



China Metal Resources Utilization Limited
中國金屬資源利用有限公司

(a company incorporated under the laws of Cayman Islands with limited liability)
(根據開曼群島法律註冊成立的有限公司)

Stock Code 股份代號 : 1636

2023
ANNUAL REPORT 年報

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CORPORATE PROFILE

公司概況

China Metal Resources Utilization Limited (“CMRU” or the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 22 February 2013. The Company and its subsidiaries (the “Group”) are a fast-growing manufacturer of recycled copper products, also known as copper semis, in Southwest China. The shares of the Company (the “Shares”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 21 February 2014 (the “Listing Date”).

The Group is a manufacturer of recycled copper products (also known as copper semis), communication cables and power transmission and distribution cables. The Group processes recycled scrap copper and, to a lesser extent, electrolytic copper, to manufacture a range of copper products, including copper wire rods, copper wires, copper plates, copper granules, communication cables and power transmission and distribution cables.

This annual report, in both English and Chinese versions, is available on the Company’s website at <http://www.cmru.com.cn/>.

Shareholders of the Company (“Shareholders”) may at any time change their choice of language(s) (either English only or Chinese only or both languages) of Corporate Communications.

Shareholders may send their request to change their choice of language(s) of Corporate Communications by notice in writing to the Hong Kong Branch Share Registrar of the Company with Computershare Hong Kong Investor Services Ltd. at 17M Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.

中國金屬資源利用有限公司(「中國金屬資源利用」或「本公司」)為一家於2013年2月22日在開曼群島註冊成立的獲豁免有限公司。本公司及其附屬公司(「本集團」)是中國西南部增長迅速的再生銅產品(亦稱為銅半製成品)製造商。本公司股份(「股份」)自2014年2月21日(「上市日期」)起在香港聯合交易所有限公司(「聯交所」)主板上市。

本集團是再生銅產品(亦稱為銅半製成品)、通信電纜和配送電纜製造商。本集團主要加工回收的廢銅,其次是電解銅,從而生產多種銅產品,包括銅線材、銅線、銅排、銅米、通信電纜和配送電纜。

本年報的中、英文本已登載於本公司網站<http://www.cmru.com.cn/>。

本公司股東(「股東」)可隨時更改收取公司通訊的語言版本的選擇(即英文本或中文本或中、英文本)。

股東可以書面通知本公司在香港的股份過戶登記分處,香港中央證券登記有限公司,地址為香港灣仔皇后大道東183號合和中心17M樓,提出更改收取公司通訊的語言版本的選擇。

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of the Company, I hereby present the audited consolidated annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2023.

REVIEW ON COPPER MARKET

In 2023, China's copper market experienced fluctuations driven by economic recovery efforts and external challenges. While the overall economy grew by 5.2%, the copper market was influenced by a rebound in demand as industrial activity began to recover, particularly in sectors such as renewable energy and electric vehicles. Prices on the Shanghai Futures Exchange rose from around RMB67,000 per ton at the start of the year to approximately RMB69,000 per ton by year-end, peaking at approximately RMB72,000 per ton during the year. The increase in prices reflected a tightening supply outlook amid ongoing recovery efforts in infrastructure and manufacturing, despite the backdrop of challenges such as a sluggish real estate sector and geopolitical tensions affecting trade dynamics.

BUSINESS REVIEW

Throughout the year, the copper market in China experienced significant challenges, resulting in a net loss of approximately RMB805.8 million for the Group. This loss was primarily driven by a staggering 64.97% drop in revenue in 2023 compared to 2022. The ongoing effects of Coronavirus disease 2019 ("COVID-19") continued to weigh heavily on various industries, particularly the real estate and engineering infrastructure sectors, which have yet to achieve a full recovery. Furthermore, the severe financial difficulties faced by major property developers adversely impacted the demand for our products. As a result, demand from downstream customers remained weak, contributing to a decline in sales. These challenges also led to higher finance costs and increased provisions for doubtful debts, reflecting the liquidity constraints experienced by our customers. Loss per share was RMB0.18 (2022: RMB1.10).

In order to weather this situation and safeguard our businesses and assets, we have taken the initiative to apply for bankruptcy reorganization for some of our operating subsidiaries. These applications have been approved by the relevant courts. The effect of the bankruptcy reorganizations would be that the debts of the operating subsidiaries are restructured as well as reduced so that the intrinsic value and business potential of the quality assets held by the subsidiaries can be released, allowing the subsidiaries to fully utilize such assets to increase their revenue generation ability.

各位股東：

本人謹此代表本公司董事會（「董事會」）提呈本公司連同其附屬公司（統稱為「本集團」）截至2023年12月31日止年度的經審核綜合全年業績。

銅市回顧

於2023年，中國銅市在經濟復甦及外部挑戰的推動下出現波動。雖然整體經濟增長5.2%，但隨著工業活動（尤其是可再生能源及電動汽車等行業）開始復甦，銅市因有關需求回升而受到影響。上海期貨交易所的價格由年初的每噸約人民幣67,000元上升至年底的每噸約人民幣69,000元，年內最高價格達約每噸人民幣72,000元。儘管房地產行業低迷及地緣政治緊張局勢等挑戰影響貿易情況，惟價格上漲反映出在基礎設施及製造業持續復甦的情況下供應前景趨緊。

業務回顧

年內，中國銅市經歷重大挑戰，導致本集團錄得淨虧損約人民幣805.8百萬元。該虧損主要由於2023年營業額相較2022年大幅減少64.97%。2019冠狀病毒病（「COVID-19」）持續嚴重影響各行各業，尤其是房地產及工程基建業仍未全面復甦。此外，主要地產開發商面對嚴重的財務困難，對我們的產品需求造成不利影響。因此，下游客戶的需求仍然疲弱，導致銷售額下降。該等挑戰亦導致財務成本增加及呆賬撥備增加，反映客戶面對流動資金緊絀的問題。每股虧損為人民幣0.18元（2022年：人民幣1.10元）。

為渡過難關，保障我們的業務及資產，我們主動為部分營運附屬公司申請破產重整。該等申請已獲相關法院批准。破產重整的作用為對營運附屬公司的債務進行重整及減持，從而釋放附屬公司持有的優良資產內在價值及經營潛力，允許附屬公司充分利用該等資產提升實現盈利的能力。

CHAIRMAN'S STATEMENT

主席報告

Moving forward, our primary focus is to successfully complete the bankruptcy reorganizations of our subsidiaries in a timely manner. While we anticipate that our short-term operational and financial results may suffer during this process, we remain optimistic about our long-term business outlook.

The Group's manufacturing facilities has been suspended certain months and resumed operations on 1 June 2023. For the one-year period ended 31 May 2024, the Group has produced 21,282 tons of recycled copper products, sold 21,058 tons of recycled copper products, achieved sales revenue of recycled copper products of RMB1,450 million (the above-mentioned sales data is unaudited). During the same period, both communication cables business and power transmission and distribution business of the Group have not yet resumed their businesses due to lack of working capital and poor market conditions in the real estate sector where most of the products are being sold into. As the real estate market begins to stabilise, the Company expects to resume these two downstream businesses once the Group has obtained sufficient working capital.

PROSPECTS

In 2023, China's economic recovery was not as robust as anticipated, primarily due to a significant slowdown in the real estate sector, which has traditionally been a key driver of growth. External factors such as the ongoing Russia-Ukraine conflict, interest rate hikes by major economies, and escalating tensions with the United States contributed to the uncertainties facing China's economy and its enterprises. Amid these challenges, the central government took decisive actions in the second half of the year to mitigate risks associated with the real estate market and local government debt. A set of targeted expansionary fiscal and monetary policies was implemented, along with supportive industrial measures. These initiatives began to show signs of effectiveness, leading to a self-repairing economy that gradually recovered, achieving a year-on-year GDP growth rate of 5.2%.

Despite overall economic uncertainties, the outlook for China's copper sector remains positive, particularly as highlighted in the 14th Five-Year Plan (2021–2025) and the 22 February 2021 circular titled "Guiding Opinion on Urging Efforts to Build an Economic System Featuring Green, Low-carbon and Circular Development, and to Promote an Overall Green Transformation of the Economy and Society" (《關於加快建立健全綠色低碳循環發展經濟體系的指導意見》). These plans emphasize a transition to a sustainable economy and the advancement of information technology, particularly with the deployment of 5G networks. Given copper's essential role in electric vehicles (EVs), renewable energy systems, and advanced manufacturing, demand is expected to grow in alignment with the government's goal of achieving carbon neutrality by 2060. Additionally, the increasing focus on electrification, the development of smart grids, and the infrastructure needs for 5G technology present substantial opportunities for the copper industry, likely resulting in boosts to both domestic production and imports.

展望未來，我們首要任務為及時成功完成附屬公司的破產重整。儘管我們預計在此過程中我們的短期經營及財務業績可能會受到影響，惟我們對長期業務前景仍然保持樂觀態度。

本集團的生產設施已停止運作數月，並於2023年6月1日恢復營運。截至2024年5月31日止一年期間，本集團已生產21,282噸的再生銅產品，銷售21,058噸的再生銅產品，實現再生銅產品銷售營業額人民幣1,450百萬元(上述銷售數據未經審核)。同期，由於營運資金不足及大部分產品銷往的房地產行業市況不佳，本集團的通信電纜業務及送配電纜業務尚未恢復營業。隨著房地產市場開始穩定下來，本公司預期一旦本集團獲得充足營運資金，將可恢復該兩項下游業務。

前景

於2023年，中國經濟復甦並不如預期般強勁，主要由於傳統上是經濟增長主要動力的房地產行業顯著放緩。俄烏衝突持續、主要經濟體加息、與美國緊張局勢升級等外部因素，使中國經濟及其企業面對不確定性。面對該等挑戰，中央政府於下半年採取果斷措施，以緩解與房地產市場及地方政府債務相關的風險。中央政府已實施一系列具針對性的擴張性財政及貨幣政策，並採納扶持工業的措施。該等措施初見成效，令經濟自我修復，逐步復甦，按年GDP增長率達5.2%。

儘管整體經濟存在不確定性，惟中國銅產業的前景仍然樂觀，尤其是在十四五規劃(2021年至2025年)及於2021年2月22日發佈的通函《關於加快建立健全綠色低碳循環發展經濟體系的指導意見》中有所強調。該等計劃強調向可持續經濟轉型及資訊科技進步，尤其是5G網路的部署。鑑於銅在電動車、可再生能源系統及先進製造業的重要角色，預期需求將配合政府於2060年前實現碳中和的目標而有所增長。此外，對電氣化、智能電網發展及5G技術基建需求的日益關注亦為銅產業帶來巨大商機，從而可能推動國內產量及進口量。

CHAIRMAN'S STATEMENT

主席報告

Nevertheless, the copper sector must navigate several challenges that could hinder its growth within the framework of the 14th Five-Year Plan. Factors such as stringent environmental regulations, resource scarcity, and geopolitical tensions may disrupt supply chains and affect production capacity. Additionally, although the government's initiatives aimed at technological innovation and infrastructure development, including 5G deployment, are expected to stimulate demand, competitive pressures and price volatility in global markets could complicate the sector's landscape.

On 24 September 2024, a series of policies were announced by China's three top financial officials at a press conference to backstop the stalling economy. These notably included a 20-basis-point cut to the seven-day reverse repo rate (RRR; the policy interest rate); a 50-basis-point cut to the reserve requirement ratio (RRR); a rate cut on existing mortgages; capital replenishment of large state-owned banks; and other measures to support the housing and the stock markets.

We believe we are well positioned to benefit from the anticipated increase in demand for copper.

Furthermore, our immediate priority is to successfully complete the bankruptcy reorganizations of our subsidiaries as quickly as possible. While we anticipate that our short-term operational and financial results may be negatively impacted during this process, we remain confident in our long-term business prospects. We believe that demand for our products, particularly copper, will continue to be robust in the future. This confidence underpins our commitment to navigating this reorganization effectively and positioning ourselves for growth once we emerge from this challenging period.

儘管如此，銅產業必須面對可能妨礙其在十四五規劃框架內增長的數項挑戰。嚴格的环境法規、資源稀缺及地緣政治緊張等因素可能會擾亂供應鏈及影響產能。此外，儘管政府針對技術創新及基建發展（包括5G部署）的措施預期將刺激需求，惟全球市場的競爭壓力及價格波動可能使該行業的格局變得複雜。

於2024年9月24日，中國三名財金主管於新聞發佈會上宣佈一系列政策，以支持停滯不前的經濟。該等政策主要包括下調七天逆回購操作利率（政策利率）20個基點；下調存款準備金率50個基點；降低存量房貸利率；為大型國有銀行補充資本；及其他支持房市及股市的措施。

我們相信我們已準備就緒，可從預期的銅需求增長中受惠。

再者，我們的當務之急是盡快成功完成附屬公司的破產重整。儘管我們預計在此過程中我們的短期經營及財務業績可能會受到負面影響，惟我們對長期業務前景仍然充滿信心。我們相信，未來對我們產品（尤其是銅）的需求將持續強勁。這種信心支持我們致力於有效完成是次重整，並在擺脫這段充滿挑戰的時期後為我們的增長作好準備。

CHAIRMAN'S STATEMENT

主席報告

By filing the Bankruptcy Reorganisation Application with the Court voluntarily and, if approved, there would be a platform for (i) Mianyang Tongxin Copper Co., Ltd.* (綿陽銅鑫銅業有限公司) ("Tongxin"), a wholly-owned subsidiary of the Company; (ii) Mianyang Jin Xunhuan Metal Materials Co., Ltd.* (綿陽金循環金屬材料有限公司) ("Jin Xunhuan"), an indirect wholly-owned subsidiary of the Company; (iii) Mianyang Baohe Taiyue Communications Cable Co. Ltd.* (綿陽保和泰越通信線纜有限公司) ("Taiyue"), an indirect wholly-owned subsidiary of the Company; (iv) Hunan Yinlian Xiangbei Copper Co., Ltd.* (湖南銀聯湘北銅業有限公司) ("Yinlian Xiangbei"), an indirect wholly-owned subsidiary of the Company; and (v) Hubei Rongsheng Copper Co., Ltd.* (湖北融晟金屬製品有限公司) ("Hubei Rongsheng"), an indirect wholly-owned subsidiary of the Company (collectively, the "Relevant Subsidiaries") to restructure their existing indebtedness with the relevant creditors, with the sanction by the Court ("Debt Restructuring"). The Debt Restructuring would reduce the debts of the Relevant Subsidiaries, release the intrinsic value and business potential of the quality assets currently held by the Relevant Subsidiaries, and allow the Relevant Subsidiaries to fully utilise such assets to increase the revenue generation ability. Although the Relevant Subsidiaries presently face difficulties in repaying their debts, the Board is of the view that (i) the assets held by the Relevant Subsidiaries are of strategic value; (ii) the Relevant Subsidiaries possess strong technical capabilities pedigree; and (iii) the production and recycling industries in which the Relevant Subsidiaries operate have promising prospects in the China in light of the 14th Five-Year Plan published by the China government. After the Debt Restructuring, the Board believes that the Relevant Subsidiaries will be able to continue to operate as a going concern and improve the overall financial position of the Relevant Subsidiaries and the Group. Further, through the Debt Restructuring, the Company hopes to preserve the welfare of the staff of the Relevant Subsidiaries, as a matter of social responsibilities, and contribute to the local community.

On 6 June 2022, Tongxin and Jin Xunhuan intended to restructure its existing indebtedness through the applicable provisions of the Enterprise Bankruptcy Law of the PRC. A voluntary application for the aforementioned bankruptcy reorganization of Taiyue has been filed with the Court on 6 June 2022.

On 25 May 2023, Taiyue also intended to restructure its existing indebtedness through the applicable provisions of the Enterprise Bankruptcy Law of the PRC. A voluntary application for the aforementioned bankruptcy reorganization of Taiyue has been filed with the Court on 18 May 2023. Please refer to the Company's announcement dated 25 May 2023 for further details.

透過自願向法院提交破產重整申請以及(倘獲批准)(i)綿陽銅鑫銅業有限公司(「銅鑫」, 本公司的全資附屬公司); (ii)綿陽金循環金屬材料有限公司(「金循環」, 本公司的間接全資附屬公司); (iii)綿陽保和泰越通信線纜有限公司(「泰越」, 本公司的間接全資附屬公司); (iv)湖南銀聯湘北銅業有限公司(「銀聯湘北」, 本公司的間接全資附屬公司); 及(v)湖北融晟金屬製品有限公司(「湖北融晟」, 本公司的間接全資附屬公司)(統稱「相關附屬公司」)在法院批准下將獲得平台與相關債權人重整其現有的債務(「債務重整」)。債務重整將減少相關附屬公司的債務、釋放相關附屬公司目前持有的優良資產內在價值及經營潛力, 並允許相關附屬公司充分利用該等資產提升實現盈利的能力。儘管相關附屬公司目前在償還債務方面面對困難, 惟董事會認為(i)相關附屬公司持有的資產具有戰略價值; (ii)相關附屬公司擁有技術能力背景優勢; 及(iii)根據中國政府發佈的十四五規劃, 相關附屬公司所在的生產及回收行業在中國獲看好。於債務重整後, 董事會相信, 相關附屬公司將能繼續持續經營, 並改善相關附屬公司及本集團的整體財務狀況。此外, 透過債務重整, 並且希望出於社會責任, 本公司希望維護相關附屬公司員工的福利, 並為當地社區作出貢獻。

於2022年6月6日, 銅鑫及金循環有意透過《中國企業破產法》之適用條文重組其現有債務。前述泰越的自願破產重整申請已於2022年6月6日提呈法院。

於2023年5月25日, 泰越亦有意透過《中國企業破產法》之適用條文重組其現有債務。前述泰越的自願破產重整申請已於2023年5月18日提呈法院。進一步詳情請參閱本公司日期為2023年5月25日的公告。

CHAIRMAN'S STATEMENT

主席報告

On 14 August 2023, Yinlian Xiangbei received a civil ruling (the "Civil Ruling") from the People's Court of Miluo City, Hunan Province in relation to a petition for winding-up against Yinlian Xiangbei filed by Hunan Miziyuan Asset Holdings Co., Ltd.* (湖南汨之源實業集團有限公司) ("Miziyuan"), a creditor of Yinlian Xiangbei, on the ground that Yinlian Xiangbei was unable to repay the debts falling due. The debts involved were in the amount of approximately RMB11.9 million. Yinlian Xiangbei opposed the petition and applied to the Court for bankruptcy reorganisation instead. According to the Civil Ruling, after taking into account the situation of Yinlian Xiangbei and the bankruptcy reorganisation of the Company's other certain subsidiaries in Mianyang City, Sichuan Province, the Court rejected Miziyuan's petition for winding-up and accepted Yinlian Xiangbei's bankruptcy reorganisation application. The People's Court of Miluo City, Hunan Province appointed Hunan Licheng Asset Liquidation Management Company Ltd.* (湖南利誠資產清算管理有限公司) as the administrator. The administrator subsequently held the first creditors' meeting on 5 January 2024. Please refer to the Company's announcement dated 14 August 2023 and 13 October 2023 for further details.

On 7 September 2023, Hubei Rongsheng received (i) a decision dated 12 September 2023; and (ii) notice to Hubei Rongsheng dated 12 September 2023 from the People's Court of Yunmeng County, Hubei Province in relation to Hubei Rongsheng's application for pre-restructuring (the "Pre-restructuring") in accordance with the pre-restructuring procedure under the applicable provisions of the Enterprise Bankruptcy Law of the People's Republic of China to prepare for its intended bankruptcy reorganisation application. After considering the opinions of Hubei Rongsheng, its main creditors and interested investors and the relevant government authorities, the Court approved the Pre-restructuring of Hubei Rongsheng and designated Hubei Gongshun Accounting Firm* (湖北公順會計師事務所) as provisional administrator of the Pre-restructuring per the discussion of Hubei Rongsheng and its main creditors. Please refer to the Company's announcement dated 15 September 2023 for further details.

於2023年8月14日，銀聯湘北收到來自湖南省汨羅市人民法院，內容有關湖南汨之源實業集團有限公司(「汨之源」)作為銀聯湘北的債權人，由於銀聯湘北未能於到期前償還債務而針對銀聯湘北提呈清盤呈請的民事裁定書(「民事裁定書」)。該等債務涉及約人民幣11.9百萬元。銀聯湘北反對該呈請並向法院申請破產重整，根據民事裁定書，經考慮銀聯湘北之處境及本公司於四川省綿陽市其他若干附屬公司之破產重整，法院駁回汨之源之清盤呈請及接納銀聯湘北之破產重整申請。湖南省汨羅市人民法院委任湖南利誠資產清算管理有限公司為管理人。管理人隨後於2024年1月5日舉行第一次債權人會議。進一步詳情請參閱本公司日期為2023年8月14日及2023年10月13日的公告。

於2023年9月7日，湖北融晟收到(i)來自河北省雲夢縣人民法院日期為2023年9月12日的決定書；及(ii)日期為2023年9月12日向湖北融晟作出的通告，有關湖北融晟根據《中華人民共和國企業破產法》適用條文下預重整程序之預重整(「預重整」)申請，以準備其有意之破產重整申請。經考慮湖北融晟、其主要債權人及感興趣的投資者以及相關政府機關之意見，法院批准湖北融晟之預重整並於湖北融晟及其主要債權人討論後，指定湖北公順會計師事務所為預重整的臨時管理人。進一步詳情請參閱本公司日期為2023年9月15日的公告。

CHAIRMAN'S STATEMENT

主席報告

On 22 February 2024, the Company received from Sichuan Dingtian Law Firm* (四川鼎天律師事務所) and Sichuan Chunlei Law Firm* (四川春雷律師事務所), the joint administrators for the Debt Restructuring of Tongxin and Jin Xunhuan (the "Joint Administrators"), (i) the Court's civil ruling to the Joint Administrators dated 26 December 2023; and (ii) the Court notice dated 21 February 2024 (collectively, the "Court Documents"). Pursuant to the Court Documents, the Court accepted the application of Joint Administrators for substantive consolidated bankruptcy reorganization of the Relevant Subsidiaries with the Joint Administrators to perform the duties and responsibilities of administrators for the Debt Restructurings. Please refer to the Company's announcement dated 6 June 2022, 3 August 2022, 5 August 2022, 3 January 2023, 28 March 2023, 25 May 2023 and 23 February 2024 for further details.

On 3 June 2024, the second creditors' meeting for Tongxin, Jin Xunhuan and Taiyue (the "Second Creditors' Meeting") was held. Agenda of the Second Creditors' Meeting included: period performance report of the Joint Administrators, verification of the creditors' rights, report of the Tongxin, Jin Xunhuan and Taiyue's business operations by the Joint Administrators, proposed resolutions, review of Tongxin, Jin Xunhuan and Taiyue's property status report and the Relevant Subsidiaries' management plan and operation supervision plan. Please refer to the Company's announcement dated 19 June 2024 for further details.

CONCLUSION

I would like to thank our customers, suppliers, business partners and Shareholders for their continued support, my fellow directors for their wise insight and active participation, and our management team for their continued dedication and commitment to the success of the Group. The Group is confident in its ability to create short-term and long-term value for our Shareholders and would like to thank Shareholders for their support and trust in the Group over the years.

Mr. YU Jianqiu
Chairman

Hong Kong, 2 October 2024

於2024年2月22日，本公司自銅鑫及金循環債務重整的聯合管理人（「聯合管理人」）四川鼎天律師事務所及四川春雷律師事務所收到(i)法院向聯合管理人發出日期為2023年12月26日的民事裁定書；及(ii)日期為2024年2月21日的法院通告（統稱「法院文件」）。根據法院文件，法院接納聯合管理人就相關附屬公司的實質合併破產重整提出的申請，當中由聯合管理人履行債務重整管理人的職責及責任。進一步詳情請參閱本公司日期為2022年6月6日、2022年8月3日、2022年8月5日、2023年1月3日、2023年3月28日、2023年5月25日及2024年2月23日的公告。

於2024年6月3日，銅鑫、金循環及泰越舉行第二次債權人會議（「第二次債權人會議」）。第二次債權人會議議程包括：聯合管理人的期間表現報告、債權人權利核實情況、聯合管理人對銅鑫、金循環及泰越業務營運情況的報告、提呈決議案、審閱銅鑫、金循環及泰越的財產狀況報告及相關附屬公司的管理計劃及經營監督計劃。進一步詳情請參閱本公司日期為2024年6月19日的公告。

結論

本人謹此衷心感謝客戶、供應商、業務夥伴及股東的一貫支持、董事同袍的睿智識見及積極參與，以及管理團隊的不懈努力及決心，使本集團一直以來取得成功。本集團對為我們的股東創造短期及長期價值的能力充滿信心，並就股東一路以來對本集團的支持及信任表示謝意。

主席
俞建秋先生

香港，2024年10月2日

* For identification purpose only.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

Our revenue represents the amounts accepted to be entitled for sales of goods and services in the ordinary course of business. Revenue recognised is net of VAT and other taxes, returns and discounts after eliminating sales within our Group.

財務回顧

營業額

我們的營業額指於日常業務過程中就銷售貨物及服務有資格收取之金額。所確認的收益(已經扣除增值稅及其他稅項、退貨及折扣)亦已對本集團內部間的銷售進行對銷。

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Sales of recycled copper products	銷售再生銅產品	811,094	2,383,263
Sales of power transmission and distribution cables	銷售送配電纜	3,498	5,081
Sales of communication cables	銷售通信電纜	240	700
Sales of scrap materials	銷售廢棄材料	17,797	1,675
Others	其他	5,075	990
		837,704	2,391,709

Revenue for the year ended 31 December 2023 amounted to approximately RMB837.7 million, representing a decrease of 64.97% from approximately RMB2,391.7 million for the year ended 31 December 2022. The decline in sales volume was primarily due to a significant reduction in the sales of recycled copper products and the Group's manufacturing facilities has been suspended certain months and resumed operations on 1 June 2023, which was attributed to the adverse effects of the processing bankruptcy of the Relevant Subsidiaries during the year.

Revenue from recycled copper products amounted to approximately RMB811.1 million for the year ended 31 December 2023, representing a decrease of 66.0% from approximately RMB2,383.3 million for the year ended 31 December 2022. This was primarily due to a decrease of 69.9% in the sales volume of recycled copper products, which declined from 44,241 metric tons for the year ended 31 December 2022 to 13,330 metric tons for the year ended 31 December 2023. Additionally, there was an increase of 13.0% in the average selling price, rising from RMB53,870 per ton for the year ended 31 December 2022 to RMB60,847 per ton for the year ended 31 December 2023.

截至2023年12月31日止年度的營業額約為人民幣837.7百萬元，較截至2022年12月31日止年度約人民幣2,391.7百萬元減少64.97%。該銷量減少主要由於再生銅產品銷售減少以及本集團的生產設施已停止運作數月並於2023年6月1日恢復營運，此乃由於相關附屬公司於年內破產的不利影響。

截至2023年12月31日止年度，再生銅產品的營業額約為人民幣811.1百萬元，較截至2022年12月31日止年度約人民幣2,383.3百萬元減少66.0%。此乃主要由於再生銅產品銷量由截至2022年12月31日止年度的44,241公噸減少69.9%至截至2023年12月31日止年度的13,330公噸。此外，平均售價由截至2022年12月31日止年度的每噸人民幣53,870元增加13.0%至截至2023年12月31日止年度的每噸人民幣60,847元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Cost of sales

Cost of sales for the year ended 31 December 2023 totaled approximately RMB950.0 million, representing a decrease of 64.6% from approximately RMB2,679.8 million for the year ended 31 December 2022. This significant decline in cost of sales corresponds with a notable decrease in sales, which saw a reduction of 66.0%.

Gross loss

For the year ended 31 December 2023, we reported a gross loss of approximately RMB111.9 million, a decline from the gross loss of about RMB288.1 million for the year ending 31 December 2022. Our gross profit margin for the year ended 31 December 2023 was negative 13.4%, compared to a margin of negative 12.0% for the year ended 31 December 2022.

Other income/(expenses), gain/(loss), net

Our net of other income/(expenses) and gain/(loss) totaled approximately RMB52.0 million for the year ended 31 December 2023, representing a significant decrease from approximately RMB136.1 million for the year ended 31 December 2022. This decline was primarily driven by reductions in (i) VAT refunds related to comprehensive resource utilization, (ii) government grants and subsidies received and (iii) interest income.

Net provision for doubtful debts and impairment of advance payment to suppliers

Our net provision for doubtful debts totaled approximately RMB142.0 million for the year ended 31 December 2023, representing a significant decrease from approximately RMB2,222.7 million for the year ended 31 December 2022.

Our impairment of advance payment to suppliers totaled approximately RMB208.1 million for the year ended 31 December 2023, representing a significant decrease from approximately RMB1,948.5 million for the year ended 31 December 2022.

The Group performs impairment assessment on trade and bills receivables and advance payment to suppliers under the expected credit loss ("ECL") model. The measurement of ECL is a function of the probability of default, the loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of probability of default and loss given default based on historical data and forward looking information is performed by independent professional valuers engaged by the Group at each reporting date for the purpose of determining ECL.

銷售成本

截至2023年12月31日止年度的銷售成本總額約為人民幣950.0百萬元，較截至2022年12月31日止年度約人民幣2,679.8百萬元減少64.6%。銷售成本大幅下降的同時，銷售額亦顯著下降，降幅達66.0%。

毛損

截至2023年12月31日止年度，我們錄得毛損約人民幣111.9百萬元，較截至2022年12月31日止年度的毛損約人民幣288.1百萬元有所下降。截至2023年12月31日止年度的毛利率為負13.4%，而截至2022年12月31日止年度的毛利率則為負12.0%。

其他淨收入／(開支)、收益／(虧損)

截至2023年12月31日止年度的其他淨收入／(開支)及收益／(虧損)合共約為人民幣52.0百萬元，較截至2022年12月31日止年度約人民幣136.1百萬元大幅減少。此減少主要由於(i)有關綜合利用資源的增值稅退稅；(ii)已收政府補助及補貼；及(iii)利息收入減少。

呆賬撥備淨值及墊付供應商款項減值

截至2023年12月31日止年度，呆賬撥備淨值合共約為人民幣142.0百萬元，較截至2022年12月31日止年度約人民幣2,222.7百萬元大幅減少。

截至2023年12月31日止年度，墊付供應商款項減值合共約為人民幣208.1百萬元，較截至2022年12月31日止年度約人民幣1,948.5百萬元大幅減少。

本集團根據預期信貸虧損(「預期信貸虧損」)模式對貿易應收款項及應收票據以及墊付供應商款項進行減值評估。預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失幅度)及違約風險的函數。本集團於各報告日期委聘獨立專業估值師根據過往數據及前瞻性資料評估違約概率及違約損失率，以釐定預期信貸虧損。

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Selling and distribution expenses

Our selling and distribution expenses for the year ended 31 December 2023 amounted to approximately RMB7.2 million, representing a 9.0% decrease from approximately RMB7.9 million for the year ended 31 December 2022. This reduction was primarily due to a decline in sales during the year.

Administrative expenses

Our administrative expenses for the year ended 31 December 2023 were approximately RMB110.7 million, representing a decrease of 43.3% from RMB195.2 million for the year ended 31 December 2022. This reduction was primarily due to a decrease in staff costs and operating expenses, which aligned with the decline in sales during the year.

Finance costs

Our finance costs for the year ended 31 December 2023 were approximately RMB277.7 million, representing an increase of 18.6% from RMB234.2 million for the year ended 31 December 2022. This increase was primarily due to higher interest rates and borrowing during the year.

Loss for the year

Our loss for the year ended 31 December 2023 was RMB805.8 million as compared to the loss of RMB4,763.2 million for the year ended 31 December 2022. The decrease in loss is mainly attributable to the net decrease in net provision for doubtful debts and impairment of advance payment to suppliers of RMB3,821.1 million.

Capital structure

As at 31 December 2023, the capital structure of the Group mainly consisted of shareholder's equity, note payables, interest-bearing bank and other borrowings, lease liabilities and liability component of convertible bonds. There is no material seasonality of borrowing requirements for the Group.

銷售及分銷開支

截至2023年12月31日止年度的銷售及分銷開支約為人民幣7.2百萬元，較截至2022年12月31日止年度約人民幣7.9百萬元減少9.0%。該減少主要由於年內銷售額下降。

行政開支

截至2023年12月31日止年度的行政開支約為人民幣110.7百萬元，較截至2022年12月31日止年度的人民幣195.2百萬元減少43.3%。該減少主要由於員工成本及經營開支減少，與年內銷售額下降一致。

財務成本

截至2023年12月31日止年度的財務成本約為人民幣277.7百萬元，較截至2022年12月31日止年度的人民幣234.2百萬元增加18.6%。該增加主要由於年內利率及借款增加。

年內虧損

截至2023年12月31日止年度的虧損為人民幣805.8百萬元，而截至2022年12月31日止年度的虧損則為人民幣4,763.2百萬元。該虧損減少主要由於呆賬撥備淨值及墊付供應商款項減值淨減少人民幣3,821.1百萬元。

資本結構

於2023年12月31日，本集團的資本結構主要由股東權益、應付票據、計息銀行及其他借款、租賃負債及可換股債券的負債部分所組成。本集團並無重大季節性借款要求。

MANAGEMENT DISCUSSION AND ANALYSIS

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The following table details the interest rate profile of the Group's total interest-bearing borrowings at the end of the reporting period:

下表詳列本集團計息借款總額於報告期末的利率詳情：

		31 December 2023 2023年12月31日		31 December 2022 2022年12月31日	
		WACC 加權平均 資金成本	Amount 金額	WACC 加權平均 資金成本	Amount 金額
Interest bearing borrowings:	計息借款：				
Note payables	應付票據	12-13	23,922	12-13	23,511
Interest-bearing bank and other borrowings	計息銀行及其他借款	3.85-9.92	1,628,000	3.85-9.92	1,338,370
Lease liabilities	租賃負債	3.25-4.76	379	3.25-4.76	2,230
Liability component of convertible bonds	可換股債券的負債部分	-	-	12.00	231,720
Total interest bearing borrowings	計息借款總額		1,652,301		1,595,831

The following table sets forth the maturity profile of the Group's interest-bearing borrowings at the dates indicated:

下表載列本集團計息借款於所示日期的到期情況：

		As at 31 December 2023 於2023年12月31日				
		Note payables 應付票據 RMB'000 人民幣千元	Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Liability component of convertible bonds 可換股債券的負債部分 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Within one year or repayable on demand	一年內或按要求償還	23,922	1,628,000	379	-	1,652,301

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2022
於2022年12月31日

	Note payables 應付票據 RMB'000 人民幣千元	Interest-bearing bank and other borrowings 計息銀行及其他借款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元	Liability component of convertible bonds 可換股債券的負債部分 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Within one year or repayable on demand 一年內或按要求償還	23,511	1,338,370	1,858	231,720	1,595,459
After one year but less than two years 一年以上但兩年以內	-	-	372	-	372
	23,511	1,338,370	2,230	231,720	1,595,831

Liquidity and financial resources

As at 31 December 2023, the Group's cash and cash equivalents (excluding pledged deposits of RMB32.3 million) amounted to approximately RMB18.3 million (2022: approximately RMB2.4 million).

The Group's inventories decreased by RMB36.4 million to approximately RMB64.5 million, compared to approximately RMB100.9 million in 2022. For the year ended 31 December 2023, the overall inventory turnover days increased to 32 days, compared to 20 days for the year ended 31 December 2022. This increase in inventory turnover days is mainly attributable to a decrease in demand for copper products and the Group's manufacturing facilities has been suspended certain months and resumed operations on 1 June 2023.

Trade and bills receivables decreased by approximately RMB90.2 million to approximately RMB146.3 million as of 31 December 2023 (2022: approximately RMB236.5 million). The trade and bills receivables turnover days in 2023 of 221 days decreased compared to 234 days in 2022. No significant changes in the trade and bills receivables turnover days. The high trade and bills receivables turnover days is primarily due to the tight liquidity situation of customers.

流動資金及財務資源

於2023年12月31日，本集團的現金及現金等值項目（不包括已抵押存款人民幣32.3百萬元）約為人民幣18.3百萬元（2022年：約人民幣2.4百萬元）。

本集團的存貨減少人民幣36.4百萬元至約人民幣64.5百萬元，而2022年則約為人民幣100.9百萬元。截至2023年12月31日止年度，綜合存貨周轉天數增加至32天，而截至2022年12月31日止年度則為20天。該存貨周轉天數增加主要由於銅產品需求減少以及本集團的生產設施已停止運作數月並於2023年6月1日恢復營運。

於2023年12月31日，貿易應收款項及應收票據減少約人民幣90.2百萬元至約人民幣146.3百萬元（2022年：約人民幣236.5百萬元）。2023年的貿易應收款項及應收票據的周轉天數為221天，與2022年的234天相比有所減少。貿易應收款項及應收票據的周轉天數概無出現重大變動。貿易應收款項及應收票據的周轉天數偏高主要由於客戶流動資金緊絀。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Trade and bills payables decreased by approximately RMB901.9 million to approximately RMB789.7 million as of 31 December 2023 (2022: approximately RMB1,613.6 million). The payable turnover days were 462 days, compared to 201 days in 2022. Payable turnover days for the year increased compared to the previous year. The increase in payable turnover days was mainly due to tight liquidity resulting from decreased sales and slower collections. The Group is also currently undergoing Debt Restructuring.

The Group's total interest-bearing borrowings increased by approximately RMB56.5 million to RMB1,652.3 million as at 31 December 2023 (2022: approximately RMB1,595.8 million). The overall increase was primarily due to accrued interest and new borrowings during the year.

Bank loans and other borrowings included three entrusted loans totalling approximately RMB300.0 million from Mianyang Science Technology City Development Investment (Group) Co., Ltd.* (綿陽科技城發展投資(集團)有限公司) ("Kefa"), a state-owned enterprise in the PRC. Pursuant to the entrusted loan agreement signed among Tongxin, a wholly owned subsidiary of the Company, Kefa and the entrusted bank, the entrusted loans expired on 27 August 2016, 23 September 2016 and 18 November 2016 respectively. Kefa, the entrusted bank and Tongxin further agreed that the entrusted loan would not be repayable until further agreed otherwise. On 16 July 2020, the Company entered into a non-legally binding framework agreement with Kefa. Under the framework agreement, it is intended, among others, that Kefa will subscribe for Shares for a consideration of more than RMB300 million. The intended uses of the proceeds from Kefa will include, but not be limited to, the repayment of entrusted loans amounting to approximately RMB299 million as at 31 December 2020 owed by the Group to Kefa. As of the date of this annual report, the discussion with Kefa on the potential subscription for Shares is still ongoing.

於2023年12月31日，貿易應付款項及應付票據減少約人民幣901.9百萬元至約人民幣789.7百萬元（2022年：約人民幣1,613.6百萬元）。應付款項周轉天數為462天，而2022年則為201天。年內應付款項周轉天數與去年相比有所增加。應付款項周轉天數增加主要由於銷售額減少及收款速度放緩導致流動資金緊絀。本集團目前亦正進行債務重整。

於2023年12月31日，本集團的計息借款總額增加約人民幣56.5百萬元至人民幣1,652.3百萬元（2022年：約人民幣1,595.8百萬元）。總額增加主要由於年內應計利息及新增借款。

銀行貸款及其他借款包括來自綿陽科技城發展投資(集團)有限公司(「科發」)(中國國有企業)的三筆共約為人民幣300.0百萬元的委託貸款。根據本公司的全資附屬公司銅鑫、科發及受託銀行簽署的委託貸款協議，該等委託貸款分別於2016年8月27日、2016年9月23日及2016年11月18日到期。科發、受託銀行及銅鑫已進一步同意委託貸款將無須償還直至進一步另行協定。於2020年7月16日，本公司與科發訂立無法律約束力的框架協議。根據框架協議，科發擬(其中包括)將以人民幣300百萬元以上的代價認購股份。科發所得款項的擬定用途將包括但不限於償還本集團於2020年12月31日結欠科發約人民幣299百萬元的委託貸款。於本年報日期，與科發就股份潛在認購的討論仍在進行。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The following table sets forth certain financial ratios of the Group as at the dates indicated:

下表載列本集團於所示日期的若干財務比率：

		As at 31 December 2023 於2023年 12月31日	As at 31 December 2022 於2022年 12月31日
Current ratio	流動比率	0.2	0.3
Quick ratio	速動比率	0.2	0.3
Debt to equity ratio [^]	債項權益比率 [^]	-47.1%	-59.1%
Net debt to equity ratio [#]	淨債項權益比率 [#]	-46.6%	-59.1%

[^] Total interest-bearing debts/Total equity.

[^] 計息債項總額／總權益。

[#] Total interest-bearing debts less cash and cash equivalents/Total equity.

[#] 計息債項總額減現金及現金等價項目／總權益。

The negative debt to equity ratio and net debt to equity ratio were a result of net liabilities of approximately RMB3,507.2 million (2022: approximately RMB2,702.0 million) mainly attributable to the losses for the year amounted to approximately RMB805.8 million.

債項權益比率及淨債項權益比率為負值乃主要由於年內虧損約人民幣805.8百萬元導致淨負債約人民幣3,507.2百萬元（2022年：約人民幣2,702.0百萬元）。

Charge on assets

The following table sets forth the net carrying amounts of assets under pledge for certain banking facilities, bills payable facilities, proceeds from factorer and lease liabilities as at the dates included:

資產抵押

下表載列於所示日期已就若干銀行融資、應付票據融資、來自保理人的所得款項及租賃負債作出抵押的資產賬面淨值：

		As at 31 December 2023 於2023年 12月31日 RMB'000 人民幣千元	As at 31 December 2022 於2022年 12月31日 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	223,345	246,180
Right-of-use assets	使用權資產	84,164	86,913
Inventories	存貨	26,583	27,078
Trade receivables	貿易應收款項	-	2,720
Bank deposits	銀行存款	32,262	703,928
		366,354	1,066,819

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Commodity risk

The major raw materials used in the production of our recycled copper products are scrap copper. We are exposed to fluctuations in the prices of raw materials as well as finished goods which are influenced by global as well as regional supply and demand conditions. Fluctuations in the copper prices could adversely affect our financial performance. The Group will consider to use copper futures contracts to mitigate part of its exposure against price fluctuations of copper. The Group did not have any outstanding copper futures contracts as at 31 December 2023 (2022: Nil). No loss or gain was recognised for the year ended 31 December 2023 (2022: Nil).

Foreign currency risk

The functional currency of a majority of the entities within our Group is RMB and most of the transactions are settled in RMB. However, we are exposed to currency risk primarily related to the cash and cash equivalents, the convertible bonds and contingent consideration liabilities, all of which are mainly denominated in HKD.

As at 31 December 2023, the Group's interest-bearing bank and other borrowings and lease liabilities were denominated in RMB but the certain borrowings were denominated in HKD, with an aggregate principal amount of approximately HKD376.2 million. The Group did not commit to any financial instruments to hedge its foreign exchange exposure during the year ended 31 December 2023. During the year ended 31 December 2023, the Company incurred an exchange difference on translation of financial statements of entities outside of the PRC equivalent to approximately RMB1.8 million.

Significant investments held

Except for investments in subsidiaries and associates, the Group did not hold any significant investment in equity interest in any other companies during the year ended 31 December 2023.

Material acquisitions and disposals of subsidiaries and affiliated companies

The Group did not have any material acquisitions or disposals of subsidiaries or affiliated companies during the year ended 31 December 2023.

Capital expenditures

For the year ended 31 December 2023, the Group's capital expenditures payments represent additions to property, plant and equipment (including construction in progress) and land use rights of approximately RMB0.5 million (2022: approximately RMB0.1 million). The capital expenditures were mainly financed from internal resources.

商品風險

我們生產再生銅產品所用主要原材料為廢銅。我們須承受因全球及地區供求狀況影響原材料及製成品價格波動的風險。銅價波動可能對我們的財務表現構成不利影響。本集團將考慮行使銅期貨合約以減輕其所承受的銅價波動部分風險。本集團於2023年12月31日並無任何未平倉銅期貨合約(2022年：無)。於截至2023年12月31日止年度，本集團並無確認虧損或收益(2022年：無)。

匯率風險

本集團內大部分實體的功能貨幣為人民幣，大部分交易亦以人民幣結算。然而，我們須承受主要涉及現金及現金等值項目、可換股債券及或然代價負債(全部均主要以港元計值)的貨幣風險。

於2023年12月31日，本集團的計息銀行及其他借款以及租賃負債均以人民幣計值，惟若干借款以港元計值，本金總額約為376.2百萬港元。截至2023年12月31日止年度，本集團並無訂立任何金融工具對沖其外匯風險。截至2023年12月31日止年度，本公司就換算中國境外實體之財務報表產生匯兌差額相當於約人民幣1.8百萬元。

所持有重大投資

除於附屬公司及聯營公司的投資外，本集團於截至2023年12月31日止年度並無於任何其他公司股權權益中持有任何重大投資。

重大收購及出售附屬公司及聯屬公司

本集團於截至2023年12月31日止年度並無任何重大收購或出售附屬公司或聯屬公司。

資本開支

截至2023年12月31日止年度，本集團的資本開支指物業、廠房及設備添置(包括在建工程)以及土地使用權約人民幣0.5百萬元(2022年：約人民幣0.1百萬元)。資本開支主要来自內部渠道獲得資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital commitments

As at 31 December 2023, the capital commitments in respect of the acquisition of property, plant and equipment and lease prepayments on lands contracted for but not provided in the consolidated financial statements amounted to approximately RMB25.8 million (2022: approximately RMB25.8 million).

