

Continental Aerospace Technologies Holding Limited 大陸航空科技控股有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號: 232



Annual Report

2023

年報

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CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

On behalf of the board (the "Board") of directors (the "Directors") of Continental Aerospace Technologies Holding Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2023.

OVERALL REVIEW

In 2023, the Group recorded a revenue of HK\$1,830,186,000 (2022: HK\$1,665,515,000) and a gross profit of HK\$567,574,000 (2022: HK\$508,488,000). The Group recorded a profit for the year of HK\$162,209,000 (2022: HK\$50,832,000). As demand in the global general aviation market remained strong in 2023, both sales revenue and corresponding gross profit of the Group's general aviation aircraft piston engine business maintained an upward trend. The significant increase in profit for the year ended 31 December 2023 was mainly attributable to (a) the recognition of deferred tax credit in relation to the tax losses of previous years by a subsidiary of the Company in the United States, which has started to generate taxable profits in 2023; and (b) the profit for 2022 included an impairment of other intangible assets.

Basic earnings per share amounted to HK1.74 cents (2022: HK0.55 cent). The return on equity, calculated on the basis of profit attributable to owners of the Company as a percentage of equity attributable to owners of the Company, was 5.4% (2022: 1.8%).

本人謹代表Continental Aerospace Technologies Holding Limited大陸航空科技控股有限公司（「本公司」）之董事（「董事」）會（「董事會」）欣然提呈本公司及其附屬公司（「本集團」）截至二零二三年十二月三十一日止年度之全年業績。

整體回顧

於二零二三年，本集團錄得收益1,830,186,000港元（二零二二年：1,665,515,000港元）及毛利567,574,000港元（二零二二年：508,488,000港元）。本集團錄得本年溢利162,209,000港元（二零二二年：50,832,000港元）。由於二零二三年全球通用航空市場需求依然強勁，本集團通用航空飛機活塞發動機業務的銷售收入及相應毛利均保持上升趨勢。截至二零二三年十二月三十一日止年度的溢利大幅增加乃主要由於(a)本公司一間美國附屬公司於二零二三年度開始產生應課稅溢利，對其過往年度所得稅損失確認了遞延所得稅項抵免；及(b)二零二二年的溢利包括其他無形資產減值。

每股基本盈利為1.74港仙（二零二二年：0.55港仙）。股本回報率按本公司擁有人應佔溢利佔本公司擁有人應佔權益之百分比計算為5.4%（二零二二年：1.8%）。

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BUSINESS REVIEW

During the year, the Group has only one reportable operating segment, the general aviation aircraft piston engine business, which engages in the design, development and production of general aviation aircraft piston engines and spare parts as well as the provision of aftermarket services and support for piston engines.

Against the backdrop of tightening monetary policies by most central banks, the global economy has shown resilience beyond expectations in 2023. The growth of Global Gross Domestic Product ("GDP") existed a surprisingly sharp rise, with real GDP growth at 2.5%. However, in the last quarter of 2023, the growth of the global economy began to slow down.

Despite a 525 basis point increase in interest rates since March 2022, the United States economy remained more resilient than most forecasts. Retail data has indicated that consumers are continuing to demonstrate sustained purchasing power. Meanwhile, there are signs that the growth of economy is slowing down, and the household consumption sector is beginning to be affected. In 2023, the economy added 2.7 million jobs, which equivalent to 225,000 jobs per month, representing the strongest annual growth in employment since 2015 (excluding the pandemic period from 2020 to 2022). This also represents that the growth of job exceeded the levels in 2019 by nearly 40%.

業務回顧

年內，本集團只有一個須呈報之經營分部—通用航空飛機活塞發動機業務，從事通用航空飛機活塞發動機及備件的設計、開發及生產、以及提供活塞發動機的售後市場服務及支援。

在多數央行收緊貨幣政策的背景下，全球經濟在二零二三年表現出超出預期的韌性。全球本地生產總值（「GDP」）增長出現了令人意外的大幅上升，實際GDP增長率為2.5%。然而，在二零二三年最後幾個月，全球經濟增長開始放緩。

自二零二二年三月以來已經加息了525個基點，但美國經濟仍然比多數預測的更具彈性。零售數據顯示，消費者正在展現出持續的消費能力。與此同時，有跡象表明經濟增長勢頭正在放緩，家庭消費部門開始受到影響。二零二三年經濟增加了270萬個就業崗位，相當於每月22.5萬個就業崗位，這是自二零一五年以來最強勁的年度就業增長（不包括二零二零年至二零二二年的新冠大流行期間）。這也意味著就業增長比二零一九年高出近40%。



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Although the inflation rates of global and the United States were 6.8% and 3.4% respectively in 2023, there were favorable factors to moderate the growth of revenue and aviation activities on a year-on-year basis. These factors included the avoidance of labor market retrenchment, easing inflation and labor cost compression. According to the 2023 report of General Aviation Manufacturers Association, all categories of general aviation aircraft showed a strong growth in both delivery volumes and sales revenue. The report revealed that 1,682 units of piston-powered fixed-wing aircrafts were delivered globally, representing 11.8% growth yearly.

Despite the challenges posed by significant inflation, rising raw material prices, and labor costs, the Group continued its upward trajectory last year. We experienced notable growth across various aspects, including order volumes, deliveries, profits, and technological innovations.

Implementation of Blue Marlin Project

We are pleased to announce the successful completion of the Blue Marlin project, a significant milestone that reflects the dedication and hard work of our entire United States team. This project aims to enhance the efficiency of manufacturing general aviation aircraft piston engines and parts, reduce delivery lead time, and advance automation production. The factories of Mobile and Fairhope in Alabama, the United States achieved the highest delivery volumes in 2023, the best record recently.

全球和美國的通脹率在二零二三年分別為6.8%和3.4%，但從同比來看，我們看到一些有利因素支持了適度的收入增長和航空活動增加，其中包括避免勞動力市場緊縮、緩解通脹和壓縮勞動力成本。根據全球通用航空製造商協會二零二三年報告，所有類別通航飛機的交付量和銷售額都呈現出強勁增長趨勢。該報告表明全球活塞式固定翼飛機交付1,682架，同比增長11.8%。

儘管面對通貨膨脹、原材料價格和勞動力成本大幅上升的困難，但本集團去年仍處於上升趨勢。我們在各個方面都呈現出明顯的增長，包括訂單量、交付量、利潤和技術創新。

藍色金槍魚項目實行

我們很高興地宣佈藍色金槍魚項目的成功完成，這是一個重要的里程碑，反映了我們整個美國團隊的奉獻精神和辛勤工作。該項目旨在提高通用航空飛機活塞發動機和零件的製造效率，縮短交貨時間，並推進自動化生產。我們美國阿拉巴馬州的莫比爾和費爾霍普工廠於二零二三年實現了近年來最高的交付量記錄。

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Research and Development

Our engines and parts offer exceptional reliability and have instilled confidence among customers. Our Original Equipment Manufacturer (“OEM”) customers, aircraft owners, and operators expressed high satisfaction with the flight performance of our products and the value we created. Moreover, Tecnam Aircraft Company has announced that our well-known GTSIO engine (GTSIO-520-S) as the powerplant option for the P2012 short takeoff and landing aircraft, and also chose this engine for the P2012 Traveller and Sentinel SMP aircraft. Additionally, Diamond Aircraft Company delivered the DA50 RG aircraft equipped with our CD-300 engine for the first time in the North American market in 2023.

In 2023, the time between replacement for our CD-170 and CD-300 increased from 1,200 hours to 1,800 hours and 2,000 hours respectively, which brought significant advantage to customers. At the same time, more and more innovative designs have been added to our Jet-A engine series, which achieved 10 million flight hours.

Due to improved efficiency, our genuine PRIME and TITAN engines, as well as our PRIME PMA series of parts as options for other engine application, provide customers with excellent performance at very competitive prices. These advantages reinforce our commitment to delivering cutting-edge technology that exceeds customers' expectations.

研究開發

我們的發動機和零件具有卓越的可靠性，並在客戶心目中樹立了信心。我們的原始設備製造商（「OEM」）客戶、飛機擁有者和運營商對我們產品的飛行性能和創造的價值表示高度滿意。例如，泰克南飛機公司宣佈，選擇我們著名的GTSIO發動機（GTSIO-520-S）作為其P2012短距起降飛機的動力系統，並將該發動機作為其P2012旅行者和哨兵SMP飛機的動力選擇；鑽石飛機公司於二零二三年在北美市場首次交付了裝備我們CD-300發動機的DA50 RG飛機。

二零二三年，我們的CD-170和CD-300發動機換發週期分別從1,200小時增加到1,800小時和2,000小時，這給客戶帶來巨大的收益。同時，我們的Jet-A發動機系列也增加了越來越多的創新設計，實現了1,000萬飛行小時。

由於效率的提升，我們的PRIME和TITAN系列發動機，以及為其他發動機備選零件商選擇的PRIME PMA系列零件，以極具競爭力價格為客戶提供優異的性能。這些優勢幫助我們實現了為客戶提供超越客戶期望的尖端技術的承諾。



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We invest in research and development not only to enhance our customers' flying experience and satisfaction but also to promote the use of sustainable aviation fuel. Our team has been enthusiastically participated in relevant research to realize our commitment to sustainable aviation fuels. We are working with industry partners to accelerate testing of sustainable aviation fuels in line with global sustainability goals. In 2023, we completed testing of hydrotreated vegetable oil as a sustainable fuel option for CD-100 series engines. The Group will continue to work hard to promote the development of the aviation industry in a more environmentally friendly and sustainable direction.

Implementation of New ERP system

After nearly two years of effort, we are pleased to announce the successful implementation of our new Enterprise Resource Planning ("ERP") system. This significant milestone marks our transition from the outdated Macola system to the well-known Oracle NetSuite system. As we continue our pursuit of operational excellence and efficiency, the new ERP system integrates various processes, streamlines departmental workflows, and enhances overall efficiency, automation, and scalability. Our technology infrastructure is now well-equipped to accommodate the growing demands of our business.

FINANCIAL REVIEW

Goodwill

The Group's goodwill acquired through business combination in prior years has been allocated to a cash-generating unit in USA ("USA CGU") and a cash-generating unit in Germany ("Germany CGU"). As at 31 December 2023, the entire amount of the goodwill related to the Germany CGU was HK\$13,841,000 (2022: HK\$13,439,000). The impairment assessment of Germany CGU was performed with the support of Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent professionally qualified valuer.

During the years ended 31 December 2023 and 2022, no impairment loss is recognised.

我們投資於研發，不僅僅用以提高客戶的飛行體驗和滿意度，我們還致力於可持續航空燃料的應用。我們的團隊一直積極參與相關研究，以實現我們對可持續航空燃料的承諾。我們正在與行業夥伴合作，加快可持續航空燃料測試，以符合全球可持續發展目標。二零二三年，我們完成了加氫處理植物油作為CD-100系列發動機的可持續燃料選擇的測試。本集團將不斷努力，推動航空業朝著更環保、更可持續的方向發展。

新企業資源規劃系統實施

經過近兩年的努力，我們很高興地宣佈新企業資源規劃（「ERP」）系統的成功實施，這一重大里程碑表明該系統從過時的Macola系統切換到著名的Oracle NetSuite系統。在我們不斷追求卓越運營和效率，新的ERP系統整合了各種流程，簡化了各部門的工作，提高了整體效率、自動化和可擴展性。我們現時技術基礎設施能夠適應不斷增長的業務需求。

財務回顧

商譽

本集團於過往年度透過業務合併取得之商譽已分配至美國的現金產生單元（「美國現金產生單元」）及德國的現金產生單元（「德國現金產生單元」）。於二零二三年十二月三十一日，與德國現金產生單元相關的全部商譽金額為13,841,000港元（二零二二年：13,439,000港元）。德國現金產生單元的減值評估是在獨立專業合資格估價師仲量聯行企業評估及諮詢有限公司的協助下進行的。

截至二零二三年及二零二二年十二月三十一日止年度，並無確認減值虧損。

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Other intangible assets

Other intangible assets mainly consist of development programs in progress, trademarks, product technology, licence and completed programs, and customer relationships. As at 31 December 2023, the Group's other intangible assets were HK\$1,340,863,000 (2022: HK\$1,387,327,000).

During the year ended 31 December 2022, impairment loss of HK\$101,142,000 was recognised for development programs in progress. No impairment loss is recognised on other intangible assets during the year ended 31 December 2023.

Investment in an associate

During the year, the Group recorded a share of loss of an associate of HK\$4,112,000 (2022: HK\$8,390,000).

Administrative expenses

Administrative expenses consist of salaries and wages, product liability expenses, engineering expenses, legal and professional expenses and other general expenses. During the year, the Group recorded administrative expenses of HK\$311,185,000 (2022: HK\$293,665,000).

其他無形資產

其他無形資產主要包括進行中發展計劃、商標、產品技術、牌照及已完成計劃及客戶關係。於二零二三年十二月三十一日，本集團的其他無形資產為1,340,863,000港元（二零二二年：1,387,327,000港元）。

截至二零二二年十二月三十一日止年度，已就進行中的發展項目確認減值虧損101,142,000港元。截至二零二三年十二月三十一日止年度，概無就其他無形資產確認減值虧損。

聯營公司之投資

年內，本集團錄得分佔聯營公司虧損4,112,000港元（二零二二年：8,390,000港元）。

行政管理費用

行政管理費用包括薪金及工資、產品責任費用、工程開支、法律及專業費用以及其他一般費用。年內，本集團錄得行政管理費用311,185,000港元（二零二二年：293,665,000港元）。



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LIQUIDITY, CAPITAL STRUCTURE AND FINANCIAL RESOURCES

The Group has consistently maintained sufficient working capital. As at 31 December 2023, the Group had current assets of HK\$1,741,669,000 (2022: HK\$1,509,210,000), including cash and bank balances and bank deposits with original maturity over three months in an aggregate of HK\$875,280,000 (2022: HK\$824,752,000). The Group's current liabilities as at 31 December 2023 were HK\$506,859,000 (2022: HK\$422,783,000).

As at 31 December 2023, the Group's total equity amounted to HK\$2,995,461,000 (2022: HK\$2,818,891,000), comprising issued capital of HK\$930,337,000 (2022: HK\$930,337,000) and reserves of HK\$2,065,124,000 (2022: HK\$1,888,554,000). The Group's interest-bearing debts included lease liabilities of HK\$289,348,000 (2022: HK\$294,099,000). The Group's gearing ratio, calculated on the basis of the interest-bearing debts as a percentage of total equity plus the interest-bearing debts, was 8.8% (2022: 9.4%).

CHARGES ON THE GROUP'S ASSETS

As at 31 December 2023 and 2022, there are no assets pledged to secure the Group's bank facilities.

EXPOSURE TO FOREIGN CURRENCY RISK

As most of the Group's business transactions, assets and liabilities are principally denominated in the functional currencies of the operating units, the Group's exposure to foreign currency risk is minimal.

資金流動性、資本架構及財務資源

本集團一貫保持充足營運資金。於二零二三年十二月三十一日，本集團有流動資產1,741,669,000港元（二零二二年：1,509,210,000港元），其中包括現金及銀行結存及原定到期日超過三個月之銀行存款合共875,280,000港元（二零二二年：824,752,000港元）。本集團於二零二三年十二月三十一日之流動負債為506,859,000港元（二零二二年：422,783,000港元）。

於二零二三年十二月三十一日，本集團之權益總值為2,995,461,000港元（二零二二年：2,818,891,000港元），由已發行股本930,337,000港元（二零二二年：930,337,000港元）及儲備2,065,124,000港元（二零二二年：1,888,554,000港元）所組成。本集團之計息債務包括租賃負債289,348,000港元（二零二二年：294,099,000港元）。本集團之資本負債率按計息債務佔權益總值加計息債務之百分比計算為8.8%（二零二二年：9.4%）。

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，本集團並無資產抵押以獲得銀行融資。

外匯風險

由於本集團的大部份業務交易、資產及負債均主要以營運單位之功能貨幣結算，因此本集團所承受的外匯風險極微。

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MATERIAL ACQUISITIONS AND DISPOSALS

The Group had no material acquisitions or disposals during the current year.

CONTINGENT LIABILITIES

As at 31 December 2023, the Group did not have any significant contingent liabilities (2022: Nil).

ENVIRONMENTAL AND REGULATORY COMPLIANCE

Environmental protection and the effective use of natural resources have gradually become an important concept in modern economic growth. The Group has been keeping track of the major trends in environmental protection around the world and has been making an effort to integrate the concept of environmental protection in its operations. Based on new technology and management approach, the Group strictly controls its environmental impact and resource usage such that cleaner production featuring lower pollution and lower emissions thus sustainable development can be achieved.

The Group strictly complies with all applicable laws and regulations released by the relevant authorities which are material to us. Throughout the year 2023, there was no non-compliance with the relevant laws and regulations that had a significant impact on the Group.

重大收購及出售

本集團於本年度內並無任何重大收購或出售。

或然負債

於二零二三年十二月三十一日，本集團並無任何重大或然負債（二零二二年：無）。

環境及法規的遵從

保護環境及善用天然資源已逐步成為現代經濟發展的重要觀念，本集團一直密切關注全球環保的大趨勢，並一直在努力將環境保護的概念融入營運模式中。本集團採用新科技、新管理配套，嚴格控制環境影響及資源使用，致力打造低污染低排放的清潔生產模式，從而實現可持續發展經濟的重要方向。

本集團嚴格遵循所有由相關監管部門發佈而對公司有重要影響的相關的適用法律及規例。於二零二三年全年，本集團沒有不遵守對其業務有重大影響的有關法律及規例的事故。



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EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2023, there were 567 (2022: 534) employees in the Group. The employees' wages and salaries amounted to HK\$241,520,000 (2022: HK\$216,715,000) for the year ended 31 December 2023. The Group recognises the importance of good relationship with employees. The Directors believe that the working environment and benefits offered to employees have contributed to building good staff relations and retention. The Group's remuneration policies are formulated based on the performance of individual employees and market conditions and are reviewed regularly. The Group also provides other staff benefits including medical and life insurance, and grants performance related bonuses to eligible staff based on their performance and contributions to the Group.

OUTLOOK

In 2023, global GDP experienced robust growth, however as we head into 2024, economic forecasts remain uncertain. The primary projection for mid-2024 is a modest contraction in real GDP. Specifically, we anticipate a decline of approximately 0.5% between the first and third quarters of 2024. If this projection materializes, it would be the smallest contraction in real GDP among the 12 post-World War II economic recessions.

Our commitment to operational excellence, World Class Manufacturing ("WCM"), will be fully implemented in all factories by 2024. We have embarked on a journey to implement WCM practices globally and will achieve the highest standards of efficiency, quality and innovation through 10 technical pillars and 10 managerial foundations.

As we reflect on our achievements in 2023, we are pleased to announce our business growth plans in 2024.

僱員及薪酬政策

於二零二三年十二月三十一日，本集團共有僱員567名（二零二二年：534名）。截至二零二三年十二月三十一日止年度，僱員工資及薪金為241,520,000港元（二零二二年：216,715,000港元）。本集團重視與僱員保持良好關係。董事認為，為僱員提供優越的工作環境及福利，有助建立良好員工關係及挽留員工。本集團的薪酬政策乃根據各員工的表現及市場情況制定並定期進行檢討。本集團亦提供其他福利包括醫療及人壽保險，以及按個別僱員之表現及其對本集團作出之貢獻，向合資格僱員授予績效相關花紅。

展望

二零二三年的全球GDP出現強勁增長，但隨著我們進入二零二四年，對經濟前景的預測卻仍很不確定。目前主要的預測是二零二四年中期實際GDP會出現溫和收縮。具體來說，我們預計在二零二四年第一季度和第三季度之間，實際GDP收縮約0.5%。如果這一預測得以實現，那麼實際GDP的下降將是二戰後12次經濟衰退中實際GDP收縮幅度最小的一次。

我們對卓越運營的承諾－世界級製造（「WCM」），到二零二四年將全面應用於所有工廠。我們已經踏上了在全球實施WCM實踐的旅程，將通過10個領域和10個管理基礎，達到對效率、質量和創新的最高標準。

當我們回顧二零二三年成就的同時，我們很高興的宣佈二零二四年的業務增長計劃。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告以及管理層討論及分析

- Product/Service Expansion:** We will focus on expanding our global service network to meet the changing needs and preferences of our customers. By introducing innovative solutions and enhancing existing products, we aim to capture new market segments and drive revenue growth.
 - Market Penetration:** We will intensify our presence in existing markets, explore emerging regional markets, and establish connections with new OEMs. Through strategic partnerships and optimal customer experience initiatives, we will further strengthen our market position and increase market share.
 - Customer Retention and Training:** We continually listen to our customers' feedback, understand their needs, establish strong partnerships, and support their growth objectives. We meet their needs by delivering an exceptional experience, personalized support, and on-site and face-to-face training that shares our expertise.
 - Operational Efficiency and Cost Optimization:** Simplifying operations and optimizing internal processes are integral to our growth. We will leverage innovative technology, data analytics and best practices to enhance efficiency, reduce costs and provide the most valuable and highest quality products to customers in 78 countries.
 - Employee Development and Engagement:** Our most valuable asset is our team of professionals. We are committed to fostering a T.E.A.M. culture of continuous development, empowerment and collaboration. By continually investing in team growth and creating a positive work environment, we will unlock the full potential of our teams and drive collective success.
- 產品／服務擴張：**我們將專注於擴大我們的全球服務網絡，以滿足客戶不斷變化的需求和偏好。通過引入創新解決方案和改進現有產品，佔領新的細分市場並推動收入增長。
 - 市場滲透：**我們將加強對現有市場的滲透，探索新興區域市場，並與新的OEM建立合作關係。通過戰略合作夥伴關係和最佳客戶體驗計劃，我們將進一步加強市場地位並增加市場份額。
 - 客戶保留和培訓：**我們持續傾聽客戶的意見，了解客戶的需求，建立牢固的合作夥伴關係，以支持客戶的增長目標。我們通過提供卓越的體驗、個性化的支持以及分享專業知識的現場和面對面培訓來滿足他們的需求。
 - 運營和成本效率：**簡化運營、優化內部流程是推動我們增長不可或缺的一部分。我們將利用創新技術、數據分析和最佳實踐來提高效率、降低成本，並為78個國家／地區的客戶提供最具價值和最優質量的產品。
 - 員工發展和敬業度：**我們最寶貴的資產是我們的專業團隊。我們致力於培養持續發展、授權和協作的T.E.A.M.文化。通過不斷投資團隊成長和營造積極的工作環境，我們將可能釋放團隊的全部潛力並推動共同成功。



CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

In 2023, our performance was exceptionally strong, allowing us to look forward optimistically to the prospects of 2024. Over the past year, we achieved numerous significant accomplishments and milestones, which serve as the foundation for continued success in the coming year.

In 2024, we plan to strategically expand our market share, target untapped opportunities, further integrate cutting-edge technologies to enhance our operations, and provide innovative solutions. More importantly, we need to continually invest in employee development, fostering a skilled and proactive workforce, focusing on financial sustainability and R&D to support the Group's long-term growth. With the support of the global WCM, we look forward to a more successful 2024.

APPRECIATION

I would like to take this opportunity to express my appreciation to my fellow Directors and all our staff for their support, hard work and dedication.

By order of the Board of

Continental Aerospace Technologies Holding Limited

Huang Yongfeng

Chairman

Hong Kong, 28 March 2024

我們在二零二三年的表現非常強勁，讓我們得以積極的展望二零二四年的前景。在過去的一年裡，我們完成了諸多重大成就和里程碑，這為我們在未來的一年裡繼續取得成功奠定了基礎。

在二零二四年，我們計劃戰略性地擴大我們的市場佔有率，瞄準未開發的機會，進一步整合尖端技術以增強我們的運營，並提供創新的解決方案。更重要的是，我們需要持續投資於員工發展，以培養一支技能熟練、積極進取的員工隊伍，同時注重財務可持續性和研發以支持本集團長期增長。在全球WCM的助力下，我們期待一個更加成功的二零二四年。

致謝

本人謹此向各董事及全體職員所作出之重大貢獻、努力不懈及盡忠職守表示深切謝意。

承董事會命

**Continental Aerospace Technologies
Holding Limited**

大陸航空科技控股有限公司

黃勇峰

主席

香港，二零二四年三月二十八日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

EXECUTIVE DIRECTORS

Mr. Huang Yongfeng, aged 49, has been an executive Director and a member of nomination committee of the Company (the "Nomination Committee") since January 2021 and the chairman of the Company from 1 April 2022. He obtained a Master degree in management engineering from Beihang University and an Executive Master of Business Administration degree from China Europe International Business School. Mr. Huang is currently the deputy general manager of AVIC International Holding Corporation ("AVIC International") and the director of AVIC International (HK) Group Limited ("AVIC International (HK) Group"). He previously served as the chairman and general manager of AVIC International Holding (Zhuhai) Co., Ltd., the general manager assistant of AVIC International, the deputy general manager, the general manager assistant and the manager of corporate strategy and management department of AVIC Shenzhen Company Limited, the chairman of Castic-SMP Machinery Corp Ltd and the board secretary of AVIC International Holdings Limited. Further, he was also previously a chairman of FIYTA Precision Technology Company Limited ("FIYTA Precision Technology") and a director of each of China Merchants Property Operation & Service Company Limited (formerly known as AVIC Sunda Holding Company Limited) ("China Merchants POS"), Rainbow Department Store Company Limited and Tianma Microelectronics Company Limited ("Tianma"), the shares of which are listed and traded on the Shenzhen Stock Exchange. Mr. Huang has extensive experience in financial management, investment and financing management, mergers, and acquisitions, as well as aviation manufacturing and aviation operation areas. He is also a chairman of three subsidiaries of the Group.

執行董事

黃勇峰先生，49歲，自二零二一年一月出任執行董事及提名委員會（「提名委員會」）成員及自二零二二年四月一日起出任本公司主席。黃先生持有北京航空航天大學管理工程碩士學位元及中歐國際工商學院高層管理人員工商管理碩士學位。黃先生現出任中國航空技術國際控股有限公司（「中航國際」）副總經理及中航國際（香港）集團有限公司（「中航國際（香港）集團」）董事。彼曾任中航國際控股（珠海）有限公司董事長及總經理、中航國際總經理助理、中國航空技術深圳有限公司副總經理、總經理助理及企業戰略與管理部經理、深圳中施機械設備有限公司董事長、中航國際控股董事會秘書、飛亞達精密科技股份有限公司（「飛亞達精密科技」）董事長、招商局積餘產業運營服務股份有限公司（前稱中航善達股份有限公司）（「招商局積餘」）董事、天虹商場股份有限公司（「天虹商場」）董事及天馬微電子股份有限公司（「天馬」）董事（飛亞達精密科技、中航善達、天虹商場及天馬股份於深圳證券交易所上市及買賣）。黃先生在財務管理、投融資管理、投資併購及航空製造和航空運營領域有著豐富的經驗。黃先生亦為本集團三間附屬公司之董事長。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Ms. Jiao Yan, aged 57, has been an executive Director since August 2021. She obtained a Bachelor's Degree in Law from Peking University. She is currently the board secretary and the general counsel of AVIC International. Ms. Jiao previously served as a director of regulations, the deputy general counsel and the minister of audit and legal department of AVIC International. She is also a director of a subsidiary of the Group.

Mr. Yu Xiaodong, aged 51, has been an executive Director since August 2018 and a member of the Remuneration Committee and the Chief Executive Officer from 1 April 2022. He obtained a Master's Degree in International Trade from University of International Business and Economics in 1997. He previously served as the project manager of AVIC International, the assistant general manager of AVIC International Harbin Company* (中航國際哈爾濱公司), the operations management vice director of the international cooperation department of AVIC International, the organisational performance director of the human resources department of AVIC International, the vice general manager of the human resources department of AVIC International and the general manager of the auditing department of AVIC International. He is also the director of six subsidiaries of the Group.

焦燕女士，57歲，自二零二一年八月出任執行董事。焦女士持有北京大學法學學士學位。焦女士現任中航國際董事會秘書及總法律顧問。焦女士曾任中航國際法規部部長、副總法律顧問，及審計法律部部長。焦女士亦為本集團一間附屬公司之董事。

于曉東先生，51歲，自二零一八年八月出任執行董事及自二零二二年四月一日起出任薪酬委員會成員及本公司行政總裁。于先生於一九九七年獲頒對外經濟貿易大學國際貿易碩士學位。彼曾任中航國際項目經理、中航國際哈爾濱公司協理、中航國際國際合作部運作管理處副總監、中航國際人力資源部架構績效處總監、中航國際人力資源部副總經理及中航國際審計部總經理。于先生亦為本集團六間附屬公司之董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Mr. Zhang Zhibiao, aged 50, has been appointed as an executive Director on 3 April 2023. He obtained a master's degree in business administration from Nankai University, the People's Republic of China (the "PRC") and a bachelor degree from Jiangxi University of Finance and Economics, the PRC. Mr. Zhang is currently a director and chief executive officer of AVIC International (HK) Group and a director of Tacko International Limited. Mr. Zhang served as an executive Director from August 2018 to August 2021. Mr. Zhang was previously a director of FIYTA Precision Technology from February 2021 to September 2021, a director of Shennan Circuit from April 2021 to April 2022, a director of Tianma from February 2021 to November 2021, a director and general manager of Rainbow Digital from November 2021 to April 2022 and a director of China Merchants POS from September 2017 to December 2019, the shares of which are all listed on the Shenzhen Stock Exchange. Mr. Zhang was also previously an executive director of AVIC Joy Holdings (HK) Limited, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 260) from July 2017 to September 2020. Mr. Zhang also served as the head of the operations management department, the head of the planning and development department, the head of the comprehensive management department, the deputy head of the strategic development department, the office manager of international aviation business office and the deputy office manager of the capital operations office of AVIC International. Prior to joining AVIC International, Mr. Zhang served as the president assistant of AVIC Securities Company Limited (formerly known as 江南證券有限責任公司 (SouthChina Securities Company Limited)) and the head of 江南金融研究所 (SouthChina Financial Research Institute). Mr. Zhang has over 25 years of experience in areas of management, aviation business, strategic development, industry research, securities, investment and initial public offerings.

張志標先生，50歲，自二零二三年四月三日起出任執行董事。張先生持有中國南開大學頒授工商管理碩士學位及獲中國江西財經大學頒授學士學位。張先生現任中航國際(香港)集團董事及行政總裁，以及Tacko International Limited董事。張先生於二零一八年八月至二零二一年八月期間曾任執行董事。張先生分別於二零二一年二月至二零二一年九月期間曾任飛亞達精密科技董事，二零二一年四月至二零二二年四月期間曾任深南電路董事，二零二一年二月至二零二一年十一月期間曾任天馬董事，二零二一年十一月至二零二二年四月期間曾任天虹數科董事及總經理，以及二零一七年九月至二零一九年十二月期間曾任招商局積餘董事(飛亞達精密科技、深南電路、天馬、天虹數科及招商局積餘股份於深圳證券交易所上市)。張先生也於二零一七年七月至二零二零年九月期間曾任幸福控股(香港)有限公司(其股份於香港聯交所主機板上上市，上市編號：260)董事。張先生亦曾任中航國際經營管理部部長、規劃發展部部長、綜合管理部部長、戰略發展部副部長、國際航空業務辦公室主任，以及資本運營辦公室副主任。加入中航國際之前，張先生曾任中航證券有限公司(前稱江南證券有限責任公司)總裁助理及江南金融研究所所長。張先生在管理、航空業務、戰略規劃、行業研究、證券、投資及首次公開招股方面有超過25年工作經驗。



BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Mr. Li Peiyin, aged 37, has been appointed as an executive Director on 1 April 2022. He obtained a Bachelor's Degree in Accounting from Yantai University, China, in July 2007, a Master's Degree in Accounting from Xiamen University, China, in June 2010 and a Master's Degree in Business Administration from Missouri State University, the United States of America, in July 2015. He has been a member of the Chinese Institute of Certified Public Accountants since April 2014. Mr. Li has more than 11 years of experience in corporate financial management. Mr. Li has been working at the finance department of AVIC International since August 2010 and he is currently the head of the finance department there. Moreover, Mr. Li has been acting as the director of Rainbow Digital Commercial Company Limited ("Rainbow Digital"), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002419.SZ), since February 2021, FIYTA Precision Technology, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000026.SZ), since February 2021, Shennan Circuit Company Limited ("Shennan Circuit"), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002916.SZ), since April 2021 and Tianma, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000050.SZ), since July 2022. He is also a director of a subsidiary of the Group.

李培寅先生，37歲，自二零二二年四月一日起出任執行董事。李先生於二零零七年七月取得中國煙台大學會計學士學位，於二零一零年六月取得中國廈門大學會計碩士學位及於二零一五年七月取得美利堅合眾國密蘇裡州立大學工商管理碩士學位。李先生自二零一四年四月起成為中國註冊會計師協會會員。李先生於企業財務管理方面擁有逾11年經驗。李先生自二零一零年八月起任職於中航國際財務部，現任該財務部部長。此外，李先生自二零二一年二月起出任天虹數科商業股份有限公司（「天虹數科」）（其股份於深圳證券交易所上市，股票代碼：002419.SZ）董事，自二零二一年二月起出任飛亞達精密科技（其股份於深圳證券交易所上市，股票代碼：000026.SZ）董事，自二零二一年四月起出任深南電路股份有限公司（「深南電路」）（其股份於深圳證券交易所上市，股票代碼：002916.SZ）董事及自二零二二年七月起出任天馬（其股份於深圳證券交易所上市，股票代碼：000050.SZ）董事。李先生亦為本集團一間附屬公司之董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

NON-EXECUTIVE DIRECTOR

Mr. Chow Wai Kam, JP, aged 76, has been a non-executive Director since June 2015. He obtained a Bachelor of Arts degree in Architectural Studies and a Bachelor of Architecture degree from the University of Hong Kong in November 1970 and November 1972, respectively. He has been an Authorised Person (List of Architects) and a Registered Architect since July 1976 and January 1991, respectively. He was also admitted as a Fellow of The Hong Kong Institute of Architects since August 2001. He is currently an executive director of CK Asset Holdings Limited (“CKAH”), a company listed on the main board of the Stock Exchange. Mr. Chow joined the Hutchison Group in July 1995 and was the group managing director of the property and hotels divisions of the Hutchison Group since 2000. He is now the group managing director of Hutchison Property Group Limited, a wholly-owned subsidiary of CKAH. He has over 40 years of experience in project management and architectural design for various developments, including hotel, residential, commercial, industrial and school projects in Hong Kong, the Mainland China and overseas.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chu Yu Lin, David, JP, SBS, aged 80, has been an independent non-executive Director since May 1999. He is also a member of the Nomination Committee and the chairman of each of the audit committee of the Company (the “Audit Committee”) and the Remuneration Committee. Mr. Chu received his Master of Business Administration degree from Harvard University after degrees in Electrical Engineering and Management at Northeastern University and was awarded an honorary Doctor of Public Service degree from Northeastern University. He worked for a number of sizeable international corporations such as Bank of America, General Electric Co. and Jardine Matheson & Company Limited. Mr. Chu is an independent non-executive director of Chuang’s Consortium International Limited, and was an independent non-executive director of Zhuhai Holdings Investment Group Limited until June 2021, all being listed on the main board of the Stock Exchange.

非執行董事

周偉淦先生，*太平紳士*，76歲，自二零一五年六月出任非執行董事。周先生分別於一九七零年十一月及一九七二年十一月獲得香港大學建築學文學學士學位及建築學學士學位。並分別自一九七六年七月及一九九一年一月起成為認可人士(建築師名單)及註冊建築師。自二零零一年八月起，周先生成為香港建築師學會資深會員。周先生現為於聯交所主板上市之長江實業集團有限公司(「長實集團」)之執行董事。周先生於一九九五年七月加入和黃集團，並自二零零零年起曾任和黃集團之物業及酒店部門集團董事總經理。周先生現任長實集團之全資附屬公司和記地產集團有限公司集團董事總經理。周先生於各類發展之項目管理與建築設計方面，包括於香港、中國與海外之酒店、住宅、商業、工業及校舍項目有逾四十年經驗。

獨立非執行董事

朱幼麟先生，*太平紳士*，*銀紫荊星章*，80歲，自一九九九年五月出任獨立非執行董事。朱先生同時出任本公司提名委員會成員、審核委員會及薪酬委員會成員兼主席。朱先生持有美國東北大學電機工程及管理學學位，後獲哈佛大學頒授工商管理碩士學位及獲美國東北大學頒發名譽博士學位(公共服務)。朱先生曾於多間頗具規模之國際機構如美國銀行、General Electric Co.及怡和洋行有限公司工作。朱先生現出任莊士機構國際有限公司獨立非執行董事，亦曾擔任珠海控股投資集團有限公司獨立非執行董事直到二零二一年六月(上述公司全部均於聯交所主板上市)。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Mr. Li Ka Fai, David, aged 69, has been an independent non-executive Director since December 2007. He is also a member of the Audit Committee and the Remuneration Committee. Mr. Li holds a Bachelor of Science honours degree in Chemistry and Administration. Mr. Li is also a fellow of the Association of Chartered Certified Accountants, UK. He is an independent non-executive director of China Merchants Port Holdings Company Limited, China-Hongkong Photo Products Holdings Limited, Cosmopolitan International Holdings Limited, Goldlion Holdings Limited, Shanghai Industrial Urban Development Group Limited, and Wai Yuen Tong Medicine Holdings Limited, and was an independent non-executive director of CR Construction Group Holdings Limited until June 2021, all being listed on the main board of the Stock Exchange.

Mr. Zhang Ping, aged 59, has been an independent non-executive Director since May 2017. He is also a chairman and member of the Nomination Committee and the member of Audit Committee. He received a doctoral degree in Economics from Chinese Academy of Social Science Graduate School (中國社會科學院研究生院). Mr. Zhang started working at the Institute of Economics under Chinese Academy of Social Science (中國社會科學院經濟研究所) since July 1988. He once led and organized key national research project on economics. He published several essays based on theory research and surveys. His major research fields are the growth of China economy and macroeconomic policies.

SENIOR MANAGEMENT

Mr. Lin Jining, aged 53, joined the Group in June 2018 as deputy chief financial officer and is responsible for the Group's corporate finance, accounting and treasury functions. He holds a Bachelor's degree in accounting and economic from University of Xiamen. Mr. Lin held senior management positions in different companies. He has over 25 years of experience in accounting and finance and international aviation business.

李家暉先生，69歲，自二零零七年十二月出任獨立非執行董事。李先生同時出任審核委員會及薪酬委員會成員。李先生持有化學及管理榮譽理學士學位。李先生亦為英國特許公認會計師公會資深會員。李先生現出任招商局港口控股有限公司、中港照相器材集團有限公司、四海國際集團有限公司、金利來集團有限公司、上海實業城市開發集團有限公司及位元堂藥業控股有限公司獨立非執行董事，亦曾擔任華營建築集團控股有限公司獨立非執行董事直到二零二一年六月（上述公司全部均於聯交所主板上市）。

張平先生，59歲，自二零一七年五月出任獨立非執行董事。張先生同時出任提名委員會主席及審核委員會成員。張先生獲得中國社會科學院研究生院經濟博士學位。張先生自一九八八年七月開始在中國社會科學院經濟研究所工作。彼曾領導及主持多項重點國家經濟研究項目。彼在理論研究和調查的基礎上寫出了諸多論著，主要研究領域為中國經濟增長和宏觀經濟政策。

管理高層

林紀寧先生，53歲，二零一八年六月加入本公司擔任副財務總監，並負責處理本集團之企業融資、會計及財政等職務。林先生持有廈門大學會計系經濟學學士學位。在加盟本集團之前，林先生曾於多間公司擔任高級管理職務。林先生在會計財務方面、以及國際航空及相關領域業務方面擁有逾25年經驗。

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CORPORATE GOVERNANCE

The Company is committed to maintaining good standards of corporate governance practices by emphasising transparency, accountability and responsibility to its shareholders.

For the year ended 31 December 2023, the Company applied the principles of, and complied with all the code provisions and, where applicable, the recommended best practices of the “Corporate Governance Code” (the “CG Code”) as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The Company will periodically review and improve its corporate governance practices with reference to the latest development of corporate governance.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “Model Code”) as set out in Appendix C3 of the Listing Rules as the Company’s code of conduct regarding Directors’ securities transactions. A reminder is served by the Company to each Director twice annually of the black out period that Director cannot deal in the securities and derivatives (if any) of the Company.

The Directors are required to notify the chief executive officer (who is also a Director) and receive a dated written acknowledgement before dealing in the securities and derivatives (if any) of the Company. In the case of the chief executive officer himself, he must notify the chairman and receive a dated written acknowledgement before any dealing.

企業管治

本公司致力於對其股東強調透明度、問責性及責任性，從而保持良好的企業管治常規。

本公司於截至二零二三年十二月三十一日止年度已實施並遵守載於聯交所證券上市規則（「上市規則」）附錄C1的《企業管治守則》（「企業管治守則」）的所有守則條文及（如適用）建議最佳常規。

本公司將參考企業管治的最新發展，定期檢討及改善其企業管治常規。

董事的證券交易

本公司已採納載於上市規則附錄C3的《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行證券交易的行為守則。本公司每年就禁止買賣期發出兩次通知提醒每位董事不可買賣本公司之證券及衍生工具（如有）。

董事進行本公司之證券及衍生工具（如有）買賣前，必須先知會行政總裁（行政總裁亦為董事），並待收到註明日期之書面確認才可進行買賣。倘為行政總裁本人，則必須先知會主席，並待收到註明日期之書面確認才可進行買賣。



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Having made specific enquiry, all Directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2023.

The Company has also established a written guideline no less exacting than the Model Code for securities transactions by relevant employees (including any employee of the Company or director or employee of a subsidiary who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company). No incidence of non-compliance was noted by the Company.

BOARD OF DIRECTORS

The Company is governed by the Board which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

Currently, the Board comprises five executive Directors, and one non-executive Director and three independent non-executive Directors. An independent non-executive Director has appropriate professional qualifications or accounting or related financial management expertise as prescribed by the Listing Rules. 8 out of 9 Directors served the full year for the year ended 31 December 2023. The composition of the Board and the biographical details of the Directors are set out on pages 13 to 18 of this annual report. Save as disclosed in this annual report, there is no relationship (including financial, business, family or other material/relevant relationship) between Board members.

