

Sprocomm Intelligence Limited

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

(Stock Code 股份代號 : 1401)

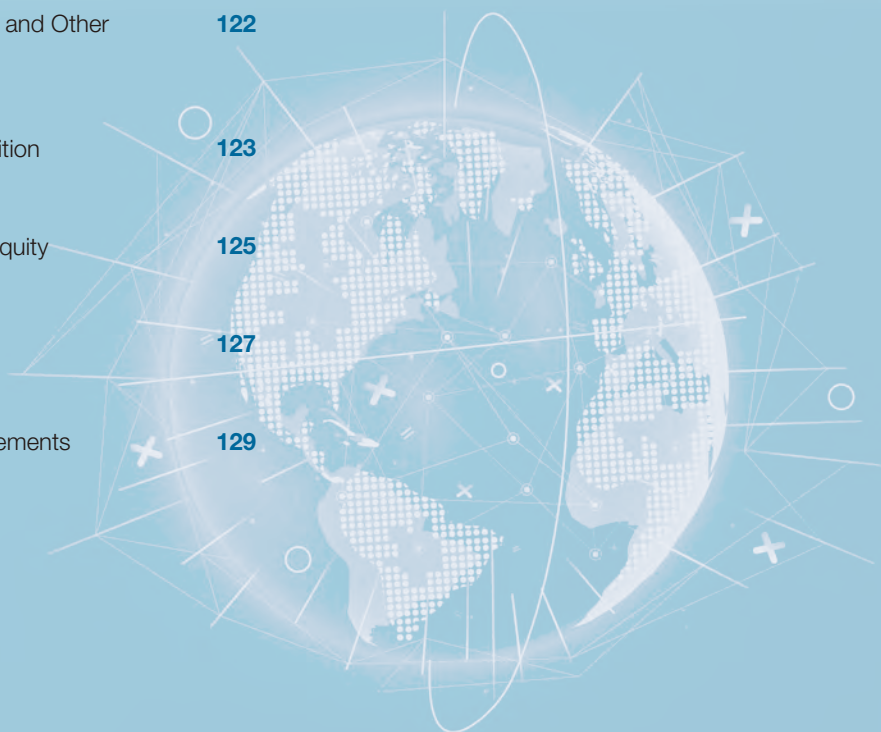
2023 年報 ANNUAL REPORT



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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Mr. Li Chengjun
(Chairman and Chief executive officer)
Mr. Xiong Bin *(Vice chairman)*
Mr. Guo Qinglin
Mr. Wen Chuanchuan

Independent Non-executive Directors

Mr. Hung Wai Man
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Committees of the Board

Audit Committee

Mr. Wong Kwan Kit *(Chairman)*
Mr. Lu Brian Yong Chen
Mr. Hung Wai Man

Remuneration Committee

Mr. Hung Wai Man *(Chairman)*
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Nomination Committee

Mr. Li Chengjun *(Chairman)*
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

Company Secretary

Ms. Jian Xuegen

Authorised Representatives

Mr. Xiong Bin
Ms. Jian Xuegen

董事會

執行董事

李承軍先生
(主席兼行政總裁)
熊彬先生 *(副主席)*
郭慶林先生
溫川川先生

獨立非執行董事

洪為民先生
黃昆杰先生
呂永琛先生
曾靜漪女士

董事會委員會

審核委員會

黃昆杰先生 *(主席)*
呂永琛先生
洪為民先生

薪酬委員會

洪為民先生 *(主席)*
黃昆杰先生
呂永琛先生
曾靜漪女士

提名委員會

李承軍先生 *(主席)*
黃昆杰先生
呂永琛先生
曾靜漪女士

公司秘書

簡雪艮女士

授權代表

熊彬先生
簡雪艮女士

CORPORATE INFORMATION

公司資料

Financial Adviser

Dakin Capital Limited
Suite 3111A, 31/F
Tower 2, Lippo Centre
89 Queensway
Hong Kong

Auditor

Moore CPA Limited
(formerly known as Moore Stephens CPA Limited)
Certified Public Accountants
Public Interest Entity Auditors registered in accordance
with the Financial Reporting Council Ordinance
801-806 Silvercord, Tower 1
30 Canton Road
Tsimshatsui, Kowloon
Hong Kong

Registered Office in Cayman Islands

P.O. BOX 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

Principal Place of Business and Headquarters

5D-506 F1.6 Block
Tianfa Building
Tianan Chegongmiao Industrial Park
Futian District
Shenzhen, China

Place of Business In Hong Kong

Unit 702, 7/F
Greenfield Tower
Concordia Plaza
1 Science Museum Road
Tsim Sha Tsui East
Kowloon, Hong Kong

財務顧問

德健融資有限公司
香港
金鐘道89號
力寶中心第二座
31樓3111A室

核數師

大華馬施雲會計師事務所有限公司
(英文前稱 Moore Stephens CPA Limited)
執業會計師
根據財務匯報局條例註冊的
公眾利益實體核數師
香港
九龍尖沙咀
廣東道30號
新港中心1座801-806室

開曼群島註冊辦事處

P.O. BOX 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

主要營業地點及總部

中國深圳市
福田區
天安車公廟工業區
天發大廈
F1.6棟5D-506室

香港營業地點

香港九龍
尖沙咀東
科學館道1號
康宏廣場
南座
7樓702室

CORPORATE INFORMATION

公司資料

Principal Banks

Citibank
ICICI Bank Limited

主要銀行

花旗銀行
ICICI Bank Limited

Share Registrars and Transfer Offices

Hong Kong

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

股份過戶登記處

香港

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

Cayman Islands

Tricor Services (Cayman Islands) Limited
2nd Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

開曼群島

Tricor Services (Cayman Islands) Limited
2nd Floor, Century Yard
Cricket Square, P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

Stock Name

SPROCOMM INTEL

股份名稱

SPROCOMM INTEL

Stock Code

1401

股份代號

1401

Company's Website

www.sprocomm.com

本公司網站

www.sprocomm.com

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

Results

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收益	2,822,921	1,450,377	2,000,104	2,182,038	3,117,648
Cost of sales	銷售成本	(2,523,333)	(1,246,747)	(1,827,867)	(1,988,615)	(2,890,495)
Gross profit	毛利	299,588	203,630	172,237	193,423	227,153
Profit/(loss) before tax	除稅前溢利/(虧損)	39,947	9,825	(15,859)	33,651	44,414
Profit/(loss) for the year	年內溢利/(虧損)	31,016	6,361	(18,059)	30,684	37,763
Profit/(loss) attributable to:	以下各方應佔					
	溢利/(虧損)：					
- Owners of the Company	- 本公司擁有人	32,369	6,506	(17,754)	30,879	38,998
- Non-controlling interests	- 非控股權益	(1,353)	(145)	(305)	(195)	(1,235)
		31,016	6,361	(18,059)	30,684	37,763

Assets and Liabilities

資產及負債

		As at 31 December 十二月三十一日				
		2023	2022	2021	2020	2019
		二零二三年	二零二二年	二零二一年	二零二零年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	3,822,154	1,460,989	1,102,701	1,207,484	1,625,965
Total liabilities	負債總額	(3,470,940)	(1,140,280)	(786,864)	(872,337)	(1,322,972)
		351,214	320,709	315,837	335,147	302,993
Equity attributable to:	以下各方應佔權益：					
	- 本公司擁有人	352,085	320,222	315,924	333,336	300,987
	- 非控股權益	(871)	487	(87)	1,811	2,006
		351,214	320,709	315,837	335,147	302,993

Note: The financial figures for each of the five years ended 31 December 2023/ as at the respective year-end were extracted from the consolidated financial statements in the annual reports of 2023, 2022, 2021 and 2020.

附註：截至二零二三年十二月三十一日止五個年度各年／於該等相關年度末的財務數據乃摘錄二零二三年、自二零二二年、二零二一年及二零二零年年報的綜合財務報表。

The summary above does not form part of the audited consolidated financial statements.

以上概要不屬於經審核綜合財務報表的一部分。

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Sprocomm Intelligence Limited (the “**Company**”), I present the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2023 to the shareholders of the Company.

Business Review

During the year ended 31 December 2023, the Group, as one of the leading ODM mobile phone suppliers based in China, continued to focus on the research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets.

In the latter half of 2023, the worldwide smartphone market experienced a steady recovery. The Group obtained a higher number of smartphone orders from its major clients during the year ended 31 December 2023. The Group's consistent endeavour to establish and maintain long-term rapport and confidence with its clients resulted in a substantial growth in its revenue and profit in 2023.

During the year ended 31 December 2023, the Group recorded revenue of approximately RMB2,822.9 million, representing an increase of approximately 94.6% from approximately RMB1,450.4 million for the year ended 31 December 2022. The Group's profit after tax increased by approximately 3.8 times to approximately RMB31.0 million for the year ended 31 December 2023 from approximately RMB6.4 million for the year ended 31 December 2022.

本人謹代表 Sprocomm Intelligence Limited (「**本公司**」) 董事(「**董事**」) 會(「**董事會**」) 向本公司股東提呈本公司及其附屬公司(統稱「**本集團**」) 截至二零二三年十二月三十一日止年度的經審核綜合業績。

業務回顧

截至二零二三年十二月三十一日止年度，本集團作為中國領先的ODM手機供應商之一，一直致力於研發、設計、生產以及銷售手機、手機的印刷電路板組裝以及物聯網相關產品，著力開拓新興市場。

二零二三年下半年，全球智能手機市場穩步復甦。截至二零二三年十二月三十一日止年度，本集團獲得主要客戶的智能手機訂單數量增加。本集團不斷努力與客戶建立長遠的互信關係和信心，使本集團在二零二三年的收益及溢利大幅增長。

截至二零二三年十二月三十一日止年度，本集團錄得收益約人民幣2,822.9百萬元，較截至二零二二年十二月三十一日止年度的約人民幣1,450.4百萬元增加約94.6%。本集團的除稅後溢利由截至二零二二年十二月三十一日止年度的約人民幣6.4百萬元增加約3.8倍至截至二零二三年十二月三十一日止年度的約人民幣31.0百萬元。

CHAIRMAN'S STATEMENT 主席報告

Highlights of the audited results of the Group for the year ended 31 December 2023, as compared to 2022, are shown in the following table:

本集團截至二零二三年十二月三十一日止年度的經審核業績摘要(與二零二二年相比)載於下表：

		Year ended 31 December 截至十二月三十一日止年度	
		2023 二零二三年 (Audited) (經審核)	2022 二零二二年 (Audited) (經審核)
Revenue (RMB'000)	收益(人民幣千元)	2,822,921	1,450,377
Net profit for the year (RMB'000)	年內純利(人民幣千元)	31,016	6,361
Earnings per share – Basic and diluted (RMB cents)	每股盈利 – 基本及攤薄(人民幣分)	3.24	0.65

CHAIRMAN'S STATEMENT

主席報告

Outlook and Strategy

Going forward, China's ODM mobile phone market will be filled with challenges and opportunities. While the global economy still requires some time to recover, the Group will take this opportunity to solidify its leading market position. Further, the Directors consider that the rapid roll-out of 5G telecommunication network in different parts of the world will drive the demand for smartphones and IoT products.

In order to capture the potential market opportunities and maximise the interests of the Company and its shareholders, the Group will adopt a prudent approach to develop its business, enhance its research and development capability, enrich its product portfolio and increase its sales and marketing effort to diversify its geographical locations.

Gratitude

On behalf of the Company, I would like to express my sincere gratitude to our valued shareholders, customers, suppliers, banks and to our management and employees for their continuous trust and support to the Group. The coming year will be full of opportunities and challenges and we will strive our best to create greater value for our shareholders and investors.

By order of the Board
Mr. Li Chengjun
Chairman

Hong Kong, 28 March 2024

前景與策略

展望未來，中國的ODM手機市場將會充滿挑戰及機遇。全球經濟回復需時，本集團將把握機會鞏固於市場的領先地位。此外，董事認為全球各地迅速推出5G電訊網絡，將帶動智能手機以及物聯網產品的需求。

為把握潛在市場機遇及使本公司及其股東的利益最大化，本集團會審慎發展業務，提升研發能力，豐富產品組合及加大銷售及營銷力度，達致地域多元化。

致謝

本人謹代表本公司感謝尊貴股東、客戶、供應商和銀行以及管理層和僱員對本集團一直以來的信任及支持。未來一年將會充滿機遇及挑戰，我們會致力為股東及投資者創造更多價值。

承董事會命
主席
李承軍先生

香港，二零二四年三月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Overview

The Group is an ODM mobile phone supplier based in the People's Republic of China (the "PRC"), primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets.

The Group's products are sold worldwide with strategic focus on emerging markets which have high population and growing demands on mobile phones. Revenue generated from PRC and other emerging markets accounted for 99.6% of the Group's total revenue for the year ended 31 December 2023. The Group's customers include various top local branded mobile phone suppliers, telecommunication operators and trading companies in the PRC, India, other Asian countries and other parts of the world.

In the latter half of 2023, the worldwide smartphone market experienced a steady recovery. The Group obtained a higher number of smartphone orders from its major customers during the year ended 31 December 2023. The Group's consistent endeavour to establish and maintain long-term rapport and confidence with its customers resulted in a substantial growth in its revenue and profit in 2023.

During the year ended 31 December 2023, the Group recorded revenue of approximately RMB2,822.9 million, representing an increase of approximately 94.6% from approximately RMB1,450.4 million for the year ended 31 December 2022. The Group's profit after tax increased by approximately 3.8 times to approximately RMB31.0 million for the year ended 31 December 2023 from approximately RMB6.4 million for the year ended 31 December 2022.

業務概覽

本集團為一間位於中華人民共和國（「中國」）並專注於新興市場的ODM手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品。

本集團向全世界銷售產品，並將人口眾多且手機需求不斷增長的新興市場作為策略重點。截至二零二三年十二月三十一日止年度，本集團來自中國及其他新興市場的收入佔總收入的99.6%。本集團的客戶包括中國、印度、其他亞洲國家及全球其他地方的多家頂尖的本土品牌手機供應商、電信運營商及貿易公司。

於二零二三年下半年，全球智能手機市場穩步復甦。截至二零二三年十二月三十一日止年度，本集團獲得主要客戶的智能手機訂單數量增加。本集團不斷努力與客戶建立長遠的互信關係和信心，使本集團在二零二三年的收益及溢利大幅增長。

截至二零二三年十二月三十一日止年度，本集團錄得收益約人民幣2,822.9百萬元，較截至二零二二年十二月三十一日止年度的約人民幣1,450.4百萬元增加約94.6%。本集團的除稅後溢利由截至二零二二年十二月三十一日止年度的約人民幣6.4百萬元增加約3.8倍至截至二零二三年十二月三十一日止年度的約人民幣31.0百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review

Revenue

Revenue by product categories

The Group's product portfolio includes smartphones, feature phones, PCBAs for mobile phones and IoT related products. The Group mainly derives its revenue from the sales of smartphones and IoT products. Set out below is a breakdown of the Group's total revenue by product categories and the revenue generated from each product category as a percentage of total revenue for the year ended 31 December 2023 and 2022:

財務回顧

收益

按產品類別劃分的收益

本集團的產品組合包括智能手機、功能型手機、手機的印刷電路板組裝及物聯網相關產品。本集團的收益主要來自銷售智能手機及物聯網產品。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按產品類別劃分的總收益及各產品類別產生的收益佔本集團總收益的百分比：

		Year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		RMB'000 人民幣千元	% of total revenue 佔總收益的%	RMB'000 人民幣千元	% of total revenue 佔總收益的%
Mobile phones	手機				
– Smartphones	– 智能手機	1,814,028	64.3	701,408	48.4
– Feature phones	– 功能型手機	323,719	11.4	328,346	22.6
Sub-total:	小計：	2,137,747	75.7	1,029,754	71.0
PCBAs	印刷電路板組裝	55,588	2.0	28,758	2.0
IoT related products	物聯網相關產品	483,801	17.1	296,514	20.4
Others (Note)	其他 (附註)	145,785	5.2	95,351	6.6
Total	合計	2,822,921	100.0	1,450,377	100.0

Note: Others mainly include revenue from the sales of mobile device components used for after sales-services and the provision of research and development and technical services for mobile phones, PCBAs and cloud related products.

附註：其他主要包括銷售用於售後服務的移動設備組件的收益以及提供手機、印刷電路板組裝及雲相關產品的研發及技術服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's total revenue increased by 94.6% to RMB2,822.9 million for the year ended 31 December 2023 from RMB1,450.4 million for the year ended 31 December 2022, primarily attributed to the significant increase in sales of smartphones to the PRC and India and increase in sales of IoT related products to the PRC.

Revenue from mobile phones increased by 107.6% to RMB2,137.7 million for the year ended 31 December 2023 from RMB1,029.8 million for the year ended 31 December 2022, primarily attributed to the increase in sales of smartphones to the PRC and India.

Revenue from PCBAs increased by 93.1% to RMB55.6 million for the year ended 31 December 2023 from RMB28.8 million for the year ended 31 December 2022, as customers placed more orders for PCBAs to suit their own needs.

Revenue from IoT related products increased by 63.2% to RMB483.8 million for the year ended 31 December 2023 from RMB296.5 million for the year ended 31 December 2022, primarily attributed to the increase in sales orders from two major customers in the PRC.

本集團的總收益由截至二零二二年十二月三十一日止年度的人民幣1,450.4百萬元增加94.6%至截至二零二三年十二月三十一日止年度的人民幣2,822.9百萬元，主要由於向中國及印度的智能手機銷售大幅增加以及向中國的物聯網相關產品銷售增加。

來自手機的收益由截至二零二二年十二月三十一日止年度的人民幣1,029.8百萬元增加107.6%至截至二零二三年十二月三十一日止年度的人民幣2,137.7百萬元，主要由於向中國及印度的智能手機銷售增加。

來自印刷電路板組裝的收益由截至二零二二年十二月三十一日止年度的人民幣28.8百萬元增加93.1%至截至二零二三年十二月三十一日止年度的人民幣55.6百萬元，原因是更多客戶下訂單購買印刷電路板組裝以滿足其自身需求。

來自物聯網相關產品的收益由截至二零二二年十二月三十一日止年度的人民幣296.5百萬元增加63.2%至截至二零二三年十二月三十一日止年度的人民幣483.8百萬元，主要由於兩名主要中國客戶的銷售訂單增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue by geographical regions

The Group's products are sold worldwide with strategic focus on emerging markets which have high population and growing demands on mobile phones. Set out below is a breakdown of the Group's total revenue by geographical region and the revenue generated from each region as a percentage of total revenue for the year ended 31 December 2023 and 2022:

按地理位置劃分的收益

本集團向全世界銷售產品，並將人口眾多且手機需求不斷增長的新興市場作為策略重點。下表列載截至二零二三年及二零二二年十二月三十一日止年度按地區劃分的總收益及各地區產生的收益佔本集團總收益的百分比：

		Year ended 31 December 截至十二月三十一日止年度			
		2023 二零二三年		2022 二零二二年	
		RMB'000 人民幣千元	% of total 佔總收益的%	RMB'000 人民幣千元	% of total 佔總收益的%
Emerging Asia	亞洲新興國家				
India	印度	863,557	30.6	757,814	52.2
The PRC	中國	1,742,400	61.7	509,101	35.1
Pakistan	巴基斯坦	131,798	4.7	–	–
People's Republic of Bangladesh	孟加拉人民共和國	74,572	2.6	95,368	6.6
Republic of Korea	韓國	–	–	26,802	1.9
Sub-total:	小計：	2,812,327	99.6	1,389,085	95.8
Other regions	其他地區				
Algeria	阿爾及利亞	10,568	0.4	27,917	1.9
United States of America	美利堅合眾國	–	–	20,377	1.4
Others	其他	26	–	12,998	0.9
Sub-total:	小計：	10,594	0.4	61,292	4.2
Total	合計	2,822,921	100.0	1,450,377	100.0

Revenue from India increased by 14.0% to RMB863.6 million for the year ended 31 December 2023 from RMB757.8 million for the year ended 31 December 2022, primarily attributed to the increase in demand for smartphones.

來自印度的收益由截至二零二二年十二月三十一日止年度的人民幣757.8百萬元增加14.0%至截至二零二三年十二月三十一日止年度的人民幣863.6百萬元，主要由於智能手機需求增加。

Revenue from the PRC increased by 242.3% to RMB1,742.4 million for the year ended 31 December 2023 from RMB509.1 million for the year ended 31 December 2022, primarily attributed to increase in sales orders for smartphones and IoT related products from major customers in the PRC.

來自中國的收益由截至二零二二年十二月三十一日止年度的人民幣509.1百萬元增加242.3%至截至二零二三年十二月三十一日止年度的人民幣1,742.4百萬元，主要由於主要中國客戶的智能手機及物聯網相關產品銷售訂單增加。

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Revenue from Pakistan increased to RMB131.8 million for the year ended 31 December 2023 from nil for the year ended 31 December 2022, primarily attributed to the increase in the Group's marketing effort to expand its sales geographical locations.

Revenue from People's Republic of Bangladesh decreased by 21.8% to RMB74.6 million for the year ended 31 December 2023 from RMB95.4 million for the year ended 31 December 2022, primarily attributed to decrease in sales orders for smartphones from a major customer.

Revenue from the Republic of Korea decreased to nil for the year ended 31 December 2023 from RMB26.8 million for the year ended 31 December 2022, primarily attributed to the Group's strategic decision to reserve its production capacity for the sales orders from the PRC and India.

Revenue from the United States of America decreased to nil for the year ended 31 December 2023 from RMB20.4 million for the year ended 31 December 2022, primarily attributed to the Group's strategic decision to reserve its production capacity for the sales orders from the PRC and India.

Revenue from Algeria decreased by 62.0% to RMB10.6 million for the year ended 31 December 2023 from RMB27.9 million for the year ended 31 December 2022, primarily attributed to the decrease in demand for smartphones.

Gross profit and gross profit margin

Gross profit increased by 47.1% to RMB299.6 million for the year ended 31 December 2023 from RMB203.6 million for the year ended 31 December 2022. Gross profit margin decreased to 10.6% for the year ended 31 December 2023 from 14.0% for the year ended 31 December 2022. The increase in gross profit was primarily attributed to the increase in sales to major customers.

來自巴基斯坦的收益由截至二零二二年十二月三十一日止年度的零增加至截至二零二三年十二月三十一日止年度的人民幣131.8百萬元，主要由於本集團加大營銷力度，擴大其銷售地區。

來自孟加拉人民共和國收益由截至二零二二年十二月三十一日止年度的人民幣95.4百萬元減少21.8%至截至二零二三年十二月三十一日止年度的人民幣74.6百萬元，主要由於來自一名主要客戶的智能手機銷售訂單減少。

來自大韓民國的收益由截至二零二二年十二月三十一日止年度的人民幣26.8百萬元減少至截至二零二三年十二月三十一日止年度的零，主要由於本集團在策略上決定保留產能以用於中國及印度的銷售訂單。

來自美利堅合眾國收益由截至二零二二年十二月三十一日止年度的人民幣20.4百萬元減少至截至二零二三年十二月三十一日止年度的零，主要由於本集團在策略上決定保留產能以用於中國及印度的銷售訂單。

來自阿爾及利亞的收益由截至二零二二年十二月三十一日止年度的人民幣27.9百萬元減少62.0%至截至二零二三年十二月三十一日止年度的人民幣10.6百萬元，主要由於智能手機需求減少。

毛利及毛利率

毛利由截至二零二二年十二月三十一日止年度的人民幣203.6百萬元增加47.1%至截至二零二三年十二月三十一日止年度的人民幣299.6百萬元。毛利率由截至二零二二年十二月三十一日止年度的14.0%下跌至截至二零二三年十二月三十一日止年度的10.6%。毛利增加主要是由於向主要客戶的銷售增加。

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Other gains and income

Other gains and income mainly include comprises government subsidies and amortisation of government subsidies, bank interest income, exchange gain and sundry income. The Group's other gains and income decreased by 25.7% to RMB38.8 million for the year ended 31 December 2023 from RMB52.2 million for the year ended 31 December 2022, primarily attributed to the decrease in exchange gain by RMB13.4 million.

Selling and distribution expenses

Selling and distribution expenses mainly represent transportation and custom declaration expenses, salaries and employee benefits of our sales and marketing staff, business-related travelling and entertainment expenses. Selling and distribution expenses for the year ended 31 December 2023 increased by 51.3% to RMB58.7 million from RMB38.8 million for the year ended 31 December 2022, primarily attributed to the increase in transportation and custom declaration expenses resulting from the significant increase in sales.

Administrative expenses

Administrative expenses mainly represent salaries and benefits of our administrative and management staff, depreciation, amortisation of intangible assets, general office expenses, legal and professional fees, rental expenses, insurance expenses, bank charges, impairment loss recognised in respect of trade and bills receivables, exchange losses and other miscellaneous administrative expenses. Administrative expenses for the year ended 31 December 2023 remained relatively stable at RMB64.3 million as compared with RMB64.9 million for the year ended 31 December 2022.

Research and development expenses

Research and development expenses for the year ended 31 December 2023 increased by 12.6% to RMB139.7 million from RMB124.1 million for the year ended 31 December 2022, primarily attributed to the increase in material costs for research and development.

Finance costs

Finance costs mainly represent interests on discounted bills, interest portion of lease liabilities, bank borrowings and factoring loans. The Group's finance costs for the year ended 31 December 2023 increased by 96.1% to RMB35.8 million from RMB18.3 million for the year ended 31 December 2022, primarily attributed to increase in interest on discounted bills financing and factoring loans.

其他收益及收入

其他收益及收入主要包括政府補貼及政府補助攤銷、銀行利息收入、匯兌收益及雜項收入。本集團其他收益及收入由截至二零二二年十二月三十一日止年度的人民幣52.2百萬元減少25.7%至截至二零二三年十二月三十一日止年度的人民幣38.8百萬元，主要由於匯兌收益減少人民幣13.4百萬元。

銷售及分銷開支

銷售及分銷開支主要為運輸及清關費用、我們銷售及營銷員工的薪金及僱員福利以及業務相關差旅及酬酢開支。銷售及分銷費用由截至二零二二年十二月三十一日止年度的人民幣38.8百萬元增加51.3%至截至二零二三年十二月三十一日止年度的人民幣58.7百萬元，主要由於銷售大幅增加，導致運輸及清關費用上升。

行政開支

行政開支主要為我們行政及管理員工的薪金及福利、折舊、無形資產攤銷、一般辦公室開支、法律及專業費用、租金開支、保險開支、銀行費用、就貿易應收款項及應收票據確認的減值虧損、匯兌虧損及其他雜項行政開支。行政開支於截至二零二三年十二月三十一日止年度維持相對穩定，為人民幣64.3百萬元，而截至二零二二年十二月三十一日止年度則為人民幣64.9百萬元。

研發開支

研發開支由截至二零二二年十二月三十一日止年度的人民幣124.1百萬元增加12.6%至截至二零二三年十二月三十一日止年度的人民幣139.7百萬元，主要由於研發物料成本上漲所致。

融資成本

融資成本主要為貼現票據、租賃負債的利息部分、銀行借款及保理貸款利息。本集團的融資成本由截至二零二二年十二月三十一日止年度的人民幣18.3百萬元增加96.1%至截至二零二三年十二月三十一日止年度的人民幣35.8百萬元，主要由於貼現票據融資及保理貸款的利息增加。

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Income tax expenses

For the year ended 31 December 2023, the Group's income tax expenses amounted to RMB8.9 million as compared with RMB3.5 million for the year ended 31 December 2022. The increase in income tax expenses was primarily attributed to the increase in assessable profits for the year ended 31 December 2023.

Net profit for the year

As a result of the above factors, the Group recorded a net profit of RMB31.0 million (2022: RMB6.4 million) for the year ended 31 December 2023. The Group's net profit margin improved to 1.1% for the year ended 31 December 2023 from 0.4% for the year ended 31 December 2022.

Dividend

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

Trade and bills receivables

As at 31 December 2023, the Group's trade and bills receivables amounted to RMB808.8 million (31 December 2022: RMB191.7 million). The significant increase in trade and bills receivables as at 31 December 2023 was primarily attributed to increase in turnover from RMB1,450.4 million for the year ended 31 December 2022 to RMB2,822.9 million for the year ended 31 December 2023. The Group generally grants credit period ranging from 30 to 90 days to its customers and allows its PRC customers to settle their purchases by way of bills with maturity period ranging from three to six months.

In order to minimise credit risk, the Group carefully assesses the background information and credit worthiness of its customers before it decides to grant them credit periods. Further, the Group also closely monitors the payment record of its customers and regularly reviews the credit terms granted to them. The Group's credit assessment is based on various factors, including but not limited to the financial strength, size of the business and payment history of customers and length of their business relationship with the Group.

所得稅開支

本集團截至二零二三年十二月三十一日止年度的所得稅開支為人民幣8.9百萬元，而截至二零二二年十二月三十一日止年度的所得稅開支則為人民幣3.5百萬元。所得稅開支增加主要是由於截至二零二三年十二月三十一日止年度的應課稅溢利增加。

年內溢利淨額

由於上述各項因素，本集團截至二零二三年十二月三十一日止年度錄得溢利淨額人民幣31.0百萬元（二零二二年：人民幣6.4百萬元）。本集團的純利率由截至二零二二年十二月三十一日止年度的0.4%改善至截至二零二三年十二月三十一日止年度的1.1%

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股息（二零二二年：零）。

貿易應收款項及應收票據

於二零二三年十二月三十一日，本集團的貿易應收款項及應收票據為人民幣808.8百萬元（二零二二年十二月三十一日：人民幣191.7百萬元）。貿易應收款項及應收票據於二零二三年十二月三十一日大幅增加，主要是由於營業額由截至二零二二年十二月三十一日止年度的人民幣1,450.4百萬元增加至截至二零二三年十二月三十一日止年度的人民幣2,822.9百萬元。本集團通常向客戶授出介乎30至90天的信貸期，並容許中國客戶以到期期限介乎三至六個月的票據結付彼等之採購款。

為盡量降低我們的信貸風險，本集團於決定向客戶授出信貸期前謹慎評估其背景資料及信譽。此外，本集團亦密切監測客戶的支付紀錄，定期審閱我們向彼等授出的信貸期。本集團的信貸評估乃基於多項因素，包括但不限於客戶的財務實力、業務規模及支付紀錄以及彼等與本集團業務關係的年期。

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The Group's average trade and bills receivables turnover days for the year ended 31 December 2023 were 64.7 days (2022: 52.6 days), which were within the range of credit periods normally offered by the Group to its customers. The lengthened average trade and bills receivables turnover days were primarily attributed to the increase in trade and bills receivables with longer credit period. Based on the dates of the relevant sales invoices, 97.8% of the Group's trade and bills receivables aged within 90 days and the Group did not notice any substantial long outstanding balances.

Trade and bills payables

As at 31 December 2023, the Group's trade and bills payables amounted to RMB3,158.7 million (31 December 2022: RMB940.6 million). The significant increase in trade and bills payables as at 31 December 2023 was primarily attributed to the increase in the use of bank acceptance bills by the Group to settle its purchases. Suppliers generally grant the Group credit period ranging from 30 to 60 days, with certain suppliers require the Group to make advance payment before product delivery. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Certain suppliers allow the Group to settle its purchases by way of bank acceptance bills and the Group may also endorse certain bills receivables to its suppliers in order to settle the trade payable due to them.

The Group's average trade and bills payables turnover days for the year ended 31 December 2023 were 296.5 days (2022: 214.4 days). The lengthened average trade and bills payables turnover days were primarily attributed to the increase in the use of bank acceptance bills by the Group to settle its purchases.

截至二零二三年十二月三十一日止年度，本集團的貿易應收款項及應收票據平均週轉天數為64.7天（二零二二年：52.6天），處於本集團通常向客戶提供的信貸期範圍內。貿易應收款項及應收票據的平均週轉天數按年延長，主要是由於信貸期較長的貿易應收款項及應收票據增加。根據相關銷售發票日期，本集團97.8%的貿易應收款項及應收票據於90日內到期，本集團並未發現任何重大長期未付結餘。

貿易應付款項及應付票據

於二零二三年十二月三十一日，本集團的貿易應付款項及應付票據為人民幣3,158.7百萬元（二零二二年十二月三十一日：人民幣940.6百萬元）。貿易應付款項及應付票據於二零二三年十二月三十一日大幅增加，主要是由於本集團使用更多銀行承兌票據結付購買款項。供應商通常授予本集團介乎30至60日的信貸期，其中若干供應商要求本集團於交付產品前提前付款。本集團訂有金融風險管理政策以確保所有應付款項於信貸期限內結清。若干供應商允許本集團以銀行承兌票據的方式結算採購款。本集團亦向若干供應商背書若干應收票據，以償付結欠彼等之貿易應付款項。

截至二零二三年十二月三十一日止年度，本集團貿易應付款項及應付票據的平均週轉天數分別為296.5天（二零二二年：214.4天）。貿易應付款項及應付票據平均週轉天數按年延長，主要是由於本集團使用更多銀行承兌票據結付購買款項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital structure, liquidity, financial resources and gearing

The Company's shares were successfully listed on the Main Board of the Stock Exchange on 13 November 2019. There has been no change in the capital structure of the Group since then. The Group mainly funds its business and working capital requirements by using a balanced mix of internal resources, borrowings and funds from the global offering.

The funding mix will be adjusted depending on the costs of funding and the actual needs of the Group. For the year ended 31 December 2023, the Group recorded a positive cash flow from operating activities of RMB1,573.1 million (Year ended 31 December 2022: positive cash flow of RMB555.9 million).

As at 31 December 2023, the Group had net current assets of RMB272.8 million (31 December 2022: RMB225.7 million), cash and cash equivalents amounted to RMB68.0 million (31 December 2022: RMB36.6 million), pledged bank deposits of RMB2,368.4 million (31 December 2022: RMB764.4 million) and borrowings amounted to RMB154.4 million (31 December 2022: RMB51.8 million). The Group's cash and cash equivalents and bank borrowings as at 31 December 2023 were mainly denominated in RMB.

As at 31 December 2023, the Group had borrowings of RMB35.0 million (31 December 2022: RMB10.0 million) subject to fixed interest rates and borrowings of RMB119.4 million (31 December 2022: RMB41.8 million) subject to variable interest rates. As at 31 December 2023, the Group had a current ratio of 1.1 times (31 December 2022: 1.2 times) and gearing ratio of 0.4 (calculated by dividing total debt by total equity) (31 December 2022: 0.2).

As at 31 December 2023, the Group's unutilised borrowing facilities amounted to RMB29.8 million (31 December 2022: RMB110.4 million).

資本架構、流動資金、財務資源及資本負債

本公司股份於二零一九年十一月十三日成功於聯交所主板上市。本集團的資本架構自此並無變動。本集團主要透過平衡地動用內部資源、借款及全球發售所得資金撥付業務及營運資金需求。

資金組合將根據資金成本及本集團實際需求進行調整。截至二零二三年十二月三十一日止年度，本集團錄得經營活動正現金流量人民幣1,573.1百萬元（截至二零二二年十二月三十一日止年度：正現金流量人民幣555.9百萬元）。

於二零二三年十二月三十一日，本集團的流動資產淨值為人民幣272.8百萬元（二零二二年十二月三十一日：人民幣225.7百萬元），現金及現金等價物為人民幣68.0百萬元（二零二二年十二月三十一日：人民幣36.6百萬元），已抵押銀行存款為人民幣2,368.4百萬元（二零二二年十二月三十一日：人民幣764.4百萬元），而借款為人民幣154.4百萬元（二零二二年十二月三十一日：人民幣51.8百萬元）。本集團於二零二三年十二月三十一日的現金及現金等價物和銀行借款主要以人民幣計值。

於二零二三年十二月三十一日，本集團有固定利率的借款人民幣35.0百萬元（二零二二年十二月三十一日：人民幣10.0百萬元），另有浮動利率的借款人民幣119.4百萬元（二零二二年十二月三十一日：人民幣41.8百萬元）。於二零二三年十二月三十一日，本集團流動比率為1.1倍（二零二二年十二月三十一日：1.2倍），而資本負債比率（按總債務除以總權益計算得出）為0.4（二零二二年十二月三十一日：0.2）。

於二零二三年十二月三十一日，本集團的未動用借款融資金額為人民幣29.8百萬元（二零二二年十二月三十一日：人民幣110.4百萬元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital expenditure

For the year ended 31 December 2023, the Group incurred cash flows on capital expenditures for the purchase of properties, plant and equipment in the amount of RMB7.0 million (2022: RMB8.5 million); and intangible assets in the amount of RMB0.9 million (2022: RMB0.8 million), respectively.

Capital commitments

As at 31 December 2023, the Group did not have any capital commitments (31 December 2022: RMB1.7 million in relation to the purchase of property, plant and equipment).

Contingent liabilities

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

Pledge of assets and restricted deposit

As at 31 December 2023, the Group pledged trade and bills receivables with carrying amount of RMB73.7 million (31 December 2022: RMB24.0 million), bank deposits with carrying amount of RMB2,368.4 million (31 December 2022: RMB764.4 million) and land and building with carrying amount of RMB47.6 million (31 December 2022: RMB50.6 million) to secure its borrowings and banking facilities.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

During the year ended 31 December 2023, the Group disposed of a wholly owned subsidiary at a consideration of approximately RMB14.4 million and recognised a loss on disposal of approximately RMB0.4 million. Immediately prior to disposal, this subsidiary possessed the land use right of a land parcel situated at Nanhui New Town, Pudong New Area. The disposal was primarily driven by the Group's strategic decision to reallocate resources to its business operations. Other than this disposal, the Group did not have any other material acquisitions and disposals of subsidiaries, associates or joint ventures in 2023.

資本開支

截至二零二三年十二月三十一日止年度，本集團就收購物業、廠房及設備產生資本開支現金流量人民幣7.0百萬元（二零二二年：人民幣8.5百萬元）及無形資產人民幣0.9百萬元（二零二二年：人民幣0.8百萬元）。

資本承擔

於二零二三年十二月三十一日，本集團並無任何資本承擔（二零二二年十二月三十一日：有關購置物業、廠房及設備的資本承擔人民幣1.7百萬元）。

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或擔保（二零二二年十二月三十一日：零）。

資產抵押及受限制存款

於二零二三年十二月三十一日，為取得借款及銀行融資，本集團已抵押賬面值為人民幣73.7百萬元（二零二二年十二月三十一日：人民幣24.0百萬元）的貿易應收款項及應收票據、賬面值為人民幣2,368.4百萬元（二零二二年十二月三十一日：人民幣764.4百萬元）的銀行存款及賬面值為人民幣47.6百萬元（二零二二年十二月三十一日：人民幣50.6百萬元）的土地及樓宇。

重大收購及出售附屬公司、聯營公司及合資企業

截至二零二三年十二月三十一日止年度，本集團以代價約人民幣14.4百萬元出售一間全資附屬公司，並錄得出售虧損約人民幣0.4百萬元。緊隨出售前，該附屬公司擁有浦東新區南匯新城鎮一幅地塊的土地使用權。是次出售的主要原因是本集團在策略上決定將資源調配至業務營運。除是次出售外，本集團於二零二三年並無任何其他重大收購及出售附屬公司、聯營公司或合資企業。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year ended 31 December 2022, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures.

Significant investments held by the group

Saved as disclosed herein, the Group did not make any other significant investments during the year ended 31 December 2023.

Future plans for material investments and capital assets

Saved as disclosed herein, the Group did not have any future plans for material investments and capital assets during the year ended 31 December 2023.

Foreign exchange risks

For the year ended 31 December 2023, the Group derived 54.8% (2022: 64.9%) of its total revenue from export sales and these export sales were principally denominated in USD. As at 31 December 2023, the Group had USD-denominated monetary assets with carrying amount of RMB211.9 million (31 December 2022: RMB128.7 million) and USD-denominated monetary liabilities of RMB221.5 million (31 December 2022: RMB33.9 million). The Group is exposed to foreign exchange risk arising from its export sales, monetary assets and liabilities denominated in foreign currencies. Any appreciation of RMB against USD will have a negative impact on the Group's profit margin. Management of the Group regularly reviews the impact of exchange risk exposure on the Group's financial performance and may use foreign exchange hedging instruments to reduce the Group's exchange risk exposure if appropriate.

截至二零二二年十二月三十一日止年度，本集團並無任何重大收購及出售附屬公司、聯營公司或合資企業。

本集團持有的重大投資

除本文所披露者外，截至二零二三年十二月三十一日止年度，本集團並無任何其他重大投資。

重大投資及資本資產的未來計劃

除本公告所披露者外，本集團於截至二零二三年十二月三十一日止年度並無任何有關重大投資及資本資產的未來計劃。

外匯風險

截至二零二三年十二月三十一日止年度，本集團總收益的54.8%（二零二二年：64.9%）乃來自出口銷售，而該等出口銷售主要以美元計值。於二零二三年十二月三十一日，本集團有賬面值為人民幣211.9百萬元的貨幣資產以美元計值（二零二二年十二月三十一日：人民幣128.7百萬元）及人民幣221.5百萬元的貨幣負債以美元計值（二零二二年十二月三十一日：人民幣33.9百萬元）。本集團因出口銷售以及以外幣計值的貨幣資產及負債而面臨外匯風險。人民幣兌美元的任何升值將對本集團的利潤率產生負面影響。本集團管理層定期檢討外匯風險敞口對本集團財務表現的影響，並在適當的情況下使用外匯對沖工具降低本集團的外匯風險敞口。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employees, remuneration policy and training

As at 31 December 2023, the Group had 1,328 employees (31 December 2022: 890 employees), whose remunerations and benefits are determined based on market rates, government policies and individual performance. For the year ended 31 December 2023, the Group's total staff costs (including directors' emoluments, salaries, allowances and other benefits and contributions to retirement benefits scheme) amounted to RMB145.0 million (2022: RMB141.5 million). To provide incentives or rewards to its employees, the Company adopted a share option scheme, particulars of which are set out in the section headed "Share option scheme" in this announcement. The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which are identified annually by individual departments.

Pension scheme

The employees of the Group's subsidiaries established in the PRC are required to participate in a state-managed retirement benefit scheme (the "Defined Contribution Scheme") operated by the PRC government. The Group is required to contribute a certain percentage of basic payroll costs to the Defined Contribution Scheme.

The Group's contributions to the Defined Contribution Scheme vest fully and immediately with the employees. Accordingly, (i) for the year ended 31 December 2023, there was no forfeiture of contributions under the Defined Contribution Scheme; and (ii) there were no forfeited contributions available for the Group to reduce its existing level of contributions to the Defined Contribution Scheme as at 31 December 2023. The contributions are charged to profit or loss as they become payable in accordance with the rules of the Defined Contribution Scheme.

Event after the reporting period

Saved as disclosed herein, the Group does not have any important events after the year ended 31 December 2023 and up to the date of this annual report.

僱員、薪酬政策及培訓

於二零二三年十二月三十一日，本集團有1,328名僱員（二零二二年十二月三十一日：890名僱員）。僱員的薪酬及福利乃按市場水平、政府政策及個人表現釐定。截至二零二三年十二月三十一日止年度，本集團的總員工成本（包括董事酬金、薪水、津貼與其他福利及退休福利計劃供款）為人民幣145.0百萬元（二零二二年：人民幣141.5百萬元）。為激勵及獎勵僱員，本公司已採納一項購股權計劃，有關詳情載於本公告「購股權計劃」一節。本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定。

退休金計劃

本集團於中國成立的附屬公司，其僱員須參與由中國政府營運的國家管理退休福利計劃（「**定額供款計劃**」）。本集團須按基本薪金成本的若干百分比率對定額供款計劃供款。

本集團對定額供款計劃的供款，全額即時歸僱員所有。據此，(i)截至二零二三年十二月三十一日止年度，並無定額供款計劃項下的供款遭到沒收；及(ii)於二零二三年十二月三十一日，本集團並無遭沒收供款，可用於降低定額供款計劃的現有供款水平。供款根據定額供款計劃規則變成應付時於損益扣除。

報告期後事項

除本文所披露者外，本集團於截至二零二三年十二月三十一日止年度內及截至本年報日期後並無發生任何重大事項。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Executive Directors

Mr. LI Chengjun (李承軍), aged 51, is an executive Director, the chief executive officer and the chairman of the Board and is mainly responsible for corporate strategic planning, overseeing the overall operations, day-to-day management and business development of the Group. Mr. Li established Shenzhen Sprocomm Telecommunication Technology Co., Ltd.* (深圳禾苗通信科技有限公司) (“**Shenzhen Sprocomm**”), the main operating subsidiary of the Group, with Mr. Xiong Bin on 16 September 2009. He is also currently the director of the Company’s subsidiaries, namely Shenzhen Sprocomm, Sprocomm Intelligence (HK) Holdings Limited (禾苗智能控股有限公司), Sprocomm Technologies Co., Ltd. (禾苗通信科技有限公司), Sprocomm Technologies Co., Ltd. (禾苗通信科技(香港)有限公司), Guizhou Sprocomm Telecommunication Technology Co., Ltd.* (貴州禾苗通信科技有限公司), Chengdu Sprocomm Cloud Technology Co., Ltd.* (成都禾苗雲科技有限公司), Guizhou Mars Exploration Technology Co., Ltd.* (貴州火星探索科技有限公司), Grace Kirin Limited (俊麟有限公司), Xiaohu Growth Shenzhen Technology Co., Ltd.* (小禾成長深圳科技有限公司) and Shenzhen Fengma New Energy Technology Co., Ltd.* (深圳風馬新能源科技有限公司). Mr. Li is a director of Leap Elite Limited, a controlling Shareholder of the Company.