Contingent liabilities

As at 31 December 2023, the Group was in progress of various legal litigations relating to bank and other borrowings and trade and other payables. As a result of these litigations, various bank accounts were frozen and various properties, right-of-use assets and inventories were seized.

Events after the reporting period

On 27 September 2024, the Company entered into a subscription agreement with the investor, pursuant to which the investor agreed to subscribe for and pay for the convertible notes to be issued by the Company in a principal amount of RMB400,000,000, subject to the satisfaction of certain conditions. The convertible notes are convertible in the circumstances set out in the terms and conditions into ordinary shares of HK\$0.10 each share of the Company at a conversion price of HK\$0.465 per ordinary share of the Company.

Except for those disclosed above and in this annual report, the Group did not have any other material events after the reporting period.

Human resources

As at 31 December 2023, the Group had a total of 287 employees (2022: 507). The Group's staff costs for the year ended 31 December 2023 were approximately RMB28.6 million (2022: RMB44.0 million). The Group offers its staff competitive remuneration packages. In addition, discretionary bonuses and share options may also be granted to eligible staff based on individual and Group's performance. The Group is committed to nurturing a learning and sharing culture in the organization. Heavy emphasis is placed on the training and development of individual staff and team building, as the Group's success is dependent on the contribution of all functional divisions comprising skilled and motivated professionals. The Group is also committed to social responsibility as demonstrated by employing disabled staff and providing appropriate working conditions and protection to them.

資本承擔

於2023年12月31日，就收購物業、廠房及設備及土地租賃預付款之已訂約但未於綜合財務報表撥備的資本承擔約為人民幣25.8百萬元(2022年：人民幣25.8百萬元)。

或然負債

於2023年12月31日，本集團正進行多項有關銀行及其他借款以及貿易應付款項及其他應付款項的法律訴訟。由於該等訴訟，多個銀行戶口被凍結，且多項物業、使用權資產及存貨被查封。

報告期後事項

於2024年9月27日，本公司與投資者訂立認購協議，據此，投資者同意認購及支付本公司將發行本金額為人民幣400,000,000元的可換股票據，惟須待若干條件達成後方可作實。可換股票據可在條款及條件所載的情況下，按換股價每股本公司普通股0.465港元兌換為本公司股份每股面值0.10港元的普通股。

除上文及本年報所披露者外，本集團於報告期後並無任何其他重大事項。

人力資源

於2023年12月31日，本集團僱員合共287名(2022年：507名)。截至2023年12月31日止年度，本集團的員工成本約為人民幣28.6百萬元(2022年：人民幣44.0百萬元)。本集團向其員工提供具競爭力的酬金待遇。此外，合資格員工亦可按其個人及本集團的表現獲授酌情花紅及購股權。本集團致力於組織內建立學習及分享文化。本集團的成功有賴由技巧純熟且士氣高昂的專業人員組成的各職能部門作出的貢獻，故此本集團重視員工的個人培訓及發展，以及團隊建設。本集團亦致力於承擔社會責任，可見於其聘用殘疾人士，並向他們提供適當的工作環境和保障。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTOR

Mr. Yu Jianqiu (俞建秋), age 59, is the founder of the Group and the Chairman, Chief Executive Officer and an executive Director of the Company. Mr. Yu is primarily responsible for the overall business and strategy of the Group. He also serves as a director of our certain subsidiaries. Through his personal interests and holdings in Epoch Keen, Mr. Yu is a major shareholder of the Company. Mr. Yu has over 20 years of experience in corporate operations and management in the petrochemical, automobile and renewable energy sectors. He was the chairman and principal executive officer of Gushan Environmental Energy Limited ("Gushan"), a company whose American depositary shares were listed on the New York Stock Exchange from December 2007 to October 2012. Mr. Yu also founded a number of subsidiaries of the Gushan group between 1996 and 2008. Mr. Yu received his degree of Executive Master of Business Administration (EMBA) from Hautes Etudes Commerciales de Paris on 13 December, 2010. In 2002, he was elected as a member of the Fuzhou Committee of the 10th Chinese People's Political Consultative Committee and a member of the Santai County Committee of the 11th Chinese People's Political Consultative Committee. He was appointed as a Director on 22 February 2013 and redesignated as an executive Director on 16 August 2013.

Mr. Kwong Wai Sun Wilson (鄭偉信), age 59, is an executive director of the Company. He is in charge of the corporate and strategic development of the Company. Mr. Kwong is also a director of certain subsidiaries, and a director of our associates companies: Deda Holdings Limited and Hongkong Fujian Investments Limited. Mr. Kwong was the President of Gushan Environmental Energy Limited ("Gushan"). He is also an independent non-executive director of C.banner International Holdings Limited, the principal business of which is the manufacture and sale of branded fashion footwear, since 26 August 2011, China Outfitters Holdings Limited, the principal business of which is the design, manufacture, marketing and sale of apparel products and accessories in China with a focus on menswear, since 8 June 2011, Shunfeng International Clean Energy Limited, the principal business of which is the manufacture and sale of solar wafers, solar cells, solar modules and related products as well as developing and operating solar power plants, since 16 July 2014, China New Higher Education Group Limited, the principal business of which is the rendering of education services, since 20 March 2017, and East Buy Holding Limited (formerly known as Koolearn Technology Holding Limited), the principal business of which is the provision of online after-school tutoring and test preparation service in China since 15 March

執行董事

俞建秋先生，59歲，是本集團的創辦人，以及本公司主席、行政總裁兼執行董事。俞先生主要負責本集團的整體業務及策略。彼亦擔任本公司若干附屬公司的董事。俞先生透過其個人權益及於時建的股權而成為本公司的主要股東。俞先生於石油化工、汽車和可再生能源行業擁有逾20年的企業營運及管理經驗。彼曾是古杉環保能源有限公司（「古杉」）的主席兼首席行政總裁，該公司的美國預託股份由2007年12月至2012年10月於紐約證券交易所上市。俞先生於1996年至2008年間亦創辦古杉集團的若干附屬公司。俞先生於2010年12月13日獲巴黎高等商學院 (Hautes Etudes Commerciales de Paris) 頒授高級管理人員工商管理碩士學位。於2002年，彼獲選為第10屆中國人民政治協商會議福州市委員會成員，以及第11屆中國人民政治協商會議三台縣委員會成員。彼於2013年2月22日獲委任為董事，並於2013年8月16日調任為執行董事。

鄭偉信先生，59歲，是本公司的執行董事。彼主管本公司企業及策略發展。鄭先生亦為本公司若干附屬公司的董事以及本公司之聯營公司：德達控股有限公司及香港福艦投資有限公司的董事。鄭先生曾為古杉環保能源有限公司（「古杉」）的總裁。彼亦自2011年8月26日起為千百度國際控股有限公司（其主要業務是產銷品牌時尚鞋履）、2011年6月8日起為中國服飾控股有限公司（其主要業務是在中國設計、製造、營銷及銷售服裝產品及配飾，並以男士服飾為主）、2014年7月16日起為順風國際清潔能源有限公司（其主要業務是製造及銷售太陽能硅晶片、太陽能電池片、太陽能組件及相關產品，以及開發及經營太陽能發電站）、2017年3月20日起為中國新高教集團有限公司（其主要業務是提供教育服務）及2019年3月15日起為東方甄選控股有限公司（前稱新東方在綫科技控股有限公司）（其主要業務是在中國提供綜合線上校外輔導及備考服務）的獨立非執行董事，該等公司分別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTOR *(Continued)*

2019, which are listed on the Stock Exchange since 23 September 2011, 9 December 2011, 13 July 2011, 19 April 2017 and 28 March 2019, respectively. Mr. Kwong has over 10 years of experience in corporate finance and equity capital markets in Asia, having previously worked at a number of investment banks in Hong Kong. Prior to joining Gushan in 2006, he was the managing director of investment banking and he held the position as the head of Hong Kong and China equity capital markets at CLSA Equity Capital Markets Limited since March 2004. From 2002 to 2003, Mr. Kwong was a director and the head of equity capital markets for Cazenove Asia Limited, an investment bank. After graduating from University of Cambridge, England with a bachelor of Arts degree in 1987, he qualified as a chartered accountant in the United Kingdom in 1990. Mr. Kwong is currently an associate member of the Institute of Chartered Accountant in England and Wales and the Hong Kong Institute of Certified Public Accountants. Mr. Kwong was appointed as an executive director of the Company on 16 August 2013.

Ms. Zhu Yufen (朱玉芬), age 61, is an executive director of the Company. Ms. Zhu has over 20 years of experience in accounting and financial management. She is primarily responsible for the financial reporting and accounting affairs of the Company. Ms. Zhu is also the vice president in charge of the finance of Mianyang Jinxin Copper Co., Ltd. (綿陽金鑫銅業有限公司) ("Jinxin"), since July 2009. Prior to joining Jinxin, she was a vice general manager and the head of finance department of Mianyang Santai Vise Co., Ltd. (綿陽三台縣台鉗有限公司), the principal business of which is the manufacture and sale of vises, from 1978 to 2009. Ms. Zhu was appointed as an executive director of the Company on 16 August 2013.

Mr. GAO Qiang (高強), aged 55, graduated from Shanghai Theatre Academy in 1994 with a bachelor degree in acting. Mr. Gao has been serving as an executive director of Yawei Culture Media (Shanghai) Co., Ltd.* 雅薇文化傳媒(上海)有限公司 and Xing Jiu Culture Media (Shanghai) Co., Ltd.* 星玖文化傳媒(上海)有限公司 since January 2019 and March 2019, respectively. He also currently serves as the secretary general of China Literature and Art Foundation Folk Art Special Fund* (中國文學藝術基金會民間藝術專項基金) and an honorary curator of Jin Shangjing History Museum* (金上京歷史博物館). Mr. Gao's background and experience in corporate management and project management would allow him to contribute to the Group by providing leadership and views from a different perspective and assist the Group in navigating through challenges and seizing business opportunities. Mr. Gao was appointed as an executive director of the Company on 2 September 2022.

執行董事 *(續)*

自2011年9月23日、2011年12月9日、2011年7月13日、2017年4月19日及2019年3月28日起於聯交所上市。鄭先生於亞洲企業融資及股票資本市場擁有逾10年經驗，曾於香港多家投資銀行工作。於2006年加入古杉前，彼於2004年3月起曾出任里昂證券資本市場有限公司投資銀行董事總經理，以及出任香港及中國股權資本市場主管。2002年至2003年，鄭先生為投資銀行嘉誠亞洲有限公司的董事及股票資本市場主管。彼於1987年畢業於英國劍橋大學並獲頒授文學學士學位後，於1990年在英國成為合資格的特許會計師。鄭先生現為英格蘭及威爾士特許會計師協會以及香港會計師公會會員。鄭先生於2013年8月16日獲委任為本公司執行董事。

朱玉芬女士，61歲，是本公司的執行董事。朱女士於會計及財務管理方面擁有逾20年經驗。她主要負責本公司財務報告及會計事務。朱女士自2009年7月起亦為綿陽金鑫銅業有限公司（「金鑫」）的副總經理，主管財務。加入金鑫前，她自1978年至2009年曾為綿陽三台縣台鉗有限公司（其主要業務是產銷虎鉗）的副總經理及財務部主管。朱女士於2013年8月16日獲委任為本公司執行董事。

高強先生，55歲，於1994年畢業於上海戲劇學院，獲頒授表演學位。彼自2019年1月及2019年3月起分別擔任雅薇文化傳媒（上海）有限公司和星玖文化傳媒（上海）有限公司各自之執行董事，彼現亦擔任中國文學藝術基金會民間藝術專項基金秘書長，金上京歷史博物館名譽館長。高先生的背景及於企業管理及項目管理方面的經驗讓彼能以不同的角度為集團在領導及提供意見上做出貢獻，並協助集團應對挑戰和把握商機。高先生於2022年9月2日獲委任為本公司執行董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li Wei (李偉), aged 48, graduated from Sichuan University in 2000 with a bachelor degree in economics. He has been the general manager of 河南望鄉生態實業有限公司 (Henan Wangxiang Ecological Industry Co., Ltd.)* since June 2019. He was the vice general manager and project general manager of 協信多利重慶公司 (Xiexin Duoli Chongqing Company)* from April 2018 to April 2019, the general manager of 四川象谷文化旅遊有限公司 (Sichuan Xianggu Cultural Tourism Co., Ltd.)* from June 2016 to March 2018, the general manager of each of 四川海珂實業有限公司 (Sichuan Haikou Industrial Co., Ltd.)*, 綿陽博傑實業有限公司 (Mianyang Bojie Industrial Co., Ltd.)*, 德陽湧鑫房地產開發有限公司 (Deyang Yongxin Real Estate Development Co., Ltd.)* from July 2014 to June 2016, May 2012 to June 2014, and May 2010 to May 2012, respectively. Mr. Li is experienced in corporate management, real estate development, marketing and project management. Mr. Li was appointed as an independent non-executive director of the Company on 28 June 2022.

Mr. Fang Guanghua (方光華先生), aged 58, obtained a certificate of building construction and management from The Open University of China in January 2011. Mr. Fang has been serving as a director of Sichuan Gangfu Decoration Design Co., Ltd.* 四川省港府建設工程有限公司, Ganghua Tongda Industrial (Chengdu) Co., Ltd.* 港華通達實業(成都)有限公司, and Sichuan Xinduguicheng Village Bank Co., Ltd.* 四川農信新都村鎮銀行有限責任公司 since May 1994, November 2017, and March 2011 respectively. Mr. Fang is experienced in corporate management, building and construction, civil engineering, sales of communication electronic products, and general banking business. Mr. Fang was appointed as an independent non-executive director of the Company on 13 October 2022.

獨立非執行董事

李偉先生，48歲，於2000年畢業於四川大學，獲頒授經濟學學士學位。彼自2019年6月起擔任河南望鄉生態實業有限公司總經理。彼曾於2018年4月至2019年4月擔任協信多利重慶公司副總經理及項目總經理，於2016年6月至2018年3月擔任四川象谷文化旅遊有限公司總經理，並於2014年7月至2016年6月、2012年5月至2014年6月及2010年5月至2012年5月分別擔任四川海珂實業有限公司、綿陽博傑實業有限公司及德陽湧鑫房地產開發有限公司的總經理。李先生於企業管理、房地產開發、營銷及項目管理方面擁有豐富經驗。李先生於2022年6月28日獲委任為本公司獨立非執行董事。

方光華先生，58歲，於2011年1月取得國家開放大學建築施工與管理證書。彼自1994年5月、2017年11月、2011年3月起分別擔任四川省港府建設工程有限公司、港華通達實業(成都)有限公司和四川農信新都村鎮銀行有限責任公司各自之董事。方先生於企業管理、建築施工、土木工程、銷售通訊電子產品、一般銀行業務方面擁有豐富經驗。方先生於2022年10月13日獲委任為本公司獨立非執行董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTOR *(Continued)*

Mr. Yu Rengzhong (俞弼忠先生), aged 46, graduated from Xian Jiaotong University with a bachelor degree in investment economic in July 2001. Mr. Yu has been serving as the financial controller of Fujian Minhai Energy Co., Ltd.* 福建閩海能源有限公司 since June 2020. From January 2019 to March 2020, Mr. Yu served as the general manager of Xiamen Bangfu Investment Management Co., Ltd.* 廈門邦富投資管理有限公司, mainly engaging in initial public offering planning. From September 2001 to June 2007, Mr. Yu worked in Fujian Mindu Certified Public Accountants Co., Ltd.* 福建閩都會計師事務所有限公司 (currently known as Fujian Lixin Mindu Certified Public Accountants Co., Ltd.* 福建立信閩都會計師事務所有限公司) with his last role as the audit manager. Mr. Yu has approximately 21 years of experiences in auditing, accounting and financial management. Mr. Yu is a member of The Chinese Institute of Certified Public Accountants. Mr. Yu was appointed as an independent non-executive director of the Company on 13 October 2022.

CHANGE IN DIRECTORS' BIOGRAPHIES

Save as disclosed in the section headed "Directors and Senior Management", there was no change to any of the information required to be disclosed in relation to any director pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rule since the Company's last published annual report.

獨立非執行董事 *(續)*

俞弼忠先生，46歲，於2001年7月畢業於西安交通大學，獲頒授投資經濟學位。彼自2020年6月起擔任福建閩海能源有限公司財務總監。於2019年1月至2020年3月，俞先生擔任廈門邦富投資管理有限公司的總經理，該公司主要業務是首次公開募股項目的規劃。於2001年9月至2007年6月，俞先生於福建閩都會計師事務所有限公司(現稱福建立信閩都會計師事務所有限公司)工作，最後一職為審計經理。俞先生於審計、會計及財務管理方面擁有約21年經驗。俞先生目前是中國註冊會計師協會會員。俞方先生於2022年10月13日獲委任為本公司獨立非執行董事。

董事履歷之變更

除「董事及高級管理層」一節所披露者外，自本公司最後刊發之年報後，概無有關任何董事的任何資料出現變動而須根據上市規則第13.51(2)條第(a)至(e)及(g)段作出披露。

REPORT OF THE DIRECTORS

董事會報告

The Board is pleased to present the audited consolidated results of the Company and the Group for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The activities and other particulars of the subsidiaries are set out in note 42 to the consolidated financial statements.

DIRECTORS

During the year and up to the date of this annual report, the Directors were as follows:

Executive Directors

Mr. Yu Jianqiu (Chairman and Chief Executive Officer)
Mr. Kwong Wai Sun Wilson
Mr. Huang Weiping (retired 30 June 2023)
Ms. Zhu Yufen
Mr. Gao Qiang

Independent Non-executive Directors

Mr. Li Wei
Mr. Fang Guanghua
Mr. Yu Rengzhong

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and senior management of the Group are set out in the section headed "Directors and Senior Management" in this report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive Directors has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent in accordance with Rule 3.13 of the Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in notes 12, 23, 39 respectively to the financial statements and in this annual report, no director or any entity connected with a director had a material interest, whether directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

董事會欣然提呈本公司及本集團截至2023年12月31日止年度的經審核綜合業績。

主要業務

本公司作為一間投資控股公司。附屬公司的業務活動及其他詳情載於綜合財務報表附註42。

董事

於本年度及截至本年報日期，董事如下：

執行董事

俞建秋先生 (主席兼行政總裁)
鄭偉信先生
黃偉萍先生 (於2023年6月30日退任)
朱玉芬女士
高強先生

獨立非執行董事

李偉先生
方光華先生
俞初忠先生

董事及高級管理層履歷

本集團董事及高級管理層履歷詳情載於本報告「董事及高級管理層」一節。

獨立非執行董事的獨立性確認書

各獨立非執行董事已根據上市規則第3.13條確認其獨立性。根據上市規則第3.13條，本公司認為所有獨立非執行董事均為獨立人士。

董事於合約的權益

除於財務報表附註12、23、39及本年報所分別披露者外，概無董事或與該董事有關連的實體在本公司或其任何附屬公司於本年度訂立並對本集團業務有重大影響的任何交易、安排或合約中，擁有(不論直接或間接)重大權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

CHANGES IN DIRECTORS AND SENIOR MANAGEMENT

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of the directors of the Company since the latest published annual report of the Company are set out below:

- (i) Mr. Huang Weiping retired as an executive director on 30 June 2023.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were (i) recorded in the register required to be kept under section 352 of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO"), or (ii) otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code") were as follows:

(1) Interests in the shares and underlying shares of the Company

董事服務合約

擬於應屆股東週年大會上獲膺選連任的董事中，概無與本公司或其任何附屬公司訂立不可在一年內終止而毋須作出賠償(法定賠償外)的服務合約。

董事及高級管理層變動

根據上市規則第13.51B(1)條，自本公司最近期年報刊發以來本公司董事資料變動載列如下：

- (i) 黃偉萍先生於2023年6月30日退任執行董事。

董事及主要行政人員於本公司及其相聯法團的股份及相關股份的權益及淡倉

於2023年12月31日，本公司董事及主要行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券擁有(i)根據香港法例第571章證券及期貨條例(「證券及期貨條例」)第352條規定須予備存的登記冊所載，或(ii)根據上市規則附錄C3所載關於上市發行人董事進行證券交易的標準守則須通知本公司及聯交所的權益及淡倉如下：

(1) 於本公司股份及相關股份的權益

Name of director 董事姓名	Capacity/Nature of interest 身份/權益性質	Number of Shares held 所持股份數目	Number of underlying shares (unlisted and physically settled derivatives) 相關股份數目 (非上市及以實體結算的衍生工具)	Approximately percentage of interests ⁽¹⁾ 權益概約百分比 ⁽¹⁾
Mr. Yu Jianqiu 俞建秋先生	Beneficial owner 實益擁有人	6,204,000 (L)	—	0.14%
	Interest in a controlled corporation ⁽³⁾ 受控制法團權益 ⁽³⁾	332,794,400 (L)	—	7.43%
		200,000,000 (S)	—	4.46%
Mr. Kwong Wai Sun Wilson 鄺偉信先生	Beneficial owner 實益擁有人	3,272,600 (L)	4,000,000 (L) ⁽⁴⁾	0.16%
Ms. Zhu Yufen 朱玉芬女士	Beneficial owner 實益擁有人	—	3,000,000 (L) ⁽⁴⁾	0.07%

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

(1) Interests in the shares and underlying shares of the Company (Continued)

Notes:

- The percentage of interest in the Company is calculated by reference to the number of ordinary shares in issue as at 31 December 2023, that is 4,481,557,261 ordinary shares of the Company.
- The letters "L" and "S" denote a person's/an entity's long position and short position in the shares of the Company, respectively.
- Mr. Yu Jianqiu is the beneficial owner of the entire issued share capital of Epoch Keen Limited and is deemed to be interested in the 532,794,400 Shares held by Epoch Keen Limited under the SFO.

The short position of 200,000,000 shares represents the shares which are pledged by Epoch Keen Limited in favour of with China Huarong International Holdings Limited ("Huarong International").

Epoch Keen Limited entered into a share charge (the "2017 Share Charge") and a confirmatory share charge with Huarong International on 8 August 2017 and 22 April 2020, respectively, pursuant to which Epoch Keen Limited charged 278,000,000 Shares in favour of Huarong International as security for the payment and discharge of obligations owing from the Company to Huarong International pursuant to, amongst others, the convertible bonds subscription agreement with Huarong International. On 31 March 2022, 78,000,000 Shares out of the 278,000,000 Shares charged by Epoch Keen Limited has been released pursuant to the deed of partial release.

- These equity derivatives were share options granted under the Share Option Scheme of the Company on 14 December 2021. Please see the section headed "Share Option Scheme" for further details.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, no rights to acquire benefits by means of the acquisition of shares in or debentures of the Company were granted to any Director or their respective spouse or children under 18 years of age, nor were any such rights exercised by them, nor was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate during the year ended 31 December 2023.

董事及主要行政人員於本公司及其相聯法團的股份及相關股份的權益及淡倉(續)

(1) 於本公司股份及相關股份的權益(續)

附註：

- 於本公司的權益百分比乃參考於2023年12月31日之已發行普通股數目(即本公司4,481,557,261股普通股)計算。
- 字母「L」及「S」分別代表個人/實體於本公司股份中的好倉及淡倉。
- 俞建秋先生為時建有限公司全部已發行股本的實益擁有人，根據證券及期貨條例被視為於時建有限公司持有的532,794,400股股份中擁有權益。

200,000,000股股份的淡倉為時建有限公司以中國華融國際控股有限公司(「華融國際」)為受益人而抵押的股份。

時建有限公司分別於2017年8月8日及2020年4月22日與華融國際訂立股份押記(「2017年股份押記」)及確認股份押記，據此，時建有限公司以華融國際為受益人抵押278,000,000股股份，作為支付及解除本公司根據(其中包括)與華融國際所訂立可換股債券認購協議應向華融國際履行之責任的擔保。於2022年3月31日，時建有限公司抵押的278,000,000股股份中，78,000,000股股份已根據部分解除契據予以解除。

- 該等股本衍生工具為於2021年12月14日根據本公司購股權計劃授出的購股權。有關進一步詳情請參閱「購股權計劃」一節。

董事購買股份或債券的權利

除於本年報其他部分披露者外，於截至2023年12月31日止年度，概無授予任何董事或彼等各自之配偶或未滿18歲的子女通過購入本公司股份或債券的方式而獲益的權利或由彼等行使任何該等權利，亦無由本公司或其任何附屬公司作出安排以令董事或彼等各自之配偶或未滿18歲的子女於任何其他法人團體獲得該等權利。

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 December 2023, the following persons (not being a director or chief executive of the Company) had 5% or more interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Interest in shares of the Company:

主要股東於本公司股份及相關股份的權益及淡倉

於2023年12月31日，按本公司根據證券及期貨條例第336條須予存置的登記冊所記錄，以下人士（並非本公司董事或主要行政人員）於本公司股份或相關股份中擁有5%或以上的權益或淡倉：

於本公司股份的權益：

Name	Note	Capacity/Nature of interest	Number of Shares held	Number of underlying shares (unlisted and physically settled derivatives) 相關股份數目 (非上市及以實體結算的衍生工具)	Approximately percentage of interests ⁽¹⁾
姓名/名稱	附註	身份/權益性質	所持股份數目		權益概約百分比 ⁽¹⁾
Kwek Steven Poh Song	3	Interest in a controlled corporation 受控制法團權益	280,312,902 (L)	–	6.25%
Kwek Steven Poh Song State-owned Assets Supervision and Administration Office of Youxian District, Mianyang City* ("Mianyang SASA Office") 綿陽市遊仙區國有資產監督管理辦公室 (「綿陽國資辦」)	4	Interest in a controlled corporation 受控制法團權益	717,994,566 (L)	–	16.02%
China CITIC Financial Asset Management Co., Limited (formerly known as "China Huarong Asset Management Co., Limited") 中國中信金融資產管理有限公司 (前稱為「中國華融資產管理股份有限公司」)	5	Interests in a controlled corporation 受控制法團權益	90,485,295 (L)	–	2.02%
		Person having a security interest in the shares 對股份有抵押權益之人士	–	700,000,000 (L)	15.62%
Leung Lisa 梁麗珊	6	Interests in a controlled corporation 受控制法團權益	557,627,268 (L)	–	12.44%
Huang Weiping 黃偉萍	7	Interests in a controlled corporation 受控制法團權益	310,317,000 (S)	–	6.92%
Mianyang Yuan Cheng Integration Development Group Co., Limited* ("Mianyang Yuan Cheng") 綿陽圓城融合發展集團有限責任公司 (「綿陽圓城」)	8	Beneficial interests 實益權益	500,000,000 (S)	–	11.16%
Mianyang Science Technology City Development Investment (Group) Co., Ltd. 綿陽科技城發展投資(集團)有限公司	9	Person having a security interest in the shares 對股份有抵押權益之人士	–	310,317,000 (L)	6.92%

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY *(Continued)*

Interest in shares of the Company: *(Continued)*

Notes:

- (1) The percentage of interest in the Company is calculated by reference to the number of ordinary shares in issue as at 31 December 2023, that is 4,481,557,261 ordinary shares of the Company.
- (2) The letters "L" and "S" denote a person's/an entity's long position and short position in the shares of the Company respectively.
- (3) The 280,312,902 Shares are directly held by Quaestus Capital Pte Limited, which is 80% equity interest owned by Kwek Steven Poh Song. According to the SFO, Kwek Steven Poh Song is deemed to have interests in the 280,312,902 Shares held by Quaestus Capital Pte Limited.
- (4) The 717,994,566 shares of the Company comprise:
 - (i) The 694,470,566 Shares are directly held by Mianyang Fule Investment Co., Limited*, which is wholly owned by Mianyang SASA Office; and
 - (ii) The 23,524,000 Shares are directly held by Mianyang Zantai Industrial Co., Limited*, which is wholly owned by Mianyang Fule Investment Co., Limited* which is in turn wholly owned by Mianyang SASA Office.

According to the SFO, Mianyang SASA Office is therefore deemed to be interested in the shares held by Mianyang Fule Investment Co., Limited* and Mianyang Zantai Industrial Co., Limited*.

- (5) The 90,485,295 Shares are directly held by Huarong International and the 700,000,000 Shares represents the security interests in the shares held by Huarong International. Huarong Real Estate Co., Limited and Huarong Zhiyuan Investment & Management Co., Limited hold 88.1% and 11.9% equity interests in Huarong International, respectively. Huarong Real Estate Co., Limited and Huarong Zhiyuan Investment & Management Co., Limited are directly wholly owned by China CITIC Financial Asset Management Co., Limited. According to the SFO, China CITIC Financial Asset Management Co., Limited is therefore deemed to be interested in the shares held by Huarong International.
- (6) The 557,627,268 Shares are directly held by Prosper Rich Investments Limited, which is wholly owned by Leung Lisa. According to the SFO, Leung Lisa is deemed to have interests in the 280,312,902 Shares held by Prosper Rich Investments Limited.

主要股東於本公司股份及相關股份的權益及淡倉 *(續)*

於本公司股份的權益：*(續)*

附註：

- (1) 於本公司的權益百分比乃參考於2023年12月31日之已發行普通股數目(即本公司4,481,557,261股普通股)計算。
- (2) 字母「L」及「S」分別代表個人/實體於本公司股份中的好倉及淡倉。
- (3) 該280,312,902股股份由Quaestus Capital Pte Limited直接持有，而Quaestus Capital Pte Limited由Kwek Steven Poh Song擁有80%股權。根據證券及期貨條例，Kwek Steven Poh Song被視為於Quaestus Capital Pte Limited持有的280,312,902股股份中擁有權益。
- (4) 本公司717,994,566股股份包括：
 - (i) 694,470,566股股份由綿陽富樂投資有限公司直接持有，而綿陽富樂投資有限公司由綿陽國資辦全資擁有；及
 - (ii) 23,524,000股股份由綿陽贊泰實業有限公司直接持有，綿陽贊泰實業有限公司由綿陽富樂投資有限公司全資擁有，而綿陽富樂投資有限公司由綿陽國資辦全資擁有。

根據證券及期貨條例，綿陽國資辦因此被視為於綿陽富樂投資有限公司及綿陽贊泰實業有限公司所持股份中擁有權益。

- (5) 90,485,295股股份由華融國際直接持有，而700,000,000股股份為華融國際所持股份的抵押權益。華融置業有限責任公司及華融致遠投資管理有限責任公司分別持有華融國際88.1%及11.9%股權。華融置業有限責任公司及華融致遠投資管理有限責任公司由中國中信金融資產管理股份有限公司直接全資擁有。根據證券及期貨條例，中國中信金融資產管理股份有限公司因此被視為於華融國際持有的股份中擁有權益。
- (6) 該557,627,268股股份由亨富投資有限公司直接持有，而亨富投資有限公司由梁麗珊全資擁有。根據證券及期貨條例，梁麗珊被視為於亨富投資有限公司持有的280,312,902股股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY *(Continued)*

Interest in shares of the Company: *(Continued)*

Notes: *(Continued)*

- (7) The 310,317,000 shares of the Company comprise:
- (i) The 102,963,000 Shares are directly held by Gold Wide Enterprises Limited, which is wholly owned by Huang Weiping;
 - (ii) The 167,952,400 Shares are directly held by First Harvest Global Limited, which is wholly owned by Huang Weiping;
 - (iii) The 39,401,600 Shares are directly held by Ocean Through Limited, which is wholly owned by Huang Weiping;

According to the SFO, Huang Weiping is therefore deemed to be interested in the shares held by Gold Wide Enterprises Limited, First Harvest Global Limited and Ocean Through Limited.

- (8) The short position of 500,000,000 Shares represents the shares which are pledged by Mianyang Yuan Cheng in favour of with Huarong International. Mianyang Yuan Cheng entered into a share charge with Huarong International on 31 May 2022.
- (9) The short position of 310,317,000 Shares represents the shares which are pledged by:
- (i) 39,401,600 Shares held by Ocean Through Limited;
 - (ii) 167,952,400 Shares held by First Harvest Global Limited; and
 - (iii) 102,963,000 Shares held by Gold Wide Enterprises Limited;

in favour of with Mianyang Science Technology City Development Investment (Group) Co., Ltd.*. Ocean Through Limited, First Harvest Global Limited and Gold Wide Enterprises Limited has each entered into a share charge with Mianyang Science Technology City Development Investment (Group) Co., Ltd.* on 15 August 2014.

Other than as disclosed above, as at 31 December 2023, the directors had not been notified by any person (not being the directors or chief executive of the Company) who had 5% or more interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO.

主要股東於本公司股份及相關股份的權益及淡倉 *(續)*

於本公司股份的權益：*(續)*

附註：*(續)*

- (7) 本公司310,317,000股股份包括：
- (i) 102,963,000股股份由金博企業有限公司直接持有，而金博企業有限公司由黃偉萍全資擁有；
 - (ii) 167,952,400股股份由肇豐環球有限公司直接持有，而肇豐環球有限公司由黃偉萍全資擁有；
 - (iii) 39,401,600股股份由洋達有限公司直接持有，而洋達有限公司由黃偉萍全資擁有；

根據證券及期貨條例，黃偉萍因此被視為於金博企業有限公司、肇豐環球有限公司及洋達有限公司持有的股份中擁有權益。

- (8) 500,000,000股股份的淡倉為綿陽園城以華融國際為受益人而抵押的股份。綿陽園城於2022年5月31日與華融國際訂立股份押記。
- (9) 淡倉310,317,000股股份指的是由以下公司質押的股份：
- (i) 洋達有限公司持有的39,401,600股股份；
 - (ii) 肇豐環球有限公司持有的167,952,400股股份；及
 - (iii) 金博企業有限公司持有的102,963,000股股份；

以綿陽科技城發展投資(集團)有限公司為受益人。洋達有限公司、肇豐環球有限公司及金博企業有限公司各自已於2014年8月15日與綿陽科技城發展投資(集團)有限公司訂立股份押記。

除上文所披露者外，於2023年12月31日，概無任何人士(並非本公司董事或最高行政人員)知會董事其於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予存置的登記冊所記錄5%或以上的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2023, none of the Directors or their respective associates had any business or interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

DIVIDENDS

The Board does not recommend or declare the payment of any dividend in respect of the year ended 31 December 2023 and 2022.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company (the "Articles of Association"), or the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2023 are set out in the consolidated statement of profit or loss and other comprehensive income on page 69 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the property, plant and equipment of the Group are set out in note 16 to the financial statements.

SHARE CAPITAL

Movements of the share capital of the Company are set out in note 34 to the financial statements.

BANK LOANS

Interest-bearing bank and other borrowings of the Group as at 31 December 2023 are set out in note 28 to the financial statements.

董事於競爭業務的權益

於2023年12月31日，概無董事及彼等各自的聯繫人擁有與本集團業務構成或可能構成直接或間接競爭之業務或於有關業務中擁有任何權益。

股息

董事會不建議就截至2023及2022年12月31日止年度派發或宣派任何股息。

優先購股權

本公司組織章程細則（「組織章程細則」）或開曼群島法例項下並無有關優先購股權的規定，致使本公司須按比例基準向現有股東發售新股份。

業績及分配

本集團截至2023年12月31日止年度的業績載於本年報第69頁的綜合損益及其他全面收益表。

物業、廠房及設備

本集團物業、廠房及設備的詳情載於財務報表附註16。

股本

本公司的股本變動載於財務報表附註34。

銀行貸款

本集團於2023年12月31日的計息銀行及其他借款載於財務報表附註28。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors' emoluments are determined by the Board with reference to their duties, responsibilities and performance and the results of the Group. Details of the Directors' emoluments and the five highest paid individuals are set out in notes 12 to the financial statements respectively.

EMOLUMENT POLICY

A remuneration committee was set up to develop the Group's emolument policy and structure for remuneration of the Directors and senior management of the Group, having regard to the Group's operating results, individual performance of the Directors and senior management and comparable market practices.

PENSION SCHEMES

Pursuant to the relevant labour rules and regulations in the PRC, the Group's subsidiaries in the PRC participate in defined contribution retirement benefit schemes (the "PRC Schemes") organized by the local authorities whereby the subsidiaries are required to make contributions to the PRC Schemes based on a percentage of the eligible employees' salaries. Contributions to the PRC Schemes vest immediately. Under the PRC Schemes, retirement benefits of existing and retired employees are payable by the relevant scheme administrators and the Group has no further obligations beyond the annual contributions.

The Group enrolled all employees in Hong Kong in the Mandatory Provident Fund Scheme ("MPF") (together with the PRC Schemes, the "Retirement Benefit Schemes"), which is a defined contribution retirement benefit scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF. The Group contributes 5% of the relevant payroll costs to the MPF subject to a cap of monthly relevant income of HK\$30,000, and which contribution is matched by the employees. The assets of the MPF are held separately from those of the Group, in funds under the control of trustees. Contributions from the employer are 100% vested in the employees as soon as they are paid to the MPF and subject to certain conditions being met, and all benefits derived from the mandatory contributions must be preserved until the employee either reaches the normal retirement age of 65 or meets certain specified conditions whichever is earlier.

The Group's contributions to the Retirement Benefit Schemes charged to the consolidated income statement for the year ended 31 December 2023 were RMB2,668,000 (2022: RMB4,620,000).

董事酬金及五名最高薪酬人士

董事薪酬乃由董事會經參考彼等的職責、責任及表現以及本集團的業績而釐定。董事酬金及五名最高薪酬人士的詳情分別載於財務報表附註12。

薪酬政策

本集團成立薪酬委員會以制定有關本集團董事及高級管理層之薪酬政策及架構，該等薪酬政策及架構已參考本集團的經營業績、董事及高級管理層的個人表現及可資比較市場常規。

退休金計劃

根據中國相關勞動規則及法規，本集團於中國的附屬公司參與由各地方機關組織的界定供款退休福利計劃（「中國計劃」），據此，附屬公司須按合資格僱員薪金的某百分比向中國計劃作出供款。中國計劃的供款會即時歸屬。根據中國計劃，相關計劃管理機構須為現有及退休僱員支付退休福利，而本集團除每年供款外，毋須承擔其他責任。

本集團已為香港的全體僱員參加了強制性公積金計劃（「強積金」）（連同中國計劃，統稱為「退休福利計劃」），此為界定供款退休福利計劃。供款乃按僱員基本薪金的某百分比作出，並於根據強積金之規則須予支付時於綜合收益表扣除。本集團向強積金所作的供款為有關工資成本之5%（受每月相關收入上限30,000港元所限），而僱員的供款比率亦相同。強積金的資產與本集團的資產分開持有，以基金形式由信託人控管。僱主的供款投入強積金後，即全數歸僱員所有，除滿足若干條件的情況外，強制性供款涉及的利益須保留至僱員年屆六十五歲退休時或達成若干特定條件（以較早者為準）才予以發還。

本集團於截至2023年12月31日止年度計入綜合收益表的退休福利計劃供款為人民幣2,668,000元（2022年：人民幣4,620,000元）。

REPORT OF THE DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

No contract for the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2023 are set out in note 36 to the financial statements and the consolidated statement of changes in equity respectively.

As at 31 December 2023, the Company does not has any distributable reserves available for distribution calculated in accordance with the provisions of the Companies Act of the Cayman Islands.

HUMAN RESOURCES

As at 31 December 2023, the Group had a total of 287 employees (2022: 507). The Group's staff costs for the year ended 31 December 2023 were approximately RMB28.6 million (2022: RMB44.0 million). The Group offers its staff competitive remuneration packages. In addition, discretionary bonuses and share options may also be granted to eligible staff based on individual and Group's performance. The Group is committed to nurturing a learning and sharing culture in the organization. Heavy emphasis is placed on the training and development of individual staff and team building, as the Group's success is dependent on the contribution of all functional divisions comprising skilled and motivated professionals. The Group is also committed to social responsibility as demonstrated by employing disabled staff and providing appropriate working conditions and protection to them.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases

- The largest suppliers: 5% of cost of sales
- Five largest suppliers combined: 21% of cost of sales

Sales

- The largest customer: 30% of revenue
- Five largest customers combined: 53% of revenue

管理合約

於本年度，本公司並無就本公司全部或任何主要部分業務訂立或現存任何管理及行政合約。

儲備及可供分派儲備

本公司及本集團截至2023年12月31日止年度的儲備變動詳情分別載於財務報表附註36及綜合權益變動表。

於2023年12月31日，根據開曼群島公司法的規定計算，本公司沒有任何可供分派儲備。

人力資源

於2023年12月31日，本集團僱員合共287名（2022年：507名）。截至2023年12月31日止年度，本集團的員工成本約為人民幣28.6百萬元（2022年：人民幣44.0百萬元）。本集團向其員工提供具競爭力的酬金待遇。此外，合資格員工亦可按其個人及本集團的表現獲授酌情花紅及購股權。本集團致力於組織內建立學習及分享文化。本集團的成功有賴由技巧純熟且士氣高昂的專業人員組成的各職能部門作出的貢獻，故此本集團重視員工的個人培訓及發展，以及團隊建設。本集團亦致力於承擔社會責任，可見於其聘用殘疾人士，並向彼等提供適當的工作環境和保障。

主要客戶及供應商

本集團主要供應商及客戶應佔本年度之採購額及銷售額百分比如下：

採購額

- 最大供應商：佔銷售成本的5%
- 五大供應商合計：佔銷售成本的21%

銷售額

- 最大客戶：佔營業額的30%
- 五大客戶合計：佔營業額的53%

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS (Continued)

The scrap copper that we process comes from a variety of sources, including used household appliances, electrical equipment and transportation equipment, used cables and wires and scrap materials from certain industrial manufacturing processes. We purchase our scrap copper mainly from domestic suppliers located near our production facilities and elsewhere in other provinces of the PRC. We conduct rigorous quality control tests at different stages of our production processes, including rigorous quality tests of our raw materials. Before entering into a business relationship with a new supplier, we conducted due diligence on the supplier's background and reputation in the market to assess its suitability. In addition, we physically inspect each delivery of raw materials to ensure its compliance with contract specifications, including purity and copper content.

Maintaining strong relationships with our customers is important to us and we believe that our customer's willingness to work with us reflects, among others, our record of producing high quality products that meet industry standards and customer requirements.

None of the Directors or any of their associates or any shareholders (which to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) has any interest in the Group's five largest customers and five largest suppliers.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Share Option Scheme") to provide incentive and/or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, our Company. The Share Option Scheme was conditionally approved by a written resolution of the then shareholders of the Company on 28 January 2014 and came into effect upon the Company's listing on 21 February 2014.

Purpose

The purpose of the Share Option Scheme is to provide incentive and/or reward to eligible persons for their contribution to, and continuing efforts to promote the interests of, our Company.

Who may join

The Board may, at its absolute discretion, offer options ("Options") to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to any director or employee of the Group and any other person (including a consultant or advisor) who in the sole discretion of the Board has contributed or will contribute to the Group ("Eligible Persons").

主要客戶及供應商 (續)

我們加工的廢銅是來自多個來源，包括舊家電、電氣設備及運輸設備、舊電纜電線，以及某些工業製造流程產生的廢料。我們主要向位於名下生產設施附近及位於中國其他省份的國內供應商採購廢銅。我們在生產流程的不同階段採取嚴格的品質控制測試，包括對我們原材料的嚴格品質測試。與一家新供應商建立業務關係前，我們對供應商背景和於市場內的聲譽進行審慎調查，以評估其合適性。此外，我們亦對原材料的每次交貨進行實質檢查，以確保符合合約規格，包括純度和銅含量。

與客戶維持穩固的關係對我們至關重要，我們認為，客戶願意與我們合作反映出(其中包括)我們有著生產符合行業標準和客戶要求的高品質產品的記錄。

董事或彼等的任何聯繫人或任何股東(就董事所深知擁有本公司已發行股本5%以上的股東)概無於本集團五大客戶及五大供應商中擁有任何權益。

購股權計劃

本公司設有購股權計劃(「購股權計劃」)，旨在對合資格人士提供獎勵及/或獎賞，以肯定彼等對本公司的貢獻，以及鼓勵彼等繼續致力提升本公司的利益。於2014年1月28日，購股權計劃由本公司當時的股東經書面決議案有條件批准，並自本公司於2014年2月21日上市後生效。

目的

購股權計劃旨在對合資格人士提供獎勵及/或獎賞，以肯定彼等對本公司的貢獻，以及鼓勵彼等繼續致力提升本公司的利益。

可參與人士

董事會可按其絕對酌情向本集團任何董事或僱員及董事會全權認為已或將會對本集團有貢獻的任何其他人士(包括顧問或諮詢人)(「合資格人士」)授予可根據購股權計劃所載條款認購有關數目股份的購股權(「購股權」)。

REPORT OF THE DIRECTORS

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SHARE OPTION SCHEME *(Continued)*

Further details of the Share Option Scheme

The Share Option Scheme was adopted by the Company on 28 January 2014. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. As at 31 December 2023, 4,481,557,261 Shares were in issue and a total of 164,808,334 share options to subscribe for up to 141,883,334 Shares, representing 3.17% of the issued Shares as at 31 December 2023 have been granted and remained outstanding since the adoption of the Share Option Scheme.

