聯交所上市的任何本公司證券。

固定資產

本集團於截至二零二三年十二月三十一日止年度的物業、機器及設備變動詳情載於綜合財務報表附註12。

股本

截至二零二三年十二月三十一日止年度的股本變動詳情載於綜合財務報表附註22(b)。

儲備

本公司及本集團於截至二零二三年十二月三十一日止年度的儲備變動詳情分別載於綜合財務報表附註22(a)及本年報第107頁的綜合權益變動表。

可供分派儲備

於二零二三年十二月三十一日，根據開曼群島公司法以及本公司組織章程大綱及細則計算的本公司權益股東應佔儲備總額為73,660,000港元(二零二二年：76,439,000港元)。

DIRECTORS' REPORT

董事會報告

DONATIONS

Donation of HK\$70,000 was made by the Group for the year ended 31 December 2023 (2022: HK\$55,000).

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders by reason of their holding of the shares of the Company.

EQUITY-LINKED AGREEMENT

Save as those disclosed in the section headed "Share Option Scheme" in this Directors' Report, no other equity-linked agreement was entered into by the Group, or existed during the year ended 31 December 2023.

SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 8 June 2018, the Company has conditionally adopted the share option scheme (the "**Share Option Scheme**") for the purpose of providing incentives or rewards to the eligible participants for their contribution to the Group and enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. The Board is entitled at any time and from time to time grant options pursuant to the Share Option Scheme to the directors of the Company's subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers have contributed or will contribute to the Group. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules.

The Board may, at its discretion, determine the minimum period for which the option has to be held before it can be exercised, and the period during which an option may be exercised. However, no options shall be exercised ten years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's on the daily quotation sheet on the date of the grant of the option, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the option; and (iii) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

捐款

截至二零二三年十二月三十一日止年度，本集團作出捐款 70,000 港元(二零二二年：55,000 港元)。

稅項寬免

本公司並不知悉股東可因持有本公司股份而享有任何稅項寬免。

股本掛鈎協議

除本董事會報告「購股權計劃」一節所披露者外，本集團於截至二零二三年十二月三十一日止年度並無訂立或存有其他股本掛鈎協議。

購股權計劃

根據一項於二零一八年六月八日獲全體股東通過的決議案，本公司已有條件採納購股權計劃(「**購股權計劃**」)，旨在向合資格參與者提供激勵或獎勵，以表揚彼等對本集團的貢獻及讓本集團可招攬及留聘優秀僱員並吸納對本集團重要的人力資源。董事會有權根據購股權計劃於任何時間及不時向本公司附屬公司董事及本集團僱員以及董事會認為已對或將會對本集團作出貢獻的任何其他人士(包括諮詢人或顧問)授出購股權。購股權計劃的條款乃按照上市規則第17章的條文訂立。

董事會可酌情釐定可行使購股權前須持有購股權的最短期限及可行使購股權的期限。然而，購股權不得於授出購股權後十年行使。特定購股權所涉及的股份認購價不得少於以下三項的最高者：(i) 股份於購股權授出日期(必須為交易日)在聯交所每日報價表所示的收市價；(ii) 股份於緊接購股權授出日期前五個交易日在聯交所每日報價表所示的平均收市價；及(iii) 股份面值。購股權計劃自其獲採納當日起生效，並自該日起十年期間內維持有效。

DIRECTORS' REPORT

董事會報告

From the date that the Share Option Scheme became effective and unconditional and up to the date of this annual report, no share options were granted under the Share Option Scheme.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2023, 45.5% and 98.3% of the Group's revenue were attributable to the largest customer and the five largest customers of the Group, respectively.

During the year, the largest supplier and the five largest suppliers of the Group accounted for approximately 14.5% and 39.1% of the total direct costs of the Group respectively.

None of the Directors, their associates or any other shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

DIRECTORS

The Directors during the year ended 31 December 2023 and up to the date of this report are:

Executive Directors

Mr. CHEUNG Yuen Tung (*Chairman*)
Mr. CHEUNG Yuen Chau

Independent non-executive Directors

Mr. PANG Kam Fai, Dickson
Mr. LAU Yu Ching
Mr. LAW Chung Lam, Nelson

The Company has received annual confirmations of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and considers them to be independent.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 17 to 23 of this annual report.

RETIREMENT AND RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Company's Articles of Association, Mr. Cheung Yuen Tung and Mr. Cheung Yuen Chau, Nelson will retire by rotation at the AGM and, being eligible, offer themselves for re-election.

自購股權計劃生效及成為無條件當日起及截至本年報日期止，概無根據購股權計劃授出購股權。

主要客戶及供應商

截至二零二三年十二月三十一日止年度，本集團的最大客戶及五大客戶分別佔本集團收入的45.5%及98.3%。

年內，本集團的最大供應商及五大供應商分別佔本集團直接成本總額的約14.5%及39.1%。

概無董事、彼等的聯繫人或任何其他股東（就董事所知擁有本公司股本5%以上者）於上述主要供應商或客戶中擁有權益。

董事

於截至二零二三年十二月三十一日止年度及直至本報告日期的董事如下：

執行董事

張元通先生（主席）
張元秋先生

獨立非執行董事

彭錦輝先生
劉裕正先生
羅頌霖先生

本公司已自各名獨立非執行董事收取根據上市規則第3.13條作出的年度獨立性確認，並認為彼等屬獨立人士。

董事及高級管理人員履歷

董事及本集團高級管理人員的履歷載於本年報第17至23頁。

董事退任及重選

根據本公司的組織章程細則第84(1)條，張元通先生及張元秋先生將於股東週年大會上退任，並符合資格及願意於會上膺選連任。

DIRECTORS' REPORT

董事會報告

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2023 was the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

During the year ended 31 December 2023, the Group has carried transactions with its related party as detailed in Note 24(b) to the consolidated financial statements. Save for as disclosed above, no other transaction, arrangement or contract of significance to which the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies was a party or were parties and 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.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the consolidated financial statements, no controlling Shareholder or any of its subsidiaries has any contract of significance (including contract of significance for the provision of services) with the Company or its subsidiaries during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors was interested in any business, which competes or is likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 December 2023.

DIRECTORS' SERVICE CONTRACT

No Director proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries that is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

DIRECTORS' REMUNERATION

The Directors' remuneration is reviewed by the remuneration committee of the Board at least once per year with reference to the Directors' duties, responsibilities and performance and results of the Group. Details of the Directors' remuneration are set out in Note 8 to the consolidated financial statements.

收購股份或債權證的安排

本公司或其任何附屬公司、其控股公司或其控股公司的附屬公司於截至二零二三年十二月三十一日止年度任何時間並無訂立任何安排，以致董事可藉收購本公司或任何其他法團的股份或債權證而獲利。

董事於重大交易、安排或合約的權益

截至二零二三年十二月三十一日止年度，本集團與關聯方進行的交易詳情載於綜合財務報表附註24(b)。除上文所披露者外，本公司或其任何附屬公司、其控股公司或其控股公司的附屬公司並無訂立於年末或年內任何時間生效，且董事於當中直接或間接擁有重大權益的其他重大交易、安排或合約。

重大合約

除綜合財務報表所披露者外，年內概無控股股東或其任何附屬公司與本公司或其附屬公司訂有任何重大合約(包括就提供服務訂立的重大合約)。

董事於競爭業務的權益

就董事所深知，截至二零二三年十二月三十一日止年度並無董事於直接或間接與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益。

董事的服務合約

概無建議於股東週年大會上重選的董事與本公司或其任何附屬公司訂有不支付賠償(法定賠償除外)則不可由僱用公司於一年內終止的服務合約。

董事薪酬

董事會薪酬委員會每年最少檢討一次董事薪酬，當中參照董事的職責、責任及表現以及本集團的業績。董事薪酬的詳情載於綜合財務報表附註8。

DIRECTORS' REPORT

董事會報告

FIVE HIGHEST PAID INDIVIDUALS

During the year ended 31 December 2023, the five individuals with the highest emoluments in the Group comprises 2 Directors and 3 individuals, which included the senior management of the Company. Details of the highest paid individuals are set out in Note 8 and Note 9 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 467 of the Hong Kong Companies Ordinance) for the benefit of the Directors is currently in force and was in force throughout the financial year ended 31 December 2023. In addition, the Company has taken out and kept in force appropriate directors' and officers' liabilities insurance coverage for the Directors and officers of the Company.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2023.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2023, the interests or short positions of the Directors and chief executives of the Company 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") (Cap. 571 of the Laws of Hong Kong)) which were required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules, are set out below:

五名最高薪酬人士

截至二零二三年十二月三十一日止年度，本集團五名最高薪酬人士包括2名董事及3名人士，當中包括本公司高級管理人員。最高薪酬人士的詳情載於綜合財務報表附註8及附註9。

獲准許的彌償條文

旨在保障董事利益的獲准許彌償條文(定義見香港公司條例第467條)現正生效，並於截至二零二三年十二月三十一日止財政年度全年有效。此外，本公司已安排為董事及本公司高級職員投保合適且有效的董事及高級職員責任保險。

管理合約

截至二零二三年十二月三十一日止年度並無訂立或存有與本公司整體或任何重大業務部分相關的管理及行政合約。

董事於證券的權益及淡倉

於二零二三年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中擁有：(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文，董事及本公司最高行政人員被當作或被視為擁有的權益及淡倉)；(ii)須登記於本公司根據證券及期貨條例第352條存置的登記冊之權益及淡倉；或(iii)根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

DIRECTORS' REPORT

董事會報告

(i) Long positions in the Share

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Cheung Yuen Tung ("Tony Cheung") (note) 張元通先生(「張元通先生」)(附註)	Interest in controlled corporation 受控法團權益	750,000,000	75%
Mr. Cheung Yuen Chau ("Gary Cheung") (note) 張元秋先生(「張元秋先生」)(附註)	Interest in controlled corporation 受控法團權益	750,000,000	75%

Note: Prime Pinnacle Limited ("Prime Pinnacle") is beneficially owned as to 51% by Mr. Tony Cheung and 49% by Mr. Gary Cheung. On 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert and are deemed to be interested in the shares held by Prime Pinnacle.

(i) 於股份的好倉

附註：Prime Pinnacle Limited (「Prime Pinnacle」) 由張元通先生及張元秋先生分別實益擁有51%及49%於二零一八年三月十二日，張元通先生與張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士，並被視為於Prime Pinnacle所持股份中擁有權益。

(ii) Long position in the ordinary shares of associated corporation

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/Nature of interest 身份／權益性質	Number of share(s) held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Tony Cheung (note) 張元通先生(附註)	Prime Pinnacle	Beneficial owner 實益擁有人	51	51%
Mr. Gary Cheung (note) 張元秋先生(附註)	Prime Pinnacle	Beneficial owner 實益擁有人	49	49%

Note: Prime Pinnacle is the direct shareholder of the Company and is an associated corporation within the meaning of Part XV of the SFO.

(ii) 於相聯法團普通股的好倉

附註：Prime Pinnacle為本公司的直接股東以及證券及期貨條例第XV部所界定的相聯法團。

DIRECTORS' REPORT

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 31 December 2023, the following persons (other than a Director or a chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which are required to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company pursuant to section 336 of the SFO:

Name of shareholder 股東名稱／姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of shareholding 股權概約百分比
Prime Pinnacle (note 1) Prime Pinnacle (附註1)	Beneficial owner 實益擁有人	750,000,000	75%
Ms. Chan Ho Fung (note 2) 陳好鳳女士(附註2)	Interest of spouse 配偶權益	750,000,000	75%
Ms. Cheng Phyllis Woon Kink (note 3) 鄭煥瓊女士(附註3)	Interest of spouse 配偶權益	750,000,000	75%

Notes:

- (1) Prime Pinnacle is beneficially owned as to 51% by Mr. Tony Cheung and 49% by Mr. Gary Cheung. On 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert and are deemed to be interested in the Shares held by Prime Pinnacle.
- (2) Ms. Chan Ho Fung is the spouse of Mr. Tony Cheung. Accordingly, Ms. Chan Ho Fung is deemed or taken to be interested in the shares in which Mr. Tony Cheung is interested under the SFO.
- (3) Ms. Cheng Phyllis Woon Kink is the spouse of Mr. Gary Cheung. Accordingly, Ms. Cheng Phyllis Woon Kink is deemed or taken to be interested in the shares in which Mr. Gary Cheung is interested under the SFO.

主要股東的權益及淡倉

據任何董事或本公司最高行政人員所知，於二零二三年十二月三十一日，以下人士(不包括董事或本公司最高行政人員)於本公司股份或相關股份中擁有、被當作或被視為擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條存置的登記冊之權益或淡倉：

附註：

- (1) Prime Pinnacle由張元通先生及張元秋先生分別實益擁有51%及49%權益。於二零一八年三月十二日，張元通先生與張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士，並被視為於Prime Pinnacle所持股份中擁有權益。
- (2) 陳好鳳女士為張元通先生的配偶。因此，根據證券及期貨條例，陳好鳳女士被視為或當作於張元通先生擁有權益的股份中擁有權益。
- (3) 鄭煥瓊女士為張元秋先生的配偶。因此，根據證券及期貨條例，鄭煥瓊女士被視為或當作於張元秋先生擁有權益的股份中擁有權益。

DIRECTORS' REPORT

董事會報告

Save as disclosed above, the Company had not been notified by any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company pursuant to section 336 of the SFO as at 31 December 2023.

TRANSACTIONS DISCLOSED IN ACCORDANCE WITH THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

Details of the related party transactions undertaken in the normal course of business are provided under Note 24 to the consolidated financial statements, and none of which constitutes a discloseable connected transaction or continuing connected transaction as defined under Chapter 14A of the Listing Rules.

SUBSIDIARIES

Details of the Company's principal subsidiaries are set out in Note 13 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float as required under the Listing Rules throughout the year ended 31 December 2023 and up to the date of this annual report.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2023.

除上述所披露者外，於二零二三年十二月三十一日，並無任何其他人士（不包括董事或本公司最高行政人員）通知本公司彼等於本公司的股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條存置的登記冊之權益或淡倉。

根據香港聯合交易所有限公司證券上市規則披露的交易

於日常業務過程中進行的關聯方交易詳情載於綜合財務報表附註24，有關交易並無構成上市規則第14A章所界定的須予披露關連交易或持續關連交易。

附屬公司

本公司主要附屬公司的詳情載於綜合財務報表附註13。

充足公眾持股量

根據本公司可取得的公開資料及就董事所知，於截至二零二三年十二月三十一日止年度全年及直至本年報日期止，本公司一直維持上市規則所規定的指定公眾持股量。

審閱年度業績

本公司審核委員會已審閱本集團截至二零二三年十二月三十一日止年度的年度業績。

DIRECTORS' REPORT

董事會報告

AUDITORS

The financial statements for the year ended 31 December 2023 have been audited by D & PARTNERS CPA LIMITED ("D & PARTNERS"). KPMG resigned as auditors of the Company with effect from 11 August 2022. D & PARTNERS was appointed as auditor of the Company with effect from 11 August 2022 to fill the casual vacancy.

Save for the abovementioned changes in any of the preceding three years, the auditors of the Company had not been changed.

D & PARTNERS will retire at the conclusion of the forthcoming annual general meeting of the Company and be eligible to offer themselves for re-appointment.

By order of the Board

CHEUNG Yuen Tung
Chairman

27 March 2024

核數師

截至二零二三年十二月三十一日止年度的財務報表已由德博會計師事務所有限公司(「德博」)審核。畢馬威會計師事務所已辭任本公司核數師職務，自二零二二年八月十一日起生效。德博獲委任為本公司核數師，自二零二二年八月十一日起生效以填補臨時空缺。

除上述變動外，於過去三年內任何一年均無更換本公司核數師。

德博將於本公司應屆股東週年大會結束時退任並合資格且願意重選連任。

承董事會命

張元通
主席

二零二四年三月二十七日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

Man Shun Group (Holdings) Limited (the “**Company**” together with its subsidiaries, hereinafter referred to as the “**Group**”) is pleased to present our annual Environmental, Social and Governance Report (the “**Report**”) for the year ended 31 December 2023 to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance (“**ESG**”) issues.

REPORTING PERIOD

The Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2023 to 31 December 2023 (the “**Reporting Period**”).

REPORTING SCOPE

This Report covers all subsidiaries of the Group in Hong Kong with core business principally engaged in provision of installation of heat, ventilation and air-conditioning system (the “**HVAC**”) business in Hong Kong, while other segments would not be included. The Group will continue in assessing the impacts of its business on the major ESG aspects and to include in the Report.

REPORTING BASIS

The Report is prepared with reference to the ESG Reporting Guide set out by Appendix C2 (formerly known as Appendix 27) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Group has complied with the mandatory disclosure requirements and the “comply or explain” provisions set out in the ESG Reporting Guide. Certain key performance indicators (“**KPIs**”), which are considered material by the Group are disclosed during the Reporting Period, the Group will continue to optimize and improve the disclosure of KPIs.

THE ESG GOVERNANCE STRUCTURE

The board of directors (“**The Board**”) has overall responsibility for the Group’s ESG strategy and reporting. The Board is responsible for evaluating and determining the Group’s ESG-related risks annually and ensuring that appropriate and effective ESG risk management policies and internal control systems are in place. Also, the implementation and results are monitored and recorded for internal review purpose annually. The Executive Directors are responsible for formulating ESG management policies, strategies, goals, and annual reporting and promoting related implementation. They also identify, evaluate, review, and manage major ESG issues, risks and opportunities while other departments are responsible for organizing, promoting, and implementing various ESG related tasks under the Group’s ESG management

關於本報告

萬順集團(控股)有限公司(「**本公司**」, 連同其附屬公司統稱「**本集團**»)欣然提呈截至二零二三年十二月三十一日止年度的年度環境、社會及管治報告(「**本報告**」), 以概述影響本集團營運的重大事宜管理情況, 包括環境、社會及管治(「**環境、社會及管治**»)事宜。

報告期間

本報告說明本集團於二零二三年一月一日至二零二三年十二月三十一日止報告期間(「**報告期間**»)在環境及社會方面的措施及表現。

報告範圍

本報告涵蓋本集團於香港的所有附屬公司, 其核心業務主要為於香港提供暖氣、通風及空調系統安裝服務(「**暖通空調業務**»), 而其他分部並無納入於本報告內。本集團將持續評估其業務對主要環境、社會及管治層面的影響, 並載入本報告。

報告基準

本報告乃經參考香港聯合交易所有限公司證券上市規則(「**上市規則**»)附錄C2(過去為附錄27)所載環境、社會及管治報告指引編製。本集團已遵守強制披露要求及環境、社會及管治報告指引所載的「不遵守就解釋」條文。本集團認為屬重大的若干關鍵績效指標(「**關鍵績效指標**»)於報告期間披露, 本集團將繼續改良及完善關鍵績效指標的披露。

環境、社會及管治治理結構

董事會(「**董事會**»)全面負責本集團的環境、社會及管治策略及匯報工作。董事會負責每年評估及釐定本集團的環境、社會及管治相關風險, 並確保設有合適有效的環境、社會及管治風險管理政策及內部監控制度。此外, 實施情況及結果會被監察及記錄以作每年內部檢討之用。執行董事負責制定環境、社會及管治管理政策、戰略、目標及年度報告, 並推動相關實施。彼等亦識別、評估、審查及管理重大環境、社會及管治事宜、風險及機遇, 而其他部門負責組織、推動及實施本集團環境、社會及管治管理政策及策略項下的多項環境、社會及管治相關任務。董事會認為, 制定環境、社會及管治目標有助於本集團的環境、

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

policies and strategies. The Board understands that the establishment of ESG targets aids in the Group's ESG governance. Therefore, the Board sets ESG targets related to the Group's business where appropriate, and reviews progress made toward improving the Group's ESG performance by keeping track of the ESG KPI on a regular basis, in the environmental and social aspects, which are vital and closely related to the business of the Group. All tasks will be reported to the Board annually in order to review and reformulate the policies and plans for achievement of goals and targets. The Board is committed to integrating ESG principles into our business management practices. The Executive Directors have over 20 years of experience in construction, which enable them to possess relevant skills to oversight ESG matters. The board of directors held 4 meetings to discuss ESG issues with the management during the Reporting Period.

As for the risk management and internal control systems, the Board and its committees identify and monitor the existing and potential risks related to environmental, social and governance. The risk management system is to be formulated, while quarterly meetings are to be arranged. We would assign representatives from every department to identify, review the risk items and their corresponding materiality, so as to mitigate, transfer and handle the risks. Internal control policies and manuals are reviewed annually and periodically reports shall be provided by representatives from departments to The Board. The Board is responsible to review and organize meetings with representatives to review the existing plans and policies on whether they could fulfill our goals and targets.

We were granted ISO 9001:2015 Quality Management Systems in September 2017, which is valid until September 2026. Representatives from quality control department shall also review, check, fulfill, and anticipate in coming ISO requirements for better implementation.

Overall, to further improve the ESG performance, the Group has set up the following key plans/measures for the Reporting Period:

- Assign representative to review current practices and provisions of environmental and social policies;
- Allocate resources to fulfill coming changes of environmental policy; and
- Report to the directors to formulate management plan for the coming year.

社會及管治的治理。因此，董事會在適當的情況下制定與本集團業務相關的環境、社會及管治目標，並通過定期追蹤環境、社會及管治的關鍵績效指標，於對本集團業務至關重要及與此息息相關的環境及社會方面，檢討本集團提升環境、社會及管治表現方面取得的進展。所有任務將按年向董事會報告，以期審閱及重新制定實現目標及指標的政策及計劃。董事會致力於將環境、社會及管治原則融入我們的業務管理實踐中。執行董事於建築方面擁有逾20年經驗，使彼等具備監督環境、社會及管治事宜的相關技能。於報告期間，董事會已舉行四次會議，與管理層討論環境、社會及管治事宜。

就風險管理及內部控制系統而言，董事會及其委員會識別並監控與環境、社會及管治相關的現有及潛在風險，將制訂風險管理制度，安排季度會議。我們會指派各部門代表，對風險事項及相應重要性進行識別及審核，從而減緩、轉移並處理風險。每年檢討內部監控政策及手冊，並由部門代表定期向董事會提交報告。董事會負責審閱並組織會議，以與代表審閱現有計劃及政策是否可以實現我們的目標及指標。

我們於二零一七年九月獲授予ISO9001：2015優質管理系統認證，有效期至二零二六年九月。質量監控部門的代表亦應審閱、檢查、履行並預測未來的ISO要求，以提升實施情況。

整體而言，為進一步提升環境、社會及管治表現，本集團於報告期間制訂以下重點計劃／措施：

- 指派代表審閱目前的常規及環境社會政策規定；
- 分配資源以應對未來的環境政策變動；及
- 向董事匯報，制訂來年的管理計劃。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During its preparation, the Group adheres to the reporting principles of materiality, quantitative, balance and consistency by:

於編製過程中，本集團通過以下方式遵從重要性、量化、平衡及一致性的報告原則：

Reporting Principles 報告原則

Interpretation 詮釋

The Group's Application 本集團的應用

Materiality

— The report should disclose significant impacts on the environment and society, or aspects that materially affect how the stakeholders assess the company and make decisions.

— The Group conducts questionnaires to understand stakeholders' expectations. Based on the results of the questionnaire, the Group identifies and reports the Group's material sustainability issues.

重要性

— 報告應披露對環境及社會所造成的重大影響或對持份者評估本公司及作出決策的方式造成重大影響的範疇。

— 本集團已進行問卷調查以了解持份者期望。根據問卷調查結果，本集團識別及報告其重大可持續發展議題。

Quantitative

— The KPIs disclosed in the report shall be calculable and comparable where applicable.

— Under feasible situation, the Group records, calculates and discloses quantitative information and conducts comparisons with past performance.

量化

— 報告所披露的關鍵績效指標應可予計算及於適當情況下可進行比較。

— 在可行情況下，本集團已記錄、計算及披露量化資料並與過往表現進行比較。

Balance

— The Group should objectively and truthfully report its ESG performance for the year.

— The Group follows the principles of accuracy, objectivity and fairness to report its achievements and challenges in sustainable development.

平衡

— 本集團應客觀且真實地報告其本年度於環境、社會及管治方面的表現。

— 本集團以準確、客觀及公平為原則，報告其於可持續發展方面取得的成就及所面對的挑戰。

Consistency

— The ESG report should be prepared in a consistent manner, its ESG's KPIs can be compared to understand corporate performance.

— The Group ensures consistency in preparing the report and manages its ESG data for future comparison. If there are any changes to the methodologies, calculations, or any other factors that affect meaningful comparison, the Group will make a clear explanation.

一致性

— 環境、社會及管治報告的編製方式應保持一致，環境、社會及管治的關鍵績效指標可予比較，以了解公司表現。

— 本集團將確保編製報告時的一致性，並管理環境、社會及管治數據，以供日後進行比較。如方法、計算或任何其他影響有意義比較的因素發生變化，本集團將作出明確說明。

CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email to info@manshungroup.com.hk.

聯絡資料

本集團歡迎閣下對本報告提出有關可持續發展措施的反饋意見。請電郵至 info@manshungroup.com.hk 與我們聯絡。

APPROVAL OF THE REPORT

The Report was approved by the Board of the Group on 27 March 2024.

批准報告

報告已於二零二四年三月二十七日獲本集團董事會批准。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

STAKEHOLDERS ENGAGEMENT

We identified the key stakeholders of our business operations. We interact with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the ways we communicate with stakeholders:

持份者參與

我們識別出業務營運中的主要持份者，並透過各類溝通渠道與持份者定期互動。下表說明主要持份者所關注的事宜以及我們與持份者溝通的方式：

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Government 政府	<ul style="list-style-type: none"> — To comply with laws and regulations — Proper tax payment — Promote regional economic development and employment 	<ul style="list-style-type: none"> — On-site inspections and checks — Research and discussion through work conferences, work reports preparation and submission for approval — Interim reports, annual reports, announcements — Company website — 實地考察及檢查 — 研究及透過工作會議進行討論、編製工作報告及提交報告以供批准 — 中期報告、年報及公佈 — 公司網站 	<ul style="list-style-type: none"> — Operated, managed and paid taxes according to laws and regulations, strengthened safety management; accepted the governments supervision, inspection and evaluation, and actively undertook social responsibilities. — 根據法律及法規營運、管理及納稅；加強安全管理；接受政府監督、檢查及評估，並積極承擔社會責任。
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> — Return on investment — Information disclosure and transparency — Protection of interests and fair treatment of shareholders — Business risk management 	<ul style="list-style-type: none"> — Annual general meeting and other shareholders' meetings — Interim reports, annual report, announcements — Company website — Meeting with investors and analysts — 股東週年大會及其他股東大會 — 中期報告、年報、公佈 — 公司網站 — 與投資者及分析員會面 	<ul style="list-style-type: none"> — Issued notices of general meeting and proposed resolutions according to regulations, disclosed corporate information by publishing announcements/circulars and interim/annual reports. — Carried out different forms of investor activities with an aim to improve investor's recognition. Held results briefing. Disclosed corporate contact details on website and in reports and ensured all communication channels available and effective. — 根據法規刊發股東大會通告及建議決議案、刊發公佈／通函及中期／年度報告以披露公司資料。 — 為提高投資者認知度而舉行各種形式的投資者活動。舉行一次業績簡介會。於網站及報告中披露公司聯絡資料，並確保所有溝通渠道有效可用。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Employees 僱員	<ul style="list-style-type: none"> — Safeguard the rights and interests of employees — Working environment — Career Development opportunities — Self-actualization — Health and safety — 保障僱員權利及權益 — 工作環境 — 事業發展機會 — 自我實現 — 健康與安全 	<ul style="list-style-type: none"> — Conference — Training, seminars, briefing sessions — Annual performance appraisal — Intranet and emails — 會議 — 培訓、講座、簡介會 — 年度表現評估 — 內聯網及電郵 	<ul style="list-style-type: none"> — Provided a healthy and safe working environment; developed a fair mechanism for promotion; cared for employees by helping those in need and organizing employee activities. — 提供健康安全的工作環境；建立公平晉升機制；照顧需要幫助的僱員及舉辦僱員活動。
Customers 客戶	<ul style="list-style-type: none"> — Safe and high-quality products — Stable relationship — Information transparency — Integrity — Business ethics — 安全及優質產品 — 穩定關係 — 資訊透明度 — 誠信 — 商業道德 	<ul style="list-style-type: none"> — Website, brochures, interim reports, annual reports, announcements — Email and customer service hotline — Feedback forms — Regular meeting — 網站、宣傳小冊子、中期報告、年報、公佈 — 電郵及客戶服務熱線 — 意見表 — 定期會議 	<ul style="list-style-type: none"> — Strengthened quality management to ensure stable service standards, and entered into long-term strategic cooperation agreements. — 加強質量管理，以確保服務標準穩定，並簽訂長期戰略合作協議。
Suppliers/ Partners	<ul style="list-style-type: none"> — Long-term partnership — Honest cooperation — Fairness and openness — Information resources sharing — Risk reduction 	<ul style="list-style-type: none"> — Business meetings, supplier conferences, phone calls and interviews — Regular meeting — Review and assessment — Tendering process — Company website — Email, circulars and manual — 業務會議、供應商會議、電話及面談 — 定期會議 — 檢討及評估 — 招標程序 — 公司網站 — 電郵、通函及手冊 	<ul style="list-style-type: none"> — Invited tenders publicly to select best suppliers and contractors, performed contracts according to agreements, enhanced daily communication, and established long-term cooperation with quality suppliers and contractors. — 透過公開招標選取最佳供應商及承建商、根據協議履行合約、加強日常溝通，並與優質供應商及承建商建立長期合作關係。
供應商/ 合作夥伴	<ul style="list-style-type: none"> — 長期夥伴關係 — 誠實合作 — 公平公開 — 分享資料資源 — 降低風險 	<ul style="list-style-type: none"> — 業務會議、供應商會議、電話及面談 — 定期會議 — 檢討及評估 — 招標程序 — 公司網站 — 電郵、通函及手冊 	<ul style="list-style-type: none"> — 透過公開招標選取最佳供應商及承建商、根據協議履行合約、加強日常溝通，並與優質供應商及承建商建立長期合作關係。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Peer/industry associations	<ul style="list-style-type: none"> — Experience sharing — Corporations — Fair competition 	<ul style="list-style-type: none"> — Industry conference — Site visit 	<ul style="list-style-type: none"> — Stuck to fair play, cooperated with peers to realize win-win, shared experiences and attended seminars of the industry so as to promote sustainable development of the industry.
同業／行業協會	<ul style="list-style-type: none"> — 經驗分享 — 合作 — 公平競爭 	<ul style="list-style-type: none"> — 行業會議 — 實地探訪 	<ul style="list-style-type: none"> — 堅持公平競爭、與同業合作實現雙贏、分享經驗，以及參加行業研討會，以推動行業可持續發展。
Financial institution	<ul style="list-style-type: none"> — Compliance with the laws and regulations — Disclosure information 	<ul style="list-style-type: none"> — Consulting — Information disclosure — Reports 	<ul style="list-style-type: none"> — Complied with regulatory requirements in a strict manner, disclosed and reported information in a timely and accurate manner according to law.
金融機構	<ul style="list-style-type: none"> — 遵守法律及法規 — 披露資料 	<ul style="list-style-type: none"> — 諮詢 — 資料披露 — 報告 	<ul style="list-style-type: none"> — 嚴格遵守監管規定、依法及時準確地披露及報告資料。
Media	<ul style="list-style-type: none"> — Transparent information — Communication with media 	<ul style="list-style-type: none"> — Company website — Interviews — Media conference — Media gathering 	<ul style="list-style-type: none"> — Organized conference, media gathering and site visit to enhance the communication with media.
傳媒	<ul style="list-style-type: none"> — 資料透明 — 與傳媒溝通 	<ul style="list-style-type: none"> — 公司網站 — 訪問 — 記者招待會 — 傳媒聚會 	<ul style="list-style-type: none"> — 組織會議、傳媒聚會及實地考察，以加強與傳媒的溝通。
Public and communities	<ul style="list-style-type: none"> — Community involvement — Social responsibilities — Promote employment 	<ul style="list-style-type: none"> — Volunteering — Charity and social investment — Annual reports 	<ul style="list-style-type: none"> — Gave priority to local people seeking jobs from the Company so as to promote community building and development; built roads, protected the communities, ecological environment, and provided timely compensation and assistance; provided volunteer service, kept communication channels open between the Company and the communities and villagers, co-sponsored community activities to promote the building up of harmonious communities.
公眾人士及社區	<ul style="list-style-type: none"> — 社區參與 — 社會責任 — 促進就業 	<ul style="list-style-type: none"> — 義工活動 — 慈善及社會投資 — 年報 	<ul style="list-style-type: none"> — 優先聘用向本公司求職的當地人，促進社區建設及發展；建設道路、保護社區、生態環境，及時提供補償及援助；提供義工服務，保持開放本公司與社區及村民的溝通渠道，共同舉辦社區活動，促進建設和諧社區。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

