

VM HOLDING 天機控股



VIRTUAL MIND HOLDING COMPANY LIMITED
天機控股有限公司

(於開曼群島註冊成立之有限公司)
(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code : 1520

ANNUAL REPORT 年報
2023

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Corporate Information

公司資料

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

LI Yang (*Chairman*)
TIN Yat Yu Carol
CHAN Ming Leung Terence
GONG Xiaohan
WONG Wai Kai Richard

INDEPENDENT NON-EXECUTIVE DIRECTORS

TANG Shu Pui Simon
HON Ming Sang
LO Wing Sze

AUTHORISED REPRESENTATIVES

LI Yang
WONG Ka Man

COMPANY SECRETARY

WONG Ka Man

AUDIT COMMITTEE

HON Ming Sang (*Chairman*)
TANG Shu Pui Simon
LO Wing Sze

REMUNERATION COMMITTEE

TANG Shu Pui Simon (*Chairman*)
LI Yang
HON Ming Sang

NOMINATION COMMITTEE

LI Yang (*Chairman*)
TANG Shu Pui Simon
HON Ming Sang

董事會

執行董事

李陽 (主席)
田一好
陳明亮
龔曉寒
王瑋楷

獨立非執行董事

鄧澍焙
韓銘生
羅詠詩

授權代表

李陽
黃嘉雯

公司秘書

黃嘉雯

審核委員會

韓銘生 (主席)
鄧澍焙
羅詠詩

薪酬委員會

鄧澍焙 (主席)
李陽
韓銘生

提名委員會

李陽 (主席)
鄧澍焙
韓銘生

CORPORATE GOVERNANCE COMMITTEE

LI Yang (*Chairman*)
TANG Shu Pui Simon
HON Ming Sang

AUDITOR

BDO Limited

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Cathay Bank, Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman, KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2511-15, 25/F, Peninsula Tower,
538 Castle Peak Road, Cheung Sha Wan,
Kowloon, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

企業管治委員會

李陽 (主席)
鄧樹培
韓銘生

核數師

香港立信德豪會計師事務所有限公司

主要往來銀行

中國銀行(香港)有限公司
國泰銀行香港分行
中國建設銀行(亞洲)有限公司
星展銀行(香港)有限公司
恒生銀行有限公司
東亞銀行有限公司
香港上海滙豐銀行有限公司

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman, KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港
九龍長沙灣青山道538號
半島大廈25樓2511-15室

主要股份登記及過戶辦事處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

Corporate Information

公司資料

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

WEBSITE

www.vmh.com.hk

STOCK CODE

1520

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道 16 號
遠東金融中心 17 樓

網頁

www.vmh.com.hk

股票代號

1520

Financial Summary

財務概要

| Results | 業績 | 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 |
| Revenue | | 66,328 | 89,620 | 139,818 | 114,474 | 158,714 |
| Gross profit | | 11,233 | 14,060 | 38,699 | 24,957 | 32,196 |
| Loss before income tax | | (94,639) | (58,403) | (46,020) | (67,038) | (71,048) |
| Loss attributable to the owners of the Company | | (93,749) | (65,895) | (46,271) | (68,115) | (76,680) |

| Financial position | 財務狀況 | 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 |
| Total assets | | 214,185 | 288,373 | 234,832 | 283,700 | 351,054 |
| Total borrowings and lease liabilities | | 32,908 | 31,457 | 7,954 | 4,975 | 8,547 |
| Total liabilities | | 65,473 | 79,073 | 38,575 | 45,275 | 45,857 |
| Shareholders' equity | | 148,113 | 208,432 | 196,257 | 238,425 | 305,197 |
| Current ratio (note 1) | | 4.17 | 4.42 | 4.87 | 5.27 | 6.26 |
| Quick ratio (note 2) | | 3.96 | 4.30 | 4.71 | 5.00 | 5.91 |
| Return on assets (note 3) | | (43.8%) | (22.9%) | (19.7%) | (24.0%) | (21.8%) |
| Return on equity (note 4) | | (63.3%) | (31.6%) | (23.6%) | (28.6%) | (25.1%) |
| Gearing ratio (note 5) | | 22.1% | 15.0% | 4.1% | 2.1% | 2.8% |
| Inventory turnover days (note 6) | | 56 days/日 | 32 days/日 | 22 days/日 | 49 days/日 | 43 days/日 |
| Trade receivables turnover days (note 7) | | 174 days/日 | 159 days/日 | 72 days/日 | 61 days/日 | 48 days/日 |
| Trade payables turnover days (note 8) | | 51 days/日 | 85 days/日 | 69 days/日 | 101 days/日 | 30 days/日 |

Note

- Current ratio = current assets/current liabilities
- Quick ratio = current assets less inventory/current liabilities
- Return on assets = Loss attributable to the owners of the Company for the year/total assets
- Return on equity = Loss attributable to the owners of the Company for the year/shareholders' equity
- Gearing ratio = Total borrowings and lease liabilities/total equity
- Inventory turnover days = Inventory balance/cost of sales for the year x number of days for the year
- Trade receivables turnover days = Trade receivables/revenue for the year x number of days for the year
- Trade payables turnover days = Trade payables/cost of sales for the year x number of days for the year

附註

- 流動比率 = 流動資產/流動負債
- 速動比率 = 流動資產減存貨/流動負債
- 資產回報率 = 本公司擁有人應佔年度虧損/總資產
- 股本回報率 = 本公司擁有人應佔年度虧損/股東權益
- 資產負債比率 = 借款總額及租賃負債/權益總額
- 存貨週轉天數 = 存貨結餘/年度銷售成本 x 年度天數
- 貿易應收款項週轉天數 = 貿易應收款項/年度收入 x 年度天數
- 貿易應付款項週轉天數 = 貿易應付款項/年度銷售成本 x 年度天數

Chairman's Statement

主席報告書

On behalf of the board (the "Board") of directors (the "Directors" and each a "Director") of Virtual Mind Holding Company Limited (the "Company"), I hereby present the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2023.

OVERVIEW

After a stagnant economic environment in 2022, the economic environment continued to be challenging in 2023. Further to upward interest rate movement in 2022, major economies continued to raise interest rates in 2023 and kept the interest rate in high level for a certain period to tame inflation.

The economic recovery of Mainland China after post-pandemic reopening was also challenging. Year 2023 was the first year of economic recovery after the pandemic. The economy gradually regained momentum, driven by economic reopening and supportive government policies. Meanwhile, sluggish external demand and concerns over the economic outlook of Mainland China continued to weaken the economic growth. The economy of Mainland China expanded moderately in 2023.

The Hong Kong economic environment in 2023 was under pressure. The change of local consumption pattern, coupled with weak financial market and property market, dampened the economy growth of Hong Kong.

OUR PERFORMANCE

Apparel operation

Concerns over the economic outlook of Mainland China continued to dampen consumption sentiment. The impact of a challenging macroeconomic environment and a slower than anticipated economic recovery of Mainland China not only weakened overall consumer sentiment but also affected the demand for apparel products. Mainland China is the principal market for our apparel operation during the year. Revenue from our apparel operation decreased by 24.0% to approximately HK\$56,488,000 for the year ended 31 December 2023 (2022: HK\$74,337,000). Our apparel operation remained the largest contributor to the Group's business, accounting for 85.2% of the Group's total revenue.

我謹代表天機控股有限公司（下稱「本公司」）的董事（下稱「董事」）會（下稱「董事會」），呈上本公司及其附屬公司（統稱「本集團」）截至二零二三年十二月三十一日止年度的經審核綜合業績。

概覽

繼二零二二年經濟環境停滯不前後，二零二三年的經濟環境依然充滿挑戰。經歷了二零二二年的利率上行後，主要經濟體於二零二三年繼續加息，並在一定時期內將利率維持在較高水平，以抑制通脹。

中國內地後疫情時代重新開放後，經濟復甦亦面臨挑戰。二零二三年度是疫情後經濟復甦的第一年。在經濟重新開放和政府政策支持的推動下，經濟逐漸恢復動力。與此同時，外需疲軟及對中國內地經濟前景的憂慮持續削弱經濟增長。於二零二三年，中國內地經濟溫和增長。

香港二零二三年的經濟環境面臨壓力。本地消費模式的改變，加上金融市場和房地產市場疲軟，拖累了香港經濟增長。

我們的業績

服飾業務

對中國內地經濟前景的憂慮繼續打擊消費意欲。宏觀經濟環境充滿挑戰，加上中國內地的經濟復甦步伐較預期緩慢，不但削弱了整體消費意欲，亦影響了服裝產品的需求。年內，中國內地是我們服飾業務的主要市場。截至二零二三年十二月三十一日止年度，服飾業務的收入減少24.0%至約56,488,000港元（二零二二年：74,337,000港元）。服飾業務仍然是本集團業務的最大貢獻者，佔總收入的85.2%。

Money lending operation

Our money lending business focuses on individual consumers and small businesses in Hong Kong.

In 2023, our money lending business mainly focused on providing service to existing customers. Revenue from our money lending operation decreased to approximately HK\$8,199,000 for the year ended 31 December 2023 (2022: HK\$13,631,000), representing a decrease of approximately 39.9%. Money lending operation accounted for 12.4% of the Group's total revenue.

IP application and products operation

Revenue from IP application and products operation is principally derived from selling of gaming and animated characters related products. Mainland China is the principal market for our IP application and products. Revenue from our IP application and products decreased to approximately HK\$1,641,000 for the year ended 31 December 2023 (2022: HK\$1,652,000), decreased slightly by approximately 0.7%. IP application and products operation accounted for 2.4% of the Group's total revenue.

FUTURE PROSPECTS

The global economic outlook will remain challenging and uncertain in 2024. With inflation in major economies remaining high, high interest rate environment will continue in a certain period in 2024. Weak external demand for goods may continue, which may affect the economic growth of Mainland China and Hong Kong.

We believe Mainland China and Hong Kong will achieve moderate economic growth in 2024 and the authorities will further implement macro-policy support to bolster the economy and consumers' confidence.

As the principal markets for our Group are Mainland China and Hong Kong, generally, we expect our operation will stage a moderate recovery in 2024 along with the economic growth in the Mainland China and Hong Kong.

貸款融資業務

我們的貸款業務專注於香港的個人消費者和小型企業。

二零二三年，我們的貸款融資業務主要集中於為現有客戶提供服務。我們的貸款融資業務收入於截至二零二三年十二月三十一日止年度減少至約8,199,000港元（二零二二年：13,631,000港元），減少約39.9%。貸款業務佔本集團總收入的12.4%。

知識產權應用及產品營運

知識產權應用及產品營運的收入主要來自銷售遊戲及動漫角色相關產品。中國內地是我們知識產權應用及產品的主要市場。截至二零二三年十二月三十一日止年度，我們知識產權應用及產品的收入減少至約1,641,000港元（二零二二年：1,652,000港元），略減約0.7%。知識產權應用及產品營運佔本集團總收入2.4%。

未來展望

全球經濟前景於二零二四年仍將充滿挑戰和不確定性。在主要經濟體通脹率居高不下的情況下，高利率環境將在二零二四年持續一段時間。外需疲弱的情況可能會持續，可能影響中國內地和香港的經濟增長。

我們相信，中國內地和香港於二零二四年將實現溫和的經濟增長，政府當局將進一步實施宏觀政策支持，以增強經濟和消費者的信心。

由於本集團的主要市場為中國內地和香港，整體而言，我們預期業務將隨著中國內地和香港的經濟增長而於二零二四年溫和復甦。

Chairman's Statement

主席報告書

For apparel operation, we have transformed from focusing on women apparel to sports and leisure apparel, further exploring the young market. We will continue to expand our apparel portfolio and leveraging trendy IPs to open up sportswear, children's wear and other markets. The Group will also grasp the opportunity to expand its business in the trendy cultural products closely related to apparel to seize the opportunities presented by the economic development of Mainland China.

For money lending operation, we will continue to focus on providing service to existing customers, and we will gradually scale down our business due to difficult business environment.

For IP application and products operation, as the Mainland China's regulator has implemented various supportive measures and policies to promote the sustainable and long term development of the gaming industry, we believe that the gaming industry will continue to maintain innovation and healthy development. This will also create a good business environment for and boost the trendy cultural product industry. We will explore more business opportunities with renowned gaming platforms which we have developed closed business relationship.

APPRECIATION

Finally, on behalf of the Board, I would like to thank and acknowledge my colleagues for their commitment, perseverance and efforts over the past year. I am also grateful to all shareholders for their continued support.

Li Yang

Chairman

27 March 2024

在服飾業務方面，我們已從以女士服飾為主轉變為以運動休閒服飾為主，進一步開拓年輕市場。我們將繼續擴充服飾組合，並利用潮流知識產權開拓運動服、童裝及其他市場。本集團亦將把握機遇，將業務拓展進入與服飾緊密相關的潮流文化產品領域，以把握中國內地經濟發展帶來的機遇。

在貸款融資業務方面，我們將繼續專注於為現有客戶提供服務，而由於營商環境困難，我們將逐步收縮業務。

在知識產權應用和產品營運方面，隨著中國內地監管部門實施各項支援措施和政策，以促進遊戲產業的可持續和長遠發展，我們相信，遊戲產業將繼續保持創新和健康發展，並將為潮流文化產品行業創造良好的業務環境及提供動力。我們將與已建立緊密業務關係的知名遊戲平台探索更多商機。

致謝

最後，我謹代表董事會感謝各位同事在過去一年中所付出的承擔、堅持和努力，我也感謝所有股東的持續支持。

李陽

主席

二零二四年三月二十七日

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

EXECUTIVE DIRECTORS

Mr. Li Yang, aged 52, was appointed as an executive director of the Company, the chairman of the Board, the chairman of the Nomination Committee, the chairman of the Corporate Governance Committee, a member of the Remuneration Committee and an authorised representative of the Company on 19 January 2022. Mr. Li provides leadership for the Board. Mr. Li acts as a consultant to the Board with effect from 8 December 2021.

Mr. Li obtained a diploma from Shenzhen University in 1992 and a Master of Business Administration from Shenzhen Economic and Management Institute in 2000. Mr. Li also completed a Master's degree programme in 2001 at the Graduate School of Chinese Academy of Social Sciences, majoring in World Economics.

Mr. Li has over 20 years of experience in investment activities and business management. He has held directorships in several companies listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and a public company listed on the mainland stock market.

From September 2014 to June 2018, Mr. Li acted as the deputy chairman and an executive director of China Best Group Holding Limited (stock code: 370.HK). From July 2015 to September 2016, he acted as the chairman and a director of Guanghe Landscape Culture Communication Co., Ltd., Shanxi*, shares of which are listed on the Shanghai Stock Exchange (stock code: 600234.SS). From February 2017 to December 2018, he also served as an independent non-executive director of Sino Haijing Holdings Limited (stock code: 1106.HK). From November 2018 to December 2020, he acted as the deputy chairman and an executive director of Leyou Technologies Holdings Limited (stock code: 1089.HK). Such company was privatized by way of a scheme of arrangement under the Companies Act of its place of incorporation and its listing was withdrawn on 24 December 2020. From August 2020 to February 2021, he also acted as an executive director of CT Environmental Group Limited (stock code: 1363.HK), the listing of which was cancelled under Rule 6.01A of the Rules Governing the Listing of Securities on the Stock Exchange. For further information of the above companies, please refer to their respective public disclosures.

執行董事

李陽先生，52歲，於二零二二年一月十九日獲委任為本公司執行董事、董事會主席、本公司提名委員會主席、企業管治委員會主席、薪酬委員會成員，以及授權代表。李先生領導董事會。自二零二一年十二月八日起，李先生擔任董事會的顧問。

李先生於一九九二年取得深圳大學專科文憑及於二零零零年取得深圳經濟管理學院工商管理學碩士學位。李先生亦於二零零一年完成中國社會科學院研究生院碩士學位課程，主修世界經濟。

李先生於投資活動及業務管理方面擁有逾20年經驗。彼先後在多間於香港聯合交易所有限公司（「聯交所」）主板上市的公司及一間於內地證券市場上市的公眾公司出任董事職務。

於二零一四年九月至二零一八年六月，李先生曾擔任國華集團控股有限公司*（股份代號：370.HK）之副主席及執行董事。於二零一五年七月至二零一六年九月，彼曾擔任股份於上海證券交易所上市之山西廣和山水文化傳播股份有限公司（股份代號：600234.SS）之董事長及董事。於二零一七年二月至二零一八年十二月，彼亦為中國海景控股有限公司（股份代號：1106.HK）之獨立非執行董事。於二零一八年十一月至二零二零年十二月，彼曾擔任樂遊科技控股有限公司（股份代號：1089.HK）之副主席及執行董事；該公司根據其成立地的公司法以協議安排方式私有化，並於二零二零年十二月二十四日撤銷該公司之上市地位。於二零二零年八月至二零二一年二月，彼亦曾擔任中滔環保集團有限公司（股份代號：1363.HK）之執行董事；該公司的上市地位自二零二一年九月十日根據聯交所證券上市規則第6.01A條予以取消。有關上述公司的進一步資料，請參閱其各自的公開披露。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情

On 19 April 2022, Mr. Li was appointed as an independent non-executive director of HG Semiconductor Limited, a company whose shares are listed on the Stock Exchange (stock code: 6908.HK). He has been re-designated from an independent non-executive director to an executive director with effect from 9 February 2024.

On 21 March 2023, Mr. Li was appointed as an executive director and deputy chairman of IBO Technology Company Limited, a company whose shares are listed on the Stock Exchange (stock code: 2708.HK).

Mr. Li has held various senior management positions in a number of capital investment and entity enterprises, and has extensive industry experience in fashion apparel, trendy brand promotion, information technology and other businesses.

Ms. TIN Yat Yu Carol (formerly known as TIN Yuen Sin Carol), aged 58, was appointed as an executive director of the Company on 11 October 2019. She also serves as a director of certain subsidiaries of the Group including Delta Wealth Finance Limited. She joined the Group in November 2016.

Ms. Tin is an entrepreneur operating business including money lending business and fine dining business. Ms. Tin also has extensive experience in trading business in Hong Kong and PRC. Ms. Tin served as a director of Yan Oi Tong from 2017 to 2018.

Ms. Tin was an executive director of Carnival Group International Holdings Limited (“Carnival”) (formerly known as Oriental Ginza Holding Limited and CASH Retail Management Group Limited) from 2005 to 2011, a company whose shares are listed on the Stock Exchange (stock code: 996.HK). She also served as the chairman of Carnival from 2006 to 2011.

On 5 May 2020, Ms. Tin was appointed as an executive director of Finsoft Financial Investment Holdings Limited (“Finsoft Financial”), a company whose shares are listed on the GEM of the Stock Exchange (stock code: 8018.HK). She has been the chairman of Finsoft Financial since 19 May 2020.

On 11 April 2022, Ms. Tin was appointed as an executive director of InvesTech Holdings Limited (“InvesTech Holdings”), a company whose shares are listed on the Stock Exchange (stock code: 1087.HK). She was appointed as the vice-chairman of InvesTech Holdings since 15 June 2023.

於二零二二年四月十九日，李先生獲委任為宏光半導體有限公司之獨立非執行董事，該公司股份於聯交所上市（股份代號：6908.HK）。彼已由獨立非執行董事調任為執行董事，自二零二四年二月九日起生效。

於二零二三年三月二十一日，李先生獲委任為艾伯科技股份有限公司之執行董事兼副主席，該公司股份於聯交所上市（股份代號：2708.HK）。

李先生曾於多家資本投資及實體企業擔任高級管理職位，並在時尚服飾、潮流品牌推廣、信息技術等業務上有豐富的行業經驗。

田一湄女士（前稱田琬善），58歲，於二零一九年十月十一日獲委任為本公司執行董事。彼亦為本集團多間附屬公司，包括融富財務有限公司之董事。彼於二零一六年十一月加入本集團。

田女士為經營包括貸款融資業務及高級餐廳業務之企業家。田女士亦於中港貿易業務擁有豐富經驗。田女士於二零一七年至二零一八年期間擔任仁愛堂總理。

田女士自二零零五年至二零一一年為嘉年華國際控股有限公司（「嘉年華」）（前稱東方銀座控股有限公司及時惠環球控股有限公司）之執行董事，該公司股份於聯交所上市（股份代號：996.HK）。彼自二零零六年至二零一一年亦曾擔任嘉年華之主席。

於二零二零年五月五日，田女士獲委任為匯財金融投資控股有限公司*（「匯財金融」）之執行董事，該公司股份於聯交所GEM上市（股份代號：8018.HK）。彼自二零二零年五月十九日起亦成為匯財金融之主席。

於二零二二年四月十一日，田女士獲委任為威訊控股有限公司（「威訊控股」）之執行董事，該公司股份於聯交所上市（股份代號：1087.HK）。彼自二零二三年六月五日起亦成為威訊控股之副主席。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. CHAN Ming Leung Terence, aged 56, was appointed as an executive director of the Company on 2 August 2021.

Mr. Chan has held key management positions in various companies since 1999, including chemical, storage, trading and health care product industries. He has extensive experience in international trading, sales, marketing, strategic planning and business development.

Prior to joining the Company, Mr. Chan was engaged in the health care product business.

Mr. GONG Xiaohan, aged 43, was appointed as an executive director of the Company on 8 December 2021.

Mr. Gong obtained his master's degree in software engineering from East China Normal University in 2018.

He started his career in IT industry since 2003, with a focus on the area of sales and marketing. Between July 2003 and September 2016, he spent more than 13 years with Tencent, during which he held senior positions at various departments. He individually won a number of awards from Tencent in respect of his valuable contributions to the business of Tencent.

Prior to joining the Company, Mr. Gong was an entrepreneur. He started his own company in 2017 and engaged in technology business.

Mr. WONG Wai Kai Richard, aged 26, was appointed as an executive director of the Company on 6 October 2023.

Mr. Wong completed his Double Bachelor of Arts degree in International Relations and Economics at Brown University in 2020. He became a sixth cohort Schwarzman Scholar and earned a Master of Management Science in Global Affairs at Tsinghua University, Schwarzman College in 2022.

Prior to joining the Company, Mr. Wong was a director and vice president of Beijing Hua Rui Guang Nian Cultural Development Co. Limited*.

陳明亮先生，56歲，於二零二一年八月二日獲委任為本公司執行董事。

陳先生自一九九九年擔任多家企業的主要管理職務，包括化工、倉儲、貿易及醫療保健品行業等。彼在國際貿易、銷售、市場營銷、策略規劃及業務發展方面擁有豐富經驗。

加入本公司前，陳先生從事醫療保健品業務。

龔曉寒先生，43歲，於二零二一年十二月八日獲委任為本公司執行董事。

龔先生於二零一八年獲得華東師範大學的軟件工程碩士學位。

彼自二零零三年起投身資訊科技行業，專注於銷售及市場營銷領域。二零零三年七月至二零一六年九月期間，彼為騰訊服務超過13年，期間於多個部門擔任要職。個人方面因對騰訊業務作出寶貴貢獻，因此獲騰訊頒發多個獎項。

加入本公司之前，龔先生為一名企業家。二零一七年創辦自己的公司，從事科技業務。

王璋楷先生，26歲，於二零二三年十月六日獲委任為本公司執行董事。

王先生於二零二零年在布朗大學完成國際關係與經濟雙文學士。於二零二二年，彼成為第六屆蘇世民學者，並取得清華大學蘇世民書院的全球領導力管理科學碩士學位。

於加入本公司前，王先生曾擔任北京華銳光年文化發展有限公司的董事兼副總裁。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TANG Shu Pui Simon, aged 59, was appointed as an independent non-executive director of the Company on 22 August 2016. He is the chairman of the Remuneration Committee, a member of the Audit Committee, a member of the Nomination Committee and also a member of the Corporate Governance Committee of the Company.

Mr. Tang is a practising solicitor and an accredited mediator with the Hong Kong International Arbitration Centre. He is a partner of P. C. Woo & Co., a firm of solicitors with over 70 years of service in Hong Kong.

Mr. Tang is a member of the Panel member of the Insurance Appeals Tribunal, honorary legal advisor of the General Agents and Managers Association of Hong Kong, founding member and vice president of the Hong Kong Institute Patent Attorneys, honorary senior legal adviser of the Hong Kong Brands Protection Alliance, founding member, board member and honorary legal counsel of the Hong Kong-ASEAN Economic Cooperation Foundation, member of the Standing Committee on Standards and Development of the Law Society of Hong Kong, honorary legal advisor of the Kitchee Foundation Limited, Executive Board Member of Hong Kong Air Cadet Corps, fellow member of the Hong Kong Institute of Directors and board member of Monte Jade Science and Technology Association of Hong Kong.

On 7 July 2023, Mr. Tang was appointed as an independent non-executive director of Finsoft Financial Investment Holdings Limited (stock code: 8018.HK).

Mr. Tang was first appointed as an independent non-executive director of the Company on 22 November 2013. He retired on 3 December 2015 in order to devote more time for his other personal pursuits. He was re-appointed as an independent non-executive director of the Company on 22 August 2016.

獨立非執行董事

鄧澍培先生，59歲，於二零一六年八月二十二日獲委任為本公司獨立非執行董事。彼為本公司薪酬委員會主席、審核委員會成員、提名委員會成員以及企業管治委員會成員。

鄧先生為香港執業事務律師及香港國際仲裁中心認可調解員。彼為香港胡百全律師事務所合夥人，該所為香港貢獻法律服務超過70年。

鄧先生並為保險事務上訴審裁處委員、香港人壽保險經理協會名譽法律顧問、香港專利師協會創辦成員及副主席、香港工商品牌保護陣綫榮譽常務法律顧問、香港—東盟經濟合作基金會創會成員、理事及義務法律顧問、香港律師會專業水準及發展常務委員會委員、傑志基金有限公司名譽法律顧問、香港航空青年團執行委員會委員、香港董事學會資深會員以及香港玉山科技協會理事。

於二零二三年七月七日，鄧先生獲委任為匯財金融投資控股有限公司（股份代號：8018.HK）之獨立非執行董事。

鄧先生於二零一三年十一月二十二日首次獲委任為本公司獨立非執行董事。彼於二零一五年十二月三日辭任以投放更多時間於其他個人事務。彼於二零一六年八月二十二日再次獲委任為本公司獨立非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

Mr. HON Ming Sang, aged 45, Committee Member of the 11th Luoding Committee of the Chinese People's Political Consultative Conference, was appointed as an independent non-executive director of the Company on 2 November 2016. He is the chairman of the Audit Committee, a member of the Remuneration Committee, a member of the Nomination Committee and also a member of the Corporate Governance Committee of the Company.

Mr. Hon obtained an honor degree of Professional Accountancy in the School of Accountancy from The Chinese University of Hong Kong. He is a CFA charterholder, a member of The Hong Kong Society of Financial Analysts, a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, an associate member of The Hong Kong Chartered Governance Institute and an associate member of The Chartered Governance Institute.

Mr. Hon has previously worked in an international audit firm and has over 15 years of working experience in listed companies and financial institutions. He has extensive experience in corporate finance, merger and acquisition, investment and financial management and compliance services.

Mr. Hon is currently the chief financial officer and company secretary of China Gas Industry Investment Holdings Co. Ltd., a company whose shares are listed on the Stock Exchange (stock code: 1940.HK).

Mr. Hon is also an independent non-executive director of InvesTech Holdings Limited (stock code: 1087.HK), Finsoft Financial Investment Holdings Limited (stock code: 8018.HK) and Asia Energy Logistics Group Limited (stock code: 351.HK) respectively. He was an executive director and company secretary of SFund International Holdings Limited (stock code: 1367.HK) between 7 February 2017 and 15 August 2022.

韓銘生先生，45歲，為中國人民政治協商會議第十一屆羅定市委員會委員，於二零一六年十一月二日獲委任為本公司獨立非執行董事。彼為本公司審核委員會主席、薪酬委員會成員、提名委員會成員以及企業管治委員會成員。

韓先生取得香港中文大學會計學院專業會計榮譽學位。彼為美國特許金融分析師、香港財經分析師學會會員、香港會計師公會會員、英國特許公認會計師公會資深會員、香港公司治理公會會員，以及英國特許公司治理公會會員。

韓先生曾任職一所國際審計事務所，並擁有逾15年於上市公司及金融機構工作之經驗，彼於企業融資、收購合併、投資及金融管理及合規服務擁有廣泛經驗。

韓先生現為China Gas Industry Investment Holdings Co. Ltd.之首席財務官兼公司秘書，該公司股份於聯交所上市（股份代號：1940.HK）。

韓先生亦分別為匯財金融投資控股有限公司*（股份代號：8018.HK）、亞洲能源物流集團有限公司（股份代號：351.HK）及威訊控股有限公司（股份代號：1087.HK）之獨立非執行董事。彼於二零一七年二月七日至二零二二年八月十五日期間曾為廣州基金國際控股有限公司之執行董事兼公司秘書（股份代號：1367.HK）。

Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情

Ms. LO Wing Sze BBS, JP, aged 52, was appointed as an independent non-executive director of the Company on 22 January 2021. She is a member of the Audit Committee of the Company.

Ms. Lo holds a degree of Bachelor of Economics from the University of Sydney in Australia and a degree of Master of Commerce in Finance from the University of New South Wales in Australia.

Ms. Lo is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of CPA Australia. She is the financial director of Million Tour Limited and the founder and financial director of M1 Hotel Group.

Ms. Lo was appointed as a Justice of the Peace in 2017 and awarded the Bronze Bauhinia Star in 2020 by the Government of the Hong Kong Special Administrative Region. She is a member of All-China Women's Federation Hong Kong SAR delegate and the Election Committee 2021 (The Fourth Sector) and was a member of the Election Committee for the Fifth Government of the Hong Kong Special Administrative Region (Tourism subsector). Ms. Lo is a member of the Social Workers Registration Board, the Advisory Committee on Post-office Employment for Former Chief Executives and Politically Appointed Officials, the Advisory Committee on Admission of Quality Migrants and Professionals, the Immigration Department Users' Committee, the Correctional Services Children's Education Trust Investment Advisory Board and the District Fire Safety Committee (Wan Chai District). She is also an Honorary Court Member of the Lingnan University. Ms. Lo is the Chairlady of Tai Hang Five Dragon Heritage Centre (Revitalising Historic Buildings Through Partnership Scheme Batch IV).

Currently, Ms. Lo is an independent non-executive director of New World Development Company Limited (stock code: 0017.HK), Goldlion Holdings Limited (stock code: 00533.HK), China Resources Mixc Lifestyle Services Limited (stock code: 1209.HK) and Lee & Man Paper Manufacturing Limited (stock code: 2314.HK) respectively. She was an independent non-executive director of Finsoft Financial Investment Holdings Limited (stock code: 8018.HK) between 21 August 2020 and 7 July 2023.

羅詠詩女士銅紫荊星章，太平紳士，52歲，於二零二一年一月二十二日獲委任為本公司獨立非執行董事。彼為本公司審核委員會成員。

羅女士持有澳洲悉尼大學經濟系學士學位及澳洲新南威爾士大學財經系碩士學位。

羅女士為香港會計師公會會員及澳洲會計師公會資深會員。羅女士為萬通旅行社有限公司財務總監及M1酒店集團創辦人兼財務總監。

羅女士分別於二零一七年及二零二零年獲香港特別行政區政府委任為太平紳士及頒授銅紫荊星章。彼為中國婦女十三大香港特邀代表、香港特別行政區二零二一年選舉委員會（第四界別）界別分組委員，並為第五屆行政長官選舉委員會委員（旅遊界）。羅女士現為社會工作者註冊局、前任行政長官及政治委任官員離職後工作諮詢委員會、輸入優秀人才及專才諮詢委員會、入境事務處使用服務人士委員會、懲教署人員子女教育信託基金投資顧問委員會以及灣仔區防火委員會成員。彼亦為嶺南大學榮譽諮議會委員。羅女士為大坑火龍文化館（發展局第四期活化歷史建築伙伴計劃）理事長。

羅女士現分別為新世界發展有限公司（股份代號：0017.HK）、金利來集團有限公司（股份代號：0533.HK）、華潤萬象生活有限公司（股份代號：1209.HK）及理文造紙有限公司（股份代號：2314.HK）之獨立非執行董事。彼於二零二零年八月二十一日至二零二三年七月七日期間曾為匯財金融投資控股有限公司（股份代號：8018.HK）之獨立非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷詳情

SENIOR MANAGEMENT

Mr. CHAN Ka Yu, aged 44, is the chief financial officer of the Company and also the company secretary of Runway Global Limited, a wholly owned subsidiary of the Company. He joined the Group in June 2013. He is responsible for overseeing the Group's financial reporting and assisting in handling company secretarial matters of the Group.

Mr. Chan graduated with a Bachelor of Commerce in Accounting from the Hong Kong Shue Yan University. He is a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Chan has over 15 years of working experience in professional accounting, financial reporting, compliance services and corporate finance such as initial public offerings.

高級管理層

陳家宇先生，44歲，為本公司財務總監兼本公司全資附屬公司時尚環球有限公司之公司秘書。彼於二零一三年六月加入本集團。彼負責監督本集團財務申報及協助處理本集團公司秘書事務。

陳先生畢業於香港樹仁大學，取得會計學商學士學位。彼為香港會計師公會會員。

陳先生在專業會計、財務呈報、合規服務及企業融資（如首次公開發售）方面有超過15年工作經驗。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group principally engages in (i) design, manufacture and trading of apparel, namely apparel operation; (ii) provision of money lending business, namely money lending operation; and (iii) selling of gaming and animated characters related products, namely IP application and products operation.

REVENUE

Economic activities were dampened by the challenging economic environment in Mainland China and Hong Kong. Affected by the weakened economy in 2023, the revenue of the Group decreased by 26.0% to approximately HK\$66,328,000 (2022: HK\$89,620,000).

APPAREL OPERATION

Revenue from apparel operation is principally derived from the sales of apparel products.

Concerns over the economic outlook of Mainland China continued to dampen consumption sentiment. The impact of a challenging macroeconomic environment and a slower than anticipated economic recovery of Mainland China not only weakened overall consumer sentiment but also affected the demand for apparel products. Due to economic downturn, people became conservative in buying new apparel. Mainland China is the principal market for our apparel operation during the year. Revenue from our apparel operation decreased by 24.0% to approximately HK\$56,488,000 for the year ended 31 December 2023 (2022: HK\$74,337,000). Our apparel operation remained the largest contributor to the Group's business, accounting for 85.2% of the Group's total revenue.

業務回顧

本集團主要從事(i)服飾產品的設計、製造及貿易，即服飾業務；(ii)提供貸款融資業務，即貸款融資業務；及(iii)銷售遊戲及動畫角色相關產品，即知識產權應用及產品業務。

收入

經濟活動因中國內地及香港經濟環境挑戰重重而受到抑制。受到二零二三年經濟疲弱所影響，本集團的收入減少26.0%至約66,328,000港元（二零二二年：89,620,000港元）。

服飾業務

服飾業務收入主要源自銷售服飾產品。

中國內地經濟前景憂慮，持續抑制消費意慾。宏觀經濟環境充滿挑戰，加上中國內地經濟復甦慢於預期，不僅削弱整體消費意慾，亦影響對服飾產品的需求。由於經濟不景氣，市民在購買新服飾方面變得保守。中國內地為我們年內服飾業務的主要市場。我們的服飾業務收入減少24.0%至截至二零二三年十二月三十一日止年度約56,488,000港元（二零二二年：74,337,000港元）。我們的服飾業務仍是本集團業務的最大貢獻者，佔本集團總收入85.2%。

Management Discussion and Analysis

管理層討論及分析

MONEY LENDING BUSINESS

Our money lending business primarily offers loans to individual customers and small businesses in Hong Kong.

In 2023, our money lending business mainly focused on providing service to existing customers. Revenue from our money lending operation decreased to approximately HK\$8,199,000 for the year ended 31 December 2023 (2022: HK\$13,631,000), representing a decrease of approximately 39.9%, as a result of the decrease in interest income received/receivable from existing customers during the year. Money lending operation accounted for 12.4% of the Group's total revenue.

Provision of expected credit loss allowance on loans and interest receivables of approximately HK\$14,496,000 (2022: HK\$21,196,000) was recorded for the year ended 31 December 2023, decreased by 31.6%.

IP application and products operation

Revenue from IP application and products operation is principally derived from selling of gaming and animated characters products of self-developed IPs or IPs licensed from third party, including blind boxes, action figures, garage kits. The principal market of our IP application and products is Mainland China.

Revenue from our IP application and products decreased to approximately HK\$1,641,000 for the year ended 31 December 2023 (2022: HK\$1,652,000), decreased slightly by approximately 0.7%. There was full year income for IP operation in 2023, compared with less than 6 months income for IP operation in 2022. IP application and products operation accounted for 2.4% of the Group's total revenue.

COST OF SALES

As there was no direct cost incurred for money lending operation, cost of sales was incurred exclusively for apparel operation and IP application and products operation. The cost of sales was approximately HK\$55,095,000 for the year ended 31 December 2023 (2022: HK\$75,560,000), decreased by 27.1%.

貸款融資業務

我們的貸款融資業務主要向香港的個人消費者及小型企業提供貸款。

於二零二三年，我們的貸款融資業務主要集中向現有客戶提供服務。截至二零二三年十二月三十一日止年度，我們的貸款融資業務收入減少至約8,199,000港元（二零二二年：13,631,000港元），減少約39.9%，乃由於年內已收取／應收現有客戶的利息收入減少。貸款融資業務佔本集團總收入的12.4%。

應收貸款及利息的預期信貸虧損撥備約14,496,000港元（二零二二年：21,196,000港元）已於截至二零二三年十二月三十一日止年度入賬，減少31.6%。

知識產權應用及產品業務

知識產權應用及產品業務收入主要源自銷售自研知識產權或第三方授權知識產權的遊戲及動畫角色產品，包括盲盒、可動人偶、手辦模型。我們的知識產權應用及產品的主要市場為中國內地。

知識產權應用及產品收入略減約0.7%至截至二零二三年十二月三十一日止年度約1,641,000港元（二零二二年：1,652,000港元）。知識產權業務於二零二三年錄得全年收入，而二零二二年知識產權業務收入則得錄少於六個月。知識產權應用及產品業務佔本集團總收入的2.4%。

銷售成本

因為貸款融資業務並未產生直接成本，銷售成本僅由服飾業務以及知識產權應用及產品業務產生。截至二零二三年十二月三十一日止年度的銷售成本約為55,095,000港元（二零二二年：75,560,000港元），減少27.1%。

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The decrease in cost of sales for 2023 was primarily reflected by less material costs due to decrease in revenue from apparel operation for the period.

GROSS PROFIT AND GROSS PROFIT MARGIN

Gross profit for the year ended 31 December 2023 was approximately HK\$11,233,000 (2022: HK\$14,060,000), decreased by 20.1%. The gross profit margin increased from approximately 15.7% for the year ended 31 December 2022 to 16.9% for the year ended 31 December 2023. During the year, apparel operation contributed gross profit of approximately HK\$2,729,000 (2022: gross loss of HK\$161,000), money lending operation contributed approximately HK\$8,199,000 (2022: HK\$13,631,000) and IP application and products operation contributed approximately HK\$305,000 (2022: HK\$590,000) to the gross profit.

The apparel operation recorded gross profit of approximately HK\$2,729,000 for the year ended 31 December 2023 (2022: gross loss of HK\$161,000) due to increase in the proportion of revenue from customers which had positive gross profit margin. In order to increase the gross profit, we reduced sales to certain customers with low gross profit margin in 2023.

The gross profit from money lending operation decreased by 39.9% to approximately HK\$8,199,000 for the year ended 31 December 2023 (2022: HK\$13,631,000), as there was decrease in revenue from money lending operation in the year. The gross profit margin was 100% for money lending operation for the year ended 31 December 2023 (2022: 100%), as there was no direct cost incurred in generating revenue in the money lending operation.

The gross profit from IP application and products operation was approximately HK\$305,000 (2022: HK\$590,000), the gross profit margin was 18.6% (2022: 35.7%)

二零二三年的銷售成本減少主要由於該期間服飾業務的收入減少以致較低材料成本所反映出來。

毛利及毛利率

截至二零二三年十二月三十一日止年度的毛利約為11,233,000港元(二零二二年: 14,060,000港元), 減少20.1%。毛利率由截至二零二二年十二月三十一日止年度約15.7%上升至截至二零二三年十二月三十一日止年度16.9%。年內, 服飾業務貢獻毛利約2,729,000港元(二零二二年: 毛虧損161,000港元), 而貸款融資業務貢獻毛利約8,199,000港元(二零二二年: 13,631,000港元), 而知識產權應用及產品業務貢獻毛利約305,000港元(二零二二年: 590,000港元)。

由於毛利率為正數的客戶收入佔比上升, 截至二零二三年十二月三十一日止年度服飾業務錄得毛利約2,729,000港元(二零二二年: 毛虧損161,000港元)。為了增加毛利率, 我們已於2023年減少對若干毛利率較低的客戶銷售。

由於本年度貸款融資業務的收入減少, 貸款融資業務的毛利減少39.9%至截至二零二三年十二月三十一日止年度的約8,199,000港元(二零二二年: 13,631,000港元)。貸款融資業務於截至二零二三年十二月三十一日止年度的毛利率為100%(二零二二年: 100%), 因為貸款融資業務產生收入的同時並無產生直接成本。

知識產權應用及產品業務的毛利約為305,000港元(二零二二年: 590,000港元), 毛利率為18.6%(二零二二年: 35.7%)。

Management Discussion and Analysis

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OTHER GAINS AND LOSSES

The Group incurred losses of approximately HK\$447,000 in other gains and losses for the year ended 31 December 2023 (2022: gains of HK\$66,221,000).

The change from gains in other gains and losses in 2022 to losses in other gains and losses in 2023 was mainly due to the fact that we recorded one-off net gain from disposal of land and buildings of approximately HK\$74,762,000 in 2022. The Group disposed of its land situated at No. 493, Dade Road, Xincheng Street, Xiuzhou District, Jiaxing City, Zhejiang Province, the PRC together with the properties located at the land in consideration for an aggregate compensation of approximately HK\$81,659,000. Net gain from disposal of land and buildings of approximately HK\$74,762,000 was recognised during the year ended 31 December 2022.

During the year, as a result of the volatile conditions of the Hong Kong stock market and the financial performance of the respective investee companies, a net fair value loss on financial assets at fair value through profit or loss of approximately HK\$1,895,000 (2022: HK\$10,111,000) was recognised from the Group's securities investments.

Fair value gain on contingent receivable in connection to acquisition of subsidiaries of approximately HK\$6,865,000 (2022: nil) was recognised during the year.

IMPAIRMENT LOSS ON GOODWILL

The Group incurred impairment loss on goodwill of approximately HK\$13,000,000 for the year ended 31 December 2023 (2022: HK\$34,632,000).

Goodwill arose on the (i) acquisition of our money lending operation in November 2016, and (ii) acquisition of our IP application and products operation in July 2022. Goodwill was the fair value of consideration exceeding the fair value of the net identifiable assets of the acquiree. Goodwill is subject to impairment review periodically.

其他收益及虧損

截至二零二三年十二月三十一日止年度，本集團其他收益及虧損於年內產生虧損約447,000港元（二零二二年：收益66,221,000港元）。

二零二二年其他收益及虧損的收益變動為二零二三年其他收益及虧損的虧損，主要由於我們於二零二二年錄得出售土地及樓宇的一次性收益淨額約74,762,000港元所致。本集團已出售位於中國浙江省嘉興市秀洲區新城街道大德路493號的土地及位於該土地的該等物業，作為補償總額為約81,659,000港元的代價。截至二零二二年十二月三十一日止年度，已確認出售土地及樓宇收益淨額約74,762,000港元。

由於年內香港股票市場的波動情況以及被投資公司各自的財務表現，以公平值計量且變動計入當期損益的財務資產的公平值虧損淨額約1,895,000港元（二零二二年：10,111,000港元）已從本集團的證券投資中確認。

年內已確認與收購附屬公司有關的或然應收款項公平值收益約6,865,000港元（二零二二年：無）。

商譽減值虧損

截至二零二三年十二月三十一日止年度，本集團產生商譽減值虧損約13,000,000港元（二零二二年：34,632,000港元）。

(i) 於二零一六年十一月收購我們的貸款融資業務及(ii) 於二零二二年七月收購我們的知識產權應用及產品業務產生商譽。商譽指代價的公平值超過被收購方可識別資產淨值的公平值。商譽須定期進行減值檢討。

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Impairment loss on goodwill for our IP application and products operation of approximately HK\$13,000,000 (2022: nil) was incurred for the year ended 31 December 2023. Recent macroeconomic, policy and industry factors resulted in a wider range of reasonably possible value-in-use outcomes for our IP application and products operation valuation. The Group has appointed an independent valuer to assess the carrying value of the IP application and products operation. The impairment test on the carrying value resulted in an impairment of approximately HK\$13,000,000 (2022: nil), as the recoverable amount as determined by a value-in-use calculation was lower than the carrying value. Our value-in-use calculation uses both historical experience and market participant views to estimate future cash flows, relevant discount rates and associated capital assumptions.

Revenue from IP application and products operation is principally derived from selling of gaming and animated characters products of self-developed IPs or IPs licensed from third party, including blind boxes, action figures, garage kits. The principal market of our IP application and products is Mainland China.

There was no impairment loss on goodwill (2022: HK\$34,632,000) for the money lending operation for the year ended 31 December 2023.

PROVISION FOR EXPECTED CREDIT LOSS ON TRADE RECEIVABLES

Provision for expected credit loss on trade receivables of approximately HK\$1,205,000 (2022: HK\$550,000) was recorded for the year ended 31 December 2023, representing an increase of approximately 119.1%. In response to the challenges faced by mainland China and Hong Kong customers, we increased the expected credit loss on trade receivables from apparel operation.

We provided impairment loss on trade receivables on individual assessment.

截至二零二三年十二月三十一日止年度，我們的知識產權應用及產品業務產生商譽減值虧損約13,000,000港元（二零二二年：無）。近期宏觀經濟、政策及產業因素導致我們的知識產權應用及產品業務估值出現範圍更廣的合理潛在使用價值結果。本集團已委任獨立估值師評估知識產權應用及產品業務的賬面值。由於以使用價值計算釐定的可收回金額低於賬面值，對賬面值進行減值測試導致發生減值約13,000,000港元（二零二二年：無）。我們的使用價值計算法使用歷史經驗及市場參與者的觀點估計未來現金流量、相關貼現率及相關資本假設。

知識產權應用及產品業務收入主要源自銷售自研知識產權或第三方授權知識產權的遊戲及動畫角色產品，包括盲盒、可動人偶、手辦模型。我們的知識產權應用及產品的主要市場為中國內地。

截至二零二三年十二月三十一日止年度，貸款融資業務並無商譽減值虧損（二零二二年：34,632,000港元）。

貿易應收款項預期信貸虧損撥備

貿易應收款項預期信貸虧損撥備約1,205,000港元（二零二二年：550,000港元）已於截至二零二三年十二月三十一日止年度入賬，增加約119.1%。為應對中國內地及香港客戶面臨的挑戰，我們已提高服飾業務的貿易應收款項預期信貸虧損。

我們已按個別評估就貿易應收款項減值虧損作出撥備。

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管理層討論及分析

PROVISION FOR EXPECTED CREDIT LOSS ON LOANS AND INTEREST RECEIVABLES

Provision for expected credit loss on loans and interest receivables of approximately HK\$14,496,000 (2022: HK\$21,196,000) was recorded for the year ended 31 December 2023, decreased by 31.6%. In assessing the provision for expected credit loss for loans and interest receivables, the Group considered (i) the loan receivables which have been past due as at 31 December 2023; (ii) the repayment history of loan and interest receivables of each borrower during the year; and (iii) the probability of default rate due to the inability of the borrowers to make repayments to the Group when due.

The provision for expected credit loss reflected deterioration of the credit status of certain borrowers. The loans and interest receivables (net of allowances) decreased by approximately 54.6%, from approximately HK\$98,163,000 at 31 December 2022 to approximately HK\$44,560,000 at 31 December 2023.

PROFIT GUARANTEE IN RELATION TO THE ADJUSTMENT TO THE CONSIDERATION FOR THE ACQUISITION OF DREAMTOYS GROUP

On 15 July 2022, the Group completed the acquisition of the entire issued share capital of Dreamtoys Inc (the “Acquisition”). Dreamtoys Inc and its subsidiaries (“Dreamtoys Group”) are principally engaged in the sales of trendy cultural products in Mainland China. The total consideration of the Acquisition was settled by way of issuance of (i) promissory note in the aggregate principal amount of HK\$4,400,000; (ii) 120,000,000 consideration shares of the Company; and (iii) 60,000,000 consideration shares of the Company subject to escrow arrangement, under which the vendor of Dreamtoys Inc. had guaranteed and undertaken that the net profit after tax of Dreamtoys Inc for the year ended 31 December 2022 (the “Profit Guarantee Period”) should not be less than RMB3,600,000 (the “Guaranteed Profit 2022”) or if the Guaranteed Profit 2022 could not be met, the Group can exercise the right to extend the Profit Guarantee Period to the year ended 31 December 2023 and net profit after tax of Dreamtoys Inc for the two years ended 31 December 2023 should not be less than RMB7,200,000 (the “Guaranteed Profit 2023”).

應收貸款及利息預期信貸虧損撥備

應收貸款及利息預期信貸虧損撥備約14,496,000港元(二零二二年:21,196,000港元)已於截至二零二三年十二月三十一日止年度入賬,減少31.6%。於評估應收貸款及利息之預期信貸虧損撥備時,本集團已考慮(i)於二零二三年十二月三十一日已逾期之應收貸款;(ii)於年內各借款人的應收貸款及利息的歷史還款記錄;及(iii)因借款人未能於到期時向本集團還款之違約率概率。

預期信貸虧損的撥備反映部分借款人信貸狀況惡化。應收貸款及利息(扣撥備)由二零二二年十二月三十一日約98,163,000港元減少約54.6%至二零二三年十二月三十一日的約44,560,000港元。

有關調整收購DREAMTOYS集團代價的溢利保證

於二零二二年七月十五日,本集團完成收購Dreamtoys Inc的全部已發行股本(「收購事項」)。Dreamtoys Inc.及其附屬公司(「Dreamtoys集團」)主要於中國內地從事銷售潮流文化產品。收購事項的總代價通過以下方式清償:(i)本金總額4,400,000港元的承兌票據;(ii)本公司代價股份120,000,000股;及(iii)本公司代價股份60,000,000股(受託管安排所限),據此Dreamtoys Inc.的賣方保證及承諾截至二零二二年十二月三十一日止年度(「溢利保證期」)Dreamtoys Inc.除稅後純利將不少於人民幣3,600,000元(「二零二二年保證溢利」),或未能符合二零二二年保證溢利,則本集團可行使將溢利保證期延長至截至二零二三年十二月三十一日止年度的權利,而Dreamtoys Inc截至二零二三年十二月三十一日止兩個年度的除稅後純利不得少於人民幣7,200,000元(「二零二三年保證溢利」)。

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As Dreamtoys Inc did not perform as expected and recorded net profit of approximately RMB3,229,000 for the year ended 31 December 2022 and net losses of approximately RMB2,928,000 for the year ended 31 December 2023 respectively, the Directors have reviewed the actual performance for the years ended 31 December 2022 and 2023 of the Dreamtoys Inc. and expected that the Dreamtoys Inc. will not meet the Guaranteed Profit 2023.

As it was expected that the Guaranteed Profit 2023 cannot be achieved by Dreamtoys Inc, the Company will (i) repurchase and cancel all the 60,000,000 consideration shares currently subject to escrow arrangement and (ii) require the vendor to return all distribution and dividends declared and paid by the Company, if any, before such repurchase, in which case the Company will carry out the share repurchase after obtaining all regulatory approval(s).

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses mainly consist of (i) staff costs and (ii) transportation costs for delivery of our products. The selling and distribution expenses were mainly incurred for our apparel operation and IP application and products operation. The selling and distribution expenses incurred in the reporting period were approximately HK\$3,033,000 (2022: HK\$1,865,000), increased by 62.6% on a year to year basis. Higher staff cost was incurred for the IP application and products operation in 2023 in order to promote our business in selling our gaming and animated characters products. As a percentage of revenue, selling and distribution expenses increased to 4.6% for the year ended 31 December 2023 from 2.1% for the year ended 31 December 2022.

由於 Dreamtoys Inc 的表現不似預期，且分別於截至二零二二年十二月三十一日止年度及截至二零二三年十二月三十一日止年度錄得純利約人民幣 3,229,000 元及虧損淨額約人民幣 2,928,000 元，董事已審閱 Dreamtoys Inc. 截至二零二二年十二月三十一日止年度及截至二零二三年十二月三十一日止年度的實際表現，並預計 Dreamtoys Inc. 將無法達到二零二三年保證溢利。

由於預計 Dreamtoys Inc. 無法實現二零二三年保證溢利，本公司將 (i) 購回及註銷所有回購 60,000,000 股目前受託管安排所限的代價股份，及 (ii) 要求賣方退還本公司於相關購回前宣派及支付之所有分派及股息（如有），在此情況下，本公司將在獲得所有監管部門批准後進行股份回購。

銷售及分銷費用

銷售及分銷費用主要包括 (i) 員工成本及 (ii) 就交付我們的產品的運輸費用。銷售及分銷開支主要產生自我們的服飾業務以及知識產權應用及產品業務。報告期內產生的銷售及分銷費用約為 3,033,000 港元（二零二二年：1,865,000 港元），按年增加 62.6%。於二零二三年，知識產權應用及產品業務產生較高員工成本，以促進我們的遊戲及動畫角色產品銷售業務。銷售及分銷費用佔收入的百分比由截至二零二二年十二月三十一日止年度的 2.1% 增加至截至二零二三年十二月三十一日止年度的 4.6%。

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ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of (i) staff costs; (ii) share-based compensation; and (iii) professional fees. The administrative expenses for the year ended 31 December 2023 were approximately HK\$67,263,000 (2022: HK\$76,290,000), decreased by 11.8%. The decrease in administrative expenses was mainly attributable to absence of lay-off expenses for the year ended 31 December 2023. In 2022, we incurred lay off expenses, which was included in staff costs, relating to relocation of production facilities from our old factory to a new factory premises in Jiaxing City, China. The decrease in administrative expenses was also attributable to the decrease in professional fees. Nonetheless, the financial impact was offset in certain degree by the increase in share-based compensation arisen from issuance of share options in the reporting period.