Pursuant to the Share Option Scheme and in compliance with Rule 17.03 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company, shall not exceed 10% of the total number of Shares in issue as at the date of the approval of the Share Option Scheme or of the approval of the refreshment of the scheme mandate limit (the "Scheme Mandate Limit").

The Company may refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders at general meeting provided that (1) the scheme mandate limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit; (2) Options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised share options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and (3) the total number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

The Company refreshed the Scheme Mandate Limit at the annual general meeting held on 9 June 2015. Under the Scheme Mandate Limit as refreshed on 9 June 2015, the Company may issue up to 10% of the total number of Shares in issue as at the date of the approval of the refreshment of the Scheme Mandate Limit, which is 210,514,560 Shares.

購股權計劃 *(續)*

購股權計劃之更多詳情

購股權計劃由本公司於2014年1月28日採納。除購股權計劃外，本公司目前概無其他生效的購股權計劃。於2023年12月31日，已發行4,481,557,261股股份，自採納購股權計劃起，共授出164,808,334份購股權以認購最多141,883,334股股份，佔於2023年12月31日已發行股份的3.17%，且有關購股權尚未行使。

根據購股權計劃及上市規則第17.03條，行使根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權時可發行的股份數目上限不得超過購股權計劃獲批准或計劃授權上限（「計劃授權上限」）更新獲批准之日的已發行股份總數的10%。

本公司可於股東大會上以股東普通決議案更新計劃授權上限，惟(1)更新後的計劃授權上限不得超過股東批准計劃授權上限更新當日已發行股份總數的10%；(2)在計算更新後的計劃授權上限時，先前根據購股權計劃及本公司任何其他購股權計劃授出的購股權（包括該等尚未行使、根據相關計劃規則註銷或失效的購股權或已行使的購股權）不得計算在內；及(3)於行使根據購股權計劃及本公司任何其他購股權計劃授出但尚未行使的所有尚未行使購股權時可發行的股份總數合共不得超過不時已發行股份總數的30%。

本公司於2015年6月9日舉行的股東週年大會更新計劃授權上限。根據已於2015年6月9日更新的計劃授權上限，本公司可發行最多佔計劃授權上限更新獲批准當日已發行股份總數的10%，即210,514,560股股份。

REPORT OF THE DIRECTORS

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SHARE OPTION SCHEME *(Continued)*

Further details of the Share Option Scheme *(Continued)*

The Company had refreshed the Scheme Mandate Limit at the extraordinary general meeting of the Company held on 22 February 2022, since over 99.61% of the Scheme Mandate Limit as refreshed on 9 June 2015 has been utilized. Under the current Scheme Mandate Limit as refreshed on 22 February 2022, the Company may issue up to 10% of the total number of Shares in issue as at the date of the approval of the refreshment of the Scheme Mandate Limit, which is 345,602,006 Shares. The number of Shares that may be issued under the Share Option Scheme will be an aggregate of 487,485,340 Shares (comprising 345,602,006 Shares allotted and issued upon exercise of the Options to be granted under the refreshed Scheme Mandate Limit and 141,883,334 Shares to be allotted and issued upon full exercise of the outstanding Options), representing approximately 10.88% of the Shares in issue as at 31 December 2023.

No Option may be granted to any one person such that the total number of Shares issued and to be issued upon exercise of Options granted and to be granted to that person in any 12-month period up to the date of the latest grant exceeds 1% of our Company's issued share capital from time to time.

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the date of adoption of the Share Option Scheme to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of shares as the Board may (subject to the terms of the Share Option Scheme) determine (provided the same shall be a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof).

There is no minimum period for which an Option granted must be held before it can be exercised unless otherwise imposed by the Directors.

Subject to the terms of the Share Option Scheme, the Board may in its absolute discretion when offering the grant of an Option specify such conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit when making an offer to an Eligible Person (including, without limitation, as to any performance criteria which must be satisfied by the Eligible Person and/or the Company and/or its subsidiaries, and any minimum period for which an Option must be held, before an Option may be exercised, if any), provided that such conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme.

購股權計劃 *(續)*

購股權計劃之更多詳情 *(續)*

本公司已於2022年2月22日舉行的本公司股東特別大會更新計劃授權上限，乃由於2015年6月9日更新的計劃授權上限已使用超過99.61%。根據於2022年2月22日更新的現有計劃授權上限，本公司可發行不多於批准計劃授權上限更新當日已發行股份總數的10%，即345,602,006股股份。購股權計劃項下可予發行的股份數目將合共為487,485,340股股份（包括因行使根據更新後的計劃授權上限將予授出的購股權而配發及發行的345,602,006股股份，以及因悉數行使尚未行使的購股權而配發及發行的141,883,334股股份），佔於2023年12月31日已發行股份約10.88%。

於截至最近授出日期之任何十二個月期間內，概無向任何一名人士授出購股權，致使因行使已授予或將授予該人士之購股權而發行及將予發行之股份總數超過本公司不時之已發行股本1%。

根據購股權計劃之條款，董事會有權於採納購股權計劃日期後十年內隨時向任何董事會酌情選擇之合資格人士作出授出購股權要約，可按認購價認購董事會可能（根據購股權計劃之條款）釐定之有關數目之股份（惟有關數目須為股份於聯交所買賣之每手買賣單位或其完整倍數）。

除非董事另行施加，已授出的購股權並無必須持有以致可行使的最少期間。

根據購股權計劃之條款，董事會可全權酌情於作出授出購股權要約時在購股權計劃所載以外列入其認為於向合資格人士作出授出要約時屬合適之有關計劃條件、限制或規限（包括但不限於合資格人士及／或本公司及／或其附屬公司須達致之任何表現標準及於行使購股權前之任何必須持有購股權的最少期間（如有）），惟有關條件須與購股權計劃任何其他條款或條件一致。

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SHARE OPTION SCHEME *(Continued)*

Further details of the Share Option Scheme *(Continued)*

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the subscription price shall be at least the highest of:

- (a) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a business day;
- (b) the average closing price of a share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; and
- (c) the nominal value of a share.

An Option shall be exercised in whole or in part within the option period which is the period to be determined and notified by the Board to the grantee during which period the Option may be exercised and in any event shall not exceed ten years commencing from the date on which the offer in relation to such Option is accepted.

The Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption of the Share Option Scheme (i.e. 28 January 2014), after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting Options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

購股權計劃 *(續)*

購股權計劃之更多詳情 *(續)*

任何特定購股權之認購價應由董事會於授出相關購股權時全權酌情決定(並應於載有授出購股權要約之函件中列明)，惟認購價不得低於下列最高者：

- (a) 股份於要約日期(必須為營業日)在聯交所每日報價表上所載之收市價；
- (b) 股份於緊接要約日期前五個營業日在聯交所每日報價表上所載之平均收市價；及
- (c) 股份面值。

購股權可於購股權期內行使全部或部分，行使期由董事會決定並通知承授人，期內，購股權可予行使，且在任何情況下，由接納有關購股權要約當日起計不得超過十年。

購股權計劃由採納購股權計劃日期(即2014年1月28日)起計十年期間內有效及生效，之後不會進一步授出或提呈授出購股權，惟購股權計劃之條文仍維持十足效力及生效，致使在十年期屆滿前或根據購股權計劃條文可能規定之其他方式授出的任何存續購股權可予行使。

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SHARE OPTION SCHEME (Continued)

購股權計劃(續)

Further details of the Share Option Scheme (Continued)

購股權計劃之更多詳情(續)

Movements of the Share Option Scheme during the year ended 31 December 2023 are as follows:

截至2023年12月31日止年度，購股權計劃之變動如下：

Category	Date of grant	Number of Options held at 1 January 2023 於2023年1月1日持有之購股權數目	Changes during the year 年內變動				Number of Options held at 31 December 2023 於2023年12月31日持有之購股權數目	Exercise period of Options 購股權行使期	Exercise price of Options 購股權行使價	Price of Share at the grant date of Options 於購股權授出日期股份價格
			Granted 已授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效				
Directors										
董事										
Mr. Kwong Wai Sun Wilson 鄭偉信先生	14 December 2021 2021年12月14日	4,000,000	0	0	0	0	4,000,000	14 December 2021 to 13 December 2031 2021年12月14日至2031年12月13日	0.465	0.168
Ms. Zhu Yufen 朱玉芬女士	14 December 2021 2021年12月14日	3,000,000	0	0	0	0	3,000,000	14 December 2021 to 13 December 2031 2021年12月14日至2031年12月13日	0.465	0.168
Eligible Persons other than Directors Employees 董事僱員之外的合資格人士	7 May 2015 2015年5月7日	14,000,000	0	0	0	0	14,000,000	7 May 2015 to 6 May 2025 2015年5月7日至2025年5月6日	1.680	1.680
Consultants 顧問	7 May 2015 2015年5月7日	13,000,000	0	0	0	0	13,000,000	7 May 2015 to 6 May 2025 2015年5月7日至2025年5月6日	1.680	1.680
Others-suppliers 其他—供應商	12 December 2017 2017年12月12日	744,224	0	0	0	0	744,224	12 December 2017 to 30 March 2024 2017年12月12日至2024年3月30日	3.700	3.700
Others-customers 其他—客戶	12 December 2017 2017年12月12日	64,110	0	0	0	0	64,110	12 December 2017 to 30 March 2024 2017年12月12日至2024年3月30日	3.700	3.700
Employees 僱員	14 December 2021 2021年12月14日	114,675,000	0	0	0	(7,600,000)	107,075,000	14 December 2021 to 13 December 2031 2021年12月14日至2031年12月13日	0.465	0.168
Total 總計		149,483,334	0	0	0	(7,600,000)	141,883,334			

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SHARE OPTION SCHEME (Continued)

Further details of the Share Option Scheme (Continued)

The fair value of the relevant Options granted were estimated as at the dates of grant using a binomial model, taking into account the terms and conditions upon which the relevant Options were granted.

The following table sets out the inputs to the model used:

Grant date	2 July 2014		7 May 2015		23 July 2015	31 May 2016			12 December 2017	14 December 2021	
	Options granted to 2014年		Options granted to 2015年		Options granted to 2015年	Options granted to 2016年			Options granted to 2017年	Options granted to 2021年	
授出日期	7月2日		5月7日		7月23日	2016年5月31日			12月12日	2021年12月14日	
	購股權授予		購股權授予		購股權授予	購股權授予			購股權授予	購股權授予	
	Directors	Other employees	Directors	Other employees	Certain eligible participants	Directors	Other employees	Certain eligible participants	Certain eligible participants	Directors	Other employees
	董事	其他僱員	董事	其他僱員	若干合資格參與者	董事	其他僱員	若干合資格參與者	若干合資格參與者	董事	其他僱員
Fair value at measurement date (HK\$)	0.44	0.39	0.71	0.58	0.22	1.22	1.17	1.45	1.45	0.1003	0.08111
Share price (HK\$)	1.07	1.07	1.68	1.68	1.67	3.05	3.05	3.05	3.70	0.168	0.168
Exercise price (HK\$)	1.13	1.13	1.68	1.68	2.16	3.66	3.66	3.66	3.70	0.465	0.465
Expected volatility	45.54%	45.54%	46.20%	46.20%	49.43%	50.00%	50.00%	50.00%	41.61%	84.7%	84.7%
Historical volatility	45.54%	45.54%	46.20%	46.20%	49.43%	50.00%	50.00%	50.00%	41.61%	84.7%	84.7%
Expected life	10 years	10 years	10 years	10 years	1.5 years	10 years	10 years	10 years	6.3 years	10 years	10 years
Expected dividends	3%	3%	3%	3%	3%	1.47%	1.47%	1.47%	0.92%	0%	0%
Risk-free interest rate (based on Hong Kong Exchange Fund Notes)	2.059%	2.059%	1.745%	1.745%	0.239%	1.286%	1.286%	1.286%	1.647%	1.271%	1.271%
Exercise multiple	2.8	2.2	2.8	2.2	-	2.8	2.2	-	-	2.8	2.2
Post-vesting exit rate	0%	5.44%	0%	16.12%	-	9.22%	9.22%	-	-	0%	8.05%

購股權計劃(續)

購股權計劃之更多詳情(續)

已授出之有關購股權之公平值於授出日期使用二項式模型估算，當中已考慮授出有關購股權之條款及條件。

下表載列該模型使用之輸入數據：

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SHARE OPTION SCHEME *(Continued)*

Further details of the Share Option Scheme *(Continued)*

No other feature of the relevant Options was incorporated into the measurement of fair value.

The value of the relevant Options is subject to the limitations of the binomial model and a number of assumptions which are subjective and difficult to ascertain. Changes in the subjective input assumptions could materially affect the fair value estimate.

Further details relating to the Share Option Scheme and Options granted thereunder are set out in note 4 and note 35 to the financial statements and the announcements of the Company dated 2 July 2014, 7 May 2015, 23 July 2015, 31 May 2016, 12 December 2017 and 14 December 2021. Apart from the above, the Company had not granted any Options under the Share Option Scheme to any other persons as required to be disclosed under the Rule 17.07 of the Listing Rules during the year ended 31 December 2023.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

On 8 August 2017 and 22 April 2020, Epoch Keen entered into 2017 Share Charge and a confirmatory share charge respectively, with Huarong International. Please refer to the announcements of the Company dated 8 August 2017 and 22 April 2020 for further details.

On 31 May 2022, Mianyang Yuan Cheng entered into share charge with Huarong International.

EQUITY LINKED AGREEMENTS

Share Option Scheme

Details of the Share Option Scheme are set out in the section above headed "SHARE OPTION SCHEME".

購股權計劃 *(續)*

購股權計劃之更多詳情 *(續)*

概無有關購股權之其他特點納入公平值計量。

有關購股權之價值受限於二項式模型的限制及多項假設，上述因素均屬主觀因素且難以確定。主觀輸入數據假設如有變動可能對公平值估計造成重大影響。

更多關於購股權計劃及據此授出購股權之詳情載於財務報表附註4及附註35及本公司日期為2014年7月2日、2015年5月7日、2015年7月23日、2016年5月31日、2017年12月12日及2021年12月14日之公告。除上述者外，本公司於截至2023年12月31日止年度並無向任何其他人士授出上市規則第17.07條規定須予披露之購股權計劃項下任何購股權。

控股股東質押股份

於2017年8月8日及2020年4月22日，時建與華融國際分別訂立2017股份押記及確認股份押記。進一步詳情請參閱本公司日期為2017年8月8日及2020年4月22日之公告。

於2022年5月31日，綿陽園城與華融國際訂立股份押記。

權益掛鈎協議

購股權計劃

有關購股權計劃的詳情載於上文「購股權計劃」一節。

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董事會報告

EVENTS AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 43 to the financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the listed securities of the Company during the year ended 31 December 2023.

DEED OF NON-COMPETITION

Mr. Yu Jianqiu and Epoch Keen, the then controlling shareholders of the Company, entered into a deed of non-competition (“Deed of Non-Competition”) dated 6 February 2014, details of which have been set out in the paragraph headed “Non-Competition Undertaking” in the section headed “Relationship with Controlling Shareholders” of the prospectus of the Company dated 11 February 2014.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report, the Directors confirmed that based on information that is publicly available to the Company and within the knowledge of the Directors, the Company had maintained sufficient amount of public float as required under the Listing Rules and agreed by the Stock Exchange.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by ZHONGHUI ANDA CPA Limited who will retire upon the forthcoming annual general meeting and, being eligible, will offer themselves for reappointment. A resolution will be proposed for approval by Shareholders at the forthcoming annual general meeting of the Company to re-appoint ZHONGHUI ANDA (“ZHONGHUI ANDA”) as the Company’s auditor for the year ending 31 December 2024.

PROFESSIONAL TAX ADVICE RECOMMENDED

If any Shareholder is unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or the exercise of any rights in relation to the Shares, it is advised to consult an expert.

報告期後事項

報告期後發生的重大事項之詳情載於財務報表附註43。

購買、出售或贖回股份

截至2023年12月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司的上市證券。

不競爭契約

本公司當時之控股股東俞建秋先生與時建於2014年2月6日訂立不競爭契約（「不競爭契約」），有關詳情載於本公司日期為2014年2月11日的招股書「與控股股東的關係」一節下「不競爭承諾」一段。

足夠公眾持股量

於本年報日期，根據本公司從公開途徑所得的資料及據董事所知，董事確認其一直維持上市規則所規定及聯交所同意的足夠公眾持股量。

核數師

本集團截至2023年12月31日止年度的綜合財務報表由中匯安達會計師事務所有限公司審核，彼等將於應屆股東週年大會上退任，並符合資格且願意續聘。本公司將提呈決議案，以供股東於本公司應屆股東週年大會上批准續聘中匯安達（「中匯安達」）為本公司截至2024年12月31日止年度的核數師。

建議諮詢專業稅務意見

倘任何股東對購買、持有、處置、買賣或行使有關股份的任何權利之稅務影響有任何疑問，應諮詢專家意見。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every Director is entitled to be indemnified and secured harmless out of assets of the Company from and against all actions, costs, charges, losses, damages and expenses which any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act, done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts (except such is incurred or sustained through his own fraud or dishonesty). The Company has not maintained Directors' and officers' liabilities insurance throughout the year ended 31 December 2023. The Company will consider taking up the insurance arrangement when a quote within budget of the Company is available.

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible corporation, the Group is committed to maintaining the highest environmental and social standards to ensure sustainable development of its business. 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 in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands that a better future depends on everyone's participation and contribution. It has encouraged all employees to participate in environmental and social activities which benefit the community as a whole.

The Group is operating in the environmental protection industry by virtue of recycling scrap metal materials in the society. Contributing to resolving a significant part of pollution problem in the vicinity of our plants, the Group is highly praised and encouraged by the local governments. The Group also advocated conservation of resources in the office and encouraged employees to develop good habits, conserve resources and energy to build a green and comfortable office environment.

For a more comprehensive review, please refer to the 2023 Environmental, Social and Governance Report of the Company that will be dispatched to the Shareholders and available on the website of the Company and the Stock Exchange in due course.

准許彌償條文

根據組織章程細則，每位董事均可從本公司的資產獲得彌償，使彼等任何人士、彼等或任何彼等的繼承人、遺囑執行人或遺產管理人就彼等的職務或信託執行其職責或假定職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害（除非此乃因其本身欺詐或違反誠信所引致或造成）。於整個截至2023年12月31日止年度，本公司並無為董事及高級職員購買責任保險。如有符合本公司預算內的報價，本公司將考慮投購保險安排。

環境、社會及企業責任

作為一間負責任的企業，本集團致力維持最高要求之環境及社會標準，以確保其業務可持續發展。據董事所深知，本集團已遵守所有與其業務有關及對本集團造成重大影響的相關法例及法規，包括健康及安全、工作環境條件、就業及環境。本集團明白有賴所有人的參與及貢獻才能成就美好將來，亦因此鼓勵所有僱員參與環境及社會活動，惠及整個社區。

本集團從事環保行業，利用社會上的廢舊金屬材料循環再造，解決廠房周邊地區的大量污染問題，並得到地方政府高度認可及鼓勵。本集團亦引導各項辦公室減耗措施，鼓勵員工養成良好習慣，節約資源和能源，建設綠色舒適的辦公環境。

有關更全面的檢討，請參閱將適時寄發予股東以及可於本公司及聯交所網站查閱的本公司2023年環境、社會及管治報告。

REPORT OF THE DIRECTORS

董事會報告

CORPORATE GOVERNANCE

For the year ended 31 December 2023, the Company was in compliance with the code provisions of the Corporate Governance Code (the "CG Code") as set forth in Appendix C1 of the Listing Rules save as disclosed below.

Code Provision C.2.1 provides that the roles of Chairman and Chief Executive should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive should be clearly established and set out in writing. Currently, Mr. Yu Jianqiu is both the Chairman and Chief Executive Officer of the Company. As Mr. Yu is the founder of the Group and has extensive experience in operations and management, the Board believes that it is in the best interest of the Group to have Mr. Yu taking up both roles for continuous effective management and business development of the Group.

ACKNOWLEDGEMENT

The Directors would like to take this opportunity to express our sincere thanks to all the Shareholders and business associates for their continuous support and the entire staff for their dedication and contribution to the Group during the year.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 3 April 2023 and will remain suspended pending fulfilment of the Resumption Guidance and any supplement or modification thereof.

企業管治

截至2023年12月31日止年度，除下文披露者外，本公司已遵守上市規則附錄C1所載企業管治守則（「企業管治守則」）的守則條文。

守則條文第C.2.1條規定主席與行政總裁的角色應有區分及不應由一人同時兼任。主席與行政總裁之間的職責分配須清晰訂明並以書面形式列載。現時，俞建秋先生為本公司主席兼行政總裁。由於俞先生為本集團的創辦人並於營運及管理方面擁有豐富經驗，董事會認為，為了本集團的持續有效管理及業務發展而由俞先生擔任該兩個職位，符合本集團的最佳利益。

鳴謝

董事謹藉此機會向全體股東及業務夥伴一直以來的鼎力支持致以衷心感謝，以及感謝全體員工於年內為本集團付出的努力和貢獻。

繼續暫停買賣

本公司股份自2023年4月3日（星期一）上午九時正起暫停於聯交所買賣，並將繼續暫停買賣，以待履行復牌指引及其任何補充或修訂。

REPORT OF THE DIRECTORS

董事會報告

RESUMPTION OF TRADING CONDITIONS

On 19 May 2023, the Company received a letter issued by the Stock Exchange, which sets out the guidance in relation to the resumption of trading in the shares of the Company on the Stock Exchange (the "Resumption Guidance"). The Stock Exchange requires the Company to meet all Resumption Guidance, remedy the issues causing the Company's trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in the Company's securities is allowed to resume. Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 2 October 2024. If the Company fails to remedy the substantive issues causing the Company's trading suspension, fulfill the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by 2 October 2024, the Listing Division of the Stock Exchange will recommend the Listing Committee of the Stock Exchange to proceed with the cancellation of the Company's listing.

Pursuant to the Resumption Guidance, the Company shall:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (b) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules; and
- (c) inform the market of all material information for the Company's shareholders and investors to appraise the Company's position.

For further details of the conditions of resumption of trading, please refer to the announcement of the Company dated 24 May 2023.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By Order of the Board
China Metal Resources Utilization Limited
YU Jianqiu
Chairman

Hong Kong, 2 October 2024

恢復買賣條件

於2023年5月19日，本公司接獲聯交所發出的函件，當中載有有關本公司股份於聯交所恢復買賣的指引（「復牌指引」）。於本公司證券獲准恢復買賣前，聯交所要求本公司必須符合所有復牌指引、糾正導致本公司停牌的問題及全面遵守上市規則以令聯交所信納。根據上市規則第6.01A(1)條，聯交所可取消任何已連續停牌18個月期間的證券的上市地位。就本公司而言，該18個月期間於2024年10月2日屆滿。倘本公司未能於2024年10月2日前糾正導致本公司停牌的實質問題、履行復牌指引及全面遵守上市規則以令聯交所信納以及恢復其股份買賣，聯交所上市科將建議聯交所上市委員會取消本公司的上市地位。

根據復牌指引，本公司須：

- (a) 根據上市規則之規定刊發所有尚未發佈的財務業績及處理任何審核修訂；
- (b) 證明本公司已遵守上市規則第13.24條；及
- (c) 向市場公告所有重大資訊，以供本公司股東及投資者評估本公司的狀況。

有關恢復買賣條件的進一步詳情，請參閱本公司日期為2023年5月24日的公告。

本公司股東及潛在投資者於買賣本公司股份時務請審慎行事。

承董事會命
中國金屬資源利用有限公司
主席
俞建秋

香港，2024年10月2日

* For identification purpose only.

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE REPORT

The Board is pleased to present this Corporate Governance Report in the Company's annual report for the year ended 31 December 2023.

CORPORATE GOVERNANCE PRACTICES

The Group recognizes the vital importance of good corporate governance to the Group's success and sustainability. We are committed to achieving a high standard of corporate governance as an essential component of quality and have introduced corporate governance practices appropriate to the conduct and growth of our business.

The Company has applied the principles of and is in compliance with all code provisions of the Corporate Governance Code (the "CG Code") except for deviations disclosed and explained below.

Key corporate governance principles and practices of the Company as well as details relating to the deviations are summarized below.

MODEL CODE

The Company has adopted a code of conduct regarding the Directors' securities transactions on terms not less exacting than the required standards set out in the Model Code in Appendix C3 of the Listing Rules. After specific enquiry made by the Company, all Directors confirmed that they had complied with the required standards set out in the Model Code and the code of conduct regarding the Directors' securities transactions for the year ended 31 December 2023.

THE BOARD

Responsibilities

The Board is responsible for overall management and control of the Company. The Board's main roles are to provide leadership and to approve strategic policies and plans with a view to enhancing shareholder value. All Directors carry out their duties in good faith and in compliance with applicable laws and regulations, taking decisions objectively, and acting in the interests of the Company and its shareholders at all times.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary and senior management, with a view to ensuring that Board procedures and all applicable laws and regulations are followed.

企業管治報告

董事會欣然提呈本公司截至2023年12月31日止年度年報內的本企業管治報告。

企業管治常規

本集團認為良好的企業管治對本集團的成功及持續發展至為重要。我們致力於維持高水準的企業管治，作為高質素的重要元素，並引入適合我們業務運作及發展的企業管治常規。

除以下所披露及解釋之偏離情況外，本公司已應用企業管治守則（「企業管治守則」）的原則並遵守其所有守則條文。

本公司主要企業管治原則及常規以及上述偏離詳情概述如下。

標準守則

本公司已採納一套有關董事進行證券交易的行為守則，條款不遜於上市規則附錄C3標準守則所載的規定準則。經本公司作出具體查詢後，全體董事確認彼等截至2023年12月31日止年度一直遵守標準守則所載的規定準則及有關董事進行證券交易的行為守則。

董事會

職責

本公司的整體管理及控制由董事會負責。董事會主要職責為批准策略政策與計劃，並領導本公司提升股東價值。全體董事忠實地執行職務，並須遵守適用法例及法規，客觀地作出決定以及無時無刻為本公司及其股東的利益行事。

所有董事均可全面及時地取得所有相關資料，以及獲得公司秘書與高級管理層的意見及服務，以確保遵守董事會程序及所有適用法例及法規。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD *(Continued)*

Responsibilities *(Continued)*

The Board reserves for its decision all major matters of the Company, including: approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

Directors have full and timely access to consult with the Company's senior management independently. Any Director and Board Committee may request independent professional advice in appropriate circumstances at the Company's expense, upon making reasonable request to the Board.

The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board committees, namely the audit and corporate governance committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee") (together, the "Board Committees"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

BOARD COMPOSITION

During the year under review and as at the date of this report, the members of the board of Directors are set out below:

Executive Directors

Mr. Yu Jianqiu (*Chairman and Chief Executive Officer*)
 Mr. Kwong Wai Sun Wilson
 Mr. Huang Weiping (retired 30/06/2023)
 Mr. Gao Qiang
 Ms. Zhu Yufen

Independent Non-Executive Directors

Mr. Li Wei
 Mr. Fang Guanghua
 Mr. Yu Rengzhong

董事會 *(續)*

職責 *(續)*

董事會有權就本公司所有重大事項作出決定，包括：批准及監察所有政策事宜、整體策略及預算、內部監控及風險管理系統、主要交易（特別是可能涉及利益衝突者）、財務資料、委任董事及其他重大財務及營運事宜。

董事可全面及時地個別諮詢本公司的高級管理層。任何董事及董事委員會可於適當情況下，向董事會作出合理要求以尋求獨立專業意見，費用由本公司支付。

董事會已將本集團日常管理及經營的權力及責任轉授予本集團的高級管理層。為監督本公司特定範疇的事項，董事會已成立三個董事委員會，即審核及企業管治委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱「董事委員會」）。董事會已根據其各自的職權範圍向董事委員會轉授責任。

董事會的組成

於回顧年度內及截至本報告日期，董事會成員載列如下：

執行董事

俞建秋先生 (*主席兼行政總裁*)
 鄭偉信先生
 黃偉萍先生 (於2023年6月30日退任)
 高強先生
 朱玉芬女士

獨立非執行董事

李偉先生
 方光華先生
 俞弼忠先生

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION (Continued)

There are three Board committees. The composition of the Board committees are set out below.

Director	Board Committee	Audit and Corporate Governance Committee	Remuneration Committee	Nomination Committee
Mr. Li Wei		M	M	C
Mr. Fang Guanghua		M	C	M
Mr. Yu Rengzhong		C	M	M

Notes:

- C Chairman of the relevant Board committees
M Member of the relevant Board committees

Biographical details of the Directors are set out in the section headed "Directors and Senior Management" in this annual report.

Each of the independent non-executive Director has confirmed his/her independence pursuant to Rule 3.13 of the Listing Rules and the Company considers each of them to be independent.

All Directors have brought a wide range of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Moreover, through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, all independent non-executive directors make various contributions to the effective direction of the Company.

BOARD DIVERSITY POLICY

The Company has a board diversity policy whereby it recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage. A truly diverse Board will include and make good use of differences in the talents, skills, regional and industry experience, background, gender, age and other qualities of the members of the Board. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All appointments of the members of the Board are made on merit, in the content of the talents, skills and experience the Board as a whole requires to be effective.

The Nomination Committee will review the board diversity policy, as appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy.

董事會的組成 (續)

董事會設有三個委員會。董事委員會的組成載列如下：

董事	董事委員會	審核及企業管治委員會	薪酬委員會	提名委員會
李偉先生		M	M	C
方光華先生		M	C	M
俞初忠先生		C	M	M

附註：

- C 有關董事委員會之主席
M 有關董事委員會之成員

董事的履歷詳情載於本年報「董事及高級管理層」一節。

各獨立非執行董事已根據上市規則第3.13條確認彼之獨立性，而本公司亦認為彼等各自均屬獨立人士。

全體董事為董事會投入寶貴的業務經驗、知識及專業水平，使董事會有效率及效益地運作。此外，透過積極參與董事會會議、帶頭管理涉及潛在利益衝突的事宜及為董事委員會服務，全體獨立非執行董事對本公司的有效業務方針作出多項貢獻。

董事會成員多元化政策

本公司設有董事會成員多元化政策，本公司認同及深信董事會成員多元化所帶來的裨益，並且認為董事會趨向多元化是維持本公司競爭優勢的重要元素。一個真正多元化的董事會將包括具備不同才能、技能、地區及行業經驗、背景、性別、年齡及其他特質的董事會成員，並可加以利用。該等差異將於釐定董事會的最適合組成時予以考慮，並於可能情況下保持適當平衡。董事會成員的所有委任均按董事會整體運作所需要的才能、技能及經驗水平而作出。

提名委員會將檢討董事會成員多元化政策，並在適當時候就任何為配合本公司的企業策略而對董事會作出的變動提出建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Under Code Provision C.1.4, Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

Directors are encouraged to participate in continuous professional development so as to refresh their knowledge and skills for discharging their duties and responsibilities. For the year ended 31 December 2023, relevant reading materials including regulatory update and seminar handouts, etc. have been provided to the Directors for their reference and studying.

Each newly appointed Director would attend training and receive an induction package covering the statutory and regulatory obligation of a director of a listed company. Directors may participate in continuous professional development to develop and refresh their knowledge and skills pursuant to code provision C.1.4 of the CG Code. All Directors are provided with materials on latest changes in applicable legal and regulatory requirements and corporate governance practices to assist them to discharge their duties.

During the year ended 31 December 2023 and up to the date of this report, all the Directors had participated in appropriate continuous professional development activities by ways of attending trainings organized by professional firm and/or reading materials relevant to the Company's businesses or to the Directors' duties and responsibilities.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision 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.

Mr. Yu Jianqiu is Chairman of the Board and Chief Executive Officer of the Company. As Mr. Yu is the founder of the Group and has extensive experience in corporate operations and management, the Board believes that it is in the best interest of the Group to have Mr. Yu taking up both roles for continuous effective management and business development of the Group.

The Board considers that the current structure of vesting the roles of Chairman and Chief Executive Officer in the same person will not impair the balance of power and authority between the Board and the management of the Company.

就職及持續專業發展

根據守則條文第C.1.4條，董事應參與適當的持續專業發展以建立和更新自身的知識及技能，以確保其對董事會作出合理及相關的貢獻。

鼓勵董事參與持續專業發展，以更新彼等履行其職責及責任的知識及技能。截至2023年12月31日止年度，相關閱讀資料（包括更新的監管資料及研討會資料等）已提供予董事參閱及研究。

每名新任董事將參加培訓及接受入職培訓，內容包括上市公司董事在法定及監管規定上的責任。根據企業管治守則的守則條文第C.1.4條，董事可參與持續專業發展，以發展及更新彼等的知識及技能。全體董事均獲提供有關適用法律及監管規定以及企業管治常規的最新變化的資料，以協助彼等履行職責。

截至2023年12月31日止年度及直至本報告日期，全體董事已透過出席由專業機構舉辦的培訓及／或瀏覽與本公司業務或董事職責及責任相關的資料等方式參與適當的持續專業發展活動。

主席及行政總裁

根據守則條文第C.2.1條之規定，主席及行政總裁角色應予以區分及由不同人士擔任。

俞建秋先生為本公司董事會主席及行政總裁。由於俞先生為本集團的創辦人並於企業營運及管理方面擁有豐富經驗，董事會認為，為了本集團的持續有效管理及業務發展而由俞先生擔任兩個角色，符合本集團的最佳利益。

董事會認為現時由同一人士擔任主席及行政總裁的架構，不會影響本公司董事會與管理層之間的權力平衡。

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INDEPENDENT NON-EXECUTIVE DIRECTORS

The appointment of independent non-executive directors, subject to re-nomination and re-election by the Company in general meeting, shall be for a term of two years unless previously terminated in accordance with the terms and conditions specified in their appointment.

The director's fee specified in the letter of appointment of each of independent non-executive Directors are HK\$180,000 per annum.

All independent non-executive Directors possess extensive academic, professional and/or industry expertise and management experience and have provided their professional advice to the Board.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

None of the Directors who is proposed for re-election at the forthcoming annual general meeting has any service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

The rules and procedures governing the appointment, retirement, re-election and removal of directors are set out in the Articles of Association. The Nomination Committee is responsible for reviewing the Board structure, size and composition and making recommendations to the Board on the appointment and re-appointment of Directors and succession planning for Directors.

All Directors, including independent non-executive Directors appointed for a specific term, are subject to retirement by rotation. In accordance with the Articles of Association, at each annual general meeting of the Company ("AGM"), at least 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 each Director shall be subject to retirement at an AGM at least once every three years.

Any new Director appointed to fill a casual vacancy on the Board or as an addition to the existing Board shall be subject to re-election at the next AGM after his or her appointment.

獨立非執行董事

獨立非執行董事之委任可由本公司於股東大會上再提名及重選，任期應為兩年，除非根據彼等之委任指明之條款及條件提早終止。

獨立非執行董事各自的委任函指定的董事袍金均為每年180,000港元。

全體獨立非執行董事均擁有廣泛的學術、專業及／或行業專長以及管理經驗，並已向董事會提供專業意見。

董事的委任及重選

建議於應屆股東週年大會重選的董事概無訂立本集團未支付補償(法定補償除外)則不可於一年內終止之任何服務合約。

董事之委任、退任、重選及罷免之規則及程序乃載於組織章程細則。提名委員會負責檢討董事會架構、規模及組成及就董事之委任及連任以及董事繼任計劃向董事會提出建議。

所有董事，包括獨立非執行董事根據特定的任期獲委任並輪值退任。根據組織章程細則，於本公司各股東週年大會(「股東週年大會」)上，當時為數至少三分之一的董事(或如董事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董事人數)須輪流退任，惟各董事須最少每三年於股東週年大會上退任一次。

任何因填補董事會臨時空缺而獲委任或現時董事會增補的新任董事須在接受委任後之下屆股東週年大會上進行重選。

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BOARD MEETINGS

The Board intends to hold board meetings regularly at least four times a year at approximately quarterly intervals. Notices of not less than fourteen days will be given for all regular board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for regular board meetings.

For other Board and Board committee meetings, reasonable notice will generally be given. The agenda and accompanying board papers are dispatched to the Directors or Board committee members at least three days before the meetings to ensure that they have sufficient time to review the papers and be adequately prepared for the meetings. When Directors or Board committee members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman prior to the meeting.

Minutes of the Board meetings and Board committee meetings are/will be recorded in sufficient detail to include the matters considered by the Board and the Board committee and the decisions reached, including any concerns raised by the Directors. Draft minutes of each Board meeting and Board committee meeting will be sent to the Directors for comments within a reasonable time after the date on which the meeting is held.

According to the Articles of Association, a Director shall not vote nor be counted in the quorum on any resolution of the Board approving any contract or arrangement in which he or his associates is materially interested.

董事會會議

董事會擬定期舉行董事會會議，即每年至少舉行四次會議及大致按季度舉行會議。所有例行董事會會議通知將於會議舉行前至少十四日送呈全體董事，讓其安排出席會議，並於例行董事會會議議程內載入所要討論的事宜。

就其他董事會及董事委員會會議而言，本公司一般會發出適當通知。議程及相關董事會文件將於會議召開前至少三日寄予董事或董事委員會成員，以確保彼等有充足時間審閱有關文件及就會議作充分準備。倘董事或董事委員會成員未能出席會議，則彼等會獲悉將予討論的事宜及於會議召開前有機會知會主席彼等之意見。

董事會會議及董事委員會會議之會議記錄會／將會詳盡記錄，以載入董事會及董事委員會所考慮的事宜及所達致的決定，包括董事提出的任何問題。各董事會會議及董事委員會會議之會議記錄草擬本將於會議舉行當日後之合理時間內寄送至各董事，以供彼等提出意見。

根據組織章程細則，任何董事不得就批准彼或彼之聯繫人於其中擁有重大權益的任何合約或安排的任何董事會決議案投票，亦不得計入法定人數內。

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BOARD MEETINGS AND COMMITTEE MEETINGS

The number of Board meetings, Board committee meetings and general meetings held in 2022 are set out in the table below.

董事會會議及委員會會議

2022年董事會會議、董事委員會會議及股東大會召開次數如下表所示。

Name of Director	董事姓名	Board	Number of meeting attended/Eligible to attend 出席/合資格出席會議次數			
			Audit and Corporate Governance Committee	Remuneration Committee	Nomination Committee	General meeting
		董事會	審核及企業管治委員會	薪酬委員會	提名委員會	股東大會
Executive Directors	執行董事					
Mr. Yu Jianqiu	俞建秋先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Kwong Wai Sun Wilson	鄺偉信先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Huang Weiping (retired 30/06/2023)	黃偉萍先生(於2023年 6月30日退任)	1/1	N/A 不適用	N/A 不適用	N/A 不適用	0/1
Mr. Gao Qiang	高強先生	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Ms. Zhu Yufen	朱玉芬女士	4/4	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-Executive Directors	獨立非執行董事					
Mr. Li Wei	李偉先生	4/4	2/2	1/1	1/1	1/1
Mr. Fang Guanghua	方光華先生	4/4	2/2	1/1	1/1	1/1
Mr. Yu Rengzhong	俞初忠先生	4/4	2/2	1/1	1/1	1/1

CORPORATE GOVERNANCE REPORT

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BOARD COMMITTEES

The Board has established the Nomination Committee, the Remuneration Committee and the Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference, which are posted on the Company's website "http://www.cmru.com.cn" and are available to Shareholders upon request. All Board committees report to the Board on their decisions or recommendations.

All Board 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.

NOMINATION COMMITTEE

As at the date of this report, the Nomination Committee comprises Mr. Fang Guanghua, Mr. Yu Rengzhong and Mr. Li Wei (Chairperson) who are all independent non-executive Directors. The functions of the Nomination Committee primarily are to:

- (i) review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (iii) assess the independence of independent non-executive Directors;
- (iv) make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for directors, in particular the chairman of the Board and the chief executive; and
- (v) to determine the policy for the nomination of Directors, the nomination procedures and the process and criteria adopted to select and recommend candidates for directorship.

董事委員會

董事會已成立提名委員會、薪酬委員會及審核委員會，以監督本公司特定範疇的事項。所有董事委員會已制訂其界定書面職權範圍，載於本公司網站「http://www.cmru.com.cn」，並可按要求讓股東查閱。所有董事委員會向董事會匯報其作出的決策或建議。

所有董事委員會獲提供足夠資源履行職務，並可於適當情況下，作出合理要求以尋求獨立專業意見，費用由本公司支付。

提名委員會

於本報告日期，提名委員會包括方光華先生、俞弼忠先生及李偉先生（主席），全部均為獨立非執行董事。提名委員會的主要職責包括：

- (i) 最少每年檢討董事會的架構、規模及組成（包括技能、知識及經驗），並就任何建議變動向董事會提出建議，以配合本公司的企業策略；
- (ii) 辨識具有合適資格成為董事會成員的人士，並就提名出任董事人士的選擇為董事會作出選擇或提出建議；
- (iii) 評核獨立非執行董事的獨立性；
- (iv) 就董事的委任或重新委任及董事的繼任計劃，尤其是董事會主席及行政總裁，向董事會提出建議；及
- (v) 釐定提名董事的政策、提名程序及選擇及推薦董事候選人所採用的流程及標準。

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NOMINATION COMMITTEE *(Continued)*

For considering the appointment of Directors, the Nomination Committee assesses the candidate on a variety of criteria such as reputation of integrity, qualification, knowledge and experience in the industry, ability to commit time and effort to carry out the duties and responsibilities and diversity in all its aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. Having taken into accounts of the above factors and obtained all the information as the Nomination Committee considers necessary, the recommendations of the Nomination Committee will then be put to the Board for decision, and if the candidate will stand for election at a general meeting, a circular will be sent to the Shareholders.

On 16 April 2014 the Nomination Committee adopted a board diversity policy. The board diversity policy applies to the Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage. The Nomination Committee will review annually the structure, size and composition of the Board and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy, and will make recommendation to the Board on the measurable objectives for achieving board diversity. The Company aims to maintain an appropriate balance of diversity perspectives of the Board that are relevant to the Company business growth.

The Nomination Committee held one meeting during the year ended 31 December 2023 to, inter alia, (i) review the size and composition of the Board; (ii) assess the independence of the independent non-executive Directors as well as review that re-appointment of Directors.

REMUNERATION COMMITTEE

As at the date of this report, the Remuneration Committee comprises Mr. Li Wei, Mr. Fang Guanghua (Chairperson) and Mr. Yu Rengzhong who are all independent non-executive Directors.

The duties of the Remuneration Committee include the following:

- (i) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

提名委員會 *(續)*

考慮委任董事時，提名委員會根據多項標準評估候選人，如誠信聲譽、資歷、知識及行業經驗、為履行職責及責任所付出之時間及努力以及於所有方面多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。經計及上述因素並取得提名委員會認為必要的資料，提名委員會的建議其後將提交予董事會以供決策，倘候選人於股東大會膺選連任，將向股東寄發通函。

於2014年4月16日，提名委員會採納董事會成員多元化政策。董事會成員多元化政策適用於董事會，並視董事會層面日益多元化為保持本公司的競爭優勢之關鍵元素。提名委員會將每年審核董事會的架構、規模及組成以及在適當時候就配合本公司的企業策略提出有關董事會變更的建議，並將就達致董事會成員多元化向董事會提出有關可計量目標的建議。本公司致力維持與本公司業務增長相關且適切的董事會多元化平衡觀點。

於截至2023年12月31日止年度，提名委員會舉行了一次會議，以(其中包括)：(i)審閱董事會的規模及組成；(ii)評估獨立非執行董事之獨立性及檢討重新委任董事。

薪酬委員會

於本報告日期，薪酬委員會包括李偉先生、方光華先生(主席)及俞初忠先生，全部均為獨立非執行董事。

薪酬委員會的職責包括以下各項：

- (i) 就本公司所有董事及高級管理層的薪酬政策及架構向董事會提出建議，以及制訂發展薪酬政策的正式及具透明度的程序；

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REMUNERATION COMMITTEE *(Continued)*

- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- (iv) to make recommendations to the Board on the remuneration of non-executive Directors;
- (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- (vi) to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (vii) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (viii) to ensure that no director or any of his associates is involved in deciding his own remuneration; and
- (ix) to determine the policy for the remuneration of executive Directors, assess performance of executive Directors and approve the terms of executive Directors' service contracts.

Details of the remuneration of each Director and five highest paid individuals for the year ended 31 December 2023 are set out in note 12 to the financial statements contained in this annual report.

One meeting of the Remuneration Committee were held during the year to review the remuneration packages of Directors and senior managements of the Company.

薪酬委員會 (續)

- (ii) 經參考董事會的企業目標及意向後，審閱及批准管理層的薪酬建議書；
- (iii) 就個別執行董事及高級管理層的薪酬待遇向董事會提出建議；
- (iv) 就非執行董事的薪酬向董事會提出建議；
- (v) 考慮同類公司支付的薪酬、付出的時間及職責、以及本公司及其附屬公司內其他職位的僱用條件；
- (vi) 檢討及批准向執行董事及高級管理層就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；
- (vii) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；
- (viii) 確保任何董事或其任何聯繫人不得參與釐定其自身的薪酬；及
- (ix) 釐定執行董事的薪酬政策、評核執行董事的表現及批准執行董事服務合約的條款。

各董事及五名最高薪酬人士於截至2023年12月31日止年度的薪酬詳情載於本年報財務報表附註12。

年內薪酬委員會舉行了一次會議，以審核本公司董事及高級管理層之薪酬待遇。

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AUDIT AND CORPORATE GOVERNANCE COMMITTEE

As at the date of this report, the Audit Committee comprises Mr. Yu Rengzhong (Chairperson), Mr. Fang Guanghua and Mr. Li Wei who are all independent non-executive Directors.