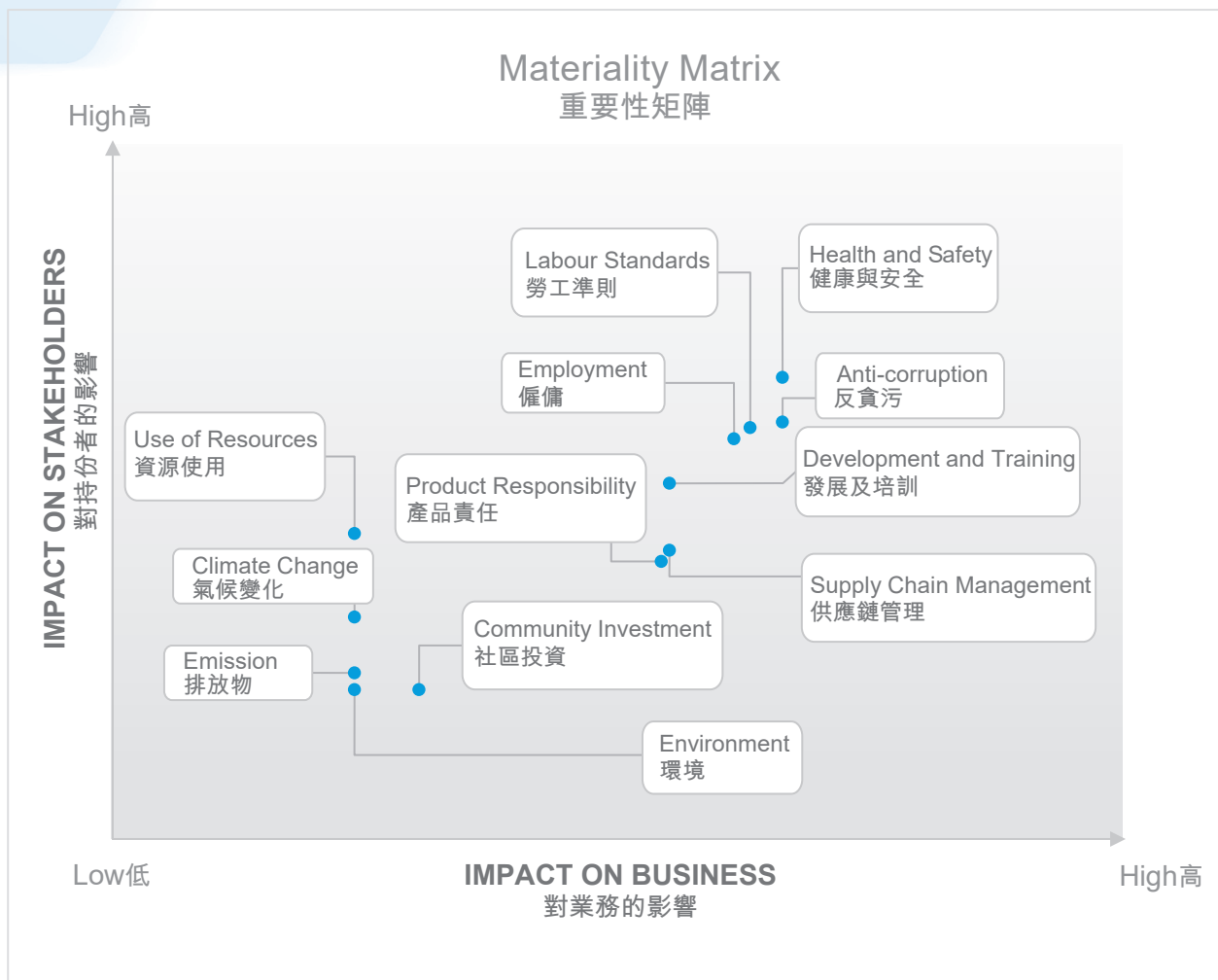
環境、社會及管治報告

MATERIALITY ASSESSMENT

With a growing population, challenges such as climate change, energy supply and security, raw material scarcity, human health and safety, and employment must be addressed to ensure that people can lead healthy and fulfilling lives. Faced with a wide range of issues, the Group is keen to identify those that have a great impact on its stakeholders and business, and then to develop its strategic priorities. This is why materiality assessment is an essential part of the Group's ESG management and reporting.

重要性評估

隨著人口不斷增長，為確保人們能夠过上健康而充實的生活，必須應對氣候變化、能源供應及安全、原材料短缺、人類健康及安全以及僱傭等挑戰。面對廣泛的議題，本集團積極識別對其持份者及業務構成重大影響的議題，並制訂相關策略重點。因此，重要性評估為本集團環境、社會及管治管理及報告的一個關鍵部分。



The Group has established a stakeholder-driven approach to analysing the importance of ESG and identified 12 issues most relevant to the Group's business. A questionnaire was then conducted, in which stakeholders were invited to rate the issues based on their importance to the Group's business and to the stakeholders themselves.

本集團已建立以持份者為導向的方法分析環境、社會及管治的重要性，並識別與本集團業務最為相關的12項議題。隨後亦邀請持份者進行問卷調查，根據議題對本集團業務及持份者自身的重要性進行評分。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. ENVIRONMENTAL ASPECTS

Aspect A1: Emissions

To demonstrate the Group's commitment to sustainable development and compliance with laws and regulations relating to environmental protection, air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. The Group endeavors to minimise the environmental impact of the business activities and maintain green operations and green office practices.

Our business is mainly providing HVAC electrical and mechanical engineering ("**E&M engineering**") services which focus on servicing new residential property development projects as a first-tier or second-tier subcontractor in Hong Kong. Our work performed as a first-tier subcontractor is mainly for overall project management and supervision of HVAC E&M engineering works conducted by us and/or our subcontractors to ensure their conformity to contractual specifications and requirements of the property developers while work performed as second-tier subcontractor is mainly responsible to execute installation work of HVAC system such as fixing of devices and connection of various pipe through our workers and subcontractor. Meanwhile, we delegate part of the installation process or overall installation works for part of the site areas to our subcontractors to assist us in completing on-site works. Thus, given the nature of our HVAC E&M engineering services that focus on project management and installation work, together with subcontracting practice, the Group poses less negative impact to the environment than most typical construction/engineering industries.

A. 環境層面

層面A1： 排放物

為體現本集團對可持續發展的承諾及遵守有關環保、廢氣及溫室氣體（「**溫室氣體**」）排放、向水及土地的排污以及有害及無害廢棄物產生的法律及法規，本集團盡力減少業務活動對環境的影響，並維持綠色營運及綠色辦公室措施。

我們的業務主要為提供暖通空調機電工程（「**機電工程**」）服務，以首層或次層分包商身份主力為香港新型住宅物業發展項目提供服務。我們作為首層分包商的職責主要為整體項目管理及監督由我們及／或分包商進行的暖通空調機電工程，以確保符合物業發展商的合約規範及要求，而作為次層分包商的工作則主要負責透過工人及分包商執行暖通空調系統安裝工程，例如固定裝置及連接多個喉管。同時，我們將一部分安裝工序或部分地盤的整項安裝工程外派予分包商，以協助我們完成施工。因此，鑑於我們暖通空調機電工程服務的性質集中於項目管理及安裝工作以及分包業務，本集團對環境造成的負面影響低於大部分典型建設／工程行業。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Our Group's operations in work sites are subject to certain environmental requirements pursuant to the laws in Hong Kong, such as Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong) and Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong). The Group has been in strict compliance with the above relevant laws and regulations in Hong Kong. We endeavour to minimise any adverse impact on the environment resulting from our business activities. In order to comply with the applicable environmental protection laws, we implemented an environmental management system. Apart from following the environmental protection policies formulated and required by our customers, we have also established our environmental management policy to ensure proper management of environmental protection and compliance of environmental laws and regulations by both our employees and workers of the subcontractors on, among others, noise control and waste disposal.

Such key measures and procedures concerning mainly noise pollution and waste control include, amongst other things:

Noise control

- Installation of acoustic barriers as required;
- Inspection and maintenance of all equipment before use for compliance of permitted noise level; and
- Works to be undertaken in accordance with the permitted work hours as specified by each project.

Waste disposal

- Our Purchasing Department has procured environmental protection refrigerant for our E&M engineering projects, so there's no material hazardous waste or toxic chemical produced by us;
- Wastes to be separated into general wastes and construction wastes before transporting to landfills;

本集團於地盤的營運須根據香港法例遵守若干環境規定，例如香港法例第311章空氣污染管制條例、香港法例第400章噪音管制條例及香港法例第354章廢物處置條例。本集團嚴格遵守上述相關香港法律及法規。我們致力將業務活動對環境帶來的任何不利影響降至最低。為遵守適用環保法例，我們已推行環境管理制度。除遵循客戶訂定及要求的環保政策外，我們亦已制定環保管理政策，以確保僱員及分包商工人均妥善管理有關(其中包括)噪音管制及廢物處置方面的環保事宜，並遵守環境法律及法規。

主要與噪音污染及廢物管制有關的重點措施及程序包括(其中包括)：

噪音管制

- 按規定安裝隔聲屏障；
- 於使用前對所有設備進行檢查及保養以符合獲准的噪音水平；及
- 根據各項目指定的獲准工作時間進行工程。

廢物處置

- 採購部為我們的機電工程項目採購環保製冷劑，因此我們並無產生重大有害廢物或有毒化學品；
- 於運送至堆填區前將廢物分類為一般廢物及建築廢料；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

- The Company has established and maintained procedures designed to control risks arising from handling storage, use and disposal of substances hazardous to health and specific safety training has been conducted to relevant persons for handling the hazardous substance; and
- The Company has also followed main-contractor's safety regulation on site basis and reviewed by the main-contractor on a regular period.

During the Reporting Period, there was no material breach of or non-compliance with the applicable laws and regulations related to environmental protection, GHG emission, discharges into water and land, and generation of hazardous and non-hazardous waste.

Regarding hazardous and non-hazardous wastes, solid wastes are separately stored and handled with the ledger for record. During the Reporting Period, the Group did not generate/consume significant hazardous and non-hazardous waste and water due to its business nature.

In addition, the Group advocates emission reduction, and is committed to achieving sustainable operations and compliance with emission requirements permitted by the local authorities. To this end, we have set management and control targets by 2027 in reducing air pollutant emission, GHG emission, and waste production by 10%, with 2022 as the baseline year. The Group actively implements the air pollutants control plan, electricity-saving plan, material-saving plan and measures to reduce the intensity of waste production and relevant gas emissions by 10% by 2027. The Group continuously reviews and monitors the progress and explores opportunities for various environmental protection goals. In the future, we will consider setting more specific quantitative environmental goals to nurture the environment and cherish natural resources. Moreover, we are investing more resources in recycling to help the development of circular economy.

- 本公司已訂立及維持程序以控制因處理儲存、使用和處置對健康有害的物質而引致的風險，並為相關人士舉辦處置有害物質的特定安全培訓；及
- 本公司亦已遵從總承建商對個別工地發出的安全規例，並由總承建商定期檢討。

於報告期間，並無嚴重違反或不遵守有關環保、溫室氣體排放、向水及土地的排污以及有害及無害廢棄物產生的適用法律及法規的情況。

就有害及無害廢物而言，我們分開儲存及處理固體廢物，並以分類賬簿進行記錄。於報告期間，本集團並無因業務性質而產生／消耗大量有害及無害廢物及用水。

此外，本集團提倡減排，致力於實現可持續經營及遵守當地政府批准的排放要求。為此，我們設定為管控目標，以二零二二年作為基準年，於二零二七年將空氣污染物排放、溫室氣體排放及廢棄物產生量減少10%。本集團積極落實空氣污染物控制計劃、節電計劃、節材計劃及措施，以於二零二七年將廢棄物產生密度及相關廢氣排放降低10%。本集團持續檢討及監察進度，並探索各種環保目標的機會。未來，我們將考慮設定更明確的量化環境目標，以保護環境及珍惜自然資源。此外，我們在回收方面投入更多資源，以助力循環經濟的發展。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Environmental aspects 環境層面	Targets 目標	Measures 措施
Air Pollutants Emissions 空氣污染物排放	Reduce the intensity of air pollutants emissions by 10% by 2027 於二零二七年將空氣污染物排放密度降低10%	<ul style="list-style-type: none"> — Carrying out regular maintenance of vehicles with good condition for operational efficiency — Encouraging the use of public transportations — Buying electric car to replace old vehicle — 對車輛進行定期保養，使其狀態良好以提高營運效率 — 鼓勵使用公共交通工具 — 購買電動車取代舊車
GHG Emissions 溫室氣體排放	Reduce the intensity of GHG emissions by 10% by 2027 於二零二七年將溫室氣體排放密度降低10%	<ul style="list-style-type: none"> — Adopting LED lighting in some offices — Setting the temperature of air-conditioning system in 24°C — Switching off lights and unnecessary energy-consuming devices when they are not in use — Promoting environmental protection such as saving water and electricity by means of slogan or poster in office — 為部分辦公室採用LED照明 — 將冷氣系統溫度設定在24°C — 在非使用時關燈及關閉不必要的耗能設備 — 在辦公室以標語或海報宣傳節約用水及用電等環保措施
Waste Production 廢物減少	Reduce the intensity of waste production by 10% by 2027 於二零二七年將廢棄物產生密度降低10%	<ul style="list-style-type: none"> — Operating waste and living waste are collected in bags and collected by the local sanitation department — 100% of recyclable waste, such as paper scraps, paper skins, waste documents, scrap defective products/goods, etc., are handed over to renewable resources for recycling — 用袋收集經營所產生的廢物及生活垃圾，並由當地衛生部門收集 — 100%可回收垃圾，如紙屑、紙皮、廢文件、報廢次品／貨品等，交由再生資源回收

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Besides, the Group had developed the environmental targets for air pollutants emissions, GHG emissions and waste production, and the results as at the end of Reporting Period are as follows:

此外，本集團制訂空氣污染物排放量、溫室氣體排放量及廢棄物產生量的環保目標，報告期末的結果如下：

Environmental KPI	Targets	Baseline Year	2023 vs. 2022 二零二三年對比 二零二二年	Status
環境關鍵績效指標	目標	基準年度		狀態
The intensity of air pollutants emissions 空氣污染物排放密度	Reduce the intensity of air pollutants emissions by 10% by 2027 於二零二七年將空氣污染物排放密度降低10%	2022 二零二二年	Decrease by 32% 減少32%	In progress 進行中
The intensity of GHG emissions 溫室氣體排放密度	Reduce the intensity of GHG emissions by 10% by 2027 於二零二七年將溫室氣體排放密度降低10%	2022 二零二二年	Decrease by 40% 減少40%	In progress 進行中
The intensity of waste production 廢棄物產生密度	Reduce the intensity of waste production by 10% by 2027 於二零二七年將廢棄物產生密度降低10%	2022 二零二二年	Decrease by 56% 減少56%	In progress 進行中

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Major air pollutants emissions from vehicles during the Reporting Period and the corresponding period in 2022 are as follows:

於報告期間及二零二二年同期車輛產生的主要空氣污染物排放情況如下：

Type of Air Pollutants	Air Pollutant Emission 空氣污染物排放情況	Air Pollutant Emission (kg) 空氣污染物排放量(千克)	
		2023	2022
		二零二三年	二零二二年
Sulphur dioxide	二氧化硫	0.17	0.26
Nitrogen oxides	氮氧化物	113.46	137.53
Particulate matter	微粒物質	10.87	13.10
Air pollutant intensity (kg/revenue HK\$'000)	空氣污染物密度 (千克/千港元收入)	0.0008	0.0012

Note:

The emissions data of Sulphur Oxides, Nitrogen Oxides and Particulate Matter are based on "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange of Hong Kong.

The decrease in air pollutants emissions compared to the corresponding period in 2022 was mainly attributable to less frequent vehicle use for business with the aim to energy conservation and disposal of two vehicles during the Reporting Period.

附註：

硫氧化物、氮氧化物及顆粒物的排放數據乃基於香港聯交所發佈的《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》。

空氣污染物排放較二零二二年同期減少乃主要由於報告期間減少業務用車次數，藉此節省能源，以及出售兩輛汽車。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The GHG emissions from the operation during the Reporting Period and the corresponding period in 2022 are set out below:

於報告期間及二零二二年同期，營運產生的溫室氣體排放情況如下：

Type of GHG emissions	溫室氣體排放類型	Equivalent CO ₂ emission (tonnes)	
		二氧化碳排放物當量(噸)	
		2023 二零二三年	2022 二零二二年
Scope 1 Direct emissions	範圍1直接排放	30.69	45.58
Scope 2 Indirect emissions	範圍2間接排放	11.15	12.17
Total	總計	41.84	57.75
Intensity (tonnes/revenue HK\$'000)	密度(噸/千港元收入)	0.00027	0.00046

Note:

The calculation of the GHG gas is based on the "A Corporate Accounting and Reporting standard" from The GHG Protocol, "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by The Stock Exchange of Hong Kong Limited, and the CLP Power Hong Kong's 2022 Sustainability Report.

Scope 1: Direct emissions from vehicles that are owned by the Group.

Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group.

The decrease in GHG emissions compared to the corresponding period in 2022 was mainly attributable to less frequent vehicle use for business with the aim to energy conservation and disposal of two vehicles during the Reporting Period.

Aspect A2: Use of Resources

The Group places high priority on the efficient use of resources. The major resources used by the Group are electricity, water, and paper. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling program. Guidelines were announced for encouraging staff to save energy by the management, and staff are encouraged to save electricity, water and paper.

附註：

溫室氣體乃根據《溫室氣體盤查議定書》的「企業會計與報告標準」、香港聯合交易所有限公司頒佈的《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》及香港中華電力《二零二二年可持續發展報告》計算。

範圍1：本集團所擁有車輛的直接排放。

範圍2：本集團所消耗外購電力產生的間接排放。

溫室氣體排放較二零二二年同期減少乃主要由於報告期間減少業務用車次數，藉此節省能源，以及出售兩輛汽車。

層面A2：資源使用

本集團十分重視有效使用資源。本集團使用的主要資源為電力、水及紙張。本集團致力改善天然資源使用效率，例如盡量減少廢物/排放物，並實施有效的回收計劃。管理層公佈鼓勵員工節約能源的指引，鼓勵員工節約用電、用水及用紙。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Electricity

Electricity saving measures are encouraged that electrical appliances are required to be set at energy saving mode where possible. For computers, the idle mode are configured to commence upon 20 minutes or less without inputs. The room temperature should be set in 24° C. Also, power supply should be switched off when they are not in use. Preference will be given to office equipment with relatively high energy efficiency. We adopted LED lighting in the office, and there's no air-condition in all warehouses.

Energy consumption by the Group during the Reporting Period and the corresponding period in 2022 are set out below:

電力

本集團鼓勵採取節電措施，電器需盡可能設置為節能模式。電腦的閒置模式配置為在20分鐘或更短時間內沒有輸入時開始。室溫應設定在24°C的範圍內。此外，電源在不用時應關閉。本集團將優先選用能源效益較高的辦公室設備。我們於辦公室內採用LED照明，且倉庫並無冷氣。

本集團於報告期間及二零二二年同期的能源消耗如下：

		Energy consumed (kWh)	
		二零二三年	二零二二年
Energy Consumption		能源消耗	
Type of energy	能源類型	所耗能源(千瓦時)	
Unleaded petrol	無鉛汽油	90,023.68	116,360.16
Diesel	柴油	23,317.23	53,165.69
Purchased electricity	外購電力	28,587.00	32,896.00
Total	總計	141,927.91	202,421.85
Energy intensity	能源密度(千瓦時/千港元收入)	0.93	1.62
(kWh/revenue HK\$'000)			

Note:

The decrease in fuel and electricity consumption compared to the corresponding period in 2022 was mainly attributable to the Group's saving initiatives during the Reporting Period.

附註：

燃料及電力消耗較二零二二年同期減少乃主要由於本集團於報告期間的節約措施所致。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Water

The Group did not encounter any problems in sourcing water that is fit for purpose during the Reporting Period. Water consumption by the Group during the Reporting Period and the corresponding period in 2022 are set out below:

水

本集團於報告期間在採購適用水方面並無遇到任何問題。本集團於報告期間及二零二二年同期的用水量載列如下：

		Water Consumption	
		水量	
		(m ³)	(m ³)
		(立方米)	(立方米)
		2023	2022
		二零二三年	二零二二年
Running water consumed	自來水消耗量	3.66	2.00
Total	總計	3.66	2.00
Intensity (m³/revenue HK\$'000)	密度(立方米/千港元收入)	0.00002	0.00002

Paper

Reduction in paper use indirectly reduces the overall GHG emission. The Group has been taking the following steps to reduce paper consumption:

- Reduce the use of paper by printing or photocopying on both sides of paper, where applicable;
- Encourage the employee to use suitable font size/shrinkage mode to minimise pages, if possible. Besides, electronic media is recommended for circulation/communication purposes, to minimise using paper.

During the Reporting Period, the consumption of paper and packaging material were 0.75 tonnes (0.000005 tonnes/revenue HK\$'000) (2022: 1.41 tonnes (0.000011 tonnes/revenue HK\$'000)) and 6.91 tonnes (2022: 2.27 tonnes), respectively. The decrease in paper consumption was attributed to a reduction of consumption in office paper with the aim to resource conservation and the reduction in the need for business operations during the Reporting Period. In addition, increase in the consumption of packaging materials by the Group during the Reporting Period is because of the change in business practice that the Group is recently responsible for the packaging of the items and deliverables during the course of its operations.

紙張

減少使用紙張可間接降低整體溫室氣體排放量。本集團一直採取以下措施減少用紙量：

- 於適當時透過雙面打印或複印減少紙張用量；
- 鼓勵員工盡可能使用合適的字體大小/縮印模式以減少頁數。此外亦建議使用電子方式傳閱文件/溝通，以盡量減少紙張用量。

於報告期間，紙張及包裝材料的消耗量分別為0.75噸(0.000005噸/千港元收入)(二零二二年：1.41噸(0.000011噸/千港元收入))及6.91噸(二零二二年：2.27噸)。於報告期間，紙張消耗減少乃由於為節約資源而減少辦公室紙張消耗及業務營運需求減少所致。此外，本集團於報告期間的包裝材料消耗量增加乃由於本集團近期負責包裝營運過程中的物品及可交付品的業務慣例變動所致。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group advocates energy and resources saving, and is committed to achieving sustainable operations and compliance with emission requirements by local authorities. To this end, we have set management and control targets by 2027 in reducing energy consumption and water consumption by 10%, with 2022 as the baseline year. The Group actively implements the electricity-saving plan, water-saving plan and measures to reduce the intensity of electricity consumption and water consumption by 10% by 2027. The Group continuously reviews and monitors the progress and explores opportunities for various environmental protection goals. In the future, we will consider setting more specific quantitative environmental goals to nurture the environment and cherish natural resources. Moreover, we are investing more resources in recycling to help the development of circular economy.

本集團倡導節約能源及資源，致力於實現可持續經營及遵守當地政府的排放要求。為此，我們設定為管控目標，以二零二二年作為基準年，於二零二七年將能源消耗及用水量降低10%。本集團積極落實節電計劃、節水計劃及措施，於二零二七年將電力消耗及耗水量密度降低10%。本集團持續檢討及監察進度，並探索各種環保目標的機會。未來，我們將考慮設定更明確的量化環境目標，以保護環境及珍惜自然資源。此外，我們在回收方面投入更多資源，以助力循環經濟的發展。

Environmental aspects 環境層面	Targets 目標	Measures 措施
Energy Conservation	Reduce the intensity of energy consumption by 10% by 2027	<ul style="list-style-type: none"> — Adopting LED lighting in some offices — Setting the temperature of air-conditioning system in 24°C — Switching off lights and unnecessary energy-consuming devices when they are not in use
節能	於二零二七年將能源消耗密度降低10%	<ul style="list-style-type: none"> — 為部分辦公室採用LED照明 — 將冷氣系統溫度設定在24°C — 在非使用時關燈及關閉不必要的耗能設備
Water Conservation	Reduce the intensity of water consumption by 10% by 2027	<ul style="list-style-type: none"> — Promoting environmental protection such as saving water and electricity by slogan or poster in office — Regularly inspect the water supply network to prevent leaks — Review water bills to detect abnormal consumption
節水	於二零二七年將耗水密度降低10%	<ul style="list-style-type: none"> — 在辦公室以標語或海報宣傳節約用水及用電等環保措施 — 定期檢查供水網絡，防止漏水 — 查閱水費單，以檢測異常消耗情況

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Besides, the Group had developed the environmental targets for energy conservation and water conservation, and the results as at the end of Reporting Period are as follows:

此外，本集團制訂節能及節水的環保目標，報告期間期末的結果如下：

Environmental KPI	Targets	Baseline Year	2023 vs. 2022 二零二三年對比 二零二二年	Status
環境關鍵績效指標	目標	基準年度		狀態
The intensity of energy consumption 能源消耗密度	Reduce the intensity of energy consumption by 10% by 2027 於二零二七年將能源消耗密度降低10%	2022 二零二二年	Decrease by 43% 減少43%	In progress 進行中
The intensity of water consumption 耗水密度	Reduce the intensity of water consumption by 10% by 2027 於二零二七年將耗水密度降低10%	2022 二零二二年	Maintain 維持	In progress 進行中

Aspect A3: The Environment and Natural Resources

The Group raises staff's awareness on environmental issues through education and training and enlist employees' support in improving the Group's performance, promote environmental awareness amongst the customers, business partners and shareholders and support community activities in relation to environmental protection and sustainability and evaluate regularly and monitor regularly the impact of past and present business activities regarding health, safety and environmental matters, with the integration of policies mentioned in sections "Emissions" and "Use of Resource", the Group strives to minimise the impacts to the environment and natural resources. The principal business activities of the Group do not have a significant impact on the environment and natural resources.

層面A3：環境及天然資源

本集團透過教育及培訓提高員工對環境問題的意識、爭取員工支持本集團改善表現、提升客戶、業務夥伴及股東的環保意識、響應有關環保及可持續發展的社區活動，並定期評估及監督過去及現時影響健康、安全及環境事宜的業務活動。通過結合「排放物」及「資源使用」章節提及的政策，本集團致力盡量減少對環境及自然資源的影響。本集團的主要業務活動對環境及自然資源並無重大影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect A4: Climate Change

Climate change has caused frequent extreme weather and has a major impact on business operations. Therefore, the Group has formulated working mechanisms and contingency plan to identify, prevent and mitigate climate change issues that may have a significant impact. A list of potential climate-related risk and opportunities pertinent to our business operations has been identified. The Group's management and operating departments identify material risks via self-assessment questionnaires annually. Regarding the material risks identified, the Group organizes and develops prevention and control measures. The operating departments would then organize the supervision of material risks prevention and control, and report the material risks to the management. Relevant operating departments arrange the implementation of the material risks prevention and control measures, continuously monitor the implementation, and timely report the progress or any issues encountered to the management. At the same time, we would adjust the use of resources and energy. In response to disasters and accidents that are easily induced by extreme weather, we always enhance the capability to the disaster response.

Physical Acute Risk

The Group has identified extreme weather such as typhoons, heavy rain, thunder and lightning and flooding that can cause physical acute risk. The potential consequences include: (i) during the time of extreme weather, workers may not be able to access to clients' sites and the delivery schedules of raw materials would also be affected or delayed; (ii) equipment and materials on-site will be exposed to risk of damage; and (iii) employees' health, safety and life may also be at risk. These potential consequences may cause economic losses and increase operating costs to the Group.

層面 A4：氣候變化

氣候變化導致極端天氣頻發，並對業務營運產生重大影響。為此，本集團制定工作機制及應急預案，以識別、預防及緩解可能產生重大影響的氣候變化事宜。我們已識別與業務營運有關的潛在氣候有關風險及機遇清單。本集團管理層及營運部門每年透過自我評估問卷的方式識別重大風險。就已識別的的重大風險而言，本集團組織並制訂防控措施。營運部門然後組織並進行重大風險防控監督，並向管理層報告重大風險情況。相關營運部門安排實施重大風險防控措施，持續監督實施情況，及時向管理層報告進展情況或遭遇的問題。同時，我們會調整資源及能源使用。為應對易受極端天氣影響的災害及事故，我們始終增強災害應對能力。

物理急性風險

本集團已識別可能導致物理急性風險的極端天氣，如颱風、暴雨、雷電及洪澇等。潛在後果包括：(i)在極端天氣期間，工人可能無法進入客戶的場所，且原材料的交付時間表亦會受到影響或延誤；(ii)現場設備及材料將面臨損壞風險；及(iii)僱員的健康、安全及生命亦可能面臨風險。有關潛在後果可能對本集團造成經濟損失及增加營運成本。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has established different measures as below to prevent and minimize the negative effect of extreme weather.

本集團已制定以下不同措施，以防止及盡量減少極端天氣的負面影響。

Physical Acute Risk

物理急性風險

Extreme weather

極端天氣

Preventative and mitigation measures

預防及緩解措施

Typhoons

- Close doors and Windows with advance notice
- Move materials and equipment to safety areas in advance, or covered with a tarp
- Reinforce equipment and components that may be blown away
- Stop all outdoor work
- Hold regular project meetings to promptly develop action plans and address any potential delays

颱風

- 提前通知關閉門窗
- 將材料及設備提前移動到安全區域，或用防水布覆蓋
- 加固可能被吹走的設備及部件
- 暫停所有戶外工作
- 定期舉行項目會議，以迅速制定行動計劃及解決任何潛在延誤

Heavy rain and flooding

- Clean up trash and make sure drains are unblocked
- Maintain drainage equipment
- Reinforce equipment and components that may be washed away
- Hold regular project meetings to promptly develop action plans and address any potential delays

暴雨及洪澇

- 清理垃圾並確保排水管暢通
- 維護排水設備
- 加固可能被沖走的設備及部件
- 定期舉行項目會議，以迅速制定行動計劃及解決任何潛在延誤

Thunder and lightning

- Keep good conditions of earthing devices
- Control travel and outdoor work before the arrival of lightning
- Remind employees to save data and turn off computers

雷電

- 保持接地裝置的良好狀態
- 閃電到來前控制出行及戶外工作
- 提醒僱員保存數據並關閉電腦

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Physical Chronic Risk

The Group has identified extreme weather such as extremely hot weather can cause physical chronic risk. The potential consequences include an increased chance of getting heatstroke for employees working outdoor or in the workshop, increasing turnover rate and work-related injuries, which may lead to longer project completion times and additional costs. The demand for cooling for the working environment will be increased, which may lead to an increase in power demand and operating costs to the Group.