Mr. Li has more than 20 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Li held a senior management position in the wireless network department and terminal department of Shenzhen Huawei Technologies Co., Ltd.* (深圳華為技術有限公司), a company principally engaged in the telecommunication equipment business from April 1997 to February 2007, where he was mainly responsible for the research and development of communication terminal and sales and marketing. From August 2007 to June 2009, Mr. Li served as the chief executive officer of the business operation headquarters of SIM Technology Group Limited (晨訊科技集團有限公司) (stock code of Stock Exchange: 02000) (“**SIM Technology**”), a company whose shares are listed on the Stock Exchange and is principally engaged in the manufacturing, design and development and sale of liquid crystal display modules, mobile handset solutions, and wireless communication module solutions, where he was mainly responsible for overseeing its PRC operation and management. Mr. Li graduated from Beihang University (北京航空航天大學) in July 1994 with a bachelor degree majoring in electrical technology, and then, graduated with a master degree of engineering in March 1997.

* For identification purpose only

執行董事

李承軍先生，51歲，為執行董事、行政總裁及董事會主席，主要負責本集團的公司策略規劃、監管整體營運、日常管理及業務發展。李先生於二零零九年九月十六日與熊彬先生共同成立本集團主要營運附屬公司深圳禾苗通信科技有限公司(「**深圳禾苗**」)。彼現亦為本公司附屬公司深圳禾苗、禾苗智能控股有限公司、禾苗通信科技有限公司、禾苗通信科技(香港)有限公司、貴州禾苗通信科技有限公司、成都禾苗雲科技有限公司、貴州火星探索科技有限公司、俊麟有限公司、小禾成長深圳科技有限公司及深圳風馬新能源科技有限公司的董事。李先生為本公司控股股東立堅有限公司的董事。

李先生擁有逾20年的移動通訊行業相關經驗。於加入本集團之前，李先生於一九九七年四月至二零零七年二月曾擔任深圳華為技術有限公司(一間主要從事電訊設備業務的公司)無線網絡部及終端部的高級管理職位，主要負責通訊終端的研發及銷售與營銷。於二零零七年八月至二零零九年六月，李先生曾擔任晨訊科技集團有限公司(聯交所股份代號：02000)(「**晨訊科技**」，其股份於聯交所上市並主要從事液晶顯示模塊、手機解決方案及無線通訊模塊解決方案的製造、設計與開發及銷售)業務營運總部的行政總裁，主要負責監督其中國的營運及管理。李先生於一九九四年七月畢業於北京航空航天大學，獲得電子技術專業學士學位，其後於一九九七年三月獲得工程碩士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. XIONG Bin (熊彬), aged 46, is an executive Director and vice chairman of the Board and is mainly responsible for overseeing the sales and marketing of the Group. Mr. Xiong is one of the founders of Shenzhen Sprocomm on 16 September 2009. He is also currently the director and vice general manager of Shenzhen Sprocomm, the director of Windhorse Technologies INC. (美國風馬新能源科技有限公司) and the supervisor of Shanghai Sprocomm Telecommunication Technology Co., Ltd.* (上海禾苗通信科技有限公司), Guizhou Sprocomm Telecommunication Technology Co., Ltd.* (貴州禾苗通信科技有限公司), Guizhou Mars Exploration Technology Co., Ltd.* (貴州火星探索科技有限公司), Shenzhen Fengma New Energy Technology Co., Ltd.* (深圳風馬新能源科技有限公司) and Luzhou Sprocomm Telecommunication Technology Co., Ltd.* (瀘州禾苗通信科技有限公司) (formerly known as Luzhou Sipukang Technology Co., Ltd.* (瀘州思普康科技有限公司)). Mr. Xiong is a director of Beyond Innovation Limited, a controlling Shareholder of the Company. Mr. Xiong has over 15 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Xiong served in Amoi Electronics Co., Ltd. (夏新電子股份有限公司) (“**Amoi Electronics**”) from July 1999 to May 2008, where he first served as the vice general manager of finance department responsible for handling the export business and finance work of the overseas subsidiaries and later as the vice general manager of the overseas sales department responsible for overseas sales of smartphone products. Amoi Electronics is principally engaged in research, manufacturing and sales of smartphone and other electronic products. From May 2008 to August 2009, Mr. Xiong served as the general manager of the overseas sales department of SIM Technology, where he was mainly responsible for marketing and sales of the overseas smartphone ODM business. Mr. Xiong graduated from Huazhong University of Science and Technology (華中理工大學) in June 1999 and obtained a bachelor degree of economics majoring in taxation. Mr. Xiong also obtained the qualification of Certified Public Accountant (non-practising) in the PRC in December 2004.

熊彬先生，46歲，為執行董事及董事會副主席，主要負責監管本集團的銷售及市場推廣。熊先生於二零零九年九月十六日成為深圳禾苗創辦人之一。彼現亦為深圳禾苗的董事兼副總經理，美國風馬新能源科技有限公司的董事和上海禾苗通信科技有限公司、貴州禾苗通信科技有限公司、貴州火星探索科技有限公司、深圳風馬新能源科技有限公司及瀘州禾苗通信科技有限公司(前稱瀘州思普康科技有限公司)的監事。熊先生為本公司控股股東超新有限公司的董事。熊先生擁有逾15年的移動通訊行業相關經驗。於加入本集團之前，自一九九九年七月至二零零八年五月，熊先生曾任職於夏新電子股份有限公司(「夏新電子」)，首先擔任財務部副總經理，負責處理出口業務及海外附屬公司的財務工作，其後擔任海外銷售部副總經理，負責智能手機產品的海外銷售。夏新電子主要從事智能手機及其他電子產品的研究、製造及銷售。於二零零八年五月至二零零九年八月，熊先生曾擔任晨訊科技的海外銷售部總經理，主要負責海外智能手機ODM業務的營銷與銷售。熊先生於一九九九年六月畢業於華中理工大學，獲得稅務專業經濟學學士學位。此外，熊先生於二零零四年十二月取得中國註冊會計師(非執業)資格。

* For identification purpose only

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. GUO Qinglin (郭慶林), aged 41, is an executive Director and is mainly responsible for managing the operation of supply chain and sales activities of the Group. He is also currently the director of the supply chain operation centre of Shenzhen Sprocomm and a supervisor of Shenzhen Sprocomm. Mr. Guo has approximately 13 years of relevant experience in the mobile communications industry. Prior to joining the Group, Mr. Guo served as a manager in the overseas sales department of Amoi Electronics from September 2005 to December 2008, where he was mainly responsible for developing overseas customers, maintaining the customer relationship and sales of the company's main products. From April 2009 to December 2009, Mr. Guo served as sales director in the overseas sales department of Nanjing Wanlida Technology Co., Ltd.* (南靖萬利達科技有限公司), a company principally engaged in the production of computers, mobile phones and projectors, where he was mainly responsible for developing overseas customers, maintaining the customer relationship and sales of the company's main products. Mr. Guo graduated from Jimei University* (集美大學) in July 2005 and obtained a bachelor degree of economics majoring in international economy and trading.

郭慶林先生，41歲，為執行董事，主要負責管理本集團的供應鏈運作及銷售活動。彼現亦為深圳禾苗供應鏈營運中心總監及深圳禾苗之監事。郭先生擁有約13年的移動通訊行業相關經驗。於加入本集團之前，郭先生於二零零五年九月至二零零八年十二月曾擔任夏新電子的海外銷售部經理，主要負責發展海外客戶、維持客戶關係及公司主要產品的銷售。於二零零九年四月至二零零九年十二月，郭先生曾擔任南靖萬利達科技有限公司（一間主要從事計算機、手機及投影儀生產的公司）的海外銷售部銷售總監，主要負責開發海外客戶、維護客戶關係及公司主要產品的銷售。郭先生於二零零五年七月畢業於集美大學，獲得國際經濟與貿易專業經濟學學士學位。

* For identification purpose only

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. WEN Chuanchuan (溫川川), aged 38, was appointed as an executive Director of the Company with effect from 1 June 2021. Prior to Mr. Wen's appointment as an executive Director, he is a member of the senior management of the Company. Since 21 September 2016, Mr. Wen has been serving as the director of the manufacturing centre of Shenzhen Sprocomm Telecommunication Technology Co., Ltd.* (深圳禾苗通信科技有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company, and has been responsible for supervising the operation of the production plants of the Group. He is also currently (i) the director and general manager of Luzhou Sprocomm Telecommunication Technology Co., Ltd.* (瀘州禾苗通信科技有限公司), formerly known as Luzhou Sipukang Technology Co., Ltd.* (瀘州思普康科技有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company; and (ii) the general manager of Chengdu Sprocomm Cloud Technology Co., Ltd.* (成都禾苗雲科技有限公司), a company established under the laws of the PRC and an indirect non-wholly-owned subsidiary of the Company. Prior to joining the Group, Mr. Wen worked as an assistant engineer of Huawei Machine Company Limited* (華為機器有限公司), a company principally engaged in research, development, manufacturing and sales of communication products from July 2011 to October 2014, where he was mainly responsible for reviewing the manufacturing plan and leading trial verification for new smartphone products. Mr. Wen served as a director of the assembly plant of Shenzhen Andao Yunke Company Limited* (深圳安道雲科股份有限公司), a company principally engaged in development and manufacturing of smart terminals, capacitive touch screens, machine assembly, metal and glass components and mobile phone accessories from November 2014 to September 2016, where he was responsible for the establishment of machine assembly department and assisting in the operation of the company's departments and subsidiaries.

Mr. Wen graduated from the Northwest A&F University (西北農林科技大學) with a bachelor's degree of management majoring in electronic commerce in the PRC in July 2008. In June 2011, Mr. Wen graduated from the Xi'an Jiaotong University* (西安交通大學管理學院) and obtained a master's degree of engineering majoring in industrial engineering.

溫川川先生，38歲，已獲委任為本公司執行董事，自二零二一年六月一日起生效。委任溫先生為執行董事之前，彼為本公司高級管理層成員。自二零一六年九月二十一日起，溫先生一直擔任深圳禾苗通信科技有限公司（一間根據中國法律成立的公司，並為本公司間接全資附屬公司）之董事，負責監督本集團生產廠房的營運。彼現時亦為(i)瀘州禾苗通信科技有限公司（前稱瀘州思普康科技有限公司）（一間根據中國法律成立的公司，並為本公司間接全資附屬公司）之董事及總經理；及(ii)成都禾苗雲科技有限公司（一間根據中國法律成立的公司，並為本公司間接全資附屬公司）之總經理。加入本集團之前，溫先生於二零一一年七月至二零一四年十月為華為機器有限公司（一間主要從事通訊產品的研究、開發、製造及銷售的公司）的助理工程師，主要負責審閱生產計劃及領導新智能手機產品的測試驗證。溫先生於二零一四年十一月至二零一六年九月曾擔任深圳安道雲科股份有限公司（一間主要從事開發及製造智能終端、電容式觸摸屏、機器組裝、金屬和玻璃組件以及手機配件的公司）的裝配廠廠長，負責組建機器裝配部以及協助公司各部門及附屬公司的運作。

溫先生於二零零八年七月畢業於中國西北農林科技大學，獲電子商務專業管理學學士學位，並於二零一一年六月畢業於西安交通大學管理學院，獲工業工程專業工程碩士學位。

* For identification purpose only

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Independent Non-Executive Directors

Mr. HUNG Wai Man JP (洪為民), aged 55, was appointed as an independent non-executive Director on 18 October 2019. Mr. Hung is a Deputy to the 13th National People's Congress, and Adjunct Professor of the Belt and Road Research Institute of Hainan University.

Mr. Hung is a seasoned ICT professional and angel investor. He has worked in the computer industry for over 30 years. A well-known figure in the industry, Mr. Hung has extensive experience in management consulting, project management and outsourcing services. Mr. Hung is a Chartered Information Technology Professional and a fellow of the British Computer Society, the Hong Kong Institute of Directors, the Hong Kong Computer Society and the Internet Professional Association. He has been appointed as one of the Global Council Members by the World Summit Awards.

Mr. Hung is currently Executive Chairman of Chinese Big Data Society, Life Chairman Emeritus of the Y.Elites Association, President Emeritus of Internet Professional Association, Vice Chairman of the Monte Jade Science and Technology Association of Hong Kong, Secretary General of Hong Kong – ASEAN Economic Cooperation Foundation and Vice Chairman of New Territories General Chamber of Commerce etc. In 2012 to 2014, he had served as an associate member of the Central Policy Unit of the HKSAR Government. In 2008, Mr. Hung was selected as one of the Ten Outstanding Young Persons of Hong Kong. He was a Standing Committee Member of the 11th All China Youth Federation. In 2015, he was appointed as a Justice of the Peace by the Hong Kong SAR Government. In 2016, he was given the Asia Social Innovation Leadership Award by CMO Asia.

獨立非執行董事

洪為民先生，太平紳士，55歲，於二零一九年十月十八日獲委任為獨立非執行董事。洪先生為第十三屆全國人民代表大會代表及海南大學「一帶一路」研究院兼職教授。

洪先生為擁有豐富經驗的資訊通訊科技專家及天使投資者。彼從事電腦行業逾30年。洪先生於業內享負盛名，於管理顧問、項目管理及外判服務方面擁有豐富經驗。洪先生為特許資訊科技專業人士，亦是英國電腦學會、香港董事學會、香港電腦學會及互聯網專業協會資深會員。彼獲世界信息峰會大獎(World Summit Awards)委任為全球理事會成員。

洪先生現為華人大數據學會執行主席、香港菁英會永遠榮譽主席、互聯網專業協會榮譽會長、香港玉山科技協會副理事長、香港—東盟經濟合作基金會副會長及新界總商會副會長等。於二零一二年至二零一四年，彼為香港特區政府中央政策組特邀會員。於二零零八年，洪先生獲選為香港十大傑出青年。彼曾任中華全國青年聯合會第十一屆常務委員會委員。於二零一五年，彼獲香港特區政府委任為太平紳士。於二零一六年，彼獲CMO Asia頒發亞洲社企創新獎。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. Hung graduated from the Hong Kong Polytechnic University with a Higher Diploma in Maths, Statistics and Computing. He then obtained a BA (Hons) from the University of Bolton, MBA from the University of Hull and MA in Public and Comparative History from the Chinese University of Hong Kong. He also obtained a LLM and LLD from the Renmin University of China, a Master of Public Administration from Tsinghua University, a Master of Business Administration (Executive) from City University of Hong Kong and PhD in Business Administration from Bulacan State University, the Philippines.

Mr. Hung is currently an independent non-executive director of LH Group Limited (stock code: 01978), Sino Hotels (Holdings) Limited (stock code: 01221) and K Cash Corporation Limited (stock code: 02483), the shares of which are listed on the Stock Exchange.

Mr. WONG Kwan Kit (黃昆杰), aged 51, was appointed as an independent non-executive Director on 18 October 2019. Mr. Wong has over 20 years of experience in accounting and financial management, mergers and acquisitions gained from certain finance related positions of companies listed in Hong Kong. Mr. Wong is currently an independent non-executive director of Man Sang International Limited (stock code: 00938) and Culturecom Holdings Limited (stock code: 00343), both of companies are listed on the Stock Exchange. Mr. Wong holds a Master of Business Administration degree from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants.

洪先生畢業於香港理工大學，取得數學、統計及電子計算學高級文憑。彼其後取得英國柏爾頓大學(榮譽)文學士、英國赫爾大學商管碩士及香港中文大學比較及公眾史學文學碩士。彼亦取得中國人民大學法學碩士和法學博士、清華大學公共管理碩士學位、香港城市大學行政人員工商管理碩士學位以及菲律賓比立勤國立大學工商管理博士。

洪先生現任叙福樓集團有限公司(股份代號：01978)、信和酒店(集團)有限公司(股份代號：01221)及K Cash集團有限公司的獨立非執行董事，上述公司的股份均在聯交所上市。

黃昆杰先生，51歲，於二零一九年十月十八日獲委任為獨立非執行董事。黃先生曾於香港上市公司擔任若干財務相關職位，累積了逾20年的會計及財務管理、併購經驗。黃先生現任民生國際有限公司(股份代號：00938)及文化傳信集團有限公司(股份代號：00343)的獨立非執行董事，兩間公司均於聯交所上市。黃先生持有香港中文大學工商管理碩士學位。彼為香港會計師公會資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. LU Brian Yong Chen (呂永琛), aged 60, was appointed as an independent non-executive Director on 18 October 2019. Mr. Lu has served as an independent non-executive Director of InvesTech Holdings Limited (stock code: 1087), a company whose shares are listed on the Stock Exchange and is principally engaged in designs, development and provision of communication system and manufacture and sale of signal transmission and connectivity products from June 2015 to January 2023. Mr. Lu has over 22 years of management experience in Fortune 100 companies in Australia, Hong Kong and the PRC, assisting in their business transformation and growth. Prior to joining the Group, Mr. Lu served as a manager, design/architecture of IBM Australia Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services from May 1995 to April 2001, where he was responsible for managing network architecture. From April 2001 to June 2012, Mr. Lu then served as a client unit executive in the IBM global technology services department of IBM China/Hong Kong Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services, where he was responsible for the department's strategic planning and execution. Mr. Lu was an industry consultant of IBM (China) Company Limited, a company principally engaged in manufacturing and selling computer hardware and software and providing relevant services from June 2012 to June 2015.

Mr. Lu graduated from South China University of Technology (華南理工大學) with a bachelor degree majoring in engineering in Computer Science in July 1986 and from the University of New South Wales, Australia with a master degree of information science in October 1994.

Ms. TSENG Chin I (曾瀨漪), aged 55, was appointed as an independent non-executive Director on 18 October 2019. Ms. Tseng is a member of National Committee of the Chinese People's Political Consultative Conference and a host/producer of "Financial Journal" at Phoenix TV, a standing committee member of Hong Kong Federation of Journalists Ltd, the founding vice president of GBA Carbon Neutrality Association, an honorary advisor to the Hong Kong Science & Technology Youth Federation, and also an honorary advisor to Hong Kong Web 3.0 Association. She is also a partner of BC Capital Group. Ms. Tseng graduated from Fu Jen Catholic University (天主教輔仁大學, formerly known as 私立輔仁大學) with a bachelor degree of arts majoring in mass communication in June 1991.

呂永琛先生，60歲，於二零一九年十月十八日獲委任為獨立非執行董事。呂先生由二零一五年六月至二零二三年一月曾擔任威訊控股有限公司(股份代號：1087)的獨立非執行董事，該公司於聯交所上市，主要從事設計、開發及提供通訊系統以及製造及銷售信號傳輸及連接產品。呂先生於澳洲、香港及中國的財富100強公司累積了逾22年的管理經驗，曾協助該等公司實現業務轉型及增長。加入本集團之前，呂先生於一九九五年五月至二零零一年四月擔任IBM Australia Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的設計／架構經理，負責管理網絡架構。其後於二零零一年四月至二零一二年六月，呂先生擔任IBM China/Hong Kong Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的IBM全球技術服務部客戶單位主管，負責部門的策略規劃及執行。於二零一二年六月至二零一五年六月，呂先生擔任IBM (China) Company Limited(一間主要從事製造及銷售電腦硬件及軟件以及提供相關服務的公司)的行業顧問。

呂先生於一九八六年七月畢業於華南理工大學，獲計算機科學工程學學士學位及於一九九四年十月獲澳洲新南威爾士大學信息科學碩士學位。

曾瀨漪女士，55歲，於二零一九年十月十八日獲委任為獨立非執行董事。曾女士為全國政協委員及鳳凰衛視「金石財經」主持人／製作人、香港新聞工作者聯會常務理事、大灣區碳中和協會創會副會長、香港科技青年聯會榮譽顧問，亦是香港Web 3.0協會的名譽顧問。彼亦為拔萃資本的合夥人。曾女士於一九九一年六月畢業於天主教輔仁大學(前稱私立輔仁大學)並獲得大眾傳媒學文學學士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Senior Management

Mr. LIU Shangheng (劉尚恒), aged 40, has been serving as the financial controller of Shenzhen Sprocomm since December 2011. He is also a director of Shanghai Hemiao Chuangxian Intelligent Technology Co., Ltd.* (上海禾苗創先智能科技有限公司).

Mr. Liu has over 10 years of experience in financial work and management. Prior to joining the Group, Mr. Liu held office relating to cost accounting in Qingdao Haixin Communication Technology Company Limited* (青島海信通信技術有限公司), a company principally engaged in research, development, manufacturing and sales of mobile communication terminal products from August 2006 to October 2008, where he was mainly responsible for production cost accounting, cost analysis and control related work. Mr. Liu then served as a director of finance in Shenzhen Xiongtao Power Supply Technology Company Limited* (深圳市雄韜電源科技股份有限公司), a company principally engaged in research, manufacturing and sales of battery from November 2008 to October 2011, where he was mainly responsible for cost accounting and preparing the financial statements and analysis.

Mr. Liu graduated from the Zhongnan University of Economics and Law (中南財經政法大學) in June 2006 and obtained two bachelor degrees majoring in accounting and economics.

高級管理層

劉尚恒先生，40歲，自二零一一年十二月至今一直擔任深圳禾苗財務總監。他也是上海禾苗創先智能科技有限公司之董事。

劉先生擁有逾10年的財務工作及管理經驗。加入本集團之前，劉先生於二零零六年八月至二零零八年十月在青島海信通信技術有限公司（一間主要從事移動通訊終端產品的研究、開發、製造及銷售的公司）擔任成本會計相關職位，主要負責生產成本核算、成本分析及控制相關工作。劉先生其後於二零零八年十一月至二零一一年十月擔任深圳市雄韜電源科技股份有限公司（一間主要從事電池的研究、製造及銷售的公司）的財務主管，主要負責成本核算以及編製財務報表及分析。

劉先生於二零零六年六月畢業於中南財經政法大學，獲得會計及經濟學專業雙學士學位。

* For identification purpose only

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organisation which is open and accountable to the shareholders of the Company. The Board strives to adhere to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all shareholders of the Company to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for the shareholders of the Company. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return.

Corporate culture and strategy

The Company is an investment holding company and the principal activities of its subsidiaries include research and development, design, manufacture and sale of mobile phones, PCBAs for mobile phones and IoT related products. The Group is committed to provide high quality and reliable products and services, and to create values to the stakeholders through sustainable growth and continuous development.

The Board fosters a corporate culture by setting out the following values to guide the conduct and behaviours of employees and to ensure that the Company's vision, mission and business strategies are aligned to this corporate culture:

1. Integrity – we strive to do what is right;
2. Excellence – we aim to deliver excellence;
3. Collaboration – we are always better together;
4. Accountability – we are accountable for delivering on our commitments;
5. Empathy – we care about our stakeholders – employees, customers, supply chain and the community; and
6. Sustainability – we are committed to a sustainable future.

本公司致力建立良好企業管治常規及程序，以成為具透明度且盡責的企業，對本公司股東公開問責。董事會致力秉持企業管治原則，並已採取有效的企業管治常規以符合法律及商業標準，專注內部控制、公平披露及向本公司所有股東負責等範疇，以確保本公司所有營運具透明度及問責性。本公司認為，有效企業管治是為本公司股東創造更多價值的重要因素。董事會將繼續不時檢討及改善本集團的企業管治常規，以確保本集團由有效的董事會帶領，提高回報。

企業文化及策略

本公司為投資控股公司，其附屬公司的主要活動包括研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品。本集團致力提供優質及可靠的產品和服務，透過可持續增長及不斷發展為持份者創造價值。

董事會列出以下價值，為僱員的操守及行為提供指引，藉此培養企業文化，確保本公司的願景、宗旨及業務策略與該企業文化相符一致：

1. 誠信—我們努力做正確的事；
2. 卓越—我們希望精益求精；
3. 合作—互助共贏；
4. 問責—我們勇於負責，信守承諾；
5. 同理心—我們關注持份者—僱員、客戶、供應鏈及社區；及
6. 可持續發展—我們致力創造可持續的未來。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group will continue to review and adjust its business strategies and keep track of the changing market conditions to ensure prompt and proactive measures will be taken to respond to the changes and meet the market needs to support the continuous business development of the Group.

Adoption and compliance of corporate governance practices

The Company has adopted a set of corporate governance practices which aligns with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 of The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) since 13 November 2019. Except for code provision C.2.1, the Company has complied with the code provisions set out in the CG Code for the year ended 31 December 2023.

Code provision C.2.1 of the CG Code states that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the current organisation structure of the Company, Mr. Li Chengjun is the Group’s chief executive officer, and he also performs as the chairman of the Board as he has considerable experience in the mobile communication industry. The Board believes that vesting the roles of both the chairman of our Board and the chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning of the Group.

本集團將繼續檢討及調整其業務策略，並密切留意市況變化，確保採取迅速及積極的措施，應對有關變化及迎合市場需求，以支持本集團業務不斷發展。

採用及遵守企業管治常規

自二零一九年十一月十三日，本公司已採納一套企業管治常規，符合聯交所證券上市規則（「上市規則」）附錄C1所載之企業管治守則（「企業管治守則」）的守則條文。除守則條文第C.2.1條外，本公司於截至二零二三年十二月三十一日止年度已遵守企業管治守則所載的守則條文。

企業管治守則條文第C.2.1條列明，主席與行政總裁的角色應予區分，不應由同一人兼任。根據本公司目前組織架構，李承軍先生為本集團行政總裁兼董事會主席，彼於移動通信行業擁有大量經驗。董事會相信，由同一人擔任董事會主席和行政總裁的角色，有利於確保本集團內部領導貫徹一致，並為本集團提供更有效及高效的整體戰略規劃。

CORPORATE GOVERNANCE REPORT

企業管治報告

Although Mr. Li Chengjun performs both the roles of chairman of the board and chief executive officer, the division of responsibilities between the chairman of the board and chief executive officer is clearly established. In general, the chairman of the board is responsible for supervising the functions and performance of the Board, while the chief executive officer is responsible for the management of the Group's businesses. The two roles are performed by Mr. Li Chengjun distinctly. Further, the current structure does not impair the balance of power and authority between the Board and management of the Company given the appropriate delegation of the power of the Board and the effective functions of the independent non-executive Directors.

Model code for securities transactions by directors of listed issuers (the “Model Code”)

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. All Directors have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the year ended 31 December 2023 and up to the date of this annual report.

Chairman and chief executive officer

CG Code provisions C.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not segregate the roles of chairman and chief executive officer and Mr. Li Chengjun currently holds both of the chairman and chief executive officer positions, as explained in the paragraph headed “Adoption and compliance of corporate governance practices” above in this Corporate Governance Report.

儘管李承軍先生同時擔任董事會主席兼行政總裁，但董事會主席及行政總裁職責的分工已清楚界定。總體而言，董事會主席負責監察董事會職能及表現，而行政總裁則負責管理本集團業務，兩個職位均由李承軍先生分別擔任。再者，由於董事會已有適當的權力分配，且獨立非執行董事亦能有效發揮職能，故目前的架構不會削弱董事會與本公司管理層之間的權力及權限制衡。

上市發行人董事進行證券交易的標準守則（「標準守則」）

本公司已採納上市規則附錄C3所載的標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有董事確認彼等於截至二零二三年十二月三十一日止年度及直至本年報日期一直遵守標準守則所載之規定標準。

主席及行政總裁

企業管治守則條文第C.2.1條訂明，主席與行政總裁的角色應予區分，不應由同一人兼任。本公司並無區分主席與行政總裁的角色，且如本企業管治報告上文「採用及遵守企業管治常規」一段所解釋，李承軍先生目前擔任主席與行政總裁職務。

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Independent non-executive directors

The independent non-executive Directors are highly skilled professionals with a broad range of expertise and experience in the fields of accounting, finance, business and corporate governance. Their skills, expertise and number in the Board ensure that strong independent views and judgement are brought in the Board's deliberations and that such views and judgement carry weight in the Board's decision-making process. Their presence and participation also enable the Board to maintain high standards of compliance in financial and other mandatory reporting requirements, and provide adequate checks and balances to safeguard the interests of the Company and its shareholders. The Company annually assesses the independence of each independent non-executive Director during their terms of appointment. During the year ended 31 December 2023, the Company received from each of the independent non-executive Directors a written confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive Directors are independent from 1 January 2023 to the date of this report.

獨立非執行董事

獨立非執行董事均為在會計、金融、商業及企業管治領域中具備廣泛專業知識及經驗的技巧嫻熟專業人士。彼等之技能、專業知識及於董事會的人數確保為董事會審議帶來有力之獨立觀點及判斷，且有關觀點及判斷在董事會的決策過程中具有影響力。彼等的出席及參與亦使董事會能維持嚴格遵守財務及其他強制報告規定，並提供足夠權力制衡，保障本公司及其股東的利益。本公司每年於各獨立非執行董事的任期內對其獨立性作出評估。截至二零二三年十二月三十一日止年度，本公司已根據上市規則第3.13條從各獨立非執行董事接獲有關其獨立性之書面確認。本公司認為，於二零二三年一月一日起至本報告日期，所有獨立非執行董事均為獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board

The Board currently comprises four executive Directors and four independent non-executive Directors. The Board's composition as at 31 December 2023 is set out as follows:

Executive Directors

Name 姓名	Age 年齡	Gender 性別	Date of joining the Group 加入本集團的日期	Roles and responsibilities 職務及職責
Mr. Li Chengjun 李承軍先生	51	Male 男	16 September 2009 二零零九年九月十六日	Corporate strategic planning, overseeing the overall operations, day-to-day management and business development of the Group 本集團的公司策略規劃、監督整體營運、日常管理及業務發展
Mr. Xiong Bin 熊彬先生	46	Male 男	16 September 2009 二零零九年九月十六日	Overseeing the sales and marketing of the Group 監管本集團的銷售及市場推廣
Mr. Wen Chuanchuan 溫川川先生	38	Male 男	21 September 2016 二零一六年九月二十一日	Overseeing the production of the Group 監管本集團的生產
Mr. Guo Qinglin 郭慶林先生	41	Male 男	18 January 2010 二零一零年一月十八日	Managing the operation of supply chain and sales activities of the Group 管理本集團的供應鏈運作及銷售活動

董事會

董事會現由四名執行董事及四名獨立非執行董事組成。於二零二三年十二月三十一日，董事會的組成載列如下：

執行董事

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Independent Non-executive Directors

獨立非執行董事

Name 姓名	Age 年齡	Gender 性別	Date of joining the Group 加入本集團的日期	Roles and responsibilities 職務及職責
Mr. Hung Wai Man 洪為民先生	55	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Mr. Wong Kwan Kit 黃昆杰先生	51	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Mr. Lu Brian Yong Chen 呂永琛先生	60	Male 男	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷
Ms. Tseng Chin I 曾瀨漪女士	55	Female 女	18 October 2019 二零一九年十月十八日	Supervising and providing independent judgement to the Board 監督及為董事會提供獨立判斷

For the biographical details of and relationships among the members of the Board, please refer to the section headed “Biographical Details of Directors and Senior Management” in this annual report.

有關董事會成員的履歷詳情及關係，請參閱本年報「董事及高級管理人員簡介」一節。

The Directors believe that the composition of the Board reflects the necessary balance of skills and experience appropriate for the requirements of the business development of the Group and for effective leadership as the executive Directors possess extensive experience in managing the Group’s business operations; and professional knowledge in the telecommunication and internet industry, while the four independent non-executive Directors possess professional knowledge and broad experience in accounting, finance, business and corporate governance. The Directors are of the opinion that the current Board structure can ensure the independence and objectivity of the Board and provide a system of checks and balances to safeguard the interests of the Company and its shareholders.

董事相信，由於執行董事對管理本集團業務營運有豐富經驗，且具備電訊與互聯網行業的專業知識，而四名獨立非執行董事則具備會計、金融、商業及企業管治方面的專業知識及廣泛經驗，故董事會的組成反映本集團業務發展所需及有效領導所適用的技能及經驗之間的必要平衡。董事認為，目前的董事會架構能確保董事會的獨立性及客觀性，並為保障本公司及其股東的利益提供制衡體系。

The Board is responsible for the leadership and control of the Company. It also oversees the Group’s business, strategic decisions and performance and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. Directors of the Board shall take decisions objectively in the interests of the Company and its shareholders.

董事會負責領導及監控本公司，亦監督本集團業務、策略決定及表現，並共同負責指導及監督本公司事務以推動其成功運作。董事會須作出符合本公司及其股東利益的客觀決定。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board independence

The Group has established mechanisms to ensure independent views and input are available to the Board and such mechanisms will be reviewed annually by the Board. During the year ended 31 December 2023, the Board has reviewed the implementation and effectiveness of the following mechanisms at the Board meeting:

1. Four out of the eight Directors are independent non-executive directors, which exceeds the requirement of the Listing Rules that at least one-third of the Board are independent non-executive directors;
2. The Nomination Committee will assess the independence of a candidate who is nominated to be a new independent non-executive director before appointment and the continued independence of the current long-serving independent non-executive director (if any) on an annual basis;
3. All independent non-executive Directors are required to submit a written confirmation to the Company annually to confirm the independence of each of them and their immediate family members, and their compliance with the requirements as set out in the Rule 3.13 of the Listing Rules;
4. All Directors are entitled to retain independent professional advisors as and when it is required;
5. All Directors are encouraged to express freely their independent views and constructive challenges during the Board/Committee meetings;
6. No equity-based remuneration with performance-related elements will be granted to independent non-executive Directors;
7. A Director (including independent non-executive Director) who has a material interest in a contract, transaction or arrangement shall not vote or be counted in the quorum on any Board resolution approving the same; and
8. The chairman of the Board meets with independent non-executive Directors annually without the presence of the Executive Directors.

董事會之獨立性

本集團已建立機制以確保董事會取得獨立觀點及意見，而董事會將於每年檢討該等機制。於截至二零二三年十二月三十一日止年度，董事會已在董事會會議上檢討以下機制之實施情況及成效：

1. 八名董事中有四名為獨立非執行董事，超過上市規則對獨立非執行董事至少佔董事會三分之一之要求；
2. 提名委員會將於每年評估獲提名為新獨立非執行董事之候選人於獲委任前之獨立性以及現時長期服務之獨立非執行董事(如有)之持續獨立性；
3. 所有獨立非執行董事均須每年向本公司提交書面確認，以確認各自及其直系家屬成員之獨立性，以及其是否符合上市規則第3.13條所載之規定；
4. 全體董事均有權於需要時聘請獨立專業顧問；
5. 鼓勵所有董事在董事會／委員會會議上自由地表達意見和提出建設性質詢；
6. 將不會向獨立非執行董事授予具有績效相關要素之以權益為基礎之薪酬；
7. 於合約、交易或安排中擁有重大權益之董事(包括獨立非執行董事)不得批准該等合約、交易或安排之任何董事會決議案計入法定人數；及
8. 董事會主席與獨立非執行董事將於每年在沒有執行董事出席之情況下舉行至少一次會議。

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Appointment, re-election and removal of directors

Each of the executive Directors, except Mr. Wen Chuanchuan, has entered into a service contract with the Company for a term of three years commencing on 13 November 2019, until terminated by either party giving not less than three months' notice in writing to the other. Mr. Wen Chuanchuan was appointed as an executive Director on 1 June 2021 and he has entered into a service contract with the Company for a term of three years commencing on 1 June 2021, until terminated by either party giving not less than three months' notice in writing to the other. Each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years commencing on 13 November 2019. Each of the independent non-executive Directors has renewed the appointment letter with the Company on 13 November 2022 and such appointment will be terminated by either party giving not less than three months' notice in writing to the other; and in accordance with the articles of association of the Company (the "Articles") and the Listing Rules.

According to article 109(a) of the Articles, at each annual general meeting one third of the Directors for the time being, 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 office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

According to article 113 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

董事之委任、重選及罷免

各執行董事(溫川川先生除外)已與本公司訂立服務合約,自二零一九年十一月十三日起為期三年,直至任何一方向對方發出不少於三個月的書面通知予以終止。溫川川先生於二零二一年六月一日獲委任為執行董事及彼已與本公司訂立服務合約,自二零二一年六月一日起為期三年,直至任何一方向對方發出不少於三個月的書面通知予以終止。各獨立非執行董事已與本公司訂立委任函件,自二零一九年十一月十三日起計為期三年。各獨立非執行董事已於二零二二年十一月十三日與本公司重續委任函,該委任可由任何一方透過向對方發出不少於三個月的書面通知;及根據本公司組織章程細則(「細則」)及上市規則終止。

根據細則第109(a)條,在每屆股東週年大會上,當時三分之一董事(若人數並非三或三的倍數,則須為最接近但不少於三分之一的人數)將輪值告退,惟各董事(包括該等有特定任期的董事)須至少每三年告退一次。退任董事將有資格重選連任。本公司可在董事於股東大會退任時填補空缺。

根據細則第113條,董事會有權不時及隨時委任任何人士為董事,以填補臨時空缺或新增董事,惟不得超過股東於股東大會不時釐定的董事人數上限。任何獲董事會委任以填補臨時空缺的董事任期將直至其獲委任後首屆股東大會為止,並於該大會上重選連任。任何獲董事會委任加入現有董事會的董事任期應僅至本公司下屆股東週年大會為止,屆時將符合資格重選連任。任何根據本條細則獲委任的董事在釐定將於股東週年大會上輪值退任的董事或董事人數時不應被計入。

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According to 109(a) of the Articles, Mr. Guo Qinglin, Mr. Wen Chuanchuan and Mr. Hung Wai Man will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

Board diversity policy

The Company adopted a board diversity policy (the “**Board Diversity Policy**”) on 12 November 2019, which sets out the objective and approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Board Diversity Policy provides that the Company should endeavor to ensure that the Board members have the appropriate balance of skills, experience, and diversity of perspectives that are required to support the execution of its business strategy.

All Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria and the attributes that they will bring to the Board to complement and enrich the competencies, experience and diversity of the Board. Pursuant to the Board Diversity Policy, a number of factors will be taken into account in determining the board composition to achieve board diversity, including but not limited to professional experience, skills, knowledge, age, gender, education, cultural background and length of service.

The Nomination Committee reviews the Board Diversity Policy from time to time to ensure its continued effectiveness, such as assessing annually on the board’s diversity profile and gender balance. The Nomination Committee would discuss any revisions to the Board Diversity Policy that may be required and recommend any such revisions and the appointment of suitable candidates to the Board for consideration and approval.

During the year ended 31 December 2023, the Nomination Committee reviewed the structure, size and composition of the Board with reference to the Board Diversity Policy in order to comply with the CG Code. The Company considers that the current composition of the Board, one out of its eight members being woman, has achieved Board diversity through the consideration of a number of factors, including gender, nationality, professional background and skills. The current Directors have extensive experience in mobile communications industry and professional knowledge of corporate advisory, business development and accounting.

根據細則第109(a)條，郭慶林先生、溫川川先生及洪為民先生將於本公司應屆股東週年大會上輪值退任，且合資格膺選連任。

董事會成員多元化政策

本公司於二零一九年十一月十二日已採納董事會多元化政策（「**董事會多元化政策**」），當中載有實現及維持董事會多元化的目標及方針，以提高董事會的有效性。董事會多元化政策規定，本公司應致力確保董事會成員在支持其業務策略執行所需的技能、經驗及多元化視角方面達到適當平衡。

董事會所有委任均以用人唯才為原則，以適當標準考慮人選，並為董事會補充及豐富董事會的能力、經驗和多元化。根據董事會多元化政策，我們在釐定董事會組成時會考慮多項因素（包括但不限於專業經驗、技能、知識、年齡、性別、教育、文化背景及服務年限）以實現董事會多元化。

提名委員會不時審閱董事會多元化政策以確保其持續有效，包括每年評估董事會多元化組合以及在性別平衡方面的表現。提名委員會亦會討論須就董事會多元化政策作出的任何修訂，並就任何相關修訂及合適人選的委任提出建議以供董事會審批。

截至二零二三年十二月三十一日止年度，為符合企業管治守則，提名委員會已參照董事會多元化政策，檢視董事會的架構、規模及組成。考慮過多項因素，包括性別、國籍、專業背景及技能後，本公司認為董事會目前八名成員中有一名為女性，已達致董事會多元化。現任董事在移動通訊行業及企業諮詢、業務發展和會計具備廣泛的經驗。

CORPORATE GOVERNANCE REPORT

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Nomination policy

The Company has adopted a nomination policy (the “**Nomination Policy**”) which sets out the criteria, process and procedures for the Nomination Committee to recommend suitable candidates for directorship with a view to ensuring that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

Selection criteria

The Nomination Committee will propose a candidate for nomination or a Director for re-election based on the followings:

- the Board Diversity Policy and the requirements under the Listing Rules;
- the expected contribution the candidate would add to the Board and to ensure the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business;
- the candidate or the re-elected Director is able to commit and devote sufficient time and attention to the Company’s affairs;
- the level of independence from the Company, and potential or actual conflicts of interest of the candidate or the re-elected Director; and
- other relevant factors considered by Nomination Committee on a case-by-case basis.

The aforesaid factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person as it considers appropriate.

提名政策

本公司已採納提名政策（「**提名政策**」），當中載有提名委員會推薦合適董事人選的標準、過程及程序，以確保董事會可平衡本公司業務所需的合適技能、經驗及多元化。

甄選標準

提名委員會將根據以下內容提名一名候選人或重選一名董事：

- 董事會多元化政策及上市規則的規定；
- 候選人預計對董事會作出的貢獻以及確保董事會可平衡本公司業務所需的合適技能、經驗及多元化；
- 候選人或重選連任的董事可致力為本公司事務投入足夠時間及精力；
- 本公司獨立程度，以及候選人或重選連任的董事潛在或實際利益衝突；及
- 提名委員會按個別情況考慮的其他相關因素。

上述因素僅供參考，並不旨在涵蓋所有因素，也不具決定性作用。提名委員會可酌情提名其認為合適的任何人士。

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Nomination process

The Nomination Committee is responsible for ensuring that the selection criteria are being applied consistently and fairly in the nomination process and confirming the same to the Board when making its recommendation on appointment.

A. Procedures for appointment of new Director

Subject to the provisions in the Articles, if the Board recognises the need to appoint a new Director, the following procedures should be adopted:

- the Nomination Committee identifies candidates in accordance with the selection criteria set out in the Nomination Policy and with the assistance from the Group's human resources department and external agencies (if necessary);
- the Nomination Committee evaluates the candidates and recommends to the Board the appointment of the appropriate candidate for directorship; and
- the Board decides the appointment based upon the recommendation of the Nomination Committee.

B. Procedures for re-election of Director at general meeting

Procedures for re-election of Director at general meeting are set out as follows:

- the Nomination Committee reviews the overall contribution to the Company of the retiring Director;
- the Nomination Committee also reviews and determines whether the retiring Director continues to meet the selection criteria set out in the Nomination Policy; and
- the Nomination Committee shall recommend to the Board which shall then make recommendation to shareholders in respect of the proposed re-election of Director at the general meeting.