FINANCE COSTS

Finance costs were approximately HK\$6,318,000 (2022: HK\$3,991,000), increased by 58.3%. Finance costs were mainly the interest expenses derived from our convertible bonds and imputed interests on lease liabilities.

LOSS FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

The loss attributable to owners of the Company for the year ended 31 December 2023 was approximately HK\$93,749,000 (2022: HK\$65,895,000), representing an increase in loss attributable to the owners of the Company of 42.3%. As previously discussed, the increase in the loss attributable to owners of the Company for the year was mainly due to (i) incurrence of losses of approximately HK\$447,000 in other gains and losses for the year ended 31 December 2023 (2022: gains HK\$66,221,000) as there was no more disposal gain for 2023 after the one-off net gain from disposal of land and buildings of approximately HK\$74,762,000 in 2022, (ii) revenue decreased for the year due to difficult environment.

GOODWILL

Goodwill arose on the (i) acquisition of our money lending operation in November 2016, and (ii) acquisition of our IP application and products operation in July 2022. Goodwill was the fair value of consideration exceeding the fair value of the net identifiable assets of the acquiree.

行政開支

行政開支主要包括(i)員工成本；(ii)以股份為基礎的報酬；及(iii)專業費用。截至二零二三年十二月三十一日止年度的行政開支約為67,263,000港元（二零二二年：76,290,000港元），減少11.8%。行政開支減少主要由於截至二零二三年十二月三十一日止年度並無裁員開支所致。於二零二二年，我們將生產設施從舊廠房搬遷至中國嘉興市的新廠房，從而產生包括在員工成本在內的裁員費用。行政開支減少亦主要由於專業費用減少所致。儘管如此，該財務影響在一定程度上被於報告期間發行購股權而導致以股份為基礎的報酬增加所抵銷。

融資成本

融資成本約為6,318,000港元（二零二二年：3,991,000港元），增加58.3%。融資成本主要源自我們的可換股債券的利息開支及租賃負債的推算利息。

本公司擁有人應佔年度虧損

截至二零二三年十二月三十一日止年度，本公司擁有人應佔虧損約為93,749,000港元（二零二二年：65,895,000港元），相當於本公司擁有人應佔虧損增加42.3%。如前所述，年內本公司擁有人應佔虧損增加主要由於(i)其他收益及虧損於截至二零二三年十二月三十一日止年度產生虧損約447,000港元（二零二二年：收益66,221,000港元），原因為於二零二二年錄得出售土地及樓宇一次性收益淨額約74,762,000港元後，於二零二三年再無出售收益；(ii)年內收入因環境困難而有所減少。

商譽

(i)於二零一六年十一月收購我們的貸款融資業務，及(ii)於二零二二年七月收購我們的知識產權應用及產品業務時產生商譽。商譽乃代價的公平值超過被收購方可識別資產淨值的公平值。

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Goodwill is subject to impairment review periodically. Impairment loss on goodwill for our IP application and products operation of approximately HK\$13,000,000 (2022: nil) was incurred for the year ended 31 December 2023. Recent macroeconomic, policy and industry factors resulted in a wider range of reasonably possible value-in-use outcomes for our IP application and products operation valuation. The Group has appointed an independent valuer to assess the carrying value of the IP application and products operation. The impairment test on the carrying value which resulted in an impairment of approximately HK\$13,000,000 (2022: nil), as the recoverable amount as determined by a value-in-use calculation was lower than the carrying value. Our value-in-use calculation uses both historical experience and market participant views to estimate future cash flows, relevant discount rates and associated capital assumptions. Goodwill for our IP application and products operation was valued at approximately HK\$28,812,000 at 31 December 2023 (2022: HK\$42,543,000).

There was no impairment loss on goodwill for our money lending operation for the year ended 31 December 2023 (2022: HK\$34,632,000). Goodwill for our money lending operation was impaired to nil at 31 December 2023 (2022: nil).

INVENTORY

The Group's inventories increased by 28.5%, from approximately HK\$6,564,000 as at 31 December 2022 to approximately HK\$8,435,000 as at 31 December 2023. The inventory turnover day increased from 32 days as at 31 December 2022 to 56 days as at 31 December 2023. In 2023, certain obsolete inventories of approximately HK\$519,000 (2022: HK\$1,297,000) were impaired.

TRADE RECEIVABLES

The Group's trade receivables decreased by 18.9%, from approximately HK\$39,065,000 as at 31 December 2022 to approximately HK\$31,662,000 as at 31 December 2023. The trade receivables turnover day increased from 159 days as at 31 December 2022 to 174 days as at 31 December 2023, primarily because there were more purchase orders in 2023 derived from customers who requested for longer credit period.

商譽須定期進行減值檢討。截至二零二三年十二月三十一日止年度，我們的知識產權應用及產品業務產生商譽減值虧損約13,000,000港元（二零二二年：無）。近期宏觀經濟、政策及產業因素導致我們的知識產權應用及產品業務估值出現範圍更廣的合理潛在使用價值結果。本集團已委任獨立估值師評估知識產權應用及產品業務的賬面值。由於以使用價值計算釐定的可收回金額低於賬面值，對賬面值進行減值測試導致發生減值約13,000,000港元（二零二二年：無）。我們的使用價值計算法使用歷史經驗及市場參與者的觀點估計未來現金流量、相關貼現率及相關資本假設。於二零二三年十二月三十一日，我們的知識產權應用及產品業務產生商譽價值約為28,812,000港元（二零二二年：42,543,000港元）。

截至二零二三年十二月三十一日止年度，我們的貸款融資業務並無商譽減值虧損（二零二二年：34,632,000港元）。我們的貸款融資業務商譽於二零二三年十二月三十一日減值為零（二零二二年：零）。

存貨

本集團的存貨由二零二二年十二月三十一日的約6,564,000港元增加28.5%至二零二三年十二月三十一日的約8,435,000元。存貨週轉天數從二零二二年十二月三十一日的32天增加至二零二三年十二月三十一日的56天。於二零二三年，若干過期存貨約519,000港元（二零二二年：1,297,000港元）已減值。

貿易應收款項

本集團的貿易應收款項由二零二二年十二月三十一日的約39,065,000港元減少18.9%至二零二三年十二月三十一日的約31,662,000港元。主要由於二零二三年要求較長信貸期的客戶購買訂單增加，貿易應收款項週轉天數由二零二二年十二月三十一日的159天增加至截至二零二三年十二月三十一日的174天。

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LOANS AND INTEREST RECEIVABLES

The Group's loans and interest receivables decreased by 54.6%, from HK\$98,163,000 as at 31 December 2022 to approximately HK\$44,560,000 as at 31 December 2023. The loans receivables as at 31 December 2023 were mainly comprised of mortgage loans receivables, corporate loans receivables and personal loans receivables.

As at 31 December 2023, the Group's loans and interest receivables balance (net of loss allowance) amounted to approximately HK\$44,560,000 (2022: HK\$98,163,000), out of which an aggregate sum of approximately HK\$30,837,000 (2022: HK\$44,586,000), representing 69.2% (2022: 45.4%) of the total loans and interest receivables of the Group, was due from the five largest borrowers of the Group. The interest rates charged on all loans receivables during 2023 ranged from 8% to 24% (2022: 2.3% to 24%) per annum. As at 31 December 2023, the loan receivables had a fixed term ranging from 3 months to 24 months (2022: 3 months to 60 months).

As at 31 December 2023, loans and interest receivables of carrying amount of approximately HK\$29,316,000 (2022: HK\$73,769,000) were unsecured while remaining loans and interest receivables of carrying amount of approximately HK\$15,244,000 (2022: HK\$24,394,000) were secured by charges over certain properties in Hong Kong and personal properties such as diamonds and jewellery, and guaranteed by certain independent third parties.

As at 31 December 2023, there were 13 borrowers comprising 12 individual borrowers and 1 corporate borrower (2022: 24 borrowers comprising 18 individual borrowers and 6 corporate borrowers) for the outstanding loans and interest receivables (net of loss allowance). Loans and interest receivables carrying amount of approximately HK\$38,534,000 (2022: HK\$72,731,000) were due from individual borrowers while remaining loans and interest receivables of carrying amount of approximately HK\$6,026,000 (2022: HK\$25,432,000) were due from corporate borrowers.

應收貸款及利息

本集團的應收貸款及利息由二零二二年十二月三十一日的98,163,000港元下降54.6%至二零二三年十二月三十一日的約44,560,000港元。於二零二三年十二月三十一日，應收貸款主要包括應收按揭貸款、應收公司貸款及應收個人貸款。

於二零二三年十二月三十一日，本集團的應收貸款及利息結餘（扣除虧損撥備）約為44,560,000港元（二零二二年：98,163,000港元），其中總額約30,837,000港元（二零二二年：44,586,000港元）佔本集團應收貸款及利息總額的69.2%（二零二二年：45.4%），為應收本集團五大借款人款項。於二零二三年，所有應收貸款收取的年利率介乎8%至24%（二零二二年：2.3%至24%）。於二零二三年十二月三十一日，應收貸款的固定期限為3個月至24個月（二零二二年：3個月至60個月）。

於二零二三年十二月三十一日，賬面值約29,316,000港元（二零二二年：73,769,000港元）的應收貸款及利息為無抵押，而餘下賬面值約15,244,000港元（二零二二年：24,394,000港元）的應收貸款及利息則由質押香港若干物業以及鑽石及珠寶等個人財物作抵押，並由若干獨立第三方提供擔保。

於二零二三年十二月三十一日，未償還應收貸款及利息（扣除虧損撥備）共有13名借款人，其中包括12名個人借款人及1名公司借款人（二零二二年：24名借款人，其中包括18名個人借款人及6名公司借款人）。賬面值約38,534,000港元（二零二二年：72,731,000港元）的應收貸款及利息為應收個人借款人款項，而餘下賬面值約6,026,000港元（二零二二年：25,432,000港元）的應收貸款及利息為應收公司借款人款項。

Management Discussion and Analysis

管理層討論及分析

As at 31 December 2023, the loan and interest receivables (net of loss allowance) amounted to approximately HK\$44,560,000 (2022: HK\$98,163,000), the ageing analysis of which based on the remaining contractual maturity date and net of loss allowance is set out below:

| | | 2023 | 2022 |
|---|--------------|-----------------|----------|
| | | 二零二三年 | 二零二二年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Overdue | 到期 | 42,692 | 73,026 |
| Due within 3 months | 3個月內到期 | 1,868 | 13,345 |
| Due after 3 months but within 6 months | 3個月後但6個月內到期 | - | 11,334 |
| Due after 6 months but within 12 months | 6個月後但12個月內到期 | - | 458 |
| | | <hr/> | <hr/> |
| Total | 總計 | 44,560 | 98,163 |

於二零二三年十二月三十一日，應收貸款及利息（扣除虧損撥備）約為44,560,000港元（二零二二年：98,163,000港元），其根據剩餘合約到期日及扣除虧損撥備後的賬齡分析載列如下：

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The portfolio of the Group's financial assets at fair value through profit or loss consisted of investments in listed securities of approximately HK\$3,135,000 that were held for trading as at 31 December 2023 (2022: HK\$10,634,000) and contingent receivable in connection to acquisition of subsidiaries of HK\$9,420,000 (2022: HK\$2,555,000).

No dividend income was received by the Group from its investments in listed securities (2022: nil). As a result of the volatile conditions of the Hong Kong stock market during the year and the financial performance of the respective investee companies, a net fair value loss on financial assets at fair value through profit or loss of approximately HK\$8,760,000 (2022: HK\$10,111,000) was recognised from the Group's securities investments.

Fair value gain on contingent receivable in connection to acquisition of subsidiaries of approximately HK\$6,865,000 (2022: nil) was recognised during the year.

以公平值計量且變動計入當期損益的財務資產

於二零二三年十二月三十一日，本集團以公平值計量且變動計入當期損益的財務資產組合包含約3,135,000港元（二零二二年：10,634,000港元）持作買賣的上市證券投資及9,420,000港元（二零二二年：2,555,000港元）有關收購附屬公司的或然應收款項。

本集團並無從其於上市證券的投資取得任何股息收入（二零二二年：無）。由於年內香港股票市場的波動情況以及被投資公司各自的財務表現，以公平值計量且變動計入當期損益的財務資產的公平值虧損淨額約8,760,000港元（二零二二年：10,111,000港元）已從本集團的證券投資中確認。

年內已確認與收購附屬公司有關的或然應收款項公平值收益約6,865,000港元（二零二二年：無）。

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管理層討論及分析

The objective of the Group's investments in the listed securities in Hong Kong is to achieve profit from the appreciation of the market value of its invested securities and to receive dividend income. The Directors expect that the stock market in Hong Kong will remain volatile which may affect the performance of the Group's securities investments. The Board believes that the performance of the securities investments of the Group will be dependent on the financial and operating performance of the investee companies and the market sentiment, which are affected by factors, such as interest rate movements and performance of the macro economy. The Group will continue to adopt a conservative investment approach in its trading of listed securities in the Hong Kong stock market and closely monitor the performance of its securities investment portfolio.

TRADE PAYABLES

The Group's trade payables decreased by 56.0%, from approximately HK\$17,586,000 as at 31 December 2022 to approximately HK\$7,743,000 as at 31 December 2023. The trade payables turnover day decreased from 85 days as at 31 December 2022 to 51 days as at 31 December 2023.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2023, cash and cash equivalents amounted to approximately HK\$31,243,000 (2022: HK\$52,012,000). Total borrowing and lease liabilities of the Group as at 31 December 2023 was approximately HK\$32,908,000 (2022: HK\$31,457,000), of which approximately HK\$6,483,000 (2022: HK\$6,241,000) would be repayable within one year and all the remaining borrowing and lease liabilities of approximately HK\$26,425,000 (2022: HK\$25,216,000) would be repayable after one year.

The current ratio of the Group was approximately 4.17 as at 31 December 2023 (2022: 4.42).

本集團於香港上市證券的投資的目的是從其所投資證券的市場價值的升值中獲取利潤及收取股息收入。董事預期香港股票市場將繼續變化不定，而此可能影響本集團證券投資的表現。董事會認為，本集團證券投資的表現將取決於被投資公司的財務及營運表現以及市場情緒，而此受多項因素（如利率變動及宏觀經濟表現）所影響。本集團在其於香港股票市場買賣上市證券方面將繼續採納保守的投資方法，並密切監控其證券投資組合的表現。

貿易應付款項

本集團的貿易應付款項由二零二二年十二月三十一日的約17,586,000港元減少56.0%至二零二三年十二月三十一日的約7,743,000港元。貿易應付款項週轉天數由二零二二年十二月三十一日的85天減少至二零二三年十二月三十一日的51天。

流動資金及財務資源

於二零二三年十二月三十一日，現金及現金等值項目約為31,243,000港元（二零二二年：52,012,000港元）。於二零二三年十二月三十一日，本集團的借款及租賃負債總額約為32,908,000港元（二零二二年：31,457,000港元），其中約6,483,000港元（二零二二年：6,241,000港元），將於一年內償還，所有餘下的借款及租賃負債約26,425,000港元（二零二二年：25,216,000港元）將於一年後償還。

於二零二三年十二月三十一日，本集團的流動比率約為4.17（二零二二年：4.42）。

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管理層討論及分析

GEARING RATIO

The gearing ratio of the Group, calculated as total borrowing and lease liabilities over total equity was approximately 22.1% as at 31 December 2023 (2022: 15.0%).

CHARGE ON ASSETS

The Group did not have any pledge or charge on asset as at 31 December 2023.

As at 31 December 2022, the Group's financial assets at fair value through profit or loss of approximately HK\$10,634,000 were pledged as securities for the Group's other borrowings.

CONTINGENT LIABILITIES

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

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

FOREIGN EXCHANGE EXPOSURE

Substantial portion of the business transactions of the Group are either denominated in Renminbi ("RMB") or in Hong Kong dollars. The Board of Directors does not consider that the Group is exposed to any material foreign currency exchange risk. Therefore, no hedging instruments or any other alternatives have been used.

資產負債比率

於二零二三年十二月三十一日，本集團的資產負債比率（按借款及租賃負債總額除以總股本計算）約為22.1%（二零二二年：15.0%）。

資產抵押

於二零二三年十二月三十一日，本集團並無任何資產質押或抵押。

於二零二二年十二月三十一日，本集團的以公平值計量且變動計入當期損益的財務資產約10,634,000港元已予抵押，作為本集團其他借款的擔保。

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）。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故在整個回顧期內維持健康的流動資金狀況。本集團致力透過進行持續的信貸評估及評估其客戶的財務狀況以降低信貸風險。為管理流動資金風險，董事會緊密監察本集團的流動資金狀況，以確保本集團的資產、負債及其他承擔的流動資金結構可應付其不時的資金需求。

外匯風險

本集團大部分業務交易以人民幣（「人民幣」）或港元計值。董事會認為，本集團並無面臨任何重大外匯風險。因此，並無採取任何對沖工具或任何其他措施。

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MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

There was no material acquisition or disposal of subsidiaries and affiliated companies during the year ended 31 December 2023.

CAPITAL COMMITMENTS

As at 31 December 2023, the Group did not have any significant capital commitment (2022: nil).

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2023, the Group had a total of 73 employees (2022: 150 employees). Total staff costs (including Directors' emoluments) for the year ended 31 December 2023 were approximately HK\$42,816,000, as compared to approximately HK\$50,719,000 for the year ended 31 December 2022.

Remuneration is determined with reference to market norms as well as individual employees' performance, qualification and experience.

The Company adopted a share option scheme (the "Scheme") on 22 November 2013 whereby the Board was authorised, at its absolute discretion and subject to terms of the Scheme, to grant options to subscribe for the shares of the Company to any full-time or part-time employee of the Company or any member of the Group (the "Eligible Participant"). On 17 January 2023 the Company granted options under the Scheme to Eligible Participants to enable the Eligible Participants to subscribe for an aggregate of 168,850,000 new shares of the Company. Details of the share options granted and outstanding during the year are set out in the paragraphs "SHARE OPTION SCHEME" in this annual report.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 31 December 2023 (31 December 2022: nil).

重大收購或出售附屬公司及聯屬公司

截至二零二三年十二月三十一日止年度，概無重大收購或出售附屬公司及聯屬公司。

資本承擔

於二零二三年十二月三十一日，本集團並無任何重大資本承擔（二零二二年：無）。

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73名僱員（二零二二年：150名僱員）。截至二零二三年十二月三十一日止年度的總員工成本（包括董事酬金）約為42,816,000港元，而截至二零二二年十二月三十一日止年度約為50,719,000港元。

酬金乃參照市場標準及個別僱員的表現、資歷及經驗釐定。

本公司於二零一三年十一月二十二日採納購股權計劃（「該計劃」），據此，董事會獲授權可全權酌情，依照該計劃之條款授出可認購本公司股份之購股權予本公司或本集團任何成員公司之任何全職或兼職僱員（「合資格參與者」）。於二零二三年一月十七日，本公司根據該計劃向合資格參與者授予購股權，使其可認購合共168,850,000股本公司新股份。年內已授出及未行使之購股權詳情載於本年報「購股權計劃」各段。

日後重大投資計劃或資本資產

於二零二三年十二月三十一日，概無具體的重大投資計劃或資本資產（二零二二年十二月三十一日：無）。

Management Discussion and Analysis

管理層討論及分析

PLACING OF NEW SHARES UNDER GENERAL MANDATE

In order to raise additional capital for the Group's operation and business development, on 20 October 2023, the Company entered into a placing agreement, pursuant to which the Company conditionally agreed to place, on a best effort basis, a maximum of 400,000,000 placing shares at the placing price of HK\$0.10 per placing share (the "Placing"). The completion of the Placing took place on 5 December 2023. A total of 110,862,000 placing shares were successfully placed to not less than six placees at the placing price of HK\$0.10 per placing share. The gross proceeds from the Placing were approximately HK\$11,086,000. The net proceeds from the Placing (after deducting the placing commission for the Placing) were approximately HK\$10.9 million. The net price raised per placing share upon the completion of the Placing was approximately HK\$0.098 per placing share.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the placees and their respective ultimate beneficial owners (if any) are individual, institutional or professional investors who were (i) an independent third party, and (ii) independent of and not parties acting in concert with any persons, other placee(s) or shareholders to the effect that any Placing to such investor shall not trigger any mandatory offer under Rule 26.1 of the Takeovers Code.

As the placing shares were not fully placed, the Group has applied the net proceeds of HK\$9.1 million for repayment of outstanding liabilities and the balance of HK\$1.8 million as general working capital as per disclosure in the announcements of the Company dated 5 December 2023.

Details of the Placing were set out in the announcements of the Company dated 20 October 2023, 10 November 2023 and 5 December 2023.

FINAL DIVIDEND

The Board of Directors did not recommend any payment of a final dividend for the year ended 31 December 2023.

根據一般授權配售新股份

為籌集額外資金供本集團營運及業務發展之用，於二零二三年十月二十日，本公司訂立配售協議，據此，本公司已有條件同意按盡力基準以配售價每股配售股份0.10港元配售最多400,000,000股配售股份（「配售事項」）。配售事項之完成於二零二三年十二月五日作實。合共110,862,000股配售股份已成功配售予不少於六名承配人，配售價為每股配售股份0.10港元。配售事項之所得款項總額約為11,086,000港元。配售事項之所得款項淨額（經扣除配售事項之配售佣金後）約為10,900,000港元。配售事項完成後每股配售股份籌集的淨價約為每股配售股份0.098港元。

據董事經作出一切合理查詢後所深知、盡悉及確信，承配人及彼等各自之最終實益擁有人（如有）為個人、機構或專業投資者，其(i)為獨立第三方；及(ii)獨立於且並非與任何人士、其他承配人或股東一致行動，即向該投資者進行任何配售事項將不會觸發收購守則規則26.1項下之任何強制要約責任。

誠如本公司日期為二零二三年十二月五日之公告所披露，由於配售股份尚未悉數配售，本集團擬將所得款項淨額9,100,000港元用於償還未償還負債，以及餘額1,800,000港元用於一般營運資金。

有關配售事項之詳情載於本公司日期為二零二三年十月二十日、二零二三年十一月十日及二零二三年十二月五日之公告。

末期股息

董事會不建議派付截至二零二三年十二月三十一日止年度的末期股息。

Corporate Governance Report

企業管治報告

The Board is pleased to present the corporate governance report for the year ended 31 December 2023.

CORPORATE GOVERNANCE PRACTICES

Mission Statement

The Company aims at maintaining long-term return for all stakeholders and achieving assets growth by adoption of flexible business model and strategies. The Board and the management of the Company play an active role in the development of the Group's business model. The "Chairman's Statement" includes discussions and analyses of the Group's performance, the basis on which the Group directs to create values in the longer term and delivers the Group's objectives. Details of the Group's business performance and financial review for the reporting year are set out in the "Management Discussion and Analysis" section of this annual report.

Alignment of Culture and Business Strategy

The Company demonstrates its corporate culture in its operations and relations with its stakeholders. The Board instils a culture that promotes and maintains a high standard of integrity, openness, probity and accountability. The Directors always act with integrity, lead by example, and promote the desired culture of the Company. Such culture aligns with the core values of the Group of acting lawfully, ethically and responsibly which is continually reinforced by the Company. In order to promote and implement the purpose and core values continuously, the Board has established various internal policies and procedures e.g. anti-fraud and anti-bribery policy and whistleblowing policy, which form an integral part of creating a healthy corporate culture of the Group.

Board's evaluation of corporate culture

It is the Board's duty to ensure that the desired culture is reflected in the Company's strategy, business model and operating practices. The Board committees are adequately empowered and resourced to embed values and assess the corporate culture. They work collaboratively and report to the Board regularly to help the Board drawing insights into culture. Please see the sections below on the duties of the Board committees and the work performed by each of them during the reporting year.

董事會欣然呈上截至二零二三年十二月三十一日止年度的企業管治報告。

企業管治常規

任務宗旨

本公司旨在為所有持份者維持長期回報，並透過採取靈活業務模式與策略實現資產增長。董事會及本公司管理層在本集團發展業務模式上發揮積極作用。「主席報告書」包含本集團表現的討論及分析，是指導本集團創造長遠價值及實現本集團目標的基礎。本集團於報告年度的業務表現及財務回顧載於本年報「管理層討論及分析」一節。

文化與業務策略結合

本公司的企業文化於其營運及與持份者的關係中體現。董事會促進推廣高水準的誠信、開放、正直及問責文化。董事始終以誠信行事、以身作則，並促進達成本公司理想中的文化。此文化與本集團以符合法律、道德及盡責行事的核心價值相符，且由本公司不斷強化。為持續促進及實現此目的及核心價值，董事會已設立多項內部政策程序，例如反欺詐及反貪污政策，以及舉報政策，並構成本集團創建健康企業文化的一部分。

董事會對企業文化的評估

董事會的職責是確保本公司的策略、業務模式及營運常規中能夠反映理想中的文化。董事委員會獲賦予足夠權力及提供充足資源注入價值及評估企業文化。彼等與董事會通力合作，並定期向董事會匯報，以協助董事會對企業文化有較深入的見解。請參閱下文董事委員會的職責及彼等各自於報告年度內履行的工作。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE CODE

Save as otherwise disclosed in this annual report, the Company has complied with the principles and applicable code provisions of the Corporate Governance Code in force during 2023 (the “CG Code”) as set out in Appendix C1 (formerly known as Appendix 14) of the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year.

The Board will keep reviewing and updating its corporate governance practices from time to time to ensure compliance with legal and commercial standards. The terms of reference of the Board committees have been posted on the Company's and the Stock Exchange's websites.

CORPORATE GOVERNANCE STRUCTURE

The Board is primarily responsible for formulating strategies, monitoring performance and managing risks of the Group. At the same time, it also has the duty to enhance the effectiveness of the corporate governance practices of the Group.

Under the Board, there are four committees, namely Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee. All these Board committees perform their distinct roles in accordance with their respective terms of reference and assist the Board in supervising certain functions of the senior management.

THE BOARD AND BOARD COMMITTEES

As at the date of this report, the Board comprises 8 Directors and their respective roles are set out as follows:

EXECUTIVE DIRECTORS

LI Yang (*Chairman*)
TIN Yat Yu Carol
CHAN Ming Leung Terence
GONG Xiaohan
WONG Wai Kai Richard (was appointed on 6 October 2023)

企業管治守則

除非本年報另有披露外，本公司已於全年一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄C1（前稱為附錄十四）所載於二零二三年生效的企業管治守則（「企管守則」）的原則及適用守則條款。

董事會將不時檢討及更新該等常規，以確保遵守法定及商業標準。各董事會委員會的職權範圍已刊載於本公司及聯交所網站。

企業管治架構

董事會主要負責制定策略、監管執行及管理本集團的風險。與此同時，其亦有責任提高本集團企業管治常規的效率。

董事會下設四個委員會，即審核委員會、薪酬委員會、提名委員會及企業管治委員會。所有該等董事會委員會根據彼等各自職權範圍條款履行彼等不同職能並協助董事會監管高級管理層的若干職能。

董事會及董事委員會

於本報告日期，董事會由8名董事組成及彼等各自職能載列如下：

執行董事

李陽（主席）
田一好
陳明亮
龔曉寒
王璋楷（於二零二三年十月六日獲委任）

INDEPENDENT NON-EXECUTIVE DIRECTORS

TANG Shu Pui Simon

HON Ming Sang

LO Wing Sze

Mr. WONG Wai Kai Richard, who has been appointed as an executive Director during the reporting year, has obtained the legal advice referred to in Rule 3.09D of the Listing Rules as regards the requirements under the Listing Rules that are applicable to him as a director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 6 October 2023, and he has confirmed he understood his obligations as a director of the Company.

DUTIES OF THE BOARD AND MANAGEMENT

Duties of the Board

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives. The functions performed by the Board include but not limited to formulating the Group's business strategies, reviewing the Group's financial performance and results, deciding all significant financial and operational issues and monitoring, reviewing the Group's internal control system and corporate governance; and all other functions reserved to the Board under the Company's articles of association as amended from time to time (the "Articles").

Duties of the Management

In addition, the Board delegates to the Group's management certain functions including (i) the implementation of general daily operation and strategies approved by the Board; (ii) the implementation of internal control procedures; and (iii) ensuring compliance with relevant requirements and other rules and regulations.

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed 3 independent non-executive Directors. All of them have appropriate professional qualifications or accounting or related financial management expertise.

獨立非執行董事

鄧樹培

韓銘生

羅詠詩

王瑋楷先生於報告年度內獲委任為執行董事，已於二零二三年十月六日取得上市規則第3.09D條所述的法律意見，內容有關其作為本公司董事須遵守的上市規則規定，以及向聯交所作出虛假聲明或提供虛假信息所可能引致的後果，且其已確認其明白作為本公司董事的責任。

董事會及管理層的職責

董事會職責

董事會主要負責監督及監管管理本集團的業務事宜及整體表現。董事會制定本集團的價值及標準並確保為本集團安排所需財務及人力資源以實現其目標。董事會履行的職能包括但不限於制定本集團的業務策略、審核本集團的財務表現及業績、決定所有重大財務及經營問題以及監管、檢討本集團的內部監控系統及企業管治；及本公司不時修訂的組織章程細則（「章程細則」）下所保留董事會的所有其他職能。

管理層職責

此外，董事會授權本集團管理層的若干職能，包括(i)實施一般日常經營和經董事會批准的策略；(ii)執行內部監控程序；(iii)及確保遵守相關規定以及其他規則及規例。

根據上市規則第3.10(1)及3.10(2)條，本公司已委任3名獨立非執行董事。所有獨立非執行董事具備適當專業資格或會計或相關財務管理專長。

Corporate Governance Report

企業管治報告

Save as otherwise disclosed in this annual report, the current Board members have no financial, business, family or other material/relevant relationships with each other. All the Directors carry out their duties in good faith and in compliance with applicable laws and regulations, making decisions objectively and acting in the interests of the Company and its shareholders at all times.

The Company has received from each independent non-executive Director an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and the Board considers them independent.

Biographies of all Directors are listed in the section headed “Biographical Details of Directors and Senior Management” set out on pages 9 to 15.

CHAIRMAN AND DEPUTY CHIEF EXECUTIVE OFFICER

According to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same person. The Company deviated from such provision during the period after Mr. Cheung Ka Lung’s resignation as the deputy chief executive officer of the Company on 31 August 2023. Under the leadership of Mr. Li Yang, who continued to act as the chairman of the Board and perform the added role of the chief executive officer of the Company, the Board worked effectively and performed its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions were made in consultation with members of the Board and relevant Board committees, and there are three independent non-executive directors on the Board offering advice from independent perspectives, the Board was therefore of the view that there were adequate safeguards in place to ensure sufficient balance of powers within the Board.

BOARD MEETINGS AND GENERAL MEETINGS

The Board meets regularly for reviewing and approving the financial and operating performance of the Group, and considering and approving the overall strategies and policies of the Group. Additional meetings are held when significant events or important issues are required to be discussed and resolved.

除非本年報另有披露外，現任董事會成員彼此間並無財務、業務、家族或其他重大／相關關係。全體董事均時刻本著真誠態度並遵守適用法律及法規履行職責，並客觀地作出決策及以本公司及股東的利益為依歸行事。

本公司接獲各獨立非執行董事根據上市規則第3.13條就其獨立性作出年度確認，董事會已認可彼等的獨立性。

所有董事的履歷乃列於第9至15「董事及高級管理層履歷詳情」一節。

主席及副首席執行官

根據《企業管治守則》之守則條文第C.2.1條，主席及行政總裁的職能應予以區分，不應由同一人士擔任。自張家龍先生於二零二三年八月三十一日辭任本公司副首席執行官職務後，本公司偏離了該條文。在李陽先生的領導下，其繼續擔任董事會主席並履行本公司首席執行官的附加職責，董事會有效地運作並履行其職責並及時討論所有關鍵和適當的問題。此外，由於所有主要決策均經諮詢董事會成員及相關董事委員會後作出，且董事會有三名獨立非執行董事提出獨立意見，故董事會認為有足夠保障措施確保董事會權力平衡。

董事會會議及股東大會

董事會定期召開會議審閱及批准本集團的財務及經營表現，並考慮及批准本集團的整體策略及政策。於須討論及議決重大事件或重大問題時將舉行額外會議。

Corporate Governance Report

企業管治報告

The Company held 13 Board meetings, one independent Board committee (“IBC”) meeting, one annual general meeting (“AGM”) and one extraordinary general meeting (“EGM”) during the reporting year. The chairman also held meetings with the independent non-executive Directors without the presence of other Directors.

於報告年度內，全年本公司已舉行13次董事會會議、一次獨立董事委員會（「獨立董事委員會」）會議、一次股東週年大會（「股東週年大會」）及一次股東特別大會（「股東特別大會」）。主席與獨立非執行董事亦有舉行會議，而無其他董事出席。

The attendance record of each Director is as follows:–

各董事的出席記錄如下：

| Name of director | | Number of Board meetings attended/ eligible to attend | Number of IBC meeting attended/ eligible to attend [#] | Number of AGM attended/ eligible to attend | Number of EGM attended/ eligible to attend |
|---|-------------------------|---|---|--|--|
| 董事姓名 | | 董事會會議出席/ 合資格出席次數 | 獨立董事委員會會議出席/ 合資格出席次數 [#] | 股東週年大會出席/ 合資格出席次數 | 股東特別大會出席/ 合資格出席次數 |
| EXECUTIVE DIRECTORS: | 執行董事： | | | | |
| LI Yang (Chairman) | 李陽 (主席) | 13/13 | N/A 不適用 | 1/1 | 1/1 |
| TIN Yat Yu Carol | 田一好 | 8/13 | N/A 不適用 | 1/1 | 0/1 |
| CHEUNG Ka Lung (resigned on 31 August 2023) | 張家龍 (於二零二三年八月三十一日辭職) | 9/9 | N/A 不適用 | 1/1 | 1/1 |
| CHAN Ming Leung Terence | 陳明亮 | 13/13 | N/A 不適用 | 1/1 | 1/1 |
| GONG Xiaohan | 龔曉寒 | 13/13 | N/A 不適用 | 1/1 | 0/1 |
| WONG Wai Kai Richard (was appointed on 6 October 2023) | 王瑋楷 (於二零二三年十月六日獲委任) | 3/3 | N/A 不適用 | 0/0 | 0/0 |
| INDEPENDENT NON-EXECUTIVE DIRECTORS: | 獨立非執行董事： | | | | |
| TANG Shu Pui Simon | 鄧澍培 | 13/13 | 1/1 | 1/1 | 1/1 |
| HON Ming Sang | 韓銘生 | 13/13 | 1/1 | 1/1 | 1/1 |
| LO Wing Sze | 羅詠詩 | 12/13 | 1/1 | 1/1 | 1/1 |

[#] Established to advise the independent Shareholders on a discloseable and connected transaction

[#] 成立目的乃就須予披露及關連交易向獨立股東提供意見

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

According to the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

董事持續專業發展

根據企業管治守則，所有董事均須參與持續專業進修，以提高及更新其知識及技能，從而確保繼續在全面知悉及切合所需的情況下向董事會作出貢獻。

Corporate Governance Report

企業管治報告

Every newly appointed Director is provided with a comprehensive induction and information to ensure that he/she has a proper understanding of the Company's operations and business as well as his/her responsibilities under the relevant laws, rules and regulations.

The development and training of Directors are an ongoing process so that the Directors can perform their duties appropriately. The Directors are provided with periodic updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties. In addition, the Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills to ensure that they continue to make contribution to the Board in an informed and relevant manner.

The chart below summarises the participation of the individual Directors in continuous professional development during the year ended 31 December 2023 and up to the date of this report:

每名新獲委任董事均獲提供全面之就任須知及資料，以確保彼適當了解本公司之營運及業務以及彼於相關法律、規則及規定下之職責。

董事發展及培訓是一個持續的過程，以使董事能夠適當地履行職責。本公司定期向董事提供有關本公司表現、狀況及前景之最新資料，以便董事會整體地及每名董事均履行其職責。此外，本公司鼓勵全體董事參與持續專業發展，以提升及更新彼等之知識及技能，從而確保彼等繼續對董事會作出知情及相關貢獻。

下表概述各董事截至二零二三年十二月三十一日止年度及直至本報告日期參與持續專業發展的情況：

| Name of director 董事姓名 | Participated in continuous professional development 參與持續專業發展* |
|---|---|
| EXECUTIVE DIRECTORS: | |
| LI Yang (<i>Chairman</i>) | ✓ |
| TIN Yat Yu Carol | ✓ |
| CHEUNG Ka Lung (resigned on 31 August 2023) | ✓ |
| CHAN Ming Leung Terence | ✓ |
| GONG Xiaohan | ✓ |
| WONG Wai Kai Richard (was appointed on 6 October 2023) | ✓ |
| INDEPENDENT NON-EXECUTIVE DIRECTORS: | |
| TANG Shu Pui Simon | ✓ |
| HON Ming Sang | ✓ |
| LO Wing Sze | ✓ |

* Attend seminars/conferences/forums/briefings/workshops/programmes; and/or read materials relevant to the business, director's duties, corporate governance or regulatory updates, etc.

* 出席與業務、董事職責、企業管治或最新監管規定相關之研討會／座談會／論壇／簡介會／工作坊／課程；及／或閱讀相關之刊物。

Corporate Governance Report

企業管治報告

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors and independent non-executive Directors has entered into a service contract or a letter of appointment (as the case may be) with the Company for a period of three years.

In accordance with the Articles, one-third of the Directors are subject to retirement by rotation or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from the office and being eligible offer themselves for re-election provided that every Director shall be subject to the retirement by rotation at least once every three years. A new Director is subject to re-election by the shareholders at the first AGM after his or her appointment in accordance with the Articles.

In accordance with article 83(3) of the Articles, Mr. WONG Wai Kai Richard (who was appointed on 6 October 2023) will hold office until the next following AGM after his appointment and, being eligible, offers himself for re-election.

In accordance with article 84 of the Articles, Mr. CHAN Ming Leung Terence, Mr. GONG Xiaohan and Mr. TANG Shu Pui Simon will retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming AGM.

NOMINATION COMMITTEE

The Board established the Nomination Committee on 22 November 2013. The Nomination Committee currently consists of one executive Director, namely Mr. LI Yang and two independent non-executive Directors, namely, Mr. TANG Shu Pui Simon and Mr. HON Ming Sang. Mr. LI Yang is the chairman of the Nomination Committee.

委任及重選董事

各執行董事及獨立非執行董事已與本公司訂立服務協議或委任函（視情況而定），為期三年。

根據章程細則，三分之一的董事須輪值退任或（倘彼等數目非三名或三之倍數）最接近數目但不少於三分之一將退任並合資格膺選連任，惟各董事須至少每三年輪值退任一次。按照章程細則，新董事須於其獲委任後的首次股東週年大會上由股東重選。

根據章程細則第83(3)條，王瑋楷先生（於二零二三年十月六日獲委任）的董事任期將直至其委任後首個股東週年大會止，及彼合資格並願意膺選連任。

根據章程細則第84條，陳明亮先生、龔曉寒先生及鄧澍焯先生將於即將舉行的股東週年大會上輪流退任，及彼等均合資格並願意於該大會上膺選連任。

提名委員會

董事會已於二零一三年十一月二十二日成立提名委員會。提名委員會現時包括一名執行董事李陽先生，以及兩名獨立非執行董事即鄧澍焯先生及韓銘生先生。李陽先生為提名委員會主席。

Corporate Governance Report

企業管治報告

The main duties of the Nomination Committee include, among others:

- reviewing the structure, size and composition of the Board;
- identifying suitable and qualified individuals to join the Board;
- assessing the independence of independent non-executive Directors; and
- making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors.

During the reporting year, 2 meetings of the Nomination Committee were held and the attendance record of each committee member is as follows:-

提名委員會的主要職責包括（其中包括）：

- 審核董事會的架構、規模及組成；
- 物色合適及合資格人士加入董事會；
- 評估獨立非執行董事的獨立性；及
- 就有關委任或重新委任董事向董事會提供建議。

於報告年度內，已舉行2次提名委員會會議及各委員會成員的出席記錄如下：

| Name of director 董事姓名 | | Number of meetings attended/ eligible to attend 出席／合資格出席會議次數 |
|--------------------------|---------|--|
| LI Yang (Chairman) | 李陽 (主席) | 2/2 |
| TANG Shu Pui Simon | 鄧澍焙 | 2/2 |
| HON Ming Sang | 韓銘生 | 2/2 |

During the reporting year, the Nomination Committee performed the following work:

- reviewed the structure, size and composition of the Board with reference to the Company's board diversity policy;
- provided recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors;
- reviewed the proposed re-election of the retiring Directors at the AGM held on 9 June 2023;
- reviewed the confirmations of independence from the independent non-executive Directors; and
- after due consideration, made recommendations in respect of above reviews to the Board for approval.

於報告年度內，提名委員會已履行以下工作：

- 參考了本公司的董事會多元化政策，檢討董事會的架構、人數及組成；
- 就有關委任或重新委任董事向董事會提供建議；
- 審視於二零二三年六月九日舉行的股東週年大會上進行的退任董事重選建議；
- 審視獨立非執行董事作出的獨立性確認書；及
- 經過充分考慮後，就上述檢討向董事會提出建議以供批准。

Corporate Governance Report

企業管治報告

During the reporting year, the Nomination Committee also reviewed the implementation and effectiveness of mechanisms to ensure independent views and input are available to the Board. Taking into account the following, the Nomination Committee considered that the Company had in place mechanisms which remain effective to ensure a strong independent element on the Board:

- a sufficient number of three independent non-executive Directors representing more than one-third of the Board by (i) participating in board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct; (ii) taking the lead where potential conflicts of interests arise; (iii) serving on the audit, remuneration, nomination and corporate governance committees; and (iv) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting;
 - the Chairman holds meetings with the independent non-executive Directors at least annually without presence of other Directors providing effective platform for the Chairman to listen independent views on various issues concerning the Group; and
 - independent professional advice would be provided to independent non-executive Directors upon reasonable request to assist them to perform their duties to the Company.
- 於報告年度內，提名委員會亦審視該等機制的實施及成效，確保董事會獲取獨立意見及觀點。經考慮下列各項，提名委員會認為本公司實行的機制仍然有效，保障董事會維持強而有力的獨立元素：
- 維持充裕人數為三名獨立非執行董事，佔董事會多於三分之一，方法為(i)參與董事會會議，在涉及策略、政策、公司表現、問責性、資源、主要任命和操守準則等議題作出獨立判斷；(ii)在出現潛在利益衝突時發揮牽頭引導作用；(iii)在審核、薪酬、提名和企業管治委員會擔任職務；(iv)審視本公司於實現協定的企業目標及宗旨的表現，及監督表現匯報；
 - 主席每年至少與獨立非執行董事舉行一次會議（不包括其他董事），向主席提供有效聽取與本集團各項議題相關的獨立觀點的平台；及
 - 在合理要求下向獨立非執行董事提供獨立專業意見，協助彼等履行本公司的職責。

Corporate Governance Report

企業管治報告

Nomination Policy

The Board has established a set of nomination policy setting out the approach to nominate suitable candidates to the Board for it to consider and make recommendations to shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies. The criteria of nomination have been considered from a number of aspects, including but not limited to, skills, experience, qualifications and other aspects as detailed in the board diversity policy.

During the reporting year, the Company reviewed its nomination policy for a formal, considered and transparent procedure to help identifying and nomination of candidates for Directors. All valid nomination of candidates, accompanied with biographical details, would be presented to the Board for consideration. Consideration would be given to factors such as the candidate's integrity, experience and qualifications relevant to the Group's business. It is believed that members of the Nomination Committee collectively have required relevant knowledge and skills to identify, invite and evaluate individuals nominated for directorships.

The process of our appointment and re-election of Directors are as follows:

Potential new Directors are identified and considered for appointment at any time by the Board upon recommendation of the Nomination Committee. Nomination Committee considers the candidates based on merit having regard to the knowledge, experience, skills and expertise as well as the overall board diversity which, in the opinion of the Directors, will enable them to make positive contributions on the performance of the Board and makes recommendations to the Board as appropriate. Emoluments of new Directors will be considered by the Remuneration Committee.

Board Diversity Policy

The Board has established a set of board diversity policy setting out the approach to achieve diversity on the Board with the aims of enhancing the Board's effectiveness and corporate governance as well as achieving our business objectives and sustainable development. Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, required expertise, skills, knowledge and length of service.

董事會提名政策

董事會已制定董事會提名政策，載列董事會提名適當人選，以供董事會考慮及向股東推薦於股東大會上選任為董事，或供董事會委任為董事以填補臨時空缺。適當人選從多個層面加以考慮，包括但不限於技能、經驗、專業、資質及詳列於董事會成員多元化政策的其他層面。

於報告年度內，本公司已審閱其提名委員會政策，以一套正式、經考慮及透明的程序助於識別及提名董事的候選人。所有候選人之合資格提名連同彼等詳細履歷，將提呈董事會以供審閱。審閱會就候選人之品格、與本集團業務相關之經驗及資歷等因素作出考慮。本公司相信提名委員會成員均擁有相關之知識及技能，以物色、邀請及評估個別人士被提名為董事。

委任新董事及重新委任的程序如下：

董事會於提名委員會建議後隨時識別潛在新董事及考慮委任。提名委員會根據董事認為其知識、經驗、技能及專長以及整體董事會多元化將令彼等對董事會之表現作出積極貢獻的優點考量候選人，並於適當時向董事會提供推薦意見。新董事之薪酬將由薪酬委員會考慮。

董事會多元化政策

董事會已制定董事會多元化政策，載列令董事會達致多元化之方針，旨在提升董事會效率及企業管治，實現業務目標及可持續發展。董事會成員多元化從多個層面加以考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、所需專才、技能、知識及服務年期。

Corporate Governance Report

企業管治報告

The Board currently consists of a diverse mix of Board members appropriate to the business needs of the Company, whose backgrounds are briefly set out below:

董事會目前由多元化董事會成員組成，切合本公司的業務需要，其背景概括如下：

| | | | |
|--|--|---------------------------------------|---|
| Designation | Executive Director Independent non-executive Director | 委任 | 執行董事 獨立非執行董事 |
| Skills, knowledge and professional experience <small>(Note)</small> | Accounting Business Development Compliance Corporate Finance Corporate Management Entrepreneurial Finance Financial Management Legal Trading Sales and Marketing Strategic Planning | 技能、知識及專業經驗 <small>(附註)</small> | 會計 企業發展 合規 企業融資 企業管理 創業 金融 金融管理 法律 貿易 銷售及營銷 戰略計劃 |
| Gender | Female Male | 性別 | 女性 男性 |

Note: Directors may possess multiple skills, knowledge and professional experience.

附註：董事或擁有多項技能、知識及專業經驗。

A summary of the gender statistics in the workforce of the Group for the reporting year is disclosed in the Environmental, Social and Governance Report of the Company. At present, the Group does not set any targets for achieving gender diversity in the workforce. Nevertheless, the Group's policies on human resources in the recruitment and promotion of employees would ensure candidates or employees are assessed based on objective factors such as their skills, knowledge, experience and performance, irrespective of their respective gender, race or religion, with the aim of facilitating a fair and equal working environment and opportunities.

於報告年度本集團的員工團隊的性別數據概要於本公司的環境、社會及管治報告中披露。本集團目前並無就員工團隊實現性別多元化設立任何目標。儘管如此，本集團在僱員招聘及晉升方面的人力資源政策確保僱員人選或僱員乃根據技能、知識、經驗及表現等客觀因素而進行評估，不問其性別、種族或宗教信仰，藉此促進公平平等的工作環境和機會。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The Board established the Remuneration Committee on 22 November 2013. The Remuneration Committee currently consists of one executive Director, namely Mr. LI Yang and two independent non-executive Directors, namely, Mr. TANG Shu Pui Simon and Mr. HON Ming Sang. Mr. TANG Shu Pui Simon is the chairman of the Remuneration Committee.

The main duties of the Remuneration Committee include, among others:

- formulating remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, time commitment, employment conditions, and responsibilities, and individual performance of the Directors and senior management;
- ensuring that no Director or any of their associates is involved in deciding that Director's own remuneration; and
- reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

薪酬委員會

董事會已於二零一三年十一月二十二日成立薪酬委員會。薪酬委員會現時包括一名執行董事李陽先生，以及兩名獨立非執行董事即鄧澍煒先生及韓銘生先生。鄧澍煒先生為薪酬委員會主席。

薪酬委員會的主要職責包括(其中包括)：

- 制定薪酬政策供董事會批准，薪酬政策將考慮若干因素，例如可資比較公司所付薪金、彼等投放的時間、聘用條件及職責，以及董事及高級管理的個別表現；
- 確保概無董事或任何彼等的聯繫人參與釐定該名董事自身的薪酬；及
- 審閱及／或批准上市規則第十七章所述有關股份計劃的事宜。

Corporate Governance Report

企業管治報告

During the reporting year, 3 meetings of the Remuneration Committee were held and the attendance record of each committee member is as follows:

於報告年度內，已舉行3次薪酬委員會會議及各委員會成員的出席記錄如下：

| Name of director 董事姓名 | Number of meetings attended/ eligible to attend 出席／合資格出席會議次數 |
|--|--|
| TANG Shu Pui Simon (<i>Chairman</i>) 鄧澍培 (主席) | 3/3 |
| LI Yang 李陽 | 3/3 |
| HON Ming Sang 韓銘生 | 3/3 |

During the reporting year, the Remuneration Committee performed the following work:

於報告年度內，薪酬委員會已履行以下工作：

- reviewed the performance of the Directors and senior management, and made recommendations as to their discretionary bonus and remuneration package;
 - reviewed the remuneration policy and annual bonus policy;
 - provided recommendations to the Board in respect of remuneration of executive directors and senior management, including grant of share options; and
 - reviewed the terms of the new share option scheme before the Company's adoption on 9 June 2023;
 - after due consideration, made recommendations in respect of above reviews to the Board for approval.
- 檢討董事及高級管理層的表現，並建議彼等之酌情花紅及薪酬組合；
 - 檢討薪酬政策及年度花紅政策；
 - 就執行董事及高級管理人員的薪酬待遇，包括授出購股權，向董事會提供建議；及
 - 在本公司於二零二三年六月九日採納新購股權計畫前，審閱新購股權計畫的條款；
 - 經過充分考慮後，就上述檢討向董事會提出建議以供批准。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE COMMITTEE

The Board established the Corporate Governance Committee on 22 November 2013. The Corporate Governance Committee currently consists of one executive Director, namely Mr. LI Yang and two independent non-executive Directors, namely, Mr. TANG Shu Pui Simon and Mr. HON Ming Sang. Mr. LI Yang is the chairman of the Corporate Governance Committee.

The main duties of the Corporate Governance Committee include, among others:

- developing and reviewing the Group's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- reviewing the Group's compliance with the CG Code and disclosure in the Corporate Governance Report.

企業管治委員會

董事會已於二零一三年十一月二十二日成立企業管治委員會。企業管治委員會現時包括一名執行董事李陽先生，以及兩名獨立非執行董事即鄧樹培先生及韓銘生先生。李陽先生為企業管治委員會主席。

企業管治委員會的主要職責包括（其中包括）：

- 制定及檢討本集團的企業管治政策及常規並向董事會提供推薦建議；
- 檢討及監察董事及高級管理層的培訓及持續專業發展；
- 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察僱員及董事適用的操守準則及合規手冊（如有）；及
- 檢討本集團遵守企管守則及披露企業管治報告。

Corporate Governance Report

企業管治報告

During the reporting year, one meeting of the Corporate Governance Committee was held and the attendance record of each committee member is as follows:

於本報告年度內，已舉行一次企業管治委員會會議及各委員會成員的出席記錄如下：

| Name of director 董事姓名 | | Number of meetings attended/ eligible to attend 出席／合資格出席會議次數 |
|--------------------------|---------|--|
| LI Yang (Chairman) | 李陽 (主席) | 1/1 |
| TANG Shu Pui Simon | 鄧樹培 | 1/1 |
| HON Ming Sang | 韓銘生 | 1/1 |

During the reporting year, the Corporate Governance Committee performed the following work:

於報告年度內，企業管治委員會已履行以下工作：

- | | |
|--|---|
| <ul style="list-style-type: none"> - reviewed and monitored the policies and practices of the Group on corporate governance; | <ul style="list-style-type: none"> - 檢討及監察本集團的企業管治政策及常規； |
| <ul style="list-style-type: none"> - approved the Corporate Governance Report and the Environmental, Social and Governance Report of the Company for the year then ended; | <ul style="list-style-type: none"> - 批准本公司截至該日止年度之《企業管治報告》及《環境、社會及管治報告》； |
| <ul style="list-style-type: none"> - reviewed and monitored the training and continuous professional development of Directors; and | <ul style="list-style-type: none"> - 檢討及監察董事的培訓及持續專業發展；及 |
| <ul style="list-style-type: none"> - after due consideration, made recommendations in respect of above reviews to the Board for approval. | <ul style="list-style-type: none"> - 經過充分考慮後，就上述檢討向董事會提出建議以供批准。 |

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

The Board established the Audit Committee on 22 November 2013. The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. TANG Shu Pui Simon, Mr. HON Ming Sang and Ms. LO Wing Sze. Mr. HON Ming Sang is the chairman of the Audit Committee.