The Group has established different measures as below to prevent and minimize the negative effect of extreme weather.

物理長期風險

本集團已識別可能導致物理長期風險的極端天氣，例如酷熱天氣。潛在後果包括戶外或車間工作人員的中暑機率增加、流失率及工傷增加，可能導致項目竣工時間延長及產生額外成本。工作環境對冷卻的需求將會增加，這可能導致本集團的電力需求及經營成本增加。

本集團已制定以下不同措施，以防止及盡量減少極端天氣的負面影響。

Physical Chronic Risk

物理長期風險

Extreme weather

極端天氣

Extremely hot weather

酷暑天氣

Preventative and mitigation measures

預防及緩解措施

- Open windows to allow the air to circulate
- Keep a First-aid kit convenient
- Keep cold water available 24 hours a day
- Inspect the ventilation condition and employ ventilation fans on work sites
- Distribute government guidelines on preventing heat stroke at work to field workers and managers
- 打開窗戶促進空氣流通
- 常備急救箱
- 全天候供應提供冷水
- 檢查工作場所的通風狀況並採用排氣扇
- 向現場工人及管理人員分發有關防止工作中暑的政府指引

Transitional Risk

The Group has identified related matters such as the tightened laws and regulations imposed by the government and more customers are concerned about climate-related risks which can cause transitional risk. The potential consequences include a higher chance of breaching relevant laws and regulations, as well as an increase in operating costs.

轉型風險

本集團已識別相關事宜，例如政府實施更嚴格的法律及法規，且更多客戶關注可能造成轉型風險的氣候相關風險。潛在後果包括違反相關法律及法規的可能性增加，以及營運成本增加。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has established different measures as below to prevent and minimize the negative effects of transitional risk.

本集團制訂以下各種措施預防並盡量減少轉型風險的負面影響。

Transitional Risk

轉型風險

Climate-related risks description

氣候相關風險之描述

Preventative and mitigation measures

預防及緩解措施

Legal risk

- Exposure to litigation risk. We have to adapt the tightened law and regulations imposed by the local government due to climate change, as well as bear the risk of potential litigation once we fail to obligate the new regulations.
- Increasing policies and subsequent operation costs and changes to regulations are expected.

- Monitor the updates of environmental laws and regulations in advance
- Continue monitoring of the ESG reporting standards of the Hong Kong Listing Rules
- Replace conventional vehicles with electric vehicles

法律風險

- 面臨訴訟風險。我們必須適應當地政府因氣候變化而實施的收緊法律及法規，並承擔一旦未能遵守新法規而出現的潛在訴訟風險。
- 預期政策及後續營運成本以及法規變動將會增加。

- 提前監察環境法律及法規的更新
- 持續監察香港上市規則的環境、社會及管治報告標準
- 以電動車取代傳統汽車

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Transitional Risk

轉型風險

Climate-related risks description

氣候相關風險之描述

Market risk

- More customers are concerned about climate-related risks and opportunities, which may lead to changes in customer preference and would bring potential impacts for the Group. For example, customer demand for energy saving technologies and improved resource efficiency, may potentially increase the operating cost and affect gross profits of the Group.

市場風險

- 更多客戶關注氣候相關風險及機遇，可能導致客戶偏好改變，為本集團帶來潛在影響。例如，客戶對節能技術及提高資源效率的需求可能會增加本集團的營運成本及影響毛利。

Reputation risk

Stakeholder concerns, negative feedback, and press coverage regarding our Group's climate impacts would impact our reputation.

聲譽風險

持份者對本集團氣候影響的關注、負面反饋及媒體報道將影響我們的聲譽。

Preventative and mitigation measures

預防及緩解措施

- Fulfill the climate-related regulations by the government
- Prioritize the climate change as a high concern in the market decisions to show to the clients that the company is concerned about the problem and challenges of climate change
- Adopt environmental friendly and eco-friendly practices to the supply chain and emphasis our green procurement requirements
- Reduce waste stream from the source
- Implement measures of energy efficiency

- 履行政府氣候相關法規
- 將氣候變化優先列為市場決策的高度關注點，向客戶展示本公司對氣候變化問題及挑戰的關注
- 在供應鏈中採取環保及環境友好措施，並強調我們的綠色採購要求
- 源頭減廢
- 實施具能源效益的措施

- Review business projects to ensure they are environmental friendly

- 檢討業務項目以確保符合環保做法

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Climate-related Opportunities

The Group highly recognizes the importance of low-carbon development and embraces sustainability challenges as opportunities. It is committed to innovation and continuously improving the way of its operations, turning various possibilities into inspiration. For the Group's business, the recognition of consumers towards the environmental value of green engineering and the increasing demand for green engineering are expected to continuously enhance the revenue and continuous cash flow of the projects in the future.

氣候相關機遇

本集團高度重視低碳發展，並將可持續發展挑戰視為機遇。本集團致力於創新並不斷改善其營運方式，將各種可能性轉化為靈感。就本集團的業務而言，消費者對綠色工程環境價值的認可及對綠色工程日益增長的需求，預計未來將持續提升項目的收益及帶來持續現金流。

Type of opportunity

機遇類型

Detailed description of climate-related opportunities

對氣候相關機遇的詳細描述

Services

- Circular business models create opportunities for the Group to generate new revenue streams while reducing its environmental impact
- By collaborating with suppliers and adopting sustainable procurement, choosing environmental friendly supplies, not only reduces environmental impact but also attracts environmentally conscious consumers, increasing market share and revenue growth

服務

- Returns on investment in low-emission technology increases
- 循環商業模式為本集團創造產生新收益來源的機會，同時減少對環境的影響
- 通過與供應商合作及採用可持續採購、選擇環保用品，不僅減少對環境的影響，亦吸引注重環保的消費者，提高市場份額及收益增長
- 低排放技術的投資回報增加

Resource and energy consumption

- Energy conservation and emission reduction, water resource management and waste management through green operation can directly reduce the Group's operating costs in the medium and long term
- 通過綠色營運實現節能減排、水資源管理及廢棄物管理，可直接降低本集團中長期營運成本

資源及能源消耗

Energy use

- Increasing the use of electric vehicles as a substitute for conventional cars can reduce GHG emissions while reducing operating costs

能源使用

- 增加使用電動車作為傳統汽車的替代品，可減少溫室氣體排放，同時降低營運成本

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B. SOCIAL ASPECTS

Aspect B1: Employment

We endeavour to use our best effort to attract and retain appropriate and suitable personnel to serve our Group. Our Group assesses the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group. The Group's staff handbook sets out our standards for compensation and dismissal, promotion and salary review, working hours, rest periods, equal opportunity and other benefits and welfare. The Group entered into separate labour contracts with each of our employees in accordance with the applicable labour laws of Hong Kong.

The Group strives for compliance with local employment laws and regulations, such as Employment Ordinance (Chapter 57 of the Laws of Hong Kong), the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) and the Minimum Wage Ordinance (Chapter 608 of Laws of Hong Kong) in Hong Kong.

We generally recruit our employees through placing advertisements in the open market with reference to factors such as their experience, qualifications and expertise required for our business operations. They are normally subject to three months' probation period starting on board. The remuneration package our Group offered to our employees includes salary, bonuses, other cash subsidies and Mandatory Provident Fund ("MPF"). In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. Our Group has designed an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions. The Group recognizes the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive. The Group advocates the principles of equal employment opportunities and diversity. Discrimination, including unjust or prejudicial treatment of anyone due to certain personal characteristics, such as race, gender, ethnicity, religion, age and marital status, is strictly forbidden. Policy applies to employment procedure is based on capabilities, qualifications, experiences and skills without discrimination. We believe that the above arrangements can help us maintain good relationship with our employee.

B. 社會層面

層面 B1：僱傭

我們盡最大努力吸引及留聘適當及合適人才為本集團服務。本集團持續評估可用人力資源，並釐定是否需要增聘人手以配合本集團業務發展。本集團的員工手冊載列我們有關薪酬及解僱、晉升及薪酬檢討、工時、休假、平等機會以及其他待遇及福利的標準。本集團根據香港適用勞工法例與各名僱員訂立個別勞工合約。

本集團致力遵守當地僱傭法例及法規，例如香港的僱傭條例（香港法例第57章）、強制性公積金計劃條例（香港法例第485章）及最低工資條例（香港法例第608章）。

我們一般透過於公開市場投放廣告招聘僱員，當中參照我們業務營運所需的經驗、資歷及專業知識等因素。僱員一般須自入職起接受三個月試用期。本集團向僱員提供的薪酬待遇包括薪金、花紅、其他現金補貼及強制性公積金（「強積金」）。本集團通常基於個別僱員的資歷、職位及年資釐定僱員薪金。本集團已制定年度審核體系，用作評估僱員表現並構成我們有關薪金調整、花紅及晉升決策的基準。本集團認可多元化及技能嫻熟的員工的價值，並致力於創造且保持包容及協作的工作場所文化，讓所有員工於此文化中皆能茁壯成長。本集團提倡平等就業機會及多元化原則。我們嚴禁歧視，包括因種族、性別、民族、宗教、年齡及婚姻狀況等若干個人特徵而對任何人士作出不公平或不利的待遇。僱傭程序所採用的政策乃基於能力、資格、經驗及技能，並無歧視。我們相信，上述安排有助與僱員維持良好關係。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the Reporting Period, there were no material non-compliances regarding employment brought against the Group or its employees.

於報告期間，並無針對本集團或其僱員的重大違規僱傭情況。

Below is a detailed breakdown of our employees by gender, age group, employee category, and geographical region as at 31 December 2023 and 31 December 2022:

以下為於二零二三年十二月三十一日及二零二二年十二月三十一日按性別、年齡組別、僱員類別及地區劃分的僱員明細：

		2023 二零二三年		2022 二零二二年	
		Number of staff 員工人數	% of Total 佔總人數 百分比	Number of staff 員工人數	% of Total 佔總人數 百分比
By Gender	按性別				
Male	男性	57	80	62	87
Female	女性	14	20	9	13
Total	總計	71	100	71	100
By age group	按年齡組別				
30 or below	30歲或以下	11	15	14	20
31–40	31至40歲	25	35	28	39
41–50	41至50歲	19	27	13	18
51 or above	51歲或以上	16	23	16	23
Total	總計	71	100	71	100
By employee category	按僱員類別				
Senior management	高級管理層	6	9	7	10
Middle management	中級管理層	13	18	14	20
Normal	普通	52	73	50	70
Total	總計	71	100	71	100
By geographical region	按地區				
Hong Kong	香港	71	100	71	100
Total	總計	71	100	71	100

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Below is a detailed breakdown of our employee turnover rate by gender, age group and geographical region during the Reporting Period and the corresponding period in 2022:

以下為我們於報告期內及二零二二年同期按性別、年齡組別及地區劃分的僱員流失率明細：

		2023 二零二三年 % of particular category 佔特定類別 百分比	2022 二零二二年 % of particular category 佔特定類別 百分比
Turnover rate by gender	按性別劃分的流失率		
Male	男性	29	37
Female	女性	-	-
Turnover rate by age group	按年齡組別劃分的流失率		
30 or below	30歲或以下	48	60
31-40	31至40歲	19	38
41-50	41至50歲	19	8
51 or above	51歲或以上	19	13
By geographical region	按地區		
Hong Kong	香港	24	32

Note: Turnover rate for employees in the relevant categories = Number of employees leave in the specified category/Average of total employees in the specified category at the beginning and at the end of the Reporting Period.

附註：相關類別僱員流失率=指定類別離職僱員人數/報告期初和期末指定類別僱員總數之平均值。

Aspect B2: Health and Safety

We place emphasis on occupational health and work safety during the delivery of our services as it is our concern not to put our employees, our subcontractors and the general public in hazards. Insurance policies purchased can cover and protect our employees in the office and construction site. We have also adopted an occupational health and safety manual as required by relevant occupational health and safety laws, rules and regulations under the supervision of our project directors. Also, we strictly comply with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) of Hong Kong.

層面 B2：健康與安全

我們重視提供服務時的職業健康及工作安全，以免令僱員、分包商及普羅大眾面對危險。我們投購的保險之政策可保障及保護辦公室及地盤的僱員。我們亦已遵照相關職業健康及安全法律、規則及法規的規定採納職業健康及安全指引，並由項目總監負責監督。此外，我們嚴格遵守香港職業安全及健康條例（香港法例第509章）。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Our key occupational health and work safety measures are set out below:

- Effective promotion and communication of safety procedures are maintained through, among others, establishing safety bulletin and detailed record of accident statistics, holding regular internal and external safety meetings, documenting safety measures and issues identified for each project by preparing safety reports and training records;
- We regularly attend safety training organised by the main contractors of the projects, typically covering safety procedures for performing different types of work, first aid training, safety procedures for emergency and duties and procedures for reporting hazards, incidents, accidents and diseases, and good housekeeping of workplaces;
- All workers on site, including subcontractors' employees, are required to follow the general safety rules posted on prominent notice boards on site, which would be adopted by the main contractor of the relevant project. Workers would receive training before they commence work, and those who breach any such rules will be subject to internal disciplinary actions. Project directors would make site inspections to ensure strict compliance;
- We designate a member of the project team who has the relevant qualifications as our safety supervisor for each of our projects. Risk assessments are generally conducted by the relevant safety supervisor to identify the potential hazards and accidents and provide suggestion on proper preventive measures prior to commencement of works;
- Site inspections are carried out at least once every two weeks by our project director to ensure strict compliance with the statutory occupational health and safety laws, rules and regulations;

以下載列我們主要的職業健康及工作安全措施：

- 透過(其中包括)設立安全公告及詳盡的意外統計記錄、定期舉行內部及外部安全會議，並通過編製安全報告及培訓記錄記下各個項目的安全措施及所發現的問題，從而有效推廣及宣揚安全程序；
- 我們定期參加項目總承建商舉辦的安全培訓，一般涵蓋進行不同類型工作的安全程序、急救培訓、緊急情況的安全程序以及匯報災患、事故、意外及疾病與妥善管理工地的職責及程序；
- 所有地盤工人(包括分包商僱員)均須遵守張貼於現場顯眼告示板上的一般安全規則，有關規則由相關項目的總承建商採納。工人在開始工作前接受培訓，違反任何有關規則者將受到內部紀律處分。項目主任進行現場檢查，確保嚴格遵守規則；
- 我們指派項目團隊內擁有相關資格的成員作為各個項目的安全督導員。有關安全督導員一般負責進行風險評估，以識別潛在災患及意外，並於施工前就適當預防措施提供建議；
- 項目總監最少每兩週實地巡視一次，以確保嚴格遵守法定職業健康及安全法律、規則及法規；

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

- Specific safety measures in relation to, among others, emergency, working at height, safe operation of machinery and reporting of hazards and accidents are communicated with workers and documented in details;
- In order to provide a healthy and safe working environment for employees, we have included a Smoking Policy, Alcohol Policy, and Drugs Policy in the Employee Handbook. Any employee who fails to comply with these regulations may be subject to disciplinary action and dismissal;
- Employees are required to report any potential accidents or hazards that may endanger the safety of themselves and their fellow workers. If an employee is injured, they should immediately report it to the duty manager to ensure prompt medical treatment for the injured employee. The duty manager is responsible for reporting the work-related injury to the company within 48 hours of injury by completes and returns the Injury Report to Human Resources Department. At the same time, the company are also required to report work-related injuries to the Labour Department/insurer within a stipulated time;
- We have placed first aid kits in the work environment to address injuries and emergencies; and
- Check to ensure all machines and tools are in good condition before they are put into service and maintain updated list of machines to ensure regular maintenance is performed.
- 知會工人並詳盡記錄有關(其中包括)緊急情況、高空工作、安全操作機械以及匯報災患及意外的特定安全措施;
- 為向僱員提供健康及安全的工作環境, 我們已於僱員手冊中納入吸煙政策、酒精政策及藥物政策。任何未能遵守該等規例的僱員可能會受到紀律處分及被解僱;
- 僱員須報告任何可能危及自身及其同事安全的潛在事故或危險。如員工受傷, 應立即向值班經理報告, 確保傷員得到及時的治療。值班經理負責在受傷事故發生後48小時內向本公司報告工傷情況, 並將受傷報告交回人力資源部。同時, 本公司亦需在規定時間內向勞工處/保險公司報告工傷情況;
- 我們已在工作環境中放置急救箱, 以應對受傷及緊急情況; 及
- 在所有機器及工具投入使用前進行檢查以確保其狀況良好, 並保存最新的機器清單以確保進行定期維護。

During the Reporting Period, no cases of work-related injuries and fatalities are recorded. There was no noncompliance of significant case in relation to laws and regulations for health and safety, and therefore no lost days due to injury was resulted. Our Group did not have any incidents of work-related injuries and fatalities for the latest 3 financial years, including the Reporting Period.

於報告期間並無發生工作相關傷亡個案, 亦無違反健康安全法律法規的重大個案, 故並無造成因工傷損失天數。本集團於最近三個財政年度(包括報告期間)並無任何工作相關傷亡事件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect B3: Development and Training

The Group recognises the importance of training for the development of our employees as well as our Group. We provide various types of training to our employees, including those on occupational health and safety in relation to our work as mentioned in aspect "B2: Health and Safety" in this Report. Such trainings include our internal training held by human resources department as well as courses organised by external parties such as the Construction Industry Council and the Occupational Safety and Health Council in Hong Kong. We believe it is a win-win approach for achieving both employee and corporate goals as a whole.

Below is a detailed breakdown of the percentage of trained employees by gender and employee category during the Reporting Period and the corresponding period in 2022:

層面B3：發展及培訓

本集團深明培訓對我們僱員及本集團發展的重要性。我們為僱員提供各類培訓，包括本報告層面「B2：健康與安全」所述有關我們工程的職業健康及安全培訓。有關培訓包括人力資源部舉行的內部培訓以及建造業議會及香港職業安全健康局等外界機構組織的課程。我們相信，此舉乃實現員工及企業整體目標的雙贏方式。

以下為我們於報告期間及二零二二年同期按性別及僱員類別劃分的受訓僱員百分比明細：

		2023 二零二三年 % of total 佔總人數 百分比	2022 二零二二年 % of total 佔總人數 百分比
Employee trained by gender		按性別劃分的受訓僱員	
Male	男性	88	83
Female	女性	12	17
Total		100	100

		2023 二零二三年 % of total 佔總人數 百分比	2022 二零二二年 % of total 佔總人數 百分比
Employee trained by employee category		按僱員類別劃分的受訓僱員	
Senior management	高級管理層	19	39
Middle management	中級管理層	22	17
General	普通	59	44
Total		100	100

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The average training hours for employees by gender and employee category during the Reporting Period and the corresponding period in 2022 are as follows:

我們於報告期間及二零二二年同期按性別及僱員類別劃分的僱員平均培訓時數載列如下：

		2023 二零二三年 Hours per employee 每名僱員時數	2022 二零二二年 Hours per employee 每名僱員時數
Training hour by gender	按性別劃分培訓時數		
Male	男性	3.59	3.97
Female	女性	2.00	3.61
Training hour by employee category	按僱員類別劃分培訓時數		
Senior management	高級管理層	9.00	34.50
Middle management	中級管理層	2.69	0.64
General	普通	2.76	0.56

Aspect B4: Labour Standards

The Group is fully aware that child labour and forced labour violate fundamental human rights and also pose threat to sustainable social and economic development. The Group strictly complies with the Employment Ordinance and other relevant labour laws and regulations in Hong Kong. The Group prohibits the use of child labour and forced labour. Employment contracts and other records, documenting all relevant details of the employees (including age) are maintained properly for internal review and verification by relevant statutory body upon request. During the recruitment process, the Group would verify the actual age of the applicants by checking their identity documentations and other records to avoid hiring any child labour. Terms and condition are stated in employment contract for employee to review before signing into contract, while duties and responsibilities are identified before recruitment. If any violation is discovered, we will handle it in a serious manner. Depending on the actual situation, it will be handled in accordance with national and local laws and regulations.

During the Reporting Period, the Group has complied with policies and relevant laws and regulations regarding prevention of child labour or forced labour.

層面 B4：勞工準則

本集團深知童工及強迫勞工侵犯基本人權，亦對可持續社會及經濟發展構成威脅。本集團嚴格遵守香港僱傭條例及其他有關勞工法律及法規。本集團禁止僱用童工及強迫勞工，並妥善保存記錄僱員所有相關詳情（包括年齡）的僱傭合約及其他記錄，按要求供有關法定機構作內部檢討及核實。於招聘過程中，本集團會通過核對求職者的身份證明及其他記錄核實其實際年齡，以避免僱用任何童工。條款及條件列明於僱傭合約內，供員工在簽訂合約前檢閱，而職責及責任則於招聘前確定。如發現違規，我們將嚴肅處理，視實際情況，按照國家及地方法律法規進行處置。

於報告期間，本集團已遵守有關防止童工或強迫勞工的政策及相關法律及法規。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect B5: Supply Chain Management

The Group works closely with its subcontractors and suppliers who are committed to high quality, environmental, health and safety standards. Policies and procedures for selection and evaluation of subcontractors and suppliers are established for staff to follow. New subcontractors and suppliers are accessed with established criteria for comparison purpose. We carefully evaluate the performance of our subcontractors and suppliers and select them based on a range of factors that are stated in the relevant policies and procedures. We maintain a list of approved subcontractors and suppliers which is updated according to our assessment of their performance on a continuous basis.

We had over 21 (2022:17) subcontractors and 18 (2022:15) suppliers located in Hong Kong during the Reporting Period. We evaluate our subcontractors and suppliers base on a number of factors, including their technical strengths, product quality, quality control effectiveness, pricing, core management team, credit rating, size, reputation, environmental, health and safety standards. Apart from product quality, delivery time and service quality, we evaluate if the suppliers and subcontractors consider the environmental and social criteria including the prohibition on the recruitment of child and forced labour, eliminating discrimination to employees, providing a safe working environment, considering if the products and services provided are beneficial to environmental protection and fulfilling the Group's internal environmental requirement while minimizing the negative impact to natural environment, so as to minimize environmental and social risk that may be encountered, and strictly obeying the law. The Group regularly reviews the updates of policies and laws related to the supply chain, and communicates with internal and external stakeholders to understand and identify potential environmental and social risks within its supply chain. We also conduct annual evaluations on our suppliers and subcontractors. Any suppliers or subcontractors with inferior past records of material environmental or social accidents, such as exploitation of workers, will be removed from the approved subcontractors and suppliers list.

During the Reporting Period, the Group is not aware of any major suppliers having any significant impact on business ethics, environmental protection, human rights and labour practices, nor did any of them have any material non compliances in respect of human rights issues.

層面 B5：供應鏈管理

本集團與分包商及供應商緊密合作，彼等致力於維持高水平的質量、環境、健康及安全標準。我們制定選取及評估分包商及供應商的政策及程序以供員工遵守，按既定準則評估新分包商及供應商以進行比較。我們謹慎評估分包商及供應商的表現，並按照相關政策及程序列明的一系列因素作出選擇。我們保存的核准分包商及供應商清單會根據對彼等表現的評估而持續更新。

於報告期間，我們在香港擁有逾21家（二零二二年：17家）分包商及18家（二零二二年：15家）供應商。我們根據多個因素評估分包商及供應商，包括其技術實力、產品質量、質量控制有效性、定價、核心管理團隊、信用評級、規模、聲譽、環境、健康及安全標準。除產品質量、交貨時間及服務質素外，我們亦會評估供應商及分包商是否考慮環境及社會標準，包括禁止招募童工及強迫勞工、消除員工歧視、提供安全的工作環境、考慮所提供的產品及服務是否有利於環境保護以及滿足本集團內部環境要求，同時盡量減少對自然環境的負面影響，以盡量降低可能遇到的環境及社會風險，並嚴格遵守法律。本集團定期審視供應鏈相關政策及法律的最新發展，並與內部及外部持份者進行溝通，以了解及識別供應鏈內潛在環境及社會風險。我們亦對供應商及分包商進行年度評估。任何過往重大環境或社會事故（例如剝削工人）記錄欠佳的供應商或分包商將從認可分包商及供應商名單中除名。

於報告期間，本集團並不知悉任何主要供應商對商業道德、環境保護、人權及勞工慣例有任何重大影響，亦無任何主要供應商在人權問題上有任何重大違規行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect B6: Product Responsibility

Quality control on projects

Achieving and maintaining high quality standards for projects are utmost important for sustainable growth of the Group. The Group believes completing works that meet or exceed customer's requirements is crucial not only for E&M engineering safety, but also for job reference and future business opportunities. The Group is liable for the works carried out by us and our subcontractors. We ensure that each project is completed in accordance with the specifications set out for the project. Our project directors closely monitor the progress of each project to ensure that our services (i) meet our customer's requirements; (ii) are completed within the time stipulated in the contract and the budget allocated for the project; (iii) comply with all relevant rules and regulations; and (iv) meet high quality and sustainable requirements. Our project directors will monitor overall work quality and project progress and perform on-site inspections and supervise site workers regularly. Our project directors will timely inform our executive Directors of the project status and any quality issues arising from project execution. The Group's insistence on quality was recognised, and the Group was awarded the ISO9001:2015 quality management system certification, valid until September 2026. The Group is committed to developing a sustainable culture to pursue continuous improvement on quality rather than adopting a short-term and project-based approach. We hold management review meetings regularly to review operations resources, follow up on customers' feedback and complaints, and identify areas for improvement.

In addition, the Group, together with the Architect/Clerk of project from main contractor and customers, will conduct on-site acceptance testing of all projects to ensure that they have been completed in accordance with contractual requirements and regulations. If any defects detected within the defect liability period, the project manager would investigate, and workers will be arranged to address the defects. During the Reporting Period, the Group did not receive any material service-related complaints and there are significant no cases of product recalls.

層面 B6：產品責任

項目質量監控

實現並維持項目的高質素標準對本集團的可持續增長極為關鍵。本集團認為，完成符合或超過客戶要求的工程，不僅對機電工程的安全性極為重要，亦對工作履歷及未來商機有著重大影響。本集團須為我們及分包商進行的工程負責。我們保證根據項目所訂明的規格完成各項目。項目總監密切監察各個項目的進度，以確保我們的服務(i)符合客戶的要求；(ii)在合約訂明的時限及項目獲分配的預算內完成；(iii)遵守所有相關規則及法規；及(iv)符合優質及可持續要求。項目總監將監察整體工程質量及項目進度，定期視察工地並監督地盤工人。項目總監將及時知會執行董事有關項目狀況及項目執行過程中產生的任何質量問題。本集團對質量的堅持得到認可，獲得ISO9001：2015質量管理體系認證，有效期至二零二六年九月。本集團致力於發展可持續文化，以追求質量的持續改進，而非採用基於短期及個別項目的做法。我們定期召開管理審閱會議，審查營運資源，跟進客戶回饋及投訴，並確定需要改進的範疇。

此外，本集團連同總承建商及客戶的項目建築師／文員，將對所有項目進行現場驗收測試，以確保其已根據合約要求及法規完成。倘於缺陷責任期內發現任何缺陷，項目經理將進行調查，並將安排工人解決缺陷。於報告期間，本集團並無收到重大服務相關投訴，且無重大產品召回案例。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Materials and consumables

We closely monitor the quality of materials and consumables we purchase. Our procurement staff will ensure that they are sourced from our approved list of suppliers. We conduct quality control checking on HVAC systems and other types of materials and consumables we procured prior to applying them for installation to ensure the quality of the materials and consumables used in our project. Such quality control checking typically involves: (i) whether the quantity is correct; (ii) whether there is any observable defect; and (iii) whether it functions normally. Any defective products or products that fall short of the product specifications would be returned to the suppliers for replacement. Our customers would also inspect the materials used by us at work sites and verify the specifications from time to time.

Subcontractors and workers

We may be liable to our customers for the performance of our subcontractors and we may also be liable to any potential employee compensation claims and personal injuries claims made by our or our subcontractors' employees arising from work injuries that may happen from time to time, in order to ensure that our subcontractors comply with the contractual requirements and the relevant laws and regulations, we require our subcontractors to follow our internal control measures in relation to quality control safety and environmental compliance. Our project directors conduct regular site inspections to ensure general compliance by our own workers as well as our subcontractors in quality, safety and environmental requirements. During project implementation, our project team regularly meets with our subcontractors and closely monitors their work progress and performance as well as their compliance with our safety measures and quality standards.

物料及耗材

我們密切監察所採購物料及耗材的質量。我們的採購員將確保從核准供應商名單作出採購。為確保項目所用物料及耗材的質量，我們會於安裝前對採購的暖通空調系統以及其他類型的物料及耗材進行質量監控查驗。質量監控查驗工作一般針對：(i)數量是否正確；(ii)有否存在任何可見缺陷；及(iii)能否正常運作。任何有缺陷的產品或不符合產品規格的產品將退還供應商更換。客戶亦將不時於施工現場檢查我們所使用的物料及核實其規格。

分包商及工人

我們可能須就分包商的表現對客戶負責，亦可能須就本身僱員或分包商僱員不時因工傷而提出的任何潛在僱員賠償申索及人身傷害申索負責。為確保分包商遵守合約規定以及相關法律及規例，我們要求分包商遵循我們有關質量監控、安全及環境合規的內部監控措施。我們的項目總監定期視察現場以確保我們的工人及分包商全面遵守質量、安全及環境規定。項目施工期間，我們的項目團隊與分包商定期會面，並密切監察其工程進度及表現以及彼等遵守安全措施及質量標準的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In order to achieve high quality in each aspect of our operation, we rely on our management team which has extensive industry knowledge and project experience in the HVAC engineering and services market in Hong Kong. Our members of senior management have over 20 years of experience in the HVAC engineering and services market. Their experience and extensive knowledge in this market enable our Group to enjoy in-depth understanding of the local market dynamism and industry practice. Our technical team, in particular, our project directors who are assisted by a team of experienced project management staff, have over 10 years of experience in the E&M engineering works industry. Our directors and senior management possess substantial experience, industry insight, technical skills and knowledge and project management experiences to lead and execute high quality works for sizeable projects with stringent project requirements, which serve as our major competitive edge over other market players, bringing custom knowledge and commitment to quality have been and will continue to be our Group's valuable assets and strive our Group towards greater success.

For our quality control measure over our subcontractors and suppliers, please refer to aspect "B5: Supply Chain Management" in this Report for further details.

During the Reporting Period, there were no significant disputes between our Group and our customers in respect of the quality of work performed by us or our subcontractors.