在作出特定查詢後，所有董事確認彼等於截至二零二三年十二月三十一日止年度已遵守標準守則所載的規定。

本公司亦已制定一份不遜於標準守則的有關僱員(包括本公司任何僱員、或附屬公司的任何董事或僱員，不會利用他們因在該公司或該附屬公司的職務或工作而可能管有與本公司證券有關的內幕消息)進行證券交易的書面指引。本公司並無知悉任何違規事件。

董事會

本公司由董事會管理，董事會負有領導及監控本公司之責任。董事透過集體領導及監督本公司事務，共同負責推動本公司的成功。

董事會目前由五名執行董事，一名非執行董事及三名獨立非執行董事組成。一名獨立非執行董事具備上市規則所規定之適當的專業資格或會計或相關的財務管理專長。九位董事中有八位於截至二零二三年十二月三十一日止整個年度內任職。董事會組成及董事之履歷資料載於本年報第13頁至第18頁。除本年報所披露外，董事會成員之間並無任何關係(包括財務、業務、家屬或其他重大／相關的關係)。

CORPORATE GOVERNANCE REPORT

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Notwithstanding any contractual or other terms on which any Director may be appointed or engaged at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. A new Director appointed by the Board after the preceding annual general meeting shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election at that meeting.

The Nomination Committee will carefully consider the qualifications and experience of each candidate, before making evaluation and submitting its recommendations to the Board on the candidates for the appointment of new Directors, re-election of Directors and filling any vacancy in the Board. After the Board approves the proposal in relation to the nomination of candidates for Directors, the proposal will be submitted to the shareholders' general meeting for consideration and approval.

儘管在每次股東週年大會上可能有任何董事按合約條款或其他條款被委任或聘用，其時三分之一的董事（或，若董事的人數不是三(3)的倍數，則最接近但不少於三分之一的人數）須輪席退任，即每位董事至少每三年須退任一次。每年退任的董事須為自上一次選舉以來任期最長的董事，對於同一日連任的董事，則須以抽籤方式決定（除非董事之間另有協定）。退任董事合資格重選連任。於上屆股東週年大會後獲董事會委任之新董事，將任職至本公司下屆股東大會（如為填補空缺者）或任職至本公司下屆股東週年大會（如為增加現有董事會成員），並合資格在有關會議上重選連任。

提名委員會對每位董事候選人的任職資格及經驗作審慎考慮，負責就委任新董事、重選董事或填補董事空缺人選作出評價，並向董事會提交建議。董事會通過有關董事候選人的提名議案後，提交股東大會審議批准。



CORPORATE GOVERNANCE REPORT 企業管治報告

The Company has adopted a board diversity policy (the "Policy") which sets out the approach to achieve and maintain diversity on the Board in order to maintaining a competitive advantage of the Board. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to the talents, skills, regional and industry experience, background, gender and other qualities. The Board will consider and if appropriate, set measurable objectives to implement the Policy and review such objectives to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Board will review the Policy, from time to time, to ensure its continued effectiveness. As at the date of this report, the Board consists of one female and eight male Directors. Taking into account the business model and specific needs of the Company, the Board considers that the gender diversity in respect of the Board is satisfactory. The Board will endeavour to invite more female members over time to join the Board when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices with the ultimate goal of bringing the Board to gender diversity.

The Group has also taken, and continues to take, steps to promote diversity at all levels of its workforce. Opportunities for employment, training and career development are equally opened to all eligible employees without discrimination. Currently, the male to female ratio in the workforce of the Group is approximately 3:1. Due to the nature of industry in which the Group operates, the industry has been in short of female talents traditionally, therefore the Board considers that the gender diversity in workforce is currently achieved and the Board will continue to take opportunities to increase the proportion of female workforce over time as and when suitable female candidates are identified.

本公司已採納了一份載列實現並保持董事會成員多元化途徑的董事會成員多元化政策（「本政策」），以保持董事會的競爭優勢。本公司透過考慮多項因素，包括但不限於才能、技能、地域及行業經驗、背景、性別及其他特質，以尋求實現董事會多元化。董事會將考慮並在適當情況下制定可計量目標以推行本政策，並檢討該等目標以確保其合適度及確定達標的進度。董事會將不時檢討本政策，以確保其持續有效。於本年報日期，董事會由一名女性董事及八名男性董事組成。經計及本公司的業務模式及特定需要，董事會認為董事會成員的性別多元化令人滿意。董事會在挑選和推薦合適的董事會任命候選人時，將努力邀請更多女性成員加入董事會。董事會將根據利益相關者的期望以及國際和當地建議的最佳方式，確保實現性別多樣性的適當平衡，最終目標是使董事會實現性別多樣性。

本集團亦已採取並將繼續採取措施，以促進各級員工的多元化。所有合資格僱員均一視同仁地享有平等的就業、培訓及事業發展機會。目前，本集團員工的男女比例約為3:1。董事會認為目前已達致員工的性別多元化。由於本集團所處行業的性質，該行業歷來缺乏女性人才，因此董事會認為目前員工男女比例已實現性別多元化。當隨著時間推移，以及找到合適的女性候選人時，董事會將繼續把握機會增加女性勞動力。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximize the shareholders' value in the long run, and have aligned the Group's goals and directions with the prevailing economic and market conditions.

董事會制定本集團之整體策略，監察其財務表現及對管理層維持有效之監督。董事會成員盡心履行及忠誠行事，爭取股東長遠最大利益，並使本集團之目標及方向與當前經濟及市場狀況保持一致。

The Board is also responsible for performing the corporate governance functions under the requirements of the CG Code. The major role and functions of the Board regarding its corporate governance include:

董事會同時負責履行企業管治守則項下要求的企業管治職能。董事會就其企業管治的主要角色和職能，包括：

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; 2. to review and monitor the training and continuous professional development of Directors and senior management of the Company; 3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; 4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Company and Directors; and 5. to review the Company's compliance with the CG Code and disclosure in this report. | <ol style="list-style-type: none"> 1. 制定及檢討本公司的企業管治政策及常規並向董事會提出建議； 2. 檢討及監察董事及本公司管理高層的培訓及持續專業發展； 3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規； 4. 制定、檢討及監察本公司僱員及董事的操守準則及合規手冊(如有)；及 5. 檢討本公司遵守企業管治守則的情況及於本報告內的披露。 |
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The following is a summary of the work of the Board in respect of corporate governance matters during the year ended 31 December 2023:

以下是董事會於截至二零二三年十二月三十一日止年度內就企業管治事宜的工作概要：

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. performed corporate governance duties under the CG Code; 2. reviewed the Company's corporate governance policies and practices; | <ol style="list-style-type: none"> 1. 履行企業管治守則項下的企業管治職責； 2. 檢討本公司之企業管治政策及常規； |
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CORPORATE GOVERNANCE REPORT 企業管治報告

- | | |
|---|--|
| <p>3. reviewed the continuing connected transactions of the Group;</p> <p>4. reviewed the compliance with the CG Code; and</p> <p>5. reviewed the effectiveness of the risk management and internal control systems of the Company through the Audit Committee.</p> | <p>3. 檢討本集團之持續關連交易；</p> <p>4. 檢討是否遵守企業管治守則；及</p> <p>5. 透過審核委員會檢討本公司實施之風險管理及內部監控系統是否有效。</p> |
|---|--|

The senior management of the Company is delegated with responsibilities in the day-to-day management and administration of the Company and makes operational and business decisions within the control and delegation framework of the Company.

按本公司之監控及授權架構，本公司管理高層獲授權負責本公司之日常及行政管理，並作出營運及業務上之決策。

The Company has issued formal letters of appointment for Directors setting out the key terms and conditions of their appointment.

本公司已發出訂明有關委任的主要條款及條件的正式的董事委任書。

The Company had arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Company reviews the extent of insurance cover each year.

本公司已就因董事及高級職員所承擔之法律責任安排適當保險，本公司每年對保險之保障範圍進行檢討。

All Directors have access to the advice and services of the company secretary who is responsible for ensuring that board procedures, and all applicable rules and regulations, are followed; and also regularly updates the Board on governance and regulatory matters. Any Director, in the furtherance of his or her duties, may take independent professional advice in appropriate circumstances through the chairman at the expense of the Company. The availability of professional advice extends to the Audit, Nomination and Remuneration Committees.

所有董事均可獲得公司秘書的意見和服務，公司秘書負責確保遵循董事會程序及所有適用規則及規例；並定期就管治及法規等事宜向董事會提供最新的信息。任何董事可在適當的情況下透過主席尋求獨立專業意見，以協助有關董事履行對本公司的責任，費用由本公司支付。尋求專業意見亦適用於審核委員會，提名委員會及薪酬委員會。

Minutes of Board meetings were taken by the company secretary and, together with any supporting Board papers, are available to all Board members. During the year ended 31 December 2023, eight Board meetings were held by the Company.

董事會會議記錄由公司秘書記存，連同任何相關的董事會文件，可供董事會所有成員查閱。於截至二零二三年十二月三十一日止年度，本公司曾舉行八次董事會會議。

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The attendance record of Directors at Board meetings and other Committee meetings as well as general meetings during the year ended 31 December 2023 are set out in the table below:

董事於截至二零二三年十二月三十一日止年度內出席董事會會議及其他委員會會議以及股東大會的記錄載於下表：

Director	董事	Number of meetings or meetings attended/held 出席／舉行會議或會議次數				Number of general meetings attended/held 出席／舉行股東大會次數	
		Board 董事會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Audit Committee 審核委員會	Annual 週年	Special 特別
<i>Executive Directors</i> 執行董事							
Huang Yongfeng (Chairman)	黃勇峰 (主席)	8/8	-	2/2	-	1/1	0/1
Jiao Yan	焦燕	8/8	-	-	-	0/1	0/1
Yu Xiaodong	于曉東	8/8	2/2	-	-	1/1	1/1
Zhao Yang*	趙揚*	3/3	-	-	-	0/0	0/0
Li Peiyin	李培寅	8/8	-	-	-	0/1	0/1
Zhang Zhibiao#	張志標#	5/5	-	-	-	1/1	1/1
<i>Non-executive Director</i> 非執行董事							
Chow Wai Kam	周偉淦	8/8	-	-	-	1/1	1/1
<i>Independent Non-executive Directors</i> 獨立非執行董事							
Chu Yu Lin, David	朱幼麟	8/8	2/2	2/2	5/5	1/1	1/1
Li Ka Fai, David	李家暉	8/8	2/2	-	5/5	1/1	1/1
Zhang Ping	張平	8/8	-	2/2	5/5	0/1	0/1

* Mr. Zhao Yang resigned on 3 April 2023.

* 趙揚先生於二零二三年四月三日辭任。

Mr. Zhang Zhibiao has been appointed as executive Director on 3 April 2023.

張志標先生於二零二三年四月三日獲委任為執行董事。

During the year ended 31 December 2023, a meeting was held by the Chairman with the Non-executive Directors (including Independent Non-executive Directors) without presence of the executive Directors. Save for the annual general meeting, one special general meeting was held during the year 2023.

於截至二零二三年十二月三十一日止年度內，主席與非執行董事（包括獨立非執行董事）在沒有執行董事出席的情況下舉行了一次會議。除股東週年大會外，於二零二三年內舉行了一次股東特別大會。



CORPORATE GOVERNANCE REPORT 企業管治報告

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

Every newly appointed director was given a comprehensive, formal and tailored induction training to ensure that he/she is fully aware of his/her responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements.

Mr. Zhang Zhibiao was appointed as an executive Director on 3 April 2023 and he had obtained legal advice referred to in rule 3.09D of the Listing Rules on 19 April 2023, and he had confirmed that he understood his obligation as a Director.

All directors should participate in continuous professional development to develop and refresh their knowledge and skills pursuant to CG Code C.1.4. According to the records provided by the Directors, the Directors received the following training during the year 2023:

董事培訓及專業發展

每名新委任的董事獲給予全面、正式兼特為其而設的就任須知，以確保他／她們完全知道本身在法規及普通法、上市規則、法律及其他監管規定下的職責。

張志標先生於二零二三年四月三日獲委任為執行董事，並已於二零二三年四月十九日取得上市規則第3.09D條所述的法律意見，並確認其了解其作為董事的義務。

根據企業管治守則C.1.4條文，全體董事應持續參與專業發展，發展並更新其知識及技能。根據董事提供的記錄，董事於二零二三年內接受以下培訓：

Director	董事	Type of continuous professional development programmes	
		Reading materials and updates	Attending briefing sessions/seminars
		閱讀材料及更新資料	出席簡介會／研討會
<i>Executive Directors</i>			
Huang Yongfeng	黃勇峰	✓	✓
Jiao Yan	焦燕	✓	✓
Yu Xiaodong	于曉東	✓	✓
Zhao Yang*	趙揚*	✓	✓
Li Peiyin	李培寅	✓	✓
Zhang Zhibiao#	張志標#	✓	✓
<i>Non-executive Director</i>			
Chow Wai Kam	周偉淦	✓	✓
<i>Independent Non-executive Directors</i>			
Chu Yu Lin, David	朱幼麟	✓	✓
Li Ka Fai, David	李家暉	✓	✓
Zhang Ping	張平	✓	✓

* Mr. Zhao Yang resigned on 3 April 2023.

* 趙揚先生於二零二三年四月三日辭任。

Mr. Zhang Zhibiao has been appointed as executive Director on 3 April 2023.

張志標先生於二零二三年四月三日獲委任為執行董事。

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CHAIRMAN AND CHIEF EXECUTIVE OFFICER

To ensure a balance of power and authority, the role of the chairman is separated from that of the chief executive officer. Currently, the chairman and the chief executive officer of the Company are Mr. Huang Yongfeng and Mr. Yu Xiaodong respectively.

The chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role and for setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda. Agendas and accompanying Board papers are circulated where possible at least three days before the time of a Board meeting. The chairman is also responsible for making sure all Directors are properly briefed on issues arising at Board meetings. The chief executive officer is delegated with the authorities to manage the business of the Group in all aspects effectively.

The division of responsibilities between the chairman and the chief executive officer has been clearly established and set out in writing.

NON-EXECUTIVE DIRECTORS

The non-executive Directors bring a wide range of skills and experience to the Group. They serve the important function of providing adequate checks and balances for safeguarding the interests of shareholders and the Company as a whole. The Company had received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to rule 3.13 of the Listing Rules. The Board considered that the independent non-executive Directors are independent in character and judgment and fulfill the independence guidelines set out in rule 3.13 of the Listing Rules.

The Company has entered into service agreements with Mr. Chow Wai Kam and Mr. Zhang Ping for a term of three years. The Company has entered into service agreements with Mr. Chu Yu Lin, David and Mr. Li Ka Fai, David with no specified length of service.

主席及行政總裁

為確保權力和授權分佈均衡，主席及行政總裁的角色有獨立區分。現時本公司之主席及行政總裁分別為黃勇峰先生及于曉東先生。

主席負責領導董事會，確保董事會各方面有效地運作及釐定董事會會議議程，並考慮將其他董事提出的議題加入議程。會議議程及隨附的董事會文件（在可能情況下）在舉行董事會會議當日最少三日前傳閱。主席亦負責確保所有董事均適當知悉在董事會會議上提出的事項。行政總裁則獲授權有效地管理本集團各方面之業務。

主席及行政總裁的職責區分已清晰界定並以書面列明。

非執行董事

非執行董事為本集團帶來廣泛技能及經驗。彼等就保障股東及本公司之整體利益上發揮重要制衡功能。本公司已收到獨立非執行董事們各自根據上市規則第3.13條的年度獨立性確認書。董事會認為三名獨立非執行董事在個性及判斷上皆為獨立，並符合上市規則第3.13條所載的獨立性準則。

本公司與周偉淦先生及張平先生訂立為期三年的服務協議。本公司與朱幼麟先生及李家暉先生訂立服務協議，並無指定服務年限。

CORPORATE GOVERNANCE REPORT 企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises one executive Director, Mr. Yu Xiaodong, and two independent non-executive Directors, namely, Mr. Chu Yu Lin, David (as chairman) and Mr. Li Ka Fai, David. The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The role, authority and duties of the Remuneration Committee are clearly set out in its terms of reference.

Two meetings were held during the year 2023 to review and recommend the remuneration package of all Directors to Board. The attendance of each member is set out in the table above under section headed "BOARD OF DIRECTORS".

The primary goal of the remuneration policy on executive remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, no director or any of his associates is allowed in deciding his own remuneration. During the year 2023, the Remuneration Committee has adopted the model "to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management".

薪酬委員會

薪酬委員會目前由一名執行董事(于曉東先生)及兩名獨立非執行董事(朱幼麟先生擔任主席及李家暉先生)組成。薪酬委員會的職責包括向董事會就有關本公司董事及管理高層之薪酬政策及架構、以及就制訂有關薪酬政策而建立之正規且具透明度的程序提供建議。薪酬委員會的角色、權限及職責已清晰地載於其職權範圍內。

於二零二三年內，薪酬委員會舉行了二次會議，檢視及向董事會建議所有董事之薪酬待遇。各成員之出席記錄載於上述「董事會」項下的出席表內。

行政人員薪酬政策之主要目的是透過把執行董事的待遇與按企業目標量度的表現掛鉤，藉此挽留及勉勵本公司執行董事。根據薪酬政策，任何董事或其任何聯繫人不得參與釐定其自身的薪酬。於二零二三年內，薪酬委員會已採納了《獲董事會轉授責任，釐定個別執行董事及高級管理人員的薪酬待遇》的模式。

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Details of remuneration of members of senior management of the Company by band for the year ended 31 December 2023 are set out below:

截至二零二三年十二月三十一日止年度，本公司管理高層之酬金等級載列如下：

Remuneration	酬金	Number of individuals 人數
HK\$1,000,000 to HK\$2,000,000	1,000,000港元至2,000,000港元	1

Details of Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix D2 to the Listing Rules are set out in notes 8 and 9 to the financial statements respectively.

根據上市規則附錄D2之披露要求，董事酬金及五名最高薪僱員之詳情分別載於財務報表附註8及9。

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process, risk management and internal control systems and the effectiveness of the Company's internal audit function. It currently comprises three independent non-executive Directors, namely Mr. Chu Yu Lin, David (as chairman), Mr. Li Ka Fai, David and Mr. Zhang Ping. The Audit Committee met five times during the year 2023 to assess the ability of external auditor and review the interim and final results, the interim and annual reports, the external auditor's engagement letter and fee, the risk management and internal control systems of the Group, the effectiveness of the Group's internal audit function and the continuing connected transactions. The attendance of each member is set out in the table above under the section headed "BOARD OF DIRECTORS". The duties of the Audit Committee are clearly set out in its terms of reference.

審核委員會

本公司已根據上市規則第3.21條規定設立審核委員會，以檢討及監督本集團之財務申報程序、風險管理及內部監控系統及公司的內部審計職能的有效性。審核委員會現由三名獨立非執行董事（朱幼麟先生擔任主席、李家暉先生及張平先生）組成。審核委員會於二零二三年內曾舉行五次會議，以評估外聘核數師之能力及審閱本集團的中期業績及末期業績、中期報告及年報、外聘核數師之委聘函及費用、風險管理及內部監控系統、本集團的內部審核功能的有效性以及持續關連交易。各成員之出席記錄載於上述「董事會」項下的出席表內。審核委員會的職責已清晰地載於其職權範圍內。

Full minutes of meetings are kept and sent to all members of the Board. Matters raised at the meetings were reported back to the Board so that due consideration was given as to the action to be taken.

相關會議的全部記錄已備存，並發送予董事會所有成員。在會議上提出的事項均已匯報董事會，以便及時考慮所需行動。



CORPORATE GOVERNANCE REPORT 企業管治報告

NOMINATION COMMITTEE

The Company has a Nomination Committee which was established in compliance with rule 3.27A of the Listing Rules and code provisions B.3.1 to B.3.4 of the CG Code for the purposes of reviewing the structure, size and composition (including skills, knowledge and experience) of the Board and making recommendations to the Board regarding any proposed changes, identifying candidates with suitable qualifications as directors, selecting and making recommendations to the Board, assessing the independence of independent non-executive Directors, and making recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors. It currently comprises one executive Director, Mr. Huang Yongfeng, and two independent non-executive Directors, namely, Mr. Zhang Ping (as chairman) and Mr. Chu Yu Lin, David. The duties of the Nomination Committee are clearly set out in its terms of reference.

Two meetings were held during the year 2023 to review the structure, size and composition of the Board, assess the independence of independent non-executive Directors and making recommendations to the Board regarding appointment or re-appointment of Directors and succession planning for Directors. The attendance of each member is set out in the table above under the section headed "BOARD OF DIRECTORS".

提名委員會

本公司已根據上市規則第3.27A條規定及企業管治守則守則條文第B.3.1至B.3.4條規定設立提名委員會，以檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何建議變動向董事會提出建議、物色具備合適資格擔任董事的人士，並挑選有關人士出任董事並就此向董事會提出建議、評估獨立非執行董事的獨立性及就董事委任或重新委任以及董事繼任計劃相關的事宜向董事會提出建議。提名委員會現由一名執行董事（黃勇峰先生）及兩名獨立非執行董事（張平先生擔任主席及朱幼麟先生）組成。提名委員會的職責已清晰地載於其職權範圍內。

提名委員會於二零二三年內曾舉行兩次會議，以檢討董事會的架構、人數及組成，評估獨立非執行董事的獨立性及就董事委任或重新委任以及董事繼任計劃相關的事宜向董事會提出建議。各成員之出席記錄載於上述「董事會」項下的出席表內。

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企業管治報告

BOARD NOMINATION POLICY

The Nomination Committee shall endeavor to find individuals of high integrity who have a solid record of accomplishment in their chosen fields and who possess the qualifications, qualities and skills to effectively represent the best interests of the Group and its shareholders. Candidates will be selected for their ability to exercise good judgment, and to provide practical insights and diverse perspectives. Candidates also will be assessed in the context of the then-current composition of the Board, the operating requirements of the Group. In conducting this assessment, the Nomination Committee will, in connection with its assessment and recommendation of candidates for director, consider diversity (including, but not limited to, gender, race, ethnicity, age, experience and skills) and such other factors as it deems appropriate given the then current and anticipated future needs of the Board and the Company, and to maintain a balance of perspectives, qualifications, qualities and skills on the Board.

The Nomination Committee considered the following qualifications at a minimum to be required of any Board members in recommending to the Board potential new board members, or the continued service of existing members:

- the highest professional and personal ethics;
- broad experience in business;
- ability to provide insights and practical wisdom based on their experience and expertise;
- commitment to enhancing shareholder value;
- sufficient time to effectively carry out their duties;
- compliance with legal and regulatory requirements; and
- ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with senior management of the Group.

董事提名政策

提名委員會應努力尋找具有高度誠信及事業成就的人士，並具備專業的資格、素質和技能，能為本集團及股東爭取最佳的利益。被選中的候選人具備能力做出良好的判斷，並提供實用的見解和不同的觀點。提名委員會亦會根據當時的董事會組成及本集團的營運要求對候選人進行評估。此外，提名委員會會考慮多樣性因素（包括但不限於性別、種族、民族、年齡、經驗和技能）及其他因素，其中包括董事會和本公司當前和預期的未來需求，及保持在董事會中的觀點、資格、質量和技能的平衡。

提名委員會認為董事會成員向董事會推薦新董事會成員時，或現有的董事會成員時，至少需要具備以下資格：

- 高尚的職業道德和個人道德；
- 廣泛的商業經驗；
- 根據他們的經驗和知識提供專業的見解和實踐智慧；
- 致力於提高股東的價值；
- 有足夠的時間有效履行職責；
- 遵守法律和監管要求；及
- 能夠與其他董事會成員建立良好的工作關係，並有助董事會與本集團的管理層建立工作關係。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDITORS' REMUNERATION

Ernst & Young are the auditors of the Group. The services provided by them include audit and non-audit. Fees for auditing and non-auditing (including interim review and other professional services) services for the year ended 31 December 2023 amount to HK\$3,500,000 and HK\$1,651,000 respectively.

FINANCIAL REPORTING

The Directors are responsible for monitoring the preparation of financial statements of each financial period and ensuring those financial statements provide a true and fair view of the state of affairs of the Group and of the results and cash flow for the relevant financial period. In preparing the financial statements, the Directors have selected appropriate accounting policies and applied them consistently, adopted Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, made a prudent and reasonable judgment and estimation, and, prepared the financial statements on a going concern basis.

The Company has timely announced and published its financial results in accordance with the requirements of the Listing Rules.

The auditors are responsible for forming an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the shareholders of the Company, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda (the "Companies Act"), and for no other purpose.

A statement by the auditors about their reporting responsibilities is set out in the Independent Auditors' Report of this annual report.

核數師酬金

安永會計師事務所乃本集團之核數師。彼等所提供之服務包括審核及非審核。截至二零二三年十二月三十一日止年度，審核及非審核（包括中期審閱及其他專業服務）服務費用分別為3,500,000港元及1,651,000港元。

財務申報

董事負責監督擬備每個財政期間之財務報表，使該財務報表能真實而中肯地反映本集團於該有關財政期間之業務狀況、業績及現金流量表現。在擬備該等財務報表時，董事已選擇及貫徹採用合適的會計政策；採納香港會計師公會頒佈的香港財務報告準則；及作出審慎合理判斷及估計，並按持續經營基準擬備財務報表。

本公司已按上市規則規定適時公告及發佈其財務業績。

核數師的責任乃根據彼等審核工作的結果，對該等財務報表作出獨立意見，並根據百慕達公司法一九八一（「公司法」）第90條僅為本公司全體股東報告，而不作任何其他用途。

核數師就其申報責任而作出的聲明載於本年報獨立核數師報告書內。

CORPORATE GOVERNANCE REPORT 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the Group's risk management and internal control systems and for reviewing their effectiveness through the Audit Committee. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement, losses or fraud. Procedures have been designed for safeguarding assets against unauthorized use or disposition, for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. Procedures have also been designed for compliance of applicable laws, rules and regulations.

Reviews of the adequacy and effectiveness of the Group's risk management and internal control systems covering all material controls, including financial, operational and compliance controls, were conducted by the internal audit section of the Group from time to time. The results and recommendations were reported to the Audit Committee and thereafter to the Board. The adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions had also been reviewed by the Board and Audit Committee. During the year ended 31 December 2023, internal audit section of the Group evaluated the effectiveness and adequacy of the Group's risk management and internal control systems by adopting an integrated risk assessment approach, and the review report was presented to the Audit Committee and the Board for review in March 2024. No material deficiency was identified. Improvements in internal control and risk management measures to enhance the risk management and internal control systems of the Group and to mitigate risks of the Group will be adopted by The Board. The Board considered that the Group's risk management and internal control systems were adequate and effective and the Company had complied with the provisions on risk management and internal control of the CG Code. The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of Audit Committee, internal audit section and senior management.

風險管理及內部監控

董事會對於本集團的風險管理及內部監控系統負有整體責任，並透過審核委員會對其有效程度進行檢討。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述、損失或詐騙作出合理而非絕對的保證。就保障資產免受非法使用或處置、保存妥善會計記錄以及提供可靠的財務資料供內部或作刊發用途，已設計出相應步驟。同時亦已設計出相應步驟確保適用的法例、規則及法規得以遵守。

本集團的內部審核部門不時就本集團的風險管理及內部監控系統的足夠性及有效性進行檢討。有關檢討涵蓋所有重要監控，包括財務監控、營運監控及合規監控。相關結果及建議已向審核委員會報告；及後向董事會報告。董事會及審核委員會亦審閱本集團在會計、內部審核及財務匯報職能方面的資源充足性、員工資歷及經驗，以及員工所接受的培訓課程及有關預算的足夠性。於截至二零二三年十二月三十一日止年度內，本集團的內部審核部門通過綜合風險評估方法評估本集團的風險管理及內部監控系統的有效性及足夠性，評估報告於二零二四年三月呈交審核委員會及董事會審閱。本公司並無發現重大缺點。董事會會按照評估報告建議改進內部監控及風險管理以提升本集團的風險管理及內部監控系統及降低本集團之風險，同時認為本竹集團的風險管理及內部監控系統是足夠及有效的，同時本公司也遵守了企業管治守則關於風險管理及內部監控的條文。董事會確認該系統和程序能就實現本公司戰略目標而可能涉及的重大風險進行辨識、監控和作出報告。董事會在審核委員會、內部審核部門及管理高層的支持下監督該些風險。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has implemented Corporate Disclosure Policy, which set out the reporting procedures for the handling and dissemination of inside information.

COMPANY SECRETARY

Mr. Kwok Chi Ho, the company secretary of the Company, is an employee of the Company and responsible directly to the Board. He has complied with all the qualification, experience and training requirement under the Listing Rules.

The company secretary reports to the chairman and the chief executive officer of the Company.

INVESTOR RELATIONS

The updated memorandum of association and bye-laws of the Company had been posted on the Company's website at www.cath.com.hk and the Stock Exchange's designated website at www.hkexnews.hk. During the year 2023, there was no change in the amended and restated memorandum of association and bye-laws of the Company.

SHAREHOLDERS' RIGHTS

Convening of a special general meeting by shareholders

Pursuant to the bye-laws of the Company and the Companies Act, the Board shall, on the requisition of shareholders holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company (the "Registered Office"), which is presently situated at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, and may consist of several documents in like form each signed by one or more requisitionists.

本公司已經實施企業信息披露政策，其中規定了對內幕消息的處理發發佈的報告程序。

公司秘書

公司秘書郭致豪先生是本公司僱員，並直接向董事會負責。郭先生一直遵守上市規則項下所有的資歷，經驗及培訓要求。

公司秘書向本公司主席及行政總裁匯報。

投資者關係

本公司最新的組織大綱及細則已登載於本公司網頁www.cath.com.hk及聯交所指定網頁www.hkexnews.hk。於二零二三年內，本公司經修訂及重列的組織大綱及細則並無變動。

股東權利

股東召開股東特別大會

根據本公司細則及公司法，於持有可於本公司股東大會投票之已繳足股本不少於十分之一之股東遞交呈請書當日，董事會須隨即召開股東特別大會。

呈請書必須列明會議目的，並必須由呈請人簽署及遞交本公司註冊辦事處（「註冊辦事處」，現時地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda），而呈請書可由若干相同格式之文件組成，而每份文件均由一名或以上呈請人簽署。

CORPORATE GOVERNANCE REPORT 企業管治報告

If the Board does not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Procedures for putting forward proposals at shareholders' meetings

Pursuant to the Companies Act, either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or not less than one hundred shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requisitionists must be deposited at the Registered Office with a sum reasonably sufficient to meet the Company's relevant expenses, not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution; and not less than one week before the meeting in the case of any other requisition. Provided that if, an annual general meeting is called for a date six weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

倘董事會並無於呈請人遞交呈請書當日起二十一日內隨即召開會議，則呈請人（或其中代表全體呈請人總表決權半數以上之任何人士）可自行召開會議，惟按此方式召開之任何會議不得於遞交呈請書當日起計三個月屆滿後舉行。

於股東大會上提呈議案之程序

根據公司法，任何股東數目代表不少於該呈請書提出當日有權於會議上投票之所有股東之總投票權二十分之一；或不少於一百名股東，可向本公司提交書面要求：(a)向有權接收下一屆股東週年大會通告之股東發出通告，以告知任何可能於該會議上正式動議及擬於該會議上動議之決議案；及(b)向有權獲發送任何股東大會通告之股東傳閱不超過一千字之陳述書，以告知於該會議上提呈之任何建議決議案所述事宜或將處理之事項。

由所有呈請人簽署之呈請書，必須在不少於（倘為要求通知決議案之呈請書）會議舉行前六週或（倘為任何其他呈請書）會議舉行前一週，遞交到註冊辦事處，並須支付足以彌補本公司相關開支之款項。惟倘在遞交呈請書後六週或較短期間內之某一日召開股東週年大會，則該呈請書雖未有在規定時間內遞交，就此而言亦將被視為已妥為遞交。



CORPORATE GOVERNANCE REPORT

企業管治報告

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

Regarding the procedures for proposing a person for election as a Director, please refer to the procedures made available under section Corporate Governance of the Company's website at www.cath.com.hk.

Procedures for directing shareholder's enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Unit B, 15th Floor, United Centre
95 Queensway, Hong Kong
Fax: (852) 2915 0867

Shareholders may also make enquiries with the Board at general meetings of the Company.

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to fair disclosure, comprehensive and transparent reporting. Effective communication with shareholders has always been one of the Company's priorities. Information in relation to the Group is disseminated to shareholders in a timely manner through various formal channels, which include interim and annual reports, announcements and circulars.

The Company has established a shareholders' communication policy which is subject to review on a regular basis to ensure its effectiveness.

股東提名候選董事之程序

關於提名候選董事之程序，請參閱本公司網頁 www.cath.com.hk 企業管治項下之程序。

股東向董事會作出查詢之程序

股東可隨時以書面形式透過公司秘書轉遞其查詢及問題予董事會。公司秘書之聯絡詳情如下：

香港金鐘道95號
統一中心15樓B室
傳真：(852) 2915 0867

股東亦可在本公司之股東大會上向董事會作出查詢。

與股東的溝通

本公司致力於公平披露、綜合及透明的報告。本公司一向高度重視與股東之間的有效溝通。有關本集團之資料，已透過各種正式渠道及時向股東發佈，包括中期報告及年報、公告以及通函。

本公司已制定一份股東通訊政策並對該政策定期作出檢討以確保其成效。

CORPORATE GOVERNANCE REPORT 企業管治報告

General meetings of the Company provide good opportunities for direct communications between the Board and its shareholders. The Chairman of the Board, all other Directors and senior management endeavor to attend any general meeting of the Company and answer queries from shareholders. Separate resolution is proposed for each issue by the chairman of the meeting at each general meeting. Notice of general meeting is served together with the circular to the shareholders at least twenty clear business days or twenty-one clear days, whichever is the longer, before an annual general meeting and at least ten clear business days or twenty-one clear days, whichever is the longer, before a meeting called for passing of a special resolution, and, at least ten clear business days or fourteen clear days, whichever is the longer, before a meeting other than an annual general meeting or a meeting for the passing of a special resolution.

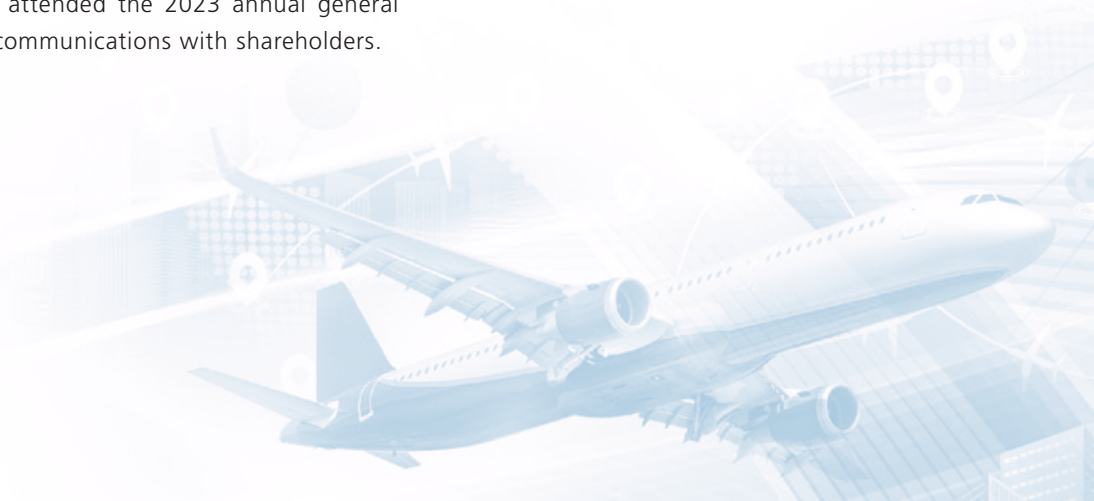
Detailed procedures for conducting a poll are to be explained by the chairman of the meeting at the commencement of the general meeting. Any questions raised from shareholders regarding voting by way of a poll may also be answered by the chairman of the meeting.

The 2023 annual general meeting of the Company was held on 29 May 2023. At the meeting, a separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of retiring directors, and voted by way of poll. The Company announced the results of the poll in the manner prescribed under the Listing Rules. All Directors except for two executive Directors and an independent non-executive Director, the chairman of the Audit Committee and Remuneration Committee, a member of the Audit Committee and Remuneration Committee and a member of Nomination Committee, attended the 2023 annual general meeting and had effective communications with shareholders.

本公司之股東大會提供董事會與股東直接溝通之良好機會。董事會主席、所有其他董事及管理高層盡量出席本公司的任何股東大會，並解答股東的提問。會議主席於每個股東大會上就各項議題提呈個別決議案。股東大會通告連同通函分別於召開股東週年大會最少二十個完整營業日或二十一日前（以較長者為準）及為通過特別決議案之會議最少十個完整營業日或二十一日前（以較長者為準），以及於召開其他會議（股東週年大會或為通過特別決議案之會議除外）最少十個完整營業日或十四日前（以較長者為準），送交本公司股東。

以投票方式進行表決的詳細程序於股東大會開始時由會議主席說明，而股東就有關以投票方式表決提出的任何提問亦可由會議主席回答。

本公司二零二三年股東週年大會已於二零二三年五月二十九日舉行。在會議上，會議主席就各項個別議題提呈個別決議案（包括重選退任董事），並以投票方式表決。本公司已根據上市規則規定的方式公告投票結果。除兩位執行董事及一位獨立非執行董事外，所有董事，審核委員會兼薪酬委員會主席，一名審核委員會兼薪酬委員會成員及一名提名委員會成員出席二零二三年股東週年大會並與股東有效溝通。



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

DIRECTORS' STATEMENT

The Group is pleased to present this environmental, social and governance (“ESG”) report, which describes our ESG development and performance in 2023, to respond to stakeholders’ expectations and concerns about the Group’s sustainable development.

The Board of Directors assumes the responsibility for the sustainable development of the Group, and leads the Group to undertake social responsibility. The Board consists of both male and female directors to represent diversity. The board diversity policy of the Group includes age and gender as key diversity considerations in the appointment of directors. The Board firmly believes that measures such as reducing emissions, making good use of resources, addressing climate change, improving occupational safety and health, strengthening development and training, and advocating operations with integrity will help the Group achieve its established mission and objectives. The Board is of the view that taking ESG management seriously could help build a green corporate image, promote sustainable business development, increase company revenue, facilitate community development, and give back to society. The Board considers that strengthened staff training, improved equipment and facilities as well as enhanced environmental support at the operating site will contribute to continuous progress.

The Chairman exercises leadership and supervisory responsibilities, and a dedicated ESG working group composed of senior officers organises various departments to implement ESG strategies and reviews the Group’s sustainability goals and strategies, regulatory performance, ESG reports, etc. The Board will actively participate in relevant training to understand the latest developments in ESG issues, and consider inviting relevant experts to participate in board meetings, if applicable, to help the Board gain relevant experience. The Board has adopted a number of approaches to reinforce the ESG governance structure, including having the Audit Committee take on additional responsibilities. We have established working groups within our primary operating units to set ESG goals and regularly review the effectiveness of the plans. The working groups report to the Board biannually or annually. By formulating strategies, the Board gives clear guidance to the operating units on plans and goals, and regularly reviews the effectiveness of the plans. The Board regularly examines strategies and plans, and reviews the ESG report to ensure that the Group’s development and disclosure standards meet the expectations of stakeholders.

董事聲明

本集團欣然呈交環境、社會及管治 (“ESG”) 報告，報告旨在闡述我們於二零二三年度在ESG各方面的發展和表現，以回應持份者對本集團的可持續發展的期望和關注。

董事會肩負起本集團的可持續發展的責任，帶領集團履行社會責任。董事會成員包括男性及女性董事，以體現多元管治。本集團的董事會多樣性政策中反映了年齡及性別作為董事任命中的關鍵多元化考慮因素。董事會深信減少排放、慎用資源、應對氣候變化、提升職業安全健康、加強發展及培訓以及倡導廉潔營運等舉措皆有助於集團達成既定的使命及目標。董事會認為重視ESG管理可以建立企業綠色形象、推動企業的業務可持續發展，增加公司收入，以及促進社區發展、回饋社會。董事會認為加強員工培訓、改善設備設施以及改善營運地點的環境配套皆有助達成持續進步。

主席行使領導和監督職責，通過由高級管理人員組成的特派ESG工作小組組織各部門執行ESG戰略，審視集團的可持續發展目標及戰略、監管表現、審核集團ESG報告等。董事會會積極參與相關培訓以了解ESG議題的最新發展，並在適用的情況下董事會會考慮邀請相關專家參與董事會，加強現有董事會的相關經驗。董事會已採用多個方法加強ESG治理架構，包括由審核委員會擔當額外責任。我們的主要營運單位已有工作小組制定ESG目標並定期檢討計劃的成效，工作小組會每半年至一年向董事會報告彙報。董事會通過訂立策略，讓營運單位有明確方向制定計劃及目標，並且定期檢討計劃的成效。董事會定期檢討策略及計劃，審閱ESG報告確保集團的發展方向及披露水準符合持份者的期望。

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

ESG-related risk management is critical to the Board. Through communication with different stakeholders and comprehensive understanding of our business, the Board has made a basic assessment of all relevant risks and considered incorporating relevant risks into its risk management and internal control systems to promote comprehensive risk management within the Group. In particular, the Group pays great attention to risks related to occupational safety and health, employment equality and diversity, employment system and employee training, health and safety protection of products for customers, quality control of production materials, operations with integrity, and climate change adaptability. In terms of addressing climate change, the Group believes that climate change may lead to infrastructure damage caused by extreme weather events such as super typhoons. At the policy and legal level, the Group may need to allocate time and resources to deal with revised laws and regulations on climate change. At the scientific and technological level, the Group may face the challenge of accelerating technological upgrading to cope with the trend of climate change.

The Board believes that our focus on product quality, proper management of relevant supply chain risks and assurance of occupational health and safety are particularly beneficial for the Group to achieve its goal of establishing an excellent corporate image. Therefore, the Group regularly assesses our product quality and occupational safety statistics against predetermined goals, as these goals and assessments are effective indicators of production capacity and operational control.

ESG相關範疇的風險管理對董事會至關重要。董事會通過與不同利益相關者的溝通以及對業務的廣泛了解，我們已就各相關風險作出基本評估，並考慮將相關風險納入風險管理和內部控制體系，促進集團內部的綜合風險管理。集團尤為注視職業安全及健康、平等和多元化僱傭環境、僱傭制度及員工培訓、產品對客戶的健康與安全保障、生產材料的質量控制、廉潔營運、以及強化氣候變化應變能力等風險。在氣候變化應變能力方面，集團認為氣候變化可能引致極端天氣事件如超強颱風造成設施破壞。在政策與法律層面上，集團可能需要投放時間資源應對針對氣候變化而變更的法律法規。在科技層面上，集團可能面對加快技術提升以應對氣候變化趨勢帶來的挑戰。

董事會相信，專注於產品質量及妥善管理其相關的供應鏈風險，並確保職業健康與安全，特別有助於本集團實現樹立卓越企業形象的目標。因此，本集團會根據預定目標定期評估我們的產品品質和職業安全統計數據，因為這些目標和評估是反映生產能力和營運控制的有效指標。



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

As the society is building a consensus on sustainable development, the Group will respond more quickly to address market changes and demands. Looking back at the past year, the Group's environmental performance was well recognised by the market, bringing opportunities to increase market share. Looking ahead, high energy prices, carbon taxes, the development of green technology, and the acceleration of digital operations and customer interaction will all affect the Group's ESG strategy and goals for the coming year. However, the Group holds a firm belief that practicing ESG management will help us achieve net-zero transition in business operations and steadily move toward an environment-friendly economy.