The main duties of the Audit Committee include, among others:

- monitoring the integrity of the Company's financial statements, annual and interim financial reports, and to review significant financial reporting judgments and accounting policies contained therein;
- satisfying themselves as to the effectiveness of the risk management and internal control systems of the Group and as to the adequacy of the external and internal audits;
- making recommendation to the Board on the appointment, re-appointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor; and
- reporting the findings and making recommendations to the Board on a regular basis.

During the reporting year, 2 meetings of the Audit Committee were held and the attendance record of each committee member is as follows:

Name of director

董事姓名

TANG Shu Pui Simon
HON Ming Sang
LO Wing Sze

鄧澍培
韓銘生
羅詠詩

審核委員會

董事會已於二零一三年十一月二十二日成立審核委員會。審核委員會現時包括三名獨立非執行董事，即鄧澍培先生、韓銘生先生及羅詠詩女士。韓銘生先生為審核委員會主席。

審核委員會的主要職責包括（其中包括）：

- 監管本公司財務報表、年度及中期財務報告的完整性，並審閱其中所載重大財務報告判斷及會計政策；
- 促使本集團風險管理及內部監控系統的有效性以及外部與內部審核的充足性達到自己滿意的水平；
- 負責向董事會就委任、重新委任及罷免外聘核數師提供推薦意見並批准外聘核數師的薪酬及委聘條款；及
- 定期向董事會報告結果及提供推薦建議。

於本報告年度內，已舉行2次審核委員會會議及各委員會成員的出席記錄如下：

Number of meetings attended/ eligible to attend

出席／合資格出席會議次數

2/2
2/2
2/2

Corporate Governance Report

企業管治報告

During the reporting year, the Audit Committee performed the following work:

- reviewed the re-appointment and remuneration of BDO Limited as the Group's auditor;
- reviewed the Group's risk management and internal control systems;
- reviewed the annual and interim financial statements, reports, and results announcement of the Group prior to publication;
- reviewed a connected transaction; and
- after due consideration, made recommendations in respect of above reviews to the Board for approval.

於報告年度內，審核委員會已履行以下工作：

- 檢討本集團核數師香港立信德豪會計師事務所有限公司的重聘及薪酬；
- 檢討本集團風險管理及內部監控系統；
- 於刊發前審閱本集團的年度及中期財務報表、報告及業績公告；
- 審議一項關聯交易；及
- 經過充分考慮後，就上述檢討向董事會提出建議以供批准。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the consolidated financial statements of the Group for the year ended 31 December 2023, which give a true and fair view of the state of affairs of the Company and the Group's results and cash flows for the year then ended and was properly prepared on a going concern basis in accordance with the applicable statutory requirements and accounting standards.

The Directors were not aware of any material uncertainties which may affect the Group's business or cast significant doubt upon the Group's ability to continue as a going concern.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 (formerly known as Appendix 10) of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. The Company has confirmed, having made specific enquiry with each of the Directors, that all the Directors have complied with the Model Code throughout the year.

董事就財務報表的責任

董事知悉彼等編製本集團截至二零二三年十二月三十一日止年度的綜合財務報表的責任，為真實及公平反映截至該日止年度的本公司事務狀況及本集團的業績及現金流量，並根據適當法定要求及會計標準按持續經營為基礎妥為編製。

董事並不知悉可能影響本集團業務或對本集團持續經營能力產生疑問的重大不明朗因素。

董事之證券交易

本公司已採納上市規則附錄C3（前稱為附錄十）所載上市發行人董事進行證券交易的標準守則（「標準守則」）作為董事買賣本公司證券的行為守則。本公司經各董事作出特定查詢後確認，所有董事全年已遵守標準守則。

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The Board has also adopted written guidelines based on the Model Code for relevant employees of the Group in respect of their dealings in the Company's securities.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group highly values the importance of internal control and risk management for the smooth running of its business. The Board is responsible for maintaining sound and effective risk management and internal control systems in order to safeguard the interests of the shareholders and the assets of the Company against unauthorised use or disposition, ensuring maintenance of proper books and records for the provision of reliable financial information, and ensuring compliance with the relevant rules and regulations.

The process used by the Group to identify, evaluate and manage significant risks are twofold:

Internally, the Corporate Governance Committee closely monitors the effectiveness of the Group's risk management and internal control systems and reports to the Board regularly. The Corporate Governance Committee shall report to the Board immediately once any non-compliance issues are noted.

Externally, the Company engages an independent external professional firm to perform the internal audit function, who is responsible for carrying out the analysis and independent appraisal of the adequacy and effectiveness of the Group's risk management and internal control systems.

Below is a specific disclosure of the credit risk assessment policy and internal control procedures of the Group's money lending business:

Credit Risk Assessment Policy & Internal Control Procedures

The Company's money lending business has been conducting through its wholly-owned subsidiary, Delta Wealth Finance Limited ("Delta"), and it focuses on individual consumer and small business markets in Hong Kong.

董事局亦根據標準守則採納本集團相關僱員買賣本公司證券之書面指引。

風險管理及內部監控

本集團高度重視內部監控及風險管理對其業務順利營運的重要性。董事會負責維持健全有效的風險管理及內部監控系統以保障股東權益及本公司資產免受未授權使用或處置，確保保存適當賬簿及記錄以提供可靠財務資料及確保遵守相關規則及規例。

本集團用於辨認、評估及管理重大風險的程序有個兩層面：

內部方面，企業管治委員會緊密監控本集團風險管理及內部監控系統的有效性並定期向董事會報告。企業管治委員會在注意到任何不合規問題後將立刻向董事會報告。

外部方面，本公司委託了一家獨立的外部專業公司證提供方執行內部審核功能，負責對本集團的風險管理及內部監控系統的足夠性和有效性作出分析及獨立評估。

以下是本集團貸款融資業務的信貸風險評估政策及內部監控程序之具體的披露：

信貸風險評估政策及內部監控程序

本公司之貸款融資業務乃透過其全資附屬公司融富財務有限公司（「融富」）而進行，其專注於香港的個人消費者 and 小型企業市場。

Corporate Governance Report

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Delta undergoes the following general procedures in assessing loan applications:

- (A) Obtaining identity proof
- (B) Obtaining address proof
- (C) Repayment ability assessment
- (D) Credit worthiness assessment

Based on the above procedures, the Company considers that the credit risk and the risk of breaching the relevant laws and regulations in connection with anti-money laundering or antiterrorist financing are relatively low. Nonetheless, the Company has in place all necessary measures to mitigate the risk of money laundering or terrorist financing risk of potential customers' businesses, such as the nature and details of the business/occupation/employment of the potential customer; the anticipated level and nature of the activity; location of potential customer; the expected source and origin of the funds; and the initial and ongoing source(s) of wealth or income.

Furthermore, for guarantors who provide personal/corporate guarantee in favour of a loan, where applicable, are also required to meet the same basic eligibility and approval criteria as the borrower of loans, and will be required to go through the same verification and approval procedures. In case where loans are secured over certain properties in Hong Kong or personal assets such as diamonds and jewelries, the Company would engage independent third parties such as legal advisors to investigate on the title deeds of the properties and for personal assets charged, certificates of authenticity are requested for verification.

After credit assessment and review of the loan applications, with the loan terms determined (having taken into consideration factors such as the credit risks of the customers, their recoverability and the prevalent market interest rates), loan documents will be prepared by the finance manager and the loans will be recommended to the executive Director in charge of the Group's money lending business for review prior to reporting to the Board or approval (as the case may be). Ms. Tin Yat Yu Carol, being an executive Director and the sole director of Delta, is responsible for the approval of loans in relatively smaller amount, and reporting the same to the Board.

以下是融富評估貸款申請的一般程序：

- (A) 取得身份證明
- (B) 取得地址證明
- (C) 還款能力評估
- (D) 信貸評估

基於上述程序，本公司認為信貸風險及違反與反洗錢或反恐怖分子資金籌集有關的相關法律法規的風險較低。儘管如此，本公司已採取一切必要措施減輕潛在客戶業務的洗錢或恐怖分子資金籌集風險，例如潛在客戶的業務／職業／僱傭的性質及詳情；活動預期水平及性質；潛在客戶位置；資金的預期來源及源頭；以及財富或收入的初始及持續來源。

此外，為貸款提供個人／企業擔保的擔保人（如適用）亦需滿足與貸款借款人相同的基本資格及批准標準，並需經過相同的審核及批准程序。對於以香港若干物業或個人資產（例如鑽石及珠寶）為抵押的抵押貸款，本公司將聘請獨立第三方（例如法律顧問）調查該等物業的業權契據，就所抵押的個人資產而言，要求需真實性證明以供核實。

對貸款申請進行信貸評估及審查並釐定貸款條款（經考慮客戶的信貸風險、其可收回性及現行市場利率等因素）後，財務經理將準備貸款文件，在向董事會申報或批准（視情況而定）前，貸款將推薦予負責本集團貸款融資業務的執行董事審查。田一妤女士作為本公司的執行董事及融富的唯一董事，負責批准金額較少的貸款，並向董事會申報。

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Delta would report the potential loan(s) to the Company and its Board of Directors for the consideration by its members, if it is of larger amount (i.e. by assessment of size tests under chapter 14 of the Listing Rules, may constitute a discloseable transaction or above), in which case, such potential loan(s) shall be reported to the Board for discussion and approval, the Directors (including the independent non-executive Directors) shall then consider whether such loans are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. Moreover, for any potential loan(s) which may involve connected person(s) as defined under chapter 14A of the Listing Rules, such loan(s) will be reported to the Board immediately for assessment with respect to size tests and assessment by the Board as elaborated above.

Last but not least, Delta would conduct regular review and carry out follow up actions (on a monthly and continuing basis) in respect of overdue amounts to minimise the Group's exposure to credit risk and follow up closely with its customers as to the deadlines in payment of interest of the loans. An aging analysis of the debtors would be prepared on a monthly basis and would be closely monitored to minimise any credit risk associated with these debtors. Status of Delta's loan portfolio would be reported to the Board on a monthly basis, such that the Board may closely monitor the loan portfolio and continue to adopt risk control and management strategies while broadening the customer base.

Delta has standard procedures in dealing with default in payment. In case there are any minor defaults, its management will send reminder and/or demand letters to its customers. In case the default for loans persists (i.e. delay in repayment has exceeded for three months or above), the collection procedure will commence and Delta will engage lawyers in advising on the loan, its recovery and enforcement action.

Please refer to the Company's announcement dated 1 September 2022 for more details.

融富向本公司及其董事會報告潛在貸款，以供其成員考慮，倘金額較大（即根據上市規則第十四章的規模測試評估可構成須予披露交易或以上），在此情況下，有關潛在貸款將向董事會以供討論及批准，董事（包括獨立非執行董事）其後考慮該等貸款是否符合正常商業條款、是否公平合理，以及是否符合本公司及其股東的整體利益。此外，對於任何可能涉及上市規則第十四A章所定義的關連人士的潛在貸款，該等貸款將立即向董事會報告，以供董事會進行上述的規模測試及評估。

最後，融富對逾期金額進行定期審查並採取跟進行動（按每月及持續基準），以盡量減少本集團面臨的信貸風險，並就支付貸款利息的最後期限與客戶密切跟進。債務人的賬齡分析按月編製，並受到密切監察以盡量減少與該等債務人相關的任何信貸風險。融富的貸款組合狀況每月向董事會匯報，以便董事會密切監察貸款組合，並在擴大客戶基礎的同時繼續採取風險控制及管理策略。

融富在處理拖欠款項方面有規範的程序。如有任何輕微違約，其管理層將向其客戶發送提醒及／或催款函。倘貸款拖欠持續（即還款逾期超過三個月或以上），將啟動催收程序，融富將聘請律師就貸款、其追討及執行行動提供意見。

詳情請參閱本公司日期為二零二二年九月一日的公告。

Corporate Governance Report

企業管治報告

Review the effectiveness of Risk Management and Internal Control Systems

For the year ended 31 December 2023, the Board conducted an annual review of its risk management and internal control systems and reviewed the reports issued by the independent external professional firm. The annual review considered the adequacy of resources, staff qualifications and experience etc. of the Group's accounting, internal audit and financial reporting functions. The main features of the Group's risk management and internal control systems include financial, operational and compliance controls. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and as such, can only provide reasonable (rather than absolute) assurance against material misstatement or loss. The risk management and internal control systems also serve to improve communication of identified risks with management, measure the impact of the identified risk and facilitate the implementation of coordinated mitigating measures.

The Board is of the view that the Group's risk management and internal control systems are effective and adequate. The Board will continue to assess the effectiveness of its risk management and internal control systems by considering reviews and recommendations made by the Corporate Governance Committee and senior management.

PROCEDURES AND INTERNAL CONTROLS FOR HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong;

檢討風險管理及內部監控系統的效力

董事會已就截至二零二三年十二月三十一日止年度的風險管理及內部監控系統進行年度審閱，審閱了由獨立外部專業公司出具的報告。年度審閱考慮了本集團在會計、內部審核及財務職能方面的資源、員工資歷及經驗等方面是否足夠。本集團風險管理及內部監控系統的主要特點，包括財務監控、運作監控及合規監控。該等系統旨在管理而非消除未能達致業務目標的風險，因此，對不會有重大的失實陳述或損失作出合理（而非絕對）的保證。風險管理及內部監控系統亦有助於加強與管理層有關已識別風險的溝通，估算已識別風險的影響及便於風險改進措施的實施。

董事會認為本集團的風險管理及內部監控系統為有效及充分。董事會將通過考慮企業管治委員會及高級管理層的觀點及所作建議，繼續評估內部風險管理及監控系統的有效性。

處理及發佈內幕消息之程序及內部監控措施

本集團確認其根據香港法例第571章證券及期貨條例及上市規則所應履行之責任，整體原則是凡涉及內幕消息，必須在有所決定後即時公佈。處理及發佈內幕消息之程序及內部監控措施如下：

- 本集團處理事務時會充分考慮上市規則項下之披露規定以及香港證券及期貨事務監察委員會發表之「內幕消息披露指引」；

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- the Group regulates the handling and dissemination of inside information to ensure inside information remains confidential until the disclosure of such information is appropriately approved. Inside information is restricted to relevant parties on a need-to-know basis so as to ensure confidentiality;
 - the Group strictly prohibits unauthorised use of confidential or inside information;
 - the Group has also implemented procedures to guard against possible mishandling of inside information within the Group including notification of regular blackout period and securities dealing restrictions to Directors and relevant employees; and
 - the Group keeps the Directors and employees apprised of the latest regulatory updates on disclosure requirements of inside information.
- 本集團規管內幕消息之處理及發佈，以確保內幕消息在獲適當批准披露前一直保密。內幕消息按照需要知曉的準則局限於相關人士知悉，以確保其保密性；
 - 本集團嚴格禁止未經授權使用機密或內幕消息；
 - 本集團亦已實施程序以防止本集團內部可能不當處理內幕消息，包括通知董事及相關僱員有關常規禁止買賣期及證券交易限制；及
 - 本集團讓本公司董事及僱員掌握有關內幕消息披露規定之最新監管資料。

DIRECTORS AND OFFICERS LIABILITY INSURANCE

Promoting good corporate governance and managing enterprisewide risk is a top priority of the Company. The Company is convinced that corporate governance and Directors and Officers Liability Insurance (the “D&O Insurance”) complement each other. The Company has arranged appropriate D&O Insurance coverage on Directors’ and officers’ liabilities in respect of legal actions against the Directors and senior management arising out from corporate activities. The D&O Insurance is reviewed and renewed annually.

COMPANY SECRETARY

The Company has engaged and appointed Ms. WONG Ka Man, a representative from an external secretarial service provider, as the company secretary of the Company. Ms. Wong has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

The primary contact person with the company secretary of the Company is the chairman of the Board and the chief financial officer of the Company.

董事及主管責任保險

促進本公司良好企業管治及管理企業整體風險乃本公司其中之首要事務。本公司相信，企業管治以及董事及主管責任保險（「董事及主管責任保險」）可相輔相成。本公司已安排適當之董事及主管責任保險，以涵蓋董事及高級管理層就企業活動而產生對董事及主管之法律訴訟責任。董事及主管責任保險獲每年檢討及續期。

公司秘書

本公司已委聘及委任黃嘉雯女士（外部秘書服務供應方代表）為本公司的公司秘書。黃女士已妥為遵守上市規則第3.29條項下的相關專業培訓規定。

本公司的公司秘書之主要聯繫人為本公司的董事會主席及財務總監。

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AUDITOR REMUNERATION

For the year ended 31 December 2023, remuneration paid/payable to the auditor of the Group is approximately HK\$1,050,000 for audit service.

CONSTITUTIONAL DOCUMENTS

Pursuant to a special resolution passed at the EGM held on 25 March 2022, the Company adopted its second amended and restated memorandum and articles of association. The latest version is available on both the websites of the Company and the Stock Exchange.

SHAREHOLDERS' RIGHTS

In accordance with the Articles, shareholders holding not less than 10% of the paid up capital of the Company can convene an EGM by written requisition to the Board or the company secretary of the Company. In addition, shareholders can raise any questions relating to published information and latest strategic plan of the Group with the Directors. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. Shareholders can also submit enquiries to the management and send proposals to be put forward at shareholders' meeting to the Board or senior management by sending e-mails to ir@vmh.com.hk.

DIVIDEND POLICY

The Company has adopted a dividend policy setting out the principles and guidelines in relation to declaration, payment or distribution of its net profits as dividends to the shareholders. The distribution of dividend will be considered and determined by the Board based on the Group's operating results, cash flow, financial position, business prospects, and statutory and regulatory restrictions relating to dividend distributions as well as other factors that the Board considers appropriate.

核數師薪酬

截至二零二三年十二月三十一日止年度，就核數服務而支付／應付予本集團核數師的薪酬約為 1,050,000 港元。

憲章文件

根據在二零二二年三月二十五日舉行的股東特別大會上通過的特別決議案，本公司已採納其第二份經修訂及重列組織章程大綱及細則。最新版本已載於本公司及聯交所網站。

股東權利

根據章程細則，持有本公司繳足股本不少於 10% 的股東可透過向本公司董事會或公司秘書提交書面要求召開股東特別大會。此外，股東可向董事提出任何有關本集團公開資料及最新策略計劃的問題。本公司鼓勵股東出席該等大會或倘彼等不能出席大會可委派代表代其出席並於大會上投票。股東亦可發送電郵至 ir@vmh.com.hk 向管理層提出問題及向董事會或高級管理層提出於股東大會上提呈之建議。

股息政策

本公司已採納股息政策，就向股東宣派、派付或派發其純利作為股息時的原則及指引。股息分派將由董事會根據本集團的經營業績、現金流量、財務狀況、業務前景，及與股息分派有關的法定及監管限制，以及董事會認為相關的其他因素考慮及釐定。

Corporate Governance Report

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INVESTOR RELATIONS

The Board recognises the importance of good communications with all shareholders. The Company believes that maintaining a high level of transparency is a key to enhance investor relations. The Company is committed to a policy of open and timely disclosure of corporate information to its shareholders and public investors.

The Company maintains various communication channels with its shareholders and the investment public to ensure that they are kept abreast of the Company's latest news and development. The Company updates its shareholders on its development, financial results and major events through its annual and interim reports. All published information is promptly uploaded to the website of the Company at www.vmh.com.hk.

The Chairman, other members of the Board and the external auditor attend the Company's annual general meeting to meet the shareholders. The Directors and management of the Company are available to answer questions and listen feedbacks from shareholders regarding the performance of the Group. The Company has reviewed its Shareholders' Communication Policy during the reporting year, and believes that the Shareholders' Communication Policy remains appropriate and effective.

投資者關係

董事會深知與全體股東保持良好溝通的重要性。本公司相信維持高透明度乃為提升投資者關係的關鍵所在。本公司承諾向其股東及公眾投資者公開且及時地披露公司資料。

本公司透過不同渠道與股東及公眾投資者通訊，以確保彼等能獲悉本公司的最新資料及發展。本公司透過其年報及中期報告為其股東提供其發展、財務業績及重大事項的更新。所有刊登資料均會快速上傳至本公司網站 www.vmh.com.hk。

主席、董事會其他成員及外聘核數師均會出席本公司的股東週年大會與股東會面。本公司董事及管理層會回應股東提出有關本集團表現的問題並聆聽其意見。於報告年度內，本公司已檢討其股東通訊政策，並相信股東通訊政策仍然適當有效。

Environmental, Social and Governance Report

環境、社會及管治報告

The Board is pleased to present this report on environmental, social and governance (“**ESG**”) which set out the Group’s support to various sustainable development efforts and ESG concepts, visions and policies during the year ended 31 December 2023 (“the **Year**”).

SCOPE OF THE REPORT

The ESG Report mainly describes the environmental and social policies of the core businesses of the Group in the PRC and Hong Kong of the PRC, comprising design, manufacturing and trading of apparel products, and money lending business. This year, the Group takes the environmental and social performance of the manufacturing plant in Jiaxing, China (“**Jiaxing Plant**”), Qingdao, China (“**Qingdao Plant**”) and three offices in Hong Kong as the disclosure focus of the environmental and social key performance indicators. For details about the Group’s corporate governance, please refer to the Corporate Governance Report on pages 31 to 54.

REPORTING PRINCIPLES

The ESG Report is compiled in accordance with the Environmental, Social and Governance Reporting Guide (“**ESG Guide**”) under Appendix C2 to the Main Board Listing Rules issued by the Stock Exchange, which applies the reporting principles of materiality, quantitative, balance and consistency.

Materiality:

The content of the ESG Report is determined based on the stakeholder engagement and materiality assessment, which covers the identification of ESG-related issues, gathering and review of the opinions from internal management and stakeholders, assessment on the relevance and materiality of the issues, and preparation and verification of the information of the ESG Report. The ESG Report provides comprehensive coverage of the key ESG issues of concern to the Group’s stakeholders.

Quantitative:

The Group has disclosed the quantitative environmental and social key performance indicators (“**KPI**”) in the ESG Report. The criteria, methods, reference and conversion factors used to calculate the KPIs are stated to enable stakeholders to have a comprehensive understanding of the Group’s ESG performance.

董事會欣然呈上本環境、社會及管治（「**ESG**」）報告，闡述本集團截至二零二三年十二月三十一日止年度（「**本年度**」）內支持可持續發展的各項工作，以及在ESG方面的理念、願景及政策。

報告範圍

ESG報告主要闡述本集團在中國及中國香港的核心業務之環境及社會政策，包括服飾產品的設計、製造及貿易，以及貸款融資業務。本集團於本年度以位於中國嘉興（「**嘉興廠房**」）、中國青島「（**青島廠房**）」的生產廠房及三個位於香港的辦公室之環境表現及社會表現，作為本年度環境及社會關鍵績效指標的披露重點。有關本集團企業管治的詳情，請參閱第31至54頁的企業管治報告。

匯報原則

ESG報告乃根據聯交所頒佈的《主板上市規則》附錄C2《環境、社會及管治報告指引》（「**ESG指引**」），並應用重要性、量化、平衡及一致性的匯報原則所編寫。

重要性：

本ESG報告的內容乃根據持份者參與及重要性評估而釐定，涵蓋ESG相關事宜的識別、內部管理層及持份者意見的收集及審閱、有關事宜的相關性及重要性評估以及ESG報告資料的編製及核實。本ESG報告全面涵蓋本集團持份者所關注的主要ESG事宜。

量化：

本集團已於本ESG報告中披露了量化的環境及社會關鍵績效指標（「**關鍵績效指標**」）。呈列計算關鍵績效指標的標準、方法、參考及換算因素可讓持份者全面了解本集團的ESG表現。

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Consistency:

The Group uses consistent reporting and calculation methods so far as reasonably practicable and details the significant changes in methodologies in relevant sections to facilitate the comparison of ESG performance between years.

COMMENT AND FEEDBACK

We value your views on this report, and please email any comment or suggestion on the report to: info@vmh.com.hk.

ESG MANAGEMENT APPROACH

The Group is committed to the implementation of corporate goals and visions as well as the active fulfillment of social responsibilities. We have developed ESG management approach to benefit all stakeholders, contribute to society and protect the environment under the principle of sustainable development. In the meantime, the Group values the opinions of different stakeholders, which are taken as the basis for the development of our sustainable development policies. We are committed to communicating with stakeholders in a diversified way, understanding and trying our best to respond to their expectations and requirements, so as to improve our performance in ESG.

GOVERNANCE FRAMEWORK OF ESG

For the sake of effective top-down implementation of sustainable development strategy, the Group has developed an independent internal control and risk management framework with the Board, deputy chief executive officer and senior management of the Company as the core. Moreover, we will review and adjust relevant sustainable development policies from time to time to understand and meet the expectations and needs of different stakeholders.

一致性：

為方便比較各年度的ESG表現，本集團於合理實際情況下使用相同的報告及計算方法，並詳細記錄於相關部分的方法中出現之重大變動。

意見及反饋

我們重視您的看法，若閣下對此報告有任何意見或建議，歡迎發送電郵至以下郵箱：info@vmh.com.hk。

ESG 管理方針

本集團致力實踐企業目標與願景，積極履行社會責任。我們已制定ESG的管治架構及管理方針，以有效提升本集團的ESG管理成效及可持續發展的表現，務求讓各持份者受惠，貢獻社會及保護環境。同時，本集團重視不同持份者的意見，以此為制定可持續發展政策的基礎。我們致力以多元化的方式與持份者溝通，了解並盡力回應其期望與要求，以提升我們的ESG表現。

ESG 管治架構

為了有效地由上而下實施可持續發展策略，本集團制定的獨立內部監控及風險管理架構以本公司董事會、副首席執行官及高級管理層作為核心。我們會不時檢討及調整可持續發展的政策，以了解及滿足不同持份者的期望與需要。

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The ESG governance framework of the Group is as follows:

本集團的ESG管治架構如下：

| | |
|---|---|
| <p>Board of Directors</p> <ul style="list-style-type: none"> Developing and approving the Group's development and business strategies, policies, annual budget and business plan; Reviewing, tackling and reporting all environmental and social issues under the subject areas and aspects of the ESG Guide; Overseeing the Group's execution and performance of ESG related matters; and Making timely adjustments to the Group's strategies. | <p>董事會</p> <ul style="list-style-type: none"> 制定及審批本集團之發展及業務策略、政策、年度預算及業務方案； 審閱、解決及匯報在ESG指引下所有環境及社會事宜的範疇和層面； 監督本集團於ESG相關事宜上的執行及表現；及 及時調整本集團的策略。 |
| <p>Deputy Chief Executive Officer</p> <ul style="list-style-type: none"> Executing the duties entrusted by the Board, including the overall strategies and approach on operational, financial, environmental and social issues and obligations; Analysing and establishing key performance indicators; and Coordinating with the objectives, visions and policies of the Group to carry out supervision and continual actions. | <p>副首席執行官</p> <ul style="list-style-type: none"> 執行董事會委以的職責，包括有關營運、財務、環境、社會事宜與義務之整體策略及方針； 分析及建立關鍵績效指標；及 配合本集團的目標、願景與政策作出監管及持續行動。 |
| <p>Senior Management</p> <ul style="list-style-type: none"> Leading and supervising the implementation of sustainable development objectives and policies of the Group; Formulating and executing ESG policies; Keeping track and reporting to the Board of emerging market trends regarding ESG-related issues that may potentially impact the Group's business operations; Overseeing, reviewing and discussing the content and quality of the annual ESG Report, and presenting the ESG Report to the Board; and Informing the Board of the Group's development in ESG performance, visions and strategies through Board meetings. | <p>高級管理層</p> <ul style="list-style-type: none"> 領導及監督本集團可持續發展目標和政策的實踐； 制定及執行ESG政策； 就ESG相關事宜追蹤可能影響本集團業務營運的新興市場趨勢並向董事會報告； 監督、審閱及討論年度ESG報告的內容及質量，並向董事會提交ESG報告；及 通過董事會會議向董事會報告本集團於ESG表現、願景及策略方面的進展。 |
| <p>Business Units</p> <ul style="list-style-type: none"> Coordinating and implementing ESG policies and measures of the Group at different stages of business operations; and Collecting ESG related information and data. | <p>業務單位</p> <ul style="list-style-type: none"> 於業務營運的不同階段中協調與落實本集團ESG的政策及措施；及 收集ESG相關資料及數據。 |

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To evaluate and prioritise material ESG issues, the Group has engaged an independent ESG consulting firm in the Year to help identify material ESG issues and provide advice on its ESG performance. The consulting firm assisted in gathering and analysing the opinions of the Group's stakeholders (including the Board, senior management and employees) on ESG issues and conducted materiality assessment. The issues would be reviewed and prioritised, and those with high significance to the Group and stakeholders are considered as material. The senior management reviews and presents to the Board the results of the assessment and identifies material ESG issues of the Group.

In the aim of formulating and executing effective ESG policies and measures, the Board reviews the plans and execution of ESG-related work with respect to its targets and goals during regular meetings. The Group also shares its progress in ESG with different stakeholders, most notably through the Group's annual ESG Report. The senior management will continue to oversee ESG-related work and keep abreast of the latest ESG disclosure requirements of the Stock Exchange for the Board to lead the Group's ESG progress effectively.

為評估及優次排序重大 ESG 議題，本集團於本年度委聘獨立 ESG 諮詢公司幫助識別重大 ESG 事宜並就其 ESG 表現提供建議。該諮詢公司協助收集及分析本集團持份者（包括董事會、高級管理層及僱員）對 ESG 議題的意見，並進行重要性評估。本公司將審閱及優次排序相關議題，對本集團及持份者俱重要意義的議題會被視為重大。高級管理層審閱並向董事會提交評估結果，並識別出本集團的重大 ESG 議題。

為制定及執行有效的 ESG 政策及措施，董事會在例行會議上就其目的及目標審閱 ESG 相關工作計劃及執行情況。本集團亦與不同的持份者分享其於 ESG 方面的進展，尤其是通過本集團的年度 ESG 報告。高級管理層將繼續監督 ESG 相關工作，及時了解聯交所最新 ESG 披露要求，以便董事會有效領導本集團進行 ESG 相關工作。

Environmental, Social and Governance Report

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Stakeholders Engagement

The management and employees from various departments of the Group jointly prepare the ESG Report of the Year and assist the Group in reviewing its operating conditions. The solicitation of views from the management and other employees enables the Group to identify major issues at the environmental and social levels and make relevant disclosure and response in the ESG Report.

持份者參與

本集團的管理層及各部門僱員共同籌備本年度的ESG報告，並協助本集團檢討營運狀況。本集團透過徵求管理層及其他僱員的意見，識別環境及社會層面的主要議題，並於ESG報告中作出相關披露及回應。

| Stakeholder 持份者 | Expectations and Requirements 期望與要求 | Ways of Communication and Response 溝通與回應方式 |
|--|--|---|
| Government and Regulatory Authorities 政府與監管機構 | <ul style="list-style-type: none"> Abiding by national and regional policies, laws and regulations 遵守國家與地區政策及法律法規 Promoting local employment 帶動地方就業 Paying taxes on time 按時繳稅 | <ul style="list-style-type: none"> Timely reporting of information 適時匯報信息 Ongoing communication with regulatory authorities 持續與監管機構溝通 Inspection and supervision 檢查及監督 |
| Shareholders 股東 | <ul style="list-style-type: none"> Returns 回報 Compliant operation 合規運營 Increase in company value 提升公司價值 Improving information transparency and effective communication 提高資訊透明及有效溝通 | <ul style="list-style-type: none"> General meetings 股東大會 Company announcements 公司公告 E-mail, telephone communication and company website 電郵、電話通訊及公司網站 |
| Partners 合作夥伴 | <ul style="list-style-type: none"> Business integrity 誠信經營 Fair competition 公平競爭 Due performance of contracts 履行合約 Mutual benefit and win-win result 互利共贏 | <ul style="list-style-type: none"> Business communication 商務溝通 Communication and discussion 溝通與討論 Negotiation and cooperation 洽談合作 |

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| Stakeholder 持份者 | Expectations and Requirements 期望與要求 | Ways of Communication and Response 溝通與回應方式 |
|--|---|--|
| Customers 客戶 | <ul style="list-style-type: none"> High-quality products and services 優質產品與服務 Health and safety 健康與安全 Due performance of contracts 履行合約 Business integrity 誠信經營 | <ul style="list-style-type: none"> Customer service center and hotline 客戶服務中心和熱線 Customer communication meetings 客戶溝通會議 Social media 社交媒體 |
| Environment 環境 | <ul style="list-style-type: none"> Discharge in compliance with standards 達標排放 Energy conservation and emission reduction 節能減排 Ecological protection 生態保護 | <ul style="list-style-type: none"> Communicating with local environmental authorities 與當地環境部門交流 |
| Industry 行業 | <ul style="list-style-type: none"> Promoting industrial developments 促進行業發展 | <ul style="list-style-type: none"> Participate in industry forums 參與行業論壇 Visits and inspections 考察互訪 |
| Employees 僱員 | <ul style="list-style-type: none"> Occupational health 職業健康 Remuneration and benefits 薪酬福利 Career development 職業發展 | <ul style="list-style-type: none"> Employees communication meetings 僱員溝通會 Employee mailbox 僱員信箱 Employee activities 僱員活動 |
| Community and the General Public 社區及公眾 | <ul style="list-style-type: none"> Improving community environment 改善社區環境 Participating in public welfare undertakings 參與公益事業 Information disclosure and transparency 資訊公開透明 | <ul style="list-style-type: none"> Company announcements 公司公告 Company website 公司網站 Social media 社交媒體 |

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Materiality Assessment

To develop a clear and effective ESG management approach, the Group has conducted a materiality assessment to identify ESG issues that are important to its business and stakeholders. The materiality assessment was based on stakeholder surveys, materiality maps provided by well-known external institutions¹ and advice from the independent ESG consulting firm. The Group identified 11 material ESG issues to be discussed in detail in this report.

重要性評估

為清晰及有效地制定 ESG 管理方針，本集團已進行重要性評估，以識別對本公司業務及其持份者至關重要的 ESG 議題。重要性評估乃基於持份者調查、知名外部機構提供的重要性圖譜¹以及獨立 ESG 顧問的建議進行。本集團已識別出本報告將詳細討論的 11 項 ESG 重要議題。

Aspects

層面

Material Issues

重要議題

Environmental
環境

- Carbon Emission
碳排放
- Use of Raw Materials and Packaging Materials
原材料及包裝材料使用

Employment and Labour Practices
僱傭及勞工常規

- Employment compliance
僱傭合規
- Remuneration and benefits
薪酬福利
- Occupational health and safety
職業健康與安全
- Training and Education
培訓及教育
- Diversity and Equal Opportunity
多元化及平等機會

Operating Practices
營運慣例

- Operational Compliance
營運合規
- Customer privacy protection
客戶私隱保護
- Information Security
資料保障
- Anti-corruption
反貪污

¹ The materiality maps referenced in the materiality assessment have included the ESG Industry Materiality Map and the SASB Materiality Map produced respectively by Morgan Stanley Capital International (MSCI) and the Sustainability Accounting Standards Board (SASB).

¹ 重要性評估中引用的重要性圖譜包括分別由摩根士丹利資本國際 (MSCI) 及可持續發展會計準則委員會 (SASB) 編製的 ESG 行業重要性圖譜及 SASB 重要性圖譜。

Environmental, Social and Governance Report

環境、社會及管治報告

GREEN OPERATION

The Group adheres to the approach of “observing environmental protection regulations, raising environmental awareness, emphasizing pollution prevention, optimising resource utilisation, striving to conserve energy and reducing consumption, continuous improvement” during apparel manufacturing to shoulder the social responsibility of environmental protection. Besides, the Group strictly abides by environmental laws and regulations enacted by the country and local environmental department, including but not limited to the *Environmental Protection Law of the People's Republic of China*, *Water Pollution Prevention and Control Law of the People's Republic of China*, *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and *Law of the People's Republic of China on Promoting Clean Production*, as well as carries out close monitoring on activities with potential impact on the environment so as to have a solid grasp of the impacts of the operation on the surrounding environment, and fulfill its responsibilities and obligations of environmental protection.

During the Year, no violation of relevant environmental laws and regulations was involved or discovered by the Group.

Environmental Goals and Progress

The Group is committed to maintaining transparency and tracking progress on the various initiatives to achieve the goals we set during the Year. The table below highlights our environment-related goals in different aspects. The Group also ensures that the environmental impact of the Jiaxing Plant and Qingdao Plant is minimised through continuous improvement and is committed to continuously monitoring the progress of its goals.

綠色營運

本集團於服飾生產過程中秉持「遵守環保法規，提升環境意識；重視污染預防，優化資源利用；努力節能降耗，持續改進提高」的方針，肩負保護環境的社會責任，並嚴格遵守國家和地方環保部門制定的環境法律及法規，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》、《中華人民共和國大氣污染防治法》、《中華人民共和國固體廢物污染環境防治法》及《中華人民共和國清潔生產促進法》。為有效掌握業務對周邊環境的影響及履行環境保護的責任與義務，本集團緊密監測生產及業務運作過程中對環境有潛在影響的活動。

於本年度，本集團並無涉及或發現任何違反環境相關法律及法規的行為。

環境目標及進展

本集團致力保持透明度及追蹤各項舉措的進展，以實現我們於本年度設定的目標。下表概述我們於不同層面的環境相關目標。本集團亦通過持續改進，確保盡量減少嘉興廠房及青島廠房對環境的影響，並致力於持續監察其目標的進展。

Environmental, Social and Governance Report

環境、社會及管治報告

| Aspects 層面 | Our Goals 我們的目標 | Section with Corresponding Measures 相應措施的章節 |
|-------------------|---|--|
| Emissions 排放物 | Reduction of greenhouse gas emissions intensity 減低溫室氣體排放密度 | Green Operation 綠色營運 Emissions Management 排放物管理 |
| Waste 廢棄物 | Hazardous and non-hazardous waste disposal in compliance 有害及無害廢棄物的合規處理 | Green Operation 綠色營運 Waste Management 廢棄物管理 |
| Water 水 | Improve the utilization efficiency of energy and water resources 提高能源及水資源的利用效率 | Use of Resources 資源使用 |
| Electricity 電力 | Improve the utilization efficiency of energy and water resources 提高能源及水資源的利用效率 | Use of Resources 資源使用 |

Environmental Management System

The Group has established an environmental management system, including but not limited to relevant systems and procedures such as environmental management, pollution control management and solid waste management. The environmental management system is composed of four parts of “planning, implementation, inspection and correction, and review”. The environmental management objectives, indicators and plans shall be strictly implemented within each department upon approval, and managers shall be responsible for supervising and inspecting the implementation of the plan. The Group also holds regular environmental management review meetings to ensure the effective implementation of environmental approaches, objectives, indicators and plans to maintain the continuous applicability, adequacy and effectiveness of the environmental management system. Environmental protection report is an important part of the environmental management review meeting, which enables the Group to understand, research and resolve major environmental issues in a timely manner.

環境管理體系

本集團設立了環境管理體系，當中包括環境管理、污染控制管理和固體廢物管理在內等的相關制度和程序。我們的環境管理體系由「規劃、實施、檢查與糾正、評審」四個部分組成。在環境管理目標、指標和方案經審批後，各部門需嚴格實施，並由管理人員負責監督和檢查方案的實施情況。本集團亦定期舉行環境管理評審會議，確保環境方針、目標、指標和方案得以有效實施，以及維持環境管理體系的適用性、充分性和有效性。環境保護工作匯報是環境管理評審會議中重要的一環，使本集團了解、及時研究及解決重大環境問題。

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The environmental management system of the Group is as follows:

本集團的環境管理體系如下：



Environmental, Social and Governance Report

環境、社會及管治報告

Emissions Management

The Group has been committed to environmental protection to reduce emission and waste during production and operation by adopting clean energy and controlling resource consumption as much as possible and has spared no effort in environmental protection over the years. Jiaxing Plant and Qingdao Plant has taken measures to reduce emissions and is committed to reducing greenhouse gas emissions. The Group also provides training on pollution prevention for employees to fulfill its environmental protection responsibilities. The daily operations of the Group are mainly located in offices and plants, and the production process only includes cutting, sewing and apparel manufacturing processes, so no significant amount of exhaust gas or other air pollutants with significant impact on the environment will be generated. In addition, the Group's exhaust gas emission was mainly derived from vehicle use. The Group conducts regular maintenance for the Company's vehicles to ensure the performance of the vehicles and ensure stable tyre pressure. In addition, the Group provides drivers with low-carbon driving training, ensures that no idling vehicles run their engines, and further reduces exhaust emissions by choosing electric or hybrid vehicles. The data of relevant exhaust emissions are as follows:

排放物管理

本集團一直致力保護環境，盡可能採用清潔能源及控制資源耗量，以減少生產和經營過程中的排放和浪費。多年來，本集團於保護環境方面一向不遺餘力。嘉興廠房及青島廠房已採取減排措施，致力降低溫室氣體排放。本集團亦為僱員提供有關預防環境污染的培訓，以履行環境保護的責任。本集團的日常營運主要位於辦公室及廠房，而生產過程只包括裁剪、縫紉、車衣等工序，因此不會產生大量廢氣或其他對環境有重大影響的空氣污染物。此外，本集團的廢氣排放主要源於車輛使用。本集團定期為本公司車輛進行保養，以確保車輛性能及輪胎氣壓穩定。此外，本集團為駕駛員提供低碳駕駛培訓，以確保停車熄匙，並選用電動或混合動力汽車，進一步減少廢氣排放。相關廢氣排放數據如下：

| Exhaust Gas Emissions ¹ 廢氣排放 ¹ | Unit 單位 | 2023 二零二三年 | 2022 二零二二年 |
|---|------------|---------------|---------------|
| Nitrogen oxides 氮氧化物 | kg 千克 | 24.91 | 35.86 |
| Sulfur oxides 硫氧化物 | kg 千克 | 0.05 | 0.11 |
| Particulates 顆粒物 | kg 千克 | 1.76 | 1.80 |

Note:

1. The calculation and emission factors used are from the Appendix II "Reporting Guidance on Environmental KPIs" (the "Appendix II") published by the Stock Exchange and the "Land Transport Enterprises - Guidelines on Greenhouse Gas Emission Accounting and Reporting (Trial)" issued by the National Development and Reform Commission (the "NDRC") of the PRC.

附註：

1. 計算方法及排放因子乃來自聯交所發佈的附錄二《環境關鍵績效指標匯報指引》(「附錄二」)及中國國家發展和改革委員會(「國家發改委」)發佈的《陸上交通運輸企業－溫室氣體排放核算方法與報告指南(試行)》。

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The greenhouse gas emission of the Group mainly comes from vehicle fuel consumption, purchased electricity consumption and employees' business air travels. The greenhouse gas emission data of the Group are as follows:

本集團的溫室氣體排放主要來自車輛燃料消耗、外購電力消耗及員工航空差旅。本集團溫室氣體排放數據如下：

| Greenhouse Gas Emission 溫室氣體排放 | Unit 單位 | 2023 二零二三年 | 2022 二零二二年 |
|--|--|---------------|---------------|
| Total greenhouse gas emissions ¹ 溫室氣體排放總量 ¹ | t CO ₂ e 噸二氧化碳當量 | 80.8 | 254 |
| Scope 1: Direct emissions ² 範圍一：直接排放 ² | t CO ₂ e 噸二氧化碳當量 | 9.1 | 24 |
| Scope 2: Energy indirect emissions ³ 範圍二：能源間接排放 ³ | t CO ₂ e 噸二氧化碳當量 | 69.4 | 198 |
| Scope 3: Other indirect emissions ⁴ 範圍三：其他間接排放 ⁴ | t CO ₂ e 噸二氧化碳當量 | 2.3 | 32 |
| Greenhouse gas emission intensity 溫室氣體排放密度 | t CO ₂ e/employee 噸二氧化碳當量／僱員 | 1.42 | 1.46 |

Note:

- Total greenhouse gas emissions are calculated in accordance with the Appendix II published by the Stock Exchange and the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for buildings (Commercial, Residential or Institutional Purpose) in Hong Kong" published by the Environmental Protection Department and the Electrical and Mechanical Services Department. The Group's greenhouse gas emissions include carbon dioxide, methane and nitrous oxide. For ease of reading and understanding, the data of greenhouse gas emissions are presented in tonnes of carbon dioxide equivalent ("t CO₂e").
- Scope 1 covers emissions from mobile combustion sources and emission reductions from tree planting. The emission factors used are from the Appendix II published by the Stock Exchange and the "Land Transport Enterprises - Guidelines on Greenhouse Gas Emission Accounting and Reporting (Trial)" issued by the NDRC of the PRC.
- Scope 2 covers emissions from electricity purchased from power companies. The emission factors used are from The Hongkong Electric Co., CLP Holdings Limited and the "Guidelines for Corporate Greenhouse Gas Emissions Accounting Methodology and Reporting Power Generation Facilities (Revised 2022)" issued by the Ministry of Ecology and Environment of the PRC.
- Scope 3 covers emissions from water treatment, waste paper disposal and employees' business air travel. The emission factors used are from the Appendix II published by the Stock Exchange, "Study on Energy Consumption of Urban Water Supply System in China" published by Tsinghua University, "Statistical analysis and quantitative identification of the law of energy consumption in urban sewage treatment plants in China" published by Tsinghua University and Nation Urban Water and Drainage Engineering Technology Research Centre, and the International Civil Aviation Organisation (ICAO) Carbon Emissions Calculator.

附註：

- 溫室氣體排放總量乃根據聯交所發佈的附錄二及環境保護署及機電工程署發佈的《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》計算。本集團的溫室氣體排放包括二氧化碳、甲烷及一氧化二氮。為便於閱讀及理解，溫室氣體排放數據乃以噸二氧化碳當量(「噸二氧化碳當量」)呈列。
- 範圍 1 涵蓋移動燃燒源排放及植樹減排。所使用的排放因子乃來自聯交所發佈的附錄二及中國國家發改委發佈的《陸上交通運輸企業 - 溫室氣體排放核算方法與報告指南(試行)》。
- 範圍 2 包括從電力公司購買電力產生的排放。所採用的排放因子乃來自香港電燈有限公司、中電控股有限公司及中國生態環境部發佈的「企業溫室氣體排放核算方法與報告指南發電設施(二零二二年修訂版)」。
- 範圍 3 涵蓋污水處理、廢紙處理及員工航空差旅產生的排放。所採用的排放因子乃來自聯交所發佈的附錄二、清華大學發佈的《中國城市供水系統能耗研究》、清華大學及國家城市給水排水工程技術研究中心發佈的《我國城市污水處理廠能耗規律的統計分析與定量識別》以及國際民用航空組織(ICAO)碳排放計算器。

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Wastewater Management

The production process of the Group only includes cutting, sewing, apparel manufacturing and other processes, so the Group does not involve the discharge of production wastewater. The discharged wastewater by the Group is mainly domestic wastewater. The domestic wastewater generated by the Jiaxing Plant and Qingdao Plant is discharged into the municipal pipelines equipped with filter facilities and treated by the wastewater treatment station to reduce the impact on the environment.

Waste Management

The Group has developed policies with regard to solid waste management, collected waste separately in various departments and working units so as to improve recycling. At the same time, the Group regularly evaluates material usage to avoid overstocking and uses recyclable ink cartridges to reduce waste generation, encourages employees to reuse paper, and reduces the use of disposable and non-recyclable products. In addition, the random stacking of solid waste is strictly prohibited, while non-hazardous and hazardous wastes that cannot be reused must be collected and handled by qualified units. With effective waste disposal strategies and policies, the Group has minimised the environmental risks and impacts caused by waste. During the Year, the non-hazardous wastes generated by the Group are mainly domestic wastes, paper, kitchen wastes and production wastes, including waste cloth and waste electric wires. 16.85 tonnes (2022: 135.56 tonnes) of non-hazardous wastes² were generated by the Group during the Year, with an average of 0.23 tonnes (2022: 1.4 tonnes) of non-hazardous wastes per employee. Moreover, the hazardous waste of our Group mainly comes from office operations, such as light tubes and ink cartridges, and the generated hazardous waste was handled by qualified collectors. During the Year, the hazardous waste³ generated by the Group was 3kg (2022: 49kg), with an average of 0.04kg (2022: 0.28kg) of hazardous waste per employee.

² The production waste is calculated based on the actual recorded weight of waste. The other non-hazardous wastes are calculated based on the volume of waste. The volume and weight unit conversion factor is derived from the United States Environmental Protection Agency and "Inquiry on the Charging Standard for Volume Measurement of Non-residential Daily Waste and Food Waste" issued by the Beijing Municipal Commission of Urban Management.

³ Hazardous waste is calculated based on the actual recorded weight of waste.

廢水管理

本集團的生產過程只包括裁剪、縫紉、車衣等工序，並不涉及生產廢水排放。本集團所排放的廢水主要為生活廢水。嘉興廠房及青島廠房所產生的生活廢水會排放至設有過濾設施的市政管線，再經由市污水處理站處理以減少對環境的影響。

廢棄物管理

本集團已制定固體廢物管理相關的政策，於各部門及車間分類收集廢物，以提高回收再用。與此同時，本集團定期評估材料使用以免堆積過量存貨，並使用可回收墨盒以減少製造廢棄物，鼓勵僱員回收用紙，並減少使用一次性及不可回收的產品。此外，我們嚴禁隨地堆放固體廢物，無法回收再用的無害及有害廢棄物都必須由合資格的單位收集處理。憑藉有效的廢物處理策略和政策，本集團將廢物引致的環境風險及影響減至最低。本年度，本集團產生的無害廢棄物主要為生活垃圾、紙張、廚房垃圾及生產廢品，包括廢布及廢電線等。本集團於本年度共產生16.85噸無害廢棄物²（二零二二年：135.56噸），平均每名僱員產生0.23噸無害廢棄物（二零二二年：1.4噸）。另外，本集團的有害廢棄物主要來自辦公室營運，如燈管及墨盒，而所產生的有害廢棄物會交由合資格收集商處理。本集團於本年度共產生3公斤（二零二二年：49公斤）有害廢棄物³，平均每名僱員產生0.04公斤（二零二二年：0.28公斤）有害廢棄物。

² 生產廢棄物乃根據實際記錄的廢棄物重量計算。其他無害廢棄物按廢棄物體積計算。體積及重量單位換算系數來源於美國環保署及北京城市管理委員會發佈的《非居民生活垃圾和餐廚垃圾容積計算收費標準查詢》。

³ 有害廢棄物乃按實際記錄的廢棄物重量計算。

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Noise Management

The Group adopts noise reduction measures on equipment that generates heavy noise to meet the emission standards of the industry for noise, including the *Emission Standard for Industrial Enterprises Noise at Boundary* (GB12348-2008), and strives to reduce the significant impact of noise on the surrounding environment. Through sealing the glasses of production units, intensifying maintenance of equipment and adjusting the shock-absorbing function of equipment, and preferentially selecting low-noise equipment, the Group has effectively controlled noise generated during the production process.

USE OF RESOURCES

The Group strives to optimise resource utilisation rate and enhance energy saving and consumption reduction so as to reduce wastage of resources and pollution. Therefore, the Group has formulated, implemented and improved resources and energy management policies and procedures to standardise and effectively use of resources thereby enhancing production efficiency. Our environmental protection approaches are published on the corporate bulletin board, meanwhile, we actively promote environmental protection to employees to enhance their awareness of environmental protection and indoctrinate the concept of energy-saving, consumption reduction, reduction of wastes at source, effective use of resources and green office. We also monitor the use of water, electricity, paper, packaging materials and other resources, thus effectively controlling the use of resources and reducing wastage. Because the water consumption and discharge of the Group's three offices in Hong Kong are solely controlled by the property management company of the building, we have no access to the water consumption data of these three offices. During the Year, the water consumption⁴ was 1,638 cubic meters (2022: 13,123 cubic meters) in total and 22.43 cubic meters (2022: 75.42 cubic meters) per employee on average. In addition, the Group did not have any issue in sourcing water that is fit for purpose during the Year.

噪音管理

為符合行業噪音排放標準，包括《工業企業廠界噪聲標準》(GB12348-2008)，本集團對產生嚴重噪音的設備採取降噪措施，致力降低噪音對周遭環境造成的重大影響。為控制生產過程中產生的噪音，本集團以玻璃封閉生產車間，加強保養設備，調整其減震功能，以及優先選用噪音低的設備。

資源使用

本集團致力優化資源利用率、加強節能降耗，減少資源浪費及污染，因此本集團制定、實施及完善資源能源管理政策與程序，以規範及有效利用資源，提高生產效益。我們在企業公告欄上張貼環保方針，同時積極向員工進行環境教育，以提升員工的環保意識，實踐節能降耗、源頭減廢、善用資源及綠色辦公的理念。我們亦會監察使用資源的情況，如水、電、紙張及包裝材料的用量，以有效控制資源使用及減少浪費。本集團位於香港的三個辦公室的耗水及排水由樓宇管理公司全權控制，因此無法收集辦公室用水的相關數據。本年度，耗水量⁴為1,638立方米(二零二二年：13,123立方米)，每名僱員的耗水量為22.43立方米(二零二二年：75.42立方米)。此外，本集團於本年度沒有求取適用水源的問題。

⁴ The water consumption is calculated based on the actual amount consumed.