Intellectual Property Rights

The Group protects its intellectual property rights by registration of domain names in Hong Kong. Such domain name is renewed upon its expiration. The Group understands and complies with the intellectual property ("IP") rights related regulations. During the Reporting Period, there was no material infringement of the IP rights and the Group is confident that all reasonable measures have been taken to prevent any infringement of its IP rights and the IP rights of third parties.

我們依賴於香港暖通空調工程及服務市場累積豐富行業知識及項目經驗的管理團隊達致各方面的優質營運。我們的高級管理人員於暖通空調工程及服務市場擁有逾20年經驗。彼等的市場經驗及豐富知識有助本集團深入了解本地市場趨勢及行業慣例。我們的技術團隊(特別是得到由多名資深項目管理人員組成的團隊協助的項目總監)於機電工程業積逾10年經驗。我們的董事及高級管理人員擁有豐富經驗、行業洞察力、技術技能與知識及項目管理經驗，足以領導及執行大型項目具備嚴格要求的高質素工程，並構成我們優於其他市場同業的主要競爭優勢，而我們對行業知識及質量的承諾一直並將繼續構成本集團的寶貴資產，有助帶領本集團取得更大成就。

有關我們對分包商及供應商採取的質量監控措施詳情，請參閱本報告層面「B5：供應鏈管理」。

於報告期間，本集團與客戶之間並無發生有關我們或分包商所進行工程質量的重大糾紛。

知識產權

本集團通過於香港註冊域名保護其知識產權。該域名於到期時續新。本集團了解並遵守知識產權(「知識產權」)相關規定。於報告期間，本集團並無重大侵犯知識產權情況，且本集團相信已採取一切合理措施防止侵犯其知識產權及第三方知識產權。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Data protection and privacy policies

Employees are generally required to follow the confidentiality clause as stated in the staff handbook and employment contract, which requesting employees not to disclose any trade secret or other confidential information concerning the business or affairs of our Group except for the benefit of the Group with further authorization. All customers' or suppliers/subcontractors' confidential information is only accessible to employees who are responsible for the corresponding project. Without the permission of the related customers or suppliers/subcontractors, the Group will not provide any confidential information to any cooperative partners. Also, all contracts and letters of tenders are kept in locked cabinets, while projects server could only be accessed by the corresponding team members. Only certain staff, such as Project Director or Accounting Manager, could be permitted to see those files, so as to maximise the security of data for customers, suppliers and subcontractors.

Compliance with relevant laws and regulations

Actively identifying compliance issues and remediating the findings of investigations can prevent problems from escalating. Therefore, we keep a close eye on the updates of the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong), the Construction Industry Council Ordinance (Chapter 587 of the Laws of Hong Kong), the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) and other relevant regulations to revise our policies and operations accordingly to prevent any malpractice. The Group is not aware of any material non-compliance with relevant laws and regulations that have a significant impact relating to health and safety, advertising, labelling and privacy matters regard to products and services provided by the Group during the Reporting Period.

資料保護及保密政策

僱員通常須遵守員工手冊及僱傭合約所載的保密條款，當中禁止僱員披露有關本集團業務或事務的任何商業機密或其他機密資料，惟為本集團利益並獲得進一步授權者除外。只有負責相關項目的僱員方可能訪問所有客戶或供應商／分包商的機密資料。未經相關客戶或供應商／分包商許可，本集團不會向任何合作夥伴提供任何機密資料。此外，所有合約及標書均存置在鎖上的櫃內，而項目伺服器僅可由相應的團隊成員訪問。只有若干員工，例如項目總監或會計經理，才可獲許可查看有關文件，最大限度保障客戶、供應商及分包商的資料安全。

遵守相關法律法規

我們積極識別合規問題，並對調查結果進行補救，以防止問題升級。因此，我們密切關注《建築物條例》(香港法例第123章)、《建造業議會條例》(香港法例第587章)、《個人資料(私隱)條例》(香港法例第486章)及其他相關法規的更新，以相應修訂我們的政策及營運，防止任何不當行為。於報告期間，本集團並不知悉任何對本集團所提供產品及服務的健康及安全、廣告、標籤及隱私事宜產生重大影響的相關法律法規的重大違規行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Aspect B7: Anti-Corruption

To ensure operation efficiency and employees' development in a fair and honest working environment, the Group has formulated whistleblowing policy to avoid suspected corruption and provided channel such as by letter, meeting, email or phone call for employees to report suspected corruption. If there are any suspected case related to corruption, employees are encouraged to report the related cases through the mentioned channels. All these practical actions not only win the trust of customers, but also enhance the sense of belonging and fair play among our employees. During the Reporting Period, the Group regularly organized online trainings on anti-corruption for directors and staff to strengthen the relevant management on the prevention, implementation and oversight of anti-corruption measures in the Group. During the Reporting Period, a total of 8 individuals participated in training for a total of 11 hours.

The Group has been in strict compliance with law and regulation related to anti-corruption. During the Reporting Period, there was no legal case regarding corrupt practices brought against the Group or its employees.

Aspect B8: Community Investment

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationship with our stakeholders and seek to make contributions to programs that have a positive impact on community development. Labour needs, health and culture will be the focus areas of our community investment strategy.

During the Reporting Period, the Group made donation of approximately HK\$70,000 to the Association for the Rights of Industrial Accident Victims("工業傷亡權益會") in order to support workers' welfare, healthcare, and industry development, while the Group donated approximately HK\$55,000 to certain local charitable organizations in the corresponding period in 2022.

層面 B7：反貪污

為確保營運效率及僱員可於公平廉潔之工作環境中發展，本集團制定舉報政策，避免涉嫌貪污的情況，並為員工提供舉報涉嫌貪污的渠道，包括通過信函、會議、電郵或電話等方式。倘有任何涉及疑似貪污的情況，僱員應通過上述渠道報告。所有該等實際行動不僅贏得客戶的信任，亦增強僱員的歸屬感及促進公平作業。於報告期間，本集團定期組織董事及員工反貪污網上培訓，以加強對本集團反貪污措施預防、執行及監督的相關管理。於報告期間，合共8名僱員參與培訓，合共11小時。

本集團一直嚴格遵守有關反貪污的法律及法規。於報告期間，並無針對本集團或其僱員提出的任何貪污法律訴訟。

層面 B8：社區投資

作為一間對社會負責的公司，本集團致力了解我們營運所在社區的需要。本集團努力與持份者發展長期關係，並竭力為推動社區發展的項目作出貢獻。勞工需求、健康及文化將為我們社區投資策略的重點領域。

於報告期間，本集團向工業傷亡權益會捐款約70,000港元，以支持工人的福利、醫療及行業發展，而本集團於二零二二年同期亦向若干本地慈善機構捐款約55,000港元。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
KPI A1.4 關鍵績效指標 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)。	“Emissions” 「排放物」 51
KPI A1.5 關鍵績效指標 A1.5	Description of emission target(s) set and steps taken to achieve them. “Emissions” 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。	“Emissions” 「排放物」 45–47
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them. 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。	“Emissions” 「排放物」 45–47
Aspect A2: Use of Resources 層面 A2：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。	“Use of Resources” 「資源使用」 49–51
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh) 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(以千瓦時計算)及密度(如以每產量單位、每項設施計算)。	“Use of Resources” 「資源使用」 50
KPI A2.2 關鍵績效指標 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)。	“Use of Resources” 「資源使用」 51
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them. 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。	“Use of Resources” 「資源使用」 52–53

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標		Section 章節	Page 頁次
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them. 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。	“Use of Resources” 「資源使用」	52–53
KPI A2.5 關鍵績效指標 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）每生產單位估量。	“Use of Resources” 「資源使用」	51
Aspect A3: The Environment and Natural Resources 層面 A3：環境及天然資源			
General Disclosure 一般披露	Policies on minimizing 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。	“The Environment and Natural Resources” 「環境及天然資源」	53
KPI A3.1 關鍵績效指標 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。	“The Environment and Natural Resources” 「環境及天然資源」	53
Aspect A4: Climate Change 層面 A4：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。	“Climate Change” 「氣候變化」	54–59
KPI A4.1 關鍵績效指標 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。	“Climate Change” 「氣候變化」	54–59

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
Social 社會		
Aspect B1: Employment 層面 B1：僱傭		
General Disclosure 一般披露	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.</p> <p>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：</p> <p>(a) 政策資料；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>“Employment” 「僱傭」</p> <p>60</p>
KPI B1.1 關鍵績效指標 B1.1	<p>Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.</p> <p>按性別、僱傭類別（如全職或兼職）、年齡組別及地區劃分的僱員總數。</p>	<p>“Employment” 「僱傭」</p> <p>61</p>
KPI B1.2 關鍵績效指標 B1.2	<p>Employee turnover rate by gender, age group and geographical region.</p> <p>按性別、年齡組別及地區劃分的僱員流失率。</p>	<p>“Employment” 「僱傭」</p> <p>62</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標		Section 章節	Page 頁次
Aspect B2: Health and Safety 層面 B2：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) 政策資料；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	“Health and Safety” 「健康與安全」	62–64
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過往三年（包括報告年度）每年因工亡故的人數及比率。	“Health and Safety” 「健康與安全」	64
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 因工傷損失工作日數。	“Health and Safety” 「健康與安全」	64
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, and 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。	“Health and Safety” 「健康與安全」	63–64
Aspect B3: Development and Training 層面 B3：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。	“Development and Training” 「發展及培訓」	65

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次	
KPI B3.1 關鍵績效指標 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。	“Development and Training” 「發展及培訓」	65
KPI B3.2 關鍵績效指標 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。	“Development and Training” 「發展及培訓」	66
Aspect B4: Labour Standards 層面 B4：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動的： (a) 政策資料；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	“Labour Standards” 「勞工準則」	66
KPI B4.1 關鍵績效指標 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迫勞工。	“Labour Standards” 「勞工準則」	66
KPI B4.2 關鍵績效指標 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。	“Labour Standards” 「勞工準則」	66

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標		Section 章節	Page 頁次
Operating Practices 營運慣例			
Aspect B5: Supply Chain Management 層面 B5：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。	"Supply Chain Management" 「供應鏈管理」	67
KPI B5.1 關鍵績效指標 B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	"Supply Chain Management" 「供應鏈管理」	67
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and 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。	"Supply Chain Management" 「供應鏈管理」	67
KPI B5.3 關鍵績效指標 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。	"Supply Chain Management" 「供應鏈管理」	67
KPI B5.4 關鍵績效指標 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。	"Supply Chain Management" 「供應鏈管理」	67

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
Aspect B6: Product Responsibility 層面 B6：產品責任		
General Disclosure 一般披露	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</p> <p>relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p> <p>有關所提供產品和服務的健康與安全、宣傳、標籤及私隱事宜以及補救方法的：</p> <p>(a) 政策資料；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>“Product Responsibility” 「產品責任」</p> <p>68–71</p>
KPI B6.1 關鍵績效指標 B6.1	<p>Percentage of total products sold or shipped subject to recalls for safety and health reasons.</p> <p>已售或已運送產品總數中因安全與健康理由而須召回的百分比。</p>	<p>“Product Responsibility” 「產品責任」</p> <p>68</p>
KPI B6.2 關鍵績效指標 B6.2	<p>Number of products and service related complaints received and how they are dealt with.</p> <p>接獲關於產品及服務的投訴數目以及應對方法。</p>	<p>“Product Responsibility” 「產品責任」</p> <p>68</p>
KPI B6.3 關鍵績效指標 B6.3	<p>Description of practices relating to observing and protecting intellectual property rights.</p> <p>描述與維護及保障知識產權有關的慣例。</p>	<p>“Product Responsibility” 「產品責任」</p> <p>70</p>
KPI B6.4 關鍵績效指標 B6.4	<p>Description of quality assurance process and recall procedures.</p> <p>描述質量檢定過程及召回程序。</p>	<p>“Product Responsibility” 「產品責任」</p> <p>68–69</p>
KPI B6.5 關鍵績效指標 B6.5	<p>Description of consumer data protection and privacy policies, and how they are implemented and monitored.</p> <p>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>	<p>“Product Responsibility” 「產品責任」</p> <p>71</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標		Section 章節	Page 頁次
Aspect B7: Anti-corruption 層面 B7：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、欺詐及清洗黑錢的：	“Anti-Corruption” 「反貪污」	72
	(a) 政策資料；及		
	(b) 遵守對發行人有重大影響的相關法律及規例的資料。		
KPI B7.1 關鍵績效指標 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. 於報告期間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。	“Anti-Corruption” 「反貪污」	72
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistle-blowing procedures, and 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。	“Anti-Corruption” 「反貪污」	72
KPI B7.3 關鍵績效指標 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。	“Anti-Corruption” 「反貪污」	72

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標		Section 章節	Page 頁次
Community 社區			
Aspect B8: Community Investment 層面 B8：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發行人營運所在的社區需要和確保其業務活動會考慮社區利益的政策。	“Community Investment” 「社區投資」	72
KPI B8.1 關鍵績效指標 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)。	“Community Investment” 「社區投資」	72
KPI B8.2 關鍵績效指標 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)。	“Community Investment” 「社區投資」	72

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board has been adamant in upholding high standards of corporate governance to maximize operational efficiency, corporate values and shareholder returns. The Company has adopted and applied the principals of the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company will continue to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

The Company has complied with the code provisions and, where appropriate, the applicable recommended best practices set out in the CG Code throughout the year ended 31 December 2023.

CORPORATE CULTURE

The Board believes that good corporate governance culture is essential in providing a framework for the Company to safeguard the interests of Shareholders, enhance corporate value and formulate its business strategies and policies. Corporate actions are carried out by following the corporate value & spirit of “integrity, compliance and care for stakeholders” in order to achieve continuous success and sustainable growth.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors’ securities transactions.

The Company has made specific enquiry to all Directors regarding the compliance with the Model Code. All Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2023.

BOARD OF DIRECTORS

Board Composition

During the year ended 31 December 2023 and up to the date of this report, the Board comprises:

Executive Directors

Mr. CHEUNG Yuen Tung (Chairman)

Mr. CHEUNG Yuen Chau

Independent non-executive Directors

Mr. PANG Kam Fai, Dickson

Mr. LAU Yu Ching

Mr. LAW Chung Lam, Nelson

The Board’s composition demonstrates a balance of core competence with regard to the business of the Group so as to provide effective leadership and the requisite expertise to the Group. The executive Directors and senior management of the Company have extensive management experience in the Company’s business.

企業管治常規

董事會一直致力維持優良的企業管治標準，藉此提高營運效率、企業價值及股東回報。本公司已採納及應用上市規則附錄14所載企業管治守則（「企業管治守則」）守則條文的原則。本公司將持續提升內部監控系統、加強風險控制管理及鞏固企業管治架構。

截至二零二三年十二月三十一日止整個年度，本公司一直遵守企業管治守則所載守則條文及（倘適合）適用的建議最佳常規。

企業文化

董事會相信，良好的企業管治文化至關重要，為本公司提供保障股東利益、提升企業價值及制訂其業務策略及政策。企業行動秉持「誠信、合規、關懷持份者」的企業價值觀及精神，實現持續成功及可持續發展。

董事的證券交易

本公司已採納上市規則附錄10所載標準守則作為其有關董事證券交易的行為守則。

本公司已就遵守標準守則的情況向全體董事作出特定查詢。全體董事均確認彼等於截至二零二三年十二月三十一日止整個年度內一直遵守標準守則所載的規定標準。

董事會

董事會成員

截至二零二三年十二月三十一日止年度及直至本報告日期，董事會包括：

執行董事

張元通先生(主席)

張元秋先生

獨立非執行董事

彭錦輝先生

劉裕正先生

羅頌霖先生

董事會成員顯示本集團業務的核心競爭力均衡，為本集團提供有效領導及所需專才。執行董事及本公司高級管理人員於本公司業務方面擁有豐富的管理經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The biographical details of the Directors and senior management of the Company are set out in the section headed “Biographies of Directors and Senior Management” on pages 17 to 23 of this annual report, which demonstrate a diversity of skills, expertise, experience and qualifications.

Board Responsibilities

The Board is responsible for leadership and control of the Group, is entrusted with the responsibility to supervise the overall management of the business, including establishing and overseeing the Group’s strategic development, business plans’ financial objectives, capital investment proposals, and assumes the responsibilities of corporate governance of the Group. The Board has delegated the authority and responsibility for implementing its business strategies and managing the daily operations of the Group’s business to the executive Directors and members of senior management.

MECHANISMS TO ENSURE INDEPENDENT VIEWS ARE AVAILABLE TO THE BOARD

The board believes that independent views and input can enhance the Board’s decision-making process and therefore make fair and proper decisions and corporate actions.

The Company has established mechanisms to ensure independent views and input are available to the Board which, including but not limited to, the composition of the Board and Board committees, ensure the independence of all independent non-executive directors, emphasis on independence in the decision-making process, compensation structure, availability of independent professional advice and opinions.

The Board will conduct a review annually to ensure the implementation and effectiveness of the aforesaid mechanisms.

Chairman and Chief Executive

Code provision A.2.1 of the CG Code requires that the responsibilities between the chairman and the chief executive officer should be segregated.

The two positions are held separately by two individuals to ensure their respective independence, accountability and responsibility. Mr. CHEUNG Yuen Tung (“**Mr. Tony Cheung**”) is the chairman of the Board and Mr. CHEUNG Yuen Chau (“**Mr. Gary Cheung**”) is the chief executive officer of the Company. Mr. Tony Cheung is in charge of the management of the Board and strategic planning of the Group. Mr. Gary Cheung is responsible for the day-to-day management of the Group’s business. The Company considered that the division of responsibilities between the chairman and chief executive officer is clearly established.

董事及本公司高級管理人員的履歷詳情載於本年報第17至23頁「董事及高級管理人員履歷」一節，當中載列彼等的多元化技能、專業知識、經驗及資格。

董事會職責

董事會負責領導及控制本集團，並監督業務的整體管理，包括制定及監察本集團策略發展、業務規劃、財務目標、資本投資提案，亦負責本集團的企業管治。董事會向執行董事及高級管理人員授予權力及職責，以實施業務策略及管理本集團業務的日常營運。

確保董事會獲得獨立意見的機制

董事會相信獨立的觀點及意見可加強董事會的決策過程，從而作出公平適當的決定及企業行動。

本公司已建立機制確保董事會可獲得獨立的觀點及意見，包括但不限於董事會及董事委員會的組成，確保所有獨立非執行董事的獨立性，強調決策過程、薪酬結構、獨立專業建議及意見的獨立性。

董事會將每年進行一次檢討，確保上述機制的實施及成效。

主席及行政總裁

企業管治守則守則條文A.2.1規定，主席及行政總裁的職責須予區分。

該兩個職位分別由兩名人士擔任以確保彼等各自的獨立性、問責性及職責。主席張元通先生（「**張元通先生**」）為董事會主席，而張元秋先生（「**張元秋先生**」）為本公司行政總裁。張元通先生負責管理董事會及本集團的策略部署。張元秋先生負責本集團業務的日常管理工作。本公司認為主席及行政總裁的職責已有清晰劃分。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Meetings

The Board meets approximately quarterly and on other occasions when warranted by circumstances. During the year ended 31 December 2023, the Board held four meetings. Notice for regular Board meetings are given to each Director at least fourteen days prior to the meeting whereby the Directors can put forward their proposed items into the agenda. The agenda and the relevant Board papers are then circulated to the Directors three days before the Board meeting in order to enable the Directors to make informed decisions. For other Board meetings, reasonable notices are given.

In addition to regular Board meetings, under code provision A.2.7 of the Listing Rules, the chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present (the “**Chairman and Non-executive Directors Meeting**”). During the year, one Chairman and Non-executive Directors Meeting was held.

Number of meetings and Director’s attendance

Details of the Directors’ attendance at the meetings of the Board, the audit committee, the remuneration committee, the nomination committee and the Chairman and Non-executive Directors Meeting held during the year are set out below:

		Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Chairman and Non-executive Directors Meeting
		董事會會議	審核委員會會議	薪酬委員會會議	提名委員會會議	主席與非執行董事會議
Executive Directors	執行董事					
Mr. CHEUNG Yuen Tung	張元通先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. CHEUNG Yuen Chau	張元秋先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Independent non-executive Directors	獨立非執行董事					
Mr. PANG Kam Fai, Dickson	彭錦輝先生	4/4	2/2	1/1	1/1	1/1
Mr. LAU Yu Ching	劉裕正先生	4/4	2/2	1/1	1/1	1/1
Mr. LAW Chung Lam, Nelson	羅頌霖先生	4/4	2/2	1/1	1/1	1/1

董事會會議

董事會大約每季及於有需要的其他情況下舉行會議。截至二零二三年十二月三十一日止年度，董事會共舉行四次會議。本公司會在會議舉行前最少十四日向各董事發出定期董事會會議通告，而董事可將其建議項目加入會議議程。會議議程及有關董事會會議文件將在董事會會議舉行前三日供董事傳閱，以便董事在會上作出知情決定。其他董事會會議則會發出合理通知。

除定期董事會會議外，根據上市規則守則條文 A.2.7，主席應至少每年於執行董事避席的情況下與非執行董事（包括獨立非執行董事）舉行會議（「**主席與非執行董事會議**」）。年內，本公司共舉行一次主席與非執行董事會議。

會議次數及董事出席情況

董事於年內所舉行的董事會、審核委員會、薪酬委員會、提名委員會及主席與非執行董事會議的出席情況載列如下：

CORPORATE GOVERNANCE REPORT

企業管治報告

Relationship amongst Directors

Save for (i) Mr. Tony Cheung is the brother of Mr. Gary Cheung and (ii) on 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert; the Board members have no financial, business, family or other material/relevant relationships with each other.

Independent non-executive Directors

The independent non-executive Directors are appointed for a specific term. Pursuant to the Company's Articles of Association, one-third of the Directors (including independent non-executive Directors) are subject to retirement by rotation and re-election at the annual general meeting at least once every three years.

Independence of Independent non-executive Directors

In determining the independence of the independent non-executive Directors, the Board follows the guidelines as set out in the Rule 3.13 of the Listing Rules. The Company has received annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and concluded that all independent non-executive Directors are independent.

Continuous Professional Development of Directors

Each Director receives a comprehensive, formal and tailored induction package to ensure that he understands the business and operations of the Group and is sufficiently aware of his responsibility and obligation under the Listing Rules and relevant regulatory requirements.

The Directors are kept informed on the developments of the statutory and regulatory regime, and the changes in the business markets so as to facilitate them to fulfil their responsibilities and obligations under the Listing Rules and relevant statutory requirements. Continuing briefings and professional development for Directors will be arranged by the Company when considered necessary.

董事之間的關係

除(i)張元通先生為張元秋先生的胞兄及(ii)於二零一八年三月十二日，張元通先生及張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士外，董事會成員之間並無財務、業務、家庭或其他重大／相關關係。

獨立非執行董事

獨立非執行董事設有固定任期。根據本公司的組織章程細則，三分之一董事(包括獨立非執行董事)須至少每三年於股東週年大會上輪席退任及重選連任一次。

獨立非執行董事的獨立性

於釐定獨立非執行董事的獨立性時，董事會遵從上市規則第3.13條所載列的指引。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認，並認為所有獨立非執行董事均為獨立人士。

董事持續專業發展

各董事將獲全面、正式及度身訂造的就職安排，藉此確保彼等充分了解本集團的業務及運作，以及於上市規則及相關監管規定下的職責及責任。

董事獲告知法定及監管制度的最新發展以及商業市場的變動，從而協助彼等履行上市規則及相關法定規定下的職責及責任。本公司會於認為必要時持續為董事安排簡報會及專業發展活動。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2023, according to the records provided by the Directors, the individual training record of each Director received for the year is summarised below:

截至二零二三年十二月三十一日止年度，根據董事提供的記錄，各董事於年內接受的個別培訓記錄概要如下：

		Attending training courses/seminars/reading materials relevant to the director's duties 出席與董事職責有關的培訓課程／研討會／閱讀材料
Mr. CHEUNG Yuen Tung	張元通先生	✓
Mr. CHEUNG Yuen Chau	張元秋先生	✓
Mr. PANG Kam Fai, Dickson	彭錦輝先生	✓
Mr. LAU Yu Ching	劉裕正先生	✓
Mr. LAW Chung Lam, Nelson	羅頌霖先生	✓

BOARD COMMITTEES

The Board established an audit committee (the “**Audit Committee**”), a remuneration committee (the “**Remuneration Committee**”) and a nomination committee (the “**Nomination Committee**”) in June 2018 (collectively, the “**Board Committees**”). The term of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the websites of the Company and the Stock Exchange. Members of the Board Committees are provided with sufficient resources to fulfil their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

Audit Committee

The current members of the Audit Committee are:

Mr. LAU Yu Ching (*Chairman*)
Mr. PANG Kam Fai, Dickson
Mr. LAW Chung Lam, Nelson

All members of the Audit Committee are independent non-executive Directors who possess sufficient accounting and financial management expertise and relevant experience to fulfil their duties.

董事委員會

董事會於二零一八年六月成立審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會（「**提名委員會**」）（統稱「**董事委員會**」）。審核委員會、薪酬委員會及提名委員會的職權範圍已登載本公司及聯交所網站。董事委員會成員將就履行職責獲得充足資源，並可於適當情況下提出合理要求，以取得獨立專業意見，費用由本公司承擔。

審核委員會

審核委員會目前成員包括：

劉裕正先生 (*主席*)
彭錦輝先生
羅頌霖先生

審核委員會的全部成員均為獨立非執行董事，擁有履行職責所需的充足會計及財務管理專業知識及相關經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Audit Committee serves as a focal point of communication between the Directors, the external auditors and the internal auditors with regards to their duties relating to financial and other reporting, internal controls, external and internal audits and assisting the Board in fulfilling its responsibilities by providing independent review and supervision of financial reporting, by satisfying itself as to the effectiveness of the internal controls of the Group, and as to the adequacy of the external and internal audits.

During the year, two Audit Committee meetings were held, inter alia, to review the 2022 annual results and the 2023 interim results of the Group. The attendance records are set out under the section headed "Number of meetings and Directors' attendance" in this report.

Remuneration Committee

The current members of the Remuneration Committee are:

Mr. PANG Kam Fai, Dickson (*Chairman*)
Mr. LAU Yu Ching
Mr. LAW Chung Lam, Nelson

All members of the Remuneration Committee are independent non-executive Directors.

The Remuneration Committee is mainly responsible for reviewing and making recommendations to the Board in relation to the remuneration packages and benefits of the Directors and the senior management of the Company to ensure the relevant individuals are fairly rewarded in light of their contribution to the Company with reference to their performance, and that they receive suitable incentives to maintain high standards of performance and to improve the Group's and their own performance. In connection with the review of the remuneration package, no Director shall be involved in deciding his own remuneration.

During the year ended 31 December 2023, one Remuneration Committee meeting was held, inter alia, to review the Company's remuneration policies, remuneration structure and remuneration packages of the Directors and senior management of the Company. The attendance records are set out under the section headed "Number of meetings and Directors' attendance" in this report.

審核委員會擔當董事、外部核數師及內部核數師有關彼等財務及其他匯報、內部監控、內外部審核職責的溝通橋樑，並透過獨立檢討監察財務匯報、本集團內部監控的成效以及內外部審核的充足性，藉此協助董事會履行職責。

年內，審核委員會共舉行二次會議，以(其中包括)審閱本集團二零二二年年度業績及二零二三年中期業績。出席記錄載於本報告「會議次數及董事出席情況」一節。

薪酬委員會

薪酬委員會目前成員包括：

彭錦輝先生(主席)
劉裕正先生
羅頌霖先生

薪酬委員會的全部成員均為獨立非執行董事。

薪酬委員會主要負責檢討董事及本公司高級管理人員的薪酬待遇及福利，並就此向董事會提出建議，確保相關人士就各自的表現及對本公司的貢獻獲得公平報酬及適當激勵，以維持高標準的表現以及改善本集團及彼等自身的表現。就檢討薪酬待遇而言，董事並不參與釐定自身的薪酬。

截至二零二三年十二月三十一日止年度，薪酬委員會共舉行一次會議，以(其中包括)審閱本公司薪酬政策、董事及本公司高級管理人員的薪酬架構及薪酬待遇。出席記錄載於本報告「會議次數及董事出席情況」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration paid to senior management

Remuneration paid to senior management of the Company for the year ended 31 December 2023 by band are as follows:

支付予高級管理人員的薪酬

截至二零二三年十二月三十一日止年度，支付予本公司高級管理人員的薪酬範圍如下：

	Number of staff 員工數目
HK\$nil–HK\$1,000,000	3
零港元至 1,000,000 港元	

Nomination Committee

The current members of the Nomination Committee are:

Mr. LAW Chung Lam, Nelson (*Chairman*)
Mr. PANG Kam Fai, Dickson
Mr. LAU Yu Ching

提名委員會

提名委員會目前成員包括：

羅頌霖先生 (主席)
彭錦輝先生
劉裕正先生

All members of the Nomination Committee are independent non-executive Directors.

提名委員會的全部成員均為獨立非執行董事。

The Nomination Committee is mainly responsible for, amongst other things, (i) reviewing the Board's diversity policy and the measurable objectives set by the Board for implementing the Board's diversity policy annually, and making recommendations to the Board on any proposed changes to the Board according to the Company's corporate strategy; (ii) making recommendations to the Board on the appointment and re-appointment of Directors and succession planning for Directors; (iii) identifying individuals suitable to be qualified as Board members; (iv) assessing the independence of independent non-executive Directors annually; and (v) deciding whether or not a Director is able to and has adequately carried out his duties as a Director.

提名委員會主要負責(其中包括)(i)每年檢討董事會的多元化政策及董事會為實施董事會成員多元化政策制定的可計量目標，以及根據本公司的公司策略就董事會的任何建議變動向董事會提出建議；(ii)就董事委任及續任以及董事的繼任計劃向董事會提出推薦建議；(iii)物色具備合適資格可擔任董事會成員的人士；(iv)每年評估獨立非執行董事的獨立性；及(v)決定董事是否能夠並充分履行其董事職責。

The Board has adopted a Board diversity policy setting out the approach to the diversification of Board members since 2018. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirement of the Company's business. All Board appointment will continue to be made on a merit basis with due regards for the benefits of diversity of the Board members. Selection of candidates will be based on a range of perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

董事會自二零一八年起採納董事會成員多元化政策，當中載列為達致董事會成員多元化而採取之方針。本公司了解及深信董事會成員多元化的好處，並致力確保董事會就適合本公司業務所需的技能、經驗和多元化見解方面取得平衡。董事會所有委任將繼續以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選人選將按一系列範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終將按特定人選的長處及可為董事會提供的貢獻作出決定。

CORPORATE GOVERNANCE REPORT

企業管治報告

As of the date of this annual report, the Company had a total of 5 Directors. The Directors have a balanced mix of experiences, including overall management and strategic development, quality assurance and control, business and risk management, and finance and accounting experiences in addition to corporate legal affair experiences.

The Company currently does not have female Director. To achieve the aim of gender diversity of the Board, the Company will endeavor to recommend at least one female Director for approval by the Shareholders by the mid of 2024. The Nomination Committee will be responsible for identifying suitable female candidates and providing their recommendations to the Board on at least an annual basis. Subject to (i) the Board being satisfied with the background, qualification and experience of the relevant candidate(s) and their potential contributions to the development of the Group, (ii) the Directors fulfilling their fiduciary duties to act in the best interest of our Company and the Shareholders as a whole when making the relevant recommendation(s), and (iii) the Company's prevailing nomination policy, the Board will recommend the female candidate to the Shareholders for appointment as a member of the Board. However, during the year, the Nomination Committee had not identified a right candidate according to the Company's nomination policy.