提名過程

提名委員會負責確保甄選標準於提名過程中獲一致及公平應用，並於提供有關委任的推薦建議時向董事會確認已一致及公平應用。

A. 任命新董事程序

在不違反細則條文的情況下，倘董事會確認有需要任命新董事，應採取以下程序：

- 提名委員會根據提名政策所載甄選標準在本集團人力資源部及外來機構(如有)的協助下物色候選人；
- 提名委員會評估候選人，並向董事會推薦委任合適的董事候選人；及
- 董事會根據提名委員會的推薦建議決定委任。

B. 於股東大會重選董事程序

於股東大會重選董事程序載列如下：

- 提名委員會檢討退任董事對本公司的整體貢獻；
- 提名委員會亦檢討及考慮退任董事是否仍然符合提名政策列明的甄選標準；及
- 提名委員會須向董事會提出推薦建議，並由董事會於股東大會上就建議重選董事向股東提出推薦建議。

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C. Procedures for nomination by shareholders

Procedures for nomination by shareholders are set out as follows:

- the Company's website sets out the procedures for shareholders to propose a person for election as a Director; and
- for any person that is nominated by a shareholder for election as a Director at the general meeting of the Company, the Nomination Committee shall evaluate such candidate based on the selection criteria set out in the Nomination Policy and to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee shall recommend to the Board which shall then make recommendation to shareholders in respect of the proposed election of Director at the general meeting.

Monitoring and reporting

The Nomination Committee will report annually, in the Corporate Governance section of the Company's Annual Report, how the Policy is being applied in recommending candidates for directorship and retiring Directors for re-election during the year.

Review of the Nomination Policy

The Nomination Committee will review the Nomination Policy periodically in line with the Company's strategy and recommend any proposed changes to the Board for approval.

C. 股東提名程序

股東提名程序載列如下：

- 本公司網站載有股東提名董事人選的程序；及
- 對於獲股東在本公司股東大會上提名出任董事的人士，提名委員會須就提名政策所載的甄選標準評估該候選人，並確定該候選人是否合資格擔任董事，且（如適用）提名委員會須向董事會提出推薦建議，並由董事會於股東大會上就建議選舉董事向股東提出推薦建議。

監察及匯報

提名委員會每年會於本公司年報的企業管治一節匯報政策於年內應用於推薦董事候選人及退任董事重選連任的情況。

檢討提名政策

提名委員會定期檢討提名政策是否符合本公司的策略，並提出建議變動供董事會審批。

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For the year ended 31 December 2023, the Nomination Committee conducted the followings:

- reviewed and confirmed the structure, size and composition of the Board and the split between number of executive Directors and independent non-executive Directors remained appropriate for the Board to perform its duties;
- reviewed and confirmed the Board has a diverse mix of skills, knowledge, experience and gender;
- reviewed the Board Diversity Policy; and
- formulated the Nomination Policy and made a recommendation to the Board for adoption.

Proceedings of board meetings and board committee meetings

The Board may meet for the dispatch of business, adjourn and otherwise regulate its meeting and proceedings as it thinks fit and may determine the quorum necessary for the transaction of business. An annual general meeting of the Company (the “AGM”) shall be called by at least 21 days’ (and not less than 20 clear business days’) notice in writing, and a general meeting of the Company, other than an AGM, shall be called by at least 14 days’ (and not less than 10 clear business days’) notice in writing. A meeting of the Board or any committee of the Board may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting.

A Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement or proposal in which he or any of his close associate(s) has/have a material interest, and if he shall do so his vote shall not be counted (nor shall he be counted in the quorum for that resolution).

截至二零二三年十二月三十一日止年度，提名委員會已進行以下事項：

- 檢討及確認董事會的架構、規模及組成，以及執行董事與獨立非執行董事人數的分配是否仍然適合董事會執行其職務；
- 檢討及確認董事會的組成符合技術、知識、經驗及性別多元化；
- 檢討董事會多元化政策；及
- 制訂提名政策並提出推薦建議供董事會採納。

董事會會議及董事會委員會會議的議事程序

董事會可按其認為合適的方式召開會議處理事務、延會及以其他方式規管其會議及議事程序，並可釐定處理事務所需的法定人數。本公司召開股東週年大會（「股東週年大會」），須有為期最少21日（至少足20個工作日）的書面通知，而除股東週年大會外，本公司的其他股東大會亦須有為期最少14日（至少足10個工作日）的書面通知，方可召開。董事會或董事會轄下任何委員會可透過電話、電子或其他通訊設備（必須讓全體與會人士互相聆聽）舉行會議。

董事不得就有關其或其任何緊密聯繫人擁有重大權益的任何合約或安排或建議的任何董事會決議案投票或計入法定人數內，而倘董事就任何上述決議案投票，彼就該項決議案的投票將不計算在內，且該董事將不計入法定人數。

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Set out below are details of the attendance record of each Director at the Board, committee and general meetings of the Company held during the year ended 31 December 2023:

以下載列各董事出席截至二零二三年十二月三十一日止年度所舉行的本公司董事會會議、委員會會議及股東大會的詳細紀錄：

Name of Directors	董事姓名	Attendance/Number of Meetings Held				General Meeting
		Regular Board Meeting	Audit Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	
		常規董事會會議	審核委員會會議	提名委員會會議	薪酬委員會會議	股東大會
Executive Directors		執行董事				
Mr. Li Chengjun	李承軍先生	4/4	-	1/1	-	1/1
Mr. Xiong Bin	熊彬先生	4/4	-	-	-	1/1
Mr. Li Hongxing	李紅星先生	4/4	-	-	-	1/1
Mr. Guo Qinglin	郭慶林先生	4/4	-	-	-	1/1
Mr. Wen Chuanchuan	溫川川先生	4/4	-	-	-	-
Independent Non-Executive Directors		獨立非執行董事				
Mr. Hung Wai Man	洪為民先生	4/4	2/2	-	1/1	-
Mr. Wong Kwan Kit	黃昆杰先生	4/4	2/2	1/1	1/1	1/1
Mr. Lu Brian Yong Chen	呂永琛先生	4/4	2/2	1/1	1/1	1/1
Ms. Tseng Chin I	曾靜漪女士	4/4	-	1/1	1/1	1/1

The Board will make arrangements for holding at least four regular Board Meetings in each financial year.

董事會將於各財政年度安排舉行至少四次常規董事會會議。

The Board has established three committees: (i) the audit committee (“**Audit Committee**”); (ii) the remuneration committee (“**Remuneration Committee**”); and (iii) the nomination committee (“**Nomination Committee**”), for overseeing particular aspects of the Company’s affairs. All committees have been established with defined written terms of reference, which were posted on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.sprocomm.com). All committees should report to the Board on their decisions or recommendations made. All committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

董事會已成立三個委員會：(i) 審核委員會（「**審核委員會**」）；(ii) 薪酬委員會（「**薪酬委員會**」）；及(iii) 提名委員會（「**提名委員會**」），以監察本公司事務的特定方面。所有委員會均設有特定書面職權範圍，分別刊載於聯交所網站(www.hkex.com.hk)及本公司網站(www.sprocomm.com)。所有委員會須向董事會匯報其作出的決定或推薦意見。所有委員會均獲提供充足資源以履行其職責，並可於適當情況下提出合理要求以尋求獨立專業意見，費用由本公司支付。

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Audit committee

The Company has established the Audit Committee on 18 October 2019 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Mr. Hung Wan Man. Mr. Wong Kwan Kit is the chairman of the Audit Committee.

The primary duties of the Audit Committee include ensuring that an effective financial reporting, internal control and risk management systems are in place and compliance of the Listing Rules, reviewing the financial statements, making recommendations to the Board on the appointment and removal of external auditors and assessing their independence and qualifications, and ensuring the effective communication with external auditors.

During the year ended 31 December 2023, the Audit Committee held two meetings and the work performed by the Audit Committee was summarised as follows:

1. reviewed the Company's interim results for the six months ended 30 June 2023 and annual results for the year ended 31 December 2022;
2. reviewed the Company's interim report for the six months ended 30 June 2023 and annual report for the year ended 31 December 2022, which set out the Group's accounting policies, financial performance and position;
3. reviewed the findings and recommendations from external auditors and the independent internal control reviewer;

審核委員會

本公司已遵照上市規則第3.21條及企業管治守則，於二零一九年十月十八日成立審核委員會，並訂明書面職權範圍。審核委員會的職權範圍可於聯交所及本公司網站查閱。

審核委員會由三名獨立非執行董事組成，即黃昆杰先生、呂永琛先生及洪為民先生。黃昆杰先生為審核委員會主席。

審核委員會的主要職責包括確保設有有效的財務申報、內部控制及風險管理系統及遵守上市規則，審閱財務報表，就外聘核數師的任免向董事會提出推薦建議及評估其獨立性與資歷，以及確保與外聘核數師之間的有效溝通。

截至二零二三年十二月三十一日止年度，審核委員會已舉行三次會議，審核委員會的工作概述如下：

1. 審閱本公司截至二零二三年六月三十日止六個月的中期業績及截至二零二二年十二月三十一日止年度的年度業績；
2. 審閱本公司截至二零二三年六月三十日止六個月的中期報告及截至二零二二年十二月三十一日止年度的年度報告，當中載有本集團的會計政策、財務表現及狀況；
3. 檢討外聘核數師及獨立內控審查員的調查結果及推薦建議；

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|---|---|
| 4. reviewed the independence of the external auditors and engagement of external auditors; | 4. 檢討外聘核數師的獨立性及聘用； |
| 5. made recommendations to the Board regarding the change of external auditors; | 5. 就外聘核數師的變動向董事會提出推薦建議； |
| 6. reviewed the audit plan, internal control plan, the development in accounting standards and their effects on the Group, financial reporting and risk management matters; | 6. 檢討審計計劃、內部控制計劃、會計準則的變化及對本集團、財務報告及風險管理事項的影響； |
| 7. reviewed the adequacy of resources, qualifications and experience of staff in the Group's accounting and financial reporting functions; and | 7. 檢討本集團會計和財務報告職能的資源、員工資歷及經驗是否充足；及 |
| 8. reviewed the effectiveness of the Group's risk management and internal control systems. | 8. 評審本集團風險管理及內部控制系統的成效。 |

Remuneration committee

The Company has established the Remuneration Committee on 18 October 2019 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and the CG Code. The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee consists of four independent non-executive Directors, namely Mr. Hung Wai Man, Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Ms. Tseng Chin I. Mr. Hung Wai Man is the chairman of the Remuneration Committee.

The primary duties of the Remuneration Committee include making recommendations to the Board in determining the remuneration policy for and remuneration packages of the Directors and senior management, reviewing incentive schemes and service contracts of the Directors and senior management, and evaluating the performance of the Directors and senior management.

During the year ended 31 December 2023, the Remuneration Committee held one meeting to review and the work performed by the Remuneration Committee was summarised as follows:

1. made recommendations to the Board on the remuneration packages of Directors, senior management and employees of the Group;
2. reviewed the appropriateness of the remuneration policy; and
3. evaluated the performance of Directors and senior management of the Group.

薪酬委員會

本公司已遵照上市規則第3.25條及企業管治守則，於二零一九年十月十八日成立薪酬委員會，並訂明書面職權範圍。薪酬委員會的職權範圍可於聯交所及本公司網站查閱。

薪酬委員會由四名獨立非執行董事組成，即洪為民先生、黃昆杰先生、呂永琛先生及曾靜漪女士。洪為民先生為薪酬委員會主席。

薪酬委員會的主要職責包括就釐定董事及高級管理層的薪酬政策及薪酬待遇向董事會提出推薦建議，檢討獎勵計劃及董事和高級管理層服務合約，以及評估董事及高級管理層的表現。

截至二零二三年十二月三十一日止年度，薪酬委員會已舉行一次會議，薪酬委員會的工作概述如下：

1. 就本集團董事、高級管理層及僱員的薪酬向董事會提出推薦建議；
2. 檢討薪酬政策是否合適；及
3. 評估本集團董事及高級管理層的表現。

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Nomination committee

The Company has established a Nomination Committee on 18 October 2019 with written terms of reference in compliance with CG Code provision B.3.1. The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

The Nomination Committee consists of four Directors, namely Mr. Li Chengjun, Mr. Wong Kwan Kit, Mr. Lu Brian Yong Chen and Ms. Tseng Chin I. Mr. Li Chengjun is the chairman of the Nomination Committee. In compliance with the Listing Rules, the Nomination Committee is chaired by the chairman of the Board and the other members are independent non-executive Directors.

The primary duties of the Nomination Committee include assisting the Board in identifying suitable candidates for the Directors and making recommendations to the Board, assessing the structure and composition of the Board, preparing, making recommendations to and supervising the execution of the board diversity policy and nomination policy of the Company.

During the year ended 31 December 2023, the Nomination Committee held one meeting and the work performed by the Nomination Committee was summarised in the paragraph headed “Nomination policy” of this corporate governance report.

Dividend policy

The Company has adopted a dividend policy (the “**Dividend Policy**”) which aims to ensure sustainable development of its business operations and to provide a favorable return to its shareholders.

Declaration of dividend will be made at the discretion of the Board and will be based upon the Group’s earnings, cash flows, financial conditions, capital requirements, statutory fund reserve requirements and any other conditions that our Directors consider relevant. The declaration, payment and amount of dividend will also be subject to the Company’s constitutional documents including, where necessary, the approval of the shareholders.

提名委員會

本公司已遵照企業管治守則第B.3.1條，於二零一九年十月十八日成立提名委員會，並訂明書面職權範圍。提名委員會的職權範圍可於聯交所及本公司網站查閱。

提名委員會由四名董事組成，即李承軍先生、黃昆杰先生、呂永琛先生及曾瀟漪女士。李承軍先生為提名委員會主席。根據上市規則，提名委員會由董事會主席擔任主席，由獨立非執行董事擔任其他成員。

提名委員會的主要職責包括協助董事會物色合適的董事人選並向其提出推薦建議，評估董事會的架構及組成，制定、建議及監督實行本公司的董事會多元化政策及提名政策。

截至二零二三年十二月三十一日止年度，提名委員會已舉行一次會議，提名委員會的工作概述於本企業管治報告「提名政策」一段。

股息政策

本公司已採納股息政策（「**股息政策**」），旨在確保其業務營運可持續發展，並為其股東提供可觀回報。

宣派股息將由董事會酌情決定，並將以本集團盈利、現金流量、財務狀況、資金需求、法定基金儲備要求及董事認為相關的任何其他狀況為依據。股息的宣派、派付及數額亦須受公司章程文件規限，其中包括（如有需要）股東批准。

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The Board will review the Dividend Policy from time to time and may exercise its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time as the Board thinks fit and necessary. There is no assurance that dividends will be paid in any particular amount for any given period. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that any dividend will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

Whistleblowing policy

In compliance with the CG Code, the Group has implemented whistleblowing policy to provide a well-defined and accessible channel for reporting fraud, corruption, dishonest practices, or other similar matters and guidance on how an investigation would be initiated upon receiving a complaint. The policy also protects employees who report fraudulent activities in good faith and reasonable belief. A whistleblowing officer is elected to ensure that any reported case is dealt with in an expedited manner.

Upon receiving the complaint, the Board decides the method of investigation, which may involve appointing an external consultant for assessment. The Board will monitor and review the effectiveness of the whistleblowing policy from time to time.

Anti-fraud and anti-corruption policy

In compliance with the CG Code, the Group has implemented anti-fraud and anti-corruption policy. According to the Group's anti-corruption policy, all employees shall abide by the laws and regulations of the PRC and shall not engage in any illegal activities. Employees shall uphold the code of ethics, advocate fair competition and act against bribery. Any bribery, fraud, money laundering and embezzlement are prohibited.

Employees must not accept or request any improper benefits including banquets, gifts, securities, valuables and high-expenditure entertainment activities from business partners, suppliers and merchants, etc. When there is any alleged case in violation of laws, regulations, code of conduct or Group's policies, the Group will investigate and impose disciplinary actions upon offenders after verification. The Group also provides trainings to directors and employees from time to time to ensure that they comply and familiar with the anti-fraud and anti-corruption policy of the Group.

董事會將不時檢討股息政策，倘董事會認為合適或必要，可行使其唯一及絕對酌情權隨時更新、修訂及／或修改股息政策。概不保證會在任何指定期間派付任何特定金額的股息。股息政策並非本公司就派付任何特定金額股息的具有法律約束力承諾及／或不規定本公司於任何時間或不時宣派股息。

舉報政策

根據企業管治守則，本集團已實施舉報政策，為舉報詐騙、貪污、不誠實行為或其他類似事宜提供明確及可接觸的渠道，以及有關在收到投訴後如何展開調查的指引。該政策亦會保障秉持善意與合理信念舉報詐騙活動的僱員。我們已選出一名舉報主任以確保任何舉報個案得以迅速處理。

接獲投訴後，董事會會決定調查方式，當中有機會涉及委任外部顧問進行評估。董事會將不時監察及檢討舉報政策的成效。

反欺詐及反貪腐政策

根據企業管治守則，本集團已實施反欺詐及反貪腐政策。根據本集團的反貪腐政策，全體僱員須遵守中國的法律及法規，不得從事任何違法活動。僱員須恪守道德準則、倡導公平競爭及防止賄賂。嚴禁任何賄賂、欺詐、洗黑錢及挪用公款行為。

僱員不得接受，亦不可要求商業夥伴、供應商及商人給予任何不當的利益，包括宴會、禮品、證券、貴重物品及高消費娛樂活動等。若發生任何涉嫌違反法律、法規、行為守則或本集團政策的事件，本集團會進行深入調查。若查明屬實，將會對違例者採取紀律處分。本集團亦不時向董事及僱員提供培訓以確保彼等遵守及熟悉本集團的反欺詐及反貪腐政策。

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The Board will monitor and review the effectiveness of the anti-fraud and anti-corruption policy from time to time.

Corporate governance function

The Board does not have a Corporate Governance Committee. The functions that would be carried out by a Corporate Governance Committee are performed by the Board as a whole and are as follows:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of directors and senior management;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
5. to review the Company's compliance with the CG code and disclosure in the Corporate Governance Report.

The corporate governance policy is formulated with an emphasis on the Board's quality, effective internal control, stringent disclosure practices and transparency and accountability to all shareholders of the Company. The Board strives to comply with the code provisions and reviews its corporate governance policy regularly in order to maintain high standards of business ethics and corporate governance, and to ensure the full compliance of the Group's operations with applicable laws and regulations.

本集團將不時監察及審視反欺詐及反貪腐政策的成效。

企業管治職能

董事會並無成立企業管治委員會。由企業管治委員會履行的職能將由董事會整體履行並列示如下：

1. 制訂及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及高級管理層的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制訂、檢討及監察適用於僱員及董事的行為守則及合規手冊(如有)；及
5. 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

企業管治政策的制定重點在於董事會質素、有效內部控制、嚴格披露慣例，以及對本公司所有股東的透明度及問責性。董事會致力遵守守則條文，並定期檢討其企業管治政策以維持高水平商業操守及企業管治，確保本集團營運全面符合適用法律及法規。

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Continuous professional development

Pursuant to the CG Code provision C.1.4, all Directors should participate in a programme of continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding training, placing an appropriate emphasis on the roles, functions and duties of the Directors. During the year ended 31 December 2023, the Directors participated in the following continuous professional development:

持續專業發展

根據企業管治守則條文第C.1.4條，全體董事應參與持續專業發展項目以發展及更新彼等之知識及技能，確保彼等對董事會作出明智及相關之貢獻。本公司須負責安排及資助培訓，並適當強調董事之角色、職能及職責。截至二零二三年十二月三十一日止年度，董事參與下列持續專業發展：

Name of Directors	董事姓名	Directors' trainings 董事培訓	Reading materials updating on new rules and regulations 閱覽有關最新規例及規章的資料
Executive Directors	執行董事		
Mr. Li Chengjun	李承軍先生	✓	✓
Mr. Xiong Bin	熊彬先生	✓	✓
Mr. Guo Qinglin	郭慶林先生	✓	✓
Mr. Wen Chuanchuan	溫川川先生	✓	✓
Independent Non-Executive Directors	獨立非執行董事		
Mr. Hung Wai Man	洪為民先生	✓	✓
Mr. Wong Kwan Kit	黃昆杰先生	✓	✓
Mr. Lu Brian Yong Chen	呂永琛先生	✓	✓
Ms. Tseng Chin I	曾瀨漪女士	✓	✓

Note: The Company received from each of the Directors the confirmations on taking continuous professional training.

附註：本公司已接獲各董事參與持續專業培訓的確認。

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Auditor's remuneration

The Company engaged Moore CPA Limited as its auditor for the year ended 31 December 2023. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the auditor.

During the year ended 31 December 2023, the remuneration paid/payable to Moore CPA Limited is set out as follows:

Services rendered 提供的服務	Remuneration paid/payable 已付／應付薪酬 RMB'000 人民幣千元
Audit services 審核服務	1,193
Non-audit services 非審核服務	—
Total 總計	1,193

Acknowledgement of responsibility for consolidated financial statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Company for the year ended 31 December 2023. In preparing the consolidated financial statements for the year ended 31 December 2023, the Directors:

- assessed the reasonableness of preparing the consolidated financial statements taking into consideration the Group's financial performance, position, cashflows and liquidity ratios;
- selected suitable accounting policies and applied them consistently; and
- made judgements and estimates in a prudent, fair and reasonable manner.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The statement of the independent auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the section headed "Independent Auditor's Report" from page 114 to page 121 of this annual report.

核數師薪酬

截至二零二三年十二月三十一日止年度，本公司委聘大華馬施雲會計師事務所有限公司為其核數師。董事會與審核委員會對甄選、委任、辭任或解僱核數師並無意見分歧。

截至二零二三年十二月三十一日止年度，大華馬施雲會計師事務所有限公司的已付／應付薪酬載列如下：

綜合財務報表的責任確認

董事確認彼等編製本公司截至二零二三年十二月三十一日止年度財務報表的責任。編製截至二零二三年十二月三十一日止年度的綜合財務報表時，董事已：

- 根據本集團的財務表現、狀況、現金流量及流動資金比率，評估編製綜合財務報表的合理性；
- 挑選適當會計政策及貫徹應用該等政策；及
- 作出審慎、公平及合理的判斷及估計。

就董事所知，並無任何重大不明朗事件或情況可能會嚴重影響本公司持續經營能力。本公司獨立核數師就其對綜合財務報表的申報責任聲明載於本年報第114頁至121頁「獨立核數師報告」一節。

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Internal control

Risk management and internal control

The Board emphasises on the importance of risk management and internal controls on the Group's business operations (including environmental, social and governance ("ESG")) and development and acknowledges its overall responsibility for the risk management and internal control systems and the review of their effectiveness.

The Board evaluates and determines the nature and extent of risks it is willing to accept, while achieving the Group's strategic business objectives. The Board also ensures implementation and maintenance of effective risk management and internal control systems; and oversees management in the design, implementation and monitoring of the risk management and internal control systems.

The Board has delegated the responsibility to physically implement and maintain the risk management and internal control systems to the management of the Company. The management, under the supervision of the Board, has implemented and maintained appropriate and effective risk management and internal control system, which aims to manage and reduce (i) risks associated with the Group's daily operations (including ESG); (ii) risks of failing to achieve business objectives; (iii) risks of asset misappropriation; and (iv) risks of making potential material misstatements or losses. However, the risk management and internal control system can only provide reasonable and not absolute assurance against material misstatements or losses.

The Group does not have an internal audit function. Taking into account the size, nature and complexity of the Group's business, the Board have sufficient capacity to oversee the design and implementation of the risk management and internal control system and to assess its effectiveness, and accordingly there is no immediate need to set up an internal audit function within the Group.

內部控制

風險管理及內部控制

董事會強調風險管理及內部控制對本集團業務營運(包括環境、社會及管治(「環境、社會及管治」))及發展的重要性，並確認其對風險管理及內部控制系統以及檢討其成效的整體責任。

董事會評估及釐定於達致本集團策略性業務目標時可承擔風險的性質及程度。董事會亦確保實施及維持有效的風險管理及內部控制系統；以及監督風險管理及內部控制系統設計、實施和監控的管理。

董事會已委派本公司管理層負責具體實施及維持風險管理及內部控制系統，受董事會監察的管理層已實施及維持適當及有效的風險管理及內部控制系統，目的是管理及減少(i)與本集團日常業務(包括環境、社會及管治)有關的風險；(ii)未能達成業務目標的風險；(iii)資產挪用的風險；及(iv)潛在重大錯誤陳述或損失的風險。然而，風險管理及內部控制系統只可就重大錯誤陳述或損失提供合理而非絕對的保障。

本集團並無內部審核職能。經考慮本集團業務的規模、性質及複雜程度，董事會擁有充足的能力監督風險管理及內部控制系統的設計及實施，並可評估其有效性，因此毋須即時於本集團建立內部審核職能。

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The process to identify, evaluate and manage risks are carried out on a regular and on-going basis. These processes are summarised as follows:

Risk identification

- Identify risks that may potentially affect the Group's business and operations.

Risk assessment

- Assess the impact and consequence of the identified risks on the business and the likelihood of their occurrence.

Response to findings of risk assessment

- Prioritise the risks by comparing the results of the risk assessment; and
- Determine the risk management strategies and internal control processes to prevent, avoid or mitigate the risks.

Risk monitoring and reporting

- Perform ongoing and regular monitoring of the risk and ensure that appropriate internal control processes are in place;
- Enhance the risk management strategies and internal control processes in case of any significant change of situation; and
- Report the results and effectiveness of risk management and internal control to the Board regularly.

In relation to the handling and dissemination of inside information, the Group has implemented an information disclosure policy to ensure potential inside information being captured and confidentiality of such information being maintained until consistent and timely disclosure are made in accordance with the Listing Rules. The policy is summarised as follows:

- Designated reporting channels from different operations informing any potential inside information to designated departments;
- Designated persons and departments to determine further escalation and disclosure as required; and

識別、評估及管理風險的程序乃按定期及持續基準進行。該等程序概述如下：

風險識別

- 識別可能對本集團業務及營運有潛在影響的風險。

風險評估

- 評估已識別風險對業務的影響及後果及其發生的可能性。

應對風險評估結果

- 透過比較風險評估的結果對風險按優先順序進行處理；及
- 確定風險管理策略及內部控制程序，以預防、避免或減輕風險。

風險監察及匯報

- 持續及定期監察風險，確保有適當的內部控制程序；
- 出現任何重大變動時，加強風險管理策略及內部控制程序；及
- 向董事會定期匯報風險管理及內部控制結果和成效。

本集團已就處理及發放內幕消息的方式訂立資料披露政策，確保在保密的情況下存取潛在內幕消息，直至按上市規則作出貫徹和及時的披露為止。該政策概述如下：

- 特設匯報渠道，讓不同營運單位向指定部門匯報潛在內幕消息；
- 指定人士及部門按需要決定匯報及披露方式；及

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- Designated persons authorised to act as spokespersons and respond to external enquiries.

During the year ended 31 December 2023, the Group engaged an independent internal control reviewer to review the effectiveness of its risk management and internal control system. The scope of review was determined by the Board. The independent internal control reviewer submitted a report of findings and areas for improvement to the management. The management presented these findings and areas for improvements to the Board and Audit Committee. Having considered (i) the existence of the risk management and internal control system; (ii) the findings of the independent internal control reviewer; (iii) management will take into account the areas for improvement suggested by the independent internal control reviewer and further enhance the risk management and internal control system, the Board and Audit Committee were of the view that the Group had no material internal control deficiencies and its risk management and internal control systems were effective and adequate.

Company secretary

Ms. Jian Xuegen (“**Ms. Jian**”) was appointed as the company secretary of the Company since 21 September 2019 and is responsible for overseeing all the company secretarial matters of the Company. In the opinion of the Board, Ms. Jian possesses the necessary qualification and experience, and is capable of performing the functions of a company secretary. During the year ended 31 December 2023, Ms. Jian confirmed that she has taken no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules.

Shareholders’ rights

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An AGM of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an AGM, shall be called an extraordinary general meeting.

- 指定授權人士擔任發言人，回應外界查詢。

截至二零二三年十二月三十一日止年度，本集團聘請獨立內控審查員檢討其風險管理及內部控制系統的成效。檢討範圍由董事會釐定。獨立內控審查員向管理層提交調查結果及需要改善範疇報告，管理層則向董事會及審核委員會呈交該等調查結果及需要改善範疇。經考慮(i)現有的風險管理及內部控制系統；(ii)獨立內控審查員調查結果；(iii)管理層將考慮獨立內控審查員提出需要改善範疇，進一步提升風險管理及內部控制系統，董事會及審核委員會認為本集團概無重大內部控制缺陷，且其風險管理及內部控制系統有效和足夠。

公司秘書

簡雪良女士（「**簡女士**」）由二零一九年九月二十一日起獲委任為本公司之公司秘書，並負責監察本公司之一切公司秘書事宜。董事會認為，簡女士具備必要資格及經驗，有能力履行公司秘書職務。截至二零二三年十二月三十一日止年度，簡女士確認彼已根據上市規則第3.29條的規定參與不少於15小時的相關專業培訓。

股東權利

本公司的股東大會為股東與董事會提供溝通機會。本公司每年舉行股東週年大會，地點由董事會釐定。股東週年大會以外的各股東大會均稱為股東特別大會。

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Shareholders to convene an extraordinary general meeting

Pursuant to article 64 of the Articles, extraordinary general meeting shall be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting enquiries by shareholders to the Board

Shareholders may send written enquiries to the Company for the attention of the company secretary at the Company's principal place of business in Hong Kong.

Procedures for putting forward proposals by shareholders at shareholders' meetings

Shareholders of the Company are requested to follow article 64 of the Articles for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "Shareholders to convene an extraordinary general meeting".

Pursuant to article 114 of the Articles, no person (other than a retiring Director) shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office of the Company or at the Hong Kong branch share registrar and transfer office of the Company. The period for lodgement of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

股東召開股東特別大會

根據細則第64條，本公司一名或以上股東（於遞呈要求當日持有有權於股東大會上投票的本公司繳足股本不少於十分之一者）應有權以書面方式向董事會或本公司之公司秘書遞呈要求的方式，述明要求董事會召開股東特別大會以處理要求內訂明的任何事項。該大會須於該項要求遞呈後兩個月內舉行。倘於有關遞呈後21日內，董事會未有召開該大會，則遞呈要求人士可以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事會未能召開大會而產生的合理開支。

股東向董事會提問

股東可透過本公司的香港主要營業地點向本公司發出書面查詢，並註明收件人為公司秘書。

股東於股東大會提呈議案的程序

本公司股東向股東特別大會提呈決議案時須遵守細則第64條。規定及程序載於上文「股東召開股東特別大會」一段。

根據細則第114條，除退任董事外，任何人士如未獲董事推薦參選，均無資格在任何股東大會上獲選出任董事，除非本公司總辦事處或本公司香港股份過戶登記分處已收到一份書面通知，其內表明彼擬提議推薦該人士參選董事之職，以及一份該獲提議推薦人士表示候選意願的通知。根據細則規定提交通知的期間須由不早於寄發指定進行選舉的股東大會通知的翌日開始，並在不遲於有關股東大會日期前七日完結，而向本公司發出有關通知的最短期間須至少為七日。

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The procedures for shareholders of the Company to propose a person for election as a Director is posted on the website of the Company. Shareholders or the Company may refer to the above procedures for putting forward any other proposals at general meetings.

Investors relations

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its shareholders. Information of the Company is disseminated to the shareholders in the following manner:

- Delivery of annual and interim results and reports to all shareholders;
- Publication of announcements on the annual and interim results on the website of the Company and the website of the Stock Exchange, and issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- The general meeting of the Company is also an effective communication channel between the Board and shareholders.

The Company has in place a shareholder communication policy to ensure that Shareholders' views and concerns are appropriately addressed. The policy is regularly reviewed to ensure its effectiveness.

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's head office. The Company also maintains a website at www.sprocomm.com where up-to-date information and updates of the Company's operations, performances and strategies are available to public access.

Constitutional Documents

On 30 May 2023, the Company adopted the second amended and restated memorandum and articles of association for the purpose of (i) conforming with the core shareholder protection standards set out in the Listing Rules which took effect on 1 January 2022; and (ii) incorporating other consequential and housekeep amendments, which had been uploaded to the websites of the Company and the Stock Exchange. Save as disclosed above, there had been no changes in the constitutional documents of the Company during the year ended 31 December 2023.

本公司股東提名某一人士參選董事的程序刊載於本公司網站。股東或本公司可參閱上述於股東大會提呈任何其他議案的程序。

投資者關係

本公司致力實行公開、定期溝通及向其股東合理披露資料的政策。本公司透過下列方式向股東傳達資料：

- 向所有股東送呈年度及中期業績及報告；
- 根據上市規則的持續披露責任，於本公司網站及聯交所網站刊登年度及中期業績公告，以及刊發其他公告及股東通函；及
- 本公司股東大會亦為董事會與股東的有效溝通橋樑。

本公司已訂立股東溝通政策以確保股東的意見及關注得到適當解決。該政策定期檢討以確保其有效性。

本公司持續促進投資者關係，加強與現有股東及潛在投資者的溝通，同時歡迎各位投資者、持份者及公眾的建議。如對董事會或本公司有任何詢問，可郵寄至本公司總辦事處。本公司亦設有網站（網址為 www.sprocomm.com），刊載最新資料及更新本公司營運、表現及策略，以供公眾查閱。

組織章程文件

於二零二三年五月三十日，本公司採納第二次修訂及重列之組織章程大綱及細則，以(i)符合上市規則附錄三所載的核心股東保障標準，自二零二二年一月一日起生效；及(ii)納入其他相應及輕微修訂，該修訂版已上載於本公司及聯交所網站。除上文所披露者外，本公司的組織章程文件於截至二零二三年十二月三十一日止年度概無變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

About the Report

Sprocomm Intelligence Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) presents the Environmental, Social and Governance (“**ESG**”) report, which contains information on the Group’s business activities, ESG governance, strategies, performances and ongoing commitment towards sustainable development. This ESG report is intended to enhance the confidence and understanding of the stakeholders towards the Group.

About the Group

The Group is an ODM mobile phone supplier based in the PRC, primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets. The Group’s production bases are located in the PRC and they are responsible for the mobile phone assembly and for the production of PCBAs.

Reporting Period

This ESG report highlights the ESG performance of the Group from 1 January 2023 to 31 December 2023.

Reporting Standard

This ESG report was prepared with reference to the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix C2 of the Listing Rules and guidance published by the Stock Exchange. An assessment on the applicability and materiality of the relevant key performance indicators under the ESG Reporting Guide had been conducted.

Reporting Principles

The Group applied the following principles in this ESG report:

- **Materiality:** Material and relevant information to stakeholders on different ESG aspects is covered in this ESG Report. A materiality assessment was conducted to determine material ESG issues with results reviewed and approved by the board of directors (the “**Board**”).

關於本報告

Sprocomm Intelligence Limited (「**本公司**」) 及其附屬公司 (統稱為「**本集團**」) 呈列環境、社會及管治 (「**環境、社會及管治**」) 報告，當中載列有關本集團業務活動、環境、社會及管治管理、策略、表現及對可持續發展的持續承諾有關的資料。本環境、社會及管治報告旨在增強持份者對本集團的信心及了解。

關於本集團

本集團為一間位於中國的 ODM 手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品，著力開拓新興市場。本集團的生產基地位於中國，負責手機組裝及印刷電路板組裝生產。

報告期間

本環境、社會及管治報告重點說明本集團由二零二三年一月一日至二零二三年十二月三十一日的環境、社會及管治表現。

報告準則

本環境、社會及管治報告乃參考上市規則附錄 C2 所載環境、社會及管治報告指引 (「**環境、社會及管治報告指引**」) 及聯交所頒佈的指引而編製。本公司已評估環境、社會及管治指引下相關關鍵績效指標的適用性及重要性。

報告原則

本集團於本環境、社會及管治報告中應用下列原則：

- **重要性：**本環境、社會及管治報告涵蓋不同環境、社會及管治方面對持份者的重要及相關的資料。為確定重要的環境、社會及管治問題，本公司進行重要性評估，其結果由董事會 (「**董事會**」) 審閱及批准。

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- **Quantitative:** Targets have been set by the Group to reduce the emissions from business operations and to evaluate the effectiveness of ESG policies and management systems. The relevant standards, methodologies and assumptions used to prepare the quantitative information are disclosed, as appropriate. Quantitative information is provided with narrative and comparative figures, where possible.
- **Balance:** The information is presented without the inappropriate use of selections, omissions or other forms of manipulation that would influence a decision or judgment by the reader.
- **Consistency:** Consistent methodologies are used to prepare and present ESG data in this ESG report, unless otherwise specified, to allow for meaningful comparisons.
- **量化:** 本集團已制訂目標，以減少業務營運產生的排放物，並評估環境、社會及管治政策和管理系統的成效。酌情披露用於編制定量資料的相關標準、方法及假設。定量資料以敘述性和比較性數據一併提供(如可能)。
- **平衡:** 呈列資料時並無不當使用選擇、遺漏或其他形式的操縱方式影響讀者的決定或判斷。
- **一致性:** 除非另有說明，本環境、社會及管治報告使用一致的方法編製及呈列環境、社會及管治資料，以便進行有意義的比較。

Reporting Scope

Based on the principle of materiality, the scope of this ESG report concentrates on the Group's business in the PRC, where the Group carries out its principal business operations and most of its employees and assets are located. All the PRC entities of the Group were included in the assessment of ESG performance for the purpose of this ESG report. The Group's operations outside the PRC were not included in the scope as they do not have significant environmental and social impacts.

ESG GOVERNANCE

The Group views ESG commitments as part of its responsibilities and it is committed to incorporating ESG considerations into its decision-making process. To achieve this goal, the Group has developed a framework to ensure ESG governance is aligned with its strategic growth, while advocating for the integration of ESG into its business operations. The structure of ESG governance mainly comprised of two components, namely the Board and the management team.

The Board holds the overall responsibility for the Group's ESG strategy and reporting by overseeing the overall governance and progress of the Group's ESG management system, policies, commitments, strategies and objectives.

報告範圍

根據重要性原則，本環境、社會及管治報告的範圍集中於本集團在中國的業務，因為本集團在中國開展主要的業務運營，其大部分員工及資產亦位於中國。就本環境、社會及管治報告而言，本集團的所有中國實體都已計入環境、社會及管治表現評估。由於本集團在中國以外的業務不具有重大的環境及社會影響，因此不包括在評估範圍內。

環境、社會及管治管理

本集團將環境、社會及管治承諾視為其責任的一部分，並致力於將環境、社會及管治因素納入其決策過程。為實現這一目標，本集團制定框架以確保環境、社會及管治與其策略增長相一致，同時倡導將環境、社會及管治融入其業務運營。環境、社會及管治的結構主要包括兩個部分，即董事會及管理團隊。

董事會對本集團的環境、社會及管治策略和報告負有整體責任，方式為監督本集團的環境、社會及管治管理系統、政策、承諾、策略和目標的整體治理及進展。

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Management of the Group is responsible for the collection and analysis of ESG data, implementation of appropriate strategies to improve the Group's ESG performance, assessment of whether current ESG policies and improvement measures are effective, compliance with relevant ESG laws and regulations and the reporting of major issues to the Board. To assess the effectiveness of the Group's ESG policies, management sets key performance indicators and compares the indicators of current year with those of prior year. Based on the results of this comparison, ESG reports and the feedback from stakeholders, the Board reviews the progress made by the Group against its ESG-related goals and targets. The relevance of ESG-related goals and targets to the Group's business operations are determined by regular communications with stakeholders.

The data and information in this ESG report are sourced from the relevant documents, reports, statistical data, management and operation information collected by the Group.

Information relating to the Group's corporate governance structure and practices has been set out in the section headed "Corporate Governance Report" of this annual report.

ESG Strategies

The Group believes that it is essential to implement appropriate ESG strategies in order to achieve sustainable corporate development. Key ESG strategies of the Group are set out below:

- Maintain regular communications with stakeholders to identify ESG aspects that are material and relevant.
- Maintain high environmental and social standards to ensure sustainable development of the Group's business operations.
- Comply with all relevant laws and regulations in relation to the Group's business operations including health and safety, workplace conditions, employment and the environment.
- Encourage employees, customers, suppliers and other stakeholders to participate in environmental and social activities that benefit the community as a whole.
- Review the ESG strategies on an annual basis.

本集團管理層負責收集分析環境、社會及管治數據，執行適當策略以改善本集團的環境、社會及管治績效，評估當前環境、社會及管治政策及改善措施是否有效，遵守相關環境、社會及管治法律及法規以及向董事會報告重大問題。為評估本集團的環境、社會和公司治理政策的有效性，管理層定立關鍵績效指標，並將本年度的指標與上年度的指標作比較。根據該比較的結果、環境、社會及管治報告及持份者的反饋意見，董事會檢討本集團在環境、社會及管治相關目標及指標方面取得的進展。環境、社會及管治相關的目標及指標與本集團業務運營的相關性通過與持份者的定期溝通確定。

本環境、社會及管治報告的數據及資料均來自本集團收集的相關文件、報告、統計數據、管理和營運資料。

有關本集團企業管治架構及常規的資料載於本年報「企業管治報告」一節。

環境、社會及管治策略

本集團認為，為了實現企業的可持續發展，實施適當的環境、社會及管治策略實屬必要。本集團的主要環境、社會及管治策略載列如下：

- 保持與持份者定期溝通，以發現重要及相關的環境、社會及管治方面。
- 維持高水平環境及社會標準，確保本集團業務運營的可持續發展。
- 遵守與本集團業務運營有關的所有相關法律法規，包括健康和 safety、工作場所條件、就業及環境。
- 鼓勵員工、客戶、供應商及其他持份者參與有利於整個社區的環境及社會活動。
- 每年審閱環境、社會及管治策。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

The Group values the contributions from its stakeholders as they can bring positive impacts to the Group's business. The Group maintains regular communications with its stakeholders to collect their views on the ESG aspects that they regard as relevant and important. Its key stakeholders include governments and regulatory bodies, shareholders, employees, customers, suppliers and the public society. The Group maintains an open and transparent dialogue with its stakeholders through various channels including meetings, trade exhibitions, surveys, seminars and workshops.

The following table summarises the main expectations and concerns of the key stakeholders identified by the Group, and the corresponding management responses.

持份者參與

本集團十分重視對業務有正面影響的持份者意見。本集團定期與持份者溝通，收集彼等認為與環境、社會及管治相關的重要意見。本集團的主要持份者包括政府及監管機構、股東、僱員、客戶、供應商及社會公眾。本集團透過會議、商貿展覽、調查、研討會及工作坊等多種渠道，與持份者公開透明交流。

下表概述本集團所識別主要持份者的主要預期和關注以及管理層相應的回應。

Stakeholders 持份者	Expectations 預期	Management responses/ Communication channels 管理層回應／溝通渠道
Governments and regulatory bodies 政府及監管機構	<ul style="list-style-type: none"> Compliance with laws and regulations 遵守法律法規 Tax payment in accordance with laws 依法納稅 	<ul style="list-style-type: none"> Compliance operation 合規營運 Tax payment in full and on time 按時全額納稅
Shareholders 股東	<ul style="list-style-type: none"> Financial results 財務業績 Corporate transparency 企業透明 Sound risk control 穩健風險管理 	<ul style="list-style-type: none"> To improve profitability 提升盈利能力 Regular information disclosure 定期信息披露 To optimise risk management and internal control 優化風險管理及內部控制
Employees 僱員	<ul style="list-style-type: none"> Career development platform 職業發展平台 Salary and benefits 薪金及福利 Safe working environment 安全工作環境 	<ul style="list-style-type: none"> Promotion mechanism 晉升機制 Competitive salary and employee benefits 有競爭力的薪金及僱員福利 To provide trainings for employees and strengthen their safety awareness 提供僱員培訓，加強安全意識

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Stakeholders 持份者	Expectations 預期	Management responses/ Communication channels 管理層回應／溝通渠道
Customers 客戶	<ul style="list-style-type: none"> Logistics and delivery service standards 物流及配送服務標準 Customer information security 客戶信息安全 Customer rights and interests protection 客戶權益保障 	<ul style="list-style-type: none"> To get delivery status through product tracking system 通過產品追蹤系統獲得配送狀態 Customer privacy protection 客戶私隱保障 Compliance marketing 合規營銷
Suppliers 供應商	<ul style="list-style-type: none"> Integrity cooperation 誠信合作 Business ethics and credibility 商業道德及信譽 	<ul style="list-style-type: none"> To build a stable and responsible supply chain 建立穩定及負責的供應鏈 To perform the contract according to law 依法履行合約
Society and the public 社會公眾	<ul style="list-style-type: none"> Environmental protection 環境保護 Employment opportunities 僱傭機會 	<ul style="list-style-type: none"> To reduce environmental pollutions 減少環境污染 To put into use environmental protection and energy saving equipment 使用環保節能設備 To provide equal employment opportunities 提供平等僱傭機會

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Materiality Assessment

During the year ended 31 December 2023, with reference to the scopes as required under the ESG Reporting Guide and taking into consideration of the Group's business operations, the Group identified the following environmental, social and operating issues that are material and relevant to the Group's business operations. If the Group does not implement effective strategies to monitor and solve these issues, these issues may affect the Group's financial condition or operating performance. Further, the Group made a materiality assessment on these environmental, social and operating issues by conducting interviews with its stakeholders.