⁴ 耗水量乃按實際消耗量計算。

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The Group's data on use of resources are as follows:

本集團資源使用數據如下：

| Use of Resources 資源使用 | Unit 單位 | 2023 二零二三年 | 2022 二零二二年 |
|--|--------------------------------|---------------|---------------|
| Use of Energy | | | |
| 能源使用 | | | |
| Total energy consumption 能源消耗總量 | MWh 兆瓦時 | 148 | 368 |
| Non-renewable fuel consumption ¹ 不可再生燃料耗量 ¹ | MWh 兆瓦時 | 33 | 86 |
| Purchased electricity ² 外購電力 ² | MWh 兆瓦時 | 115 | 282 |
| Energy consumption intensity 能源耗量密度 | MWh/employee 兆瓦時／僱員 | 2.03 | 2.11 |
| Packaging materials consumption | | | |
| 包裝材料使用 | | | |
| Paper consumption 紙類使用量 | tonnes 噸 | 0.11 | 7 |
| Paper consumption intensity 紙類使用密度 | kg/product quantity 千克／產品數量 | 0.001 | 0.01 |
| Plastic consumption 塑膠使用量 | tonnes 噸 | – | 0.26 |
| Plastic consumption intensity 塑膠使用密度 | kg/product quantity 千克／產品數量 | – | 0.001 |

Note:

1. Non-renewable fuel consumption is from the use of vehicle fuel, which is calculated based on the actual amount consumed. The fuel and energy unit conversion factor is derived from the "Land Transport Enterprises - Guidelines on Greenhouse Gas Emission Accounting and Reporting (Trial)" issued by the NDRC of the PRC, the Chinese National Standard GB17930-2016 "Gasoline for Motor Vehicles" and GB19147-2016 "Automobile Diesel Fuels".
2. Purchased electricity is calculated based on the actual amount consumed.
3. The Plastics in packaging materials have no consumption record in 2023, so there is no data in plastic consumption and plastic consumption intensity.

In parallel with actively developing its business, the Group also keeps in mind the concept of energy-saving, reduction of waste at source, efficient use of resources and green office. Therefore, the following measures have been adopted for our commitment to applying our environmental protection concept in our daily operation:

附註：

1. 不可再生燃料消耗量乃來自車輛燃料的使用，按實際消耗量計算。燃料及能源單位換算系數乃來源於中國國家發改委發佈的《陸上交通運輸企業溫室氣體排放核算方法與報告指南（試行）》、中國國家標準GB17930-2016《車用汽油》及GB19147-2016《車用柴油》。
2. 購買電力量乃按實際用電量計算。
3. 於二零二三年，概無包裝材料中的塑膠使用紀錄，因此並無塑膠使用量及塑膠使用密度數據。

本集團在積極發展業務的同時，亦不忘提倡節能降耗、源頭減廢、善用資源及綠色辦公的理念。我們採用了以下節能減廢措施，致力將環保理念融入日常營運中：

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| | |
|---|--|
| <p>Energy Saving and Consumption Reduction</p> <ul style="list-style-type: none"> • Monitor main energy consuming equipment and manage each department's energy consumption to avoid energy wastage; • Replace existing high energy consuming equipment with new energy efficient equipment; • Study and enhance technical standards and utilise new processes, new materials and new equipment to improve production efficiency and reduce resource consumption; • Turn off all idled energy consuming equipment; • Set the air conditioner in any office to a temperature of no lower than 26°C in summer and no higher than 23°C in winter; • Regularly organise air-conditioning inspection and maintenance to ensure the efficiency of air-conditioning; • Install light switches which allow independently controlled lighting in different lighting areas; • Use energy-saving transformer to improve power switching rate and reduce power and energy consumption; and • Train all new employees in the plant on energy saving. | <p>節能降耗</p> <ul style="list-style-type: none"> • 監測重點耗能設備及管理各部門的耗能情況以避免浪費能源； • 使用新型節能設備替代現有的高耗能設備； • 研究並提升技術標準，利用新工藝、新材料及新設備提高生產效率，減少資源消耗； • 關掉不使用的耗能設備； • 辦公室於夏季的空調溫度不得低於攝氏26度；於冬季的空調溫度不得高於攝氏23度； • 定期組織空調檢查、維修，以確保空調效能； • 在不同照明區域設立可獨立控制的照明開關； • 使用節能變壓器以提高電源轉換率，降低功耗及能耗；及 • 對廠房所有新員工進行節約用電培訓。 |
| <p>Reduction of Wastes at Source</p> <ul style="list-style-type: none"> • Adopt measures of source control, comprehensive utilisation and recycling to reduce the waste; and • Resell surplus fabric to second-hand fabric recyclers to reduce fabric disposal. | <p>源頭減廢</p> <ul style="list-style-type: none"> • 採取源頭控制、綜合利用及循環利用措施以減少產生廢棄物；及 • 將剩餘面料轉售二手布料回收商，減少面料棄置量。 |
| <p>Effective Use of Resources</p> <ul style="list-style-type: none"> • Post up environmental protection information and reminders in office to encourage employees to save water and to enhance their awareness of water-saving; • Instruct all new employees in the plant about the water-saving measures; and • Check the water use, regularly maintain valves and pipelines, and replace and repair leaking pipelines in time so as to prevent running, leaking and dripping. | <p>善用資源</p> <ul style="list-style-type: none"> • 於辦公室張貼環保信息及提醒字句，鼓勵僱員節約用水及提高節約用水意識； • 教授廠房所有新員工節約用水措施；及 • 核查用水情況，定期維護閥門及管道，並及時更換及修理洩漏管道，以杜絕跑、漏、滴現象。 |
| <p>Green Office</p> <ul style="list-style-type: none"> • Encourage employees to reuse paper and print on both sides; • Promote paperless office and communicate internally with emails instead of paper documents; • Reuse office stationary; • Separately collect classified office wastage for recycling; • Encourage employees to use public transport; and • Use video conferencing to replace non-essential business trips. | <p>綠色辦公室</p> <ul style="list-style-type: none"> • 鼓勵員工使用循環再用紙及採用雙面印刷； • 推行無紙化辦公，以電郵方式取代發放紙張文件作內部溝通； • 重複使用文儀用品； • 分類收集辦公室廢物以進行循環利用； • 鼓勵員工乘搭公共交通工具；及 • 採用視像會議取代非必要的出外公幹。 |

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ENVIRONMENT AND NATURAL RESOURCES

The Group attaches importance to the impact of our business operation on the environment and natural resources. In addition to our compliance with applicable environmental laws and international standards, we also have included the concept of environmental protection and environmental management into our business decision, daily operation and internal management. We are committed to balancing economic, environmental and social development.

In order to reduce the impact on the environment and natural resources, the Group has actively identified the environmental factors within our business scope and established relevant control measures and environment improvement targets. We have also assigned specific department to follow up and handle any problems with respect to the environment and natural resources utilisation. We have kept on file all the environmental protection works monitored and recorded materials relating to contamination accidents, pollution prevention and control.

RESPONDING TO CLIMATE CHANGE

The world is currently facing the challenge of climate change. The Group is concerned about climate-related issues and has taken different measures to assess and mitigate the risks. The Group has identified physical risks such as an increase in extreme weather events and changes in precipitation patterns, which could pose threats to the business and its financial performance. In addition, climate change may bring about various transitional risks, such as shifts in consumer preferences and increased pricing of greenhouse gas emissions. As a result, the Group may face an increase in operating costs and a change in revenue sources.

環境與自然資源

本集團重視業務營運對環境與自然資源造成的影響。除遵守相關環境法規和國際標準外，我們亦將環保及環境管理理念納入業務決策、日常運作及內部管理中，致力兼顧經濟、環境及社會三方發展。

為減少對環境與自然資源造成影響，本集團主動識別業務範圍內的環境因素，並制定相應的控制措施及環境改善目標，更指派特定部門跟進及處理環境及資源使用的問題。我們已建立環境保護工作檔案，監測和記錄污染事件、污染預防和控制的資料。本年度，嘉興廠房為生產線員工進行化學品洩漏演習及環境應急處理演練以提升彼等的化學品洩漏應對知識，從而減少對環境可能造成的影響。

應對氣候變化

世界正面臨氣候變化的挑戰。本集團關注氣候相關事宜，並已採取不同措施評估及減輕風險。本集團已識別出可能對業務及其財務業績構成威脅的實體風險，例如極端天氣事件的增加及降水模式的變化。此外，氣候變化可能帶來各種過渡性風險，例如消費者偏好發生轉變及溫室氣體排放定價提高。因此，本集團可能面臨經營成本增加及收入來源變動。

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The Group reviews updates to policies and regulations in regions it operates to identify potential climate-related risks on a regular basis. The Group issues safety warnings and makes special work arrangements in the event of extreme weather conditions or incidents to ensure the safety of its employees.

本集團定期審查其經營所在地的政策及法規的更新，以識別潛在的氣候相關風險。本集團於極端天氣情況或事故發生時發出安全警告並作出特別工作安排，以確保其僱員的安全。

PEOPLE-ORIENTED

The Group understands that employees are the foundation of corporate development, so it adheres to the management approach of “people oriented” and attaches great importance to the rights and interests of the employees. In addition to providing employees with generous remuneration and benefits, the Group also pays attention to the training, development and safety of the employees.

以人為本

本集團深明員工是企業發展的根基，秉持「以人為本」的管理方針，高度重視員工的權利及權益。除了為員工提供優厚的薪酬及福利外，本集團亦關注員工的培訓、發展及安全。

The number of employees of the Group during the Year are as follows:

本年度本集團僱員人數如下：

| Number of Employees | 僱員人數 | 2023 二零二三年 | 2022 二零二二年 |
|------------------------------------|-----------|---------------|---------------|
| Total | 總計 | 73 | 150 |
| By gender | 按性別 | | |
| Male | 男性 | 38 | 56 |
| Female | 女性 | 35 | 94 |
| By employment type | 按僱傭類別 | | |
| Full-time | 全職 | 70 | 145 |
| Part-time | 兼職 | 3 | 5 |
| By age group | 按年齡組別 | | |
| Aged below 30 | 30歲以下 | 3 | 10 |
| Aged 30 to 50 | 30歲至50歲 | 52 | 117 |
| Aged above 50 | 50歲以上 | 18 | 23 |
| By geographical region | 按地區 | | |
| The PRC (do not include Hong Kong) | 中國（不包括香港） | 46 | 127 |
| Hong Kong | 香港 | 27 | 23 |

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The employee turnover rate during the Year are as follows:

本年度僱員流失率如下：

| Employee Turnover Rate ¹ | 僱員流失率 ¹ | 2023 二零二三年 | 2022 二零二二年 |
|-------------------------------------|--------------------|---------------|---------------|
| Total | 總計 | 78% | 67% |
| By gender | 按性別劃分 | | |
| Male | 男性 | 45% | 88% |
| Female | 女性 | 102% | 55% |
| By age group | 按年齡組別劃分 | | |
| Aged below 30 | 30歲以下 | 138% | 160% |
| Aged 30 to 50 | 30歲至50歲 | 84% | 41% |
| Aged above 50 | 50歲以上 | 34% | 161% |
| By geographical region | 按地區劃分 | | |
| The PRC (do not include Hong Kong) | 中國（不包括香港） | 96% | 64% |
| Hong Kong | 香港 | 16% | 87% |

Note:

- The employee turnover rate in the Year is calculated in accordance with the Appendix III "Reporting Guidance on Social KPIs" published by the Stock Exchange.

附註：

- 本集團於本年度開始披露僱員流失率乃按聯交所發佈的附錄三《社會關鍵績效指標匯報指引》計算。

Employment Standard

The Group strictly abides by the laws and regulations related to employment, including but not limited to the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China* and *Employment Ordinance* in Hong Kong. In order to improve efficiency and standardise the procedure of recruitment, we have established recruitment-related management and controlling procedures according to the principles of fairness and impartiality, avoiding misemployment of child labour or any discrimination. In order to strive for creating a fair and equal working environment and ensure that employees enjoy equal opportunities and fair treatment, we treat all employees and applicants equally in the aspects of recruitment, transferring, training, promotion, remuneration and benefits, regardless of race, gender, age, religion, belief, marital or fertility status. For resigned employees, we will terminate the contract in accordance with relevant laws and regulations, and pay the outstanding wages on time.

僱傭準則

本集團嚴格遵守與僱傭相關的法律及法規，包括但不限於《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及香港《僱傭條例》等。為提高招聘效率和規範招聘流程，我們按公平及公正原則制定招聘管理及控制程序，避免誤聘童工或發生任何歧視行為。為致力營造公正平等的工作環境及確保員工享有平等機會和公平待遇，我們在招聘、調職、培訓、晉升及安排薪酬福利時，不會因種族、性別、年齡、宗教、信仰、婚姻狀況或生育狀況而差別對待員工及求職者。對於離職員工，我們會依照相關法律及法規解除和終止僱傭合同，並依時發放餘下工資。

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To prevent forced labour, the Group specifies the details of the workplace, working hours and job responsibilities in the contract. If employees have to work overtime due to business needs, the Group will pay overtime wages according to the regulations. We also forbid taking any monies or belongings as “security deposit” from employees as well as forcing them to work or restricting their freedom in any way, so as to ensure that they are employed voluntarily. Apart from prevention of forced labour, the Group promises not to employ child labour. The Group requires new employees to provide genuine identification documents with accurate personal information when commencing employment, aiming at identifying the true age of the employees and avoiding misemployment of child labour. The Group will also occasionally check whether child labour has been misemployed in various departments. Once it is discovered, the Group will immediately return the child labour to their original place of residence and bear all necessary expenses.

During the Year, no violation of laws and regulations relating to employment and labour standard, avoiding child labour and forced labour was involved or discovered by the Group.

Salary and Benefits

The Group strictly abides by the laws and regulations of China and Hong Kong, including but not limited to the Labour Law of the *People's Republic of China*, *Mandatory Provident Fund Schemes Ordinance* and *Minimum Wage Ordinance* in Hong Kong, ensuring that the employees' working hours and wages meet local requirements and providing social insurance and mandatory provident fund to employees as required by local regulations. The Group's salary is established according to several factors such as the positions, work performance and abilities of the employees, and would be adjusted with reference to market salary level. We evaluate the performance of employees according to different positions and adopt the knowledge and skills, attitude and enthusiasm to their positions as the evaluation criteria. The results will be used to determine promotion and annual salary adjustments of employees. The Group offers its employees extra benefits such as attendance incentives and bonuses based on the Group's annual financial performance and the individual performance of employees. Employees also enjoy paid leaves, such as annual leave, marriage leave, maternity leave and compassionate leave, apart from statutory holidays.

為杜絕強制勞工，本集團在僱傭合同中清楚列明工作地點、工作時間及崗位職責等細節。若員工因工作及營運需要而加班，本集團會根據規定支付加班工資。我們亦禁止向任何員工收取金錢或實物作「押金」，同時嚴禁以任何方式強迫員工工作或限制員工人身自由，以確保員工均為自願受僱。除防止強制勞工外，本集團亦承諾不使用童工，並要求新員工在入職時提供真實準確的身份證明文件及準確的個人信息，以鑒別員工的真實年齡，避免誤聘童工。本集團將會不定期檢查，以了解各部門有否誤聘童工，一旦發現誤聘童工情況，本集團會立刻將他們送返原居住地，並承擔所需費用。

於本年度，本集團並無涉及或發現任何違反僱傭及勞工常規、防止童工及強制勞工相關法律法規的情況。

薪酬及福利

本集團嚴格遵守中國和香港的法律及法規，包括但不限於《中華人民共和國勞動法》、香港《強制性公積金計劃條例》和《最低工資條例》等，以確保員工的工時及工資符合當地要求，並按地方規定為員工提供社會保險及強制性公積金供款。本集團根據員工職位、工作績效及能力等因素釐訂薪酬，並參照市場價格作出調整。我們因應不同工作崗位對員工進行績效評估，並以崗位知識和技能、工作態度、工作積極性等範疇作為評估標準，將評估結果作為決定職位晉升及年度薪酬調整之依據。根據本集團的年度財務表現及僱員的個人表現，本集團會提供額外獎勵，如發放勤工獎及花紅。除了法定節假日外，員工可享有年假、婚假、產假及恩恤假等有薪假期。

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Employees are the important asset of the Group, whose sense of belonging is closely related to the success of the Group. Aiming to promote the idea of work-life balance, create an excellent environment for work and enhance employees' sense of belonging to the Group, the Group hammers at improving its policies and measures, and providing employees with the following benefits (including but not limited to):

- Distributing allowance and welfare gifts during festivals;
 - Providing reimbursement on transportation costs for employees returning home during Chinese New Year;
 - Providing medical health insurance for employees;
 - Offering free meals or meal allowance for our employees in the plant; and
 - Under specified circumstances, employees can enjoy allowances of meals and transportation for overtime work.
- 於節日發放過節費及福利品；
 - 於春節時為回家過節的員工提供車費報銷；
 - 為員工提供醫療保險；
 - 為廠房員工提供免費膳食或餐飲補貼；及
 - 在特定情況下，僱員在加班時可享膳食及交通費津貼。

Development and Training

The Group has established a comprehensive evaluation system for work, according to which the Group would evaluate employees' working attitudes, abilities, performance and disciplines, thereby enhancing employees' understanding of their work and allowing supervisors to give feedback about their work performance. The evaluation results also serve as the standard for their position and salary adjustments and discretionary bonus, which will greatly benefit employees' individual development and productivity enhancement.

發展與培訓

為加深員工對工作的了解及讓主管對員工的工作表現提供建議，本集團建立了一套全面的工作評估制度，定期評估員工的工作態度、工作能力、業績及紀律等範疇。工作評估的結果亦會作為員工職位、薪酬調整及發放酌情花紅的參考標準，對協助員工發展及提升生產力均有莫大裨益。

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Aiming to improve employees' professional proficiency and follow the development of the Group, we formulate training plans annually for our employees in the plant in order to provide different types of training, including internal training, external training, induction training and on-the-job training, on the basis of the training needs of each department. New recruits are required to attend induction training, including job responsibilities and objectives, operational skills and procedures, as well as regulations and policies. In addition, we encourage and support employees to participate in personal and professional training to keep abreast of the development of new technologies and equipment. Eligible employees completing the training can apply for subsidies on course fees and be reimbursed with partial or full cost of the training course.

為提升僱員的工作能力，以緊貼本集團的發展步伐，我們按照各部門需求，每年為廠房的僱員制定培訓計劃，提供不同類型的培訓，包括內部培訓、外部培訓、入職培訓及在職培訓等。新入職員工需要接受入職培訓，培訓內容包括工作職責和目標、操作技能和程序，以及規章制度等。此外，我們鼓勵及支持僱員參與個人及專業培訓，以緊貼新技術及新設備的發展。完成培訓的合資格員工可向我們申請課程資助，取回有關培訓課程的部分或全部費用。

The average hours of training per employee and percentage of employees who received training during the Year are as follows:

本年度每名僱員的平均受訓時數及受訓僱員比例如下：

Average Hours of Training

per Employee and Percentage of Employees who Received Training¹

| | 每名僱員的平均受訓時數及受訓僱員比例 ¹ | 2023 二零二三年 | 2022 二零二二年 |
|-----------------------------|---------------------------------|-----------------|---------------|
| Total | 總計 | 3.6(78%) | 18(97%) |
| By gender | 按性別劃分 | | |
| Male | 男性 | 3.7(79%) | 12(93%) |
| Female | 女性 | 3.5(77%) | 22(99%) |
| By employee category | 按僱員類別劃分 | | |
| Senior | 高級 | 5.7(91%) | 13(100%) |
| Middle | 中級 | 3.5(96%) | 10(87%) |
| Junior | 初級 | 1.7(48%) | 22(99%) |

Note:

1. The percentage of employees who received training is calculated in accordance with the Appendix III "Reporting Guidance on Social KPIs" published by the Stock Exchange.

附註：

1. 受訓僱員比例乃按聯交所發佈的附錄三《社會關鍵績效指標匯報指引》計算。

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環境、社會及管治報告

Health and Safety

The Group prioritises the health and safety of its employees, and adheres to the production principle of “Safety First”. The Group provides employees with a safe and healthy working environment and complies with national laws and regulations on safe production, including but not limited to the *Production Safety Law of the People’s Republic of China*, *Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases and Occupational Safety and Health Ordinance* in Hong Kong, and provides employees with a safe and healthy working environment so as to reduce accidents during work. Jiaxing Plant has established an accountability system for different positions regarding production safety, listing clearly the safety responsibilities of each unit and unifying the standards for safety production and the managers shall be responsible for ensuring the safety of the working environment, and shall guide and supervise the employees to reduce the possibility of work-related injuries.

We provide safety protection equipment and supplies as well as their user guide for our employees in the Jiaxing Plant and Qingdao Plant to safeguard their health and safety as well as to prevent and reduce accidents. For employees who may have access to hazardous materials, we provide an annual health check to monitor the impact of the production process on their health and identify and resolve possible safety impacts in a timely manner. Moreover, we regularly provide employees with occupational safety training. Employees are required to attend three-level safety training, including education at plant, working units and position levels. They can only operate the equipment individually after passing the assessment. During the Year, Jiaxing Plant and Qingdao Plant conducted a number of safety-related training for all employees, including chemical use protection and personal labor protection supplies training, equipment safety operation training, environmental, health, safety manuals as well as first aid knowledge training, accompanied by oral or on-site operation assessment, in order to enhance employees’ awareness and understanding of work health and safety.

健康與安全

本集團將員工的健康與安全放在首位，堅持「安全第一」的生產原則。本集團嚴格遵守國家有關安全生產的法律及法規，包括但不限於《中華人民共和國安全生產法》、《中華人民共和國職業病防治法》及香港《職業安全及健康條例》等，為員工提供安全健康的工作環境，並減少員工在工作時發生意外的機會。嘉興廠房已制定安全生產崗位責任制，清楚列明各單位的安全職責，統一安全生產的標準，而管理人員須負責確保工作環境安全，並指導及監管員工，以減少發生工傷的可能性。

為保障員工健康與安全，以及防止和減少發生事故，我們為嘉興廠房及青島廠房的僱員提供安全防護設備和用品及其正確使用指南。我們對有機會接觸有害物品的員工提供年度健康檢查，以監測生產過程對員工健康造成的影響，及時發現並解決各種可能發生的安全影響。此外，我們定期為員工提供職業安全培訓。員工必須進行三級安全教育，包括廠級教育、車間教育及崗位教育，並要通過考核後方可獨自操作設備。本年度，嘉興廠房及青島廠房對全體員工進行了多項安全相關培訓，包括化學品使用防護與個人勞保用品使用培訓、設備安全操作培訓和環境、健康、安全手冊及急救知識培訓，配以口頭或現場操作考核，以提升員工對工作健康與安全的意識和了解。

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In order to improve employees' danger awareness and emergency response capabilities, the Group has formulated corresponding emergency plans for different emergency conditions, and conducted regular exercises. In addition to implementing the accountability system regarding production safety, we encourage our employees to provide advice on work safety and report on accidents and other share views actively, so as to control risks of workplace and reduce accidents. The Group also would investigate and eliminate potential accidents to protect the safety of its employees and properties.

To strengthen the safety management of hazardous chemicals, Jiaxing Plant and Qingdao Plant has set a safety management policy for hazardous chemicals, which lists out the solutions and safety regulations for storage, use, transportation and disposal. Through providing training to its employees on the hazardous chemical safety management policies, the Group effectively reduces accidents related to hazardous chemicals, thereby protecting employees' health and safety as well as the surrounding environment. In addition, Jiaxing Plant and Qingdao Plant has implemented safety management policy for special equipment, which requires the special equipment operating personnel to obtain corresponding certificates before working. Jiaxing Plant and Qingdao Plant also inspects special equipment regularly and entrusts qualified units to carry out maintenance and repair, ensuring the safe operation of the equipment.

During the Year, there is no lost days due to a case of work injury among our employees. In the past three years, there was no work-related fatality.

本集團針對不同緊急情況制定了相應的應急預案，並定期進行演習，以提高員工的危機意識及應對能力。除實行安全生產崗位責任制外，我們亦鼓勵員工主動向管理人員提供工作安全建議及報告事故或不安全因素，以控制工作場所的安全風險及減少事故發生。本集團會及時調查及消除事故隱患，以保障員工及財產的安全。

為加強危險化學品的安全管理，嘉興廠房及青島廠房已制定危險化學品安全管理政策，當中列明安全儲存、使用、運輸和處置危險化學品的方法和規定。通過向員工提供危險化學品安全管理政策相關培訓，本集團有效減少發生危險化學品相關的事故，從而保護員工的健康安全及周邊環境。此外，嘉興廠房及青島廠房實施特種設備安全管理政策，規定特種設備操作人員必須取得相應證書後方可正式工作。嘉興廠房及青島廠房亦會定期檢查特種設備，並委託合資格單位進行維修保養，以確保設備安全運行。

本年度，我們的僱員並無因一宗工傷而損失天數。在過去三年中，並無發生與工作相關的死亡事件。

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Case: Fire escape drills and safety production standardisation training

The Qingdao Plants organised fire escape drills and training on work safety standardisation to raise the safety awareness of employees. Prior to the drill, the Group provided employees with training on fire prevention including the causes of fire, principles of firefighting and the use of fire extinguishers. In addition, the training on safety production standardisation also taught employees to identify potential risks in the production process and preventive measures to avoid accidents.

案例：火警逃生演習及安全生產標準化培訓

青島廠房舉行火警逃生演習及安全生產標準化培訓，以提高僱員安全意識。在演習前，本集團為僱員安排防火培訓（包括起火原因、滅火原理及滅火器的使用方法）。此外，安全生產標準化培訓亦教導僱員識別生產過程中的潛在風險及預防措施，以免發生意外。



Fire Drill Training and safety production standardisation training
火警演習培訓及安全生產標準化培訓

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OPERATING PRACTICES

The Group understands that product and service quality is the cornerstone of corporate success. Therefore, the Group selects suppliers in a stringent manner, establishes a quality management system to ensure product quality and safety, and values customers' feedback to continuously improve product and service quality. The Group is also committed to maintaining business ethics in its business operations, attaching importance to the protection of intellectual property rights, eliminating infringements, and prohibiting all bribery.

Supply Chain Management

Supply chain management is always considered as an important part of controlling quality by the Group. The Group adheres to the quality oriented principle and establishes a supplier evaluation management policy, standardising the evaluation process and daily management of suppliers. In selecting suppliers, we strictly review the supplier's product quality, delivery capability, capacity and service quality, and require them to provide samples for reviews by our customers, so as to ensure the quality is up to customers' requirements. Beyond that, we also track and monitor the progress of entrusted processing suppliers, ensuring that the quality of processed products is in accord with the requirements. The checked suppliers will be added to our approved supplier list, which will be reviewed regularly. To strengthen the management of suppliers, promote and improve the supplier management system and optimise the operation of supply chain, the Group eliminates suppliers that do not correspond with the corporate development regulations. The Group has incorporated the concept of "green purchasing" into its procurement process and established strict environmental protection requirements. For example, Jiaying Plant and Qingdao Plant prioritise the selection of products and services with the minimum impact on the environment and promotes the use of environmentally friendly materials instead of purchasing materials that are harmful to the environment or the human body in accordance with national restrictions.

營運慣例

本集團深明產品及服務質量是企業成功的基石，因此本集團嚴謹選擇供應商，建立質量管理制度，確保產品的質量與安全，並重視客戶的意見以持續改善產品品質及服務質素。本集團在業務營運中亦致力維持商業道德，重視保護知識產權，杜絕侵權行為，以及嚴禁一切行賄。

供應鏈管理

供應鏈管理一直是本集團質量控制中的重要一環。本集團堅持質量為本的原則，建立供應商評估管理政策，以規範供應商評估流程及日常管理。甄選供應商時，我們會嚴格審查供應商的產品質量、交付能力、產能及服務質素等範疇，並要求其提供樣本予我們的客戶作樣本評審，以確保其質量符合客戶要求。對於受委託的外部加工供應商，我們會追蹤及監控其進度，以確保外部加工的產品質量符合要求。經審核的供應商將列入獲認可供應商名單，而我們亦將定期審查供應商的表現。本集團會淘汰未能符合企業發展規定的供應商，以不斷加強供應商管理，促進和改善供應商管理體系，從而優化供應鏈的運行。本集團將「綠色採購」概念納入採購過程，並訂立嚴格的環保要求。例如，嘉興廠房及青島廠房依照國家限制拒絕購買對環境或人體有害的材料，優先選用對環境造成最低影響的產品及服務，以及推廣使用環保材料。

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The Group also attaches importance to environmental and social risks in the supply chain. Therefore, the Group regularly communicates with internal and external stakeholders to identify potential risks. When selecting suppliers, the Group would also consider its environmental and social conditions, and give priority to suppliers with outstanding performance in energy saving, occupational safety, supply chain management and anti-corruption, as well as suppliers with relevant certifications or internationally recognised suppliers with an environmentally friendly profile.

The Group's business in money lending has no significant suppliers. During the Year, the Group's design, manufacturing and trading of apparel products business had a total of 48 major suppliers, which all are from China, divided by region as follows:

本集團亦重視供應鏈中的環境和社會風險，因此本集團定期與內部及外部持份者溝通，以識別潛在風險。本集團甄選供應商時亦會考慮其環境及社會的情況，優先考慮在節約能源、職業安全、供應鏈管理及反貪污等方面表現優秀的供應商，以及具有相關認證或得到國際認可及具有環保形象的供應商。

本集團的貸款融資業務並無重要供應商。本年度，本集團服飾產品的設計、製造及貿易業務共有48家主要供應商，均來自中國，按地區劃分如下：

| Number of Suppliers | 供應商數目 | 2023 | 2022 |
|---------------------|-------|-------|-------|
| | | 二零二三年 | 二零二二年 |
| Northeast China | 東北 | 1 | 1 |
| East China | 華東 | 26 | 66 |
| South China | 華南 | 21 | 6 |
| Southwest China | 西南 | 0 | 1 |

Management on Product Quality

The Group attaches great importance to the product quality and label use of the apparel manufacturing business, and therefore strictly abides by relevant laws and regulations, including but not limited to the Product Quality Law of the *People's Republic of China*, *Trade Descriptions Ordinance* and *Consumer Goods Safety Ordinance* in Hong Kong. Thus, the Group has established a quality management system, aiming to standardise inspection procedures and regulations, ensuring the products manufactured are in line with the quality and safety requirements. We review the system regularly, ensuring that the system is still appropriate, comprehensive and effective. According to customers' specific requirements, the Group is open to inspection and monitoring by the customers, and assesses its production procedures every year, ensuring the system can operate continuously and effectively, and meet customer requirements pragmatically.

產品質量管理

本集團重視服飾生產業務的產品質量及標籤使用，因此嚴格遵守相關法律法規，包括但不限於《中華人民共和國產品質量法》、香港《商品說明條例》及《消費品安全條例》。故此，本集團已建立質量管理制度，規範檢驗流程和規定，以確保其所生產的產品符合質量與安全要求。我們定期評審現行的質量管理制度，以確保制度的適合性、全面性及有效性。本集團亦會就客戶規範要求而接受監督及審核，並每年對生產流程進行內部考核，以確保質量管理制度能持續及有效地運作，切實符合客戶要求。

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To ensure that equipment condition is able to achieve production targets, relevant equipment operating personnel will check the equipment condition daily prior to production. We also conduct occasional inspections on production procedures and take corrective measures as soon as a failure is found. In addition, the quality of raw materials, semi-finished products and finished products are inspected. Only qualified products can enter the next production stage, aiming that the products will meet the criteria of relevant standards. The unqualified ones will be labelled clearly and stored separately, and then the relevant department will analyse the cause and implement corrective measures. The Group has established a policy on reporting incidents to standardise quality reporting, ensure timely handling of product-related issues and control potential risks effectively. Meanwhile, we review product sales and market information as well as supervise the content of product labels to ensure that the information contained is clear, true and in compliance with legal requirements. We will also keep customer feedback in track in order to continuously improve product quality and safety.

During the Year, none of the products of the Group were required to be recalled due to safety and health reason.

Customer First

The Group is committed to enhancing customer satisfaction, since fulfilling customers' needs is the ultimate goal of the Group's development. We have established a set of policies on customer rights and interests to regulate the handling of complaints from customers, so that the Group's reputation will be maintained and customer satisfaction will be improved. Customers can complain through letters, calls and emails, which will be handled and investigated by our designated personnel in time. During the Year, the Group did not receive any customer complaints in relation to products.

為確保生產設備狀態足夠應付生產目標，設備操作人員會在每日生產前檢查設備狀態。我們亦會對生產工藝進行不定期的檢查，一旦檢查出不合格的情況，會立即採取糾正措施以保證產品質量。此外，我們會檢驗原材料、半製成品及製成品之質量，檢驗合格的產品方可進入下一道工序，以確保產品符合相關標準。檢測為不合格的產品會被清楚標識及分開存放，並由相關部門分析原因及實施糾正措施。本集團已制定事故報告政策，以規範質量報告工作、確保及時處理產品相關問題及有效控制潛在風險。同時，我們會審查產品銷售及市場信息和監督產品標籤內容，以確保所載資料清晰、真實及符合法律規定。我們亦會追蹤客戶反饋，以持續改善產品質量及安全。

本年度，本集團並沒有發生任何因安全與健康理由而須回收的產品。

客戶至上

本集團以滿足客戶需求為發展的最高目標，並致力提升客戶滿意度。我們已就客戶權利及權益制定政策，規範客戶投訴處理程序，以維護本集團的聲譽及提高客戶滿意度。客戶可透過信件、電話及電郵等方式進行投訴，而我們的投訴專責人員會及時處理及調查有關投訴事件。本年度，本集團沒有接獲任何有關產品的客戶投訴。

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In addition, the Group also provides money lending services in which customer personal data needs to be collected and stored, so protecting customer privacy is a very important part of our business. Employees must abide by relevant laws and regulations, such as the *Personal Data (Privacy) Ordinance* of Hong Kong. They are forbidden to disclose customers' information to third-party without prior consent, adhering to professional ethics at all times. The customers' data is accessible by authorised personnel exclusively, while employees from other departments can only retrieve and provide information upon application to and approval by the company.

Protecting Intellectual Property Rights

The Group is committed to strengthening the protection of intellectual property rights. Therefore, we require employees to strictly abide by the laws and regulations such as the Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China and Copyright Ordinance in Hong Kong. We also have clear requirements for the application, management, use and protection of intellectual property for our customers and the Group, enhancing internal awareness of protecting intellectual property rights and corporate interests. The Group only uses genuine software, and employees are required to submit an application to the Group before installing any software to avoid infringing on the intellectual property rights of others.

During the Year, no violation of laws and regulations relating to intellectual property was involved or discovered by the Group.

此外，本集團亦提供貸款融資服務，過程當中需要收集及儲存客戶個人資料，因此保障客戶隱私是業務中非常受重視的一環。本集團的員工必須遵守行業相關法律法規，例如香港《個人資料（私隱）條例》，在未經批准前，不得向第三方透露客戶資料，時刻堅守職業道德。本集團的客戶資料系統僅允許獲授權人員訪問。本集團其他部門僱員須向公司提出申請並獲准許，方可檢視及提供資料。

維護知識產權

本集團致力加強保護知識產權，因此我們規定員工必須嚴格遵守《中華人民共和國專利法》、《中華人民共和國商標法》及香港《版權條例》等法律及法規。為增強內部對保護知識產權的意識及保護企業利益，我們亦已就客戶及自身知識產權的申請、管理、使用及保護作出明確規定及要求。本集團僅使用正版軟件，員工在安裝任何軟件前須向本集團提出申請，以避免侵犯他人的知識產權。

於本年度，本集團並無涉及或發現任何違反知識產權相關法律及法規的情況。

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Anti-corruption

The Group advocates employees to consciously abide by the law, act in good faith, be self disciplined and build an integrity culture. The Group abides by the laws and regulations on anti-corruption, including but not limited to the *Criminal Law of the People's Republic of China and Prevention of Bribery Ordinance* in Hong Kong. The Group has formulated employee handbooks and systems to regulate their behaviour, especially in the money lending business, encouraging employees to be honest and self-disciplined. Thus, the operating risks will be reduced, and the interests of the company and employees will be guaranteed. In addition, employees should not seek personal or indirect benefits by their authority and should avoid situations that may involve or result in potential or actual conflicts of interest. Once any violation is discovered, employees should report it in written or verbal ways. The identity of the whistle blower will be kept confidential by the Group while relevant violators will be dismissed and bear legal responsibility upon confirmation of violation after investigation. During the Year, the Group have provided anti-corruption training materials and requires employees and directors to study to increase their awareness in the response to corruption, so as to enhance ethical management and employee integrity. In addition, the Group provided a total of 53 hours of online training to all employees and directors on their respective roles and responsibilities in the prevention of corruption, as well as guidance on the development, implementation and review of the Group's corruption prevention policies and systems.

During the Year, no violation of laws and regulations relating to anti corruption was involved or discovered by the Group.

COMMUNITY INVESTMENT

The Group attaches great importance to social responsibility and regards the prosperity and stability of society as the cornerstone of its development. For this, the Group spares no effort to promote the development of charities, and to support charitable projects and activities. We also encourage employees to participate in volunteer activities and charitable donations, enhancing their sense of social responsibility. During the Year, the Group's community investment did not make any significant resource contribution.

反貪污

本集團積極倡導員工自覺遵守法律、誠實守信、自律自守及實現廉潔文化。本集團嚴格遵守反貪污的相關法律及法規，包括但不限於《中華人民共和國刑法》及香港《防止賄賂條例》等。本集團已制定員工手冊及相關制度以規範員工行為，尤其進行貸款融資工作時，鼓勵員工廉潔自律，降低經營風險，並確保公司和員工的利益。員工不得利用職權謀取個人或間接利益，亦應避免可導致或涉及實際或潛在利益衝突的情況。一旦發現違規情況，員工可透過書面或口頭方式進行舉報。本集團會對舉報者的身份予以保密，事件經調查屬實後，相關違規人士會被解僱及需承擔法律責任。本年度，本集團提供反貪污培訓教材，並要求僱員及董事學習，以提高反貪污意識，從而提升道德管理及僱員誠信。此外，本集團為全體僱員及董事提供合共53小時的網上培訓，內容有關彼等各自在預防貪污方面的角色及責任，以及本集團在制定、實施及審查預防貪污政策及制度的指引。

於本年度，本集團並無涉及或發現任何違反反賄賂或反貪污的相關法律及法規的情況。

社區投資

本集團高度重視企業社會責任，視社會的繁榮穩定為我們發展的基石。為此，本集團對促進慈善事業的發展不遺餘力，積極支持慈善項目及公益活動。我們亦鼓勵員工參與義工活動及進行慈善捐助，全面提升員工的社會責任感。本年度，本集團的社區投資並無作出任何重大資源貢獻。

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| Aspect B7: Anti-corruption | General disclosure | OPERATING PRACTICES | 80 |
| 層面 B7 : 反貪污 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 一般披露 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | 營運慣例 Anti-corruption 反貪污 | 84 |
| Community 社區 | | | |
| Aspect B8: Community Investment | General disclosure | COMMUNITY INVESTMENT | 84 |
| 層面 B8 : 社區投資 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 一般披露 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。 | 社區投資 | |

Directors' Report

董事報告書

The Board hereby presents its report together with the consolidated financial statements of the Group for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Group principally engages in (i) design, manufacture and trading of apparel; (ii) provision of money lending services; and (iii) sale of trendy and cultural products. Details of the principal activities of the Company and its subsidiaries are set out in notes 1 and 42 to the consolidated financial statements.

SEGMENT INFORMATION

An analysis of the Group's performance for the year by geographical areas and businesses is set out in note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2023 and its state of affairs of the Group as at 31 December 2023 are set out in the consolidated financial statements on pages 115 to 224.

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2023.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the past five years is set out in the financial summary on page 5 of this annual report. This summary does not form part of the audited financial statements in this annual report.

RESERVES

Details of the movements in the reserves of the Company and of the Group during the reporting year are set out in note 42(b) to the financial statements and in the consolidated statement of changes in equity respectively in this annual report.

董事會謹此呈上其報告及本集團截至二零二三年十二月三十一日止年度的綜合財務報表。

主要業務

本集團主要從事(i)服飾產品的設計、製造及貿易；(ii)提供貸款融資服務；及(iii)銷售潮流文化產品。本公司及其附屬公司的主要業務詳情載於綜合財務報表附註1及42。

分部資料

本集團按地區及業務劃分之業績分析載於綜合財務報表附註6。

業績及分配

本集團截至二零二三年十二月三十一日止年度之業績及本集團於二零二三年十二月三十一日的業務狀況載於綜合財務報表第115頁至第224頁。

董事不建議派發截至二零二三年十二月三十一日止年度的任何末期股息。

財務概要

本集團於過往五個年度的已刊發業績以及資產及負債概要乃載於本年報第5頁的財務概要。此概要並不構成本年報經審核財務報表的一部分。

儲備

本公司及本集團儲備於報告年度內之變動詳情分別載於本年報財務報表附註42(b)及綜合權益變動表。

Directors' Report

董事報告書

DISTRIBUTABLE RESERVES

As at 31 December 2023, the Company's reserves available for distribution to equity shareholders, comprising share premium and contributed surplus in excess of accumulated losses, amounted to approximately HK\$87,775,000.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the reporting year are set out in note 14 to the consolidated financial statements of this annual report.

MAJOR CUSTOMERS AND SUPPLIERS

As at 31 December 2023, the percentages of sales and purchases attributable to the Group's major customers and suppliers, respectively are as follows:

Sales

- The largest customer 49.9%
- The total of the five largest customers 86.3%

Purchases

- The largest supplier 37.8%
- The total of the five largest suppliers 89.7%

None of the Directors, their associates or any shareholder of the Company, which owns more than 5% of the Company's issued share capital, to the best knowledge of the Directors, had any interest in the share capital of the Group's five largest customers or five largest suppliers.

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 December 2023 are set out in note 31 to the consolidated financial statements.

可供分派儲備

於二零二三年十二月三十一日，本公司可供分派予權益股東之儲備（包括股份溢價及超過累計損失的繳入盈餘）約87,775,000港元。

物業、廠房及設備

本集團於報告年度的物業、廠房及設備變動詳情載於本年報內綜合財務報表附註14。

主要客戶及供應商

於二零二三年十二月三十一日，本集團的主要客戶及供應商應佔銷售額與採購的百分比分別如下：

銷售額

- 最大客戶 49.9%
- 五大客戶合計 86.3%

採購

- 最大供應商 37.8%
- 五大供應商合計 89.7%

概無任何董事、董事的緊密聯繫人、或任何股東（擁有5%以上的本公司已發行股份數目者），據董事會所知在本集團上述五大的客戶或供應商中佔有任何股本權益。

股本

本公司於截至二零二三年十二月三十一日止年度期間的股本變動詳情載於綜合財務報表附註31。

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

The Company has not redeemed any of the Company's listed securities during the reporting year. Other than the issue of (i) 15,840,000 ordinary shares by the Company pursuant to the exercise of share options under the then prevailing share option scheme of the Company; and (ii) 110,862,000 placing shares as set out in the paragraph headed "PLACING OF NEW SHARES UNDER GENERAL MANDATE" in this announcement, neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the year ended 31 December 2023.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles nor the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

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 annual report. The Company has maintained a sufficient public float in compliance with the Listing Rules.

CHARITABLE DONATIONS

No charitable donation was made by the Group during the year ended 31 December 2023.

AUDITOR

The consolidated financial statements for the year ended 31 December 2023 have been audited by BDO Limited, who shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM. A resolution for the re-appointment of BDO Limited as auditor of the Company will be proposed at the forthcoming AGM.

購買、贖回或出售本公司的上市證券

本公司於報告年度內並無贖回本公司任何上市證券。除發行(i) 15,840,000股普通股乃根據本公司當時的購股權計畫行使購股權；及(ii) 110,862,000股配售股份其詳情載於本公告「根據一般授權配售新股份」一段外，本公司或其任何附屬公司於截至二零二三年十二月三十一日止年度期間並無購買或出售本公司任何上市證券。

優先購買權

章程細則或開曼群島法律並無關於優先購買權的規定，致令本公司須按比例向現有股東發售新股份。

足夠公眾持股量

按照本公司可公開取得之資料，並就董事所知，於本報告日期，本公司最少25%已發行股本總額由公眾持有。本公司已遵守上市規則維持足夠公眾持股量。

慈善捐款

本集團於截至二零二三年十二月三十一日止年度期間並無作出慈善捐款。

核數師

截至二零二三年十二月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司審核，彼將退任並合資格且願於即將舉行的股東週年大會上膺選連任。續聘香港立信德豪會計師事務所有限公司為本公司核數師的決議案將於即將舉行的股東週年大會上提呈。

Directors' Report

董事報告書

DIRECTORS

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

EXECUTIVE DIRECTORS

LI Yang (*Chairman*)
TIN Yat Yu Carol
CHEUNG Ka Lung (resigned on 31 August 2023)
CHAN Ming Leung Terence
GONG Xiaohan
WONG Wai Kai Richard (was appointed on 6 October 2023)

INDEPENDENT NON-EXECUTIVE DIRECTORS

TANG Shu Pui Simon
HON Ming Sang
LO Wing Sze

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 9 to 15 of this annual report.

董事

於截至二零二三年十二月三十一日止年度內及直至本年報日期在任之董事如下：

執行董事

李陽 (主席)
田一好
張家龍 (於二零二三年八月三十一日辭職)
陳明亮
龔曉寒
王瑋楷 (於二零二三年十月六日獲委任)

獨立非執行董事

鄧澍培
韓銘生
羅詠詩

董事及高級管理人員履歷

本公司董事及本集團高級管理人員的履歷詳情載於本年報第9至15頁。

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the AGM has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

MANAGEMENT CONTRACTS

Save for the service contracts of the Directors, no contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the reporting year.

EMOLUMENT POLICY

The Remuneration Committee was established for reviewing and determining the remuneration and compensation packages of the Directors with reference to their responsibilities, workload, the time devoted to the Group and the performance of the Group. The Directors may also receive options to be granted under the Company's share option scheme(s). Details of the share option schemes of the Company are set out in the paragraph headed "Share Option Schemes" below.

董事服務合約

擬於股東週年大會上膺選連任之董事概無與本公司訂立不得由本公司於一年內終止時免付賠償（法定賠償除外）之服務合約。

管理合約

除董事服務合約外，於報告年度內，概無訂立或存在任何與本集團全部業務或其任何重大部分有關的管理及行政合約。

薪酬政策

薪酬委員會的成立是為了檢討及釐定董事的酬金及薪酬待遇而參考了彼等的職責、工作量、對本集團付出的時間及於本集團的表現。董事亦可能收取根據本公司購股權計劃將授出的購股權。本公司購股權計劃之詳情載於下文「購股權計劃」一段。

SHARE OPTION SCHEMES

The Company adopted its first share option scheme on 22 November 2013 (the “2013 Share Option Scheme”). In view of the amendments to the Listing Rules in relation to share option scheme with effect from 1 January 2023, the Company adopted a new share option scheme at the annual general meeting of the Company held on 9 June 2023 (the “2023 Share Option Scheme”) and terminated the 2013 Share Option Scheme.

2013 Share Option Scheme

The termination of the 2013 Share Option Scheme did not affect the terms of the outstanding options that have already been granted under the 2013 Share Option Scheme and the outstanding options granted continue to be valid and exercisable in accordance with the terms of the 2013 Share Option Scheme.

Under the terms of the 2013 Share Option Scheme, the Company in aggregate granted options relating to 315,950,000 underlying Shares. 15,840,000 options had been exercised and 43,800,000 options had been lapsed. Options relating to 256,310,000 underlying Shares are outstanding, and remain valid, representing approximately 11.84% of the total issued Shares as at the date of this annual report.

2023 Share Option Scheme

(1) Purpose

The purposes of the 2023 Share Option Scheme are (i) to enable the Company to grant options to the Eligible Participants (as described below) as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the grantees with those of the Company's shareholders to promote the long-term financial and business performance of the Company.

購股權計劃

本公司於2013年11月22日採納首個購股權計劃（「2013年購股權計劃」）。鑑於上市規則有關購股權計劃的修訂自2023年1月1日起生效，本公司於2023年6月9日舉行的股東週年大會上通過了新的購股權計劃（「2023年購股權計劃」），並終止了2013年購股權計劃。

2013年購股權計劃

2013年購股權計劃的終止並不影響2013年購股權計劃中已授予的尚未行使的購股權條款，且已授予的尚未行使的購股權依照2013年購股權計劃的條款繼續有效並可行使。

根據2013年購股權計劃的條款，本公司總共授予了315,950,000股相關股份的購股權。15,840,000份購股權已被行使，43,800,000份購股權已失效。256,310,000股相關股份的購股權已發行，且仍然有效，約佔本年報日期已發行股份總數的11.84%。

2023年購股權計劃

(1) 目的

2023年購股權計劃旨在(i)使本公司能夠向合資格參與者（如下所述）授出購股權，作為彼等對本集團增長及發展作出貢獻之獎勵或回報；(ii)吸引及挽留人才，以促進本集團之可持續發展；及(iii)使承授人之利益與本公司的股東保持一致，以促進本公司長期財務及業務表現。

Directors' Report

董事報告書

(2) Eligible Participants

Eligible Participants under the 2023 Share Option Scheme will include any person belonging to the following classes of participants:

- **Employee Participant**, being an employee, director or officer of the Group (including a person who is granted options under the 2023 Share Option Scheme as an inducement to enter into employment contract with the Company or the relevant member(s) of the Group);
- **Related Entity Participant**, being an employee, director or officer of the following: a “holding company” of the Company (as defined in the SFO); a “subsidiary” of a holding company of the Company (as defined in the SFO) other than the Group; or an “associate” of the Company (as defined in the Listing Rules); and
- **Service Provider Participant**, being a person (including an entity) that falls under one of the below sub-categories and that provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Board:
 - (i) Consultants: person (as independent contractor, consultant, advisor or otherwise), that provides support or any advisory, consultancy, professional or other services to any members of the Group on a regular or recurring basis, who are not engaged as employees of the Group, and have specialties or expertise in areas that supplement the Group’s operations (for example, consultants in the areas of intellectual property (“IP”) application, media and promotion, strategic or commercial planning);

(2) 合資格參與者

2023年購股權計劃項下之合資格參與者包括屬於以下參與者類別之任何人士：

- **僱員參與者**，即本集團之僱員、董事或高級人員（包括根據2023年購股權計劃獲授予購股權之人士，以作為與本公司或本集團相關成員公司訂立僱傭合約之誘因）；
- **相關實體參與者**，即本公司之「控股公司」（定義見證券及期貨條例）；本公司控股公司（本集團除外）之「附屬公司」（定義見證券及期貨條例）；或本公司之「聯營公司」（定義見上市規則）之僱員、董事或高級人員；及
- **服務供應商參與者**，即屬於下列任何一項分類之人士（包括實體），並於本集團一般及日常業務過程中持續或經常性地向本集團提供董事會認為符合本集團長期增長利益之服務：
 - (i) 顧問：定期或經常性地向本集團任何成員公司提供支援或任何諮詢、顧問、專業或其他服務之人士（作為獨立承包商、顧問、諮詢人或其他人），其並非本集團僱員，並於輔助本集團營運之領域擁有特別技能或專業知識（例如知識產權（「IP」）應用、媒體及推廣、戰略及商業規劃等領域之顧問）；

Directors' Report

董事報告書

- (ii) Suppliers: supplier of goods or services to any member of the Group on a regular or recurring basis (for example, retailers that the Group collaborates with for its IP application and product commercialisation), with which the Group would consider important to maintain a close business relationship on an ongoing basis;
- (iii) Business partners: business partner, including joint venture partner, franchisee, contractor, agent or other contractual party, of any members of the Group that work with the Group on a regular or recurring basis (for example, long-term business promoters and collaborators), with which the Group would consider important to maintain a close collaborative relationship on an ongoing basis.

For the avoidance of doubt, (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its subsidiaries, and (ii) professional service providers (such as the auditors or valuers) who provide assurance or are required to perform their services with impartiality and objectivity, are excluded.

(3) Total number of Shares available for issue under the 2023 Share Option Scheme and the percentage of the issued Shares that it represents as at the date of the annual report

The maximum number of Shares which may be allotted and issued in respect of all options to be granted under the 2023 Share Option Scheme ("Scheme Mandate Limit") shall not exceed 10% of the number of Shares in issue as at the date of approval of the 2023 Share Option Scheme, being 202,477,432 Shares, which represents 9.35% of the issued Shares as at the date of this annual report.

The Company has not yet granted any options in respect of the 2023 Share Option Scheme.

- (ii) 供應商：定期或經常性地向本集團任何成員公司供應貨品或服務之供應商（例如與本集團合作進行IP應用及產品商業化之零售商），且本集團認為與其保持續緊密業務關係屬重要；
- (iii) 業務夥伴與本集團定期或經常性地合作之任何本集團成員公司之業務夥伴（例如長期業務推廣商及合作人），包括合營企業夥伴、特許經銷商、承包商、代理或其他合約方，且本集團認為與其保持續緊密合作關係屬重要。

為免生疑問，(i) 為本公司或其附屬公司之籌資、合併或收購提供諮詢服務的配售代理或財務顧問，及(ii) 提供保證或被要求以公正和客觀的方式提供服務之專業服務供應商（例如核數師或估值師）並不包括在內。

(3) 根據2023年購股權計劃可予發行之股份總數連同其於本年報日期佔已發行股份之百分比

就根據2023購股權計劃授出之所有購股權可配發及發行之最高股份數目（「計劃授權限額」）不得超過於批准2023購股權計劃當日已發行股份數目之10%，即202,477,432股股份，佔於本年報日期已發行股份之9.35%。

本公司尚未就2023年購股權計畫授出任何購股權。

Directors' Report

董事報告書

(4) Maximum entitlement of each participant under the 2023 Share Option Scheme

Unless approved by shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted to each Eligible Participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of Shares in issue.

(5) Timing for exercise of options

A period to be specified by the Board and not to exceed 10 years from the date of grant of options.

(6) The vesting period of options granted under the 2023 Share Option Scheme

Any period as determined by the Board.

(7) The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be repaid

HK\$1 is to be paid as consideration for the grant of option within 21 days from the date of offer.