ABOUT THIS REPORT

The Group is pleased to present this environmental, social and governance report (the "ESG Report"), which details the Group's policies, measures, and performance on environmental, social and governance issues. By reporting to stakeholders, the Group has disclosed its measures and performance on sustainable development issues in a transparent manner and increased public confidence, helping stakeholders better understand the Group's sustainability progress and development direction at the same time.

SCOPE OF REPORTING

This ESG report specifies the Group's environmental, social and governance performance for the fiscal year 2023 (1 January to 31 December 2023), which is consistent with that of the annual report of the Group. The Group planned and prepared this report based on the materiality principle. Unless otherwise stated, this report covers the general aviation aircraft piston engine business in the United States which represents the majority of the Group's environmental and social impact.

隨著社會對邁向可持續發展有更一致的共識，本集團會更迅速地滿足市場的變化及需求。回顧過去一年，本集團的環保表現得到市場認可，帶來增加市場份額的機會。展望未來，能源價格高企、碳稅、綠色科技的發展以及數位化運營和客戶互動的加快都會影響集團來年的ESG策略及目標，然而本集團深信踐行ESG管理能有助我們對業務營運的淨零轉型，穩步向環境友好型經濟邁進。

關於本報告

本集團欣然提呈本環境、社會及管治報告（下稱「ESG報告」）。本ESG報告詳列本集團在環境、社會及管治方面的政策、措施和績效。透過與持份者匯報，讓本集團以透明及公開的方式披露本集團在可持續發展議題上的措施和表現，以增加持份者對本集團的信心，並進一步了解本集團於可持續發展議題的進程和發展方向。

報告範圍

本ESG報告的時間範圍為二零二三年財政年度（二零二三年一月一日至十二月三十一日），與本集團年報的時間一致。本集團基於重要性原則規劃和編撰此報告，除非另有說明，本報告涵蓋了位於美國之通用航空飛機活塞發動機業務，代表本集團大部分的環境和社會方面的影響。

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE GUIDELINES AND REPORTING

The Group's environmental, social and governance guidelines are designed to continually improve the transparency and responsibility of information disclosure. Therefore, the ESG Report is released annually by the Group for public review. In addition, the Group is committed to creating long-term value for stakeholders in line with the interest of the environment in which it operates, while driving the business growth and sustainable development of the Group. As such, the Group has formulated its sustainable development policies which cover the Group's activities in the environmental, employment, business integrity, and social aspects. The Group will strive to incorporate such principles into its practice and governance, and is committed to contributing to the sustainable development of society and the environment.

The Board is responsible for reviewing and assessing the Group's environmental, social and governance risks. The Board strives to contribute to sustainability. By formulating well-defined environmental, social and governance policies, the Board can identify and mitigate relevant risks, and ensure the solid implementation of relevant policies and guidelines.

環境、社會及管治方針與報告

本集團以持續地提升有關披露透明度和責任作為環境、社會及管治方針，因而每年發佈 ESG 報告供各界隨時查閱。此外，本集團矢志為持份者締造符合所在環境利益的長遠價值，推動本集團業務增長及可持續發展。本集團依此訂立可持續發展政策，該政策涵蓋本集團於環境、僱傭、商業誠信、及社區等各個領域。本集團會努力將該等原則融合於本集團實踐及管治之中，致力為社會及環境之可持續發展作出貢獻。

董事會負責檢視及評估本集團有關環境、社會及管治的風險。董事會致力為可持續發展作出貢獻，透過制訂明確的環境、社會及管治政策，釐定及緩減有關風險，並確保所有政策和方針得以穩妥實行。



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

BASIS OF PREPARATION

This report is prepared and presented with reference to the Environmental, Social and Governance (ESG) Reporting Guide set out in Appendix 27 to the Listing Rules:

1. **Materiality:** the threshold at which ESG issues become sufficiently important to investors and other stakeholders that they should be reported. Accordingly, this report covers the principal business of the Group.
2. **Quantitative:** KPIs need to be measurable and meaningful comparisons shall be made where appropriate. The purpose and impact of such indicators shall be explained. Accordingly, KPIs are presented in this report pursuant to the reporting guide.
3. **Balance:** this report should provide an unbiased picture of the Group's ESG performance. The report should avoid selection, omission, or presentation format that may inappropriately influence a decision or judgment by the report reader.
4. **Consistency:** this report uses consistent methodologies to allow for meaningful comparisons of ESG data over time. Any changes to the statistical methods used should also be stated in the report.

編制基準

本報告根據上市規則附錄二十七對《環境、社會及管治報告指引》的要求編撰及呈列相關資料：

1. **重要性：**當環境、社會及管治的相關事宜會對投資者及其他關聯方產生重要影響時，本報告須作出彙報，本報告因而涵蓋本集團的主要業務作為報告範圍。
2. **量化：**如有訂立關鍵績效指標，該指標須可予以計量並於適當情況下作出有效對比，而所訂立的指標亦須闡述其目的及影響。本報告因而依據報告指引呈列各項關鍵績效指標。
3. **平衡：**本報告須不偏不倚地呈報本集團在環境、社會及管治方面的表現，以及避免不恰當地誤導讀者決策或判斷的選擇、遺漏或呈報格式。
4. **一致性：**本報告使用一致的披露統計方法，使相關數據日後可作有意義的比較。若統計方法於日後有所變更，亦須在報告中注明。

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

STAKEHOLDERS PARTICIPATION AND MATERIALITY ASSESSMENT

Feedback from stakeholders not only helps the Group comprehensively and impartially evaluate its ESG performance, but also enables the Group to continuously improve its performance based on the feedback. As such, the Group regularly communicates with stakeholders in an open, honest and proactive manner through a variety of channels, including interim reports, annual reports, announcements and circulars. During the reporting period, the Group continued to maintain an open dialogue with stakeholders to review and update the areas identified as important to the Group's business operations. This can help the Group develop sustainability plans in line with its business strategy.

Stakeholder engagement and materiality assessment are among the key reporting principles for preparing a quality ESG report. Therefore, the Group determines the topics of business importance through stakeholder engagement and materiality assessment, and accordingly gives them priority in the relevant section of the report.

The Group conducted an online stakeholder survey from November to December 2023 and invited external stakeholders such as customers, regulators, distributors and suppliers as well as internal stakeholders including the Group's directors and employees spanning from senior management, middle management and general employees to participate in the survey to rate the reporting issues set out in the Environmental, Social and Governance Reporting Guide according to their perceived materiality to the Group or the stakeholder groups they represent.

The materiality of each reporting issue was then determined by consolidating the materiality levels rated by all the participants. The materiality rating for each stakeholder category is the average of all respondents within that stakeholder category. The overall materiality rating across multiple stakeholder categories is the average of the materiality ratings for each category. As there are no updated responses from customers and suppliers in this year's survey, the valid responses from the previous survey are retained.

持份者參與及重要性評估

持份者的反饋不僅有助本集團全面和中肯地評估自身的ESG表現，同時亦讓本集團以此為依據，持續改善表現。本集團因此通過不同渠道並以公開、誠實及積極的態度與持份者進行開放及定期的溝通，當中包括中期報告及年報、公告以及通函等。報告期內，本集團繼續與持份者保持開放的對話，以檢視及更新已識別為對本集團業務而言屬重要的範疇，有助於制定切合業務策略的可持續發展工作。

持份者參與及重要性評估是準備高質量ESG報告的主要報告原則之一。因此，集團通過持份者參與和重要性評估確定哪些議題對其業務具有重要意義，並相應地在報告中對相關內容進行優先處理。

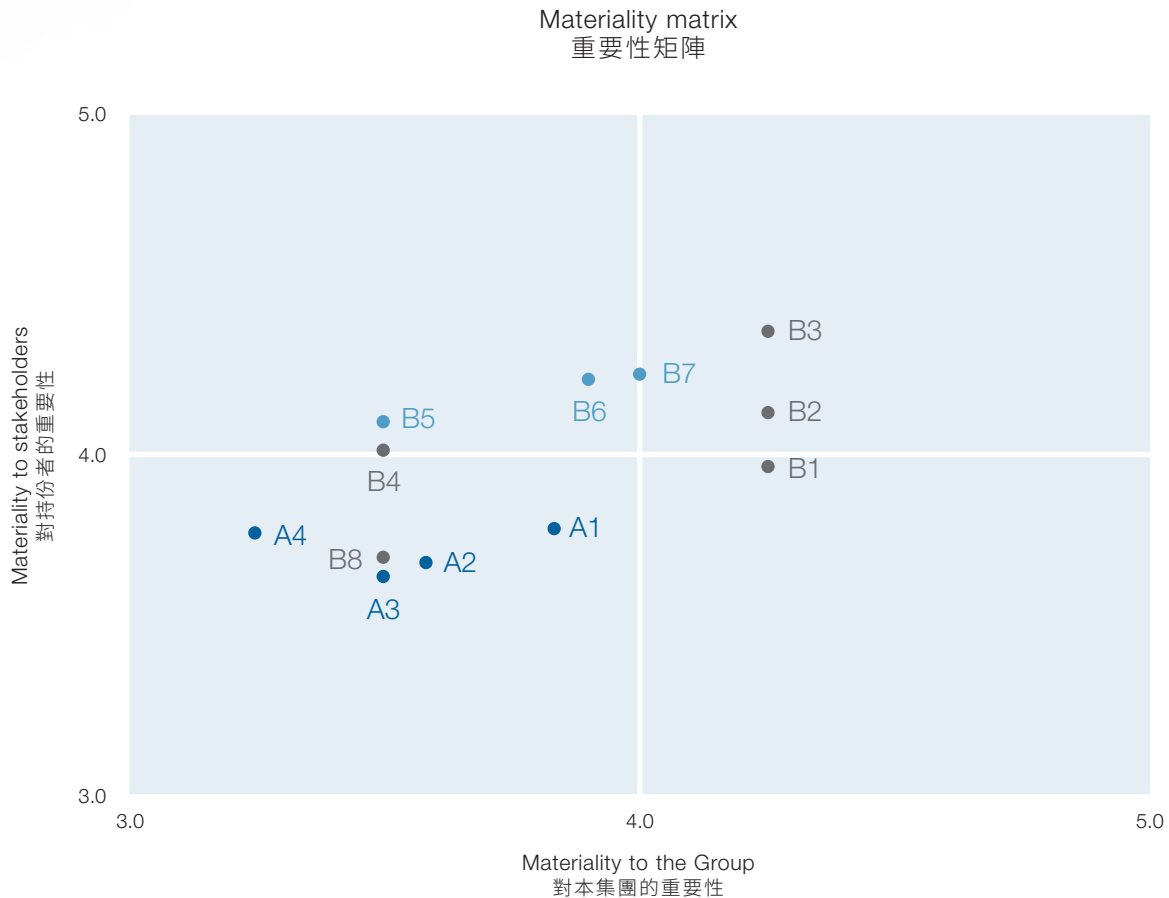
集團於二零二三年十一至十二月開展了持份者參與在線調查，邀請了客戶、監管單位、分銷商、供應商等外部持份者，以及集團董事、員工包括高級管理人員、中級管理人員和普通員工等內部持份者參與調查，根據他們認為這些議題對集團或他們所代表的持份者群體的重要性，對環境、社會及管治指引中規定的報告議題進行評級。

然後通過匯總所有參與者給出的重要性程度來確定每個報告議題的重要性。每個持份者類別的重要性等級是該持份者類別內所有受訪者的平均值。橫跨多個持份者類別的整體重要性等級則是每個類別重要性等級的平均值。由於今年的調查客戶和供應商未有更新的回應，因此保留了上一次調查的有效回覆。

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To clearly illustrate the results, a materiality matrix containing the materiality ratings on each issue as rated by the Group's directors and other stakeholders, including employees and external stakeholders, is shown below. The materiality matrix clearly illustrates the results by classifying the materiality ratings (from 1 to 5) of the Group's directors and other stakeholders on each issue. The issues at the top right of the materiality matrix are considered as important by the Group's directors and other stakeholders.

為清楚地說明結果，下文會以一個重要性矩陣來將集團董事和其他持份者（包括員工和外部持份者）對各個議題所給予的重要性等級放在其中。重要性矩陣通過將每個議題的重要性等級（從1到5）對集團董事和所有其他持份者進行劃分，以清楚地說明結果。位於重要性矩陣右上角的議題被本集團董事和其他持份者視為重要。



Note: Since all survey results for materiality are above 3.0, in order to present the relative distribution of issues more clearly, the blank part below 3.0 is not shown in the above figure.

註：因調查結果全數位處3分以上，為更清晰呈現各議題的相對分佈，上圖不呈現3分以下的空白部份。

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

Indicator 標示:

● A1 Emissions 排放物	● A3 The Environment and Natural Resources 環境和自然資源
● A2 Use of Resources 資源使用	● A4 Climate Change 氣候變化
● B1 Employment 僱傭	● B5 Supply Chain Management 供應鏈管理
● B2 Health and Safety 健康和安全	● B6 Product Responsibility 產品責任
● B3 Development and Training 發展與培訓	● B7 Anti-corruption 反貪污
● B4 Labour Standards 勞工準則	● B8 Community Investment 社區投資



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

We received feedback from all stakeholder categories participating in our survey. B3 development and training was determined as the most important issue in both stakeholder engagement and materiality assessment. All ESG issues were rated as important, while A4 climate change was rated as slightly important.

我們在調查邀請中的所有持份者類別都收到了答覆。B3發展與培訓在持份者參與和重要性評估中被確定為最重要的議題，所有ESG議題皆被評估為重要，當中而A4氣候變化被評估為輕微重要。

The table below outlines the most important ESG issues identified by different stakeholders.

下表總結了不同持份者所表達的最重要的環境、社會及管治議題。

Stakeholder group 持份者類別	Most important issues 最重要議題
Senior management 高級管理人員	B1 Employment B1 僱傭
Middle management 中級管理人員	B6 Product responsibility B6 產品責任 B7 Anti-corruption B7 反貪污
General employees 一般員工	B2 Health and safety B2 健康和安全 B6 Product responsibility B6 產品責任
Regulators 監管單位	Most issues are of similar importance 大部分議題重要性等級大致相同
Customers 客戶	B3 Development and training B3 發展與培訓 B5 Supply chain management B5 供應鏈管理

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

Stakeholder group 持份者類別	Most important issues 最重要議題
Distributors 分銷商	<ul style="list-style-type: none"> A4 Climate change A4 氣候變化 B1 Employment B1 僱傭 B2 Health and safety B2 健康和安全 B3 Development and training B3 發展與培訓 B4 Labour standards B4 勞工準則 B7 Anti-corruption B7 反貪污
Suppliers 供應商	<ul style="list-style-type: none"> B2 Health and safety B2 健康和安全 B4 Labour standards B4 勞工準則 B6 Product responsibility B6 產品責任

To address the concerns of relevant stakeholders, the Group has disclosed the policies and measures implemented for relevant stakeholders in the corresponding sections of the report.

為回應相關持份者的訴求，報告的相應章節已披露集團為相關持份者所施行的政策及措施。



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

A. ENVIRONMENTAL

The Group is committed to implementing a series of environmental management methods to control waste gas and greenhouse gas emissions, discharge into water and land, and generation of hazardous and non-hazardous waste. By implementing targeted management regulations and reducing the impact of daily business activities on the environment, the Group strives to achieve a green production model with low emissions and low pollution, and aligns its business model with the development trend of low-carbon economy, thus paving the way for the Group's transition to low-carbon economy in the future.

1. GAS EMISSIONS AND WASTE

(a) GREENHOUSE GAS AND AIR MANAGEMENT

Based on its established environmental protection policies, the Group has formulated internal environmental guidelines to systematically integrate emission management into daily operations. To promote the implementation of environmental protection guidelines, the Group has established the environmental management committee which comprises the human resources director, plant facility manager, environment and occupational safety and health manager, environmental engineer and relevant stakeholders, in order to balance different opinions and maintain close communication.

A. 環境

本集團致力於實踐一系列環境管理方法，以控制廢氣及溫室氣體排放、水及土地排污、有害及無害廢棄物的產生。透過實施針對性的管理規定，減少日常經營活動對環境的影響，致力於實現低排放低污染的綠色生產模式，將營運模式與低碳經濟的發展趨勢相結合，引領本集團未來邁向低碳經濟的願景。

1. 氣體排放及廢棄物

(a) 溫室氣體及廢氣管理

本集團遵循既定的環保政策，制定了內部環保指引，將排放物管理系統化地融入日常營運中。為了推動環保指引的實施，本集團成立了環境管理委員會，該委員會由人力資源部總監、工廠設施經理、環境職安健經理、環境工程師和相關利益相關人士組成，以平衡各方意見並保持緊密的溝通。

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

The Group takes active and effective measures to comply with government laws and regulations and its business units have obtained emission permits issued by the relevant authorities. The Group sets emission targets for its core production processes in accordance with the terms of these emission permits and strives to apply appropriate reprocessing equipment to various facilities and machinery. The Group has installed pollutant control devices in factory painting rooms, sand spray mills, sand blasting machines and treatment tanks to effectively control and reduce the emission of carbon monoxide, volatile organic compounds, particulate matters and other harmful air pollutants, and regularly monitors air quality.

The Group's air emissions mainly come from its general aviation aircraft piston engine business, which involves air pollutants from transportation and testing of engines. The air emissions include nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matters.

本集團積極有效地採取措施，以符合政府法規的要求，業務單位已獲得相關當局發出的排放許可。根據這些排放許可的條款，本集團為其核心生產流程設定了廢氣排放目標，並致力於在各種設備和機械中使用適當的後處理設備。工廠的油漆間、砂粒噴磨機、噴砂機和處理罐等均已安裝了污染物控制裝置，有效控制和減少一氧化碳、揮發性有機化合物、顆粒物等有害空氣污染物的排放，並定期監測空氣質量。

本集團的廢氣排放主要來自通用航空飛機活塞發動機業務，涉及運輸和測試引擎所產生的空氣污染物，例如氮氧化物 (NO_x)、硫氧化物 (SO_x) 和顆粒物。

Emission 排放物		Unit (kg) 排放量(千克)	
		2023 二零二三年	2022 二零二二年
Nitrogen oxides (NO _x)	氮氧化物(NO _x)	2,260.00	1,938.76
Sulphur oxides (SO _x)	硫氧化物(SO _x)	60.00	48.25
Particulate matters	顆粒物	2,620.00	1,830.56

Table 1 – Total Emissions during the Reporting Period

表1 – 報告期內的排放物總量

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The Group also seeks to reduce greenhouse gas and exhaust emissions by incorporating greenhouse gas and exhaust management as part of its operational decision-making by setting carbon emission targets for its core production processes in accordance with the terms of emission permits issued by the relevant authorities. The Group's environmental management system guides the review of any new equipment or equipment changes that may be a source of carbon emissions to ensure that potential carbon emissions do not exceed the stated target. The Group's greenhouse gas emissions mainly come from aircraft plant operations, including fuel consumption in the testing of aircraft engines. The business units have taken multiple measures to reduce greenhouse gas emissions and air pollutants, one of which is to cut greenhouse gas emissions by reducing electricity consumption. To conserve electricity in the office, the Group prioritises using low-power electrical appliances or products, and avoids using unnecessary high-power equipment. For example, the Group preferably chooses LED or low-wattage, high-luminance lighting systems. The Group also reviews its internal policies and practices regularly, updates them appropriately to keep pace with international environmental protection trends, and implements environmental protection initiatives in a timely manner.

本集團同樣根據有關當局發出的排放許可內容為核心生產流程制定碳排放目標，將溫室氣體和廢氣管理納入營運決策的一部分，力求減少溫室氣體和廢氣的排放。本集團的環境管理體系指導審查所有可能成為碳排放源的新設備或設備變更，以確保潛在的碳排放不會超過既定目標。本集團的溫室氣體排放主要來自飛機工廠的運營，包括測試航空發動機所消耗的燃油。業務單位還採取了多項措施來減少溫室氣體排放和空氣污染物，其中一項措施是通過減少電力消耗來減少溫室氣體排放。本集團在辦公室節電方面優先選用低能耗的電器或產品，避免使用不必要的高耗能設備，例如優先選用LED照明或低功率、高亮度的照明系統。本集團定期檢視內部政策和措施，及時更新以順應國際環保趨勢，與時俱進地實踐環境保護工作。

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Scope of greenhouse gas emission 溫室氣體排放範圍		Emissions (Tonnes of carbon dioxide equivalent) 排放量 (以噸二氧化碳當量計)			
		Intensity (Emissions per employee) 密度 (排放量/員工)			
		2023 二零二三年	2022 二零二二年	2023 二零二三年	2022 二零二二年
Scope 1	範圍1				
Direct emissions	直接排放	2,272.97	2,730.92	6.01	7.00
Scope 2	範圍2				
Energy indirect emissions	能源間接排放	5.94	5.77	0.02	0.01
Scope 3	範圍3				
Other indirect emissions	其它間接排放	82.98	94.27	0.22	0.24
Total	總計	2,361.89	2,830.96	6.25	7.25

Note: The calculations were based on the Reporting Guidance on Environmental KPIs issued by the Stock Exchange, 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Sixth Assessment Report, and latest grid emission factors. Scope 1 includes consumption of aviation fuel, unleaded petrol, liquefied petroleum gas, kerosene, diesel, natural gas, acetylene, and carbon dioxide extinguisher, and fugitive emission of refrigerants. Scope 2 includes electricity power purchased from power companies. Scope 3 includes air mileage of employees.

附註：計算乃基於聯交所所發佈的環境關鍵績效指標報告指引、二零零六年IPCC國家溫室氣體清單指南、IPCC第六次評估報告、最新電網排放因子。範圍1包括航空燃油、無鉛汽油、液化石油氣、煤油、柴油、天然氣、乙炔及二氧化碳滅火器的消耗，以及製冷劑的逃逸排放。範圍2包括從電力公司購買電力。範圍3包括員工飛行里數。

Table 2 – Total Greenhouse Gas Emissions during the Reporting Period

表2 – 報告期內的溫室氣體排放總量



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(b) Waste Management

The Group conducts a waste assessment process to assess the discharge status of newly added machinery or processes by assessing their exhaust gas, water, solid waste, special waste, non-hazardous waste and hazardous waste. The Group adheres to the 4R waste management principle and strives to properly treat and dispose of waste generated from its business activities through use reduction, waste reuse, recycling and alternative use. For example, the Group reuses crates wrapped around the engine to reduce wood waste disposal, and uses recyclable folding plastic crates and foam padding for crankshaft, camshaft, crankcase and connecting rod parts to reduce cardboard and wood waste. The Group aims to reduce waste by 1% on the basis of the waste data of the past two years and follows up the waste data quarterly.

The Group classifies hazardous and non-hazardous waste for disposal in the factory, and the hazardous waste is handed over to qualified hazardous waste collectors for disposal so as to meet the requirements of local laws and regulations. The hazardous waste collectors commissioned by the Group have all obtained hazardous waste transportation permit from the U.S. Department of Transportation. The Group increases its downstream recycling potential by classifying waste where feasible and disposes of non-recyclable waste in accordance with laws and regulations to reduce the impact on the environment.

(b) 廢棄物管理

本集團透過實施廢棄物評估程序對新添加之機器或工序進行廢氣、水、固體廢棄物、特殊廢棄物、無害廢棄物 and 有害廢棄物評估，以判斷其排放情況。本集團堅持4R廢棄物管理原則，致力通過減少使用、廢物重用、循環再用及替代使用妥善處理及處置來自業務活動所產生的廢棄物。例如重複使用包裹引擎的板條箱以減少木材廢物處理，以及利用用於曲軸、凸輪軸、曲軸箱和連桿零件的可收回重用的折疊式塑膠板條箱及泡沫墊料，以減少紙板和木材浪費。本集團以過往兩年的廢物數據基礎上減少1%作為減廢目標，並每季度跟進廢物數據。

工廠將對有害和無害廢棄物進行分類處理，並按照當地法規要求，將有害廢棄物交由合格的有害廢棄物收集商處理。本集團所委託的有害廢棄物收集商均獲得美國運輸部的運輸有害廢棄物許可證明。在可行的情況下，本集團將進行廢棄物分類回收，提高下游再利用的潛力，並依法遵守相關規定處理無法回收再利用的廢棄物，以減少對環境的影響。

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Waste 廢棄物		Consumption (Tonnes)		Intensity (Emissions per employee)	
		消耗量(噸)		密度 (排放量/員工)	
		2023	2022	2023	2022
		二零二三年	二零二二年	二零二三年	二零二二年
Total hazardous waste	有害廢棄物總量	25.88	18.50	0.07	0.05
Total non-hazardous waste	無害廢棄物總量	222.52	148.74	0.59	0.38

Table 3 – Waste Generated during the Reporting Period

表3 – 報告期內所產生廢棄物

During the reporting period, the Group strictly complied with the relevant environmental laws such as Resource Conservation and Recovery Act and there was no case of prosecution against the Group for violation of environmental laws.

於報告期內，本集團嚴格遵行相關的環保法例如資源保護與恢復法，未有因為違反與環保相關法例而被檢控的個案。

2. USE OF RESOURCES

The Group follows the principles of green production, energy conservation and emission reduction, and systematically incorporate resource management into its internal environmental guidelines in daily operations. In order to enhance energy efficiency and reduce paper and water consumption for practicing environmental philosophy, the Group monitors and manages the efficiency of resource use by actively implementing a number of measures to conserve resources and achieve low carbon production, emission reduction and energy saving. Details of energy and water consumption are discussed in the sections below.

2. 資源使用

本集團遵循綠色生產和節能減排的原則，將資源管理系統地融入日常營運中的內部環保指引中。為了提高能源效益、減少用紙和用水量以實踐環保理念，本集團積極實施多項措施，監控和管理資源使用效率，致力於節約資源，實現低碳生產和減排節能。有關能源和水資源消耗的詳細信息將在後續章節中討論。

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(a) Resources

The Group attaches great importance to energy management and has set the goal of reducing total electricity consumption by 1% every year to make effective use of power resources. To achieve this goal, the Group integrated old facilities into new buildings to reduce power consumption. Meanwhile, the Group prefers using equipment with higher energy efficiency, including energy-saving lighting fixtures, in an effort to reduce energy consumption in the long run. For the sake of conducting lean management and waste reduction management, the Group encourages employees to redesign products and materials from various aspects, effectively reuse them, prolong the life cycle of resources, and reduce resource consumption and waste generation, with a view to achieving the long-term goal of zero emissions. Meanwhile, the Group implements the “5S+Safety” Scheme for workspace management, where the core model covers five areas (sort, set, shine, standardise, and sustain) plus safety to improve operational efficiency.

(a) 資源

本集團也高度關注能源管理，設定每年減少總用電量1%的目標，以有效利用電力資源。為實現這一目標，本集團將舊有建築物整合到新建築中，以減少電力消耗。同時，優先選用能源效益更高的設備，包括節能照明系統，以長期減少能源消耗。本集團實施精益管理和減廢管理，鼓勵員工從多個方面重新設計產品或物料，有效地實現再利用，延長資源的生命週期，減少資源消耗和廢棄物產生，以實現長期的「零排放」目標。本集團同時推行「五常法 +安全」管理方案管理工作空間，以整理、存放、清潔、標準和修養五個範疇再加入安全作為核心模式，提升運作效能。

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(b) Water Consumption

Sustainable and responsible use of water resources is a major global issue, and excessive demand and overuse of water can cause serious regional water shortage. In view of this, the Group's operation units have in place wastewater treatment equipment. Through wastewater minimisation plans and neutralisation, chromate reduction, and alkaline chlorination of cyanide, the Group ensures that the emissions meet relevant standards and that water is reused. It aims to reduce the amount of treatable wastewater by 1% per year, and 30% reduction was achieved during the reporting period. The Group has no problem in obtaining water sources fit for use.

(b) 用水

可持續及負責任地使用水資源是一項全球關鍵議題，而過度需求及耗用則可引致嚴重地區性的缺水問題。本集團有見及此，營運單位設有廢水處理設備，透過減少廢水計劃、中和、減少鉻酸鹽以及利用鹼性氯化處理氰化物，確保排放符合標準，令水源得以再生使用，並每年目標減少 1% 的可處理廢水，而本報告期內更達到超過 30% 減幅。本集團在取得適合用途的水源方面並未有問題。



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During the reporting period, the resources directly consumed by the Group for operations are as follows:

於報告期內，本集團用於營運的直接消耗資源如下：

Resources 資源	Unit 單位	Consumption 消耗量		Intensity (Consumption per employee) 密度 (消耗量/員工)	
		2023	2022	2023	2022
		二零二三年	二零二二年	二零二三年	二零二二年
Energy 能源					
Electricity 電力	"000 kWh 千個千瓦時	15.23	14.41	0.04	0.04
Fuel oil 燃油	"000 kWh 千個千瓦時	923.79	2,621.76	2.44	6.72
Fuel gas 燃氣	"000 kWh 千個千瓦時	9,136.59	9,556.24	24.17	24.50
Total energy 能源總計	"000 kWh 千個千瓦時	10,075.61	12,192.41	26.65	31.26
Other resources 其他資源					
Water 水	cubic metre 立方米	41,105.22	30,760.00	108.74	78.87

Note: The unit of energy figures is converted into kWh based on the lower heat value. Fuel oil includes aviation fuel, unleaded gasoline, kerosene, and diesel. Fuel gas includes liquefied petroleum gas and natural gas.

附註：能源數據參考較低熱值換算為千瓦時。燃油包括航空燃油、無鉛汽油、煤油及柴油。燃氣包括液化石油氣及天然氣。

Table 4 – Total Consumption of Resources during the Reporting Period

表4 – 報告期內的資源消耗總量

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Packaging material used for finished products 製成品包裝材料	Unit 單位	Consumption 使用量	
		2023 二零二三年	2022 二零二二年
Packaging material used for finished products 製成品包裝材料	tonne 噸	198.06	178.01

Table 5 – Total Consumption of Packaging Material Used for Finished Products during the Reporting Period

表5 – 報告期內的製成品包裝材料使用總量

3. THE ENVIRONMENT AND NATURAL RESOURCES

The Group is dedicated to implementing a series of effective measures to mitigate the impact of noise, emissions and indoor air pollution on the environment and surrounding areas. Meanwhile, the Group has engaged qualified environmental consultants to review its environmental projects regularly. For example, the Group ensures that the factory is in compliance with the Resource Conservation and Recycling Act (RCRA), the Air Emissions Permit, and the National Pollutant Discharge Elimination System (NPDES) permit.

During the reporting period, the Group did not have any major environmental accidents.

3. 環境及自然資源

本集團努力實施一系列有效的措施，以減少噪音、排放和室內空氣污染等對環境和周邊地區的影響。同時，本集團已經委託合格的環保顧問定期審查環保項目，例如確保工廠符合當地的資源保護與回收法（RCRA）、空氣排放許可和國家污水排放控制系統（NPDES）的許可要求。

於報告期內本集團未有出現重大環境事故。



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4. CLIMATE CHANGE

The Group is principally engaged in the general aviation aircraft piston engine business, with its main place of business located in Alabama, USA. To address the physical risks of climate change, the Group has identified and assessed such risks and taken measures to ensure that its infrastructure can effectively cope with extreme weather, thus mitigating the impact on business operations. Meanwhile, the Group strictly abides by the extreme weather guidelines issued by the government to ensure the safety of employees. The Group regularly reviews its climate change policies to keep up with the times and ensure the effectiveness of the measures taken.

B. SOCIAL

1. EMPLOYMENT AND LABOUR PRACTICES

The Group deeply believes that employees have an important impact on the quality of its products and services. Employees are the driving force for the sustainable development of a company and the foundation of a successful enterprise. The Group strives to maintain a diverse, inclusive, fair, healthy and safe working environment, actively builds a harmonious relationship with employees to gather talents and jointly promote the long-term sustainable development of the Group's business.

4. 氣候轉變

本集團主要從事通用航空飛機活塞發動機業務，主要營運地點位於美國阿拉巴馬州。為了應對氣候變化帶來的物理風險，本集團已識別並評估相關風險，並採取措施確保基礎設施能有效應對極端天氣，以減少對業務運作的影響。同時，本集團嚴格遵守政府公布的極端天氣指引，以確保員工的安全。本集團定期檢討應對氣候變化的政策，力求與時俱進，確保所採取的措施的有效性。

B. 社會

1. 僱傭與勞工常規

本集團堅信員工對於產品和服務質量的影響至關重要。員工是推動企業持續發展的動力，也是成功企業的基石。本集團致力於維持一個多元、融洽、公平、健康和安全的工作環境，積極建立與員工的和諧關係，以凝聚人才並共同推動本集團業務的長期可持續發展。

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(a) *Equal Opportunities Policy*

The Group is convinced that providing employees with equal opportunities can improve their satisfaction, stimulate their motivation, attract outstanding talents, and expedite the Group's business development. To ensure fairness, the Group formulates relevant recruitment and promotion procedures to make sure that no discrimination whatsoever exists in the hiring and promotion process. Human resources decisions are made based on the capabilities, knowledge and experience related to the open positions of job applicants and employees irrespective of factors such as gender, age, race, family status, religious belief and disability.

(b) *Compensation System*

The Group has a set of comprehensive human resources management policies to serve as the basis of human resources management. The policies include compensation and benefits, working hours and holidays, recruitment and selection, performance management, promotion, employment termination, training and development, and other related areas. The Group regularly reviews remuneration packages to ensure it provides a fair and competitive remuneration package incorporating basic salary, social security insurance and other fringe benefits, and to attract and retain top talent. When evaluating and setting remuneration levels, the Group takes into account a number of factors, including employees' work ability, the Group's performance, and compensation levels in the market. Furthermore, the Group shares with employees the value they have created with due consideration to its performance growth, with a view to maintaining its attractiveness in the labour market.

(a) *平等機會政策*

本集團深信提供平等機會給予員工將提高其滿意度，激發其動力，同時也有助於吸引優秀人才，加快本集團業務的發展。為確保公平，本集團制定了相關的招聘和晉升程序，以確保在招聘和晉升過程中不存在任何形式的歧視。人事決策基於應聘者和員工的能力、知識和與職位相關的經驗，排除性別、年齡、種族、家庭崗位、宗教信仰或殘疾等因素的影響。

(b) *薪酬福利體系*

本集團擁有一套全面的人力資源管理政策，作為人力資源管理的基礎。該政策涵蓋薪酬和福利、工作時間和假期、招聘和選擇、績效管理、晉升、僱傭終止、培訓和發展等相關範疇。本集團定期審查薪酬待遇，以確保提供公平且具有競爭力的薪酬方案，包括基本薪資、社會保障和其他附加福利，以吸引和保留優秀人才。在評估和制定薪酬水平時，本集團考慮多種因素，包括員工的工作能力、企業效益和市場薪酬水平等。同時，本集團充分考慮到業績增長，公平地與員工分享創造的價值，以維持在人力市場上的吸引力。

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During the reporting period, the Group did not have any cases of violation of relevant employment laws and regulations, including labour laws, nor did it receive any complaints related to recruitment.

於報告期內，本集團並無違反包括勞動法在內的相關僱傭法律及法規的個案，亦無與招聘相關的投訴個案。

		Number of employees 員工人數	
		2023 二零二三年	2022 二零二二年
By gender	性別		
Male	男性	289	299
Female	女性	89	91
Total	總計	378	390
By employee category	僱傭類型		
Full-time	全職	375	380
Part-time	兼職	3	10
Total	總計	378	390
By age group	年齡組別		
18-30	18-30歲	72	81
31-45	31-45歲	108	109
46-60	46-60歲	127	133
Over 61	61歲以上	71	67
Total	總計	378	390
By region	地區		
United States	美國	378	390
Total	總計	378	390

Table 6 – Breakdown of Total Employees by Gender, Employee Category, Age Group, and Region during the Reporting Period

表6 – 報告期內按性別、僱傭類型、年齡組別及地區劃分的僱員總數明細

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		Turnover rate 流失比率	
		2023 二零二三年	2022 二零二二年
By gender	性別		
Male	男性	9%	18%
Female	女性	15%	25%
By age group	年齡組別		
18-30	18-30歲	22%	33%
31-45	31-45歲	11%	27%
46-60	46-60歲	6%	11%
over 61	61歲以上	6%	9%
By region	地區		
United States	美國	11%	20%
Overall	整體	11%	20%

Table 7 – Breakdown of Employee Turnover Rate by Gender, Age Group, and Region during the Reporting Period

表7 – 報告期內按性別、年齡組別及地區劃分的僱員流失比率明細

2. OCCUPATIONAL HEALTH AND SAFETY

The occupational health and safety of employees is of paramount importance to the Group. A Safety Committee, comprising personnel director, safety manager and workshop routine officers, has been established by the Group and is responsible for the occupational health and safety affairs of the Group. The committee is responsible for developing safety management measures in compliance with laws, making recommendations to internal departments in accordance with government standards and regulations, and holding regular meetings to review occupational health and safety issues raised by members. The Group requires all employees to attend monthly safety meetings covering the latest information on occupational health and safety, internal safety policies and safety incident reviews.

2. 職業健康與安全

員工的職業健康與安全對本集團至為重要，集團設有安全委員會，該委員會由人事部總監、安全經理及車間常規人員組成，專責本集團的職業健康及安全事務。委員會負責制定合規的安全管理措施、依據政府標準及規例向內部部門提供建議，以及定期舉行會議檢視各成員提出的職業健康及安全事宜。本集團要求所有員工出席每月舉行之安全會議，涵蓋職業健康及安全的最新資訊、內部安全政策，及安全事故檢討。

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The Group has established a risk assessment mechanism that consists of a series of measures including risk identification, analysis, evaluation, treatment, monitoring and reviewing to reduce risks to an acceptable level. The Group has identified high-risk positions and implemented occupational health and safety measures accordingly to protect the safety of employees. The Group formulates safety policies and guidelines, and requires employees to comply with the workflows, various safety measures and guidance and take responsibilities for their health and safety in the workplace. In addition, the Group incorporates safety performance into its annual performance evaluation, striving to effectively promote occupational health and safety. The Group has also developed measures for drug abuse prevention. Through the Employee Assistance Plan, local employees are provided with training, diagnosis and consultation, and receive professional advice and guidance from professionals for drug and alcohol abuse prevention.

No work-related fatalities occurred in the past three years including the reporting period, and the total number of lost days due to work injury during the reporting period is 277 days. During the reporting period, the Group has no cases of violation of laws and regulations related to occupational safety and health, including the Occupational Safety and Health Act.

本集團已制定風險評估機制，包括一系列的風險識別、分析、評估、處理、監管和檢討等措施，以降低風險達到可接受的程度。同時，本集團已識別出高風險的工作崗位，並實施相應的職業健康與安全措施，確保員工的安全。本集團制定了安全政策和指引，要求僱員遵守工作流程、各項安全措施和指引，並擔起工作場所的健康與安全責任。此外，本集團將安全表現納入年度績效評估，以有效推動職業健康與安全。另外，本集團還建立了預防藥物濫用制度，當地員工可以通過「員工支援計劃」接受專業人員培訓、診斷諮詢，並獲得專業建議和指導，以預防藥物和酒精濫用問題。

包括報告期內過往三年未有因工亡故事件，而報告期內因工傷損失工作日數則共有277天。於報告期內，本集團並無發現違反包括職業安全與健康法在內的職業安全健康相關的法例和法規。

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3. DEVELOPMENT AND TRAINING

The future success of the Group depends on professional and efficient employees. To lead its employees to develop their potential and meet its objectives, the Group provides employees with development and training opportunities to ensure the growth of its business. The Group formulates the employee training policies and encourages employees to participate in personal development and job-related training courses. The Group has also established the Educational Assistance Plan which provides eligible employees with subsidies for internal and external training. The Group believes such arrangement can effectively facilitate communication and team spirit, improve technical skills and managerial capability, as well as encourage employees to learn and grow in all aspects.

The Group has a complete training system, which sets out the management responsibilities of the training directors of each department, and provides corresponding learning and training courses for staff to continuously enhance their work-related knowledge and skills. The Group provides induction training for new employees in daily operations, and assigns experienced employees as their mentors to provide guidance and support. The Group follows up policy training progress of new employees through the UltiPro human resources system to ensure that they have a thorough understanding of the Group's policies.

3. 發展及培訓

本集團的未來成功取決於專業高效的員工。為引領員工發展潛能並支持本集團的目標，本集團提供員工發展和培訓機會，以確保業務的增長。本集團制定了員工培訓政策，鼓勵員工參與個人發展和與工作相關的培訓課程。此外，本集團還建立了教育援助計劃，為合格員工提供內部和外部培訓資助。本集團相信這些安排能有效促進溝通和團隊合作精神，提升技術技能和管理能力，並鼓勵員工在各個層面上學習和發展。

本集團擁有一個完整的培訓體系，其中明確規定各部門培訓負責人的管理職責，為員工提供相應的學習和培訓課程，以持續提升員工的工作知識和技能。在日常運營中，本集團為新入職員工提供入職培訓，並指派有經驗的員工擔任他們的導師，提供指導和支持。本集團還利用UltiPro人力資源系統追蹤新員工接受政策培訓的進度，確保他們對集團政策有充分的了解。



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Training rate and average training hours of employees during the reporting period by gender and employee category are as follows:

於報告期內，按性別及員工類別劃分的員工培訓率及受訓的平均時數如下：

		Training rate 培訓率	
		2023 二零二三年	2022 二零二二年
Gender ratio among employees trained	參加培訓的員工總數中按性別劃分的員工比例		
Male	男性	76%	77%
Female	女性	24%	23%
Employee category ratio among employees trained	參加培訓的員工總數中按員工類別劃分的比例		
Senior management	高級管理層	5%	5%
Middle management	中級管理層	8%	10%
General employee	一般員工	87%	85%
Percentage of employees trained to all employees	參加培訓的員工總數百分比	100%	100%

Note: The percentage of employees trained is calculated by using the total number of employees trained as the denominator.

附註：受訓僱員百分比的計算以參加培訓的員工總數作為分母計算。

Table 8 – Training Rate of Employees by Gender and Employee Category during the Reporting Period

表8 – 報告期內按性別及員工類別劃分的員工培訓率

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		Average training hours completed per employee 每名僱員完成受訓的平均時數	
		2023 二零二三年	2022 二零二二年
By gender	性別		
Male	男性	5.0	4.5
Female	女性	4.6	4.5
By employee category	員工類別		
Senior management	高級管理層	5.0	4.5
Middle management	中級管理層	5.0	4.5
General employee	一般員工	5.0	4.5
All employees	所有僱員	5.0	4.5

Table 9 – Average Training Hours of Employees by Gender and Employee Category during the Reporting Period

表9 – 報告期內按性別及員工類別劃分的員工培訓平均時數

4. LABOUR STANDARDS

(a) *Prohibition of Child Labour and Forced Labour*

The Group is firmly against child labour and forced labour, and prohibits the employment of any child labour and forced labour in any operations and services. Before hiring any candidates, the Group will check the age-related documents to verify their age. All employees of the Group must reach the statutory minimum working age.