In relation to reviewing the Company's financial information, the Audit Committee's duties mainly are to:

- (i) review the financial statements and reports and consider any significant or unusual items raised by the financial officers of the Group or external auditors before submission to the Board;
- (ii) review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process;
- (iii) make recommendation to the Board on the appointment, re-appointment and removal of external auditors; and
- (iv) review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system.

In relation to its corporate governance functions, the Audit Committee's responsibilities are to

- (i) develop, review and update the Company's corporate governance policies and practices and to make recommendations to the Board,
- (ii) to review and monitor the training and continuous professional development of Directors and senior management,
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements,
- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors, and
- (v) to review the Company's compliance with the Corporate Governance Code and disclosure in this Corporate Governance Report.

審核及企業管治委員會

於本報告日期，審核委員會包括俞弼忠先生(主席)、方光華先生及李偉先生，全部均為獨立非執行董事。

就審閱本公司的財務資料而言，審核委員會的主要職責包括：

- (i) 於呈交董事會前，審閱財務報表及報告，並考慮本集團財務人員或外聘核數師提出之任何重大或非經常項目；
- (ii) 檢討並監控外聘核數師之獨立性、客觀性及審核過程之效率；
- (iii) 就委任、續聘及罷免外聘核數師向董事會提出建議；及
- (iv) 檢討本公司財務報告制度、內部監控制度及風險管理制度是否足夠及有效。

就其企業管治職能而言，審核委員會的職責為

- (i) 制訂、檢討及更新本公司的企業管治政策及常規並向董事會提出建議；
- (ii) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (iii) 檢討及監察本公司就遵守法律及監管規定的政策及常規；
- (iv) 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；及
- (v) 檢討本公司是否遵守企業管治守則及於本企業管治報告的披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT AND CORPORATE GOVERNANCE

Two meetings of the Audit Committee were held during the year. The work performed by the Audit Committee during the year included the review of the annual audit plan, the nature and scope of the audit and respective relevant issues, reviewed the accounting principles and practices adopted by the Group and other financial reporting matters; considered the re-appointment of external auditors and recommended to the Board for approval of the audit fee proposal for the year; and reviewed and considered of significant accounting and audit issues arisen from the annual audit.

Review of 2023 annual results

The Audit Committee has also reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2023, including the accounting policy adopted by the Group and has discussed the internal controls and financial reporting matters of the Group.

AUDITOR'S REMUNERATION

ZHONGHUI was appointed as our external auditor by Shareholders in the 2023 AGM. It is primarily responsible for providing audit services in connection with the annual consolidated financial statements.

An analysis of the remuneration paid or payable to ZHONGHUI is set out below:

審核及企業管治

年內審核委員會舉行了兩次會議。審核委員會於年內進行的工作包括審閱年度審核計劃、審核的性質及範圍以及各有關事宜；審閱本集團所採納的會計政策及常規和其他財務申報事宜；考慮重新委任外聘核數師及建議董事會批准本年度的審核費用建議；及審閱及考慮年度審核所產生重大會計及審核事宜。

審核 2023 全年業績

審核委員會亦已審閱本集團截至 2023 年 12 月 31 日止年度之經審核綜合財務報表（包括本集團所採納會計政策），並已商討本集團的內部監控及財務申報事宜。

核數師酬金

中匯於 2023 年股東週年大會獲股東委任為外聘核數師。其主要職責為就全年綜合財務報表提供審核服務。

支付或應付予中匯的酬金分析載列如下：

Services	服務	Year ended 31 December 2023 截至 2023 年 12 月 31 日 止年度 RMB'000 人民幣千元
Audit services (audit fee for the year ended 31 December 2023)	審核服務 (截至 2023 年 12 月 31 日止年度之審核費用)	1,800
Non-audit services	非審核服務	250

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the year ended 31 December 2023 which give a true and fair view of the affairs of the Company and the Group and of the Group's results and cash flows.

The management has provided to the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put to the Board for approval. The Company provides all members of the Board with monthly updates on the Company's performance, positions and prospects.

Pursuant to code provision C.1.3 of the Corporate Governance Code, the Board would like to provide more details regarding the Company's ability to continue as a going concern.

As described in note 2 to the consolidated financial statements, the Group recorded a net loss of RMB805,780,000 and RMB4,763,152,000 respectively for two consecutive years ended 31 December 2023 and 2022. As at 31 December 2023, the Group had net current liabilities of approximately RMB4,090,155,000 and net liabilities of approximately RMB3,507,212,000. By the end of the reporting period, the Group had cash and cash equivalents of approximately RMB18,327,000, while debts repayable within one year or on demand (including interest-bearing bank and other borrowings and note payables) were approximately RMB1,651,922,000. In addition, as at 31 December 2023, the Group had defaulted the repayment of interest-bearing bank and other borrowings and note payables of approximately RMB1,548,000,000 and RMB23,922,000 respectively (collectively referred to as the "Overdue Debts"). In addition, as described in note 37 to the consolidated financial statements, as at 31 December 2023, the Group was also involved in various litigations resulting in the freezing of several bank accounts and the seizure of property, plant and equipment, right-of-use assets and inventories. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Please refer to the section headed "MATERIAL UNCERTAINTY RELATING TO GOING CONCERN" in the independent auditor's report for further details.

董事就財務報表的財務報告責任

董事確認彼等編製截至2023年12月31日止年度財務報表的責任，其真實公平地反映本公司及本集團的事務以及本集團的業績及現金流量。

管理層已向董事會提供必要的解釋及資料，使董事會能對提呈予董事會批准的本公司財務報表進行知情評估。本公司每月向董事會全體成員提供有關本公司表現、狀況及前景的最新資料。

根據企業管治守則第C.1.3條守則條文，董事會謹此提供有關本公司持續經營能力的更多詳情。

誠如綜合財務報表附註2所述，本集團於截至2023年及2022年12月31日止連續兩個年度分別錄得淨虧損人民幣805,780,000元及人民幣4,763,152,000元。於2023年12月31日，本集團的流動負債淨額約為人民幣4,090,155,000元，而淨負債約為人民幣3,507,212,000元。於報告期末，本集團的現金及現金等值項目約為人民幣18,327,000元，而於一年內或按要求償還的債務（包括計息銀行及其他借款及應付票據）約為人民幣1,651,922,000元。此外，於2023年12月31日，本集團未能償還計息銀行及其他借款以及應付票據，分別約為人民幣1,548,000,000元及人民幣23,922,000元（統稱「逾期債務」）。此外，誠如綜合財務報表附註37所述，於2023年12月31日，本集團亦涉及若干訴訟，導致若干銀行賬戶被凍結及物業、廠房及設備、使用權資產及存貨被查封。上述事件或情況顯示存在可能對本集團持續經營能力構成重大疑慮的重大不確定性，因此，本集團可能無法於正常業務過程中變現其資產及清償其負債。有關進一步詳情，請參閱獨立核數師報告中「與持續經營相關的重大不確定事項」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

(Continued)

The Management's Position, View and Assessment on the Disclaimer of Opinion and the Other Matters

The Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of finance to continue as a going concern. The Company has been undertaking various plans and measures to improve the Group's liquidity and financial position. Further details of such actions are set out in note 2 to the consolidated financial statements. The Directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust to value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

Also, regarding to the outstanding receivables (the "Outstanding Receivables") as described under the section headed "Other Matters" in the independent auditor's report, the Board is considering and taking all possible measures including but not limited to (i) Actively communicating with customers/suppliers on understanding their situation and negotiating with and issuing demand letters to customers/suppliers in relations to the repayment/settlement of the Outstanding Receivables; (ii) taking legal action on the repayment of the Outstanding Receivables on certain customers/suppliers, with consideration of comparing the potential legal costs expected to be incurred and potential returns from legal actions results before taking formal legal action; and (iii) communicating with potential buyers of the Outstanding Receivables on the potential considerations and contract terms for recovery of the Outstanding Receivables for the interests of the Company as well as addressing of the audit qualification.

董事就財務報表的財務報告責任 (續)

管理層對不發表意見及其他事項的立場、觀點及評估

董事已審慎考慮本集團的未來流動資金及表現以及其可動用財務來源，以持續經營。本公司已採取多項計劃及措施改善本集團的流動資金及財務狀況。有關行動的進一步詳情載於綜合財務報表附註2。因此，董事認為應當按持續經營基準編製綜合財務報表。倘本集團未能按持續經營業務基準繼續，將會調整綜合財務報表以調整本集團的資產值至其可收回金額，就可能產生的任何進一步負債作出撥備，及將非流動資產及負債分別重新分類為流動資產及負債。

此外，關於獨立核數師報告中「其他事項」部分所述的未償還應收款項（「未償還應收款項」），董事會正在考慮並採取一切可能措施，包括但不限於：(i) 積極與客戶／供應商溝通，了解其情況，並就未償還應收款項的償還／結算與客戶／供應商進行談判及發出催款函；(ii) 就某些客戶／供應商的未償還應收款項採取法律行動，並在採取正式法律行動前考慮預期產生的潛在法律費用與法律行動結果的潛在回報進行比較；及(iii) 與未償還應收款項的潛在買家溝通，討論有關未償還應收款項回收的潛在考慮事項及合同條款，以保障本公司的利益並解決審計保留意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

(Continued)

The Management's Position, View and Assessment on the Disclaimer of Opinion and the Other Matters *(Continued)*

The Board is of the view that if the plans and measures on (i) improving the Group's liquidity and financial position as described in note 2 to the consolidated financial statements and recovering the Outstanding Receivables can be successfully implemented, audit modification can be removed in future financial audit. The Company's auditors, ZHONGHUI, concurs with the Board's view as disclosed in this annual report.

Audit Committee's View on the Disclaimer of Opinion and the Other Matters

The Audit Committee has reviewed and agreed with the views and concerns of the independent auditor with respect to the Disclaimer of Opinion and the Other Matters issued in relation to the consolidated financial statements of the Group for the year ended 31 December 2023 and the related disclosures thereof in the consolidated financial statements. The Audit Committee noted that the Board has undertaken or is in the progress of implementing measures to improve the Group's liquidity and financial position and recovering the Outstanding Receivables. The Audit Committee has reviewed and agreed with the Board's position and has discussed with the independent auditor regarding the financial position of the Group, measures taken by the Group, and considered the independent auditor's rationale and understood their consideration in arriving their opinion.

董事就財務報表的財務報告責任 *(續)*

管理層對不發表意見及其他事項的立場、觀點及評估 *(續)*

董事會認為，倘若綜合財務報表附註2所述有關(i)改善本集團流動資金及財務狀況的計劃及措施以及追回未償還應收款項能夠成功實施，則未來的財務審核中可移除審核修訂。本公司核數師中匯同意於本年報中披露的董事會觀點。

審核委員會對不發表意見及其他事項的意見

審核委員會已審閱並同意獨立核數師就本集團截至2023年12月31日止年度的綜合財務報表及其相關揭露所發表之不發表意見及其他事項的觀點及關注。審核委員會注意到，董事會已經或正在實施措施，以改善本集團的流動資金及財務狀況並追回未償還應收款項。審核委員會已審閱並同意董事會的立場，並已與獨立核數師就本集團的財務狀況、本集團已採取的措施進行討論，並考慮獨立核數師的理據及理解彼等在達致其意見時的考慮。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board to maintain an adequate internal control system to safeguard shareholder investments and Company assets and review the effectiveness of such system on an annual basis.

The Board has reviewed of the effectiveness of the internal control system of the Company and considers the internal control system to be effective and adequate.

The Board has established an internal audit function, which reports directly to the Audit Committee to determine whether the internal control procedures are properly carried out throughout the year.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing their effectiveness on an ongoing basis. Such risk management and internal control systems are designed for managing risks rather than eliminating the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board has delegated its responsibilities (with relevant authorities) of risk management and internal control to the Audit Committee. The Audit Committee (on behalf of the Board) oversees management in the design, implementation and monitoring of the risk management and internal control systems. During the year, the Board had conducted review of the risk management and internal control system of the Company before the date of this report through effort of the Audit Committee.

During 2023, the Group has engaged an external consultant to provide assistance in the development of a structured approach to risk management and perform internal control review. Based on the review of the external consultant, no material internal control defects had been identified.

Main features of the risk management and internal control systems

The Group's risk governance structure and the main responsibilities of each level of the structure are summarised below:

Board

- Determines the business strategies and objectives of the Group, and evaluates and determines the nature and extent of risks it is willing to take in achieving the Group's strategic objectives;

內部監控

董事會確認，董事會須負責維持充分的內部監控制度，以保障股東的投資及本公司的資產，並每年審閱該制度之有效性。

董事會已審查本公司內部監控制度的有效性，並認為內部監控制度屬有效及充足。

董事會已設立內部審核職能並直接向審核委員會匯報，以確定內部監控程序已於年內適當地予以執行。

風險管理及內部監控

董事會確認對風險管理及內部監控制度負責，並有責任持續檢討其有效性。有關風險管理及內部監控制度旨在管理風險而非消除未能達成業務目標的風險，而且就避免重大的失實陳述或損失而言，僅能作出合理而非絕對的保證。董事會已將其風險管理及內部監控的職責（與相關權力）轉授予審核委員會。審核委員會（代表董事會）監督管理層對風險管理及內部監控制度的設計、實施及監察。於本年度，董事會通過審核委員會的努力，於本報告日期之前對本公司風險管理及內部監控制度開展審核。

於2023年，本集團已委聘外部顧問協助就風險管理制訂結構性方針及對內部監控進行檢討。根據外部顧問的檢討，並未發現重大的內部監控缺陷。

風險管理及內部監控制度的主要特徵

本集團之風險管治架構以及架構內各階層的主要職責簡介如下：

董事會

- 釐定本集團之業務策略與目標，及評估並釐定本集團達成策略目標時所願意接納的風險性質及程度；

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

Board *(Continued)*

- Ensures that the Group establishes and maintains appropriate and effective risk management and internal control systems; and
- Oversees management in the design, implementation and monitoring of the risk management and internal control systems.

Audit and Corporate Governance Committee

- Assists the Board to perform its responsibilities of risk management and internal control systems;
- reviews the Company's corporate governance policies and practices (including risk management policy) and to make recommendations to the Board;
- Ensures the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions; and
- Considers key matters on risk management and internal control, and reports and makes recommendations to the Board.

Management

- Designs, implements and maintains appropriate and effective risk management and internal control systems;
- Identifies, evaluates and manages the risks that may potentially impact the major processes of the operations;
- Monitors risks and takes measures to mitigate risks in day-to-day operations;
- Gives prompt responses to, and follow up on risk management and internal control matters; and
- Provides confirmation to the Board and Audit and Corporate Governance Committee on the effectiveness of the risk management and internal control systems.

Internal control consultant

- Reports to the Audit Committee the findings of the internal control review and makes recommendations to the Board and management to improve the material systems deficiencies or control weaknesses identified.

風險管理及內部監控 *(續)*

董事會 *(續)*

- 確保本集團建立及維持合適及有效的風險管理及內部監控制度；及
- 監督管理層對風險管理及內部監控制度的設計、實施及監察。

審核及企業管治委員會

- 協助董事會履行其風險管理及內部監控制度的職責；
- 檢討本公司的企業管治政策及常規(包括風險管理政策)及向董事會提出建議；
- 確保本集團在會計、內部審核及財務匯報職能方面有足夠的資源、員工資歷與經驗、員工培訓課程，以及有關預算；及
- 考慮有關風險管理及內部監控的關鍵事項，並向董事會匯報及提出建議。

管理層

- 設計、實施及維持合適及有效的風險管理及內部監控制度；
- 識別、評估及管理可能對營運之主要程序構成潛在影響之風險；
- 監察風險並採取措施降低日常營運風險；
- 對有關風險管理及內部監控事宜作出及時的回應及跟進；及
- 向董事會及審核及企業管治委員會提供有關風險管理及內部監控制度是否有效的確認。

內部監控顧問

- 向審核委員會匯報內部監控審閱結果並向董事會及管理層提出建議，以改善制度之重大不足之處或所發現之監控缺失。

CORPORATE GOVERNANCE REPORT

企業管治報告

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

For the purpose of handling and disseminating inside information in accordance with the Listing Rules and the SFO, the Group has taken various procedures and measures, including arousing the awareness to preserve confidentiality of inside information within the Group, sending blackout period and securities dealing restrictions notification to the relevant Directors and employees regularly, disseminating information to specified persons on a need-to-know basis and regarding closely to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission in June 2012.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2023, saved as announced and disclosed, the Group was unaware of any non-compliance with the applicable laws and regulations that have a significant impact on the Group.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group’s business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which enables Shareholders and investors to make the best investment decisions.

To promote effective communication, the Company maintains a website at “<http://www.cmru.com.cn>”, where extensive information and updates on the Group’s business developments and operations, financial information, corporate governance practices and other information are available for public access.

Shareholders and investors may send written enquiries or requests to the Company as follows:

Address: Unit 2513B, COSCO Tower,
183 Queen’s Road Central, Sheung Wan, Hong Kong
(For the attention of Corporate Communications Department)
Fax: +852 2587 7199
Email: ir@cmru.com.cn

Enquiries are dealt with in an informative and timely manner.

處理及發佈內幕消息

就根據上市規則及證券及期貨條例處理及發佈內幕消息而言，本集團已採取多項程序及措施，包括提高本集團對內幕消息保密的意識、定期向有關董事及僱員發送禁售期及證券交易限制的通知、在需要知情基礎上向指定人員發佈信息及嚴格遵守證券及期貨事務監察委員會於2012年6月頒佈的「內幕消息披露指引」。

遵守法律及法規

截至2023年12月31日止年度，除所公告及披露者外，本集團並不知悉任何不遵守對本集團有重大影響的適用法律及法規的情況。

與股東及投資者溝通

本公司認為，與股東保持有效溝通，對促進投資者關係及加深投資者對本集團業務表現及策略了解至為重要。本公司亦明白保持透明度和適時披露公司資料的重要性，因其有利於股東及投資者作出最佳投資決策。

為進行有效溝通，本公司設有網站「<http://www.cmru.com.cn>」，本集團業務發展及運作、財務資料、企業管治常規及其他資料之詳盡資料及其最新情況均載於該網站供公眾查閱。

股東及投資者可按以下方式將書面查詢或要求寄發至本公司：

地址：香港上環皇后大道中183號
中遠大廈2513B室
(抬頭請註明企業傳訊部)
傳真：+852 2587 7199
電郵：ir@cmru.com.cn

本公司將盡快處理及詳細解答查詢。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS *(Continued)*

The Board welcomes views of Shareholders and encourages them to attend general meetings to raise any concerns they might have with the Board or the management directly. Board members and appropriate senior staff of the Group are available at the meetings to answer any questions raised by shareholders.

The Company continues to enhance communication and relationship with its investors.

Designated senior management maintains regular dialogue with institutional investors and analysts to keep them informed of the Group's developments.

CONSTITUTIONAL DOCUMENTS

The current version of the Articles is available on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.cmru.com.cn. There is no change in the Company's constitutional documents during the period under review.

DIVIDEND POLICY

The Group adopted a dividend policy on 18 January 2019. A summary of the policy is disclosed as below.

The Company considers stable and sustainable returns to Shareholders to be its goal and endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a stable and sustainable dividend policy.

與股東及投資者溝通 *(續)*

董事會歡迎股東提出意見，並鼓勵彼等出席股東大會以直接就其對董事會或管理層的任何存疑作出提問。董事會成員及本集團相關高級職員會出席大會，解答股東的任何提問。

本公司繼續加強與投資者的溝通及彼此之間的關係。

指定高級管理層會定期與機構投資者及分析員會談，以知會彼等本集團的發展。

憲章文件

細則的當前版本可在聯交所網站 (www.hkexnews.hk) 及本公司網站 (www.cmru.com.cn) 閱覽。於回顧期間，本公司的憲章文件概無任何變動。

股息政策

本集團於2019年1月18日採納股息政策。政策概要乃披露於下文。

本公司以回饋股東穩定可持續的回報為其目標，致力根據穩定及可持續的股息政策保持達成股東預期與審慎資本管理之間的平衡。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIVIDEND POLICY *(Continued)*

In accordance with the Articles of Association and subject to the relevant laws of the Cayman Islands, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Shareholders but no dividend shall be declared in excess of the amount recommended by the Board.

Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the relevant laws of the Cayman Islands.

In deciding whether to propose a dividend and in determining the dividend amount, the Board may take into account, amongst other things, the actual and expected financial performance, the earnings, distributable reserves, debts to equity ratio, return on equity, working capital requirement, future expansion plans, and any other factors that the Board deems appropriate.

The Board shall review this policy from time to time, as appropriate, to ensure the effectiveness of this policy and shall discuss any revisions that may be required.

COMPANY SECRETARY

The company secretary of the Company is Mr. Cheung Ying Kwan. Mr. Cheung complied with the Listing Rules, and he had attained no less than 15 hours of relevant professional training during the year ended 31 December 2023.

股息政策 (續)

根據組織章程細則及開曼群島相關法律，本公司或會不時於股東大會以任何貨幣宣派將派付予股東的股息，但所宣派股息不得超過董事會所建議的金額。

股息或會以本公司已變現或未變現溢利或自董事確定不再需要的溢利中撥出的任何儲備宣派及派付。通過普通決議案批准，股息亦可能以股份溢價賬或任何其他資金或根據開曼群島相關法律可能獲授權作此用途的賬戶宣派及派付。

在決定是否建議股息及確定股息金額時，董事會或會考慮(其中包括)實際及預期財務表現、盈利、可供分派儲備、債務權益比率、股本回報、營運資金需求、未來擴張計劃以及董事會視為適當的任何其他因素。

董事會應不時審核此項政策(如適用)以確保此項政策的有效性並應討論可能需要作出的任何修訂。

公司秘書

本公司之公司秘書為張應坤先生。張先生已遵守上市規則，而彼於截至2023年12月31日止年度已出席不少於十五小時之相關專業培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHT

To safeguard Shareholders' interests and rights, separate resolutions are proposed at Shareholders' meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting.

Under article 58 of the Articles of Association, the Shareholders may convene an extraordinary general meeting or put forward proposals at Shareholders' meetings pursuant to the Articles of Association. Any one or more Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall, by written requisition to the Board or the company secretary, require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

Shareholders may put forward proposals for consideration at a general meeting in accordance with the Companies Act of the Cayman Islands and the Articles of Association.

As regards proposing a person for election as a Director, the procedures are available on the websites of the Company and the Stock Exchange.

For the avoidance of doubt, Shareholder(s) must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the Company and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

An up-to-date version of the Articles of Association is available on the Company's website and the Stock Exchange's website. Shareholders may refer to the Articles of Association for further details of their rights.

All resolutions put forward at Shareholders' meetings will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.cmru.com.cn>) immediately after the relevant general meetings.

股東權利

為了保障股東權益及權利，股東大會上會就各重大事項（包括選舉個別董事）提呈獨立決議案，供股東考慮及投票。

根據組織章程細則第58條，股東可召開股東特別大會或根據組織章程細則於股東大會上提呈建議書。任何一位或以上於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事務；且該大會應於遞呈該要求後兩個月內舉行。

股東可根據開曼群島公司法及組織章程細則於股東大會上提呈建議書，以供股東大會考慮。

有關提名人士參選董事的程序可於本公司及聯交所網站閱覽。

為免生疑問，股東須將妥為簽署的書面要求、通知或聲明或查詢（視情況而定）的正本存放於及寄發至本公司，並提供彼等的全名、聯絡詳情及身份，以便本公司回覆。股東資料可能根據法律規定而予以披露。

組織章程細則的最新版本可在本公司網站及聯交所網站查閱。股東亦可參考組織章程細則以取得有關其權利的進一步詳情。

根據上市規則，所有在股東大會提呈的決議案均將以投票方式表決，且投票表決結果將緊隨有關股東大會召開後於聯交所網站 (www.hkexnews.hk) 及本公司網站 (<http://www.cmru.com.cn>) 刊登。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



**TO THE SHAREHOLDERS OF
CHINA METAL RESOURCES UTILIZATION LIMITED**

(Incorporated in the Cayman Islands with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of China Metal Resources Utilization Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 69 to 161, 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 policy information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致中國金屬資源利用有限公司
列位股東
(於開曼群島註冊成立的有限公司)

不發表意見

吾等獲委聘審核第69至161頁所載之中國金屬資源利用有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此等綜合財務報表包括於2023年12月31日之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，包括重大會計政策資料。

吾等並無就 貴集團的綜合財務報表發表意見。有鑑於載於吾等的報告中「不發表意見之基準」一節所述事項均屬重大，吾等無法為該等綜合財務報表發表意見。在所有其他方面，吾等認為綜合財務報表已根據香港公司條例之披露規定妥為編製。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

**TO THE SHAREHOLDERS OF
CHINA METAL RESOURCES UTILIZATION LIMITED**
(Incorporated in the Cayman Islands with limited liability)

BASIS FOR DISCLAIMER OF OPINION

Material uncertainties relating to going concern

We draw attention to note 2 to the consolidated financial statements which mentions that the Group recorded a net loss of approximately RMB805,780,000 and RMB4,763,152,000 respectively for two consecutive years ended 31 December 2023 and 2022. As at 31 December 2023, the Group had net current liabilities of approximately RMB4,090,155,000 and net liabilities of approximately RMB3,507,212,000. By the end of the reporting period, the Group had cash and cash equivalents of approximately RMB18,327,000, while debts repayable within one year or on demand (including interest-bearing bank and other borrowings and note payables) were approximately RMB1,651,922,000. In addition, as at 31 December 2023, the Group had defaulted the repayment of interest-bearing bank and other borrowings and note payables of approximately RMB1,548,000,000 and RMB23,922,000 respectively (collectively referred to as the "Overdue Debts"). In addition, as described in note 37 to the consolidated financial statements, as at 31 December 2023, the Group was also involved in various litigations resulting in the freezing of several bank accounts and the seizure of property, plant and equipment, right-of-use assets and inventories. The above events or conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis. The directors of the Company have been undertaking a number of plans and measures as described in note 2 to the consolidated financial statements to mitigate the liquidity pressure and improve its financial position. Should the going concern assumption be inappropriate, adjustments may have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

致中國金屬資源利用有限公司
列位股東
(於開曼群島註冊成立的有限公司)

不發表意見之基準

與持續經營相關的重大不確定事項

吾等懇請閣下注意綜合財務報表附註2，該附註提及貴集團於截至2023年及2022年12月31日止兩個連續年度分別錄得淨虧損約人民幣805,780,000元及人民幣4,763,152,000元。於2023年12月31日，貴集團的淨流動負債約為人民幣4,090,155,000元，而淨負債則約為人民幣3,507,212,000元。截至報告期末，貴集團的現金及現金等值項目約為人民幣18,327,000元，而須於一年內或按要項(包括計息銀行及其他借款及應付票據)償還之債務則約為人民幣1,651,922,000元。此外，於2023年12月31日，貴集團的計息銀行及其他借款還款及應付票據違約分別約為人民幣1,548,000,000元及人民幣23,922,000元(統稱「逾期債務」)。此外，如綜合財務報表附註37所述，於2023年12月31日，貴集團亦已面臨多項訴訟，導致多個銀行戶口被凍結以及物業、廠房及設備、使用權資產及存貨被查封。上述事情或情況顯示存在重大不確定性，可能對貴集團持續經營的能力產生重大疑問，因此貴集團或未能於日常業務過程中變現資產及解除負債。

綜合財務報表已按持續經營基準編製。如綜合財務報表附註2所述，貴公司董事一直進行多項計劃及措施以緩解流動資金壓力及改善其財務狀況。倘持續經營假設不適用，可能須作出調整，以撇減貴集團資產的賬面值至其可收回金額，以為可能產生之任何進一步負債計提撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整之影響並未反映於該等綜合財務報表中。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF CHINA METAL RESOURCES UTILIZATION LIMITED

(Incorporated in the Cayman Islands with limited liability)

BASIS FOR DISCLAIMER OF OPINION *(Continued)*

Material uncertainties relating to going concern *(Continued)*

Up to the date of this report, the Relevant Subsidiaries as defined in note 2(i) to the consolidated financial statements are in progress of debt restructuring (the "Debt Restructuring") for purpose of reducing the level of debts of the Relevant Subsidiaries. As of the date of this report, we have not been provided with the debt restructuring agreements and were unable to obtain sufficient appropriate audit evidence as to confirm the timing and extent of the Debt Restructuring.

Furthermore, up to the date of this report, the Group had notified and liaised with the creditors, banks, financial institutions and holders of note payables for extension/alternative refinancing of the Overdue Debts. As of the date of this report, we have not been provided with the extension agreements or refinancing agreements in respect of the Overdue Debt.

Up to the date of this report, the Group had been liaising with banks and financial institutions for obtaining new financing. As of the date of this report, we have not been provided with the financing agreements in respect of the new financing.

In addition, up to the date of this report, the Group has been endeavouring to improve the Group's operating performance and cash flows through cost control measures and working capital management to maintain sufficient liquidity. We have not been provided with sufficient audit evidence on effect on overcoming the net current liabilities and net liabilities positions of the Group from such cost control measures and working capital management.

Also, up to the date of this report, the Group has been in the process of resolving the Group's litigation to release the freezing orders on bank accounts and seizure orders on property, plant and equipment, right-of-use assets and inventories. As of the date of this report, we have not been provided with the settlement agreements with creditors in respect of the amount due to the creditors.

In absence of sufficient appropriate audit evidence of the above, we were unable to ascertain whether the use of the going concern assumption in the preparation of the consolidated financial statements is appropriate.

致中國金屬資源利用有限公司
列位股東
(於開曼群島註冊成立的有限公司)

不發表意見之基準 *(續)*

與持續經營相關的重大不確定事項 *(續)*

直至本報告日期，在綜合財務報表附註2(i)中界定之相關附屬公司正進行債務重整(「債務重整」)，旨在減少相關附屬公司之債務水平。於本報告日期，吾等尚未收到債務重整協議，亦未能取得足夠適當的審核證據以確認債務重整的時間和範圍。

另外，直至本報告日期，貴集團已就逾期債務之延期／替代再融資，通知及聯絡債權人、銀行、金融機構及應付票據持有人。於本報告日期，吾等尚未收到有關逾期債務之延期協議或再融資協議。

直至本報告日期，貴集團已就取得新融資與銀行和金融機構聯絡。於本報告日期，吾等尚未收到有關新融資的融資協議。

此外，直至本報告日期，貴集團一直努力透過成本控制措施及營運資金管理改善貴集團的營運表現及現金流量，以維持充足的流動資金。吾等尚未收到足夠審核證據，關於透過該等成本控制措施及營運資金管理改善貴集團之淨流動負債及淨負債狀況。

此外，直至本報告日期，貴集團正在解決貴集團之訴訟以解除銀行戶口的凍結令和解除物業、廠房及設備、使用權資產及存貨的查封令。於本報告日期，吾等尚未收到與債權人就應付債權人款項之清償協議。

由於欠缺上述足夠適當的審核證據，吾等無法確定於編製綜合財務報表時使用持續經營假設是否適當。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF CHINA METAL RESOURCES UTILIZATION LIMITED

(Incorporated in the Cayman Islands with limited liability)

OTHER MATTERS

Had we not disclaimed our opinion regarding the matters described in the Basis for Disclaimer of Opinion section above, we would otherwise have qualified our opinion regarding the scope limitations on our audit relating to the matters detailed below.

(a) Trade and bills receivables

As disclosed in note 21 to the consolidated financial statements, as at 31 December 2023 and 2022, the Group's trade and bills receivables amounted to approximately RMB146,292,000 and RMB236,494,000 respectively, of which approximately RMB115,007,000 and RMB204,329,000 respectively (the "Trade and Bills Receivables") were past due and/or have not been settled up to the date of this report. The management is still negotiating with and considering taking any action to the debtors on the settlement. Due to (1) the past due situation of the Trade and Bills Receivables, (2) financial difficulties of debtors and (3) unfavourable negotiation results with debtors, the management considered that the chance of recovering the Trade and Bills Receivables to be remote. The Group recognised provision for doubtful debts of approximately RMB89,322,000 and RMB249,701,000 respectively in respect of the Trade and Bills Receivables in profit or loss for the year ended 31 December 2023 and 2022.

Due to the above uncertainties, the management is not able to provide further evidences in justifying the sufficiency, adequacy and extent of the provision for doubtful debts being recognised. Accordingly, we are not able to obtain sufficient appropriate audit evidences to ascertain the recoverability of the balance of Trade and Bills Receivables of approximately RMB115,007,000 and RMB204,329,000 as at 31 December 2023 and 2022 respectively. More importantly, there is no other satisfactory audit procedures that we could perform to satisfy ourselves whether the balance of Trade and Bills Receivables of approximately RMB115,007,000 and RMB204,329,000 were fairly stated as at 31 December 2023 and 2022 respectively. Consequently, we are not able to obtain sufficient appropriate audit evidences on the provision for doubtful debts of approximately RMB89,322,000 and RMB249,701,000 recognised in profit or loss for the year ended 31 December 2023 and 2022 and the recoverability of Trade and Bills Receivables of approximately RMB115,007,000 and RMB204,329,000 at 31 December 2023 and 2022.

致中國金屬資源利用有限公司

列位股東

(於開曼群島註冊成立的有限公司)

其他事項

倘吾等未就上文不發表意見之基準一節所述事項發表意見，則吾等將因以下具體事項的審核範圍限制而提出保留意見。

(a) 貿易應收款項及應收票據

如綜合財務報表附註21所披露，於2023年及2022年12月31日，貴集團之貿易應收款項及應收票據分別約為人民幣146,292,000元及人民幣236,494,000元，當中分別約人民幣115,007,000元及人民幣204,329,000元（「貿易應收款項及應收票據」）直至本報告日期已到期及／或尚未結付。管理層仍就有關結付事項與債務人談判並考慮對債務人採取任何行動。由於(1)貿易應收款項及應收票據逾期，(2)債務人的財務困難及(3)與債務人的談判結果不利，管理層認為收回貿易應收款項及應收票據的機會甚微。截至2023年及2022年12月31日止年度，貴集團已就貿易應收款項及應收票據於損益內確認呆賬撥備分別約人民幣89,322,000元及人民幣249,701,000元。

由於上述不確定性，管理層無法提供進一步證據證明已確認呆賬撥備的充分性、足夠性及程度。因此，吾等無法獲取足夠適當的審核證據，以確定於2023年及2022年12月31日的貿易應收款項及應收票據結餘分別約人民幣115,007,000元及人民幣204,329,000元的可收回性。更重要的是，吾等並無其他可執行之適當審核程序，以使吾等信納於2023年及2022年12月31日的貿易應收款項及應收票據結餘分別約人民幣115,007,000元及人民幣204,329,000元是否已公平呈列。因此，吾等無法就截至2023年及2022年12月31日止年度於損益內確認之呆賬撥備約人民幣89,322,000元及人民幣249,701,000元以及於2023年及2022年12月31日的貿易應收款項及應收票據約人民幣115,007,000元及人民幣204,329,000元的可收回性獲取足夠適當的審核證據。

INDEPENDENT AUDITOR'S REPORT

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TO THE SHAREHOLDERS OF CHINA METAL RESOURCES UTILIZATION LIMITED

(Incorporated in the Cayman Islands with limited liability)

OTHER MATTERS (Continued)

(b) Prepayments, other deposits and other assets

As disclosed in note 19 to the consolidated financial statements, as at 31 December 2023 and 2022, the Group's advance payments to suppliers amounted to approximately RMB75,320,000 and RMB291,869,000 respectively, of which approximately RMB72,421,000 and RMB280,814,000 respectively (the "Advance Payments"), were long outstanding and/or have not been settled up to the date of this report. The management is still negotiating with and considering taking any action to the debtors on the settlement. Due to (1) the long outstanding position of Advance Payments, (2) financial difficulties of debtors and (3) unfavourable negotiation results with debtors, the management considered that the chance of utilising/recovering the Advance Payments to be remote. The Group recognised provision for impairment loss of approximately RMB207,988,000 and RMB727,756,000 respectively in respect of the Advance Payments in profit or loss for the year ended 31 December 2023 and 2022.

Due to the above uncertainties, the management is not able to provide further evidences in justifying the sufficiency, adequacy and extent of the impairment loss being recognised. Accordingly, we are not able to obtain sufficient appropriate audit evidences to ascertain the recoverability of the balance of the Advance Payments of approximately RMB72,421,000 and RMB280,814,000 as at 31 December 2023 and 2022. More importantly, there is no other satisfactory audit procedures that we could perform to satisfy ourselves whether the balance of the Advance Payments of approximately RMB72,421,000 and RMB280,814,000 were fairly stated as at 31 December 2023 and 2022. Consequently, we are not able to obtain sufficient appropriate audit evidences on the provision for impairment loss of approximately RMB207,988,000 and RMB727,756,000 recognised for the year ended 31 December 2023 and 2022 and the recoverability of the Advance Payments of approximately RMB72,421,000 and RMB280,814,000 at 31 December 2023 and 2022.

Any adjustments to the figures as described above might have a consequential effect on the Group's consolidated financial performance and consolidated cash flows for the year ended 31 December 2023 and 2022 and the consolidated financial position of the Group as at 31 December 2023 and 2022, and the related disclosures thereof in the consolidated financial statements.

致中國金屬資源利用有限公司
列位股東
(於開曼群島註冊成立的有限公司)

其他事項(續)

(b) 預付款、其他按金及其他資產

如綜合財務報表附註19所披露，於2023年及2022年12月31日，貴集團之墊付供應商款項分別約為人民幣75,320,000元及人民幣291,869,000元，當中分別約人民幣72,421,000元及人民幣280,814,000元（「墊付款項」）直至本報告日期為長期未償還及／或尚未結付。管理層仍就有關結付事項與債務人談判並考慮對債務人採取任何行動。由於(1)墊付款項為長期未償還，(2)債務人的財務困難及(3)與債務人的談判結果不利，管理層認為動用／收回墊付款項的機會甚微。截至2023年及2022年12月31日止年度，貴集團已就墊付款項於損益內確認減值虧損撥備分別約人民幣207,988,000元及人民幣727,756,000元。

由於上述不確定性，管理層無法提供進一步證據證明已確認減值虧損的充分性、足夠性及程度。因此，吾等無法獲取足夠適當的審核證據，以確定於2023年及2022年12月31日的墊付款項結餘約人民幣72,421,000元及人民幣280,814,000元的可收回性。更重要的是，吾等並無其他可執行之適當審核程序，以使吾等信納於2023年及2022年12月31日的墊付款項結餘約人民幣72,421,000元及人民幣280,814,000元是否已公平呈列。因此，吾等無法就截至2023年及2022年12月31日止年度確認之減值虧損撥備約人民幣207,988,000元及人民幣727,756,000元以及於2023年及2022年12月31日的墊付款項約人民幣72,421,000元及人民幣280,814,000元的可收回性獲取足夠適當的審核證據。

對上述數字之任何調整均可能對貴集團截至2023年及2022年12月31日止年度之綜合財務表現及綜合現金流量及貴集團於2023年及2022年12月31日之綜合財務狀況，以及其於綜合財務報表之相關披露造成相應影響。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

**TO THE SHAREHOLDERS OF
CHINA METAL RESOURCES UTILIZATION LIMITED**
(Incorporated in the Cayman Islands with limited liability)

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and to issue an auditor's report. However, because of the significance of the material uncertainties relating to the going concern basis described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Li Shun Fai
Audit Engagement Director
Practising Certificate Number P05498
Hong Kong, 2 October 2024

致中國金屬資源利用有限公司
列位股東
(於開曼群島註冊成立的有限公司)

董事就綜合財務報表須承擔的責任

董事須根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定負責編製真實而公平地反映情況的綜合財務報表，及落實董事釐定對編製綜合財務報表屬必要的內部監控，以使該等綜合財務報表的編製不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

核數師就審核綜合財務報表承擔的責任

吾等的責任為根據香港會計師公會(「香港會計師公會」)頒佈的香港審計準則就 貴集團的綜合財務報表進行審核並發出核數師報告。然而，由於本報告「不發表意見之基準」一節所述有關持續經營基準之重大不確定事項的重要性，吾等無法就該等綜合財務報表形成意見。

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 貴集團，及吾等已履行守則中的其他道德責任。

中匯安達會計師事務所有限公司
執業會計師
李淳暉
審計項目董事
執業證書號碼P05498
香港，2024年10月2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2023年12月31日止年度

		Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
REVENUE	營業額	8	837,704	2,391,709
Cost of sales	銷售成本		(949,599)	(2,679,759)
GROSS LOSS	毛損		(111,895)	(288,050)
Other income/(expenses), gain/(loss), net	其他淨收入/(開支)、 收益/(虧損)	9	52,029	136,137
Selling and distribution expenses	銷售及分銷開支		(7,197)	(7,910)
Administrative expenses	行政開支		(110,661)	(195,244)
Provision for doubtful debts, net	呆賬撥備淨值	21	(141,978)	(2,222,673)
Impairment of advance payments to suppliers	墊付供應商款項減值	19	(208,106)	(1,948,484)
Finance costs	財務成本	10	(277,660)	(234,210)
Share of losses of associates	應佔聯營公司虧損		(299)	(791)
Loss before tax	稅前虧損		(805,767)	(4,761,225)
Income tax expense	所得稅開支	13	(13)	(1,927)
Loss for the year attributable to owners of the company	本公司擁有人應佔年內虧損	11	(805,780)	(4,763,152)
Other comprehensive loss after tax: <i>Items that may be reclassified to profit or loss:</i>	稅後其他全面虧損： <i>可能重新分類至損益的項目：</i>			
Exchange differences on translating foreign operations	換算海外業務的匯兌差額		(1,835)	(39,714)
Other comprehensive loss for the year, net of tax	除稅後年內其他全面虧損		(1,835)	(39,714)
Total comprehensive loss for the year attributable to owners of the company	本公司擁有人應佔年內 全面虧損總額		(807,615)	(4,802,866)
Loss per share	每股虧損	14		
Basic (RMB per share)	基本(每股人民幣)		(0.18)	(1.10)
Diluted (RMB per share)	攤薄(每股人民幣)		(0.18)	(1.10)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION**綜合財務狀況表**

As at 31 December 2023 於2023年12月31日

		Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	418,342	448,216
Right-of-use assets	使用權資產	17	99,830	104,495
Interests in associates	聯營公司權益	18	46,807	47,106
Prepayments, other receivables and other assets	預付款、其他應收款項及 其他資產	19	19,760	19,756
Total non-current assets	總非流動資產		584,739	619,573
Current assets	流動資產			
Inventories	存貨	20	64,536	100,946
Trade and bills receivables	貿易應收款項及應收票據	21	146,292	236,494
Prepayments, other receivables and other assets	預付款、其他應收款項及 其他資產	19	508,209	709,450
Amounts due from associates	應收聯營公司款項	22	27,775	25,110
Amounts due from related parties	應收關聯方款項	23	179	179
Pledged deposits	已抵押存款	24	32,262	703,928
Cash and cash equivalents	現金及現金等值項目	24	18,327	2,391
Total current assets	總流動資產		797,580	1,778,498
Total assets	總資產		1,382,319	2,398,071
Current liabilities	流動負債			
Trade and bills payables	貿易應付款項及應付票據	25	789,709	1,613,636
Other payables and accruals	其他應付款項及應計費用	26	2,291,725	1,734,252
Note payables	應付票據	27	23,922	23,511
Interest-bearing bank and other borrowings	計息銀行及其他借款	28	1,628,000	1,338,370
Convertible bonds	可換股債券	29	-	231,720
Lease liabilities	租賃負債	30	379	1,858
Amounts due to a director	應付董事款項	31	207	207
Amounts due to associates	應付聯營公司款項	22	208	213
Amount due to a related party	應付一名關聯方款項	23	61,756	61,872
Tax payable	應繳稅項		91,829	91,586
Total current liabilities	總流動負債		4,887,735	5,097,225
Net current liabilities	淨流動負債		(4,090,155)	(3,318,727)
Total assets less current liabilities	總資產減流動負債		(3,505,416)	(2,699,154)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2023 於2023年12月31日

		Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	30	–	372
Deferred government grants	遞延政府補助	32	644	1,322
Deferred tax liabilities	遞延稅項負債	33	1,152	1,152
Total non-current liabilities	總非流動負債		1,796	2,846
NET LIABILITIES	淨負債		(3,507,212)	(2,702,000)
EQUITY	權益			
Share capital	股本	34	363,611	363,611
Reserves	儲備		(3,870,823)	(3,065,611)
TOTAL EQUITY	總權益		(3,507,212)	(2,702,000)

The consolidated financial statements on pages 69 to 161 were approved and authorised for issue by the Board of Directors on 2 October 2024 and are signed on its behalf by:

載於第69至161頁之綜合財務報表於2024年10月2日獲董事會批准及授權刊發，並由下列董事代表簽署：

Yu Jianqiu
俞建秋
Director
董事

Kwong Wai Sun Wilson
鄺偉信
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2023年12月31日止年度

		Share capital	Share premium	Exchange reserve	Capital reserve	Statutory reserve	Share-based payment reserve	Accumulated losses	Total
		股本	股份溢價	匯兌儲備	資本儲備	法定儲備	以股份為基礎的付款儲備	累計虧損	總額
	Notes	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	附註	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	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022	於2022年1月1日	280,461	1,901,321	(11,386)	132,055	144,659	14,938	(752,651)	1,709,397
Loss for the year	年內虧損	-	-	-	-	-	-	(4,763,152)	(4,763,152)
Other comprehensive income for the year:	年內其他全面收益：								
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	-	-	(39,714)	-	-	-	-	(39,714)
Total comprehensive loss for the year	年內全面虧損總額	-	-	(39,714)	-	-	-	(4,763,152)	(4,802,866)
Appropriation to statutory reserves	轉撥至法定儲備	-	-	-	-	3	-	(3)	-
Share options lapsed/forfeited	已失效/沒收購股權	-	-	-	-	-	(33)	33	-
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	-	-	4,939	-	4,939
Issuance of ordinary shares	發行普通股	34	83,150	303,496	-	-	-	-	386,646
Issuance cost	發行成本	-	(116)	-	-	-	-	-	(116)
At 31 December 2022 and 1 January 2023	於2022年12月31日及2023年1月1日	363,611	2,204,701	(51,100)	132,055	144,662	19,844	(5,515,773)	(2,702,000)
Loss for the year	年內虧損	-	-	-	-	-	-	(805,780)	(805,780)
Other comprehensive loss for the year:	年內其他全面虧損：								
Exchange differences on translating foreign operations	換算海外業務的匯兌差額	-	-	(1,835)	-	-	-	-	(1,835)
Total comprehensive loss for the year	年內全面虧損總額	-	-	(1,835)	-	-	-	(805,780)	(807,615)
Share options lapsed/forfeited	已失效/沒收購股權	-	-	-	-	-	(372)	372	-
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	-	-	2,403	-	2,403
At 31 December 2023	於2023年12月31日	363,611	2,204,701*	(52,935)*	132,055*	144,662*	21,875*	(6,321,181)*	(3,507,212)

Note:

附註：

(i) * These reserve accounts comprise the consolidated negative reserves of RMB3,870,823,000 (2022: consolidated negative reserve of RMB3,065,611,000) in the consolidated statement of financial position.