(4) 各參與者於2023購股權計劃項下之最高授權

除非經本公司股東批准，否則於任何12個月期間因各合資格參與者獲授予的購股權（包括已行使及未行使的購股權）獲行使而已發行及將發行的股份總數不得超過本公司已發行股份總數的1%。

(5) 行使購股權之時限

按董事會指定的期間，惟不得超過由授出購股權之日起計10年。

(6) 根據2023購股權計劃授出的購股權的歸屬期

由董事會釐定的任何期間。

(7) 申請或接納購股權應付之款項，以及必須或可能須付款或催繳或須就該等目的償還貸款之期限

須於建議授出日期起計21日內繳付1港元作為獲授購股權的代價。

Directors' Report

董事報告書

(8) Basis of determining the exercise price

The subscription price per Share in relation to an option shall be a price to be determined by the Board and shall be no less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date on which the option is offered to an Eligible Participant, which must be a business day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; or
- (c) the nominal value of the Shares on the offer date.

(9) Life of the 2023 Share Option Scheme

The 2023 Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption, i.e. 9 June 2023.

Details of the movements of the options during the year ended 31 December 2023 are set out in note 36 to the consolidated financial statements of this annual report.

(8) 釐定行使價之基準

有關購股權之每股認購價須由董事會釐定，且不得低於下列各項之最高者：

- (a) 於向合資格參與者授予購股權當日（必須為營業日）聯交所每日報價表所載之股份收市價；
- (b) 於緊接要約日期前五個營業日聯交所每日報價表所載之股份平均收市價；或
- (c) 於要約日期之股份面值。

(9) 2023年購股權計劃之有效期

2023年購股權計劃自獲採納之日（即2023年6月9日）起有效，為期10年。

截至二零二三年十二月三十一日止年度的購股權變動詳情載於本年報綜合財務報表附註36。

Directors' Report

董事報告書

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

As at 31 December 2023, the interests of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or were required pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange were as follows:

董事及主要行政人員於股份、相關股份及債權證中的權益及淡倉

於二零二三年十二月三十一日，本公司董事及主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所的權益（包括彼等根據證券及期貨條例的該等條文被當作或視為擁有的權益及淡倉）；或根據證券及期貨條例第352條規定須記錄在該條所述登記冊內的權益；或根據標準守則須知會本公司及聯交所的權益如下：

Long positions in Shares of the Company

於本公司股份的好倉

| Name | Capacity | Ordinary shares | Shares issuable on share options held | Total interests | Approximate percentage of shareholdings |
|---|---------------------------|-----------------|---------------------------------------|-----------------|---|
| 姓名 | 身份 | 普通股 | 所持購股權之可發行股份 (Note 1) (附註1) | 總權益 | 股權概約百分比 (Note 2) (附註2) |
| Li Yang 李陽 | Beneficial owner 實益擁有人 | – | 36,700,000 | 36,700,000 | 1.72% |
| Tin Yat Yu Carol 田一好 | Beneficial owner 實益擁有人 | – | 36,700,000 | 36,700,000 | 1.72% |
| Chan Ming Leung Terence (Note 3) 陳明亮（附註3） | Beneficial owner 實益擁有人 | 15,840,000 | 2,060,000 | 17,900,000 | 0.84% |
| Gong Xiaohan 龔曉寒 | Beneficial owner 實益擁有人 | – | 36,700,000 | 36,700,000 | 1.72% |
| Tang Shu Pui Simon 鄧澍培 | Beneficial owner 實益擁有人 | 5,000,000 | 2,000,000 | 7,000,000 | 0.33% |
| Hon Ming Sang 韓銘生 | Beneficial owner 實益擁有人 | – | 2,000,000 | 2,000,000 | 0.09% |
| Lo Wing Sze 羅詠詩 | Beneficial owner 實益擁有人 | – | 2,000,000 | 2,000,000 | 0.09% |

Directors' Report

董事報告書

Notes:

1. The options were respectively granted by the Company on 8 December 2021, 19 April 2022 and 17 January 2023. For details of the options granted, please refer to the announcements of the Company published on the respective dates.
2. Based on 2,137,076,324 Shares as at 31 December 2023.
3. Based on his disclosure of interests forms filed on 19 May 2023, 20 June 2023 and 12 September 2023 respectively, Mr. Chan Ming Leung Terence provided an interest in the 15,840,000 Shares as security to a person other than a qualified lender.

Save as disclosed above, as at 31 December 2023, none of the Directors or chief executive of the Company have or are deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were notifiable to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or recorded in the register required to be maintained by the Company under Section 352 of the SFO, or as otherwise notifiable to the Company and the Stock Exchange pursuant to the Model Code.

附註：

1. 該等購股權由本公司於二零二一年十二月八日、二零二二年四月十九日及二零二三年一月十七日各別授出。有關授出的購股權詳情，請參閱本公司於各別日期刊發的公告。
2. 基於二零二三年十二月三十一日2,137,076,324股本公司已發行股份。
3. 根據分別於二零二三年五月十九日、二零二三年六月二十日及二零二三年九月十二日提交之權益披露表，陳明亮先生向合資格貸款人以外人士提供15,840,000股股份之權益作為擔保。

除上文所披露者外，於二零二三年十二月三十一日，本公司董事及主要行政人員概無於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益（包括彼等根據證券及期貨條例的該等條文被當作或視為擁有的權益及淡倉），或記錄於須根據證券及期貨條例第352條存置的登記冊的權益及淡倉，或須根據標準守則知會本公司及聯交所的權益及淡倉。

Directors' Report

董事報告書

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2023, so far as it was known by or otherwise notified to any Directors or the chief executive of the Company, the particulars of the corporations or persons (other than the directors and the chief executive of the Company) which had 5% or more interests in shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

主要股東及其他人士於股份、相關股份及債權證的權益及淡倉

於二零二三年十二月三十一日，就本公司任何董事或主要行政人員所知或獲告知，於本公司股份及相關股份擁有5%或以上權益而記錄於須根據證券及期貨條例第336條存置的登記冊的法團或人士（本公司董事及主要行政人員除外）詳情如下：

Long positions in Shares of the Company

於本公司股份的好倉

| Name | Capacity | Ordinary shares | Other interests in underlying shares held | Total interests | Approximate percentage of shareholdings |
|--|--|-----------------|---|-----------------|---|
| 名稱 | 身份 | 普通股 | 於所持有相關股份之其他權益 | 總權益 | 股權概約百分比 (Note 1) (附註1) |
| World Field Industries Limited (Note 2) 威峰實業有限公司(附註2) | Beneficial owner 實益擁有人 | 283,994,000 | – | 283,994,000 | 13.29% |
| Value Convergence Holdings Limited (Note 3) 滙盈控股有限公司(附註3) | Beneficial owner 實益擁有人 | 155,334,000 | 66,844,919 | 222,178,919 | 10.40% |
| | Interest of controlled corporation 受控法團權益 | 19,338,000 | – | 19,338,000 | 0.90% |
| Anli Investment Fund SPC-Anli Greater China Opportunity Fund Segregated Portfolio (Note 4) (附註4) | Beneficial owner 實益擁有人 | 193,590,887 | – | 193,590,887 | 9.06% |
| Mr. Zeng Ge (Note 5) 曾舸(附註5) | Beneficial owner 實益擁有人 | – | 19,800,000 | 19,800,000 | 0.93% |
| | Interest of controlled corporation 受控法團權益 | 114,000,000 | – | 114,000,000 | 5.33% |

Directors' Report

董事報告書

Notes:

1. Based on 2,137,076,324 Shares as at 31 December 2023.
2. Based on the disclosure of interests forms filed on 19 July 2022, World Field Industries Limited is owned as to 100% by Green Astute Limited, which is in turn owned as to 100% by Hao Tian Media & Culture Holdings Limited, which is in turn owned as to 100% by Aceso Life Science Group Limited ("Aceso"), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 474.HK). Based on the interim report for the six months ended 30 September 2023 of Aceso, as at 30 September 2023, Aceso was owned as to approximately 58.98% by Ms. Li Shao Yu (李少宇) and as to 10.83% by Century Golden Resources Investment Co., Ltd ("Century Golden"). Based on the disclosure of interest forms in relation to Aceso filed on 25 August 2021, Century Golden is owned as to 50% by Huang Tao (黃濤) and as to 40% by Huang Shiyang (黃世熒).
3. To the best of knowledge and information of the Company, Value Convergence Holdings Limited ("VCH"), the shares of which are listed on the Main Board of the Stock Exchange (stock code: 821.HK), was the beneficial owner of 155,334,000 shares / underlying shares of the Company, of which 66,844,919 referred to interests in underlying shares (unlisted derivatives – convertible instruments). VCH was deemed to be interested in 66,844,919 underlying shares of the Company which may be issued and allotted upon exercise of the conversion rights attaching to the convertible bonds at a principal amount of HK\$10,000,000 at the conversion price of HK\$0.1496 per share. For details, please refer to the announcements of the Company dated 13 December 2021 and 6 January 2022. VCH was the beneficial owner of 155,334,000 Shares. Also, by virtue of the SFO, VCH is deemed to be interested in 19,338,000 Shares which are held by VC Brokerage Limited, which in turn is owned as to 100% by VC Financial Group Limited, which is in turn owned as to 100% by VCH.
4. To the best of knowledge and information of the Company, Anli Investment Fund SPC-Anli Greater China Opportunity Fund Segregated Portfolio ("Anli Greater China") was interested in 193,590,887 Shares, VC International Asset Management Limited (formerly known as Anli Asset Management Limited), which is a wholly-owned subsidiary of VCH, is the investment manager of Anli Greater China.
5. Based on the disclosure of interests form filed on 20 April 2023, Mr. Zeng Ge (曾舸) is the beneficial owner of 100% shareholding in Dreamtoys Ltd., and is thus deemed, by virtue of Part XV of the SFO, to be interested in 114,000,000 shares beneficially owned by Dreamtoys Ltd. Besides, Mr. Zeng Ge has been granted 19,800,000 share options by the Company on 17 January 2023.

Save as disclosed above, as at 31 December 2023, the Directors were not aware of any other persons or entities (other than the directors and chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, its Group members or associated corporations which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO; or as otherwise notified to the Company and the Stock Exchange.

附註：

1. 基於二零二三年十二月三十一日2,137,076,324股本公司已發行股份。
2. 根據於二零二二年七月十九日提交之權益披露表，威風實業有限公司由芊睿有限公司擁有100%權益，芊睿有限公司則由昊天媒體文化控股有限公司擁有100%權益，而昊天媒體文化控股有限公司則由信銘生命科技集團有限公司（「信銘」）（其股份於聯交所主板上市（股份代號：474.HK））擁有100%權益。根據信銘截至二零二三年九月三十日止六個月之中期報告，於二零二三年九月三十日，信銘由李少宇女士擁有約58.98%權益及Century Golden Resources Investment Co., Ltd（「Century Golden」）擁有10.83%權益。根據於二零二一年八月二十五日提交有關信銘的權益披露表，Century Golden分別由黃濤及黃世熒擁有50%權益及40%權益。
3. 據本公司所知及所悉，滙盈控股有限公司（「滙盈控股」）（其股份於聯交所主板上市（股份代號：821.HK）），為本公司155,334,000股股份／相關股份之實益擁有人，其中66,844,919股指相關股份之權益（非上市衍生工具－可換股工具）。滙盈控股被視為於本金額達10,000,000港元之可換股債券所附換股權按每股股份0.1496港元之換股價獲行使時可能發行及配發之66,844,919股本公司相關股份中擁有權益。詳情請參閱本公司日期分別為二零二一年十二月十三日及二零二二年一月六日的公告。滙盈控股為155,334,000股股份之實益擁有人。此外，根據證券及期貨條例，滙盈被視為於滙盈證券有限公司所持之19,338,000股股份中擁有權益，滙盈證券有限公司由滙盈金融集團有限公司擁有100%權益，而滙盈金融集團有限公司則由滙盈擁有100%權益。
4. 據本公司所知及所悉，Anli Investment Fund SPC-Anli Greater China Opportunity Fund Segregated Portfolio（「Anli Greater China」）於193,590,887股股份中擁有權益。滙盈國際資產管理有限公司（前稱安里資產管理有限公司），乃滙盈控股之全資附屬公司，為Anli Greater China之投資經理。
5. 根據於二零二三年四月二十日提交之權益披露表，曾舸先生為Dreamtoys Ltd之100%股權之實益擁有人，因此，根據證券及期貨條例第XV部，彼被視為於Dreamtoys Ltd實際擁有之114,000,000股股份中擁有權益。此外，曾舸先生於二零二三年一月十七日獲本公司授出19,800,000份購股權。

除上文所披露者外，於二零二三年十二月三十一日，董事並不知悉有任何其他人士或實體（本公司董事及主要行政人員除外）於本公司、其集團成員公司或相聯法團的股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露、或記錄於須根據證券及期貨條例第336條所存置的登記冊或另行知會本公司及聯交所的權益或淡倉。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Ms. Tin Yat Yu Carol, an executive Director and the sole director of Delta Wealth Finance Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company, is also a director of Finsoft Financial Investment Holdings Limited (stock code: 8018.HK), which is principally engaged in money lending business in Hong Kong.

Save as disclosed above, none of the Directors, or their respective associates (as defined in the Listing Rules) has engaged in any business that competes or is likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 December 2023.

CONNECTED TRANSACTION

On 8 December 2022, Delta Wealth Finance Limited (the “Assignor”), being a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “Sale and Purchase Agreement”) with Ms. Tin Yat Yu Carol, an executive Director and the sole director of the Assignor (the “Assignee”), pursuant to which the Assignor has agreed to assign, and the Assignee has agreed to purchase from the Assignor all of the Assignor's legal and beneficial right in the Assigned Debt (as defined below) under certain loan agreements in relation to the loans previously made available by the Assignor to two independent borrowers.

The total consideration of HK\$22,952,679 under the Sale and Purchase Agreement represented the difference of the original aggregated principal amounts of the Assigned Debt of HK\$27,800,000, which was equivalent to the aggregate principal amounts of the loan agreements respectively of HK\$7,800,000 and of HK\$20,000,000, and all repayments (including interest payments) previously made by the two borrowers up to 30 June 2022 of HK\$4,847,321.

The Assignee was a connected person of the Company under Chapter 14A of the Listing Rules by virtue of being an executive Director and the sole director of the Assignor. Therefore, the Assignment constituted a connected transaction for the Company and was subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

董事於競爭業務之權益

執行董事及融富財務有限公司（於香港註冊成立之有限公司並為本公司全資附屬公司）之唯一董事田一好女士亦為為匯財金融投資控股有限公司（股份代號：8018）之董事，主要在香港從事借貸業務。

除上文所披露者外，於截至二零二三年十二月三十一日止年度內，概無董事或彼等各自之任何聯繫人士（定義見上市規則）於與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益。

關連交易

於二零二二年十二月八日，融富財務有限公司（「轉讓人」）（為本公司之全資附屬公司）與田一好女士（為執行董事及轉讓人之唯一董事）（「承讓人」）訂立買賣協議，據此轉讓人同意轉讓而承讓人同意購買轉讓人根據其先前向兩名獨立借款人提供的貸款與之相關的若干貸款協議下之已轉讓債務（定義見下文）的所有法律及實益權利。

於買賣協議下22,952,679港元之代價為已轉讓債務之原有本金總額27,800,000港元（相等於貸款協議分別本金額7,800,000港元及20,000,000港元之總額）與兩名借款人截至二零二二年六月三十日先前已支付之所有還款（包括利息付款）4,847,321港元之差額。

由於承讓人為執行董事及轉讓人之唯一董事，故根據上市規則第14A章，承讓人為本公司之關連人士。因此，轉讓事項亦構成本公司之關連交易，並須遵守上市規則第14A章項下之申報、公告、通函及獨立股東批准規定。

Directors' Report

董事報告書

On 28 February 2023, an ordinary resolution was duly passed by the independent shareholders of the Company to approve, confirm and ratify the Sale and Purchase Agreement and all transactions contemplated thereunder. Please refer to the Company's announcements dated 8 December 2022 and 28 February 2023, and the Company's circular dated 10 February 2023 for details.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS

Save for Ms. Tin Yat Yu Carol, an executive Director who had an interest in the Sale and Purchase Agreement as disclosed under the section headed "Connected Transaction" above, no Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to business of the Group to which the Company or any of its subsidiaries was a party for the year ended 31 December 2023.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group for the reporting year are set out in note 35 to the consolidated financial statements contained herein.

Save as disclosed under the section headed "Connected Transaction" above, none of the related party transactions constitutes a connected transaction or continuing connected transaction subject to independent shareholders' approval, annual review and all disclosure requirements in accordance with Chapter 14A of the Listing Rules.

PERMITTED INDEMNITY PROVISION

Under article 164 of the Articles, every Director, company secretary, other officers and auditor for the time being of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts; provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

Such permitted indemnity provisions have been in force throughout the year. The Company has arranged appropriate D&O Insurance.

於二零二三年二月二十八日，本公司獨立股東正式通過了普通決議案，以批准、確認及追認買賣協議及其項下擬進行的所有交易。有關詳情，請參閱本公司日期為二零二二年十二月八日及二零二三年二月二十八日的公告，以及二零二三年二月十日的通函。

董事於交易、安排及合約的重大權益

除執行董事田一好女士於上文「關連交易」一節所披露之買賣協議擁有權益之外，截至二零二三年十二月三十一日止年度，概無董事於本公司或其任何附屬公司為訂約一方而對本集團業務而言屬重大的任何交易、安排或合約中直接或間接擁有重大權益。

關聯方交易

有關本集團於報告年度內的關聯方交易的之詳情載於本年報所載綜合財務報表附註35。

除於上文「關連交易」一節所披露者外，概無關聯方交易構成須遵守上市規則第14A章項下獨立股東批准、年度審核及所有披露規定的關連交易或持續關連交易。

准許彌償條文

根據章程細則第164條，董事、公司秘書及其他高級人員及本公司當時的核數師，就或針對其本人或其中任何人，於各自的職位或信託中履行職責或其假定職責時作出、同意作出或遺漏作出任何行為而將會或可能招致或蒙受的任何訴訟、費用、收費、損失、損害賠償及開支而蒙受損害，將獲以本公司資產及利潤作為彌償保證及擔保；惟該等彌償不得引伸而適用於與任何所述人士的任何欺詐或不誠實行為有關的任何事宜。

該准許彌償條文於本年度生效。本公司已投保合適的董事及主管責任保險。

Directors' Report 董事報告書

CORPORATE GOVERNANCE

A detailed corporate governance report is set out in pages 31 to 54 in this annual report.

企業管治

詳細企業管治報告載於本年報第31至54頁。

By order of the Board
Virtual Mind Holding Company Limited
Li Yang
Chairman

承董事會命
天機控股有限公司
李陽
主席

27 March 2024

二零二四年三月二十七日

Independent Auditor's Report

獨立核數師報告



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

TO THE SHAREHOLDERS OF VIRTUAL MIND HOLDING COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

致天機控股有限公司全體股東

(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Virtual Mind Holding Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 115 to 224, which comprise the consolidated statement of financial position as at 31 December 2023, 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 financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKASAs") 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.

意見

吾等已完成審核刊載於第115頁至第224頁天機控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的綜合財務報表，其中包括於二零二三年十二月三十一日的綜合財務狀況表，以及截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策資料。

吾等認為，綜合財務報表已根據由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映 貴集團於二零二三年十二月三十一日的綜合財務狀況及其截至該日止年度的財務表現及綜合現金流量，並認為綜合財務報表乃按照香港《公司條例》之披露要求妥為編製。

意見基準

吾等已根據香港會計師公會頒佈的香港核數準則（「香港核數準則」）進行審核。吾等於該等準則項下的責任於本報告「核數師就審核綜合財務報表的責任」一節進一步闡述。根據香港會計師公會頒佈的「專業會計師道德守則」（「守則」），吾等獨立於 貴集團，並已根據守則履行其他道德責任。吾等相信，吾等所獲取的審核憑證充足及適當地為吾等的意見提供基礎。

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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.

Recoverability of Loans and Interest Receivables

Refer to notes 5(b) and 21 to the consolidated financial statements

As at 31 December 2023, the Group's loans and interest receivables (net of impairment losses) amounted to approximately HK\$44,560,000, representing significant balances recorded in the consolidated statement of financial position of the Group.

Management performed credit evaluations for the Group's debtors and assessed expected credit losses ("ECL") of loans and interest receivables. These assessments were focused on the debtors' settlement history and their current ability to pay, and took into account information specific to respective debtor.

We identified this area as a key audit matter because significant judgements have been made by the management during the assessment of the credit standing of the Group's debtors and the estimation of ECL of loans and interest receivables.

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核本期綜合財務報表中最重要的事項。吾等在整體審核綜合財務報表及就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

應收貸款及利息的可收回性

參閱綜合財務報表附註5(b)及21

於二零二三年十二月三十一日，貴集團應收貸款及利息（扣除減值虧損）約為44,560,000港元，即於貴集團綜合財務狀況表列賬的重大結餘。

管理層對貴集團的債務人進行信貸評估並評估應收貸款及利息的預期信貸虧損（「預期信貸虧損」）。該等評估專注於債務人的歷史付款記錄及其當前的支付能力，並考慮債務人的特定信息。

吾等確認該領域為關鍵審核事項，原因為管理層已於對貴集團債務人的信貸等級評估及應收貸款及利息的預期信貸虧損的估計中作出了重大判斷。

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KEY AUDIT MATTERS (Continued)

Recoverability of Loans and Interest Receivables (Continued)

Our response:

- Obtaining an understanding of the Group's policy and methodology for impairment assessment in relation to the application of ECL model;
- Inquiring management for the status of the loans and interest receivable as at year end date and corroborating explanations from management with supporting evidence, such as understanding of credit status of debtors, checking of historical and subsequent settlement records and other correspondence with the debtors;
- Evaluating the appropriateness and reasonableness of methodology, parameters and assumptions used in the assessment of ECL such as criteria for judging significant increases in credit risk, definition of credit-impaired financial assets, key data inputs and forward-looking information;
- Checking the arithmetical accuracy of the management's calculation of impairment loss allowances under ECL model; and
- Assessing the adequacy of the Group's disclosures regarding loans and interest receivables, and the related risks such as credit risk.

關鍵審核事項 (續)

應收貸款及利息的可收回性 (續)

吾等的回應：

- 了解 貴集團有關應用預期信貸虧損模式的減值評估的政策及方法；
- 向管理層查詢於年度結算日的應收貸款及利息的狀況，及透過了解債務人的信用狀況、檢查過往及其後結算記錄以及與債務人的往來信函等可靠憑證證實管理層的解釋；
- 評估就評估預期信貸虧損所用的方法、參數及假設的合適度及合理性，例如判斷信貸風險重大增加的準則、信用減值金融資產的定義、關鍵數據輸入及前瞻性資料；
- 檢查管理層在預期信貸虧損模式下計算減值虧損撥備的算術準確性；及
- 評估 貴集團有關應收貸款及利息，以及相關風險（如信貸風險）披露的充分性。

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KEY AUDIT MATTERS *(Continued)*

Impairment Assessment of Non-current Assets (Other Than Financial Assets)

Refer to notes 5(d), 14, 15, 16 and 17 to the consolidated financial statements

As at 31 December 2023, the Group's non-current assets (other than financial assets) principally comprised goodwill, intangible asset, property, plant and equipment and right-of-use assets.

The Group assessed the recoverable amounts of goodwill, intangible asset with indefinite useful life and other non-current assets as at 31 December 2023 based on higher of its fair value less costs of disposal ("FVL COD") and value-in-use ("VIU"). Preparing the VIU and FVL COD calculations requires management to exercise significant judgements and make critical accounting estimates, particularly in relation to the determination of valuation techniques and the selection of inputs like projected cash flows during projection period, growth rates beyond the projection period and discount rates to discount the projected cash flows and cash flows beyond the projection period. The Group has also engaged an independent professional valuer to establish and determine the appropriate valuation methodology and inputs.

We identified impairment assessment of non-current assets (other than financial assets) as a key audit matter because the impairment assessment involves significant judgements and assumptions by management underlying the determination of the VIU and FVL COD.

關鍵審核事項 (續)

非流動資產 (不包括金融資產) 減值評估

參閱綜合財務報表附註5(d)、14、15、16及17

於二零二三年十二月三十一日，貴集團的非流動資產 (不包括金融資產) 主要包括商譽、無形資產、物業、廠房及設備及使用權資產。

貴集團按照其公平值減出售成本 (「公平值減出售成本」) 與使用價值 (「使用價值」) 兩者的較高者評估於二零二三年十二月三十一日的商譽、具無限期可使用年期的無形資產及其他非流動資產的可收回金額。編製使用價值及公平值減出售成本計算方法需要管理層作出重大判斷及關鍵會計估計，尤其是關於釐定估值技術及選擇輸入數據 (例如預測期間內的預計現金流量、預測期間後的增長率及用於折現預計現金流量及預測期間後的現金流量的折現率)。貴集團亦委聘獨立專業估值師，以建立及釐定適當的估值方法及輸入數據。

由於減值評估涉及管理層於釐定使用價值及公平值減出售成本時作出的重大判斷及假設，因此吾等將非流動資產 (不包括金融資產) 的減值評估確認為關鍵審核事項。

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KEY AUDIT MATTERS *(Continued)*

Impairment Assessment of Non-current Assets (Other Than Financial Assets) *(Continued)*

Our response:

- Understanding and assessing the appropriateness of the valuation methodologies used by the management and key assumptions adopted for valuations based on our knowledge of the businesses and industries;
- Assessing the objectivity, capability and competence of the independent professional valuer by considering its qualifications, relevant experience and relationship with the Group;
- Checking, on a sampling basis, the accuracy and relevance of the input data used and the reasonableness of the key assumptions used in the valuations;
- Involving an auditor's valuation expert to assist our work in assessing the valuation methodologies adopted by the independent professional valuer and comparing the key estimates and assumptions adopted in the valuations;
- Discussing with the independent professional valuer and challenging the reasonableness of key assumptions in the cash flow projections covering the projection period, growth rates and discount rates; and
- Assessing the adequacy of the disclosures on the impairment assessment in the consolidated financial statements.

關鍵審核事項 *(續)*

非流動資產（不包括金融資產）減值評估 *(續)*

吾等的回應：

- 根據吾等於業務及行業方面的知識，了解及評估管理層所使用估值方法及就估值所採納的關鍵假設的合適性；
- 通過考慮獨立專業估值師的資歷、相關經驗及與貴集團的關係，評估其客觀性、能力及資質；
- 抽樣檢查於估值中所使用輸入數據的準確性及相關性以及所用關鍵假設的合理性；
- 委聘核數師的估值專家協助吾等評估獨立專業估值師所採納的估值方法以及比較於估值中所採用的關鍵估計及假設；
- 與獨立專業估值師討論及質詢涵蓋預測期間的現金流預測、增長率及折現率中關鍵假設的合理性；及
- 評估於綜合財務報表中進行減值評估披露的充分性。

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OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

年報的其他資料

董事負責其他資料。其他資料包括 貴公司年報所載資料，但不包括綜合財務報表及核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審核過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。於此方面，吾等沒有任何報告。

董事就綜合財務報表須承擔的責任

董事負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》之披露要求編製真實及公平的綜合財務報表，以及董事認為就編製不存在由於欺詐或錯誤而導致重大錯誤陳述的綜合財務報表而言屬必要的內部監控。

在編製綜合財務報表時，董事負責評估 貴集團的持續經營能力，披露（如適用）與持續經營有關的事項，並使用持續經營會計基準（除非董事擬將 貴集團清盤、終止業務，或別無其他選擇）。

董事亦負責監督 貴集團財務申報程序。審核委員會就此協助董事履行彼等的責任。

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

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

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

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

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

核數師就審核綜合財務報表的責任

吾等之目標為獲取合理保證有關綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有吾等意見的核數師報告。根據委聘條款，吾等僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等不會就本報告內容向任何其他人士負上或承擔任何責任。

合理保證是高水平的保證，但不能擔保根據香港核數準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港核數準則進行審核時，吾等運用專業判斷，於整個審核過程中保持專業懷疑態度。吾等亦：

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

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

(Continued)

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

We communicate with the 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.

核數師就審核綜合財務報表的責任 (續)

- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括資料披露）的整體列報、架構及內容，以及綜合財務報表是否已中肯反映相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足合適的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

吾等就（其中包括）審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷與審核委員會溝通。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及為消除威脅而採取的行動或應用的防範措施（如適用）與審核委員會溝通。

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

(Continued)

From the matters communicated with the directors, 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.

BDO Limited

Certified Public Accountants

Lui Chi Kin

Practising Certificate Number P06162

Hong Kong, 27 March 2024

核數師就審核綜合財務報表的責任 (續)

吾等從與董事溝通的事項中，決定哪些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

香港立信德豪會計師事務所有限公司

執業會計師

呂智健

執業證書編號：P06162

香港，二零二四年三月二十七日

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

| | | Notes 附註 | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--|---------------------|-------------|----------------------------------|----------------------------------|
| Revenue | 收入 | 7 | 66,328 | 89,620 |
| Cost of sales | 銷售成本 | | (55,095) | (75,560) |
| Gross profit | 毛利 | | 11,233 | 14,060 |
| Other gains and losses, net | 其他收益及虧損淨額 | 7 | (447) | 66,221 |
| Impairment of goodwill | 商譽減值 | 16 | (13,000) | (34,632) |
| Provision for expected credit loss on trade receivables | 貿易應收款項預期信貸虧損撥備 | 20 | (1,205) | (550) |
| Provision for expected credit loss on loans and interest receivables | 應收貸款及利息預期信貸虧損撥備 | 21 | (14,496) | (21,196) |
| Selling and distribution expenses | 銷售及分銷費用 | | (3,033) | (1,865) |
| Administrative expenses | 行政開支 | | (67,263) | (76,290) |
| Finance costs | 融資成本 | 8 | (6,318) | (3,991) |
| Share of results of associates | 分佔聯營公司業績 | 18 | (110) | (160) |
| Loss before income tax | 除所得稅前虧損 | 9 | (94,639) | (58,403) |
| Income tax credit/(expense) | 所得稅抵免／(開支) | 11 | 621 | (7,472) |
| Loss for the year | 年度虧損 | | (94,018) | (65,875) |
| Other comprehensive loss, net of tax, attributable to owners of the Company | 本公司擁有人應佔其他全面虧損(除稅後) | | | |
| Item that may be reclassified subsequently to profit or loss: | 可於其後重新分類至損益的項目： | | | |
| Exchange loss on translation of financial statements of foreign operations | 換算海外業務財務報表的匯兌虧損 | | (2,043) | (2,358) |
| Total comprehensive loss for the year | 年度全面虧損總額 | | (96,061) | (68,233) |

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

| | | Notes 附註 | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--|-------------------------|-------------|----------------------------------|----------------------------------|
| (Loss)/profit for the year attributable to: | 應佔年度（虧損）／收益： | | | |
| Owners of the Company | 本公司擁有人 | | (93,749) | (65,895) |
| Non-controlling interests | 非控股權益 | | (269) | 20 |
| | | | (94,018) | (65,875) |
| Total comprehensive (loss)/income for the year attributable to: | 應佔年度全面（虧損）／收益總額： | | | |
| Owners of the Company | 本公司擁有人 | | (95,792) | (68,253) |
| Non-controlling interests | 非控股權益 | | (269) | 20 |
| | | | (96,061) | (68,233) |
| Loss per share attributable to owners of the Company | 本公司擁有人應佔每股虧損 | | | |
| Basic (in HK cents) | 基本（港元仙） | 13 | (4.78) | (3.57) |
| Diluted (in HK cents) | 攤薄（港元仙） | | (4.78) | (3.57) |

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2023 於二零二三年十二月三十一日

| | | Notes 附註 | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|----------------------|-------------|----------------------------------|----------------------------------|
| ASSETS AND LIABILITIES | 資產及負債 | | | |
| Non-current assets | 非流動資產 | | | |
| Interests in associates | 於聯營公司的權益 | 18 | 730 | 840 |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 2,640 | 2,367 |
| Right-of-use assets | 使用權資產 | 15 | 3,291 | 2,818 |
| Prepayment and other receivable | 預付款及其他應收款項 | 22 | 12,832 | 400 |
| Goodwill | 商譽 | 16 | 28,812 | 42,543 |
| Intangible asset | 無形資產 | 17 | 800 | 800 |
| Deferred tax assets | 遞延稅項資產 | 30 | 2,157 | 554 |
| | | | 51,262 | 50,322 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 19 | 8,435 | 6,564 |
| Trade receivables | 貿易應收款項 | 20 | 31,662 | 39,065 |
| Loans and interest receivables | 應收貸款及利息 | 21 | 44,560 | 98,163 |
| Deposits, prepayments and other receivables | 按金、預付款及其他應收款項 | 22 | 34,468 | 29,003 |
| Tax recoverable | | | - | 55 |
| Financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產 | 23 | 12,555 | 13,189 |
| Cash and cash equivalents | 現金及現金等值項目 | 24 | 31,243 | 52,012 |
| | | | 162,923 | 238,051 |
| Current liabilities | 流動負債 | | | |
| Trade payables | 貿易應付款項 | 25 | 7,743 | 17,586 |
| Accruals and other payables | 預提費用及其他應付款項 | 26 | 22,749 | 22,074 |
| Contract liabilities | 合約負債 | 27 | 998 | 893 |
| Other borrowings | 其他借款 | 28 | 4,400 | 4,760 |
| Provision for taxation | 稅項撥備 | | 1,075 | 7,063 |
| Lease liabilities | 租賃負債 | 29 | 2,083 | 1,481 |
| | | | 39,048 | 53,857 |
| Net current assets | 流動資產淨值 | | 123,875 | 184,194 |
| Total assets less current liabilities | 總資產減流動負債 | | 175,137 | 234,516 |

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2023 於二零二三年十二月三十一日

| | | Notes 附註 | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|-------------------|-------------|----------------------------------|----------------------------------|
| Non-current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | 29 | 1,175 | 1,192 |
| Other borrowings | 其他借款 | 28 | 25,250 | 24,024 |
| | | | 26,425 | 25,216 |
| Net assets | 資產淨值 | | 148,712 | 209,300 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | | |
| Share capital | 股本 | 31 | 21,371 | 19,836 |
| Reserves | 儲備 | 32 | 126,742 | 188,596 |
| | | | 148,113 | 208,432 |
| Non-controlling interests | 非控股權益 | | 599 | 868 |
| Total equity | 權益總額 | | 148,712 | 209,300 |

On behalf of the board of directors
代表董事會

Li Yang
李陽
Director
董事

Tin Yat Yu Carol
田一好
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

| | | Equity attributable to owners of the Company 本公司擁有人應佔權益 | | | | | | | | | | |
|--|-------------------------|--|---------------|----------------|-------------------|-----------------------------|---------------------|----------------------------------|--------------------|----------|---------------------------|--------------|
| | | Share capital | Share premium | Merger reserve | Statutory reserve | Share-based payment reserve | Translation reserve | Convertible bonds equity reserve | Accumulated losses | Total | Non-controlling interests | Total equity |
| | | 股本 | 股份溢價 | 合併儲備 | 法定儲備 | 以股份為基礎的支付儲備 | 換算儲備 | 可換股債券權益儲備 | 累計虧損 | 總額 | 非控股權益 | 權益總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | 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 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (note 32(a)) | (note 32(a)) | (note 32(b)) | (note 32(c)) | (note 32(d)) | (note 32(e)) | (note 32(f)) | | | | |
| | | (附註32(a)) | (附註32(a)) | (附註32(b)) | (附註32(c)) | (附註32(d)) | (附註32(e)) | (附註32(f)) | | | | |
| At 1 January 2022 | 於二零二二年一月一日 | 16,900 | 375,963 | 2,988 | 3,344 | 3,741 | 1,847 | - | (208,526) | 196,257 | - | 196,257 |
| Loss for the year | 年度虧損 | - | - | - | - | - | - | - | (65,895) | (65,895) | 20 | (65,875) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | - | - | - | - | - |
| - Exchange loss on translation of financial statements of foreign operations | - 換算海外業務財務報表的匯兌虧損 | - | - | - | - | - | (2,358) | - | - | (2,358) | - | (2,358) |
| Total comprehensive loss for the year | 年度全面虧損總額 | - | - | - | - | - | (2,358) | - | (65,895) | (68,253) | 20 | (68,233) |
| Issuance of shares in respect of acquisition of subsidiaries (note 34) | 就收購附屬公司發行股份 (附註34) | 1,800 | 40,320 | - | - | - | - | - | - | 42,120 | - | 42,120 |
| Equity-settled share option scheme arrangements | 以權益結算的購股權計劃安排 | - | - | - | - | 8,638 | - | - | - | 8,638 | - | 8,638 |
| Issuance of convertible bonds (note 37) | 發行可換股債券 (附註37) | - | - | - | - | - | - | 18,800 | - | 18,800 | - | 18,800 |
| Issuance of shares in respect of conversion of convertible bonds (note 37) | 就轉換可換股債券發行股份 (附註37) | 1,136 | 9,734 | - | - | - | - | (6,314) | 6,314 | 10,870 | - | 10,870 |
| Contribution from non-controlling interests | 非控股權益注資 | - | - | - | - | - | - | - | - | - | 848 | 848 |
| 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 | 19,836 | 426,017 | 2,988 | 3,344 | 12,379 | (511) | 12,486 | (268,107) | 208,432 | 868 | 209,300 |
| Loss for the year | 年度虧損 | - | - | - | - | - | - | - | (93,749) | (93,749) | (269) | (94,018) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | - | - | - | - | - |
| - Exchange loss on translation of financial statements of foreign operations | - 換算海外業務財務報表的匯兌虧損 | - | - | - | - | - | (2,043) | - | - | (2,043) | - | (2,043) |
| Total comprehensive loss for the year | 年度全面虧損總額 | - | - | - | - | - | (2,043) | - | (93,749) | (95,792) | (269) | (96,061) |
| Equity-settled share option scheme arrangements | 以權益結算的購股權計劃安排 | - | - | - | - | 17,108 | - | - | - | 17,108 | - | 17,108 |
| Lapse of share options | 購股權失效 | - | - | - | - | (1,765) | - | - | 1,765 | - | - | - |
| Issuance of shares in respect of placing | 就配售事項發行股份 | 1,109 | 9,754 | - | - | - | - | - | - | 10,863 | - | 10,863 |
| Issuance of shares in respect of share option scheme | 就購股權計劃發行股份 | 158 | 4,246 | - | - | - | - | - | - | 4,404 | - | 4,404 |
| Issuance of shares in respect of conversion of convertible bonds (note 37) | 就轉換可換股債券發行股份 (附註37) | 268 | 2,830 | - | - | - | - | (1,486) | 1,486 | 3,098 | - | 3,098 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 21,371 | 442,847 | 2,988 | 3,344 | 27,722 | (2,554) | 11,000 | (358,605) | 148,113 | 599 | 148,712 |

Consolidated Statement of Cash Flows

綜合現金流量表

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

| | Notes 附註 | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|------------------------------|----------------------------------|----------------------------------|
| Cash flows from operating activities | 來自經營活動的現金流量 | | |
| Loss before income tax | 除所得稅前虧損 | (94,639) | (58,403) |
| Adjustments for: | 就下列各項調整： | | |
| Bank interest income | 銀行利息收入 | (41) | (105) |
| Interest expenses | 利息開支 | 6,318 | 3,991 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 722 | 1,384 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 2,801 | 3,663 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備收益 | (38) | – |
| Gain on disposal of land and buildings | 出售土地及樓宇收益 | – | (74,762) |
| Provision for inventories | 存貨撥備 | 519 | 1,297 |
| Write-off of other receivables | 其他應收款項撇銷 | – | 2,586 |
| Impairment of goodwill | 商譽減值 | 13,000 | 34,632 |
| Net fair value change on financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產的公平值變動淨額 | 1,895 | 10,111 |
| Share-based compensation | 以股份為基礎的報酬 | 17,108 | 8,638 |
| Other interest income | 其他利息收入 | (967) | – |
| Provision for expected credit loss on loans and interest receivables | 應收貸款及利息預期信貸虧損撥備 | 14,496 | 21,196 |
| Provision for expected credit loss on trade receivables | 貿易應收款項預期信貸虧損撥備 | 1,205 | 550 |
| Share of results of associates | 分佔聯營公司業績 | 110 | 160 |
| Operating cash flow before working capital changes | 營運資金變動前的經營現金流量 | (37,511) | (45,062) |
| Increase in inventories | 存貨增加 | (2,264) | (1,412) |
| Decrease/(increase) in trade receivables | 貿易應收款項減少/(增加) | 6,783 | (11,671) |
| Decrease/(increase) in loans and interest receivables | 應收貸款及利息減少/(增加) | 39,107 | (4,692) |
| Increase in deposits, prepayments and other receivables | 按金、預付款及其他應收款項增加 | (16,331) | (18,605) |
| Increase in financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產增加 | (1,261) | (8,761) |
| Decrease in trade payables | 貿易應付款項減少 | (10,018) | (1,767) |
| Increase in accruals and other payables | 預提費用及其他應付款項增加 | 540 | 10,678 |
| Increase in contract liabilities | 合約負債增加 | 84 | 364 |
| Cash used in operations | 營運所用現金 | (20,871) | (80,928) |
| Income tax paid | 已付所得稅 | (6,863) | (81) |
| Net cash used in operating activities | 經營活動所用現金淨額 | (27,734) | (81,009) |
| Cash flows from investing activities | 來自投資活動的現金流量 | | |
| Purchase of property, plant and equipment | 購置物業、廠房及設備 | (1,115) | (1,478) |
| Proceeds from disposal of property, plant and equipment and right-of-use assets | 來自出售物業、廠房及設備以及使用權資產之所得款項 | 144 | 75,774 |
| Arising from acquisition of subsidiaries, net | 收購附屬公司產生的淨額 | – | 577 |
| Investments in associates | 聯營公司投資 | – | (1,000) |
| Interest received | 已收利息 | 41 | 105 |
| Net cash (used in)/generated from investing activities | 投資活動(所用)/產生現金淨額 | (930) | 73,978 |

Consolidated Statement of Cash Flows

綜合現金流量表

For the 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 | 來自融資活動的現金流量 | | | |
| Interest paid | 已付利息 | 33 | (1,994) | (297) |
| Repayment of other borrowings | 償還其他借款 | 33 | (360) | - |
| Proceeds from issuance of convertible bonds | 發行可換股債券所得款項 | 33 | - | 50,000 |
| Repayment of principal portion of lease liabilities | 償還租賃負債本金部分 | 33 | (2,669) | (3,886) |
| Proceeds from issuance of shares in respect of placing | 就配售發行股份所得款項 | | 11,086 | - |
| Transaction costs attributable from issue of shares | 發行股份交易成本 | | (223) | - |
| Proceeds from issuance of shares in respect of share option scheme | 就購股權計劃發行股份所得款項 | | 4,404 | - |
| Contribution from non-controlling interests | 非控股權益注資 | | - | 848 |
| Net cash generated from financing activities | 融資活動產生現金淨額 | | 10,244 | 46,665 |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等值項目 (減少)/增加淨額 | | (18,420) | 39,634 |
| Cash and cash equivalents at beginning of the year | 年初現金及現金等值項目 | | 52,012 | 15,348 |
| Effect of foreign exchange rates, net | 匯率影響淨額 | | (2,349) | (2,970) |
| Cash and cash equivalents at end of the year | 年末現金及現金等值項目 | | 31,243 | 52,012 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

Virtual Mind Holding Company Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands on 19 June 2013. The address of the registered office and principal place of business of the Company is disclosed in the section headed “Corporate Information” in the annual report. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company and its subsidiaries (together the “Group”) are principally engaged in the design, manufacturing and trading of apparels, provision of money lending services and sale of trendy and cultural products.

The consolidated financial statements for the year ended 31 December 2023 were approved for issue by the board of directors on 27 March 2024.

1. 一般資料

天機控股有限公司（「本公司」）於二零一三年六月十九日在開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處以及主要營業地點地址披露於本年報「公司資料」一節。本公司的股份於聯交所主板上市。

本公司為一間投資控股公司及連同其附屬公司（統稱為「本集團」）主要從事服飾的設計、製造及貿易及提供貸款融資服務，以及銷售時尚文化產品。

截至二零二三年十二月三十一日止年度的綜合財務報表已於二零二四年三月二十七日由董事會核准刊發。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

2.1 Adoption of new or amended HKFRSs - effective 1 January 2023

The Hong Kong Institute of Certified Public Accountants has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

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

Except for Amendments to HKAS 1 and HKFRS Practice Statement 2, Disclosure of Accounting Policies, none of these new or amended HKFRS has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

Impact on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies”

The Group has adopted Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies” for the first time in the current year. HKAS 1 “Presentation of Financial Statements” is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

2. 採納香港財務報告準則 (「香港財務報告準則」)

2.1 採納新訂或經修訂香港財務報告準則 – 於二零二三年一月一日生效

香港會計師公會已頒佈多項新訂或經修訂香港財務報告準則，並於本集團當期會計期間首次生效：

| | |
|---------------------------------|----------------------|
| 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聲明第2號 (修訂本) | 會計政策之披露 |
| 香港會計準則第8號 (修訂本) | 會計估計之定義 |
| 香港會計準則第12號 (修訂本) | 與單一交易產生之資產及負債有關之遞延稅項 |
| 香港會計準則第12號 (修訂本) | 國際稅務變革 – 支柱二規則範本 |

除香港會計準則第1號及香港財務報告準則實務聲明第2號 (修訂本) 會計政策之披露外，該等新訂或經修訂香港財務報告準則對本集團當前或過往期間的業績及財務狀況概無產生重大影響。本集團並無提早採納於當前會計期間尚未生效的任何新訂或經修訂香港財務報告準則。

應用香港會計準則第1號及香港財務報告準則實務聲明第2號 (修訂本)「會計政策之披露」

本集團於本年度首次應用香港會計準則第1號及香港財務報告準則實務聲明第2號 (修訂本)「會計政策之披露」。香港會計準則第1號「財務報表之呈報」已修訂，以「重大會計政策資料」取代所有使用「重大會計政策」一詞之情況。倘一併考慮實體財務報表中包含的其他資料時可合理預期會計政策資料會影響通用財務報表的主要使用者根據該等財務報表作出的決策，則會計政策資料屬重大。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Adoption of new or amended HKFRSs - effective 1 January 2023 (Continued)

Impact on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 “Disclosure of Accounting Policies” (Continued)

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

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

The application of the amendments has had no impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in note 4 to the consolidated financial statements. The Group has revisited the accounting policy information. It has been disclosed and removed certain immaterial accounting policies.

2. 採納香港財務報告準則 (「香港財務報告準則」)(續)

2.1 採納新訂或經修訂香港財務報告準則 – 於二零二三年一月一日生效 (續)

應用香港會計準則第1號及香港財務報告準則實務聲明第2號 (修訂本)「會計政策之披露」(續)

該等修訂本亦澄清，即使金額並非重大，但基於相關交易、其他事件或條件的性質，會計政策資料仍可能屬重大。然而，並非所有與重大交易、其他事件或條件相關的會計政策資料本身平均重大。倘實體選擇披露非重大會計政策資料，則有關資料不得掩蓋重大會計政策資料。

香港財務報告準則實務聲明第2號「作出重大性判斷」(「實務聲明」)亦已修訂，以說明實體如何將「四步驟重大性流程」應用於會計政策之揭露，並判斷有關會計政策的資料對其財務報表而言是否重大。實務聲明已新增指引及示例。

應用該等修訂本對本集團之財務狀況及表現並無影響，惟已影響載於綜合財務報表附註4之本集團會計政策披露。本集團已重新檢視會計政策資料。其已披露並刪除若干微不足道的會計政策。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Adoption of new or amended HKFRSs - effective 1 January 2023 (Continued)

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong

In June 2022, Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) was enacted. The Amendment Ordinance abolishes the use of the accrued benefits derived from employers’ mandatory contributions under the mandatory provident fund (“MPF”) scheme to offset severance payment (“SP”) and long service payments (“LSP”) (the “Abolition”). Subsequently, the Government of HKSAR announced that the Abolition will take effect on 1 May 2025 (the “Transition Date”).

The following key changes will take effect since the Transition Date:

- Accrued benefits derived from employers’ mandatory MPF contributions cannot be used to offset the LSP/SP in respect of the employment period after the Transition Date.
- The pre-transition LSP/SP is calculated using the last month’s salary immediately preceding the Transition Date, instead of using the last month’s salary of employment termination date.

2. 採納香港財務報告準則 (「香港財務報告準則」)(續)

2.1 採納新訂或經修訂香港財務報告準則 – 於二零二三年一月一日生效 (續)

香港會計師公會就取消香港強積金抵銷長服金對沖機制之會計影響之新指引

於二零二二年六月，《二零二二年僱傭及退休計劃法例（抵銷安排）（修訂）條例》（「修訂條例」）已頒佈。修訂條例取消僱主使用其於強制性公積金（「強積金」）計劃項下強制性供款所產生之應計得益抵銷遣散費（「遣散費」）及長期服務金（「長服金」）（「取消機制」）。其後，香港特區政府宣佈，取消機制將於二零二五年五月一日（「過渡日期」）生效。

以下主要變動將自過渡日期起生效：

- 僱主強積金供款所產生之應計得益不可用於抵銷過渡日期後僱傭期間的長服金／遣散費。
- 過渡前的長服金／遣散費乃使用緊接過渡日期前最後一個月的薪金計算，而非使用僱傭終止日期最後一個月的薪金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.1 Adoption of new or amended HKFRSs - effective 1 January 2023 (Continued)

New HKICPA guidance on the accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong (Continued)

Due to the complexities of the accounting for the offsetting of accrued benefits derived from an employer’s mandatory MPF contributions and its LSP obligation and the accounting for the offsetting mechanism could become material in light of the Abolition, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” (the “Guidance”) in July 2023 to provide guidance to account for the offsetting mechanism and the Abolition. The HKICPA concluded that there are two acceptable accounting approaches for the offsetting mechanism, being:

- Approach 1: Account for the amount expected to be offset as a deemed employee contribution towards that employee’s LSP benefits in terms of HKAS 19.93(a)
- Approach 2: Account for the employer MPF contributions and the offsetting mechanism as a funding mechanism for the LSP obligation

For the years ended 31 December 2022 and 2023, the Group’s LSP liability before the expected offsetting under the MPF-LSP offsetting mechanism is immaterial. Application of the Guidance had no material effect on the consolidated financial statements of the Group.

2. 採納香港財務報告準則 (「香港財務報告準則」) (續)

2.1 採納新訂或經修訂香港財務報告準則 – 於二零二三年一月一日生效 (續)

香港會計師公會就取消香港強積金抵銷長服金對沖機制之會計影響之新指引 (續)

鑑於抵銷僱主強積金供款及其長服金義務所產生的累算權益的會計處理複雜程度，以及取消機制的會計處理可能會因取消機制而變得重大，香港會計師公會於二零二三年七月發佈取消香港強積金 – 長服金抵銷機制的會計影響 (「指引」)，為抵銷機制及取消機制的會計處理提供指引。香港會計師公會認為抵銷機制有兩項公認會計方法：

- 方法一：就香港會計準則第19.93(a)號而言，將僱員長服金福利的預期抵銷金額入賬為視作僱員供款
- 方法二：將僱主強積金供款及抵銷機制入賬為長服金義務的融資機制

截至二零二二年及二零二三年十二月三十一日止年度，本集團於根據強積金 – 長服金抵銷機制進行預期抵銷前的長服金負債並不重大。應用指引對本集團綜合財務報表並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

2.2 Amended HKFRSs that have been issued but are not yet effective

The following amended HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

| | |
|------------------------------------|--|
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current ¹ |
| Amendments to HKAS 1 | Non-current Liabilities with Covenants ¹ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³ |
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback ¹ |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements ¹ |
| Amendments to HKFRS 21 | Lack of Exchangeability 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 Effective for annual periods beginning on or after a date to be determined.

The Group is in the process of making an assessment of the impact of these revised HKFRSs upon initial application. Up to now, the Group considers that these amendments to standards will not have a significant impact on the Group’s financial performance and financial position.

2. 採納香港財務報告準則 (「香港財務報告準則」)(續)

2.2 已頒佈但尚未生效的經修訂香港財務報告準則

下列可能與本集團的財務報表有關的經修訂香港財務報告準則已頒佈但尚未生效，而本集團亦無提早採納。本集團現時擬於該等變動生效之日採用該等變動。

| | |
|------------------------------|---------------------------------------|
| 香港會計準則第1號(修訂本) | 將負債分類為流動或非流動 ¹ |
| 香港會計準則第1號(修訂本) | 附帶契諾的非流動負債 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本) | 投資者與其聯營公司或合營企業之間的資產出售或注資 ³ |
| 香港財務報告準則第16號(修訂本) | 售後回租的租賃負債 ¹ |
| 香港會計準則第7號及香港財務報告準則第7號(修訂本) | 供應商融資安排 ¹ |
| 香港財務報告準則第21號(修訂本) | 缺乏可兌換性 ² |

¹ 於二零二四年一月一日或之後開始的年度期間生效。

² 於二零二五年一月一日或之後開始的年度期間生效。

³ 於待定期限或之後開始的年度期間生效。

本集團正在評估首次應用該等經修訂香港財務報告準則的影響。截至現在，本集團認為該等準則之修訂本不會對本集團的財務表現及財務狀況產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRSs”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been prepared under historical cost convention, except for financial assets at fair value through profit or loss (“FVTPL”) as disclosed in the accounting policies and explanatory notes below.