4. 勞工準則

(a) *禁止使用童工和強迫勞工*

本集團堅定恪守反對童工及強迫勞工現的原則，禁止於任何營運及服務中聘用童工或強制勞工。本集團在聘用任何應徵者之前均會檢查與年齡相關的檔案，有效核實其年齡，而所有員工均須符合法定工作年齡。



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The Group adheres to the principle of fair and voluntary recruitment, strictly forbids forced or fraudulent recruitment, ensures that all employees work on a voluntary basis, and prohibits coercive means including withholding of documents and other undesirable methods. Where employees are required to work overtime in the production process, the Group will formulate overtime arrangements with the employee representatives and employees, and the working hours will not exceed the maximum legal limits. Moreover, management personnel will not force employees to carry out work with significant safety and health risks or illicit work.

During the reporting period, the Group found neither cases of incompliance with relevant laws and regulations on employment, including labour laws, nor incidents in violation of the laws and regulations on labour standards.

本集團秉持公正自願原則進行招聘，嚴禁以強逼或欺詐手段招募，又確保所有員工都在自願的基礎上勞動或工作，禁止包括扣留證件等任何不良手法的脅迫手段。本集團在生產過程中需要加班亦會與員工代表和員工協商，並且不會超過法定時間，而管理人員亦不得自恃職務強迫員工進行具有顯著安全衛生風險或違規的工作。

於報告期內，本集團並無違反包括勞動法在內的相關僱傭法律及法規的個案，並無發現與有關勞工準則法例及規例的不合規事件。

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5. SUPPLY CHAIN MANAGEMENT

The Group maintains the quality and safety of products and services through cooperation with business partners, and places emphasis on the promotion of communication and partnership with business partners on a continuous basis. During the reporting period, the Group had a total of 297 active suppliers, of which 277 are located in the United States and 20 in other regions. The Group carries out supplier selection and evaluation process based on quality and price with reference to internal guidance and comprehensive supplier management on all the active suppliers to regulate the engagement of suppliers. The Group also conducts regular assessments on suppliers' overall capabilities, asset position, nature of business, industry reputation, product quality, delivery of goods and compliance with laws and regulations. The Group only selects high-quality suppliers that meet regulatory requirements, and will require suppliers to obtain third-party certification to promote the improvement and promotion of suppliers. The Group further uses the Solumina Supplier Rating System Software to manage and certify suppliers to achieve the best product quality and management. The Group also implements a supplier consignment programme and increases the inventory level from two months' worth to two years' worth, thereby reducing the Scope 3 carbon footprint by cutting the number of shipments.

5. 供應鏈管理

本集團通過業務夥伴的配合以達致維護產品與服務的質量和安全，強調持續促進與業務夥伴溝通與合作。於報告期內，本集團的活躍供應商共297家，當中277家位於美國，而20家位於其他地區。本集團依據內部指引，根據品質和價格進行篩選和評估供應商的程序，對所有活躍供應商實施完善的供應商管理以規管供應商的委聘。本集團亦對供應商的整體能力、資產狀況、業務性質、行業聲譽、產品質量、貨物交付及遵守法律及法規情況進行定期評估。本集團只選擇符合監管要求的高質量供應商供貨，並會要求供應商取得第三方認證，以推動供應商的改進和提升。為了達至最佳產品質素和管理，本集團又利用Solumina供應商評級軟件管理及驗證供應商。本集團亦實施供應商寄售計劃，提高庫存水平，並將庫存從兩個月的庫存提高至兩年的庫存，從而透過減少發貨次數來減少第三範圍的碳足跡。



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In order to review the environmental protection and process certification of suppliers, the Group will arrange inspectors to conduct on-site visits to evaluate the production capacity and quality of suppliers. Inspectors will evaluate the production capacity, technical level, quality assurance ability and supply capacity of suppliers according to the actual needs, and review the safety and environmental management qualifications, so as to ensure that suppliers meet the relevant requirements in terms of quality assurance, safety and environmental responsibility. Furthermore, in order to promote the procurement of more eco-friendly products, the Group regularly reviews the solid and hazardous waste performance indicators of suppliers to understand the environmental impact of their products, and develops more environmental indicators to identify more eco-friendly products in the procurement process.

6. PRODUCT RESPONSIBILITY

(a) *Quality Assurance, Advertising and Label*

In order to ensure that the products meet the quality and safety requirements, the Group implements strict control over quality management. The Group develops different policies and guidelines at the design, planning and production stages, covering every step of the product production and delivery process. Before delivering products to customers, the products must go through internal quality control procedures stipulated by the Group to ensure that their quality standards comply with laws and regulations including the requirements of the Federal Aviation Administration and meet the quality requirements of the Group.

為了評估供應商的環保和流程認證情況，本集團會安排審核人員到現場進行考察，以評估供應商的生產能力和品質。根據實際需求，評估供應商的生產能力、技術水平、品質保證能力和供應能力，同時審查其安全和環境管理資格，確保供應商在品質保證、安全和環境責任等方面符合相關要求。此外，為促進採購更環保的產品，本集團會定期檢視供應商的固體和危險廢物績效指標，以了解其產品的環保表現，從而提供更多環保指標，以便在採購過程中辨識出更環保的產品。

6. 產品責任

(a) *質量保證、廣告及標籤*

為確保產品符合質量和 safety 要求，本集團實施嚴格的質量管理控制措施。在產品的設計、計劃和生產階段，本集團制定了不同的政策和指引，包括產品生產和交付過程中的每個環節。在將產品交付給客戶之前，必須按照本集團內部制定的質量控制程序進行審查，以確保質量水平符合法律法規要求，包括美國聯邦航空局的要求，並滿足本集團的質量要求。

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The Group will continuously strive to ensure that its products meet regulatory requirements and customer expectations, regularly assess its internal production processes to ensure customer satisfaction and compliance with the requirements of the Federal Aviation Administration, and ensure that its advertising and labels are accurate. If a product is found to have any quality problems or other safety hazards, the Group will immediately stop selling it, announce product recall, notify relevant companies and institutions to stop selling and using it, and recall sold items. If necessary, the Group will immediately stop production, and report the product recall and its management to the local regulatory authority.

During the reporting period, the Group discovered that some engine products that were sold or shipped in the period from 2021 to 2023 had quality issues with their crankshafts, so they had to be recalled for safety reasons. The total number of products recalled was 1,805, accounting for 39% of the total engine products sold or shipped in the period from 2021 to 2023.

本集團將持續致力於確保產品符合監管要求和客戶期望，定期評估內部生產流程，並確保符合客戶滿意度和美國聯邦航空管理局等要求，同時確保廣告和標籤的準確性。如果發現產品存在質量問題或其他安全隱患，本集團將立即停止銷售並發布召回資訊，通知相關企業和機構停止銷售和使用，召回已售出的產品。在必要時，本集團將立即停止生產，並向當地監督管理部門報告召回和處理情況。

於報告期內，本集團發現部份於2021至2023年期間已售或已運送引擎產品的曲軸有質量問題，故因安全理由而須回收，總數為1,805件，佔2021至2023年期間已售或已運送引擎產品總數的39%。



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(b) Protection of Intellectual Property Rights and Customer Information

In terms of safeguarding and protecting intellectual property rights, the Group will only select products provided by legitimate manufacturers or suppliers to prevent pirated goods from using its sales channels to enter the market. Furthermore, the Information Management Department of the Group monitors the use of software to ensure all software used is licensed, and conducts regular inspections to ensure that no unlicensed software is being used in the computers of the Group.

To ensure the security of customer information, the Group takes measures to ensure that customer orders and information are handled and properly stored by dedicated personnel, and unauthorised employees are strictly prohibited from accessing them. By doing so, it is guaranteed that customers' sensitive information is properly protected.

The Group abided by relevant product liability laws, such as the Consumer Data Privacy and Security Act, and there was no case of prosecution against the Group for violation of laws related to product responsibility and privacy protection.

(b) 保障知識產權及客戶資料

在維護和保障知識產權方面，本集團只會選擇銷售來自合法生產商或供應商的產品，以避免盜版貨品透過本集團的銷售渠道進入市場。同時，本集團的資訊管理部門監控軟體的使用，確保所使用的軟體均為合法授權的正版軟體，並定期進行檢查，以確保本集團的電腦設備沒有未經授權使用的軟體。

為保障客戶資料的安全，本集團採取措施確保顧客訂單和資料由專人處理並妥善保存，嚴禁未經授權的員工查閱。這樣可以確保顧客的敏感資料得到適當的保護。

本集團遵行相關的產品責任法例，例如消費者數據隱私和安全法，期內未有因為違反與產品責任或私隱相關法例而被檢控的個案。

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7. INTEGRITY

The Group is committed to promoting honest business and fair competition, and has developed comprehensive risk management code and internal control code, including setting out relevant policies in the employee handbook and guiding employees to comply with the code of conduct. The code of conduct clearly defines how to deal with conflicts of interest and interests such as gifts, so as to ensure that all staff uphold the highest ethical, personal and professional integrity.

To strengthen the integrity of employees in governance practices, the Group has established and implemented an internal integrity system, set up the audit committee with independent directors, and engaged a third-party agency to audit its financial statements each year. The Group has clearly defined misconduct such as bribery, corruption, embezzlement, insider trading and theft of the Group's assets in the employee handbook. The Group is entitled to terminate the employment contract with any employee who is bribed with money, gifts or commission, and reserves the right to take further actions against such person, in order to avoid corruption, fraud and other criminal offences.

7. 維護廉潔

本集團致力提倡誠實經營及公平競爭，並已制定完備的風險管理守則及內部控制守則，包括於僱員手冊中載列相關政策並引導僱員遵守操守準則。操守準則明確界定了如何處理利益衝突及饋贈等利益，務求令所有員工恪守最高的道德、個人及專業操守。

為加強員工清正廉潔的管治操守，本集團已制定並實施內部廉政制度，與獨立董事設立審核委員會，並每年聘請第三方機構審核內部財務。員工手冊中明確界定賄賂、貪污舞弊、挪用、內幕交易、盜竊本集團資產等不當行為，如果員工收受金錢、禮物或回佣等賄賂，本集團有權與該員工終止僱傭合約並保留權利對該人士作出進一步追究行動以避免出現例如貪污、欺詐等犯罪行為。



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The Group has formulated an effective whistle-blowing procedure for employees, management personnel and directors to report any misconduct and dishonest conduct, and ensured that employees can report matters of concern through various channels in an absolutely confidential manner. Where a case is substantiated after investigation, the Group will take appropriate corrective measures and disciplinary actions against any persons involved. If it involves any criminal offence, the Group will hand over the case to the competent authority.

All new employees are required to complete ethics training, while directors have to regularly attend corruption prevention training to refresh their knowledge. Directors and employees received nearly 378 hours of corruption prevention training during the reporting period. The training materials include the latest anti-fraud information and summaries of major fraud cases and responses in various industries, and are compiled in view of the Group's conditions.

During the reporting period, the Group found neither corruption incidents nor violations of relevant laws and regulations, including the Foreign Corrupt Practices Act.

本集團並已建立有效舉報程序作為員工、管理人員和董事舉報任何不當行為和不誠實活動的正式渠道，並確保其員工可以絕對保密的方式透過不同渠道就其關注的事項進行通報。如調查個案屬實，本集團將會採取合適的糾正措施和對涉事人作出紀律處分，倘若事件涉及刑事成分，本集團會轉交有關當局處理。

所有新入職員工都必須完成道德操守培訓，而董事亦會定期接受防貪培訓以溫故知新。於報告期內，董事及員工共接受近378小時的防貪培訓。培訓內容包含最新相關反舞弊的資訊，匯總各行業發生的重大舞弊事件、處理措施等，結合本集團的特點分析並編制培訓資料。

於報告期內，本集團未發現貪腐事件，或任何違反包括反海外腐敗法在內的相關法律及規例。

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8. COMMUNITY ENGAGEMENT

An enterprise and the community are inseparable as a whole and an enterprise's development is also inseparable from the support and recognition of the community. The Group deeply understands the importance of making positive contributions to the community where it operates and considers community benefits as one of its social responsibilities. The Group encourages its employees to participate in charity and social services, aiming to become a good corporate citizen, better undertake its social responsibilities and contribute to the community.

The Group's social responsibility policy is to support local non-profit community organisations by providing financial donations, in-kind services and volunteer support, and we have set up a Corporate Citizenship Committee which is responsible for compiling an annual list of corporate citizenship activities, coordinating charitable activities, and establishing a central point of contact for internal and external needs. The Committee aims to establish and strengthen ties with the communities where the Group operates through various charitable activities as well as financial assistance, in-kind services and volunteer services.

The Group will continue to regularly review its objectives and orientation for community investment, and supervise community investment, sponsorship and donation activities and the relevant approval policies.

8. 社區參與

企業和社區是不可分割的整體，企業發展同時也離不開社區的支持與認可。本集團深明對經營所在社區作出積極貢獻的重要，將社區的利益視為其社會責任之一。本集團鼓勵員工參與慈善及社會服務，以期承擔良好企業公民的角色，更充份履行社會責任，致力為社區作出貢獻。

本集團的社會責任政策是透過提供財政捐助、實物服務和義工支援來支持當地非營利社區組織，並成立了團隊成員企業公民委員會，負責編制年度企業公民活動清單、協調慈善活動，並針對內部及外部需求建立中心聯絡點。委員會旨在透過各種慈善活動以及提供財務援助、實物服務和義工回饋，建立和加強與業務所在社區的聯繫。

本集團將繼續定期檢討社區投資的目標和方向，並監督社區投資、贊助和捐贈活動及批核政策。



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During the reporting period, the Group engaged in 159 hours of volunteer work and over US\$8,000 in various community volunteer activities, including sponsoring sports games and medical organisations, donating blood and materials, and supporting food banks to help the disadvantaged.

於報告期內，本集團投放159小時義工時數及超過8,000美元於各項社區義務活動當中，其中包括贊助體育活動及醫學組織、捐血、捐贈物資及支援食物銀行以協助弱勢社群。

OUTLOOK

Going forward, the Group will, where appropriate, conduct reviews on and make amendments to its disclosure aspects in response to the needs of various laws, the Listing Rules and internal management. The Group will also continue to carry out more measures beneficial to the environment, society and governance in its business operations to live up to its commitment to the environment and society.

展望

本集團未來會因應各項法例、上市規則和內部管理的需要在披露層面上作出必要的檢討和修訂。本集團亦會繼續在營運上進行更多有利環境、社會以及管治的措施，以反映本集團對環境及社會的承擔。

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ASPECT A.4 方面 A.4	Climate Change 氣候變化	A4
KPI A.4.1	Description of significant climate-related issues that have affected and may affect the issuer, and the corresponding actions	A4
指標 A.4.1	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	
B	Social 社會	
ASPECT B.1 方面 B.1	Employment 僱傭	B1
KPI B.1.1	Total workforce by gender, employment type, age group and geographical region	B1
指標 B.1.1	按性別、僱傭類型、年齡組別及地區劃分的僱員總數	
KPI B.1.2	Employee turnover rate by gender, age group and geographical region	B1
指標 B.1.2	按性別、年齡組別及地區劃分的僱員流失比率	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B Social 社會		
ASPECT B.2 方面 B.2	Health and Safety 健康與安全	B2
KPI B.2.1 指標 B.2.1	Number and rate of work-related fatalities occurred in each of the past three years (including the reporting year) 過去三年(包括匯報年度)每年因工亡故的人數及比率	B2
KPI B.2.2 指標 B.2.2	Lost days due to work-related injury 因工傷損失工作日數	B2
KPI B.2.3 指標 B.2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施, 以及相關執行及監察方法	B2
ASPECT B.3 方面 B.3	Development and Training 發展及培訓	B3
KPI B.3.1 指標 B.3.1	The percentage of employees trained by gender and employee category 按性別及僱員類別劃分的受訓僱員百分比	B3
KPI B.3.2 指標 B.3.2	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	B3
ASPECT B.4 方面 B.4	Labour Standards 勞工準則	B4
KPI B.4.1 指標 B.4.1	Description of measures to review employment practices to avoid child and forced labour 描述檢討招聘慣例的措施以避免童工及強制勞工	B4
KPI B.4.2 指標 B.4.2	Description of steps taken to eliminate violation 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	There was no violation during the period 期內未有違規情況

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

B Social 社會		
ASPECT B.5 方面 B.5	Supply Chain Management 供應鏈管理	B5
KPI B.5.1 指標 B.5.1	Number of suppliers by geographical region 按地區劃分的供應商數目	B5
KPI B.5.2 指標 B.5.2	Description of practices relating to engaging suppliers, number of suppliers on which the practices are being implemented, how they are implemented and monitored 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法	B5
KPI B.5.3 指標 B.5.3	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	B5
KPI B.5.4 指標 B.5.4	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	B5
ASPECT B.6 方面 B.6	Product Responsibility 產品責任	B6
KPI B.6.1 指標 B.6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全與健康理由而須回收的百分比	B6

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B		Social	
		社會	
KPI B.6.2	Number of products and service related complaints received and how they are dealt with		There were 2,504 feedback items in total and all of them were followed up by special personnel in accordance with established complaint and quality assurance procedures during the period
指標 B.6.2	接獲關於產品及服務的投訴數目以及應對方法		期內共有2,504個意見反饋並已悉數安排專人依據既定投訴及質保程序跟進處理
KPI B.6.3	Description of practices relating to observing and protecting intellectual property rights		B6
指標 B.6.3	描述與維護及保障知識產權有關的慣例		
KPI B.6.4	Description of quality assurance process and product recall procedures		B6
指標 B.6.4	描述質量檢定過程及產品回收程序		
KPI B.6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored		B6
指標 B.6.5	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		



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

B Social 社會		
ASPECT B.7 方面 B.7	Anti-corruption 反貪污	B7
KPI B.7.1	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	There was no legal case regarding corrupt practices during the period
指標 B.7.1	於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	期內未有貪污訴訟案件
KPI B.7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	B7
指標 B.7.2	描述防範措施及舉報程式，以及相關執行及監察方法	
KPI B.7.3	Description of anti-corruption training provided to directors and staff	B7
指標 B.7.3	描述向董事及員工提供的反貪污培訓	
ASPECT B.8 方面 B.8	Community Investment 社區投資	B8
KPI B.8.1	Focus areas of contribution	B8
指標 B.8.1	專注貢獻範疇	
KPI B.8.2	Resources contributed to the focus area	B8
指標 B.8.2	在專注範疇所動用資源	

REPORT OF THE DIRECTORS

董事會報告

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

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Details of the principal activities of its principal subsidiaries are set out in note 1 to the consolidated financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Cap 622 of the laws of Hong Kong), including a description of the principal risks and uncertainties faced by the Group and an indication of likely future development in the Group's business, can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 2 to 12 of this annual report which forms part of this directors' report.

RESULTS AND DIVIDEND

The Group's profit for the year ended 31 December 2023 and the Group's financial position at that date are set out in the financial statements on pages 102 to 245 of this annual report.

At the Board meeting held on 28 March 2024, it was recommended that a final dividend of HK\$0.005 per ordinary share in respect of the year ended 31 December 2023 be proposed to be declared and paid to shareholders whose names appear on the register of members on 14 June 2024. The register of members of the Company will be closed from Wednesday, 12 June 2024 to Friday, 14 June 2024, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 11 June 2024. The final dividend is expected to be distributed to the shareholders on 21 June 2024, if approved by the shareholders at the annual general meeting of the Company to be held on 31 May 2024.

董事謹此呈報截至二零二三年十二月三十一日止年度之董事會報告及本集團之經審核財務報表。

主要業務及業務回顧

本公司主要從事投資控股，其主要附屬公司之主要業務詳情載於綜合財務報表附註1。

按公司條例附表5（香港法例第622章）要求對這些業務的進一步討論及分析，包括本集團面臨的主要風險和不確定因素的描述和集團業務的可能未來發展的指示可以在載於這份年度報告的第2頁至第12頁的主席報告以及管理層討論及分析中找到。這個討論是本董事會報告的一部分。

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之利潤及本集團於該日之財務狀況載於本年報第102頁至第245頁之財務報表。

在二零二四年三月二十八日舉行的董事會會議上，董事會建議派發末期股息每股港幣0.005予於二零二四年六月十四日名列股東名冊的股東。為釐定末期股息之權利，本公司將於二零二四年六月十二日（星期三）至二零二四年六月十四日（星期五）暫停辦理股份過戶登記手續。為確保符合資格收取末期股息，未登記股份持有人應確保所有股份轉讓連同有關股票及填妥的過戶表格於二零二四年六月十一日（星期二）下午四時三十分前送抵本公司之香港股份過戶登記分處香港中央證券登記有限公司辦理股份過戶登記手續，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。若此建議於二零二四年五月三十一日召開的本公司股東週年大會上獲得股東批准，預計將於二零二四年六月二十一日向股東派發末期股息。

REPORT OF THE DIRECTORS 董事會報告

DIVIDEND POLICY

The Company has adopted a dividend policy (the “Dividend Policy”), pursuant to which the Company may declare and distribute dividends to the shareholders of the Company to allow the shareholders to share the Company’s profits.

In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia, the following factors:

- (1) the Group’s actual and expected financial results;
- (2) the Group’s working capital requirements, capital expenditure requirements and future expansion plans;
- (3) the Group’s liquidity position; and
- (4) any other factors that the Board may consider relevant.

The payment of dividend is subject to the compliance with applicable laws and regulations, including the laws of Bermuda and the Company’s bye-laws. The Board will continue to review the Dividend Policy from time to time.

SUMMARY FINANCIAL INFORMATION

A summary of the published results, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 246 of this annual report. This summary does not form part of the audited financial statements.

SHARE CAPITAL

There were no movements in the Company’s share capital during the year.

PRE-EMPTIVE RIGHTS

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

股息政策

本公司可根據已採用的股息政策（「股息政策」）向股東宣佈及分配股息，以允許股東分享公司利潤。

董事會在決定是否建議派發股息及在釐定股息金額時會考慮下列因素，其中包括：

- (1) 本集團的實際和預期財務業績；
- (2) 本集團預期營運資本要求，資本開支要求及未來擴展計劃；
- (3) 本集團的流動資金狀況；及
- (4) 董事會認為相關的其他因素。

本公司派付股息亦會遵守適用的法例及規例，包括百慕達法例及本公司章程細則。董事會將繼續不時檢討此股息政策。

財務資料概要

本集團最近五個財政年度之已公佈業績、資產及負債之概要（摘錄自經審核財務報表）載於本年報第246頁。該概要並非經審核財務報表的部份。

股本

年內，本公司之股本並沒有變動。

優先購買權

本公司細則或百慕達法例均無優先購買權條文，規定本公司必須按當時股東之持股比例向其發售新股。

REPORT OF THE DIRECTORS 董事會報告

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda, amounted to HK\$174,707,000. In addition, the Company's share premium account, in the amount of HK\$1,857,729,000, may be distributed in the form of fully paid bonus shares.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

MAJOR SUPPLIERS AND CUSTOMERS

The percentages of the Group's purchases attributable to the Group's major suppliers are as follows:

		2023 二零二三年 %	2022 二零二二年 %
Percentage of purchases:	佔採購額百分比：		
From the largest supplier	來自最大供應商	9	5
From the five largest suppliers	來自五大供應商	20	15

The percentages of the Group's sales attributable to the Group's major customers are as follows:

		2023 二零二三年 %	2022 二零二二年 %
Percentage of sales:	佔銷售百分比：		
To the largest customer	來自最大客戶	30	32
To the five largest customers	來自五大客戶	73	71

Except for the continuing connected transactions as disclosed in the section entitled "NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS" below, none of the Directors or any of their close associates or any shareholders (which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest suppliers and customers.

可供分派儲備

按百慕達公司法一九八一之條文規定計算，於二零二三年十二月三十一日，本公司之可供分派儲備達港元174,707,000。此外，本公司之股份溢價賬1,857,729,000港元可以繳足紅股形式予以分派。

購入、贖回或出售本公司上市證券

本公司或其任何附屬公司於年內概無購入、贖回或出售本公司任何上市證券。

主要供應商及客戶

本集團主要供應商所佔本集團之採購額百分比如下：

本集團主要客戶所佔本集團之銷售百分比如下：

除在下面標題為「非獲豁免持續關連交易」項下已披露的持續關連交易外，董事或其任何緊密聯繫人士或據董事所知擁有本公司5%以上已發行股本之股東概無擁有本集團五大供應商和客戶任何權益。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS

The Board during the year and up to the date of this report comprises:

Executive Directors:

Huang Yongfeng
Yu Xiaodong
Jiao Yan
Zhang Zhibiao
Li Peiyin

Non-executive Director:

Chow Wai Kam

Independent Non-executive Directors:

Chu Yu Lin, David
Li Ka Fai, David
Zhang Ping

Pursuant to the bye-laws of the Company, Mr. Huang Yongfeng, Ms. Jiao Yan and Mr. Li Peiyin will retire by rotation. All of them, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received an annual confirmation from each of the independent non-executive Directors of his independence pursuant to rule 3.13 of the Listing Rules on the Stock Exchange. The Company, as at the date of this report, still considered all the independent non-executive Directors as independent.

董事

於年內及截至本報告日期，董事會包括：

執行董事：

黃勇峰
于曉東
焦燕
張志標
李培寅

非執行董事：

周偉淦

獨立非執行董事：

朱幼麟
李家暉
張平

根據本公司細則，黃勇峰先生、焦燕女士及李培寅先生將於應屆股東週年大會上輪席退任。彼等符合資格並願意於應屆股東週年大會上重選連任。

本公司已接獲各獨立非執行董事根據聯交所上市規則第3.13條有關其獨立性之年度確認函。截至本報告日期，本公司仍認為所有獨立非執行董事均屬獨立人士。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 13 to 18 of this annual report.

DIRECTORS' SERVICE CONTRACTS

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

REMUNERATION POLICY

The remuneration of employees (including Directors and senior management of the Group) is determined with reference to their qualification, expertise and experience in the industry, competence, duties and responsibilities within the Group, the performance and profitability of the Group as well as the market benchmark and the prevailing market conditions. Employees shall also be eligible to receive a discretionary year-end incentive bonus, which shall be determined by the Group at its absolute discretion taking into account, inter alia, the Group's operating performance, market conditions in which the Group operates and the individual's performance, payable at such time as the Group may consider appropriate, and discretionary share options.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director or entities connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company's holding companies, subsidiaries or fellow subsidiaries was a party during or at the end of the year.

董事及管理高層之履歷

董事及本集團管理高層之履歷載於本年報第13頁至第18頁。

董事之服務合約

擬於應屆股東週年大會重選連任之董事概無與本公司或其任何附屬公司訂立僱主不可於一年內無償(法定賠償除外)終止之服務合約。

薪酬政策

僱員的薪酬(包括董事及本集團管理高層)乃參考彼等之資歷、於行業之專業知識與經驗、能力、於本集團之職責、本集團之業績表現及盈利能力,以及市場指標和當時市場情況而釐定。僱員亦有資格收取本集團根據其絕對酌情權,經考慮(其中包括)本集團之經營業績、市場狀況以及僱員個人表現,而適時發放的酌情年終獎勵花紅,以及酌情購股權。

董事於交易、安排或合約之權益

年內或年末,董事或董事之關連實體於本公司的任何控股公司、附屬公司或同系附屬公司所訂立之任何有關本集團業務之重要交易、安排或合約中概無直接或間接擁有重大權益。



REPORT OF THE DIRECTORS 董事會報告

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

As at 31 December 2023, the interests and short positions of the Directors and the chief executive in the shares, share options, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) as recorded in the register required to be kept under Section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long positions in ordinary shares of the Company

Name of Director 董事姓名	Capacity 身份	Number of issued ordinary shares held 持有已發行普通股數目				Total 權益總額	Approximate percentage of shareholding in the Company 佔本公司 股權之 概約百分比
		Personal interests 個人權益	Interests of spouse 配偶權益	Corporate interests 公司權益			
Yu Xiaodong 于曉東	Beneficial owner 實益擁有人	1,258,000	-	-	1,258,000	0.01%	

Save as disclosed above and except for certain Directors who had non-beneficial interests in certain subsidiaries of the Company held for the benefits of the Company, none of the Directors nor the chief executive had or was deemed to have any interests and short positions in the shares, share options, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) as recorded in the register required to be kept under Section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及行政總裁於股份、相關股份及債券之權益及淡倉

於二零二三年十二月三十一日，董事及主要行政人員於本公司或其相聯法團（證券及期貨條例（「證券及期貨條例」）第XV部所指）之股份、購股權、相關股份或債券中擁有(a)須記入本公司根據證券及期貨條例第352條須予備存之登記冊內之權益或淡倉；或(b)根據標準守則須知會本公司及聯交所之權益或淡倉如下：

於本公司普通股之好倉

除上文披露者以及若干董事代本公司於若干附屬公司持有非實益股權外，於二零二三年十二月三十一日，概無董事及本公司行政總裁於本公司或其任何相聯法團（證券及期貨條例第XV部所指）之股份、相關股份或債券中擁有(a)須記入本公司根據證券及期貨條例第352條須予備存之登記冊內之權益或淡倉；或(b)根據標準守則須知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section of "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above and in the section of "Share option scheme" below, during the year no rights to acquire benefits by means of the acquisition of shares in or debentures of the Company had been granted to any of the Directors or their respective spouses or children under 18 years of age; no such rights had been exercised by them; and none of the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

At the annual general meeting held on 28 May 2014, the Company adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants to contribute to the business development and growth of the Group and to enable the Group to recruit high-calibre employees and attract or retain human resources that are valuable to the Group. The share option scheme is valid and effective for a period of 10 years from the date of its adoption. Further details of the share option scheme are disclosed in note 34 to the consolidated financial statements.

Since the adoption of the share option scheme, no options have been granted, exercised, lapsed, cancelled or outstanding thereunder as at 31 December 2023.

董事認購股份或債券之權利

除上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」項下及下文「購股權計劃」項下所披露外，於年內，概無向任何董事或彼等各自之配偶或未滿18歲之子女授出可藉購買本公司股份或債券而獲益之權利，而彼等亦無行使任何該等權利；本公司或其任何控股公司、附屬公司或同系附屬公司亦無參與任何安排，致使董事可於任何其他法人團體中取得該等權利。

購股權計劃

於二零一四年五月二十八日舉行之股東週年大會上，本公司採納了一項購股權計劃，目的為對本集團之業務發展及成長作出貢獻之合資格參與者提供激勵及獎勵，以使本集團能夠招攬優秀員工並吸引或挽留對本集團具有價值之人才。該購股權計劃自採納日期起的十年期間內有效。有關該購股權計劃之進一步詳情載於綜合財務報表附註34。

自採納該購股權計劃以來，於二零二三年十二月三十一日，概無根據該計劃授出、行使、失效、註銷或尚未行使之購股權。



REPORT OF THE DIRECTORS 董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2023, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions:

主要股東及其他人士於股份及相關股份之權益

於二零二三年十二月三十一日，本公司根據證券及期貨條例第336條存置之權益登記冊所記錄的本公司5%或以上已發行股本權益如下：

好倉：

Name of shareholders 股東名稱	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital as at 31 December 2023 於二零二三年十二月三十一日佔本公司已發行股本之百分比
Tacko International Limited ("Tacko")	Beneficial owner 實益擁有人	1,895,559,000	20.37
AVIC International (HK) Group Limited ("AVIC International (HK) Group") 中航國際(香港)集團有限公司 (「中航國際(香港)集團」)	Beneficial owner 實益擁有人	2,421,341,390	26.03
AVIC International (HK) Group 中航國際(香港)集團	Through a controlled corporation 通過一間受控法團	4,316,900,390	46.40
AVIC International 中航國際	Through a controlled corporation 通過一間受控法團	4,316,900,390	46.40
Aviation Industry Corporation of China, Ltd ("AVIC") 中國航空工業集團有限公司 (「中航工業」)	Through a controlled corporation 通過一間受控法團	4,316,900,390	46.40

REPORT OF THE DIRECTORS 董事會報告

According to notices of disclosure of interests filed with the Company, Tacko is a wholly-owned subsidiary of AVIC International (HK) Group, which in turn is a wholly-owned subsidiary of AVIC International. AVIC International is a wholly-owned subsidiary of AVIC. Accordingly, each of AVIC International (HK) Group, AVIC International and AVIC is deemed to be interested in the shares held by Tacko.

Save as disclosed above, as at 31 December 2023, no person had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

During the year, the Company had the following continuing connected transaction, certain details of which are disclosed in compliance with the requirements of Charter 14A of the Listing Rules.

Sale services of engines, engines parts and related services

On 25 October 2021, the Company entered into a 2021 sale framework agreement with China Aviation Industry General Aircraft Co., Ltd. ("China Aviation"), pursuant to which the Group will sell engines, engine parts and related services to China Aviation and/or its associates (excluding the Group) for use in new aircraft manufacture and for the sale of parts into the aftermarket for maintenance, repair and overhaul for a term from 1 January 2022 to 31 December 2024. Further details were disclosed in the announcement of the Company dated 25 October 2021 and the circular of the Company dated 17 November 2021.

根據提交給本公司之權益披露通知書，Tacko 為中航國際(香港)集團之全資附屬公司，而中航國際(香港)集團為中航國際之全資附屬公司。中航國際為中航工業之全資附屬公司。因此，中航國際(香港)集團、中航國際及中航工業均被視為於Tacko持有之股份中擁有權益。

除上文所披露外，於二零二三年十二月三十一日，概無人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條而備存之登記冊內之權益或淡倉。

非獲豁免持續關連交易

於年內，本公司有以下持續關連交易，若干詳情已按上市規則第14A章之規定予以披露。

銷售發動機、發動機之零部件及相關服務

於二零二一年十月二十五日，本公司與中航通用飛機有限責任公司(「中航通飛」)訂立二零二一年銷售框架協議，據此，本集團將向中航通飛及／或其聯繫人(不包括本集團)出售發動機、發動機之零部件及相關服務供製造新飛機之用及將部件售往零部件市場進行保養、維修及檢修，期限由二零二二年一月一日起至二零二四年十二月三十一日止。詳情請閱二零二一年十月二十五日之本公司公告及二零二一年十一月十七日之本公司通函。



REPORT OF THE DIRECTORS 董事會報告

On 25 September 2023, the Company entered into the supplemental 2021 sale framework agreement with China Aviation to revise the original annual cap from US\$38.7 million to US\$44.9 million for the year ending 31 December 2023 and from US\$39.2 million to US\$50.4 million for the year ending 31 December 2024. Further details were disclosed in the announcement of the Company dated 25 September 2023 and the circular of the Company dated 18 October 2023.

The continuing connected transaction of the Company is included in the disclosure of related party transactions in note 38 to the consolidated financial statements.

The independent non-executive Directors had reviewed the above continuing connected transactions pursuant to Rule 14A.55 of the Listing Rules, and had confirmed that the continuing connected transaction had been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the terms of the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The total amounts of the sale income disclosed above during the year under review have not exceeded the annual cap amounts of US\$44.9 million (equivalent to approximately HK\$352 million).

於二零二三年九月二十五日，本公司與中航通飛訂立二零二一年補充銷售框架協議，以將原年度上限由截至二零二三年十二月三十一日止年度的38.7百萬美元修訂為44.9百萬美元及由截至二零二四年十二月三十一日止年度的39.2百萬美元修訂為50.4百萬美元。詳情請閱二零二三年九月二十五日之本公司公告及二零二三年十月十八日之本公司通函。

本公司的持續關聯交易在綜合財務報表附註38中作為關聯交易披露。

獨立非執行董事已根據上市規則第14A.55條審閱上述持續關連交易，並已確認該等持續關連交易：

- (1) 在本集團的日常業務中訂立；
- (2) 按一般商業條款或更佳的條款訂立；及
- (3) 根據相關框架協議的條款進行，條款公平合理，並且符合本公司股東的整體利益。

於回顧年度內，上文所披露的銷售收入總金額未超過年度上限44,900,000美元（約352,000,000港元）。

REPORT OF THE DIRECTORS

董事會報告

Ernst & Young, the Company's external auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing the findings and conclusions in respect of the non-exempt continuing connected transactions disclosed above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, there is no related party transaction or continuing related party transaction set out in note 38 to the financial statements that falls into the category of connected transaction or continuing connected transaction that needs to be disclosed under the Listing Rules. The Directors confirmed that the Company had complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

本公司已委聘核數師安永會計師事務所，遵照香港會計師公會發出的《香港核證聘用準則3000》(經修訂)的「歷史財務資料審計或審閱以外的核證聘用」並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團的持續關連交易作出報告。安永會計師事務所已根據上市規則第14A.56條發出其無保留意見函件，當中載有其有關本集團於上文所披露之持續關連交易的結果及結論。本公司已經向聯交所提交核數師函件之副本。

除上述披露外，概無其他載列於綜合財務報表附註38的任何關聯方交易或持續關聯方交易屬於上市規則項下須予披露的關連交易或持續關連交易。董事確認本公司已遵守上市規則第14A章之規定予以披露。



REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, the following Director had interests in the following businesses conducted through the company named below which are considered to compete or be likely to compete, either directly or indirectly, with the business of the Group, as defined in the Listing Rules:

Name of Director 董事姓名	Name of company 公司名稱	Nature of interest 權益性質	Nature of competing business 競爭業務性質
Chow Wai Kam 周偉淦	CK Asset Holdings Limited 長江實業集團有限公司	Executive director 執行董事	– Property development and investment ("Excluded Businesses") 物業發展及投資 (「豁免業務」)

The Board is of the view that the Group is capable of carrying on its business independently of, and at arm's length from the Excluded Businesses. When making decisions on the businesses of the Excluded Businesses of the Group, Mr. Chow, in the performance of his duties as Director, has acted and will continue to act in the best interest of the Group.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in the Hong Kong Companies Ordinance) for the benefit of the Directors of the Company is currently in force and was in force throughout the year 2023.

董事於競爭性業務上之權益

年內，下列董事透過下述公司持有下列業務的權益，而該等業務根據上市規則定義被視為與本集團的業務有競爭或可能有直接或間接競爭：

董事會認為本集團有能力獨立地及基於各自利益來經營豁免業務。在本集團就其豁免業務進行決策時，周先生在執行其董事職務時，已經並將會繼續以本集團之最佳利益行事。

彌償條文

為公司董事的利益而訂立的彌償條文(定義見「香港公司條例」)現正生效，並於二零二三年全年生效。

REPORT OF THE DIRECTORS 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITOR

On 29 May 2023, Deloitte Touche Tohmatsu has retired as the auditor of the Company. Following the retirement of Deloitte Touche Tohmatsu as auditors of the Company, Ernst & Young has been appointed as the auditor of the Company. Save as disclosed above, there were no other changes in auditor of the Company in any of the preceding three years.

The consolidated financial statements of the Group for the year ended 31 December 2023 have been audited by Ernst & Young who shall retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

Continental Aerospace Technologies Holding Limited

Huang Yongfeng
Chairman

Hong Kong
28 March 2024

公眾持股量

根據本公司循公眾途徑獲得的資料及據董事所知，截至本報告日期，公眾人士至少持有本公司已發行股本總額之25%。

核數師

德勤•關黃陳方會計師行於二零二三年五月二十九日退任本公司核數師。德勤•關黃陳方會計師行退任本公司核數師後，安永會計師事務所於同日獲委任為本公司核數師。除上文所披露者外，在過去三年中，本公司核數師沒有其他變動。

本集團截至二零二三年十二月三十一日止年度之合併財務報表經由安永會計師事務所審核。安永會計師事務所應於應屆股東週年大會上退任，而一項續聘彼等為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

Continental Aerospace Technologies Holding Limited
大陸航空科技控股有限公司

黃勇峰
主席

香港
二零二四年三月二十八日



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

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

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**TO THE SHAREHOLDERS OF
CONTINENTAL AEROSPACE TECHNOLOGIES HOLDING
LIMITED**

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Continental Aerospace Technologies Holding Limited (the "Company") and its subsidiaries (the "Group") set out on pages 102 to 245, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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.

**致CONTINENTAL AEROSPACE
TECHNOLOGIES HOLDING LIMITED**

大陸航空科技控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第102頁至第245頁的Continental Aerospace Technologies Holding Limited大陸航空科技控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零二三年十二月三十一日的綜合財務狀況表,與截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策資料。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零二三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其綜合現金流量,並已遵照香港《公司條例》的披露要求妥為擬備。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於 貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。我們對下述各事項在審計中的處理方式描述亦以此為背景。

我們已經履行了本報告「核數師就審計綜合財務報表承擔的責任」部分闡述的責任，包括與這些關鍵審計事項相關的責任。因此，我們的審計工作包括執行為應對評估綜合財務報表的重大錯報風險而設計的審計程序。我們執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為我們對所附綜合財務報表的審計意見提供了基礎。



INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter
關鍵審計事項	我們的審計如何對關鍵審計事項進行處理
<p>Impairment of property, plant and equipment, right-of-use assets, other intangible assets and goodwill 物業、廠房及設備、使用權資產、其他無形資產及商譽減值</p> <p>The impairment of property, plant and equipment, right-of-use assets, other intangible assets and goodwill is identified as a key audit matter as these assets are quantitatively significant to the consolidated financial statements as a whole. 由於物業、廠房及設備、使用權資產、其他無形資產及商譽對綜合財務報表整體具有定量意義，我們將其減值識別為關鍵審計事項。</p> <p>The property, plant and equipment, right-of-use assets, other intangible assets and goodwill amounting to approximately HK\$618 million, HK\$252 million, HK\$1,341 million and HK\$14 million, respectively, as at 31 December 2023, in aggregate accounted for 56% of the total assets of the Group as at that date. Under HKFRSs, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Company performs its annual impairment test on the cash-generating unit to which the goodwill is allocated as at 31 December. In addition, each year, the Company assesses whether there are any indications of impairment for the (group of) cash generating units ("CGUs"). The test and assessment are largely based on management's expectations and estimates of future results of the (group of) CGUs. The impairment test is based on the recoverable value of the relevant cash-generating units.</p> <p>於二零二三年十二月三十一日，物業、廠房及設備、使用權資產、其他無形資產及商譽分別約為618百萬港元、252百萬港元、1,341百萬港元及14百萬港元，合共佔 貴集團當日總資產的56%。根據香港財務報告準則，商譽須每年作減值測試，或倘事件發生或情況改變顯示賬面值有可能減值時，則會更頻繁進行測試。 貴公司每年於十二月三十一日對獲分派商譽之現金產生單元執行減值測試。此外， 貴公司每年評估是否有任何跡象顯示現金產生單元（「現金產生單元」）（組別）出現減值。測試及評估較大幅度建立於管理層對現金產生單元（組別）的未來業績的預期及估計基礎之上。減值測試以相關現金產生單元的可收回價值為基準。</p>	<p>We assessed the competence, qualification and objectivity of the external valuer engaged by the Group. 我們已評估 貴集團聘請的外部估值師的能力、資質及客觀性。</p> <p>We reviewed management's assessment of the recoverable amounts. Our audit procedures included examining and recalculating management's discounted cash flow projections for the determination of the value-in-use and assessing key assumptions by comparison to the historical performance of the CGUs. We also performed sensitivity analyses on the assumptions used in the cash flow projections. Further, we involved our internal valuation specialists to assist us with our assessment of the methodology and the discount rates used to determine the recoverable amounts of the CGUs.</p> <p>我們已審查管理層對可收回金額的評估。我們的審計程序包括檢查及重新計算管理層用於確定使用價值的折現現金流預測，並通過與現金現值單元的歷史業績進行比較來評估關鍵假設。我們亦對現金流預測中使用的假設進行敏感度分析。此外，我們亦請內部評估專家協助我們評估用於確定現金產生單元可收回金額的方法及折現率。</p>

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter
關鍵審計事項	我們的審計如何對關鍵審計事項進行處理
<p>The Group's management concluded that there is no impairment of property, plant and equipment, right-of-use assets, other intangible assets and goodwill during the year ended 31 December 2023. Details are set out in notes 3, 13, 15, 16 and 17 to the consolidated financial statements.</p> <p>貴集團管理層得出結論，物業、廠房及設備、使用權資產、其他無形資產及商譽於截至二零二三年十二月三十一日止年度內並無減值。詳情載於綜合財務報表附註3、13、15、16及17。</p>	<p>We also assessed the related disclosures made in the consolidated financial statements.</p> <p>我們亦評估綜合財務報表中的相關披露。</p>

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

年度報告中包含的其他信息

貴公司董事需對其他信息負責。其他信息包括年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。



INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司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。

貴公司董事在審核委員會的協助下履行監督貴集團財務報告流程的職責。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照1981年《百慕達公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此之外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

核數師就審計綜合財務報表承擔的責任 *(續)*

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。



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.