(i) * 該等儲備賬目包括綜合財務狀況表內的綜合負數儲備人民幣3,870,823,000元(2022年:綜合負數儲備人民幣3,065,611,000元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2023 截至2023年12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash flows from operating activities	經營活動所得現金流量		
Loss before tax	稅前虧損	(805,767)	(4,761,225)
Adjustments for:	經以下項目調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	37,688	44,982
Depreciation of right-of-use assets	使用權資產折舊	4,678	6,129
Equity-settled share-based payments	以權益結算以股份為基礎之付款	2,403	4,939
Finance costs	財務成本	277,660	234,210
Gain on early termination of lease	提前終止租賃之收益	-	(110)
Impairment of property, plant and equipment	物業、廠房及設備減值	-	2,212
Impairment of prepayments, other deposits and other assets	預付款、其他按金及其他資產減值	208,106	1,948,484
Interest income	利息收入	(7,085)	(27,449)
(Gain)/loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之(收益)/虧損	(119)	6,499
Provision for doubtful debts, net	呆賬撥備淨值	141,978	2,222,673
Provision for inventories	存貨撥備	2,501	69,829
Waiver of other payables	豁免其他應付款項	-	(822)
Written-off of property, plant and equipment	物業、廠房及設備撇銷	69	1,001
Written-off of other receivables	其他應收款項撇銷	-	1,550
Share of losses of associates	應佔聯營公司虧損	299	791
Operating loss before working capital changes	營運資金變動前的營業虧損	(137,589)	(246,307)
Change in trade and bills payables	貿易應付款項及應付票據變動	(158,490)	259,608
Change in inventories	存貨變動	33,909	18,680
Change in trade and bills receivables	貿易應收款項及應收票據變動	(51,776)	(147,702)
Change in other payables and accruals	其他應付款項及應計費用變動	268,966	(65,656)
Change in prepayments, other receivables and other assets	預付款、其他應收款項及其他資產變動	(24,563)	(29,296)
Cash used in operations	營運所用現金	(69,543)	(210,673)
Income tax paid	已付所得稅	230	(1,617)
Net cash used in operating activities	經營活動所用淨現金	(69,313)	(212,290)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2023 截至2023年12月31日止年度

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash flows from investing activities	投資活動所得現金流量		
Withdrawal of pledged deposits	提取已抵押存款	–	169,431
Interest received	已收利息	17,183	25,577
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	339	2,840
Repayment from associates	聯營公司償還款項	–	703
Advance to related parties and associates	墊款予關聯方及聯營公司	(2,665)	(169)
Payments for items of property, plant and equipment and right-of-use assets	就物業、廠房及設備項目及使用權資產付款	(498)	(91)
Net cash generated from investing activities	投資活動所得淨現金	14,359	198,291
Cash flows from financing activities	融資活動所得現金流量		
New bank and other borrowings	新銀行及其他借款	80,600	46,023
Advance from related parties and associates	來自關聯方及聯營公司的墊款	(116)	5,976
Advance from a director	來自一名董事的墊款	–	200
Repayment of bank and other borrowings	償還銀行及其他借款	(268)	(25,824)
Interest paid	已付利息	(3,797)	(11,208)
Guarantee fees and other charges	擔保費用及其他開支	(3,643)	(6,785)
Principal portion of lease liabilities	租賃負債的本金部分	(1,864)	(3,356)
Repayment to related parties and associates	償還關聯方及聯營公司款項	(5)	(391)
Share issuance cost	股份發行成本	–	(116)
Net cash generated from financing activities	融資活動所得淨現金	70,907	4,519
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目的淨增加/(減少)	15,953	(9,480)
Cash and cash equivalents at beginning of year	年初現金及現金等值項目	2,391	11,953
Effect of foreign exchange rate changes, net	匯率變動淨影響	(17)	(82)
Cash and cash equivalents at end of year	年末現金及現金等值項目	18,327	2,391
Analysis of cash and cash equivalents	現金及現金等值項目分析		
Bank and cash balances	現金及銀行結餘	18,327	2,391

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

1. GENERAL INFORMATION

China Metal Resources Utilization Limited (the “Company”) was incorporated in the Cayman Islands on 22 February 2013.

The Company and its subsidiaries (together referred to as the “Group”) are principally engaged in the manufacturing and trading of copper and related products. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (“the Stock Exchange”) since 21 February 2014. In the opinion of the directors, the holding company and ultimate holding company of the Company is Epoch Keen Limited (“Epoch Keen”), which is incorporated in the British Virgin Islands (“BVI”).

The consolidated financial statements are presented in Renminbi (“RMB”), while the Company’s functional currency is Hong Kong Dollars (“HK\$”).

2. GOING CONCERN BASIS

The Group recorded a net loss of approximately RMB805,780,000 and RMB4,763,152,000 respectively for two consecutive years ended 31 December 2023 and 2022. As at 31 December 2023, the Group had net current liabilities of approximately RMB4,090,155,000 and net liabilities of approximately RMB3,507,212,000. By the end of the reporting period, the Group had cash and cash equivalents of approximately RMB18,327,000, while debts repayable within one year or on demand (including interest-bearing bank and other borrowings and note payables) were approximately RMB1,651,922,000. In addition, as at 31 December 2023, the Group had defaulted the repayment of interest-bearing bank and other borrowings and note payables of approximately RMB1,548,000,000 and RMB23,922,000 respectively. In addition, as described in note 37 to the consolidated financial statements, as at 31 December 2023, the Group was also involved in various litigations resulting in the freezing of several bank accounts and the seizure of property, plant and equipment, right-of-use assets and inventories. All these conditions indicated the existence of material uncertainties which may cast significant doubt as to the Group’s ability to continue as a going concern.

1. 一般資料

中國金屬資源利用有限公司(「本公司」)於2013年2月22日在開曼群島註冊成立。

本公司及其附屬公司(統稱「本集團」)主要從事銅及相關產品的生產及貿易業務。本公司股份自2014年2月21日起在香港聯合交易所有限公司(「聯交所」)主板上市。董事認為，本公司的控股公司及最終控股公司為時建有限公司(「時建」)，該公司於英屬處女群島(「英屬處女群島」)註冊成立。

綜合財務報表以人民幣(「人民幣」)呈列，而本公司之功能貨幣為港元(「港元」)。

2. 持續經營基準

本集團於截至2023年及2022年12月31日止兩個連續年度分別錄得淨虧損約人民幣805,780,000元及人民幣4,763,152,000元。於2023年12月31日，本集團的淨流動負債約為人民幣4,090,155,000元，而淨負債則約為人民幣3,507,212,000元。於報告期末前，本集團的現金及現金等值項目約為人民幣18,327,000元，而應於一年內或按要求償還的債務(包括計息銀行及其他借款以及應付票據)約為人民幣1,651,922,000元。此外，於2023年12月31日，本集團未能償還計息銀行及其他借款以及應付票據分別約人民幣1,548,000,000元及人民幣23,922,000元。此外，誠如綜合財務報表附註37所述，於2023年12月31日，本集團亦因面臨多項訴訟而凍結數個銀行戶口以及物業、廠房及設備、使用權資產及存貨遭查封。所有該等狀況表明存在重大不確定性，可能對本集團持續經營業務的能力帶來重大疑問。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

2. GOING CONCERN BASIS *(Continued)*

In light of the above, the Directors of the Company have implemented, or in the process of implementing various financial plans and measures to mitigate the liquidity pressure and to improve its financial position. These measures included but not limited to the followings:

- (i) The Group is in the process of restructuring the debt. Mianyang Tongxin Copper Co., Ltd. (綿陽銅鑫銅業有限公司) (“Tongxin”), a wholly-owned subsidiary of the Company; and Mianyang Jin Xunhuan Metal Materials Co., Ltd. (綿陽金循環金屬材料有限公司) (“Jin Xunhuan”), an indirect wholly-owned subsidiary of the Company, were both undergoing a restructuring with the existing debt holders in accordance with the applicable provisions of the Enterprise Bankruptcy Law in the People’s Republic of China (the “PRC”). The restructuring involved the filing of a voluntary application for bankruptcy reorganisation with the People’s Court of Youxian District (the “Youxian Court”) in the Mianyang City, Sichuan Province, the PRC. On 3 January 2023, the Company received from the Youxian Court concerning the Youxian Court’s civil rulings, court decisions and notice to the Relevant Subsidiaries (collectively known as “Youxian Court Documents”) regarding the reorganisation. Pursuant to which, the Youxian Court Documents indicated that the Youxian Court accepted the application from the Tongxin and Jin Xunhuan for bankruptcy reorganisation in accordance with the Enterprise Bankruptcy Law in the PRC. The first creditors’ meeting was held on 28 March 2023.

In addition to the bankruptcy reorganisations of Tongxin and Jin Xunhuan, Mianyang Baohe Taiyue Communications Cable Co. Ltd. (綿陽保和泰越通信線纜有限公司) (“Taiyue”), an indirect wholly-owned subsidiary of the Company, is undergoing restructuring its existing indebtedness with existing debt holders through the applicable provisions of the Enterprise Bankruptcy Law of the PRC. A voluntary application for the aforementioned bankruptcy reorganization of Taiyue (the “Taiyue Bankruptcy Reorganisation Application”) has been filed with the Youxian Court on 18 May 2023. On 24 May 2023, Taiyue received the Youxian Court’s civil ruling dated 23 May 2023. According to the civil ruling dated 23 May 2023, the Youxian Court has accepted the Taiyue Bankruptcy Reorganisation Application.

2. 持續經營基準 (續)

基於上文所述，本公司董事已經實施或正在實施各種財務計劃及措施以減輕流動資金壓力及改善其財務狀況。該等措施包括但不限於以下各項：

- (i) 本集團正進行債務重整。綿陽銅鑫銅業有限公司(「銅鑫」，本公司之全資附屬公司)；及綿陽金循環金屬材料有限公司(「金循環」，本公司之間接全資附屬公司)均按《中華人民共和國(「中國」)企業破產法》適用條文正與現有債務持有人進行重整。重整牽涉向中國四川省綿陽市遊仙區人民法院(「遊仙法院」)提交自願破產重整申請。於2023年1月3日，本公司收到來自遊仙法院有關重整的遊仙法院民事裁定書、法院決定書以及相關附屬公司之通告(統稱「遊仙法院文件」)。據此，遊仙法院文件表明遊仙法院已接納銅鑫及金循環根據《中國企業破產法》之破產重整申請。第一次債權人會議已於2023年3月28日舉行。

除銅鑫與金循環之破產重整，綿陽保和泰越通信線纜有限公司(「泰越」，本公司之間接全資附屬公司)正與現有債務持有人透過《中國企業破產法》適用條文重整其現有債務。上述有關泰越的自願破產重整申請(「泰越破產重整申請」)已於2023年5月18日提交遊仙法院。於2023年5月24日，泰越收到日期為2023年5月23日之遊仙法院民事裁定書。根據日期為2023年5月23日之民事裁定書，遊仙法院已接納泰越破產重整申請。

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

2. GOING CONCERN BASIS *(Continued)*

(i) *(Continued)*

Hunan Yinlian Xiangbei Copper Co., Ltd. (湖南銀聯湘北銅業有限公司) (“Yinlian Xiangbei”), an indirect wholly-owned subsidiary of the Company, received a civil ruling (the “Civil Ruling”) from the People’s Court of Miluo City, Hunan Province (the “Court of Miluo City”) in relation to a petition for winding-up against Yinlian Xiangbei filed by Hunan Miziyuan Asset Holdings Co., Ltd. (湖南汨之源實業集團有限公司) (“Miziyuan”), a creditor of Yinlian Xiangbei, on the ground that Yinlian Xiangbei was unable to repay the debts falling due. The debts involved were in the amount of approximately RMB11.9 million. Yinlian Xiangbei opposed the petition and applied to the Court of Miluo City for bankruptcy reorganisation instead. According to the Civil Ruling, after taking into account the situation of Yinlian Xiangbei and the bankruptcy reorganisation of the Company’s other three subsidiaries in Mianyang City, Sichuan Province, the Court of Miluo City rejected Miziyuan’s petition for winding-up and accepted Yinlian Xiangbei’s bankruptcy reorganisation application on 21 July 2023. The first creditor’s meeting was held on 5 January 2024.

Hubei Rongsheng Copper Co., Ltd* (湖北融晟金屬製品有限公司) (“Hubei Rongsheng”), an indirect wholly-owned subsidiary of the Company, received a decision dated 12 September 2023 and notice to Hubei Rongsheng dated 12 September 2023 from the People’s Court of Yunmeng County, Hubei Province in relation to Hubei Rongsheng’s application for pre-restructuring in accordance with the pre-restructuring procedure under the applicable provisions of the Enterprise Bankruptcy Law of the People’s Republic of China to prepare for its intended bankruptcy reorganisation application on 12 September 2023.

Tongxin, Jin Xunhuan, Taiyue, Yinlian Xiangbei and Hubei Rongsheng are collectively known as the “Relevant Subsidiaries”;

(ii) The Company has been negotiating with Huarong (as defined in note 29) for further extension of the Huarong CBs (as defined in note 29) (Huarong CBs has been reclassified as other borrowings during the year ended 31 December 2023), which were matured and fall due on 31 December 2022 and with creditors, banks, financial institutions and note holders for alternative refinancing and/or extension of the due dates;

2. 持續經營基準 *(續)*

(i) *(續)*

湖南銀聯湘北銅業有限公司(「銀聯湘北」, 本公司之間接全資附屬公司)收到來自湖南省汨羅市人民法院(「汨羅市法院」), 有關湖南汨之源實業集團有限公司(「汨之源」, 銀聯湘北的債權人)由於銀聯湘北未能於到期前償還債務而針對銀聯湘北提呈清盤呈請的民事裁定書(「民事裁定書」)。該項債務涉及約人民幣11.9百萬元。銀聯湘北反對該呈請並向汨羅市法院申請破產重整。根據民事裁定書, 經考慮銀聯湘北之處境及本公司於四川省綿陽市其他三間附屬公司之破產重整, 汨羅市法院駁回汨之源之清盤呈請及接納銀聯湘北於2023年7月21日之破產重整申請。第一次債權人會議已於2024年1月5日舉行。

湖北融晟金屬製品有限公司(「湖北融晟」, 本公司之間接全資附屬公司)收到來自河北省雲夢縣人民法院日期為2023年9月12日的決定書及日期為2023年9月12日致湖北融晟的通告, 有關湖北融晟根據《中華人民共和國企業破產法》適用條文下預重整程序之預重整申請, 以準備2023年9月12日其有意之破產重整申請。

銅鑫、金循環、泰越、銀聯湘北及湖北融晟統稱「相關附屬公司」;

(ii) 本公司已與華融(定義見附註29)就進一步延長華融可換股債券(定義見附註29)(華融可換股債券已於截至2023年12月31日止年度重新分類為其他借款)於2022年12月31日的到期日及與債權人、銀行、金融機構及票據持有人磋商替代再融資及/或延長到期日;

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綜合財務報表附註

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2. GOING CONCERN BASIS *(Continued)*

- (iii) The Group has been liaising with banks and financial institutions from which cross default clauses as stipulated in the relevant loan agreements were breached by the Group;
- (iv) The Group has been actively seeking other financing arrangements with a view to obtain new funding, including but not limited to convertible bonds with amount ranged of RMB400 million from investors, subject to certain conditions;
- (v) The Group has been endeavouring to improve the Group's operating performance and cash flows through cost control measures and working capital management to maintain sufficient liquidity; and
- (vi) The Group has been in the process of resolving the Group's litigation to release the freezing orders on bank accounts and seizure orders on property, plant and equipment, right-of-use assets and inventories.

The Directors of the Company are of the opinion that future cash flow generated from operation together with the financial plans and measures will be sufficient to repay all these liabilities. The directors of the Company are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Although the Directors of the Company have formulated a number of plans and taken a number of measures, there are still significant uncertainties as to whether the Group will be able to implement its plans and measures. The Group's ability to continue as a going concern is dependent on the following matters:

- (i) Successful completion of the restructuring by Relevant Subsidiaries;
- (ii) Successful negotiation with an offshore lender on debt extension;
- (iii) The Group's ability to seek cooperation with banks and financial institutions for which cross default clauses were breached;
- (iv) The Group's ability to scale down its operation while maintaining positive ongoing business relationship with the Group's suppliers;

2. 持續經營基準 (續)

- (iii) 本集團已聯絡因本集團違反相關借貸條約中訂明交叉違約條款之銀行及金融機構；
- (iv) 本集團已積極尋求其他融資安排以期獲取新資金，包括但不限於向投資者發行金額介乎人民幣400百萬元之可換股債券，惟須受若干條件所規限；
- (v) 本集團一直努力透過成本控制措施及營運資金管理改善本集團的營運表現及現金流量，以維持充足的流動資金；及
- (vi) 本集團正在解決本集團之訴訟以解除銀行戶口的凍結令和物業、廠房及設備、使用權資產及存貨的查封令。

本公司董事認為，未來經營產生的現金流量以及財務計劃及措施將足以償還所有該等負債。本公司董事因而認為按持續經營基準編製綜合財務報表屬適當。

儘管本公司董事已制訂數項計劃以及實行數項措施，本集團能否繼續實行其計劃及措施仍然有重大不確定性。本集團持續經營業務的能力基於下列事項：

- (i) 成功完成相關附屬公司之重整；
- (ii) 成功與境外借貸人就債務延期進行協商；
- (iii) 本集團尋求與已違反交叉違約條款之銀行及金融機構合作的能力；
- (iv) 本集團縮減經營規模同時與本集團供應商維持正面持續業務關係的能力；

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2. GOING CONCERN BASIS *(Continued)*

- (v) The Group's ability to successfully obtain new source of funding; and
- (vi) The Group's ability to successfully resolve the pending litigations of the Group and releasing freeze of bank accounts and seizure of property, plant and equipment, right-of-use assets and inventories.

Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") that are relevant to its operations and effective for its accounting year beginning on 1 January 2023. IFRSs comprise International Financial Reporting Standards; International Accounting Standards ("IAS") and Interpretations. The adoption of these new and revised IFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised IFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRSs but is not yet in a position to state whether these new and revised IFRSs would have a material impact on its results of operations and financial position.

2. 持續經營基準 (續)

- (v) 本集團成功獲取新資金來源的能力；及
- (vi) 本集團成功解決本集團之未決訴訟、解除凍結銀行戶口及解除查封物業、廠房及設備、使用權資產及存貨的能力。

倘本集團未能持續經營業務，將會調整綜合財務報表以調整本集團的資產值至其可收回金額，就可能產生的任何進一步負債作出撥備，及將非流動資產及負債分別重新分類為流動資產及負債。該等調整的影響尚未在綜合財務報表內反映。

3. 應用新訂及經修訂國際財務報告準則

於本年度，本集團已採納由國際會計準則理事會（「國際會計準則理事會」）所頒佈的所有與其業務有關且於2023年1月1日開始的會計年度生效的新訂及經修訂國際財務報告準則（「國際財務報告準則」）。國際財務報告準則包括國際財務報告準則；國際會計準則（「國際會計準則」）；及詮釋。採納該等新訂及經修訂國際財務報告準則並無對本集團於本年度及過往年度的會計政策、本集團綜合財務報表呈列方式及所呈報金額造成重大變動。

本集團並無應用已頒佈但尚未生效的新訂及經修訂國際財務報告準則。本集團已開始評估該等新訂及經修訂國際財務報告準則的影響，但尚不能闡明該等新訂及經修訂國際財務報告準則是否會對其經營業績及財務狀況造成重大影響。

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4. MATERIAL ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention. The consolidated financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of the consolidated financial statements in conformity with IFRSs requires the use of certain key assumptions and estimates. It also requires the directors of the Company to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5.

The material accounting policies applied in the preparation of the consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

4. 重大會計政策

綜合財務報表乃根據國際會計準則理事會頒佈的國際財務報告準則、香港公認會計原則以及香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例之適用披露規定編製。

綜合財務報表乃根據歷史成本慣例編製。綜合財務報表以人民幣呈列，而除另有列明外，所有數值均已湊整至最接近千位。

編製符合國際財務報告準則之綜合財務報表須採用若干主要假設及估計，亦要求本公司董事在應用會計政策之過程中作出判斷。涉及重大判斷之範疇及其假設及估計對該等綜合財務報表有重大影響之範疇於附註5披露。

編製綜合財務報表時應用之重大會計政策載列如下。

綜合賬目

綜合財務報表包括本公司及其附屬公司直至12月31日為止的財務報表。附屬公司為本集團對其擁有控制權的實體。當本集團藉參與實體業務承受或有權享有可變回報，且有能力透過對實體的權力影響該等回報時，本集團即控制該實體。當本集團現有擁有權利賦予其目前主導相關業務（即大幅影響該實體回報的業務）的能力時，本集團即對該實體擁有權力。

在評估控制權時，本集團會考慮其潛在表決權以及其他人士持有的潛在表決權，以釐定其是否擁有控制權。只有在持有人能實際行使潛在表決權的情況下，方會考慮該權利。

附屬公司由其控制權轉至本集團當日起綜合入賬，並由控制權終止當日起停止綜合入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. 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 the owners of the Company.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

4. 重大會計政策 (續)

綜合賬目 (續)

出售附屬公司(導致失去控制權)的收益及虧損指(i)銷售代價的公平值加於該附屬公司保留的任何投資的公平值與(ii)本公司分佔該附屬公司的淨資產加與該附屬公司有關係的任何剩餘商譽及任何相關累計外幣換算儲備間的差額。

集團內公司間的交易、結餘及未變現溢利會作對銷。未變現虧損亦會對銷，除非該項交易有證據顯示所轉讓資產出現減值則作別論。附屬公司的會計政策會於必要時作出調整，確保符合本集團所採納的政策。

損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股股東，即使此舉導致非控股權益出現虧絀結餘。

當本公司於附屬公司的擁有權權益出現變動而未有導致失去控制權時，該等變動按權益交易(即以擁有人身份與擁有人進行的交易)入賬。控股及非控股權益的賬面金額會作調整，以反映彼等於附屬公司相對權益的變動。非控股權益經調整的金額與已付或已收代價的公平值之間的任何差額直接於權益確認並歸屬於本公司擁有人。

業務合併及商譽

於業務合併中收購附屬公司使用收購法入賬。收購成本按於收購日所給予資產、所發行權益工具、所產生負債及或然代價之公平值計量。有關收購之成本於產生及獲得服務之期間內確認為開支。收購中附屬公司之可識別資產及負債按該等項目於收購日期之公平值計量。

收購成本超出本公司應佔附屬公司可識別資產及負債之公平淨值之差額記作商譽。本公司應佔可識別資產及負債之公平淨值超出收購成本之任何差額於綜合損益內確認為本公司應佔之議價購買收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Business combination and goodwill (Continued)

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investments at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

4. 重大會計政策 (續)

業務合併及商譽 (續)

倘過往所持附屬公司之股權之價值變動已於其他全面收益內確認(如按公平值計入其他全面收益的股本投資),則於其他全面收益確認之金額按過往所持股權被出售時所須之相同基準確認。

商譽會每年進行減值測試,或於有事件或情況改變顯示可能出現減值時更頻繁地進行減值測試。商譽按成本減累計減值虧損計量。商譽減值虧損之計量方法與下文會計政策所述其他資產之計量方法相同。商譽之減值虧損於綜合損益內確認,且隨後不予撥回。就減值測試而言,商譽會分配至預期因收購之協同效益而獲益之現金產生單位。

聯營公司

聯營公司指本集團能對其行使重大影響力之實體。重大影響力指可參與實體之財務及營運政策決定但不能控制或共同控制該等政策之權力。在評估本集團是否擁有重大影響力時,會考慮目前可行使或可轉換之潛在投票權(包括其他實體持有之潛在投票權)存在與否及其影響。在評估潛在投票權能否產生重大影響力時,不會考慮有人行使或轉換該權利之意向及財政能力。

於聯營公司之投資以權益法於綜合財務報表入賬,並初步按成本計量。於收購時,聯營公司之可識別資產及負債按於收購日期之公平值計量。收購成本超出本集團應佔該聯營公司可識別資產及負債之公平淨值之差額列為商譽。商譽計入投資之賬面值,而倘有客觀證據顯示投資出現減值,則於各報告期末連同投資進行減值測試。本集團應佔可識別資產及負債之公平淨值超出收購成本之差額於綜合損益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Associates (Continued)

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB. The Company's functional currency is Hong Kong Dollars. The directors consider that choosing RMB as the presentation currency best suits the needs of the shareholders and investors.

4. 重大會計政策 (續)

聯營公司 (續)

本集團應佔聯營公司之收購後損益於綜合損益表內確認，而其應佔之收購後儲備變動於綜合儲備表確認。累計收購後變動就投資之賬面值予以調整。倘本集團應佔聯營公司之虧損等於或超出其於聯營公司之權益(包括任何其他無抵押應收款項)，則本集團不會確認進一步虧損，除非其已代表聯營公司承擔責任或作出付款。倘聯營公司其後呈報溢利，則本集團僅在其應佔溢利等於未確認應佔虧損後，方會重新確認其應佔溢利。

在導致喪失重大影響力之情況下，出售聯營公司之損益相當於(i)出售代價之公平值加上保留於該聯營公司之任何投資之公平值與(ii)本集團應佔該聯營公司之淨資產加上與該聯營公司相關之任何剩餘商譽及任何相關累計外幣換算儲備之差額。倘於聯營公司之投資成為於合營公司之投資，則本集團繼續應用權益法，不會重新計量保留權益。

本集團與其聯營公司間之交易之未變現溢利按本集團於聯營公司之權益對銷。未變現虧損亦予以對銷，除非該交易中有證據顯示所轉讓資產已出現減值。聯營公司之會計政策已在有需要時作出變更，以確保符合本集團所採納之政策。

外幣換算

(a) 功能及呈列貨幣

本集團各實體的財務報表內項目均以該實體業務所在主要經濟環境通行的貨幣(「功能貨幣」)計量。本公司的功能貨幣為港元。董事認為選擇人民幣為呈列貨幣最能符合股東及投資者需要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

(b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(c) Translation on consolidation

The results and financial position of all the group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- (ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- (iii) All resulting exchange differences are recognised in the foreign currency translation reserve.

4. 重大會計政策 (續)

外幣換算 (續)

(b) 各實體財務報表的交易及結餘

外幣交易於初始確認時使用交易日期的通行匯率換算為功能貨幣。以外幣為單位的貨幣資產及負債按各報告期末的通行匯率換算。此換算政策產生的利得及虧損於損益內確認。

按公平值計量之外幣非貨幣項目按釐定公平值當日之匯率換算。

倘非貨幣項目之盈虧於其他全面收益確認，則該盈虧之任何匯兌部份於其他全面收益確認。倘非貨幣項目之盈虧於損益確認，則該盈虧之任何匯兌部份於損益確認。

(c) 綜合賬目時進行換算

功能貨幣與本公司的呈報貨幣不同的所有本集團實體的業績及財務狀況均按以下方法換算為本公司的呈報貨幣：

- (i) 於各財務狀況表呈列的資產及負債均按該財務狀況表日期的結算利率換算；
- (ii) 收入及支出均按平均匯率換算，除非該平均值並非為按於交易日期的匯率累計影響的合理近似值，在此情況下，收入及支出乃按交易日期匯率換算；及
- (iii) 一切因此而產生的匯兌差額均在外幣換算儲備內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

(c) Translation on consolidation (Continued)

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Property, plant and equipment

Land and buildings comprise mainly factories and offices. Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Buildings	The shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years after the date of completion
Plant and machinery	5 to 10 years
Furniture, fittings and equipment	3 to 10 years
Motor vehicles	3 to 10 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

4. 重大會計政策 (續)

外幣換算 (續)

(c) 綜合賬目時進行換算 (續)

於綜合賬目時，換算境外實體的投資淨額及借款所產生的匯兌差額於外幣換算儲備內確認。當境外業務被出售時，有關匯兌差額作為出售的收益或虧損的一部份於綜合損益內確認。

因收購海外實體而產生的商譽及公平值調整，均作為有關海外實體的資產與負債，並按收市匯率換算。

物業、廠房及設備

土地及樓宇主要包括廠房及辦公室。物業、廠房及設備乃按成本減累計折舊及減值虧損列賬。

僅於有關項目的未來經濟利益很可能流入本集團而該項目成本能可靠計量時，後續成本方會計入資產賬面值中，或確認為個別資產（視適用情況而定）。所有其他維修及保養於產生期間於損益確認。

物業、廠房及設備的折舊乃按足以撇銷其成本減剩餘價值的比率，於估計可使用年期內使用直線法計算。主要年率如下：

樓宇	未屆滿租賃期及其估計可使用年期（自完成日期起計不超過20年）（以較短者為準）
廠房及機器	5至10年
傢俬、固定裝置及設備	3至10年
汽車	3至10年

剩餘價值、可使用年期及折舊方法於各報告期末予以檢討，並作出調整（倘適用）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Construction in progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rate is as follows:

Leasehold land	Over the lease term
Properties	Over the lease term
Plant and machinery	5 to 10 years
Furniture, fittings and equipment	3 to 10 years
Motor vehicles	3 to 10 years

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US\$5,000 (approximately equivalent to RMB35,000).

4. 重大會計政策 (續)

物業、廠房及設備 (續)

在建工程指在建樓宇及等待安裝的廠房及機器，並按成本減去減值虧損列賬。當有關資產可供使用時，折舊即開始。

出售物業、廠房及設備的收益或虧損為相關資產銷售所得款項淨額與賬面值之間的差額，並於損益確認。

租賃

本集團作為承租人

租賃於租賃資產可供本集團使用時確認為使用權資產及相應租賃負債。使用權資產按成本減累計折舊及減值虧損列賬。使用權資產於資產之可使用年期或租期（以較短者為準）內以直線法按撇銷其成本之利率計算折舊。主要年率如下：

租賃土地	租期內
物業	租期內
廠房及機器	5至10年
傢俬、固定裝置及設備	3至10年
汽車	3至10年

使用權資產按成本（包括租賃負債之初步計量金額、預付租賃款項、初始直接成本及恢復成本）計量。租賃負債包括經使用租賃隱含之利率（倘該利率能夠釐定）或本集團之增量借貸利率貼現之租賃款項淨現值。各筆租賃款項於負債與融資成本之間分配。融資成本於租期內自損益扣除，以使租賃負債剩餘結餘之週期利率保持固定。

與短期租賃及低價值資產租賃相關之付款於租期內以直線法於損益表內確認為開支。短期租賃指初始租期為12個月或以下之租賃。低價值資產指價值低於5,000美元（相等於約人民幣35,000元）之資產。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Construction contracts in progress

Construction contracts in progress are stated at the lower of cost and net realisable value. Cost comprises materials, direct labour, borrowing costs capitalised and other direct costs attributable to such contracts. Net realisable value is determined by reference to the contract prices.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

4. 重大會計政策 (續)

存貨

存貨按成本與可變現淨值兩者的較低者列賬。成本按加權平均基準釐定。製成品及在製品的成本包括原材料、直接人工及所有生產經常開支的應佔部份及分包費用(如適用)。可變現淨值按一般業務過程的估計銷售價格減去估計完成成本及估計銷售所需成本計算。

在建工程合約

在建工程合約按成本與可變現淨值的較低者列賬。成本包括材料、直接勞工、資本化的借貸成本及其他可歸屬此類合約的直接成本。可變現淨值乃經參考合約價格釐定。

確認及終止確認金融工具

本集團於成為工具合約條文之訂約方時可在財務狀況表中確認金融資產及金融負債。

於收取資產現金流量之合約權利屆滿時；本集團轉讓資產擁有權之絕大部分風險及回報時；或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，但不保留資產之控制權時，將終止確認金融資產。終止確認一項金融資產時，資產賬面值與已收代價之間之差額於損益內確認。

倘相關合約訂明之責任解除、註銷或失效，則終止確認金融負債。已終止確認之金融負債賬面值與已付代價之差額於損益內確認。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost

(i) Financial assets at amortised cost

Financial assets (including trade, loan and other receivables) are classified under this category if they satisfy both of the following conditions:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

4. 重大會計政策 (續)

金融資產

金融資產是就購入或出售合約條款規定須於有關市場指定之時間框架內交收之資產按交易日期基準確認入賬及終止確認，並按公平值加直接交易成本作初步確認，惟經損益按公平值計算之投資則除外。收購透過損益按公平值列賬之投資直接應佔交易成本即時於損益確認。

本集團之金融資產按以下類別分類：

- 按攤銷成本計量的金融資產

(i) 按攤銷成本計量的金融資產

倘金融資產(包括貿易、貸款及其他應收款項)符合以下條件則被分為此類別：

- 資產由一個旨在通過持有資產收取合約現金流量的業務模式所持有；及
- 資產之合約條款於特定日期產生之現金流量僅為支付本金及尚未償還本金之利息。

該等金融資產其後採用實際利息法按攤銷成本減預期信貸虧損之虧損撥備計量。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("lifetime expected credit losses") for trade receivables or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

4. 重大會計政策 (續)

預期信貸虧損的虧損撥備

本集團就按攤銷成本列賬的金融資產的預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，並以發生違約風險的金額作為加權數值。

於各報告期末，倘金融工具的信貸風險自初始確認以來已大幅增加，本集團將按相等於該金融工具的預計存續期內所有可能發生的違約事件導致的預期信貸虧損（「存續期預期信貸虧損」）的金額就貿易應收款項計量一項金融工具的虧損撥備。

於報告期末，倘金融工具（貿易應收款項除外）的信貸風險自初步確認後並未大幅增加，則本集團將按相等於存續期預期信貸虧損部份（指報告期後12個月內可能發生的違約事件所導致的該金融工具的預期信貸虧損）的金額計量該金融工具的虧損撥備。

預期信貸虧損金額或為調整報告期末虧損撥備至所需金額所作撥回金額乃於損益確認為減值收益或虧損。

現金及現金等值項目

就現金流量表而言，現金及現金等值項目指銀行及手頭現金、存放於銀行及其他金融機構的活期存款，以及短期高流通性的投資（可即時轉換為已知數額現金及受極輕微價值變動風險所限）。現金及現金等值項目亦包括須按要求償還及為本集團整體現金管理一部份的銀行透支。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Convertible loans

Convertible loans which entitle the holder to convert the loans into a fixed number of equity instruments at a fixed conversion price are regarded as compound instruments consist of a liability and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The fair value of any derivative features embedded in the compound instruments is included in the liability component. The difference between the proceeds of issue of the convertible loans and the fair values assigned to the liability component, representing the embedded option for the holder to convert the loans into equity of the Group, is included in equity as capital reserve. The liability component is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption. The derivative components are measured at fair value with gains and losses recognised in profit or loss.

If the identifiable consideration received by the Group appears to be less than the fair value of the convertible loans issued, the Group measures the unidentifiable services received (to be received) as the difference between the fair value of the convertible loans issued and that of the identifiable consideration received, and the difference is recognised in profit or loss.

Transaction costs are apportioned between the liability and equity components of the convertible loans based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly to equity.

4. 重大會計政策 (續)

金融負債及權益工具

金融負債及權益工具乃按所訂立合約安排之內容及國際財務報告準則下金融負債及權益工具之釋義分類。權益工具為反映扣除所有負債後本集團資產剩餘權益之合約。下文載列就特定金融負債及權益工具所採納之會計政策。

可換股貸款

可換股貸款賦予持有者權利按固定轉換價將貸款轉換為固定數目的股權工具，被視為包括負債及權益部分的綜合工具。於發行日期，負債部分的公平值乃使用相似不可換股債務的現行市場利率進行估計。嵌入複合工具之任何衍生特徵的公平值計入負債組成部分。發行可換股貸款之所得款項或公平值與負債部分獲分配之公平值間之差額（即持有人將貸款轉換為本集團權益之內含選擇權）會計入權益內之資本儲備。負債部分利用實際利息法按攤銷成本列為負債，直至轉換或贖回時取消為止。負債部分以實際利率法按攤銷成本列為負債，直至獲轉換或贖回時清償為止。

倘本集團所收取的可辨識代價低於已發行可換股貸款的公平值，本集團應以已發行可換股貸款的公平值與已收取可辨識代價公平值之間的差額，計量已收取（將收取）未能辨識的服務，而有關差額應於損益內確認。

交易成本乃根據發行日期的相關賬面值在可換股貸款的負債及權益部分間分配。有關權益的部分直接計入權益。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
 - the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;
- or

4. 重大會計政策 (續)

借款

借款初始按公平值(扣除所產生的交易費用)確認,其後採用實際利率法按攤銷成本計量。

借款分類為流動負債,除非本集團擁有無條件權利將負債的償還遞延至報告期後至少十二個月。

貿易應付款項及其他應付款項

貿易應付款項及其他應付款項初步按公平值確認,其後則採用實際利率法按攤銷成本計量,惟如貼現影響並不重大,則以成本列賬。

股本工具

本公司發行的股本工具乃按已收取的所得款項扣除直接發行成本入賬。

客戶合約收益

收益乃按經參考業務慣例後與客戶訂立的合約所訂明的代價計量,且不包括代第三方收取的金額。就客戶付款與轉移已承諾產品或服務之間的期限超過一年的合約,代價會就重大融資部分的影響作出調整。

本集團透過將產品或服務的控制權轉移予客戶而完成其履約責任時確認收益。視乎合約的條款及適用於該合約的法律,履約責任可隨時間或於某一時間點完成。倘屬下列情況,履約責任乃隨時間完成:

- 當客戶同時取得及消費本集團履約所提供的利益;
- 當本集團的履約行為創建或改良一項其於被創建或改良時受客戶控制的資產;或

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

- 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.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other income

Interest income is recognised on a time-proportion basis using the effective interest method.

Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

The Group also participates in a defined contribution retirement scheme organised by the government in the PRC. The Group is required to contribute a specific percentage of the payroll of its employees to the retirement scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the retirement scheme. No forfeited contributions may be used by the employers to reduce the existing level of contributions.

4. 重大會計政策 (續)

客戶合約收益 (續)

- 當本集團的履約行為並無創建一項對本集團有替代用途的資產，及本集團對至今已完成的履約行為擁有可強制執行付款的權利。

倘履約責任屬隨時間完成，收益會經參考已完成履約責任的進度確認。否則，收益於客戶取得產品或服務的控制權之時確認。

其他收入

利息收入使用實際利息法按時間比例基準確認。

僱員福利

(a) 僱員休假權利

僱員的年假及長期服務假期權利乃於僱員享有有關權利時確認。本集團為截至報告期末僱員已提供的服務而產生的年假及長期服務假期的估計負債作出撥備。

僱員的病假及產假權利直至僱員正式休假時方予確認。

(b) 退休福利責任

本集團為所有僱員提供定額供款退休計劃。本集團及僱員向計劃作出的供款乃根據僱員基本薪金的百分比計算。於損益內扣除的退休福利計劃成本指本集團應付予有關基金的供款。

本集團亦參與中國政府組織之一項定額供款退休計劃。本集團須按指定比例之僱員薪金向退休計劃供款。該等供款於其根據退休金計劃規定應付時於損益內扣除。僱主不可使用沒收供款以降低現有供款水平。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 重大會計政策 (續)

僱員福利 (續)

(c) 離職福利

離職福利於本集團不能撤回提供該等福利時及本集團確認重組成本並涉及支付離職福利時(以較早日期為準)確認。

以股份為基礎之付款

本集團向若干董事及僱員發出以權益結算以股份為基礎之付款。以權益結算以股份為基礎之付款以授出當日之股本工具之公平值(撇除非市場歸屬條件之影響)計量。於授出以權益結算以股份為基礎之付款當日釐定之公平值根據本集團估計將最終歸屬之股份並就非市場歸屬條件之影響予以調整，於歸屬期內以直線法支銷。

借款成本

因收購、建設或生產合資格資產(即需要一段較長時間方可達致其擬定用途或出售的資產)而直接應佔的借款成本會撥充資本，作為該等資產的部分成本，直至該等資產大致上可作其擬定用途或出售時為止。在特定借款用作合資格資產支出前暫作投資所賺取的投資收入須自撥充資本的借款成本扣除。

就於一般情況及用作取得合資格資產而借入的資金而言，可撥充資本的借款成本金額乃按該項資產的支出所採用的資本化比率釐定。資本化比率為適用於本集團該期間內尚未償還借款(不包括就取得合資格資產而借入的特定借款)的加權平均借款成本。

所有其他借款成本均在產生期間於損益內確認。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grants relating to the purchase of assets are deducted from the carrying amount of the assets. The grant is recognised in profit or loss over the life of a depreciable asset by way of a reduced depreciation charge.

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. 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 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 重大會計政策 (續)

政府補助

政府補助於合理確保本集團將遵守有關補助的條件及可獲取有關補助後方會予以確認。

與收入相關之政府補貼會被遞延，使其與其擬補貼之成本配合於期內於損益確認。

作為已產生開支或虧損之補貼或為向本集團提供即時財務支援而成為應收款項且並無日後相關成本之政府補貼，於其成為應收款項之期間內於損益確認。

有關購買資產之政府補助於資產賬面值扣除。補助以扣減折舊法，按該須予折舊資產可用年期於損益中確認。

稅項

所得稅指即期稅項及遞延稅項的總和。

即期應付稅項按年內應課稅溢利計算。應課稅溢利與於損益內確認的溢利不同，原因是應課稅溢利不包括其他年度的應課稅或可予扣稅的收入或開支項目，亦不包括免稅或不可扣稅的項目。本集團的即期稅項負債按報告期末前已頒佈或實際頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相關稅基的差額確認。遞延稅項負債一般按所有應課稅暫時差額確認入賬，而遞延稅項資產則會在可能有應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認入賬。倘暫時差額因商譽或在不影響應課稅溢利及會計溢利的交易中初次確認(業務合併除外)其他資產及負債而產生，則有關資產及負債不予確認。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 重大會計政策 (續)

稅項 (續)

於附屬公司的投資產生的應課稅暫時差額乃確認為遞延稅項負債，惟本集團可控制暫時差額的撥回及有關暫時差額可能不會於可預見將來撥回則除外。

遞延稅項資產的賬面值於各報告期末進行檢討，並予以扣減直至不再可能有足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項乃根據於報告期末已實施或實質上已實施的稅率，按預期在負債償還或資產變現期間適用的稅率計算。遞延稅項乃於損益中確認，惟倘遞延稅項與於其他全面收入或直接於權益確認的項目相關，則在此情況下亦會在其他全面收入或直接於權益內確認。

遞延稅項資產及負債之計量反映本集團於報告期末預期收回或清償其資產及負債賬面值之方式所導致之稅務後果。

當有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，並涉及與同一稅務機關徵收的所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

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For the year ended 31 December 2023 截至2023年12月31日止年度

4. MATERIAL ACCOUNTING POLICIES (Continued)

Related parties

A related party is a person or entity that is related to the Group.