As at December 31, 2023, as set out in the section headed "Aspect B1: Employment" in the environmental, social and governance report ("ESG Report") as contained in this annual report, among the 71 employees (including senior management) of the Group, the percentages of male employees and female employees are 80% and 20%, respectively. As the Group is conducting air-conditioning E&M engineering services industry which involve majority of male in site workforce, the Board considers that the Group's workforce (including senior management) are diverse in terms of gender.

During the year ended 31 December 2023, one Nomination Committee meeting was held, inter alia, to review the structure, size, composition and diversity of the Board and to consider, nominate and recommend the appointment and re-appointment of Directors.

於本年報日期，本公司共有五名董事。除公司法律事務經驗外，董事的經驗組合均衡，包括整體管理及戰略發展、質量保證及控制、業務及風險管理，以及財務及會計經驗。

本公司目前沒有女性董事，為達致董事會性別多元化之目標，本公司將致力於二零二四年年中前推薦最少一名女性董事供股東批准。提名委員會將負責至少每年物色合適女性候選人及向董事會作出推薦。在以下情況下，董事會方會向股東推薦女性候選人擔任董事會成員：(i)董事會信納相關候選人之背景、資歷及經驗以及彼等對本集團發展之潛在貢獻、(ii)董事在作出相關推薦時履行其受信責任，以本公司及股東之整體最佳利益行事及(iii)符合本公司當前之提名政策。然而，於本年度，根據本公司之提名政策，提名委員會尚未覓得合適人選。

於二零二三年十二月三十一日，按本年報所載的環境、社會及管治報告（「環境、社會及管治報告」）「層面B1：僱傭」一節所述，在本集團71名僱員（包括高級管理層）當中，男性僱員及女性僱員的比例分別為80%及20%。由於本集團從事空調機電工程服務行業，地盤工作人員大部分為男性，董事會認為本集團的工作團隊（包括高級管理層）在性別上已屬多元化。

截至二零二三年十二月三十一日止年度，提名委員會共舉行一次會議，以（其中包括）檢討董事會的架構、規模、組成及多元化，並考慮、提名及建議董事的委任及續任。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance Functions

The Board has carried out its duties and responsibilities as set out in the CG Code including (i) the development of policies and practices on corporate governance; (ii) monitoring the training and continuous professional development of Directors and senior management of the Company; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct applicable to the employees of the Company and the Directors; and (iv) reviewing compliance of the Company with the CG Code and the disclosure in this report.

ACCOUNTABILITY AND AUDIT

Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility in preparing the consolidated financial statements that give a true and fair view of the state of affairs of the Group and that of the results and cash flows in the relevant financial year. In preparing the financial statements for the year ended 31 December 2023, the Directors have selected appropriate accounting policies, applied them consistently in accordance with appropriate Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and the related interpretations, and made adjustments and estimates are prudent and reasonable.

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

The responsibilities of the external auditors to the Shareholders are set out in the section headed "Independent Auditor's Report" on pages 96 to 103 of this annual report.

Auditors' Remuneration

During the year, the Company's auditor, D & PARTNERS CPA LIMITED, provided to the Company its audit services in relation to the audit of annual financial statements. The audit fee paid/payable to D & PARTNERS CPA LIMITED in respect of the audit services provided was approximately HK\$730,000. There was no non-audit service provided by D & PARTNERS CPA LIMITED during the year.

企業管治職能

董事會已履行企業管治守則所載職責及責任，包括(i)制訂企業管治政策及常規；(ii)監察董事及本公司高級管理人員的培訓及持續專業發展；(iii)檢討及監察本公司有關遵守法律及監管規定的政策及常規、適用於本公司僱員及董事的行為守則；及(iv)檢討本公司遵守企業管治守則的情況及本報告所作披露。

問責及審核

董事就財務報表須承擔的責任

董事了解彼等編製真實公允反映本集團於有關財政年度的業務狀況以及業績及現金流量狀況的綜合財務報表之責任。於編製截至二零二三年十二月三十一日止年度的財務報表時，董事已選擇適當會計政策，並根據適當香港財務報告準則、香港會計準則及相關詮釋貫徹應用政策，且作出審慎合理的調整及估計。

董事負責採取一切合理必要措施保障本集團資產，同時避免及識別詐騙及其他違規行為。董事經作出適當查詢後，認為本集團擁有充足資源在可見將來繼續經營，就此，採納持續經營基準編製綜合財務報表乃適當之舉。

外部核數師對股東的責任載於本年報第96至103頁「獨立核數師報告」一節。

核數師酬金

年內，本公司核數師德博會計師事務所有限公司為本公司的年度財務報表核數提供核數服務。所提供的核數服務之已付／應付給德博會計師事務所有限公司的核數費用約為730,000港元。德博會計師事務所有限公司於年內並無提供非核數服務。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

Ms. Lo Wan Man has been appointed as the company secretary of the Company (the “**Company Secretary**”) since 9 April 2019.

The Company Secretary whose appointment was approved by the Board, is responsible in supporting the Board for ensuring good information flow within the Board and that the Board policy and procedures are followed. The Company Secretary reports to the Chairman on governance matters and has day-to-day knowledge of the Group’s affairs.

During the year ended 31 December 2023, the Company Secretary had duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

SHAREHOLDERS’ RIGHTS

The Group recognises Shareholder’s rights in exercising control proportionate to their equity ownership. As one of the measures to safeguard Shareholders’ interest and rights, separate resolutions are proposed at the Shareholder’s meetings on each substantial issue, including the election of Director(s), for Shareholder’s consideration and voting. All resolutions put forward at Shareholders’ meeting will be voted by way of poll, which is conducted and scrutinised by the Company’s share registrar. Poll results are announced and posted on the website of both the Company and the Stock Exchange.

Shareholders to convene an extraordinary general meeting

Pursuant to Article 58 of the Articles of Association of the Company, Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written request to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specify in such request; and such meeting shall be held within two months after the submission of such request. If within twenty-one days of such submission the Board fails to proceed to convene such meeting, Shareholder(s) may do so in the same manner.

公司秘書

盧韻雯女士於二零一九年四月九日獲委任為公司秘書(「**公司秘書**」)。

公司秘書(其委任乃經董事會批准)負責支援董事會以確保董事會內的資訊交流良好以及遵循董事會政策及程序。公司秘書就管治事宜向主席報告，並了解本集團的日常事務。

截至二零二三年十二月三十一日止年度，公司秘書已嚴格遵守上市規則第3.29條項下的相關培訓規定。

股東權利

本集團認為股東有權行使與其股權擁有權相稱的控制權。作為保障股東權益及權利的一項措施，本公司就各重大事項(包括選舉董事)於股東大會提呈獨立決議案，以供股東考慮及投票。所有於股東大會提呈的決議案將以投票方式表決，並由本公司的股份過戶登記處進行及核對。投票表決的結果將於本公司及聯交所網站公佈及登載。

股東召開股東特別大會

根據本公司組織章程細則第58條，於提請要求當日持有附帶權利在本公司股東大會投票的本公司繳足股本不少於十分之一的股東，可隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的任何事項，且須於提請該要求後兩個月內舉行大會。倘提請後二十一日內董事會未有召開大會，則股東可自行以相同方式召開大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries to the Board in writing to the principal place of business of the Company in Hong Kong or by email for the attention of the secretary of the Company.

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

Pursuant to Article 85 of the Articles of Association of the Company, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a written notice signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a written notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office of the Company or at the share registrar of the Company provided that the minimum length of the period, during which such written notice(s) are given, shall be at least seven days and that (if the written notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such written notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting. Accordingly, if a Shareholder duly qualified to attend and vote at the general meeting of the Company wishes to propose a person for election as a Director at the general meeting, he/she can deposit a signed written notice of the intention to propose a person for election as a Director and a signed written notice by that person of his/her willingness to be elected together with his/her particulars (such as qualification and experience) and information as required to be disclosed under Rule 13.51(2) of the Listing Rules at the head office of the Company at Room 1908, 19th Floor, Cheung Fung Industrial Building, Nos. 23–39 Pak Tin Par Street, Tsuen Wan, New Territories, Hong Kong or at the share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. The period for lodgment of the notices required will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting, and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

將股東的查詢送達董事會的程序

股東可隨時將彼等的書面查詢寄送至本公司的香港主要營業地點以送交董事會，或通過電子郵件方式送交本公司秘書。

股東提名人選參選董事的程序

根據本公司組織章程細則第85條，除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事，除非獲董事推薦參選，或已發出由正式合資格出席大會並可於會上投票的股東（並非擬參選者）簽署的書面通知，表明建議提名相關人士參選董事的意向，亦附上獲提名人士簽署的書面通知表明願意參選，並交予本公司總辦事處或本公司股份過戶登記處，惟通知期限（即發出書面通知的期限）不得少於七日，倘該等書面通知於寄發有關推選董事的股東大會通告後方呈交，則遞交該等書面通知的限期由寄發有關選舉的股東大會通告翌日起至不遲於該股東大會舉行日期前七日結束。因此，倘正式合資格出席本公司股東大會並可於會上投票的股東欲提名人選於股東大會上參選董事，其可向本公司總辦事處（地址為香港新界荃灣白田壩街23–39號長豐工業大廈19樓1908室）或本公司股份過戶登記處卓佳證券登記有限公司（地址為香港夏慤道16號遠東金融中心17樓）提交表明建議提名相關人士參選董事的經簽署書面通知以及獲提名人士簽署表明願意參選的書面通知，連同其詳細資料（例如資格及經驗）及根據上市規則第13.51(2)條須予披露的資料。寄發所需通知的期限由不早於自寄發有關選舉的股東大會通告翌日起至不遲於該股東大會舉行日期前七日結束，而向本公司發出有關通知的最短期限不得少於七日。

CORPORATE GOVERNANCE REPORT

企業管治報告

CONSTITUTIONAL DOCUMENTS

The up-to-date consolidated version of the Memorandum and Articles of Association of the Company (in both English and Chinese) is available on both the websites of the Company and the Stock Exchange. There is no change in the Company's constitutional documents during the year ended 31 December 2023.

ANTI-CORRUPTION POLICY AND WHISTLEBLOWING POLICY

The Group has established (i) policy and measures that promote and support anti-corruption laws and regulations; and (ii) whistleblowing policy and measures for employees, suppliers and business partners to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matter related to the Group. For further details of the Group's anti-corruption and whistleblowing policy and/or measures, please refer to the section headed "Aspect B7: Anti-corruption" of the ESG Report contained in this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has an overall responsibility for maintaining a sound and effective system of risk management and internal control and for reviewing its effectiveness, particularly in respect of the controls of financial, operational, compliance and risk management, to safeguard Shareholders' investment and the Group's assets. The Board should ensure that review of the effectiveness of the Group's risk management and internal control systems has been conducted at least annually.

The Group maintains its internal audit function with the assistance of the Audit Committee and the management of the Company. During the year ended 31 December 2023, the Board has conducted a review on the adequacy and effectiveness of the risk management and internal control system of the Group with the assistance of the Audit Committee and the management of the Company. The Board is satisfied that, based on the information provided and on its own observation, the present risk management and internal control systems are effective and adequate for the nature and size of the Group's operations and business.

憲章文件

本公司組織章程大綱及細則(英文版及中文版)的最新綜合版本可於本公司及聯交所網站查閱。截至二零二三年十二月三十一日止年度,本公司的憲章文件並無變動。

反貪污政策及舉報政策

本集團已制訂(i)有關提倡及支持反貪污法例及規例的政策及措施;及(ii)為僱員、供應商及業務夥伴而設的舉報政策及措施,讓彼等可以保密及匿名方式,向審計委員會提出有關本集團任何事務可能存在不當行為的疑慮。有關本集團反貪污及舉報政策及/或措施的進一步詳情,請參閱本年報所載環境、社會及管治報告內的「層面B7:反貪污」一節。

風險管理及內部監控

董事會全面負責維持健全及有效的風險管理及內部監控系統,並檢討其成效(尤其有關財務、營運、合規及風險管理的監控),以保障股東的投資及本集團資產。董事會應確保至少每年檢討本集團風險管理及內部監控系統成效。

本集團在審核委員會及本公司管理層的協助下維持其內部審核功能。截至二零二三年十二月三十一日止年度,董事會已在審核委員會及本公司管理層的協助下檢討本集團風險管理及內部監控系統的充足程度及成效。董事會信納,基於獲提供的資料及自身的觀察,就本集團運營及業務的性質及規模而言,目前的風險管理及內部監控系統屬有效及適當。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS AND COMMUNICATION WITH SHAREHOLDERS

The Board has established a Shareholders' communication policy to ensure that Shareholders and potential investors are provided with ready, equal and timely access to material information of the Company in order to maintain an on-going dialogue with the Shareholders and to enable the Shareholders to exercise their rights in an informed manner.

The Company communicates information to the Shareholders through different channels, including, among others, its periodical financial announcements and reports, annual general meetings and other general meetings (if any), all the disclosures submitted to the Stock Exchange and its corporate communications and other publications on the Company's website.

The mechanisms utilised by the Company for communication of information with the Shareholders include (i) communication through the Shareholders' enquiries; (ii) posting of relevant information on the Company's website; and (iii) communication at the Shareholders' meetings. Shareholders may also at any time make a request for the Company's publicly available information through the Company's email address (info@manshungroup.com.hk) and enquiry hotlines (852-2633 6866) on the Company's website.

Overall, the Company considers the shareholders' communication policy of the Group to be effective and adequate. The Company will continue to review the implementation and effectiveness of the shareholders' communication policy by shareholders' feedback from the above channel.

投資者關係及股東的溝通

董事會已制定股東通訊政策，以確保股東及潛在投資者均可輕易、平等及適時地取得本公司重要資訊從而與股東保持持續對話並讓股東能夠以知情方式行使其權利。

本公司通過不同渠道向股東傳達信息，其中包括其定期發佈的財務公告及報告、股東週年大會及其他股東大會（如有）、向聯交所提交的所有披露及其公司通訊及其他在本公司網站上刊登的資料。

本公司與股東通訊所採用的機制包括(i)透過股東查詢進行溝通；(ii)在本公司網站上發佈相關信息；及(iii)在股東大會上進行溝通。股東亦可隨時透過本公司的電郵地址（info@manshungroup.com.hk）及本公司網站上的查詢熱線（852-2633 6866）索取本公司的公開資料。

整體而言，本公司認為，本集團的股東溝通政策充分有效。本公司將透過來自上述渠道的股東反饋持續檢討股東溝通政策的落實及有效程度。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report to the shareholders of Man Shun Group (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Man Shun Group (Holdings) Limited ("the Company") and its subsidiaries ("the Group") set out on pages 104 to 184, which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the 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 are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致萬順集團(控股)有限公司股東的 獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

本所已審核載列第104至184頁的萬順集團(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表,包括於二零二三年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括重大會計政策資料及其他解釋資料。

我們認為,綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映 貴集團於二零二三年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審核準則」)進行審核。我們在該等準則下承擔的責任已在本報告核數師就審核綜合財務報表承擔的責任部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)以及與我們審核開曼群島綜合財務報表相關的任何道德要求,我們獨立於 貴集團,並已根據該等要求及守則履行其他道德責任。我們相信,我們所獲得的審核憑證可充分適當地為我們的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Contract accounting estimates

Refer to accounting policies 2(h) and 2(q) and Note 4 to the consolidated financial statements

The Key Audit Matter

關鍵審核事項

The Group recorded revenue from the provision of air-conditioning installation services in Hong Kong totaling HK\$152,950,000 for the year ended 31 December 2023.

截至二零二三年十二月三十一日止年度，貴集團於香港錄得來自提供空調安裝服務的收入合共為152,950,000港元。

Contract revenue is recognised progressively over time using the cost-to-cost method based on the contract costs to date as a percentage of total forecast costs. Contract costs are recognised when work is performed, together with any provisions for expected contract losses.

合約收入乃使用成本比例法，按迄今為止合約成本佔總預期成本的百分比隨時間逐漸確認。合約成本於進行工程時連同預期合約虧損的任何撥備確認。

關鍵審核事項

關鍵審核事項乃我們根據專業判斷，認為對審核本期綜合財務報表最為重要的事項。該等事項乃在我們審核綜合財務報表整體及達致意見時處理，我們不會就該等事項提供獨立意見。

合約會計估計

請參閱綜合財務報表會計政策2(h)及2(q)以及附註4

How the matter was addressed in our audit

我們的審核如何處理有關事項

Our audit procedures to assess contract accounting estimates included the following:

我們就評估合約會計估計進行的審核程包括：

- assessing the design, implementation and operating effectiveness of key internal controls over the contract revenue recognition processes;
- 評估對合約收入確認流程的關鍵內部監控設計、實施及運作成效；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Contract accounting estimates (Continued)

Refer to accounting policies 2(h) and 2(q) and Note 4 to the consolidated financial statements (Continued)

The Key Audit Matter

關鍵審核事項

The recognition of revenue and profit therefore relies on management's estimate of the final outcome of each contract, which involves the exercise of significant management judgement, particularly in forecasting the costs to complete a contract, in valuing contract variations, claims and liquidated and ascertained damages, in estimating the amount of expected losses and in assessing the ability of the Group to deliver services according to the agreed timetable.

因此，確認收入及溢利依賴管理層估計各項合約的最終結果，當中涉及作出重大管理判斷，特別是預測合約完成成本、對合約變動、索償及算定賠償作出估值、估計預期虧損金額，以及評估貴集團根據協定時間表提供服務的能力。

We identified contract accounting estimates as a key audit matter because the estimation of the total contract revenue and total costs to complete contracts is inherently subjective and requires significant management judgement and estimation and because errors in forecast of contract revenue and contract costs could result in a material variance in the amount of profit or loss recognised from contracts to date and, therefore, in current period.

我們將合約會計估計釐定為關鍵審核事項，原因為估計總合約收入及合約完成總成本本身具有主觀性，且須要作出重大的管理層判斷及估計，以及由於錯誤預測合約收入及合約成本可能會導致迄今為止以至於當前期間內就合約確認的損益金額出現重大差異。

關鍵審核事項(續)

合約會計估計(續)

請參閱綜合財務報表會計政策2(h)及2(q)以及附註4(續)

How the matter was addressed in our audit

我們的審核如何處理有關事項

- discussing with management the performance of contracts in progress during the year, on a sample basis, and assessing the key estimates and assumptions adopted in the forecasts for contract revenue and contract costs, including estimated costs to completion, the recognition of variation orders and the adequacy of contingency provisions, and the assessment of potential liquidated and ascertained damages for contracts, by obtaining and evaluating relevant information in connection with the assumptions adopted, including contract agreements and subcontracts, correspondence with customers regarding contract variations and claims and by considering historical outcomes for similar contracts;
- 透過取得及評估與所採用假設有關的資料(包括合約協議及分包合約、客戶有關合約變動及索償的通訊)以及透過考慮類似合約的歷史結果及行內慣例，以抽樣方式與管理層討論年內進行中合約的履行情況，並對預測合約收入及合約成本時採用的關鍵估計及假設提出質疑，包括估計完成成本、確認合約變動、或然撥備的充足性及對合約潛在算定賠償的評估；
- obtaining a detailed breakdown of the total estimated costs to completion for all contracts in progress during the year and comparing, on a sample basis, actual costs incurred and future cost estimates with agreements, certifications or correspondence with subcontractors and suppliers and other documentation referred to by management in its assessment of the estimated costs to completion;
- 取得年內所有進行中合約的估計完成總成本詳盡明細，並以抽樣方式將產生的實際成本及未來費用估計，與分包商及供應商的協議、認證或通訊、管理層在評估估計完成成本時提述的其他文件作比較；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

Contract accounting estimates (Continued)

Refer to accounting policies 2(h) and 2(q) and Note 4 to the consolidated financial statements (Continued)

The Key Audit Matter

關鍵審核事項

關鍵審核事項(續)

合約會計估計(續)

請參閱綜合財務報表會計政策2(h)及2(q)以及附註4(續)

How the matter was addressed in our audit

我們的審核如何處理有關事項

- comparing the contract revenue recognised for contracts in progress during the year, on a sample basis, with reference to the certifications received for the customer, discussing with management for any significant difference;
- 以抽樣方式將就年內進行中合約確認的合約收入與代客戶接收的認證作比較，並與管理層討論任何重大差異；
- performing a retrospective review of contracts completed during the current year by comparing the final outcome of the contracts with previous budgets made for those contracts to assess the reliability of the management's forecasting process; and
- 通過將合約的最終結果與以往就該等合約作出的預算作比較，對本年度完成的合約進行回顧檢討，以評估管理層預測流程的可靠性；及
- inspecting a sample of contract agreements with customers and subcontractors to identify key terms and conditions, including the contract period, the contract sum, the scope of work, and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and costs to complete in the forecast of the outcome of the contracts.
- 檢查與客戶及分包商訂立的合約協議範本，以識別關鍵條款及條件(包括合約期、合約金額、工作範圍)，並評估該等關鍵條款及條件是否適當反映於合約結果預測的估計總收入及完成成本。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors 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.

其他資料

本公司董事須對其他資料負責。其他資料包括年報所載的全部資料，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資料，我們亦不對該等其他資料發表任何形式的鑑證結論。

就我們對綜合財務報表的審核而言，我們的責任為閱讀其他資料，並在此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所了解的情況存在重大矛盾或者似乎存在重大錯誤陳述的情況。

倘基於已執行的工作，我們認為其他資料存在重大錯誤陳述，則我們須要報告該項事實。就此而言，我們並無須要報告的事項。

董事及治理層就綜合財務報表須承擔的責任

董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為就使綜合財務報表的編製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監控負責。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基準，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。

治理層負責監督 貴集團之財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

核數師就審核綜合財務報表承擔的責任

我們旨在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鑑證，並根據我們同意的約定條款，僅向股東整體出具包括我們意見的核數師報告，除此以外，我們的報告書不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。合理鑑證乃高水平的鑑證，但不能保證按照香港審計準則進行的審核，必定能發現存在的某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期錯誤陳述單獨或共同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，則有關錯誤陳述可被視作重大。

於根據香港審計準則進行審核的過程中，我們於整項審核中作出專業判斷及保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，並取得充足適當的審核憑證，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，或凌駕於內部監控之上，因此未能發現因欺詐而導致重大錯誤陳述的風險高於未能發現因錯誤而導致重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計於有關情況下適當的審核程序，但目的並非對貴集團的內部監控成效發表意見。
- 評價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。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

核數師就審核綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基準的恰當性作出結論，並根據所取得的審核憑證，確定於可能導致對 貴集團持續經營能力構成重大疑慮的事件或情況上是否存在重大不確定性。倘我們認為存在重大不確定性，則須於核數師報告提請使用者注意綜合財務報表中的相關披露，或倘有關披露不足，則我們應當發表非無保留意見。我們的結論乃基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致 貴集團不能持續經營。
- 評估綜合財務報表的整體呈列方式、結構和內容，包括披露，以及綜合財務報表是否以公平方式呈列相關交易及事件。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。我們負責 貴集團審核的方向、監督及執行。我們為審核意見承擔全部責任。

除其他事項外，我們與治理層就計劃的審核範圍、時間安排及重大審核發現等進行溝通，包括我們於審核中識別的內部監控任何重大缺陷。

我們亦向治理層提交聲明，說明我們已符合有關獨立性的相關道德要求，並向彼等告知有合理可能被認為會影響我們獨立性的所有關係和其他事項，以及(倘適用)為消除威脅所採取的行動及應用的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

From the matters communicated with the 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 Lau, Ming Tak Simeon.

D & PARTNERS CPA LIMITED
Certified Public Accountants
Lau, Ming Tak Simeon
Practising Certificate Number: P07579

Hong Kong, 27 March 2024

核數師就審核綜合財務報表承擔的責任(續)

與治理層溝通的事項中，我們確定對審核本期綜合財務報表最為重要的事項，因而構成關鍵審核事項。我們於核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期於我們的報告中溝通某事項造成的負面後果超過產生的公眾利益，則我們決定不應於報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人為劉鳴德。

德博會計師事務所有限公司
執業會計師
劉鳴德
執業證書編號：P07579

香港，二零二四年三月二十七日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2023 (Expressed in Hong Kong dollars) 截至二零二三年十二月三十一日止年度(以港元列示)

		Note	2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
		附註		
Revenue	收入	4	152,950	125,087
Cost of services	服務成本		(133,743)	(106,381)
Gross profit	毛利		19,207	18,706
Other income	其他收入	5	10,026	6,297
Administrative expenses	行政開支		(28,465)	(24,691)
Finance costs	財務成本	6(a)	(65)	(60)
Profit before taxation	除稅前溢利	6	703	252
Income tax expense	所得稅開支	7(a)	(23)	(14)
Profit and total comprehensive income for the year	年內溢利及全面收益總額		680	238
Earnings per share (HK cents)	每股盈利(港仙)	11		
— Basic	— 基本		0.07	0.02
— Diluted	— 攤薄		0.07	0.02

The notes on pages 109 to 184 form part of these consolidated financial statements.

第109至184頁的附註構成本綜合財務報表一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2023 (Expressed in Hong Kong dollars) 於二零二三年十二月三十一日 (以港元列示)

			2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	12(a)	2,116	2,419
Current assets	流動資產			
Inventories	存貨	14	2,225	3,108
Trade and other receivables	貿易及其他應收款項	15	51,263	68,161
Contract assets	合約資產	16(a)	28,739	22,254
Pledged bank deposits	已抵押銀行存款	17(e)	-	3,848
Cash at bank and in hand	銀行及手頭現金	17(a)	88,370	64,581
			170,597	161,952
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	18	19,157	11,191
Contract liabilities	合約負債	16(b)	178	728
Lease liabilities	租賃負債	19	1,029	1,049
			20,364	12,968
Net current assets	流動資產淨值		150,233	148,984
Total assets less current liabilities	資產總值減流動負債		152,349	151,403

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2023 (Expressed in Hong Kong dollars) 於二零二三年十二月三十一日 (以港元列示)

			2023 二零二三年	2022 二零二二年
		Note 附註	\$'000 千港元	\$'000 千港元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	19	484	241
Deferred tax liabilities	遞延稅項負債	20(a)	37	14
			521	255
Net assets	資產淨值		151,828	151,148
Capital and reserves	資本及儲備	22		
Share capital	股本		10,000	10,000
Reserves	儲備		141,828	141,148
Total equity	權益總額		151,828	151,148

Approved and authorised for issue by the board of directors on 27 March 2024.

董事會於二零二四年三月二十七日批准及授權刊發。

Cheung Yuen Tung
張元通
Director
董事

Cheung Yuen Chau
張元秋
Director
董事

The notes on pages 109 to 184 form part of these consolidated financial statements.

第109至184頁的附註構成本綜合財務報表一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2023 (Expressed in Hong Kong dollars) 截至二零二三年十二月三十一日止年度 (以港元列示)

		Share capital 股本	Merger reserve 合併儲備 (Note 22(c)(ii)) (附註 22(c)(ii))	Share premium 股份溢價 (Note 22(c)(i)) (附註 22(c)(i))	Retained earnings 保留盈利	Total equity 權益總額
		\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元
At 1 January 2022	於二零二二年一月一日	10,000	2,010	107,850	31,050	150,910
Changes in equity for 2022: 二零二二年權益變動：						
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	238	238
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	10,000	2,010	107,850	31,288	151,148
Changes in equity for 2023: 二零二三年權益變動：						
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	680	680
At 31 December 2023	於二零二三年十二月三十一日	10,000	2,010	107,850	31,968	151,828

The notes on pages 109 to 184 form part of these consolidated financial statements.

第109至184頁的附註構成本綜合財務報表一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2023 (Expressed in Hong Kong dollars) 截至二零二三年十二月三十一日止年度(以港元列示)

			2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
		Note 附註		
Operating activities	經營活動			
Cash generated from/(used in) operations	經營業務所得/(所用)現金	17(b)	19,160	(19,740)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額		19,160	(19,740)
Investing activities	投資活動			
Payment for purchase of property, plant and equipment	購買物業、機器及設備的付款		(189)	(554)
Proceeds from sale of property, plant and equipment	出售物業、機器及設備的所得款項		30	-
Release of pledged bank deposits	解除已抵押銀行存款		3,848	378
Interest received	已收利息		2,446	573
Decrease in time deposits with original maturity over three months	原到期日超過三個月的定期存款減少		-	35,000
Net cash generated from investing activities	投資活動所得現金淨額		6,135	35,397
Financing activities	融資活動			
Capital element of lease rentals paid	已付租賃租金的資本部分	17(c)	(1,441)	(1,842)
Interest element of lease rentals paid	已付租賃租金的利息部分	17(c)	(65)	(60)
Net cash used in financing activities	融資活動所用現金淨額		(1,506)	(1,902)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		23,789	13,755
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物		64,581	50,826
Cash and cash equivalents at the end of the year	年末現金及現金等價物	17(a)	88,370	64,581

The notes on pages 109 to 184 form part of these consolidated financial statements.

第109至184頁的附註構成本綜合財務報表一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

1. GENERAL INFORMATION

Man Shun Group (Holdings) Limited and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the provision of installation of heat, ventilation and air-conditioning system (the “HVAC”) business in Hong Kong. The Company was incorporated in the Cayman Islands on 11 April 2017 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law of 1961, as consolidated and revised) of the Cayman Islands. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 11 July 2018 (the “Listing”).

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), and the requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. Material accounting policies adopted by the Group are set out below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these consolidated financial statements.

1. 一般資料

萬順集團(控股)有限公司及其附屬公司(統稱「本集團」)主要於香港從事提供暖氣、通風及空調系統安裝服務業務(「暖通空調」)。本公司於二零一七年四月十一日根據開曼群島法例第22章公司法(一九六一年法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。於二零一八年七月十一日，本公司股份已於香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

2 重大會計政策

(a) 合規聲明

本綜合財務報表乃按照所有適用的香港財務報告準則(「香港財務報告準則」)編製，包括香港會計師公會(「香港會計師公會」)頒佈的所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋以及香港公司條例的規定。本綜合財務報表亦符合聯交所證券上市規則的適用披露條文。本集團採納的重大會計政策載於下文。

香港會計師公會已頒佈多項香港財務報告準則的修訂，其於本集團目前會計期間首次生效或可供提早採納。附註2(c)載列因初次應用與本集團有關，並已反映於本會計期間綜合財務報表的新訂與經修訂準則而產生的會計政策變動資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation of the financial statements

These consolidated financial statements are presented in Hong Kong dollars, rounded to the nearest thousand. The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

The preparation of consolidated financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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.

Judgements made by management in the application of HKFRSs that have significant effect on the consolidated financial statements and major sources of estimation uncertainty are discussed in Note 3.