重要性評估

截至二零二三年十二月三十一日止年度，本集團參考環境、社會及管治報告指引規定的範圍和考慮業務營運，識別以下與本集團業務相關的重大環境、社會及營運事項。倘本集團不採取有效策略以監察及解決該等事項，則本集團財務狀況或經營表現或會受到影響。本集團透過訪問持份者，進一步對該等環境、社會及營運事項進行了重要性評估。

Environmental issues 環境事項	Social issues 社會事項	Operating issues 營運事項
1. Greenhouse gas emissions 溫室氣體排放	8. Local community engagement 參與地方社區	15. Economic value generated 產生的經濟價值
2. Energy consumption 能源消耗	9. Community investment 社區投資	16. Corporate governance 企業管治
3. Water consumption 水源消耗	10. Occupational health and safety 職業健康及安全	17. Anti-corruption 反貪腐
4. Waste 廢物	11. Labour standards in supply chain 供應鏈勞工準則	18. Supply chain management 供應鏈管理
5. Saving energy measures 節能措施	12. Training and development 培訓與發展	19. Customer satisfaction 客戶滿意度
6. Use of raw materials and packaging materials 原材料及包裝材料使用	13. Employee welfare 僱員福利	20. Employee welfare 僱員福利
7. Compliance with laws and regulations relating to environmental protection 遵守環保相關法律法規	14. Inclusion and equal opportunities 共融與平等機會	

The Group prioritised the above-mentioned environmental, social and operating issues in terms of their importance to the Group's stakeholders and business operations.

本集團已優先考慮上述環境、社會及營運問題對本集團利益相關者及業務運營的重要性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Importance to the Group's stakeholders and business operations

對本集團持份者及業務營運的重要程度

High 高
Medium 中
Low 低

Based on the results of the Group's materiality assessment, the Group would formulate and implement appropriate strategies to monitor and solve the identified issues and to achieve sustainable business development.

Confirmation and Approval

The Group endeavours to ensure that all the information presented in this ESG report is accurate and reliable. This ESG report had undergone the internal review process of the Group and was reviewed by the Board. During the year ended 31 December 2023, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and the contents of this ESG report comply with the requirements of the ESG Reporting Guide.

Contact Us

The Group welcomes stakeholders to provide their opinions and suggestions. You can provide valuable advice in respect of this ESG report or the Group's performances in sustainable development by mailing to 5D-506, F1.6 Block, Tianfa Building, Tianan Chegongmiao Industrial Park, Futian District, Shenzhen, China.

ESG issues

環境、社會及管治事項

1, 2, 3, 5, 6, 7, 10, 14, 15, 16, 17, 18, 19, 20
4, 11, 12, 13
8, 9

本集團將根據重要性評估結果制定及實施適當策略以監察和解決上述事項，達致業務可持續發展。

確認及批准

本集團致力確保本環境、社會及管治報告中所載列的所有資料準確可靠。本環境、社會及管治報告已通過本集團的內部審查程序，並由董事會審查。截至二零二三年十二月三十一日止年度，本集團確認已就環境、社會及管治事宜制定適當及有效的管理政策及內部控制制度，而本環境、社會及管治報告的內容符合環境、社會及管治報告指引的規定。

聯絡方式

本集團歡迎持份者提供意見及建議。閣下可以就本環境、社會及管治報告或本集團在可持續發展方面的表現提供寶貴意見，請郵寄至中國深圳市福田區天安車公廟工業園天發大廈F1.6座5D-506室。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. Environment

The Group acknowledges its responsibility to protect the environment and it has implemented policies to reduce emissions and improve the efficiency in the use of resources.

The Group's business operations are subject to certain environmental requirements pursuant to the laws in the PRC such as Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), Evaluation of Environmental Effects Law of the PRC (《中華人民共和國環境影響評價法》), Prevention and Control of Water Pollution Law of the PRC (《中華人民共和國水污染防治法》), Prevention and Control of Atmospheric Pollution Law of the PRC (《中華人民共和國大氣污染防治法》), Prevention and Control of Environmental Noise Pollution Law of the PRC (《中華人民共和國環境噪聲污染防治法》), Prevention and Control of Solid Waste Pollution Law of the PRC (《中華人民共和國固體廢物污染環境防治法》), and Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》), and Promotion of Cleaner Production Law of the PRC (《中華人民共和國清潔生產促進法》).

During the year ended 31 December 2023, the Group complied with all applicable PRC environmental laws and regulations in all material respects and had not been subject to any material penalty in relation to environmental protection.

A. 環境

本集團深明其環保責任，已實施政策減少排放和提高資源使用效率。

本集團業務營運須遵守中國法律若干環境要求，該等法律包括《中華人民共和國環境保護法》、《中華人民共和國環境影響評價法》、《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》、《中華人民共和國環境噪聲污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《建設項目環境保護管理條例》及《中華人民共和國清潔生產促進法》。

截至二零二三年十二月三十一日止年度，本集團於所有重大方面遵守所有適用中國環境法律法規，且並無受到任何環保相關重大處罰。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A.1 Emissions

During the Group's production process, there are certain wastage generated (sources of emissions) including solid waste, water, noise and polluted air. The Group has in place standard procedures to manage, treat and reduce the pollution and wastage in accordance with national and local requirements. The Group also has in place facilities for air filtration to ensure that the level of wastage or pollutants generated during its production process is within statutory limits. In addition, the Group has engaged a professional waste disposal service company for the disposal of hazardous wastes. To ensure compliance with the latest environmental laws and regulations, the Group has internal compliance manuals setting out its goals and policies in relation to environmental matters. The Group has been accredited with the ISO 14001 certification of environmental management system.

(i) Air pollutant emissions

During the year ended 31 December 2023, air pollutant emissions were mainly related to petrol consumption for the use of the Group's self-owned vehicles, which contributed to the emission of 13.58 kg (2022: 10.71 kg) of nitrogen oxides (NOx), 0.24 kg (2022: 0.19 kg) of sulphur oxides (SOx) and 1.00 kg (2022: 0.79 kg) of respiratory suspended particles (PM). During the year ended 31 December 2023, the Group devoted more effort to build long-term relationships with its customers, which increased the use of vehicles and air pollutant emissions.

A.1 排放

本集團於生產過程中產生若干廢物（排放源），包括固體廢物、廢水、噪音及空氣污染。本集團已根據國家及地方要求設立標準程序，以管理、處理及減少污染及廢物。本集團設有空氣過濾設施，確保生產過程中產生的廢物或污染物不超過法定範圍，亦聘請專業廢物處理服務公司處理有害廢物。為確保遵守最新環境法律法規，本集團設有內部合規手冊，列明環境相關的目標及政策。本集團亦獲得ISO 14001環境管理系統認證。

(i) 空氣污染物排放

截至二零二三年十二月三十一日止年度，空氣污染物排放主要與本集團使用自有汽車而消耗汽油有關，包括13.58千克氮氧化物(NOx)（二零二二年：10.71千克）、0.24千克硫氧化物(SOx)（二零二二年：0.19千克）及1.00千克可吸入懸浮粒子(PM)（二零二二：0.79千克）。於截至二零二三年十二月三十一日止年度，本集團投入更多精力與客戶建立長期關係，因而增加了汽車的使用量及空氣污染物的排放量。

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Air pollutant emissions reduction target

To better manage the Group's ESG performance, the Group decides to set quantifiable targets for air pollutant emissions as follows:

空氣污染物減排目標

為更好地管理本集團的環境、社會及管治表現，本集團決定制定以下可量化的空氣污染物排放目標：

Environmental indicators 環境指標	Reduction target 減排目標	Baseline year 基準年	Status 狀況
NOx emission intensity NOx 排放密度	Reduce 3% by Year 2027 二零二七年前減少3%	Year 2022 二零二二年	In progress 進行中
SOx emission intensity SOx 排放密度	Reduce 3% by Year 2027 二零二七年前減少3%	Year 2022 二零二二年	In progress 進行中
PM emission intensity PM 排放密度	Reduce 3% by Year 2027 二零二七年前減少3%	Year 2022 二零二二年	In progress 進行中

(ii) Greenhouse gas emissions

(ii) 溫室氣體排放

Scope of greenhouse gas emissions 溫室氣體排放範圍		For the year ended 31 December 2023 截至二零二三年 十二月三十一日止年度		For the year ended 31 December 2022 截至二零二二年 十二月三十一日止年度	
		Emission (in tCO ₂ e) 排放量(噸量 二氧化碳當量)	Percentage to total emission 佔總排放量 百分比	Emission (in tCO ₂ e) 排放量(噸量 二氧化碳當量)	Percentage to total emission 佔總排放量 百分比
Scope 1 Direct emission 範圍1 直接排放					
Combustion of petrol for mobile vehicles 汽車汽油燃燒		38.81	0.5%	30.53	1.8%
Consumption of refrigerant 製冷劑消耗量		-		81.45	
Scope 2 Indirect emission 範圍2 間接排放					
Purchased electricity 購買電力		7,773.62	96.1%	5,865.09	94.9%
Scope 3 Other indirect emission 範圍3 其他間接排放					
Paper waste disposal 廢紙處理		0.01	3.4%	0.01	3.3%
Water consumption 耗水		40.59		28.10	
Business air travel 商務飛行		236.88		177.20	
Total	總計	8,089.91	100%	6,182.38	100%

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Notes:

- (1) Emission factors were based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, and the latest released emission factors of China's regional power grid basis.
- (2) The above emission data does not include the removal of CO₂ contributed by recycling of paper.

During the year ended 31 December 2023, the Group's activities contributed to 8,089.91 tonnes (2022: 6,182.38 tonnes) or 0.15 tCO₂/m² (2022: 0.1 tCO₂/m²) of carbon dioxide equivalent (carbon dioxide, methane, nitrous oxide and hydrofluorocarbons) emission. The increase in carbon dioxide equivalent emission for the year ended 31 December 2023 was primarily attributed to the significant growth of the Group's business activities and the increase in electricity consumed to manufacture more products to satisfy the customer demand. Details of the Group's measures to reduce the consumption of resources and the related emissions are set out below. Same as the previous two years, the Group did not receive any complaints or warnings on greenhouse gas emissions during the year ended 31 December 2023.

Greenhouse gas emissions reduction target

To better manage the Group's ESG performance, the Group decides to set quantifiable targets for greenhouse gas emissions as follows:

Environmental indicators 環境指標	Reduction target 減排目標	Baseline year 基準年	Status 狀況
Greenhouse gas emissions 溫室氣體	Reduce 3% by Year 2027 二零二七年前減少3%	Year 2022 二零二二年	In progress 進行中

附註：

- (1) 排放系數乃基於(但不限於)世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書：企業會計與報告標準》、聯交所發佈的《如何編備環境、社會及管治報告－附錄二：環境關鍵績效指標匯報指引》，以及最新發佈的中國區域電網基線排放因子。
- (2) 上述排放數據不包括回收紙張產生的二氧化碳。

截至二零二三年十二月三十一日止年度，本集團的活動排放8,089.91噸(二零二二年：6,182.38噸)或0.15噸二氧化碳當量/平方米(二零二二年：0.1噸二氧化碳當量/平方米)二氧化碳當量(二氧化碳、甲烷，一氧化二氮和氫氟碳化物)。截至二零二三年十二月三十一日止年度的二氧化碳當量排放量增加，乃主要由於本集團業務活動大增，需消耗更多電力來製造更多產品，以滿足客戶需求。成功實施本集團減少資源消耗的措施，尤其是電力。本集團減少資源消耗及相關排放的措施詳情載列如下。與過去兩年一樣，本集團截至二零二三年十二月三十一日止年度並無接獲任何溫室氣體排放的投訴或警告。

溫室氣體減排目標

為更好地管理本集團的環境、社會及管治表現，本集團決定制定以下可量化的溫室氣體排放目標：

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Petrol consumption

During the year ended 31 December 2023, the Group's motor vehicles travelled 181,777 km (2022: 143,334 km), which consumed 16,446 litres (2022: 12,936 litres) of petrol (12.38 litres (2022: 14.53 litres) of petrol per employee) and contributed to 38.81 tonnes (2022: 30.53 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from petrol consumption, the Group encourages its employees to use public transport when they attend business activities. For business activities that take place within walking distance, the Group encourages its employees to walk or cycle to the destination.

Refrigerant consumption

During the year ended 31 December 2023, the Group consumed insignificant amount of refrigerant (2022: 45 kg) in connection with the use of air conditioning during its daily production and office operations, generating insignificant amount of carbon dioxide equivalent emissions (2022: 81.45 tonnes). To reduce the emissions arising from refrigerant consumption, the Group encourages its employees to switch off the air conditioning when they leave the office and production premises.

Electricity consumption

During the year ended 31 December 2023, the Group consumed 8,637,358 kWh (2022: 6,516,763 kWh) of electricity (6,504 kWh (2022: 8,012 kWh) per employee) in connection with its daily production and office operations, which contributed to 7,773.62 tonnes (2022: 5,865.09 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from electricity consumption, the Group encourages its employees to switch off the lights and other electricity appliances when they leave the office and production premises.

汽油消耗

截至二零二三年十二月三十一日止年度，本集團汽車行駛181,777公里（二零二二年：143,334公里），消耗16,446升汽油（二零二二年：12,936升汽油）（每名僱員消耗12.38升汽油）（二零二二年：14.53升汽油）及排放38.81噸（二零二二年：30.53噸）二氧化碳當量。為減少汽油消耗產生的排放，本集團鼓勵僱員使用公共交通工具前往業務活動。就步行距離之內的業務活動而言，本集團鼓勵員工步行或騎單車前往目的地。

製冷劑消耗

截至二零二三年十二月三十一日止年度，本集團在日常生產及辦公室運營過程中因使用空調消耗極少量製冷劑（二零二二年：45千克），並產生極少量二氧化碳當量排放（二零二二年：81.45噸）。為減少因消耗製冷劑而產生的排放，本集團鼓勵僱員離開辦公室及生產場所時關閉空調。

電力消耗

截至二零二三年十二月三十一日止年度，本集團在日常生產和辦公中消耗8,637,358千瓦時（二零二二年：6,516,763千瓦時）電力（每名僱員6,504千瓦時（二零二二年：8,012千瓦時），排放7,773.62噸（二零二二年：5,865.09噸）二氧化碳當量。為減少用電產生的排放，本集團鼓勵僱員在離開辦公室和生產場所時關掉電燈和其他電器。

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Paper consumption

During the year ended 31 December 2023, the Group consumed 1.3 tonnes (2022: 1.3 tonnes) of paper (0.001 tonnes (2022: 0.001 tonnes) per employee) in connection with its daily business operations, which contributed to 0.01 tonnes (2022: 0.01 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from paper usage, the Group encourages its employees to conserve paper, review documents on computers, send messages to customers via emails, use recycled paper and adopt double-sided printing.

Water consumption

During the year ended 31 December 2023, the Group consumed 45,308 cubic metres (2022: 28,101 cubic metres) of water (34.1 cubic metres (2022: 31.6 cubic metres) per employee) in connection with its daily business operations, which contributed to 40.59 tonnes (2022: 28.10 tonnes) of carbon dioxide equivalent emissions. To reduce the emissions arising from water usage, the Group encourages its employees to conserve water and remember to turn off the water tap after use. As a result, the employees have increased their awareness to reduce water consumption. During the year ended 31 December 2023, the Group did not encounter any problems in sourcing water that is fit for purpose. Further, the Group did not consume a significant amount of water that was and disproportional to the scale of its business operations.

Business air travel

The Group's business nature requires employees to travel by air to other countries for meetings with customers and suppliers. They would only travel by air when necessary and the Group keeps track of their business air travels. During the year ended 31 December 2023, business air travels of the Group's employees had contributed a total of 236.88 tonnes (2022: 177.16 tonnes) of carbon dioxide equivalent emission.

用紙

截至二零二三年十二月三十一日止年度，本集團因日常業務而使用1.3噸(二零二二年：1.3噸)紙張(每名僱員0.001噸(二零二二年：0.001噸))，產生0.01噸(二零二二年：0.01噸)二氧化碳當量排放。為減少紙張使用產生的排放，本集團鼓勵員工節約紙張，用電腦審閱文檔，通過電子郵件向客戶發送消息，使用再生紙並採用雙面打印。

用水

截至二零二三年十二月三十一日止年度，本集團日常業務消耗45,308立方米(二零二二年：28,101立方米)水(每名僱員34.1立方米(二零二二年：31.6立方米))，排放40.59噸(二零二二年：28.10噸)二氧化碳當量。為減少用水引起的排放，本集團鼓勵僱員節約用水和用後關水。因此，僱員的節水意識得以提高。截至二零二三年十二月三十一日止年度，本集團在獲取適用水源上並無遭遇任何困難。此外，本集團的用水量與其業務運營規模相符。

商務飛行

本集團的業務性質要求僱員乘飛機前往其他國家與客戶和供應商會面。彼等僅在必要時乘飛機旅行，旅程由本集團記錄。截至二零二三年十二月三十一日止年度，本集團僱員商務飛行合共排放236.88噸(二零二二年：177.16噸)二氧化碳當量。

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(iii) Hazardous waste

During the year ended 31 December 2023, the Group generated minimal amount of hazardous waste. The major hazardous waste generated by the Group was waste light tube. To minimise the impact on environment, the Group has engaged a professional waste disposal service company for the disposal of hazardous wastes. The Group will strive to reduce generation of hazardous waste through upgrading technologies whenever possible. Same as the previous two years, the Group did not receive any complaints or warnings on disposal of its hazardous waste during the year ended 31 December 2023, and targets to achieve the same performance in 2024.

(iv) Non-hazardous waste

During the year ended 31 December 2023, the Group generated a total of 1,261 tonnes (2022: 1,450 tonnes) of non-hazardous waste (0.95 tonnes (2022: 1.63 tonnes) per employee). The non-hazardous waste generated by the Group were packaging materials generated from the Group's production process. The Group regularly reminds its employees to use resources efficiently and try to avoid the generation of waste. As a result, the employees' awareness of waste management has been increased. Same as the previous two years, the Group did not receive any complaints or warnings on disposal of its non-hazardous waste during the year ended 31 December 2023, and targets to achieve the same performance in 2024.

(iii) 有害廢物

截至二零二三年十二月三十一日止年度，本集團產生微量有害廢物。本集團產生的主要有害廢物為廢光管。為盡量減少對環境的影響，本集團已聘請專業廢物處理服務公司處理有害廢物。本集團將盡力通過升級技術減少產生有害廢物。與過去兩年一樣，本集團截至二零二三年十二月三十一日止年度並無接獲任何有害廢物的投訴或警告，並目標於二零二四年達致同樣表現。

(iv) 無害廢物

截至二零二三年十二月三十一日止年度，本集團合共產生1,261噸（二零二二年：1,450噸）無害廢物（每名僱員0.95噸（二零二二年：1.63噸））。本集團產生的主要無害廢物為本集團在生產過程中產生的包裝材料。本集團定期提醒僱員有效利用資源，盡量避免浪費，提高了僱員對廢物管理的認識。與過去兩年一樣，本集團截至二零二三年十二月三十一日止年度並無接獲任何處理無害廢物的投訴或警告，並目標於二零二四年達致同樣表現。

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A.2 Use of resources

Reducing consumption of resources and enhancing utilisation efficiency are the Group's principles in minimising adverse impact on the environment and natural resources that may be caused by its business operations. The Group has adopted a set of guidelines to achieve efficient use of energy, water and other resources for long-term sustainability.

The Group's total consumption of resources during the year ended 31 December 2023 together with the relevant conservation measures adopted by the Group are detailed in the section headed "A.1 Emissions" above.

A.3 The environment and natural resources

During the year ended 31 December 2023, the Group's business activities did not cause significant adverse impact on the environment and natural resources.

To further improve the use of resources, the Group takes the following actions on an ongoing basis:

- keep track of its consumption level of resources;
- review the effectiveness of its conservation measures; and
- design improvement measures

As a result, the Group's employees are more aware of the importance of using resources efficiently.

A.2 資源使用

本集團盡量減輕業務運營可能對環境及自然資源造成的不利影響的原則是減少資源消耗和提高利用率。本集團已採取一系列指引，以實現能源、水和其他資源的長期可持續有效利用。

截至二零二三年十二月三十一日止年度，本集團的資源總消耗量以及本集團採取的相關節約措施詳述於上文「A.1 排放」一節。

A.3 環境及自然資源

截至二零二三年十二月三十一日止年度，本集團的業務活動並無對環境及自然資源造成重大不利影響。

為進一步優化資源使用，本集團持續採取以下措施：

- 記錄資源消耗水平；
- 檢討節約措施成效；及
- 設計改進措施。

因此，本集團僱員深知有效利用資源的重要性。

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A.4 Climate change

Climate change is one of the biggest challenges to the world. The Group acknowledges its responsibility to implement strategies to reduce carbon emissions and mitigate climate change.

The Group manages the climate change risk with reference to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which contains four major components: Governance, Strategy, Risk Management and Metrics and Targets. The Board oversees the governance and reporting of the Group's climate change risk.

Management of the Group regularly monitors and identifies climate change risk that is relevant to the Group's business operations. Strategies will be implemented on a timely manner to mitigate such risk.

Climate change is mainly caused by the release of carbon dioxide into the atmosphere, resulting from the use of fossil fuels for electricity generation and for transportation. As mentioned above, the Group has implemented appropriate strategies to use resources more efficiently and reduce emissions to combat climate change and reduce potential costs in the future.

During the year ended 31 December 2023, the Group identified the following climate-related risks that may have material impacts on the Group's business operations:

Physical risks

The increased frequency and severity of extreme weather such as typhoons, storms and heavy rains can disrupt the Group's operations by damaging the power grid, and communication infrastructures, and injuring its employees during their work, leading to reduced capacity and decreased in productivity, or expose the Group to risks associated with non-performance and delayed performance. To minimise the potential risks and hazards, the Group has flexible working arrangements and precautionary measures during bad or extreme weather conditions.

A.4 氣候變化

氣候變化是當今世界面臨的最大挑戰。本集團明白其有責任實施策略以減少碳排放及緩解氣候變化。

本集團在管理氣候變化風險時參考氣候相關財務披露工作組(TCFD)的建議，其中包含四個主要部分：治理、策略、風險管理及指標和目標。董事會監控本集團的氣候變化風險治理及報告。

本集團管理層定期注視及識別與本集團業務經營有關的氣候變化風險。本公司將及時實施策略以降低有關風險。

氣候變化主要是由於使用化石燃料發電和運輸，而向大氣層釋放二氧化碳所致。如上文所述，本集團已實施適當的策略，以更有效地利用資源和減少排放，以應對氣候變化並降低未來的潛在成本。

截至二零二三年十二月三十一日止年度，本集團已識別以下可能對本集團的業務營運產生重大影響的氣候相關風險：

實體風險

極端天氣事件的頻率及嚴重程度的增加，如颱風、風暴、暴雨，可能會對電網及通信基礎設施造成破壞，從而擾亂本集團的營運，及傷害員工，導致產能減少和生產力下降，或使本集團面臨與不履約和延遲履約相關的風險。為將潛在風險和危害降至最低，本集團在惡劣或極端天氣條件下設有靈活的工作安排和預防措施。

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Transition risks

The Group anticipates that there will be more stringent climate legislations and regulations to support the global vision of carbon neutrality. We acknowledge the requirements to enhance the climate-related information disclosures as a result of the recent update of the ESG Reporting Guide in respect to significant climate-related impact disclosures of an issuer. Stricter environmental laws and regulations may expose enterprises to higher risks of claims and lawsuits. Corporate reputation may also be adversely affected by the failure to meet the compliance requirements for climate change. The Group's related capital investment and compliance costs may increase. In response to the policy and legal risks as well as the reputation risks, the Group regularly monitors existing and emerging trends, policies and regulations relevant to climate and be prepared to alert the Board where necessary to avoid cost increments, penalties for non-compliance and/or reputational risks due to delayed response.

過渡風險

本集團預計將有更嚴格的氣候立法和法規來支持全球碳中和願景。我們確認，最近修訂的環境、社會及管治報告指引，規定發行人須披露重大氣候相關影響，導致我們需要加強氣候相關訊息披露。更嚴格的環境法律及法規可能使企業面臨更高的索賠及訴訟風險。企業聲譽亦可能因未能符合氣候變化的合規要求而受到不利影響。本集團的相關資本投資及合規成本可能增加。為了應對政策及法律風險以及聲譽風險，本集團定期監測與氣候有關的現有及新出現的趨勢、政策及法規，並準備於必要時提醒董事會，以避免成本增加、違規罰款及／或因反應遲緩而導致的聲譽風險。

B. Social

B.1 Employment and labour practices

(i) Employment

Total employees

The Group had 1,328 full-time employees in the PRC as at 31 December 2023 (31 December 2022: 890). The Group did not have any part-time employees as at 31 December 2023. During the year ended 31 December 2023, the Group increased the hiring of staff to satisfy its business needs.

B. 社會

B.1 僱傭及勞工常規

(i) 僱傭

僱員總數

於二零二三年十二月三十一日，本集團在中國有1,328名全職僱員（二零二二年十二月三十一日：890名）。於二零二三年十二月三十一日，本集團並無任何兼職員工。截至二零二三年十二月三十一日止年度，本集團增加招聘員工以應付業務需要。

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Set forth below is the Group's employee turnover rate by gender, age group and geographical region:

以下是按性別、年齡組及地區劃分的本集團員工流失率：

Geographical location: The PRC

地區：中國

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

Turnover rate	流失率	Male	Female	Total by age group
		男性	女性	按年齡組列示的總數
30 or below	30歲或以下	41.9%	42.3%	42.1%
31-40	31至40歲	11.1%	43.8%	28.0%
41-50	41至50歲	45.9%	66.7%	59.1%
Above 50	50歲以上	66.7%	83.3%	80.0%
Total by gender	按性別列示的總數	30.7%	47.9%	

Geographical location: The PRC

地區：中國

For the year ended 31 December 2022
截至二零二二年十二月三十一日止年度

Turnover rate	流失率	Male	Female	Total by age group
		男性	女性	按年齡組列示的總數
30 or below	30歲或以下	117.9%	106.3%	112.5%
31-40	31至40歲	55.5%	62.2%	58.4%
41-50	41至50歲	42.4%	88.2%	67.4%
Above 50	50歲以上	33.3%	36.4%	35.3%
Total by gender	按性別列示的總數	83.5%	85.9%	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

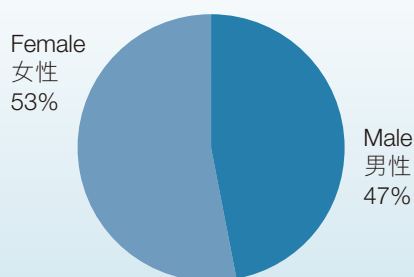
環境、社會及管治報告

The Group maintains a gender balance in its workforce. Set forth below are the distribution of the Group's employees as at 31 December 2023 by gender and age group:

本集團維持均衡的男女僱員分佈。以下是二零二三年十二月三十一日按性別和年齡組劃分的本集團僱員分佈：

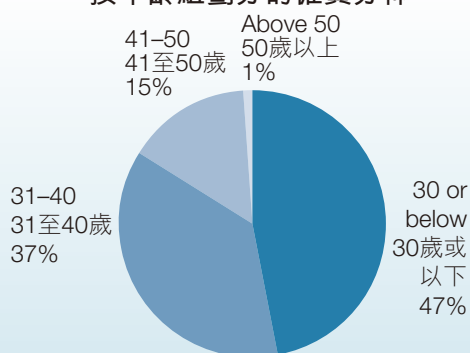
DISTRIBUTION OF EMPLOYEES BY GENDER

按性別劃分的僱員分佈



DISTRIBUTION OF EMPLOYEES BY AGE GROUP

按年齡組劃分的僱員分佈



Employee benefits and welfare

The Group enters into employment contracts with its employees and the employment contract terms were stipulated under the principles of fairness, voluntarism, mutual consent, integrity and credibility. The remuneration package offered to employees includes salary, bonuses and other subsidies. In general, the remuneration package is based on each employee's qualifications, position, seniority and work performance. The Group carries out an annual review system to assess the performance of its employees, which forms the basis of decisions with respect to salary raises, bonuses and promotions.

During the year ended 31 December 2023, the Group maintains social insurance for its employees pursuant to the applicable PRC laws and regulations by making contributions to the mandatory social insurance and housing provident funds which provide basic retirement, medical, work-related injury, maternity and unemployment benefits.

僱員福利

本集團與僱員簽訂僱傭合約，僱傭合約的條款基於公平、自願、雙方同意、誠信及信譽原則制定。僱員薪酬包括薪金、花紅和其他補貼。薪酬待遇一般根據僱員資格、職位、資歷和工作表現釐定。本集團實行年度檢討制度以評估僱員的表現，作為加薪、花紅和晉升的決策基礎。

截至二零二三年十二月三十一日止年度，本集團根據適用中國法律法規為僱員繳納社會保險，包括向強制社保及住房公積金供款，提供基本退休、醫療、工傷、生育及失業保險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the year ended 31 December 2023, the Group complies with the Labour Law of the PRC and did not experience any significant disputes with its employees or any disruption to business operations due to labour disputes. In addition, the Group did not experience any difficulties in the recruitment and retention of experienced core staff or skilled personnel.

Labour standards

During the year ended 31 December 2023, there was no child labour nor forced labour working in the Group. The job application requirement specifies that job applicants must be at least 18 years old. To ensure that job applicants can meet the age requirement, identities of job applicants are verified against their valid identity documents, relevant permits and certificates.

The human resources department is required to carry out background checks to authenticate information provided by job applicants and is required to fill in forms that confirm hired employees have met the age requirement. If child labour or forced labour is discovered, such matter will be reported to the human resources department and the senior management and the Group will enhance the internal controls immediately. No material non-compliance in relation to laws and regulations regarding prevention of child and forced labour was recorded during the year ended 31 December 2023.

截至二零二三年十二月三十一日止年度，本集團一直遵守中華人民共和國勞動法，並無與僱員發生重大糾紛或因勞資糾紛導致經營活動中斷。此外，本集團在聘任和留任經驗豐富的核心員工或熟練人員方面並無任何困難。

勞工準則

截至二零二三年十二月三十一日止年度，本集團概無童工或強制勞工。招聘要求規定求職者必須年滿18歲。為確保求職者符合年齡要求，本集團根據有效身份證明文件、相關許可證及證書核實求職者身份。

人力資源部須進行背景調查以驗證求職者提供的資料，並須填寫表格以確認僱傭的僱員已達到年齡要求。倘發現童工或強迫勞工，有關事宜將匯報至人力資源部及高級管理層，而本集團將即時加強內部控制。截至二零二三年十二月三十一日止年度，未發生任何重大違反防止童工和強迫勞工相關法律法規的行為。

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環境、社會及管治報告

Equal opportunity

The Group provides equal opportunities for employees in respect of recruitment, job advancement, training and development, etc. Employees are not discriminated against or deprived of such opportunities on the basis of race, nationality, religion, physical condition, disability, gender, pregnancy, sexual orientation, political status, age and any other discrimination prohibited by applicable law. Employees shall not act in discriminatory manner or they can be subject to disciplinary actions.

(ii) Employee relations

The Directors consider that it is important to maintain good relationship with employees. The Group maintains regular communications with its employees by arranging gatherings, celebration activities and trainings. Through these activities, the Group would collect feedback from its employees on job satisfactions and their expectations on the Group and would implement appropriate strategies to improve the work environment and its relationship with the employees.

(iii) Employee health and safety

The Group places emphasis on occupational health and work safety. It provides a safe working environment and training sessions for its employees to ensure that they can work safely. It has also implemented a system of recording and handling accidents. Further, the Group also has dedicated personnel responsible for administering the internal worker safety policies, providing relevant training and education, and conducting regular inspections. During the year ended 31 December 2023, the Group had not experienced any material safety accidents or been penalised for any non-compliance relating to work safety laws and regulations.

平等機會

本集團在招聘、晉升、培訓及發展等方面為僱員提供平等機會。僱員不會因種族、國籍、宗教、身體狀況、殘疾、性別、懷孕、性取向、政治取向、年齡或適用法例禁止的任何其他歧視而遭歧視或剝奪有關機會。僱員不得歧視他人，否則可能會受到紀律處分。

(ii) 僱員關係

董事認為，與僱員維持良好關係十分重要。本集團通過安排聚會、慶祝活動及培訓定期與僱員溝通。藉助該等活動，本集團可聽取僱員有關工作滿意度及對本集團期望的意見，實施適當策略改善工作環境及與僱員的關係。

(iii) 僱員健康與安全

本集團注重職業健康及工作安全，為僱員提供安全的工作環境及培訓課程，以確保彼等能安全工作。本集團亦實行記錄及處理事故的制度。此外，本集團還有專職人員負責管理內部員工安全政策，提供相關培訓及教育，進行定期檢查。截至二零二三年十二月三十一日止年度，本集團並無發生任何重大安全事故，亦無因不遵守工作安全法律及法規而受到處罰。

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Occupational health and safety data for the three years ended 31 December 2023	截至二零二二年十二月 三十一日止三個年度的職業 健康與安全數據因工死亡
Work related fatality	因工死亡 –
Work injury cases >3 days	3天以上的工傷事故 –
Work injury cases ≤3 days	3天及以內的工傷事故 –
Lost days due to work injury	工傷停工天數 –

(iv) Development and training

The Group provides comprehensive training and development opportunities to its employees on a regular basis. The trainings are arranged according to needs of employees, which were identified annually by individual departments:

- (a) Orientation training – To familiarise employees with the Group's objectives, culture, rules and regulations, safety and product-related knowledge on the first day of work.
- (b) Pre-job training – To familiarise new employees or transferred employees with their new duties.
- (c) On-the-job training – To ensure that the employees are familiar with the Group's products, to sharpen the sales technique and customer service standard of sales and marketing personnel and to ensure the production and quality control personnel perform proper quality control procedures.

(iv) 發展及培訓

本集團定期為僱員提供全面的培訓及發展機會。本集團按僱員需求安排培訓，僱員需求每年由各部門確定：

- (a) 入職培訓— 在入職當天培訓僱員熟悉本集團的目標、文化、規則制度、安全及產品相關知識；
- (b) 崗前培訓— 培訓新僱員或轉崗僱員熟悉新崗職責；
- (c) 在職培訓— 確保僱員熟悉本集團的產品，提升銷售及營銷人員的銷售技巧及客戶服務標準，確保生產及質控人員妥善履行質控程序。

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Set forth below is the number and percentage of training hours completed by the Group's employees by gender and employee category:

以下為本集團僱員按性別及僱員類別所完成的培訓時數及百分比：

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

Employee category 僱員類別	Male 男性	Female 女性	Total 合計	% of training hours by employee category 按僱員類別劃分的受訓時數的百分比
	Training hours 受訓時數	Training hours 受訓時數	Training hours 受訓時數	
Senior management 高級管理層	114	–	114	1.4%
Middle management 中級管理層	340	190	530	6.4%
Other employees 其他僱員	3,502	4,100	7,602	92.2%
Total 總計	3,956	4,290	8,246	100.0%
% of training hours by gender 按性別劃分的受訓時數的百分比	48.0%	52.0%	100.0%	

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For the year ended 31 December 2022
截至二零二二年十二月三十一日止年度

Employee category 僱員類別	Male 男性	Female 女性	Total 合計	% of training hours by employee category 按僱員類別 劃分的受訓 時數的百分比
	Training hours 受訓時數	Training hours 受訓時數	Training hours 受訓時數	
Senior management 高級管理層	152	–	152	2.6%
Middle management 中級管理層	448	256	704	11.9%
Other employees 其他僱員	2,580	2,496	5,076	85.5%
Total 總計	3,180	2,752	5,932	100.0%
% of training hours by gender 按性別劃分的受訓時數 的百分比	53.6%	46.4%	100.0%	

B.2 Operating practices

(i) Supply chain management

The Group purchases raw materials and equipment based on its own needs, specifications, quality and safety performance of equipment, reputation, after-sales service and delivery time of the supplier. The Group compares different suppliers to select qualified suppliers (based on their product specifications, product compliances, production management, quality management and also ESG performances) before the Group enters into contract with the qualified suppliers.

When selecting equipment, the Group would also consider whether they are energy efficient and environmental friendly. During the year ended 31 December 2023, the Group principally sourced its major raw materials (including PCBAs, display modules, camera modules and mobile chips) and equipment from PRC suppliers.

B.2 經營常規

(i) 供應鏈管理

本集團基於自身需求以及供應商的設備規格、質量及安全表現、聲譽、售後服務及交付時間採購原材料及設備。與合資格供應商訂立合約前，本集團會比較不同供應商以甄選合資格供應商（基於產品規格、產品合規、生產管理、質量管理以環境、社會及管治表現）。

在選擇設備時，本集團亦會考慮設備是否節能及環保。截至二零二三年十二月三十一日止年度，本集團的主要原材料（包括印刷電路板、顯示屏模件、攝像頭模件及移動芯片）及設備主要採購自中國供應商。

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The geographical locations of the Group's suppliers of raw materials and equipment were as follows:

本集團原材料及設備的供應商之地理位置如下：

Geographical locations of the Group's suppliers 本集團供應商的地理位置		Number of suppliers 供應商數目	
		For the year ended 31 December 2023 截至二零二三年十二月三十一日止年度	For the year ended 31 December 2022 截至二零二二年十二月三十一日止年度
The PRC	中國	760	643
Hong Kong	香港	70	72
Total	合計	830	715

The Group expects its suppliers to uphold the environmental, social and governance principles that the Group has adopted into the management of its business operations. In order to ensure that the components and raw materials meet the requisite safety and quality standards, the Group adopts stringent criteria in supplier selection (including but not limited to whether they provide high quality raw materials, whether they maintain a high standard on environmental protection and comply with relevant laws on environmental issues, whether price is comparable to market rate and location of their factories) and continuously monitors existing suppliers on an annual basis, based on criteria such as product quality, product defect ratio, delivery punctuality ratio and responsiveness.

Whether the supplier will continue to be included in the Group's list of approved suppliers depends on the marks it achieved under annual evaluation. The awareness of environmental protection is one of the key criteria for the Group to evaluate the suppliers.

本集團預期供應商在管理其業務營運時，恪守本集團所採納的環境、社會及管治原則。為確保零部件及原材料符合所需的安全及品質標準，本集團在甄選供應商時採用嚴格標準（包括但不限於彼等是否提供的原材料是否上乘、是否在環保方面維持高標準，並遵守有關環境問題的法例、價格是否與市價相若及廠房位置），並每年根據產品品質、產品不良比率、準時交貨率及回應等標準持續監察現有供應商。

供應商是否繼續納入本集團的認可供應商名單，取決於其在年度評估中達到的分數。環保意識是本集團評估供應商的重要標準之一。

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(ii) Product responsibility

Product assurance and recall

Product quality is crucial to the Group's continued success. The Group places strong emphasis on achieving a consistently high quality for its products. To achieve such purpose, stringent quality control measures throughout the production process were implemented to ensure the quality and safety of our products. The Group's quality control department performs regular inspections to evaluate the effectiveness of the quality control measures and further enhance these measures when necessary.

The Group's quality management system has complied with the standard of GB/T 19001-2016/ISO9001:2015 Quality Management Systems Requirements and awarded a certificate for the design, development, production and services of communication products, including exportable mobile phone, on 18 January 2019, which remains valid until 16 January 2025. During the year ended 31 December 2023, the Group did not experience any claims, litigations and arbitrations or material adverse findings in inspection by government authorities with respect to product quality.

The Group only accepts product returns if there is manufacture or design defect or the product specification deviates from customers' specifications. During the year ended 31 December 2023, the Group did not experience any product recall, material non-compliance with laws and regulations in relation to product safety nor receive any material complaints from consumers.

(ii) 產品責任

產品保證及召回

產品質量對本集團取得持續成功至關重要。本集團極之注重維持產品的一貫優質表現。為達致此目的，本集團對全生產過程實施嚴格的質控措施，以確保我們產品的質量及安全。本集團的質控部門會定期檢查，以評估質控措施的成效和在必要時進一步強化該等措施。

我們的質量管理系統符合GB/T19001-2016/ISO9001:2015質量管理系統要求的標準，並於二零一九年一月十八日獲得通信產品(包括出口手機)的設計、開發、生產及服務證書，有效期至二零二五年一月十六日止。截至二零二三年十二月三十一日止年度，本集團並無面臨與產品質量有關的任何索賠、訴訟及仲裁或政府機關發出的重大不利檢查結果。

本集團僅於出現生產或設計瑕疵或產品規格偏離客戶規格的情況下方會接受退貨。截至二零二三年十二月三十一日止年度，本集團並無進行任何產品召回，亦無嚴重違反產品安全相關法律法規的情況或收到任何重大客戶投訴。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Intellectual property rights and information security

As a mobile phone supplier with strong design capability, the Group registers patents to safeguard the technologies and mobile phone applications developed by the research and development department time to time. The Group relies on the relevant laws and regulations to protect its brand names, trademarks and other intellectual property rights.

During the year ended 31 December 2023, the Group was not aware of any material infringement (i) by the Group of any intellectual property rights owned by any third parties; or (ii) by any third party of any intellectual property rights owned by the Group. Further, there were no pending or threatened material claims made against the Group, nor had there been any material claims made by the Group against third parties, with respect to the infringement of intellectual property rights owned by the Group.

(iii) Anti-fraud and anti-corruption

According to the Group's anti-corruption policy, all employees shall abide by the laws and regulations of the PRC and shall not engage in any illegal activities. Employees shall uphold the code of ethics, advocate fair competition and act against bribery. Any bribery, fraud, money laundering and embezzlement are prohibited.

Employees must not accept or request any improper benefits including banquets, gifts, securities, valuables and high-expenditure entertainment activities from business partners, suppliers and merchants, etc. When there is any alleged case in violation of laws, regulations, code of conduct or Group's policies, the Group will investigate and impose disciplinary actions upon offenders after verification. The Group also provides trainings to directors and employees from time to time to ensure that they comply and familiar with the anti-fraud and anti-corruption policy of the Group.

知識產權及信息安全

作為擁有雄厚設計能力的手機供應商，本集團已註冊專利以保障研發部門不時開發的技術及手機應用程式。本集團依賴相關法律及法規保護品牌、商標及其他知識產權。

截至二零二三年十二月三十一日止年度，就本集團所知，(i)本集團並無嚴重侵犯任何第三方擁有的任何知識產權；或(ii)任何第三方並無嚴重侵犯本集團擁有的任何知識產權。此外，本集團並無任何未決或可能遭提起的重大索賠，本集團亦無因本集團所擁有知識產權遭侵犯而向第三方提起的任何重大索賠。

(iii) 反欺詐及反貪腐

根據本集團的反貪腐政策，所有僱員均須遵守中國的法律及法規，不得從事任何非法活動。僱員應恪守職業道德，倡導公平競爭和防止賄賂。本集團禁止任何賄賂、欺詐、洗錢及侵吞公款行為。

僱員不得接受來自業務夥伴、供應商及商戶等方的任何不正當利益或要求提供任何不正當利益，包括宴請、禮物、證券、貴重物品及高消費招待活動。若有疑似違反法律、法規、操守守則或本集團政策的情況，本集團將調查違者，核實後紀律處分。本集團亦不時向董事及僱員提供培訓，確保彼等遵守及熟悉本集團的反欺詐及反貪污政策。

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The Board will monitor and review the effectiveness of the anti-fraud and anti-corruption policy from time to time.