核數師就審計綜合財務報表承擔的責任 *(續)*

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

From the matters communicated with the Audit Committee, 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 Lai Ho Yin.

核數師就審計綜合財務報表承擔的責任 (續)

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及為消除對獨立性的威脅所採取的行動或防範措施（若適用）。

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律或法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黎浩賢。

Ernst & Young

Certified Public Accountants

Hong Kong

28 March 2024

安永會計師事務所

執業會計師

香港

二零二四年三月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益表

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

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
		NOTES 附註		
REVENUE	收益	5	1,830,186	1,665,515
Cost of sales	銷售成本		(1,262,612)	(1,157,027)
Gross profit	毛利		567,574	508,488
Other income and gains, net	其他收入及收益淨額	5	43,554	21,924
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模型下之減值虧損，扣除撥回		(427)	(5,954)
Impairment of other intangible assets	其他無形資產減值		-	(101,142)
Selling and distribution expenses	銷售及營銷費用		(69,107)	(41,361)
Administrative expenses	行政管理費用		(311,185)	(293,665)
Research and development costs	研發成本		(53,611)	(38,244)
Other operating expenses	其他營業費用		(68,469)	(315)
Finance costs	財務開支	7	(13,514)	(14,076)
Share of loss of an associate	分佔聯營公司虧損		(4,112)	(8,390)
PROFIT BEFORE TAX	除稅前溢利	6	90,703	27,265
Income tax credit	所得稅抵免	10	71,506	23,567
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔本年溢利		162,209	50,832
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益持有人應佔每股盈利			
Basic and diluted	基本及攤薄	12	HK1.74 cents 1.74港仙	HK0.55 cent 0.55港仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表

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

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTE 附註		
PROFIT FOR THE YEAR	本年溢利	162,209	50,832
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	13,771	(31,087)
Reclassification of cumulative translation reserve upon disposal of a joint venture	出售一間合營公司後對累計換算儲備重新分類	-	7,596
NET OTHER COMPREHENSIVE INCOME/(LOSS) THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	其後可能重新分類至損益之其他全面收益／(虧損)淨額	13,771	(23,491)
Item that will not be reclassified subsequently to profit or loss:	其後將不會重新分類至損益之項目：		
Actuarial gains on defined benefit plans, net of tax	定額福利計劃精算利潤(扣除稅項後)	590	7,089
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	本年其他全面收益／(虧損)(扣除稅項後)	14,361	(16,402)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔本年全面收益總額	176,570	34,430

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTES 附註			
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	13	物業、廠房及設備	617,935	602,498
Right-of-use assets	15(a)	使用權資產	252,384	264,010
Goodwill	16	商譽	13,841	13,439
Other intangible assets	17	其他無形資產	1,340,863	1,387,327
Investment in an associate	18	於聯營公司之投資	10,029	14,409
Debt investment at fair value through profit or loss	25	按公平值計入損益之債務投資	-	1,950
Equity investments designated at fair value through other comprehensive income	19	按公平值計入其他全面收益之股本投資	2,343	390
Deferred tax assets	32	遞延稅項資產	-	6,615
Total non-current assets		非流動資產總值	2,237,395	2,290,638
CURRENT ASSETS		流動資產		
Inventories	20	存貨	645,985	522,183
Loan to an associate	18	向聯營公司提供的貸款	7,158	6,937
Trade receivables	21	應收貿易賬款	129,444	96,739
Contract assets	22	合約資產	24,187	-
Prepayments, deposits and other receivables	24	預付款項、按金及其他應收賬款	52,658	31,001
Amount due from a fellow subsidiary	23	應收同系附屬公司款項	6,957	27,598
Time deposits	26	定期存款	628,863	245,849
Cash and cash equivalents	26	現金及現金等價物	246,417	578,903
Total current assets		流動資產總值	1,741,669	1,509,210

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTES 附註			
CURRENT LIABILITIES	流動負債			
Trade payables	應付貿易賬款	28	140,790	138,233
Other payables, accruals and provisions	其他應付賬款、應計費用及撥備	29	272,767	182,692
Amount due to a fellow subsidiary	應付同系附屬公司款項	27	272	5,580
Amount due to an intermediate holding company	應付中間控股公司款項	27	25,117	25,739
Lease liabilities	租賃負債	15(b)	7,149	7,398
Contract liabilities	合約負債	30	18,943	16,941
Tax payable	應付稅項		41,821	46,200
Total current liabilities	流動負債總值		506,859	422,783
NET CURRENT ASSETS	流動資產淨值		1,234,810	1,086,427
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		3,472,205	3,377,065
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債	15(b)	282,199	286,701
Defined benefit plan obligations	定額福利計劃責任	31	2,927	3,630
Contract liabilities	合約負債	30	65,369	36,127
Provisions	撥備	29	37,743	55,825
Deferred tax liabilities	遞延稅項負債	32	88,506	175,891
Total non-current liabilities	非流動負債總值		476,744	558,174
Net assets	資產淨值		2,995,461	2,818,891
EQUITY	權益			
Share capital	股本	33	930,337	930,337
Reserves	儲備	35	2,065,124	1,888,554
Total equity	權益總值		2,995,461	2,818,891

Huang Yongfeng**黃勇峰**

Director

董事

Yu Xiaodong**于曉東**

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

		Share capital	Share premium account
		股本 HK\$'000 千港元	股份溢價賬 HK\$'000 千港元 (note 35) (附註35)
At 1 January 2022	於二零二二年一月一日	930,337	1,857,729
Profit for the year	本年溢利	-	-
Other comprehensive income/(loss) for the year:	本年其他全面收益／(虧損)：		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-
Reclassification of cumulative translation reserve upon disposal of a joint venture	出售一間合營公司後對累計換算儲備重新分類	-	-
Actuarial gains on defined benefit plans, net of tax	定額福利計劃精算收益(扣除稅項後)	-	-
Total comprehensive income/(loss) for the year	本年全面收益／(虧損) 總額	-	-
At 31 December 2022	於二零二二年十二月三十一日	930,337	1,857,729*
At 1 January 2023	於二零二三年一月一日	930,337	1,857,729
Profit for the year	本年溢利	-	-
Other comprehensive income for the year:	本年其他全面收益：		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	-	-
Actuarial gains on defined benefit plans, net of tax	定額福利計劃精算收益(扣除稅項後)	-	-
Total comprehensive income for the year	本年全面收益總額	-	-
At 31 December 2023	於二零二三年十二月三十一日	930,337	1,857,729*

* These reserve accounts comprise the consolidated reserves of HK\$2,065,124,000 (2022: HK\$1,888,554,000) in the consolidated statement of financial position.

* 該等儲備金賬戶包括綜合財務狀況表中的綜合儲備金2,065,124,000港元(二零二二年：1,888,554,000港元)。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

Attributable to owners of the Company
歸屬於本公司擁有人

Asset revaluation reserve	Fair value reserve of equity investments designated at fair value through other comprehensive income 按公平值計入 其他全面收益之 股本投資之 公平值儲備	Reserve fund 儲備金	Translation reserve 匯兌儲備	Retained profits 留存溢利	Total equity 權益總值
HK\$'000 千港元 (note 35) (附註35)	HK\$'000 千港元	HK\$'000 千港元 (note 35) (附註35)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
130,615	(224,452)	183	(15,918)	105,967	2,784,461
-	-	-	-	50,832	50,832
-	-	-	(31,087)	-	(31,087)
-	-	-	7,596	-	7,596
-	-	-	-	7,089	7,089
-	-	-	(23,491)	57,921	34,430
130,615*	(224,452)*	183*	(39,409)*	163,888*	2,818,891
130,615	(224,452)	183	(39,409)	163,888	2,818,891
-	-	-	-	162,209	162,209
-	-	-	13,771	-	13,771
-	-	-	-	590	590
-	-	-	13,771	162,799	176,570
130,615*	(224,452)*	183*	(25,638)*	326,687*	2,995,461

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTES 附註			
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動之現金流量			
Profit before tax	除稅前溢利		90,703	27,265
Adjustments for:	調整：			
Finance costs	財務開支	7	13,514	14,076
Share of loss of an associate	分佔聯營公司之虧損		4,112	8,390
Bank interest income	銀行利息收入	5	(28,052)	(9,137)
Interest income on loan to an associate	向聯營公司提供的貸款之 利息收入	5	(373)	(391)
Loss on disposal of property, plant and equipment	出售物業、廠房和設備 之虧損	6	18,749	315
Write-down/(reversal of write-down) of inventories	存貨撇減/(撇減撥回)	6	(17,482)	11,557
Impairment of other intangible assets	其他無形資產減值	6	-	101,142
Depreciation of property, plant and equipment	物業、廠房和設備之折舊	6	36,286	32,992
Depreciation of right-of-use assets	使用權資產之折舊	6	14,472	14,194
Amortisation of other intangible assets	其他無形資產之攤銷	6	86,669	83,807
Impairment losses under expected credit loss model on trade receivables, net of reversal	應收貿易賬款於預期信貸 虧損模型下之減值虧損， 扣除撥回	6	427	1,347
Impairment losses under expected credit loss model on other receivables, net of reversal	其他應收賬款於預期信貸 虧損模型下之減值虧損， 扣除撥回	6	-	4,600
Impairment losses under expected credit loss model on loan to a joint venture net of reversal	向合營公司提供的貸款於 預期信貸虧損模型下之 減值虧損，扣除撥回	6	-	7
Fair value gain on an investment property	投資物業之公平值利潤	5	-	(700)
Gain on deemed disposal of an associate	視為出售聯營公司之利潤	5	-	(3,852)
Gain on disposal of a joint venture	出售合營公司之利潤	5	-	(6,515)
Loss on disposal of other intangible assets	出售其他無形資產之虧損	5	-	326
Gain on early termination of a lease	提前終止租賃之利潤	5	-	(10)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTES 附註		
Operating cash flows before movements in working capital	扣除營運資金變動前的經營現金流量	219,025	279,413
Increase in inventories	存貨增加	(104,152)	(67,724)
Decrease/(increase) in trade receivables	應收貿易賬款減少／(增加)	(32,315)	14,394
Decrease/(increase) in amount due from a fellow subsidiary	應收同系附屬公司款項減少／(增加)	20,668	(1,614)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款增加	(15,071)	(10,337)
Increase in contract assets	合約資產增加	(24,187)	-
Increase in trade payables	應付貿易賬款增加	2,339	12,264
Increase in other payables, accruals and provisions	其他應付賬款、應計費用及撥備增加	64,303	55,147
Increase in contract liabilities	合約負債增加	31,043	18,394
Increase/(decrease) in defined benefit plan obligations	定額福利計劃責任增加／(減少)	(119)	343
Cash generated from operations	營運產生之現金	161,534	300,280
Interest paid	已付利息	(13,373)	(14,001)
Tax paid	已付稅項	(9,310)	(8,535)
Net cash flows from operating activities	經營活動所得之現金流量淨額	138,851	277,744
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量		
Proceeds from withdrawal of time deposits with original maturity over three months	提取原到期日超過三個月的定期存款的所得款項	600,658	249,757
Placements of new time deposits with original maturity over three months	存放原到期日超過三個月的新定期存款	(984,590)	(495,606)
Purchases of items of property, plant and equipment	購入物業、廠房和設備項目	(69,665)	(53,630)
Additions of other intangible assets	添加其他無形資產	(26,260)	(24,580)
Bank interest received	已收銀行利息	21,402	5,651
Proceeds on disposal of items of property, plant and equipment	出售物業、廠房和設備項目所得款項	1,569	317
Net cash flows used in investing activities	投資活動使用之現金流量淨額	(456,886)	(318,091)

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
	NOTES 附註			
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Principal portion of lease payments	租賃付款之本金部份	36(b)	(7,620)	(6,189)
Repayment to an intermediate holding company	向中間控股公司還款	36(b)	(1,288)	(522)
Advance from/(repayment to) a fellow subsidiary	同系附屬公司墊款/ (向同系附屬公司還款)	36(b)	(5,308)	5,580
Net cash flows used in financing activities	融資活動使用之現金流量淨額		(14,216)	(1,131)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(332,251)	(41,478)
Cash and cash equivalents at beginning of year	於年初之現金及現金等價物		578,903	623,119
Effect of foreign exchange rate changes, net	匯率變動影響淨額		(235)	(2,738)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年末之現金及現金等價物		246,417	578,903
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	26	242,580	324,013
Non-pledged time deposits with original maturity of less than three months when acquired	收購時原到期日少於三個月 的無抵押定期存款	26	3,837	254,890
			246,417	578,903

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

Continental Aerospace Technologies Holding Limited (the “Company”) is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda.

During the year, the Group was mainly involved in the general aviation aircraft piston engine business.

In the opinion of the Company’s directors, the immediate holding company of the Company is AVIC International (HK) Group Limited and the ultimate holding company of the Company is Aviation Industry Corporation of China, Ltd., which is incorporated in the People’s Republic of China (the “PRC”).

1. 公司及集團資料

Continental Aerospace Technologies Holding Limited 大陸航空科技控股有限公司 (「本公司») 為一間於百慕達註冊成立之有限公司。本公司之註冊辦事處為 Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda。

年內，本集團主要從事通用航空飛機活塞發動機業務。

本公司董事認為，本公司的直接控股公司是中航國際(香港)集團有限公司，本公司的最終控股公司是中國航空工業集團有限公司(於中華人民共和國(「中國»)註冊成立)。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries

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

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 公司應佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Motto Investment Limited	British Virgin Islands/Hong Kong	US\$68,200,000	100	-	Investment holding
Motto Investment Limited	英屬處女群島/香港	68,200,000美元	100	-	投資控股
Continental Motors Deutschland Limited	British Virgin Islands/Hong Kong	US\$1	-	100	Investment holding
Continental Motors Deutschland Limited	英屬處女群島/香港	1美元	-	100	投資控股
Continental Aerospace Technologies, Inc.	United States of America ("USA")	US\$4	-	100	Design, development and production of general aviation aircraft piston engines and spare parts and provision of aftermarket services and support for piston engines
Continental Aerospace Technologies, Inc.	美利堅合眾國 (「美國」)	4美元	-	100	設計、開發及生產通用航空飛機 活塞發動機及備件以及為活塞發 動機提供售後服務及支持

1. 公司及集團資料 (續)

附屬公司資料

本公司主要附屬公司的詳情如下：

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

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

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 公司應佔 股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Continental Aerospace Technologies GmbH	Germany	EUR25,000	-	100	Design, development and production of general aviation aircraft piston engines and spare parts and provision of aftermarket services and support for piston engines
Continental Aerospace Technologies GmbH	德國	25,000歐元	-	100	設計、開發及生產通用航空飛機活塞發動機及備件以及為活塞發動機提供售後服務及支持
Continental Motors (Beijing) Co., Ltd.*	PRC/Mainland China	US\$1,000,000	-	100	Sales of aircraft engines and parts
大陸發動機(北京)有限責任公司*	中國/中國內地	1,000,000美元	-	100	銷售航空發動機及部件
CATIC Helicopter (H.K.) Limited	British Virgin Islands/Hong Kong	US\$2	100	-	Investment holding
CATIC Helicopter (H.K.) Limited	英屬處女群島/香港	2美元	100	-	投資控股

* The subsidiary is registered as wholly-foreign-owned enterprise under PRC law.

* 該附屬公司根據中國法律註冊成立為外商獨資企業。

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

上表列出本公司董事認為對本集團的本年業績有主要影響或佔本集團資產淨值重大部份的本公司附屬公司。董事認為，倘將其他附屬公司的資料列出，會令內容過於冗長。

1. 公司及集團資料 (續)

附屬公司資料 (續)

本公司主要附屬公司的詳情如下：(續)

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

2 ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income and a debt investment at fair value through profit or loss which have been measured at fair value. The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

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

2 會計政策

2.1 編製基準

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公司條例的披露規定編製。該等財務報表乃根據歷史成本慣例編製，惟按公平值計入其他全面收益之股本投資及按公平值計入損益之債務投資乃按公平值計量。綜合財務報表以港元呈列，除另有指明外，所有價值均四捨五入至最接近的千位。

綜合基準

綜合財務報表包括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之財務報表。附屬公司指本公司直接或間接控制之實體（包括結構性實體）。倘本集團就參與被投資公司營運所得之可變回報承擔風險或享有權利，且能夠運用其對被投資公司的權力（即本集團獲賦予現有權力以主導被投資公司相關活動的現有權利）影響該等回報時，則視為本集團控制該實體。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

2.1 BASIS OF PREPARATION (continued)**Basis of consolidation (continued)**

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.1 編製基準 (續)**綜合基準 (續)**

一般情況下，有一個推定，即多數投票權形成控制權。倘本公司擁有少於被投資公司大多數投票權或類似權利，則本集團於評估其是否擁有對被投資公司的權力時會考慮一切相關事實及情況，包括：

- (a) 與被投資公司其他投票權持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司於相同申報期間的財務報表採用與本公司一致的會計政策編製。附屬公司之業績自本集團取得控制權之日起計綜合入賬並將一直綜合入賬，直至該等控制權終止之日止。

損益及其他全面收益各組成部份乃歸屬於本集團之母公司擁有人以及非控股權益，即使此舉會導致非控股權益之結餘為負數。與本集團成員公司間之交易相關之所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合時悉數抵銷。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the translation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準 (續)

綜合基準 (續)

倘事實及情況反映上文所列三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制被投資公司。附屬公司之所有權權益發生變動（沒有失去控制權），按權益交易入賬。

倘本集團失去對附屬公司之控制權，則終止確認相關資產（包括商譽）、負債、任何非控股權益及換算儲備；及確認所保留任何投資之公平值及損益中任何因此產生之盈餘或虧損。先前於其他全面收益內確認的本集團應佔部份按倘本集團直接出售相關資產或負債時要求的相同基準重新分類至損益或留存溢利（如適當）。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 17	<i>Insurance Contracts</i>
Amendments to HKAS 1 and HKFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to HKAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>

2.2 會計政策變動及披露

本集團已就本年度的財務報表首次應用下列新訂及經修訂香港財務報告準則。

香港財務報告準則第17號	保險合約
香港會計準則第1號及香港財務報告準則實務說明第2號之修訂	會計政策披露
香港會計準則第8號之修訂	會計估計之定義
香港會計準則第12號之修訂	與從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號之修訂	國際稅收改革—支柱二立法模板



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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and the impact of the new and revised HKFRSs that are applicable to the Group are described below:

- (a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. 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. Amendments to HKFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in note 2 to the consolidated financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.
- (b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.

2.2 會計政策變動及披露 (續)

適用於本集團之新訂及經修訂香港財務報告準則之性質及影響載列如下：

- (a) 香港會計準則第1號之修訂要求實體披露其重大會計政策資料，而非其主要會計政策。倘會計政策資料連同實體財務報表所載其他資料一併考慮時，有理由預期該等資料會影響一般目的財務報表的主要使用者根據該等財務報表作出的決定，則該等會計政策資料屬重大。香港財務報告準則實務說明第2號之修訂「作出重大性判斷」為如何將重大性概念應用於會計政策披露提供了非強制性指導。本集團已於綜合財務報表附註2披露重大會計政策資料。該等修訂對本集團財務報表中任何項目的計量、確認或呈列並無任何影響。
- (b) 香港會計準則第8號之修訂澄清會計估計變動與會計政策變動之間的差異。會計估計定義為財務報表中存在計量不確定性的貨幣金額。該等修訂亦澄清實體如何使用計量技術及輸入數據以制定會計估計。由於本集團的方法及政策與該等修訂一致，該等修訂對本集團的財務報表並無影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions.

The Group has applied the amendments on temporary differences related to leases as at 1 January 2022. The application of the amendments did not have any material impact on the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualified for offsetting under HKAS 12.

2.2 會計政策變動及披露 (續)

- (c) 香港會計準則第12號之修訂與單一交易產生的資產及負債有關的遞延稅項收窄香港會計準則第12號的初步確認例外情況範圍，使其不再適用於產生相等應課稅及可扣稅暫時差額的交易，例如租賃及退役責任。因此，實體須就該等交易產生的暫時差額確認遞延稅項資產（前提是有足夠應課稅溢利）及遞延稅項負債。

本集團已於2022年1月1日就與租賃相關的暫時差額應用該等修訂。由於相關遞延稅項結餘符合香港會計準則第12號項下的抵銷條件，因此首次應用修訂對綜合財務狀況表中呈列的整體遞延稅項結餘並無任何重大影響。



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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (d) Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. The Group has applied the amendments retrospectively. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

2.2 會計政策變動及披露 (續)

- (d) 香港會計準則第12號之修訂*國際稅收改革－支柱二立法模板*內容包括暫時豁免主體因實施經濟合作及發展組織頒佈的支柱二立法模板而產生的遞延稅項確認及披露的強制要求。該修訂亦介紹受影響實體的披露規定，以幫助財務報表使用者更好地了解實體所面臨的繳納支柱二所得稅的風險，包括於支柱二立法生效期間單獨披露與支柱二所得稅相關的即期稅項，以及於立法已頒佈或實質已頒佈但尚未生效期間披露已知或可合理估計的彼等所面臨的繳納支柱二所得稅的風險資料。本集團已追溯應用該等修訂。由於本集團不屬於支柱二立法模板的範圍，該等修訂對本集團並無任何影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following revised HKFRSs, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these revised HKFRSs, if applicable, when they become effective.

Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i> ¹
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i> ^{1, 4}
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i> ^{1, 4}
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i> ¹
Amendments to HKAS 21	<i>Lack of Exchangeability</i> ²

- ¹ Effective for annual periods beginning on or after 1 January 2024
- ² Effective for annual periods beginning on or after 1 January 2025
- ³ No mandatory effective date yet determined but available for adoption
- ⁴ As a consequence of the 2020 Amendments and 2022 Amendments, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised to align the corresponding wording with no change in conclusion

2.3 已頒佈但未生效的香港財務報告準則

本集團並未於本財務報表內應用以下已頒佈但尚未生效的經修訂香港財務報告準則。本集團擬在該等經修訂的香港財務報告準則(如適用)生效時加以應用。

香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營公司之間之資產出售或注資 ³
香港財務報告準則第16號之修訂	售後租回之租賃負債 ¹
香港會計準則第1號之修訂	負債分類為流動或非流動(「二零二零年修訂本」) ^{1, 4}
香港會計準則第1號之修訂	附帶契約的非流動負債(「二零二二年修訂本」) ^{1, 4}
香港會計準則第7號及香港財務報告準則第7號之修訂	供應商融資安排 ¹
香港會計準則第21號之修訂	缺乏交換性 ²

- ¹ 於二零二四年一月一日或之後開始之年度期間生效
- ² 於二零二五年一月一日或之後開始之年度期間生效
- ³ 無已釐定之強制生效日惟可供採納
- ⁴ 香港詮釋第5號財務報表的呈列—借款人對包含按還款條款的定期貸款的分類因二零二零年之修訂及二零二二年之修訂而作出修訂，以統一相應措辭，惟結論保持不變

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual periods beginning on or after 1 January 2024 and shall be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of HKFRS 16 (i.e., 1 January 2019). Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但未生效的香港財務報告 準則 (續)

預期適用於本集團之該等香港財務報告準則之進一步資料載列如下。

香港財務報告準則第10號及香港會計準則第28號之修訂解決香港財務報告準則第10號及香港會計準則第28號之間有關投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定的不一致情況。該等修訂規定，當相關資產出售或注資構成一項業務時，須確認下游交易產生之全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂將前瞻性應用。香港財務報告準則第10號及香港會計準則第28號之修訂的之前強制生效日期被香港會計師公會撤銷。然而，該等修訂現時可供採納。

香港財務報告準則第16號之修訂本訂明計量售後回租交易產生的租賃負債所用的賣方－承租人之規定，以確保賣方－承租人不會確認與所保留使用權有關的任何損益金額。修訂於二零二四年一月一日或之後開始的年度期間生效，並須追溯適用於香港財務報告準則第16號首次應用之日（即二零一九年一月一日）之後簽訂的售後回租交易，亦可提早應用。預期修訂對本集團的財務報表並無任何重大影響。

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**2.3 ISSUED BUT NOT YET EFFECTIVE
HONG KONG FINANCIAL REPORTING
STANDARDS (continued)**

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period. The amendments shall be applied retrospectively with early application permitted. An entity that applies the 2020 Amendments early is required to apply simultaneously the 2022 Amendments, and vice versa. The Group is currently assessing the impact of the amendments and whether existing loan agreements may require revision. Based on a preliminary assessment, the amendments are not expected to have any significant impact on the Group's financial statements.

**2.3 已頒佈但未生效的香港財務報告
準則 (續)**

二零二零年之修訂釐清將負債分類為流動或非流動的規定，包括延遲償還權的含義，以及延遲償還權必須在報告期末存在。負債的分類不受實體行使其權利延遲償還負債的可能性所影響。修訂亦澄清負債可以用其自身的權益工具償還，只有當可轉換負債中的轉換選擇權本身作為權益工具入賬時，負債的條款才不會影響其分類。二零二二年之修訂進一步澄清在貸款安排產生的負債契諾中，只有實體在報告日期當天或之前必須遵守的契諾才會影響該負債分類為流動或非流動。對於實體須在報告期後十二個月內遵守未來契約的非流動負債，需要進行額外披露。該等修訂應追溯應用。允許提早應用。提前應用二零二零年之修訂的實體需要同時應用二零二二年之修訂，反之亦然。本集團目前正在評估修訂的影響，以及現有貸款協議是否需要修訂。根據初步評估，預計修訂不會對本集團財務報表產生任何重大影響。



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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Earlier application of the amendments is permitted. The amendments provide certain transition reliefs regarding comparative information, quantitative information as at the beginning of the annual reporting period and interim disclosures. The amendments are not expected to have any significant impact on the Group's financial statements.

2.4 MATERIAL ACCOUNTING POLICIES

Investment in an associate

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

2.3 已頒佈但未生效的香港財務報告準則 (續)

香港會計準則第7號及香港財務報告準則第7號之修訂闡明供應商融資安排的特點，並規定須就該等安排作出額外披露。該等修訂的披露規定旨在協助財務報表使用者了解供應商融資安排對實體的負債、現金流量及流動資金風險的影響。允許提前應用這些修訂。該等修訂提供了關於比較資料、於年度報告期期初的定量資料和中期披露的某些過渡性減免。預計該等修訂不會對本集團的財務報表產生任何重大影響。

2.4 重大會計政策

於聯營公司之投資

聯營公司指本集團長期持有一般不少於20%股本投票權並對其有重大影響力的實體。重大影響力為有權參與被投資公司之財務及營運政策決定，而非控制或共同控制該等政策。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Investment in an associate** *(continued)*

The Group's investment in an associate is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of an associate is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investment in the associate, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of an associate is included as part of the Group's investment in an associate.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.4 重大會計政策 (續)**於聯營公司之投資 (續)**

本集團於聯營公司的投資，以本集團應佔資產淨值減任何減值虧損，按權益會計法於綜合財務狀況表列賬。為使任何可能存在的不同會計政策保持一致，會進行調整。本集團分佔聯營公司收購後業績及其他全面收益分別計入綜合損益表及綜合其他全面收益表。此外，倘已於聯營公司權益中直接確認變動，則本集團將於綜合權益變動表中確認其應佔的任何變動（如適用）。本集團與其聯營公司之間之交易產生之未變現損益將予對銷，惟以本集團於聯營公司之投資為限，除非未變現虧損提供證據顯示已轉讓資產出現減值。收購聯營公司所產生的商譽計入本集團於聯營公司投資的部份。

當本集團不再擁有對聯營公司之重大影響力或對合營企業之共同控制權，則將按其公平值計量及確認任何留存投資。喪失重大影響力或共同控制權後聯營公司或合營企業之賬面值與留存投資及出售所得款項之公平值之間之差額乃於損益確認。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

2.4 重大會計政策 (續)

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期的公平值計算，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方之前擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公平值或被收購方可識別資產淨值的應佔比例，計算於被收購方的非控股權益。非控股權益之一切其他成分乃按公平值計量。收購成本於產生時列為開支。

倘所獲得的一組活動及資產包括一項投入及一個實質性過程，兩者共同顯著促進創造產出的能力，則本集團釐定其已收購一項業務。

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的財務資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Business combinations and goodwill***(continued)*

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策 (續)**業務合併及商譽 (續)**

倘企業合併分階段進行，先前持有的股權按收購日期的公平值重新計量，而由此產生的任何收益或虧損於損益內確認。

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。分類為資產或負債的或然代價按公平值計量，而公平值變動會於損益確認。分類為權益的或然代價並無重新計量，而其後結算於權益內入賬。

商譽初步按成本計量，即已轉讓總代價、就非控股權益確認的金額及本集團先前持有的被收購方股權的任何公平值總額，超逾所收購可識別資產及所承擔負債的差額。如代價及其他項目之和低於所收購資產淨值的公平值，於再評估後其差額將於損益內確認為議價收購收益。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Business combinations and goodwill

(continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 重大會計政策 (續)

業務合併及商譽 (續)

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值，則會更頻密地進行測試。本集團於十二月三十一日進行商譽之年度減值測試。對於減值測試，自收購日起業務合併中產生的商譽應該分攤至預期從合併的協同效應中受益的本集團各現金產生單元或現金產生單元組別，而不管是否本集團的其他資產或者負債被分攤到這些單元或單元組別。

減值乃通過評估與商譽有關的現金產生單元(或現金產生單元組別)的可收回金額釐定。當現金產生單元(或現金產生單元組別)的可收回金額低於賬面值時，減值虧損便予以確認。已就商譽確認的減值虧損不得於其後期間撥回。

倘商譽被分配至某個現金產生單元(或現金產生單元組別)並且是被出售之現金產生單元內之業務組成部份，則在釐定出售該業務之收益或虧損時，與所出售業務相關之商譽將包括於該業務之賬面值內。於此情況下出售之商譽根據所出售業務之相關價值與現金產生單元之保留部份計量。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Fair value measurement**

The Group measures its equity investments designated at fair value through other comprehensive income and a debt investment at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2.4 重大會計政策 (續)**公平值計量**

本集團在每個報告期末按公平值計量其指定通過其他全面收益以公平值計量的股權投資和通過損益以公平值計量的債務投資。公平值為市場參與者於計量日期在有序交易中出售資產所收取或轉讓負債所支付的價格。公平值計量乃假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下) 最具優勢市場進行。主要或最具優勢市場須為本集團可進入的市場。資產或負債的公平值乃基於市場參與者為資產或負債定價時所用的假設計量(假設市場參與者依照彼等的最佳經濟利益行事)。

非財務資產之公平值計量乃考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用其最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Fair value measurement (continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策 (續)

公平值計量 (續)

本集團採納適用於不同情況且具備充分數據以供計量公平值的估值方法，以盡量使用相關可觀察輸入參數及盡量減少使用不可觀察輸入參數。

所有公平值於本財務報表計量或披露的資產及負債乃基於對公平值計量整體而言屬重大的最低層輸入參數按以下公平值等級分類：

- 第一級 – 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級 – 基於對公平值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值方法
- 第三級 – 基於對公平值計量而言屬重大的不可觀察最低層輸入參數的估值方法

就按經常性基準於財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平值計量整體而言屬重大的最低層輸入參數)釐定是否發生不同層級轉移。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for a non-financial asset is required (other than inventories and deferred tax assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset (e.g., a headquarters building) is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

2.4 重大會計政策 (續)

非財務資產之減值

倘有跡象顯示出現減值，或須就非財務資產（存貨及遞延稅項資產除外）進行年度減值測試時，則評估資產之可收回款項。資產的可收回金額乃資產或現金產生單元的使用價值，以及其公平值減出售成本兩者的較高者，並就個別資產進行釐定，除非資產並不產生很大程度上獨立於其他資產或資產組別的現金流入，在此情況下，可收回金額則按資產所屬的現金產生單元予以釐定。

在對現金產生單元進行減值測試時，如果企業資產（如總部大樓）的賬面值可以在合理和一致的基礎上分配給單個現金產生單元，則該資產賬面值的一部分會被分配給單個現金產生單元，否則，則會被分配給最小的一組現金產生單元。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Impairment of non-financial assets *(continued)*

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策 (續)

非財務資產之減值 (續)

減值虧損僅於資產的賬面值超過其可收回金額時確認。在評估使用價值時，估計日後現金流量按能反映當時市場對貨幣時間價值及該項資產特定風險之評估的除稅前折現率折算成現值。減值虧損在發生期間於損益表中與減值資產功能相符的支出類別入賬。

將於每個報告期末評估有否跡象顯示以往確認之減值虧損可能不再存在或已減少。倘該等跡象存在，則評估可收回款項。以往就商譽以外之資產所確認之減值虧損僅於用作釐定該資產可收回款項之估計有變時撥回，然而該數額不得超過假設過往年度並無確認資產減值虧損之情況下釐定之賬面值（已扣除任何折舊／攤銷）。該等減值虧損之撥回將於其產生期間計入損益表。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Related parties**

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

2.4 重大會計政策 (續)**關聯方**

於下列情況下，有關人士將被視為本集團之關聯方：

- (a) 該方為一名人士或該名人士家族的直系親屬，而該名人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團施加重大影響；或
 - (iii) 為本集團或本集團母公司主要管理人員的成員；

或

- (b) 該方為一間實體且符合下列任何條件：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一間實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營公司；



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Related parties (continued)

(b) (continued)

- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.4 重大會計政策 (續)

關聯方 (續)

(b) (續)

- (iii) 該實體及本集團均為同一第三方的合營公司；
- (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司；
- (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體之僱員；
- (vi) 該實體由(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體（或該實體的母公司）主要管理人員的成員；及
- (viii) 該實體或該實體所屬集團旗下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。

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2.4 MATERIAL ACCOUNTING POLICIES

*(continued)***Property, plant and equipment and depreciation**

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	3% to 3 ^{1/3} %
Leasehold improvements	Over the lease terms
Furniture and fixtures	20% - 33%
Machinery and equipment	4% - 50%
Motor vehicles	20% - 25%

2.4 重大會計政策 (續)

物業、廠房和設備與折舊

物業、廠房和設備(在建工程除外)按成本減累計折舊及任何減值虧損列賬。物業、廠房和設備項目之成本包括其購買價及使資產達至其運作狀況及位置以作其擬訂用途而產生之任何直接應佔成本。

物業、廠房和設備項目投入營運後產生之費用(如維修及保養費用)一般於該費用產生期間自損益表中扣除。倘符合確認條件,大檢的費用將在資產之賬面值內資本化為一項重置。如須隔某一特定期間重置物業、廠房和設備之重大部分,本集團會因此將該等部分確認為有特定可使用年期和折舊之個別資產。

折舊以直線法計算,按物業、廠房和設備各項目之估計可使用年期撇銷其成本至其剩餘價值。就此採用之主要年率如下:

樓宇	3%至3 ^{1/3} %
租賃裝修	租期
傢私及裝置	20% - 33%
機器和設備	4% - 50%
汽車	20% - 25%



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Property, plant and equipment and depreciation *(continued)*

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 重大會計政策 (續)

物業、廠房和設備與折舊 (續)

倘物業、廠房和設備項目部分擁有不同可使用年期，則該項目之成本將按合理基準分配至各部分，而各部分將分別計算折舊。剩餘價值、可使用年期及折舊方法最少於各財政年度結算日檢討一次，並於適當情況下予以調整。

物業、廠房和設備項目（包括任何已初步確認之重大部分）將於出售該項目時或預期使用或出售該項目不會取得未來經濟利益時取消確認。出售或報廢而於取消確認資產之年度之損益表確認之任何收益或虧損，乃有關資產之銷售所得款項淨額與其賬面值之差額。

在建工程按成本減任何減值虧損列賬，且並不會計提折舊。其於竣工及擬投入使用時重新分類為適當類別之物業、廠房和設備。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Intangible assets (other than goodwill)**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Trademarks

Trademarks are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 30 years.

Product technology, licence and completed programs

The product technology, licence and completed programs are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 to 30 years.

Customer relationships

Customer relationships are stated at cost less any impairment losses and are amortised on the straight-line basis over their useful lives of 15 years.

Other intangible assets are stated at cost less any impairment losses and are amortised on the straight-line basis over their useful lives of 1 to 5 years.