2 重大會計政策(續)

(b) 財務報表編製基準

本綜合財務報表以港元呈列，並約整至最接近千位。用於編製綜合財務報表的計量基準為歷史成本基準。

編製符合香港財務報告準則的綜合財務報表要求管理層作出影響政策實施以及資產、負債、收入及開支呈報金額的判斷、估計及假設。估計及有關假設乃根據過往經驗及在有關情況下被認為屬合理的各種其他因素作出，其結果構成對未能從其他來源確定的資產及負債的賬面值作出判斷的基準。實際結果可能與該等估計不盡不同。

估計及相關假設須不斷檢討。若修訂只影響該修訂期，會計估計的修訂於估計修訂期內確認；或如該修訂影響本期及未來期間，則於修訂期及未來期間確認。

管理層於應用香港財務報告準則所作出對綜合財務報表及估計不確定因素的主要來源造成重大影響的判斷於附註3論述。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these consolidated financial statements for the current accounting period:

- HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17), *Insurance contracts*
- Amendments to HKAS 8, *Definition of accounting estimates*
- Amendments to HKAS 12, *Deferred tax related to assets and liabilities arising from a single transaction*
- Amendments to HKAS 12, *International Tax Reform-Pillar Two model Rules*
- Amendments to HKAS 1 and HKFRS Practice Statement 2, *Disclosure of Accounting Policies*

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2 重大會計政策(續)

(c) 會計政策變動

本集團已將香港會計師公會頒佈的下列香港財務報告準則的修訂本應用於本會計期間的此等綜合財務報表：

- 香港財務報告準則第17號(包括二零二零年十月及二零二二年二月之香港財務報告準則第17號修訂)，*保險合約*
- 香港會計準則第8號修訂，*會計估計之定義*
- 香港會計準則第12號修訂，*與單一交易產生之資產及負債有關之遞延稅項*
- 香港會計準則第12號修訂，*國際稅務改革 — 第二支柱示範規則*
- 香港會計準則第1號修訂及香港財務報告準則實務報告第2號修訂，*會計政策的披露*

除下文所述者外，本年度應用新訂香港財務報告準則及香港財務報告準則之修訂本並無對本集團於本年度及過往年度之財務狀況及表現及／或該等綜合財務報表所載之披露事項構成任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies (Continued)

Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates

The Group has applied the amendments for the first time in the current year. The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. The amendments to HKAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction

The Group has applied the amendments for the first time in the current year. The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 Income Taxes so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

2 重大會計政策(續)

(c) 會計政策變動(續)

香港會計準則第8號修訂，會計政策，會計估計及錯誤變動：會計估計定義

本集團已於本年度首次應用該等修訂。該修訂定義會計估計為「存在計量不明朗因素的財務報表之貨幣金額」。會計政策可能要求財務報表中的項目以涉及計量不明朗因素的方式進行計量。於此情況下，一間實體應編製會計估計，旨在達到會計政策載列的目標。香港會計準則第8號修訂闡明會計估計變動與會計政策變動及錯誤糾正之間的區別。

於本年度應用該等修訂並無對綜合財務報表構成任何重大影響。

香港會計準則第12號修訂本，所得稅：與單一交易產生之資產及負債有關之遞延稅項

本集團已於本年度首次應用該等修訂。該等修訂縮小香港會計準則第12號所得稅第15段及第24段中遞延稅項負債及遞延稅項資產確認豁免之適用範圍，使其不再適用於初次確認時產生相等應課稅及可扣減暫時性差額之交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies (Continued)

Amendments to HKAS 12, Income taxes: Deferred tax related to assets and liabilities arising from a single transaction (Continued)

In accordance with the transition provision:

- (i) the Group has applied the new accounting policy retrospectively to leasing transactions and provisions for decommissioning and restoration that occurred on or after 1 January 2022;
- (ii) the Group also, as at 1 January 2022, recognised a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary difference associated with right-of-use-assets and lease liabilities.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies

The Group has applied the amendments for the first time in the current year. HKAS 1 Presentation of Financial Statements is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

2 重大會計政策(續)

(c) 會計政策變動(續)

香港會計準則第12號修訂本，所得稅：與單一交易產生之資產及負債有關之遞延稅項(續)

根據過渡條款：

- (i) 本集團已將新會計政策追溯適用於二零二二年一月一日或之後發生的租賃交易以及拆卸及恢復責任撥備；
- (ii) 於二零二二年一月一日，本集團亦就與使用權資產及租賃負債相關之所有可扣稅及應課稅暫時性差異確認遞延稅項資產(以可能獲得可扣稅暫時差異的應課稅溢利為限)及遞延稅項負債。

於本年度應用該等修訂並無對綜合財務報表構成任何重大影響。

香港會計準則第1號修訂，財務報表的呈報及香港財務報告準則實務報告第2號修訂，作出重要性判斷：會計政策的披露

本集團已於本年度首次應用該等修訂。香港會計準則第1號財務報表的呈列經已修訂以「重大會計政策資料」取代「主要會計政策」一詞的所有情況。假若當會計政策資料連同實體財務報表內其他資料一併考慮時，可以合理預期會影響一般目的財務報表的主要使用者在根據該等財務報表所作出的決定，則該會計政策資料屬重大。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies (Continued)

Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies (Continued)

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 Making Materiality Judgements (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in Note 3 to the consolidated financial statements.

2 重大會計政策(續)

(c) 會計政策變動(續)

香港會計準則第1號修訂，財務報表的呈報及香港財務報告準則實務報告第2號修訂，作出重要性判斷：會計政策的披露(續)

該等修訂亦澄清，即使涉及款項並不重大，但基於相關交易性質、其他事項或情況，會計政策資料仍可屬重大。然而，並非所有與重大交易、其他事項或情況有關的會計政策資料本身即屬重大。倘一間實體選擇披露非重大會計政策資料，有關資料不得混淆重大會計政策資料。

香港財務報告準則實務公告第2號作出重要性判斷(「實務公告」)亦經修訂，以說明一間實體如何將「四步法評估重大性流程」應用於會計政策披露及判斷有關一項會計政策的資料對其財務報表是否屬重大。實務公告已增加指導意見及實例。

應用該等修訂對本集團之財務狀況及表現並無重大影響，惟對綜合財務報表附註3所載之有關本集團會計政策之披露事項構成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is included in these consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing these consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (see Note 2(g)(ii)).

2 重大會計政策(續)

(d) 附屬公司

附屬公司為本集團控制的實體。當本集團得到或享有參與實體所得可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。於評估本集團對實體是否擁有權力時，僅會考慮由本集團及其他人持有的實質權利。

自控制開始之日直至控制終止之日，於附屬公司的投資計入本綜合財務報表。集團內公司間的結餘、交易及現金流量以及集團內公司間交易產生的任何未變現溢利於編製本綜合財務報表時悉數抵銷。集團內公司間交易產生的未變現虧損以與未變現收益相同的方式抵銷，但僅限於並無減值憑據的情況下。

本集團於附屬公司權益的變動(並無導致失去控制權)作為權益交易列賬，據此對綜合權益內的控股及非控股權益的金額作出調整，以反映相對權益的變動，但並無對商譽作出調整且並無確認盈虧。

當本集團失去對附屬公司的控制權時其作為出售該附屬公司全部權益列賬，所產生盈虧於損益中確認。於失去控制權之日保留於前附屬公司的任何權益按公平值確認，且此金額被視為最初確認金融資產的公平值。

於本公司的財務狀況表內，於附屬公司的投資按成本減減值虧損列賬(見附註2(g)(ii))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(g)(ii)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

— Leasehold improvements	Shorter of 5 years or unexpired terms of lease
— Properties leased for own use	Over the lease terms
— Furniture and fixtures	5 years
— Computer and office equipment	Shorter of 5 years or over the lease terms
— Motor vehicles	4 years

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2 重大會計政策(續)

(e) 物業、機器及設備

物業、機器及設備乃以成本減累計折舊及減值虧損列賬(見附註2(g)(ii))。

報廢或出售物業、機器及設備項目產生的盈虧乃釐定為出售所得款項淨額與該項目賬面值兩者間的差額，並於報廢或出售日期於損益內確認。

折舊乃採用直線法按物業、機器及設備項目的估計剩餘可使用年期計算，以撇銷其成本並扣除其估計剩餘價值(如有)，詳情如下：

— 租賃物業裝修	5年或租約未屆滿年期(以較短者為準)
— 自用租賃物業	超過租約年期
— 傢俬及固定裝置	5年
— 電腦及辦公室設備	5年或租約年期(以較短者為準)
— 汽車	4年

倘物業、機器及設備項目不同部分可使用年期不同，則將該項目的成本或估值合理分配至各部分，並獨立計算折舊。資產的可使用年期及其剩餘價值(如有)會每年檢討。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

2 重大會計政策(續)

(f) 租賃資產

本集團會於合約初始生效時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟收益，則表示控制權已轉讓。

於租賃開始日期，本集團確認使用權資產和租賃負債，惟租賃期為12個月或更短的短期租賃和低價值資產的租賃除外。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。與該等不作資本化租賃相關的租賃付款在租賃期內按系統基準確認為開支。

當將租賃資本化時，租賃負債最步按租賃期內應付租賃付款的現值確認，並使用租賃中隱含的利率或(倘該利率不可直接釐定)使用相關的遞增借款利率貼現。初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。不取決於某一指數或比率的可變租賃付款不包括在租賃負債的計量，因此於其產生的會計期間於損益中支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Leased assets (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(e) and 2(g)(ii)).

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost (see notes 1(q)(ii) and 1(g)(i)). Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2 重大會計政策(續)

(f) 租賃資產(續)

於租賃資本化時確認的使用權資產初步按成本計量，包括租賃負債的初始金額加上在開始日期或之前支付的任何租賃付款，以及產生的任何初步直接成本。在適用情況下，使用權資產的成本亦包括拆除及移除相關資產或還原相關資產或該資產所在地而產生的估計成本，該成本須貼現至其現值並扣除任何收取的租賃優惠。使用權資產隨後按成本減去累計折舊及減值虧損列賬(見附註2(e)及2(g)(ii))。

可退還租金按金根據適用於按攤銷成本列賬之非股權證券投資之會計政策與使用權資產分開入賬(見附註1(q)(ii)及1(g)(i))。按金名義價值超出初始公平值之任何部分均作為額外租賃付款入賬，並計入使用權資產成本。

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據殘值擔保估計預期應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(f) Leased assets (Continued)

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract (“lease modification”) that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(g) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (“ECLs”) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see Note 2(h)).

Financial assets measured at fair value are not subject to the ECL assessment.

2 重大會計政策(續)

(f) 租賃資產(續)

當租賃範圍發生變化，或者租賃合同中原先沒有規定的租賃對價沒有做作為單獨的租賃核算時(「租賃修改」)，也要重新計量租賃負債。在此情況下，租賃負債根據修改後的租賃付款額和租賃期，使用修改生效日的修訂貼現率重新計量。

在綜合財務狀況表中，長期租賃負債的即期部分按報告期後十二個月內應結算的合約付款的現值釐定。

(g) 信貸虧損及資產減值

(i) 金融工具及合約資產信貸虧損

本集團就下列項目的預期信貸虧損(「預期信貸虧損」)確認虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等價物以及貿易及其他應收款項)；及
- 香港財務報告準則第15號所界定的合約資產(見附註2(h))。

按公平值計量的金融資產毋須進行預期信貸虧損評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls of fixed-rate financial assets such as trade and other receivables and contract assets are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產信貸虧損(續)

預期信貸虧損計量

預期信貸虧損為信貸虧損概率加權估計。信貸虧損按所有預期現金差額(即根據合約應付本集團的現金流量與本集團預期收取的現金流量之間的差額)的現值計量。

倘貼現影響重大，則固定利率金融資產(例如貿易及其他應收款項以及合約資產)的預期現金差額採用按初始確認時釐定的實際利率或其概約利率貼現。

估計預期信貸虧損時所考慮的最長期間為本集團所面臨信貸風險的最長合約期間。

於計量預期信貸虧損時，本集團考慮合理及有證據支援之資料而無不適當成本或工作量。此包括有關過去事件、當前狀況和未來經濟狀況的預測的資料。

預期信貸虧損按下列其中一種基準計量：

- 12個月預期信貸虧損：預期因報告日後12個月內發生可能違約事件導致的虧損；及
- 永久預期信貸虧損：預期信貸虧損模式適用的項目於預期可使用年期內所有可能發生的違約事件導致之損失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

Loss allowances for trade and other receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated based on the probability of default with reference to available market information, taking into account any credit enhancement and, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產信貸虧損(續)

預期信貸虧損計量(續)

貿易及其他應收款項及合約資產的虧損撥備一直按相等於永久預期信貸虧損的金額計量。該等金融資產的預期信貸虧損乃於計及任何信貸增強後經參考可得市場資料，基於違約概率(並就債務人的特定因素作出調整)及於報告日對目前及預期一般經濟狀況的評估估計。

就其他金融工具而言，本集團按相等於12個月預期信貸虧損確認虧損撥備，除非金融工具自初始確認起的信貸風險大幅增加，在此情況下，虧損撥備按相等於永久預期信貸虧損的金額計量。

信貸風險大幅增加

在評估金融工具信貸風險自初始確認以來有否大幅增加時，本集團將於報告日評估的金融工具的違約風險與初始確認日期評估的風險進行比較。於進行重新評估時，本集團認為當(i) 借入人不大可能在本集團無追索權(例如：變現抵押品(如持有))的情況下向本集團悉數支付其信貸義務；或(ii) 金融資產已逾期90日時，即屬發生違約事件。本集團考慮合理可靠的定量及定性資料，包括過往經驗及在毋需付出過多成本或努力下即可獲得的前瞻性資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產信貸虧損(續)

信貸風險大幅增加(續)

尤其是，在評估自初始確認以來信貸風險有否大幅增加時，將考慮以下資料：

- 未能於合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級(倘可獲得)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 技術、市場、經濟或法律環境現有或預期變化對債務人履行其對本集團義務的能力造成重大不利影響。

根據金融工具的性质，評估信貸風險有否大幅增加乃按個別或整體基準進行。當評估按整體基準進行時，金融工具根據分擔的信貸風險特徵進行分組，如逾期狀況及信貸風險評級。

預期信貸虧損於各報告日重新計量，以反映自初始確認以來金融工具信貸風險的變化。預期信貸虧損金額的任何變化於損益中確認為減值盈虧。本集團就所有金融工具確認減值虧損，並透過虧損撥備賬對其賬面值作出相應調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with Note 2(q)(ii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產信貸虧損(續)

計算利息收入的基準

計算利息收入的基準根據附註2(q)(ii)確認的利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違反合約，例如逾期拖欠；
- 借款人可能面臨破產或其他財務重組；
- 科技、市場、經濟或法律環境有重大變動而對債務人造成不利影響；或
- 發行人的財務困難導致證券的活躍市場消失。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(i) *Credit losses from financial instruments and contract assets (Continued)*

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that property, plant and equipment including right-of-use assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(i) 金融工具及合約資產信貸虧損(續)

撇銷政策

倘實際上並無收回的可能，則金融資產或合約資產的總賬面值會被撇銷(部分或全部)。該情況通常出現於本集團確定債務人並無資產或收入來源可產生足夠現金流量以償還應撇銷的金額。

隨後收回先前撇銷的資產於收回期間的損益內確認為減值撥回。

(ii) 其他資產減值

其他資產減值於各報告期末審閱內部及外間資料來源，以識別是否有跡象顯示物業、機器及設備(包括使用權資產)可能出現減值，或先前確認的減值虧損不再存在或可能已減少。

倘存在任何該等跡象，則估計資產可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit). A portion of the carrying amount of a corporate asset is allocated to an individual cash-generating unit if the allocation can be done on a reasonable and consistent basis, or to the smallest group of cash-generating units if otherwise.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(ii) 其他資產減值(續)

— 計算可收回金額

資產的可收回金額為公平價值減出售成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會按可以反映當時市場對貨幣時間價值及資產特定風險的評估之稅前貼現率貼現至其現值。倘資產並不產生基本上獨立於其他資產的現金流入，則就能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。倘可按合理及一致之基準進行分配，則公司資產賬面值之一部分分配至個別現金產生單位，或分配至最小現金產生單位組別(如有)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Credit losses and impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).
- Reversals of impairment losses
An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2 重大會計政策(續)

(g) 信貸虧損及資產減值(續)

(ii) 其他資產減值(續)

- 確認減值虧損
當資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會獲分配，以按比例減少該單位(或該組單位)內資產的賬面值，惟資產的賬面值不可減至低於其個別公平值扣減出售成本(如能計量)或使用價值(如能釐定)。
- 撥回減值虧損
倘用以釐定可收回金額之估計出現有利變動，則撥回減值虧損。減值虧損的撥回以在過往年度並無確認減值虧損的情況下原應釐定的資產賬面值為限。所撥回之減值虧損於確認撥回之年度計入損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(q)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in Note 2(g)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(j)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 2(q)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(j)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(q)(ii)).

2 重大會計政策(續)

(h) 合約資產及合約負債

根據合約所載付款條款有權無條件收取代價前確認收入(見附註2(q))，則會確認合約資產。合約資產根據附註2(g)(i)所載政策評估預期信貸虧損，並於收取代價的權利成為無條件時重新分類為應收款項(見附註2(j))。

於客戶支付代價後，本集團確認相關收入前(見附註2(q))，則會確認合約負債。倘本集團於有權無條件收取代價前確認相關收入，亦會確認合約負債。於該等情況下，亦會確認相應應收款項(見附註2(j))。

與客戶的單一合約按合約資產淨值或合約負債淨額呈列。就多項合約而言，不相關合約的合約資產及合約負債不會以淨額基準呈列。

當合約含有重大融資部分，則合約結餘包括根據實際利率法應計的利息(見附註2(q)(ii))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(i) Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services. Inventories are carried at the lower of cost and net realisable value. Cost is calculated using the first in first out method and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(j) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(h)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see Note 2(g)(i)).

2 重大會計政策(續)

(i) 存貨

存貨指於日常業務過程中持作出售的資產、於生產過程中出售或於生產過程中或於提供服務時消耗之材料或用品。存貨按成本及可變現淨值兩者中之較低者列賬。成本以先進先出法計算，包括所有採購成本及將存貨達致現時地點及狀況所產生之其他成本。

存貨出售時，該等存貨之賬面值於確認相關收益之期間確認為開支。

存貨撇減至可變現淨值的金額及存貨的所有虧損均於撇減或虧損發生期間確認為開支。存貨撇減的任何撥回金額於撥回發生期間確認為存貨金額的減少，並確認為開支。

(j) 貿易及其他應收款項

於本集團有權無條件收取代價時確認應收款項。只需時間流逝即到期支付代價的情況下，收取代價的權利會成為無條件。倘於本集團有權無條件收取代價前確認收入，則金額會呈列為合約資產(見附註2(h))。

應收款項採用實際利率法按攤銷成本減信貸虧損撥備列賬(見附註2(g)(i))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in Note 2(g)(i).

(l) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see Note 2(r)).

(m) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

2 重大會計政策 (續)

(k) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放於銀行及其他金融機構的活期存款、以及可以隨時換算為已知款額現金且價值變動風險不大並在購入後三個月內到期的短期高流動性投資。須按要求償還並構成本集團現金管理一部分的銀行透支亦就綜合現金流量表計入現金及現金等價物的組成部分。現金及現金等價物按附註2(g)(i)所載政策評估預期信貸虧損。

(l) 計息借款

計息借款初步按公平值減交易成本計量。於初步確認後，計息借貸採用實際利息法按攤銷成本列賬。利息開支根據本集團有關借貸成本之會計政策確認(見附註2(r))。

(m) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認，其後按攤銷成本列賬，惟倘貼現影響並不重大，則按發票金額列賬。

(n) 僱員福利

薪金、年度花紅、有薪年假、定額供款退休計劃供款及非貨幣利益的成本乃於僱員提供相關服務的年度內累計。倘延期支付或清償且影響重大，則該等款項將以其現值列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(n) Employee benefits (Continued)

The Group has a defined benefit plan of LSP (“**Long Service Payment**”) under the Hong Kong Employment Ordinance. The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group’s Mandatory Provident Fund contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

(o) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

2 重大會計政策(續)

(n) 僱員福利(續)

本集團根據香港僱傭條例設立長期服務金(「**長期服務金**」)界定福利計劃。本集團就界定福利計劃承擔之責任淨額乃就各計劃分開計算，方法為以僱員於本期間及過往期間所賺取的未來福利金額估算並貼現有關金額。未來福利之估計金額乃於扣除由本集團強制性公積金供款所產生並已歸屬僱員之累計福利所產生的負值服務成本後釐定，而該等金額被視為相關僱員之供款。

(o) 所得稅

年內所得稅包括即期稅項以及遞延稅項資產及負債的變動。即期稅項以及遞延稅項資產及負債的變動於損益確認，惟倘涉及於其他全面收益或直接於權益確認的項目則作別論，於此情況下，相關稅項金額分別於其他全面收益或直接於權益確認。

即期稅項為按年內應課稅收入以報告期末已頒佈或實際已頒佈的稅率計算的預期應付稅項，並就過往年度的應付稅項作出任何調整。

遞延稅項資產及負債分別來自可扣稅及應課稅暫時差額，即資產及負債為財務報告目的呈列的賬面值與其稅基的差額。遞延稅項資產亦來自未動用稅項虧損及未動用稅項抵免。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enabled at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

2 重大會計政策(續)

(o) 所得稅(續)

除若干有限的例外情況外，所有遞延稅項負債及所有遞延稅項資產均予確認，以可能獲得未來應課稅溢利用以抵銷資產的金額為限。能夠用以確認可扣減暫時性差額所引致遞延稅項資產的未來應課稅溢利，包括因撥回現有應課稅暫時性差額而引起的應課稅溢利，惟該等差額必須與同一稅務當局及同一應課稅實體有關，並且預期在預計撥回可扣減暫時性差額的同一期間撥回，或在遞延稅項資產引起的稅項虧損可以承前或結轉的期間撥回在決定現有應課稅暫時性差額是否足以確認因尚未使用稅項虧損及稅款抵免造成的遞延稅項資產時，亦採用相同的準則，即若有關差額與同一稅務當局及同一應課稅實體有關，並預計在可以使用稅項虧損或稅款抵免的期間內撥回，則計入該等差額。

確認遞延稅項的金額是根據該等資產及負債的賬面值的預期變現或結算的方式，按於報告期末已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

於各報告期末，本集團檢討遞延稅項資產的賬面值，並於不再可能有足夠應課稅溢利以動用相關稅務利益時予以扣減。任何有關扣減於可能出現足夠應課稅溢利時，則予以撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(o) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 重大會計政策(續)

(o) 所得稅(續)

當期稅項結餘與遞延稅項結餘及其變動會分別列示而不會相抵銷。本公司或本集團只在有合法權利抵銷當期稅項資產與當期稅項負債及符合以下附帶條件的情況下，方以當期稅項資產抵銷當期稅項負債及以遞延稅項資產抵銷遞延稅項負債：

- 就當期稅項資產及負債而言，本公司或本集團計劃按淨額基準結算，或同時將資產變現及償還負債；或
- 就遞延稅項資產及負債而言，其為同一稅務當局對以下機構徵收所得稅所產生：
 - 同一應課稅實體；或
 - 不同應課稅實體，而該等實體計劃在未來每個預計有重大遞延稅項負債須償還或有重大遞延稅項資產可以收回的期間，以淨額基準變現當期稅項資產及償還當期稅項負債或同時變現及償還兩者。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(p) Provisions, contingent liabilities and onerous contracts

(i) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

2 重大會計政策(續)

(p) 撥備、或然負債及虧損性合約

(i) 撥備及或然負債

倘本集團因過往事件須承擔法律或推定責任，而可能會導致需要經濟利益流出以清償責任，且有關金額能可靠估計，則須確認撥備。倘貨幣時間價值重大，則有關撥備按清償責任的預期開支現值列賬。

倘不大可能需要經濟利益流出，或相關金額未能可靠估計，則須披露有關責任為或然負債，惟經濟利益流出的可能性不大除外。當潛在責任須視乎一項或多項未來事件是否發生方可確定存在與否，則該等責任亦披露為或然負債，惟經濟利益流出的可能性不大除外。

倘結算撥備所需之部分或全部開支預期可由另一方償還，則就任何實際可確定之預期償還確認獨立資產。就償付所確認的金額以撥備的賬面值為限。

(ii) 虧損性合約

當本集團為達成合約責任所產生的不可避免成本超逾預期自該合約收取的經濟利益，即視為存在虧損性合約。虧損性合約撥備按終止合約的預期成本及繼續履行合約的成本淨額(以較低者為準)的現值計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a product or service to a customer. "Control" refers to the customer's ability to direct the use of and obtain substantially all of the remaining benefits from an asset.

(i) Contract revenue

Revenue of services transferred over time is recognised progressively based on the contract costs incurred to date as a percentage of total forecast costs to depict the transfer of control of the services to the customer. The Group recognises revenue over time only if it can reasonably measure its progress toward complete satisfaction of the performance obligation. However, if the Group cannot reasonably measure the outcome but expects to recover the costs incurred in satisfying the performance obligation, then it recognises revenue to the extent of the costs incurred.

Any unconditional rights to consideration are presented separately as "Trade receivables".

Input method

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

2 重大會計政策(續)

(q) 收入確認

收入按與客戶訂立的合約中訂明的代價計量。本集團於其向客戶轉讓產品或服務的控制權時確認收入。「控制權」指客戶指示資產的用途及取得資產絕大部分餘下利益的能力。

(i) 合約收入

隨時間轉移的服務收入根據迄今所產生合約成本佔總預測成本的百分比逐步確認，以反映向客戶轉讓服務的控制權。本集團僅於可合理計量其完成履約責任的進度時方會隨時間確認收入。然而，倘本集團無法合理計量結果，惟預期可收回履行合約責任所產生成本，則以所產生成本為限確認收入。

代價的任何無條件權利乃獨立呈列為「貿易應收款項」。

投入法

完全達成履行履約責任期間的進度乃根據投入法計量，即透過按本集團為達成履約責任而產生的支出或投入(相對於預期為達成履約責任的總投入)確認收益，有關方法最能反映本集團於轉讓貨品或服務控制權方面的履約情況。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Revenue recognition (Continued)

(i) Contract revenue (Continued)

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, which better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

(ii) Interest income

Interest income is recognised as it accrues using the effective interest method.

2 重大會計政策(續)

(q) 收入確認(續)

(i) 合約收入(續)

可變代價

就包含可變代價的合約而言，本集團有權使用(a)預期價值法或(b)最可能金額估計代價金額，視乎能更好地預測本集團將有權獲得的代價金額而定。

可變代價的估計金額計入交易價格中，僅限於有關計入於日後當於可變代價相關之不確定性其後獲得解決時導致重大收益撥回的可能性極微。

於各報告期末，本集團更新估計交易價格(包括更新其對可變代價是否受限估計的評估)，以真實地反映於報告期末存在的情況以及報告期間的情況變化。

(ii) 利息收入

利息收入於使用實際利率法累計時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Revenue recognition (Continued)

(iii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(r) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2 重大會計政策(續)

(q) 收入確認(續)

(iii) 政府補助金

倘可合理確定本集團能夠獲得政府補助金，且本集團將符合政府補助金所附帶的條件，則政府補助金將初始於財務狀況表中確認。補償本集團產生開支的政府補助金於相關開支產生的相同期間按系統基準於損益表中認為收益。補償本集團資產成本的補助金，則會從資產的賬面值中扣除，並因此按該資產的可使用年限透過降低折舊的開支方式實際在損益中確認。

(r) 借貸成本

直接歸屬於收購、建設或生產資產(為必須經一段長時間方可達致其預定用途或出售的資產)的借貸成本，乃資本化為該資產成本的一部分。其他借貸成本均於其產生期間支銷。

當產生資產開支、產生借貸成本及進行使資產達致預定用途或出售所必需的活動時，開始將借貸成本資本化為合資格資產成本的一部分。當使合資格資產達致預定用途或出售所必需的絕大部分活動中止或完成時，借貸成本將暫停或停止撥充資本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Related parties

- (1) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (2) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

2 重大會計政策(續)

(s) 關聯方

- (1) 倘屬以下人士，即該人士或該人士的近親與本集團有關聯：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理人員其中一名成員。
- (2) 倘符合以下任何條件，即該實體與本集團有關聯：
 - (i) 該實體與本集團屬同一集團的成員公司，即各母公司、附屬公司及同系附屬公司彼此間有關聯。
 - (ii) 一間實體為另一實體的聯營公司或合營公司（或其他實體所屬之集團成員的聯營公司或合營公司）。
 - (iii) 兩間實體均為同一第三方的合營公司。
 - (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

(s) Related parties (Continued)

- (2) An entity is related to the Group if any of the following conditions applies: (Continued)
- (vi) The entity is controlled or jointly controlled by a person identified in (s)(1).
 - (vii) A person identified in (s)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(t) Segment reporting

Operating segments, and the amounts of each segment item reported in these consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 重大會計政策(續)

(s) 關聯方(續)

- (2) 倘符合以下任何條件，即該實體與本集團有關聯：(續)
- (vi) 實體受上文(s)(1)所識別人土控制或受共同控制。
 - (vii) 上文(s)(1)(i)所識別人土對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務。

一名人士的近親為預期可能會影響該名人士或受到該名人士影響其與實體進行業務往來的家庭成員。

(t) 分部呈報

經營分部及該等財務報表內呈報的各分部項目金額，乃根據就資源分配及評估本集團各項業務及地理位置表現定期提供予本集團最高行政管理層的財務資料而作出識別。

就財務報告而言，除非分部具備相似的經濟特徵與在產品及服務性質、生產過程性質、客戶類型或類別、用於分銷產品或提供服務的方法以及監管環境的性質方面相似，否則各個重大經營分部不會進行合算。倘個別非重大的經營分部符合上述大部分標準，則可進行合算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Estimation uncertainty

The key assumption concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

(a) *Loss allowances on trade receivables and other receivables and contract assets*

For trade receivables and other receivables and contract assets, the Group applies the simplified approach to provide for ECL as prescribed by HKFRS 9, which requires the use of the lifetime ECL allowance for all trade receivables and other receivables and contract assets. The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of reporting period. Management reassesses the loss allowance at each reporting date.

3 會計判斷及估計

估計不確定因素

下文載述有關未來的主要假設及於各報告期末的估計不確定因素的其他主要來源在重大風險導致對下個財政年度的資產及負債的賬面值作出重大調整。

(a) *貿易及其他應收款項及合約資產虧損撥備*

就貿易及其他應收款項及合約資產而言，本集團按香港財務報告準則第9號的規定採用簡化方法計提預期信貸虧損撥備，而此需要使用所有貿易及其他應收款項及合約資產的永久預期信貸虧損撥備。金融資產之虧損撥備乃基於有關違約風險之假設及預期虧損率。本集團於作出該等假設時運用判斷，並根據本集團過往記錄、現有市況及於報告期末的前瞻性估計，選擇計算虧損撥備的輸入資料。管理層於各報告日重新評估虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

3 ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Estimation uncertainty (Continued)

(b) Revenue recognition

As explained in Note 2(q), revenue and profit recognition on a project is dependent on management's estimation of the progress of the satisfaction of performance obligations of a construction contract over time, measured by actual contract costs incurred to date to estimate total contract costs for the contract. Based on the Group's recent experience and the nature of the construction activity undertaken by the Group, the Group reviews and revises the estimates of contract revenue, contract costs and variation order, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by management on the basis of quotations from time to time provided by the major subcontractors, suppliers and vendors involved and the experience of management. In order to keep the budget accurate and up-to-date, management conducts periodic reviews of the budgeted construction costs and revises the budgeted construction costs as appropriate.