During the year ended 31 December 2023, the Group complied with all applicable laws on prohibiting corruption and bribery of the PRC and there was no concluded legal case regarding corrupt practices brought against the Group or its employees.

Whistleblowing policy

The Group has implemented whistleblowing policy to provide a well-defined and accessible channel for reporting fraud, corruption, dishonest practices, or other similar matters and guidance on how an investigation would be initiated upon receiving a complaint. The policy also protects employees who report fraudulent activities in good faith and reasonable belief. A whistleblowing officer is elected to ensure that any reported case is dealt with in an expedited manner.

Upon receiving the complaint, the Board decides the method of investigation, which may involve appointing an external consultant for assessment. The Board will monitor and review the effectiveness of the whistleblowing policy from time to time.

董事會將不時監察及檢討反欺詐及反貪污政策的成效。

截至二零二三年十二月三十一日止年度，本集團已遵守中國有關禁止貪污受賄的所有適用法律，且並無針對本集團或僱員提出的已審結貪污法律案件。

舉報政策

本集團已實施舉報政策，提供明確及可接觸的渠道，以舉報欺詐、貪污、不誠實行為或其他類似事宜，以及在收到投訴後如何展開調查的指引。該政策亦保障以良好信誠態度及合理信念舉報詐騙活動的僱員。我們已選出一名舉報主任，確保任何舉報個案得以迅速處理。

收到投訴後，董事會將決定調查方法，可能涉及委聘外部顧問進行評估。董事會將不時監察及檢討舉報政策的成效。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

(iv) Data protection and privacy policy

The Group is committed to protecting the privacy of its customers, employees, business partners and suppliers by maintaining a safe and secure data environment. The Group has implemented appropriate policies to ensure that all personal and business data collected during the Group's business activities are organised and secured properly. Computers and servers are protected from access passwords, Employees are instructed of their responsibility to follow the confidentiality code on the access to information and to ensure the safekeeping of all personal, customer and business data, trade secrets and proprietary information. Employees are prohibited from disclosing the information to unauthorised parties.

B.3 Community investment

The Group acknowledges corporate social responsibility and allocates resources to satisfy the needs of the community. During the year ended 31 December 2023, the Group spent reasonable amount of time and resources on environmental protection as well as cultural and sport promotion. The Group encouraged its employees to participate charitable events. Going forward, the Group will continue to focus on community needs and increase its investment in community.

(iv) 資料保護及私穩政策

本集團致力透過維持安全及有保障的資料環境來保護其客戶、員工、業務夥伴及供應商的私隱。本集團已實施適當的政策，以確保在本集團的業務活動中收集的所有個人及業務資料均安排有序及安全穩妥。電腦及伺服器的存取受到密碼保護，員工獲指示其有責任遵循資料存取的保密守則，並確保所有個人、客戶及業務資料、商業秘密及專有資訊獲安全保管。員工被禁止向未經授權人士透露資料。

B.3 社區投資

本集團深知企業社會責任，分配資源滿足社區需求。截至二零二三年十二月三十一日止年度，本集團專注花費合理的時間和資源在環保與文化及體育推廣。本集團鼓勵僱員參與公益活動。日後，本集團將繼續專注於社區需求和加大社區投資。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The ESG Reporting Guide Content Index of the Stock Exchange of Hong Kong Limited

香港聯合交易所有限公司的環境、社會及管治報告指引內容索引表

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Mandatory Disclosure Requirements 強制披露規定 Governance Structure 管治架構	<p>A statement from the board containing the following elements: 由董事會發出的聲明，當中載有下列內容：</p> <p>(i) a disclosure of the board's oversight of ESG issues; 披露董事會對環境、社會及管治事宜的監管；</p> <p>(ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and 董事會的環境、社會及管治管理方針及策略，包括評估、優次排列及管理重要的環境、社會及管治相關事宜（包括對發行人業務的風險）的過程；及</p> <p>(iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses. 董事會如何按環境、社會及管治相關目標檢討進度，並解釋它們如何與發行人業務有關連。</p>	<p>ESG GOVERNANCE 環境、社會及管治治理</p> <p>ESG STRATEGIES 環境、社會及管治策略</p> <p>STAKEHOLDER ENGAGEMENT 持份者參與</p>

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
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Reporting Principles 報告原則

A description of, or an explanation on, the application of the reporting principles in the preparation of the ESG report.
描述或解釋在編備環境、社會及管治報告時如何應用匯報原則。

REPORTING PRINCIPLES
報告原則

Reporting Boundary 報告範圍

A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.
解釋環境、社會及管治報告的匯報範圍，及描述挑選哪些實體或業務納入環境、社會及管治報告的過程。若匯報範圍有所改變，發行人應解釋不同之處及變動原因。

REPORTING SCOPE
報告範圍

Aspect A1: Emissions 層面A1：排放物 General Disclosure 一般披露

Information on:
有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：

A. ENVIRONMENT
環境

- (a) the policies; and
政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous waste.
遵守對發行人有重大影響的相關法律及規例的資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
KPI A1.1 關鍵績效指標 A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	A.1 Emissions A.1 排放
KPI A1.2 關鍵績效指標 A1.2	Greenhouse gas emissions in total (in tonnes) and intensity. 溫室氣體總排放量(以噸計算)及密度。	A.1 Emissions – (ii) Greenhouse gas emissions A.1 排放 – (ii) 溫室氣體排放
KPI A1.3 關鍵績效指標 A1.3	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	A.1 Emissions – (iii) Hazardous waste (Not applicable – Explained) A.1 排放 – (iii) 有害廢物 (不適用 – 已解釋)
KPI A1.4 關鍵績效指標 A1.4	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 無害廢物
KPI A1.5 關鍵績效指標 A1.5	Description of reduction initiatives and results achieved. 描述減低排放量的措施及所得成果。	A.1 Emissions A.1 排放
KPI A1.6 關鍵績效指標 A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	A.1 Emissions – (iii) Hazardous waste A.1 排放 – (iii) 有害廢物 A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 有害廢物

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect A2: Use of Resources 層面 A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。	A.2 Use of resources A.2 資源使用
KPI A2.1 關鍵績效指標 A2.1	Direct and/or indirect energy consumption by type in total and intensity. 按類型劃分的直接及／或間接能源總耗量及密度。	A.1 Emissions A.1 排放
KPI A2.2 關鍵績效指標 A2.2	Water consumption in total and intensity. 總耗水量及密度。	A.1 Emissions – (ii) Greenhouse gas emissions – Water consumption A.1 排放 – (ii) 溫室氣體排放 – 用水
KPI A2.3 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	A.1 Emissions A.1 排放
KPI A2.4 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	A.1 Emissions – (ii) Greenhouse gas emissions – Water consumption A.1 排放 – (ii) 溫室氣體排放 – 用水
KPI A2.5 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes). 製成品所用包裝材料的總量（以噸計算）。	A.1 Emissions – (iv) Non-hazardous waste A.1 排放 – (iv) 無害廢物

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect A3: The Environment and Natural Resources		
層面 A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	A.3 The environment and natural resources A.3 環境及自然資源
KPI A3.1 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	A.3 The environment and natural resources A.3 環境及自然資源
Aspect A4: Climate Change		
層面 A4：氣候變化		
General Disclosure 一般披露	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer. 識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。	A.4 Climate change A.4 氣候變化
KPI A4.1 關鍵績效指標 A4.1	Description of significant climate-related issues which have impacted and/or may impact the issuer and the actions taken to manage them. 說明已影響和／或可能影響發行人的重大氣候相關問題，以及為解決這些問題而採取的行動。	A.4 Climate change A.4 氣候變化

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect B1: Employment 層面 B1：僱傭		
General Disclosure 一般披露	<p>Information on: 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) the policies; and 政策；及</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>B.1 Employment and labour practices B.1 僱傭及勞工常規</p>
KPI B1.1 關鍵績效指標 B1.1	<p>Total workforce by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員總數。</p>	<p>B.1 Employment and labour practices – (i) Employment – Total employees B.1 僱傭及勞工常規 – (i) 僱傭 – 僱員總數</p>
KPI B1.2 關鍵績效指標 B1.2	<p>Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。</p>	<p>B.1 Employment and labour practices – (i) Employment – Total employees B.1 僱傭及勞工常規 – (i) 僱傭 – 僱員總數</p>

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect B2: Health and Safety 層面 B2：健康與安全		
General Disclosure 一般披露	Information on: 有關提供安全工作環境及保障僱員避免職業性危害的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 遵守對發行人有重大影響的相關法律及規例的資料。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康與安全
KPI B2.1 關鍵績效指標 B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康與安全
KPI B2.2 關鍵績效指標 B2.2	Lost days due to work injury. 工傷誤工天數。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康和安
KPI B2.3 關鍵績效指標 B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 員工健康及安全措施，以及如何執行及監督此等措施的描述。	B.1 Employment and labour practices – (iii) Employee health and safety B.1 僱傭及勞工常規 – (iii) 僱員健康和安

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect B3: Development and Training		
層面 B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓
KPI B3.1 關鍵績效指標 B3.1	Percentage of employees trained by gender and employee category. 按性別及僱員類別劃分的受訓僱員百分比。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓
KPI B3.2 關鍵績效指標 B3.2	Average training hours completed by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	B.1 Employment and labour practices – (iv) Development and training B.1 僱傭及勞工常規 – (iv) 發展及培訓
Aspect B4: Labour Standards		
層面 B4：勞工準則		
General Disclosure 一般披露	Information on: 有關防止童工或強制勞工的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 遵守對發行人有重大影響的相關法律及規例的資料。	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭
KPI B4.1 關鍵績效指標 B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討僱傭慣例的措施以避免童工及強制勞工。	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭

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環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
KPI B4.2 關鍵績效指標 B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	B.1 Employment and labour practices – (i) Employment B.1 僱傭及勞工常規 – (i) 僱傭
Aspect B5: Supply Chain Management		
層面 B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.1 關鍵績效指標 B5.1	Geographical locations of major suppliers. 主要供應商的地理位置。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.2 關鍵績效指標 B5.2	Description of practices relating to engaging suppliers. 描述有關聘用供應商的慣例。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.3 關鍵績效指標 B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored. 描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理
KPI B5.4 關鍵績效指標 B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored. 描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。	B.2 Operating practices – (i) Supply chain management B.2 經營常規 – (i) 供應鏈管理

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect B6: Product Responsibility 層面 B6：產品責任		
General Disclosure 一般披露	Information on: 有關所提供產品和服務的健康與安全、廣告、 標籤及私隱事宜以及補救方法的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 遵守對發行人有重大影響的相關法律 及規例的資料。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.1 關鍵績效指標 B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理 由而回收的百分比。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.2 關鍵績效指標 B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對 方法。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.3 關鍵績效指標 B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任
KPI B6.4 關鍵績效指標 B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	B.2 Operating practices – (ii) Product responsibility B.2 經營常規 – (ii) 產品責任

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
KPI B6.5 關鍵績效指標 B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	B.2 Operating practices – (iv) Data protection and privacy policy B.2 經營常規 – (iv) 資料保護及私穩政策
Aspect B7: Anti-corruption 層面 B7：反貪污		
General Disclosure 一般披露	Information on: 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) the policies; and 政策；及 (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 遵守對發行人有重大影響的相關法律及規例的資料。	B.2 Operating practices – (iii) Anti-fraud and anti-corruption B.2 經營常規 – (iii) 反欺詐及反貪腐
KPI B7.1 關鍵績效指標 B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	B.2 Operating practices – (iii) Anti-fraud and anti-corruption B.2 經營常規 – (iii) 反欺詐及反貪腐
KPI B7.2 關鍵績效指標 B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	B.2 Operating practices – (iii) Anti-fraud and anti-corruption B.2 經營常規 – (iii) 反欺詐及反貪腐
KPI B7.3 關鍵績效指標 B7.3	Description of anti-corruption training provided to directors and staff. 描述向董事及員工提供的反貪污培訓。	B.2 Operating practices – (iii) Anti-fraud and anti-corruption B.2 經營常規 – (iii) 反欺詐及反貪腐

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Relevant section in the ESG report/Declaration 環境、社會及管治報告的相關章節／聲明
Aspect B8: Community Investment		
層面 B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要和確保其業務活動會考慮社區利益的政策。	B.3 Community investment B.3 社區投資
KPI B8.1 關鍵績效指標 B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(例如教育、環境問題、勞工需求、健康、文化、體育)。	B.3 Community investment B.3 社區投資
KPI B8.2 關鍵績效指標 B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	B.3 Community investment B.3 社區投資

DIRECTORS' REPORT

董事會報告書

The directors present to the shareholders the annual report and the audited consolidated financial statements for the year ended 31 December 2023.

Principal activities

The Group is an ODM mobile phone supplier based in the PRC, primarily engaged in research and development, designing, manufacturing and sale of mobile phones, PCBAs for mobile phones and IoT related products, targeting emerging markets. Particulars of the Company's principal subsidiaries are set out in note 35 to the consolidated financial statements.

Business review

The business review of the Group for the year ended 31 December 2023 is set out in the sections headed "Chairman's Statement", "Management and Discussion and Analysis", "Corporate Governance Report", "Environmental, Social and Governance Report" and "Financial Summary" of this annual report.

Principal risk factors and uncertainties

The following sets out the principal risks and uncertainties encountered by the Group in its business operations:

Rapid technological changes

The Group operates in the mobile phone industry characterised by rapid technological changes with short product life cycle, and the Group may not be able to maintain its revenue growth and any delay by us in rolling out new and competitive mobile phones will adversely affect its financial performance.

Thin net profit margin

The Group has a relatively thin net profit margin and hence are highly sensitive to any unfavorable change in the cost of sales, selling price and sales volume.

Concentration of customers

The Group has a concentration of customers and any decrease or loss of business from these major customers could adversely and substantially affect its business operations and financial conditions.

董事向股東提呈截至二零二三年十二月三十一日止年度的年報及經審核綜合財務報表。

主要業務

本集團為一間位於中國的ODM手機供應商，主要從事研發、設計、製造及銷售手機、手機的印刷電路板組裝及物聯網相關產品，主要面向新興市場。本公司主要附屬公司的詳情載於綜合財務報表附註35。

業務回顧

本集團截至二零二三年十二月三十一日止年度的業務回顧載於本年報「主席報告」、「管理層討論及分析」、「企業管治報告」、「環境、社會及管治報告」及「財務概要」各節。

主要風險因素及不確定因素

下文載列本集團業務營運面臨的主要風險及不確定因素：

技術轉變快速

本集團於手機業營運，行業特點是技術轉變快速、產品生命週期短。本集團可能無法維持收益增長且我們於推出全新及具競爭力的手機時出現任何延誤將會對財務表現造成不利影響。

純利率稀薄

本集團的純利率相對稀薄，因此對銷售成本、銷售價格及銷售量的任何不利變化都非常敏感。

客戶集中

本集團存在客戶集中的情況及來自該等主要客戶的業務減少或流失可能對我們的業務經營及財務狀況產生重大不利影響。

DIRECTORS' REPORT

董事會報告書

Fluctuations in the prices of raw materials

Fluctuations in the prices of raw materials may affect the Group's cost of sales and adversely affect its business operations and profitability.

Future prospect and development

The Group's business growth is expected to be driven by (i) the huge population and the increasing disposable income of the Group's target sales locations; (ii) increasing demand for IoT products; and (iii) the roll-out of 5G telecommunication network. In order to capture the potential market opportunities, the Group will continue to expand its production capacity, enhance its research and development capability, enrich its product portfolio and increase its sales and marketing effort to diversify its geographical locations.

Major suppliers and customers

During the year ended 31 December 2023, sales to the Group's largest customer and five largest customers accounted for 20.2% and 70.3% (2022: 20.8% and 47.3%) of the total revenue, respectively.

On the other hand, purchases from the Group's largest supplier and the five largest suppliers during the year ended 31 December 2023 accounted for approximately 9.7% and 28.9% (2022: 11.9% and 38.0%) of the total purchases, respectively.

None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers for the year ended 31 December 2023.

Key relationships with employees, customers and suppliers

Maintaining good relationships with employees, customers and suppliers is critical to the Group's business success. The Group creates a decent working environment for its employees, where they can work comfortably and achieve a work life balance. The Group rewards its employees based on their performance and also provides training to enhance their skills and knowledge. No strikes and cases of fatality due to workplace accidents are found in the reporting period under review.

原材料價格波動

原材料價格波動可能會影響本集團銷售成本並對業務經營及盈利能力造成不利影響。

未來前景及發展

本集團業務增長預期由以下因素帶動：(i) 本集團目標銷售地點人口龐大及可支配收入增加；(ii) 物聯網產品需求上升；及(iii) 推出5G通訊網絡。為把握潛在市場機遇，本集團將繼續擴大產能，提升研發能力，豐富產品組合，加強銷售及營銷以開拓多元化地區覆蓋。

主要供應商及客戶

截至二零二三年十二月三十一日止年度，本集團最大客戶及五大客戶的銷售額分別佔總收益的20.2%及70.3%（二零二二年：20.8%及47.3%）。

另一方面，截至二零二三年十二月三十一日止年度，本集團最大供應商及五大供應商的採購額分別佔總採購額的約9.7%及28.9%（二零二二年：11.9%及38.0%）。

本公司董事或彼等任何緊密聯繫人或就董事所知擁有本公司已發行股本5%以上的任何股東，概無於截至二零二三年十二月三十一日止年度擁有本集團五大客戶或供應商任何實益權益。

與僱員、客戶及供應商的關係

與僱員、客戶及供應商維持良好關係對本集團業務成功至關重要。本集團為僱員營造良好工作環境，讓僱員能舒適工作，平衡工作與生活。本集團根據表現獎勵僱員，亦提供培訓提升僱員的技能及知識。回顧報告期內，概無出現罷工及因工作場所意外而導致死亡的個案。

DIRECTORS' REPORT

董事會報告書

The Group believes that it is important to listen to customers' needs and feedbacks on its products in order to maintain sustainable relationship with customers. The Group collects such information from various channels and performs detailed analysis on how to improve existing products and develop new products that would satisfy its customers.

The Group encompasses working relationships with suppliers to meet our customers' needs in an effective and efficient manner. The departments work closely to make sure the tendering and procurement process is conducted in an open, fair and just manner.

Compliance with laws and regulations

During the year ended 31 December 2023, to the best knowledge of the Directors, the Group has complied with all the relevant laws and regulations that have a significant impact on the Group. The Group also complied with (i) the requirements under the Hong Kong Companies Ordinance, the Listing Rules and the Securities and Futures Ordinance (the "SFO") for the disclosure of information and corporate governance; and (ii) the ordinances relating to occupational safety for the interest of its employees.

Business activities in countries subject to international sanctions

During the year ended 31 December 2023 and 2022, the Group did not sell any products to countries that are subject to international sanctions. The Group would not enter into any transactions to finance or facilitate, directly or indirectly, activities or business with, or for the benefit of, the countries subject to international sanctions or sanctioned persons where this would be in breach of the international sanctions.

The Directors believe that the Group has a reasonably adequate and effective internal control framework to continue to assist the Group in identifying and monitoring any material risk relating to international sanctions laws so as to protect the interests of the Company and the Shareholders.

本集團認為，聆聽客戶對產品的需求及意見以維持與客戶的長久關係相當重要。本集團從各種渠道收集資料，仔細分析如何改善現有產品和開發滿足客戶的新產品。

本集團與供應商建立工作關係，以有效且高效滿足客戶需求。各部門緊密合作，確保招標及採購過程公開、公平及公正。

遵守法律及法規

截至二零二三年十二月三十一日止年度，就董事所知，本集團已遵守對本集團有重大影響的一切相關法律及法規。本集團亦已遵守(i)香港公司條例、上市規則和證券及期貨條例(「證券及期貨條例」)有關披露資料及企業管治的規定；及(ii)有關職業安全的條例，以保障僱員權益。

於受國際制裁的國家開展的業務

活動截至二零二三年及二零二二年十二月三十一日止年度，本集團概無向受國際制裁的國家出售任何產品。本集團不會訂立任何會違反國際制裁的交易，以直接或間接資助或促成受國際制裁國家或受制裁人士開展的活動或業務或為受國際制裁國家或受制裁人士的利益開展的活動或業務。

董事認為，本集團設有合理充足且有效的內部控制框架，可持續協助本集團識別及監控與國際制裁法有關的重大風險，保障本公司及股東的權益。

DIRECTORS' REPORT

董事會報告書

Environmental policy and social responsibility

The Group understands the importance of environmental sustainability and protection and has adopted policies on pollution prevention, preservation of natural resources and adherence to environmental laws and regulations. Please refer to the ESG Report on pages 55 to 95 for details of the Group's ESG performance.

Results and dividends

The results of the Group for the year ended 31 December 2023 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on page 122. The directors do not recommend the payment of dividend for the year ended 31 December 2023 (2022: nil).

Subsidiaries

Details of the Company's subsidiaries as at 31 December 2023 are set out in note 35 to the consolidated financial statements.

Property, plant and equipment

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2023 are set out in note 15 to the consolidated financial statements.

Share capital

Details of the movements in share capital of the Company during the year ended 31 December 2023 are set out in note 29 to the consolidated financial statements.

環境政策及社會責任

本集團明白環境可持續發展及保護的重要，已採納有關預防污染、保護自然資源及遵守環境法律及法規的政策。有關本集團環境、社會及管治表現的詳情，請參閱第55頁至95頁的環境、社會及管治報告。

業績及股息

本集團截至二零二三年十二月三十一日止年度的業績及本公司與本集團於該日的事務狀況載於第122頁的財務報表。董事建議不派付截至二零二三年十二月三十一日止年度的股息(二零二二年：零)。

附屬公司

本公司於二零二三年十二月三十一日的附屬公司詳情載於綜合財務報表附註35。

物業、廠房及設備

本集團截至二零二三年十二月三十一日止年度的物業、廠房及設備變動詳情載於綜合財務報表附註15。

股本

本公司截至二零二三年十二月三十一日止年度的股本變動詳情載於綜合財務報表附註29。

DIRECTORS' REPORT

董事會報告書

Closure of the register of members

For the purposes of determining the shareholders' eligibility to attend and vote at the forthcoming annual general meeting to be held on 27 May 2024 (Monday), the register of members of the Company will be closed from 22 May 2024 (Wednesday) to 27 May 2024 (Monday), both days inclusive. The latest time to lodge transfer documents for registration will be at 4:30 p.m. on 21 May 2024 (Tuesday). During the above closure period, no transfer of shares will be registered. To be eligible to attend and vote at the forthcoming annual general meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong before 4:30 p.m. on 21 May 2024 (Tuesday).

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

Purchase, redemption or sale of listed securities of the Company

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

Reserves and distributable reserves

The movements in the reserves of the Group during the year ended 31 December 2023 are set out in the consolidated statement of changes in equity of this annual report. The distributable reserves of the Company are set out in note 30 to the consolidated financial statements.

Tax relief and exemption

The Directors are not aware of any tax relief or exemption available to the shareholders by reason of their holding of the Company's securities.

暫停辦理股份過戶登記

為釐定股東出席將於二零二四年五月二十七日(星期一)舉行的應屆股東週年大會並於會上投票的資格，本公司將於二零二四年五月二十二日(星期三)至二零二四年五月二十七日(星期一)(包括首尾兩天)暫停辦理股份過戶登記。遞交過戶文件登記的截止時間將為二零二四年五月二十一日(星期二)下午四時三十分。上述暫停期間不會辦理股份過戶登記。為合資格出席應屆股東週年大會並於會上投票，所有過戶文件連同相關股票及過戶表格須於二零二四年五月二十一日(星期二)下午四時三十分前遞交至本公司香港股份過戶登記分處卓佳證券登記有限公司，地址為香港夏慤道16號遠東金融中心17樓。

優先購買權

本公司組織章程細則或開曼群島法律概無有關優先購買權的條文，致使本公司有責任按比例向現有股東發售新股份。

購買、贖回或出售本公司上市證券

截至二零二三年十二月三十一日年度，本公司或任何附屬公司概無購買、出售或贖回本公司任何上市證券。

儲備及可供分派儲備

本公司截至二零二三年十二月三十一日止年度的儲備變動載於本年報綜合權益變動表。本公司可供分派儲備載於綜合財務報表附註30。

稅務減免及豁免

就董事所知，概無股東因持有本公司證券而享有任何稅務減免或豁免。

DIRECTORS' REPORT

董事會報告書

Charitable donations

The Group did not make any donation during the year ended 31 December 2023 (2022: nil).

Management contracts

During the year ended 31 December 2023, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed.

Directors

The directors of the Company during the year ended 31 December 2023 and up to the date of this report were:

Executive Directors

Mr. Li Chengjun (*Chairman and Chief Executive Officer*)
Mr. Xiong Bin (*Vice-chairman*)
Mr. Guo Qinglin
Mr. Wen Chuanchuan

Independent Non-Executive Directors

Mr. Hung Wai Man
Mr. Wong Kwan Kit
Mr. Lu Brian Yong Chen
Ms. Tseng Chin I

In accordance with article 109(a) of the Company's articles of association, at each annual general meeting one-third of the Directors for the time being, 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 office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

慈善捐贈

截至二零二三年十二月三十一日止年度，本集團並無作出任何捐贈（二零二二年：零）。

管理合約

截至二零二三年十二月三十一日止年度，概無訂立或存在有關管理和經營本公司或附屬公司全部或任何重大部分業務的合約。

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的本公司董事為：

執行董事

李承軍先生 (*主席兼行政總裁*)
熊彬先生 (*副主席*)
郭慶林先生
溫川川先生

獨立非執行董事

洪為民先生
黃昆杰先生
呂永琛先生
曾靜漪女士

根據本公司組織章程細則第109(a)條，於每屆股東週年大會上，當時三分之一的董事（或倘董事人數並非三或三的倍數，則以最接近但不少於三分之一的人數為準）須輪值退任，惟每位董事（包括有特定任期的董事）須至少每三年輪值退任一次。退任董事可重選連任。本公司可於股東大會就董事退任填補空缺。

DIRECTORS' REPORT

董事會報告書

In accordance with article 113 of the Company's articles of association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

All Directors are subject to retirement by rotation as required by the Company's articles of association, and the code provisions of CG Code.

In accordance with 109(a) of the Company's articles of association, Mr. Guo Qinglin, Mr. Wen Chuanchuan and Mr. Hung Wai Man will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

Biographical details of directors and senior management

Biographical details of the Directors and senior management of the Group are set out on pages 21 to 28 of this annual report.

None of the members of the Board is related to one another.

根據本公司組織章程細則第113條，董事會有權不時及隨時委任任何人士為董事，以填補臨時空缺或新增董事，惟不得超過股東於股東大會不時釐定的董事人數上限。獲董事會委任以填補臨時空缺的任何董事的任期僅至獲委任後的本公司首次股東大會為止，可於該大會上膺選連任。獲董事會委任以增加現有董事會成員的董事的任期僅至獲委任後的本公司下屆股東週年大會為止，可於該大會上膺選連任。任何根據本條細則獲委任的董事在釐定將於股東週年大會上輪值退任的董事或董事人數時不應被計入。

根據本公司組織章程細則及企業管治守則的守則條文，所有董事均須輪值退任。

根據本公司組織章程細則第109(a)條，郭慶林先生、溫川川先生及洪為民先生將於本公司應屆股東週年大會上輪值退任，且合資格膺選連任。

董事及高級管理人員簡介

本集團董事及高級管理人員簡介載於本年報第21頁至28頁。

董事會成員之間概無關連。

DIRECTORS' REPORT

董事會報告書

Emoluments of directors and senior management and five highest paid individuals

Details of the emoluments of the Directors and senior management and the five highest paid individuals of the Group are set out in note 11 and 12 to the consolidated financial statements of this annual report. The remuneration of the senior management of the Group for the year ended 31 December 2023 falls within the following band:

Remuneration band

酬金範圍

Up to RMB1,000,000

不多於人民幣1,000,000元

Number of senior management

高級管理人員數目

4

Directors' service contracts

Each of the executive Directors has entered into a service contract with the Company for a term of three years commencing on 13 November 2019, until terminated by either party giving not less than three months' notice in writing to the other.

Each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of three years commencing on 13 November 2019. Each of the independent non-executive Directors has renewed the appointment letter with the Company on 13 November 2022 and such appointment will be until terminated by either party giving not less than three months' notice in writing to the other; and in accordance with the articles of association of the Company and the Listing Rules.

Apart from the foregoing, no Directors proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment or compensation, other than statutory compensation.

董事、高級管理人員及五名最高薪人士的酬金

本集團董事、高級管理人員及五名最高薪人士的酬金詳情載於本年報綜合財務報表附註11及12。截至二零二三年十二月三十一日止年度，本集團高級管理人員的酬金介乎以下範圍：

董事服務合約

各執行董事已與本公司訂立服務合約，自二零一九年十一月十三日起為期三年，直至任何一方向對方發出不少於三個月的書面通知予以終止。

各獨立非執行董事已與本公司訂立委任函件，自二零一九年十一月十三日起計為期三年。每名獨立非執行董事已於二零二二年十一月十三日與本公司重續委任函，有關委任將直至任何一方向對方發出不少於三個月的書面通知予以終止；且符合本公司組織章程細則及上市規則。

除上述者外，概無建議於股東週年大會重選的董事與本公司訂立不得由本公司於一年內終止而毋須支付款項或賠償（法定賠償除外）的服務合約。

DIRECTORS' REPORT

董事會報告書

Permitted indemnity provision

Pursuant to the articles of association of the Company, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Laws of the Cayman Islands) which he/she may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group. As of the date of this annual report, such insurance coverage is currently in force for the benefit of the Directors.

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 31 December 2023, interests and short positions of the Directors and chief executive of the Company in the shares and underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, which have been 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 were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

Interest in the Company

Name of Director 董事姓名	Capacity/nature of interest 身份／權益性質	Number of shares held 持股數目 (Note 1) (附註1)	Percentage of shareholding in the Company 於本公司持股百分比 (Approximate) (概約)
Mr. Li Chengjun ("Mr. Li") (Note 2) 李承軍先生(「李先生」)(附註2)	Founder of a discretionary trust 全權信託創辦人	369,967,204 (L)	37.0%
Mr. Xiong Bin ("Mr. Xiong") (Note 3) 熊彬先生(「熊先生」)(附註3)	Founder of a discretionary trust 全權信託創辦人	305,032,256 (L)	30.5%

獲准許的彌償條文

根據本公司組織章程細則，各董事可(在開曼群島公司法准許下盡可能)就於或有關執行其職責或其他與此有關而蒙受或招致的所有損失或責任獲得以本公司資產作出的彌償。本公司亦為本集團董事及高級職員投保合適的董事及高級職員責任保險。於本年報日期，為董事利益投購的保險有效。

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零二三年十二月三十一日，董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉)或根據證券及期貨條例第352條須載入本公司存置的登記冊的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

於本公司之權益

DIRECTORS' REPORT

董事會報告書

Notes:

1. The letter "L" denotes long position of the shares.
2. Leap Elite Limited is legally owned as to 100% by Mr. Li for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Li is deemed to be interested in the Shares held by Leap Elite Limited pursuant to the SFO.
3. Beyond Innovation Limited is legally owned as to 100% by Mr. Xiong for the benefit of the beneficiaries of the family trust found by himself. Accordingly, Mr. Xiong is deemed to be interested in the Shares held by Beyond Innovation Limited pursuant to the SFO.

Save as disclosed above, none of the Directors or chief executive of the Company had registered any interests or short positions in any shares and underlying shares in, and debentures of, the Company or any associated corporations as at 31 December 2023, as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code.

Arrangement for directors to purchase shares or debentures

Saved as disclosed in this report, at no time during the year ended 31 December 2023 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director of the Company or their respective spouses or minor children, or were such rights exercised by them, or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate.

附註：

1. 字母「L」代表於股份中的好倉。
2. 立堅有限公司由李先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，李先生被視為於立堅有限公司所持股份中擁有權益。
3. 超新有限公司由熊先生為其建立的家族信託受益人的利益而合法擁有100%權益。因此，根據證券及期貨條例，熊先生被視為於超新有限公司所持股份中擁有權益。

除上文所披露者外，於二零二三年十二月三十一日，概無本公司董事或最高行政人員於本公司或任何相聯法團的任何股份、相關股份及債券中，擁有記入本公司根據證券及期貨條例第352條須存置的登記冊或根據證券及期貨條例第XV部或標準守則須另行知會本公司及聯交所的任何權益或淡倉。

董事購買股份或債券的安排

除本報告所披露者外，於截至二零二三年十二月三十一日止年度的任何時間，概無向本公司任何董事或彼等各自之配偶或未成年子女授出任何可藉收購本公司股份或債券而獲得利益之權利，彼等亦無行使任何該等權利，且本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使本公司董事可藉收購本公司或任何其他法團股份或債務證券（包括債券）而獲得利益。

DIRECTORS' REPORT

董事會報告書

Substantial shareholders' and others' interests and short positions in shares and underlying shares of the company

So far as is known to the Directors, as at 31 December 2023, the following corporation/persons (other than the interests of the Directors or chief executives of the Company as disclosed above) had interests of 5% or more in the issued shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

主要股東及其他人士於本公司股份及相關股份中擁有的權益及淡倉

就董事所知，於二零二三年十二月三十一日，下列法團／人士(上文所披露之本公司董事或最高行政人員權益除外)擁有本公司已發行股份中5%或以上的權益且根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露或須記入本公司根據證券及期貨條例第336條須存置的登記冊：

Name 名稱	Capacity/nature of interest 身份／權益性質	Number of shares held 持股數目 (Note 1) (附註1)	Percentage of shareholding in the Company 於本公司持股 百分比 (Approximate) (概約)
Leap Elite Limited 立堅有限公司	Beneficial owner 實益權益	369,967,204 (L)	37.0%
Beyond Innovation Limited 超新有限公司	Beneficial owner 實益權益	305,032,256 (L)	30.5%
Ms. Sui Rongmei (Note 2) 隋榮梅女士(附註2)	Interest of spouse 配偶權益	369,967,204 (L)	37.0%
Ms. Yan Xue (Note 3) 鄢雪女士(附註3)	Interest of spouse 配偶權益	305,032,256 (L)	30.5%
JZ Capital Limited (Note 4) JZ Capital Limited (附註4)	Beneficial owner 實益權益	65,000,540 (L)	6.5%
Mr. Ko Hin Ting, James (Note 4) 高軒庭先生(附註4)	Interest in a controlled corporation 受控法團權益	65,000,540 (L)	6.5%
Ms. Chu Wing Yee, Vaneese (Note 5) 朱詠儀女士(附註5)	Interest of spouse 配偶權益	65,000,540 (L)	6.5%

DIRECTORS' REPORT

董事會報告書

Notes:

1. The letter "L" denotes long position of the shares.
2. Ms. Sui Rongmei is the spouse of Mr. Li Chengjun. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Li Chengjun.
3. Ms. Yan Xue is the spouse of Mr. Xiong Bin. By virtue of the SFO, she is deemed to be interested in the same number of shares held by Mr. Xiong Bin.
4. JZ Capital is owned as to 99% by Mr. Ko Hin Ting, James. As such, Mr. Ko Hin Ting, James is deemed to be interested in the Shares held by JZ Capital Limited pursuant to the SFO.
5. Ms. Chu Wing Yee, Vaneese is the spouse of Mr. Ko Hin Ting, James. As such, Ms. Chu Wing Yee, Vaneese is deemed or taken to be interested in the Shares in which Mr, Ko Hin Ting, James is interested pursuant to the SFO.

Save as disclosed above, as at 31 December 2023, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company 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.

Directors' interests in transactions, arrangements or contracts

No Director or his/her connected entity has or had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries, fellow subsidiaries or its parent company was a party subsisting during or at the end of the year ended 31 December 2023.

Directors' and controlling shareholders' interest in competing business

Apart from the Group's business, none of the Directors, the Controlling Shareholders (including Mr. Li, Leap Elite Limited, Mr. Xiong and Beyond Innovation Limited) or any of their respective close associates was engaged in or had any interest in any business that competes or may compete with the principal business of the Group, which would require disclosure under Rule 8.10 of the Listing Rules. or has any other conflict of interest with the Group during the year ended 31 December 2023 and up to the date of this report.

附註：

1. 字母「L」代表於股份中的好倉。
2. 隋榮梅女士為李承軍先生之配偶。根據證券及期貨條例，彼被視為於李承軍先生所持相同數目股份中擁有權益。
3. 鄒雪女士為熊彬先生之配偶。根據證券及期貨條例，彼被視為於熊彬先生所持相同數目股份中擁有權益。
4. JZ Capital由高軒庭先生擁有99%權益。因此，根據證券及期貨條例，高軒庭先生被視為於JZ Capital Limited所持股份中擁有權益。
5. 朱詠儀女士為高軒庭先生之配偶。因此，根據證券及期貨條例，朱詠儀女士被視為或當作於高軒庭先生所持有的股份中擁有權益。

除上文所披露者外，於二零二三年十二月三十一日，本公司概無獲悉本公司已發行股本中根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之任何相關權益或淡倉，或須記入本公司根據證券及期貨條例第336條須存置的登記冊之任何相關權益或淡倉。

董事於交易、安排或合約的權益

概無董事或其關連實體於截至二零二三年十二月三十一日止年度內或年末時仍存續且由本公司或其任何附屬公司、同系附屬公司或其母公司所訂立並對本公司業務而言屬重要的任何交易、安排或合約中直接或間接擁有或曾擁有重大權益。

董事及控股股東於競爭業務的權益

除本集團業務外，截至二零二三年十二月三十一日止年度內及截至本報告日期，概無董事、控股股東（包括李先生、立堅有限公司、熊先生及超新有限公司）或任何彼等各自緊密聯繫人從事根據上市規則第8.10條須予披露與本集團主要業務競爭或可能競爭的任何業務或於其中擁有利益，或與本集團有任何其他利益衝突。

DIRECTORS' REPORT

董事會報告書

Share option scheme

The Company conditionally adopted a share option scheme (the “Share Option Scheme”) on 18 October 2019 (the “Adoption Date”), which become effective on 13 November 2019. The purpose of which is to motivate the eligible participants to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

The eligible participants include any full-time or part-time employees, executives or officers, directors, advisers, consultants, suppliers, customers and agents of the Company or any of its subsidiaries; and such other persons who, in the sole opinion of the Board, will contribute or have contributed to the Group.

Subject to the terms and conditions of the Share Option Scheme, the maximum numbers of shares in respect of which options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the Company's shares in issue as at 13 November 2019 (i.e. 100,000,000 shares) unless approved by the shareholders of the Company. Such limit also represented 10% of the of the total issued shares of the Company as at the date of this annual report.

Unless approved by shareholders of the Company in general meeting in the manner stipulated in the Listing Rules, the maximum entitlement for each eligible participant (including both exercised and outstanding options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the total number of shares in issue.

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date.

購股權計劃

本公司已於二零一九年十月十八日（「採納日期」）有條件採納購股權計劃（「購股權計劃」），於二零一九年十一月十三日生效。購股權計劃的目的為激勵合資格參與者，令其竭力提升對本集團的未來貢獻及／或獎勵彼等過往的貢獻，以吸引及挽留對本集團的表現、成長或成功而言極為重要及／或其貢獻對該等方面有利或將會有利的參與者或與彼等維持持續關係。

合資格參與者包括本公司或其任何附屬公司任何全職或兼職僱員、行政人員或高級職員、董事、顧問、諮詢人、供應商、客戶及代理，及董事會全權認為將會或已對本集團作出貢獻的其他人士。

根據購股權計劃的條款及條件，除非經本公司股東批准，否則根據購股權計劃及任何其他計劃可能授出的購股權所涉的股份數目上限合共不得超過二零一九年十一月十三日本公司已發行股份的10%（即100,000,000股股份）。於本年報日期，有關上限亦佔本公司已發行股份總數的10%。

除非經本公司股東在股東大會按上市規則規定的方式批准，於任何12個月期間直至授出日期，各合資格參與者根據本公司購股權計劃或任何其他購股權計劃獲授的配額上限（包括已行使及尚未行使的購股權）不得超過已發行股份總數的1%。

本公司於有關接納日期或之前一經收到經承授人正式簽署構成接納購股權的要約文件副本，連同付予本公司1.00港元的款項作為授出購股權的代價後，購股權即被視為已授出及獲承授人接納並已生效。

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An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The minimum period for which an option must be held before it can be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted.

The exercise price of share option granted under the Share Option Scheme shall be a price solely determined by the Board and shall be at least highest of: (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option; (b) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the option; and (c) the nominal value of a share.

Subject to earlier termination by the Company in general meeting or by the Directors, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date. As at 31 December 2023, the remaining life of the Share Option Scheme was approximately five years and 9.5 months.

For further details on the principal terms of the Share Option Scheme, please refer to the paragraph headed "Statutory and General Information – Other Information – 1. Share Option Scheme" in Appendix IV to the Prospectus.

購股權可根據購股權計劃的條款於購股權被視為已授出並獲接納當日之後及自該日起計十年屆滿前隨時行使。購股權可行使前必須持有的最短期限將由董事會全權酌情釐定，惟於授出購股權起計十年後，不得行使購股權。

根據購股權計劃授出的購股權行使價須由董事會全權酌情釐定，且須至少為下列各項當中的最高者：(a) 股份於授出購股權日期於聯交所每日報價表所報的收市價；(b) 緊接授出日期前五個營業日股份於聯交所每日報價表所報的平均收市價；及(c) 股份面值。

除非本公司經由股東大會或經由董事提前終止，否則購股權計劃自採納日期起10年期間內合法及有效。於二零二三年十二月三十一日，購股權計劃的剩餘年期約為5年零9.5個月。

有關購股權計劃主要條款的詳情，請參閱招股章程附錄四「法定及一般資料—其他資料—1. 購股權計劃」一段。

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(i) Outstanding options

As at 1 January 2023 and 31 December 2023, the number of share options available for grant under the Share Option Scheme was 75,100,000 and 100,000,000, respectively.

During the year ended 31 December 2023, the Company did not grant any share options and no share options were exercised and 24,900,000 share options were lapsed. Details of the Company's share options from 1 January 2023 to 31 December 2023 are as follows:

	Date of grant	Exercise price	Vesting period	Exercise period	Outstanding as at 1 January 2023	Number of share options granted	Number of share options exercised	Number of share options lapsed	Outstanding as at 31 December 2023
	授出日期	行使價	歸屬期	行使期	於二零二三年一月一日尚未行使	已授出購股權數目	已行使購股權數目	已失效購股權數目	於二零二三年十二月三十一日尚未行使
Category: Employees									
僱員									
Tranche 1	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2021	1 July 2021 to 13 April 2025	7,470,000	-	-	(7,470,000)	-
第一期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二一年六月三十日	二零二一年七月一日至二零二五年四月十三日					
Tranche 2	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2022	1 July 2022 to 13 April 2025	7,470,000	-	-	(7,470,000)	-
第二期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二二年六月三十日	二零二二年七月一日至二零二五年四月十三日					
Tranche 3	14 April 2020	HK\$0.51	14 April 2020 to 30 June 2023	1 July 2023 to 13 April 2025	9,960,000	-	-	(9,960,000)	-
第三期	二零二零年四月十四日	0.51 港元	二零二零年四月十四日至二零二三年六月三十日	二零二三年七月一日至二零二五年四月十三日					
Total	總計				24,900,000	-	-	(24,900,000)	-

As at the date of this annual report, the total number of shares of the Company available for issue under the Share Option Scheme was 100,000,000, representing 10% of the total issued shares of the Company.