2.4 重大會計政策 (續)**無形資產 (商譽除外)**

分開收購之無形資產於初步確認時按成本計量。於業務合併中收購之無形資產之成本為於收購日期之公平值。無形資產之可使用年期將評估為有限或無限。年期有限之無形資產於其後在可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估是否已減值。可使用年期為有限之無形資產之攤銷期間及攤銷方法最少將於各財政年度結算日予以檢討。

商標

商標按成本減去任何減值虧損列報，並按30年的預計使用年期以直線法攤銷。

產品技術、牌照及已完成計劃

產品技術、牌照及已完成計劃按成本減去任何減值虧損列報，並按10至30年的預計使用年期以直線法攤銷。

客戶關係

客戶關係按成本減去任何減值虧損列報，並按15年的使用年期以直線法攤銷。

其他無形資產按成本減去任何減值虧損列報，並按1至5年的使用年期以直線法攤銷。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Intangible assets (other than goodwill)

(continued)

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for certain short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.4 重大會計政策 (續)

無形資產(商譽除外) (續)

研發成本

所有研究成本均於產生時自損益表扣除。

開發新產品之項目所產生之支出僅於下列情況下撥作資本及作遞延處理：本集團可證明完成無形資產以使該無形資產可供使用或出售之技術可行性；完成資產之意圖及使用或出售該項資產之能力；該資產將如何產生未來經濟利益；可獲得完成項目之資源；及有能力可靠地計量於開發期間之費用。不符合此等條件之產品開發支出於產生時列作費用。

租賃

本集團於合約開始時評估合約是否屬租賃或包含租賃。倘一份合約為換取代價而讓渡在一段時間內使用已識別資產之控制權，則該合約是一項租賃或包含一項租賃。

本集團作為承租人

本集團對所有租賃採用單一確認及計量方法，惟若干短期租賃及低價值資產租賃除外。本集團確認租賃負債以作租賃付款，並確認代表使用相關資產的權利的使用權資產。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Leases (continued)****Group as a lessee (continued)**

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	2 to 75 years
Buildings	2 to 75 years
Motor vehicles	2 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 重大會計政策 (續)**租賃 (續)****本集團作為承租人 (續)**

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用之日)確認。使用權資產乃按成本減任何累計折舊及減值虧損計量,並就租賃負債的任何重新計量作出調整。使用權資產的成本包括已確認的租賃負債金額、已產生的初始直接成本及於開始日期或之前作出的租賃付款減任何已收取的租賃優惠。在適用情況下,使用權資產的成本還包括拆除及搬遷相關資產或復原相關資產或其所在場地的估計成本。使用權資產於有關資產的租賃期及估計可使用年期(以較短者為準)內按直線法計提折舊如下:

租賃土地	2至75年
樓宇	2至75年
汽車	2至5年

倘租賃資產的所有權於租賃期結束前轉讓至本集團或成本反映購買權獲行使,則折舊按有關資產的估計可使用年期計算。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

2.4 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

租賃負債於租賃開始日期以租賃期內租賃付款的現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、基於指數或利率的可變租賃付款及剩餘價值擔保下的預期支付款項。租賃付款亦包括合理確定將由本集團行使的購買權的行使價及為終止租賃而支付的罰款(倘租賃期反映本集團行使租賃的終止權)。並非基於指數或利率的可變租賃付款將於導致付款的事件或條件所發生期間確認為費用。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities (continued)

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of properties (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

2.4 重大會計政策 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債 (續)

在計算租賃付款的現值時，由於租賃中隱含的利率不易釐定，故本集團使用在租賃開始日期的增量借貸利率。在開始日期之後，租賃負債的金額予以增加以反映利息的累增，並減少已作出的租賃付款。此外，如有修改、租賃期發生變化、租賃付款發生變化（如租賃付款日後因指數或利率變動而出現變動）或購買相關資產選擇權的評估有所變化，則租賃負債的賬面值予以重新計量。

(c) 短期租賃及低價值資產租賃

本集團對其物業的短期租賃（即租賃期自開始日期起計為12個月或以下且不包含購買權的租賃）應用短期租賃確認豁免。其亦對被視為低價值的辦公室設備租賃應用低價值資產租賃的確認豁免。短期租賃及低價值資產租賃的租賃付款按直線法基準於租期內確認為開支。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a debt instrument to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

2.4 重大會計政策 (續)

投資及其他財務資產

初步確認及計量

財務資產於初步確認時分類為其後按攤銷成本計量、按公平值計入其他全面收益計量及按公平值計入損益計量。

於初步確認時，財務資產分類取決於財務資產的合約現金流量特點及本集團管理該等財務資產的業務模式。除並無重大融資成分或本集團已應用並無調整重大融資成分的影響的可行權宜方法的應收貿易賬款外，本集團初步按公平值加上（倘財務資產並非按公平值計入損益）交易成本計量財務資產。並無重大融資成分或本集團已應用可行權宜方法的應收貿易賬款，根據下文「收入確認」所載政策，按香港財務報告準則第15號釐定的交易價格計量。

為使債務工具按攤銷成本或按公平值計入其他全面收益進行分類及計量，需產生僅為支付本金及未償還之本金利息（「僅為支付本金及利息」）的現金流量。現金流量並非僅為支付本金及利息的財務資產，不論其業務模式如何，均按公平值計入損益分類及計量。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Investments and other financial assets***(continued)****Initial recognition and measurement (continued)***

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

2.4 重大會計政策 (續)**投資及其他財務資產 (續)*****初步確認及計量 (續)***

本集團管理財務資產的業務模式指其如何管理其財務資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售財務資產，或兩者兼有。按攤銷成本分類及計量的財務資產乃於旨在持有財務資產以收取合約現金流量的業務模式中持有，而按公平值計入其他全面收益分類及計量的財務資產則於旨在持作收取合約現金流量及出售的業務模式中持有。並非於上述業務模式中持有的財務資產按公平值計入損益分類及計量。

須按照市場規定或慣例通常訂立之期限內交付資產之財務資產買賣，均在交易日（即本集團承諾購買或銷售資產之日）確認。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Investments and other financial assets

(continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

2.4 重大會計政策 (續)

投資及其他財務資產 (續)

後續計量

財務資產之後續計量視乎其分類按以下方式進行：

按攤銷成本列賬的財務資產 (債務工具)

按攤銷成本列賬的財務資產其後使用實際利率法計量，並可能受減值影響。當資產取消確認、修訂或減值時，收益及虧損於損益表確認。

按公平值計入其他全面收益之財務資產 (股權投資)

於初步確認時，倘符合香港會計準則第32號金融工具：呈列項下的權益定義及並非持作買賣，本集團可選擇不可撤銷地將相關股權投資分類為指定按公平值計入其他全面收益之股權投資。分類乃按個別工具基準釐定。

該等財務資產的收益及虧損概不會撥回損益表。當確立支付權，則股息於損益表中確認為其他收益，惟當本集團於作為收回財務資產一部分成本的所得款項中獲益時則除外，於此情況下，該等收益於其他全面收益入賬。指定按公平值計入其他全面收益之股權投資不受減值評估影響。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Investments and other financial assets

(continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

2.4 重大會計政策 (續)

投資及其他財務資產 (續)

按公平值計入損益之財務資產

按公平值計入損益之財務資產按公平值於財務狀況表列賬，而公平值變動淨額於損益表中確認。

該類別包括本集團並無不可撤銷地選擇按公平值計入其他全面收益進行分類的衍生工具及股權投資。股權投資的股息在支付權確立時，亦於損益表中確認為其他收入。

嵌入混合合約(包含財務資產主體)的衍生工具不得單獨列賬。財務資產主體連同嵌入式衍生工具須整體分類為按公平值計入損益之財務資產。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

2.4 重大會計政策 (續)

終止確認財務資產

財務資產(或如適用,一項財務資產之部分或一組類似財務資產之部分)將於下列情況從根本上取消確認(即從本集團的綜合財務狀況表中刪除):

- 收取該項資產所得現金流量之權利已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量之權利,或已根據一項「轉付」安排承擔責任,在無重大延誤情況下,將所得現金流量全數付予第三方;且本集團(a)已轉讓該項資產之絕大部分風險及回報;或(b)並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產之控制權。

倘本集團已轉讓其收取該項資產所得現金流量的權利或已訂立轉付安排,會評估其有否保留該項資產擁有權的風險及回報,以及其程度。倘本集團並無轉讓或保留該資產的絕大部分風險及回報,亦無轉讓該資產的控制權,則該轉讓資產會按本集團持續參與程度獲本集團繼續確認。在該情況下,本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團所保留的權利及責任的基準計量。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Derecognition of financial assets *(continued)*

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

2.4 重大會計政策 (續)

終止確認財務資產 (續)

按擔保已轉讓資產的方式繼續參與，乃按該資產的初始賬面值與本集團或須償還之最高代價之較低者計量。

財務資產的減值

本集團就並非按公平值計入損益持有的所有債務工具確認預期信貸虧損（「預期信貸虧損」）撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取並按原始實際利率的概約利率折現的所有現金流量之間的差額釐定。預期現金流量將包括出售所持抵押品或合約條款所包含的其他信貸提升措施所得的現金流量。

一般方法

預期信貸虧損分兩個階段確認。就初步確認以來信貸風險並無顯著增加的信貸風險而言，會為未來12個月（12個月預期信貸虧損）可能發生的違約事件所產生的信貸虧損計提預期信貸虧損撥備。就初步確認以來信貸風險顯著增加的信貸風險而言，須就預期於風險的餘下年期產生的信貸虧損計提虧損撥備，不論違約的時間（全期預期信貸虧損）。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Impairment of financial assets *(continued)*

General approach *(continued)*

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 重大會計政策 (續)

財務資產的減值 (續)

一般方法 (續)

於各報告日期，本集團評估自初步確認以來金融工具的信貸風險有否顯著增加。進行評估時，本集團將於報告日期金融工具發生違約的風險與初步確認日期金融工具發生違約的風險進行比較，並考慮毋須付出不必要的成本或努力即可獲得的合理且有理據的資料，包括歷史及前瞻性資料。當合約付款逾期超過30天時，本集團認為信貸風險已大幅增加。

如合約付款逾期90天，本集團認為財務資產違約。然而，在若干情況下，如內部或外部資料顯示本集團於考慮本集團持有的任何信貸提升措施前不可能全數收取未償還合約金額，本集團亦可能認為財務資產違約。如並無合理預期收回合約現金流量，則會撇銷財務資產。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Impairment of financial assets** *(continued)***General approach** *(continued)*

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

2.4 重大會計政策 (續)**財務資產的減值 (續)****一般方法 (續)**

如並無合理預期收回合約現金流量，則會撇銷財務資產。

按攤銷成本列賬的財務資產須按一般方法減值，並於以下計量預期信貸虧損的階段分類，惟適用簡化方法的應收貿易賬款及合約資產除外（如下文詳述）。

- 第一階段 – 自初步確認以來信貸風險並無顯著增加及按相等於12個月預期信貸虧損的金額計量虧損撥備的金融工具
- 第二階段 – 自初步確認以來信貸風險已顯著增加但並非信貸減值財務資產及按相等於全期預期信貸虧損的金額計量虧損撥備的金融工具
- 第三階段 – 於報告日期屬信貸減值的財務資產（但並非購買或原始信貸減值），其虧損撥備按相等於全期預期信貸虧損的金額計量



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Impairment of financial assets *(continued)*

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as financial liabilities at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include amount due to an intermediate holding company, amount due to a fellow subsidiary, trade payables, financial liabilities included in other payables and accruals, and lease liabilities.

2.4 重大會計政策 (續)

財務資產的減值 (續)

簡化方法

就並無重大融資成分或本集團已應用不調整重大融資成分影響之可行權宜方法的應收貿易賬款及合約資產而言，本集團採用簡化方法計算預期信貸虧損。根據簡化方法，本集團不會追蹤信貸風險的變化，而是於各報告日期根據全期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗建立撥備矩陣，並就債務人及經濟環境的特定前瞻性因素作出調整。

財務負債

初步確認及計量

財務負債於初步確認時分類為按公平值計入損益的財務負債或按攤銷成本列賬的財務負債 (如合適)。

所有財務負債按公平值初步確認，而就貸款及借款及應付賬款而言，扣除直接應佔交易成本。

本集團之財務負債包括應付一間中間控股公司款項、應付一間同系附屬公司款項、應付貿易賬款、包括在其他應付賬款及應計費用中的財務負債以及租賃負債。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Financial liabilities (continued)*****Subsequent measurement***

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at amortised cost (trade and other payables and amounts due to an intermediate holding company and a fellow subsidiary)

After initial recognition, trade and other payables and amounts due to an intermediate holding company and a fellow subsidiary are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

2.4 重大會計政策 (續)**財務負債 (續)****後續計量**

財務負債之後續計量視乎其分類按以下方式進行：

按攤銷成本列賬的財務負債 (貿易及其他應付賬款以及應付一間中間控股公司及一間同系附屬公司款項)

於初步確認後，貿易及其他應付賬款以及應付一間中間控股公司及一間同系附屬公司款項隨後以實際利率法按攤銷成本計量，除非折現影響微不足道，在該情況下則按成本列賬。當負債終止確認及按實際利率法進行攤銷程序時，其收益及虧損於損益表內確認。

攤銷成本經計及任何收購折讓或溢價後計算，及屬於實際利率組成部分之費用或成本。實際利率攤銷計入損益表中之財務開支項目內。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

2.4 重大會計政策 (續)

終止確認財務負債

財務負債於負債之責任已解除或取消或屆滿之情況下取消確認。

倘現存財務負債由同一貸款人改以條款大為不同之另一負債代替，或現存負債條款經重大修訂，則有關轉換或修訂將被視作取消確認原本負債及確認新負債，而有關賬面值之差異將於損益表內確認。

抵銷金融工具

當現時存在一項可依法強制執行之權利可抵銷已確認金額，且亦有意以淨額結算或同時變現資產及償付負債時，則財務資產及財務負債可予抵銷，而其淨額於財務狀況表內呈報。

存貨

存貨乃按成本及可變現淨值兩者中之較低者呈列。成本按先進先出法釐定，且就在製品及製成品而言，包括直接材料、直接勞工及適當比例的經常費用。可變現淨值則根據存貨估計售價減任何完成及作出銷售估計所需成本計算。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less any bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

2.4 重大會計政策 (續)

現金及現金等價物

財務狀況表中的現金及現金等價物包括手頭現金和銀行現金，以及一般在三個月內到期的短期高流動性存款，該等存款可隨時兌換成已知金額的現金，價值變動的風險很小，持有目的是滿足短期現金承諾。

就綜合現金流量表而言，現金及現金等價物包括手頭現金及銀行現金及上文所定義的短期存款，減須於要求時償還之銀行透支，並組成本集團現金管理之一部分。

撥備

撥備於因過往事件導致現行之債務（不論法定或推定）產生，並將有可能需要於日後流出資源以結算債務時確認，惟須能夠可靠地估計有關債務金額。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Provisions *(continued)*

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

The Group provides for warranties in relation to the sale of certain products and the provision of construction services for general repairs of defects occurring during the warranty period. Provisions for these assurance-type warranties granted by the Group are initially recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate. The warranty-related cost is revised annually.

Product claim provision is made when there are present expected claims which challenge the safety of the products. The Group has general liability and other insurance policies to cover product claims. Initial recognition is based on historical experience. The initial estimate of product claim costs is revised annually based on current year's development of present expected claims.

2.4 重大會計政策 (續)

撥備 (續)

倘折現影響重大，則按預期須於未來就償還該債務所作之開支於報告期末之現值來確認撥備。隨著時間流逝而增加的折現現值於損益表內列為財務開支。

本集團就銷售若干產品及提供建築服務，於保養期內出現的缺陷提供一般維修，計提保修撥備。本集團授予的該等保證型保修撥備，乃根據銷量以及過往維修及退貨水平之經驗來初步確認，並適當折現至其現值。保修相關成本每年進行修訂。

倘當前存在對產品安全性提出質疑的預期索賠，則計提產品索賠撥備。本集團已就該等產品索賠投購綜合責任險及其他保險。初始確認乃基於過往經驗。產品索賠成本的初始估計根據本年度當前預期索賠的發展情況每年進行修訂。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries and an associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重大會計政策 (續)

所得稅

所得稅包括即期及遞延稅項。與於損益以外確認之項目有關之所得稅於損益以外確認，即於其他全面收益或直接於權益內確認。

即期稅項資產及負債乃根據於報告期末時已經頒佈或實質上已頒佈之稅率（及稅法），並考慮本集團營運所在地區通行之詮釋及慣例，按預期可自稅務機關收回或向其支付之金額釐定。

遞延稅項乃就資產及負債之稅基與為財務申報而計算之賬面值之間於報告期末之所有臨時差額採用負債法作出撥備。

遞延稅項負債乃就所有應課稅臨時差額予以確認，惟：

- 倘在一項非業務合併之交易中初步確認商譽或資產或負債而產生之遞延稅項負債，以及在進行交易時並不影響會計利潤或應課稅盈虧，也不產生同等的應課稅和可抵扣臨時差額則除外；及
- 就與於附屬公司及聯營公司之投資有關之應課稅臨時差額而言，尚可控制撥回臨時差額之時間，而且臨時差額可能將不會於可見將來撥回時則除外。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries and an associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2.4 重大會計政策 (續)

所得稅 (續)

遞延稅項資產乃就所有可抵扣之臨時差額及結轉未動用之稅項抵免及任何未動用之稅項虧損而確認。遞延稅項資產予以確認，以應課稅利潤有可能抵銷可抵扣臨時差額，以及可使用所結轉之未動用之稅項抵免及未動用之稅項虧損為限，惟：

- 倘與可抵扣臨時差額有關之遞延稅項資產因初步確認於業務合併以外之交易之資產或負債而引起，且於進行交易時不會影響會計利潤或應課稅盈虧，也不產生同等的應課稅和可抵扣臨時差額則除外；及
- 就與於附屬公司及一間聯營公司之投資有關之可抵扣臨時差額而言，遞延稅項資產僅於臨時差額將可於可見將來撥回時，以及應課稅利潤可用作於抵銷臨時差額時確認。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Income tax (continued)**

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 重大會計政策 (續)**所得稅 (續)**

遞延稅項資產之賬面值於各報告期末審閱，並削減至不再可能有足夠應課稅利潤以致可動用全部或部分遞延稅項資產之水平。未確認之遞延稅項資產乃於各報告期末重估，並於可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時確認。

遞延稅項資產及負債乃根據於報告期末已頒佈或實質頒佈之稅率（及稅法），按預期變現有關資產或清償有關負債期間之適用稅率計量。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關向同一應課稅實體或向於預期結算或收回大量遞延稅項負債或資產之各未來期間，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債的不同應課稅實體徵收的所得稅相關，則遞延稅項資產與遞延稅項負債可予互相抵銷。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

2.4 重大會計政策 (續)

收入確認

來自客戶合約之收益

當貨品或服務的控制權按反映本集團預期就交換該等貨品或服務而有權獲得的代價的金額轉移至客戶時，確認來自客戶合約之收益。

當合約中的代價包括可變金額時，則估計本集團向客戶轉移貨品或服務而有權獲得的代價金額。可變代價於合約開始時估計並受到約束，直至當與可變代價相關的不穩定因素其後獲得解決，已確認累計收入金額很可能不會出現重大收入回撥。

倘合約中包含就向客戶轉移貨品或服務而為客戶提供超過一年的重大融資利益的融資成分，則收入按應收金額的現值計量，並使用於合約開始時本集團與客戶的單獨融資交易中反映的折現率折現。當合約包含為本集團提供超過一年重大財務利益的融資成分時，根據合約確認的收入包括按實際利率法計算的合約負債所產生的利息支出。就客戶支付款項與轉讓承諾貨品或服務之間的時間為一年或以下的合約而言，不會使用香港財務報告準則第15號的實際權宜方法就重大融資成分的影響調整交易價格。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Revenue recognition** *(continued)***Revenue from contracts with customers** *(continued)*

- (a) Sale of aircraft engines and spare parts

Revenue from the sale of aircraft engines and spare parts is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the aircraft engines and spare parts.

- (b) Provision of repair and maintenance services for aircraft engines

Revenue from the provision of repair and maintenance services for aircraft engines is recognised over time in the accounting period in which the services are rendered.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.4 重大會計政策 (續)**收入確認 (續)****來自客戶合約之收益 (續)**

- (a) 銷售飛機發動機及備件

來自銷售飛機發動機及備件的收益於資產的控制權轉移至客戶(一般按飛機發動機及備件的交付)的某時間點確認。

- (b) 提供飛機發動機維修保養服務

來自提供飛機發動機維修保養服務的收益於提供服務的會計期間隨時間確認。

其他收入

利息收入乃以應計基準使用實際利率法,按於金融工具之預期年期或更短期間(如適用)將估計未來現金收入準確貼現至金融資產之賬面淨值之貼現率確認。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF scheme.

2.4 重大會計政策 (續)

合約資產

倘本集團在無條件獲得合約條款規定的代價之前，通過向客戶轉讓貨物或服務來履行合約，則就所賺取的有條件對價將確認合約資產。合約資產須進行減值評估，詳情載於財務資產減值的會計政策。當獲得代價的權利成為無條件時，合約資產將重新分類為應收貿易賬款。

合約負債

合約負債於本集團轉讓相關貨品或服務前自客戶收取付款或付款到期（以較早者為準）時確認。合約負債於本集團履行合約（即相關貨品或服務的控制權轉移至客戶）時確認為收入。

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例，實行一項定額供款之強制性公積金退休福利計劃（「強積金計劃」），服務對象為其所有合資格參與強積金計劃之僱員。供款按照僱員基本工資的一定百分比計算，並根據強積金計劃的規則成為應付時在損益表中扣除。強積金計劃之資產乃與本集團之資產分開持有，存放於獨立管理基金中。本集團之僱主供款在供予強積金計劃後即全數歸僱員所有。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Other employee benefits *(continued)*

Pension schemes (continued)

The employees of the Group's subsidiary which operate in Germany are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Defined benefit plan

A subsidiary of the Group sponsors a defined benefit pension plan as well as a retiree medical and life insurance plan. Its defined benefit pension plan requires contributions to be made to a third party trustee managed fund. The cost of providing benefits under the defined benefit plan is determined actuarially. Actuarial gains and losses for the defined benefit plan are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

The defined benefit asset or liability comprises the present value of the defined benefit obligation, less past service costs and less the fair value of plan assets out of which the obligations are to be settled.

The Group's accounting policy for defined benefit plans is to recognise actuarial gains and losses in the period in which they occur in full in other comprehensive income in accordance with HKAS 19 *Employee Benefits*.

2.4 重大會計政策 (續)

其他僱員福利 (續)

退休金計劃 (續)

本集團於德國營運的附屬公司的僱員須參與由當地市政府營運的中央退休金計劃。該等附屬公司須按其薪金成本的若干百分比向中央退休金計劃供款。供款於根據中央退休金計劃規則應付時於損益扣除。

定額福利計劃

本集團的一家附屬公司發起一項定額福利退休金計劃以及一項退休人員醫療和人壽保險計劃。其定額福利退休金計劃要求向第三方受託管理基金供款。根據定額福利計劃提供福利的成本由精算確定。定額福利計劃的精算損益在其他全面收益中確認，不會在後續期間重新分類到損益中。

定額福利資產或負債包括定額福利義務的現值，減去過往服務成本，再減去用於清償義務的計劃資產的公平值。

本集團對定額福利計劃的會計政策是根據香港會計準則第19號 *僱員福利*，在精算損益發生的當期，在其他全面收益中全額確認精算損益。



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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements. Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2.4 重大會計政策 (續)

借貸成本

收購、興建或生產合資格資產(即須經過一段長時間方可作擬定用途或可供出售之資產)應佔直接借貸成本均撥作該等資產之部分成本。倘該等資產基本上達至其擬定用途或可供出售時,則該等借貸成本不再撥充。所有其他借貸成本在產生之期間支銷。借貸成本包括一間實體就借貸資金產生之利息及其他成本。

股息

末期股息於股東大會上獲股東批准時確認為負債。建議的末期股息在財務報表附註中披露。中期股息的建議及宣派同時進行,因本公司組織章程大綱及細則授予董事宣派中期股息的授權。因此,中期股息於建議及宣派後隨即確認為負債。

外幣

財務報表以港元呈報,即本公司之功能貨幣。本集團內各實體各自決定其本身所用功能貨幣,各實體之財務報表項目均以所定功能貨幣計量。本集團實體記錄之外幣交易初步按交易日之有關功能貨幣之匯率換算入賬。以外幣為計價單位之貨幣資產及負債,按有關功能貨幣於報告期末時之匯率換算。結算或換算貨幣項目產生的差額於損益表內確認。

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2.4 MATERIAL ACCOUNTING POLICIES*(continued)***Foreign currencies** *(continued)*

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries and an associate are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the exchange rates that approximate to those prevailing at the dates of the transactions.

2.4 重大會計政策 (續)**外幣 (續)**

按歷史成本列賬、以外幣計量之非貨幣項目，採用初步交易日期之匯率換算。按公平值列賬、以外幣計量之非貨幣項目，採用釐定公平值日期之匯率換算。換算以公平值計量的非貨幣項目而產生的收益或虧損，按與確認該項目的公平值變動的收益或虧損一致的方法處理（即對於公平值收益或虧損於其他全面收益或損益確認的項目，其換算差額亦分別於其他全面收益或損益確認）。

於釐定取消確認與預付代價有關的非貨幣資產或非貨幣負債時初步確認相關資產、費用或收入的匯率時，初步交易日期為本集團初步確認預付代價產生的非貨幣資產或非貨幣負債之日。如有多次支付或收取預付款項，本集團會釐定各項支付或收取預付代價的交易日期。

若干海外附屬公司及一間聯營公司之功能貨幣是港元之外之貨幣。於報告期末，該等實體之資產及負債按於報告期末時之現行匯率換算為港元，其損益表按與交易當日相近的匯率換算成港元。

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2.4 MATERIAL ACCOUNTING POLICIES

(continued)

Foreign currencies *(continued)*

The resulting exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates or the year.

2.4 重大會計政策 (續)

外幣 (續)

因此而產生之匯兌差額在其他全面收益確認並於換算儲備中累計，除非差額歸屬於非控股權益。出售海外業務時，與該海外業務相關的累計儲備金額會在損益表中確認。

因收購海外業務產生的任何商譽及因收購產生的資產及負債賬面值的任何公平值調整，均被視為該海外業務的資產及負債，並以結算日的匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日匯率換算成港元。海外附屬公司於整個年度中產生之經常性現金流量按該年度之加權平均匯率換算成港元。

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3. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment loss under ECL model on trade receivables

The Group uses a provision matrix to determine ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography and product type).

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic products) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3. 重大會計估算

編製本集團財務報表需要管理層就影響收入、費用、資產及負債的呈報金額及其隨附披露事宜以及披露或然負債的事宜作出判斷、估計及假設。該等假設及估計之不確定因素可能會導致在未來需要對受影響資產或負債之賬面值進行重大調整。

估計不確定因素

以下載列報告期末有關未來的主要假設及估計不確定因素的其他主要來源，該等假設及不確定因素可能具有導致下一財政年度資產及負債賬面值出現重大調整的重大風險。

應收貿易賬款於預期信貸虧損模型下的減值虧損

本集團使用撥備矩陣釐定應收貿易賬款的預期信貸虧損。撥備率乃基於具有類似虧損模式（即按地理位置和產品類型）的多個客戶分部組別的逾期日數釐定。

撥備矩陣初始基於本集團的可觀察歷史違約率。本集團按前瞻性資料調整過往信貸虧損經驗來調節矩陣。例如，倘預測經濟狀況（如國內生產總值）預期將在來年惡化，可能導致製造業違約數量增加，則歷史違約率作出調整。在各報告日期，可觀察歷史違約率會被更新，並分析前瞻性估計的變化。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING ESTIMATES

(continued)

Estimation uncertainty (continued)

Impairment loss under ECL model on trade receivables (continued)

The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of a customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in note 21 to the consolidated financial statements.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis or if events or changes in circumstances indicate a potential impairment. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 31 December 2023 was HK\$13,841,000 (2022: HK\$13,439,000). Further details are given in note 16 to the consolidated financial statements.

3. 重大會計估算 (續)

估計不確定因素 (續)

應收貿易賬款於預期信貸虧損模型下的減值虧損 (續)

預期信貸虧損的金額易受環境及預測經濟狀況的變動影響。本集團的過往信貸虧損經驗和對經濟狀況的預測也未必可代表客戶的未來實際違約。有關本集團應收貿易賬款的預期信貸虧損的資料披露於綜合財務報表附註 21。

商譽減值

本集團至少每年確定一次商譽有否減值，或者在事件或情況變化表明商譽可能減值時確定商譽有否減值。決定商譽有否減值須對獲分派商譽之現金產生單元之使用價值作出估計。使用價值之估算要求本集團估計預期產生自現金產生單位之未來現金流量以及選擇合適之折現率以計算該等現金流量之現值。於二零二三年十二月三十一日之商譽賬面值為13,841,000港元(二零二二年：13,439,000港元)。進一步詳情載於綜合財務報表附註 16。

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3. SIGNIFICANT ACCOUNTING ESTIMATES

*(continued)***Estimation uncertainty** *(continued)****Impairment of non-financial assets (other than goodwill)***

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details, are given in notes 13, 15 and 17 to the consolidated financial statements.

Income taxes

Significant judgements on the future tax treatment of certain transactions are required in determining income tax provisions. The Company carefully evaluates tax implications of transactions and tax provisions are recorded accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Further details are given in notes 10 and 32 to the consolidated financial statements.

3. 重大會計估算 (續)

估計不確定因素 (續)**非財務資產 (商譽除外) 減值**

本集團在各報告期末評估所有非財務資產 (包括使用權資產) 是否存在減值跡象。無限期無形資產每年進行一次減值測試，並在存在減值跡象的其他時間進行測試。其他非財務資產在有跡象表明賬面金額可能無法收回時進行減值測試。當資產或現金產生單元的賬面價值超過其可收回金額 (即公平值減去處置成本後的金額與使用價值中的較高者) 時，即出現減值。公平值減去處置成本的計算依據是類似資產公平交易中具有約束力的銷售交易的可用數據或可觀察市場價格減去處置資產的增量成本。在計算使用價值時，管理層必須估算資產或現金產生單位的預期未來現金流，並選擇合適的貼現率，以計算該等現金流的現值。進一步詳情載於綜合財務報表附註13、15及17。

所得稅

在確定所得稅撥備時，須對若干交易的未來稅務處理做出重大判斷。本公司會仔細評估交易的稅務影響，並相應記錄稅項撥備。本公司會定期重新考慮此類交易的稅務處理，以計及稅務法律的所有變化。進一步詳情載於綜合財務報表附註10及32。

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4. OPERATING SEGMENT

For management purposes, the Group has only one reportable operating segment, of which the Group engages in the design, development and production of general aviation aircraft piston engines and spare parts as well as the provision of aftermarket services and support for piston engines. Accordingly, no segment information is presented.

Geographical information

(a) Revenue from external customers

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
USA	美國	1,473,262	1,376,844
Europe	歐洲	237,151	179,005
Others	其他	119,773	109,666
		1,830,186	1,665,515

The revenue information above is based on the location of the customers.

(b) Non-current assets

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
USA	美國	1,602,068	1,642,047
Europe	歐洲	505,879	503,465
Hong Kong	香港	117,076	121,762
Mainland China	中國內地	10,029	14,409
		2,235,052	2,281,683

The non-current assets information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

4. 經營分部

就管理而言，本集團只有一個須呈報之經營分部，從事通用航空飛機活塞發動機及備件的設計、開發及生產、以及提供活塞發動機的售後市場服務及支援。因此，並無呈列分部資料。

地區資料

(a) 來自外部客戶收益

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
USA	1,473,262	1,376,844
Europe	237,151	179,005
Others	119,773	109,666
	1,830,186	1,665,515

上述收益資料乃按有關客戶之所在地劃分。

(b) 非流動資產

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
USA	1,602,068	1,642,047
Europe	505,879	503,465
Hong Kong	117,076	121,762
Mainland China	10,029	14,409
	2,235,052	2,281,683

上述非流動資產資料乃按資產之所在地劃分，並不包括金融工具及遞延稅項資產。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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4. OPERATING SEGMENT (continued)

Information about major customers

Revenue from each of the major customers, which individually amounted to 10% or more of the Group's revenue, is set out below:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Customer A	客戶A	552,471	540,127
Customer B	客戶B	340,209	256,659
Customer C	客戶C	322,694	300,910

4. 經營分部 (續)

主要客戶之資料

來自各主要客戶之收益載列如下，彼等各佔本集團收益之10%或以上：

5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元 (Restated) (經重列)
Revenue from contracts with customers	來自客戶合約之收益		
Sale of aircraft engines and spare parts transferred at a point in time	於某時間點轉移之飛機發動機及備件之銷售	1,751,844	1,566,916
Rendering of services transferred over time	隨時間轉移之服務之提供	78,342	98,599
		1,830,186	1,665,515

5. 收益、其他收入及收益淨額

收益分析如下：



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5. REVENUE, OTHER INCOME AND GAINS, NET (continued)

Revenue from contracts with customer

(a) Disaggregated revenue information

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Geographical markets	地區市場		
USA	美國	1,473,262	1,376,844
Europe	歐洲	237,151	179,005
Others	其他	119,773	109,666
		1,830,186	1,665,515

The following table shows the amount of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

下表顯示於本報告期間確認並計入報告期初合約負債的收益金額：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Provision of repair and maintenance services for aircraft engines	提供飛機發動機維修保養服務	9,679	8,139
Sales of aircraft engines and spare parts	飛機發動機及備件銷售	7,262	-

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5. REVENUE, OTHER INCOME AND GAINS, NET (continued)**(a) Performance obligation**

Information about the Group's performance obligations is summarised below:

Sale of aircraft engines and spare parts

The performance obligation is satisfied upon delivery of the products and payment is generally due within 30 days from delivery.

Provision of repair and maintenance services for aircraft engines

The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from completion of the services and customer acceptance.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

5. 收益、其他收入及收益淨額 (續)**(a) 履約責任**

本集團履約責任資料概述如下：

銷售飛機發動機及備件

履約責任於交付產品後完成，且付款通常應於交付起30天內到期。

提供飛機發動機維修保養服務

履約責任隨提供服務時間達成，且付款通常應在完成服務及客戶驗收後30天內到期。

於十二月三十一日分配至餘下履約責任（未達成或部分未達成）的交易價格金額如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Amounts expected to be recognised as revenue:	預期將確認的收益金額：		
Within one year	一年內	11,143	9,679
After one year	一年後	65,369	36,127
		76,512	45,806

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5. REVENUE, OTHER INCOME AND GAINS, NET (continued)

(a) Performance obligation (continued)

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to repair and maintenance services for aircraft engines, of which the performance obligations are to be satisfied within five years. All the other amounts of transaction prices allocated to the remaining performance obligations relate to sale of aircraft engine and spare parts, and repair and maintenance services for aircraft engines are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains, net is as follows:

5. 收益、其他收入及收益淨額 (續)

(a) 履約責任 (續)

分配至餘下履約責任並預期將在一年後確認為收益的交易價格金額涉及將於五年內達成的飛機發動機維修保養服務。所有就銷售飛機發動機及備件以及飛機發動機維修保養服務分配至餘下履約責任的其他交易價格金額預期將於一年內確認為收益。上述金額不包括受限制可變代價。

其他收入及收益淨額分析如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	28,052	9,137
Distributorship fee income	分銷費收入	783	783
Government grant	政府補貼	-	143
Insurance claim	保險索賠	-	1,078
Interest income on loan to an associate	向聯營公司提供的貸款之 利息收入	373	391
Management fee income	管理費收入	1,753	1,265
Royalty income	專利權費收入	4,807	-
Others	其他	743	833
Total other income	其他總收入	36,511	13,630

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5. REVENUE, OTHER INCOME AND GAINS, NET (continued)

An analysis of other income and gains, net is as follows:
(continued)

5. 收益、其他收入及收益淨額 (續)

其他收入及收益淨額分析如下：(續)

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Other gains, net	其他收益淨額		
Gain on deemed disposal of partial interest in an associate	視作出售一間聯營公司部分權益之利潤	-	3,852
Gain on disposal of a joint venture	出售一間合營公司之利潤	-	6,515
Gain on early termination of a lease	提前終止租賃之利潤	-	10
Loss on disposal of other intangible assets	出售其他無形資產之虧損	-	(326)
Fair value gain on an investment property	投資物業之公平值利潤	-	700
Foreign exchange differences, net	外匯兌換差額淨額	6,968	(2,457)
Others	其他	75	-
Total other gains, net	其他總收益淨額	7,043	8,294
Total	合計	43,554	21,924

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/
(crediting):

6. 除稅前溢利

本集團除稅前溢利已扣除／(計入)：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Cost of inventories sold*	已售存貨成本*	1,205,791	1,085,381
Cost of services provided*	提供服務之成本*	56,821	71,646
Write-down/(reversal of write-down) of inventories**	存貨撇減／(撇減撥回)**	(17,482)	11,557
Depreciation of property, plant and equipment (note 13)	物業、廠房及設備之折舊 (附註13)	36,286	32,992
Depreciation of right-of-use assets (note 15(a))	使用權資產之折舊 (附註15(a))	14,472	14,194
Amortisation of other intangible assets (note 17)***	其他無形資產之攤銷 (附註17)***	86,669	83,807
Employee benefit expense (including directors' remuneration):	僱員福利開支 (包括董事薪酬)：		
Wages and salaries	工資及薪金	241,520	216,715
Retirement benefits and contributions	退休福利及供款	16,980	15,584
Defined benefit schemes (note 31)	定額福利計劃(附註31)	2,101	3,112
		260,601	235,411
Provision for product service bulletin****	產品服務公告撥備****	49,720	-
Loss on disposal of property, plant and equipment*****	出售物業、廠房及設備之 虧損*****	18,749	315
Auditor's remuneration	核數師酬金	3,500	4,364
Impairment of other intangible assets	其他無形資產之減值	-	101,142

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6. PROFIT BEFORE TAX (continued)

The Group's profit before tax is arrived at after charging/
(crediting): (continued)

6. 除稅前溢利 (續)

本集團除稅前溢利已扣除／(計入)：
(續)

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Impairment losses under expected credit loss model, net of reversal:		
– trade receivables (note 21)	427	1,347
– other receivables (note 24)	–	4,600
– loan to a joint venture	–	7
	427	5,954

* Included in "cost of sales" in the consolidated statement of profit or loss.

** Included in "cost of inventories sold" above.

*** Included in "cost of sales", "selling and distribution expenses", "administrative expenses" and "research and development costs" in the consolidated statement of profit or loss.

**** During the year, total costs of HK\$49,720,000 (2022: Nil) were provided for the inspection and repair of certain models of aircraft piston engines in connection with a product service bulletin, which were included in "other operating expenses" in the consolidated statement of profit or loss.

***** Included in "other operating expenses" in the consolidated statement of profit or loss.

* 計入綜合損益表「銷售成本」。

** 計入上文「已售存貨成本」。

*** 計入綜合損益表「銷售成本」、「銷售及營銷費用」、「行政管理費用」及「研發成本」。

**** 年內，就產品服務公告而言總成本49,720,000港元(二零二二年：無)乃用於若干飛機活塞發動機模型之檢查及修復，該等成本計入綜合損益表「其他營業費用」。

***** 計入綜合損益表「其他營業費用」。



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7. FINANCE COSTS

An analysis of finance costs is as follows:

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Interest on lease liabilities (note 15(b)) 租賃負債之利息 (附註15(b))	13,373	14,001
Other interest expenses 其他利息支出	141	75
	13,514	14,076

7. 財務開支

財務開支分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及行政總裁之酬金

根據香港聯合交易所有限公司證券上市規則(「上市規則」、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露,本年度之董事及行政總裁之酬金如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Fees 袍金	1,420	1,420
Other emoluments: 其他酬金：		
Salaries, allowances and benefits in kind 薪金、津貼及實物利益	1,723	2,200
Retirement scheme contributions 退休計劃供款	18	90
	1,741	2,290
	3,161	3,710

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)**(a) Independent non-executive directors**

The fees paid to independent non-executive directors during the year were as follows:

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Chu Yu Lin, David	朱幼麟	400	400
Li Ka Fai, David	李家暉	400	400
Zhang Ping	張平	320	320
		1,120	1,120

There were no other emoluments payable to the independent non-executive directors during the year (2022: Nil).

8. 董事及行政總裁之酬金 (續)**(a) 獨立非執行董事**

本年支付予獨立非執行董事之袍金如下：

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Chu Yu Lin, David	朱幼麟	400	400
Li Ka Fai, David	李家暉	400	400
Zhang Ping	張平	320	320
		1,120	1,120

本年並無其他應付予獨立非執行董事的酬金(二零二二年：無)。



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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and non-executive directors

		Fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total remuneration
		袍金	薪金、津貼及實物利益	退休計劃供款	酬金總額
2023		HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零二三年		千港元	千港元	千港元	千港元
Executive directors:	執行董事：				
Li Peiyin	李培寅	36	-	-	36
Zhang Zhibiao (appointed on 3 April 2023)	張志標 (於二零二三年四月三日獲委任)	27	-	-	27
Huang Yongfeng	黃勇峰	36	-	-	36
Jiao Yan	焦燕	36	-	-	36
Yu Xiaodong	于曉東	36	1,723	18	1,777
Zhao Yang (resigned on 3 April 2023)	趙揚 (於二零二三年四月三日辭任)	9	-	-	9
		180	1,723	18	1,921
Non-executive director:	非執行董事：				
Chow Wai Kam	周偉淦	120	-	-	120
		300	1,723	18	2,041

8. 董事及行政總裁之酬金 (續)

(b) 執行董事及非執行董事

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and non-executive directors (continued)

		Salaries, allowances and benefits in kind 薪金、津貼及 實物利益	Retirement scheme contributions 退休 計劃供款	Total remuneration 酬金總額
	Fees 袍金	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2022 二零二二年				
Executive Directors:	執行董事：			
Lai Weixuan (resigned on 1 April 2022)	賴偉宣 (於二零二二年 四月一日辭任)	9	-	9
Li Peiyin (appointed on 1 April 2022)	李培寅 (於二零二二年 四月一日獲委任)	27	-	27
Huang Yongfeng	黃勇峰	36	-	36
Jiao Yan	焦燕	36	-	36
Yu Xiaodong	于曉東	36	2,010	2,131
Zhao Yang	趙揚	36	190	231
		180	2,200	2,470
Non-executive Director:	非執行董事：			
Chow Wai Kam	周偉淦	120	-	120
		300	2,200	2,590

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2022: Nil).

本年概無任何董事放棄或同意放棄任何酬金之安排 (二零二二年：無)。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees included one executive director (2022: one). Details of the remuneration for the year of the four (2022: four) highest paid employees who are not a director of the Company are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	7,533	7,748
Performance related bonuses*	工作表現相關花紅*	14,713	9,692
		22,246	17,440

* The performance related bonuses are determined with reference to the operating results and individual performance during both years.

The number of non-director highest paid employees whose remuneration fell within the following bands is as follows:

9. 五名最高薪僱員

五名最高薪僱員包括一名(二零二二年：一名)執行董事。本年四名(二零二二年：四名)最高薪僱員(並非本公司董事)之酬金詳情如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	7,533	7,748
Performance related bonuses*	工作表現相關花紅*	14,713	9,692
		22,246	17,440

* 工作表現相關花紅乃參考兩年度的經營業績及個人表現釐定。

酬金在下列範圍之最高薪僱員(並非董事)人數：

		Number of employees 僱員人數	
		2023 二零二三年	2022 二零二二年
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	-
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	-	2
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	-	1
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	1	-
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	-
HK\$10,000,001 to HK\$10,500,000	10,000,001 港元至 10,500,000 港元	-	1
HK\$13,000,001 to HK\$13,500,000	13,000,001 港元至 13,500,000 港元	1	-
		4	4

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

10. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2022: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

10. 所得稅

於本年度，由於本集團並無任何源於香港之應課稅溢利，故並無作出香港利得稅撥備（二零二二年：無）。其他地區應課稅溢利之稅項按本集團經營所在國家／管轄區域當時之稅率計算。

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Current – Elsewhere:	即期－其他地區：		
Charge for the year	本年開支	12,250	15,326
Overprovision in prior years	過往年度之過多撥備	(730)	(816)
Deferred tax (Note/note 32)	遞延稅項 (附註／附註32)	(83,026)	(38,077)
		(71,506)	(23,567)

Note: During the year ended 31 December 2023, Continental Aerospace Technologies Inc., the Company's subsidiary in the United States, began to generate taxable profits. It is also expected that Continental Aerospace Technologies Inc. will generate future taxable profits to utilise some of its tax losses. Therefore, the Group has recognised deferred tax credit of HK\$81,255,000 in profit or loss to the extent that the tax losses will be utilised.

附註： 於截至二零二三年十二月三十一日止年度，本公司於美國之附屬公司 Continental Aerospace Technologies Inc. 開始產生應課稅溢利。亦預計 Continental Aerospace Technologies Inc. 未來將產生應課稅溢利，以動用其若干稅項虧損。因此，本集團已於損益中確認遞延稅項抵免81,255,000港元，以稅項虧損被動用為限。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

10. INCOME TAX (continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rates for the countries/ jurisdictions in which the Company and its subsidiaries are domiciled to the tax credit at the effective rate for the year is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Profit before tax	除稅前溢利	90,703	27,265
Tax at the statutory tax rates of respective entities	按各實體法定稅率計算之稅項	22,477	6,816
Tax effect of share of results of an associate	分佔聯營公司業績之稅務影響	1,028	2,097
Effect of withholding tax on interest income from the USA	預扣稅對來自美國的利息收入的影響	6,763	7,204
Overprovision in respect of prior years	過往年度之過多撥備	(730)	(816)
Income not subject to tax	毋須課稅收入	(8,500)	(10,493)
Expenses not deductible	不可扣稅開支	4,247	4,594
Tax losses utilised from previous periods	過往期間已動用稅項虧損	(9,028)	-
Deferred tax assets recognised in respect of tax losses and deductible temporary differences previously not recognised	就先前未確認稅項虧損及可抵扣臨時差額確認的遞延稅項資產	(87,763)	(32,969)
Income tax credit for the year	本年所得稅抵免	(71,506)	(23,567)

The share of tax charge attributable to an associate of nil (2022: Nil) is included in "Share of loss of an associate" in the consolidated statement of profit or loss.

10. 所得稅 (續)

按本公司及其附屬公司所在國家／管轄區域之法定稅率計算適用於除稅前溢利的稅項開支與本年按實際稅率之稅項抵免對賬如下：

分佔歸屬於聯營公司的稅項開支為零 (二零二二年：零)，已計入綜合損益表的「分佔聯營公司虧損」中。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

11. DIVIDEND**11. 股息**

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Proposed final – HK0.5 cent per ordinary share (2022: Nil)	建議末期股息—每股普通股 0.5港仙 (二零二二年：無)	46,517	–

The proposed final dividend for the year ended 31 December 2023 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

截至二零二三年十二月三十一日止年度，建議末期股息須待本公司股東於應屆股東週年大會上批准後方可作實。

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY**12. 本公司普通股權益持有人應佔每股盈利**

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 9,303,374,783 (2022: 9,303,374,783) in issue during the year.