- (A) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (B) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (A).
 - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

4. 重大會計政策 (續)

關聯方

關聯方指與本集團有關聯的人士或實體。

- (A) 一名人士或其直系親屬符合以下條件即視為本集團的關聯方：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或本公司母公司的主要管理人員。
- (B) 符合以下任何條件的實體視為本集團的關聯方：
- (i) 該實體與本集團旗下實體為同一集團的成員公司(即各母公司、附屬公司及同系附屬公司之間相互關聯)。
 - (ii) 一間實體為另一實體的聯營公司或合營公司(或為另一實體所屬集團之成員公司的聯營公司或合營公司)。
 - (iii) 兩間實體均為同一第三方之合營公司。
 - (iv) 一間實體為第三方之合營公司，而另一實體為第三方之聯營公司。
 - (v) 該實體為本集團或本集團相關實體以僱員為受益人的離職福利計劃。倘本集團本身為該計劃，提供資助的僱主亦與本集團關聯。
 - (vi) 該實體由(A)項所訂明人士控制或共同控制。
 - (vii) 於(A)(i)項所訂明人士對該實體有重大影響或為該實體(或該實體母公司)的主要管理人員。
 - (viii) 該實體或該實體所屬集團旗下任何成員公司向本集團或本公司母公司提供主要管理人員服務。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and other intangible assets except goodwill, deferred tax assets, inventories and receivables 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 any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of cash-generating units ("CGU") to which the asset belongs.

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.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

4. 重大會計政策 (續)

分部報告

經營分部及財務報表所呈報各分部項目之金額，乃從為向本集團各項業務分配資源並評估其表現之目的而定期向本集團最高行政管理層提供之財務資料中識別出來。

個別重要之經營分部不會合計以供財務報告之用，除非該等分部具有相似經濟特徵且該等分部之產品及服務性質、生產工藝性質、客戶類別或階層、分銷產品或提供服務之方法以及監管環境性質均屬類似。並非個別重要之經營分部倘符合以上大部分條件，則可合計為一個報告分部。

資產減值

本集團於各報告期末審閱其有形及其他無形資產(商譽、遞延稅項資產、存貨及應收款項除外)之賬面值，藉以釐定是否有憑證顯示該等資產出現減值虧損。倘有任何出現減值虧損的憑證，則會估計該資產之可收回金額，以釐定任何減值虧損之程度。倘不可估計個別資產之可收回金額，則本集團估計該資產歸屬之現金產生單位(「現金產生單位」)的可收回金額。

可收回金額為公平值減去銷售成本及使用價值兩者之較高者。評估使用價值時，會採用反映現時市場對貨幣時間價值及針對該資產的風險評值的稅前貼現率，將估計未來現金流量貼現至其現值。

倘若一項資產或現金產生單位之可收回金額預計低於其賬面值，則該資產或現金產生單位之賬面值將減至其可收回金額。減值虧損即時於損益中確認，除非相關資產按重估數值列賬，在此情況下其減值虧損列為重估減值。

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4. MATERIAL ACCOUNTING POLICIES (Continued)

Impairment of assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU 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 (net of amortisation or depreciation) had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

4. 重大會計政策 (續)

資產減值 (續)

倘其後撥回減值虧損時，資產或現金產生單位之賬面值可調高至重新估計之可收回金額，惟因此而增加之賬面值不可高於該資產或現金產生單位於過往年度未確認減值虧損前之賬面值（扣除攤銷或折舊）。撥回之減值虧損即時於損益中確認，除非相關資產按重估數值列賬，在此情況下其撥回之減值虧損列為重估增值。

撥備及或然負債

如本集團須就已發生的事件承擔法律或推定責任，而又可能需要流出經濟利益以履行該項責任，本集團會在能夠可靠地估計涉及的金額時，為該項在時間上或金額上尚未確定的責任撥備。如金錢的時間價值重大，則會按預計履行該項責任所需開支的現值作出撥備。

若承擔有關責任可能無須付出流出經濟利益或無法可靠地估計涉及的金額，該責任便會以或然負債的形式披露，除非須流出經濟利益的可能性極低。對於僅可由日後是否發生某宗或多宗事件方可確定是否出現的潛在責任，亦會以或然負債的形式披露，除非須流出經濟利益的可能性極低。

報告期後事項

提供本集團於報告期末之狀況的額外資料或顯示持續經營假設並不適當的報告期後事項為調整事項，並反映於綜合財務報表內。並非調整事項的報告期後事項，倘屬重大時，於附註內披露。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATION

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements.

(a) Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which is explained in note 2 to consolidated financial statements.

(b) Income tax

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. Management carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of these transactions is reconsidered periodically by taking into account all changes in tax legislations. Deferred tax assets are recognised for deductible temporary differences. As deferred tax assets can only be recognised to the extent that it is probable that future taxable profit will be available, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets, if any, are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

(c) Withholding taxes arising from the distribution of dividends

In estimating the withholding taxes on dividends expected to be distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008, the directors have made an assessment based on factors including future profitability, the dividend policy and the level of capital and working capital required for the Group's operations in the foreseeable future. No deferred tax liabilities in respect of undistributed profits have been recognised as at 31 December 2023 (2022: nil) as the Company controls the dividend policy of these subsidiaries and it has been determined that it is not probable that these profits will be distributed in the foreseeable future.

5. 重要判斷及主要估計

應用會計政策時之重大判斷

應用會計政策時，董事已作出下列對在綜合財務報表已確認金額造成最重大影響之判斷。

(a) 持續經營基礎

該等綜合財務報表已按持續經營基準編製，其有效性於綜合財務報表附註2中闡述。

(b) 所得稅

釐定所得稅撥備涉及對若干交易的未來稅務處理作出判斷。管理層仔細評估交易的稅務影響，並作出相應的稅項撥備。該等交易的稅務處理經考慮所有稅務法規變動後定期重新進行考慮。遞延稅項資產乃就暫時性可扣減差額予以確認。由於僅在可能存在未來應課稅利潤時方會確認該等遞延稅項資產，故管理層須作出判斷以評定產生未來應課稅利潤的可能性。管理層的評估會持續進行評核，倘未來應課稅利潤可能令遞延稅項資產被收回，則額外確認遞延稅項資產（如有）。

(c) 派付股息產生的預扣稅項

在評估預期就該等在中國大陸成立的附屬公司自2008年1月1日起賺取的盈利所派發股息繳交的預扣稅時，董事已根據未來盈利能力、股息政策、資本水平及營運資金（以應付本集團於可見將來的業務所需）等因素作出評估。由於本公司控制該等附屬公司的股息政策且其已釐定該等盈利於可見將來不大可能分派，故於2023年12月31日概無就未派付溢利確認遞延稅項負債（2022年：無）。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATION

(Continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is determined with reference to the present value of estimated future cash flows. Where the future cash flows are less than expected or there are unfavourable events and change in facts and circumstance which result in revision of future estimate cash flows, a material impairment loss may arise.

(b) Provision for expected credit losses on trade receivables and other receivables

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

(c) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

5. 重要判斷及主要估計 (續)

主要估計不明朗因素

以下探討於報告期末有關未來之主要假設及估計不明朗因素之其他主要來源，該等假設及不明朗因素均存有重大風險，可能導致下一個財政年度之資產及負債賬面值須作出重大調整。

(a) 物業、廠房及設備以及使用權資產之減值

每當有事件或情況變化顯示資產賬面值超過其可收回金額時，本集團會審閱物業、廠房及設備以及使用權資產有否出現減值。可收回金額參照估計未來現金流量之現值釐定。倘未來現金流量少於預期，或者有不利事件以及事實及情況變化導致須修訂未來估計現金流量，則可能產生重大減值虧損。

(b) 貿易及其他應收款項的預期信貸虧損撥備

本集團根據對貿易及其他應收款項的可收回性作出的評估(包括各債務人的即期信譽及過往收款記錄)計提呆賬減值虧損。當事件或情形變動顯示餘額無法收回時出現減值。確認呆賬須使用判斷及估計。倘實際結果有別於初始估計，則該差額將對有關估計發生變動所在年度的貿易及其他應收款項以及呆賬開支的賬面值產生影響。

(c) 物業、廠房及設備及折舊

本集團釐定物業、廠房及設備的估計可使用年期、剩餘價值以及相關折舊開支。該等估計乃根據性質及功能相近的物業、廠房及設備實際可使用年期及剩餘價值的過往經驗而作出。當可使用年期及剩餘價值與原先估計者不同時，本集團會對折舊開支進行相應調整，或將已報廢或出售之技術過時或非策略資產註銷或撇減。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATION

(Continued)

Key sources of estimation uncertainty (Continued)

(d) Measurement of right-of-use assets and lease liabilities

The Group estimated the right-of-use assets and lease liabilities based on the terms of the rental agreements and the Group's incremental borrowing rate. Estimates are required in determining the Group's incremental borrowing rate.

(e) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

6. FINANCIAL AND CAPITAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Interest rate risk

The Group's certain bank deposits and borrowings bear interests at fixed interest rates and therefore are subject to fair value interest rate risks.

5. 重要判斷及主要估計(續)

主要估計不明朗因素(續)

(d) 使用權資產及租賃負債的計量

本集團根據租賃協議的條款及本集團的增量借款利率估算使用權資產及租賃負債。在確定本集團的增量借款利率時，需要進行估計。

(e) 滯銷存貨撥備

根據存貨的賬齡和估計可變現淨值計提滯銷存貨撥備。撥備金額之評估涉及判斷和估計。倘未來的實際結果有別於原先估計，則有關差額將影響有關估計發生變動之期間的存貨的賬面值以及支銷/撥回之撥備。

6. 金融及資本風險管理

本集團的業務令其承受多種財務風險：外幣風險、利率風險、信貸風險及流動資金風險。本集團的整體風險管理計劃專注於金融市場的不可預測性，並尋求將其對本集團財務表現的潛在不利影響降至最低。

(a) 外幣風險

由於本集團大部分業務交易、資產及負債主要以本集團實體之功能貨幣列值，故面對之外匯風險甚低。本集團現時並無就外匯交易、資產及負債制定外匯對沖政策。本集團將密切監控其外匯風險，並於需要時考慮對沖重大外匯風險。

(b) 利率風險

本集團的若干銀行存款及借款以固定利率計息，因此面對公允價值利率風險。

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6. FINANCIAL AND CAPITAL RISK MANAGEMENT

(Continued)

(b) Interest rate risk (Continued)

At 31 December 2023 and 2022, all of the Group's interest-bearing borrowings are fixed rate borrowings, no sensitivity analysis on interest rate risk is presented.

(c) Credit risk

The carrying amount of the trade and other receivables, deposits, amounts due from associates, amounts due from related parties and bank balances included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has no significant concentrations of credit risk.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk on bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Amounts due from associates and related parties are closely monitored by the directors.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- internal credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrower.

6. 金融及資本風險管理(續)

(b) 利率風險(續)

於2023年及2022年12月31日，本集團所有計息借款均為定息借款，故並無呈列利率風險的敏感度分析。

(c) 信貸風險

貿易應收款項及其他應收款項、存款、應收聯營公司款項、應收關聯方款項及銀行結餘於綜合財務狀況表內所列的賬面值為本集團就本集團的金融資產承擔的最高信貸風險。

本集團並無高度集中的信貸風險。

本集團訂有既定政策確保向具有良好信貸記錄的客戶銷售產品。

由於交易對手均為由國際信貸評級機構評定為高信貸評級的銀行，故有關銀行結餘的信貸風險屬有限。

應收聯營公司款項及應收關聯方款項由董事密切監察。

本集團比較金融資產於報告日期之違約風險與於初始確認日期之違約風險，以評估金融資產之信用風險有否於各報告期內按持續基準大幅增加。本集團亦考慮可得合理及有理據支持之前瞻性資料。尤其使用下列資料：

- 內部信貸評級；
- 預期導致借款人履行責任能力出現重大變動之業務、財務或經濟狀況之實際或預期重大不利變動；
- 借款人經營業績之實際或預期重大變動；
- 抵押品價值或擔保或信貸提升措施的質素出現重大變動；及
- 借款人預期表現及行為之重大變動，包括借款人之付款狀況變動。

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6. FINANCIAL AND CAPITAL RISK MANAGEMENT

(Continued)

(c) Credit risk (Continued)

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

The Group uses two categories for non-trade receivables which reflect their credit risk and how the loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category 類別	Definition 釋義	Loss provision 虧損撥備
Performing 正常	Low risk of default and strong capacity to pay 低違約風險及支付能力穩健	12 month expected losses 12個月預期虧損
Non-performing 不良	Significant increase in credit risk 信貸風險大幅增加	Lifetime expected losses 全期預期虧損

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

6. 金融及資本風險管理 (續)

(c) 信貸風險 (續)

倘債務人逾期支付合約款項超過30日，則假定信貸風險大幅增加。當對手方未能於合約款項到期日後180日內支付款項時，金融資產即出現違約。

當合理預期無法收回金融資產(如債務人未能與本集團達成還款計劃)時，金融資產即予撇銷。倘債務人逾期超過360日仍未能支付合約款項，則本集團一般會撇銷應收款項。倘應收款項被撇銷，則本集團在實際可行及符合經濟效益的情況下，繼續採取強制行動試圖收回到期應收款項。

本集團使用兩個非貿易應收款項類別，反映該等貸款之信貸風險及就各類別釐定虧損撥備之方式。於計算預期信貸虧損率時，本集團考慮各類別之歷史虧損率，並就前瞻性數據作出調整。

(d) 流動資金風險

本集團的政策為定期監察目前及預期的流動資金需要，以確保其維持充足的現金儲備應付短期及長期的流動資金需要。

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6. FINANCIAL AND CAPITAL RISK MANAGEMENT

(Continued)

(d) Liquidity risk (Continued)

The maturity analysis, based on undiscounted cash flows, of the Group's financial liabilities is as follows:

As at 31 December 2023 於2023年12月31日		On demand or less than 1 year 按要求或 一年以下 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-5 years 兩至五年 RMB'000 人民幣千元	Total undiscounted cash flows 總未折現 現金流 RMB'000 人民幣千元
		Trade and bills payables	貿易應付款項及 應付票據	789,709	-
Other payables and accruals	其他應付款項及 應計費用	915,232	-	-	915,232
Note payables	應付票據	23,922	-	-	23,922
Interest-bearing bank and other borrowings	計息銀行及其他 借款	1,631,675	-	-	1,631,675
Lease liabilities	租賃負債	386	-	-	386
Amounts due to a director	應付董事款項	207	-	-	207
Amounts due to associates	應付聯營公司款項	208	-	-	208
Amount due to a related party	應付一名關聯方款項	61,756	-	-	61,756
		3,423,095	-	-	3,423,095

6. 金融及資本風險管理(續)

(d) 流動資金風險(續)

本集團的金融負債根據未折現現金流付款的到期情況分析如下：

As at 31 December 2022 於2022年12月31日		On demand or less than 1 year 按要求或 一年以下 RMB'000 人民幣千元	1-2 years 一至兩年 RMB'000 人民幣千元	2-5 years 兩至五年 RMB'000 人民幣千元	Total undiscounted cash flows 總未折現 現金流 RMB'000 人民幣千元
		Trade and bills payables	貿易應付款項及 應付票據	1,613,636	-
Other payables and accruals	其他應付款項及 應計費用	565,872	-	-	565,872
Note payables	應付票據	23,511	-	-	23,511
Interest-bearing bank and other borrowings	計息銀行及其他 借款	1,338,370	-	-	1,338,370
Convertible bonds	可換股債券	231,720	-	-	231,720
Lease liabilities	租賃負債	2,188	379	-	2,567
Amounts due to a director	應付董事款項	207	-	-	207
Amounts due to associates	應付聯營公司款項	213	-	-	213
Amount due to a related party	應付一名關聯方款項	61,872	-	-	61,872
		3,837,589	379	-	3,837,968

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6. FINANCIAL AND CAPITAL RISK MANAGEMENT

(Continued)

(e) Categories of financial instruments at 31 December

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Financial assets Financial assets at amortised cost (including cash and cash equivalents)	金融資產： 按攤銷成本計量的金融資產 (包括現金及現金 等值項目)	278,506	987,222
Financial liabilities Financial liabilities at amortised cost	金融負債： 按攤銷成本計量的金融負債	3,419,034	3,835,401

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

(g) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes borrowings and amounts due to related parties, and equity attributable to owners of the Company, which includes share capital and reserves.

The Group's management reviews the capital structure regularly. The Group considers the cost of capital and the risks associated with each class of capital, and will balance its overall capital structure through the payment of dividends, issuance of new shares as well as raising of borrowings, if necessary.

6. 金融及資本風險管理 (續)

(e) 於12月31日的金融工具類別

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Financial assets Financial assets at amortised cost (including cash and cash equivalents)	金融資產： 按攤銷成本計量的金融資產 (包括現金及現金 等值項目)	278,506	987,222
Financial liabilities Financial liabilities at amortised cost	金融負債： 按攤銷成本計量的金融負債	3,419,034	3,835,401

(f) 公平值

綜合財務狀況表所列本集團金融資產及金融負債的賬面金額與公平值相若。

(g) 資本風險管理

本集團管理其資本以確保能夠持續經營，同時通過優化債務與權益間的平衡使利益相關者獲得最大回報。本集團的總體戰略自上年度以來維持不變。

本集團的資本結構包括債務(其中包括借款)及應付關聯方款項以及本公司擁有人應佔權益(其中包括資本及儲備)。

本集團管理層定期審核資本結構。本集團考慮與各類資本相關的資本成本和風險，並將通過支付股息、發行新股以及籌集借款(如必要)的方式平衡其整體資本結構。

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7. REVENUE AND SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (i) Recycled copper products segment: use of scrap copper and electrolytic copper for the manufacturing and trading of recycled copper products, and trading of electrolytic copper and nickel products;
- (ii) Power transmission and distribution cables segment: manufacturing and sales of power transmission and distribution cables; and
- (iii) Communication cables segment: manufacturing and sales of communication cables.

The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment results do not include certain interest income, non-lease-related finance costs, corporate and other unallocated expenses as well as share of losses of associate.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that certain interest income, corporate and other unallocated expenses, certain finance costs as well as share of loss of associates are excluded from such measurement.

A measurement of segment assets and liabilities is not provided regularly to the Group's most senior executive management and accordingly, no information about segment assets or liabilities is presented.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

7. 營業額及分部資料

就管理而言，本集團根據其產品及服務區分業務單位，並分為下列可呈報之三個經營分部：

- (i) 再生銅產品分部：使用廢銅及電解銅生產及買賣再生銅產品，以及買賣電解銅及鎳產品；
- (ii) 送配電纜分部：生產及銷售送配電纜；及
- (iii) 通信電纜分部：生產及銷售通信電纜。

本集團可報告分部為提供不同產品之策略性業務單位。由於各業務需要不同技術及市場推廣策略，故各分部獨立管理。

經營分部的會計政策與綜合財務報表附註4所列明者相同。分部業績並不包括若干利息收入、非租賃相關財務成本、企業及其他未分配開支以及應佔聯營公司虧損。

管理層單獨監察本集團各經營分部業績以作出有關資源分配及表現評估的決定。分部表現根據可呈報分部溢利（以經調整稅前溢利計量）予以評估。經調整稅前溢利按與計量本集團稅前溢利一致之方式計量，惟若干利息收入、企業及其他未分配開支、若干財務成本以及應佔聯營公司虧損均不計入該計量內。

由於並非定期向本集團最高級行政管理人員提供分部資產及負債之計量，因此並無呈列分部資產或負債資料。

本集團將分部間銷售及轉讓視作如向第三方按當時市價銷售或轉讓。

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7. REVENUE AND SEGMENT INFORMATION (Continued) 7. 營業額及分部資料(續)

(a) Segment results

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

(a) 分部業績

分部間銷售及轉讓乃參考按當時現行市價向第三方銷售所用的售價進行交易。

		2023 2023年			
		Recycled copper products 再生銅產品 RMB'000 人民幣千元	Power transmission and distribution cables 送配電纜 RMB'000 人民幣千元	Communication cables 通信電纜 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue	分部營業額				
Sales to external customers	向外部客戶進行銷售	833,966	3,498	240	837,704
Intersegment sales	分部間銷售	6,747	-	-	6,747
		840,713	3,498	240	844,451
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment sales	對銷分部間銷售				(6,747)
Revenue	營業額				837,704
Segment results	分部業績	(490,395)	(25,359)	(1,105)	(516,859)
<i>Reconciliation:</i>	<i>對賬:</i>				
Interest income	利息收入	7,085	-	-	7,085
Corporate and other unallocated expenses	企業及其他未分配開支				(52,713)
Finance costs	財務成本	(240,100)	(2,844)	(37)	(242,981)
Share of losses of associates	應佔聯營公司虧損				(299)
Loss before tax	稅前虧損				(805,767)
Other segment information	其他分部資料				
Depreciation and amortisation	折舊及攤銷	(31,867)	(9,328)	(1)	(41,196)
VAT refunds, government grants and subsidies	增值稅退稅、政府補助 及補貼	44,337	-	-	44,337
Impairment on advance payments to suppliers	墊付供應商款項減值	(208,106)	-	-	(208,106)
Provision for doubtful debts, net (Provision)/reversal of provision for inventories	呆賬撥備淨值 存貨(撥備)/撥備撥回	(140,503)	(688)	(787)	(141,978)
		(3,117)	616	-	(2,501)

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For the year ended 31 December 2023 截至2023年12月31日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued) 7. 營業額及分部資料(續)

(a) Segment results (Continued)

(a) 分部業績(續)

		2022 2022年			
		Recycled copper products 再生銅產品 RMB'000 人民幣千元	Power transmission and distribution cables 送配電纜 RMB'000 人民幣千元	Communication cables 通信電纜 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Segment revenue	分部營業額				
Sales to external customers	向外部客戶進行銷售	2,385,928	5,081	700	2,391,709
Intersegment sales	分部間銷售	4,278	-	-	4,278
		2,390,206	5,081	700	2,395,987
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment sales	對銷分部間銷售				(4,278)
Revenue	營業額				2,391,709
Segment results	分部業績	(4,459,753)	(65,457)	(25,494)	(4,550,704)
<i>Reconciliation:</i>	<i>對賬:</i>				
Interest income	利息收入	27,448	-	1	27,449
Corporate and other unallocated expenses	企業及其他未分配開支				(30,630)
Finance costs	財務成本	(201,773)	(4,026)	(750)	(206,549)
Share of losses of associates	應佔聯營公司虧損				(791)
Loss before tax	稅前虧損				(4,761,225)
Other segment information	其他分部資料				
Depreciation and amortisation	折舊及攤銷	(38,812)	(9,344)	(2,955)	(51,111)
VAT refunds, government grants and subsidies	增值稅退稅、政府補助 及補貼	105,791	-	44	105,835
Impairment on advance payments to suppliers	墊付供應商款項減值	(1,948,484)	-	-	(1,948,484)
Provision for doubtful debts, net	呆賬撥備淨值	(2,170,908)	(26,861)	(24,904)	(2,222,673)
Provision for inventories	存貨撥備	(69,829)	-	-	(69,829)

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For the year ended 31 December 2023 截至2023年12月31日止年度

7. REVENUE AND SEGMENT INFORMATION (Continued) 7. 營業額及分部資料(續)

(b) Geographic information

The Group carries out its business operations in the PRC, thus no separate geographical segment analysis based on the location of assets and the revenue and profit or loss are presented.

(c) Information about major customers

Revenue from each of the major customers, which contributed 10% or more to the Group's revenue, is set out below:

(b) 地區資料

本集團於中國經營業務，因此並無呈列按資產及營業額和損益所在地劃分的獨立地區分部分析。

(c) 有關主要客戶的資料

來自佔本集團營業額10%或以上的各主要客戶的收入營業額載列如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Recycled copper products segment	再生銅產品分部		
Customer A [#]	客戶A [#]	252,998	N/A 不適用
Customer B [*]	客戶B [*]	N/A 不適用	707,097
Customer C [*]	客戶C [*]	N/A 不適用	372,918
Customer D [*]	客戶D [*]	N/A 不適用	245,284
		252,998	1,325,299

[#] Customer A had less than 10% of the Group's revenue for the year ended 31 December 2022.

^{*} Customer B, C and D had less than 10% of the Group's revenue for the year ended 31 December 2023.

[#] 截至2022年12月31日止年度，客戶A佔本集團營業額不足10%。

^{*} 截至2023年12月31日止年度，客戶B、C及D佔本集團營業額不足10%。

8. REVENUE

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約營業額	837,704	2,391,709

Revenue from contracts with customers are mainly derived from manufacturing and sales of copper and related products in the PRC, of which the revenue was recognised at a point in time when goods were transferred.

8. 營業額

客戶合約營業額主要自中國生產及銷售銅及相關產品產生，其中營業額乃按貨品轉交時的時間點確認。

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

8. REVENUE (Continued)

The amount of each significant category of revenue is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Sales of recycled copper products	銷售再生銅產品	811,094	2,383,263
Sales of power transmission and distribution cables	銷售送配電纜	3,498	5,081
Sales of communication cables	銷售通信電纜	240	700
Sales of scrap materials	銷售廢棄材料	17,797	1,675
Others	其他	5,075	990
		837,704	2,391,709

8. 營業額(續)

各重大類別營業額金額如下：

Disaggregation of revenue from contracts with customers:

客戶合約營業額的分類：

		2023 2023年			
		Recycled copper products 再生銅產品 RMB'000 人民幣千元	Power transmission and distribution cables 送配電纜 RMB'000 人民幣千元	Communication cables 通信電纜 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Sales of recycled copper products	銷售再生銅產品	811,094	-	-	811,094
Sales of power transmission and distribution cables	銷售送配電纜	-	3,498	-	3,498
Sales of communication cables	銷售通信電纜	-	-	240	240
Sales of scrap materials	銷售廢棄材料	17,797	-	-	17,797
Others	其他	5,075	-	-	5,075
Total revenue from contracts with customers	客戶合約營業總額	833,966	3,498	240	837,704
Timing of revenue recognition	營業額確認時間				
Goods transferred at a point in time	於某個時間點轉讓貨品	833,966	3,498	240	837,704

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

8. REVENUE (Continued)

8. 營業額 (續)

		2022 2022年			
		Recycled copper products 再生銅產品 RMB'000 人民幣千元	Power transmission and distribution cables 送配電纜 RMB'000 人民幣千元	Communication cables 通信電纜 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Sales of recycled copper products	銷售再生銅產品	2,383,263	-	-	2,383,263
Sales of power transmission and distribution cables	銷售送配電纜	-	5,081	-	5,081
Sales of communication cables	銷售通信電纜	-	-	700	700
Sales of scrap materials	銷售廢棄材料	1,675	-	-	1,675
Others	其他	990	-	-	990
Total revenue from contracts with customers	客戶合約營業總額	2,385,928	5,081	700	2,391,709
Timing of revenue recognition	營業額確認時間				
Goods transferred at a point in time	於某個時間點轉讓貨品	2,385,928	5,081	700	2,391,709

Sale of goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 3 months from delivery, except for new customers, where payment in advance is normally required.

銷售貨品

履約責任於交付貨品時完成，而付款通常自交付後0至3個月內到期，惟就新客戶而言，則通常要求預先付款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2023 截至2023年12月31日止年度

9. OTHER INCOME/(EXPENSES), GAIN/(LOSS), NET 9. 其他淨收入/(開支)、收益/(虧損)

	Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
VAT refunds			
— Comprehensive utilisation of resources	(i)	24,382	27,605
— Others		37	181
Other taxes refunds		—	1,574
Government grants	(ii)	400	63,884
Government subsidies	(iii)	19,518	12,591
Interest income		7,085	27,449
Foreign exchange differences, net		(666)	10,660
Waiver of other payables		—	822
Written-off of property, plant and equipment		(69)	(1,001)
Written-off of other receivables		—	(1,550)
Gain on early termination of leases		—	110
Gain/(loss) on disposal of property, plant and equipment		119	(6,499)
Impairment of property, plant and equipment		—	(2,212)
Others		1,223	2,523
		52,029	136,137

Notes:

- (i) The Group is entitled to government grants for refunds of 30% for the year ended 31 December 2023 (2022: 30%) of the net VAT paid/payable.

The Ministry of Finance and the State Administration of Taxation jointly issued a notice concerning the "Catalogue on Products and Labour Services relating to Comprehensive Utilisation of Resources Eligible for Concessions of Value-added Tax" (Cai Shui 2015 (No. 78)) (the "New VAT Policy") on 12 June 2015, which replaced, amongst others, Cai Shui 2011 No. 115 (the "Former VAT Policy"). Under the Former VAT Policy, certain subsidiaries of the Group are entitled to government grants for refunds of 50% of the net VAT paid/payable. The New VAT Policy took effect on 1 July 2015. According to the New VAT Policy, the applicable VAT refunds for such subsidiaries are reduced from 50% to 30%.

附註：

- (i) 截至2023年12月31日止年度，本集團有權獲得相等於30%（2022年：30%）已付/應付增值稅淨額的退稅作為政府補助。

財政部及國家稅務總局於2015年6月12日聯合發出關於《資源綜合利用產品和勞務增值稅優惠目錄》的通知（財稅2015（78號））（「新增增值稅政策」），其取代（其中包括）財稅2011（115號）（「前增值稅政策」）。根據前增值稅政策，本集團若干附屬公司獲得相等於50%已付/應付增值稅淨額的退稅作為政府補助。新增增值稅政策於2015年7月1日生效。根據新增增值稅政策，該等附屬公司的適用增值稅退稅比例從50%減至30%。

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

9. OTHER INCOME/(EXPENSES), GAIN/(LOSS), NET (Continued)

Notes: (Continued)

- (ii) The amounts represent local government grants received by operating subsidiaries of the Group in the PRC for the purpose of providing immediate financial support to those subsidiaries for general operating purposes with no future related costs. No specific conditions are required to meet in connection with these grants.
- (iii) In 2023, the Group was granted unconditional government subsidies of RMB19,518,000 (2022: RMB12,591,000) from Youxian District Finance Bureau, Mianyang City, Sichuan Province. The government subsidies were received through Sichuan Baohe Fushan Resources Recycling Development Co., Ltd. ("Baohe Fushan"), an associate of the Group. Baohe Fushan is principally engaged in the operation and the development of an industrial park in Mianyang City, Sichuan Province, where most of the Group's subsidiaries are located. Baohe Fushan received the government subsidies and distributed to the Group. Baohe Fushan has the discretionary right to distribute the government subsidies, with reference to the amounts of tax payments made by the entities located in the industrial park.

9. 其他淨收入／(開支)、收益／(虧損)(續)

附註：(續)

- (ii) 該等金額指本集團於中國之營運附屬公司所收取的地方政府補助，作為對該等附屬公司的即時財政援助，以供用於一般營運，而不會產生日後相關成本。毋須就獲取該等補助符合特殊條件。
- (iii) 於2023年，本集團獲得四川省綿陽市遊仙區財政局批授的無條件政府補貼人民幣19,518,000元（2022年：人民幣12,591,000元）。該等政府補貼已透過本集團的聯營公司四川省保和富山再生資源開發有限公司（「保和富山」）收取。保和富山主要從事四川省綿陽市一個工業園的經營及開發，本集團的大部分附屬公司在該處經營。保和富山獲得政府補貼並分發予本集團。保和富山有酌情權參照工業園內各實體的稅款金額分發政府補貼。

10. FINANCE COSTS

10. 財務成本

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Interest expenses in relation to:	有關以下各項的利息開支：		
— Bank and other borrowings	— 銀行及其他借款	140,947	109,451
— Default fee	— 違約費用	123,531	86,684
— Lease liabilities	— 租賃負債	331	1,042
— Convertible bonds	— 可換股債券	—	17,072
— Note payables	— 應付票據	2,979	2,833
— Bills payables	— 應付票據	6,229	10,343
Guarantee fees and other charges	擔保費用及其他收費	3,643	6,785
		277,660	234,210

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For the year ended 31 December 2023 截至2023年12月31日止年度

11. LOSS FOR THE YEAR

11. 年內虧損

This is stated at after charging/(crediting) the following:

此乃於扣除／(計入)以下項目後列示：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cost of sales (Note)	銷售成本(附註)	949,599	2,679,759
Depreciation of property, plant and equipment	物業、廠房及設備折舊	37,688	44,982
Depreciation of right-of-use assets	使用權資產折舊	4,678	6,129
Research and development costs	研發成本	599	2,804
Auditor's remuneration	核數師薪酬	1,900	1,800
Provision for doubtful debts, net	呆賬撥備淨值	141,978	2,222,673
(Gain)/loss on disposal of property, plant and equipment#	出售物業、廠房及設備的 (收益)／虧損#	(119)	6,499
Waiver of other payables#	豁免其他應付款項#	-	(822)
Written-off of property, plant and equipment#	撇銷物業、廠房及設備#	69	1,001
Written-off of other receivables#	撇銷其他應收款項#	-	1,550
Impairment of property, plant and equipment#	物業、廠房及設備減值#	-	2,212
Foreign exchange differences, net#	淨外匯差額#	666	(10,660)
Staff costs (including directors' remuneration):	員工成本(包括董事酬金):		
— Salaries, bonuses and allowances	— 薪金、花紅及津貼	23,481	34,473
— Retirement benefit scheme contributions	— 退休福利計劃供款	2,668	4,620
— Equity-settled share-based payments	— 以股本結算之以股份 為基礎的付款	2,403	4,939
		28,552	44,032

Note: Cost of sales includes RMB16,284,000 (2022: RMB12,481,000) relating to staff costs, depreciation and amortisation, and provision for inventories, net of approximately RMB2,501,000 (2022: provision for inventories of RMB69,829,000), the amounts of which are also included in the respective total amounts.

These balances for the year are included in "Other income/(expenses), gain/(loss), net" in the consolidated statement of profit or loss and other comprehensive income.

附註：銷售成本包括與員工成本、折舊及攤銷有關的人民幣16,284,000元(2022年：人民幣12,481,000元)及存貨撥備淨值約人民幣2,501,000元(2022年：存貨撥備人民幣69,829,000元)，有關金額亦會計入有關總額內。

該等年內結餘乃計入綜合損益及其他全面收益表內的「其他淨收入／(開支)、收益／(虧損)」。

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For the year ended 31 December 2023 截至2023年12月31日止年度

12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND BENEFITS

12. 董事及主要行政人員薪酬及福利

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Fees	袍金	895	821
Other emoluments:	其他報酬：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	4,787	4,782
Equity-settled share-based payments	以股本結算之以股份為基礎的付款	172	355
Retirement benefit scheme contributions	退休福利計劃供款	48	64
		5,902	6,022

The emoluments of each director were as follows:

各董事之酬金如下：

(a) The emoluments of each director are as follows:

(a) 各董事之酬金如下：

	Notes 附註	2023 2023年				Total 總計 RMB'000 人民幣千元
		Fees 袍金 RMB'000 人民幣千元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 RMB'000 人民幣千元	Equity-settled share-based payments 以股本結算 之以股份為 基礎的付款 RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利 計劃供款 RMB'000 人民幣千元	
Executive directors	執行董事					
Mr. Yu Jianqiu	俞建秋先生	–	2,883	–	32	2,915
Mr. Kwong Wai Sun Wilson	鄺偉信先生	–	1,620	98	16	1,734
Mr. Huang Weiping	黃偉萍先生	(i) 80	–	–	–	80
Ms. Zhu Yufen	朱玉芬女士	163	284	74	–	521
Mr. Gao Qiang	高強先生	(ii) 163	–	–	–	163
Independent non-executive directors	獨立非執行董事					
Mr. Li Wei	李偉先生	(v) 163	–	–	–	163
Mr. Fang Guanghua	方光華先生	(vi) 163	–	–	–	163
Mr. Yu Rengzhong	俞弼忠先生	(vi) 163	–	–	–	163
Total	總計	895	4,787	172	48	5,902

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12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND BENEFITS (Continued)

(a) The emoluments of each director are as follows:
(Continued)

		Notes		2022 2022年			
		Notes	Fees	Salaries, allowances and benefits in kind	Equity-settled share-based payments	Retirement benefit scheme contributions	Total
		附註	袍金 RMB'000 人民幣千元	薪金、津貼及實物利益 RMB'000 人民幣千元	以股份為基礎的付款 RMB'000 人民幣千元	退休福利計劃供款 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Executive directors		執行董事					
Mr. Yu Jianqiu	俞建秋先生		–	2,861	–	49	2,910
Mr. Kwong Wai Sun Wilson	鄺偉信先生		–	1,541	203	15	1,759
Mr. Huang Weiping	黃偉萍先生	(i)	163	155	–	–	318
Ms. Zhu Yufen	朱玉芬女士		163	225	152	–	540
Mr. Gao Qiang	高強先生	(ii)	51	–	–	–	51
Independent non-executive directors		獨立非執行董事					
Mr. Lee Ting Bun Denny	李廷斌先生	(iii)	84	–	–	–	84
Ms. Ren Ruxian	任汝嫻女士	(iii)	84	–	–	–	84
Mr. Pan Liansheng	潘連勝先生	(iv)	129	–	–	–	129
Mr. Li Wei	李偉先生	(v)	79	–	–	–	79
Mr. Fang Guanghua	方光華先生	(vi)	34	–	–	–	34
Mr. Yu Rengzhong	俞初忠先生	(vi)	34	–	–	–	34
Total	總計		821	4,782	355	64	6,022

Notes:

- (i) Retired as an executive director on 30 June 2023.
- (ii) Appointed as an executive director on 2 September 2022.
- (iii) Retired as an independent non-executive director on 28 June 2022.
- (iv) Resigned as an independent non-executive director on 13 October 2022.
- (v) Appointed as an independent non-executive director on 28 June 2022.
- (vi) Appointed as an independent non-executive director on 13 October 2022.

附註：

- (i) 於2023年6月30日退任執行董事。
- (ii) 於2022年9月2日獲委任為執行董事。
- (iii) 於2022年6月28日退任獨立非執行董事。
- (iv) 於2022年10月13日辭任獨立非執行董事。
- (v) 於2022年6月28日獲委任為獨立非執行董事。
- (vi) 於2022年10月13日獲委任為獨立非執行董事。

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For the year ended 31 December 2023 截至2023年12月31日止年度

12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND BENEFITS (Continued)

(b) Five highest paid individuals

The five highest paid individuals in the Group during the year included three (2022: two) directors whose emoluments are set out in note (a) above. The emoluments of the remaining two (2022: three) individuals are set out below:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,332	1,697
Pension scheme contributions	退休金計劃供款	16	45
Equity-settled share-based payment	以股本結算之以股份為基礎的付款	246	724
		1,594	2,466

The emoluments fell within the following bands:

		2023 2023年	2022 2022年
Nil-HK\$1,000,000	零至1,000,000港元	1	2
HK\$1,000,001-HK\$1,500,000	1,000,001港元至1,500,000港元	1	1
		2	3

12. 董事及主要行政人員薪酬及福利(續)

(b) 五名最高薪酬人士

年內五名最高薪酬人士包括三名董事(2022年:兩名),其薪酬詳情載於上文附註(a)。餘下兩名(2022年:三名)最高薪酬人士的薪酬載列如下:

酬金介乎以下範圍:

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For the year ended 31 December 2023 截至2023年12月31日止年度

12. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND BENEFITS (Continued)

(b) Five highest paid individuals (Continued)

During the year ended 31 December 2023, no emoluments were paid by the Group to the directors of the Company or five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2022: nil). There was no arrangement under which a director waived or agreed to waive any emoluments during the year ended 31 December 2023 (2022: nil).

Certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 35 to the consolidated financial statements.

12. 董事及主要行政人員薪酬及福利(續)

(b) 五名最高薪酬人士(續)

於截至2023年12月31日止年度，本集團並無向本公司董事或五名最高薪酬人士支付酬金，作為鼓勵彼等加入本集團，或作為加入本集團時之獎勵或退任補償(2022年：無)。截至2023年12月31日止年度，概無董事放棄或同意放棄任何酬金的安排(2022年：無)。

過往年度，根據本公司的購股權計劃，若干董事就其向本集團提供的服務獲授購股權，進一步詳情載於綜合財務報表附註35。

13. INCOME TAX EXPENSE

13. 所得稅開支

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Current tax — PRC Enterprise Income Tax	即期稅項 — 中國企業所得稅		
Charge for the year	年內扣除	13	1,068
Under-provision in prior years	過往年度撥備不足	—	643
Deferred tax (note 33)	遞延稅項(附註33)	13	1,711
		—	216
		13	1,927

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13. INCOME TAX EXPENSE (Continued)

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the countries/regions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, are as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss before tax	稅前虧損	(805,767)	(4,761,225)
Tax at the statutory tax rate	按法定稅率計算的稅項	(179,158)	(1,184,072)
Lower tax rates for specific provinces or enacted by local authority	特定省份或經地方機關實施的較低稅率	5,165	28,887
Withholding tax for interest charges between the PRC subsidiaries and entities outside Mainland China	中國附屬公司及中國大陸以外實體間利息費用的預扣稅	—	1,060
Under-provision in prior years	過往年度撥備不足	—	643
Profits and losses attributable to associates	聯營公司應佔溢利及虧損	49	131
Expenses not deductible for tax	不可扣稅開支	381	4,352
Tax losses utilised from previous periods	自過往期間動用的稅項虧損	(577)	(1,047)
Tax losses and temporary differences not recognised	未確認稅項虧損及暫時差額	174,153	1,151,973
Income tax expense	所得稅開支	13	1,927

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong profits tax was provided as the Group did not have assessable profits arising in Hong Kong during the year ended 31 December 2023 (2022: nil).

The subsidiaries of the Group in the PRC are subject to income tax at the rate of 25% (2022: 25%). In 2023, 3 subsidiaries (2022: 3) were given the New/High Tech Enterprise Award and entitled to a tax concession of a lower income tax rate of 15% (2022: 15%), and 8 subsidiaries (2022: 8) were in the western region that engages in the industries encouraged by the government and entitled to a tax concession of a lower income tax rate of 15% (2022: 15%).

13. 所得稅開支 (續)

按本公司及其大部分附屬公司所在國家/地區的法定稅率計算之適用於稅前虧損的稅務開支與按實際稅率計算的稅務開支的對賬如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss before tax	稅前虧損	(805,767)	(4,761,225)
Tax at the statutory tax rate	按法定稅率計算的稅項	(179,158)	(1,184,072)
Lower tax rates for specific provinces or enacted by local authority	特定省份或經地方機關實施的較低稅率	5,165	28,887
Withholding tax for interest charges between the PRC subsidiaries and entities outside Mainland China	中國附屬公司及中國大陸以外實體間利息費用的預扣稅	—	1,060
Under-provision in prior years	過往年度撥備不足	—	643
Profits and losses attributable to associates	聯營公司應佔溢利及虧損	49	131
Expenses not deductible for tax	不可扣稅開支	381	4,352
Tax losses utilised from previous periods	自過往期間動用的稅項虧損	(577)	(1,047)
Tax losses and temporary differences not recognised	未確認稅項虧損及暫時差額	174,153	1,151,973
Income tax expense	所得稅開支	13	1,927

根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及規例，本集團毋須在開曼群島及英屬處女群島繳納任何所得稅。

由於本集團於截至2023年12月31日止年度內在香港並無產生應課稅溢利，故並無就香港利得稅計提撥備(2022年：無)。

本集團於中國的附屬公司須按25%(2022年：25%)的稅率繳納所得稅。於2023年，3間(2022年：3間)附屬公司獲授予新/高科技企業獎並享有15%的較低所得稅稅率(2022年：15%)的稅務優惠，及8間(2022年：8間)附屬公司設在西部地區及從事政府鼓勵類產業，並享有15%的較低所得稅稅率(2022年：15%)的稅務優惠。

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14. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss: Loss attributable to owners of the Company for the purpose of calculating basic loss per share	虧損： 用於計算每股基本虧損的本公司擁有人應佔虧損	(805,780)	(4,763,152)
		2023 2023年	2022 2022年
Number of shares: Weighted average number of ordinary shares for the purpose of calculating basic loss per share	股份數目： 用於計算每股基本虧損的普通股加權平均數	4,481,557,261	4,329,833,950
Basic loss per share (RMB)	每股基本虧損(人民幣)	(0.18)	(1.10)

Diluted loss per share

As there was no dilutive potential ordinary shares for the Company's outstanding share options and the Group's outstanding convertible bonds for the year ended 31 December 2022 would be anti-dilutive, the diluted loss per share for the years ended 31 December 2023 and 2022 were the same as basic loss per share.

15. DIVIDENDS

The directors do not recommend or declare the payment of any dividend in respect of the years ended 31 December 2023 and 2022.