(i) 尚未行使的購股權

於二零二三年一月一日及二零二三年十二月三十一日，可根據購股權計劃授出的購股權數目分別為75,100,000份及100,000,000份。

截至二零二三年十二月三十一日止年度，本公司概無授出購股權，概無購股權獲行使，且24,900,000份購股權已失效。二零二三年一月一日至二零二三年十二月三十一日的本公司購股權的詳情載列如下：

於本公告日期，本公司可根據購股權計劃發行之股份總數為100,000,000股，佔本公司已發行股份總數10%。

DIRECTORS' REPORT

董事會報告書

(ii) Valuation of share options

- (1) The following significant assumptions were used to derive the fair value of the share options using the Binominal Options pricing model:

(ii) 購股權的估值

- (1) 該購股權之公平值乃採用二項式期權定價模式，並使用下列主要假設得出：

	Tranche 1 第一期	Tranche 2 第二期	Tranche 3 第三期
Date of grant 授出日期	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日	14 April 2020 二零二零年 四月十四日
Fair value at grant date 於授出日期公平值	HK\$0.211 0.211 港元	HK\$0.220 0.220 港元	HK\$0.227 0.227 港元
Share price 股價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Exercise price 行使價	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元	HK\$0.51 0.51 港元
Expected volatility 預期波幅	53.00%	53.00%	53.00%
Expected life 預計年期	5 years 5 年	5 years 5 年	5 years 5 年
Exercise period 行使期	1 July 2021 to 13 April 2025 二零二一年 七月一日至 二零二五年 四月十三日	1 July 2022 to 13 April 2025 二零二二年 七月一日至 二零二五年 四月十三日	1 July 2023 to 13 April 2025 二零二三年 七月一日至 二零二五年 四月十三日
Risk-free rate 無風險息率	0.58%	0.58%	0.58%
Expected dividend yield 預計股息率	-	-	-

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- (2) Expected volatility was determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.
- (3) No share-based payment expense was recognised for the year ended 31 December 2023 (2022: nil) in relation to share options granted by the Company as the performance condition was not satisfied.

Connected transactions

During the year ended 31 December 2023, the Company has not entered into or conducted any connected transactions, which were subject to the reporting, announcement or independent shareholders' approval requirements as required under the Listing Rules.

Related party transactions

Details of the Group's related party transactions during the year ended 31 December 2023 are set out in note 33 to the consolidated financial statements. None of these related party transactions are connected transactions which are subject to the reporting, announcement and shareholders' approval requirements under the Listing Rules.

Purchase, sale or redemption of the company's listed securities

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2023.

Corporate governance practices

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

Equity-linked agreements

Other than the Share Option Scheme, no equity-linked agreements were entered into by the Company during the year ended 31 December 2023.

- (2) 預計波幅乃透過計算與本集團業務相似的上市公司的過往價格波幅釐定。預計股息率乃由董事根據預期未來表現及本集團股息政策釐定。

- (3) 就本公司授出之購股權，於截至二零二三年十二月三十一日止年度並無確認股份支付開支（二零二二年：無），乃由於履約條件尚未達成。

關連交易

截至二零二三年十二月三十一日止年度，本公司概無訂立或進行任何須遵守上市規則有關申報、公告或獨立股東批准規定的關連交易。

關聯方交易

本集團截至二零二三年十二月三十一日止年度的關聯方交易詳情載於綜合財務報表附註33。概無關聯方交易為須遵守上市規則有關申報、公告及股東批准規定的關連交易。

購買、出售或贖回本公司上市證券

截至二零二三年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

企業管治常規

本公司的企業管治常規詳情載於本年報「企業管治報告」一節。

股權掛鈎協議

除購股權計劃外，本公司於截至二零二三年十二月三十一日止年度概無訂立股權掛鈎協議。

DIRECTORS' REPORT

董事會報告書

Sufficiency of public float

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained a public float of no less than 25% of the issued shares for the year ended 31 December 2023 and up to the date of this report.

Review of audited annual results

The Company's audited annual results for the year ended 31 December 2023 have been reviewed by the Audit Committee.

Model code for securities transactions by directors of listed issuers

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors of the Company have confirmed that, following specific enquiry by the Company, they have complied with the required standard set out in the Model Code for the year ended 31 December 2023 and up to the date of the report.

Auditor

Moore CPA Limited, the auditor of the Company, will retire at the conclusion of the forthcoming AGM of the Company and be eligible to offer themselves for re-appointment. A resolution will be submitted to the AGM to be held on 27 May 2024 to seek Shareholders' approval on the appointment of Moore CPA Limited as the Company's auditor until the conclusion of the next AGM and to authorise the Board to fix their remuneration.

By order of the Board
Sprocomm Intelligence Limited
Mr. Li Chengjun
Chairman and Executive Director

Hong Kong, 28 March 2024

足夠公眾持股量

根據本公司經公開可得資料及就董事所知，截至二零二三年十二月三十一日止年度及本報告之日期，本公司已維持不少於已發行股份25%的公眾持股量。

審閱經審核年度業績

審核委員會已審閱本公司截至二零二三年十二月三十一日止年度的經審核年度業績。

上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄C3所載之標準守則，作為其有關董事進行證券交易之行為守則。經本公司作出具體查詢後，所有本公司董事確認彼等截至二零二三年十二月三十一日止年度至本報告日期一直遵守標準守則所載之規定準則。

核數師

本公司核數師大華馬施雲會計師事務所有限公司將於本公司應屆股東週年大會結束時退任，並合資格膺選連任。有關決議案將於二零二四年五月二十七日舉行的股東週年大會上提呈，以尋求股東批准委任大華馬施雲會計師事務所有限公司為本公司核數師，直至下一屆股東週年大會結束止，並授權董事會釐定其薪酬。

承董事會命
Sprocomm Intelligence Limited
主席兼執行董事
李承軍先生

香港，二零二四年三月二十八日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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大
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TO THE SHAREHOLDERS OF SPROCOMM INTELLIGENCE LIMITED

(Incorporated in Cayman Islands with limited liability)

致 SPROCOMM INTELLIGENCE LIMITED 股東

(於開曼群島註冊成立之有限公司)

Opinion

We have audited the consolidated financial statements of Sprocomm Intelligence Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) set out on pages 122 to 204, which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company 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

吾等已審核列載於第122至204頁Sprocomm Intelligence Limited (「**貴公司**」) 及其附屬公司 (以下合稱「**貴集團**」) 的綜合財務報表，此綜合財務報表包括於二零二三年十二月三十一日的綜合財務狀況表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括重大會計政策。

吾等認為，該等綜合財務報表已根據香港會計師公會 (「**香港會計師公會**」) 頒佈的香港財務報告準則 (「**香港財務報告準則**」) 真實而公平地反映了 貴集團於二零二三年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

吾等根據香港會計師公會頒佈的香港審計準則 (「**香港審計準則**」) 進行審核。吾等根據該等準則的責任詳述於本報告核數師就審核財務報表須承擔的責任一節。根據香港會計師公會的專業會計師道德守則 (「**守則**」)，吾等獨立於 貴公司，並已遵循守則履行其他道德責任。吾等相信，吾等所獲取的憑證充分恰當地為吾等的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matters

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

Expected credit loss (“ECL”) of trade and bills receivables

Refer to Note 19 to the consolidated financial statements and the accounting policies in Note 3.

The key audit matter

關鍵審計事項

As at 31 December 2023, the carrying amount of trade and bills receivables amounted to RMB808,830,000, representing 21% of the Group's total current assets.

ECL for trade and bills receivables is estimated based on lifetime ECL model, which is estimated based on historical credit loss experience and forward-looking information at the end of the reporting period.

We have identified impairment of trade and bills receivables as a key audit matter because the impairment assessment of trade and bills receivables involved a significant degree of management estimation and may be subject to management bias.

於二零二三年十二月三十一日，貿易應收款項及應收票據的賬面值為人民幣808,830,000元，佔貴集團流動資產總值的21%。

貿易應收款項及應收票據根據全期預期信貸虧損模式估計虧損撥備，而預期信貸虧損乃基於報告期末的過往信貸虧損經驗及前瞻性資料估算得出。

由於貿易應收款項及應收票據減值評估涉及重大管理估計及管理層可能出現偏頗，吾等已將貿易應收款項及應收票據的減值識別為一項關鍵審計事項。

關鍵審計事項

根據吾等的專業判斷，關鍵審計事項為吾等於審核本期綜合財務報表中最重要的事項。吾等在審核綜合財務報表整體及就此出具意見時處理此等事項，而不會就此等事項單獨發表意見。

貿易應收款項及應收票據之預期信貸虧損（「預期信貸虧損」）

請參閱綜合財務報表附註19及附註3的會計政策。

How the matter was addressed in our audit

吾等於審計中如何處理相關事項

Our procedures were designed to review the management's judgement and estimates used in assessment process and challenge the reasonableness of inputs and assumptions used in estimating the ECL of trade and bills receivables.

We obtained an understanding of how the ECL of trade and bills receivables were assessed by the management.

吾等的程序旨在審閱管理層於評估過程所採用的判斷及估計，並質疑於估計貿易應收款項及應收票據之預期信貸虧損中所採用輸入數據及假設的合理性。

吾等已了解管理層對貿易應收款項及應收票據之預期信貸虧損的評估方式。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Expected credit loss (“ECL”) of trade and bills receivables (Continued)

貿易應收款項及應收票據之預期信貸虧損(「預期信貸虧損」)(續)

The key audit matter 關鍵審計事項

How the matter was addressed in our audit 吾等於審計中如何處理相關事項

We have challenged management's assumption and judgement in determining ECL on trade and bills receivables as at 31 December 2023, the reasonableness of management's grouping of the trade debtors in the provision matrix, and the basis of ECL rates applied, adjusted for forward looking information including both current and forecast general economic conditions.

We have tested, on sample basis, payment history, past due status of the trade and bills receivables, and the settlements subsequent to the end of the reporting period.

We have tested the accuracy of the historical default data and tested trade receivables past due ageing analysis as at 31 December 2023, on a sample basis, by comparing individual items in the analysis with the relevant supporting documents.

吾等已質疑管理層釐定於二零二三年十二月三十一日的貿易應收款項及應收票據之預期信貸虧損的假設及判斷、管理層對撥備矩陣內貿易應收賬款的分類之合理性以及所應用的預期信貸虧損率基準，並已就包括當前及預測整體經濟狀況在內的前瞻性資料作出調整。

吾等抽樣測試貿易應收款項及應收票據的付款歷史、過往逾期狀況及報告期末後結算情況。

吾等已在分析中透過比較個別項目和相關證明文件，抽樣測試歷史違約數據的準確性，並測試於二零二三年十二月三十一日逾期的貿易應收款項的賬齡分析。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Valuation of inventories

Refer to Note 18 to the consolidated financial statements and the accounting policies in Note 3.

The key audit matter 關鍵審計事項

As at 31 December 2023, the carrying amount of inventories amounted to approximately RMB337,630,000, representing 10% of the Group's total current assets.

We identified the valuation of inventories as a key audit matter due to the use of judgements in identifying obsolete and slow moving inventories and determining the net realisable value which are based on conditions and the marketability of the inventories.

於二零二三年十二月三十一日，存貨的賬面值約為人民幣337,630,000元，佔 貴集團的流動資產總值10%。

吾等將存貨估計視為關鍵審計事項，是由於識別陳舊和滯銷存貨，以及根據存貨條件及適銷性釐定可變現淨值時會運用判斷。吾等的審計程序旨在評估管理層對陳舊和滯銷存貨狀況及適銷性的估計，並確定存貨的任何估值風險。

存貨估值

請參閱綜合財務報表附註18及附註3的會計政策。

How the matter was addressed in our audit 吾等於審計中如何處理相關事項

Our audit procedures were designed to evaluate management's assessment of the conditions and the marketability of the obsolete and slow moving inventories and identify any valuation risk of inventories.

We have assessed the net realisable values and subsequent sales of inventories on a sample basis and inspected the utilisation report and sales contracts entered into between the Group and its customers on a sample basis.

We have discussed with the management in respect of the adequacy of the allowance made by the management based on subsequent usage and sales, ageing analysis and current market conditions.

We have challenged the assumptions and judgements used by the management by assessing the reliability of the management's past estimates.

吾等的審計程序旨在評估管理層對陳舊和滯銷存貨狀況及適銷性的估計，並確定存貨的任何估值風險。

吾等已抽樣評估存貨的可變現淨值和後續銷售，並抽樣檢視使用報告及 貴集團與客戶訂立的銷售合約。

吾等已與管理層討論基於後續使用及銷售、賬齡分析及當前市況作出的撥備是否充足。

吾等透過評估管理層過往估計的可靠性，對管理層所採用的假設及判斷提出質疑。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Other information

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

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

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

Responsibilities of directors and the audit committee for the consolidated financial statements

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

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

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

其他資料

本公司董事對其他資料承擔責任。其他資料包括年度董事會報告所載的資料，惟不包括當中的綜合財務報表及核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，且不會對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任為閱讀其他資料，考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。吾等並無就此作出報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會發佈的香港財務報告準則及香港公司條例編製真實公平的綜合財務報表，亦須負責 貴公司董事釐定對編製綜合財務報表屬必要的內部控制，以使該等綜合財務報表不存在因欺詐或錯誤引致的重大錯誤陳述。

在編製綜合財務報表時，貴公司董事負責評估 貴公司持續經營能力，並披露與持續經營有關的事項（如適用），除非 貴公司董事擬將 貴集團清盤或停止營運，或除此之外並無其他實際可行辦法，否則須採用以持續經營為基礎的會計法。

貴公司董事在審核委員會的協助下履行其監督 貴集團財務報告流程的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 HKSAAs, we exercise professional judgment 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 Group's 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須承擔的責任

吾等的目標為根據吾等協定的委聘條款，合理確定綜合財務報表整體不會存在由於欺詐或錯誤而導致的重大失實陳述，並發出載有吾等意見的核數師報告。本報告僅向全體股東報告，除此之外別無其他目的。吾等不會就本報告的內容對任何其他人士負責或承擔責任。

合理確定屬高層次的確定，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大失實陳述。失實陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大失實陳述。

在根據香港審計準則進行審計的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大失實陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕 貴集團內部控制的情況，因此未能發現因欺詐而導致的重大失實陳述的風險高於未能發現因錯誤而導致的重大失實陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，惟並非旨在對 貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statement 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須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與可能令貴集團的持續經營能力產生重大疑問的事項或情況有關的重大不確定性。倘吾等認為存在重大不確定性，則須在核數師報告中提請使用者注意綜合財務報表的相關披露，倘有關披露不足，則發表非無保留意見。吾等的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與審核委員會就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中識別的內部控制的任何重大缺失。

吾等亦向審核委員會作出聲明，吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響獨立性的所有關係及其他事項，以及(如適用)為消除威脅而採取的行動或採用的防範措施。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

核數師就審核綜合財務報表須承擔的責任(續)

從與審核委員會溝通的事項中，吾等釐定對本期綜合財務報表的審計最為重要的事項，即關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中傳達該事項。

Moore CPA Limited
Certified Public Accountants
Chan King Keung
Practising Certificate Number: P06057

Hong Kong, 28 March 2024

大華馬施雲會計師事務所有限公司
執業會計師
陳敬強
執業證書編號：P06057

香港，二零二四年三月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益及其他全面收益表

For the year ended 31 December 2023 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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Revenue	收益	5	2,822,921	1,450,377
Cost of sales	銷售成本		(2,523,333)	(1,246,747)
Gross profit	毛利		299,588	203,630
Other gains and income	其他收益及收入	7	38,780	52,170
Selling and distribution expenses	銷售及分銷開支		(58,654)	(38,754)
Administrative expenses	行政及其他開支		(64,265)	(64,885)
Research and development expenses	研發開支		(139,686)	(124,075)
Finance costs	財務費用	8	(35,816)	(18,261)
Profit before tax	除稅前溢利		39,947	9,825
Income tax expense	所得稅開支	9	(8,931)	(3,464)
Profit for the year	年內溢利	10	31,016	6,361
Other comprehensive income Items that may be reclassified subsequently to profit or loss:	其他全面收益 其後可能重新分類至損益的 項目			
Exchange difference arising on translating foreign operations	換算海外業務產生的 匯兌差額		(511)	(2,186)
Total comprehensive income for the year	年內全面收益總額		30,505	4,175
Profit/(loss) attributable to:	以下各方應佔溢利/(虧損):			
Owners of the Company	本公司擁有人		32,369	6,506
Non-controlling interests	非控股權益		(1,353)	(145)
			31,016	6,361
Total comprehensive income attributable to:	以下各方應佔全面收益總額:			
Owners of the Company	本公司擁有人		31,863	4,298
Non-controlling interests	非控股權益		(1,358)	(123)
			30,505	4,175
Earnings per share	每股盈利	14		
Basic and diluted (RMB cents)	基本及攤薄(人民幣分)		3.24	0.65

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

			2023	2022
		Notes	二零二三年	二零二二年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	95,899	103,614
Right-of-use assets	使用權資產	16	8,166	5,649
Intangible assets	無形資產	17	6,162	7,659
Long-term prepayment	長期預付款項	20	-	18,280
Deferred tax assets	遞延稅項資產	28	688	248
			110,915	135,450
Current assets	流動資產			
Inventories	存貨	18	377,630	187,428
Trade and bills receivables	貿易應收款項及應收票據	19	808,830	191,704
Prepayments and other receivables	預付款項及其他應收款項	20	82,067	139,048
Amounts due from shareholders	應收股東款項	21	6,341	6,341
Pledged bank deposits	已抵押銀行存款	22	2,368,420	764,383
Bank balances and cash	銀行結餘及現金	23	67,951	36,635
			3,711,239	1,325,539
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	24	3,158,712	940,627
Accruals and other payables	應計費用及其他應付款項	25	92,541	76,702
Contract liabilities	合約負債	25	32,472	30,251
Borrowings	借款	26	142,622	37,006
Lease liabilities	租賃負債	16	5,890	5,855
Deferred income	遞延收入	27	1,633	3,490
Income tax payable	應付所得稅		4,591	5,952
			3,438,461	1,099,883
Net current assets	流動資產淨值		272,778	225,656
Total assets less current liabilities	總資產減流動負債		383,693	361,106

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

At 31 December 2023 於二零二三年十二月三十一日

		Notes 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Deferred income	遞延收入	27	4,135	12,096
Deferred tax liability	遞延稅項負債	28	14,102	13,484
Lease liabilities	租賃負債	16	2,425	–
Borrowings	借款	26	11,817	14,817
			32,479	40,397
Net assets	資產淨值		351,214	320,709
Capital and reserve	資本及儲備			
Share capital	股本	29	8,945	8,945
Reserves	儲備	30	343,140	311,277
Equity attributable to owners of the Company	本公司擁有人應佔權益		352,085	320,222
Non-controlling interests	非控股權益		(871)	487
Total equity	權益總額		351,214	320,709

The consolidated financial statements on page 122 to 128 were approved and authorised for issue by the board of directors on 28 March 2024.

第122至128頁的綜合財務報表已於二零二四年三月二十八日獲董事會批准及授權刊發。

Li Chengjun
李承軍
Director
董事

Xiong Bin
熊彬
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

		Attributable to owners of the Company 本公司擁有人應佔							Non-		
		Share capital 股本	Share premium 股份溢價	Statutory reserve 法定儲備	Translation reserve 換算儲備	Merger reserve 合併儲備	Other reserves 其他儲備	Retained profits 保留溢利	Sub-total 小計	controlling interests 非控股權益	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Note 29) (附註29)		(Note 30(i)) (附註30(i))		(Note 30(ii)) (附註30(ii))	(Note 30(iii)) (附註30(iii))				
At 1 January 2022	於二零二二年一月一日	8,945	89,439	29,420	(2,486)	(26,744)	85,809	131,541	315,924	(87)	315,837
Profit for the year	年內溢利	-	-	-	-	-	-	6,506	6,506	(145)	6,361
Other comprehensive (expense)/income	其他全面(開支)/收益	-	-	-	(2,208)	-	-	-	(2,208)	22	(2,186)
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	-	-	-	(2,208)	-	-	6,506	4,298	(123)	4,175
Capital contribution from a non-controlling shareholder	一名非控股股東的注資	-	-	-	-	-	-	-	-	697	697
Appropriation to statutory reserve	轉撥至法定儲備	-	-	3,346	-	-	-	(3,346)	-	-	-
At 31 December 2022	於二零二二年十二月三十一日	8,945	89,439	32,766	(4,694)	(26,744)	85,809	134,701	320,222	487	320,709

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

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total
		Share capital 股本	Share premium 股份溢價	Statutory reserve 法定儲備	Translation reserve 換算儲備	Merger reserve 合併儲備	Other reserves 其他儲備	Retained profits 保留溢利	Sub-total 小計	Non-controlling interests 非控股權益	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
		(Note 29) (附註29)		(Note 30(i)) (附註30(i))		(Note 30(iii)) (附註30(iii))	(Note 30(iii)) (附註30(iii))				
At 1 January 2023	於二零二三年一月一日	8,945	89,439	32,766	(4,694)	(26,744)	85,809	134,701	320,222	487	320,709
Profit for the year	年內溢利	-	-	-	-	-	-	32,369	32,369	(1,353)	31,016
Other comprehensive (expense)/income	其他全面(開支)/收益	-	-	-	(506)	-	-	-	(506)	(5)	(511)
Total comprehensive (expense)/income for the year	年內全面(開支)/收益總額	-	-	-	(506)	-	-	32,369	31,863	(1,358)	30,505
Appropriation to statutory reserve	轉撥至法定儲備	-	-	3,052	-	-	-	(3,052)	-	-	-
At 31 December 2023	於二零二三年十二月三十一日	8,945	89,439	35,818	(5,200)	(26,744)	85,809	164,018	352,085	(871)	351,214

CONSOLIDATED STATEMENTS 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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before tax	除稅前溢利	39,947	9,825
Adjustments for:	就以下各項作出調整：		
Finance costs	財務費用	8	18,261
Amortisation of government grant	政府補助攤銷	7	(9,818)
Bank interest income	銀行利息收入	7	(11,503)
Written off of property, plant and equipment	撇銷物業、廠房及設備	10	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	10	509
Loss on early termination of leases	提早終止租賃虧損	10	-
Amortisation of intangible assets	無形資產攤銷	17	2,382
Provision/(reversal) of loss allowance recognised in respect of trade and bills receivables	就貿易應收款項及應收票據確認的虧損撥備/(撥回)	19	3,360
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	14,221
Depreciation of right-of-use assets	使用權資產折舊	10	18,325
Loss on disposal of a subsidiary	出售一間附屬公司虧損	10	419
Operating cash flows before working capital changes	營運資金變動前經營現金流量	93,658	48,546
(Increase)/decrease in inventories	存貨(增加)/減少	(190,150)	93,882
(Increase)/decrease in trade and bills receivables	貿易應收款項及應收票據(增加)/減少	(618,397)	31,465
Decrease in amounts due to from shareholders	應收付股東款項減少	-	3,134
Decrease in prepayment and other receivables	預付款項及其他應收款項減少	62,208	2,819
Increase in trade and bills payables	貿易應付款項及應付票據增加	2,218,085	416,496
Increase in accruals and other payables	應計費用及其他應付款項增加	15,834	2,277
Decrease/(increase) in contract liabilities	合約負債減少/(增加)	1,968	(40,121)
Cash generated from operations	營運所得現金	1,583,206	558,498
Income tax paid	已付所得稅	(10,114)	(2,642)
Net cash from operating activities	經營活動所得現金淨額	1,573,092	555,856

CONSOLIDATED STATEMENTS 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 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	Notes 附註			
Investing activities	投資活動			
Payments for purchase of property, plant and equipment	就購買物業、廠房及設備付款	15	(7,015)	(8,495)
Payments for purchase of intangible asset	就購買無形資產付款	17	(885)	(783)
Proceed from disposal of a subsidiary	出售一間附屬公司所得款項	38	14,391	-
Placement in pledged bank deposits	存入已質押銀行存款		(3,307,361)	(1,238,500)
Withdrawal of pledged bank deposits	提取已質押銀行存款		1,703,380	693,569
Government subsidies received	接獲的政府補貼	27	-	274
Prepayment for acquisition of leasehold land	就收購租賃土地預付款項	20	-	(18,280)
Disposal of subsidiary	出售一間附屬公司		-	-
Interest received	已收利息		10,071	4,362
Net cash used in investing activities	投資活動所用現金淨額		(1,587,419)	(567,853)
Financing activities	融資活動			
Capital contribution from a non-controlling shareholder	一名非控股股東的注資		-	697
New borrowings raised	新籌集借款		458,262	239,723
Repayments of borrowings	償還借款		(356,474)	(248,948)
Payments for capital element of lease liabilities	租賃負債資本部分的付款		(18,287)	(9,147)
Interest paid	已付利息		(35,816)	(18,261)
Net cash from/(used in) financing activities	融資活動所得／(所用)現金淨額		47,685	(35,936)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加／(減少)淨額		33,358	(47,933)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物		36,635	82,904
Effect of foreign exchange rate changes	匯率變動的影響		(2,042)	1,664
Cash and cash equivalents at end of the year	年末現金及現金等價物	23	67,951	36,635

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

Sprocomm Intelligence Limited (the “**Company**”) was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined and revised) of the Cayman Islands as an exempted company with limited liability on 15 August 2018 and its shares have been listed on Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 13 November 2019 (the “**Listing**”). The ultimate controlling parties are Mr. Li Chengjun and Mr. Xiong Bin (the “**Controlling Shareholders**”), who are also executive directors of the Company.

The address of the registered office is located in P.O. BOX 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands and the principal place of business of the Company is located in 5D-506, F1.6 Block, Tianfa Building, Tianan Chegongmiao Industrial Park, Futian District, Shenzhen, China.

The Company is an investment holding company. The principal activities of its subsidiaries are designing, manufacturing and sales of mobile phones and printed circuit board assembly products (“**PCBA**”) and Internet of things (“**IoT**”) related products and investment holding. Particulars of the subsidiaries have been set out in Note 35. The Company and its subsidiaries are collectively referred to as the “**Group**”.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosures required by the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in RMB which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated.

1. 一般資料

Sprocomm Intelligence Limited (「**本公司**」) 於二零一八年八月十五日根據開曼群島法律第22章公司法(一九六一年法例三，經合併及修訂)在開曼群島註冊成立為獲豁免有限公司，其股份於二零一九年十一月十三日在香港聯合交易所有限公司(「**聯交所**」)主板上市(「**上市**」)。最終控股方為李承軍先生及熊彬先生(「**控股股東**」)，彼等亦為本公司董事。

本公司註冊辦事處地址為P.O. BOX 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands，而主要營業地點為中國深圳市福田區天安車公廟工業區天發大廈F1.6棟5D-506室。

本公司為一間投資控股公司。其附屬公司的主要業務活動為設計、製造及銷售手機、印刷電路板組裝產品(「**印刷電路板組裝**」)及物聯網(「**物聯網**」)相關產品以及投資控股。有關附屬公司的詳情載於附註35。本公司及其附屬公司統稱為「**本集團**」。

綜合財務報表乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)(包括所有香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)、香港普遍採納之會計原則及聯交所主板證券上市規則及香港公司條例的披露規定編製。

綜合財務報表已按歷史成本基準編製。歷史成本一般根據為交換貨品及服務提供的代價的公平值。

除另有註明者外，綜合財務報表乃以本公司功能貨幣呈列及所有數值均調整至最接近的千元人民幣。

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. Application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”)

(a) Adoption of new and amendments to HKFRSs

In the current year, the Group has applied the amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2023 for the preparation of the financial statements:

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

The application of the new and amendments to HKFRS in the current year has had no material impact on the Group's financial performance and position for the current and prior year and/or on the disclosures set out in these consolidated financial statements, except as described below. In accordance with the guidance set out in the amendments, accounting policy information that is standardised information, or information that only duplicates or summarises the requirements of the HKFRSs, is considered immaterial accounting policy information and is no longer disclosed in the notes to the consolidated financial statements so as not to obscure the material accounting policy information disclosed in the notes to the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂及經修訂香港財務報告準則

於本年度，本集團首次就編製財務報表應用由香港會計師公會（「香港會計師公會」）頒佈於二零二三年一月一日或之後開始的年度期間強制生效的香港財務報告準則修訂本：

香港會計準則第1號及香港財務報告準則常務說明第2號（修訂本）	披露會計政策 ¹
香港會計準則第8號（修訂本） 香港財務報告準則第17號及香港財務報告準則第17號（修訂本）	會計估計定義 ¹ 保險合約及相關修訂 ¹
香港會計準則第12號（修訂本）	來自單一交易的資產及負債相關遞延稅項 ¹
香港會計準則第12號（修訂本）	國際稅務改革—支柱二立法模板

於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度的財務表現及狀況及／或對該等綜合財務報表所載披露並無重大影響，但下述情況除外。根據該等修訂所載指引，倘會計政策資料屬於標準資料，或有關資料僅重複或總結香港財政報告準則的規定，則並非重大會計政策資料，且已不再於綜合財務資料附註披露，以免與綜合財務表附註披露的重大會計政策資料混淆。

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. Application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

(b) New and amendments to HKFRSs not yet adopted

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 1	Non-current liabilities with covenants ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ¹
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 HKAS 21	The effects of changes in foreign exchange rates: Lack of exchangeability ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between in Investor and its Associate or Joint Venture ³

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 directors of the Group anticipate that the application of the new and amendments to HKFRS will have no material impact on the financial statements in the foreseeable future.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

(b) 尚未採納的新訂及經修訂香港財務報告準則

本公司並無提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港會計準則第1號(修訂本)	附帶契據的非流動負債 ¹
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
香港財務報告準則第16號(修訂本)	於售後租回的租賃負債 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
香港會計準則第21號(修訂本)	外幣匯率變動的影響：缺乏流通性 ²
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

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 於待定日期或之後開始的年度期間生效。

本集團董事預期採用新訂香港財務報告準則及其修訂本於可預見未來不會對財務報表造成重大影響。

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. MATERIAL ACCOUNTING POLICIES

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and non-controlling interest.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Where necessary, adjustments are made to the financial statements of subsidiaries in preparing the consolidated financial statements to bring their accounting policies in line with the Group's accounting policies.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 重大會計政策

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及由本公司與其附屬公司所控制的實體的財務報表。

倘本集團：(i) 對投資對象擁有權力；(ii) 自參與投資對象業務而取得或有權取得浮動回報；及(iii) 有能力以其對投資對象的權力影響本集團回報金額，則取得控制權。

附屬公司損益及其他全面收益的各組成部分乃歸屬於本公司擁有人及非控股權益。

集團內公司間交易涉及之所有資產、負債、權益、收入、開支及現金流量於綜合入賬時悉數對銷。

編製綜合財務報表於必要時會調整附屬公司財務報表以使其會計政策與本集團會計政策一致。

本集團於現有附屬公司的擁有權權益變動

本集團於現有附屬公司的擁有權權益變動，倘不導致本集團失去對附屬公司的控制，則作為權益交易入賬。本集團權益及非控股權益的賬面金額已調整，以反映其在附屬公司中的相對權益變動。非控股權益的調整金額與已付或已收代價的公平值之間的任何差額直接在權益中確認，並歸屬於本公司擁有人。

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. MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue is recognised to depict the transfer of promised goods and services to customers at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services to a customer.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service. Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract liabilities

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

3. 重大會計政策 (續)

收益確認

收益按可描述向客戶轉讓承諾貨品及服務的金額確認，該金額反映實體預期就向客戶交換該等貨品或服務而有權獲得的代價。

若符合下列其中一項條件，控制權隨時間轉移及收益參照履行相關履約責任的完成進度隨時間確認：

- 客戶於本集團履約時同時取得及消耗由本集團履約所帶來的利益；
- 本集團的履約創建或增強一項資產，而該資產於創建或增強時由客戶控制；或
- 本集團的履約並無創建對本集團有替代用途的資產，且本集團有權就迄今已完成的履約部分收取款項。

否則，收益於客戶獲得明確商品或服務控制權的時間點確認。收益乃根據與客戶所訂合約指定的代價進行計量，不包括代表第三方收取的金額、折扣及銷售相關稅款。

合約負債

合約負債指本集團向客戶轉讓商品或服務的義務，而本集團已就此從客戶收到代價。

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. MATERIAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Sales of goods

The Group produces and sells mobile phones, PCBAs for mobile phones, IoT related products, and other products related to mobile phones. Revenue from the sale of goods is recognised when control of the product is transferred to the customer. Control of the product is considered transferred to the customer generally on delivery of goods to the customer's specified location and when customer acceptance has been obtained, which is the point of time the customer has the ability to direct the use of these products and obtain substantially all of the remaining benefits of these products.

A receivable is recognised when the products are delivered and accepted by customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Payment of the transaction price is usually due within 30–90 days of the date when control of the products is transferred to the customer.

The Group received 5% to 30% of the contract value as deposit from certain customers when they signed the sale and purchase agreement for sales of products. For certain sale orders received from customer relating to IoT related products, the Group received 80% of the contract value as upfront deposit when they signed the sale agreement. These deposits are recognised as contract liabilities until the goods have been delivered to the customers.

The Group provides warranties for general repairs of defects to ensure that the products comply with agreed upon specification and they are therefore assurance-type warranties and the Group accounts for the warranty in accordance which HKAS 37 Provisions, Contingent Liabilities and Contingent Assets.

3. 重大會計政策(續)

收益確認(續)

銷售貨品

本集團生產及銷售手機，手機用印刷電路板組裝，物聯網產品及其他與手機相關的產品。銷售貨品的收益於產品控制權已轉移予客戶時確認。產品控制權一般於產品交付至客戶指定地點及客戶確認收貨(即為客戶有能力直接使用該等產品並獲得該等產品之幾乎所有剩餘好處的時間點)時被視為轉移予客戶。

應收款項於產品交付及獲客戶接受時確認，因為付款需要時間的推移方會到期應付，故此為代價為無條件的時間點。支付交易價格通常於產品控制權轉移予客戶之日起30–90天內到期。

本集團在簽訂產品銷售買賣協議時，收取合約價值的5%至30%作為若干客戶押金。對於若干物聯網相關產品相關客戶的訂單，本集團在簽訂銷售協議時收到80%的合約價值作為預付款。有關按金在貨物交付客戶之前確認為合約負債。

本集團提供一般產品缺陷保修，以確保產品符合協定規格，因此，擔保屬保證型擔保，本集團根據香港會計準則第37號撥備、或然負債及或然資產對該等擔保進行會計處理。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Lease

Definition of a lease

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

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability represents the fixed lease payments (including in-substance fixed payments).

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

3. 重大會計政策(續)

租賃

租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為或包含租賃。

本集團作為承租人

本集團於合約開始時評估合約是否為或包括租賃。本集團就其作為承租人的所有租賃安排(除短期租賃(界定為自開始日期起計租期為十二個月或更短且不包含購買選擇權的租賃)外)確認使用權資產及相關租賃負債。就該等租賃而言，本集團於租期內以直線法確認租賃付款為經營開支，惟倘有另一系統化基準更能代表耗用租賃資產經濟利益的時間模式則除外。

租賃負債

於開始日期，本集團以該日未支付租賃付款之現值計量租賃負債。租賃付款使用租賃中的內含利率進行貼現。倘上述利率不易確定，則本集團會使用增量借款利率。

計入租賃負債計量之租賃付款指固定租賃付款(包括實質固定付款)。

租賃負債於綜合財務狀況表中單獨呈示。

租賃負債其後透過增加賬面值以反映租賃負債利息(使用實際利息法)及減少賬面值以反映所作出的租賃付款加以計量。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Lease (Continued)

Right-of-use assets

The right-of-use assets are initially recognized at amounts which comprise the initial measurement amount of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies HKAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Impairment losses on tangible assets and intangible assets” policy as stated below.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 重大會計政策 (續)

租賃 (續)

使用權資產

使用權資產為初步確認的金額，包括相應租賃負債之初始計量金額、於開始日期或之前作出的租賃付款及任何初始直接成本，減收取的租賃優惠。

使用權資產其後按成本減累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產於相關資產的租期及使用年期（以較短者為準）內折舊。折舊於租賃開始日期開始。

誠如下文「有形及無形資產減值虧損」政策所述，本集團使用香港會計準則第36號釐定使用權資產是否減值及入賬任何已識別減值虧損。

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）所進行之交易乃按交易當日之現行匯率以各自的功能貨幣（即實體經營所在的主要經濟環境的貨幣）入賬。於報告期末，以外幣列值之貨幣項目乃按該日之當時匯率重新換算。以外幣歷史成本計量的非貨幣項目不作重新折算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，於其產生期間在損益內確認。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 重大會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團之海外業務的資產及負債按報告期末之現行匯率換算為本集團之呈列貨幣（即人民幣）。收入及開支按年內平均匯率換算。所產生之匯兌差額（如有）於其他全面收益確認並於權益下以匯兌儲備累計。

稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時應付稅項乃按年內應課稅溢利計算。本集團乃按報告期末已實行或實際已實行之稅率計算即期稅項負債。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基之間的暫時差額而確認。遞延稅項負債基本上就所有應課稅暫時差額確認。遞延稅項資產則須就應課稅溢利很可能用作扣減該等可運用的可扣減暫時差額才作確認。若暫時差額因首次確認一項既不影響應課稅溢利亦不影響會計溢利之交易中的資產及負債而產生，則不予確認遞延稅項資產及負債。

與該等投資相關的可扣稅暫時性差額所產生的遞延稅項資產，僅於很可能有足夠應課稅溢利可以使用暫時差額的利益且預計於可見將來可以撥回時確認。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition due to application of the initial recognition exemption.

Current tax and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to allocate the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method as follows:

Leasehold improvements	5 years or over lease term whichever is shorter
Plant and machinery	3 years to 5 years
Furniture and fixture	3 years
Motor vehicles	5 years
Office equipment	3 years
Ownership interests in land and building	20 years

3. 重大會計政策 (續)

稅項 (續)

遞延稅項資產之賬面值會於各報告期末作出檢討，倘不再可能有足夠應課稅溢利可用於收回全部或部分資產則會予以扣減。

為計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項，本集團首先確定稅項減免是歸屬於使用權資產抑或租賃負債。

對於稅項減免歸屬租賃負債的租賃交易，本集團對使用權資產及租賃負債分別採用香港會計準則第12號所得稅的規定。由於適用初始確認豁免，與使用權資產及租賃負債有關的暫時性差額不在初始確認時確認。

即期稅項及遞延稅項於損益內確認。

物業、廠房及設備

物業、廠房及設備於綜合財務狀況表內按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

物業、廠房及設備項目折舊乃於其估計可使用年期內採用直線法確認以分配成本減剩餘價值如下：

租賃物業裝修	五年或租期 (以較短者為準)
廠房及機器	三年至五年
傢俬及固定裝置	三年
汽車	五年
辦公設備	三年
土地及樓宇所有權權益	二十年

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Ownership interests in leasehold land and buildings

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. 重大會計政策 (續)

物業、廠房及設備 (續)

估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，任何估計變動的影響按未來基準入賬。

物業、廠房及設備項目於出售時或預期日後持續使用資產將不會產生經濟利益時不再確認入賬。出售或報廢物業、廠房及設備項目的任何盈虧乃按銷售所得款項與該資產的賬面值的差額釐定，並於損益內確認。

於租賃土地及樓宇的所有權權益

當本集團就物業擁有權權益(包括租賃土地及樓宇部分)作出付款，則代價按於首次確認時之相對公平值比例，於租賃土地及樓宇部分之間悉數分配。倘相關付款能可靠計量時，入賬列為經營租賃的租賃土地權益於綜合財務狀況表呈列為「使用權資產」。當代價無法在相關租賃土地的非租賃樓宇部分及為分配權益之間可靠分配時，則整項物業分類為物業、機器及設備。

無形資產

分開購入之無形資產

分開購入且具有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有限可使用年期之無形資產攤銷則以直線法按其估計可使用年期確認。估計可使用年期及攤銷方法會於各報告期末檢討，任何估計變動的影響按未來基準入賬。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Intangible assets acquired separately (Continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible asset is reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately. Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Development costs and patents are internally generated. Capitalised development cost represents the cost in relation to the self-developed feature for IoT products. All of the Group's computer software were acquired from third parties. Such intangible assets are amortised on a straight-line basis over the following periods:

Computer software	10 years
Patents	10 years
Development costs	3 years

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash as defined above.

Interests in subsidiaries

Interests in subsidiaries are stated on the statement of financial position of the Company at cost less any identified impairment loss.

3. 重大會計政策 (續)

無形資產 (續)

分開購入之無形資產 (續)

就內部產生的無形資產初始確認的金額為自無形資產首次符合上述確認條件之日起產生的開支總和。倘並無可確認的內部產生的無形資產，則開發支出會於產生的期間在損益確認。於初始確認後，內部產生的無形資產按與分開收購的無形資產相同的基準，以成本減累計攤銷及累計減值虧損呈報。研究活動開支於產生的期間內確認為開支。

開發成本及專利為內部產生。資本化開發成本指與自主開發的物聯網(IoT)產品功能有關的成本。本集團所有電腦軟件都是向第三方購買。該等無形資產於以下期間按直線法攤銷：

電腦軟件	10年
專利	10年
開發成本	3年

現金及現金等價物

綜合財務狀況表內的銀行結餘及現金包括銀行現金及手頭現金。

就綜合現金流量表而言，現金及現金等價物包括上述界定之現金。

於附屬公司之權益

於附屬公司之權益於本公司之財務狀況表內按成本減任何已識別減值虧損列賬。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using weighted average method. Net realisable value of inventories represents the estimated selling price in the ordinary course of business for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Group's financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

3. 重大會計政策 (續)

存貨

存貨按成本與可變現淨值兩者之較低者列賬。存貨成本使用加權平均法計算。存貨的可變現淨值指存貨在日常業務過程中的估計售價減所有估計完工成本及必要銷售成本。

金融工具

當集團實體訂立工具合約條文時，於綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量，惟與客戶合約產生的貿易應收款項按香港財務報告準則第15號進行初始計量除外。收購或發行金融資產及金融負債（按公平值計入損益的金融資產或金融負債除外）的直接相關交易成本於初始確認時計入或扣除自金融資產或金融負債的公平值（視適用情況而定）。收購按公平值計入損益的金融資產或金融負債直接相關交易成本即時於損益確認。

金融資產

所有已確認的金融資產，視乎金融資產的分類而定，其後全面按攤銷成本或公平值計量。本集團的金融資產於初始確認時分類為其後按攤銷成本計量及按公平值計入損益。

金融資產於初始確認時的分類取決於金融資產的合約現金流量特徵及本集團管理該等資產的業務模式。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按攤銷成本計量的金融資產 (債務工具)

倘滿足以下兩個條件，本集團對金融資產其後按攤銷成本計量。

- 於目標為持有資產以收取合約現金流量的業務模式持有的金融資產；及
- 金融資產的合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償的本金利息之付款。

按攤銷成本計量的金融資產其後使用實際利率法計量，或會減值。

攤銷成本及實際利息法

實際利息法是計算債務工具的攤銷成本及在相關期間分配利息收入的方式。

就金融工具而言，實際利率為將債務工具於預計年期或較短期間（如適用）的估計未來現金收款（包括組成實際利率整體部分的全部已付或已收費用及貼息、交易成本及其他溢價或折讓，不包括預期信貸虧損）準確折現至債務工具於初始確認時的賬面總值的利率。

金融資產之攤銷成本相當於該金融資產於初始確認時計量之金額減本金還款，加使用實際利息法就上述初始金額與到期金額之間的任何差額計算之累計攤銷額，再經任何虧損撥備予以調整後之金額。另一方面，金融資產之賬面總值為經任何虧損撥備予以調整前之金融資產攤銷成本。

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綜合財務報表附註

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3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Amortised cost and effective interest method
(Continued)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the “other gains and income” line item.

Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade and bills receivables, pledged bank deposits, restricted deposits, other receivables, amounts due from shareholders and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instruments.

The Group always recognises lifetime ECL for trade and bills receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Assessment are done based on the Group’s historical credit loss experience and forward looking information including both current and forecast general economic conditions at the reporting date.