每股基本盈利金額乃根據本公司普通股權益持有人應佔本年溢利及年內加權平均已發行普通股9,303,374,783股 (二零二二年：9,303,374,783股) 數量計算。

The calculation of basic and diluted earnings per share is based on:

每股基本及攤薄盈利的計算乃根據：

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Profit attributable to ordinary equity holders of the Company	本公司普通股權益持有人應佔溢利	162,209	50,832



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (continued)**12. 本公司普通股權益持有人應佔每股盈利 (續)**

	Number of shares	
	股份數目	
	2023	2022
	二零二三年	二零二二年
Weighted average number of ordinary shares in issue during the year	年內加權平均已發行普通股數量	
	9,303,374,783	9,303,374,783

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2023 (2022: Nil).

本集團於截至二零二三年十二月三十一日止年度並無發行潛在攤薄普通股(二零二二年：無)。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Freehold lands 永久業權土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Furniture and fixtures 傢私及裝置 HK\$'000 千港元	Machinery and equipment 機器和設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 December 2023	二零二三年十二月三十一日								
At 1 January 2023:	於二零二三年一月一日:								
Cost	成本	8,879	151,533	67,440	3,493	364,525	1,618	236,028	833,516
Accumulated depreciation	累計折舊	-	(8,079)	(24,690)	(2,836)	(193,795)	(1,618)	-	(231,018)
Net carrying amount	賬面淨值	8,879	143,454	42,750	657	170,730	-	236,028	602,498
At 1 January 2023, net of accumulated depreciation	於二零二三年一月一日，扣除累計折舊	8,879	143,454	42,750	657	170,730	-	236,028	602,498
Additions	添置	-	-	-	10	5,953	-	63,702	69,665
Transfers	轉撥	-	-	94	-	184,255	-	(184,349)	-
Disposals	出售	-	-	-	-	(592)	-	(19,726)	(20,318)
Depreciation provided during the year (note 6)	本年計提折舊 (附註6)	-	(5,618)	(2,555)	(169)	(27,944)	-	-	(36,286)
Exchange realignment	匯兌調整	266	655	60	-	600	-	795	2,376
At 31 December 2023, net of accumulated depreciation	於二零二三年十二月三十一日，扣除累計折舊	9,145	138,491	40,349	498	333,002	-	96,450	617,935
At 31 December 2023:	於二零二三年十二月三十一日:								
Cost	成本	9,145	152,491	67,665	3,503	545,596	1,618	96,450	876,468
Accumulated depreciation	累計折舊	-	(14,000)	(27,316)	(3,005)	(212,594)	(1,618)	-	(258,533)
Net carrying amount	賬面淨值	9,145	138,491	40,349	498	333,002	-	96,450	617,935
31 December 2022	二零二二年十二月三十一日								
At 1 January 2022:	於二零二二年一月一日:								
Cost	成本	9,358	28,763	68,352	2,702	362,372	1,618	192,694	665,859
Accumulated depreciation	累計折舊	-	(4,080)	(22,828)	(2,654)	(175,952)	(1,618)	-	(207,132)
Net carrying amount	賬面淨值	9,358	24,683	45,524	48	186,420	-	192,694	458,727
At 1 January 2022, net of accumulated depreciation	於二零二二年一月一日，扣除累計折舊	9,358	24,683	45,524	48	186,420	-	192,694	458,727
Additions	添置	-	-	265	791	5,370	-	47,204	53,630
Transfers	轉撥	-	-	-	-	4,943	-	(4,943)	-
Transfer from investment property (note 14)	轉撥自投資物業 (附註14)	-	124,500	-	-	-	-	-	124,500
Disposals	出售	-	-	(307)	-	(325)	-	-	(632)
Depreciation provided during the year (note 6)	本年計提折舊 (附註6)	-	(4,454)	(3,038)	(182)	(25,318)	-	-	(32,992)
Exchange realignment	匯兌調整	(479)	(1,275)	306	-	(360)	-	1,073	(735)
At 31 December 2022, net of accumulated depreciation	於二零二二年十二月三十一日，扣除累計折舊	8,879	143,454	42,750	657	170,730	-	236,028	602,498
At 31 December 2022:	於二零二二年十二月三十一日:								
Cost	成本	8,879	151,533	67,440	3,493	364,525	1,618	236,028	833,516
Accumulated depreciation	累計折舊	-	(8,079)	(24,690)	(2,836)	(193,795)	(1,618)	-	(231,018)
Net carrying amount	賬面淨值	8,879	143,454	42,750	657	170,730	-	236,028	602,498

Details of the impairment testing of property, plant and equipment included in the Germany CGU are disclosed in note 16 to the consolidated financial statements.

包含在德國現金產生單元的物業、廠房及設備減值測試的詳情披露於綜合財務報表附註16。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

14. INVESTMENT PROPERTY

14. 投資物業

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	-	123,800
Increase in fair value recognised in profit or loss	於損益確認的公平值增加	-	700
Transfer to property, plant and equipment (note 13)	轉撥至物業、廠房及設備 (附註13)	-	(124,500)
Carrying amount at 31 December	於十二月三十一日之賬面值	-	-

During the year ended 31 December 2022, the Group's investment property was transferred to property, plant and equipment at the carrying amount of HK\$124,500,000 on commencement of owner occupation.

截至二零二二年十二月三十一日止年度，本集團的投資物業於業主開始佔用時以賬面值124,500,000港元轉撥至物業、廠房和設備。

15. LEASES

The Group as a lessee

The Group has lease contracts for various items of land, buildings and motor vehicles used in its operations. Leases of leasehold land and buildings generally have lease terms between 1 year and 75 years, while motor vehicles generally have lease terms between 2 years and 5 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

15. 租賃

本集團作為承租人

本集團已就其營運中使用的若干土地、樓宇及汽車項目簽立租賃合約。租賃土地及樓宇的租期一般為1年至75年，而汽車的租期一般為2年至5年。一般情況下，本集團不可向本集團以外人士轉讓及分租租賃資產。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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15. LEASES (continued)

The Group as a lessee (continued)

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Leasehold land 租賃土地 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 1 January 2022	於二零二二年一月一日	7,920	280,153	960	289,033
Addition	添置	-	-	158	158
Depreciation charge (note 6)	折舊開支 (附註6)	(128)	(13,628)	(438)	(14,194)
Reassessment of a lease term arising from a change in the non-cancellable period of a lease	因租賃期間不可撤銷之變動而導致的租期重新評估	-	(12,896)	-	(12,896)
Exchange realignment	匯兌調整	51	1,910	(52)	1,909
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	7,843	255,539	628	264,010
Additions	添置	-	1,854	580	2,434
Depreciation charge (note 6)	折舊開支 (附註6)	(128)	(13,906)	(438)	(14,472)
Exchange realignment	匯兌調整	10	382	20	412
As at 31 December 2023	於二零二三年十二月三十一日	7,725	243,869	790	252,384

Details of the impairment testing of right-of-use assets included in the Germany CGU are disclosed in note 16 to the consolidated financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

(a) 使用權資產

於本年度，本集團使用權資產的賬面值及變動如下：

包含在德國現金產生單元的使用權資產進行減值測試的詳細情況披露於綜合財務報表附註16。

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31 December 2023 二零二三年十二月三十一日

15. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amounts of the lease liabilities and the movements during the year are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	294,099	311,018
New leases	新租賃	2,434	158
Accretion of interest recognised during the year (note 7)	年內確認的利息增量 (附註7)	13,373	14,001
Payments	付款	(20,993)	(20,190)
Revision of a lease term arising from a change in the non-cancellable period of a lease	租約不可撤銷期間變動產生的 租期修訂	-	(12,906)
Exchange realignment	匯兌調整	435	2,018
Carrying amount at 31 December	於十二月三十一日之賬面值	289,348	294,099
Analysed into:	分析為：		
Current portion	流動部分	7,149	7,398
Non-current portion	非流動部分	282,199	286,701
Total	合計	289,348	294,099

The maturity analysis of lease liabilities is disclosed in note 41 to the consolidated financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

於本年度，租賃負債之賬面值及變動如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Carrying amount at 1 January	294,099	311,018
New leases	2,434	158
Accretion of interest recognised during the year (note 7)	13,373	14,001
Payments	(20,993)	(20,190)
Revision of a lease term arising from a change in the non-cancellable period of a lease	-	(12,906)
Exchange realignment	435	2,018
Carrying amount at 31 December	289,348	294,099
Analysed into:		
Current portion	7,149	7,398
Non-current portion	282,199	286,701
Total	289,348	294,099

租賃負債的到期分析披露於綜合財務報表附註41。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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15. LEASES (continued)

The Group as a lessee (continued)

- (c) The amounts recognised in profit or loss in relation to leases are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	13,373	14,001
Depreciation charge of right-of-use assets	使用權資產折舊開支	14,472	14,194
Expense relating to short-term leases (included in administrative expenses)	與短期租賃有關的費用 (計入行政管理費用)	-	400
Expense relating to leases of low-value assets (included in administrative expenses)	與低價值資產租賃有關的費用 (計入行政管理費用)	288	922
Total amount recognised in profit or loss	於損益確認的總額	28,133	29,517

- (d) The total cash outflow for leases is disclosed in note 36(c) to the consolidated financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

- (c) 就租賃於損益確認的金額如下：

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Interest on lease liabilities	13,373	14,001
Depreciation charge of right-of-use assets	14,472	14,194
Expense relating to short-term leases (included in administrative expenses)	-	400
Expense relating to leases of low-value assets (included in administrative expenses)	288	922
Total amount recognised in profit or loss	28,133	29,517

- (d) 租賃現金流出總額披露於綜合財務報表附註36(c)。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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16. GOODWILL

16. 商譽

		USA CGU 美國現金 產生單元 HK\$'000 千港元	Germany CGU 德國現金 產生單元 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日			
Cost	成本	385,770	14,163	399,933
Accumulated impairment	累計減值	(385,770)	-	(385,770)
Net carrying amount	賬面淨值	-	14,163	14,163
Cost at 1 January 2022, net of accumulated impairment	於二零二二年一月一日的成本，扣除累計減值	-	14,163	14,163
Exchange realignment	匯兌調整	-	(724)	(724)
At 31 December 2022	於二零二二年十二月三十一日	-	13,439	13,439
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			
Cost	成本	385,770	13,439	399,209
Accumulated impairment	累計減值	(385,770)	-	(385,770)
Net carrying amount	賬面淨值	-	13,439	13,439
Cost at 1 January 2023, net of accumulated impairment	於二零二三年一月一日的成本，扣除累計減值	-	13,439	13,439
Exchange realignment	匯兌調整	-	402	402
At 31 December 2023	於二零二三年十二月三十一日	-	13,841	13,841
At 31 December 2023	於二零二三年十二月三十一日			
Cost	成本	385,770	13,841	399,611
Accumulated impairment	累計減值	(385,770)	-	(385,770)
Net carrying amount	賬面淨值	-	13,841	13,841

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

16. GOODWILL (continued)**Impairment testing of goodwill**

The Group's goodwill acquired through business combination has been allocated to the following cash-generating units ("CGU") for impairment testing:

- General aviation aircraft piston engine business in USA CGU ("USA CGU"); and
- General aviation aircraft piston engine business in Germany CGU ("Germany CGU")

As at 31 December 2023 and 2022, the entire amount of goodwill was related to the Germany CGU. The goodwill related to USA CGU has been fully impaired in prior years.

In addition to goodwill above, property, plant and equipment, right-of-use assets and other intangible assets disclosed in notes 13, 15 and 17 that generate cash flows together with the related goodwill are also included in the respective CGU for the purpose of impairment assessment.

16. 商譽 (續)**商譽減值測試**

本集團透過業務合併取得之商譽已分配予下列現金產生單元（「現金產生單元」）以進行減值測試：

- 通用航空飛機活塞發動機業務於美國的現金產生單元（「美國現金產生單元」）；及
- 通用航空飛機活塞發動機業務於德國的現金產生單元（「德國現金產生單元」）

於二零二三年及二零二二年十二月三十一日，商譽全部來自分配予德國現金產生單元。與美國現金產生單元有關的商譽已於過往年度悉數減值。

就減值評估目的而言，除上文所述商譽外，附註13、15及17所披露產生現金流量的物業、廠房及設備、使用權資產及其他無形資產連同相關商譽亦計入各現金產生單元。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

16. GOODWILL (continued)

Impairment testing of goodwill (continued)

Management engaged an independent professional valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, to determine the recoverable amounts for the impairment assessment. The recoverable amounts of both cash-generating units have been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by management. The discount rates applied to the cash flow projections and the growth rates used to extrapolate the cash flows beyond the five-year periods of the Germany CGU are as follows:

16. 商譽 (續)

商譽減值測試 (續)

管理層聘用獨立專業估值師仲量聯行企業評估及諮詢有限公司釐定減值評估的可收回金額。兩個現金產生單元的可收回金額乃根據採用現金流量預測來計算之使用價值而釐定，該現金流量預測以管理層批准的五年期財務預算為基礎。適用於現金流預測的折現率及用於推斷德國現金產生單元五年期後現金流量的增長率如下：

		2023 二零二三年	2022 二零二二年
Germany CGU	德國現金產生單元		
Discount rate	折現率	14.2%	14.9%
Growth rate	增長率	2.5%	2.5%

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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16. GOODWILL (continued)**Impairment testing of goodwill (continued)**

Assumptions were used in the value in use calculation of the CGUs as at 31 December 2023 and 2022. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of cash generating units of Germany CGU:

Revenue growth rate – The basis used is determined based on past performance and the expectations of market development.

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements, and expected market development.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

Based on the above impairment assessment, no impairment loss has been recognised on other assets of the USA CGU or the goodwill of the Germany CGU for both years since the estimated recoverable amount for each of USA CGU and Germany CGU is above the respective carrying amount of its assets. Management believes that any reasonably possible change in any of these assumptions would not result in any impairment loss.

16. 商譽 (續)**商譽減值測試 (續)**

於二零二三年及二零二二年十二月三十一日，假設用於現金產生單元的使用價值計算。下文描述管理層進行德國現金產生單元減值測試時現金流量預測所依據的各項主要假設：

收入增長率—所用基準乃按過往表現及市場發展的預期釐定。

預算毛利率—用於釐定分配至預算毛利率的基準為緊接預算年度前一年所實現的平均毛利率，並根據預期效率提高及預期市場發展而增加。

折現率—所使用之折率為除稅前及反映與有關單元相關之特定風險。

基於上述減值評估，由於美國現金產生單元和德國現金產生單元各自的估計可收回金額均高於其資產的相應賬面價值，兩個年度，美國現金產生單元的其他資產或德國現金產生單元的商譽並無確認減值虧損。管理層認為，任何該等假設的任何合理可能變化均不會導致任何減值虧損。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

17. OTHER INTANGIBLE ASSETS

17. 其他無形資產

		Development programs in progress	Trademarks	Product technology, licence and completed programs	Customer relationships	Others	Total
		進行中發展計劃	商標	產品技術、牌照及已完成計劃	客戶關係	其他	合計
		HK\$'000	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	千港元
31 December 2023	二零二三年十二月三十一日						
Cost at 1 January 2023, net of accumulated amortisation and impairment	於二零二三年一月一日的成本，扣除累計攤銷及減值	108,184	219,289	705,252	352,876	1,726	1,387,327
Additions	添置	21,196	-	691	-	4,373	26,260
Amortisation provided during the year (note 6)	本年計提攤銷 (附註6)	-	(9,319)	(33,659)	(41,606)	(2,085)	(86,669)
Transfers	轉撥	(81,596)	-	81,596	-	-	-
Exchange realignment	匯兌調整	1,425	851	9,067	2,605	(3)	13,945
At 31 December 2023	於二零二三年十二月三十一日	49,209	210,821	762,947	313,875	4,011	1,340,863
At 31 December 2023:	於二零二三年十二月三十一日：						
Cost	成本	209,301	267,626	986,399	544,098	17,246	2,024,670
Accumulated amortisation and impairment	累計攤銷及減值	(160,092)	(56,805)	(223,452)	(230,223)	(13,235)	(683,807)
Net carrying amount	賬面淨值	49,209	210,821	762,947	313,875	4,011	1,340,863
31 December 2022	二零二二年十二月三十一日						
Cost at 1 January 2022, net of accumulated amortisation and impairment	於二零二二年一月一日的成本，扣除累計攤銷及減值	203,831	224,354	739,983	392,944	2,966	1,564,078
Additions	添置	18,580	4,125	1,875	-	-	24,580
Amortisation provided during the year (note 6)	本年計提攤銷 (附註6)	-	(9,596)	(35,516)	(37,473)	(1,222)	(83,807)
Disposals	出售	(277)	-	-	-	(49)	(326)
Transfers	轉撥	(10,522)	-	10,522	-	-	-
Exchange realignment	匯兌調整	(2,286)	406	(11,612)	(2,595)	31	(16,056)
Impairment	減值	(101,142)	-	-	-	-	(101,142)
At 31 December 2022	於二零二二年十二月三十一日	108,184	219,289	705,252	352,876	1,726	1,387,327
At 31 December 2022:	於二零二二年十二月三十一日：						
Cost	成本	268,070	266,867	898,622	544,014	12,856	1,990,429
Accumulated amortisation and impairment	累計攤銷及減值	(159,886)	(47,578)	(193,370)	(191,138)	(11,130)	(603,102)
Net carrying amount	賬面淨值	108,184	219,289	705,252	352,876	1,726	1,387,327

Details of the impairment testing of other intangible assets included in the Germany CGU are disclosed in note 16 to the consolidated financial statements.

包含在德國現金產生單元的其他無形資產減值測試的詳情披露於綜合財務報表附註16。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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17. OTHER INTANGIBLE ASSETS (continued)

During the year ended 31 December 2022, the Group suspended a development program in progress, and the management assessed the other intangible assets belong to the program individually and recognised a full impairment loss of HK\$101,142,000 in profit or loss.

Except for the above impairment loss recognised during the year ended 31 December 2022, management concluded there is no impairment of other intangible assets as at 31 December 2023 and 2022, details of impairment assessment are set out in note 16 to the consolidated financial statements.

18. INVESTMENT IN AN ASSOCIATE

Share of net assets	分佔淨資產	10,029	14,409
Loan to an associate included in current assets	計入流動資產之向聯營公司提供的貸款	7,158	6,937

The loan to an associate is unsecured, bears interest at 6% per annum and is repayable within one year. As at 31 December 2023 and 2022, the loss allowance was assessed to be minimal.

17. 其他無形資產 (續)

截至二零二二年十二月三十一日止年度，本集團已暫停一項進行中發展計劃，而管理層個別評估其他無形資產屬於該計劃，並在損益中確認全部減值虧損101,142,000港元。

除上述於截至二零二二年十二月三十一日止年度確認的減值虧損外，管理層認為，於二零二三年及二零二二年十二月三十一日，其他無形資產並未減值，減值評估詳情載於綜合財務報表附註16。

18. 於聯營公司之投資

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Share of net assets	分佔淨資產	10,029	14,409
Loan to an associate included in current assets	計入流動資產之向聯營公司提供的貸款	7,158	6,937

向聯營公司提供的貸款為無抵押，按年利率6%計息，並須於一年內償還。於二零二三年及二零二二年十二月三十一日，評定虧損撥備屬最低限度。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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18. INVESTMENT IN AN ASSOCIATE (continued)

Particulars of the associate are as follows:

Name 名稱	Particulars of issued shares held 所持已發行 股份詳情	Place of incorporation/ registration and business 註冊成立／註冊 及營業地點	Percentage of ownership interest attributable to the Group 本集團應佔擁有權 權益百分比		Principal activity 主要業務
			2023 二零二三年	2022 二零二二年	
北京華信泰科技股份有限公司 (「北京華信泰」)	Registered capital of RMB1 each	PRC/Mainland China	19.7	19.7	Research and development of engineering technology and electronics communication technology
北京華信泰科技股份有限公司 (「北京華信泰」)	註冊資本為每股 人民幣1元	中國／中國內地			工程技術及電子通信技術的 研究及開發

During the year ended 31 December 2022, the Group's equity interest in 北京華信泰 was diluted subsequent to capital injection by new investors to 北京華信泰. A gain on deemed disposal of partial interest in an associate of HK\$3,852,000 was recognised in the consolidated statement of profit or loss for that year.

18. 於聯營公司之投資 (續)

聯營公司之詳情如下：

截至二零二二年十二月三十一日止年度，於新投資者向北京華信泰注資後，本集團於北京華信泰之股本權益已被攤薄。被視為出售聯營公司之利潤3,852,000港元已於該年綜合損益表中確認。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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19. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

19. 按公平值計入其他全面收益之股本投資

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Unlisted equity investments, at fair value 非上市股本投資，按公平值		
Ampaire, Inc.	390	390
VerdeGo Aero, Inc.	1,953	-
	2,343	390

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

由於本集團認為上述股本投資屬策略性質，故已不可撤銷地將該等投資指定為按公平值計入其他全面收益。

20. INVENTORIES

20. 存貨

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Raw materials 原材料	473,049	369,503
Work in progress 在製品	155,650	134,332
Finished goods 製成品	17,286	18,348
	645,985	522,183

21. TRADE RECEIVABLES

21. 應收貿易賬款

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Trade receivables 應收貿易賬款	136,103	103,114
Impairment losses 減值虧損	(6,659)	(6,375)
Net carrying amount 賬面淨值	129,444	96,739

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31 December 2023 二零二三年十二月三十一日

21. TRADE RECEIVABLES (continued)

The Group's trading terms with its customers are mainly on credit, where partial advanced payment is required for certain customers. The credit period is generally 30 days and each customer has been assigned a specific credit limit by the Group.

The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. As at 31 December 2023, the Group had certain concentrations of credit risk as 40% (2022: 35%) of the Group's trade receivables were due from one of the Group's key customers. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

21. 應收貿易賬款 (續)

本集團與客戶之信貸條款主要為賒賬，就若干客戶而言須預付部份款項。信貸期一般為30日，且本集團已向各客戶分配特定信貸限額。

本集團務求對未清還之應收賬款維持嚴格監管。管理高層定期檢討逾期結餘。於二零二三年十二月三十一日，本集團有若干信貸集中風險，原因是本集團的應收貿易賬款之40%（二零二二年：35%）為應收本集團一名主要客戶之款項。本集團並無就其應收貿易賬款之結餘持有任何抵押品或其他信貸保證。應收貿易賬款並不計息。

於報告期末，應收貿易賬款按發票日期及扣除虧損撥備之賬齡分析如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within 1 month	一個月內	99,239	66,918
1 to 2 months	一至兩個月	21,786	15,469
2 to 3 months	二至三個月	3,415	4,041
Over 3 months	超過三個月	5,004	10,311
		129,444	96,739

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21. TRADE RECEIVABLES (continued)

The movements in the loss allowance for impairment of the trade receivables are as follows:

21. 應收貿易賬款 (續)

應收貿易賬款之減值虧損撥備變動如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
At 1 January	於一月一日	6,375	5,755
Impairment losses, net	減值虧損淨額	427	1,347
Amount written off as uncollectible	撇銷為不可收回之金額	(153)	(762)
Exchange realignment	匯兌調整	10	35
At 31 December	於十二月三十一日	6,659	6,375

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

於各報告日期使用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定。該計算反映概率加權結果、貨幣時間價值及於報告日期可得的有關過往事件、當前狀況及未來經濟狀況預測的合理及可靠資料。一般而言，應收貿易賬款如逾期超過一年則予以撇銷，並且不受強制執行活動所規限。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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21. TRADE RECEIVABLES (continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2023

		Current 即期	Past due 逾期			Total 合計
			Less than 1 month 少於一個月	1 to 3 months 一至三個月	Over 3 months 三個月以上	
Expected credit loss rate	預期信貸虧損率	0.26%	4.24%	18.79%	50.11%	4.89%
Gross carrying amount (HK\$'000)	賬面總值 (千港元)	106,351	16,938	2,427	10,387	136,103
Expected credit losses (HK\$'000)	預期信貸虧損 (千港元)	279	719	456	5,205	6,659

As at 31 December 2022

		Current 即期	Past due 逾期			Total 合計
			Less than 1 month 少於一個月	1 to 3 months 一至三個月	Over 3 months 三個月以上	
Expected credit loss rate	預期信貸虧損率	0.24%	1.55%	16.45%	45.12%	6.18%
Gross carrying amount (HK\$'000)	賬面總值 (千港元)	72,103	12,360	8,382	10,269	103,114
Expected credit losses (HK\$'000)	預期信貸虧損 (千港元)	171	192	1,379	4,633	6,375

21. 應收貿易賬款 (續)

下表載列使用撥備矩陣分析的有關本集團應收貿易賬款的信貸風險的資料：

於二零二三年十二月三十一日

於二零二二年十二月三十一日

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22. CONTRACT ASSETS

22. 合約資產

	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Contract assets arising from sale of aircraft engines and spare parts	24,187	-
銷售飛機發動機及備件產生的合約資產	24,187	-

Contract assets are initially recognised for revenue earned from the sale of aircraft engines and spare parts which have been delivered and the receipt of consideration is conditional on quality inspection and acceptance by the customer. Upon quality inspection and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The increase in contract assets in 2023 was the result of the new sales arrangement with a customer.

Included in the Group's contract assets are amounts due from the Group's fellow subsidiary of HK\$24,187,000, which are repayable on credit terms similar to those offered to the major customers of the Group. During the year ended 31 December 2023, no allowance for impairment was made since the management consider that the probability of default is minimal after assessing the counterparties' financial background and creditability. The Group's trading terms and credit policy with customers are disclosed in note 21 to the consolidated financial statements.

初步就已交付飛機發動機及備件之銷售賺取的收入確認合約資產，且收取代價於客戶進行質量檢查及驗收後方可作實。於客戶進行質量檢查及驗收後，確認為合約資產的金額重新分類為應收貿易賬款。於二零二三年，合約資產增加為與客戶訂立新銷售安排的結果。

本集團合約資產包括應收本集團同系附屬公司款項24,187,000港元，該款項應按與提供予本集團主要客戶類似的信貸條款償還。截至二零二三年十二月三十一日止年度，由於管理層在評估交易對方的財務背景和信用狀況後認為違約的可能性很小，因此沒有計提減值撥備。本集團與客戶的貿易條款及信貸政策披露於綜合財務報表附註21。



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31 December 2023 二零二三年十二月三十一日

22. CONTRACT ASSETS (continued)

The expected timing of recovery or settlement for contract assets as at 31 December is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within one year	一年內	24,187	-

23. AMOUNT DUE FROM A FELLOW SUBSIDIARY

The amount due from a fellow subsidiary is trade in nature, unsecured, non-interest-bearing and has credit terms of 30 days. The following is an ageing analysis presented based on the invoice date.

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within 1 month	一個月內	6,506	21,769
1 to 2 months	一至兩個月	451	4,917
2 to 3 months	二至三個月	-	135
Over 3 months	超過三個月	-	777
		6,957	27,598

No allowance for impairment was made since the management consider that the probability of default is minimal after assessing the counterparties' financial background and creditability.

22. 合約資產 (續)

合約資產於十二月三十一日的預期收回或結算時間如下：

23. 應收同系附屬公司款項

應收同系附屬公司款項乃貿易性質、無抵押、不計息，信貸期為30天。下文為按發票日期呈列的賬齡分析。

由於管理層在評估交易對方的財務背景 and 信用狀況後認為違約的可能性很小，因此沒有計提減值撥備。

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24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

24. 預付款項、按金及其他應收賬款

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Prepayments	預付款項	19,526	23,560
Deposits and other receivables	按金及其他應收賬款	46,981	21,600
Impairment allowance	減值撥備	(13,849)	(14,159)
Total	合計	52,658	31,001

Deposits and other receivables mainly represent rental deposits and deposits with suppliers. An impairment analysis is performed at each reporting date by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The gross amount of other receivables under lifetime ECL (credit-impaired) is HK\$13,849,000 (2022: HK\$14,159,000) because the receivables are in default or there is information indicating that the debtors are in severe financial difficulty.

按金及其他應收賬款主要為租賃按金及供應商按金。於各報告日期，本集團採用虧損率法並參考本集團的過往虧損記錄進行減值分析。本集團調整虧損率以反映當前狀況及對未來經濟狀況的預測（倘適用）。由於應收賬款拖欠或有資料顯示債務人存在嚴重財務困難，因此，全期預期信貸虧損（已信貸減值）項下的其他應收賬款總額為13,849,000港元（二零二二年：14,159,000港元）。



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31 December 2023 二零二三年十二月三十一日

24. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

The movements in the loss allowance for impairment of other receivables are as follows:

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	14,159	10,554
Provision for impairment losses*	減值虧損撥備*	-	4,600
Exchange realignment	匯兌調整	(310)	(995)
At 31 December	於十二月三十一日	13,849	14,159

* During the year ended 31 December 2022, the impairment loss of HK\$4,600,000 relates to a loan to a third party, which the related gross amount of HK\$13,026,000 was fully impaired.

The ECL of remaining deposits and other receivables were assessed under 12-month ECL. These relate to debtors for which there was no history of default and the amounts have not been past due. As at 31 December 2023 and 2022, the loss allowance on deposits and other receivables under 12-month ECL was assessed to be minimal.

24. 預付款項、按金及其他應收賬款 (續)

其他應收賬款之減值虧損撥備變動如下：

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	14,159	10,554
Provision for impairment losses*	減值虧損撥備*	-	4,600
Exchange realignment	匯兌調整	(310)	(995)
At 31 December	於十二月三十一日	13,849	14,159

* 截至二零二二年十二月三十一日止年度，減值虧損4,600,000港元與向第三方提供的貸款有關，其有關總額13,026,000港元已悉數減值。

餘下按金及其他應收賬款的預期信貸虧損按十二個月預期信貸虧損評估。該等與並無違約記錄的債務人有關及該等金額並未逾期。於二零二三年及二零二二年十二月三十一日，十二個月預期信貸虧損的按金及其他應收賬款的虧損撥備評估為極微。

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25. DEBT INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

25. 按公平值計入損益之債務投資

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Unlisted debt investment, at fair value	非上市債務投資，按公平值		
VerdeGo Aero, Inc.'s convertible bond	VerdeGo Aero, Inc.之可換股債券	-	1,950
		-	1,950

The above unlisted investment was mandatorily measured at fair value through profit or loss as the contractual cash flows are not solely payments of principal and interest.

The maturity date of the convertible bonds issued by VerdeGo Aero, Inc. was 28 February 2028.

The unlisted debt investment was converted into equity investment in Verde Go Aero, Inc. and was irrevocably designated at fair value through other comprehensive income as the Group considered this investment to be strategic in nature.

上述非上市投資被強制按公平值計入損益計量，原因為合約現金流量並非純粹為支付本金及利息。

VerdeGo Aero, Inc.發行之可換股債券之到期日為二零二八年二月二十八日。

非上市債務投資轉換為Verde Go Aero, Inc. 的股本投資，並已不可撤銷地指定為按公平值計入其他全面收益，原因為本集團認為該等投資屬策略性質。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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26. CASH AND CASH EQUIVALENTS AND TIME DEPOSITS

26. 現金及現金等價物及定期存款

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Cash and demand deposits	現金及活期存款	242,580	324,013
Time deposits with original maturity of less than three months when acquired	收購時原到期日為三個月以下的定期存款	3,837	254,890
Cash and cash equivalents	現金及現金等價物	246,417	578,903
Time deposits with original maturity of more than three months when acquired	收購時原到期日三個月以上的定期存款	628,863	245,849

At the end of the reporting period, the cash and bank balances and time deposits of the Group denominated in Renminbi ("RMB") amounted to HK\$162,152,000 (2022: HK\$185,648,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣（「人民幣」）計值的現金及銀行結餘及定期存款為162,152,000港元（二零二二年：185,648,000港元）。人民幣不可自由兌換為其他貨幣，然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率按浮動利率計息。定期存款期限介乎一天至一年不等，視本集團的即時現金需求而定，並按相應的定期存款利率計息。銀行結存及定期存款均存放於無近期拖欠歷史且信譽昭著之銀行。

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27. AMOUNTS DUE TO AN INTERMEDIATE HOLDING COMPANY AND A FELLOW SUBSIDIARY

The amounts due to an intermediate holding company and a fellow subsidiary are unsecured, non-interest-bearing and repayable on demand.

27. 應付中間控股公司及同系附屬公司款項

應付中間控股公司及同系附屬公司款項為無抵押、不計息及須按的要求償還。

28. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

28. 應付貿易賬款

於報告期末，應付貿易賬款按發票日期之賬齡分析如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within 1 month	一個月內	86,981	114,706
1 to 2 months	一至兩個月	44,596	12,861
2 to 3 months	二至三個月	7,001	4,479
Over 3 months	超過三個月	2,212	6,187
		140,790	138,233

The trade payables are non-interest-bearing and normally settled on 45-day terms.

該等應付貿易賬款為不計息款項，一般按45日期限結清。



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29. OTHER PAYABLES, ACCRUALS AND PROVISIONS

29. 其他應付賬款、應計費用及撥備

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Other payables (note a)	其他應付賬款 (附註a)	100,202	38,682
Accruals	應計費用	94,586	93,169
Provisions (note b)	撥備 (附註 b)	115,722	106,666
		310,510	238,517
Portion classified as current portion	分類為流動部份的部份	(272,767)	(182,692)
Non-current portion	非流動部份	37,743	55,825

Notes:

- (a) Except for deposit payables which are repayable or refundable upon receipt of the old replaced engines, other payables are non-interest bearing and have an average term of three months.
- (b)

附註：

- (a) 除在收到更換後的舊發動機時，應償還或退還的應付按金外，其他應付賬款不計息，平均期限為三個月。
- (b)

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Warranty provision	保修撥備	34,283	27,404
Product claim provision	產品索賠撥備	51,686	33,368
Other provisions	其他撥備	29,753	45,894
		115,722	106,666
Portion classified as current liabilities	分類為流動負債的部份	(77,979)	(50,841)
Non-current portion	非流動部份	37,743	55,825

For warranty provision, the additional provisions made and the amounts utilised during the year amounted to HK\$14,351,000 (2022: reversal of provision of HK\$9,826,000) and HK\$7,778,000 (2022: HK\$14,608,000) respectively. For product claim provision, the additional provisions made and the amounts utilised during the year amounted to HK\$40,939,000 (2022: HK\$69,524,000) and HK\$22,617,000 (2022: HK\$49,598,000), respectively. Other movements in the warrant provision and product claim provision are mainly related to exchange realignment.

就保修撥備而言，本年作出的額外撥備及所用金額分別為14,351,000港元（二零二二年：撥備撥回9,826,000港元）及7,778,000港元（二零二二年：14,608,000港元）。就產品索賠撥備而言，本年作出的額外撥備及所用金額分別為40,939,000港元（二零二二年：69,524,000港元）及22,617,000港元（二零二二年：49,598,000港元）。保修撥備及產品索賠撥備的其他變動主要與匯兌調整有關。

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29. OTHER PAYABLES, ACCRUALS AND PROVISIONS (continued)

Notes: (continued)

(b) (continued)

The Group provides warranties ranging from one to three years to its customers on certain of its engines. The amount of the provision for the warranties is estimated based on sales volumes and past experience of the level of repairs and returns. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

The Group is currently involved in legal proceedings related to product liability claims. An estimate for the probable costs has been made for these claims as product claim provision. This estimate has been developed in consultation with the Group's insurers, legal counsels, historical experience and is based upon an analysis of potential results. In the opinion of the Company's directors, these proceedings will not have a material adverse effect on the Group's consolidated financial statements. The product liability provisions are made for any present expected product liability claims as a result of the assessment at the end of the reporting period. The estimation basis is reviewed on an ongoing basis and revised where appropriate.

29. 其他應付賬款、應計費用及撥備 (續)

附註：(續)

(b) (續)

本集團就其部份發動機向其客戶提供介乎一至三年的保修期。保修撥備金額根據銷量及過往的維修及退貨水平之經驗估算。本集團持續檢討該估算基準，並於適當時候對其進行修訂。

本集團目前捲入與產品責任索賠有關的法律訴訟。已對該等索賠的可能成本進行估計，作為產品索賠撥備。該項估計乃本集團在與本集團的保險公司及法律顧問協商後，根據過往經驗，並基於對潛在結果的分析作出。本公司董事認為，該等法律訴訟將不會對本集團的綜合財務報表產生重大不利影響。產品責任撥備乃針對報告期末評估的任何當前預期產品責任索賠而作出。本集團持續檢討該估算基準，並於適當時候對其進行修訂。



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30. CONTRACT LIABILITIES

Details of contract liabilities are as follows:

		31 December 2023	31 December 2022	1 January 2022
		二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	二零二二年 一月 一日
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Advances received from customers	預收客戶款項			
Provision of repair and maintenance services for aircraft engines	提供飛機發動機維修保養服務	76,512	45,806	37,392
Sale of aircraft engines and spare parts	銷售飛機發動機及備件	7,800	7,262	-
Total	合計	84,312	53,068	37,392
Analysed into:	分析為：			
Current	流動	18,943	16,941	8,139
Non-current	非流動	65,369	36,127	29,253
Total	合計	84,312	53,068	37,392

The increase in contract liabilities in 2023 and 2022 was mainly due to the increase in advances received from customers in relation to the provision of repair and maintenance services for aircraft engines and the sale of aircraft engines and spare parts.

30. 合約負債

合約負債的詳情如下：

	31 December 2023	31 December 2022	1 January 2022
	二零二三年 十二月 三十一日	二零二二年 十二月 三十一日	二零二二年 一月 一日
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Advances received from customers			
Provision of repair and maintenance services for aircraft engines	76,512	45,806	37,392
Sale of aircraft engines and spare parts	7,800	7,262	-
Total	84,312	53,068	37,392
Analysed into:			
Current	18,943	16,941	8,139
Non-current	65,369	36,127	29,253
Total	84,312	53,068	37,392

於二零二三年及二零二二年，合約負債增加乃主要由於與提供飛機發動機維修保養服務以及銷售飛機發動機及備件有關的預收客戶款項增加。

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31. DEFINED BENEFIT PLAN OBLIGATIONS

Continental Motors United Auto Workers Pension Plan (“UAW Pension Plan”)

The Group has a defined benefit pension plan. It is a pension plan for the United States employees which require contributions to be made to a separately administered fund. This benefit pension plan is funded. Under the plan, the employees are entitled to monthly retirement benefits or early or postponed retirement benefits when they have early or postponed retirements subject to certain conditions.

Continental Motors Post-retirement Life & Health Plan (“Life & Health Plan”)

The Group provides certain additional post-employment medical and life benefits to employees in the United States. These benefits are unfunded. Under the plan, the employees are entitled to receive post-employment medical benefits.

The actuarial valuations of the present value of the defined benefit plan obligations were carried out as at the end of the reporting period by Newport Group, Inc., a qualified actuary, using the projected unit credit actuarial valuation method.

31. 定額福利計劃責任

大陸發動機聯合汽車工人退休金計劃 (「UAW退休金計劃」)

本集團擁有定額福利退休金計劃。該計劃為針對美國僱員的退休金計劃，須向獨立管理賬戶作出供款。該福利退休金計劃已設立基金。根據該計劃，僱員有權按月收取退休福利，或倘彼等提早或推遲退休，有權按月提前或推遲收取退休福利，惟須達成若干條件。

大陸發動機退休後人壽健康計劃 (「人壽健康計劃」)

本集團向美國僱員提供若干額外退休後醫療及人壽福利。該等福利未設基金。根據該計劃，僱員有權收取退休後醫療福利。

定額福利計劃責任現值的精算估值乃由Newport Group, Inc. (合資格精算師) 於報告期末使用預計單位信貸精算估值法進行。



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31. DEFINED BENEFIT PLAN OBLIGATIONS (continued)

The trustees review the level of funding in the plan by the end of each reporting period. Such a review includes the asset-liability matching strategy and investment risk management policy. The trustees decide the contribution based on the results of the annual review.

The plan is exposed to interest rate risk, the risk of changes in the life expectancy for pensioners and equity market risk.

The principal assumptions used at the end of the reporting period are as follows:

31. 定額福利計劃責任 (續)

受託人於各報告期末前檢討計劃的資金水平。該檢討包括資產負債配對戰略及投資風險管理政策。受託人根據年度檢討的結果決定供款金額。

該計劃承受利率風險、退休人員的預期壽命變化風險及股本市場風險。

於報告期末使用的主要假設載列如下：

		2023 二零二三年	2022 二零二二年
Discount rate	折現率		
UAW Pension Plan	UAW退休金計劃	4.47%	4.96%
Life & Health Plan	人壽健康計劃	4.65%	4.83%

A quantitative sensitivity analysis for significant assumptions at the end of the reporting period is shown below:

於報告期末有關重大假設的定量敏感度分析列示如下：

		Increase in rate 比率上升 %	Decrease in defined benefit plan obligations 定額福利 計劃責任 減少 HK\$'000 千港元	Decrease in rate 比率下降 %	Increase in defined benefit plan obligations 定額福利 計劃責任 增加 HK\$'000 千港元
As at 31 December 2023	於二零二三年 十二月三十一日				
Discount rate	折現率	1	(5,201)	(1)	6,201
As at 31 December 2022	於二零二二年 十二月三十一日				
Discount rate	折現率	1	(4,591)	(1)	5,472

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31. DEFINED BENEFIT PLAN OBLIGATIONS
(continued)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit plan obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit plan obligations as it is unlikely that changes in assumptions would occur in isolation of one another.

The total expenses recognised as administrative expenses in the Group's profit or loss in respect of the plans are as follows:

31. 定額福利計劃責任 (續)

上述敏感度分析乃根據於報告期末主要假設發生之合理變動對定額福利計劃責任之影響作推斷而釐定。敏感度分析乃基於一項重大假設的改變(所有其他假設保持不變)而作出。敏感度分析未必代表定額福利計劃責任的實際改變，因該等假設的改變通常不會單獨發生。

就有關計劃於本集團損益內確認為行政管理費用的總開支如下：

		2023	2022
		二零二三年	二零二二年
		HK\$'000	HK\$'000
		千港元	千港元
Current service cost	即期服務成本	1,993	2,896
Net interest expense	利息支出淨額	108	216
Net benefit expenses	福利開支淨額	2,101	3,112



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31. DEFINED BENEFIT PLAN OBLIGATIONS (continued)

The movements of the defined benefit obligations and the fair value of plan assets are as follows:

31. 定額福利計劃責任 (續)

定額福利計劃責任及計劃資產的公平值變動如下：

	Defined benefit plan obligations 定額福利計劃責任		Fair value of plan assets 計劃資產的公平值		Total 合計	
	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
At 1 January 於一月一日	46,878	58,774	(43,248)	(48,490)	3,630	10,284
Pension cost charged to profit or loss 計入損益的退休金成本						
Current service cost 即期服務成本	1,993	2,896	-	-	1,993	2,896
Net interest expense/(income) 利息支出/(收入)淨額	2,283	1,525	(2,175)	(1,309)	108	216
Sub-total included in profit or loss 計入損益的小計	4,276	4,421	(2,175)	(1,309)	2,101	3,112
Remeasurement losses/ (gains) recognised in other comprehensive income 於其他全面收益內確認的重新計量虧損/(利潤)						
Returns on plan assets (excluding amounts included in net interest expense) 計劃資產回報(不包括計入利息支出淨額的金額)	-	-	(3,720)	8,172	(3,720)	8,172
Actuarial changes arising from changes in demographic assumptions 人口假設變動產生的精算變動	417	-	-	-	417	-
Actuarial changes arising from changes in financial assumptions 財務假設變動產生的精算變動	2,523	(14,765)	-	-	2,523	(14,765)
Actuarial changes arising from experience adjustments 經營調整產生的精算變動	190	(496)	-	-	190	(496)
Sub-total included in other comprehensive income 計入其他全面收益的小計	3,130	(15,261)	(3,720)	8,172	(590)	(7,089)
Others 其他						
Contribution by employer 僱主供款	-	-	(2,220)	(2,769)	(2,220)	(2,769)
Benefits paid 已付福利	(1,506)	(1,482)	1,506	1,482	-	-
Exchange realignment 匯兌調整	46	426	(40)	(334)	6	92
At 31 December 於十二月三十一日	52,824	46,878	(49,897)	(43,248)	2,927	3,630

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31. DEFINED BENEFIT PLAN OBLIGATIONS
(continued)

The major categories of the fair value of plan assets of the UAW Pension Plan are as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Equity instruments	股本工具	25,342	21,187
Debt instruments	債務工具	21,616	20,380
Others	其他	2,939	1,681
		49,897	43,248

The Group expects to contribute HK\$2,614,000 (2022: HK\$3,126,000 for the year ending 31 December 2023) to pension plans for the year ending 31 December 2024.