14. 每股虧損

每股基本及攤薄虧損按下列數據計算：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Loss: Loss attributable to owners of the Company for the purpose of calculating basic loss per share	虧損： 用於計算每股基本虧損的本公司擁有人應佔虧損	(805,780)	(4,763,152)
		2023 2023年	2022 2022年
Number of shares: Weighted average number of ordinary shares for the purpose of calculating basic loss per share	股份數目： 用於計算每股基本虧損的普通股加權平均數	4,481,557,261	4,329,833,950
Basic loss per share (RMB)	每股基本虧損(人民幣)	(0.18)	(1.10)

每股攤薄虧損

本公司的尚未行使購股權並無潛在的攤薄普通股，並且由於本集團截至2022年12月31日止年度的尚未行使可換股債券乃反攤薄，截至2023年及2022年12月31日止年度之每股攤薄虧損與每股基本虧損相同。

15. 股息

董事並無就截至2023年及2022年12月31日止年度建議派發或宣派任何股息。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Buildings	Plant and machinery	Furniture, fittings and equipment 傢俱、裝置及設備	Motor vehicles	Construction in progress	Total
		樓宇 RMB'000 人民幣千元	廠房及機器 RMB'000 人民幣千元	及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	在建工程 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Cost	成本						
1 January 2022	2022年1月1日	400,021	340,281	7,770	11,455	147,642	907,169
Additions	添置	-	67	24	-	-	91
Transfer from right-of-use asset	轉自使用權資產	-	-	-	1,186	-	1,186
Written-off	撤銷	-	(833)	(10)	(877)	-	(1,720)
Disposal	處置	(18)	(33,432)	(294)	(6,320)	(7,802)	(47,866)
As at 31 December 2022 and 1 January 2023	於2022年12月31日及 2023年1月1日	400,003	306,083	7,490	5,444	139,840	858,860
Additions	添置	-	8,053	45	5	-	8,103
Written-off	撤銷	-	-	(18)	-	(66)	(84)
Disposal	處置	(1,438)	(23,022)	(25)	(584)	(2,227)	(27,296)
As at 31 December 2023	於2023年12月31日	398,565	291,114	7,492	4,865	137,547	839,583
Accumulated depreciation and impairment	累計折舊及減值						
1 January 2022	2022年1月1日	156,069	221,291	6,256	9,054	1,797	394,467
Charge for the year	年內扣除	17,563	26,235	611	573	-	44,982
Transfer from right-of-use asset	轉自使用權資產	-	-	-	427	-	427
Impairment for the year	年內減值	-	-	-	-	2,212	2,212
Written-off	撤銷	-	(241)	(9)	(469)	-	(719)
Disposal	處置	-	(25,391)	(278)	(5,056)	-	(30,725)
As at 31 December 2022 and 1 January 2023	於2022年12月31日 及2023年1月1日	173,632	221,894	6,580	4,529	4,009	410,644
Charge for the year	年內扣除	17,545	19,628	383	132	-	37,688
Written-off	撤銷	-	-	(15)	-	-	(15)
Disposal	處置	(1,438)	(22,836)	(25)	(565)	(2,212)	(27,076)
As at 31 December 2023	於2023年12月31日	189,739	218,686	6,923	4,096	1,797	421,241
Carrying amount	賬面值						
As at 31 December 2023	於2023年12月31日	208,826	72,428	569	769	135,750	418,342
As at 31 December 2022	於2022年12月31日	226,371	84,189	910	915	135,831	448,216

At 31 December 2023, property, plant and equipment with carrying amount of RMB223,345,000 (2022: RMB246,180,000) was pledged to secure general banking and other facilities granted to the Group (see note 28).

於2023年12月31日，賬面值為人民幣223,345,000元（2022年：人民幣246,180,000元）的物業、廠房及設備已就取得授予本集團的一般銀行及其他融資（見附註28）予以抵押。

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16. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 December 2023, the Group has yet to obtain property ownership certificates for buildings with an aggregate carrying amount of RMB27,548,000 (2022: RMB29,680,000). The directors of the Company are of the opinion that the Group owned the beneficial title to these buildings as at 31 December 2023 and 2022.

At 31 December 2023, as a result of various litigations, buildings with net book value of approximately RMB67,304,000 were seized pursuant to various court orders (note 37).

16. 物業、廠房及設備(續)

於2023年12月31日，本集團尚未就賬面總值為人民幣27,548,000元(2022年：人民幣29,680,000元)的建築物取得物業所有權證。本公司董事認為，於2023年及2022年12月31日，本集團擁有該等建築物的實益業權。

於2023年12月31日，由於進行多項訴訟，賬面淨值約人民幣67,304,000元的樓宇按照各項法院命令被接管(附註37)。

17. LEASES AND RIGHT-OF-USE ASSETS

17. 租賃及使用權資產

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
At 31 December:	於12月31日：		
Right-of-use assets	使用權資產		
— Properties	— 物業	336	827
— Land-use rights	— 土地使用權	99,494	102,978
— Plant and machinery	— 廠房及機器	—	690
		99,830	104,495

At 31 December 2023, right-of-use assets with an aggregate carrying amount of RMB84,164,000 (2022: RMB86,913,000) were pledged to secure general banking facilities granted to the Group (see note 28).

於2023年12月31日，使用權資產賬面總值人民幣84,164,000元(2022年：人民幣86,913,000元)已作抵押以擔保本集團獲授的一般銀行融資(見附註28)。

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17. LEASES AND RIGHT-OF-USE ASSETS (Continued)

The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
— Less than 1 year	— 少於1年	386	2,188
— Between 1 and 2 years	— 1年至2年	—	379
		386	2,567
Depreciation of right-of-use assets	使用權資產折舊費用		
— Properties	— 物業	502	1,677
— Land-use-rights	— 土地使用權	3,485	3,485
— Plant and machinery	— 廠房及機器	691	967
		4,678	6,129
Lease interests	租賃利息	331	1,042
Total cash outflow for leases	租賃總現金流出	2,195	4,398
Additions to right-of-use assets	添置使用權資產	—	953
Early termination of lease	提早終止租約	—	2,657

At 31 December 2023, as a result of various litigations, the right-of-use assets of RMB36,470,000 were seized pursuant to various court orders (note 37).

The Group leases various land-use-rights, land and buildings and motor vehicles. Lease agreements are typically made for fixed periods of 2 to 20 years (2022: 2–20 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

17. 租賃及使用權資產 (續)

本集團租賃負債基於未貼現現金流量之到期情況分析如下：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
— Less than 1 year	— 少於1年	386	2,188
— Between 1 and 2 years	— 1年至2年	—	379
		386	2,567
Depreciation of right-of-use assets	使用權資產折舊費用		
— Properties	— 物業	502	1,677
— Land-use-rights	— 土地使用權	3,485	3,485
— Plant and machinery	— 廠房及機器	691	967
		4,678	6,129
Lease interests	租賃利息	331	1,042
Total cash outflow for leases	租賃總現金流出	2,195	4,398
Additions to right-of-use assets	添置使用權資產	—	953
Early termination of lease	提早終止租約	—	2,657

於2023年12月31日，由於進行多項訴訟，人民幣36,470,000元的使用權資產按照各項法院命令被接管(附註37)。

本集團租賃不同土地使用權、土地及樓宇及汽車。租賃協議通常為2年至20年的固定期限(2022年：2年至20年)。租賃條款是以個別方式議定，並載有多項不同的條款及條件。租賃協議不規定任何約定，而租賃資產不得用作借款擔保。

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18. INTERESTS IN ASSOCIATES

18. 於聯營公司的權益

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Unlisted investments: Share of net assets	非上市投資： 應佔淨資產	46,807	47,106

The Group has the following associates as at 31 December 2023.

於2023年12月31日，本集團有以下聯營公司。

Name 名稱	Principal place of business 主要經營地點	% of ownership interests 應佔所有權權益百分比	Principal activities 主要業務
Deda Holdings Limited 德達控股有限公司	BVI 英屬處女群島	30%	Investment holding 投資控股
Hong Kong Fuijian Investments Limited 香港福艦投資有限公司	Hong Kong 香港	30%	Investment holding 投資控股
Sichuan Baohe Fushan Resources Recycling Development Co., Ltd. 四川省保和富山再生資源開發有限公司	The PRC 中國	30%	Industrial park operation and development 經營及發展工業園

The following table shows, in aggregate, the Group's share of the amounts of all individually immaterial associates that are accounted for using the equity method.

下表列示本集團應佔所有個別不重大按權益法核算的聯營公司的總金額。

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
At 31 December: Carrying amounts of interests	於12月31日： 權益賬面值	46,807	47,106
Year ended 31 December: Total comprehensive loss for the year	截至12月31日止年度： 年內全面虧損總額	(299)	(791)

At 31 December 2023, the bank and cash balances of the Group's associates in the PRC denominated in Renminbi ("RMB") amounted to RMB9,000 (2022: RMB9,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations.

於2023年12月31日，本集團的中國聯營公司以人民幣（「人民幣」）計值的銀行及現金結餘為人民幣9,000元（2022年：人民幣9,000元）。人民幣兌換為外幣須受中華人民共和國外匯管制條例規限。

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For the year ended 31 December 2023 截至2023年12月31日止年度

19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS 19. 預付款、其他應收款項及其他資產

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Prepayments for property, plant and equipment and land-use-rights	物業、廠房及設備及土地使用權預付款	19,760	19,756
Current assets	流動資產		
Advance payments to suppliers (note i)	墊付供應商款項(附註i)	1,011,182	1,019,625
Impairment of advance payment to suppliers (note ii)	墊付供應商款項減值(附註ii)	(935,862)	(727,756)
		75,320	291,869
Government grants receivable	應收政府補助	216,695	217,797
VAT input accrued	暫估進項稅	162,298	178,393
Other deposits and receivables	其他按金及應收款項	53,671	9,022
Prepayment	預付款	225	2,271
Interest receivables	應收利息	-	10,098
		508,209	709,450
		527,969	729,206

Note:

(i) As at 31 December 2022, in light of (a) the long outstanding position of certain advance payments to suppliers, (b) the financial difficulties of certain suppliers and (c) unfavourable negotiation results with certain suppliers, the management of the Group considered that the chance of recovering/utilising the advance payments to suppliers to be remote. Thus, during the year ended 31 December 2023, advance payments to suppliers with a gross amount totalling RMB1,231,783,000 (the "Disposed Advance Payments to Suppliers") was disposed to various independent third parties at considerations of RMB11,055,000 in aggregate. As a result, an impairment loss of RMB1,220,728,000 was recognised in respect of the Disposed Advance Payments to Suppliers for the year ended 31 December 2022. Together with other impairment loss of RMB727,756,000 on advance payments to suppliers, an aggregate impairment loss on advance payments to suppliers of RMB1,948,484,000 has been charged to profit or loss for the year ended 31 December 2022.

附註:

(i) 於2022年12月31日，基於(a)若干墊付供應商款項長期未能收回，(b)若干供應商之財務困難及(c)與若干供應商的談判結果不利，本集團管理層認為收回/動用墊付供應商款項的機會甚微。因此，截至2023年12月31日止年度，將總值為人民幣1,231,783,000元之墊付供應商款項(「出售墊付供應商款項」)按代價合共人民幣11,055,000元出售予多名獨立第三方。因此，截至2022年12月31日止年度，已就出售墊付供應商款項確認減值虧損人民幣1,220,728,000元。截至2022年12月31日止年度，連同墊付供應商款項的其他減值虧損人民幣727,756,000元，墊付供應商款項為人民幣1,948,484,000元的減值虧損總額已於損益內扣除。

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19. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

Note: (Continued)

- (ii) Except for the impairment loss on advance payments to suppliers stated in (i) above, the management of the Group makes impairment loss on advance payments to suppliers based on assessments of the recoverability of the advance payments to suppliers, including the current creditworthiness and the past collection/utilisation history of suppliers. The movement in provision for impairment of advance payments to suppliers is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	727,756	-
Provision of impairment	減值撥備	208,106	1,948,484
Written off of advance payments to suppliers	撤銷墊付供應商款項	-	(1,220,728)
Balance at end of year	年末結餘	935,862	727,756

20. INVENTORIES

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Raw materials	原材料	50,983	47,897
Work in progress	在製品	1,677	2,539
Finished goods	製成品	11,237	47,557
Goods in transit	付運中之貨品	639	2,953
		64,536	100,946

At 31 December 2023, the Group's inventories with a carrying amount of RMB26,583,000 (2022: RMB27,078,000) were pledged as security for the Group's bank borrowings, as further detailed in note 28 to the consolidated financial statements.

As at 31 December 2023, as a result of various litigations, the inventories of RMB2,430,000 were seized pursuant to various court orders (note 37).

19. 預付款、其他應收款項及其他資產(續)

附註：(續)

- (ii) 除上文(i)所述墊付供應商款項的減值虧損外，本集團管理層根據墊付供應商款項可收回性的評估(包括供應商的現行信用評級及過往收回/動用記錄)就墊付供應商款項作出減值虧損。墊付供應商款項減值撥備變動如下：

20. 存貨

於2023年12月31日，本集團賬面值為人民幣26,583,000元(2022年：人民幣27,078,000元)的存貨已作為本集團銀行借款的抵押，詳見綜合財務報表附註28。

於2023年12月31日，由於進行多項訴訟，人民幣2,430,000元的存貨按照各項法院命令被接管(附註37)。

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21. TRADE AND BILLS RECEIVABLES

21. 貿易應收款項及應收票據

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	419,017	439,545
Provision for doubtful debts	呆賬撥備	(317,130)	(275,019)
Bills receivables	應收票據	101,887	164,526
Provision for doubtful debts	呆賬撥備	78,509 (34,104)	78,509 (6,541)
		44,405	71,968
		146,292	236,494

Notes:

- (i) The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 0 to 3 months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.
- (ii) As part of its normal business, the Group entered into a trade receivable factoring arrangement (the "Factoring Arrangement") and transferred certain trade receivables to a financial institution. Under the Factoring Arrangement, the Group is required to reimburse the bank for any loss, including the loss arising in default of the trade debtors. Subsequent to the transfer, the Group has retained the substantial risks and rewards of the trade receivables and accordingly, it continued to recognise the full carrying amounts of the trade receivables. Factoring loan is recognised for any consideration received for the Factoring Arrangement. The carrying amount of the assets that the Group continued to recognise as at 31 December 2023 was RMBnil (2022: RMB2,720,000) and that of the associated liabilities as at 31 December 2023 was RMB507,000,000 (2022: RMB507,000,000).

附註：

- (i) 本集團主要以信貸方式與客戶訂立貿易條款，惟通常要求新客戶預先付款。信貸期一般為0至3個月，且對各客戶均設有最高信用額度。本集團力求嚴格控制其未收回應收款項，並設有信貸控制部門，以盡量減低信貸風險。高級管理層定期審查逾期結餘。本集團並無就其貿易應收款項結餘持有任何抵押品或其他信貸增強措施。貿易應收款項不計息。
- (ii) 作為日常業務的一部分，本集團訂立一項貿易應收款項保理安排（「保理安排」），並將若干貿易應收款項轉讓予金融機構。根據保理安排，本集團須向銀行補償任何虧損，包括貿易債務人違約產生的虧損。轉讓後，本集團已保留貿易應收款項的重大風險及回報，因此，其繼續確認貿易應收款項的全部賬面值。就保理安排收取的任何代價將確認為保理貸款。本集團於2023年12月31日繼續確認的資產賬面值為人民幣零元（2022年：人民幣2,720,000元），而相關負債於2023年12月31日的賬面值為人民幣507,000,000元（2022年：人民幣507,000,000元）。

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For the year ended 31 December 2023 截至2023年12月31日止年度

21. TRADE AND BILLS RECEIVABLES (Continued)

The aging analysis of trade and bills receivables, based on the invoice date, and net of allowance, is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 30 days	30天內	26,275	8,487
31 to 60 days	31至60天	-	937
61 to 180 days	61至180天	584	94,885
Over 180 days	超過180天	119,433	132,185
		146,292	236,494

The movement in provision for impairment of trade and bills receivables is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	281,560	234,789
Provision for bad debts, net	壞賬撥備淨額	141,978	2,222,673
Written off of trade receivables	撇銷貿易應收款項	(72,304)	(2,175,902)
Balance at end of year	年末結餘	351,234	281,560

21. 貿易應收款項及應收票據 (續)

貿易應收款項及應收票據的賬齡分析 (基於發票日期及扣除撥備) 如下:

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 30 days	26,275	8,487
31 to 60 days	-	937
61 to 180 days	584	94,885
Over 180 days	119,433	132,185
	146,292	236,494

貿易應收款項及應收票據的減值撥備變動如下:

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Balance at beginning of year	281,560	234,789
Provision for bad debts, net	141,978	2,222,673
Written off of trade receivables	(72,304)	(2,175,902)
Balance at end of year	351,234	281,560

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21. TRADE AND BILLS RECEIVABLES (Continued)

During the year ended 31 December 2023, in light of (a) the past due situation of certain trade and bills receivables, (b) the financial difficulties of certain debtors and (c) unfavourable negotiation results with certain debtors, the management of the Group carefully considered that the chance of recovering the trade receivables to be remote. Thus, during the year ended 31 December 2023, trade receivables with a gross amount totalling RMB2,181,432,000 (the "Disposed Trade Receivables") was disposed to various independent third parties at considerations of RMB17,290,000. As a result, an impairment loss of RMB1,982,724,000 was recognised in respect of the Disposed Trade Receivables for the year ended 31 December 2022. Together with other impairment loss, net of RMB239,949,000 on trade and bills receivables, an aggregate impairment loss, net on trade and bills receivables of RMB2,222,673,000 had been charged to profit or loss for the year ended 31 December 2022. Apart from the Disposed Trade Receivables, certain trade receivables had been further disposed in 2023.

Except for the Disposal Trade Receivables of approximately RMBnil as at 31 December 2023 (2022: RMB17,290,000), the Group applies the simplified approach under IFRS 9 to provide for expected credit losses using the lifetime expected loss provision for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

21. 貿易應收款項及應收票據(續)

截至2023年12月31日止年度，鑒於(a)若干貿易應收款項及應收票據的逾期情況；(b)若干債權人的財務困難；及(c)與若干債權人的不利磋商結果，本集團管理層審慎認為收回貿易應收款項的機會甚微。因此，截至2023年12月31日止年度，總金額合共人民幣2,181,432,000元的貿易應收款項(「已出售貿易應收款項」)已出售予多名獨立第三方，代價為人民幣17,290,000元。因此，截至2022年12月31日止年度，已就出售貿易應收款項確認減值虧損人民幣1,982,724,000元。連同貿易應收款項及應收票據的其他減值虧損淨額人民幣239,949,000元，貿易應收款項及應收票據的總減值虧損淨額人民幣2,222,673,000元已於截至2022年12月31日止年度的損益中扣除。除已出售貿易應收款項外，若干貿易應收款項已於2023年進一步出售。

除於2023年12月31日約人民幣零元(2022年：人民幣17,290,000元)的已出售貿易應收款項外，本集團應用國際財務報告準則第9號的簡化方法採用整個生命週期預期虧損撥備為貿易應收款項的預期信貸虧損計提撥備。為計量預期信貸虧損，貿易應收款項已根據共享信用風險特徵及逾期日數進行分組。預期信貸虧損亦包含前瞻性資料。

		Past due 逾期					Total 總計
		Current 即期	1 days to 2 months 1天至2個月	2 to 6 months 2至6個月	6 to 12 months 6至12個月	Over 12 months 超過12個月	
At 31 December 2023	於2023年12月31日						
Weighted average expected loss rate	加權平均預期虧損率	4.7%	17.8%	36.5%	62.6%	87.8%	75.7%
Receivable amount (RMB'000)	應收款項(人民幣千元)	25,847	1,993	896	109,263	281,018	419,017
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	1,211	354	327	68,441	246,797	317,130
At 31 December 2022	於2022年12月31日						
Weighted average expected loss rate	加權平均預期虧損率	8.3%	30.1%	37.0%	89.1%	85.9%	65.1%
Receivable amount (RMB'000)	應收款項(人民幣千元)	94,886	25,710	5,518	96,253	199,888	422,255
Loss allowance (RMB'000)	虧損撥備(人民幣千元)	7,881	7,746	2,044	85,730	171,618	275,019

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22. AMOUNTS DUE FROM/TO ASSOCIATES

The amounts due from/to associates are unsecured, interest-free and are repayable on demand.

23. AMOUNTS DUE FROM/TO RELATED PARTIES

The amounts due from/to related parties are unsecured, interest-free and are repayable on demand.

24. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

22. 應收／應付聯營公司款項

應收／應付聯營公司款項為無抵押、不計息及須按要求償還。

23. 應收／應付關聯方款項

應收／應付關聯方款項為無抵押、不計息及須按要求償還。

24. 現金及現金等值項目以及已抵押存款

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	18,327	2,391
Pledged deposits	已抵押存款	32,262	703,928
		50,589	706,319
Pledged deposits:	已抵押存款：		
— Deposits with guarantee companies	— 於擔保公司的保證金	1,825	1,075
— Deposits with banks	— 銀行存款	—	672,657
— Deposits with other companies	— 於其他公司的保證金	30,437	30,196
		32,262	703,928

As at 31 December 2022, pledged deposits with banks of RMB672,657,000 were mainly placed as security for bills payable of the Group.

Pledged deposits were placed with other companies and guarantee companies for the purpose of obtaining bank loans of RMB41,500,000 (2022: RMB41,500,000), which were secured by the property, plant and equipment of such companies (see note 28).

At 31 December 2023, the cash and cash equivalents and pledged deposits of the Group denominated in Renminbi ("RMB") amounted to RMB50,488,000 (2022: RMB706,142,000). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations.

於2022年12月31日，於銀行的已抵押存款人民幣672,657,000元主要為就本集團的應付票據存放作抵押品。

就取得銀行貸款人民幣41,500,000元（2022年：人民幣41,500,000元）而於其他公司及擔保公司存放已抵押存款，由該等公司的物業、廠房及設備抵押（見附註28）。

於2023年12月31日，本集團以人民幣（「人民幣」）計值的現金及現金等值項目以及已抵押存款為人民幣50,488,000元（2022年：人民幣706,142,000元）。人民幣兌換為外幣須受中華人民共和國外匯管制條例規限。

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24. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (Continued)

At 31 December 2023, as a result of various litigations, the bank accounts with balances of RMB4,507,000 were frozen pursuant to various court orders (note 37).

25. TRADE AND BILLS PAYABLES

As at 31 December 2022, the bills payable is secured by the pledged deposits of the Group amounting to RMB672,657,000.

The aging analysis of trade and bills payables, based on the date of receipt of goods, is as follows:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Trade payables	貿易應付款項	789,709	930,544
Bills payable	應付票據	–	683,092
		789,709	1,613,636

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Within 30 days	30天內	14,561	733,884
31 to 60 days	31至60天	–	126,848
61 to 180 days	61至180天	39	208,481
Over 180 days	超過180天	775,109	544,423
		789,709	1,613,636

The trade payables are non-interested bearing and are normally settled on 30-days terms.

24. 現金及現金等值項目以及已抵押存款(續)

於2023年12月31日，由於多項訴訟，結餘為人民幣4,507,000元的銀行賬戶已根據多項法院命令被凍結(附註37)。

25. 貿易應付款項及應付票據

於2022年12月31日，應付票據以本集團已抵押存款人民幣672,657,000元抵押。

貿易應付款項及應付票據按收貨日期的賬齡分析如下：

貿易應付款項不計息，通常按30天的期限結算。

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26. OTHER PAYABLES AND ACCRUALS

26. 其他應付款項及應計費用

	Note	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
	附註		
Salaries, wages, bonus and other accrued benefits		38,922	30,344
Payables for the purchase of property, plant and equipment		22,487	22,498
VAT payable		909,843	857,347
Other taxes payable		74,648	72,755
Contract liabilities	(a)	392,002	238,278
Interest payables		375,784	205,822
Others		233,104	185,804
Default fee payables		244,935	121,404
		2,291,725	1,734,252

Note:

附註：

(a) Contract liabilities

(a) 合約負債

	As at 31 December 2023 於2023年 12月31日 RMB'000 人民幣千元	As at 31 December 2022 於2022年 12月31日 RMB'000 人民幣千元	As at 1 January 2022 於2022年 1月1日 RMB'000 人民幣千元
Contract liabilities — advances received from customers	392,002	238,278	304,981
		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Revenue recognised in the year that was included in contract liabilities at beginning of year		238,278	304,981

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26. OTHER PAYABLES AND ACCRUALS (Continued)

Note: (Continued)

(a) Contract liabilities (Continued)

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
2023	2023年	–	238,278
2024	2024年	392,002	–
		392,002	238,278

Significant changes in contract liabilities during the year:

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Increase due to operations in the year	年內因營運而增加	542,327	473,407
Transfer of contract liabilities to revenue	轉移合約負債至收益	(388,603)	(540,110)

A contract liability represents the Group's obligation to transfer products to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

附註：(續)

(a) 合約負債(續)

於年末分配至未達成履約責任並預期於以下年度確認為收益之交易價：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
2023	2023年	–	238,278
2024	2024年	392,002	–
		392,002	238,278

年內合約負債重大變動：

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Increase due to operations in the year	年內因營運而增加	542,327	473,407
Transfer of contract liabilities to revenue	轉移合約負債至收益	(388,603)	(540,110)

合約負債指本集團因收取客戶代價(或代價金額到期)而須轉讓產品或服務予客戶之責任。

27. NOTE PAYABLES

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Note payables, at amortised cost	按攤銷成本計量的應付票據	23,922	23,511

The note payables with an aggregate principal amount of HK\$26,320,000 (equivalent to approximately RMB23,922,000) (2022: HK\$26,320,000 (equivalent to approximately RMB23,511,000)) are unsecured, interest-bearing at 12% to 13% (2022: 12% to 13%) per annum and overdue (2022: one year).

27. 應付票據

應付票據本金總額26,320,000港元(相等於約人民幣23,922,000元)(2022年：26,320,000港元(相等於約人民幣23,511,000元))為無抵押、按12%至13%(2022年：12%至13%)的年利率計息並已逾期(2022年：一年)。

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28. INTEREST-BEARING BANK AND OTHER BORROWINGS

28. 計息銀行及其他借款

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Current	即期		
Bank loans — secured	銀行貸款 — 有抵押	244,328	244,586
Bank loans — unsecured	銀行貸款 — 無抵押	5,000	5,000
Other borrowings — secured	其他借款 — 有抵押	108,160	108,160
Other borrowings — unsecured and unguaranteed	其他借款 — 無抵押及無擔保	457,405	167,508
Factoring loan — secured	保理貸款 — 有抵押	507,000	507,000
Entrusted loans — secured	委託貸款 — 有抵押	306,107	306,116
		1,628,000	1,338,370
The borrowings are repayable as follows:	借款須按以下時間償還：		
On demand or within one year	按要求或一年內	1,628,000	1,338,370
		2023 2023年	2022 2022年
The average interest rates at 31 December were as follows:	於12月31日平均利率如下：		
Bank loans — secured	銀行貸款 — 有抵押	7.44%	7.44%
Bank loans — unsecured	銀行貸款 — 無抵押	3.85%	3.85%
Other borrowings — secured	其他借款 — 有抵押	6.00%	6.00%
Other borrowings — unsecured and unguaranteed	其他借款 — 無抵押及無擔保	7.12%	8.76%
Factoring loan — secured	保理貸款 — 有抵押	7.30%	7.30%
Entrusted loans — secured	委託貸款 — 有抵押	9.92%	9.92%

All bank and other borrowing of RMB1,628,000,000 (2022: RMB1,338,370,000) are arranged at fixed interest rates and expose the Group to fair value interest rate risk.

所有銀行及其他貸款人民幣1,628,000,000元(2022年：人民幣1,338,370,000元)以固定利率計息及令本集團面臨公允價值利率風險。

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28. INTEREST-BEARING BANK AND OTHER BORROWINGS *(Continued)*

Notes:

- (a) Certain of the Group's interest-bearing bank and other borrowings are secured by:
- (i) mortgages over the Group's property, plant and equipment, which had an aggregate carrying value at the end of the reporting period of RMB223,345,000 (2022: RMB246,180,000);
 - (ii) mortgages over the Group's land-use-rights, which had an aggregate carrying value at the end of the reporting period of approximately RMB84,164,000 (2022: RMB86,913,000);
 - (iii) the pledge of inventories amounting to RMB26,583,000 (2022: RMB27,078,000);
 - (iv) the pledge of trade receivable amounting to RMBnil (2022: RMB2,720,000);
 - (v) the pledge of the Group's time deposits with guarantee companies and other companies amounting to approximately RMB32,262,000 (2022: RMB31,271,000);
 - (vi) the pledge of 310,317,000 ordinary shares (2022: 310,317,000 ordinary shares) in the Company held by Mr. Huang Weiping, shareholder of the Group, representing 6.92% (2022: 6.92%) of the issued share capital of the Company as at 31 December 2023;
 - (vii) At 31 December 2023, bank loans of RMB12,000,000 (2022: RMB12,000,000) were secured by property, plant and equipment of Sichuan Gushan Vegetable Fat Chemistry Co., Ltd ("Gushan Vegetable"), a private company controlled by Mr. Yu Jianqiu;
 - (viii) At 31 December 2023, bank loans of RMB41,000,000 (2022: RMB41,000,000) were secured by property, plant and equipment of Mianyang Baohe Jiahao Waste Material Recycling Co., Ltd. ("Baohe Jiahao"). An associate of the Group has 20% equity interests in Baohe Jiahao; and
- (b) At 31 December 2023, the Group had defaulted on the repayment of convertible bonds and interest-bearing bank and other borrowings amounted to approximately RMBnil (2022: RMB231,720,000) and RMB1,548,000,000 (2022: RMB1,287,777,000) respectively. The above defaults may trigger cross default of certain other borrowings amounting to RMBnil (2022: RMB46,793,000) as at 31 December 2023. The respective balance of RMBnil (2022: RMB46,793,000) was therefore classified as current liabilities.

28. 計息銀行及其他借款(續)

附註：

- (a) 本集團若干計息銀行及其他借款以以下各項作抵押：
- (i) 本集團物業、廠房及設備的抵押，於報告期末的總賬面值為約人民幣223,345,000元（2022年：人民幣246,180,000元）；
 - (ii) 本集團土地使用權的抵押，於報告期末的總賬面值為約人民幣84,164,000元（2022年：人民幣86,913,000元）；
 - (iii) 存貨的抵押為人民幣26,583,000元（2022年：人民幣27,078,000元）；
 - (iv) 貿易應收款項的抵押為人民幣零元（2022年：人民幣2,720,000元）；
 - (v) 本集團於擔保公司及其他公司為數約人民幣32,262,000元（2022年：人民幣31,271,000元）的定期存款的抵押；
 - (vi) 本集團股東黃偉萍先生所持有的本公司310,317,000股普通股（2022年：310,317,000股普通股）的抵押，該等股份相當於本公司於2023年12月31日已發行股本6.92%（2022年：6.92%）；
 - (vii) 於2023年12月31日，銀行貸款人民幣12,000,000元（2022年：人民幣12,000,000元）由四川古杉油脂化學有限公司（「古杉油脂」）（一間由俞建秋先生所控制的私人公司）之物業、廠房及設備擔保；
 - (viii) 於2023年12月31日，銀行貸款人民幣41,000,000元（2022年：人民幣41,000,000元）由綿陽保和佳浩廢舊物資回收有限公司（「保和佳浩」）之物業、廠房及設備擔保。本集團的聯營公司擁有保和佳浩20%股權；及
- (b) 於2023年12月31日，本集團未能償還總額分別為約人民幣零元（2022年：人民幣231,720,000元）及人民幣1,548,000,000元（2022年：人民幣1,287,777,000元）的可換股債券及計息銀行及其他借款。上述違約可能導致於2023年12月31日若干其他借款人民幣零元（2022年：人民幣46,793,000元）出現交叉違約。因此，人民幣零元（2022年：人民幣46,793,000元）的相關結餘被分類為流動負債。

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29. CONVERTIBLE BONDS

29. 可換股債券

		The Huarong CBs 華融 可換股債券 RMB'000 人民幣千元 (note a) (附註a)	The Prosper Rich CBs 亨富 可換股債券 RMB'000 人民幣千元 (note b) (附註b)	Total 總計 RMB'000 人民幣千元
As at 1 January 2022	於2022年1月1日	385,952	199,781	585,733
Settled by issuing shares	透過發行股份結算	(188,509)	(198,137)	(386,646)
Interest expenses	利息開支	17,072	-	17,072
Exchange adjustment	匯兌調整	17,205	(1,644)	15,561
As at 31 December 2022 and 1 January 2023	於2022年12月31日 及2023年1月1日	231,720	-	231,720
Reclassification to other borrowing and other payables	重新分類至其他借款及 其他應付款項	(231,720)	-	(231,720)
As at 31 December 2023	於2023年12月31日	-	-	-

Notes:

(a) On 11 August 2017, the Company issued convertible bonds (the "Huarong CBs") with an principal amount of HK\$400,000,000 (equivalent to approximately RMB340,944,000) at face value to China Huarong International Holdings Limited ("Huarong").

The Huarong CBs carry 8% coupon interest per annum payable in arrears quarterly. Unless redeemed or repurchased early, the original maturity date of the Huarong CBs is the second anniversary of the issue date (the "Maturity Date"). If the Huarong CBs are not fully converted before the Maturity Date, the Company will redeem all the outstanding convertible bonds at nominal value plus the interest accrued but unpaid to Huarong.

Huarong has the right to convert the principal amount of the Huarong CBs into ordinary shares of HK\$0.1 each of the Company on any business day from the issue date up to and including the Maturity Date at an initial conversion price of HK\$3.0 per share but subject to adjustments at any time during the term of the Huarong CBs, subject to the minimum public float requirement.

If the average closing share price of the Company during any six consecutive months within the period commencing from the issue date to the Maturity Date has never, at any point of time, reached or exceeded the conversion price of the Huarong CBs, the Company shall, upon redemption of the Huarong CBs amounting to HK\$400,000,000, compensate Huarong in cash so that the Huarong CBs is guaranteed an annualised return of 12% for the period commencing from the issue date to the date of redemption.

附註：

(a) 於2017年8月11日，本公司按面值本金為400,000,000港元（相當於約人民幣340,944,000元）向中國華融國際控股有限公司（「華融」）發行可換股債券（「華融可換股債券」）。

華融可換股債券按年票面利率8%計算，每季度支付。除非提早贖回或購回，華融可換股債券原到期日為發行日期第二週年日（「到期日」）。倘華融可換股債券於到期日前未獲悉數轉換，本公司將按面值贖回所有尚未償還的可換股債券另加應計但未付予華融的利息。

華融可換股債券年期內任何時間，華融有權於發行日期直至及包括到期日之前之任何營業日以初步兌換價每股3.0港元（可予調整）將華融可換股債券的本金額轉換為本公司每股面值0.1港元的普通股，惟公眾持股量不可低於最低要求。

倘本公司股份於自發行日期至到期日期間的任何連續六個月內任何時間的平均收市價未曾保持在華融可換股債券兌換價或以上，則本公司在贖回400,000,000港元華融可換股債券時，須以現金形式補償華融，以保證華融可換股債券於發行日期至贖回日期止期間獲得12%的年化回報。

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29. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

(a) (Continued)

The Group had defaulted in its repayment of the Huarong CBs which had matured on 11 August 2019. On 22 April 2020, the Company and Huarong entered into the extension deed (the "Huarong Extension Deed") to extend the original maturity date on 11 August 2019 of the convertible bonds (the "Extended Huarong CBs") with a remaining principal amount of HK\$390,000,000 for one year to 11 August 2020. Pursuant to the Huarong Extension Deed, the Company and Huarong have agreed to the following amendments:

- Huarong has the right to request for early redemption of outstanding amount of the Extended Huarong CBs, provided that the aggregate nominal value of the Extended Huarong CBs to be redeemed shall not exceed HK\$190,000,000, and the Company shall redeem at nominal value of the requested redemption amount (plus any accrued but unpaid interests and default interest (if applicable and if any)).
- The Extended Huarong CBs bear interest at the rate of 12% per annum from and including 12 August 2019 payable quarterly in arrear.

The effective date of the Huarong Extension Deed was 7 May 2020.

On 11 August 2020, the Group defaulted on the Extended Huarong CBs.

On 31 December 2021, the Company and Huarong entered into the Huarong Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and Huarong has conditionally agreed to subscribe for 500,000,000 Shares at a subscription price of HK\$0.465 per subscription share. Upon completion, the subscription consideration shall be set off against the equivalent amount of the outstanding principal amount and accrued interests amounted to HK\$232,500,000 under the Huarong CBs on a dollar-for-dollar basis and the maturity date of the remaining portion of the outstanding principal amount and accrued interests amounted to approximately HK\$239,530,000 under the Huarong CBs shall be extended to 31 December 2022, pursuant to an amendment deed signed on 31 December 2021.

On 24 February 2022, 500,000,000 subscription shares in aggregate were allotted and issued to Huarong at the subscription price of HK\$0.465 per subscription share pursuant to the terms of the Huarong Subscription Agreement.

The amendments were completed on 31 March 2022 pursuant to the terms and conditions of the Huarong Subscription Agreement. Following the completion of the amendments, the Huarong Maturity Date was extended to 31 December 2022 at the interest rate of 6% per annum.

On 31 December 2022, the Group defaulted on the Extended Huarong CBs.

In 2023, the Huarong CBs has been reclassified to other borrowing with the default interest rate on the overdue amount from the due date up to the date of actual payment at 0.03% per day in accordance with the agreement of the Huarong Subscription Agreement.

Up to the date of this report, the Company and Huarong are still negotiating on further arrangement.

29. 可換股債券 (續)

附註：(續)

(a) (續)

本集團未能償還於2019年8月11日到期的華融可換股債券。於2020年4月22日，本公司與華融訂立延期契據（「華融延期契據」），將本金額剩餘390,000,000港元的華融可換股債券的原到期日2019年8月11日延長一年至2020年8月11日（「延期華融可換股債券」）。根據華融延期契據，本公司與華融同意以下修訂：

- 華融有權提早贖回延期華融可換股債券的未償還金額，前提是將予贖回的延期華融可換股債券總面值不超過190,000,000港元，及本公司應按面值贖回要求的贖回金額（加上應計但未付利息及違約利息（如適用及如有））。
- 延期華融可換股債券按年利率12%計算，自（及包括）2019年8月12日每季應付。

華融延期契據的生效日期為2020年5月7日。

於2020年8月11日，本集團未能償還延期華融可換股債券。

於2021年12月31日，本公司與華融訂立華融認購協議，據此，本公司已有條件同意發行及華融已有條件同意按認購價每股認購股份0.465港元認購500,000,000股股份。於完成後，認購代價將按等額基準抵銷華融可換股債券下未償還本金額及應計利息之金額232,500,000港元，而華融可換股債券下未償還本金額及應計利息約239,530,000港元之剩餘部分之到期日，將根據於2021年12月31日簽訂的修訂契據延長至2022年12月31日。

於2022年2月24日，合共500,000,000股認購股份已根據華融認購協議之條款按認購價每股認購股份0.465港元配發及發行。

有關修訂已於2022年3月31日根據華融認購協議的條款及條件完成。修訂完成後，華融到期日延長至2022年12月31日，年利率為6%。

於2022年12月31日，本集團未能償還延期華融可換股債券。

於2023年，華融可換股債券已重新分類至其他借款，根據華融認購協議所協定，逾期款項自到期日起至實際付款日期止的違約利率為每日0.03%。

截至本報告日期，本公司與華融仍在就進一步安排進行磋商。

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29. CONVERTIBLE BONDS (Continued)

Notes: (Continued)

- (b) On 11 August 2017, the Company issued convertible bonds (the "Prosper Rich CBs") with an principal amount of HK\$200,000,000 (equivalent to approximately RMB170,472,000) at face value to Prosper Rich Investments Limited ("Prosper Rich").

The Prosper Rich CBs carry 8% coupon interest per annum payable in arrears quarterly. Unless redeemed or repurchased early, the original maturity date of the Prosper Rich CBs is the second anniversary of the issue date (the "Maturity Date"). If the Prosper Rich CBs are not fully converted before the Maturity Date, the Company will redeem all the outstanding convertible bonds at nominal value plus the interest accrued but unpaid to Prosper Rich.

Prosper Rich has the right to convert the principal amount of the Prosper Rich CBs into ordinary shares of HK\$0.1 each of the Company on any business day from the issue date up to and including the Maturity Date at an initial conversion price of HK\$3.0 per share but subject to adjustments at any time during the term of the Prosper Rich CBs, subject to the minimum public float requirement.

The Group had defaulted in its repayment of the Prosper Rich CBs which had matured on 11 August 2019. On 22 April 2020, the Company and Prosper Rich entered into the extension deed (the "Prosper Rich Extension Deed") to extend the original maturity date on 11 August 2019 of the convertible bonds (the "Extended Prosper Rich CBs") with a remaining principal amount of HK\$200,000,000 for one year to 11 August 2020. Pursuant to the Prosper Rich Extension Deed, the Company and Prosper Rich have agreed to the following amendments:

- The Company has the right to redeem all or part of the Extended Prosper Rich CBs at any time prior to the maturity date.
- The Extended Prosper Rich CBs bear interest at the rate of 12% per annum from and including 12 August 2019 payable quarterly in arrears.

The effective date of the Prosper Rich Extension Deed was 7 May 2020.

On 11 August 2020, the Group defaulted on the Extended Prosper Rich CBs.

On 31 December 2021, the Company and Prosper Rich entered into the Prosper Rich Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and Prosper Rich has conditionally agreed to subscribe for 525,537,194 Shares at a subscription price of HK\$0.465 per subscription share. Upon completion, the outstanding liabilities of the Company under the Prosper Rich CBs amounted to approximately HK\$244,375,000 will be set off in full by the Prosper Rich subscription consideration on a dollar-for-dollar basis.

On 24 February 2022, 525,537,194 subscription shares in aggregate were allotted and issued to Prosper Rich at the subscription price of HK\$0.465 per subscription share pursuant to the terms of the Prosper Rich Subscription Agreement.

29. 可換股債券 (續)

附註：(續)

- (b) 於2017年8月11日，本公司按面值本金為200,000,000港元（相當於約人民幣170,472,000元）向亨富投資有限公司（「亨富」）發行可換股債券（「亨富可換股債券」）。

亨富可換股債券按年票面利率8%計算，每季度支付。除非提早贖回或購回，亨富可換股債券原到期日為發行日期第二週年日（「到期日」）。倘亨富可換股債券於到期日前未獲悉數轉換，本公司將按面值贖回所有尚未償還的可換股債券另加應計但未付予亨富的利息。

亨富可換股債券年內任何時間，亨富有權於發行日期直至及包括到期日之前任何營業日以初步兌換價每股3.0港元（可予調整）將亨富可換股債券的本金額轉換為本公司每股面值0.1港元的普通股，惟公眾持股量不可低於最低要求。

本集團未能償還於2019年8月11日到期的亨富可換股債券。於2020年4月22日，本公司與亨富訂立延期契據（「亨富延期契據」），將本金額剩餘200,000,000港元的亨富可換股債券的原到期日2019年8月11日延長一年至2020年8月11日（「延期亨富可換股債券」）。根據亨富延期契據，本公司與亨富同意以下修訂：

- 本公司有權於到期日前任何時間贖回所有或部分延期亨富可換股債券。
- 延期亨富可換股債券按年利率12%計算，自（及包括）2019年8月12日每季應付。

亨富延期契據的生效日期為2020年5月7日。

於2020年8月11日，本集團未能償還延期亨富可換股債券。

於2021年12月31日，本公司與亨富訂立亨富認購協議，據此，本公司已有條件同意發行及亨富已有條件同意按認購價每股認購股份0.465港元認購525,537,194股股份。於完成後，亨富可換股債券項下本公司之未償還負債約244,375,000港元，將以亨富認購代價將按等額基準悉數抵銷。

於2022年2月24日，合共525,537,194股認購股份已根據亨富認購協議之條款按認購價每股認購股份0.465港元配發及發行。

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30. LEASE LIABILITIES

30. 租賃負債

		Lease payments		Present value of lease payments	
		租賃付款		租賃付款現值	
		2023	2022	2023	2022
		2023年	2022年	2023年	2022年
		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
Within one year	一年內	386	2,188	379	1,858
In the second to fifth years, inclusive	於第二至第五年(包括)	-	379	-	372
		386	2,567	379	2,230
Less: Future finance charges	減：未來融資費用	(7)	(337)		
Present value of lease obligations	租賃責任的現值	379	2,230		
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內結清的款項(於流動負債項下顯示)			(379)	(1,858)
Amount due for settlement after 12 months	於12個月內結清的款項			-	372

At 31 December 2023, the average effective borrowing rate was 3.25% to 4.76% (2022: 3.25% to 4.76%). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

於2023年12月31日，平均實際借款利率為3.25%至4.76%（2022年：3.25%至4.76%）。利率於合約日期釐定，本集團因此須承受公平值利率風險。

31. AMOUNTS DUE TO A DIRECTOR

The amounts due to a director is unsecured, interest bearing at 12% per annum and is repayable on demand.

31. 應付董事款項

應付董事款項為無抵押，按年利率12%計息，並須按要求償還。

32. DEFERRED GOVERNMENT GRANTS

The amount represents government grants received from the Provincial Finance Bureau, Hunan Province. These government grants are assets related and are amortised over the useful life of the related assets, which is ten years since July 2014.