Significant judgement is required in estimating the contract revenue, contract costs and variation work which may have an impact on percentage of completion of the construction contracts and the corresponding profit taken. In addition, actual outcome in terms of total revenue or costs may be higher or lower than estimation at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustments to the amounts recorded to date.

3 會計判斷及估計(續)

估計不確定因素(續)

(b) 收入確認

誠如附註2(q)所闡釋，項目的收入及溢利確認取決於管理層對一段時間內建造合約的履約責任完成進度所作估計，有關進度乃按照就合約目前產生的實際合約成本對估計總合約成本的比率計量。根據本集團的近期經驗及本集團所承接建造活動的性質，本集團於合約進行時檢討及修訂就各建造合約編製的合約收入、合約成本及工程變更指令估計。管理層根據參與項目的主要分包商、供應商及賣方不時提供的報價及管理層的經驗，編製建造成本預算。為維持準確及最新的預算，管理層定期審閱及修訂(如適用)建造成本預算。

估計合約收入、合約成本及變更工程需運用重大判斷，這或會影響建造合約的完成比例及相應溢利。此外，就總收入或成本而言，由於目前已錄得金額調整，實際結果可能高於或低於報告期末的估計，從而影響於未來確認的收入及溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received or receivable from the service contracts by the Group to external customers. The Group's operation is solely derived from provision of HVAC business in Hong Kong during the years ended 31 December 2023 and 2022. For the purpose of resources allocation and performance assessment, the chief operating decision maker reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no further discrete financial information nor analysis of this single segment is presented.

(a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by timing of revenue recognition and type of service are as follows:

Revenue from contracts with customers within the scope of HKFRS 15

Disaggregated by timing of revenue recognition 按收入確認時間細分

Products transferred at a point in time	於某時間點轉移的產品	31,077	19,284
Services transferred over time	隨時間轉移的服務	121,873	105,803
		152,950	125,087

Disaggregated by type of service 按服務類別細分

Installation services only	淨安裝服務	70,568	84,640
Installation services with HVAC systems procurements	安裝服務連暖通空調系統採購	82,382	40,447
		152,950	125,087

4 收入及分部資料

收入指本集團就服務合約已收或應收外部客戶款項的公平值。本集團營運僅源自截至二零二三年及二零二二年十二月三十一日止年度於香港經營暖通空調業務。就資源分配及表現評估而言，主要經營決策者審閱本集團的整體業績及財務狀況。因此，本集團僅有一個單一經營分部，故並無呈列此單一分部的進一步獨立財務資料或分析。

(a) 收入細分

按收入確認時間及服務類別劃分客戶合約收入的收入細分如下：

香港財務報告準則第15號範圍內的客戶合約收入

2023	2022
二零二三年	二零二二年
\$'000	\$'000
千港元	千港元

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Transaction price allocated to the remaining performance obligations

The following tables include revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as at 31 December 2023 and 2022.

2023	二零二三年	\$'000 千港元
Remaining performance obligations expected to be satisfied during the year ending:	預期將於截至以下日期止年度內達成的剩餘履約責任：	
31 December 2024	二零二四年十二月三十一日	93,652
31 December 2025	二零二五年十二月三十一日	91,506
After 31 December 2025	二零二五年十二月三十一日後	28,488
		213,646

2022	二零二二年	\$'000 千港元
Remaining performance obligations expected to be satisfied during the year ending:	預期將於截至以下日期止年度內達成的剩餘履約責任：	
31 December 2023	二零二三年十二月三十一日	96,851
31 December 2024	二零二四年十二月三十一日	120,776
After 31 December 2024	二零二四年十二月三十一日後	133,487
		351,114

4 收入及分部資料(續)

(b) 分配至剩餘履約責任的交易價

下表載有就於二零二三年及二零二二年十二月三十一日未達成(或部分未達成)的履約責任而預期將於未來確認的收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

4 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(c) Geographical information

The Company is an investment holding company and the principal place of the Group's operation is in Hong Kong. For the purpose of segment information disclosures under HKFRS 8, the Group regards Hong Kong as its place of domicile. No geographical information is presented as the Group is principally engaged in HVAC business in Hong Kong.

(d) Information about major customers

The Group's customer base includes three (2022: one) customers with whom transaction has exceeded 10% of the Group's revenue. Revenue from customer during the year ended 31 December 2023 contributing over 10% of the total revenue of the Group is as follows:

Customer A	客戶 A
Customer B (Note)	客戶 B (附註)
Customer C (Note)	客戶 C (附註)

Note:

The transactions did not exceed 10% of the Group's revenue during the year ended 31 December 2022.

4 收入及分部資料(續)

(c) 地區資料

本公司為投資控股公司，而本集團主要營運地點為香港。就根據香港財務報告準則第8號披露分部資料而言，本集團視香港為居籍所屬地點。由於本集團主要於香港從事暖通空調業務，故並無呈列地區資料。

(d) 有關主要客戶的資料

本集團的客戶群包括三名(二零二二年：一名)交易額佔本集團收入超過10%的客戶。截至二零二三年十二月三十一日止年度，佔本集團總收益10%以上的客戶收益如下：

	2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Customer A	69,552	81,270
Customer B (Note)	35,104	5,022
Customer C (Note)	30,295	7,855

附註：

截至二零二二年十二月三十一日止年度，該等交易未超過本集團收入之10%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

5 OTHER INCOME

5 其他收入

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Bank interest income	銀行利息收入	2,819	654
Repair and other service income	維修及其他服務收入	6,721	2,480
Gain on early termination of lease	提早終止租賃收益	2	2
Government grants — Employment Support Scheme (Note i)	政府補助金 — 保就業計劃(附註i)	—	3,008
Government grants — others (Note ii)	政府補助金 — 其他(附註ii)	27	—
Net reversal of expected credit loss on trade and other receivables and contract assets	貿易及其他應收款項以及合約資產 預期信貸虧損撥回淨額	—	133
Over-provision of long services payment	長期服務金超額撥備	257	—
Sundry income	雜項收入	200	20
		10,026	6,297

Note:

- (i) In 2022, the Group successfully applied for funding support of HK\$3,008,000 from the Employment Support Scheme under the Anti-epidemic Fund, set up by the Government of the Hong Kong Special Administrative Region. The purpose of the funding is to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the grant, the Group is required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees. No government grants in relation to Employment Support Scheme was received in 2023.
- (ii) The Group recognised the government grants of HK\$27,000 (2022: Nil) under Construction Innovation and Technology Fund from Construction Industry Council.

附註：

- (i) 於二零二二年，本集團成功向香港特別行政區政府防疫抗疫基金下之保就業計劃申請資金援助3,008,000港元。該基金目的是為企業提供財政支持，以保留原本會被裁減的員工。根據補助金條款，本集團在補助期內不得裁員，並須將所有資金用於支付僱員的工資。於二零二三年，本集團沒有收取有關保就業計劃的政府補助金。
- (ii) 本集團確認收取建造業議會建築創新及科技基金項下的政府補助金27,000港元(二零二二年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

6 除稅前溢利

除稅前溢利乃經扣除/(抵免)以下各項後達致：

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
(a) Finance costs	(a) 財務成本		
Interest on lease liabilities	租賃負債利息	65	60
(b) Staff costs (including directors' emoluments)	(b) 員工成本(包括董事酬金)		
Salaries, wages and other benefits	薪金、工資及其他福利	31,157	31,180
Contributions to defined contribution retirement plan	定額供款退休計劃供款	1,000	1,105
		32,157	32,285
(c) Other items	(c) 其他項目		
Depreciation	折舊		
— owned property, plant and equipment	— 擁有的物業、機器及設備	680	300
— right-of-use assets, including in cost of services	— 使用權資產，包括在服務成本	547	—
— right-of-use assets, including in administrative expenses	— 使用權資產，包括在行政開支	894	1,741
		2,121	2,041
Net impairment/(reversal) of expected credit loss on trade and other receivables and contract assets	貿易及其他應收款項以及合約資產預期信貸虧損減值/(撥回)淨額	1,763	(133)
(Over-provision)/provision of long services payment	長期服務金(超額撥備)/撥備	(257)	587
Loss on disposal of property, plant and equipment	出售物業、機器及設備的虧損	7	—
Auditors' remuneration	核數師酬金	730	700

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

7 INCOME TAX EXPENSE

(a) Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

Deferred tax

Origination of temporary differences

遞延稅項

暫時差額的產生

2023

二零二三年

\$'000

千港元

2022

二零二二年

\$'000

千港元

23

14

Hong Kong Profit Tax is calculated at 16.5% in the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made as the Company and its subsidiaries in Hong Kong have either sustained losses for tax purpose or their unused tax losses were sufficient to cover their estimated assessable profits for the years ended 31 December 2023 and 2022.

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

Profit before taxation

除稅前溢利

703

252

National tax on profit before taxation

除稅前溢利的名義稅項

116

42

Tax effect of non-deductible expenses

不可扣除開支的稅務影響

790

499

Tax effect of non-taxable income

非應課稅收入的稅務影響

(465)

(623)

Tax effect of utilisation of tax losses previously not recognised

動用以往未確認的稅項虧損的稅務影響

(554)

(868)

Tax effect of tax losses not recognised

未確認稅項虧損的稅務影響

83

964

Tax effect of deductible temporary differences not recognised

未確認可扣稅暫時差額的稅務影響

53

-

Income tax expense for the year

年度所得稅開支

23

14

7 所得稅開支

(a) 綜合損益及其他全面收益表中的稅項指：

2023

二零二三年

\$'000

千港元

2022

二零二二年

\$'000

千港元

23

14

香港利得稅按兩個年度之估計應課稅溢利之16.5%計算。

由於截至二零二三年及二零二二年十二月三十一日止年度本公司及其於香港的附屬公司就稅項而言產生虧損或其未動用稅項虧損足以彌補其估計應課稅溢利，故並無就香港利得稅作出撥備。

(b) 所得稅開支與按適用稅率計算的會計溢利對賬如下：

2023

二零二三年

\$'000

千港元

2022

二零二二年

\$'000

千港元

703

252

116

42

790

499

(465)

(623)

(554)

(868)

83

964

53

-

23

14

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

8 董事酬金

根據香港公司條例第383(1)條及《公司(披露董事利益資料)規例》第2部披露的董事酬金如下：

			Salaries, allowances and benefits in kind 薪金、 津貼和利益 以實物形式	Performance related bonus 表現相關 花紅	Retirement scheme contributions 退休計劃 供款	Total 總計	
	Note 附註	Directors fees 董事袍金 \$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	
2023		二零二三年					
<i>Chairman</i>		<i>主席</i>					
<i>Mr. Cheung Yuen Tung</i>	(i)	張元通先生	-	1,824	152	18	1,994
<i>Executive director</i>		<i>執行董事</i>					
<i>Mr. Cheung Yuen Chau</i>	(i)	張元秋先生	-	1,800	150	18	1,968
<i>Independent non-executive Directors</i>		<i>獨立非執行董事</i>					
<i>Mr. Law Chung Lam</i>		羅頌霖先生	120	-	-	-	120
<i>Mr. Pang Kam Fai</i>		彭錦輝先生	120	-	-	-	120
<i>Mr. Lau Yu Ching</i>		劉裕正先生	120	-	-	-	120
			360	3,624	302	36	4,322

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

8 DIRECTORS' EMOLUMENTS (CONTINUED) 8 董事酬金(續)

			Salaries, allowances and Directors fees	Performance related bonus	Retirement scheme contributions	Total	
		Note	薪金， 津貼和利益 以實物形式	表現相關 花紅	退休計劃 供款	總計	
		附註	\$'000 千港元	\$'000 千港元	\$'000 千港元	\$'000 千港元	
2022	二零二二年						
<i>Chairman</i>	<i>主席</i>						
<i>Mr. Cheung Yuen Tung</i>	<i>張元通先生</i>	(i)	–	1,824	152	18	1,994
<i>Executive director</i>	<i>執行董事</i>						
<i>Mr. Cheung Yuen Chau</i>	<i>張元秋先生</i>	(i)	–	1,800	150	18	1,968
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>						
<i>Mr. Law Chung Lam</i>	<i>羅頌霖先生</i>		150	–	–	–	150
<i>Mr. Pang Kam Fai</i>	<i>彭錦輝先生</i>		150	–	–	–	150
<i>Mr. Lau Yu Ching</i>	<i>劉裕正先生</i>		150	–	–	–	150
			450	3,624	302	36	4,412

Note:

- (i) During the years ended 31 December 2023 and 2022, the emoluments of Mr. Cheung Yuen Tung and Mr. Cheung Yuen Chau were paid by the subsidiaries of the Company.
- (ii) No director received any emoluments from the Group as an inducement to join or upon joining the Group, or as compensation for loss of office during the year. No arrangement under a director waived or agreed to waive any emoluments during the year.

附註：

- (i) 截至二零二三年及二零二二年十二月三十一日止年度，張元通先生及張元秋先生的酬金由本公司附屬公司支付。
- (ii) 年內，概無董事向本集團收取任何酬金，作為其加盟本集團或在加入本集團時作為薪酬，或作為離職時之補償。年內，概無董事放棄或同意放棄任何薪酬安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, two (2022: two) are directors whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the other three (2022: three) individuals are as follows:

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Salaries and other benefits	薪金及其他福利	2,143	2,372
Retirement benefit scheme contributions	退休福利計劃供款	54	54
		2,197	2,426

The emoluments of the three (2022: three) individuals with the highest emoluments are within the following band:

		2023 二零二三年 Number of individuals 人數	2022 二零二二年 Number of individuals 人數
Nil to \$1,000,000	零元至1,000,000元	3	3

10 DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

11 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$680,000 (2022: HK\$238,000) and the weighted average of 1,000,000,000 ordinary shares (2022: 1,000,000,000 ordinary shares) in issue during the year.

(b) Diluted earnings per share

The amount of diluted earnings per share is the same as the basic earnings per share for the years ended 31 December 2023 and 2022 as there were no dilutive potential ordinary shares in issue.

9 最高薪酬人士

五名最高薪酬人士中，兩名(二零二二年：兩名)為董事，彼等之酬金於附註8披露。其餘三名(二零二二年：三名)人士之總酬金如下：

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Salaries and other benefits	薪金及其他福利	2,143	2,372
Retirement benefit scheme contributions	退休福利計劃供款	54	54
		2,197	2,426

三名(二零二二年：三名)最高薪酬人士的薪酬在以下範圍內：

		2023 二零二三年 Number of individuals 人數	2022 二零二二年 Number of individuals 人數
Nil to \$1,000,000	零元至1,000,000元	3	3

10 股息

董事會不建議派付截至二零二三年十二月三十一日止年度末期股息(二零二二年：無)。

11 每股盈利

(a) 每股基本盈利

每股基本盈利乃按本公司普通股權益股東應佔溢利680,000港元(二零二二年：238,000港元)及年內已發行1,000,000,000股普通股(二零二二年：1,000,000,000股普通股)之加權平均數計算。

(b) 每股攤薄盈利

截至二零二三年及二零二二年十二月三十一日止年度，由於本集團並無具潛在攤薄效應的已發行普通股，故每股攤薄盈利的金額與每股基本盈利相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 PROPERTY, PLANT AND EQUIPMENT

(a) Reconciliation of carrying amount:

		Leasehold improvements	Other properties leased for own use	Furniture and equipment	Computer and office equipment	Motor vehicles	Total
		租賃物業裝修	其他自用租賃物業	傢俬及設備	電腦及辦公室設備	汽車	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Cost:	成本：						
At 1 January 2022	於二零二二年一月一日	748	3,730	121	769	3,606	8,974
Additions	添置	-	1,059	4	109	551	1,723
Early termination of lease	提早終止租賃	-	(322)	-	(162)	-	(484)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	748	4,467	125	716	4,157	10,213
Additions	添置	-	1,637	-	79	158	1,874
Disposals	出售	-	(56)	-	(9)	(252)	(317)
Early termination of lease	提早終止租賃	-	(57)	-	-	-	(57)
At 31 December 2023	於二零二三年十二月三十一日	748	5,991	125	786	4,063	11,713
Accumulated depreciation:	累計折舊：						
At 1 January 2022	於二零二二年一月一日	748	2,337	121	514	2,475	6,195
Charge for the year	年內開支	-	1,374	1	107	559	2,041
Elimination of early termination of lease	抵銷提早終止租賃	-	(295)	-	(147)	-	(442)
At 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日及二零二三年一月一日	748	3,416	122	474	3,034	7,794
Charge for the year	年內開支	-	1,364	1	96	660	2,121
Elimination of Disposals	出售抵銷	-	(56)	-	(9)	(215)	(280)
Elimination of early termination of lease	抵銷提早終止租賃	-	(38)	-	-	-	(38)
At 31 December 2023	於二零二三年十二月三十一日	748	4,686	123	561	3,479	9,597
Net book value:	賬面淨值：						
At 31 December 2022	於二零二二年十二月三十一日	-	1,051	3	242	1,123	2,419
At 31 December 2023	於二零二三年十二月三十一日	-	1,305	2	225	584	2,116

No property, plant and equipment has been pledged as at 31 December 2023 and 2022.

截至二零二三年及二零二二年十二月三十一日，概無物業、機器及設備已被抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

		2023 二零二三年	2022 二零二二年
	Note 附註	\$'000 千港元	\$'000 千港元
Other properties leased for own use	其他自用租賃物業 (i)	1,305	1,051
Computer and office equipment	電腦及辦公室設備 (ii)	187	216
		1,492	1,267

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

		2023 二零二三年	2022 二零二二年
		\$'000 千港元	\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying asset:	使用權資產按相關資產類別的折舊費用：		
Other properties leased for own use	其他自用租賃物業	1,364	1,374
Motor vehicles	汽車	-	289
Computer and office equipment	電腦及辦公室設備	77	78
		1,441	1,741
Gain on early termination of lease (Note 5)	提早終止租賃收益(附註5)	2	2
Interest on lease liabilities (Note 6(a))	租賃負債利息(附註6(a))	65	60

12 物業、機器及設備(續)

(b) 使用權資產

使用權資產按相關資產類別所作的賬面淨值分析如下：

		2023 二零二三年	2022 二零二二年
	Note 附註	\$'000 千港元	\$'000 千港元
Other properties leased for own use	其他自用租賃物業 (i)	1,305	1,051
Computer and office equipment	電腦及辦公室設備 (ii)	187	216
		1,492	1,267

在損益中確認的與租賃有關的開支項目分析如下：

		2023 二零二三年	2022 二零二二年
		\$'000 千港元	\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying asset:	使用權資產按相關資產類別的折舊費用：		
Other properties leased for own use	其他自用租賃物業	1,364	1,374
Motor vehicles	汽車	-	289
Computer and office equipment	電腦及辦公室設備	77	78
		1,441	1,741
Gain on early termination of lease (Note 5)	提早終止租賃收益(附註5)	2	2
Interest on lease liabilities (Note 6(a))	租賃負債利息(附註6(a))	65	60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

12 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (Continued)

During the year, additions to right-of-use assets were \$1,685,000 (2022: \$1,168,000). This amount included the capitalised lease payments payable under lease of office premises, warehouses and photocopies.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 17(d) and 19, respectively.

(i) Other properties leased for own use

The Group has obtained the right to use other properties as its office premises and warehouses through tenancy agreements. The leases typically run for an initial period of 1 to 3 years.

The lease does not include an option to renew the lease for an additional period after the end of the contract term.

(ii) Other leases

The Group leases motor vehicles and office equipment under leases expiring from 2 to 3 years. Leases include an option to purchase the leased motor vehicles and office equipment at the end of the lease term at a price deemed to be a bargain purchase option. None of the leases includes variable lease payments. During the year, the leased motor vehicles under hire purchase was fully settled and transferred to property, plant and equipment.

12 物業、機器及設備(續)

(b) 使用權資產(續)

年內使用權資產增加了1,685,000元(二零二二年：1,168,000元)。此金額包括辦公室、倉庫租賃及影印項下應付之資本化租賃付款。

租賃的現金流出總額細節及租賃負債的到期分析分別載於附註17(d)及19。

(i) 其他自用租賃物業

本集團已通過租賃協議獲得使用其他物業作為其辦公場所及倉庫的權利。該租約初期一般為期1至3年。

該租賃不包括合約期屆滿後選擇再續租的權利。

(ii) 其他租賃

本集團租賃其租約於2至3年屆滿的汽車及辦公室設備。租賃包括有權選擇在租賃期屆滿後，以被認為是低廉的價格購買相關租賃汽車和辦公設備。所有租賃均不包含可變租賃付款。年內，以租購方式租賃的汽車已全部結清並轉入物業、機器及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

13 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

Name of Company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Group's effective interest 本集團實際權益	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
				Held by the Company 由本公司持有	Held by the subsidiary 由附屬公司持有	
Man Tung Air-conditioning E&M Limited 萬通冷氣機電有限公司	Hong Kong/ 9 April 2008 香港/ 二零零八年四月九日	1,000,000 ordinary shares 1,000,000股普通股	100%	–	100%	HVAC Business 暖通空調業務
Man Tung Air-conditioning Works Limited 萬通冷氣工程有限公司	Hong Kong/ 19 November 1996 香港/ 一九九六年十一月十九日	1,000,000 ordinary shares 1,000,000股普通股	100%	–	100%	HVAC Business 暖通空調業務
Shun Tung Engineering Company Limited 順通冷氣電機工程有限公司	Hong Kong/ 6 November 1998 香港/ 一九九八年十一月六日	10,000 ordinary shares 10,000股普通股	100%	–	100%	HVAC Business 暖通空調業務

14 INVENTORIES

14 存貨

	2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Raw materials 原材料	2,225	3,108

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

15 TRADE AND OTHER RECEIVABLES

15 貿易及其他應收款項

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		\$'000 千港元	\$'000 千港元
Trade receivables, net of loss allowance	貿易應收款項，扣除虧損撥備	21,724	37,391
Deposits, prepayment and other receivables	按金、預付款及其他應收款項	2,814	4,413
Retention receivables, net of loss allowance	應收保留金，扣除虧損撥備	26,725	26,357
		51,263	68,161

As at 31 December 2023, the amounts of retention receivables expected to be recovered after more than one year is approximately HK\$14,185,000 (2022: HK\$23,164,000). All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

Ageing analysis

At the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date of payment certificate and net of loss allowance, is as follows:

於二零二三年十二月三十一日，預期可於一年後收回的應收保留金金額約14,185,000港元(二零二二年：23,164,000港元)。所有其他貿易及其他應收款項預期可於一年內收回或確認為開支。

賬齡分析

於報告期末，按糧款證書日期劃分及經扣除虧損撥備的貿易應收款項(計入貿易及其他應收款項)的賬齡分析如下：

		As at 31 December 於十二月三十一日	
		2023 二零二三年	2022 二零二二年
		\$'000 千港元	\$'000 千港元
Within 1 month	1個月內	20,859	35,644
1 to 3 months	1至3個月	138	1,078
Over 3 months	3個月以上	727	669
		21,724	37,391

Trade receivables are due within 30 to 45 days from the date of payment certificate.

貿易應收款項自糧款證書日期起計30至45日內到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES

(a) Contract assets

16 合約資產及合約負債

(a) 合約資產

		As at 31 December 於十二月三十一日	
		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Arising from performance under installation contracts, net of loss allowance	產生自履行安裝合約，扣除虧損撥備	28,739	22,254
Receivables from contracts with customers within the scope of HKFRS 15, which are included in "Trade and other receivables"	香港財務報告準則第15號範圍內來自客戶合約的應收款項(計入「貿易及其他應收款項」)	48,449	63,748

As at 1 January 2022, contract assets amounted to \$15,058,000.

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are transferred to trade receivables when the rights become unconditional.

Typical payment terms which impact on the amount of contract assets recognised are as follows:

於二零二二年一月一日，合約資產總值 15,058,000 元。

合約資產主要與本集團就已完成但未收賬的工作收取代價的權利有關，因為該權利取決於本集團之未來表現。當權利成為無條件時，合約資產轉為貿易應收款項。

對已確認合約資產金額構成影響的一般付款條款如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

(a) Contract assets (Continued)

Installation contracts

The Group's installation contracts include payment schedules which require stage payments over the installation period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The Group typically agrees to a retention period ranging from 12-month period to 24-month period for 5% to 10% of the contract value. This amount is included in the retention receivables until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. When the retention period is due and the right to the retention is unconditional, this amount is included in the trade receivables.

As at 31 December 2023, net retentions held by customer for contract work was approximately \$26,725,000 (2022: \$26,357,000) and have been included in trade and other receivables (see Note 15).

Details of the impairment assessment are set out in Note 23(b).

16 合約資產及合約負債(續)

(a) 合約資產(續)

安裝合約

本集團安裝合約包括於安裝期間要求分期付款的付款日程(一旦進程達標)。此等付款日程防止積聚重大合約資產。本集團一般同意就5%至10%的合約價值設有為期12個月至24個月的保留期。由於本集團收取此最終付款的權利於本集團工程完滿通過檢測後方可作實，故此金額計入應收保留金，直至保留期結束為止。倘保留期屆滿而收取保留金的權利成為無條件，則此金額計入貿易應收款項。

截至二零二三年十二月三十一日，客戶持有之淨合約工作保留金約為26,725,000元(二零二二年：26,357,000元)，並已計入貿易及其他應收款項(見附註15)。

減值評估詳情載於附註23(b)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

(b) Contract liabilities

16 合約資產及合約負債(續)

(b) 合約負債

	2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Contract liabilities		
Installation contracts		
— Billings in advance of performance	178	728

As at 1 January 2022, there was no contract liabilities.

於二零二二年一月一日，並沒有合約負債。

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

對已確認合約負債金額構成影響的一般付款條款如下：

Installation contracts

When the Group receives a stage payment over the installation period before the services are performed, this gives rise to contract liabilities, until the revenue recognised on the contract work exceeds the amount of stage payment.

安裝合約

倘本集團於提供服務前在安裝期間收取分期付款，則產生合約負債，直至就合約工程確認的收入超過分期付款的金額為止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

16 CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

(b) Contract liabilities (Continued)

Movements in contract liabilities

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Balance at 1 January	於一月一日的結餘	728	-
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	年內確認計入年初合約負債的收入導致合約負債減少	(563)	-
Increase in contract liabilities as a result of billing in advance of installation activities	安裝活動的預收款項導致合約負債增加	13	728
Balance at 31 December	於十二月三十一日的結餘	178	728

No billings in advance of performance and instalments received are expected to be recognised as income after more than one year.

概無預先提供服務及收取分期付款的賬單預期將於一年後確認為收入。

17 CASH AT BANK AND IN HAND AND OTHER CASH FLOW INFORMATION

(a) Cash at bank and in hand comprise:

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Cash at banks and in hand and cash and cash equivalents in the consolidated cash flow statement	銀行及手頭現金及綜合現金流量表中的現金及現金等價物	88,370	64,581

16 合約資產及合約負債(續)

(b) 合約負債(續)

合約負債的變動

17 銀行及手頭現金以及其他現金流量資料

(a) 銀行及手頭現金：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 CASH AT BANK AND IN HAND AND OTHER CASH FLOW INFORMATION (CONTINUED)

(b) Reconciliation of profit before taxation to cash used in operations:

17 銀行及手頭現金以及其他現金流量資料(續)

(b) 除稅前溢利與經營所用現金的對賬：

		2023 二零二三年	2022 二零二二年
	Note 附註	\$'000 千港元	\$'000 千港元
Profit before taxation	除稅前溢利	703	252
Adjustments for:	就以下各項作出調整：		
Depreciation of property, plant and equipment	物業、機器及設備折舊	6(c) 680	300
Depreciation of right-of-use assets	使用權資產折舊	6(c) 1,441	1,741
Finance costs	財務成本	6(a) 65	60
Bank interest income	銀行利息收入	5 (2,819)	(654)
Net impairment/(reversal) of expected credit loss on trade and other receivables and contract assets	貿易及其他應收款項以及合約資產預期信貸虧損撥備/(撥回)淨額	6(c) 1,763	(133)
Loss on disposal of property, plant and equipment	出售物業、機器及設備的虧損	6(c) 7	-
Over-provision of long service payment	長期服務金超額撥備	6(c) (257)	-
Gain on early termination of lease	提早終止租賃收益	5 (2)	(2)
Operating cash flows before changes in working capital	營運資金變動前的經營現金流量	1,581	1,564
Decrease/(Increase) in inventories	存貨減少/(增加)	883	(245)
Decrease/(Increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	16,693	(7,139)
Net movement in contract assets and contract liabilities	合約資產及合約負債淨變動	(8,220)	(6,533)
Increase/(Decrease) in trade and other payables	貿易及其他應付款項增加/(減少)	8,223	(7,387)
Cash generated from/(used in) operations	經營業務所得/(所用)現金	19,160	(19,740)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 CASH AT BANK AND IN HAND AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

17 銀行及手頭現金以及其他現金流量資料(續)

(c) 就融資活動所產生負債的對賬

下表詳述本集團融資活動之負債變動，包括現金及非現金變動。融資活動所產生的負債指過往現金流量或未來現金流量將於本集團綜合現金流量表分類為融資活動所產生的現金流量的負債。

		Lease liabilities 租賃負債 \$'000 千港元 (Note 19) (附註19)
At 1 January 2022	於二零二二年一月一日	2,007
Changes from financing cash flows:	融資現金流量變動：	
Capital element of lease rentals paid	已付租賃租金的資本部分	(1,842)
Interest element of lease rentals paid	已付租賃租金的利息部分	(60)
Total changes from financing cash flows	融資現金流量變動總計	(1,902)
Other changes:	其他變動：	
Increase in lease liabilities from entering into new leases during the year	年內由於訂立新租約而增加的租賃負債	1,168
Interest expenses (Note 6(a))	利息開支(附註6(a))	60
Early termination of lease	提早終止租賃	(43)
Total other changes	其他變動總計	1,185
At 31 December 2022	於二零二二年十二月三十一日	1,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 CASH AT BANK AND IN HAND AND OTHER CASH FLOW INFORMATION (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities (Continued)

17 銀行及手頭現金以及其他現金流量資料(續)

(c) 就融資活動所產生負債的對賬(續)

		Lease liabilities 租賃負債 \$'000 千港元 (Note 19) (附註19)
At 1 January 2023	於二零二三年一月一日	1,290
Changes from financing cash flows:	融資現金流量變動：	
Capital element of lease rentals paid	已付租賃租金的資本部分	(1,441)
Interest element of lease rentals paid	已付租賃租金的利息部分	(65)
Total changes from financing cash flows	融資現金流量變動總計	(1,506)
Other changes:	其他變動：	
Increase in lease liabilities from entering into new leases during the year	年內由於訂立新租約而增加的租賃負債	1,685
Interest expenses (Note 6(a))	利息開支(附註6(a))	65
Early termination of lease	提早終止租賃	(21)
Total other changes	其他變動總計	1,729
At 31 December 2023	於二零二三年十二月三十一日	1,513

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

17 CASH AT BANK AND IN HAND AND OTHER CASH FLOW INFORMATION (CONTINUED)

(d) Total cash outflow for leases

Amounts included in the cash flow statement for leases comprise the following:

	2023 二零二三年	2022 二零二二年
	\$'000 千港元	\$'000 千港元
Within financing cash flows	1,506	1,902

These amounts relate to the following:

	2023 二零二三年	2022 二零二二年
	\$'000 千港元	\$'000 千港元
Lease rentals paid	1,506	1,902

(e) Pledged bank deposits

The balances represent deposits pledged to secure the issuance of performance bonds by banks. There was no pledged bank deposits carry fixed interest rate during the year (2022: 3.80% to 3.85%).