Since Life & Health Plan is unfunded, there are no plan assets for the disclosure for the Life & Health Plan for the years ended 31 December 2023 and 2022.

The average duration of the UAW Pension Plan as at 31 December 2023 is 11 (2022: 11) years. The average duration of the Life & Health Plan as at 31 December 2023 is 8 (2022: 8) years.

31. 定額福利計劃責任 (續)

UAW退休金計劃的計劃資產的公平值之主要類別如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Equity instruments	股本工具	25,342	21,187
Debt instruments	債務工具	21,616	20,380
Others	其他	2,939	1,681
		49,897	43,248

本集團預計於截至二零二四年十二月三十一日止年度向該等退休金計劃供款2,614,000港元(二零二二年：截至二零二三年十二月三十一日止年度供款3,126,000港元)。

由於人壽健康計劃未設基金，故截至二零二三年及二零二二年十二月三十一日止年度並無有關人壽健康計劃的計劃資產披露。

於二零二三年十二月三十一日，UAW退休金計劃的平均期限為11年(二零二二年：11年)。於二零二三年十二月三十一日，人壽健康計劃的平均期限為8年(二零二二年：8年)。



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32. DEFERRED TAX

The movements in the Group's deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

		Fair value adjustments arising from acquisition of subsidiaries	Accelerated depreciation and amortisation	Right-of-use assets	Total
		收購附屬公司產生的公平值調整	加速折舊及攤銷	使用權資產	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 January 2022	於二零二二年一月一日	(202,954)	(105,444)	(69,036)	(377,434)
Deferred tax credited/(charged) to profit or loss during the year	本年計入/(扣除) 損益的遞延稅項	26,806	(9,922)	7,927	24,811
Exchange realignment	匯兌調整	3,551	1,918	(458)	5,011
At 31 December 2022	於二零二二年十二月三十一日	(172,597)	(113,448)	(61,567)	(347,612)
Deferred tax credited/(charged) to profit or loss during the year (note 10)	本年計入/(扣除) 損益的遞延稅項 (附註10)	18,937	(13,758)	2,179	7,358
Exchange realignment	匯兌調整	(2,057)	(1,415)	(97)	3,569
Gross deferred tax liabilities at 31 December 2023	於二零二三年十二月三十一日的遞延稅項負債總額	(155,717)	(128,621)	(59,485)	(343,823)

32. 遞延稅項

本年本集團遞延稅項負債及資產的變動如下：

遞延稅項負債

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32. DEFERRED TAX (continued)

Deferred tax assets

32. 遞延稅項 (續)

遞延稅項資產

		Loss available for offsetting against future taxable profit 可供抵銷未來 應課稅溢利之 虧損 HK\$'000 千港元	Provisions and others 撥備及其他 HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日	33,762	57,869	74,285	165,916
Deferred tax credited/(charged) to profit or loss during the year	本年計入/(扣除) 損益的 遞延稅項	16,777	2,678	(6,189)	13,266
Exchange realignment	匯兌調整	(1,523)	192	485	(846)
At 31 December 2022	於二零二二年十二月三十一日	49,016	60,739	68,581	178,336
Deferred tax credited/(charged) to profit or loss during the year (note 10)	本年計入/(扣除) 損益的 遞延稅項 (附註10)	67,260	8,911	(503)	75,668
Exchange realignment	匯兌調整	1,091	119	103	1,313
Gross deferred tax assets at 31 December 2023	於二零二三年十二月三十一日 的遞延稅項資產總額	117,367	69,769	68,181	255,317

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32. DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	-	6,615
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(88,506)	(175,891)
Net deferred tax liabilities	遞延稅項負債淨額	(88,506)	(169,276)

At 31 December 2023, the Group has not recognised deferred tax assets in respect of deductible temporary differences of nil (2022: HK\$3,124,000) and cumulative tax losses amounted to HK\$651,577,000 (2022: HK\$637,774,00) that would expire in one to five years, nil (2022: HK\$213,093,000) that would expire in more than five years to twelve years for offsetting against future taxable profits and HK\$422,395,000 (2022: HK\$633,380,000) that may be carried forward indefinitely. Deferred tax assets have not been recognised in respect of these tax losses and deductible temporary differences as it is not probable that future taxable profits against which the tax losses can be utilised will be available in the relevant tax jurisdiction and entity.

32. 遞延稅項 (續)

為方便列示，若干遞延稅項資產及負債已於綜合財務狀況表中抵消。以下為本集團之遞延稅項結餘就財務報告用途所作分析：

於二零二三年十二月三十一日，本集團並無就在抵銷未來應課稅溢利方面將於一至五年內到期的可抵扣臨時差額為零（二零二二年：3,124,000港元）及累計稅項虧損651,577,000港元（二零二二年：637,774,000港元）、五至十二年內到期的累計稅項虧損為零（二零二二年：213,093,000港元）及422,395,000港元（二零二二年：633,380,000港元）可無限期結轉的累計稅項虧損確認遞延稅項資產。由於相關稅務司法權區及實體不大可能有可動用稅項虧損的未來應課稅溢利，故並無就該等稅項虧損及可抵扣臨時差額確認上述遞延稅項資產。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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32. DEFERRED TAX (continued)

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

32. 遞延稅項 (續)

本公司向其股東派付股息不會附帶所得稅後果。

33. SHARE CAPITAL**33. 股本**

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Authorised:	法定：		
10,000,000,000 ordinary shares of HK\$0.10 each	10,000,000,000股每股 面值0.10港元之普通股	1,000,000	1,000,000
Issued and fully paid:	已發行及繳足：		
9,303,374,783 ordinary shares of HK\$0.10 each	9,303,374,783股每股 面值0.10港元之普通股	930,337	930,337

There was no movement of the issued share capital during the years ended 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止年度，已發行股本並無變動。



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34. SHARE OPTION SCHEME

At the annual general meeting held on 28 May 2014, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants to contribute to the business development and growth of the Group and to enable the Group to recruit high-calibre employees and attract or retain human resources that are valuable to the Group. Since the adoption of the Scheme, no options have been granted, exercised, lapsed, cancelled or outstanding thereunder.

Major terms of the Scheme include:

1. The purpose of the Scheme is to provide incentives to the participants.
2. The participants of the Scheme are any individual being employees, officers or consultants of the Company or any of its subsidiaries including any executive or non-executive directors thereof whether employed in Hong Kong or any part of the world.

34. 購股權計劃

於二零一四年五月二十八日舉行之股東週年大會上，本公司採納了一項購股權計劃（「該計劃」），目的為對本集團之業務發展及成長作出貢獻之合資格參與者提供激勵及獎勵，以使本集團能夠招攬優秀員工並吸引或挽留對本集團具有價值之人才。自採納該計劃以來，概無根據該計劃授出、行使、失效、註銷或尚未行使之購股權。

該計劃之主要條款包括：

1. 該計劃旨在向參與者提供激勵。
2. 該計劃之參與者為本公司或其任何附屬公司在香港或世界各地僱用之僱員、高級職員或顧問等個別人士，包括任何執行或非執行董事。

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34. SHARE OPTION SCHEME (continued)

Major terms of the Scheme include: (continued)

3. The total number of shares of the Company (the "Shares") which may be issued upon exercise of all options to be granted under the Scheme, together with all options to be granted under any other share option schemes of any member of the Group, must not in aggregate represent more than 10% of the total number of the Shares in issue as at the date of adoption of the Scheme. The Company may refresh this 10% limit at any time subject to prior approval given by its shareholders at a general meeting. The overall limit on the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme, together with all outstanding options granted and yet to be exercised under any other share option schemes of any member of the Group, must not exceed 30% of the total number of the Shares in issue from time to time. No options may be granted under the Scheme and any other share option schemes of any member of the Group if such grant will result in the said 30% limit being exceeded. As at the date of this annual report, the total number of securities available for issue under the Scheme was 461,959,100 Shares, representing approximately 4.97% of the total number of the Shares in issue as at the date of this annual report.

34. 購股權計劃 (續)

該計劃之主要條款包括：(續)

3. 因行使根據該計劃授出之所有購股權，連同根據本集團任何成員公司的任何其他購股權計劃授出之所有購股權而可能發行之本公司股份（「股份」）總數，不得超過於該計劃採納當日已發行股份總數之10%。本公司可隨時更新該10%上限，惟須於股東大會上獲股東事先批准。因行使根據該計劃授出而尚未行使之所有尚未行使購股權，連同行使根據本集團任何成員公司的任何其他購股權計劃授出而尚未行使之所有尚未行使購股權而可能發行之股份總數，不得超過不時已發行股份總數之30%。倘根據該計劃及本集團任何成員公司的任何其他購股權計劃授出購股權將致令超出上述30%之上限，則不予授出購股權。於本年報日期，根據該計劃可供發行之證券總數為461,959,100股股份，相當於本年報日期已發行股份總數之約4.97%。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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34. SHARE OPTION SCHEME (continued)

Major terms of the Scheme include: (continued)

4. The total number of Shares issued and to be issued upon exercise of the options (whether exercised, cancelled or outstanding) granted or to be granted under the Scheme and any other share option schemes of the Company to each eligible participant under the Scheme in any 12-month period shall not exceed 1% of the total number of the Shares in issue as at the proposed grant date.
5. An option may be exercised in accordance with the terms of the Scheme at any time during a period of 10 years commencing on the date which the Board may determine at its discretion but such date shall not be earlier than three months after the date of the grant of such option is made.
6. An option granted shall remain open for acceptance by eligible participants for a period of 28 days from the date of the grant of such option together with a non-refundable payment of HK\$1.00.

34. 購股權計劃 (續)

該計劃之主要條款包括：(續)

4. 於任何十二個月期間因行使根據該計劃及本公司任何其他購股權計劃已向或將向該計劃項下各合資格參與者授出之購股權（不論已行使、已註銷或尚未行使）而發行及將予發行之股份總數，不得超過建議授出日期已發行股份總數之1%。
5. 購股權可根據該計劃之條款於自董事會可酌情釐定的日期（惟相關日期不得早於相關購股權授出日期後三個月）起計十年期間內隨時行使。
6. 授出的購股權於授出日期後28日期間內維持可供合資格參與者接納，並須支付不可退回款項1.00港元。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

34. SHARE OPTION SCHEME (continued)

Major terms of the Scheme include: (continued)

7. The exercise price of an option shall be the highest of:
- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of the grant of the option, which must be a business day;
 - (b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the grant (subject to acceptance) of the option; and
 - (c) the nominal value of the Shares.
8. The Scheme shall be valid and effective for a period of 10 years commencing on 28 May 2014 and thereafter for as long as there are outstanding options granted and accepted pursuant thereto prior to the expiration of the said 10-year period and in order to give effect to the exercise of any such options.

Share options did not confer rights on the holders to dividends or to vote at shareholders' meetings.

As at 31 December 2023 and at the date of approval of these financial statements, there were no share options outstanding (2022: Nil).

34. 購股權計劃 (續)

該計劃之主要條款包括：(續)

7. 購股權之行使價須為下列之最高者：
- (a) 於購股權授出日期（須為營業日）聯交所每日報價表所列之股份收市價；
 - (b) 於緊接購股權授出（須獲接納）日期前五個營業日於聯交所每日報價表所列之股份平均收市價；及
 - (c) 股份面值。
8. 該計劃由二零一四年五月二十八日起計十年期間有效及具效力，而於上述十年期屆滿前已授出及接納之尚未行使購股權仍可行使。

購股權並無賦予持有人享有股息或於股東大會上投票之權利。

於二零二三年十二月三十一日及於該等綜合財務報表獲批准當日，並無（二零二二年：無）尚未行使之購股權。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

35. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 106 to 107 of this annual report.

The reserve fund of the Group represents the statutory reserve of certain subsidiaries operating as foreign-owned enterprises in Mainland China. Pursuant to the articles of association of these subsidiaries and the relevant PRC Company Law, the subsidiaries shall make an allocation from their profit after tax at the rate of 10% to the statutory surplus reserve fund, until such reserve reaches 50% of the registered capital of the subsidiaries. Part of the statutory surplus reserve may be capitalised as the subsidiaries' registered capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital of the subsidiaries. The statutory reserve will be reclassified to retained profits upon the disposal of the subsidiaries.

The share premium represents the difference between the par value of the Company's shares issued and the consideration received for the shares issued.

The asset revaluation reserve of the Group represents gain on property revaluation of HK\$130,615,000 upon transferring an office unit from property, plant and equipment to investment property in 2019.

35. 儲備

本集團於本年及過往年度的儲備金額及其變動於本年報第106至107頁綜合權益變動表呈列。

本集團儲備金指於中國內地以外資企業方式經營之若干附屬公司之法定儲備。根據該等附屬公司的公司章程及相關中國公司法，該等附屬公司須將其除稅後溢利按10%的利率撥至法定盈餘儲備金，直至有關儲備達至該等附屬公司註冊資本之50%。部份法定儲備可撥充為該等附屬公司之註冊資本，惟規定資本化後之餘下結餘不少於該等附屬公司註冊資本之25%。法定儲備於該等附屬公司被出售時將重新分類至留存溢利。

股份溢價指本公司已發行股份面值與已收已發行股份代價之差額。

本集團資產重估儲備指於二零一九年將一個辦公室由物業、廠房及設備轉撥至投資物業後物業重估之收益130,615,000港元。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transaction

During the year ended 31 December 2023, the Group had non-cash additions to right-of-use assets and lease liabilities of HK\$2,434,000 (2022: HK\$158,000) in respect of lease arrangements for buildings and motor vehicles.

During the year ended 31 December 2022, the Group had non-cash reductions to right-of-use assets of HK\$12,896,000 and lease liabilities of HK\$12,906,000 in respect of early termination of a lease of building.

(b) Changes in liabilities arising from financing activities

2023

At 1 January 2023	於二零二三年一月一日	294,099	25,739	5,580
Changes from financing cash flows	融資現金流量變動	(7,620)	(1,288)	(5,308)
New leases	新租賃	2,434	-	-
Exchange realignment	匯兌調整	435	666	-
Interest expense	利息支出	13,373	-	-
Interest paid classified as operating cash flow	分類為經營現金流量的已付利息	(13,373)	-	-
At 31 December 2023	於二零二三年十二月三十一日	289,348	25,117	272

36. 綜合現金流量表附註

(a) 主要非現金交易

截至二零二三年十二月三十一日止年度，本集團有關樓宇及汽車租賃安排之使用權資產及租賃負債的非現金增加為2,434,000港元（二零二二年：158,000港元）。

截至二零二二年十二月三十一日止年度，本集團有關提前終止樓宇租賃之使用權資產非現金減少12,896,000港元及租賃負債非現金減少為12,906,000港元。

(b) 融資活動產生的負債變動

二零二三年

	Amount due to an intermediate holding company 應付中間控股公司 租賃負債	Amount due to a fellow subsidiary 應付同系附屬公司 款項
	HK\$'000 千港元	HK\$'000 千港元

At 1 January 2023	於二零二三年一月一日	294,099	25,739	5,580
Changes from financing cash flows	融資現金流量變動	(7,620)	(1,288)	(5,308)
New leases	新租賃	2,434	-	-
Exchange realignment	匯兌調整	435	666	-
Interest expense	利息支出	13,373	-	-
Interest paid classified as operating cash flow	分類為經營現金流量的已付利息	(13,373)	-	-
At 31 December 2023	於二零二三年十二月三十一日	289,348	25,117	272

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities (continued)

2022

		Amount due to an intermediate holding company 應付中間 控股公司 租賃負債 HK\$'000 千港元	Amount due to a fellow subsidiary 應付同系 附屬公司 款項 HK\$'000 千港元	
At 1 January 2022	於二零二二年一月一日	311,018	27,495	-
Changes from financing cash flows	融資現金流量變動	(6,189)	(522)	5,580
New leases	新租賃	158	-	-
Lease modified/early termination of lease	租賃修訂/提前終止租賃	(12,906)	-	-
Exchange realignment	匯兌調整	2,018	(1,234)	-
Interest expense	利息支出	14,001	-	-
Interest paid classified as operating cash flow	分類為經營現金流量的已付利息	(14,001)	-	-
At 31 December 2022	於二零二二年十二月三十一日	294,099	25,739	5,580

36. 綜合現金流量表附註 (續)

(b) 融資活動產生的負債變動 (續)

二零二二年

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Within operating activities	於經營活動內	13,661	15,323
Within financing activities	於融資活動內	7,620	6,189
Total	合計	21,281	21,512

36. 綜合現金流量表附註 (續)

(c) 租賃現金流出總額

計入現金流量表的租賃現金流出總額如下：

37. COMMITMENTS

The Group had the following contractual commitments at the end of the reporting period:

37. 承擔

本集團於報告期末有以下合約承擔：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Plant and machinery	廠房及機器	6,567	46,048



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

38. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions described in notes 23 and 27 to the consolidated financial statements, the Group had the following transactions with related parties during the year:

38. 關聯方交易

- (a) 除綜合財務報表附註23及27所述之交易外，本集團本年曾進行以下關聯方交易：

			2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
		Notes 附註		
Interest income on loan to an associate	向聯營公司提供的貸款之利息收入	(i)	373	391
Sales to a fellow subsidiary	向同系附屬公司銷售	(ii)	340,209	256,659
Purchases from a fellow subsidiary	自同系附屬公司採購	(iii)	2,677	1,300
Short-term lease payment to the immediate holding company	向中間控股公司作出的短期租賃付款	(iv)	-	400
Management fee income from the immediate holding company	自中間控股公司收取的管理費收入	(v)	1,754	1,265

Notes:

- (i) Details of the loan to an associate are set out in note 18 to the consolidated financial statements.
- (ii) The sales to a fellow subsidiary are determined between the Group and the fellow subsidiary.
- (iii) The purchase from a fellow subsidiary is determined between the Group and the fellow subsidiary.
- (iv) The short-term lease payment to the immediate holding company is determined between the Group and the immediate holding company.
- (v) The management fee income from the immediate holding company is determined between the Group and the immediate holding company.

附註：

- (i) 向聯營公司提供的貸款之詳情載於綜合財務報表附註18。
- (ii) 向同系附屬公司銷售由本集團與同系附屬公司釐定。
- (iii) 自同系附屬公司採購由本集團與同系附屬公司釐定。
- (iv) 向中間控股公司作出的短期租賃付款由本集團與中間控股公司釐定。
- (v) 自中間控股公司收取的管理費收入由本集團與中間控股公司釐定。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

38. RELATED PARTY TRANSACTIONS*(continued)*

- (b) Outstanding balances with related parties:
- (i) Details of the Group's balances with an associate are disclosed in note 18 to the consolidated financial statements.
- (ii) Details of the Group's balances with an intermediate holding company are disclosed in note 27 to the consolidated financial statements.
- (iii) Details of the Group's balances with fellow subsidiaries are disclosed in notes 23 and 27 to the consolidated financial statements.
- (c) Compensation of key management personnel of the Group:

38. 關聯方交易 (續)

- (b) 與關聯方的未償還結餘：
- (i) 本集團與聯營公司之結餘的詳情披露於綜合財務報表附註18。
- (ii) 本集團與中間控股公司之結餘的詳情披露於綜合財務報表附註27。
- (iii) 本集團與同系附屬公司之結餘的詳情披露於綜合財務報表附註23及27。
- (c) 本集團主要管理層成員之報酬：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Short term employee benefits	短期僱員福利	2,635	2,522
Post-employment benefits	僱用後福利	36	70
Total compensation paid to key management personnel	支付主要管理層成員之報酬總額	2,671	2,592

Further details of directors' emoluments are included in note 8 to the consolidated financial statements.

有關董事酬金之進一步詳情載於綜合財務報表附註8。

The sale of products in respect of item (a)(ii) above also constitutes continuing connected transactions as defined in Chapter 14A of the Listing Rules.

銷售與上文(a)(ii)項有關的產品亦構成上市規則第14A章所界定的持續關連交易。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2023

Financial assets

39. 金融工具分類

於報告期末，各類別之金融工具賬面值如下：

二零二三年

財務資產

		Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
		按攤銷成本列賬之財務資產	按公平值計入其他全面收益之財務資產	合計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Equity investments designated at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資	-	2,343	2,343
Trade receivables	應收貿易賬款	129,444	-	129,444
Amount due from a fellow subsidiary	應收同系附屬公司款項	6,957	-	6,957
Loan to an associate	向聯營公司提供的貸款	7,158	-	7,158
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款的財務資產	33,132	-	33,132
Time deposits	定期存款	628,863	-	628,863
Cash and cash equivalents	現金及現金等價物	246,417	-	246,417
		1,051,971	2,343	1,054,314

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

39. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2023 (continued)

Financial liabilities**39. 金融工具分類 (續)**

二零二三年 (續)

財務負債

		Financial liabilities at amortised cost 按攤銷成本列賬之財務負債 HK\$'000 千港元
Trade payables	應付貿易賬款	140,790
Other payables and accruals	其他應付賬款及應計費用	149,446
Amount due to a fellow subsidiary	應付同系附屬公司款項	272
Amount due to an intermediate holding company	應付中間控股公司款項	25,117
		315,625



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

39. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2022

Financial assets

39. 金融工具分類 (續)

二零二二年

財務資產

		Financial assets at amortised cost	Financial assets at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Total
		按攤銷成本列賬的財務資產	按公平值計入損益之財務資產	按公平值計入其他全面收益之財務資產	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Equity investment designated at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資	-	-	390	390
Debt investment at fair value through profit or loss	按公平值計入損益之債務投資	-	1,950	-	1,950
Trade receivables	應收貿易賬款	96,739	-	-	96,739
Amount due from a fellow subsidiary	應收同系附屬公司款項	27,598	-	-	27,598
Loan to an associate	向聯營公司提供的貸款	6,937	-	-	6,937
Deposits and other receivables	按金及其他應收賬款	7,441	-	-	7,441
Time deposits	定期存款	245,849	-	-	245,849
Cash and cash equivalents	現金及現金等價物	578,903	-	-	578,903
		963,467	1,950	390	965,807

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

39. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

2022 (continued)

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本列賬之財務負債 HK\$'000 千港元
Trade payables	應付貿易賬款	138,233
Other payables and accruals	其他應付賬款及應計費用	95,489
Amount due to a fellow subsidiary	應付同系附屬公司款項	5,580
Amount due to an intermediate holding company	應付中間控股公司款項	25,739
		265,041

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of equity investments designated at fair value through other comprehensive income, debt investment at fair value through profit or loss, trade receivables, balances with fellow subsidiaries and an intermediate holding company, loan to an associate, financial assets included in prepayments, deposits and other receivables, time deposits, cash and cash equivalents, trade payables, financial liabilities included in other payables and accruals approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

40. 金融工具之公平值及公平值等級制度

管理層已評估按公平值計入其他全面收益之股本投資、按公平值計入損益之債務投資、應收貿易賬款、與同系附屬公司及中間控股公司之結餘、向聯營公司提供的貸款、計入預付款項、按金及其他應收賬款的財務資產、定期存款、現金及現金等價物、應付貿易賬款、計入其他應付賬款及應計費用的財務負債與其賬面值相若，主要由於該等工具的短期期限。

財務資產及負債之公平值計入自願（而非強迫或清盤出售）交易雙方於當前交易中可互換工具之金額內。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The following methods and assumptions were used to estimate the fair values of financial assets measured at fair value:

The Group invested in certain unlisted equity and debt investments. The Group has estimated the fair value of these unlisted equity and debt investments with reference to the issued prices of recent transactions and unlisted debt investment with reference to discounted cash flow method.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis as at 31 December 2023 and 2022:

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍	Sensitivity of fair value to the input 輸入數據公平值的敏感度
Unlisted equity investments	Market approach	Issued prices of recent transactions	HK\$40 to HK\$282 (2022: HK\$40) per share	1% (2022: 1%) increase/decrease in issued prices of recent transactions would result in increase/ decrease in fair value by HK\$23,000 (2022: HK\$4,000)
非上市股本投資	市場法	近期交易的發行價	每股40港元至 282港元 (二零二二年： 40港元)	近期交易的發行價增加/ 減少1% (二零二二年： 1%) 將導致公平值 增加/減少23,000港元 (二零二二年：4,000 港元)

40. 金融工具之公平值及公平值等級制度 (續)

以下方法及假設用於估計按公平值計量財務資產的公平值。

本集團投資投資若干非上市股本及債務投資。本集團參照近期交易的發行價估計該等非上市股本及債務投資的公平值，並參照折現現金流量法估計非上市債務投資的公平值。

以下為於二零二三年及二零二二年十二月三十一日金融工具估值所用的重大不可觀察輸入數據連同定量敏感度之分析概要：

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

40. 金融工具之公平值及公平值等級制度 (續)

	Valuation technique	Significant unobservable input	Range	Sensitivity of fair value to the input
	估值技術	重大不可觀察輸入數據	範圍	輸入數據公平值的敏感度
Unlisted debt investment	Discounted cash flow method	Yield rate	N/A (2022: 7%)	N/A (2022: 1% increase/decrease in yield rate would result in decrease/increase in fair value by HK\$104,000/HK\$110,000)
非上市債務投資	折現現金流量法	收益率	不適用 (二零二二年：7%)	不適用 (二零二二年：收益率增加/減少1%將導致公平值減少/增加104,000港元/110,000港元)



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2023	於二零二三年十二月三十一日
Equity investments designated at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資
As at 31 December 2022	於二零二二年十二月三十一日
Equity investment designated at fair value through other comprehensive income	按公平值計入其他全面收益之股本投資
Debt investment at fair value through profit or loss	按公平值計入損益之債務投資

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (2022: Nil).

40. 金融工具之公平值及公平值等級制度 (續)

公平值層級

下表列示本集團金融工具的公平值計量層級：

按公平值計量的資產：

Fair value measurement using 公平值計量使用			
Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
活躍市場報價 (第一級)	重大可觀察輸入數據 (第二級)	重大不可觀察輸入數據 (第三級)	合計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
-	-	2,343	2,343
-	-	390	390
-	-	1,950	1,950
-	-	2,340	2,340

年內，財務資產的公平值計量並無在第一級及第二級之間轉移，亦無轉入或轉出第三級（二零二二年：無）。

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31 December 2023 二零二三年十二月三十一日

40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

40. 金融工具之公平值及公平值等級制度 (續)

年內，第三級公平值計量的變動如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Unlisted equity investments	非上市股本投資		
At 1 January	於一月一日	390	389
Converted from debt investment	轉換自債務投資	1,953	-
Exchange realignment	匯兌調整	-	1
At 31 December	於十二月三十一日	2,343	390
Unlisted debt investment	非上市債務投資		
At 1 January	於一月一日	1,950	1,938
Converted into equity investment	轉換為股本投資	(1,953)	-
Exchange realignment	匯兌調整	3	12
At 31 December	於十二月三十一日	-	1,950

The Group did not have any financial liabilities measured at fair value as at 31 December 2023 and 2022.

於二零二三年及二零二二年十二月三十一日，本集團並無任何按公平值計量的財務負債。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise lease liabilities, cash and cash equivalents and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities, such as trade and other receivables and trade and other payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

As most of the Group's business transactions, assets and liabilities are principally denominated in the functional currencies of the operating units, the Group's exposure to foreign currency risk is minimal.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

41. 財務風險管理目標及政策

本集團的主要金融工具包括租賃負債、現金及現金等價物及定期存款。該等金融工具的主要用途是為本集團的營運提供財源。本集團亦有各樣的其他財務資產及負債，例如應收貿易賬款及其他應收賬款以及應付貿易賬款及其他應付賬款，乃直接由營運而產生。

本集團的金融工具所產生的主要風險是外匯風險、信貸風險及流動性風險。本公司董事會已審議並批准管理此等風險的政策，概述如下。

外匯風險

由於本集團的大部份業務交易、資產及負債均主要以營運單位之功能貨幣計值，因此本集團所承受的其他外匯風險極微。

信貸風險

本集團僅與經認可的及信譽良好的第三方進行交易。本集團的政策是所有有意進行信貸交易的客戶均需透過信貸驗證措施。再者，本集團持續監察應收賬款的結餘，因此壞賬的風險並不重大。

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

31 December 2023

		12-month ECLs		Lifetime ECLs		
		12個月預期信貸虧損		全期預期信貸虧損		
		Stage 1	Stage 2	Stage 3	Simplified approach	Total
		第一階段	第二階段	第三階段	簡化方法	合計
		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
Trade receivables*	應收貿易賬款*	-	-	-	136,103	136,103
Contract assets*	合約資產*	-	-	-	24,187	24,187
Amount due from a fellow subsidiary*	應收同系附屬公司款項*	-	-	-	6,957	6,957
Loan to an associate – Normal**	向聯營公司提供的貸款 – 正常**	7,158	-	-	-	7,158
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款的財務資產					
- Normal**	- 正常**	33,132	-	-	-	33,132
- Doubtful**	- 可疑**	-	-	13,849	-	13,849
Time deposits	定期存款	628,863	-	-	-	628,863
Cash and cash equivalents	現金及現金等價物					
- Not yet past due	- 尚未逾期	246,417	-	-	-	246,417
		915,570	-	13,849	167,247	1,096,666

41. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險敞口及年終階段

下表列示基於本集團信貸政策之信貸質素及最高信貸風險敞口，該信貸政策主要基於十二月三十一日之過期資料（除非其他資料在無需付出不必要成本或努力下即可獲得）及年終階段分類。所呈列金額為財務資產之賬面總值。

二零二三年十二月三十一日

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

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41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging
(continued)

31 December 2022

41. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險敞口及年終階段 (續)

二零二二年十二月三十一日

		12-month	Lifetime ECLs			Total
		ECLs	Simplified			
		12個月預期 信貸虧損	全期預期信貸虧損			合計
		Stage 1	Stage 2	Stage 3	approach	Total
		第一階段	第二階段	第三階段	簡化方法	合計
		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
Trade receivables*	應收貿易賬款*	-	-	-	103,114	103,114
Amount due from a fellow subsidiary*	應收同系附屬公司款項*	-	-	-	27,598	27,598
Loan to an associate – Normal**	向聯營公司提供的貸款 – 正常**	6,937	-	-	-	6,937
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款的財務資產					
- Normal**	- 正常**	7,441	-	-	-	7,441
- Doubtful**	- 可疑**	-	-	14,159	-	14,159
Time deposits	定期存款	245,849	-	-	-	245,849
Cash and cash equivalents	現金及現金等價物					
- Not yet past due	- 尚未逾期	578,903	-	-	-	578,903
		839,130	-	14,159	130,712	984,001

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41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

- * For trade receivables, contract assets and amount due from a fellow subsidiary which is trade receivable in nature to which the Group applies the simplified approach for impairment, information is disclosed in notes 21, 22 and 23 to the consolidated financial statements.
- ** The credit quality of the financial assets included in prepayments, deposits and other receivables, and loan to an associate is considered to be "normal" when they are not past and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and loans from a fellow subsidiary and an intermediate holding company. The Group's policy is to minimise borrowings.

41. 財務風險管理目標及政策 (續)

信貸風險 (續)

最高風險敞口及年終階段 (續)

- * 就本集團採用簡化減值方法之應收貿易賬款、合約資產及屬應收貿易賬款性質之應收同系附屬公司款項而言，有關資料披露於綜合財務報表附註21、22及23。
- ** 計入預付款項、按金及其他應收賬款的財務資產項及向聯營公司提供的貸款的信貸質素於未過期且並無資料表明自初步確認以來財務資產之信貸風險大幅增加時被視為「正常」。否則，財務資產之信貸質素會被視為「可疑」。

流動性風險

本集團利用經常性流動規劃工具監控資金短缺風險。該工具考慮金融工具及財務資產(如應收貿易賬款)的到期日及營運產生的預計現金流量。

本集團的目標乃是透過利用銀行貸款及來自同系附屬公司及中間控股公司之貸款，以保持融資的持續性和靈活性的平衡。本集團的政策為將借款減至最低。



NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2023

		On demand	Less than 3 months	3 to less than 12 months 三至 十二個月	1 to 5 years 一至五年	Over 5 years 五年以後	Total
		於要求時	少於三個月	少於十二個月	一至五年	五年以後	合計
		HK\$'000	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	千港元
Amount due to an intermediate holding company	應付中間控股公司款項	25,117	-	-	-	-	25,117
Amount due to a fellow subsidiary	應付同系附屬公司款項	272	-	-	-	-	272
Trade payables	應付貿易賬款	-	140,790	-	-	-	140,790
Other payables and accruals	其他應付賬款及應計費用	38,696	110,750	-	-	-	149,446
Lease liabilities	租賃負債	-	5,235	15,032	77,311	374,190	471,768
		64,085	256,775	15,032	77,311	374,190	787,393

2022

		On demand	Less than 3 months	3 to less than 12 months 三至 十二個月	1 to 5 years 一至五年	Over 5 years 五年以後	Total
		於要求時	少於三個月	少於十二個月	一至五年	五年以後	合計
		HK\$'000	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	千港元
Amount due to an intermediate holding company	應付中間控股公司款項	25,739	-	-	-	-	25,739
Amount due to a fellow subsidiary	應付同系附屬公司款項	5,580	-	-	-	-	5,580
Trade payables	應付貿易賬款	-	138,233	-	-	-	138,233
Other payables and accruals	其他應付賬款及應計費用	-	95,489	-	-	-	95,489
Lease liabilities	租賃負債	-	5,119	15,492	75,410	393,045	489,066
		31,319	238,841	15,492	75,410	393,045	754,107

41. 財務風險管理目標及政策 (續)

信貸風險 (續)

流動性風險 (續)

於報告期末，本集團基於已訂約但未折現付款之財務負債到期情況如下：

二零二三年

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41. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2023 and 31 December 2022.

The Group monitors capital using a gearing ratio, which is the interest-bearing debts, including lease liabilities, divided by equity attributable to owners of the Company plus the interest-bearing debts.

The gearing ratios as at the end of the reporting periods were as follows:

41. 財務風險管理目標及政策 (續)

信貸風險 (續)

資本管理

本集團資本管理的首要目標，為確保本集團具備持續發展的能力，且維持穩健的資本比率，以支持其業務運作，為股東創造最大價值。

本集團根據經濟情況的變動及相關資產的風險特徵，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能會調整向股東派發的股息、向股東退回資本或發行新股。本集團不會受制於任何外部施加之資本需求。截至二零二三年及二零二二年十二月三十一日止年度，資本管理之目標、政策或程序並無改變。

本集團採用資本負債率監察其資本情況，而資本負債率乃以計息債務（包括租賃負債）除以本公司擁有人應佔權益加計息債務之和計算。

於報告期末的資本負債率如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
Lease liabilities	租賃負債	289,348	294,099
Interest-bearing debts	計息債務	289,348	294,099
Total equity	總權益	2,995,461	2,818,891
Total equity plus the interest-bearing debts	總權益加計息債務	3,284,809	3,112,990
Gearing ratio	資本負債率	8.8%	9.4%

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

42. 本公司財務狀況表

有關本公司於報告期末的財務狀況表的資料載列如下：

		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	117,076	121,762
Investments in subsidiaries	於附屬公司之投資	2,506,119	2,403,801
Total non-current assets	非流動資產總值	2,623,195	2,525,563
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	9,428	3,633
Time deposits	定期存款	465,537	174,485
Cash and cash equivalents	現金及現金等價物	2,270	214,649
Total current assets	流動資產總值	477,235	392,767
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付賬款及應計費用	3,435	3,848
Amounts due to subsidiaries	應付附屬公司款項	3,607	3,609
Amount due to a fellow subsidiary	應付同系附屬公司款項	-	5,580
Total current liabilities	流動負債總值	7,042	13,037
NET CURRENT ASSETS	流動資產淨值	470,193	379,730
Net assets	資產淨值	3,093,388	2,905,293
EQUITY	權益		
Issued capital	已發行股本	930,337	930,337
Reserves (note)	儲備 (附註)	2,163,051	1,974,956
Total equity	權益總值	3,093,388	2,905,293

NOTES TO FINANCIAL STATEMENTS 綜合財務報表附註

31 December 2023 二零二三年十二月三十一日

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account	Asset revaluation reserve	Contributed surplus	Retained profits/ (accumulated losses)	Total
		股份溢價賬 HK\$'000 千港元	資產重估儲備 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	留存溢利/ (累積虧損) HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2022	於二零二二年一月一日	1,857,729	130,615	5,243	(12,060)	1,981,527
Loss and total comprehensive loss for the year	本年虧損及全面虧損總額	-	-	-	(6,571)	(6,571)
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	1,857,729	130,615	5,243	(18,631)	1,974,956
Profit and total comprehensive income for the year	本年溢利及全面收益總額	-	-	-	188,095	188,095
At 31 December 2023	於二零二三年十二月三十一日	1,857,729	130,615	5,243	169,464	2,163,051

The contributed surplus of the Company represents the excess of the consolidated net asset value of Far East Aluminium (B.V.I.) Limited on 20 November 1991, when its entire issued share capital was acquired by the Company pursuant to a group reorganisation, over the nominal amount of the Company's shares issued in consideration for such acquisition, net of accumulated losses of the Company set off in the prior years. Under the Companies Act of 1981 of Bermuda, the contributed surplus of the Company is distributable to shareholders under certain circumstances.

本公司之繳入盈餘為本公司根據集團重組收購Far East Aluminium (B.V.I.) Limited的全部已發行股本時，該附屬公司於一九九一年十一月二十日之綜合資產淨值超逾作為收購代價而發行之股份面值之金額，並已扣除於過往年度抵銷之本公司累積虧損。根據百慕達一九八一年公司法，本公司之繳入盈餘在若干情況下可供分派予各股東。

43. COMPARATIVE INFORMATION

Certain comparative financial information has been reclassified in order to conform with the current year's presentation.

43. 比較資料

若干比較財務資料已重新分類，以符合本年的呈列方式。

44. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 March 2024.

44. 財務報表之批准

綜合財務報表已於二零二四年三月二十八日獲董事會批准及授權刊發。

FIVE YEAR FINANCIAL SUMMARY 五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below. This summary is not part of the audited financial statements.

本集團過去五個財政年度的業績及資產和負債概述如下，乃摘錄自己刊發經審核財務報表，並已作適當重列／重新分類。此等概要並非經審核財務報表的部份。

		Year ended 31 December 截至十二月三十一日止年度				
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
RESULTS	業績					
Revenue	收益	1,830,186	1,665,515	1,416,409	1,246,809	1,458,003
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	90,703	27,265	(24,790)	(808,530)	(83,833)
Income tax credit/(expense)	所得稅抵免／(開支)	71,506	23,567	(31,182)	51,792	29,817
PROFIT/(LOSS) FOR THE YEAR	本年溢利／(虧損)	162,209	50,832	(55,972)	(756,738)	(54,016)
Attributable to:	下列人士應佔：					
Owners of the Company	本公司所有者	162,209	50,832	(55,972)	(756,738)	(54,016)

		As at 31 December 於十二月三十一日				
		2023 二零二三年 HK\$'000 千港元	2022 二零二二年 HK\$'000 千港元	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	3,979,064	3,799,848	3,763,258	4,178,556	4,772,624
Total liabilities	負債總值	(983,603)	(980,957)	(978,797)	(1,332,416)	(1,198,930)
		2,995,461	2,818,891	2,784,461	2,846,140	3,573,694

CORPORATE INFORMATION 公司資料

DIRECTORS

Huang Yongfeng (*Chairman*)
Yu Xiaodong (*Chief Executive Officer*)
Jiao Yan
Zhang Zhibiao
Li Peiyin
Chow Wai Kam*
Chu Yu Lin, David**
Li Ka Fai, David**
Zhang Ping**

* *Non-executive Director*

** *Independent Non-executive Directors*

AUDIT COMMITTEE

Chu Yu Lin, David (*Chairman*)
Li Ka Fai, David
Zhang Ping

REMUNERATION COMMITTEE

Chu Yu Lin, David (*Chairman*)
Yu Xiaodong
Li Ka Fai, David

NOMINATION COMMITTEE

Zhang Ping (*Chairman*)
Huang Yongfeng
Chu Yu Lin, David

PRINCIPAL BANKERS

Bank of China
The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditors

董事

黃勇峰 (*主席*)
于曉東 (*行政總裁*)
焦燕
張志標
李培寅
周偉淦*
朱幼麟**
李家暉**
張平**

* *非執行董事*

** *獨立非執行董事*

審核委員會

朱幼麟 (*主席*)
李家暉
張平

薪酬委員會

朱幼麟 (*主席*)
于曉東
李家暉

提名委員會

張平 (*主席*)
黃勇峰
朱幼麟

主要銀行

中國銀行
香港上海匯豐銀行有限公司

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師

CORPORATE INFORMATION 公司資料

LEGAL ADVISER

Michael Li & Co.
Rooms 1901A, 1902 & 1902A, 19/F.
New World Tower I, 16-18 Queen's Road Central
Central, Hong Kong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit B, 15th Floor, United Centre
95 Queensway, Hong Kong

SHARE REGISTRARS

Principal registrars

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

Hong Kong registrars

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

WEBSITE

www.cath.com.hk

STOCK CODE

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法律顧問

Michael Li & Co.
香港中環
皇后大道中16-18號新世界大廈1期
19樓1901A、1902及1902A室

註冊辦事處

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

總辦事處及主要營業地點

香港金鐘道95號
統一中心15樓B室

股份過戶登記處

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17樓1712-1716室

網站

www.cath.com.hk

股份代號

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Continental Aerospace Technologies Holding Limited
大陸航空科技控股有限公司