32. 遞延政府補助

該款項指收到來自湖南省財政廳的政府補助。該等政府補助乃資產相關及於有關資產可使用年期即自2014年7月起計10年內攤銷。

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33. DEFERRED TAX

33. 遞延稅項

		Depreciation/ amortisation allowances in excess of related depreciation/ amortisation 超出有關折舊額/ 攤銷額的折舊/ 攤銷撥備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2022	於2022年1月1日	(936)	(936)
Charge to profit or loss for the year	扣除年內損益	(216)	(216)
At 31 December 2022, 1 January 2023 and 31 December 2023	於2022年12月31日、 2023年1月1日 及2023年12月31日	(1,152)	(1,152)

The following is the analysis of the deferred tax balances (after offset) for consolidated statement of financial position purposes:

以下為供綜合財務狀況表所用的遞延稅項結餘(抵銷後)分析：

	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Deferred tax liabilities	(1,152)	(1,152)

At the end of the reporting period the Group has unused tax losses of RMB884,652,000 (2022: RMB655,493,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses (2022: RMBnil) due to the unpredictability of future profit streams. Unrecognised tax losses are losses of RMB884,652,000 (2022: RMB655,493,000) that will expire in 2028 (2022: 2027).

於報告期末，本集團有未使用稅項虧損人民幣884,652,000元(2022年：人民幣655,493,000元)可用以抵銷未來溢利。由於未來利潤流量的不可預測性，未就該虧損(2022年：人民幣零元)確認遞延稅項資產。未確認稅項虧損包括人民幣884,652,000元(2022年：人民幣655,493,000元)虧損將於2028年(2022年：2027年)到期。

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries and associates for which deferred tax liabilities have not been recognised is RMB162,063,000 (2022: RMB626,670,000). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

於報告期末，與未確認遞延稅項負債的附屬公司未派發盈利相關的暫時差額總額為人民幣162,063,000元(2022年：人民幣626,670,000元)。概無負債就該等差額獲確認，乃由於本集團有能力控制撥回暫時差額的時間及該等差額於可見將來可能不會獲撥回。

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34. SHARE CAPITAL

34. 股本

	Notes 附註	Number of shares 股份數目	RMB'000 人民幣千元
Authorised:	法定：		
Ordinary shares of HK\$0.1 each	每股0.1港元的普通股		
At 1 January 2022, 31 December 2022, 1 January 2023 and 31 December 2023	於2022年1月1日、2022年12月31日、2023年1月1日及2023年12月31日		
		100,000,000,000	8,071,000
Issued and fully paid:	已發行及已繳足：		
Ordinary shares of HK\$0.1 each	每股0.1港元的普通股		
At 1 January 2022	於2022年1月1日	3,456,020,067	280,461
Issuance of ordinary shares pursuant to settlement of convertible bonds	根據結算可換股債券發行普通股	(a) (b) 1,025,537,194	83,150
At 31 December 2022, 1 January 2023 and 31 December 2023	於2022年12月31日、2023年1月1日及2023年12月31日	4,481,557,261	363,611

Note:

- (a) On 24 February 2022, 525,537,194 ordinary shares were allotted and issued at HK\$0.465 each to Prosper Rich. The aggregate subscription price for all 525,537,194 subscription shares amounted to approximately HK\$244,375,000 was settled by Prosper Rich by way of set-off against the Prosper Rich CBs of approximately RMB198,137,000 owed by the Group to Prosper Rich. Accordingly, no proceeds have been received by the Group from the subscription. RMB42,610,000 and RMB155,527,000 had been transferred from convertible bonds to share capital and share premium respectively. Since Prosper Rich held certain existing issued share capital of the Company before completion of the subscription, there is no gain on settlement of the Prosper Rich CBs by way of issuing shares.
- (b) On 24 February 2022, 500,000,000 ordinary shares were allotted and issued at HK\$0.465 each to Huarong. The aggregate subscription price for all 500,000,000 subscription shares approximately amounted to HK\$232,500,000 was settled by Huarong by way of set-off against the Huarong CBs of approximately RMB188,509,000 owed by the Group to Huarong. Accordingly, no proceeds have been received by the Group from the subscription. RMB40,540,000 and RMB147,969,000 had been transferred from convertible bonds to share capital and share premium respectively. Since Huarong held certain existing issued share capital of the Company before completion of the subscription, there is no gain on settlement of the Huarong CBs of approximately RMB188,509,000 by way of issuing shares.

附註：

- (a) 於2022年2月24日，525,537,194股普通股已按每股0.465港元的價格配發及發行予亨富。全數525,537,194股認購股份的總認購價約為244,375,000港元，已由亨富以抵銷本集團結欠亨富之亨富可換股債券約人民幣198,137,000元的方式結算。因此，本集團並無自認購事項收取任何所得款項。人民幣42,610,000元及人民幣155,527,000元已由可換股債券分別轉撥至股本及股份溢價。由於亨富於認購事項完成前持有本公司若干現有已發行股本，故以發行股份方式結算亨富可換股債券並無收益。
- (b) 於2022年2月24日，500,000,000股普通股已按每股0.465港元的價格配發及發行予華融。全數500,000,000股認購股份的總認購價約為232,500,000港元，已由華融以抵銷本集團結欠華融之華融可換股債券約人民幣188,509,000元的方式結算。因此，本集團並無自認購事項收取任何所得款項。人民幣40,540,000元及人民幣147,969,000元已由可換股債券分別轉撥至股本及股份溢價。由於華融於認購事項完成前持有本公司若干現有已發行股本，故以發行股份方式結算華融可換股債券約人民幣188,509,000元並無收益。

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34. SHARE CAPITAL (Continued)

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

35. SHARE-BASED PAYMENTS

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants include director or employee of the Group and any other person (including a consultant or advisor) who in the sole discretion of the Board has contributed or will contribute to the Group. The Company has a share option scheme which was adopted on 28 January 2014 and has come into effect upon the Company's listing on 21 February 2014 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of shares options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 30 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

34. 股本(續)

本集團於管理資本的目標為保障本集團持續經營的能力及通過優化債務及權益結餘使股東回報最大化。

35. 以股份為基礎的付款

本公司設有購股權計劃(「該計劃」)，旨在向合資格參與者提供獎勵及獎勵，以肯定彼等對本公司的貢獻。符合資格參與者包括本集團董事或僱員及董事會全權酌情認為已對或將對本集團作出貢獻的任何其他人士(包括一名顧問)。本公司有購股權計劃於2014年1月28日採納，並於2014年2月21日本公司上市時生效，除非另有取消或修改，購股權計劃將自該日期起保持生效為期10年。

現時可根據該計劃授出之未行使購股權數目不得超過該等購股權行使後本公司不時已發行股份之10%。於任何十二個月期間，該計劃各符合資格參與者根據購股權可獲發行之股份數目不得超過本公司任何時候已發行股份之1%。進一步授予超出此限額之購股權則須股東在股東大會上批准。

向各董事、本公司主要行政人員或主要股東或彼等之任何聯繫人士授予購股權須事先取得獨立非執行董事批准。此外，倘若於任何十二個月期間，授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之購股權超出本公司任何時候已發行股份之0.1%或總值(根據授出日期本公司股份價格計算)超逾500萬港元，則須事先在股東大會上取得股東批准。

承授人須於授出日期起計30日內決定是否接納獲授之購股權，並須於接納時繳交合共1港元之名義代價。購股權之行使期由董事決定，並於某一歸屬期後開始，且自提出購股權或計劃到期日期起計五年(以較早者為準)為止。

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35. SHARE-BASED PAYMENTS (Continued)

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares on the date of the offer.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

Details of the specific categories of options are as follows:

Tranche	Date of grant	Vesting period	Exercise period	Exercise price HK\$ 行使價 港元
批	授出日期	歸屬期	行使期	
Options granted to executive directors and employees 授予執行董事及僱員的購股權				
A	2 July 2014 於2014年7月2日	One third on the first anniversary, one third on the second anniversary, and the remaining on the third anniversary of the grant 三分之一於授出的第一週年、三分之一於第二週年及其餘於第三週年	10 years 10年	1.13
B	7 May 2015 於2015年5月7日	Same as above 同上	10 years 10年	1.68
C	31 May 2016 於2016年5月31日	Same as above 同上	10 years 10年	3.66
Options granted to certain eligible participants 授予若干合資格參與者的購股權				
D	On 12 December 2017 於2017年12月12日	On 31 March 2019, subject to the grantees achieving the pre-determined performance target for the period from 1 December 2017 to 31 December 2018 and the grantees remaining as eligible persons at the date of vesting 於2019年3月31日，惟承授人須完成於2017年12月1日至2018年12月31日的預定業績目標且承授人於歸屬日期維持為合資格人士	6.3 years 6.3年	3.7
E	On 14 December 2021 於2021年12月14日	One third on the first anniversary, one third on the second anniversary, and the remaining on the third anniversary of the grant 三分之一於授出的第一週年、三分之一於第二週年及其餘於第三週年	10 years 10年	0.465

Options are forfeited if the employee leaves the Group.

35. 以股份為基礎的付款 (續)

購股權之行使價由董事釐定，惟不得低於下列最高者(i)本公司股份於購股權要約日期於聯交所之收市價；(ii)本公司股份於緊接要約日前五個交易日於聯交所之平均收市價；及(iii)本公司股份於要約日期之面值。

購股權並不賦予其持有人分享股息或於股東大會上投票之權利。

購股權之具體分類詳情如下：

僱員一旦離開本集團，其購股權即被充公。

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35. SHARE-BASED PAYMENTS (Continued)

Details of the share options outstanding during the year are as follows:

		2023 2023年		2022 2022年	
		Number of share options 購股權數目 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of share options 購股權數目 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year	於年初未獲行使	149,483	0.68	164,808	0.68
Lapsed/forfeited during the year	年內失效/被充公	(7,600)	(0.47)	(15,325)	(0.47)
Outstanding at the end of the year	於年末未獲行使	141,883	0.70	149,483	0.68
Exercisable at the end of the year	於年末可予行使	103,858	0.81	68,367	0.98

The options outstanding at the end of the year have a weighted average remaining contractual life of 7 years (2022: 8 years) and the exercise prices range from HK\$0.465 to HK\$3.7 (2022: HK\$0.465 to HK\$3.7).

36. RESERVE

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the consolidated financial statements.

(i) Exchange reserve

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of the Company and certain subsidiaries with functional currency other than Renminbi. The reserve is dealt with in accordance with the accounting policy set out in note 4 to the consolidated financial statements.

35. 以股份為基礎的付款 (續)

年內尚未行使購股權詳情如下：

於年末尚未行使購股權之加權平均餘下合約年期為7年（2022年：8年），而行使價則介乎0.465港元至3.7港元（2022年：0.465港元至3.7港元）。

36. 儲備

本集團於本年度及過往年度的儲備金額及變動於綜合財務報表的綜合權益變動表呈列。

(i) 匯兌儲備

匯兌儲備包括換算並非以人民幣為功能貨幣的本公司及若干附屬公司的財務報表所產生的所有外幣差額。該儲備根據綜合財務報表附註4所載的會計政策處理。

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36. RESERVE (Continued)

(ii) Capital reserve

The capital reserve comprises mainly capital contributions from shareholders in respect of the contingent considerations for the acquisition of Jinxin and Xiangbei in November 2010 and August 2011 amounted to RMB33,226,000 and RMB11,555,000 respectively borne by the shareholders and deemed capital contribution of RMB77,700,000 being the amount due to the shareholders waived by the shareholders on 31 December 2012.

(iii) Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of the business.

(iv) Statutory reserves

In accordance with the Wholly Foreign Owned Enterprise Law applicable to the subsidiaries in the PRC, the subsidiaries are required to make appropriations to the Statutory Reserve Fund (the "SRF"). At least 10% of the after tax profits as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the subsidiaries' registered capital. Subject to approval from the relevant PRC authorities, the SRF may be used to offset any accumulated losses or increase the registered capital of the subsidiaries. The SRF is not available for dividend distribution to shareholders.

(v) Share-based payment reserve

Share-based payment reserve represents the portion of the fair value of unexercised share options granted to employees of the Group at grant date that has been recognised in accordance with the accounting policy adopted for equity-settled share option expense in note 4 to the consolidated financial statements.

The amount will either be transferred to the share premium account when the option is exercised, or be released directly to retained profits if the option is lapsed or forfeited.

36. 儲備(續)

(ii) 資本儲備

資本儲備主要包括股東就於2010年11月及2011年8月收購金鑫及湘北的或然代價(分別為人民幣33,226,000元及人民幣11,555,000元,由股東承擔)注資,以及股東於2012年12月31日豁免應付股東款項人民幣77,700,000元,已視作注資。

(iii) 股份溢價

股份溢價賬的應用受開曼群島公司法管轄。根據開曼群島公司法,本公司股份溢價賬的資金可分派予本公司股東,惟緊隨建議分派股息之日後,本公司須有能力於日常業務過程中清償到期債務。

(iv) 法定儲備

根據適用於中國附屬公司的外資企業法,該等附屬公司須撥款至法定儲備金(「法定儲備金」)。根據適用的中國會計準則及法規所釐定的除稅後溢利的至少10%必須分配至法定儲備金,直至法定儲備金的累計總額已達到該等附屬公司註冊資本的50%。經相關中國機構批准後,法定儲備金可用作抵銷任何累計虧損或增加該等附屬公司的註冊資本。法定儲備金不可用於向股東作出股息分派。

(v) 以股份為基礎的付款儲備

以股份為基礎的付款儲備以股份為基礎的付款儲備指已授予本集團僱員而未行使的購股權於授出日期的公平值部分,該公平值已按照綜合財務報表附註4就權益結算購股權開支所採用的會計政策確認。

該金額將於購股權獲行使時轉撥至股份溢價賬,或倘購股權失效或被充公,則直接轉撥至保留溢利。

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37. CONTINGENT LIABILITIES

As at the date of approval of the consolidated financial statements, the Group was in progress of various legal litigations relating to bank and other borrowings and trade and other payables. As a result of these litigations, various bank accounts were frozen and various properties, right-of-use assets and inventories were seized. The amount of aforesaid relevant bank balance, property, plant and equipment, right-of-use assets and inventories as at 31 December 2023 and 2022 are stated as follows:

As at 31 December 於12月31日		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Bank balance	銀行結餘	4,507	261
Property, plant and equipment	物業、廠房及設備	67,304	78,856
Right-of-use assets	使用權資產	36,470	43,317
Inventories	存貨	2,430	2,384
		110,711	124,818

Save for the above-mentioned litigations, the Group did not have any significant contingent liabilities at 31 December 2023 and 2022.

38. CAPITAL COMMITMENTS

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Contracted but provided for:	已訂約且已撥備：		
— Property, plant and equipment	— 物業、廠房及設備	13,242	13,242
— Land-use-rights	— 土地使用權	12,545	12,545
		25,787	25,787

37. 或然負債

於綜合財務報表批准日期，本集團正在進行多項有關銀行及其他借款以及貿易及其他應付款項的法律訴訟。由於該等訴訟，多個銀行賬戶被凍結，以及多項物業、使用權資產及存貨被扣押。上述相關銀行結餘、物業、廠房及設備、使用權資產及存貨於2023年及2022年12月31日的金額列示如下：

除上述訴訟外，本集團於2023年及2022年12月31日並無任何重大或然負債。

38. 資本承擔

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39. RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with its related parties during the year:

39. 關聯方交易

- (a) 除於綜合財務報表其他部分披露的關聯方交易及結餘外，本集團於本年度與關聯方訂立以下交易：

	Notes 附註	2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Delivery cost charged by Mianyang Jin Xunhuan Finance Storage Limited, a private company controlled by a daughter of Mr. Yu Jianqiu 綿陽金循環金融倉儲有限公司(一間由俞建秋先生女兒所控制的私人公司)所收取的交付成本	(i)	2,985	2,934
Loan secured by the property, plant and equipment of Gushan Vegetable, a private company controlled by Mr. Yu Jianqiu 貸款由古杉油脂(一間由俞建秋先生控制的私人公司)的物業、廠房及設備擔保。	(ii)	12,000	12,000
Loan secured by the property, plant and equipment of Baohe Jiahao, a private company controlled by an associate of the Group 貸款由保和佳浩(一間由本集團聯營公司控制的私人公司)之物業、廠房及設備擔保。	(iii)	41,000	41,000

Notes:

- (i) The delivery cost is charged at a rate ranging from RMB28 to RMB680 per ton (2022: RMB28 to RMB680 per ton).
- (ii) At 31 December 2023, bank loans of RMB12,000,000 (2022: RMB12,000,000) were secured by property, plant and equipment of Gushan Vegetable.
- (iii) At 31 December 2023, bank loans of RMB41,000,000 (2022: RMB41,000,000) were secured by property, plant and equipment of Baohe Jiahao.

附註：

- (i) 交付成本為每噸人民幣28元至人民幣680元(2022年：每噸人民幣28元至人民幣680元)。
- (ii) 於2023年12月31日，銀行貸款人民幣12,000,000元(2022年：人民幣12,000,000元)由古杉油脂之物業、廠房及設備擔保。
- (iii) 於2023年12月31日，銀行貸款人民幣41,000,000元(2022年：人民幣41,000,000元)由保和佳浩之物業、廠房及設備擔保。

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

39. RELATED PARTY TRANSACTIONS (Continued)

(b) Other related party transactions:

- (i) Entrusted loans of RMB299,116,000 (2022: RMB299,116,000) were secured by an aggregate amount of 310,317,000 ordinary shares (2022: 310,317,000 ordinary shares) in the Company held by Ocean Through Limited, First Harvest Global Limited and Gold Wide Enterprises Limited, which are companies wholly owned by Mr. Huang Weiping, key management personnel of the Group.
- (ii) The Huarong CBs of RMBnil (the amount of RMB231,720,000 has been reclassified to other borrowings and other payables) (2022: RMB231,720,000) were secured by 278,000,000 ordinary shares in the Company held by Epoch Keen, a company wholly owned by Mr. Yu Jianqiu, the chairman and an executive director of the Company.
- (iii) During the year, the Group was granted unconditional government subsidies of RMB19,518,000 (2022: RMB12,591,000) from Youxian District Finance Bureau, Mianyang City, Sichuan Province. The subsidies were received through Boahe Fushan. Baohe Fushan has the discretionary right to allocate and distribute the government subsidies, with reference to the amounts of tax payments made by the entities.

(c) Compensation of key management personnel

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Short-term employee benefits	短期僱員福利	8,087	9,030
Post-employment benefits	離職後福利	64	150
Equity-settled share option expense	權益結算購股權開支	890	2,318
		9,041	11,498

Remuneration for the Company's directors and five highest paid employees, is disclosed in note 12 to the consolidated financial statements.

39. 關聯方交易 (續)

(b) 其他關聯方交易：

- (i) 委託貸款人民幣299,116,000元(2022年：人民幣299,116,000元)乃由洋達有限公司、肇豐環球有限公司及金博企業有限公司持有的本公司合共310,317,000股普通股(2022年：310,317,000股普通股)提供抵押，所有該等公司由本集團主要管理層人員黃偉萍先生全資擁有。
- (ii) 華融可換股債券人民幣零元(人民幣231,720,000元已重新分類至其他借款及其他應付款項)(2022年：人民幣231,720,000元)乃由本公司主席兼執行董事俞建秋先生全資擁有公司時建持有本公司278,000,000股普通股提供抵押。
- (iii) 年內，本集團獲得四川省綿陽市游仙區財政局批授的無條件政府補貼人民幣19,518,000元(2022年：人民幣12,591,000元)。該等補貼已透過保和富山收取。保和富山有權參照各實體的稅款金額分配及分發政府補貼。

(c) 主要管理人員薪酬

本公司董事薪酬及五名最高薪酬僱員於綜合財務報表附註12所披露。

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transaction

- (i) On 24 February 2022, 525,537,194 ordinary shares were allotted and issued at HK\$0.465 each to Prosper Rich. The aggregate subscription price for all 525,537,194 subscription shares amounted to approximately HK\$244,375,000 (equivalent to approximately RMB198,137,000) was settled by Prosper Rich by way of set-off against the Prosper Rich CBs of approximately RMB198,137,000 owed by the Group to Prosper Rich. Accordingly, there was no proceeds from the subscription.
- (ii) On 24 February 2022, 500,000,000 ordinary shares were allotted and issued at HK\$0.465 each to Huarong. The aggregate subscription price for all 500,000,000 subscription shares approximately amounted to HK\$232,500,000 (equivalent to approximately RMB188,509,000) was settled by Huarong by way of set-off against the Huarong CBs of approximately RMB188,509,000 owed by the Group to Huarong. Accordingly, there was no proceeds from the subscription. RMB40,540,000 and RMB147,969,000 had been transferred from convertible bonds to share capital and share premium respectively.
- (iii) On 1 January 2022, the vendor of Value Link and the Group signed a borrowing agreement to transfer the consideration liabilities of approximately HK\$148,163,000 (equivalent to approximately RMB121,383,000) to other borrowing with interest rate of 6% per annum and repayable on 31 December 2022. Up to the date of this report, the amount has not been paid.

40. 綜合現金流量表附註

(a) 主要非現金交易

- (i) 於2022年2月24日，525,537,194股普通股已按每股0.465港元的價格配發及發行予亨富。全數525,537,194股認購股份的總認購價約為244,375,000港元（相當於約人民幣198,137,000元），已由亨富以抵銷本集團結欠亨富之亨富可換股債券約人民幣198,137,000元的方式結算。因此，概無認購事項之所得款項。
- (ii) 於2022年2月24日，500,000,000股普通股已按每股0.465港元的價格配發及發行予華融。全數500,000,000股認購股份的總認購價約為232,500,000港元（相當於約人民幣188,509,000元），已由華融以抵銷本集團結欠華融之華融可換股債券約人民幣188,509,000元的方式結算。因此，概無認購事項之所得款項。人民幣40,540,000元及人民幣147,969,000元已由可換股債券分別轉撥至股本及股份溢價。
- (iii) 於2022年1月1日，尚領賣方與本集團簽訂借款協議，以將代價負債約148,163,000港元（相當於約人民幣121,383,000元）轉為其他借款，年利率為6%，並須於2022年12月31日償還。截至本報告日期，該款項尚未支付。

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綜合財務報表附註

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40. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

40. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

(b) 融資活動產生之負債變動

下表載列本集團年內融資活動產生之負債變動：

		Other accruals	Note payables	Interest-bearing bank and other borrowings	Convertible bonds	Lease liabilities	Amounts due to a director	Amounts due to associates and related parties	Total liabilities from financing activities
		其他應計費用	應付票據	計息銀行及其他借款	可換股債券	租賃負債	應付董事款項	應付聯營公司及關聯方款項	融資活動的總負債
		RMB'000	RMB'000	RMB'000	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	人民幣千元	人民幣千元	人民幣千元
As at 1 January 2022	於2022年1月1日	102,133	21,519	1,185,554	585,733	7,158	-	55,777	1,957,874
Changes in cash flows	現金流量變動	(16,951)	-	20,199	-	(4,398)	200	5,585	4,635
Non-cash changes	非現金變動								
- finance costs	- 財務成本	119,062	-	-	17,072	1,042	7	-	137,183
- additions of lease liabilities	- 添置租賃負債	-	-	-	-	953	-	-	953
- reclassification from consideration liabilities	- 重新分類自代價負債	-	-	121,383	-	-	-	-	121,383
- Termination of lease	- 終止租賃	-	-	-	-	(2,767)	-	-	(2,767)
- Settlement of convertible bonds by issuing shares	- 透過發行股份結算可換股債券	-	-	-	(386,646)	-	-	-	(386,646)
- exchange differences	- 匯兌差額	1,578	1,992	11,234	15,561	242	-	723	31,330
As at 31 December 2022 and 1 January 2023	於2022年12月31日及2023年1月1日	205,822	23,511	1,338,370	231,720	2,230	207	62,085	1,863,945
Changes in cash flows	現金流量變動	(7,109)	-	80,332	-	(2,195)	-	(121)	70,907
Non-cash changes	非現金變動								
- finance costs	- 財務成本	147,569	-	-	-	331	-	-	147,900
- reclassification to other borrowing and other payables	- 重新分類至其他借款及其他應付款項	28,292	-	203,428	(231,720)	-	-	-	-
- exchange differences	- 匯兌差額	1,210	411	5,870	-	13	-	-	7,504
As at 31 December 2023	於2023年12月31日	375,784	23,922	1,628,000	-	379	207	61,964	2,090,256

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41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

41. 財務狀況表及本公司儲備

(a) Statement of financial position of the Company

(a) 本公司財務狀況表

		2023 2023年 RMB'000 人民幣千元	2022 2022年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investment in a subsidiary	於附屬公司的投資	–	–
Interests in associates	於聯營公司的權益	46,807	47,106
		46,807	47,106
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	–	–
Amounts due from associates	應收聯營公司款項	67	193
Cash and cash equivalents	現金及現金等值項目	42	66
		109	259
Total assets	總資產	46,916	47,365
Current liabilities	流動負債		
Other payables	其他應付款項	109,665	44,053
Note payables	應付票據	23,922	23,511
Amounts due to subsidiaries	應付附屬公司款項	219,185	212,014
Amount due to a related party	應付一名關聯方款項	8,625	8,477
Other borrowings	其他借款	206,981	–
Convertible bonds	可換股債券	–	231,720
		568,378	519,775
Net current liabilities	淨流動負債	(568,269)	(519,516)
Total assets less current liabilities	總資產減流動負債	(521,462)	(472,410)
NET LIABILITIES	淨負債	(521,462)	(472,410)
Capital and reserves	資本及儲備		
Share capital	股本	363,611	363,611
Reserves	儲備	(885,073)	(836,021)
TOTAL EQUITY	總權益	(521,462)	(472,410)

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41. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

41. 財務狀況表及本公司儲備(續)

(b) Reserves of the Company

(b) 本公司儲備

		Share premium	Exchange reserve	Capital reserve	Share-based payment reserve	Accumulated losses	Total
		股份溢價	匯兌儲備	資本儲備	以股份為基礎的付款儲備	累計虧損	總計
		RMB'000	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	人民幣千元
As at 1 January 2022	於2022年1月1日	1,901,321	(44,058)	289,836	14,938	(1,002,550)	1,159,487
Loss for the year	年內虧損	-	-	-	-	(2,385,322)	(2,385,322)
Exchange differences on translation	換算產生的匯兌差額	-	81,495	-	-	-	81,495
Total comprehensive loss for the year	年內全面虧損總額	-	81,495	-	-	(2,385,322)	(2,303,827)
Share options lapsed/forfeited	已失效/沒收購股權	-	-	-	(33)	33	-
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	4,939	-	4,939
Issuance of ordinary shares	發行普通股	303,496	-	-	-	-	303,496
Issuance cost	發行成本	(116)	-	-	-	-	(116)
As at 31 December 2022 and 1 January 2023	於2022年12月31日及2023年1月1日	2,204,701	37,437	289,836	19,844	(3,387,839)	(836,021)
Loss for the year	年內虧損	-	-	-	-	(68,468)	(68,468)
Exchange differences on translation	換算產生的匯兌差額	-	17,013	-	-	-	17,013
Total comprehensive loss for the year	年內全面虧損總額	-	17,013	-	-	(68,468)	(51,455)
Share options lapsed/forfeited	已失效/沒收購股權	-	-	-	(372)	372	-
Equity-settled share-based payments	以權益結算以股份為基礎之付款	-	-	-	2,403	-	2,403
As at 31 December 2023	於2023年12月31日	2,204,701	54,450	289,836	21,875	(3,455,935)	(885,073)

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42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY

42. 本公司附屬公司的詳情

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Engen Investments Limited ("Engen") 恩金投資有限公司(「恩金」)	BVI 英屬處女群島	United States dollars ("USD") 10,225 10,225美元 (「美元」)	100%	–	Investment holding 投資控股
True Excel Holdings Limited ("True Excel") 京盛控股有限公司(「京盛」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
Alpha Legend Holdings Limited ("Alpha Legend") 盛際控股有限公司(「盛際」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
Alpha Business Investments Limited ("Alpha Business") 得揚投資有限公司(「得揚」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
Alpha Universe Group Limited ("Alpha Universe") 勝誠集團有限公司(「勝誠」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
Fanmay Limited ("Fanmay") 繁美有限公司(「繁美」)	BVI 英屬處女群島	HK\$1 1港元	100%	–	Investment holding 投資控股
China Recycling Aluminium Limited ("Recycling Aluminium") 中國循環鋁業有限公司(「循環鋁業」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
Cosmo Hope Limited ("Cosmo") Cosmo Hope Limited (「Cosmo」)	BVI 英屬處女群島	USD1 1美元	100%	–	Investment holding 投資控股
China Metal Resources Corporation Limited ("CMR") China Metal Resources Corporation Limited (「CMR」)	BVI 英屬處女群島	USD1 1美元	100%	–	Investment holding 投資控股
Hong Kong Jin Xunhuan Group Limited ("HKJXH") 香港金循環集團有限公司 (「香港金循環」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股
China Metal Resources (Hong Kong) Limited ("CMR HK") 中國金屬資源(香港)有限公司 (「中國金屬資源香港」)	Hong Kong 香港	HK\$1 1港元	–	100%	Investment holding 投資控股

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綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情 (續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
China Zhaofeng Copper Limited ("Zhaofeng") 中國兆豐銅業有限公司 (「兆豐」)	Hong Kong 香港	HK\$1 1 港元	–	100%	Investment holding 投資控股
Value Link Developments Limited ("Value Link") 尚領發展有限公司 (「尚領」)	BVI 英屬處女群島	USD100 100 美元	100%	–	Investment holding 投資控股
Silver Eminent Group Limited ("Silver Eminent") 銀赫集團有限公司 (「銀赫」)	BVI 英屬處女群島	USD100 100 美元	100%	–	Investment holding 投資控股
Sky Harvest Global Limited ("Sky Harvest") 天豐環球有限公司 (「天豐」)	BVI 英屬處女群島	USD100 100 美元	100%	–	Investment holding 投資控股
China Sanmei Copper Limited 中國三美銅業有限公司	Hong Kong 香港	USD100 100 美元	–	100%	Investment holding 投資控股
China Rongsheng Metal Limited 中國融晟金屬有限公司	Hong Kong 香港	USD100 100 美元	–	100%	Investment holding 投資控股
Mianyang Jinxin Copper Co., Ltd. ("Jinxin")	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB100,000,000	–	100%	Processing of scrap copper and electrolytic copper for the manufacturing of copper related products
綿陽金鑫銅業有限公司 (「金鑫」)	中國 有限責任公司 (港澳臺法人獨資)	人民幣 100,000,000 元	–	100%	加工生產銅相關產品所用的 廢銅及電解銅
Hunan Yinlian Xiangbei Copper Co., Ltd. ("Xiangbei")*	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB80,000,000	–	100%	Processing of scrap copper and electrolytic copper for the manufacturing of copper related products
湖南銀聯湘北銅業有限公司 (「湘北」)	中國 有限責任公司 (港澳臺法人獨資)	人民幣 80,000,000 元	–	100%	加工生產銅相關產品所用的 廢銅及電解銅

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Mianyang Tongxin Copper Co., Ltd. ("Tongxin")*	The PRC Limited liability company (sole proprietorship invested or controlled by natural person)	RMB50,000,000	–	100%	Processing of scrap copper and electrolytic copper for the manufacturing of copper related products
綿陽銅鑫銅業有限公司(「銅鑫」)	中國 有限責任公司 (自然人投資或控股 的法人獨資)	人民幣 50,000,000元	–	100%	加工生產銅相關產品所用的 廢銅及電解銅
Sichuan Baohe Xinshiji Cable Co., Ltd. ("Baohe Xinshiji")*	The PRC Limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB150,000,000	–	100%	Manufacturing and sale of power transmission and distribution cables
四川保和新世紀線纜有限公司 (「保和新世紀」)*	中國 有限責任公司 (港澳臺法人獨資)	人民幣 150,000,000元	–	100%	生產及銷售送配電纜
Mianyang Baohe Taiyue Co., Ltd. ("Baohe Taiyue")*	The PRC Limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB80,000,000	–	100%	Manufacturing Communications Cable and sale of communication cables
綿陽保和泰越有限公司 (「保和泰越」)*	中國 有限責任公司 (港澳臺法人獨資)	人民幣 80,000,000元	–	100%	生產電纜及銷售通信電纜
Mianyang Jin Xunhuan Metal Materials Co., Ltd. ("Jin Xunhuan")*	The PRC Limited liability company (sole proprietorship invested or controlled by natural person)	RMB30,000,000	–	100%	Manufacturing and sale of anodic copper and trading of electrolytic copper
綿陽金循環金屬材料有限公司 (「金循環」)*	中國 有限責任公司 (自然人投資或控股 的法人獨資)	人民幣 30,000,000元	–	100%	生產及銷售陽極銅和 買賣電解銅

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Shanghai Epoch Keen Metal Trading Co., Ltd. ("Shanghai Shijian")*	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB60,000,000	–	100%	Trading of copper related products
上海時建金屬銷售有限公司 ("上海時建")*	中國 有限責任公司 (港澳臺法人獨資)	人民幣 60,000,000元	–	100%	買賣銅相關產品
Mianyang Xinhuan Aluminium Co., Ltd. ("Xinhuan Aluminium")*	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB30,000,000	–	100%	Trading of aluminium related products
綿陽鑫環鋁業有限公司 ("鑫環鋁業")*	中國 有限責任公司 (港澳臺法人獨資)	人民幣 30,000,000元	–	100%	買賣鋁相關產品
Shanghai Buijiang Metal Material Co., Ltd. ("Buijiang")*	The PRC limited liability company (sole proprietorship invested or controlled by non-natural person)	RMB30,000,000	–	100%	Inactive
上海步江金屬材料有限公司 ("步江")*	中國 有限責任公司 (非自然人投資或控股的法人獨資)	人民幣 30,000,000元	–	100%	暫無業務
Sichuan Boxin copper Co., Ltd. ("Boxin")*	The PRC limited liability company (sole proprietorship invested or controlled by non-natural person)	RMB10,500,000	–	100%	Processing of scrap copper and electrolytic copper for the manufacturing of copper related products
四川博鑫銅業有限公司("博鑫")*	中國 有限責任公司 (非自然人投資或控股的法人獨資)	人民幣 10,500,000元	–	100%	加工生產銅相關產品所用的廢銅及電解銅

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Mianyang Yuxin Recycling Development Co., Ltd. ("Yuxin")*	The PRC limited liability company (sole proprietorship invested or controlled by natural person)	RMB50,000,000	–	100%	Trading of copper related products
綿陽譽鑫再生資源開發有限公司 (「譽鑫」)*	中國有限責任公司 (自然人投資或控股的法人獨資)	人民幣 50,000,000元	–	100%	買賣銅相關產品
Hunan Yinlian Xiangbei Nonferrous Metal Co., Ltd. ("Xiangbei Youse")*	The PRC limited liability company (foreign investment company as sole proprietor)	RMB50,000,000	–	100%	Trading of copper related products
湖南銀聯湘北有色金屬材料有限公司 (「湘北有色」)*	中國有限責任公司 (外商投資企業法人獨資)	人民幣 50,000,000元	–	100%	買賣銅相關產品
Sichuan Zhixin Metal Materials Co., Ltd. ("Zhixin")*	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB49,470,300	–	100%	Trading of copper related products
四川致鑫金屬材料有限公司 (「致鑫」)*	中國有限責任公司 (港澳臺法人獨資)	人民幣 49,470,300元	–	100%	買賣銅相關產品
Fuqing Zhongjin Nonferrous Metal Co., Ltd. ("Fuqing Zhongjin")*	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB100,000,000	–	100%	Trading of copper related products
福清中金有色金屬材料有限公司 (「福清中金」)*	中國有限責任公司 (港澳臺法人獨資)	人民幣 100,000,000元	–	100%	買賣銅相關產品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Chengxin Copper Co., Ltd ("Chengxin")*	The PRC limited liability company (sole proprietorship invested or controlled by natural person)	RMB10,000,000	–	100%	Processing of scrap copper for the manufacturing of copper related products
晟鑫銅業有限公司(「晟鑫」)*	中國 有限責任公司 (自然人投資或 控股的法人獨資)	人民幣 10,000,000元	–	100%	加工生產銅相關產品 所用的廢銅
Ganzhou Sanmei Copper Co., Ltd.	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	HK\$12,000,000	–	100%	Investment holding
贛州三美銅業有限公司*	中國 有限責任公司 (港澳臺法人獨資)	12,000,000港元	–	100%	投資控股
Miayang Zhaofeng Copper Co., Ltd. ("Zhaofeng")	The PRC limited liability company (Taiwan, Hong Kong or Macau joint venture)	RMB10,000,000	–	100%	Trading of copper related products
綿陽兆豐銅業有限公司(「兆豐」)*	中國 有限責任公司 (台港澳合資)	人民幣 10,000,000元	–	100%	買賣銅相關產品
Hubei Rongsheng Copper Co., Ltd ("Rongsheng")	The PRC limited liability company (Hong Kong, Macau and Taiwan legal person sole investment)	RMB7,602,000	–	100%	Processing of scrap copper for the manufacturing of copper related products
湖北融晟金屬製品有限公司 (「融晟」)*	中國 有限責任公司 (港澳臺法人獨資)	人民幣 7,602,000元	–	100%	加工生產銅相關產品所用的 廢銅
Ningbo Jinxuan Nonferrous Metal Co., Ltd*	The PRC limited liability company (foreign investment company as sole proprietor)	RMB60,000,000	–	100%	Trading of copper related products
寧波金煊有色金屬材料有限公司*	中國 有限責任公司 (外商投資企業 法人獨資)	人民幣 60,000,000元	–	100%	買賣銅相關產品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Ningbo Xiangbei Supply Chain Management Co., Ltd *	The PRC limited liability company (foreign investment company as sole proprietor)	RMB80,000,000	–	100%	Trading of copper related products
寧波湘北供應鏈管理有限公司*	中國 有限責任公司 (外商投資企業 法人獨資)	人民幣 80,000,000元	–	100%	買賣銅相關產品
Fujian Zhongjin Aluminum Technology Co., Ltd *	The PRC limited liability company (sole proprietorship invested or controlled by non-natural person)	RMB100,000,000	–	100%	Trading of copper related products
福建中金鋁業科技有限公司*	中國 有限責任公司 (非自然人投資或 控股的法人獨資)	人民幣 100,000,000元	–	100%	買賣銅相關產品
Huili Boxin Copper Manufacturing Co., Ltd*	The PRC limited liability company (foreign investment company as sole proprietor)	RMB18,000,000	–	100%	Trading of copper related products
會理博鑫銅材製造有限公司*	中國 有限責任公司 (外商投資企業 法人獨資)	人民幣 18,000,000元	–	100%	買賣銅相關產品
Chongqing Yuming Steel Distribution Co., Ltd*	The PRC limited liability company (legal person sole investment)	RMB100,000,000	–	100%	Trading of copper related products
重慶渝銘鋼材配送有限公司*	中國 有限責任公司 (法人獨資)	人民幣 100,000,000元	–	100%	買賣銅相關產品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

42. PARTICULARS OF THE SUBSIDIARIES OF THE COMPANY (Continued)

42. 本公司附屬公司的詳情(續)

Name of the subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 註冊及營業地點	Paid up capital 繳足股本	Equity interest attributable to the Company at 31 December 2023 於2023年12月31日 本公司應佔股權		Principal activity 主要業務
			Direct 直接	Indirect 間接	
Chongqing Yuming Aluminum Co., Ltd*	The PRC limited liability company (legal person sole investment)	RMB50,000,000	–	100%	Trading of copper related products
重慶渝銘鋁業有限公司*	中國 有限責任公司 (法人獨資)	人民幣 50,000,000元	–	100%	買賣銅相關產品
Chongqing Yuming Recycling Resources Development Co., Ltd*	The PRC limited liability company (legal person sole investment)	RMB50,000,000	–	100%	Trading of copper related products
重慶渝銘再生資源開發有限公司*	中國 有限責任公司 (法人獨資)	人民幣 50,000,000元	–	100%	買賣銅相關產品
Chongqing Yuming Metal materials Co., Ltd*	The PRC limited liability company (legal person sole investment)	RMB50,000,000	–	100%	Trading of copper related products
重慶渝銘金屬材料有限公司*	中國 有限責任公司 (法人獨資)	人民幣 50,000,000元	–	100%	買賣銅相關產品
Hubei Pangxin Nonferrous Metals Co., Ltd*	The PRC limited liability company (foreign investment company as sole proprietor)	RMB10,000,000	–	100%	Trading of copper related products
湖北省龐鑫有色金屬有限公司	中國 有限責任公司 (外商投資企業 法人獨資)	人民幣 10,000,000元	–	100%	買賣銅相關產品

* The English translation of the names is for reference only. The official names of these companies are in Chinese.

* 名稱的英文譯文僅作參閱。該等公司的官方名稱為中文。

The above list contains the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

上表只列出對本集團業績、資產或負債有重要影響的附屬公司詳情。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2023 截至2023年12月31日止年度

43. EVENTS AFTER THE REPORTING PERIOD

On 27 September 2024, the Company entered into a subscription agreement with the investor, pursuant to which the investor agreed to subscribe for and pay for the convertible notes to be issued by the Company in a principal amount of RMB400,000,000, subject to the satisfaction of certain conditions. The convertible notes are convertible in the circumstances set out in the terms and conditions into ordinary shares of HK\$0.10 each share of the Company at a conversion price of HK\$0.465 per ordinary share of the Company.

Except for those disclosed above and in the "PROSPECT" and "RESUMPTION OF TRADING CONDITIONS" sections of this report, the Group did not have any other material events after the reporting period.

44. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 2 October 2024.

43. 報告期後事項

於2024年9月27日，本公司與投資者訂立認購協議，據此，投資者同意認購及支付本公司將發行本金額為人民幣400,000,000元的可換股票據，惟須待若干條件達成後方可作實。可換股票據可在條款及條件所載的情況下，按換股價每股本公司普通股0.465港元兌換為本公司股份每股面值0.10港元的普通股。

除上文以及本年報「前景」及「恢復買賣條件」章節所披露者外，本集團於報告期後並無任何其他重大事項。

44. 批准綜合財務報表

該等綜合財務報表已於2024年10月2日經董事會批准及授權刊發。

FIVE YEAR FINANCIAL SUMMARY**五年財務概要**

31 December 2023 2023年12月31日

ASSETS AND LIABILITIES**資產及負債**

		2023	2022	2021	2020	2019
		2023年	2022年	2021年	2020年	2019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	總資產	1,382,319	2,398,071	6,733,999	6,257,670	5,200,642
Total liabilities	總負債	(4,889,531)	(5,100,071)	(5,024,602)	(4,769,535)	(3,390,555)
Net (liabilities)/assets	淨(負債)/資產	(3,507,212)	(2,702,000)	1,709,397	1,488,135	1,810,087
Results	業績					
Loss for the year	年內虧損	(805,780)	(4,763,152)	(95,477)	(387,249)	(217,336)
Total comprehensive loss for the year	年內全面虧損總額	(807,615)	(4,802,866)	(71,757)	(344,237)	(242,271)

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Yu Jianqiu
Kwong Wai Sun Wilson
Gao Qiang
Zhu Yufen

Independent Non-Executive Directors

Li Wei
Fang Guanghua
Yu Rengzhong

REGISTERED OFFICE

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

HEAD OFFICE IN THE PRC

She Nos 1, 3 and 8
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Youxian District
Mianyang
Sichuan Province
China

PLACE OF BUSINESS IN HONG KONG

Unit 2513B, COSCO Tower,
183 Queen's Road Central,
Sheung Wan,
Hong Kong

COMPANY SECRETARY

Cheung Ying Kwan

AUDITORS

ZHONG HUI ANDA CPA Limited
Certified Public Accountants

LEGAL ADVISORS

As to Hong Kong law
Herbert Smith Freehills

董事

執行董事

俞建秋
鄺偉信
高強
朱玉芬

獨立非執行董事

李偉
方光華
俞初忠

註冊辦事處

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

中國總辦事處

中國
四川省
綿陽
游仙區
小觀溝鎮順河村
1、3及8社

香港營業地點

香港
上環
皇后大道中183號
中遠大廈2513B室

公司秘書

張應坤

核數師

中匯安達會計師事務所有限公司
執業會計師

法律顧問

有關香港法律
史密夫斐爾律師事務所

CORPORATE INFORMATION

公司資料

AUDIT AND CORPORATE GOVERNANCE COMMITTEE

Li Wei
Fang Guanghua
Yu Rengzhong (*Chairman*)

REMUNERATION COMMITTEE

Li Wei
Fang Guanghua (*Chairman*)
Yu Rengzhong

NOMINATION COMMITTEE

Li Wei (*Chairman*)
Fang Guanghua
Yu Rengzhong

AUTHORIZED REPRESENTATIVES PURSUANT TO THE LISTING RULES

Kwong Wai Sun Wilson
Cheung Ying Kwan

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor,
Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited

COMPANY WEBSITE

<http://www.cmru.com.cn>

STOCK CODE

1636

審核及企業管治委員會

李偉
方光華
俞初忠 (*主席*)

薪酬委員會

李偉
方光華 (*主席*)
俞初忠

提名委員會

李偉 (*主席*)
方光華
俞初忠

符合上市規則的授權代表

鄭偉信
張應坤

股份過戶登記總處

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

香港股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心
17樓1712至1716舖

主要往來銀行

渣打銀行(香港)有限公司

公司網站

<http://www.cmru.com.cn>

股份代號

1636