It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

3. 編製基準

綜合財務報表乃按所有適用的香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（下文統稱「香港財務報告準則」）以及香港公司條例的披露規定編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則規定的適用披露。

綜合財務報表乃按歷史成本法編製，惟於下文會計政策及註釋披露的以公平值計量且變動計入當期損益（「以公平值計量且變動計入當期損益」）的財務資產。

務請注意，編製綜合財務報表時採用會計估計及假設。儘管該等估計乃基於管理層對現況及行動的最佳理解及判斷而作出，惟實際結果最終可能與該等估計不同。涉及較高程度的判斷或複雜的範疇，或涉及對財務報表而言屬重大的假設及估計的範疇於附註5披露。

綜合財務報表以本公司的功能貨幣港元（「港元」）呈列。除另有指明外，所有金額均調整至最接近的千位數。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: (i) power over the investee, (ii) exposure, or rights, to variable returns from the investee, and (iii) the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, interests in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

4. 重大會計政策資料

4.1 業務合併及綜合基準

綜合財務報表包括本公司及其附屬公司的財務報表。公司間的交易、集團內公司間結餘及未變現溢利於編製綜合財務報表時悉數對銷。未變現虧損的交易亦予以對銷，除非交易有證據顯示所轉讓資產出現減值，在此情況下則於損益中確認虧損。

4.2 附屬公司

附屬公司指本公司能夠行使控制權的被投資公司。倘以下三項元素存在，則本公司控制被投資公司：(i) 對被投資公司擁有權力；(ii) 就被投資公司的可變回報承受風險或擁有權利；及(iii) 能夠使用其權力影響該等可變回報。當有事實及情況表明任何該等控制元素可能存在變動時，則重估控制權。

於本公司的財務狀況表中，於附屬公司的權益乃按成本減去減值虧損（如有）列賬。附屬公司的業績由本公司按已收及應收股息基準入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.3 Goodwill

Goodwill represents the excess of the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree over the fair value of the identifiable assets and liabilities measured as at the acquisition date.

Goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units ("CGU") that are expected to benefit from the synergies of the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 4.12), and whenever there is an indication that the unit may be impaired.

4.4 Property, plant and equipment

Property, plant and equipment 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.

4. 重大會計政策資料 (續)

4.3 商譽

商譽指所轉移代價的公平值、於被收購方的任何非控股權益金額與本集團先前於被收購方持有的股權公平值的總額，超出於收購日期計量的可識別資產及負債公平值。

商譽乃按成本減去累計減值虧損計量。就減值測試而言，收購產生的商譽分配予預期會受惠於合併協同效益的各相關現金產生單位（「現金產生單位」）。現金產生單位是其產生的現金流入基本上獨立於其他資產或資產組別的現金流入的最小可識別資產組合。獲分配商譽的現金產生單位會每年透過將其賬面值與其可收回金額（見附註4.12）作比較而進行減值測試及於有跡象顯示該單位可能出現減值時進行減值測試。

4.4 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損後列賬。物業、廠房及設備項目的成本包括其購入價及使資產達致其擬定用途的運作狀況及地點的任何直接應佔成本。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.4 Property, plant and equipment (Continued)

Depreciation is provided to write off the cost less their estimated residual values over their estimated useful lives, using straight-line method as follows:

| | |
|--|---|
| Leasehold improvements | 4 to 5 years, or over the lease terms, whichever is shorter |
| Machinery | 10 years |
| Furniture, fixtures and office equipment | 3 to 5 years |
| Motor vehicles | 4 to 5 years |

The assets' estimated residual values, estimated useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at the end of each reporting date.

Gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4.5 Leasing - as lessee

All leases are required to be capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases; and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term of less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

4. 重大會計政策概要 (續)

4.4 物業、廠房及設備 (續)

折舊乃按下列年率，於其估計可使用年期以直線法計提，以撇銷有關成本減其剩餘價值：

| | |
|-------------|--------------------|
| 租賃物業裝修 | 四至五年，或租賃期滿（以較短者為準） |
| 機器 | 十年 |
| 傢俬、裝置及辦公室設備 | 三至五年 |
| 汽車 | 四至五年 |

資產的估計剩餘價值、估計可使用年期及折舊方法最少於各報告期末進行檢討及在適當時進行調整。

因廢棄或出售而產生的損益，按出售相關資產所得款項與其賬面值的差額釐定，並於損益中確認。

4.5 租賃 – 作為承租人

所有租賃均須在綜合財務狀況表中資本化為使用權資產及租賃負債，但存在會計政策選擇，實體可以選擇不將(i)為短期租賃的租賃；及／或(ii)相關資產為低價值的租賃資本化。本集團選擇不就於開始日期的租期少於12個月的低價值資產及租賃確認使用權資產及租賃負債。與該等租賃有關的租賃付款已在租期內按直線法計費。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

4.6 Intangible assets

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 indefinite useful lives are tested for impairment annually either individually or at the CGU level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

4.7 Financial instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Debt instruments

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

4. 重大會計政策資料 (續)

4.6 無形資產

單獨收購之無形資產於初始確認時按成本計量。於業務合併中收購之無形資產之成本為其於收購日之公平值。無形資產之可使用年期可評估為有限期或無限期。

具無限使用年期之無形資產每年會個別或在現金產生單位級別作減值測試。該等無形資產並不予以攤銷。具無限年期的無形資產之可使用年期於每年檢討，以釐定無限可使用年期的評估是否繼續可靠。倘不再可靠，則可使用年期的評估自此起由按無限年期更改為有限年期。

4.7 金融工具

(i) 財務資產

以公平值計量且變動計入當期損益的財務資產（並無重大融資部份的貿易應收款項除外）初步按公平值加上與其收購或發行直接相關的交易成本計量。並無重大融資部份的貿易應收款項初步按交易價格計量。

債務工具

為收取合約現金流量而持有，且現金流量僅為支付本金及利息之資產按攤銷成本計量。按後攤銷成本計量的財務資產其後採用實際利率法計量。利息收入、外匯盈虧及減值於損益確認。終止確認的任何收益於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(i) Financial assets *(Continued)*

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as financial assets at FVTPL, whereby changes in fair value and dividends are recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(i) 財務資產 *(續)*

股本工具

於初始確認並非持作買賣的股本投資時，本集團能不可撤銷地選擇於其他全面收益中呈列投資公平值後續變動。該選擇乃按投資逐項作出。其他收益及虧損淨額於其他全面收益中確認，且不會重新分類至損益。所有其他股本工具均分類為以公平值計量且變動計入當期損益的財務資產，而公平值變動及股息則於損益確認。

(ii) 財務資產的減值虧損

本集團確認虧損撥備，涉及貿易應收款項及按攤銷成本計量的財務資產的預期信貸虧損（「預期信貸虧損」）。預期信貸虧損按以下方式之一計量：(1) 12個月預期信貸虧損：報告日期後12個月內可能發生的違約事件而導致的預期信貸虧損；及(2) 存續期預期信貸虧損：在金融工具的預期期限內所有可能發生的違約事件而導致的預期信貸虧損。於估計預期信貸虧損時考慮的最長期間為本集團面臨信貸風險的最長合約期間。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

The Group measured loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provisional matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial assets measured at amortised cost, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

本集團採用香港財務報告準則第9號簡化法將貿易應收款項的虧損撥備進行計量，並已根據存續期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按與債務人相關的前瞻性因素及經濟環境調整。

就所有其他按攤銷成本計量的財務資產而言，本集團計量相等於12個月預期信貸虧損的虧損撥備，除非信貸風險自初始確認後大幅增加，則本集團確認存續期預期信貸虧損。對是否確認存續期預期信貸虧損的評估，乃根據初始確認後發生違約的可能性或違約風險是否大幅增加而定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(a) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, 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. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread;

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(a) 信貸風險大幅增加

在評估自初始確認以來金融工具信貸風險是否大幅增加時，本集團會比較截至報告日期金融工具發生違約的風險與截至初始確認日期金融工具發生違約的風險。於作出此項評估時，本集團考慮合理及可靠的定量及定性資料，包括過往經驗及無需付出不必要的成本或努力即可取得的前瞻性資料。

尤其是，在評估自初始確認以來信貸風險是否顯著增加時，將考慮以下資料：

- 金融工具的外部（倘有）或內部信用評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，如信用利差；

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(a) Significant increase in credit risk *(Continued)*

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(a) 信貸風險大幅增加 *(續)*

- 業務、財務或經濟狀況現有或預測的不利變動，可能導致債務人償債能力大幅下降；
- 債務人經營業績實際或預期出現顯著惡化；
- 債務人的監管、經濟或技術環境出現實際或預期的重大不利變動，可能導致債務人償債能力大幅下降。

無論上述評估結果如何，本集團假設，於合約付款逾期超過30日時，信貸風險已自初始確認起大幅增加，除非本集團有合理及可靠資料證明可予收回則當別論。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(b) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(b) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或從外界來源獲得的資料顯示債務人不大可能悉數向債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

不論上文為何，本集團均認為，違約於一項財務資產逾期超過90日時發生，除非本集團有合理及可靠資料顯示更加滯後的違約標準更為恰當。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(c) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(c) 發生信貸減值的財務資產

當發生一個或多個事件對一項財務資產的估計未來現金流量有不利影響時，則該項財務資產已發生信貸減值。一項財務資產已發生信貸減值的證據包括關於以下事件的可觀察數據：

- 發行人或借款人出現重大財務困難；
- 違反合約，例如拖欠或逾期；
- 由於與借款人財務困難相關的經濟或合約原因，借款人的貸款方已向借款人授予貸款方原本不會考慮的特許權；或
- 借款人可能破產或進行其他財務重組。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(d) Write-off policy

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

(e) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(d) 撇銷政策

當有資料顯示交易對手方陷入嚴重財務困難及並無實際收回之預期(例如當交易對手方被清盤或已進入破產程序時或(就服飾銷售之貿易應收款項而言)該等款項已逾期一年/兩年以上時(以較早發生者為準)),本集團會把該財務資產撇銷。於考慮法律意見(倘適用)後,已經撇銷的財務資產仍可能受本集團的收回程序下的強制行動所規限。撇銷構成終止確認事件。任何後續收回均於損益中確認。

(e) 預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損大小)及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據(按照前瞻性資料作出調整)。預期信貸虧損的估計反映以發生相關違約風險的金額作為加權數值而確定的公平概率加權金額。

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

(e) *Measurement and recognition of ECL* *(Continued)*

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and loans and interest receivables where the corresponding adjustment is recognised through a loss allowance account.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(ii) 財務資產的減值虧損 *(續)*

(e) 預期信貸虧損之計量 及確認 *(續)*

一般而言，預期信貸虧損為根據合約應付本集團至所有合約現金流量與本集團預期收取之所有現金流量之間的差額（按初始確認時釐定之實際利率貼現）。

本集團通過調整所有金融工具的賬面值於損益確認彼等之減值收益或虧損，惟貿易應收款項以及應收貸款及利息除外，此種情況下透過虧損撥備賬確認相應調整。

信貸減值的財務資產利息收入按財務資產的攤銷成本（即賬面值總額減虧損撥備）計算。至於並無信貸減值的財務資產，利息收入則按賬面值總額計算。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(iii) Financial liabilities

Financial liabilities at amortised cost

The Group's financial liabilities at amortised cost including trade payable, accruals and other payables, other borrowings and lease liabilities are initially measured at fair value, net of directly attributable costs incurred and subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Convertible bonds

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into their respective items on initial recognition. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(iii) 財務負債

按攤銷成本列賬的財務負債

本集團按攤銷成本列賬的財務負債（包括貿易應付款項、應計費用及其他應付款項、其他借款以及租賃負債）初步按公平值計量（已扣除所產生的直接應佔成本）且其後使用實際利率法按攤銷成本計量。相關利息開支於損益中確認。

當負債終止確認時，收益或虧損在損益中並透過攤銷程序確認。

(iv) 可換股債券

本集團所發行包含負債及轉換權部分的可換股債券於初步確認時單獨分類為各個項目。將透過以固定金額的現金或其他金融資產交換為固定數量的本公司自有股本工具結算的轉換權分類為股本工具。

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綜合財務報表附註

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

4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.7 Financial instruments *(Continued)*

(v) Convertible bonds *(Continued)*

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds equity reserve until the embedded option is exercised (in which case the balance stated in convertible bonds equity reserve will be transferred to share capital and share premium). Where the option remains unexercised at the expiry dates, the balance stated in convertible bonds equity reserve will be released to the retained earnings. No gain or loss is recognised upon conversion or expiration of the option.

4.8 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

4.9 Revenue recognition

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, excluding those amounts collected on behalf of third parties. Revenue excludes value added taxes or other sales taxes and is after deduction of any trade discounts.

4. 重大會計政策資料 *(續)*

4.7 金融工具 *(續)*

(v) 可換股債券 *(續)*

於後續期間，可換股債券的負債部分使用實際利率法按攤銷成本列賬。股本部分（即將負債部分轉換為本公司普通股的選擇權）將保留在可換股債券權益儲備中，直至行使嵌入式期權，在此情況下，於可換股債券權益儲備列賬的結餘將轉撥至股本及股份溢價。倘於到期日期仍未行使選擇權，則可換股債券權益儲備呈列的結餘將轉入保留盈利。於選擇權獲轉換或到期時不確認任何收益或虧損。

4.8 存貨

存貨初始按成本確認，其後按成本或可變現淨值兩者孰低者確認。成本包括所有採購成本、轉換成本及使存貨到達目前地點及狀態所產生的其他成本。成本乃採用加權平均法釐定。可變現淨值按日常業務過程中的估計售價減估計完工成本及銷售所必需的估計費用計算。

4.9 收入確認

來自與客戶合約的收益乃於貨品或服務的控制權轉讓予客戶時確認，該金額能反映本集團預期就交換該等商品或服務有權獲得的代價，不包括代表第三方收集的該等款項。收入不包括增值稅或其他營業稅，並經扣除任何貿易折扣。

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4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.9 Revenue recognition *(Continued)*

Revenue for selling of apparel products and trendy cultural products is recognised at a point in time when the customer obtains control of the goods or service.

Customers obtain control of the apparel products when the goods are delivered to the customers and have been regarded as accepted by the customers. Revenue is thus recognised upon when the customers received the apparel products. There is generally only one performance obligation. The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Sales are made with a credit term from 10 to 180 days, which is consistent with market practice. As a consequence, the Group does not adjust any of the transaction prices for the time value of money as no significant financing component is deemed present and the sales are made with the credit term.

4. 重大會計政策資料 *(續)*

4.9 收入確認 *(續)*

銷售服飾產品及潮流文化產品之收入於客戶獲得貨品或服務控制權之某一時點確認。

客戶於獲交付及視作已驗收貨品時取得服飾產品的控制權。因此，收入於客戶收取服裝產品時獲確認。一般只有一項履約義務。本集團預計就任何合約而言，在向客戶轉移承諾貨物至客戶付款之間的期限不會超過一年。銷售的信貸期為10至180天，符合市場慣例。因此，本集團並未就款項的時間價值調整任何交易價格，因為並無認為存在重大融資成分且銷售乃按信貸期進行。

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4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.10 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arising from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income tax levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 重大會計政策資料 *(續)*

4.10 所得稅

年度的所得稅包括當期稅項及遞延稅項。

當期稅項乃根據日常業務的溢利或虧損，就所得稅而言對毋須課稅或不可扣減的項目作出調整，按報告期末已制定或大致上制定的稅率計算。應付或應收即期稅項的金額為預期將予支付或收取稅項金額的最佳估計，有關金額反映與所得稅相關的不確定因素。

遞延稅項資產以應課稅溢利將可能用以抵銷可扣減暫時性差額可被使用為限確認，惟自可扣減暫時性差額須並非業務合併以外交易（交易並無影響應課稅及會計溢利）之初步確認資產及負債所產生遞延稅項乃按適用於資產或負債的賬面值獲變現或結算的預期方式及於各報告期末已制定或大致上制定的稅率計量。

當有可依法強制執行權利可對銷當期稅項資產及當期稅項負債且當期稅項資產及當期稅項負債與同一稅務機關徵收之所得稅有關，而本集團擬按淨值基準結算其當期稅項資產及負債，遞延稅項資產及負債則可互相抵銷。

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4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.11 Employee benefit

(i) Defined contribution retirement plan

The Group's entities incorporated in Hong Kong manages a defined contribution Mandatory Provident Fund Scheme (the "MPF Scheme"), a defined contribution scheme managed by an independent trustee for those employees who are eligible to participate in the MPF scheme. The Group makes contributions based on a percentage of the eligible employees' salaries funded by the Group and are charged to profit or loss as they become payable in accordance with the rules of the MPF scheme.

The Group's entities established in the People's Republic of China, excluding Hong Kong and Macau (the "PRC") make monthly contributions to a state-sponsored defined contribution scheme for the local staff. The contributions are made at a specific percentage on the standard salary pursuant to laws of the PRC and relevant regulation issued by local social security authorities.

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

(ii) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

4. 重大會計政策資料 (續)

4.11 僱員福利

(i) 界定供款退休計劃

於香港註冊成立的集團實體管理一項界定供款強制性公積金計劃（「強積金計劃」），該界定供款計劃由獨立信託人為合資格參與強積金計劃的僱員進行管理。本集團按合資格僱員薪金的百分比以集團本身資源作出供款，有關供款於應付時根據強積金計劃規則在損益扣除。

於中華人民共和國（不包括香港及澳門）（「中國」）成立的集團實體每月為當地職工向國家籌辦界定供款計劃作出供款。供款乃根據中國法例及地方社會保障主管部門頒佈的有關規例按標準薪金的指定百分比作出。

對界定供款退休計劃的供款在僱員提供服務時於損益確認為開支。

(ii) 短期僱員福利

短期僱員福利指預計在僱員提供相關服務的年度報告期末後十二個月前將全數結付的僱員福利（離職福利除外）。

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4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.12 Impairment of other assets

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment, right-of-use assets, intangible assets, interests in associates and interests in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased. Impairment assessment of CGU which included goodwill or intangible asset with indefinite useful life were performed annually.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value-in-use) of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or CGU (see note 4.3), 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 or CGU.

4.13 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product and service lines.

4. 重大會計政策資料 (續)

4.12 其他資產減值

於各報告期末，本集團檢討物業、廠房及設備、使用權資產、無形資產於聯營公司的權益及於附屬公司之權益的賬面值，以釐定是否有跡象顯示該等資產已出現減值虧損，或先前確認的減值虧損不復存在或可能已減少。現金產生單位（包括商譽或可使用年期值不確定的無形資產）每年進行減值評估。

倘資產或現金產生單位的可收回金額（即公平值減銷售成本與使用價值兩者的較高者）估計少於其賬面值，則該項資產的賬面值將降至其可收回金額。減值虧損乃即時確認為開支。

使用價值乃根據預期將自資產或現金產生單位（見附註4.3）的估計未來現金流量釐定，按使用可反映金錢時間值的現行市場評估以及對資產或現金產生單位屬特定風險的稅前貼現率貼現。

4.13 分部報告

本集團根據向執行董事匯報的用作決定有關本集團業務單位的資源分配及檢討該等單位之表現的定期內部財務資料，而識別其經營分部及編製分部資料。在向執行董事匯報的內部財務資料內的業務單位乃根據本集團主要產品及服務項目釐定。

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4. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

4.13 Segment reporting *(Continued)*

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its consolidated financial statements prepared under HKFRSs, except bank interest income, unallocated finance costs, and unallocated corporate expenses, which are not directly attributable to the business activities of any operating segment, are not included in arriving at the operating results of the operating segment.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Income taxes and deferred income tax

The Group is subject to income taxes in a number of jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes, timing of payment of related taxes and interpretation of relevant tax regulations. There are transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. 重大會計政策資料 *(續)*

4.13 分部報告 *(續)*

本集團根據香港財務報告準則第8號用作申報分部業績的計量政策與其根據香港財務報告準則編製的綜合財務報表內採用者相同，惟於釐定經營分部的經營業績時並無計入銀行利息收入、未分配融資成本以及非直接歸屬於任何經營分部業務活動之未分配企業開支。

5. 重要會計判斷及估算不確定因素的主要來源

估計及判斷須持續評估，並基於過往經驗及其他因素，包括在有關情況下相信為對未來事件的合理預期。

本集團就未來作出估計及假設。得出的會計估計顧名思義甚少相等於相關實際結果。具有重大風險導致下個財政年度內資產與負債的賬面值出現重大調整的估計及假設討論如下：

(a) 所得稅及遞延所得稅

本集團在多個司法權區須繳納所得稅。於釐定所得稅的全球撥備、相關稅額付款時間及對相關稅法之解釋時須作出重大判斷。若干交易及計算方式均難以確定最終稅項。本集團根據估計額外稅項是否到期，就預計稅項確認負債。倘該等事項最終稅項結果與最初錄得的款額有所差異，有關差額將影響作出有關釐定期間的所得稅及遞延稅項撥備。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

(a) Income taxes and deferred income tax

(Continued)

In addition, deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences or tax losses can be utilised. This requires significant judgement on the tax treatments of certain transactions and also assessment on the probability that adequate future taxable profits will be available for the deferred tax assets to be recovered.

(b) Impairment of receivables

The impairment allowances for trade receivables, loans and interest receivables and other receivables are based on assumptions about risk of default and expected credit loss rates. The Group adopts judgement in making these assumptions and selecting inputs for computing such impairment loss, broadly based on the available historical data of the parties, existing market conditions including forward-looking estimates at end of reporting period.

(c) Provision for inventories

Management of the Group reviews the inventories at each reporting date, and makes provision for impairment of obsolete, slow-moving and impaired items. Management estimates the net realisable value for such inventories based primarily on the expected future market conditions and the estimated selling price. The Group makes provision for impairment if the net realisable value is below the carrying amount.

5. 重要會計判斷及估算不確定因素的主要來源 (續)

(a) 所得稅及遞延所得稅

(續)

此外，倘很可能有未來應課稅溢利，可供動用扣減的暫時差異予以抵銷，則確認相應的遞延稅項資產。這要求就若干交易的稅務處理作出重大判斷，並要求評估未來有足夠的應課稅溢利以供收回遞延稅項資產的可能性。

(b) 應收款項減值

貿易應收款項、貸款及應收利息及其他應收款項的減值撥備以有關違約風險及預期信貸虧損率的假設為基礎。本集團已於作出該等假設及選擇計算該等減值虧損之輸入值時採用判斷，大致上以可用相關方歷史數據、現行市況（包括於報告期末之前瞻性估計）為基礎。

(c) 存貨撥備

本集團管理層於各報告日審閱存貨，並對過時、滯銷及減值項目作出減值撥備。管理層主要根據預期未來市況及估計售價估計該等存貨的可變現淨值。本集團對可變現淨值低於賬面值的項目作出減值撥備。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

(d) Impairment of non-financial assets (including goodwill)

The Group assesses the recoverable amount of goodwill, intangible asset with indefinite useful life and other non-current assets as at 31 December 2023 based on higher of its relevant CGU's fair value less costs of disposal ("FVL COD") and value-in-use ("VIU"). Preparing the VIU and FVL COD calculations require management to exercise significant judgement and make critical accounting estimates, particularly in relation to the determination of valuation techniques and the selection of inputs like projected cash flows during projection period, growth rates beyond the projection period and discount rates to discount the projected cash flows and cash flows beyond the projection period.

5. 重要會計判斷及估算不確定因素的主要來源 (續)

(d) 非金融資產減值 (包括商譽)

本集團按照相關現金產生單位公平值減出售成本 (「公平值減出售成本」) 與使用價值 (「使用價值」) 兩者的較高者評估於二零二三年十二月三十一日的商譽、具無限可使用年期的無形資產及其他非流動資產的可收回金額。編製使用價值及公平值減出售成本計算方法需要管理層作出重大判斷及關鍵會計估計，尤其是關於釐定估值技術及選擇輸入數據 (例如預測期間內的預計現金流量、預測期間後的增長率及用於折現預計現金流量及預測期間後的現金流量的折現率)。

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6. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker (being the executive directors of the Company) in order to allocate resources and assess performance of the segment. During the year, the Company has identified design, manufacturing and trading of apparels, provision for money lending services and sale of trendy cultural products as the reportable and operating segments of the Group.

Each of these operating segments is managed separately as each of them requires different business strategies.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain cash and bank balances and other corporate assets not attributable to the reportable segments;
- all liabilities are allocated to operating segments other than certain lease liabilities and other corporate liabilities not attributable to the reportable segments; and
- segment results represent the loss or profit incurred or earned by each segment without allocation of certain other income, certain administrative expenses, such as the Group's headquarter administrative staff costs and directors' emoluments.

6. 分部資料

經營分部乃本集團從事可賺取收益及引致開支的商業活動的一個組成部分，本集團的最高營運決策人（作為本公司執行董事）獲提供及定期審閱以作為分部資源分配及表現評估的內部管理呈報資料為基礎而確定經營分部。年內，本公司已確定服飾設計、製造及貿易、提供貸款融資服務以及銷售潮流文化產品為本集團的可呈報經營分部。

該等經營分部各自單獨進行管理，因為彼等各自需要不同的業務策略。

為監控分部的表現及於分部之間的資源分配：

- 所有資產均分配至經營分部，不包括若干現金及銀行結餘以及不屬於可呈報分部的其他公司資產；
- 所有負債均分配至經營分部，不包括租賃負債以及不屬於可呈報分部的其他公司負債；及
- 分部業績指各分部賺取或產生的虧損或溢利，未計分配若干其他收入、若干行政開支（如本集團總部的行政員工成本及董事酬金）。

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6. SEGMENT INFORMATION (Continued)

The segment information provided to the executive directors for the reportable segments during the year is as follows:

6. 分部資料 (續)

年內向執行董事提供的可報告分部之分部資料如下：

| | | Design, manufacturing and trading of apparels 服飾設計、 製造及貿易 HK\$'000 千港元 | Money lending services 貸款融資 服務 HK\$'000 千港元 | Sale of trendy cultural products 潮流文化 產品銷售 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|------------------------------|---|---|--|--------------------------------|
| Year ended 31 December 2023 | 截至二零二三年十二月三十一日止年度 | | | | |
| Revenue from external customers | 來自外部客戶的收入 | 56,488 | 8,199 | 1,641 | 66,328 |
| Segment loss | 分部虧損 | (15,897) | (20,045) | (3,702) | (39,644) |
| <i>Reconciliation</i> | 對賬 | | | | |
| Bank interest income | 銀行利息收入 | | | | 41 |
| Unallocated corporate expenses | 未分配企業支出 | | | | (48,718) |
| Finance costs | 融資成本 | | | | (6,318) |
| Loss before income tax | 除所得稅前虧損 | | | | (94,639) |
| At 31 December 2023 | 於二零二三年十二月三十一日 | | | | |
| Segment assets | 分部資產 | 62,759 | 78,810 | 47,333 | 188,902 |
| Other corporate assets | 其他公司資產 | | | | 25,283 |
| Total assets | 總資產 | | | | 214,185 |
| Segment liabilities | 分部負債 | 17,777 | 767 | 2,123 | 20,667 |
| Other corporate liabilities | 其他公司負債 | | | | 44,806 |
| Total liabilities | 總負債 | | | | 65,473 |
| Other segment information | 其他分部資料 | | | | |
| Year ended 31 December 2023 | 截至二零二三年十二月三十一日止年度 | | | | |
| Amounts included in the measure of segment profit or loss or segment assets: | 計入計量分部損益或分部資產的款項： | | | | |
| Provision for inventories | 存貨撥備 | (519) | - | - | (519) |
| Provision for ECL on trade receivables | 貿易應收款項預期信貸虧損撥備 | (1,205) | - | - | (1,205) |
| Provision for ECL on loans and interest receivables | 應收貸款及利息預期信貸虧損撥備 | - | (14,496) | - | (14,496) |
| Impairment of goodwill | 商譽減值 | - | - | (13,000) | (13,000) |
| Net fair value change on financial assets at FVTPL | 以公平值計量且變動計入當期損益之財務資產的公平值變動淨額 | - | (8,760) | 6,865 | (1,895) |
| Depreciation (note) | 折舊 (附註) | (855) | (1,130) | (482) | (2,467) |
| Capital expenditure (note) | 資本開支 (附註) | (270) | (1,070) | (441) | (1,781) |

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

6. SEGMENT INFORMATION (Continued)

6. 分部資料 (續)

| | | Design, manufacturing and trading of apparels 服飾設計、 製造及貿易 HK\$'000 千港元 | Money lending services 貸款融資 服務 HK\$'000 千港元 | Sale of trendy cultural products 潮流文化 產品銷售 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|------------------------------|---|---|--|--------------------------------|
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | |
| Revenue from external customers | 來自外部客戶的收入 | 74,337 | 13,631 | 1,652 | 89,620 |
| Segment profit/(loss) | 分部溢利/(虧損) | 44,711 | (58,719) | (1,631) | (15,639) |
| <i>Reconciliation</i> | <i>對賬</i> | | | | |
| Bank interest income | 銀行利息收入 | | | | 105 |
| Unallocated corporate expenses | 未分配企業支出 | | | | (38,878) |
| Finance costs | 融資成本 | | | | (3,991) |
| Loss before income tax | 除所得稅前虧損 | | | | (58,403) |
| At 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| Segment assets | 分部資產 | 105,758 | 116,949 | 51,123 | 273,830 |
| Other corporate assets | 其他公司資產 | | | | 14,543 |
| Total assets | 總資產 | | | | 288,373 |
| Segment liabilities | 分部負債 | 35,933 | 6,685 | 3,043 | 45,661 |
| Other corporate liabilities | 其他公司負債 | | | | 33,412 |
| Total liabilities | 總負債 | | | | 79,073 |
| Other segment information | 其他分部資料 | | | | |
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | |
| Amounts included in the measure of segment profit or loss or segment assets: | 計入計量分部收益或虧損或分部資產的款項： | | | | |
| Provision for inventories | 存貨撥備 | (1,297) | - | - | (1,297) |
| Write-off of other receivables | 撇銷其他應收款項 | (2,586) | - | - | (2,586) |
| Provision for ECL on trade receivables | 貿易應收款項預期信貸虧損撥備 | (550) | - | - | (550) |
| Provision for ECL on loans and interest receivables | 應收貸款及利息預期信貸虧損撥備 | - | (21,196) | - | (21,196) |
| Impairment of goodwill | 商譽減值 | - | (34,632) | - | (34,632) |
| Gain on disposal of land and buildings (note 7(a)) | 出售土地及樓宇收益 (附註7(a)) | 74,762 | - | - | 74,762 |
| Net fair value change on financial assets at FVTPL | 以公平值計量且變動計入當期損益之財務資產的公平值變動淨額 | - | (10,111) | - | (10,111) |
| Depreciation (note) | 折舊 (附註) | (2,084) | (1,239) | (466) | (3,789) |
| Capital expenditure (note) | 資本開支 (附註) | (2,075) | (16) | (524) | (2,615) |

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

6. SEGMENT INFORMATION (Continued)

The Company is an investment holding company and the principal places of the Group's operations are in the PRC (including Hong Kong). Management determines the Group is domiciled in both Hong Kong, and in the PRC, which is the Group's principal operating location. No revenue was earned from transactions with other operating segments of the Group.

The Group's revenue from external customers is divided into the following geographical areas, based on locations of customers:

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|-----------|----|----------------------------------|----------------------------------|
| The USA | 美國 | – | 2,031 |
| Hong Kong | 香港 | 8,199 | 27,654 |
| The PRC | 中國 | 58,129 | 59,935 |
| | | 66,328 | 89,620 |

Geographical location of external customers is based on the location at which the customers are domiciled.

The principal non-current assets held by the Group are located in the PRC (including Hong Kong).

6. 分部資料 (續)

本公司為一間投資控股公司，而本集團營運的主要地點位於中國（包括香港）。管理層將中國及香港定為本集團居籍所在地，香港亦為本集團的主要經營地點。與本集團其他經營分部的交易並無賺取任何收入。

本集團來自外部客戶的收入根據客戶位置按以下地區劃分：

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|-----------|----|----------------------------------|----------------------------------|
| The USA | 美國 | – | 2,031 |
| Hong Kong | 香港 | 8,199 | 27,654 |
| The PRC | 中國 | 58,129 | 59,935 |
| | | 66,328 | 89,620 |

外部客戶的地理位置是根據客戶居籍地劃分。

本集團持有的主要非流動資產均位於中國（包括香港）。

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6. SEGMENT INFORMATION (Continued)

Revenue from each of the major customers which accounted for 10% or more of the Group's revenue for the year 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 | 17,452 | 20,536 |
| Customer B | 客戶 B | 33,068 | 12,916 |
| Customer C | 客戶 C | N/A* 不適用* | 12,319 |

* The revenue from this customer accounted for less than 10% of the Group's revenue for the year ended 31 December 2023.

As at 31 December 2023, 72% (2022: 59%) of the Group's trade receivables was due from these customers. Revenue earned from these customers were reported in the design, manufacturing and trading of apparels operating segment.

Note:

Depreciation and capital expenditures, which represent the depreciation, additions and lease modifications of property, plant and equipment and right-of-use assets as disclosed in note 14 and note 15, have been included in:

6. 分部資料 (續)

來自年內佔本集團收入10%或以上的各主要客戶的收入載列如下：

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|------------|------|----------------------------------|----------------------------------|
| Customer A | 客戶 A | 17,452 | 20,536 |
| Customer B | 客戶 B | 33,068 | 12,916 |
| Customer C | 客戶 C | N/A* 不適用* | 12,319 |

* 來自本客戶的收益佔本集團截至二零二三年十二月三十一日止年度的收益少於10%。

於二零二三年十二月三十一日，該等客戶的結欠額佔本集團貿易應收款項的72% (二零二二年：59%)。從該等客戶賺取的收益已呈列於服飾設計、製造及貿易經營分部。

附註：

已計入下列各項折舊及資本開支，指附註14及附註15所披露的物業、廠房及設備的折舊，添置及租賃修改以及使用權資產：

| | | Design, manufacturing and trading of apparels 服飾設計、 製造及貿易 HK\$'000 千港元 | Money lending services 貸款融資服務 HK\$'000 千港元 | Sale of trendy cultural products 潮流文化 產品銷售 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Consolidated 綜合 HK\$'000 千港元 |
|--|------|---|---|--|---------------------------------------|---------------------------------------|
| For the year ended 31 December 2023 | | 截至二零二三年十二月三十一日止年度 | | | | |
| Depreciation | 折舊 | (855) | (1,130) | (482) | (1,056) | (3,523) |
| Capital expenditures | 資本開支 | (270) | (1,070) | (441) | (2,644) | (4,425) |
| For the year ended 31 December 2022 | | 截至二零二二年十二月三十一日止年度 | | | | |
| Depreciation | 折舊 | (2,084) | (1,239) | (466) | (1,258) | (5,047) |
| Capital expenditures | 資本開支 | (2,075) | (16) | (524) | (1,217) | (3,832) |

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7. REVENUE, AND OTHER INCOME AND GAINS

Revenue represents the interest income from loans receivables, and revenue from sales of apparels and trendy cultural products, net of returns, discounts and sales related taxes. Further details regarding the Group's principal activities are disclosed in note 6.

The Group's revenue from contracts with customers represents revenue from sales of goods which is recognised on a point in time basis. An analysis of the Group's revenue and other income and gains, net, are as follows:

7. 收入及其他收入及收益

收入指應收貸款的利息收入、服飾及潮流文化產品銷售收入，並已減去退貨、折扣及與銷售有關的稅項。有關本集團主要業務的進一步詳情披露於附註6。

本集團來自與客戶合約的收益指於某一時點確認的銷售貨品收入。本集團的收入以及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 |
|--|---------------------------------------|----------------------------------|----------------------------------|
| Revenue from contracts with customers under HKFRS 15: | 根據香港財務報告準則第15號 來自與客戶合約的收益： | | |
| Sales of goods | 銷售貨品 | 58,129 | 75,989 |
| Revenue from other source: | 來自其他來源的收益： | | |
| Interest income from loans receivable | 應收貸款的利息收入 | 8,199 | 13,631 |
| Total revenue | 總收入 | 66,328 | 89,620 |
| Other gains and losses, net | 其他收益及虧損淨額 | | |
| Net fair value loss on financial assets at FVTPL | 以公平值計量且變動計入當期損益的財務資產的公平值虧損淨額 | (1,895) | (10,111) |
| Bank interest income | 銀行利息收入 | 41 | 105 |
| Other interest income (note (a)) | 其他利息收入(附註(a)) | 967 | - |
| Gain on disposal of land and buildings (note (b)) | 出售土地及樓宇收益(附註(b)) | - | 74,762 |
| Government subsidies (note (c)) | 政府資助(附註(c)) | - | 432 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備收益 | 38 | - |
| Sundry income | 雜項收益 | 402 | 1,033 |
| | | (447) | 66,221 |

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

7. REVENUE, AND OTHER INCOME AND GAINS

(Continued)

Notes:

- (a) Other interest income represented imputed interest income charged on an amount due from a director (note 22).
- (b) On 24 August 2022, the Group entered into a compensation agreement with Jiaxing Xiubei Development and Construction Co., Ltd (“Jiaxing Xiubei”), a state-owned enterprise appointed by the local authority to execute a transaction on land, pursuant to which, Jiaxing Xiubei agreed to purchase, and the Group agreed to sell its land together with its buildings attached with aggregate compensation of approximately HK\$81,659,000 payable by Jiaxing Xiubei, according to the relevant policy of the Xiuzhou Government for the purpose of urban area redevelopment. The transaction was completed in December 2022. Net gain from disposal of land and buildings of approximately HK\$74,762,000 was recognised during the year ended 31 December 2022.
- (c) For the year ended 31 December 2022, included in profit or loss is HK\$432,000 of government grants obtained from Employment Support Scheme (“ESS”) under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Group’s employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Group does not have other unfulfilled obligations relating to this program.

7. 收入及其他收入及收益

(續)

附註：

- (a) 其他利息收入指就應收一名董事款項收取之估算利息收入(附註22)。
- (b) 於二零二二年八月二十四日，本集團與嘉興市秀北開發建設有限公司(「嘉興市秀北」)(地方當局指定執行土地交易的國有企業)訂立一份補償協議，據此，根據秀洲政府為進行市鎮重建的相關政策，嘉興秀北同意購買而本集團同意出售該土地連同該等物業，嘉興秀北應付補償總額為約81,659,000港元。該交易已於二零二二年十二月完成。截至二零二二年十二月三十一日止年度，已確認出售土地及樓宇收益淨額約74,762,000港元。
- (c) 截至二零二二年十二月三十一日止年度，從香港特別行政區政府推出的「防疫抗疫基金」項下「保就業」計劃(「保就業計劃」)以補助本集團僱員薪金獲得的政府補助432,000港元已計入損益。根據「保就業」計劃，本集團須承諾將該等補助用於薪金開支，並在限定期間內不得將僱員總人數減少至規定水平以下。本集團並無其他與此計劃有關的尚未履行責任。

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7. REVENUE, AND OTHER INCOME AND GAINS

(Continued)

The disaggregation of the Group's revenue from contracts with customers on sale of goods 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 |
|--|----------------------|----------------------------------|----------------------------------|
| Geographical markets | 地區市場 | | |
| The USA | 美國 | - | 2,031 |
| Hong Kong | 香港 | - | 14,023 |
| The PRC | 中國 | 58,129 | 59,935 |
| Total revenue from contracts with customers, recognised at a point in time | 來自與客戶合約的收益總額，於某一時點確認 | 58,129 | 75,989 |

The following table provides information about trade receivables and contract liabilities from contracts with customers.

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--------------------------------|---------------|----------------------------------|----------------------------------|
| As at 31 December | 於十二月三十一日 | | |
| Trade receivables (note 20) | 貿易應收款項 (附註20) | 31,662 | 39,065 |
| Contract liabilities (note 27) | 合約負債 (附註27) | 998 | 893 |

The Group has applied the practical expedient to its sales contracts of apparels products and trendy cultural products and therefore no information is disclosed for revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for apparels and trendy cultural products production that had an original expected duration of one year or less.

7. 收入及其他收入及收益

(續)

本集團來自與客戶合約銷售貨品的收益之分類如下：

| | | 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 | | |
| The USA | 美國 | - | 2,031 |
| Hong Kong | 香港 | - | 14,023 |
| The PRC | 中國 | 58,129 | 59,935 |
| Total revenue from contracts with customers, recognised at a point in time | 來自與客戶合約的收益總額，於某一時點確認 | 58,129 | 75,989 |

下表提供有關與客戶合約的貿易應收款項及合約負債的資料。

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--------------------------------|---------------|----------------------------------|----------------------------------|
| As at 31 December | 於十二月三十一日 | | |
| Trade receivables (note 20) | 貿易應收款項 (附註20) | 31,662 | 39,065 |
| Contract liabilities (note 27) | 合約負債 (附註27) | 998 | 893 |

本集團對其服飾產品及潮流文化產品的銷售合約採用實際權宜方法，因此並無披露收入資料，從而本集團將可於原預期期限為一年或以下時達致其於服飾及潮流文化產品生產合約項下的剩餘履約義務。

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

8. FINANCE COSTS

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Interest on other borrowings | 其他借款利息 | - | 137 |
| Interest on debt element of convertible bonds | 可換股債券之債務組成部分利息 | 6,184 | 3,694 |
| Interest on lease liabilities | 租賃負債利息 | 134 | 160 |
| | | 6,318 | 3,991 |

8. 融資成本

9. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--|------------------------|----------------------------------|----------------------------------|
| Auditor's remuneration | 核數師酬金 | | |
| – Audit service | – 核數服務 | 1,050 | 990 |
| – Non-audit service | – 非核數服務 | - | 125 |
| Cost of inventories recognised as expense | 已確認為開支的存貨成本 | 55,095 | 75,560 |
| Depreciation of property, plant and equipment (note 14) | 物業、廠房及設備折舊 (附註14) | 722 | 1,384 |
| Depreciation of right-of-use assets (note 15) | 使用權資產折舊 (附註15) | 2,801 | 3,663 |
| Foreign exchange (gain)/loss, net | 匯兌差額 (收益) / 虧損淨額 | (129) | 207 |
| Provision for inventories | 存貨撥備 | 519 | 1,297 |
| Write-off of other receivables (note 22) | 撇銷其他應收款項 (附註22) | - | 2,586 |
| Provision for ECL on trade receivables (note 20) | 貿易應收款項預期信貸虧損撥備 (附註20) | 1,205 | 550 |
| Provision for ECL on loans and interest receivables (note 21) | 應收貸款及利息預期信貸虧損撥備 (附註21) | 14,496 | 21,196 |
| Short-term lease expense | 短期租賃費用 | 40 | 667 |
| Employee benefit expense (including directors' emoluments (note 10)) | 僱員福利開支 (包括董事酬金 (附註10)) | | |
| – Wages and salaries | – 工資及薪金 | 24,132 | 41,826 |
| – Pension scheme contribution | – 退休計劃供款 | | |
| – defined contribution plans | – 界定供款計劃 | 867 | 2,230 |
| – Share-based compensation | – 以股份為基礎的報酬 | 17,108 | 5,566 |
| – Other benefits | – 其他福利 | 709 | 1,097 |

9. 除所得稅前虧損

除所得稅前虧損乃經扣除 / (計入) 下列各項後達致：

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10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

10. 董事酬金及五名最高薪人士

(a) Directors' emoluments

The emoluments of each of the directors for the years presented are set out below:

(a) 董事酬金

於所列年度每名董事的酬金如下：

| | | Salaries, allowances and benefits | Pension scheme Contributions | Share-based compensation | Total |
|--|--------------------------|-----------------------------------|------------------------------|--------------------------|---------------|
| | | Fees | | | |
| | | in kind | | | |
| | | 薪金、津貼及袍金 | 退休計劃供款 | 為基礎的報酬 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Year ended 31 December 2023 | 截至二零二三年十二月三十一日止年度 | | | | |
| <i>Executive directors:</i> | | <i>執行董事：</i> | | | |
| Mr. Li Yang | 李陽先生 | | | | |
| (Appointed with effect from 19 January 2022) | (於二零二二年一月十九日獲委任) | - | 2,856 | 18 | 2,482 |
| Ms. Tin Yat Yu Carol | 田一好女士 | - | 1,200 | 18 | 2,482 |
| Mr. Cheung Ka Lung | 張家龍先生 | | | | |
| (Resigned with effect from 31 August 2023) | (於二零二三年八月三十一日辭職) | - | 892 | 12 | - |
| Mr. Wong Wai Kai Richard | 王瑋楷先生 | | | | |
| (Appointed with effect from 6 October 2023) | (於二零二三年十月六日獲委任) | - | 227 | 2 | - |
| Mr. Chan Ming Leung Terence | 陳明亮先生 | - | 900 | 18 | - |
| Mr. Gong Xiaohan | 龔曉寒先生 | - | 2,016 | - | 2,482 |
| | | - | 8,091 | 68 | 7,446 |
| <i>Independent non-executive directors:</i> | | <i>獨立非執行董事：</i> | | | |
| Mr. Tang Shu Pui, Simon | 鄧澍培先生 | 240 | - | - | 125 |
| Mr. Hon Ming Sang | 韓銘生先生 | 240 | - | - | 125 |
| Ms. Lo Wing Sze JP | 羅詠詩女士 | 240 | - | - | 125 |
| | | 720 | - | - | 375 |
| Total emoluments | 酬金總額 | 720 | 8,091 | 68 | 7,821 |
| | | | | | 16,700 |

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10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

10. 董事酬金及五名最高薪人士 (續)

(a) Directors' emoluments (Continued)

(a) 董事酬金 (續)

| | | Fees | Salaries, allowances and benefits in kind | Pension scheme contributions | Share-based compensation | Total |
|---|--------------------------|------------|---|------------------------------|--------------------------|---------------|
| | | 袍金 | 薪金、津貼及實物福利 | 退休計劃供款 | 為基礎的報酬 | 總計 |
| | | 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 |
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | | |
| <i>Executive directors:</i> | <i>執行董事：</i> | | | | | |
| Mr. Li Yang | 李陽先生 | - | 2,718 | 18 | - | 2,736 |
| Ms. Tin Yat Yu Carol | 田一好女士 | - | 1,200 | 18 | - | 1,218 |
| Mr. Cheung Ka Lung | 張家龍先生 | - | 1,200 | 18 | - | 1,218 |
| Mr. Chan Ming Leung Terence | 陳明亮先生 | - | 850 | 18 | 1,912 | 2,780 |
| Mr. Gong Xiaohan | 龔曉寒先生 | - | 2,016 | - | - | 2,016 |
| | | - | 7,984 | 72 | 1,912 | 9,968 |
| <i>Independent non-executive directors:</i> | <i>獨立非執行董事：</i> | | | | | |
| Mr. Tang Shu Pui, Simon | 鄧澍培先生 | 240 | - | - | - | 240 |
| Mr. Hon Ming Sang | 韓銘生先生 | 240 | - | - | - | 240 |
| Ms. Lo Wing Sze JP | 羅詠詩女士 | 240 | - | - | - | 240 |
| | | 720 | - | - | - | 720 |
| Total emoluments | 酬金總額 | 720 | 7,984 | 72 | 1,912 | 10,688 |

Notes:

附註：

- The remuneration of the directors disclosed above only included their remuneration during the period when they are holding the office as directors of the Company.
- The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

- 上文所披露的董事薪酬僅包括彼等於擔任本公司董事職務期間的酬金。
- 上述執行董事的薪酬主要有關彼等就管理本公司及本集團事項所提供的服務。上述獨立非執行董事的薪酬主要有關彼等於本公司擔任董事所提供的服務。

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10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(b) Senior management's emoluments

Senior management includes directors and other senior executives. The analysis of the emoluments for senior management excluding the directors, whose details have been reflected in note 10(a), for the year 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 |
|---|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物福利 | 3,635 | 3,508 |
| Pension scheme contribution | 退休計劃供款 | 36 | 18 |
| Share-based compensation | 以股份為基礎的報酬 | 4,996 | 2,174 |
| | | 8,667 | 5,700 |

The emoluments of the senior management excluding the directors fell within the following bands:

| | | Number of employees 僱員人數 | |
|--------------------------------|----------------------------|-----------------------------|---------------|
| | | 2023 二零二三年 | 2022 二零二二年 |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001 港元至 1,500,000 港元 | 1 | 1 |
| HK\$3,000,001 to HK\$3,500,000 | 3,000,001 港元至 3,500,000 港元 | 1 | - |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001 港元至 4,500,000 港元 | 1 | - |
| HK\$4,500,001 to HK\$5,000,000 | 4,500,001 港元至 5,000,000 港元 | - | 1 |
| | | 3 | 2 |

10. 董事酬金及五名最高薪人士 (續)

(b) 高級管理層的酬金

高級管理層包括董事及其他高級行政人員。年內高級管理層（不包括詳情已反映於附註10(a)的董事）的薪酬如下：

高級管理層（除董事外）的薪酬屬於下列範圍：

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10. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(c) Five highest paid individuals

The five highest paid individuals of the Group included 3 (2022: 3) directors for the year, whose emoluments are reflected in note 10(a). The analysis of the emoluments of the remaining 2 (2022: 2) highest of the five paid individuals for the year 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 |
|---|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物福利 | 2,424 | 3,516 |
| Pension scheme contribution | 退休計劃供款 | 18 | 18 |
| Share-based compensation | 以股份為基礎的報酬 | 4,964 | 3,517 |
| | | 7,406 | 7,051 |

Number of non-director highest paid employees whose emoluments fell within the following bands is as follows:

| | | 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\$3,000,001 to HK\$3,500,000 | 3,000,001 港元至 3,500,000 港元 | 1 | - |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001 港元至 4,500,000 港元 | 1 | - |
| HK\$4,500,001 to HK\$5,000,000 | 4,500,001 港元至 5,000,000 港元 | - | 1 |
| | | 2 | 2 |

During the years ended 31 December 2023 and 2022, no director or any of the highest paid individuals waived or agreed to waive any emoluments and there were no emoluments paid by the Group to the directors or any of the highest paid individuals of the Group as an inducement to join or upon joining the Group or as compensation for loss of office.

10. 董事酬金及五名最高薪人士 (續)

(c) 五名最高薪人士

本年度本集團的五名最高薪人士包括三名(二零二二年: 三名)董事, 他們的酬金已反映在附註10(a)。五名最高薪人士的餘下兩名(二零二二年: 兩名)於本年度的酬金分析如下:

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物福利 | 2,424 | 3,516 |
| Pension scheme contribution | 退休計劃供款 | 18 | 18 |
| Share-based compensation | 以股份為基礎的報酬 | 4,964 | 3,517 |
| | | 7,406 | 7,051 |

酬金處於以下範圍的非董事最高薪僱員人數如下:

| | | 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\$3,000,001 to HK\$3,500,000 | 3,000,001 港元至 3,500,000 港元 | 1 | - |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001 港元至 4,500,000 港元 | 1 | - |
| HK\$4,500,001 to HK\$5,000,000 | 4,500,001 港元至 5,000,000 港元 | - | 1 |
| | | 2 | 2 |

於截至二零二三年及二零二二年十二月三十一日止年度, 概無董事或任何最高薪人士放棄或同意放棄任何酬金, 且本集團概無向董事或任何最高薪人士支付任何酬金, 作為加入本集團或加入後的獎賞, 或離職補償。

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

11. INCOME TAX CREDIT/(EXPENSE)

11. 所得稅抵免／（開支）

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|-------------------------|----------------------------------|----------------------------------|
| Current income tax (credited)/ charged for the year: | 本年度即期所得稅（抵免）／開支： | | |
| Hong Kong Profits Tax | 香港利得稅 | (87) | 87 |
| PRC Enterprise Income Tax ("EIT") | 中國企業利得稅（「企業利得稅」） | 1,090 | 7,385 |
| | | 1,003 | 7,472 |
| Deferred tax | 遞延稅項 | (1,624) | – |
| | | (621) | 7,472 |

(i) Pursuant to the rules and regulations of the British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any taxation under these jurisdictions.

(ii) Hong Kong Profits Tax is calculated at 16.5% (2022: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK\$2,000,000 of qualified entity's assessable profit is calculated at 8.25% (2022: 8.25%), which is in accordance with the two-tiered profits tax rates regime.

(iii) PRC EIT is provided at 25% (2022: 25%) on the estimated assessable profits of the Group's PRC subsidiary for the year.

Under the law of the PRC on EIT, corporate withholding income tax is levied on the foreign investor for the dividends distributed out of the profits generated by the foreign investment enterprises. The Group's applicable withholding income tax rate is 5% (2022: 5%).

(i) 根據英屬維爾京群島（「英屬維爾京群島」）及開曼群島的規則和法例，本集團毋須繳納該等司法權區的任何稅項。

(ii) 香港利得稅按本年度在香港產生的估計應課稅溢利的16.5%（二零二二年：16.5%）計算，除根據兩級制利得稅率，合資格實體的首2,000,000港元應課稅溢利按8.25%（二零二二年：8.25%）計稅。

(iii) 中國企業所得稅乃按本集團中國附屬公司本年度的估計應課稅溢利的25%（二零二二年：25%）計提撥備。

根據中國企業所得稅法，對外國投資者就外資企業所產生之溢利分派之股息徵繳企業預扣所得稅。本集團適用之預扣所得稅稅率為5%（二零二二年：5%）。

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11. INCOME TAX CREDIT/(EXPENSE) (Continued)

A reconciliation of income tax credit/(expense) applicable to loss before income tax at the statutory tax rate to the income tax expense at the effective tax rate 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 |
|--|------------------------|----------------------------------|----------------------------------|
| Loss before income tax | 除所得稅前虧損 | (94,639) | (58,403) |
| Tax calculated at the rates applicable to profits in the tax jurisdictions concerned | 以適用於有關稅務司法權區溢利的稅率計算的稅項 | (16,486) | (5,146) |
| Tax effect of non-taxable and non-deductible items, net | 毋須課稅及不能扣稅項目的稅務影響淨額 | 13,221 | 10,900 |
| Tax effect of tax losses not recognised | 未確認稅務虧損的稅務影響 | 2,644 | 1,718 |
| Income tax (credit)/expense | 所得稅(抵免)/開支 | (621) | 7,472 |

12. DIVIDENDS

No interim dividend was declared during the year (2022: Nil) and the board of directors of the Company does not recommend the payment of any final dividend for the year ended 31 December 2023 (2022: Nil).

13. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company of approximately HK\$93,749,000 (2022: HK\$65,895,000) by the weighted average number of 1,961,867,523 (2022: 1,845,278,732) ordinary shares in issue during the year.

As shares options granted by the Company under its share option scheme, and convertible bonds issued by the Company have an antidilutive effect to the basic loss per share calculation for the years ended 31 December 2022 and 2023, the diluted loss per share was the same as the basic loss per share for the years ended 31 December 2022 and 2023.

11. 所得稅抵免／(開支)(續)

按法定稅率計算對除所得稅前虧損適用的所得稅抵免／(開支)·與按實際稅率釐定的所得稅開支的對賬如下：

12. 股息

年內並無宣派中期股息(二零二二年：無)，且本公司董事會不建議派付截至二零二三年十二月三十一日止年度的任何末期股息(二零二二年：無)。

13. 每股虧損

每股基本虧損乃按本公司擁有人應佔虧損約93,749,000港元(二零二二年：65,895,000港元)除以年內已發行普通股的加權平均數1,961,867,523股(二零二二年：1,845,278,732股)計算。

由於本公司根據其購股權計劃所授出的購股權及本公司發行的可換股債券對截至二零二二年及二零二三年十二月三十一日止年度的每股基本虧損的計算有反攤薄效應，因此，截至二零二二年及二零二三年十二月三十一日止年度的每股攤薄虧損與每股基本虧損相同。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

| | | Buildings | Leasehold improvements | Machinery | Furniture, fixtures and office equipment | Motor vehicles | Total |
|---|--------------------------------|-----------|------------------------|-----------|--|----------------|----------|
| | | 樓宇 | 租賃物業裝修 | 機器 | 傢俬、裝置及辦公室設備 | 汽車 | 總計 |
| | | 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 |
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日止年度 | | | | | | |
| Opening net carrying amount | 年初賬面淨值 | 6,184 | 290 | 657 | 757 | 349 | 8,237 |
| Additions | 添置 | - | 496 | 18 | 907 | 57 | 1,478 |
| Acquisition of subsidiaries (note 34) | 收購附屬公司(附註34) | - | - | - | 285 | - | 285 |
| Disposal | 出售 | (5,265) | - | (341) | (284) | - | (5,890) |
| Depreciation | 折舊 | (672) | (298) | (33) | (320) | (61) | (1,384) |
| Exchange differences | 匯兌差額 | (247) | - | (37) | (66) | (9) | (359) |
| Closing net carrying amount | 年末賬面淨值 | - | 488 | 264 | 1,279 | 336 | 2,367 |
| 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 | - | 12,455 | 1,702 | 7,828 | 1,692 | 23,677 |
| Accumulated depreciation | 累計折舊 | - | (11,967) | (1,438) | (6,549) | (1,356) | (21,310) |
| Net carrying amount | 賬面淨值 | - | 488 | 264 | 1,279 | 336 | 2,367 |
| Year ended 31 December 2023 | 截至二零二三年十二月三十一日止年度 | | | | | | |
| Opening net carrying amount | 年初賬面淨值 | - | 488 | 264 | 1,279 | 336 | 2,367 |
| Additions | 添置 | - | - | - | 44 | 1,071 | 1,115 |
| Disposal | 出售 | - | - | - | - | (106) | (106) |
| Depreciation | 折舊 | - | (108) | (124) | (370) | (120) | (722) |
| Exchange differences | 匯兌差額 | - | - | (4) | (10) | - | (14) |
| Closing net carrying amount | 年末賬面淨值 | - | 380 | 136 | 943 | 1,181 | 2,640 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | | | | | | |
| Cost | 成本 | - | 12,455 | 1,664 | 7,728 | 1,707 | 23,554 |
| Accumulated depreciation | 累計折舊 | - | (12,075) | (1,528) | (6,785) | (526) | (20,914) |
| Net carrying amount | 賬面淨值 | - | 380 | 136 | 943 | 1,181 | 2,640 |

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

15. RIGHT-OF-USE ASSETS

15. 使用權資產

| | | Leasehold land 租賃土地 HK\$'000 千港元 | Office premises 辦公物業 HK\$'000 千港元 | Office equipment 辦公室設備 HK\$'000 千港元 | Motor Vehicle 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---------------------------------------|-------------------------------|--|---|---|---|--------------------------------|
| Year ended 31 December 2022 | 截至二零二二年十二月三十一日 止年度 | | | | | |
| Opening net carrying amount | 年初賬面淨值 | 1,679 | 3,453 | 354 | - | 5,486 |
| Depreciation | 折舊 | (46) | (3,404) | (213) | - | (3,663) |
| Addition | 添置 | - | 2,183 | 171 | - | 2,354 |
| Acquisition of subsidiaries (note 34) | 收購附屬公司(附註34) | - | 363 | - | - | 363 |
| Disposal | 出售 | (1,490) | - | - | - | (1,490) |
| Exchange differences | 匯兌差額 | (143) | (89) | - | - | (232) |
| Closing net carrying amount | 年末賬面淨值 | - | 2,506 | 312 | - | 2,818 |
| Year ended 31 December 2023 | 截至二零二三年十二月三十一日 止年度 | | | | | |
| Opening net carrying amount | 年初賬面淨值 | - | 2,506 | 312 | - | 2,818 |
| Depreciation | 折舊 | - | (2,730) | (67) | (4) | (2,801) |
| Addition | 添置 | - | 3,037 | - | 273 | 3,310 |
| Exchange differences | 匯兌差額 | - | (5) | - | (31) | (36) |
| Closing net carrying amount | 年末賬面淨值 | - | 2,808 | 245 | 238 | 3,291 |

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16. GOODWILL

The amount of goodwill capitalised as an asset, arising from business combinations, is as follows:

16. 商譽

業務合併所產生資本化撥作資產的商譽款項如下：

| | | HK\$'000 千港元 |
|--|----------------------|-----------------|
| Cost | 成本 | |
| At 1 January 2022 | 於二零二二年一月一日 | 99,109 |
| Acquisition of subsidiaries (note 34) | 收購附屬公司(附註34) | 41,346 |
| Exchange difference | 匯兌差額 | 1,197 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 141,652 |
| Exchange difference | 匯兌差額 | (731) |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 140,921 |
| Accumulated depreciation and impairment | 累計折舊及減值 | |
| At 1 January 2022 | 於二零二二年一月一日 | 64,477 |
| Impairment | 減值 | 34,632 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 99,109 |
| Impairment | 減值 | 13,000 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 112,109 |
| Net carrying amount | 賬面淨值 | |
| At 31 December 2023 | 二零二三年十二月三十一日 | 28,812 |
| At 31 December 2022 | 二零二二年十二月三十一日 | 42,543 |

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16. GOODWILL (Continued)

For the purpose of impairment testing, goodwill are allocated to the CGU in relation to the Group's sale of trendy cultural products ("Trendy Cultural Products CGU") as follows:

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|------------------------------|--------------|----------------------------------|----------------------------------|
| Trendy Cultural Products CGU | 潮流文化產品現金產生單位 | 28,812 | 42,543 |

As at 31 December 2023, the Group expects recent macroeconomic, policy and industry factors resulted in a wider range of reasonably possible value-in-use outcomes for the Group's IP application and products operation. As at 31 December 2023, the recoverable amount of the Trendy Cultural Products CGU had been determined based on value-in-use calculation, which is arrived at on the basis of valuation carried out by an independent professional valuer. It is calculated using pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. The recoverable amount of the Trendy Cultural Products CGU was approximately HK\$30,637,000. The impairment loss shall be allocated first reduce the carrying amount of the goodwill allocated to the Trendy Cultural Products CGU and accordingly, impairment loss on goodwill of approximately HK\$13,000,000 was recognised for the year ended 31 December 2023 to write down the carrying amount of the Trendy Cultural Products CGU to its recoverable amount as at 31 December 2023.

The key assumptions used in the value-in-use are as follow:

Discount rate – the discount rate applied to the cash flow projections is 23% (2022: 17.5%). The discount rate used is pre-tax and reflects specific risks relating to the Trendy Cultural Products CGU. The pre-tax discount rate is determined with reference to the weighted average cost of capital.

Long term growth rate – the weighted average growth rate of 2% (2022: 2%) used does not exceed the long-term average growth rate for the business in which the Trendy Cultural Products CGU operates.

16. 商譽 (續)

就減值測試而言，商譽分配至與本集團潮流文化產品銷售的現金產生單位（「潮流文化產品現金產生單位」）如下：

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|------------------------------|--------------|----------------------------------|----------------------------------|
| Trendy Cultural Products CGU | 潮流文化產品現金產生單位 | 28,812 | 42,543 |

於二零二三年十二月三十一日，本集團預期近期宏觀經濟、政策及行業因素將導致本集團的知識產權應用及產品經營更廣泛的合理可能使用價值結果。於二零二三年十二月三十一日，潮流文化產品現金產生單位的可收回金額已根據使用價值計算釐定，該使用價值乃根據獨立專業估值師進行的估值而達致。其根據涵蓋五年期獲管理層批准的財務預算使用除稅前現金流量預測計算得出。超過五年期的現金流量按估計增長率推算。潮流文化產品現金產生單位的可收回金額約30,637,000港元。截至二零二三年十二月三十一日止年度，應先分配減值虧損，以減少分配至潮流文化產品現金產生單位之商譽之賬面值，因此，已確認商譽減值虧損約13,000,000港元，以撇銷潮流文化產品現金產生單位的賬面值至其於二零二三年十二月三十一日的可收回金額。

用於使用價值的關鍵假設如下：

貼現率 – 應用於現金流量預測的貼現率為23%（二零二二年：17.5%）。所用貼現率為除稅前貼現率，反映與潮流文化產品現金產生單位有關的特定風險。除稅前貼現率乃參考加權平均資本成本後釐定。

長期增長率 – 所使用的加權平均增長率為2%（二零二二年：2%），其不超過潮流文化產品現金產生單位所經營的業務之長期平均增長率。

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16. GOODWILL (Continued)

As at 31 December 2022, the Group expects the business environment for money lending operation will deteriorate due to intense competition and this will result into a downward adjustment on future revenue from money lending operation. An impairment loss of goodwill of approximately HK\$34,632,000 was recognised for the year ended 31 December 2022 to write down the carrying amount of the CGU in relation to the Group's provision of money lending services to its recoverable amount as at 31 December 2022.

17. INTANGIBLE ASSET

Cost and carrying amount
As at 31 December 2022, and
1 January and
31 December 2023

成本及賬面值
於二零二二年十二月三十一日及
二零二三年一月一日及
十二月三十一日

Money lending license
貸款融資牌照
HK\$'000
千港元

800

The license has a legal life of 1 year but is renewable every year at minimal cost. The directors of the Company are of the opinion that the Group would renew the license continuously and has the ability to do so. Various studies including product life cycle studies, market, competitive and environmental trends, and brand extension opportunities have been performed by management of the Group, which supports that the license has no foreseeable limit to the period over which the provision of services restricted by license are expected to generate net cash flows for the Group.

牌照之法律年期為1年，但可以最低成本每年續期。本公司董事認為本集團將會持續為牌照續期，並擁有此能力。本集團管理層已進行多項研究，包括產品年期研究、市場、競爭及環境趨勢、以及品牌擴大機遇，該等研究支持牌照年期並無預期限制，而提供該牌照限制之服務可於其年期期間為本集團帶來現金流量淨額。

16. 商譽 (續)

於二零二二年十二月三十一日，本集團預計貸款融資業務的業務環境將會因競爭激烈而惡化並因此下調貸款融資業務的未來收入。已就截至二零二二年十二月三十一日止年度確認商譽減值虧損34,632,000港元，以將有關本集團貸款融資服務撥備現金產生單位的賬面值撇減至其於二零二二年十二月三十一日的可收回金額。

17. 無形資產

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17. INTANGIBLE ASSET (Continued)

As a result, the license is considered by the management of the Group as having an indefinite useful life because it is expected to contribute to net cash inflows indefinitely. The license will not be amortised until its useful life is determined to be finite. Instead, it will be tested for impairment annually and whenever there is an indication that it may be impaired.

For the purpose of impairment testing, the recoverable amount of license of the Group has been determined from FVLCOB using income approach. Key assumptions on which management has based its FVLCOB to undertake impairment testing include pre-tax discount rate of approximately 16% which reflects specific risk relating to the relevant unit; and terminal growth rate of approximately 2% which does not exceed the long-term average growth rate for the business. No impairment on intangible assets of the Group is recognised for the year ended 31 December 2023 (2022: nil).

18. INTERESTS IN ASSOCIATES

17. 無形資產 (續)

因此，本集團管理層認為該牌照具有無限使用年期，因為預期該牌照可無限提供現金流入淨額。該牌照在其可使用年期被釐定為有限之前將不會進行攤銷。取而代之，該牌照將會每年進行減值測試，及於有跡象顯示其可能出現減值時進行測試。

就減值測試而言，本集團牌照的可收回金額已使用收入法按公平值減出售成本釐定。管理層根據其公平值減出售成本進行減值測試的關鍵假設包括約16%的除稅前貼現率，其反映與相關單位有關的特定風險；及終端增長率約2%：其不超過業務長期平均增長率。截至二零二三年十二月三十一日止年度，本集團並無確認無形資產減值（二零二二年：無）。

18. 於聯營公司的權益

| | 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 other than goodwill 除商譽以外所佔的資產淨值 | 495 | 605 |
| Goodwill on acquisition 收購時所產生的商譽 | 235 | 235 |
| | 730 | 840 |

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18. INTERESTS IN ASSOCIATES (Continued)

As at 31 December 2023, the Group had interests in the following associates which are accounted for using equity method in the consolidated financial statements, as follows:

| Name of company | Form of business structure | Place of incorporation | Issued share capital/paid-up registered capital 已發行股本/ 已繳足註冊股本 | Equity interest held 持有股權 | Principal activity and place of operation |
|---------------------------------|-----------------------------------|------------------------|--|------------------------------|---|
| 公司名稱 | 業務架構形式 | 註冊地點 | | | 主要業務及營業地點 |
| Wake Hong Kong Limited | Limited liability company 有限公司 | Hong Kong 香港 | 4 ordinary share of HK\$1 4股每股面值1港元的普通股 | 25% | Provision of brands and products development in Hong Kong 於香港提供品牌及產品開發 |
| Helix Global Management Limited | Limited liability company 有限公司 | Hong Kong 香港 | 100 ordinary shares of HK\$1 100股每股面值1港元的普通股 | 36% | Provision of event management services in Hong Kong 於香港提供活動管理服務 |

In the opinion of the directors, these associates are not material to the Group, and the aggregate financial information in respect of the Group's associates as extracted from their management accounts are set out below:

於二零二三年十二月三十一日，本集團於下列聯營公司中擁有權益，並採用權益法於綜合財務報表入賬如下：

董事認為，該等聯營公司對本集團而言並不重大。有關本集團聯營公司的財務資料概覽（摘錄自彼等管理賬目）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 |
|---|----------------------------------|----------------------------------|
| As at 31 December Aggregate carrying amount of individually immaterial associates in the consolidated financial statements | 730 | 840 |

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

18. INTERESTS IN ASSOCIATES (Continued)

18. 於聯營公司的權益 (續)

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Year ended 31 December | 截至十二月三十一日 | | |
| Aggregate amount of the Group's share of those associates | 本集團分佔該等聯營公司的總額 | | |
| - Loss for the year | - 年內虧損 | (110) | (160) |
| - Other comprehensive income | - 其他全面收益 | - | - |
| Total comprehensive income | 全面收益總額 | (110) | (160) |

19. INVENTORIES

19. 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 and consumables | 原料及耗材 | 25 | 25 |
| Work in progress | 在製品 | 125 | 1,089 |
| Finished goods | 製成品 | 8,285 | 5,450 |
| | | 8,435 | 6,564 |

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20. TRADE RECEIVABLES

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|-------------------------------------|----------|----------------------------------|----------------------------------|
| Trade receivables | 貿易應收款項 | 33,937 | 40,135 |
| Less: provision for impairment loss | 減：減值虧損撥備 | (2,275) | (1,070) |
| | | 31,662 | 39,065 |

Trade receivables are recognised at their original invoice amounts which represented their fair values at initial recognition. The Group's trade receivables are attributable to a number of independent customers with credit terms. The Group normally allows a credit period ranging from 10 to 90 days (2022: 10 to 180 days) to its customers. Trade receivables are non-interest bearing.

Ageing analysis of trade receivables based on invoice date and net of loss allowance is as follows:

貿易應收款項按原發票值確認，即該等貿易應收款項於初步確認時的公平值。本集團的貿易應收款項歸於多個具備信貸期的獨立客戶。本集團通常准許其客戶介乎10至90天（二零二二年：10至180天）的信貸期。貿易應收款項不計息。

根據發票日期的貿易應收款項（扣除虧損撥備）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 |
|----------------|---------|----------------------------------|----------------------------------|
| 0 to 30 days | 0至30日 | 9,424 | 15,611 |
| 31 to 60 days | 31至60日 | 881 | 9,218 |
| 61 to 90 days | 61至90日 | 2,784 | 3,452 |
| 91 to 180 days | 91至180日 | 2,121 | 4,987 |
| Over 180 days | 超過180日 | 16,452 | 5,797 |
| | | 31,662 | 39,065 |

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20. TRADE RECEIVABLES (Continued)

The movements in the loss allowance for impairment on trade receivables are as follows:

| | | HK\$'000 千港元 |
|---|-------------------------------------|-----------------|
| At 1 January 2022 | 於二零二二年一月一日 | 520 |
| Provision for loss allowance recognised during the year | 年內確認計提虧損撥備 | 550 |
| 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 | 1,070 |
| Provision for loss allowance recognised during the year | 年內確認虧損撥備 | 1,205 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 2,275 |

The Group provided for impairment loss on individual assessment based on the accounting policy stated in note 4.7(ii). The Group did not hold any collateral as security over the trade receivables.

An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. The provision rates are based on days past due for groupings of various customers 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.

20. 貿易應收款項 (續)

貿易應收款項減值虧損撥備的變動情況如下：

| | | HK\$'000 千港元 |
|---|-------------------------------------|-----------------|
| At 1 January 2022 | 於二零二二年一月一日 | 520 |
| Provision for loss allowance recognised during the year | 年內確認計提虧損撥備 | 550 |
| 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 | 1,070 |
| Provision for loss allowance recognised during the year | 年內確認虧損撥備 | 1,205 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 2,275 |

本集團根據附註4.7(ii)所列會計政策，按個別評估方式的減值虧損作出撥備。本集團並無就貿易應收款項持有任何抵押品。

於各報告日期採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。該計算反映或然率加權結果、貨幣時間價值及於報告日期可得的有關過往事項、當前狀況及未來經濟狀況預測的合理及可靠資料。

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20. TRADE RECEIVABLES (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

2023

| | | 二零二三年 | | | | | |
|-------------------------------------|--------------|--|-------|--------|---------------------------------|-------------|------------------------|
| | | Past due 逾期 | | | | Total 總額 | |
| | | Less than 3 months to 6 months 不超過 3個月至6個月 | | | 6 to 12 months 6至 12個月 | | Over 1 year 超過1年 |
| | | Current 即期 | | | | | |
| | | | | | | | |
| ECL rate | 預期信貸虧損率 | 2% | 9% | 11% | - | | |
| Gross carrying amount (HK\$'000) | 賬面總金額 (千港元) | 14,860 | 8,964 | 10,113 | - | 33,937 | |
| ECLs (HK\$'000) | 預期信貸虧損 (千港元) | 354 | 855 | 1,066 | - | 2,275 | |

2022

| | | 二零二二年 | | | | | |
|-------------------------------------|--------------|--|---------|-------|---------------------------------|-------------|------------------------|
| | | Past due 逾期 | | | | Total 總額 | |
| | | Less than 3 months to 6 months 不超過 3個月至6個月 | | | 6 to 12 months 6至 12個月 | | Over 1 year 超過1年 |
| | | Current 即期 | | | | | |
| | | | | | | | |
| ECL rate | 預期信貸虧損率 | 1% | 3% – 6% | 10% | 20% | | |
| Gross carrying amount (HK\$'000) | 賬面總金額 (千港元) | 33,600 | - | 5,730 | 805 | 40,135 | |
| ECLs (HK\$'000) | 預期信貸虧損 (千港元) | 336 | - | 573 | 161 | 1,070 | |

20. 貿易應收款項 (續)

以下採用撥備矩陣載列有關本集團貿易應收款項的信貸風險資料：

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21. LOANS AND INTEREST RECEIVABLES

21. 應收貸款及利息

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|-----------------------|-----------|----------------------------------|----------------------------------|
| Current | 即期 | | |
| Loans receivable | 應收貸款 | 90,920 | 137,108 |
| Interest receivables | 應收利息 | 14,580 | 11,782 |
| Less: impairment loss | 減：減值虧損 | (60,940) | (50,727) |
| | | 44,560 | 98,163 |

The Group's loans and interest receivables, which arose from the money lending business of providing corporate loans, personal loans and property mortgage loans in Hong Kong, are denominated in HK\$.

As at 31 December 2023, loans and interest receivables of carrying amount of HK\$29,316,000 (2022: HK\$73,769,000) were unsecured while remaining loans and interest receivables of carrying amount of HK\$15,244,000 (2022: HK\$24,394,000) were secured by charges over certain properties in Hong Kong and personal properties such as diamonds and jewellery, and guaranteed by certain independent third parties. The interest rates on all loans receivable are from 8% to 24% (2022: 2.3% to 24%) per annum. The maximum exposure to credit risk at each of the reporting date is the carrying value of the loans and interest receivables mentioned above.

本集團的應收貸款及利息以港元計值，產生自於香港提供企業貸款、個人貸款及物業按揭貸款的貸款融資業務。

於二零二三年十二月三十一日，賬面值為29,316,000港元的應收貸款及利息賬面值（二零二二年：73,769,000港元）為無抵押，而餘下賬面值為15,244,000港元的應收貸款及利息賬面值（二零二二年：24,394,000港元）由質押若干香港物業及個人物業（如鑽石及珠寶）作抵押，並且由若干獨立第三方擔保。全部應收貸款的利率按年利率8%至24%（二零二二年：2.3%至24%）計息。於各報告日期的最大信貸風險是上述應收貸款及利息的賬面值。

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21. LOANS AND INTEREST RECEIVABLES (Continued)

Before granting loans to outsiders, the Group uses an internal credit assessment process to assess the potential borrower's credit quality and defines credit limits granted to borrowers. Limits attributed to borrowers are reviewed by the management regularly.

As at the reporting date, the Group reviewed its loans and interest receivables for evidence of impairment on both individual and collective basis. The Group recognised impairment loss on individual assessment based on the accounting policy stated in note 4.7 (ii) under HKFRS 9.

The Group has measured impairment loss for loans and interest receivables based on 12-month ECLs unless there have been a significant increase in credit risk since origination, then the allowance will be based on lifetime ECLs. The Group has assessed the ECLs on loans and interest receivables based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. As at 31 December 2023, provision for impairment of approximately HK\$54,379,000 (2022: HK\$42,864,000) was made on loans and interest receivables that were credit-impaired. Provision for impairment of approximately HK\$nil (2022: HK\$6,520,000) was written-off as at 31 December 2022.

21. 應收貸款及利息 (續)

向外部人士授出貸款前，本集團使用內部信貸評估程序評估潛在借款人的信貸質素，並釐定給予借款人的信貸限額。給予借款人的限額會由管理層定期檢討。

於報告日期，本集團按個別和集體基準審視應收貸款及利息，以查明是否有任何減值的憑據。本集團根據香港財務報告準則第9號項下於附註4.7(ii)所述的會計政策按個別評估方式確認減值虧損。

本集團基於12個月預期信貸虧損計量應收貸款及利息的減值虧損，除非自信貸風險產生起該風險大幅上升，其後將基於存續期預期信貸虧損作出撥備。本集團基於本集團的過往信貸虧損經驗評估應收貸款及利息的預期信貸虧損，並按債務人特定的前瞻性因素及經濟環境作出調整。於二零二三年十二月三十一日，對經信貸減值的應收貸款及利息作出減值撥備約54,379,000港元（二零二二年：42,864,000港元）。於二零二二年十二月三十一日，減值撥備約零港元（二零二二年：6,520,000港元）已予撇銷。

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21. LOANS AND INTEREST RECEIVABLES (Continued)

The movements in provision for impairment of loans and interest receivables are as follows:

| Provision for impairment measured at | 減值撥備的計量方式 | 2023 二零二三年 | | | 2022 二零二二年 | | |
|--------------------------------------|---------------|------------------------------|--------------------------|--------------------------|------------------------------|--------------------------|--------------------------|
| | | Non credit-impaired 未信貸減值 | Credit-impaired 已信貸減值 | Credit-impaired 已信貸減值 | Non credit-impaired 未信貸減值 | Credit-impaired 已信貸減值 | Credit-impaired 已信貸減值 |
| | | 12-month ECL 12個月 | Lifetime ECL 存續期 | Lifetime ECL 存續期 | 12-month ECL 12個月 | Lifetime ECL 存續期 | Lifetime ECL 存續期 |
| | | 預期信貸虧損 | 預期信貸虧損 | 預期信貸虧損 | 預期信貸虧損 | 預期信貸虧損 | 預期信貸虧損 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| At beginning of year | 於年初 | 24 | 7,839 | 42,864 | 899 | 2,741 | 32,411 |
| Transfer to 12-month ECL | 轉移至12個月預期信貸虧損 | | | | | | |
| - non credit-impaired | - 未信貸減值 | 2 | (2) | - | - | - | - |
| Transfer to lifetime ECL | 轉移至存續期預期信貸虧損 | | | | | | |
| - non credit-impaired | - 未信貸減值 | (4) | 4 | - | (1,253) | 1,253 | - |
| Transfer to lifetime ECL | 轉移至存續期預期信貸虧損 | | | | | | |
| - credit-impaired | - 已信貸減值 | (6) | (2,211) | 2,217 | - | (344) | 344 |
| Charged for the year | 年內扣除 | (14) | 929 | 28,916 | 378 | 4,189 | 16,629 |
| Assignment to a director (note) | 轉讓予一名董事(附註) | - | - | (19,618) | - | - | - |
| Written-off | 撇銷 | - | - | - | - | - | (6,520) |
| At end of year | 於年末 | 2 | 6,559 | 54,379 | 24 | 7,839 | 42,864 |

Note:

On 28 February 2023, an ordinary resolution was duly passed by the independent shareholders of the Company to approve, confirm and ratify a sale and purchase agreement between the Group and Ms. Tin Yat Yu Carol, a director of the Company (the "Assignee"), pursuant to which the Group has agreed to assign, and the Assignee has agreed to purchase from the Group all of the Group's legal and beneficial right in loans and interest receivables from certain independent borrowers at a consideration of approximately HK\$22,953,000 (the "Assignment"). Up to 31 December 2023, the Group had received consideration amounted to approximately HK\$14,666,000 from the Assignee. The remaining balance of the consideration was included in other receivables (note 22).

The difference of approximately HK\$15,335,000 between the carrying amount of the outstanding loans and interest receivable assigned of approximately HK\$5,665,000 prior to the Assignment and the amount recognised as new financial assets, being an amount due from a director at the date of Assignment of approximately HK\$21,000,000, has been included in provision for ECL on loans and interest receivables during the year ended 31 December 2023.

21. 應收貸款及利息(續)

應收貸款及利息減值撥備的變動如下：

附註：

於二零二三年二月二十八日，本公司獨立股東正式通過一項普通決議案，以批准、確認及追認本集團與本公司董事田一好女士（「承讓人」）訂立之買賣協議，據此，本集團同意轉讓，而承讓人同意自本集團購買本集團於應收若干獨立借款人之貸款及利息之所有法律及實益權利，代價約22,953,000港元（「轉讓事項」）。截至二零二三年十二月三十一日，本集團已自承讓人收取代價約14,666,000港元。代價餘額計入其他應收款項（附註22）。

於轉讓事項前所轉讓之應收尚欠貸款及利息之賬面值約5,665,000港元與確認為新金融資產之金額（即於轉讓當日應收一名董事款項約21,000,000港元）之間之差額約15,335,000港元已計入截至二零二三年十二月三十一日止年度之應收貸款及利息預期信貸虧損撥備。

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21. LOANS AND INTEREST RECEIVABLES (Continued)

Note: (Continued)

For the year ended 31 December 2023, the net amount of provision for ECL on loans and interest receivables (being the total charge for the year of HK\$29,831,000 less the aforementioned difference of HK\$15,335,000) charged to consolidated statement of comprehensive income was HK\$14,496,000 (2022: HK\$21,196,000).

Further details in relation to the aforementioned transfer of loans and interest receivable have been set out in the Company's announcement dated 8 December 2022, the Company's Circular dated 10 February 2023 and the Company's announcement dated 28 March 2023.

The following table explains changes in the gross carrying amount of the loans and interest receivables that explain their significance to the changes in the ECL allowances for loans and interest receivables:

| Loans and interest receivables, gross, measured at | | 2023 二零二三年 | | | 2022 二零二二年 | | |
|--|-----------------------|------------------------------|-----------------|--------------------------|------------------------------|-----------------|--------------------------|
| | | Non credit-impaired 未信貨減值 | | Credit-impaired 已信貨減值 | Non credit-impaired 未信貨減值 | | Credit-impaired 已信貨減值 |
| | | 12-month ECL | Lifetime ECL | Lifetime ECL | 12-month ECL | Lifetime ECL | Lifetime ECL |
| | | 12個月 預期信貨虧損 | 存續期 預期信貨虧損 | 存續期 預期信貨虧損 | 12個月 預期信貨虧損 | 存續期 預期信貨虧損 | 存續期 預期信貨虧損 |
| 計量方式 | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Gross carrying amount as at 1 January | 於一月一日之賬面總金額 | 25,240 | 53,759 | 69,891 | 65,287 | 15,950 | 69,481 |
| Transfer to 12-month ECL - non credit-impaired | 轉移至12個月預期信貨虧損 - 未信貨減值 | 3,543 | (3,543) | - | - | - | - |
| Transfer to lifetime ECL - non credit-impaired | 轉移至存續期預期信貨虧損 - 未信貨減值 | (12,743) | 12,743 | - | (43,532) | 43,532 | - |
| Transfer to lifetime ECL - credit-impaired | 轉移至存續期預期信貨虧損 - 已信貨減值 | (11,607) | (2,348) | 13,955 | - | (1,445) | 1,445 |
| New loans originated | 已發放新貸款 | - | - | - | 13,200 | - | - |
| Repayments | 還款 | (2,535) | (18,868) | (107) | (8,292) | (7,212) | - |
| Assignment to a director (note) | 轉讓予一名董事(附註) | - | - | (25,283) | - | - | - |
| Written-off | 撇銷 | - | - | - | - | - | (6,520) |
| Changes in interest receivables | 應收利息變動 | (28) | 668 | 2,763 | (1,423) | 2,934 | 5,485 |
| Gross carrying amount as at 31 December | 於十二月三十一日之賬面總金額 | 1,870 | 42,411 | 61,219 | 25,240 | 53,759 | 69,891 |

21. 應收貸款及利息 (續)

附註：(續)

截至二零二三年十二月三十一日止年度，計入綜合全面損益表之應收貸款及利息預期信貨虧損撥備淨額（即本年度費用總額29,831,000港元減去上述差額15,335,000港元）為14,496,000港元（二零二二年：21,196,000港元）。

有關上述應收貸款及利息轉讓的進一步詳情已載於本公司日期為二零二二年十二月八日之公告、二零二三年二月十日之通函及二零二三年三月二十八日之公告。

下表闡釋應收貸款及利息的賬面總金額變動，其闡釋其對應收貸款及利息預期信貨虧損撥備變動的重要性：

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22. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

22. 按金、預付款及其他應收款項

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---------------------------------|------------|----------------------------------|----------------------------------|
| Non-current | 非流動 | | |
| Prepayment and other receivable | 預付款及其他應收款項 | 12,832 | 400 |
| Current | 流動 | | |
| Prepayments | 預付款 | 23,998 | 9,759 |
| Other receivables | 其他應收款項 | 6,743 | 16,932 |
| Deposits | 按金 | 3,727 | 2,312 |
| | | 34,468 | 29,003 |

Deposits mainly represent rental deposits of HK\$974,000 (2022: HK\$2,114,000) and trade deposit of HK\$1,100,000 (2022: nil). Other receivables mainly represent amounts due from trade partners. As at 31 December 2023 and 2022, deposits and other receivables of the Group have no comparable companies with credit ratings can be identified, hence ECLs are estimated 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 loss rate applied for deposits and other receivables that are not credit-impaired, where there are no comparable companies, was ranging from 1 to 3%.

As at 31 December 2023, deposits, prepayment and other receivables include amount due from Ms. Tin Yat Yu Carol, a director of the Company, arising from the Assignment (note 21) of approximately HK\$7,300,000 (2022: nil). The amount is unsecured, interest free and repayable in equal monthly instalments by the end of each subsequent calendar month till February 2026.

按金主要指租賃按金974,000港元(二零二二年:2,114,000港元)及貿易按金1,100,000港元(二零二二年:零)。其他應收款項主要指應收貿易合作夥伴的款項。於二零二三年及二零二二年十二月三十一日,本集團的按金及其他應收款項並無可識別信貸評級的比較公司,因此預期信貸虧損通過使用虧損率法,經參考本集團的過往虧損記錄估計。調整虧損比率適時反映現有的經濟狀況及未來經濟狀況預測。倘概無比較公司,則適用於並無信貸減值的按金及其他應收款項的虧損比率為1至3%。

於二零二三年十二月三十一日,按金、預付款及其他應收款項包括應收本公司一名董事田一好女士因轉讓事項(附註21)而產生之款項約7,300,000港元(二零二二年:無)。該款項為無抵押、免息及直至二零二六年二月,在隨後的每個曆月月底之前按月等額分期償還。

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23. 以公平值計量且變動計入當期損益的財務資產

| | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Listed equity securities held for trading in Hong Kong 持作買賣的香港上市股本證券 | 3,135 | 10,634 |
| Contingent consideration receivable in connection to acquisition of subsidiaries (Note 34) 有關收購附屬公司的或然應收代價(附註34) | 9,420 | 2,555 |
| | 12,555 | 13,189 |

As at 31 December 2022, the Group's listed equity securities of approximately HK\$10,634,000 were pledged for margin loan payable (note 28) of the Group. During the year, net fair value loss on financial assets at FVTPL of approximately HK\$1,895,000 (2022: HK\$10,111,000) was recognised in profit or loss.

For more detailed information in relation to the fair value measurement of the items above, please refer to note 39(f).

於二零二二年十二月三十一日，本集團的上市股本證券約10,634,000港元為本集團應付孖展貸款的抵押(附註28)。年內，以公平值計量且變動計入當期損益的財務資產的公平值虧損約1,895,000港元(二零二二年：10,111,000港元)已於損益確認。

有關計量上述項目公平值的更多詳情，請參閱附註39(f)。

24. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Group included cash at banks which earn interest at floating rates based on daily deposits rates.

As at 31 December 2023, the Group had cash and bank balances denominated in Renminbi ("RMB") amounting to approximately HK\$6,681,000 (2022: HK\$40,804,000) which were placed with certain banks in the PRC. RMB is not freely convertible into other currencies and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through the banks that are recognised to conduct foreign exchange business. The bank balances are with creditworthy banks with no recent history of default.

24. 現金及現金等值項目

現金及現金等值項目包括存入銀行的現金，按每日存款利率以浮動利率賺取利息。

於二零二三年十二月三十一日，本集團以人民幣(「人民幣」)計價的現金及銀行結存約為6,681,000港元(二零二二年：40,804,000港元)，存到中國境內的若干銀行。人民幣不能自由兌換其他貨幣，從中國匯款到境外亦受到中國政府的外匯管制措施規限。根據中國的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過經認可進行外匯業務的銀行將人民幣兌換為其他貨幣。銀行結餘均在有信譽的銀行結存，近期並沒有拖欠記錄。

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25. TRADE PAYABLES

Credit periods of trade payables normally granted by its suppliers were ranging from 15 to 120 days (2022: 15 to 120 days).

Ageing analysis of trade payables as at the end of the reporting period based on invoice date is as follows:

25. 貿易應付款項

供應商給予本集團貿易應付款項的信貸期一般介乎15到120天(二零二二年: 15至120天)。

於報告期末根據發票日期的貿易應付款項賬齡分析如下:

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|----------------|---------|----------------------------------|----------------------------------|
| 0 to 30 days | 0至30日 | 7,059 | 8,250 |
| 31 to 60 days | 31至60日 | - | 2,956 |
| 61 to 90 days | 61至90日 | - | 5,328 |
| 91 to 180 days | 91至180日 | 684 | 888 |
| Over 180 days | 超過180日 | - | 164 |
| | | 7,743 | 17,586 |

26. ACCRUALS AND OTHER PAYABLES

26. 預提費用及其他應付款項

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|------------------------------------|--------------|----------------------------------|----------------------------------|
| Accruals | 預提費用 | | |
| - Accrued staff costs | - 預提員工成本 | 4,240 | 2,433 |
| - Accrued other operating expenses | - 預提其他營運開支 | 6,031 | 6,260 |
| Other payables | 其他應付款項 | | |
| - Amounts due to directors (note) | - 應付董事款項(附註) | 5,299 | 5,510 |
| - PRC social security fund | - 中國社會保障基金 | 3,817 | 4,083 |
| - Others | - 其他 | 3,362 | 3,788 |
| | | 22,749 | 22,074 |

Note:

The amounts are unsecured, interest free and has no fixed repayment terms.

附註:

該等金額為無抵押、免息且無固定還款期限。

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27. CONTRACT LIABILITIES

27. 合約負債

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|--------------------------|----------------------------------|----------------------------------|
| <i>Short-term advances from customers:</i> 客戶短期預付款： | | | |
| Sale of goods 銷售貨品 | | 998 | 893 |
| | | | |
| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
| Balance as at 1 January | 於一月一日的結存 | 893 | 529 |
| Decrease in contract liabilities as a result of revenue recognised during the year that was included in the contract liabilities at the beginning of the year | 因確認計入年初合約負債的年內收入導致合約負債減少 | (893) | (529) |
| Increase in contract liabilities as a result of billing in advance | 因提前計及款項而導致合約負債增加 | 998 | 893 |
| Balance at 31 December | 於十二月三十一日的結存 | 998 | 893 |

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28. OTHER BORROWINGS

28. 其他借款

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Non-current | 非流動 | | |
| Liability component of convertible notes (note 37) | 可換股票據債務部分 (附註37) | 25,250 | 24,024 |
| Current | 流動 | | |
| Promissory note (note 34) | 承付票據 (附註34) | 4,400 | 4,400 |
| Margin loan payable, repayable within one year or on demand | 應付孖展貸款，一年內或按要求償還 | - | 360 |
| | | 4,400 | 4,760 |
| | | 29,650 | 28,784 |

29. LEASE LIABILITIES

29. 租賃負債

The Group leases various offices premises, office equipment and a motor vehicle under lease agreements. The lease agreements are between one to five years (2022: one to three years).

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants. Leased assets are not used as security for borrowing purposes.

The lease payments are discounted using the lessee's incremental borrowing rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use assets in a similar economic environment with similar terms, security and conditions.

本集團根據租賃協議租賃各類辦公室物業、辦公室設備及一輛汽車。租賃協議的年期為一至五年（二零二二年：一至三年）。

租賃條款按個別基準磋商且包含多種不同條款及條件。租賃協議並無施加任何契約。租賃資產不得用作借款的擔保物。

租賃付款使用承租人的增量借款利率，即個別承租人為於類似經濟環境下以類似條款、擔保物及條件取得具有類似使用權資產價值的資產借入所需資金而須支付的利率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

29. LEASE LIABILITIES (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk of lessee; and
- makes adjustments specific to the lease terms.

None of the leases contain variable lease payments.

29. 租賃負債 (續)

為釐定增量借款利率，本集團：

- 在可能情況下，使用個別承租人最近獲得的第三方融資為起步點作出調整，以反映自獲得第三方融資以來融資條件的變動；
- 使用累加法，首先就承租人的信貸風險調整無風險利率；及
- 就租賃條款進行特定調整。

概無租賃包含可變租賃付款。

| | | Office premises 辦公物業 HK\$'000 千港元 | Office equipment 辦公室設備 HK\$'000 千港元 | Motor vehicle 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---------------------------------|---|---|---|--------------------------------|
| As at 1 January 2022 | 於二零二二年一月一日 | 3,508 | 389 | - | 3,897 |
| Addition | 添置 | 2,183 | 171 | - | 2,354 |
| Acquisition of subsidiaries (note 34) | 收購附屬公司 (附註34) | 374 | - | - | 374 |
| Interest expense | 利息開支 | 147 | 13 | - | 160 |
| Lease payments | 租賃付款 | (3,791) | (255) | - | (4,046) |
| Exchange movement | 匯兌變動 | (66) | - | - | (66) |
| 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 | 2,355 | 318 | - | 2,673 |
| Addition | 添置 | 3,037 | - | 273 | 3,310 |
| Interest expense | 利息開支 | 116 | 16 | 2 | 134 |
| Lease payments | 租賃付款 | (2,664) | (79) | (60) | (2,803) |
| Exchange movement | 匯兌變動 | (26) | - | (30) | (56) |
| As at 31 December 2023 | 於二零二三年十二月 三十一日 | 2,818 | 255 | 185 | 3,258 |

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綜合財務報表附註

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

29. LEASE LIABILITIES (Continued)

The present values of future lease payments as at the reporting dates are analysed as:

29. 租賃負債 (續)

未來租賃付款於報告期的現值分析如下：

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|-------------------------|-------|----------------------------------|----------------------------------|
| Current liabilities | 流動負債 | 2,083 | 1,481 |
| Non-current liabilities | 非流動負債 | 1,175 | 1,192 |
| | | 3,258 | 2,673 |

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|--------------------------|--------|----------------------------------|----------------------------------|
| Short-term lease expense | 短期租賃費用 | 40 | 667 |

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

30. DEFERRED TAX

The movements in deferred tax assets during the year are as follows:

Deferred tax assets

30. 遞延稅項

年內遞延稅項資產變動如下：

遞延稅項資產

| | | Losses available for offsetting against future taxable profit 可供抵銷未來 應課稅溢利的虧損 HK\$'000 千港元 | Impairment of trade receivables and loans receivables 貿易應收款項 及應收貸款的減值 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------------------------|--|---|--------------------------------|
| At 1 January 2022 | 於二零二二年一月一日 | - | 562 | 562 |
| Exchange realignment | 匯兌調整 | - | (8) | (8) |
| 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 | - | 554 | 554 |
| Credited to consolidated statement of profit and loss | 計入綜合損益表 | 1,624 | - | 1,624 |
| Exchange realignment | 匯兌調整 | (19) | (2) | (21) |
| As at 31 December 2023 | 於二零二三年十二月三十一日 | 1,605 | 552 | 2,157 |

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綜合財務報表附註

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

30. DEFERRED TAX (Continued)

Deferred tax assets are recognised for tax losses carried forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at 31 December 2023, the Group has unused tax losses of approximately HK\$106,930,000 (2022: HK\$86,210,000) available to offset against future taxable profits of the companies that incurred these losses, in which no deferred tax assets were recognised in the consolidated statement of financial position.

Under the EIT Law of the PRC, withholding income tax is imposed on dividends declared in respect of profits earned by PRC subsidiary from 1 January 2008 onwards. A lower withholding income tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. The applicable rate for the Group is 5% (2022: 5%). In estimating the withholding income taxes on dividends expected to be distributed by those subsidiaries established in the PRC in respect of earnings generated from 1 January 2008, the directors have made an assessment based on the factors which included the dividend policy and the level of capital and working capital required for the Group's operations in the foreseeable future. As at 31 December 2023, temporary differences relating to the undistributed profits of the PRC subsidiaries for which deferred tax liabilities have not been recognised amounted to approximately HK\$1,112,000 (2022: HK\$1,590,000)

30. 遞延稅項 (續)

遞延稅項資產乃根據於透過可能產生的未來應課稅溢利實現相關稅項收益時將稅項虧損結轉而確認。於二零二三年十二月三十一日，本集團的未動用稅項虧損約為106,930,000港元（二零二二年：86,210,000港元），可用作與產生該等虧損之公司未來應課稅溢利抵銷，其中並無於綜合財務狀況表確認遞延稅項資產。

根據中國企業所得稅法，自二零零八年一月一日起，中國附屬公司按所賺取之溢利而分派的股息須徵收預扣稅。倘中國與外商投資者司法權區間有稅務條約，則可能實施較低預扣所得稅。本集團適用稅率為5%（二零二二年：5%）。於估計該等於中國成立的該等附屬公司就自二零零八年一月一日起產生盈利預計將分派股息之預扣所得稅時，董事已基於包括股息政策及本集團業務於可預見未來所需資金及營運資本水平等因素作出評估。於二零二三年十二月三十一日，有關中國附屬公司的未分派溢利（尚未確認遞延稅項負債）的暫時差額為約1,112,000港元（二零二二年：1,590,000港元）。

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

31. SHARE CAPITAL

31. 股本

| | | Number of ordinary shares at HK\$0.01 each 每股面值0.01港元 普通股數目 | Nominal value of ordinary shares 普通股面值 HK\$'000 千港元 |
|---|--|--|---|
| Authorised: | 法定： | | |
| At 1 January 2022, and 31 December 2022 and 2023 | 於二零二二年一月一日以及 二零二二年及二零二三年 十二月三十一日 | 10,000,000,000 | 100,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| At 1 January 2022 | 於二零二二年一月一日 | 1,690,000,000 | 16,900 |
| Issuance of shares in respect of conversion of convertible bonds (note 37) | 就轉換可換股債券發行股份 (附註37) | 113,636,359 | 1,136 |
| Issuance of shares in respect of acquisition of subsidiaries (note 34) | 就收購附屬公司發行股份 (附註34) | 180,000,000 | 1,800 |
| At 31 December 2022 | 於二零二二年十二月三十一日 | 1,983,636,359 | 19,836 |
| Issuance of shares in respect of conversion of convertible bonds (note 37) | 就轉換可換股債券發行股份 (附註37) | 26,737,965 | 268 |
| Issuance of shares in respect of share option scheme (note 36) | 就購股權計劃發行股份 (附註36) | 15,840,000 | 158 |
| Issuance of shares in respect of placing | 就配售事項發行股份 | 110,862,000 | 1,109 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 2,137,076,324 | 21,371 |

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綜合財務報表附註

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

32. RESERVES

(a) Share premium

The share premium account represents the excess of the proceeds received over the nominal value of the Company's shares issued, net of share issue costs.

(b) Merger reserve

Merger reserve of the Group represents the difference between the nominal value of the share capital of the subsidiaries acquired by the Company pursuant to certain reorganisation of the Group and the nominal value of the shares issued by the Company.

(c) Statutory reserve

According to the relevant PRC laws, the subsidiaries established in the PRC are required to transfer at least 10% of their net profit after tax, as determined under the PRC accounting regulation, to a statutory reserve until the reserve balance reaches 50% of the subsidiaries' registered capital. The transfer of this reserve must be made before the distribution of dividend to the subsidiaries' equity owners. The statutory reserve is non-distributable other than upon the liquidation of the subsidiaries.

32. 儲備

(a) 股份溢價

股份溢價賬指已收所得款項超出本公司已發行股份面值（扣除股份發行費用）的金額。

(b) 合併儲備

本集團的合併儲備指本公司根據本集團若干重組所收購附屬公司的股本面值與本公司已發行股份面值之間的差額。

(c) 法定儲備

根據相關中國法律，在中國成立的附屬公司須至少將其除稅後純利的10%（根據中國會計規例釐定）撥入法定儲備，直至儲備結餘達到附屬公司註冊資本的50%為止。該儲備的轉撥須在向附屬公司股權擁有人分派股息之前作出。除附屬公司清盤外，法定儲備不得分派。

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綜合財務報表附註

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

32. RESERVES (Continued)

(d) Share-based payment reserve

Share-based payment reserve represents the fair value of the actual or estimated number of unexercised share options granted to directors, employees, consultants and service provider of the Group recognised in accordance with the accounting policy adopted for equity-settled share-based payments.

(e) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(f) Convertible bonds equity reserve

Amount represents portion of proceeds on issue of convertible bonds relating to the equity component (i.e. option to convert the convertible bonds into share capital)

32. 儲備 (續)

(d) 以股份為基礎的支付儲備

以股份為基礎的支付儲備為授予本集團董事、僱員、顧問及服務供應商之未行使購股權實際或估計數目之公平值，以股權結算以股份為基礎的支付採納的會計政策進行確認。

(e) 換算儲備

換算儲備包括換算海外附屬公司的財務報表所產生的全部匯兌差額。

(f) 可換股債券權益儲備

該金額指發行可換股債券部分所得款項的權益部分（即是將可換股債券轉換為股本的權利）。

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33. NOTE TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Reconciliation of liabilities arising from financing activities is as follows:

33. 綜合現金流量表附註

融資活動產生的負債對賬如下：

| | | Lease liabilities 租賃負債 HK\$'000 千港元 | Other borrowings 其他借款 HK\$'000 千港元 |
|---|-------------------------|--|---|
| At 1 January 2022 | 於二零二二年一月一日 | 3,897 | 4,057 |
| Changes from cash flows: | 現金流量變動： | | |
| Proceeds from issuance of convertible bonds | 發行可換股債券所得款項 | – | 50,000 |
| Interest paid | 已付利息 | (160) | (137) |
| Repayment of other borrowings | 償還其他借款 | – | (3,697) |
| Repayment of principal portion of lease liabilities | 償還租賃負債本金部分 | (3,886) | – |
| | | (4,046) | 46,166 |
| Other changes: | 其他變動： | | |
| Addition in lease liabilities | 租賃負債增加 | 2,354 | – |
| Acquisition of subsidiaries | 收購附屬公司 | 374 | – |
| Interest expenses | 利息開支 | 160 | 3,831 |
| Amount classified as equity component | 分類為權益部份的款項 | – | (18,800) |
| Conversion of convertible bonds | 轉換可換股債券 | – | (10,870) |
| Issuance of promissory note | 發行承票票據 | – | 4,400 |
| Exchange movement | 匯兌變動 | (66) | – |
| 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 | 2,673 | 28,784 |
| Changes from cash flows: | 現金流量變動： | | |
| Interest paid | 已付利息 | (134) | (1,860) |
| Repayment of other borrowings | 償還其他借款 | – | (360) |
| Repayment of principal portion of lease liabilities | 償還租賃負債本金部分 | (2,669) | – |
| | | (2,803) | (2,220) |
| Other changes: | 其他變動： | | |
| Addition in lease liabilities | 租賃負債增加 | 3,310 | – |
| Interest expenses | 利息開支 | 134 | 6,184 |
| Conversion of convertible bonds | 轉換可換股債券 | – | (3,098) |
| Exchange movement | 匯兌變動 | (56) | – |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 3,258 | 29,650 |

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綜合財務報表附註

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

34. ACQUISITION OF SUBSIDIARIES

On 15 July 2022, the Group completed the acquisition of the entire issued share capital of Dreamtoys Inc (the “Acquisition”). Dreamtoys Inc and its subsidiaries are principally in the sale of trendy cultural products in the PRC. The total consideration of the Acquisition is HK\$44,000,000, which would be settled by way of issuance of 1) promissory note in the aggregate principal amount of HK\$4,400,000 (note 28); 2) 120,000,000 consideration shares of the Company; and 3) 60,000,000 consideration shares of the Company subject to Escrow arrangement, under which the vendor of Dreamtoys Inc would guarantee and undertake that the net profit after tax of Dreamtoys Inc for the year ended 31 December 2022 (the “Profit Guarantee Period”) should not be less than RMB3,600,000 (equivalent to approximately HK\$4,430,000) (the “Guaranteed Profit”).

If the Guaranteed Profit is not achieved by Dreamtoys Inc, amount of consideration shares subject to Escrow arrangement to be released to the vendor shall be adjusted downwards.

The Group has exercised the right to extend the Profit Guarantee Period to the year ended 31 December 2023 and the net profit after tax of Dreamtoys Inc for the two years ended 31 December 2023 shall not be less than RMB7,200,000 (equivalent to approximately HK\$8,860,000).