The Group applies the simplified approach to provide for ECL prescribed by HKFRS 9 for trade and bills receivables.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

攤銷成本及實際利息法 (續)

就其後按攤銷成本計量之債務工具而言，利息收入乃使用實際利息法確認。就購入或原本已信貸減值之金融資產以外之金融工具而言，利息收入乃透過對金融資產之賬面總值應用實際利率計算，惟其後出現信貸減值之金融資產除外。

利息收入於損益內確認，並計入「其他收益及收入」項目。

按公平值計入損益之金融資產

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易應收款項及應收票據、已抵押銀行存款、受限制存款、其他應收款項、應收股東款項以及銀行結餘及現金)確認預期信貸虧損的虧損撥備。預期信貸虧損的金額於各報告日期更新，以反映各金融工具自初始確認後信貸風險的變化。

本集團從來就貿易應收款項及應收票據確認全期預期信貸虧損。該等金融資產的預期信貸虧損乃使用基於本集團歷史信貸虧損經驗的撥備矩陣進行估計，並根據債務人的特殊因素、一般經濟狀況及對報告日期的當前及未來變化趨勢的評估進行調整，包括貨幣的時間價值(如適用)。

評估乃根據本集團的過往信貸虧損經驗及前瞻性資訊(包括於報告日期的現有及預測整體經濟狀況)進行。

本集團應用簡化法為貿易應收款項及應收票據計提香港財務報告準則第9號規定的預期信貸虧損。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For all other financial instruments, the Group measures the loss allowance equal to RMB5 millions 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.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Company 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 Company 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, the credit default swap prices for the debtor;
- 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;

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產 (續)

對於所有其他金融工具，本集團計量的虧損撥備等於人民幣5百萬元預期信貸虧損，除非自初始確認後信貸風險顯著增加，本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加。

(i) 信貸風險顯著增加

於評估自初始確認後信貸風險是否顯著增加時，本公司將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較。在進行該評估時，本公司會考慮合理且可支持的定量和定性資料，包括無需付出不必要的成本或努力而可得之歷史經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時，會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標的顯著惡化，如信貸利差大幅增加，債務人的信貸違約掉期價格；
- 預計會導致債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預測的不利變化；

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- an actual or expected significant deterioration in the operating results of the debtor; or
 - 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.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產(續)

- (i) 信貸風險顯著增加(續)
- 債務人經營業績的實際或預期顯著惡化；或
 - 導致債務人償還債務能力大幅下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

儘管上文所述，本集團假設倘債務工具釐定為於報告日期具有低信貸風險，則債務工具的信貸風險自初始確認以來並無顯著增加。倘屬以下情況，債務工具釐定為具有低信貸風險：i) 金融工具具有低違約風險，ii) 款人於短期內具備雄厚實力履行其合約現金流量責任及iii) 長期經濟及業務狀況的不利變動可能但不一定削減借款人履行其合約現金流量責任的能力。當金融資產有符合全球通用定義的「投資級」內部或外部信貸評級，或當未獲得外部評級，資產內部評級為「正常」時，則本集團認為金融資產具有較低信貸風險。正常指對手方財務狀況良好且無過往逾期金額。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

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3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(ii) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- 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 collaterals held by the Group).

(iii) 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, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade and bills receivables, when the amounts are over 24 months past due, whichever occur 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. Any recoveries made are recognised in profit or loss.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產 (續)

(ii) 違約的定義

本集團認為以下各項為內部信貸風險管理時被視為構成違約事件的標準，因為過往經驗顯示符合以下標準的應收款項通常不可收回。

- 當對手方違反財務契諾；或
- 內部產生或外部獲取的資料顯示債務人可能無法向其債權人（包括本集團）悉數付款（其中並無計及本集團所持有的任何抵押品）。

(iii) 撇銷政策

當有資料顯示交易對手陷入嚴重財務困難，且並無實際收回的可能之時（例如交易對手已清算或進入破產程序，或貿易應收款項及應收票據逾期超過24個月（以較早發生者為準），本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。任何收回款項會於損益中確認。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) 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:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) 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;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產 (續)

(iv) 信貸減值之金融資產

當一項或多項對金融資產估計未來現金流量造成負面影響的違約事件發生時，即代表金融資產已出現信貸減值。金融資產出現信貸減值的證據包括有關以下事件的可觀察數據：

- (a) 發行人或借款人遇到嚴重財務困難；
- (b) 違反合約，如拖欠或逾期事件；
- (c) 向借款人作出貸款之貸款人出於與借款人財務困難有關的經濟或合約考慮，給予借款人在其他情況下不會作出的讓步；
- (d) 借款人有可能破產或進行其他財務重組；或
- (e) 由於財務困難致使金融資產之活躍市場消失。

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綜合財務報表附註

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3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL

The measurement of expected credit losses 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. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For the financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

3. 重大會計政策 (續)

金融工具 (續)

金融資產 (續)

按公平值計入損益的金融資產 (續)

(v) 計量及確認預期信貸虧損

預期信貸虧損之計量可計算出違約概率、違約損失率(即違約時的虧損大小)及違約風險敞口。違約概率及違約損失率之評估乃基於上述經前瞻性資料調整的過往數據。至於違約風險敞口，就金融資產而言，其於資產於報告日期的賬面總值中反映。

金融資產之預期信貸虧損按根據合約應付本集團的所有合約現金流量與本集團預期可收取的所有現金流量(按原定實際利率貼現)之間的差額估算。

倘本集團已按相等於前一個報告期間之全期預期信貸虧損金額計量一項金融工具之虧損撥備，惟倘於當前報告日期確定不再符合全期預期信貸虧損之條件，則本集團於當前報告日期將計量虧損撥備為相等於12個月預期信貸虧損金額(已採用簡化方法的資產除外)。

本集團於損益中確認所有金融工具的減值收益或虧損，並通過虧損撥備賬對其賬面值進行調整。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(vi) Derecognition of financial assets

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

按公平值計入損益的金融資產(續)

(vi) 終止確認金融資產

僅當自資產所得現金流量的合同權利屆滿或於其將金融資產以及資產擁有權的絕大部分風險及回報轉讓予另一方時終止確認金融資產。倘本集團既無轉撥亦無保留資產擁有權的所有風險及回報，並繼續控制已轉移資產，則本集團於資產確認保留利益及就可能須付的金額確認相關負債。倘本集團保留轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產並亦就應收所得款項確認抵押借款。

於終止確認按攤銷成本計量的金融資產時，資產的賬面值與已收及應收代價的總和之間的差額會於損益內確認。

金融負債及股本工具

分類為債務或權益

由本公司發行之債務及股本工具按合約安排之實質，以及金融負債及股本工具之定義分類為金融負債或權益。

股本工具

股本工具為證明實體資產於扣除其所有負債後的剩餘權益的任何合同。本公司所發行的股本工具乃按已收所得款項扣除直接發行成本確認。

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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

3. MATERIAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Financial liabilities

The Group's financial liabilities including trade and bills payables, accruals and other payables, borrowings are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on property, plant and equipment, right-of-use assets and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generation units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

金融負債

本集團金融負債(包括貿易應付款項及應付票據、應計費用及其他應付款項、借款)其後使用實際利息法按攤銷成本計量。

終止確認金融負債

當且僅當本集團責任獲免除、取消或已屆滿時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間差額會於損益確認。

物業、廠房及設備、使用權資產及無形資產的減值虧損

本集團於報告期末審查其物業、廠房及設備、使用權資產及具有有限可使用年期的無形資產的賬面金額，以確定是否有任何跡象表明該等資產已遭受減值虧損。倘存在任何此類跡象，則對資產的可收回金額進行估計，以確定減值虧損的程度(如有)。倘無法估計某項資產的可收回金額，本集團則估計該資產所屬的現金產生單位的可收回金額。當可確定合理及一致分配基礎時，企業資產亦獲分配至各個現金產生單位，否則會被分配至可識別合理一致之分配基準之最小現金產生單位組別。

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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

3. MATERIAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments
(Continued)

Impairment losses on property, plant and equipment, right-of-use assets and intangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as immediately in profit or loss as income.

3. 重大會計政策 (續)

金融工具 (續)

金融負債及股本工具 (續)

物業、廠房及設備、使用權資產及無形資產的減值虧損 (續)

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量按稅前貼現率貼現至其現值。該貼現率反映現時市場對貨幣時間價值及未調整未來現金流量估計之資產特定風險之評估。

倘估計資產（或現金產生單位）之可收回金額低於其賬面值，則資產（或現金產生單位）賬面值扣減至其可收回金額。減值虧損即時於損益確認。

倘某項減值虧損其後撥回，則資產（或現金產生單位）賬面值增至其可回收金額經修訂後之估值，惟增加後之賬面值不得超過該項資產（或現金產生單位）於過往年度未有確認減值虧損而會釐定之賬面值。減值虧損撥回即時於損益確認為收入。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Estimated useful lives of property, plant and equipment (including right-of-use assets) and intangible assets

Property, plant and equipment (including right-of-use assets) and intangible assets are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation, amortisation and subsequent accumulated impairment losses, if any. The estimated useful lives reflect the Company's directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment (including right-of-use assets) and intangible assets, based on various factors. The estimation of useful lives impacts the level of annual depreciation or amortisation expenses recorded.

4. 估計不確定因素的主要來源

在應用附註3所述的本集團會計政策時，本公司董事須就綜合財務報表所呈報的資產、負債、收益及開支金額以及所作出的披露作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被視為相關的其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘會計估計之修訂僅對作出修訂之期間構成影響，則有關修訂只會在該期間內確認；倘會計估計之修訂對現時及未來期間均構成影響，則會在作出該修訂期間及未來期間內確認。

以下為有關日後之主要假設及於報告期末估計不確定因素之其他主要來源，乃具有對下個財政年度之資產及負債之賬面值造成重大調整之重大風險。

物業、廠房及設備(包括使用權資產)及無形資產的估計可使用年期

物業、廠房及設備(包括使用權資產)及無形資產按成本減其後累計折舊、攤銷以及其後累計減值虧損(如有)於綜合財務狀況表列賬。估計使用年期反映本公司董事基於多個因素對本集團計劃透過使用本集團物業、廠房及設備(包括使用權資產)及無形資產產生未來經濟利益期間之估計。估計可使用年期會對記錄之年度折舊或攤銷開支水平造成影響。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment of property, plant and equipment, right-of-use assets and intangible assets with finite useful life

If circumstances indicate that the carrying value of a property, plant and equipment, right-of-use assets and intangible assets with finite useful life may not be recoverable, the asset may be considered impaired, and an impairment loss may be recognised in profit or loss. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When a decline of the assets' recoverable amounts below the carrying amounts has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. It is difficult to precisely estimate fair value less costs of disposal because quoted market prices for the Group's assets are not readily available. In determining value in use, expected future cash flows to be generated by the asset, or cash generating unit, are discounted to their present value, which requires significant judgement relating to level of sales volume and amount of operating costs. The Group uses all readily available information in determining the estimated amounts that are reasonable and supports for calculate of the recoverable amounts, including estimates based on reasonable and supportable assumptions and projections of sales volume and amount of operating costs. As at 31 December 2023, the carrying amounts of right-of-use assets, property, plant and equipment, and intangible assets were RMB8,166,000, RMB95,899,000 and RMB6,162,000 (2022: RMB5,649,000, RMB103,614,000 and RMB7,659,000) respectively.

4. 估計不確定因素的主要來源(續)

物業、廠房及設備、使用權資產及可使用年期有限的無形資產減值

倘情況表明某項物業、廠房及設備、使用權資產及可使用年期有限的無形資產的賬面值可能無法收回，該資產可能被視為減值，而減值虧損可能在損益中確認。每當有事件或情況變化表明已記錄的賬面金額可能無法收回時，即對該等資產進行減值測試。當資產的可收回金額下降到低於賬面金額時，賬面金額會減至可收回金額。可收回金額為公平價值減出售成本及使用價值中的較高者。由於本集團的資產並無現行市場報價，因此難以精確估計公平價值減出售成本。在釐定使用價值時，資產產生的預期未來現金流量或現金產生單位被折算成現值，而此舉需要對銷售量的水平及經營成本的金額作出重大判斷。本集團使用所有現有資料來釐定合理可估計金額及支持計算可收回金額，包括基於合理及有根據的假設以及對銷售量及經營成本金額的預測的估計。於二零二三年十二月三十一日，使用權資產、物業、廠房及設備及無形資產的賬面值分別為人民幣8,166,000元、人民幣95,899,000元及人民幣6,162,000元（二零二二年：人民幣5,649,000元、人民幣103,614,000元及人民幣7,659,000元）。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment losses recognised in respect of trade and bills receivables

The impairment for trade and bills receivables is based on assumptions about ECL. The Group used judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the number of days that trade and bills receivables are outstanding as well as the Group's historical experience and forward-looking information at the end of the reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment charge to the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2023, the carrying values of trade and bills receivables is approximately RMB806,448,000 (31 December 2022: approximately RMB 191,704,000) net of allowance for doubtful debt of approximately RMB5,865,000 (31 December 2022: RMB2,505,000).

Allowances recognised in respect of inventories

The management of the Group reviews an ageing analysis at the end of each reporting period and makes allowance for obsolete and slow-moving items identified that are no longer suitable for sale or use. The Group makes allowance for inventories based on the assessment of the net realisable value. The management estimates the net realisable value for inventories based on subsequent usage and sales, ageing analysis and current market conditions. As at 31 December 2023, the carrying amounts of inventories were approximately RMB377,630,000 (2022: RMB187,428,000) and no impairment loss has been recognised for the years ended 31 December 2023 and 2022.

4. 估計不確定因素的主要來源(續)

就貿易應收款項及應收票據確認之減值虧損

貿易應收款項及應收票據的減值乃基於對預期信貸虧損的假設。於報告期末，本集團基於貿易應收款項及應收票據的未償還天數以及本集團的過往經驗及前瞻性資料，於作出該等假設時採用判斷及於計算減值時選擇輸入數據。該等假設及估計之變動可能對評估結果構成重大影響，並可能需要就綜合損益及其他全面收益表作出額外減值開支。

於二零二三年十二月三十一日，貿易應收款項及應收票據的賬面值扣除呆賬撥備約人民幣806,448,000元(二零二二年十二月三十一日：約人民幣191,704,000元)後約為人民幣5,865,000元(二零二二年十二月三十一日：人民幣2,505,000元)。

就存貨確認之撥備

本集團管理層於各報告期末審閱賬齡分析並就所識別的不再適合於銷售或使用的陳舊或滯銷項目作出撥備，本集團根據對可變現淨值的評估對存貨作出撥備。管理層根據其後的用途及銷售額、賬齡分析及當前市況對存貨的可變現淨值作出估計。於二零二三年十二月三十一日，存貨的賬面值為約人民幣377,630,000元(二零二二年：人民幣187,428,000元)，並無就截至二零二三年及二零二二年十二月三十一日止年度確認減值虧損。

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5. REVENUE

Revenue represents revenue arising on sales of goods in the normal course of business, net of discounts and sales related taxes. The Group's revenue for the year is recognised on a point in time basis.

An analysis of revenue from contracts with customers disaggregated by major product types is as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Mobile phones	手機	2,137,747	1,029,754
PCBAs	印刷電路板組裝	55,588	28,758
IoT related products	物聯網相關產品	483,801	296,514
Others	其他	145,785	95,351
		2,822,921	1,450,377

Transaction price allocated to the remaining performance obligations

The sales contracts are with an original expected duration of less than one year. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price for the performance obligation that is unsatisfied as of the end of respective reporting period.

6. SEGMENT INFORMATION

Information is reported on a regular basis to the executive directors of the Company, being the chief operating decision makers, for their review of the Group's internal reporting in order to assess performance and allocate resources. The Group is principally engaged in designing, manufacturing and sales of mobile phones and PCBA and IoT related products. Information reported to the chief operating decision makers, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

5. 收益

收益指於一般業務過程中銷售貨品產生之收益(經扣除折讓及銷售相關稅項)。本集團年內之收益於某一時間點的基準確認。

按主要產品類型分列的客戶合約收益分析如下：

分配予餘下履約責任的交易價格

銷售合約的原預期期限少於一年。因此，本集團選擇了實際的權宜的方式，並無披露各報告期末尚未達成的履約責任的交易價格金額。

6. 分部資料

本公司執行董事(即主要運營決策者)將定期獲得呈報資料，檢討本集團內部報告以評估表現及分配資源。本集團主要從事設計、製造及銷售手機、印刷電路板組裝及物聯網相關產品。向主要營運決策者呈報以供資源分配及表現評估之資料專注於本集團整體經營業績，因為本集團之資源已作整合，並無獨立之經營分部財務資料。因此，並無呈列經營分部資料。

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6. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are mainly located in the PRC (the place of domicile of the Group's operation).

Information about the Group's revenue from external customers presented based on the location of customers is as follows.

6. 分部資料(續)

地域資料

本集團的經營主要於中國(本集團業務所在地)進行。

按客戶位置呈列的本集團外部客戶收益資料如下：

		Revenue from external customers 外部客戶收益	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
India	印度	863,557	757,814
The PRC	中國	1,742,400	509,101
People's Republic of Bangladesh	孟加拉人民共和國	74,572	95,368
Algeria	阿爾及利亞	10,568	27,917
Republic of Korea	大韓民國	–	26,802
United States of America	美利堅合眾國	–	20,377
Islamic Republic of Pakistan	巴基斯坦伊斯蘭共和國	131,798	–
Other regions	其他地區	26	12,998
		2,822,921	1,450,377

The Group's non-current assets, excluding deferred tax assets, amounted to RMB110,077,000 (2022: RMB135,202,000), and are all located in the PRC.

本集團的非流動資產(不包括遞延稅項資產)為人民幣110,077,000元(二零二二年：人民幣135,202,000元)，全部位於中國。

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6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Customer A	客戶 A	N/A 不適用*	302,167
Customer B	客戶 B	469,412	N/A 不適用*
Customer C	客戶 C	503,107	N/A 不適用*
Customer D	客戶 D	570,521	N/A 不適用*

* The customer did not contribute over 10% of the total revenue of the Group in 2023 or 2022.

6. 分部資料(續)

有關主要客戶之資料

貢獻收益佔本集團總收益10%以上之客戶如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	N/A 不適用*	302,167
	469,412	N/A 不適用*
	503,107	N/A 不適用*
	570,521	N/A 不適用*

* 於二零二三年或二零二二年客戶並無佔本集團總收益10%以上。

7. OTHER GAINS AND INCOME

7. 其他收益及收入

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	11,503	12,227
Exchange gain, net	匯兌收益淨額	-	15,892
Reversal of impairment loss on trade and bills receivables recognised	已確認貿易應收款項及應收票據減值虧損撥回	-	76
Government subsidies (Note)	政府補貼(附註)	15,589	16,234
Amortisation of government grant (Note 27)	政府補助攤銷(附註27)	11,063	6,488
Sundry income	雜項收入	625	1,253
		38,780	52,170

Note: The government subsidies represent the one-off government grants that were received from local government authorities of which the entitlements were unconditional and were not capital in nature and therefore immediately recognised as other income.

附註：政府補貼指來自多個地方政府機關的一次性政府補助金，有關補貼為無條件且為非資本性質，因此即時確認為其他收入。

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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

8. 融資成本

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Interest on:	下列各項之利息：		
Lease liabilities	租賃負債	720	914
Discounted bills	貼現票據	15,186	10,574
Borrowings	借款	19,910	6,773
		35,816	18,261

9. INCOME TAX EXPENSE

9. 所得稅開支

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Current tax – Hong Kong profit tax	即期稅項 – 香港利得稅		
– Provision for the year	– 一年內撥備	1,360	416
– Over-provision in respect of prior years	– 過往年度超額撥備	(48)	–
Current tax – PRC Enterprise Income Tax	即期稅項 – 中國企業所得稅		
– Provision for the year	– 一年內撥備	1,312	4,300
– Under-provision in respect of prior years	– 過往年度撥備不足	6,129	172
Current tax – United States enterprise income tax	即期稅項 – 美國企業所得稅		
– Provision for the year	– 一年內撥備	–	749
		8,753	5,637
Deferred tax (Note 28):	遞延稅 (附註28)		
– Charge/(credit) to current year	– 於本年度扣除 / (計入)	178	(2,173)
Income tax expense	所得稅開支	8,931	3,464

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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

9. INCOME TAX EXPENSE (Continued)

- (i) Pursuant to the rules and regulations of the British Virgin Islands and Cayman Islands, the Group is not subject to any income tax in these jurisdictions.
- (ii) The statutory tax rate of subsidiaries in Hong Kong is 16.5%. Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of a qualifying group entity are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rate regime are to be taxed at a flat rate of 16.5%.
- (iii) Under the Law of the PRC on Enterprise Income Tax (the “EIT law”) and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries established in the PRC is 25%.
- (iv) Two of the Group’s subsidiaries, Shenzhen Sprocomm Telecommunication Technology Co., Ltd. (“Shenzhen Sprocomm”) and Shanghai Sprocomm Telecommunication Technology Co., Ltd. (“Shanghai Sprocomm”), are recognised as High and New-technology Enterprise, and have been granted tax concessions by the local tax bureau. These two subsidiaries are entitled to PRC EIT at concessionary rate of 15% from 2023 to 2025 and 2021 to 2023 respectively. These entities also enjoyed additional 100% (2022: 75%) tax deduction based on the eligible research and development expenses.
- (v) The Group is subject to taxation in India, calculated based on the rates applicable in the relevant jurisdiction on the estimated assessable profits in India. The applicable tax rate is 30%. No provision for overseas profits tax in respect of India taxation has been made, as the Group did not have any assessable profits subject to such overseas profits tax for both years.
- (vi) The Group is subjected to United States Federal Income taxes. The United States enterprise income tax rate has been provided at the applicable rate of 21% for the year ended 31 December 2023 (2022: 21%).

9. 所得稅開支(續)

- (i) 根據英屬處女群島及開曼群島規則及規例，本集團無須在該等司法權區繳納任何所得稅。
- (ii) 香港附屬公司之法定稅率為16.5%。根據香港利得稅的兩級制利得稅率制度，合資格集團實體的首2,000,000港元溢利按8.25%的稅率徵稅，而超過2,000,000港元的溢利則按16.5%的稅率徵稅。不符合兩級制利得稅稅率制度資格的集團實體的溢利繼續按16.5%的統一稅率徵稅。
- (iii) 根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於中國成立的附屬公司的稅率為25%。
- (iv) 本集團兩間附屬公司深圳禾苗通信科技有限公司(「深圳禾苗」)及上海禾苗通信科技有限公司(「上海禾苗」)獲認定為高新技術企業，並獲地方稅務局授予稅項優惠。該兩間附屬公司分別於二零二三年至二零二五年及二零二一年至二零二三年有權以優惠稅率15%繳交中國企業所得稅。該等實體亦因合資格研發開支而享有100%(二零二二年：75%)稅率削減。
- (v) 本集團須繳納印度稅項，該等稅款乃就印度的估計應課稅溢利按照相關司法管轄區所適用之稅率計算。適用稅率為30%。由於本集團於兩年間並無須繳付海外利得稅之任何應課稅溢利，故並無就印度稅項作出海外利得稅撥備。
- (vi) 本集團須繳納美國聯邦所得稅。截至二零二三年十二月三十一日止年度，美國企業所得稅稅率已按適用稅率21%計提撥備(二零二二年：21%)。

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9. INCOME TAX EXPENSE (Continued)

9. 所得稅開支(續)

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Profit before tax	除稅前溢利	39,947	9,825
Tax at PRC statutory tax rate of 25%	按中國法定稅率25%計算的稅項	9,987	2,456
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	1,934	1,333
Tax effect of non-taxable income	非課稅收益的稅務影響	(5,172)	(1,216)
Utilisation of tax losses not recognised	動用未確認的稅項虧損	(54)	(46)
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	16,403	19,057
Additional deduction arising from research and development expenses	研發開支產生的額外扣減	(20,861)	(16,379)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營的附屬公司的不同稅率影響	(795)	(647)
Under-provision in prior years	過往年度撥備不足	6,081	172
Withholding tax on undistributed earnings of a PRC subsidiary (Note 28)	一間中國附屬公司未分派盈利的預扣稅(附註28)	1,007	(1,090)
Tax effect of tax exemption/ deduction from tax authority (Note 9 (iv))	稅務機關稅項豁免/扣減的稅務影響(附註9(iv))	401	(176)
Income tax expense for the year	年內所得稅開支	8,931	3,464

Details of deferred tax are set out in Note 28.

遞延稅項的詳情載於附註28。

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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

10. PROFIT FOR THE YEAR

10. 年內溢利

			2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
	Note 附註			
Profit for the year has been arrived at after charging/ (crediting):		經扣除(計入)下列各項後達致：		
Directors' emoluments	11	董事酬金	2,448	2,294
Salaries, allowances and other benefits (excluding directors' emoluments)		薪金、津貼及其他福利(不包括董事酬金)	128,121	121,406
Contributions to retirement benefits scheme (excluding directors' emoluments)		退休福利計劃供款(不包括董事酬金)	14,400	17,843
Total staff costs		員工成本總額	144,969	141,543
Auditors' remuneration		核數師薪酬	1,193	816
Amortisation of intangible assets	17	無形資產攤銷	2,382	2,307
Amount of inventories recognised as an expense		已確認為開支的存貨金額	2,523,333	1,246,747
Depreciation of property, plant and equipment	15	物業、廠房及設備折舊	14,221	24,612
Depreciation of right-of-use assets	16	使用權資產折舊	18,325	10,194
Provision/(reversal) of impairment loss recognised in respect of trade and bills receivables	19	就貿易應收款項及應收票據確認的減值虧損撥備/(撥回)	3,360	(76)
Loss on disposal of property, plant and equipment	15	出售物業、廠房及設備之虧損	509	2,135
Loss on disposal of a subsidiary		出售一間附屬公司之虧損	419	-
Loss on early termination of leases		提早終止租賃之虧損	-	3

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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

10. PROFIT FOR THE YEAR (Continued)

- (i) This includes costs of materials used of approximately RMB2,431,011,000 (2022: RMB1,180,023,000), sub-contracting fees of approximately RMB Nil (2022: RMB2,964,000), labour costs of approximately RMB36,298,000 (2022: RMB22,844,000) and utilities expenses of approximately RMB56,024,000 (2022: RMB40,916,000).

- (ii) Research and development expenses recognised in consolidated profit or loss includes staff cost of approximately RMB63,520,000 (2022: RMB71,858,000), cost of material used of approximately RMB33,262,000 (2022: RMB19,899,000), technology development fees of approximately RMB19,249,000 (2022: RMB18,064,000) and depreciation of approximately RMB3,915,000 (2022: 4,276,000).

10. 年內溢利(續)

- (i) 其中包括所用材料成本約人民幣2,431,011,000元(二零二二年：人民幣1,180,023,000元)，分包費用約人民幣零元(二零二二年：人民幣2,964,000元)，勞工成本約人民幣36,298,000元(二零二二年：人民幣22,844,000元)及公用事業開支約人民幣56,024,000元(二零二二年：人民幣40,916,000元)。

- (ii) 研發開支於綜合損益確認，包括員工成本約人民幣63,520,000元(二零二二年：人民幣71,858,000元)、所用材料成本約人民幣33,262,000元(二零二二年：人民幣19,899,000元)、技術開發費約人民幣19,249,000元(二零二二年：人民幣18,064,000元)及折舊約人民幣3,915,000元(二零二二年：人民幣4,276,000元)。

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11. DIRECTORS' EMOLUMENTS

Details of directors' emoluments are as follows:

11. 董事酬金

董事酬金詳情如下：

		Salaries, allowances and other benefits	Contributions to retirement benefits scheme	Total
	Fees	薪金、津貼及其他福利	退休福利計劃供款	總計
	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元
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 Chengjun (Chief Executive of the Company)	李承軍先生(本公司行政總裁)	-	27	579
Mr. Xiong Bin	熊彬先生	-	18	483
Mr. Wen Chuanchuan	溫川川先生	-	11	475
Mr. Guo Qinglin	郭慶林先生	-	12	479
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>			
Mr. Wong Kwan Kit	黃昆杰先生	108	-	108
Mr. Lu Brian Yong Chen	呂永琛先生	108	-	108
Mr. Hung Wai Man	洪為民先生	108	-	108
Ms. Tseng Chin I	曾瀨漪女士	108	-	108
		432	68	2,448

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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. DIRECTORS' EMOLUMENTS (Continued)

11. 董事酬金 (續)

		Fees	Salaries, allowances and other benefits	Contributions to retirement benefits scheme	Total
		袍金	薪金、津貼及其他福利	退休福利計劃供款	總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
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 Chengjun (Chief Executive of the Company)	李承軍先生(本公司行政總裁)	–	552	28	580
Mr. Xiong Bin	熊彬先生	–	420	18	438
Mr. Wen Chuanchuan	溫川川先生	–	420	12	432
Mr. Guo Qinglin	郭慶林先生	–	420	12	432
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>				
Mr. Wong Kwan Kit	黃昆杰先生	103	–	–	103
Mr. Lu Brian Yong Chen	呂永琛先生	103	–	–	103
Mr. Hung Wai Man	洪為民先生	103	–	–	103
Ms. Tseng Chin I	曾瀟漪女士	103	–	–	103
		412	1,812	70	2,294

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.

上文所示執行董事的酬金主要為彼等提供與管理本公司及本集團事務有關的服務。上述所示獨立非執行董事的酬金，主要為彼等作為本公司董事的服務。

The amounts disclosed above represent remuneration paid or payable to the directors of the Company (including emoluments for services as employee/director of the group entities prior to becoming the directors of the Company) by entities comprising the Group.

上文披露金額為本集團旗下公司已付或應付本公司董事之薪酬，包括於集團公司之僱員／董事在成為本公司董事前所提供服務的相關薪酬。

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11. DIRECTORS' EMOLUMENTS (Continued)

None of the chief executive nor any of the directors of the Company waived or agreed to waive any emoluments paid by the Group for the years ended 31 December 2023 and 2022. No emoluments were paid by the Group to any of the directors of the Company as an incentive payment for joining the Group or as compensation for loss of office during both years.

12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, one (2022: one) was the director (including chief executive) of the Company, whose emoluments are set out in Note 11 above. The emolument of the remaining four (2022: four) highest paid individuals were as follows:

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Salaries, allowances and other benefits 薪金、津貼及其他福利	1,800	1,744
Contributions to retirement benefits scheme 退休福利計劃供款	546	472
	2,346	2,216

Their emoluments were within the following band:

	2023 二零二三年 Number of individuals 人數	2022 二零二二年 Number of individuals 人數
Nil to HK\$1,000,000 零至1,000,000港元	4	4

No emoluments were paid by the Group to any of the five highest paid individuals of the Group including the directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 December 2023 and 2022.

11. 董事酬金 (續)

截至二零二三年及二零二二年十二月三十一日止年度，概無本公司主要行政人員或任何董事放棄或同意放棄本集團支付的任何酬金。兩年間本集團概無向本公司任何董事支付酬金作為加入本集團的激勵或作為離職補償。

12. 僱員酬金

本集團五名最高薪人士中，一名(二零二二年：一名)為本公司董事(包括主要行政人員)，其酬金載於上文附註11。餘下四名(二零二二年：四名)最高薪人士的酬金如下：

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Salaries, allowances and other benefits 薪金、津貼及其他福利	1,800	1,744
Contributions to retirement benefits scheme 退休福利計劃供款	546	472
	2,346	2,216

彼等的酬金介乎下列範圍：

	2023 二零二三年 Number of individuals 人數	2022 二零二二年 Number of individuals 人數
Nil to HK\$1,000,000 零至1,000,000港元	4	4

截至二零二三年及二零二二年十二月三十一日止年度，本集團概無向本集團任何五名最高薪人士(包括本公司董事)支付酬金作為吸引加入或加入本集團時的激勵或作為離職補償。

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13. DIVIDENDS

No dividend was paid, declared or proposed during the years ended 31 December 2023 and 2022, nor has any dividend been proposed since the end of the reporting period.

14. EARNINGS PER SHARE

The calculation of the basic earnings per share during the years is based on the profit attributable to the owners of the Company and the weighted average number of ordinary shares in issue.

13. 股息

截至二零二三年及二零二二年十二月三十一日止年度，概無支付、宣派或建議宣派任何股息，自報告期末起亦無建議宣派任何股息。

14. 每股盈利

於報告年度，每股基本盈利之計算乃基於本公司擁有人應佔溢利及已發行普通股加權平均數計算。

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Earnings for the purpose of basic earnings per share profit for the year attributable to owners of the Company	計算每股基本盈利使用的本公司擁有人應佔年內溢利	32,369	6,506
		Number of share 股份數目 '000 千股	Number of share 股份數目 '000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利使用的普通股加權平均數	1,000,000	1,000,000

Diluted earnings per share for both years were the same as the basic earnings per share as there was no potential ordinary shares in issue for both 2023 and 2022.

二零二三年及二零二二年均無潛在已發行普通股，故兩個年度的每股攤薄盈利均等於每股基本盈利。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold improvement	Plant and machinery	Furniture and fixture	Motor vehicles	Office equipment	Ownership interests in land and building 於土地 及樓宇的 所有權權益	Total
		租賃物業 裝修 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	傢俬及 固定裝置 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	辦公設備 RMB'000 人民幣千元	RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	成本							
At 1 January 2022	於二零二二年一月一日	32,243	92,085	3,938	1,534	10,442	64,840	205,082
Additions	添置	3,892	2,972	49	216	1,366	-	8,495
Disposal	出售	-	(3,933)	(148)	-	(1,427)	-	(5,508)
Written off	撇銷	(6,548)	-	-	-	-	-	(6,548)
At 31 December 2022	於二零二二年 十二月三十一日	29,587	91,124	3,839	1,750	10,381	64,840	201,521
Additions	添置	-	5,376	165	404	1,070	-	7,015
Disposal	出售	-	(3,268)	(1,162)	(541)	(798)	-	(5,769)
At 31 December 2023	於二零二三年 十二月三十一日	29,587	93,232	2,842	1,613	10,653	64,840	202,767
Accumulated depreciation	累計折舊							
At 1 January 2022	於二零二二年一月一日	22,165	38,769	3,407	909	6,838	11,128	83,216
Charge for the year	年內支出	11,309	8,240	238	260	1,485	3,080	24,612
Disposal	出售	-	(1,980)	(123)	-	(1,270)	-	(3,373)
Written off	撇銷	(6,548)	-	-	-	-	-	(6,548)
At 31 December 2022	於二零二二年 十二月三十一日	26,926	45,029	3,522	1,169	7,053	14,208	97,907
Charge for the year	年內支出	1,483	8,296	43	264	1,055	3,080	14,221
Disposal	出售	-	(3,004)	(1,104)	(514)	(638)	-	(5,260)
At 31 December 2023	於二零二三年 十二月三十一日	28,409	50,321	2,461	919	7,470	17,288	106,868
Carrying values	賬面值							
At 31 December 2023	於二零二三年 十二月三十一日	1,178	42,911	381	694	3,183	47,552	95,899
At 31 December 2022	於二零二二年 十二月三十一日	2,661	46,095	317	581	3,328	50,632	103,614

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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. PROPERTY, PLANT AND EQUIPMENT (Continued)

Ownership interests in land and building relate to properties situated in the PRC with remaining lease term of 41. These properties with carrying value of approximately RMB47,552,000 as at 31 December 2023 (2022: RMB50,632,000), have been pledged to the bank to secure the Group's mortgage loan.

16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Right-of-use assets

Leasehold properties	租賃樓宇

The Group has lease arrangements for buildings, mainly for use as factories for production purpose. The lease terms range from one to five years (2022: one to three years) with fixed lease payments and no renewal/termination option.

During the year, additions to right-of use assets were RMB20,740,000 (2022: RMB304,000). This amount primarily related to the capitalised lease payments payable under new tenancy agreements. In 2022, the Group terminated a contract, resulting in derecognition of right-of-use assets and lease liabilities of approximately RMB5,593,000 and RMB5,590,000 respectively.

In respect of lease arrangements for machines which are under hire purchase, the ownership of the machines will be transferred to the Group by the end of the lease terms. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

15. 物業、廠房及設備(續)

中國物業所涉土地及樓宇的擁有權權益的餘下租賃期為41年。該等物業於二零二三年十二月三十一日的賬面值為人民幣47,552,000元(二零二二年:人民幣50,632,000元),並已就本集團按揭貸款而抵押予銀行。

16. 使用權資產及租賃負債

(i) 使用權資產

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Leasehold properties	8,166	5,649

本集團就樓宇訂立租賃安排,主要用作生產廠房。租期介乎一至五年(二零二二年:一至三年),固定租賃付款,且並無重續/終止權。

本年度,使用權資產增加人民幣20,740,000元(二零二二年:人民幣304,000元)。該金額主要與根據新租賃協議應支付的資本化租賃付款有關。本集團於二零二二年終止合約,導致終止確認使用權資產及租賃負債分別約人民幣5,593,000元及人民幣5,590,000元。

對於租購機器的租賃安排,機器的所有權將於租期結束後轉移至本集團。本集團於該等租賃的責任由出租人的租賃資產業權擔保。

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16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(ii) Lease liabilities

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Non-current portion	非流動部分	2,425	–
Current portion	流動部分	5,890	5,855
		8,315	5,855
Amounts payable under lease liabilities:	租賃負債下的應付款項：		
Within one year	一年內	5,890	5,855
After one year but within two years	一至兩年	802	–
More than 2 years	兩年以上	1,623	–
		8,315	5,855
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期結算款項（於流動負債列示）	(5,890)	(5,855)
Amount due for settlement after 12 months	12個月後到期結算款項	2,425	–

The weighted average incremental borrowing rates applied to lease liabilities range from 5.0% to 9.0% (2022: from 4.2% to 9.0%).

適用於租賃負債的加權平均增量借款利率介乎5.0%至9.0%（二零二二年：介乎4.2%至9.0%）。

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16. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

(iii) Amounts recognised in profit or loss

	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Depreciation expenses on right-of-use assets 使用權資產的折舊開支		
– Leasehold properties – 租賃樓宇	18,325	9,606
– Machines – 機器	–	588
Interest expenses on lease liabilities 租賃負債利息開支	886	914
Expenses relating to short-term leases 短期租賃相關開支	205	–

(iv) Others

During the year ended 31 December 2023, total cash outflow for leases amount to approximately RMB27,471,000 (2022: RMB10,061,000).

Restrictions or covenants on leases

As at 31 December 2023, lease liabilities of RMB8,315,000 are recognised with related right-of-use assets of RMB8,166,000 (2022: lease liabilities of RMB5,855,000 are recognised with related right-of-use assets of RMB5,649,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

16. 使用權資產及租賃負債(續)

(iii) 於損益確認的金額

(iv) 其他

於截至二零二三年十二月三十一日止年度，租賃之現金流出總額約為人民幣27,471,000元(二零二二年：人民幣10,061,000元)。

租賃的限制或契約

於二零二三年十二月三十一日，已確認的租賃負債為人民幣8,315,000元，相關使用權資產為人民幣8,166,000元(二零二二年：已確認的租賃負債為人民幣5,855,000元，相關使用權資產為人民幣5,649,000元)。除出租人持有的租賃資產的擔保權益外，租賃協議概無施加任何契約。租賃資產不可作為借款的擔保。

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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

17. INTANGIBLE ASSETS

17. 無形資產

		Computer software 電腦軟件 RMB'000 人民幣千元	Patents 專利 RMB'000 人民幣千元	Development costs 開發成本 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本				
At 1 January 2022	於二零二二年一月一日	8,913	632	4,006	13,551
Additions	添置	783	-	-	783
At 31 December 2022	於二零二二年十二月三十一日	9,696	632	4,006	14,334
Additions	添置	885	-	-	885
At 31 December 2023	於二零二三年十二月三十一日	10,581	632	4,006	15,219
Amortisation	攤銷				
At 1 January 2022	於二零二二年一月一日	4,004	364	-	4,368
Charge for the year	年內支出	909	63	1,335	2,307
At 31 December 2022	於二零二二年十二月三十一日	4,913	427	1,335	6,675
Charge for the year	年內支出	984	63	1,335	2,382
At 31 December 2023	於二零二三年十二月三十一日	5,897	490	2,670	9,057
Carrying values	賬面值				
At 31 December 2023	於二零二三年十二月三十一日	4,684	142	1,336	6,162
At 31 December 2022	於二零二二年十二月三十一日	4,783	205	2,671	7,659

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18. INVENTORIES

18. 存貨

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Materials and components	材料及零部件	226,284	78,693
Work in progress	在製品	28,223	59,657
Finished goods	製成品	123,123	49,078
		377,630	187,428

19. TRADE AND BILLS RECEIVABLES

19. 貿易應收款項及應收票據

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	750,907	190,849
Less: Loss allowance	減：虧損撥備	(5,865)	(2,505)
		745,042	188,344
Bills receivables	應收票據	63,788	3,360
Trade and bills receivables	貿易應收款項及應收票據	808,830	191,704

The gross amount of trade and bills receivables arising from contracts with customers amounted to approximately RMB814,695,000 as at 31 December 2023 (2022: RMB194,209,000).

於二零二三年十二月三十一日，與客戶合約產生的貿易應收款項及應收票據總額約為人民幣814,695,000元（二零二二年：人民幣194,209,000元）。

An aging analysis of trade and bills receivables (after loss allowance) based on invoice date is as follow:

貿易應收款項及應收票據（經扣除虧損撥備後）按發票日期的賬齡分析如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within 30 days	30天以內	404,421	128,352
31–60 days	31至60天	267,787	23,240
61–90 days	61至90天	118,702	31,722
over 90 days	90天以上	17,920	8,390
Total	總計	808,830	191,704

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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

19. TRADE AND BILLS RECEIVABLES

(Continued)

No interest is charged on the trade and bills receivables.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The debtors are grouped under a provision matrix into three internal credit rating buckets based on shared credit risk characteristic by reference to past due exposure of the debtor, and the ratings are outlined as follows:

- Low risk Customers with good credit standing
- Medium risk Customers with normal credit standing
- High risk Credit-impaired customers

There has been no change in the estimation techniques or significant assumptions made during the current year. The Group recognised lifetime ECL for trade and bills receivables individually and/or collectively as follows:

19. 貿易應收款項及應收票據(續)

概無就貿易應收款項及應收票據收取利息。

作為本集團信貸風險管理的一部分，本集團對客戶進行內部信貸評級。我們按共同信貸風險特徵參考債務人過往逾期資料，根據撥備矩陣將債務人分為三個內部信用等級組別，評級概述如下：

- 低風險 有良信用評級的客戶
- 中風險 有正常信用評級的客戶
- 高風險 信用受損的客戶

估計技術或本年度作出的重大假設並無變更。本集團就貿易應收款項及應收票據個別及／或共同確認的全期預期信貸虧損如下：

		Weighted average expected loss rate 加權平均數 %	Gross carrying amount 總賬面值 RMB'000 人民幣千元	Loss allowance 虧損撥備 RMB'000 人民幣千元
As at 31 December 2023	於二零二三年 十二月三十一日			
Low risk	低風險	0.72%	814,695	5,865
As at 31 December 2022	於二零二二年 十二月三十一日			
Low risk	低風險	1.29%	194,209	2,505

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19. TRADE AND BILLS RECEIVABLES

(Continued)

The estimated loss rate are estimated based on historical default rates and adjusted for forward-looking information (for example, the current and forecasted economic growth rates in PRC, India and other countries, which reflect the general economic conditions of the industry in which the debtors operate) that is available without undue cost or effort. Such forward-looking information is used by the management of the Group to assess both the current as well as the forecast direction of conditions at the reporting date. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated.

Movements of impairment loss allowances of trade and bills receivables are as follows:

		RMB'000 人民幣千元
As at 1 January 2022	於二零二二年一月一日	2,581
Reversal of credit loss for trade and bills receivables	貿易應收款項及應收票據信貸虧損撥回	(76)
As at 31 December 2022	於二零二二年十二月三十一日	2,505
Provision for credit loss for trade and bills receivables	貿易應收款項及應收票據信貸虧損撥備	3,360
As at 31 December 2023	於二零二三年十二月三十一日	5,865

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

As at 31 December 2023, the Group discounted and factored trade and bills receivables in aggregate amounts of approximately RMB73,672,000 (2022: RMB24,006,000) to banks and factoring company for short term financing.

19. 貿易應收款項及應收票據(續)

估計虧損率乃根據過往違約率估算，並就無需耗費過多成本或精力獲得的前瞻性資料進行調整(例如，反映債務人經營所處行業整體經濟狀況的中國、印度等國家當前及預期經濟增長率)。報告日期，本集團管理層使用該等前瞻性資料分析當前及未來變化趨勢。本集團管理層會定期審查有關組別，確保特定債務人的相關資料為最新。

貿易應收款項及應收票據的減值虧損撥備變動如下：

於本報告期間，估計方法或所作重大假設並無發生變動。

於二零二三年十二月三十一日，本集團就短期融資向銀行及保理公司貼現及保理總額為約人民幣73,672,000元(二零二二年：人民幣24,006,000元)的貿易應收款項及應收票據。

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19. TRADE AND BILLS RECEIVABLES

(Continued)

Transfers of financial assets

The following were the Group's trade and bills receivables as at 31 December 2022 and 2023 that were transferred to banks on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these trade and bills receivables, it continues to recognise the full carrying amount of the trade and bills receivables and has recognised the cash received on the transfer as secured borrowings (see Note 26). These trade and bills receivables are carried at amortised cost in the consolidated statement of financial position.