17 銀行及手頭現金以及其他現金流量資料(續)

(d) 租賃現金流出總額

租賃現金流量表中的金額包括以下各項：

	2023 二零二三年	2022 二零二二年
	\$'000 千港元	\$'000 千港元
在融資現金流內	1,506	1,902

該等金額與下列各項有關：

	2023 二零二三年	2022 二零二二年
	\$'000 千港元	\$'000 千港元
已付租金	1,506	1,902

(e) 已抵押銀行存款

結餘指為獲取銀行發出的履約保證金而抵押的存款。年內並無已抵押銀行存款按固定利率(二零二二年：3.80%至3.85%)計息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

18 TRADE AND OTHER PAYABLES**18 貿易及其他應付款項**

		As at 31 December	
		於十二月三十一日	
		2023	2022
		二零二三年	二零二二年
		\$'000	\$'000
		千港元	千港元
Trade payables	貿易應付款項	11,771	3,782
Accrued subcontracting costs	應計分包成本	2,665	2,704
Other payables and accruals	其他應付款項及應計費用	4,391	4,118
Provision for long service payment	長期服務金撥備	330	587
		19,157	11,191

All of the trade and other payables are expected to be settled within one year. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

所有貿易及其他應付款項預期於一年內結算。以下為各報告期末按發票日期劃分的貿易應付款項的賬齡分析：

		As at 31 December	
		於十二月三十一日	
		2023	2022
		二零二三年	二零二二年
		\$'000	\$'000
		千港元	千港元
Within 1 month	1個月內	5,905	1,986
1 to 2 months	1至2個月	5,496	1,545
2 to 3 months	2至3個月	100	251
Over 3 months	3個月以上	270	-
		11,771	3,782

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

19 LEASE LIABILITIES

At 31 December 2023, the lease liabilities were repayable as follows:

19 租賃負債

於二零二三年十二月三十一日，須償還之租賃負債如下：

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Within 1 year	1年內	1,029	1,049
After 1 year but within 2 years	1年後但2年內	427	162
After 2 years but within 5 years	2年後但5年內	57	79
		484	241
		1,513	1,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

20 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Deferred tax (assets)/liabilities recognised

Movement of deferred tax (assets)/liabilities

The component of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Depreciation allowances in excess of related depreciation 折舊撥備 超出相關折舊 \$'000 千港元	Tax losses 稅項虧損 \$'000 千港元	Total 總計 \$'000 千港元
At 1 January 2022 (Credited) charge to profit or loss	於二零二二年一月一日 (計入)扣除損益	223 (163)	(223) 177	– 14
At 31 December 2022	於二零二二年十二月三十一日	60	(46)	14
At 1 January 2023 (Credited) charged to profit or loss	於二零二三年一月一日 (計入)扣除損益	60 (23)	(46) 46	14 23
At 31 December 2023	於二零二三年十二月三十一日	37	–	37

(b) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(o), the Group has not recognised deferred tax assets in respect of cumulative tax losses of \$11,585,000 (2022: \$14,406,000) as it is uncertain that future taxable profits against which the assets can be utilised will be available. The tax losses do not expire under current tax legislation.

20 綜合財務狀況表之所得稅

(a) 已確認遞延稅項(資產)/負債

遞延稅項(資產)/負債變動

於綜合財務狀況表確認的遞延稅項(資產)/負債組成部分及其於年內的變動如下：

		Depreciation allowances in excess of related depreciation 折舊撥備 超出相關折舊 \$'000 千港元	Tax losses 稅項虧損 \$'000 千港元	Total 總計 \$'000 千港元
At 1 January 2022 (Credited) charge to profit or loss	於二零二二年一月一日 (計入)扣除損益	223 (163)	(223) 177	– 14
At 31 December 2022	於二零二二年十二月三十一日	60	(46)	14
At 1 January 2023 (Credited) charged to profit or loss	於二零二三年一月一日 (計入)扣除損益	60 (23)	(46) 46	14 23
At 31 December 2023	於二零二三年十二月三十一日	37	–	37

(b) 未確認遞延稅項資產

按照附註2(o)所載的會計政策，由於未能確定將可獲得可用於抵扣有關資產的未來應課稅溢利，因此本集團尚未就11,585,000元(二零二二年：14,406,000元)的累積稅項虧損確認遞延稅項資產。該等稅項虧損根據現行稅務法例並未屆滿。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

21 EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the plan vest immediately.

Contributions to the provident fund by the Group for its employees are fully and immediately vested in the employees once the contribution are made. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there is no forfeited contributions which may be used by the Group to reduce the existing level of contributions.

Long service payment liabilities

Hong Kong employees that have been employed continuously for at least five years are entitled to long service payments in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee’s final salary (capped at \$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group’s contributions to MPF scheme with an overall cap of \$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

21 僱員退休福利

本集團根據香港強制性公積金計劃條例為在香港僱傭條例保障下受聘的僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，以每月相關收入30,000元為上限。計劃供款即時歸屬。

本集團為其僱員向公積金作出的供款於作出供款後全數及即時歸屬於僱員。對於在有關完全歸屬前退出該計劃的僱員，本集團並無代其僱員沒收任何供款。因此，不存在本集團可否使用自己沒收的供款來降低現有供款水平的事宜。

長期服務金負債

根據香港僱傭條例，連續受僱滿五年的香港僱員在若干情況下有權領取長期服務金。該等情況包括僱員因嚴重不當行為或裁員以外的原因被解僱、僱員於65歲或以上時辭職、或僱傭合約為固定年期且期滿後不獲續約。應付長期服務金的金額乃參考僱員的最終薪金(上限為22,500元)及服務年數，減去本集團向強積金計劃供款所產生的累算權益而釐定，每位僱員的總上限為390,000元。目前，本集團並無任何單獨的融資安排以履行其長期服務金責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

21 EMPLOYEE RETIREMENT BENEFITS (Continued)

Long service payment liabilities (Continued)

In June 2022, the Government gazetted the Amendment Ordinance, which will eventually abolish the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. The Government has subsequently announced that the Amendment Ordinance will come into effect from the Transition Date. Separately, it is expected that the Government will introduce a subsidy scheme to assist employers after the abolition.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date; in addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

The balances of provision for long service payment as disclosed in note 18.

21 僱員退休福利(續)

長期服務金負債(續)

於二零二二年六月，政府刊憲修訂條例，將最終取消僱主使用其於強積金計劃下的強制性供款，減少其應付香港僱員的長期服務金的法定權利。政府隨後宣佈修訂條例將自轉制日起生效。此外，預期政府推出一項資助計劃，在取消抵銷機制後為僱主提供支援。

其中，當取消抵銷機制生效後，僱主自轉制日起不得使用其強制性強積金供款(無論於轉制日前、當日或之後作出的供款)所產生的任何累算權益，以減少轉制日後僱員服務年數涉及的長期服務金。然而，倘僱員於轉制日前已開始受僱，則僱主可繼續使用上述累算權益減少截至轉制日就僱員服務年數涉及的長期服務金；此外，於轉制日前就服務年數涉及的長期服務金將按僱員緊接轉制日前的月薪及截至該日的服務年數計算。

長期服務金撥備結餘於附註18中披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

22 CAPITAL AND RESERVES

(a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes of the Company's individual components of (deficits)/ equity between the beginning and the end of year are set out below:

Company 本公司		Share capital 股本 \$'000 千港元	Share premium 股份溢價 \$'000 千港元	Accumulated losses 累計虧損 \$'000 千港元	Total 總計 \$'000 千港元
	Note 附註	(Note 22(b)) (附註 22(b))	(Note 22(c)(i)) (附註 22(c)(i))		
At 1 January 2022	於二零二二年一月一日	10,000	107,850	(28,354)	89,496
Loss and total comprehensive expense for the year	年內虧損及全面 開支總額	-	-	(3,057)	(3,057)
At 31 December 2022	於二零二二年 十二月三十一日	10,000	107,850	(31,411)	86,439
At 1 January 2023	於二零二三年一月一日	10,000	107,850	(31,411)	86,439
Loss and total comprehensive expense for the year	年內虧損及全面 開支總額	-	-	(2,779)	(2,779)
At 31 December 2023	於二零二三年 十二月三十一日	10,000	107,850	(34,190)	83,660

22 資本及儲備

(a) 權益組成部分變動

本集團綜合權益各組成部分的年初及年末結餘的對賬載於綜合權益變動表。本公司各個部份(虧絀)/權益於年初及年末的變動詳情如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

22 CAPITAL AND RESERVES (CONTINUED)**(b) Share capital****22 資本及儲備(續)****(b) 股本**

		The Company 本公司	
		No. of shares 股份數目	\$'000 千港元
Authorised ordinary shares of \$0.01 each:	每股面值為0.01元的法定普通股：		
At 1 January 2022, 31 December 2022 and 31 December 2023	於二零二二年一月一日、二零二二年十二月三十一日及二零二三年十二月三十一日	5,000,000,000	50,000
Ordinary shares, issued and fully paid: 普通股，已發行及繳足：			
At 1 January 2022, 31 December 2022 and 31 December 2023	於二零二二年一月一日、二零二二年十二月三十一日及二零二三年十二月三十一日	1,000,000,000	10,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權獲取不時宣派的股息，並於本公司大會上按每股股份享有一票的投票權。所有普通股於本公司剩餘資產中享有均等的權益。

(c) Nature and purpose of reserves*(i) Share premium*

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividends is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(c) 儲備性質及目的*(i) 股份溢價*

股份溢價賬受開曼群島公司法監管，並可由本公司根據組織章程大綱及細則的條文(如有)用於向權益股東支付分派或股息。

除非緊隨分派或股息建議支付日期後本公司將能夠償付日常業務過程中的到期債務，否則不得以股份溢價賬向權益股東支付分派或派付股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

22 CAPITAL AND RESERVES (CONTINUED)

(c) Nature and purpose of reserves (Continued)

(ii) Merger reserve

The merger reserve represents the aggregate amount of the excess of the nominal value of shares of the subsidiaries acquired over the nominal value of shares of the Company exchanged as a part of the reorganisation during the Company's initial public offering.

(d) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its construction business and provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

(e) Distributable reserves

As 31 December 2023, the aggregate amount of the reserves attributable to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association was \$73,660,000 (2022: \$76,439,000).

22 資本及儲備(續)

(c) 儲備性質及目的(續)

(ii) 合併儲備

合併儲備指已收購附屬公司的股份面值超出作為本公司首次公開招股時重組的一部分而交換的本公司股份面值的總額。

(d) 資本管理

本集團管理資本的主要目標為保障本集團持續經營的能力，以為其建築業務提供資金、為股東提供回報及為其他權益相關人士提供利益，並維持最佳資本架構以減低資金成本。

本集團積極並定期檢閱及管理其資本架構，以在較高借貸水平可能帶來的較高股東回報與穩健資本狀況所帶來的優勢及保障之間取得平衡，並因應經濟狀況的變動對資本架構作出調整。

本公司或其任何附屬公司並無受限於任何外部施加的資本要求。

(e) 可供分派儲備

於二零二三年十二月三十一日，根據開曼群島公司法以及本公司組織章程大綱及細則計算的本公司權益股東應佔儲備總額為73,660,000元(二零二二年：76,439,000元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Credit risk (Continued)

Trade receivables, retention receivables and contract assets

The Group has significant concentration of credit risk in a few customers. In view of their good payment record and long-established relationships with the Group, management does not consider the Group's credit risk to be significant. At the end of the reporting period, 31% (2022: 50%) and 93% (2022: 92%) of the total trade receivables and contract assets was due from the Group's largest customer and the five largest customers respectively.

Individual credit evaluations are performed as part of the acceptance procedures for new construction contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 45 days from the date of payment certificate. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables, retention receivables and contract assets at an amount equal to lifetime ECLs, which is based on the probability of default with reference to available market information, taking into account any credit enhancement. As the Group's historical credit loss experience indicates different loss patterns for different customers, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Other receivables

The Group assessed the impairment for its other receivables individually based on internal credit rating and ageing of these debtors which, in the opinion of the Directors, have no significant increase in credit risk since initial recognition. ECL is estimated based on historical observed default rates over the expected life of debtors and is adjusted for forward-looking information that is available without undue cost or effort. Based on the impairment assessment performed by the Group, the Directors consider the loss allowance for other receivables within 12-month ECL as at 31 December 2023 and 2022 was insignificant and accordingly no allowance for credit losses was provided.

23 財務風險管理及公平值(續)

(b) 信貸風險(續)

貿易應收款項、應收保留金及合約資產

本集團因少數客戶擁有重大信貸集中風險。鑒於彼等的還款記錄良好並與本集團建立長期關係，管理層認為，本集團所承受的信貸風險並不重大。於報告期末，貿易應收款項及合約資產總額中分別31%（二零二二年：50%）及93%（二零二二年：92%）為應收本集團最大客戶款項及五大客戶的款項。

本集團會進行個別信貸評核作為新建築合約接納程序一部分。此等評核集中於客戶過往支付到期款項的記錄及現時的付款能力，並考慮客戶的特定資料及客戶經營所在經濟環境的情況。貿易應收款項自糧款證書日期起計30至45日內到期。本集團一般不會向客戶收取抵押品。

本集團的貿易應收款項、應收保留金及合約資產的虧損撥備按相當於永久預期信貸虧損的金額計量，其乃於計及任何信貸增強後經參考可得市場資料，基於違約概率計算。由於本集團的過往信貸虧損經驗顯示不同客戶會有不同虧損模式，故基於逾期狀態的虧損撥備於本集團不同客戶基礎之間沒有進一步區分。

其他應收款項

本集團已根據內部信貸評級及其他應收款項之賬齡，個別評估其他應收款項之減值。董事認為，自初步確認起，該等應收款項的信貸風險並無顯著增加。預期信貸虧損乃基於債務人預期年期的過往觀察所得違約率進行估計，並就毋需花費過多成本或努力即可獲得的前瞻性資料進行調整。根據本集團進行的減值評估，董事認為於二零二三年及二零二二年十二月三十一日其他應收款項於12個月預期信貸虧損內的虧損撥備並不重大，因此並無就信貸虧損計提任何撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Credit risk (Continued)

Pledged bank deposits and cash at bank

Pledged bank deposits and cash at bank are deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

The Group's internal credit risk grading assessment comprises the following categories:

Level of credit risk 信貸風險級別	Benchmarks 基準	ECL assessment requirement 預期信貸虧損評估要求	
		Trade receivables, retention receivables and contract assets 貿易應收款項、應收保留金及合約資產	Other financial assets 其他金融資產
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 對手方拖欠風險程度較低，亦未有任何已逾期之款項	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12-month ECL 12個月預期信貸虧損
Watch list 監察名單	Debtor frequently repays after due dates but usually settle in full 債務人通常於到期日後償還，但一般悉數全額償還	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	12-month ECL 12個月預期信貸虧損
Doubtful 可疑	There have been significant increases in credit risk since initial recognition through information developed internally or externally resources while the counterparty is with continuous business transactions with the Group 經內部或外部資料來源初始確認，信貸風險顯著增加，而對手方與本集團有持續性業務往來	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值
Loss 虧損	There is evidence indicating the asset is credit impaired 證據顯示資產已信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 已信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 證據顯示債務人有嚴重經濟困難，本集團預計日後實際上款額無法收回	Amount is written off 款額已撇清	Amount is written off 款額已撇清

23 財務風險管理及公平值 (續)

(b) 信貸風險 (續)

已抵押銀行存款及銀行現金

已抵押銀行存款及銀行現金乃存放於信貸良好的金融機構，而本集團亦對任何單一金融機構設置額度。鑒於該等金融機構擁有高信貸評級，管理層預期該等金融機構及交易對手概不會無法履行責任。

本集團的內部信貸風險評級評估包括以下類別：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Credit risk (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets which are subject to ECL assessment:

	Note	External Credit rating	Internal Credit rating	12-month or Lifetime ECL 12個月或全期 預期信貸虧損	Gross carrying amount 總賬面值	
					2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Trade receivables 貿易應收款項	15	N/A 不適用	Low risk 低風險	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	21,775	37,460
Other receivables 其他應收款項	15	N/A 不適用	Low risk 低風險	12-month ECL 12個月預期信貸虧損	2,814	2,031
Retention receivables 應收保留金	15	N/A 不適用	Low risk 低風險	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	27,404	26,440
Contract assets 合約資產	16(a)	N/A 不適用	Low risk 低風險	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 無信貸減值	29,989	22,319
Pledged bank deposits 已抵押銀行存款	17(e)	A3	Low risk 低風險	12-month ECL	—	3,848
Cash at bank and in hand 銀行及手頭現金	17(a)	Aa3 to Baa1 Aa3至Baa1	Low risk 低風險	12-month ECL 12個月預期信貸虧損	88,370	64,581
					170,352	156,679

23 財務風險管理及公平值(續)

(b) 信貸風險(續)

下表詳細列出本集團須進行預期信貸虧損評估的金融資產及合約資產之信貸風險：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(b) Credit risk (Continued)

The following tables show reconciliation of loss allowances that has been recognised for trade receivables, retention receivables and contract assets.

		Lifetime ECL – not credit-impaired 全期預期 信貸虧損 – 無信貸減值 \$'000 千港元	Lifetime ECL – credit impaired 全期預期 信貸虧損 – 信貸減值 \$'000 千港元	Total 總額 \$'000 千港元
As at 1 January 2022	於二零二二年一月一日	350	–	350
Expected credit loss recognised	預期信貸虧損確認	88	–	88
Expected credit loss reversed	預期信貸虧損撥回	(221)	–	(221)
As at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日	217	–	217
Transfer to credit impaired	轉入信貸減值	(22)	22	–
Expected credit loss recognised	預期信貸虧損確認	245	1,568	1,813
Expected credit loss reversed	預期信貸虧損撥回	(50)	–	(50)
As at 31 December 2023	於二零二三年十二月三十一日	390	1,590	1,980

The Group recognised loss allowance of \$1,980,000 (2022: \$217,000) on the trade receivables, retention receivables and contract assets at an amount equal to lifetime ECLs, which is measured based on the probability of default for the year ended 31 December 2023. The Group considered that there is no significant loss allowance recognized in accordance with HKFRS 9 as at 31 December 2023, and no expected credit loss rate has therefore been disclosed.

23 財務風險管理及公平值(續)

(b) 信貸風險(續)

下表詳細列出有關貿易應收款項、應收保留金及合約資產確認之虧損撥備之對賬：

		Lifetime ECL – not credit-impaired 全期預期 信貸虧損 – 無信貸減值 \$'000 千港元	Lifetime ECL – credit impaired 全期預期 信貸虧損 – 信貸減值 \$'000 千港元	Total 總額 \$'000 千港元
As at 1 January 2022	於二零二二年一月一日	350	–	350
Expected credit loss recognised	預期信貸虧損確認	88	–	88
Expected credit loss reversed	預期信貸虧損撥回	(221)	–	(221)
As at 31 December 2022 and 1 January 2023	於二零二二年十二月三十一日 及二零二三年一月一日	217	–	217
Transfer to credit impaired	轉入信貸減值	(22)	22	–
Expected credit loss recognised	預期信貸虧損確認	245	1,568	1,813
Expected credit loss reversed	預期信貸虧損撥回	(50)	–	(50)
As at 31 December 2023	於二零二三年十二月三十一日	390	1,590	1,980

本集團確認貿易應收款項、應收保留金及合約資產虧損撥備為1,980,000元(二零二二年：217,000元)，金額等於全期預期信貸虧損，截至二零二三年十二月三十一日止年度根據違約概率計量。本集團認為於二零二三年十二月三十一日，並無根據香港財務報告準則第9號確認之重大虧損撥備，因此並無披露預期信貸虧損率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Liquidity risk

Individual operating subsidiaries within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities as at 31 December 2023 of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at 31 December 2023) and the earliest date the Group can be required to pay.

For bank loans subject to repayment on demand clause which can be exercised at the bank's sole discretion, the maturity analysis shows the cash outflow based on expected repayment dates with reference to the schedule of repayments set out in the banking facilities letters and, separately, the impact to the timing of the cash outflow if the lenders were to invoke unconditional rights to call the loans with immediate effect.

23 財務風險管理及公平值(續)

(c) 流動資金風險

本集團旗下的個別營運附屬公司負責其自身的現金管理，包括籌集貸款應對預期現金需求。本集團的政策為定期監控流動資金需要，以確保維持足夠現金儲備及來自主要金融機構的充足承諾融資額度，從而滿足短期及長期的流動資金需要。

下表載列本集團金融負債於二零二三年十二月三十一日的餘下合約到期日，此乃根據合約未貼現現金流量(包括按合約利率(如屬浮息，則根據於二零二三年十二月三十一日的即期利率)計算的利息付款)及本集團可被要求償還的最早日期而得出。

關於本集團的銀行貸款，如包括銀行能按其意願要求償還貸款的條款，以下到期日分析顯示了基於預期還款日期的現金流出，並參考了銀行融資函中規定的還款時間表，並分別顯示了如果貸款人援引無條件權利催收貸款並立即生效對現金流出時間的影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(c) Liquidity risk (Continued)

23 財務風險管理及公平值(續)

(c) 流動資金風險(續)

		2023 二零二三年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				
		Total	Within	More than	More than	
		contractual	1 year	1 year but	2 years but	
		undiscounted	or on	less than	less than	
		cash flow	demand	2 years	5 years	
Carrying amount at 31 December						
於十二月三十一日						
的賬面值		合約未貼現	1年內或	1年以上	2年以上	
		現金流量總額	按	但少於2年	但少於5年	
		\$'000	\$'000	\$'000	\$'000	
		千港元	千港元	千港元	千港元	
Trade and other payables	貿易及其他應付款項	18,827	18,827	18,827	-	-
Lease liabilities	租賃負債	1,513	1,601	1,100	439	62
		20,340	20,428	19,927	439	62

		2022 二零二二年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				
		Total	Within	More than	More than	
		contractual	1 year	1 year but	2 years but	
		undiscounted	or on	less than	less than	
		cash flow	demand	2 years	5 years	
Carrying amount at 31 December						
於十二月三十一日						
的賬面值		合約未貼現	1年內或	1年以上	2年以上	
		現金流量總額	按	但少於2年	但少於5年	
		\$'000	\$'000	\$'000	\$'000	
		千港元	千港元	千港元	千港元	
Trade and other payables	貿易及其他應付款項	10,421	10,421	10,421	-	-
Lease liabilities	租賃負債	1,290	1,318	1,071	166	81
		11,711	11,739	11,492	166	81

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from lease liabilities. Liabilities issued at variable rates expose the Group to cash flow interest rate risk. The Group's interest rate profile as monitored by management is set out below.

Interest rate profile

The following table details the interest rate profile of the Group's liabilities at the end of the reporting period.

		2023 二零二三年	2022 二零二二年		
		Effective interest rate 實際利率 %	\$'000 千港元	Effective interest rate 實際利率 %	\$'000 千港元
Fixed rate liabilities:	固定利率負債：				
Lease liabilities	租賃負債	3.17%–8.41%	1,513	1.97%–3.17%	1,290
Total liabilities	負債總額		1,513		1,290
Fixed rate liabilities as a percentage of total liabilities	固定利率負債佔負債總額的百分比		100%		100%

The Group has no significant exposure to interest rate risk as all of the Group's liabilities are at fixed rate.

23 財務風險管理及公平值(續)

(d) 利率風險

利率風險指金融工具的公平值或未來現金流量因市場利率變動而產生波動的風險。本集團的利率風險主要源於租賃負債。按浮動利率授出的負債令本集團承受現金流量利率風險。管理層所監控的本集團利率概況載於下文。

利率概況

下表詳列本集團負債於報告期末的利率概況。

由於本集團負債的利息均為固定，故本集團並無重大利率風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (CONTINUED)

(e) Foreign currency risk

The Group has no significant exposure to foreign currency risk as all of the Group's transactions are denominated in Hong Kong dollar.

(f) Fair value measurement

The carrying amounts of the Group's financial assets and liabilities carried at amortised cost are not materially different from their fair values at the end of the reporting period.

23 財務風險管理及公平值(續)

(e) 外幣風險

本集團並無面臨重大外幣風險，原因為本集團所有交易均以港元計值。

(f) 公平值計量

本集團按攤銷成本列賬的金融資產及負債的賬面值與該等資產及負債於報告期末的公平值之間並無重大差額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

24 MATERIAL RELATED PARTY TRANSACTIONS

In addition to transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related transactions.

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Salaries and other benefits	薪金及其他福利	6,069	6,298
Retirement benefit scheme contributions	退休福利計劃供款	90	90
		6,159	6,388

Total remuneration is included in "staff costs" (see Note 6(b)).

薪酬總額乃計入「員工成本」(見附註6(b))。

(b) Transactions with related parties

Lease payments paid to related companies 向關聯公司支付的租賃付款

		2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
		1,230	1,192

24 重大關聯方交易

除於此等綜合財務報表其他章節披露的交易及結餘外，本集團訂立以下重大關聯交易。

(a) 主要管理層人員薪酬

本集團主要管理人員的薪酬(包括附註8所披露向本公司董事支付的款項及附註9所披露向若干最高薪酬僱員支付款項)如下：

(b) 與關聯方的交易

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

24 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Applicability of the Listing rules relating to connected transactions

The related party transaction in respect of Note 24(b) above constitutes connected transactions as defined in Chapter 14A of the Listing Rules. However, the transaction is exempt from the disclosure requirement in Chapter 14A of the Listing Rules as it is below the de minimis threshold under Rule 14A.76(1).

25 CONTINGENT LIABILITIES

At 31 December 2023, contingent liabilities not provided for in the consolidated financial statements were as follows:

Performance bonds given to customers for due and proper performance of projects undertaken by the Group's subsidiaries	為妥善執行本集團附屬公司所承接項目而給予客戶的履約保證金	-	3,848
Court proceedings (note)	法律訴訟(附註)	872	872

Note:

In 2020, a subcontractor ("the plaintiff") sued Man Tung Air-Conditioning Works Limited ("Man Tung Works"), a subsidiary of the Company, for the amount due of HK\$871,664 for the ventilation fans installation works. Currently, Man Tung Works is waiting for 1st court session. Based on the legal advice and after consideration of possible business and financial impact, the directors believe stand a reasonable chance of success in defending the action and securing the counterclaims, therefore there is no present obligation to make any provision for the case at this stage.

24 重大關聯方交易(續)

(c) 與關連交易相關的上市規則的適用性

上述附註24(b)的關聯方交易構成關連交易(定義見上市規則第14A章)。然而，由於有關交易低於第14A.76(1)條的最低豁免水平，故可豁免遵守上市規則第14A章的披露規定。

25 或然負債

於二零二三年十二月三十一日，並無於綜合財務報表內計提撥備的或然負債如下：

	2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
Performance bonds given to customers for due and proper performance of projects undertaken by the Group's subsidiaries	-	3,848
Court proceedings (note)	872	872
	872	4,720

附註：

於二零二零年，一名分包商(「原告」)起訴本公司一間附屬公司萬通冷氣工程有限公司(「萬通冷氣工程」)要求支付就換氣扇安裝工程的應付款項871,664港元。目前，萬通冷氣工程正在等待第一次開庭。基於法律建議及並經考慮可能之業務及財務影響後，董事認為有合理的機會成功為訴訟辯護並獲得反訴，因此現階段沒有義務為案件作出任何準備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

26 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

26 公司層面的財務狀況表

			2023 二零二三年 \$'000 千港元	2022 二零二二年 \$'000 千港元
		Note 附註		
Non-current assets	非流動資產			
Investments in subsidiaries	於附屬公司的投資	13	2	2
Current assets	流動資產			
Other receivables	其他應收款項		226	206
Amounts due from subsidiaries	應收附屬公司款項		78,884	81,536
Cash at bank and in hand	銀行及手頭現金		5,274	5,489
			84,384	87,231
Current liability	流動負債			
Other payables and accruals	其他應付款項及應計費用		726	794
			726	794
Net current assets	流動資產淨值		83,658	86,437
NET ASSETS	資產淨值		83,660	86,439
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	22(b)	10,000	10,000
Reserves	儲備		73,660	76,439
TOTAL EQUITY	權益總額		83,660	86,439

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

27 COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to current year's presentation and to provide comparative amounts in respect of items disclosed.

28 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2023, the directors consider the immediate parent and ultimate controlling party of the Group to be Prime Pinnacle Limited, which is incorporated in Republic of Seychelles. This entity does not produce financial statements available for public use.

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023

Up to the date of issue of these consolidated financial statements, the HKICPA has issued a number of amendments and a new standard, which are not yet effective for the year ended 31 December 2023 and which have not been adopted in these consolidated financial statements. These developments include the following which may be relevant to the Group.

27 比較數字

若干比較數字已作調整以符合本年度呈列及就披露項目提供比較金額。

28 直接及最終控股方

於二零二三年十二月三十一日，董事認為本集團的直接母公司及最終控制方為於塞舌爾共和國註冊成立的 Prime Pinnacle Limited。此實體並無編製可供公眾人士使用的財務報表。

29 截至二零二三年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響

截至此等綜合財務報表刊發日期，香港會計師公會已頒佈多項修訂和新訂準則，而有關修訂和新訂準則於截至二零二三年十二月三十一日止年度尚未生效且並無於此等綜合財務報表內採納。該等修訂、新訂準則及詮釋包括下列可能與本集團有關的項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有指明外，以港元列示)

29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)

29 截至二零二三年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

	Effective for accounting periods beginning on or after 於下列日期或 之後開始的 會計期間生效
Amendments to HKFRS 10 and HKAS 28, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> 香港財務報告準則第10號及香港會計準則第28號修訂，投資者與其聯營公司或合營企業之間的資產銷售或注入	a date to be determined 日期待定
Amendments to HKFRS 16, <i>Lease Liability in a Sale and Leaseback</i> 香港財務報告準則第16號修訂，售後租回之租賃負債	1 January 2024 二零二四年一月一日
Amendments to HKAS 1, <i>Classification of Liabilities as Current or non-current and related amendments to Hong Kong Interpretation 5 (2020)</i> 香港會計準則第1號修訂，將負債分類為流動或非流動及香港詮釋第5號(二零二零年)的相關修訂	1 January 2024 二零二四年一月一日
Amendments to HKAS 1, <i>Non-current Liabilities with Covenants</i> 香港會計準則第1號修訂，附帶契諾的非流動負債	1 January 2024 二零二四年一月一日
Amendments to HKAS 7 and HKFRS 7, <i>Supplier Finance Arrangements</i> 香港會計準則第7號及香港財務報告準則第7號修訂，供應商融資安排	1 January 2024 二零二四年一月一日
Amendments to HKAS 21, <i>Lack of Exchangeability</i> 香港會計準則第21號修訂，缺乏可兌換性	1 January 2025 二零二五年一月一日

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在評估該等修訂於首次應用期間的預期影響。迄今為止，本集團認為採納該等修訂不大可能對綜合財務報表構成重大影響。

The background features a series of concentric circles centered in the upper-left quadrant, fading out towards the right. Overlaid on this are several thin, dark blue lines that form a geometric pattern, including a horizontal line, a vertical line, and diagonal lines that intersect at various points, creating a sense of depth and structure.

Man Shun Group (Holdings) Limited
萬順集團(控股)有限公司