34. 收購附屬公司

於二零二二年七月十五日，本集團完成收購 Dreamtoys Inc. 的全部已發行股本（「收購事項」）。Dreamtoys Inc. 及其附屬公司主要於中國從事銷售潮流文化產品。收購事項的總代價為44,000,000港元，並可通過以下方式清償：(1) 發行本金總額4,400,000港元的承兌票據（附註28）；(2) 發行120,000,000股本公司代價股份；及(3) 發行60,000,000股本公司代價股份（受託管安排所限，據此 Dreamtoys Inc 的賣方將保證及承諾截至二零二二年十二月三十一日止年度（「溢利保證期」）Dreamtoys Inc. 除稅後純利將不少於人民幣3,600,000元（相當於約4,430,000港元）（「保證溢利」）。

倘 Dreamtoys Inc 未能達致保證溢利，則下調向賣方發行的代價股份數量（受限於託管安排）。

本集團已行使將溢利保證期延長至截至二零二三年十二月三十一日止年度的權利，而 Dreamtoys Inc 截至二零二三年十二月三十一日止兩個年度的除稅後純利將不少於人民幣7,200,000元（相當於約8,860,000港元）。

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34. ACQUISITION OF SUBSIDIARIES (Continued)

Details of the fair value of identifiable assets and liabilities, purchase consideration and goodwill recognised are as follows:

34. 收購附屬公司 (續)

已確認可識別資產及負債、購買代價及商譽的公平值詳情如下：

| | | Fair value 公平值 HK\$'000 千港元 |
|--|-------------------------|--------------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 285 |
| Right-of-use assets | 使用權資產 | 363 |
| Cash and cash equivalents | 現金及現金等值項目 | 577 |
| Trade receivables | 貿易應收款項 | 27 |
| Deposits, prepayments and other receivables | 按金、預付款及其他應收款項 | 1,965 |
| Inventory | 存貨 | 433 |
| Trade payable | 貿易應付款項 | (229) |
| Accruals, other payables and receipts in advance | 預提費用、其他應付款項及預收款項 | (428) |
| Lease liabilities | 租賃負債 | (374) |
| Fair value of net assets acquired by the Group | 本集團收購的資產淨值的公平值 | 2,619 |
| Purchase consideration: | 購買代價： | |
| – settled by promissory note | – 由承兌票據結付 | 4,400 |
| – settled by 180,000,000 new shares of the Company | – 由本公司180,000,000股新股份結付 | 42,120 |
| Total consideration | 總代價 | 46,520 |
| Less: Fair value of net assets acquired | 減：所收購資產淨值的公平值 | (2,619) |
| Less: Contingent consideration receivable | 減：或然應收代價 | (2,555) |
| Goodwill | 商譽 | 41,346 |

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

34. ACQUISITION OF SUBSIDIARIES (Continued)

An analysis of the cash flows in respect of the acquisition is as follows:

| | | HK\$'000 千港元 |
|------------------------------------|--------------|-----------------|
| Cash and cash equivalents acquired | 所收購現金及現金等值項目 | 577 |
| Net cash inflows | 現金流入淨額 | 577 |

Acquisition-related costs amounting to HK\$463,000 are excluded from the consideration transferred and have been recognised as an expense during the year ended 31 December 2022, within the administrative expenses in the consolidated statement of comprehensive income.

Goodwill arose in the Acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for the identifiable assets.

None of the goodwill arising on the Acquisition is expected to be deductible for tax purposes.

Dreamtoys Inc and its subsidiaries contributed total revenue of HK\$1,652,000 and contributed net loss of HK\$1,652,000 to the Group from its acquisition date during the year ended 31 December 2022.

34. 收購附屬公司 (續)

收購事項現金流分析如下：

HK\$'000
千港元

收購事項的相關成本463,000港元並無計入已轉讓代價，並於截至二零二二年十二月三十一日止年度確認為開支，於綜合全面收益表入賬為行政開支。

收購事項產生商譽乃由於合併成本包含控制權溢價。此外，就合併支付的代價實際上包括與預期協同效應、收入增長和未來市場發展利益相關的款項。由於這些利益不符合可識別資產的確認標準，因此並無與商譽單獨確認。

預計概無收購事項產生的商譽會因稅項用途而被扣除。

截至二零二二年十二月三十一日止年度內，Dreamtoys Inc及其附屬公司自收購日起為本集團帶來總收入1,652,000港元及虧損淨額1,652,000港元。

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

34. ACQUISITION OF SUBSIDIARIES (Continued)

Had the Acquisition been completed on 1 January 2022, revenue for the year ended 31 December 2022 of the Group would have been approximately of HK\$91,480,000, and loss for the year of the Group would have been approximately of HK\$60,492,000. The pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the Acquisition been completed on 1 January 2022, nor is it intended to be a projection of future results.

35. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

The Group defines directors as key management personnel and their remuneration are set out in note 10(a).

(b) Transactions with related parties

The transactions were entered into at terms mutually agreed with the related parties in the ordinary course of the Group's business. Saved as disclosed elsewhere in notes 7(a), 21, 22, 26 and 36 to the consolidated financial statements of the Group, there is no other material related party transactions occurred during the year.

34. 收購附屬公司 (續)

倘收購事項於二零二二年一月一日完成，本集團於截至二零二二年十二月三十一日止年度的收入將為約91,480,000港元，而本集團年內虧損將為約60,492,000港元。備考資料僅供說明，並不代表如果收購事項於二零二二年一月一日完成後本集團實際實現的收入和經營業績，亦非旨在預測未來結果。

35. 關聯方交易

(a) 主要管理人員薪酬

本集團將董事界定為主要管理人員，而主要管理人員的薪酬載於附註10(a)。

(b) 與關聯方的交易

該等交易於本集團一般業務過程中按關聯方共同協定之條款訂立。除本集團綜合財務報表附註7(a)、21、22、26及36所披露者外，年內未有其他重大關聯交易。

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36. SHARE OPTION SCHEME

On 8 December 2021, 60,000,000 options were granted by the Company under its share option scheme adopted on 22 November 2013 to its directors, certain employees of the Group and a consultant of the Company for their contributions to the Group to acquire shares of the Company at an exercise price of HK\$0.155 per share with an exercise period from 8 December 2021 to 7 December 2026 (“2021 Options”). During the year ended 31 December 2021, all of these options were vested and exercisable upon the grant of the share options.

On 19 April 2022, 87,100,000 options were granted by the Company under its share option scheme adopted on 22 November 2013 to its directors, certain employees of the Group, a consultant and a service provider for their contributions to the Group to subscribe for shares of the Company at an exercise price of HK\$0.278 per share with an exercise period from 19 April 2022 to 18 April 2027 (“2022 Options”). During the year ended 31 December 2022, all of these options were vested and exercisable upon the grant of the share options.

On 17 January 2023, 168,850,000 options were granted by the Company under its share option scheme adopted on 22 November 2013 to its directors and certain employees of the Group for their contributions to the Group to subscribe for shares of the Company at an exercise price of HK\$0.230 per share with an exercise period from 17 January 2024 to 16 January 2033 (“2023 Options”). The vesting period of these options is from the date of grant until the commencement of exercise period. During the year ended 31 December 2023, none of these options were vested and exercisable upon the grant of the share options.

36. 購股權計劃

本公司根據其於二零一三年十一月二十二日採納的購股權計劃向其董事、本集團若干僱員及顧問授出60,000,000份購股權，表揚彼等對本集團作出的貢獻，以收購本公司股份，行使價為每股0.155港元，行使期為二零二一年十二月八日至二零二六年十二月七日（「二零二一年購股權」）。於截至二零二一年十二月三十一日止年度，所有該等購股權均於授予購股權後已歸屬及可予行使。

於二零二二年四月十九日，本公司根據於二零一三年十一月二十二日採納的購股權計劃向本集團董事、若干僱員、一名顧問及一名服務供應商授出87,100,000份購股權，以表揚其對本集團的貢獻，並以按每股0.278港元的行使價認購本公司股份，行使期為二零二二年四月十九日至二零二七年四月十八日（「二零二二年購股權」），購股權計劃旨在。截至二零二二年十二月三十一日止年度，全部該等購股權於授出購股權時已歸屬及可予行使。

於二零二三年一月十七日，本公司根據於二零一三年十一月二十二日採納的購股權計劃向本集團董事及若干僱員授出168,850,000份購股權，以表揚其對本集團的貢獻，並以按每股0.230港元的行使價認購本公司股份，行使期為二零二四年一月十七日至二零三三年一月十六日（「二零二三年購股權」）。該等購股權的歸屬期自授出日期起至行使期開始為止。截至二零二三年十二月三十一日止年度，概無該等購股權於授出購股權時已歸屬及可予行使。

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36. SHARE OPTION SCHEME (Continued)

Details of movement of the options during the year ended 31 December 2023 are as follows:

36. 購股權計劃 (續)

截至二零二三年十二月三十一日止年度的購股權變動詳情如下：

| | Date of grant | Weighted average exercise price | Exercise period | Number of share options | | | | Outstanding at 31 December 2023 |
|-------------------------|-----------------|---------------------------------|------------------------------------|-------------------------|---------------------------|----------------------------------|---------------------------------|---------------------------------|
| | | | | Granted during the year | Exercised during the year | Lapsed/cancelled during the year | Outstanding at 31 December 2023 | |
| | 授出日期 | 加權平均行使價 | 行使期 | 於二零二三年一月一日尚未行使 | 於年內授出 | 於年內行使 | 於年內失效/取消 | 於二零二三年十二月三十一日尚未行使 |
| Director | | | | | | | | |
| 董事 | | | | | | | | |
| Li Yang | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 李陽 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 19,800,000 | - | - | 19,800,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Tin Yat Yu Carol | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 田一舒 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 19,800,000 | - | - | 19,800,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Cheung Ka Lung | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,000,000 | - | - | (2,000,000) | - |
| 張家龍 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 3,000,000 | - | (3,000,000) | - |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Chan Ming Leung Terence | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,000,000 | - | - | - | 2,000,000 |
| 陳明亮 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | 15,900,000 | - | (15,840,000) | - | 60,000 |
| | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Gong Xiaohan | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 龔曉寒 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 19,800,000 | - | - | 19,800,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Tang Shu Pui Simon | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 鄧樹培 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 1,000,000 | - | - | 1,000,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Hon Ming Sang | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 韓銘生 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 1,000,000 | - | - | 1,000,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Lo Wing Sze | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 羅詠詩 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 1,000,000 | - | - | 1,000,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Employee | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,250,000 | - | - | - | 2,250,000 |
| 僱員 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | 34,350,000 | - | - | (17,900,000) | 16,450,000 |
| | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| | 17 January 2023 | HK\$0.230 | 17 January 2024 to 16 January 2033 | - | 103,450,000 | - | (19,800,000) | 83,650,000 |
| | 二零二三年一月十七日 | 0.230 港元 | 二零二四年一月十七日至二零三三年一月十六日 | | | | | |
| Consultant | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | 17,900,000 | - | - | - | 17,900,000 |
| 顧問 | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Service provider | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | 17,900,000 | - | - | - | 17,900,000 |
| 服務提供商 | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Total | | | | 146,000,000 | 168,850,000 | (15,840,000) | (42,700,000) | 256,310,000 |
| 總計 | | | | | | | | |

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36. SHARE OPTION SCHEME (Continued)

Details of movement of the options during the year ended 31 December 2022 are as follows:

36. 購股權計劃 (續)

於截至二零二二年十二月三十一日止年度的購股權變動詳情如下：

| | Date of grant | Weighted average exercise price | Exercise period | Number of share options | | | | Outstanding at 31 December 2022 |
|-------------------------|-----------------|---------------------------------|------------------------------------|-------------------------------|-------------------------|---------------------------|----------------------------------|---------------------------------|
| | | | | Outstanding at 1 January 2022 | Granted during the year | Exercised during the year | Lapsed/cancelled during the year | |
| | 授出日期 | 加權平均行使價 | 行使期 | 於二零二二年一月一日尚未行使 | 於年內授出 | 於年內行使 | 於年內失效/取消 | 於二零二二年十二月三十一日尚未行使 |
| Director | | | | | | | | |
| 董事 | | | | | | | | |
| Li Yang | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 李陽 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Tin Yat Yu Carol | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 田一舒 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Cheung Ka Lung | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,000,000 | - | - | - | 2,000,000 |
| 張家龍 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Chan Ming Leung Terence | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,000,000 | - | - | - | 2,000,000 |
| 陳明亮 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | - | 15,900,000 | - | - | 15,900,000 |
| | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Gong Xiaohan | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 16,900,000 | - | - | - | 16,900,000 |
| 龔曉寒 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Tang Shu Pui Simon | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 鄧澍培 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Hon Ming Sang | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 韓銘生 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Lo Wing Sze | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 1,000,000 | - | - | - | 1,000,000 |
| 羅詠詩 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| Employee | 8 December 2021 | HK\$0.155 | 8 December 2021 to 7 December 2026 | 2,300,000 | - | - | (50,000) | 2,250,000 |
| 僱員 | 二零二一年十二月八日 | 0.155 港元 | 二零二一年十二月八日至二零二六年十二月七日 | | | | | |
| | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | - | 35,400,000 | - | (1,050,000) | 34,350,000 |
| | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Consultant | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | - | 17,900,000 | - | - | 17,900,000 |
| 顧問 | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Service provider | 19 April 2022 | HK\$0.278 | 19 April 2022 to 18 April 2027 | - | 17,900,000 | - | - | 17,900,000 |
| 服務提供商 | 二零二二年四月十九日 | 0.278 港元 | 二零二二年四月十九日至二零二七年四月十八日 | | | | | |
| Total | | | | 60,000,000 | 87,100,000 | - | (1,100,000) | 146,000,000 |
| 總計 | | | | | | | | |

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36. SHARE OPTION SCHEME (Continued)

The Company used Binominal option pricing model to estimate the fair value of the options at respective date of grant using the following assumptions:

| | | 2023 Options 二零二三年 購股權 | 2022 Options 二零二二年 購股權 | 2021 Options 二零二一年 購股權 |
|--|--------------|------------------------------|------------------------------|------------------------------|
| Weighted average share price at grant date | 於授出日期的加權平均股價 | HK\$0.230 港元 | HK\$0.278 港元 | HK\$0.155 港元 |
| Weighted average exercise price | 加權平均行使價 | HK\$0.230 港元 | HK\$0.278 港元 | HK\$0.155 港元 |
| Average expected volatility | 預期平均波幅 | 99% | 94.0% | 91.1% |
| Expected dividend rate | 預期股息率 | Nil 無 | Nil 無 | Nil 無 |
| Risk-free interest rate | 無風險利率 | 3.1% | 2.5% | 1.2% |

The volatility was made reference to the Company's historical stock price movement in Bloomberg.

During the year ended 31 December 2023, share-based payment expense of HK\$17,108,000 (2022: HK\$8,638,000) have been charged to profit or loss.

36. 購股權計劃 (續)

本公司採用以下二項式期權定價模型，使用以下假設估計購股權各授出日期的公平值：

| | | 2023 Options 二零二三年 購股權 | 2022 Options 二零二二年 購股權 | 2021 Options 二零二一年 購股權 |
|--|--------------|------------------------------|------------------------------|------------------------------|
| Weighted average share price at grant date | 於授出日期的加權平均股價 | HK\$0.230 港元 | HK\$0.278 港元 | HK\$0.155 港元 |
| Weighted average exercise price | 加權平均行使價 | HK\$0.230 港元 | HK\$0.278 港元 | HK\$0.155 港元 |
| Average expected volatility | 預期平均波幅 | 99% | 94.0% | 91.1% |
| Expected dividend rate | 預期股息率 | Nil 無 | Nil 無 | Nil 無 |
| Risk-free interest rate | 無風險利率 | 3.1% | 2.5% | 1.2% |

波幅乃參考了本公司在彭博的歷史股價走勢。

截至二零二三年十二月三十一日止年度，以股份為基礎的付款開支17,108,000港元（二零二二年：8,638,000港元）已於損益扣賬。

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37. CONVERTIBLE BONDS

The Company issued a series of convertible bonds with aggregate principal amount of HK\$50,000,000 to the bond holders in prior year. These convertible bonds are denominated in HK\$. The convertible bonds bear interests ranging from 2% to 10% per annum and are due for repayment for more than one year after the reporting period or can be converted into ordinary shares of the Company at the holder's option at conversion prices ranging from HK\$0.1496 to HK\$0.25 per share at any time up to the maturity dates of the convertible bonds.

The movements of the convertible bonds are set out below:

37. 可換股債券

去年，本公司向債券持有人發行本金總額50,000,000港元的一連串可換股債券。該等可換股債券以港元計值。該等可換股債券按年利率為2至10%計息，且於報告期後一年以上到期償還或可按持有人選擇於可換股債券到期日前任何時間按換股價每股0.1496港元至0.25港元轉換為本公司普通股。

可換股債券變動載列如下：

| | | Liability component | Equity component | Total |
|--|---------------------------------|--------------------------------|-----------------------------|---------------|
| | | 負債部分 | 權益部分 | 總額 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| As at 1 January 2022 | 於二零二二年 一月一日 | – | – | – |
| Issuance of convertible bonds | 發行可換股債券 | 31,200 | 18,800 | 50,000 |
| Interest expense (note 8) | 利息開支(附註8) | 3,694 | – | 3,694 |
| Conversion into ordinary shares | 轉換為普通股 | (10,870) | (6,314) | (17,184) |
| 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 | 24,024 | 12,486 | 36,510 |
| Interest expense (note 8) | 利息開支(附註8) | 6,184 | – | 6,184 |
| Interest paid | 已付利息 | (1,860) | – | (1,860) |
| Conversion into ordinary shares | 轉換為普通股 | (3,098) | (1,486) | (4,584) |
| As at 31 December 2023 | 於二零二三年 十二月三十一日 | 25,250 | 11,000 | 36,250 |

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38. 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:

38. 金融工具分類

於報告期末每個金融工具類別的賬面值如下：

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|--------------------------|----------------------------------|----------------------------------|
| Financial assets | 財務資產 | | |
| Financial assets at FVTPL | 以公平值計量且變動計入 當期損益的財務資產 | 12,555 | 13,189 |
| Financial assets at amortised cost | 按攤銷成本計量的財務資產 | | |
| – Trade receivables | – 貿易應收款項 | 31,662 | 39,065 |
| – Loans and interest receivables | – 應收貸款及利息 | 44,560 | 98,163 |
| – Deposits and other receivables | – 按金及其他應收款項 | 14,491 | 19,644 |
| – Cash and cash equivalents | – 現金及現金等值項目 | 31,243 | 52,012 |
| Financial liabilities | 財務負債 | | |
| Financial liabilities at amortised cost | 按攤銷成本計量的財務負債 | | |
| – Trade payables | – 貿易應付款項 | 7,743 | 17,586 |
| – Accruals and other payables | – 預提費用及其他應付款項 | 22,749 | 22,074 |
| – Other borrowings | – 其他借款 | 29,650 | 28,784 |
| – Lease liabilities | – 租賃負債 | 3,258 | 2,673 |

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the board of directors. The overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets.

(a) Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposures to currency risk arise mainly from its overseas sale transactions and settlement of its overseas purchases, both of which are primarily denominated in United States Dollars ("US\$") and RMB respectively. These are not the functional currencies of the Group's entities to which these transactions relate. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and will consider hedging significant foreign currency exposure should the need arises.

39. 財務風險管理及公平值計量

本集團因在日常業務過程中及投資活動中使用金融工具而承受財務風險。財務風險包括市場風險（包括外幣風險、利率風險及價格風險）、信貸風險及流動資金風險。

本集團的財務風險管理在董事會緊密合作下由本集團總部協調。財務風險管理總體目標是專注於透過盡量降低其於金融市場面臨的風險，以確保本集團的短期至中期現金流量。

(a) 外幣風險

外幣風險指金融工具的公平值或未來現金流量因外幣匯率變動而波動之風險。本集團的外幣風險主要來自其海外銷售交易及償付海外購貨，均分別主要以美元（「美元」）及人民幣計價。該等貨幣並非交易涉及的本集團實體的功能貨幣。本集團並無使用衍生金融工具以對沖其外幣風險。本集團定期檢討其外幣風險，並將於有需要時考慮對沖重大外幣風險。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(a) Foreign currency risk (Continued)

Summary of exposure

As at the reporting dates, the carrying amounts of the Group's financial assets and liabilities denominated in foreign currencies, i.e. currency other than the functional currency of the respective group entities, are as follows:

| | | Financial assets 財務資產 HK\$'000 千港元 | Financial liabilities 財務負債 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-------------------------------|---------------------------|---|--|--------------------------------|
| As at 31 December 2023 | 於二零二三年 十二月三十一日 | | | |
| RMB | 人民幣 | 6 | - | 6 |
| US\$ | 美元 | 3 | (66) | (63) |
| As at 31 December 2022 | 於二零二二年 十二月三十一日 | | | |
| RMB | 人民幣 | 679 | - | 679 |
| US\$ | 美元 | 5,467 | (483) | 4,984 |

39. 財務風險管理及公平值計量 (續)

(a) 外幣風險 (續)

風險概略

於報告期，本集團以外幣（即各集團實體的功能貨幣以外的貨幣）計價的財務資產和負債的賬面值如下：

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(a) Foreign currency risk *(Continued)*

Foreign exchange rate sensitivity analysis

Since HK\$ is pegged to US\$, the Group does not expect any significant movements in HK\$/US\$ exchange rate. As at 31 December 2023 and 2022, if HK\$ strengthened or weakened by 3% against RMB, with all other variables held constant, there will be no significant impact on the Group's loss after tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity. The rate is used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the possible change in foreign exchange rates.

(b) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Group's cash flow interest rate risk arises primarily from the Group's bank balances and margin loan payable which were bearing floating interest rate (notes 24 and 28). The Group has not used any derivative to hedge its exposure to interest rate risk. The policies to manage interest rate risk which have been followed by the Group since prior years are considered to be effective.

39. 財務風險管理及公平值計量 *(續)*

(a) 外幣風險 *(續)*

匯率敏感度分析

由於港元與美元掛鈎，本集團預期港元兌美元的匯率不會發生任何重大變動。於二零二三年及二零二二年十二月三十一日，倘若港元兌人民幣上升或下降3%而所有其他變數維持不變，則不會對本集團除稅後虧損及本集團權益產生顯著影響（因貨幣資產及負債之公平值變動而產生）。匯率乃於向主要管理人員作內部報告外幣風險時採用，為管理層對匯率可能變動之最佳估計。

(b) 利率風險

利率風險涉及金融工具的公平值或現金流量因市場利率改變而出現波動之風險。本集團的現金流量利率風險主要來自本集團的銀行結存及應付孖展貸款亦附帶浮動利率（附註24及28）。本集團並未使用任何衍生工具對沖其利率風險。本集團自往年起已沿用一套管理利率風險的政策，有關政策被認為有效。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(b) Interest rate risk (Continued)

Interest rate sensitivity analysis

The following table illustrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's loss after tax and equity for the year and equity, with effect from the beginning of the years. These changes are considered to be reasonably possible based on observation of current market conditions. The analysis has been prepared assuming these financial instruments outstanding at the end of the reporting period were outstanding for the whole year. There is no impact on other components of combined equity in response to the possible change in interest rates.

39. 財務風險管理及公平值計量 (續)

(b) 利率風險 (續)

利率敏感度分析

下表列示在所有其他變量維持不變之情況下，本集團之年度除所得稅後虧損及權益以及權益對於該等年初生效之合理可能利率變動之敏感度。該等變動乃經觀察現行市況後視為合理可能出現。分析乃假設於報告期末尚未行使之該等金融工具於全年均無行使而編製。利率之可能變動對合併權益之其他部分並無影響。

| | | Increase/(decrease) in loss after tax and equity 除稅後虧損及權益增加/(減少) | |
|-----------------------------|---------|---|----------------------------------|
| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
| Increase by 50 basis points | 增加50個基點 | 154 | 254 |
| Decrease by 50 basis points | 減少50個基點 | (154) | (254) |

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(c) Equity price risk

The Group's listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to equity investments at fair value listed on The Stock Exchange of Hong Kong Limited was HK\$3,135,000 (2022: HK\$10,634,000). Given that the changes in fair values of the equity investments held are strongly positively correlated with changes of the HKEX market index, the Group has determined that an increase/decrease of 10% on the HKEX market index could have an impact of approximately HK\$314,000 (2022: HK\$1,063,000) decrease/increase on the loss after tax and increase/decrease equity attributable to the Group respectively.

39. 財務風險管理及公平值計量 (續)

(c) 股價風險

本集團的上市股權投資受投資證券未來價值不確定性影響，從而導致須承擔市場價格風險。本集團透過多元化以及對個別及全部權益工具設置限制以管理股價風險，並定期向本集團高級管理層提交股權投資組合報告。本集團董事會審核並批准所有股權投資決策。

於報告日期，於香港聯合交易所有限公司上市按公平值計量的股權投資風險為3,135,000港元（二零二二年：10,634,000港元）。鑑於所持股權投資的公平值變動與香港交易所市場指數變動為穩健正向相關關係，本集團確定香港交易所市場指數上升／下降10%可能會分別產生本集團應佔除稅後虧損減少／增加及權益增加／減少約314,000港元（二零二二年：1,063,000港元）的影響。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from trade receivables, loans and interest receivables, deposits and other receivables and cash and cash equivalents. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets except for certain trade receivables under underwriting agreement, and except that the credit risks associated with certain loans and interest receivables is mitigated because they are secured over collaterals. There is no significant changes in the quality of collaterals as a result of deterioration or changes in the collateral policies of the entity during both reporting periods.

In order to minimise credit risk, the Group has developed and maintains the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is based on the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

For financial assets at amortised cost, the exposures to credit risk are monitored such that any outstanding debtors are reviewed and followed up on an ongoing basis. The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估

信貸風險指金融工具之對手方未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。本集團承受的信貸風險主要來自貿易應收款項、應收貸款及利息、按金及其他應收款項以及現金及現金等值項目。本集團並無就與其財務資產有關的信貸風險持有任何抵押品或採取其他信用提升措施，惟承購協議項下的若干貿易應收款項除外，以及與若干應收貸款及利息有關的信貸風險降低，乃由於其以抵押品作抵押。於兩個報告期間，概無因實體抵押品政策惡化或變動導致抵押品的質素發生重大變動。

為盡量降低信貸風險，本集團已制定及維持信貸風險等級，以根據信貸違約風險等級將風險評級進行分類。信用評級資料乃根據本集團自有的交易記錄對其主要客戶及其他債務人進行評級。本集團持續監控其風險評級及其交易對手的信用評級，並將所達成的交易總值在經核准交易對手間進行攤分。

就按攤銷成本計量的財務資產而言，本集團對所承受的信貸風險進行監察，並不斷檢討及跟進任何未償還債項。本集團持續監察個別或同類客戶及其他對手方之拖欠情況，並於信貸風險管理中計入該資料。本集團之政策為僅與信譽良好之對手方進行交易。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

39. 財務風險管理及公平值計量 (續)

(d) Credit risk and impairment assessment (Continued)

(d) 信貸風險及減值評估 (續)

The Group's current credit risk grading framework comprises the following categories:

本集團目前的信貸風險評級框架包括以下類別：

| Internal credit rating 內部信貸評級 | Description 說明 | Basis for recognising ECL 確認預期信貸虧損的基準 |
|----------------------------------|--|--|
| Low risk 低風險 | The counterparty has a low risk of default and does not have any past-due amounts 交易對手方的違約風險較低，且並無任何逾期款項 | 12-month ECL 12個月預期信貸虧損 |
| Special mention 關注 | The counterparty has been experiencing difficulties which may threaten the Group's position. Ultimate loss is not expected at this stage but could occur if adverse conditions persist. 交易對手方所遇到的困境可能會危及本集團的地位。預計最終虧損在此階段並不會發生，倘若不利條件持續存在，則可能會發生最終虧損。 | Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – 並未發生信貸減值 |
| Doubtful 可疑 | There have been significant increases in credit risk since initial recognition through information developed internally or external resources 透過內部或外部資源制定的資料信貸風險自初始確認以來顯著增加 | Lifetime ECL – not credit-impaired 存續期預期信貸虧損 – 並未發生信貸減值 |
| Loss 虧損 | There is evidence indicating the asset is credit-impaired 有證據顯示有關資產已發生信貸減值 | Lifetime ECL – credit-impaired 存續期預期信貸虧損 – 已發生信貸減值 |
| Write-off 撇銷 | There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人陷入嚴重的財務困難且本集團不認為日後可收回有關款項 | Amount is written off 撇銷有關金額 |

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets which are subject to ECL assessment:

| | Notes | Internal credit rating | 12-month or lifetime ECL 12個月或存續期 預期信貸虧損 | Gross carrying amounts | |
|---|-------|--|--|--|----------------------------------|
| | 附註 | 內部信貸評級 | | 賬面總金額 | |
| | | | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
| Trade receivables 貿易應收款項 | 20 | N/A (note) 不適用 (附註) | Lifetime ECL (provision matrix) 存續期預期信貸虧損 (撥備矩陣) | 33,937 | 40,135 |
| Loans and interest receivables 應收貸款及利息 | 21 | Low risk Special mention Loss 低風險 關注 虧損 | 12-month ECL Lifetime ECL Lifetime ECL 12個月預期信貸虧損 存續期預期信貸虧損 存續期預期信貸虧損 | 1,870 42,411 61,219 | 25,240 53,579 69,891 |
| Deposits and other receivables 按金及其他應收款項 | 22 | Low risk 低風險 | 12-month ECL 12個月預期信貸虧損 | 14,491 | 19,644 |
| Cash and cash equivalents 現金及現金等值項目 | 24 | Low risk 低風險 | 12-month ECL 12個月預期信貸虧損 | 31,243 | 52,012 |

Note: For trade receivables from sales of apparels, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.

附註：就服飾銷售之貿易應收款項而言，本集團應用香港財務報告準則第9號的簡化法計量存續期預期信貸虧損之虧損撥備。

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

下表詳述本集團財務資產的信貸風險 (須進行預期信貸虧損評估)：

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

Trade receivables

As set out in Note 4.7 (ii), the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the expected credit losses on these items by using a provision matrix, grouped by past due status. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers in relation to its sales of apparels because these customers consist of a large number of customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. As at 31 December 2023, trade receivables from sales of apparels of HK\$33,937,000 (2022: HK\$40,135,000) were assessed based on provision matrix within lifetime ECL. The Group's trade receivable were not credit-impaired as at 31 December 2023 and 2022.

During the year ended 31 December 2023, provision for ECL on trade receivables of HK\$1,205,000 (2022: HK\$550,000) was recognised in the profit or loss for the year.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

貿易應收款項

如附註4.7(ii)所載，本集團已應用香港財務報告準則第9號的簡化法計量存續期預期信貸虧損的虧損撥備。除具重大未償還結餘或已發生信貸減值的應收賬款外，本集團使用撥備矩陣釐定該等項目的預期信貸虧損（按逾期狀況分組）。估計虧損率乃基於應收賬款預計年期的歷史可觀察的違約率估計，並在毋須不必要的成本或努力即可獲得之前瞻性資料作出調整。

作為本集團信貸風險管理之一環，本集團利用應收賬款賬的賬齡評核與其客戶服飾銷售有關的減值，乃由於該等客戶包含多名具共同風險特徵的客戶，特徵指客戶按照合約條款支付所有到期款項的能力。於二零二三年十二月三十一日，來自銷售服飾已按存續期預期信貸虧損內的撥備矩陣進行評估的貿易應收款項33,937,000港元（二零二二年：40,135,000港元）。於二零二三年及二零二二年十二月三十一日，本集團的貿易應收款項並無發生信貸減值。

截至二零二三年十二月三十一日止年度，貿易應收款項的預期信貸虧損撥備1,205,000港元（二零二二年：550,000港元）已於年內在損益確認。

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綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

Loans and interest receivables

The Group performs impairment assessment under ECL model upon application of HKFRS 9 on loans and interest receivables based on 12-month ECL, except for loans and interest receivables which were past due for one year and credit-impaired, lifetime ECL was based on for ECL assessment.

The credit risk on certain loans and interest receivables are limited because certain loans receivable are pledged with the properties units in Hong Kong, personal assets of the borrowers and guaranteed by certain independent third parties. The directors expect that the general economic conditions will not significantly change for the 12 months after the reporting date.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

應收貸款及利息

於應用香港財務報告準則第9號後，本集團根據12個月預期信貸虧損就應收貸款及利息進行預期信貸虧損模式下的減值評估，惟已逾期一年及信貸減值之應收貸款及利息除外，存續期預期信貸虧損乃基於預期信貸虧損評估釐定。

若干應收貸款及利息之信貸風險極為有限，乃由於若干應收貸款以香港物業單元、借款人的個人資產及若干獨立第三方作出的擔保作抵押。董事預期於報告日期後未來十二個月整體經濟狀況將不會發生重大變動。

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綜合財務報表附註

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

Modification of contractual cash flows

A modification or re-negotiation of a contract between the Group and a counterparty may result in a change to the contractual cash flows without resulting in derecognition of the financial assets.

Such restructuring activities included extended payment term arrangements, repayment schedule modifications and changes to the interest settlement method. The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset and the book value of the financial asset is recalculated and the related gain or loss is included in current profit or loss. The recalculated book value of the financial asset is determined based on the present value of the contractual cash flows following the renegotiation or modification, as calculated using the original effective interest rate of the financial asset.

Deposits and other receivables

The Group measures the loss allowance equal to 12-month ECL of deposits and other receivables. For those balances expected to have significant increase in credit risk since initial recognition, the Group applies lifetime ECL based on aging for classes with different credit risk characteristics and exposures.

Cash and cash equivalents

The credit risk on bank balances is limited because the counterparties are banks with sound credit ratings assigned by international credit-rating agencies and the Group considers the credit risk to be insignificant.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

合約現金流量的修改

本集團與交易對手方修改或重新議定合約可能會導致合約現金流量發生變動，而不會導致金融資產終止確認。

有關重組活動包括延長還款期安排、修改還款時間，以及變更結息方式。當合約修改並未造成實質性變化且不會導致終止確認原有資產時，有關資產於評估修改後的違約風險會在報告日期予以評估且與原合約條款下初始確認時的風險進行對比，並重新計算該金融資產的賬面值，以及將相關收益或虧損計入當期損益。重新計算的該金融資產賬面值乃根據於重新議定或修改後使用該金融資產的原實際利率計算的合約現金流量現值釐定。

按金及其他應收款項

本集團按12個月預期信貸虧損計量按金及其他應收款項的虧損撥備。就自初始確認起預期信貸風險顯著增加之該等結餘而言，本集團根據不同信貸風險特徵及敞口之賬齡類別應用存續期預期信貸虧損。

現金及現金等值項目

銀行結存的信貸風險非常有限，原因是交易對手方均為由國際信用評級機構授予優良信用評級的銀行且本集團認為信貸風險甚微。

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綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

Concentration of credit risk

The Group is exposed to concentration of credit risk on:

- Trade receivables
- Loans and interest receivables

Concentrations of credit risk are managed by customer/counterparty and by geographical region. The Group had certain concentrations of credit risks as 72% (2022: 80%) of total trade receivables are due from five of its largest external customers and 60% (2022: 36%) of total loans and interest receivables are due from five of its largest external borrowers as at 31 December 2023. The directors carry a periodic review on the creditworthiness on these customers and consider the exposure to such credit risk is minimal. Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables and loans and interest receivables are disclosed in notes 20 and 21 to the consolidated financial statements respectively.

Other than above, the Group does not have any other significant concentration of credit risk.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

集中信貸風險

本集團就以下各項承受信貸集中風險：

- 貿易應收款項
- 應收貸款及利息

集中信貸風險按客戶／對手方及地區管理。於二零二三年十二月三十一日，本集團有若干集中信貸風險，佔貿易應收款項總額之72%（二零二二年：80%）乃由其五名最大外界客戶所結欠，而佔應收貸款及利息總額之60%（二零二二年：36%）乃由其五名最大外界客戶所結欠。董事就該等客戶之信用度進行定期檢討，並認為該信貸風險不大。本集團來自貿易應收款項以及應收貸款及利息之信貸風險之進一步量化數據分別於綜合財務報表附註20及21內披露。

除上述者外，本集團並無任何其他重大信貸集中風險。

信貸政策在過往年度一直由本集團沿用，有效地將本集團承擔之信貸風險限制在理想水平。

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綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Credit risk and impairment assessment (Continued)

Collateral and other credit enhancement

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for certain loans granted. The Group has internal policies on the acceptability of specific classes of collaterals or credit risk mitigation.

The Group prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types for loans and interest receivables are:

- Real estate, including residential and commercial properties; and
- Personal assets, including but not limited to diamonds and jewellery.

The Group's policies regarding obtaining collateral have not significantly changed during the reporting year and there has been no significant change in the overall quality of the collateral held by the Group since prior years. The Group also focuses on ascertaining legal ownership and the valuation of the real estate collaterals. A loan granted is based on the value of the collaterals, which is generally lower than the estimated value of the real estate collaterals. The Group monitors the value of the real estate collaterals throughout the loan period.

In addition to collateral-backed loans, the Group also granted unsecured loans to customers. The Group evaluates the credit status of individual customers, including the customers' business performance, financial information, repayment ability, as well as industrial outlook in which the customers operate.

39. 財務風險管理及公平值計量 (續)

(d) 信貸風險及減值評估 (續)

抵押品及其他信貸增級

本集團採用一系列的政策及措施以緩解信貸風險。最為常見的做法是接受若干貸款的抵押品。本集團就接受特定類別的抵押品及緩解信貸風險制定了內部政策。

本集團會在貸款發放過程中為獲得的抵押品編製估值，並定期審核評估結果。應收貸款及利息的抵押品主要屬以下類型：

- 房地產，包括住宅及商用物業；及
- 個人資產，包括但不限於鑽石及珠寶。

於報告年度，本集團有關獲取抵押品的政策並無重大變動，且自過往期間以來，本集團所持抵押品的整體質量亦無重大變動。本集團亦重視確定房地產抵押品的合法所有權及價值。貸款乃根據抵押品的價值（一般低於房地產抵押品的估值）授出。本集團於整個貸款期內持續監察房地產抵押品的價值。

除典當貸款外，本集團亦向客戶授出無抵押貸款。本集團評估個別客戶的信貸狀況，包括客戶的業務表現、財務資料、還款能力以及客戶所在行業的行業前景。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(e) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial instruments, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

39. 財務風險管理及公平值計量 (續)

(e) 流動資金風險

為管理流動資金風險，本集團監察及維持管理層視為足夠的現金及現金等值項目水平，以為本集團的營運提供資金，及減低波動對現金流量的影響。

下表列出本集團的非衍生金融工具於報告期末的餘下合約到期期限，此乃根據未貼現現金流（包括使用合約利率計算的利息款項，或倘屬浮息借款，則根據報告日期當日的利率）及本公司可被要求付款的最早日期列示。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(e) Liquidity risk (Continued)

39. 財務風險管理及公平值計量 (續)

(e) 流動資金風險 (續)

| | | Carrying amount | Total contractual undiscounted cash flows 未貼現合約現金流量總額 HK\$'000 千港元 | Within one year or repayable on demand 一年內或須按要求償還 HK\$'000 千港元 | One year or above 一年或以上 HK\$'000 千港元 |
|---|----------------------|-----------------|---|---|---|
| As at 31 December 2023 | 於二零二三年十二月三十一日 | | | | |
| Financial liabilities at amortised cost | 按攤銷成本計量的金融負債 | | | | |
| - Trade payables | - 貿易應付款項 | 7,743 | 7,743 | 7,743 | - |
| - Accruals and other payables | - 預提費用及其他應付款項 | 22,749 | 22,749 | 22,749 | - |
| - Other borrowings | - 其他借款 | 29,650 | 35,464 | 4,680 | 30,784 |
| - Lease liabilities | - 租賃負債 | 3,258 | 3,426 | 2,189 | 1,237 |
| | | 63,400 | 69,382 | 37,361 | 32,021 |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| Financial liabilities at amortised cost | 按攤銷成本計量的金融負債 | | | | |
| - Trade payables | - 貿易應付款項 | 17,586 | 17,586 | 17,586 | - |
| - Accruals and other payables | - 預提費用及其他應付款項 | 22,074 | 22,074 | 22,074 | - |
| - Other borrowings | - 其他借款 | 28,784 | 41,840 | 6,620 | 35,220 |
| - Lease liabilities | - 租賃負債 | 2,673 | 2,798 | 1,553 | 1,245 |
| | | 71,117 | 84,298 | 47,833 | 36,465 |

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綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(f) Fair value measurements recognised in the consolidated statement of financial position

The fair value of the Group's investment in listed securities has been determined by reference to their quoted bid prices at the end of reporting period. The fair values of trade receivables, loans and interest receivables, deposits and other receivables, cash and cash equivalents, trade payables, accruals and other payables, other borrowings, and current portion of lease liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of other receivables and lease liabilities have been calculated by discounting the expected future cash flows using the rates currently available for instruments on similar terms, credit risk and remaining maturities.

Fair value hierarchy

The following tables present financial assets measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

39. 財務風險管理及公平值計量 (續)

(f) 於綜合財務狀況表確認的公平值計量

本集團持有的上市證券投資的公平值乃參考報告期末上市證券所報買入價而釐定。貿易應收款項、應收貸款及利息、按金及其他應收款項、現金及現金等值項目、貿易應付款項、預提費用及其他應付款項、其他借款及租賃負債之即期部分之公平值與其賬面值大致相若，原因為該等工具之期限較短。

其他應收款項及租賃負債之非即期部分之公平值乃採用現時可供參考類似年期、信貸風險及剩餘期限之工具之息率折讓預期未來現金流量而計算。

公平值架構

下表載列根據公平值架構，以公平值計入綜合財務狀況表的財務資產。此架構根據計量此等財務資產的公平值所使用的主要資料輸入的相對可靠性，將財務資產劃分為三層。公平值架構分為以下各層：

第1層：相同資產於活躍市場的報價（未經調整）；

第2層：就資產而直接（即價格）或間接（即從價格推算）可觀察的資料輸入（不包括第1層所包含的報價）；及

第3層：並非根據可觀察的市場數據而得出的資產資料輸入（無法觀察輸入）。

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39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(f) Fair value measurements recognised in the consolidated statement of financial position (Continued)

Fair value hierarchy (Continued)

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position at the reporting date are grouped into the fair value hierarchy as follows:

39. 財務風險管理及公平值計量 (續)

(f) 於綜合財務狀況表確認的公平值計量 (續)

公平值架構 (續)

財務資產整體所應歸入的公平值架構內的層次，乃基於對公平值計量屬重大的最低層次輸入資料劃分。

於報告日期在綜合財務狀況表內按公平值計量的財務資產乃劃分為以下的公平值架構：

| | | Level 1 第1層 HK\$'000 千港元 | Level 2 第2層 HK\$'000 千港元 | Level 3 第3層 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|----------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| As at 31 December 2023 | 於二零二三年十二月三十一日 | | | | |
| Financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產 | | | | |
| - Contingent consideration receivable | - 應收或然代價 | - | - | 9,420 | 9,420 |
| - Listed equity securities | - 上市股權證券 | 3,135 | - | - | 3,135 |
| As at 31 December 2022 | 於二零二二年十二月三十一日 | | | | |
| Financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產 | | | | |
| - Contingent consideration receivable | - 應收或然代價 | - | - | 2,555 | 2,555 |
| - Listed equity securities | - 上市股權證券 | 10,634 | - | - | 10,634 |

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綜合財務報表附註

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

39. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(f) Fair value measurements recognised in the consolidated statement of financial position (Continued)

Fair value hierarchy (Continued)

Note:

The following table presents the changes in level 3 instruments for the years ended 31 December 2023 and 2022.

Contingent consideration receivable

| | | 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 | 2,555 | - |
| Addition | 添置 | - | 2,555 |
| Change in fair value | 公平值變動 | 6,865 | - |
| At 31 December | 於十二月三十一日 | 9,420 | 2,555 |
| Total gain included in profit or loss for the year, net | 計入年內損益的收益總額，淨額 | 6,865 | - |

40. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods and services commensurately with the level of risk.

The Group actively and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital using a gearing ratio calculated on the basis of borrowings and lease liabilities over total equity. The Group's goal in capital management is to maintain the gearing ratio at a reasonable level. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

39. 財務風險管理及公平值計量 (續)

(f) 於綜合財務狀況表確認的公平值計量 (續)

公平值架構 (續)

附註：

下表載列截至二零二三年及二零二二年十二月三十一日止年度之第3層工具變動。

應收或然代價

| | 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 | 2,555 | - |
| Addition | - | 2,555 |
| Change in fair value | 6,865 | - |
| At 31 December | 9,420 | 2,555 |
| Total gain included in profit or loss for the year, net | 6,865 | - |

40. 資本管理

本集團的資本管理目標為確保本集團持續經營的能力，並按相應的風險釐定貨物及服務的價格，為股東帶來理想回報。

本集團積極及定期檢討其資本架構，並隨經濟環境轉變作出調整。本集團使用按借款及租賃負債除以權益總額計算的資產負債比率監察資本。本集團的資本管理目標是將資產負債比率維持在合理水平。為了維持或調節該比率，本集團可調整向股東支付的股息金額、發行新股份、向股東退回資本、籌集新債務融資或出售資產以減輕債務。

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綜合財務報表附註

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

40. CAPITAL MANAGEMENT (Continued)

The gearing ratio is regularly reviewed by senior management. The gearing ratios as at the end of the reporting periods 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 |
|-------------------|--------|----------------------------------|----------------------------------|
| Other borrowings | 其他借款 | 29,650 | 28,784 |
| Lease liabilities | 租賃負債 | 3,258 | 2,673 |
| | | 32,908 | 31,457 |
| Total equity | 權益總額 | 148,712 | 209,300 |
| Gearing ratio | 資產負債比率 | 22% | 15% |

40. 資本管理 (續)

資產負債比率由高級管理層定期檢討。於報告期末的資產負債比率如下：

41. EVENTS AFTER THE REPORTING PERIOD

Save as disclose elsewhere in the consolidated financial statements, the Group has following significant events after the reporting period,

- (a) On 2 February 2024, the Company entered into certain subscription agreement with various parties to allot and issue up to 800,000,000 subscription shares at the price of HK\$0.10 per subscription share for a total consideration up to HK\$80,000,000. The subscription shares will be allotted and issued under the specific mandate to be sought from the shareholders at the EGM to be held on 8 April 2024. Further details of the subscription are set out in the Company's announcement dated 2 February 2024.
- (b) On 4 March 2024, save for a subscription agreement entered into with an independent third-party, all the conditions precedent set out in each of the subscription agreements entered into with various parties to allot and issue 28,200,000 subscription shares at the price of HK\$0.10 per subscription share for a total consideration of HK\$3,553,200 have been fulfilled and satisfied and the completion took place at the same date. Further details of the completion of the subscription are set out in the Company's announcement dated 4 March 2024.

41. 報告期後事項

除綜合財務報表其他部分所披露者外，本集團於報告期後的重大事項如下：

- (a) 於二零二四年二月二日，本公司與多方訂立若干認購協議，以每股認購股份0.10港元的價格配發及發行最多800,000,000股認購股份，總代價最高80,000,000港元。認購股份將根據於二零二四年四月八日舉行的股東特別大會上向股東尋求的特別授權配發及發行。有關認購事項的進一步詳情載於本公司日期為二零二四年二月二日的公告。
- (b) 於二零二四年三月四日，除與獨立第三方訂立認購協議外，與各方訂立的各認購協議（以每股認購股份0.10港元的價格配發及發行28,200,000股認購股份，總代價為3,553,200港元）所載的所有先決條件均已履行及達成，並已於同日完成。有關完成認購事項的進一步詳情載於本公司日期為二零二四年三月四日的公告。

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綜合財務報表附註

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

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 本公司財務狀況表

| | | 2023 二零二三年 HK\$'000 千港元 | 2022 二零二二年 HK\$'000 千港元 |
|---|----------------------|----------------------------------|----------------------------------|
| ASSETS AND LIABILITIES | 資產及負債 | | |
| Non-current assets | 非流動資產 | | |
| Interests in subsidiaries (note (a)) | 於附屬公司的權益 (附註(a)) | 107,577 | 107,577 |
| Property, plant and equipment | 物業、廠房及設備 | 593 | 779 |
| Right-of-use assets | 使用權資產 | 1,216 | 427 |
| | | 109,386 | 108,783 |
| Current assets | 流動資產 | | |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 2,109 | 1,260 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 73,961 | 119,682 |
| Financial assets at fair value through profit or loss | 以公平值計量且變動計入當期損益的財務資產 | 2,555 | 2,555 |
| Cash and cash equivalents | 現金及現金等值項目 | 3,628 | 3,423 |
| | | 82,253 | 126,920 |
| Current liabilities | 流動負債 | | |
| Accruals and other payables | 預提費用及其他應付款項 | 12,642 | 4,325 |
| Amounts due to subsidiaries | 應付附屬公司款項 | 251 | 189 |
| Lease liabilities | 租賃負債 | 782 | 442 |
| Other borrowings | 其他借款 | 4,400 | 4,400 |
| | | 18,075 | 9,356 |
| Net current assets | 流動資產淨值 | 64,178 | 117,564 |
| Non-current liabilities | 非流動負債 | | |
| Other borrowings | 其他借款 | 25,249 | 24,024 |
| Lease liabilities | 租賃負債 | 447 | - |
| | | 25,696 | 24,024 |
| Net assets | 資產淨值 | 147,868 | 202,323 |
| EQUITY | 權益 | | |
| Share capital | 股本 | 21,371 | 19,836 |
| Reserves (note (b)) | 儲備 (附註(b)) | 126,497 | 182,487 |
| Total equity | 權益總額 | 147,868 | 202,323 |

On behalf of the board of directors

代表董事會

Li Yang

李陽

Director

董事

Tin Yat Yu Carol

田一好

Director

董事

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綜合財務報表附註

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

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

42. 本公司財務狀況表 (續)

Notes:

附註：

(a) Subsidiaries

(a) 附屬公司

Particulars of the principal subsidiaries as at the reporting date are set out as follows:

於報告日期主要附屬公司的詳情載列如下：

| Name 名稱 | Place/ country of incorporation/ establishment 註冊成立/ 成立的地點/ 國家 | Particulars of issued/paid-in capital 已發行/ 已繳股本詳情 | Effective interest held by the Company 本公司持有的實際權益 | | Place of operation and principal activities 營業地點及主要業務 |
|---|--|---|---|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| Jiaxing Runway Global Garment Limited# 時尚環球服飾(嘉興)有限公司# | PRC 中國 | US\$2,000,000 2,000,000 美元 | - | 100% | Manufacturing and trading of apparels in the PRC 於中國進行服飾製造及貿易 |
| Delta Wealth Finance Limited 融富財務有限公司 | Hong Kong 香港 | HK\$1,000,000 1,000,000 港元 | - | 100% | Provision of money lending services 提供貸款融資服務 |
| 北京創夢星辰科技有限公司# | PRC 中國 | HK\$30,000,000 30,000,000 港元 | - | 100% | Toys, garment, software technical advisory and promoting service in PRC 於中國玩具、服飾、軟件技術諮詢及推廣服務 |
| 成都創夢潮玩文化創意有限公司# | PRC 中國 | RMB 1,000,000 人民幣 1,000,000 元 | - | 100% | Game and software solution developer, literature design in PRC 於中國遊戲和軟件解決方案開發者，文獻設計 |
| 北京創夢造物科技有限公司# | PRC 中國 | RMB 1,052,600 人民幣 1,052,600 元 | - | 100% | Toys, garment, software technical advisory and promoting service in PRC 於中國玩具、服飾、軟件技術諮詢及推廣服務 |
| 成都巨木文化創意有限公司# | PRC 中國 | RMB 1,000,000 人民幣 1,000,000 元 | - | 100% | Game and software solution developer, literature design in PRC 於中國遊戲和軟件解決方案開發者，文獻設計 |
| 青島天機優品服飾有限公司# | PRC 中國 | RMB10,000,000 人民幣 10,000,000 元 | - | 82% | Trading of apparels in PRC 於中國服飾貿易 |

Wholly foreign owned enterprise under PRC law

* 中國法律下的外商獨資企業

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

42. 本公司財務狀況表 (續)

Notes: (Continued)

附註：(續)

(b) Reserves

(b) 儲備

| | | Share premium | Contributed surplus | Share-based payment reserve | Convertible bonds equity reserve | Accumulated losses | Total |
|--|-------------------------|----------------|---------------------|-----------------------------|----------------------------------|--------------------|----------------|
| | | 股份溢價 | 繳入盈餘 | 以股份為基礎的支付儲備 | 可換股債券權益儲備 | 累計虧損 | 總計 |
| | | 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 |
| At 1 January 2022 | 於二零二二年一月一日 | 375,963 | 63,583 | 3,741 | - | (273,971) | 169,316 |
| Loss and total comprehensive income for the year | 本年度虧損及全面收益總額 | - | - | - | - | (64,321) | (64,321) |
| Issuance of share in respect of acquisition of subsidiary | 就收購附屬公司發行股份 | 40,320 | - | - | - | - | 40,320 |
| Equity-settled share option scheme arrangements | 以權益結算的購股權計劃安排 | - | - | 8,638 | - | - | 8,638 |
| Issuance of convertible bonds | 發行可換股債券 | - | - | - | 18,800 | - | 18,800 |
| Issuance of shares in respect of conversion of convertible bonds | 就轉換可換股債券發行股份 | 9,734 | - | - | (6,314) | 6,314 | 9,734 |
| 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 | 426,017 | 63,583 | 12,379 | 12,486 | (331,978) | 182,487 |
| Loss and total comprehensive income for the year | 年內虧損及全面收益總額 | - | - | - | - | (89,928) | (89,928) |
| Equity-settled share option scheme arrangements | 以權益結算的購股權計劃安排 | - | - | 17,108 | - | - | 17,108 |
| Lapse of share options | 購股權失效 | - | - | (1,765) | - | 1,765 | - |
| Issuance of shares in respect of placing | 就配售事項發行股份 | 9,754 | - | - | - | - | 9,754 |
| Issuance of shares in respect of share option scheme | 就購股權計劃發行股份 | 4,246 | - | - | - | - | 4,246 |
| Issuance of shares in respect of conversion of convertible bonds | 就轉換可換股債券發行股份 | 2,830 | - | - | (1,486) | 1,486 | 2,830 |
| At 31 December 2023 | 於二零二三年十二月三十一日 | 442,847 | 63,583 | 27,722 | 11,000 | (418,655) | 126,497 |

Contributed surplus of the Company represents the difference between the net asset value of the subsidiaries acquired pursuant to certain reorganisation of the Group and the nominal value of the share issued by the Company in exchange thereof.

本公司的繳入盈餘指根據本集團若干重組所收購附屬公司的資產淨值與本公司作其交換所發行股份面值的差額。



股份代號 Stock Code : 1520