The trade and bills receivables factored to banks with full recourse as at 31 December 2023 and 2022 are as follows:

19. 貿易應收款項及應收票據(續)

金融資產轉讓

下文載列本集團於二零二二年及二零二三年十二月三十一日已按全面追索權基準轉讓予銀行的貿易應收款項及應收票據。由於本集團並無轉讓該等貿易應收款項及應收票據相關的重大風險及回報，其繼續確認該等貿易應收款項及應收票據的賬面總值，並已將因轉讓而收到的現金確認為有抵押借貸(見附註26)。該等貿易應收款項及應收票據於綜合財務狀況表按攤銷成本列賬。

於二零二三年及二零二二年十二月三十一日，已向銀行保理且具全面追索權的貿易應收款項及應收票據如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Carrying amount of transferred assets	已轉讓資產的賬面值	73,672	24,006
Carrying amount of associated liabilities	相關負債的賬面值	(73,672)	(24,006)
Net position	淨頭寸	-	-

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20. PREPAYMENTS AND OTHER RECEIVABLES

20. 預付款項及其他應收款項

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Non-current portion	非流動部分		
Prepayments for property, plant and equipment and land use right	物業、廠房及設備以及使用權資產的預付款項	-	18,280
Current portion	流動部分		
Prepayment to suppliers	向供應商預付款項	21,106	56,320
Lease deposits and other deposits	租賃按金及其他按金	5,856	21,093
VAT recoverable (Note)	可收回增值稅(附註)	52,649	51,384
Interest receivables	應收利息	1,432	7,865
Others	其他	1,024	2,386
		82,067	139,048

Note: VAT recoverable includes the input VAT and prepaid VAT that is expected to be deducted within one year.

附註：可收回增值稅包括預期在一年內抵扣的進項增值稅及預繳增值稅。

As at 31 December 2023 and 2022, there was no significant impairment for the prepayments and other receivables.

於二零二三年及二零二二年十二月三十一日，預付款項及其他應收款項並無重大減值。

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21. AMOUNTS DUE FROM SHAREHOLDERS

The amounts are unsecured, interest-free and non-trade in nature. Details of the amounts due from shareholders are set out in Note 41.

Expected credit loss risk of amounts due from shareholders is assessed to be remote as there is no significant change in the credit risk on the amounts due from shareholders since initial recognition.

22. PLEDGED BANK DEPOSITS

As at 31 December 2023, bank deposits of approximately RMB2,368,420,000 (2022: RMB758,989,000) were pledged by the Group for the purpose of securing bills payables (Note 24) and none of them (2022: RMB5,394,000) were pledged by the Group for the trade loan (Note 26).

As at 31 December 2023, approximately RMB764,383,000 of the pledged bank deposits carried fixed interest rates which ranged from 0.35% to 2.38% (2022: 0.05% to 3.1%) per annum.

23. BANK BALANCES AND CASH

At 31 December 2023 and 2022, bank balances carry interest at floating rates from 0.05% to 0.30% (2022: 0.05% to 0.35%) based on bank deposit rates.

21. 應收股東款項

該款項為無抵押、免息及非貿易性質。應收股東款項的詳情載於附註41。

應收股東的預期信貸虧損風險被評為極微，因為應收股東款項自初始確認後，信貸風險並無重大變動。

22. 已抵押銀行存款

於二零二三年十二月三十一日，本集團已抵押約人民幣2,368,420,000元（二零二二年：人民幣758,989,000元）的銀行存款，以取得應付票據（附註24），且本集團已並無抵押銀行存款（二零二二年：人民幣5,394,000元），以取得貿易貸款（附註26）。

於二零二三年十二月三十一日，已抵押銀行存款約人民幣764,383,000元按固定年利率介乎0.35%至2.38%（二零二二年：0.05%至3.1%）計息。

23. 銀行結餘及現金

於二零二三年及二零二二年十二月三十一日，銀行結餘基於銀行存款利率按浮動利率0.05%至0.30%（二零二二年：0.05%至0.35%）計息。

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24. TRADE AND BILLS PAYABLES

24. 貿易應付款項及應付票據

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Trade payables	貿易應付款項	834,590	132,735
Bills payables	應付票據	2,324,122	807,892
Trade and bills payables	貿易應付款項及應付票據	3,158,712	940,627

The following is an aging analysis of trade payables presented based on invoice date at the end of the reporting period.

於報告期末，貿易應付款項按發票日期呈列的賬齡分析如下。

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within 30 days	30天內	438,157	68,049
31-60 days	31至60天	299,454	49,145
61-90 days	61至90天	72,968	8,435
Over 90 days	90天以上	24,011	7,106
Total	總計	834,590	132,735

The average credit period on purchases of goods is ranging from 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

採購貨品的平均信貸期介乎30至60天。本集團已制定金融風險管理政策以確保所有應付款項可於信貸期內償付。

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24. TRADE AND BILLS PAYABLES (Continued)

The following is an aging analysis of bills payables at the end of the reporting period.

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within 30 days	30天內	338,679	34,415
31-60 days	31至60天	466,769	30,910
61-90 days	61至90天	629,051	39,307
Over 90 days	90天以上	889,623	703,260
Total	總計	2,324,122	807,892

All the bills payables of the Group are not yet due at the end of each reporting period. Bills payables as at 31 December 2023 were secured by pledged bank deposit amounts of approximately RMB2,368,420,000 (2022: RMB758,989,000) (Note 22).

24. 貿易應付款項及應付票據(續)

以下為報告期末應付票據的賬齡分析。

於各報告期末，本集團所有應付票據尚未到期。於二零二三年十二月三十一日，應付票據由質押銀行存款約人民幣2,368,420,000元（二零二二年：人民幣758,989,000元）作抵押（附註22）。

25. ACCRUALS AND OTHER PAYABLES AND CONTRACT LIABILITIES

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Salaries payable	應付薪金	58,575	54,769
Other payables	其他應付款項	10,377	6,612
Government subsidies in advance (Note (i))	預收政府補貼 (附註(i))	13,788	12,357
Other tax payables	其他應付稅項	9,801	2,964
		92,541	76,702
Contract liabilities (Note (iii))	合約負債(附註(iii))	32,472	30,251

25. 應計費用及其他應付款項以及合約負債

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25. ACCRUALS AND OTHER PAYABLES AND CONTRACT LIABILITIES (Continued)

Notes:

- (i) Government subsidies in advance included in accruals and other payables are mainly related to the capital expenditure incurred for property and equipment, leasehold improvement and subsidies for recruitment of certain number of workers for factory operation, before fulfilling certain conditions under the terms of the government subsidies. The government subsidies received may need to be refunded if the subsidiary failed to fulfill the attached conditions within the stipulated time. Upon fulfillment of those conditions, government subsidies related to compensation of operating expenses are credited to the profit or loss in the year the Group complied with the conditions attached to the subsidies, whereas assets-related subsidies are reclassified to deferred income and credited to the profit or loss on a straight-line basis over the expected lives of the related assets.
- (ii) Contract liabilities as at 31 December 2023 amounted to approximately RMB32,742,000 (2022: RMB30,251,000), which represented receipts in advance from customers.

Revenue recognised in relation to contract liabilities

Revenue recognised during the year ended 31 December 2023 that was included in the contract liabilities at the beginning of the year is approximately RMB30,251,000 (2022: RMB57,706,000). There was no revenue recognised in the current year that related to performance obligations that were satisfied in prior year.

25. 應計費用及其他應付款項以及 合約負債(續)

附註：

- (i) 列入應計費用及其他應付款項的預收政府補貼主要與在達成政府補貼的若干條款下的若干條件前物業及設備所產生的資本開支、租賃裝修及為廠房營運招募若干數量工人的補貼有關。倘補貼未能在規定時間內符合附帶條件，所取得的政府補貼可能需要退回。達成該等條件後，有關營運開支補償之政府補貼遵循補貼所附條件計入本集團之年度損益，而資產相關補貼重新分類至遞延收入，並按相關資產的預期年期使用直線法計入損益。
- (ii) 於二零二三年十二月三十一日，合約負債為約人民幣32,742,000元（二零二二年：人民幣30,251,000元），指已收客戶墊款。

與合約負債有關的已確認收益

於截至二零二三年十二月三十一日止年度確認的收益計入年初的合約負債，約為人民幣30,251,000元（二零二二年：人民幣57,706,000元）。本年度並無與上一年度已達成的履約義務有關的已確認收益。

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26. BORROWINGS

26. 借款

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Bank borrowings:	銀行借款		
Secured (Note a)	有抵押(附註a)	131,739	41,823
Unsecured (Note b)	無抵押(附註b)	22,700	10,000
		154,439	51,823
Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):		應付賬面值(基於貸款協議所載計劃還款日期):	
		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Within one year	一年內	142,622	37,006
More than 1 year but less than 2 years	一年以上但兩年以內	3,000	3,000
More than 2 years but less than 5 years	兩年以上但五年以內	8,817	9,000
More than 5 years	超過五年	-	2,817
		154,439	51,823
Carrying amount repayable on demand or within one year shown under current liabilities	流動負債下列示的按要求償還或一年內償還的賬面值	142,622	37,006
Amount shown under non-current liabilities	非流動負債下列示的金額	11,817	14,817
		154,439	51,823

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26. BORROWINGS (Continued)

Notes:

- (a) As at 31 December 2023, the borrowing of approximately RMB14,817,000 (2022: RMB17,817,000) are secured by the Group's ownership of land and buildings and borrowing of approximately RMB116,922,000 (2022: RMB24,006,000) are secured by the Group's bank deposit of approximately RMB5,450,000 (2022: RMB5,394,000) and trade and bills receivables of approximately RMB73,672,000 (2022: RMB24,006,000). The effective interest rates from these variable-rate borrowings range from 3.80% to 9.60% (2022: 4.55% to 7.86%)
- (b) As at 31 December 2023, the unsecured term loan carried interest rate at a fixed rate of 4.15% per annum and repayable within one year.

The amounts of borrowing facilities and their utilisation at the end of the reporting period are set out as follows:

26. 借款(續)

附註：

- (a) 於二零二三年十二月三十一日，約人民幣14,817,000元(二零二二年：人民幣17,817,000元)的借款以本集團有的土地及樓宇作抵押，而約人民幣116,922,000元的借款(二零二二年：人民幣24,006,000元)乃以本集團銀行存款約人民幣5,450,000元(二零二二年：人民幣5,394,000元)和貿易應收款項及應收票據約人民幣73,672,000元(二零二二年：人民幣24,006,000元)作抵押。該等浮息利率借款的實際利率介乎3.80%至9.60%(二零二二年：4.55%至7.86%)。
- (b) 於二零二三年十二月三十一日，無抵押條款的貸款按每年4.15%定息計算，並於一年內償還。

於報告期末，借款融資金額及動用情況載列如下：

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Facility amount	融資額度	161,512	152,188
Utilisation	動用情況		
Secured bank borrowings	有抵押銀行借款	131,739	41,823

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27. DEFERRED INCOME

27. 遞延收入

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
At the beginning of the year	於年初	15,586	21,800
Received during the year	年內已收	-	274
		15,586	22,074
Amortisation of government grant (Note 7)	政府補助攤銷 (附註7)	(9,818)	(6,488)
Balance as at the end of year	年末結餘	5,768	15,586
Analysed as:	分析為：		
Current liabilities	流動負債	1,633	3,490
Non-current liabilities	非流動負債	4,135	12,096
		5,768	15,586

Note: Deferred income consists of government subsidies provided by the relevant PRC government authorities for the purposes of financing the purchase of plant and machinery and the expenses related to the leasehold improvement. The amounts are recognised as income to match with related expenses and cost incurred on systematic basis over the useful lives of the relevant assets upon completing inspection by the related government authorities. During the year ended 31 December 2023, government subsidies released to the consolidated statement of profit or loss and other comprehensive income amounted to approximately RMB11,063,000 (2022: RMB6,488,000).

附註：遞延收入包括有關中國政府部門就購買廠房及機器以及租賃物業裝修有關開支撥付資金而提供的政府補助。該款項將在相關政府部門完成檢查後確認為收入以配合於相關資產的可使用年期內以系統性基準產生的有關開支或成本。於截至二零二三年十二月三十一日止年度，計入綜合損益及其他全面收益表的政府補助為約人民幣11,063,000元（二零二二年：人民幣6,488,000元）。

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28. DEFERRED TAX ASSETS/(LIABILITIES)

The following is the analysis of the deferred tax asset/(liabilities), after set off certain deferred tax assets against deferred tax liabilities of the same taxable entity, for financial reporting purposes:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Deferred tax asset	遞延稅項資產	688	248
Deferred tax liabilities	遞延稅項負債	(14,102)	(13,484)
		(13,414)	(13,236)

28. 遞延稅項資產／（負債）

以下為就財務呈報目的之遞延稅項資產／（負債）分析，經抵銷相同課稅實體之若干遞延稅項資產與遞延稅項負債：

The followings are the major deferred tax asset/(liabilities) recognised and movements thereon during the years:

下文載列於年內確認的重大遞延稅項資產／（負債）及有關變動：

		Withholding tax on undistributed profit of a PRC subsidiary (Note (a)) 就一間中國 附屬公司 未分派溢利 繳納預扣稅 (附註(a)) RMB'000 人民幣千元	Impairment loss on receivables 應收款項 減值虧損 RMB'000 人民幣千元	Accelerated tax depreciation 加速稅項 折舊 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	(12,865)	225	(2,769)	(15,409)
Credited to profit or loss	計入損益	1,090	23	1,060	2,173
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	(11,775)	248	(1,709)	(13,236)
Credit/(charged) to profit or loss	計入/（扣自）損益	(1,007)	440	389	(178)
At 31 December 2023	於二零二三年十二月三十一日	(12,782)	688	(1,320)	(13,414)

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28. DEFERRED TAX ASSETS/(LIABILITIES) (Continued)

Notes:

- (a) Under the EIT Law, withholding tax of 10% is imposed on dividends declared in respect of profits earned by a PRC subsidiary from 1 January 2008 onwards. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The directors determined that the management of the Group can control the quantum and timing of distribution of profits of their PRC subsidiaries. Deferred tax liability is only provided to the extent that such profits are expected to be distributed in the foreseeable future. Deferred taxation has been provided in respect of the temporary differences associated with the undistributed profits earned by a PRC subsidiary, Shenzhen Sprocomm at the applicable withholding tax rate of 5%.
- (b) As at 31 December 2023, the Group has unused tax losses of approximately RMB300,830,000 (2022: RMB265,456,000) available for offset against future profits. These unused tax losses mainly arose from (i) the preferential tax treatments of the research and development expenditure which resulted in additional tax deductions related to qualified research and development costs of Shenzhen Sprocomm; or (ii) losses incurred by Chengdu Sprocomm, Sprocomm Technologies Co., Ltd. ("HK Sprocomm"), Guizhou Sprocomm Telecommunication Technology Co., Ltd. ("Guizhou Sprocomm") and Guizhou Mars Exploration Technology Co., Ltd ("Guizhou Mars"). No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams for these subsidiaries. Included in unrecognised tax losses are PRC tax losses of approximately RMB289,893,000 as at 31 December 2023 that will expire in the next five years (2022: RMB265,456,000). The remaining Hong Kong tax losses may be carried forward indefinitely.

28. 遞延稅項資產／(負債) (續)

附註：

- (a) 根據企業所得稅法，由二零零八年一月一日起從中國附屬公司賺取的溢利所宣派的股息需繳納10%預扣稅。倘中國內地與外國投資者所在司法權區訂有稅務條約，則可應用較低的稅率繳付預扣稅。董事認為，本集團管理層能控制中國附屬公司分派溢利的數量及時間。僅於有關溢利預期將於可預見未來分派時方確認遞延稅項負債。遞延稅項已就中國附屬公司深圳禾苗所賺取未分派溢利相關的暫時差額按適用預扣稅率5%作出撥備。
- (b) 於二零二三年十二月三十一日，本集團可用以抵銷未來溢利的未動用稅項虧損為約人民幣300,830,000元（二零二二年：人民幣265,456,000元）。該等未動用稅項虧損主要來自(i)導致深圳禾苗合資格研發成本相關額外稅項扣減的研發開支稅收優惠；或(ii)成都禾苗、禾苗通信科技(香港)有限公司(「香港禾苗」)、貴州禾苗通信科技有限公司(「貴州禾苗」)及貴州火星探索科技有限公司(「貴州火星」)產生的虧損。鑑於該等附屬公司的未來溢利來源不可預測，概無就未動用稅項虧損確認任何遞延稅項資產。未確認稅項虧損包括於二零二三年十二月三十一日的中國稅項虧損約人民幣289,893,000元（二零二二年：人民幣265,456,000元），有關款項將於未來五年內到期。餘下香港稅項虧損可無限期結轉。

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29. SHARE CAPITAL

29. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元	Equivalent amount to 等值金額 RMB'000 人民幣千元
Ordinary shares of HK\$0.01 each Authorised:	每股0.01港元的普通股 法定：			
At 31 December 2023 and 2022	於二零二三年及 二零二二年 十二月三十一日	10,000,000	100,000	86,213
Issued and fully paid: At 31 December 2023 and 2022	已發行及繳足： 於二零二三年及 二零二二年 十二月三十一日	1,000,000	10,000	8,945

All new shares rank pari passu with the existing shares in all respects.

所有新股份在各方面均與現有股份享有同等權益。

30. RESERVES

(i) Statutory reserve

According to the PRC Company Law, companies in the PRC are required to transfer 10% of their respective after-tax profits, calculated in accordance with the relevant accounting principles and financial regulations applicable to entities established in the PRC, to the statutory surplus reserve until the reserve balance reaches 50% of the registered capital of the relevant subsidiaries. The statutory surplus reserve can be utilised, upon approval of the relevant authorities, to offset accumulated losses or to increase registered capital of these companies, provided that such fund is maintained at a minimum of 25% of the registered capital of the relevant subsidiaries. The statutory reserve is not distributable as cash dividends and must be made before distribution of dividend to equity owners.

30. 儲備

(i) 法定儲備

根據中國公司法，中國境內公司必須按照適用於在中國境內成立的實體的有關會計原則和財務條例，轉入彼等各自稅後溢利的10%至法定盈餘儲備直至儲備餘額達到相關附屬公司註冊資本的50%。法定盈餘儲備在有關部門批准後可以利用，以抵銷累計虧損或增加此等公司的註冊資本，惟該資金至少維持在相關附屬公司註冊資本的25%。法定儲備不可作為現金股息分配，必須在向權益擁有人分配股息前轉入。

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30. RESERVES (Continued)

(ii) Merger reserve

The merger reserve represents the difference between the consideration and the carrying amounts of the assets and liabilities of the subsidiaries acquired pursuant to the group reorganisation.

(iii) Other reserves

The amount represents (i) the amount paid by an equity holder in excess of registered capital of Shenzhen Sprocomm, (ii) the deemed capital contribution pursuant to the reorganisation of the Group in 2018; and (iii) the difference of the consideration paid for the acquisition of the additional equity interest in Chengdu Sprocomm and the carrying value of the additional equity interests of the subsidiary acquired during the year ended 31 December 2019; and (iv) the difference of the consideration paid for the acquisition of the additional equity interest in Chengdu Sprocomm and the carrying value of the additional equity interests of the subsidiary acquired during the year ended 31 December 2021.

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from period year.

The capital structure of the Group consists of borrowings, net of bank balances and cash and equity attributable to owners of the Company, comprising share capital and reserves.

The directors of the Company review the capital structure of the Group periodically. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through capital injection as well as raising of additional borrowings as additional capital or the redemption of existing debt.

30. 儲備(續)

(ii) 合併儲備

合併儲備為根據集團重組收購附屬公司資產及負債的代價與賬面值之間的差額。

(iii) 其他儲備

該金額指(i)權益持有人支付的金額超出深圳禾苗註冊資本、(ii)根據本集團於二零一八年的重組進行的視作注資；(iii)收購成都禾苗其他股權的已付代價與截至二零一九年十二月三十一日止年度收購的附屬公司其他股權的賬面值的差額；及(iv)收購成都禾苗額外股權所支付的代價與截至二零二一年十二月三十一日止年度收購的附屬公司額外股權的賬面值的差額。

31. 資本風險管理

本集團管理其資本以確保本集團旗下實體將能夠繼續持續經營，同時透過優化債務及股權之平衡讓股東的回報最大化。本集團的整體策略於年內保持不變。

本集團的資本架構包括借款，並已扣除銀行結餘及現金及本公司擁有人應佔權益(包括股本及儲備)。

本公司董事定期檢討本集團之資本架構。作為是項檢討的一部份，本公司董事考慮資本成本及與各類資本有關的風險。本集團將根據本公司董事之推薦建議，透過注資及籌集額外借款作為額外資金或償還現有債務以平衡其整體資本架構。

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31. CAPITAL RISK MANAGEMENT (Continued)

The Group manages capital using the financial gearing ratio, which is the ratio of interest-bearing liabilities of the sum of owners' equity and interest-bearing liabilities. The financial gearing ratio of the Group as at the balance sheet dates was as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Interest-bearing bank borrowings	計息銀行借款	154,439	51,823
Lease liabilities	租賃負債	8,315	5,855
Total interest-bearing liabilities	計息負債總額	162,754	57,678
Owner's equity	擁有人權益	351,214	320,709
Total equity and interest-bearing liabilities	權益及計息負債總額	513,968	378,387
Gearing ratio	資本負債比率	31.7%	15.2%

31. 資本風險管理 (續)

本集團以財務資本負債比率管理資本，財務資本負債比率即計息負債對擁有人權益與計息負債之和。於資本負債表日期，本集團的財務資本負債比率如下：

32. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

32. 金融工具

(a) 金融工具之分類

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Financial assets	金融資產		
Amortised cost (including bank balances and cash)	攤銷成本 (包括銀行結餘及現金)	3,259,854	1,030,407
Financial liabilities	金融負債		
Liabilities at amortised cost	按攤銷成本計量之負債	3,348,250	1,059,686

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables, other receivables, pledged bank deposits, amount due from shareholders, bank balances and cash, trade and bills payables and other payables and borrowings.

Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments included credit risk, market risk (currency risk and interest rate risk) and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

The Group's major operating subsidiaries have foreign currency sales, which expose the Group to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

As the Group had no material foreign currency denominated monetary assets and liabilities at 31 December 2023 and 31 December 2022, no significant impacts on the results of the Group would arise from the changes in foreign currency rates, accordingly sensitivity analysis in this respect is not presented.

32. 金融工具 (續)

(b) 財務風險管理目標及政策

本集團的主要金融工具包括貿易應收款項及應收票據、其他應收款項、已抵押銀行存款、應收股東款項、銀行結餘及現金、貿易應付款項及應付票據以及其他應付款項和借款。

有關該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險包括信貸風險、市場風險(貨幣風險及利率風險)及流動資金風險。有關如何減低該等風險的政策載於下文。管理層管理及監察該等風險，以確保及時有效地實施適當措施。

市場風險

(i) 貨幣風險

本集團主要經營附屬公司擁有外幣銷售，使本集團面臨外幣風險。本集團現時並無外幣對沖政策。然而，管理層會持續監控外匯風險並將於有需要時考慮對沖重大外幣風險。

由於本集團於二零二三年十二月三十一日及二零二二年十二月三十一日並無重大外幣計值的貨幣資產及負債，外幣匯率變動不會造成對本集團業績的重大影響，據此，概無呈列敏感度分析。

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed rate borrowings (Note 26) and certain pledged bank deposits (Note 22). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to certain variable-rate pledged bank deposits (Note 22) and bank balances (Note 23) and variable-rate bank borrowings (Note 26). The Group aims at keeping borrowings at variable rates. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of PBOC benchmark lending rate arising from the Group's variable-rate bank borrowings which are denominated in RMB.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

本集團面對與固定利率借款(附註26)及若干已抵押銀行存款(附註22)有關的公平值利率風險。本集團目前沒有利率對沖政策。然而,管理層監測利率風險,並在預計有重大利率風險時考慮其他必要的行動。

本集團就部分浮息已抵押銀行存款(附註22)、銀行結餘(附註23)及浮息銀行存款(附註26)面對現金流利率風險。本集團致力以浮息作借款。本集團透過利率水平及前景,評估任何利率走勢所產生的潛在風險,以處理其利率風險。管理層會審視定息及浮息借款部分,確保其處於合理範圍。

本集團的金融負債利率風險詳情載於本附註流動資金風險管理一節。本集團現金流量利率風險主要集中在本集團以人民幣計值的浮息銀行借款的中國人民銀行基準貸款利率波動。

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative financial instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis point (2022: 100 basis point) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If the interest rate on variable bank borrowings had been 100 basis points (2022: 100 basis points) higher or lower and all other variables held constant, the Group's post-tax profit for the year ended 31 March 2023 would decrease or increase by approximately HK\$929,000 and RMB808,000 respectively (2022: post-tax loss would decrease or increase by approximately HK\$398,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

Credit risk

As at 31 December 2023, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

敏感度分析

下面的敏感度分析是根據報告期末非衍生金融工具的利率風險釐定。該分析假設在報告期結束時，未償還的金融工具於整個年度內均未償還。向主要管理人員內部報告利率風險時，採用100個點子(二零二二年：100個點子)的增加或減少，代表管理層對利率合理可能變化的評估。如果浮息銀行借款的利率增加或減少100個點子(二零二二年：100個點子)，所有其他變量保持不變，本集團截至二零二三年三月三十一日止年度的稅後溢利將分別減少或增加約929,000港元及人民幣808,000元(二零二二年：稅後虧損將減少或增加約398,000港元)。主要由於本集團的浮動利率銀行借款面對利率風險。

信貸風險

於二零二三年十二月三十一日，本集團因對手方未能履行責任(本集團已就此作出撥備)而可能面臨財務虧損的最高信貸風險，來自綜合財務狀況表所述各已確認金融資產的賬面值。

為將信貸風險降至最低，本集團管理層已委派團隊負責釐定信貸額度、信貸審批及其他監察程序，以確保採取跟進措施收回逾期債務。

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

In determining the ECL for trade and bills receivables, the management of the Group has taken into account the historical default experience and forward-looking information and concluded that credit risk inherent in the Group's outstanding trade and bills receivables are insignificant.

The Group applies the simplified approach to assess the expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected credit loss for all trade and bills receivables. The Group determines the ECL on an individual basis and/or collectively by using a provision matrix, estimated based on historical credit loss experience, as well as the general economic conditions of the industry in which the debtors operate. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

For other receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

Management considered amount due from shareholders to be low credit risk and thus the impairment provision recognised during the year was limited to 12-month ECL.

The credit risk on liquid funds is considered minimal as such amounts are placed with banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical location is mainly in China, which accounted for 79% (2022: China 67%) of the total trade and bill receivables respectively as at 31 December 2023.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

就貿易應收款項及應收票據釐定預期信貸虧損時，本集團管理層已計及過往違約經驗及前瞻性資料，認為本集團未償還貿易應收款項及應收票據的固有信貸風險不重大。

本集團按香港財務報告準則第9號規定應用簡化方法評估預期信貸虧損，該準則准許就所有貿易應收款項及應收票據採用全期預期信貸虧損。本集團運用撥備矩陣(基於過往信貸虧損經驗以及債務人經營行業的整體經濟狀況估計)按個別基準及/或組合基準釐定預期信貸虧損。就此而言，本公司董事認為本集團的信貸風險已大幅減少。

就其他應收款項而言，本集團已評估信貸風險自初次確認以來是否大幅增加。倘信貸風險大幅增加，本集團將按全期而非12個月預期信貸虧損計量虧損撥備。

管理層認為應收股東款項的信貸風險偏低，因此在年內確認的減值撥備限於12個月預期信貸虧損。

流動資金的信貸風險被視為甚微，因為該等款項存放於國際信貸評級機構指派的高信貸評級銀行。

本集團按地理位置劃分的信貸風險主要集中在中國，於二零二三年十二月三十一日分別佔貿易應收款項及應收票據總額的79%(二零二二年：中國67%)。

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The Group has concentration of credit risk as 31% (31 December 2022: 37%) of the total trade and bills receivables was due from the Group's largest trade debtor as at 31 December 2023 and 73% (31 December 2022: 83%) of the total trade and bills receivables was due from the Group's five largest trade debtors who are in telecom and technology industries as at 31 December 2023.

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. In addition, the Group relies on borrowings as a significant source of liquidity. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities and lease liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities and lease liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for non-derivative financial liabilities and lease liabilities are prepared based on the agreed repayment dates. Specifically, borrowings with a repayment on demand clause are included in "Less than 1 year or on demand" band regardless of the probability of the financial institution choosing to exercise their rights.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end reporting period.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

市場風險 (續)

於二零二三年十二月三十一日，貿易應收款項及應收票據總額的31% (二零二二年十二月三十一日：37%) 為應收本集團最大銷貨客戶款項，故本集團擁有集中信貸風險。於二零二三年十二月三十一日，貿易應收款項及應收票據總額的73% (二零二二年十二月三十一日：83%) 為應收本集團五大銷貨客戶款項，彼等屬電訊及科技業。

流動資金風險

為管理流動資金風險，本集團監控及維持管理層認為足以支付本集團營運的現金及現金等價物水平，並減輕現金流量波動的影響。此外，本集團亦將借貸視為重要的流動資金來源。管理層監督借貸的使用情況，確保遵守貸款契據。

下表詳列本集團非衍生金融負債及租賃負債之餘下合約到期情況。該表根據本集團須付款之最早日期之金融負債及租賃負債中未折現現金流量編製。非衍生金融負債及租賃負債之到期日期乃根據協定還款日期編製。尤其是，「少於一年或按要求」組別包括按要求償還條款之借款 (不論金融機構選擇行使其權利之可能性)。

表格包括利息及主要現金流量。倘利息流量為浮息，則未貼現金額源自報告期末的利率曲線。

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

		Less than 1 year or on demand 少於一年或 按要求 RMB'000 人民幣千元	More than 1 year but not exceeding two years 一年以上但 不超過兩年 RMB'000 人民幣千元	More than two year but not exceeding five years 兩年以上但 不超過五年 RMB'000 人民幣千元	More than five years 五年以上 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現現金 流量總額 RMB'000 人民幣千元	Carrying Amount 賬面值 RMB'000 人民幣千元
As at 31 December 2023	於二零二三年十二月三十一日						
Trade and bills payables	貿易應付款項及應付票據	3,158,712	-	-	-	3,158,712	3,158,712
Accruals and other payables	應計費用及其他應付款項	26,784	-	-	-	26,784	26,784
Lease liabilities	租賃負債	6,038	947	1,790	-	8,775	8,315
Borrowings	借款	144,275	3,468	9,396	-	157,139	154,439
		3,335,809	4,415	11,186	-	3,351,410	3,348,250

		Less than 1 year or on demand 少於一年或 按要求 RMB'000 人民幣千元	More than 1 year but not exceeding two years 一年以上但 不超過兩年 RMB'000 人民幣千元	More than two year but not exceeding five years 兩年以上但 不超過五年 RMB'000 人民幣千元	More than five years 五年以上 RMB'000 人民幣千元	Total undiscounted cash flows 未貼現現金 流量總額 RMB'000 人民幣千元	Carrying Amount 賬面值 RMB'000 人民幣千元
As at 31 December 2022	於二零二二年十二月三十一日						
Trade and bills payables	貿易應付款項及應付票據	940,627	-	-	-	940,627	940,627
Accruals and other payables	應計費用及其他應付款項	61,381	-	-	-	61,381	61,381
Lease liabilities	租賃負債	6,046	-	-	-	6,046	5,855
Borrowings	借款	38,690	3,137	12,355	-	54,182	51,823
		1,046,744	3,137	12,355	-	1,062,236	1,059,686

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

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32. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objective and policies (Continued)

Liquidity risk (Continued)

Borrowings with a repayment on demand clause is included in the “less than 1 year or on demand” time band in the above maturity analysis. As at 31 December 2023, the aggregate undiscounted principal amounts of these borrowings amounted to RMB34,463,000 (2022: RMB37,006,000). Taking into account the Group’s financial position, the directors of the Company do not believe that it is probable that the financial institutions will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of reporting period.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair value due to their immediate or short-term maturities.

32. 金融工具 (續)

(b) 財務風險管理目標及政策 (續)

流動資金風險 (續)

包含按要求償還條款的借款計入上述到期分析「少於一年或按要求」時間範圍內。於二零二三年十二月三十一日，該等借款的未貼現本金總額為人民幣34,463,000元（二零二二年：人民幣37,006,000元）。經考慮本集團財務狀況，本公司董事認為金融機構不會行使彼等之酌情權要求即時還款。本公司董事認為有關借款將根據貸款協議所載之計劃還款日期償還。

如浮息變動有別於報告期末釐定的估計利率，則上列非衍生金融負債的浮息工具金額會有所改變。

本公司董事認為，按攤銷成本於綜合財務報表入賬之金融資產及金融負債之賬面值與彼等之公平值相若，乃由於彼等為即時或短期到期。

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33. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year was as follows:

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Short-term benefits	短期福利	2,847	2,434
Post-employment benefits	離職後福利	68	81
		2,915	2,515

The remuneration of directors of the Company and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

33. 關聯方交易

主要管理人員之薪酬

本公司董事及其他主要管理人員於本年度的薪酬如下：

本公司董事及主要行政人員的薪酬乃由薪酬委員會考慮個人表現及市場趨勢後釐定。

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34. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

34. 有關本公司財務狀況表的資料

		Notes 附註	2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司的權益	(a)	58,799	61,851
Current assets	流動資產			
Bank balances and cash	銀行結餘及現金		663	259
			663	259
Current liabilities	流動負債			
Accruals and other payables	應計費用及其他應付款項		1,853	1,429
Amounts due to subsidiaries	應付附屬公司款項		3,105	3,061
			4,958	4,490
Net current liabilities	流動負債淨額		(4,295)	(4,231)
Total assets less current liabilities	總資產減流動負債		54,504	57,620
Capital and Reserves	資本及儲備			
Share capital	股本		8,945	8,945
Reserves	儲備	(b)	45,559	48,675
Total Equity	權益總額		54,504	57,620

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34. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Interests in subsidiaries

		2023 二零二三年 RMB'000 人民幣千元	2022 二零二二年 RMB'000 人民幣千元
Unlisted investment, at cost	非上市投資(按成本)	–	–*
Amount due from a subsidiary (note)	應收附屬公司款項 (附註)	58,799	61,851
		58,799	61,851

* Represent amount less than RMB1,000

Note: The amount due from a subsidiary is unsecured, interest-free and repayable on demand. The directors of the Company do not expect repayments from subsidiaries within next twelve months from the end of the reporting period.

34. 有關本公司財務狀況表的資料 (續)

(a) 於附屬公司的權益

* 指金額低於人民幣1,000元

附註：應收附屬公司款項為無抵押、免息及須按要求償還。本公司董事不預期附屬公司會於報告期結束後十二個月內還款。

(b) Reserves of the Company

		Share premium 股份溢價 RMB'000 人民幣千元	Accumulated loss 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2021 and 1 January 2022	於二零二一年 十二月三十一日及 二零二二年一月一日	89,439	(41,877)	47,562
Profit and total comprehensive income for the year	年內溢利及全面收益 總額	–	1,113	1,113
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	89,439	(40,764)	48,675
Profit and total comprehensive income for the year	年內溢利及全面收益 總額	–	(3,116)	(3,116)
At 31 December 2023	於二零二三年十二月 三十一日	89,439	(43,880)	45,559

(b) 本公司儲備

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35. PARTICULARS OF SUBSIDIARIES

(a) General information of subsidiaries

35. 附屬公司之詳情

(a) 附屬公司的一般資料

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operations and date of incorporation 註冊成立/ 營運地點及 註冊成立日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本權益 及投票權		Principal activity 主要業務
			2023 二零二三年	2022 二零二二年	
Directly held 直接持有					
Grace Kirin ¹	BVI/Hong Kong 28 June 2018	USD1	100%	100%	Investment holding
俊麟 ¹	英屬處女群島/香港 二零一八年六月二十八日	1美元			投資控股
Indirectly held 間接持有					
Sprocomm Intelligence (HK) Limited ²	Hong Kong 27 August 2018	HK\$10,000	100%	100%	Investment holding
禾苗智能控股有限公司 ²	香港 二零一八年 八月二十七日	10,000港元			投資控股
Shenzhen Sprocomm ^{*3}	PRC 16 September 2009	RMB55,556,000	100%	100%	Trading of feature phones and smart phone
深圳禾苗 ³	中國 二零零九年 九月十六日	人民幣55,556,000元			買賣特色手機及 智能手機
Shanghai Sprocomm ^{*4}	PRC 24 November 2009	RMB2,000,000	100%	100%	Research and development of cloud computing and related technology
上海禾苗 ⁴	中國 二零零九年 十一月二十四日	人民幣2,000,000元			研發雲計算及相關技術

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35. PARTICULARS OF SUBSIDIARIES

(Continued)

(a) General information of subsidiaries (Continued)

35. 附屬公司之詳情(續)

(a) 附屬公司的一般資料(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operations and date of incorporation 註冊成立/ 營運地點及 註冊成立日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本權益 及投票權		Principal activity 主要業務
			2023 二零二三年	2022 二零二二年	
Guizhou Sprocomm* ⁴	PRC 8 June 2016	RMB5,000,000	100%	100%	Research and development of cloud computing and related technology
貴州禾苗 ⁴	中國 二零一六年六月八日	人民幣5,000,000元			研發雲計算及相關技術
Chengdu Sprocomm* ⁴	PRC 2 August 2017	RMB15,000,000	100%	100%	Research and development of cloud computing and related technology
成都禾苗 ⁴	中國 二零一七年八月二日	人民幣15,000,000元			研發雲計算及相關技術
HK Sprocomm ²	Hong Kong 15 January 2016	USD50,000	100%	100%	Trading of features phones and smart phone
香港禾苗 ²	香港 二零一六年一月十五日	50,000美元			買賣特色手機及 智能手機
Sprocomm Technologies India ⁵	India 24 August 2016	INR145,647	82.03%	82.03%	Customer service and technical support
Sprocomm Technologies India ⁵	印度 二零一六年八月二十四日	145,647印度盧比			客戶服務及技術支持

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35. PARTICULARS OF SUBSIDIARIES

(Continued)

(a) General information of subsidiaries (Continued)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operations and date of incorporation 註冊成立/ 營運地點及 註冊成立日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本權益 及投票權		Principal activity 主要業務
			2023 二零二三年	2022 二零二二年	
Guizhou Mars* ⁴	PRC 29 June 2016	RMB5,000,000	100%	100%	Research and development of cloud computing and related technology
貴州火星 ⁴	中國 二零一六年六月二十九日	人民幣5,000,000元			研發雲計算及相關技術
Liuzhou Sprocomm* ⁴ (former known as "Liuzhou Spiking")	PRC 1 September 2017	RMB100,000,000	100%	100%	Manufacturing of feature phones and smart phones
瀘州禾苗 ⁴ (前稱「瀘州思普康」)	中國 二零一七年九月一日	人民幣100,000,000元			製造特色手機及 智能手機
Sprocomm Intelligence Technologies Limited* ⁴	PRC 24 December 2019	RMB20,000,000	100%	100%	Research and development of cloud computing and related technology
Sprocomm Intelligence Technologies Limited ⁴	中國 二零一九年 十二月二十四日	人民幣20,000,000元			研發雲計算及相關技術
Shenzhen Fengma New Energy Technology Co., Ltd.* ⁶	PRC 1 December 2021	RMB 3,000,000	100%	100%	Research and development of cloud computing and related technology
深圳風馬新能源科技有限公司 ⁶	中國 二零二一年十二月一日	人民幣3,000,000元			研發雲計算及相關技術

35. 附屬公司之詳情(續)

(a) 附屬公司的一般資料(續)

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35. PARTICULARS OF SUBSIDIARIES

(Continued)

(a) General information of subsidiaries (Continued)

35. 附屬公司之詳情(續)

(a) 附屬公司的一般資料(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ operations and date of incorporation 註冊成立/ 營運地點及 註冊成立日期	Issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本	Equity interest and voting power attributable to the Company 本公司應佔股本權益 及投票權		Principal activity 主要業務
			2023 二零二三年	2022 二零二二年	
Windhorse Technologies LLC ⁷	USA 10 May 2022	USD500,000	80%	80%	Trading of automobile
Windhorse Technologies LLC ⁷	美國 二零二二年五月十日	500,000美元			買賣兩輪電動車
Shanghai Hexiangron intelligent Building Technology Co., Ltd. ^{*4, 8}	PRC 23 March 2022	RMB30,000,000	-	100%	Research and development of cloud computing and related technology
Shanghai Hexiangron Intelligent Building Technology Co., Ltd. ^{*4, 8}	中國 二零二二年三月二十三日	人民幣30,000,000元			研發雲計算及相關技術
Xiaohe Growth Shenzhen Technology Co., Ltd. ^{*4}	PRC 25 May 2022	RMB2,000,000	70%	70%	Trading of education tools
Xiaohe Growth Shenzhen Technology Co., Ltd. ^{*4}	中國 二零二二年五月二十五日	人民幣2,000,000元			買賣教育工具

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35. PARTICULARS OF SUBSIDIARIES

(Continued)

(a) General information of subsidiaries (Continued)

* *The English name is for identification only.*

- 1 Company with limited liabilities incorporated in British Virgin Islands.
- 2 Company with limited liabilities incorporated in Hong Kong.
- 3 Wholly foreign owned enterprises established in the PRC.
- 4 Company with limited liabilities established in the PRC.
- 5 Company with limited liabilities incorporated in India.
- 6 The subsidiary was established during the year ended 31 December 2021.
- 7 Company with limited liabilities incorporated in the United States of America.
- 8 The subsidiary was disposed to an independent third party during the year ended 31 December 2023 at a cash consideration of approximately RMB14,391,000.

35. 附屬公司之詳情(續)

(a) 附屬公司的一般資料(續)

- 1 於英屬處女群島註冊成立的有限公司。
- 2 於香港註冊成立的有限公司。
- 3 於中國成立的外商獨資企業。
- 4 於中國成立的有限公司。
- 5 於印度成立的有限公司。
- 6 該附屬公司於截至二零二一年十二月三十一日止年度成立。
- 7 於美利堅合眾國註冊成立的有限公司。
- 8 該附屬公司已於截至二零二三年十二月三十一日止年度出售予獨立第三方，現金代價為約人民幣14,391,000元。

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36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statements of cash flows as cash flows from financing activities.

36. 融資活動產生之負債對賬

下表詳述本集團融資活動產生的負債變動，包括現金及非現金變動。融資活動產生的負債是指現金流量或未來現金流量將在綜合現金流量表中分類為融資活動現金流量的負債。

		Borrowings 借款 (Note 26) (附註26) RMB'000 人民幣千元	Lease liabilities 租賃負債 (Note 16) (附註16) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於二零二二年一月一日	58,168	20,288	78,456
Non-cash movements	非現金變動			
New lease arrangement	新租賃安排	-	304	304
Exchange realignment	匯兌調整	2,880	-	2,880
Early termination of lease	提前終止租賃	-	(5,590)	(5,590)
Finance costs incurred (Note 8)	已產生融資成本(附註8)	17,347	914	18,261
Financing cash inflows	融資現金流入	239,723	-	239,723
Financing cash outflows	融資現金流出	(266,295)	(10,061)	(276,356)
At 31 December 2022	於二零二二年十二月三十一日	51,823	5,855	57,678
At 1 January 2023	於二零二三年一月一日	51,823	5,855	57,678
Non-cash movements	非現金變動			
New lease arrangement	新租賃安排	-	20,740	20,740
Exchange realignment	匯兌調整	828	7	835
Finance costs incurred (Note 8)	已產生融資成本(附註8)	35,096	720	35,816
Financing cash inflows	融資現金流入	458,262	-	458,262
Financing cash outflows	融資現金流出	(391,570)	(19,007)	(410,577)
At 31 December 2023	於二零二三年十二月三十一日	154,439	8,315	162,754

Sprocomm Intelligence Limited